



# **Biotage AB (publ)**

Interim Report January - September 2023



HumanKind Unlimited

# Strength through a global, diversified business

## July – September

- » Net sales amounted to SEK 449 (401) million, an increase of 12.1 percent and an organic\* decrease of 9.5 percent.
- » EBITA\* amounted to SEK 87 (104) million and adjusted to SEK 94 (110) million. The EBITA margin\* amounted to 19.3 percent (26.0) and adjusted to 20.9 percent (27.3).
- » Adjusted EBITDA\*\* amounted to SEK 117 (128) million and adjusted EBITDA margin amounted to 26.1 percent (31.8).
- » Operating profit amounted to SEK 65 (97) million and adjusted\* to SEK 73 (102) million.
- » The operating margin was 14.6 percent (24.2) and adjusted to 16.2 percent (25.5).
- » Profit after tax amounted to SEK 38 (65) million.
- » Earnings per share were SEK 0.48 (0.99) before and 0.48 (0.98) after dilution.
- » Cash flow from operating activities increased to SEK 103 (97) million.
- » Net cash\* as of September 30 was SEK 250 (224) million.
- » On September 25, Andrew Kellett started his position as interim CFO.

\* See definitions on pages 17-18

\*\* New KPI see definition on pages 17-18

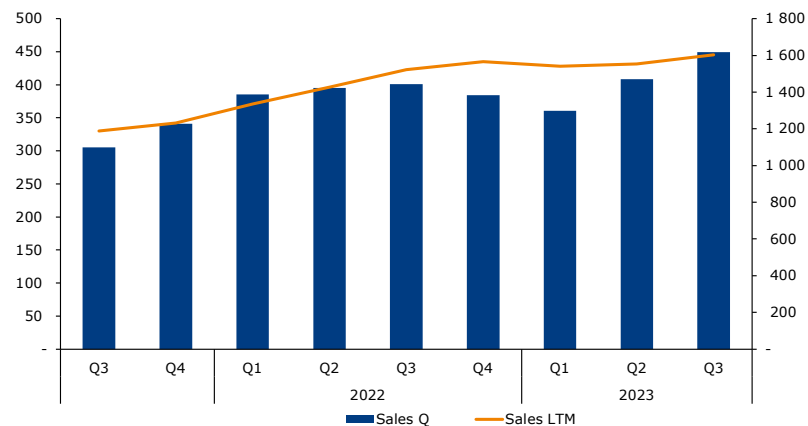
## January – September

- » Net sales amounted to SEK 1,219 (1,182) million, an increase of 3.2 percent and an organic\* decrease of 12.1 percent.
- » EBITA\* amounted to SEK 213 (307) million and adjusted to SEK 262 (323) million. The EBITA margin\* amounted to 17.4 percent (26.0) and adjusted to 21.5 percent (27.3).
- » Adjusted EBITDA\*\* amounted to SEK 324 (375) million and adjusted EBITDA margin amounted to 26.6 percent (31.7).
- » Operating profit amounted to SEK 172 (286) million and adjusted\* to SEK 221 (301) million.
- » The operating margin was 14.1 percent (24.2) and adjusted to 18.2 percent (25.5).
- » Profit after tax amounted to SEK 115 (194) million.
- » Earnings per share were SEK 1.60 (2.94) before and 1.60 (2.93) after dilution.
- » Cash flow from operating activities decreased to SEK 130 (242) million.
- » On March 9, it was announced that Lars Bäckman, Chief Legal Officer, will retire and leave Biotage in September 2023.
- » On April 28, Maja Nilsson informed that she is leaving the position as CFO.
- » On June 1, Biotage completed the acquisition of Astrea Group Holdings Company Ltd ("Astrea"), which was announced on 15 February 2023. As part of the transaction 13,954,103 ordinary shares were issued in June.
- » On September 25, Andrew Kellett started his position as interim CFO.

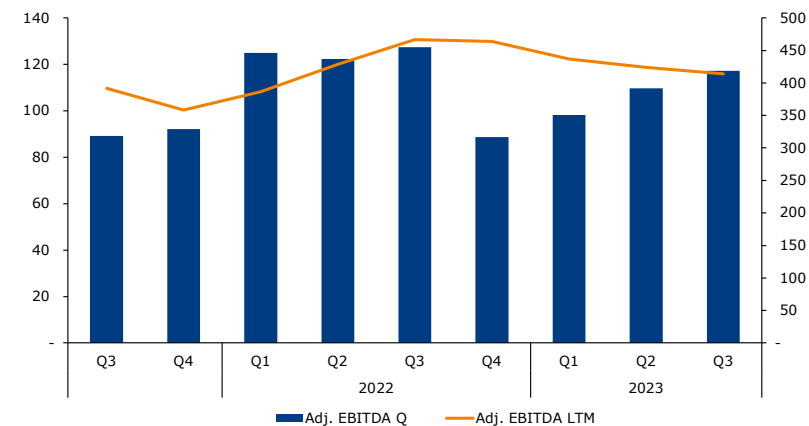
## Financial overview

Amounts in SEK millions	Third quarter		Nine-month period		Full year
	7/1/2023 9/30/2023	7/1/2022 9/30/2022	1/1/2023 9/30/2023	1/1/2022 9/30/2022	1/1/2022 12/31/2022
Net sales	449	401	1,219	1,182	1,566
Change. %	12.1%	31.2%	3.2%	32.7%	27.1%
of which:					
- Organic growth. %	-9.5%	12.2%	-12.1%	16.0%	11.4%
- Currency effects. %	3.4%	15.2%	5.0%	12.7%	12.7%
- Acquisitions/divestments. %	18.2%	3.8%	10.3%	4.0%	3.1%
Gross profit	282	241	756	721	948
Gross margin. %	62.9%	60.1%	62.0%	61.1%	60.6%
Operating profit (EBIT)	65	97	172	286	327
Operating margin (EBIT). %	14.6%	24.2%	14.1%	24.2%	20.9%
Adjusted operating profit (EBIT)	73	102	221	301	362
Adjusted operating margin (EBIT). %	16.2%	25.5%	18.2%	25.5%	23.1%
EBITA	87	104	213	307	356
EBITA margin. %	19.3%	26.0%	17.4%	26.0%	22.7%
Adjusted EBITA	94	110	262	323	391
Adjusted EBITA margin. %	20.9%	27.3%	21.5%	27.3%	25.0%
Adjusted EBITDA	117	128	324	375	464
Adjusted EBITDA margin, %	26.1%	31.8%	26.6%	31.7%	29.6%
Profit for the period	38	65	115	194	268
Earnings per share. SEK	0.48	0.98	1.60	2.93	4.04
Cashflow from operating activities	103	97	130	242	341

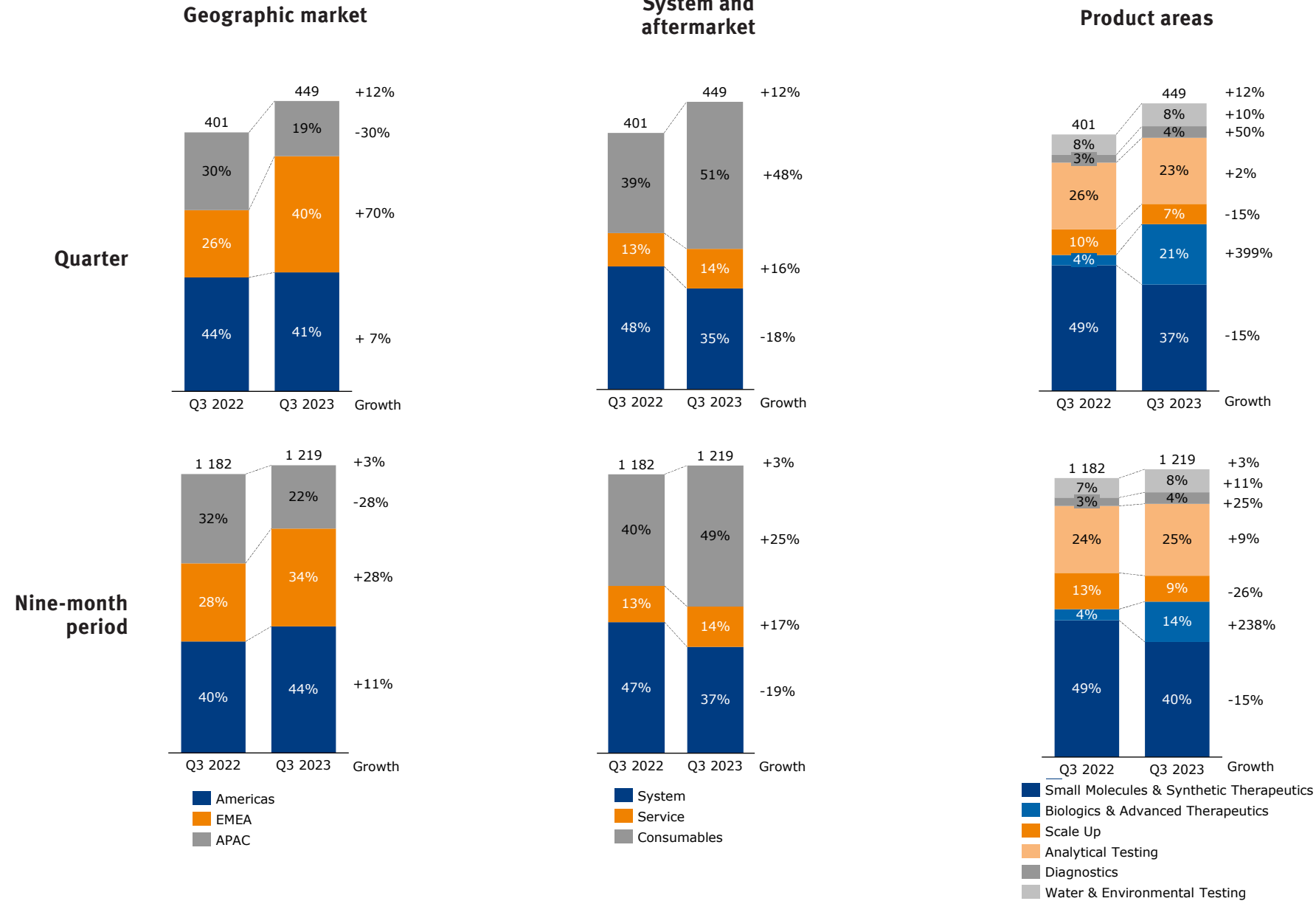
### Net sales, SEK millions



### Adjusted EBITDA, SEK millions



## Distribution of net sales



# Message from the CEO

## Strength through a global, diversified business

Biotage's total sales of SEK 449 million, including the new group member Astrea Bioseparations, represents a reported growth of 12 percent. We delivered reported growth in the Americas and EMEA, representing approximately 80 percent of our business. Our relentless focus on improving gross margins has been successful and I see Biotage today as a stronger and more diversified company than ever.

Our commitment to improve gross margins is paying off with an increase of 2.8 points to 62.9 (60.1) percent. We also delivered adjusted EBITDA of SEK 117 (128) million in the quarter and 26.1 (31.8) percent margin. At the same time, we continued to invest in R&D, with total gross spend in the quarter of SEK 58 (35) million to ensure we have a future pipeline of market leading products.

Parts of our business are still recovering from the swift changes in the market due to a decline in demand for Scale Up solutions connected to the manufacture of COVID-19 vaccines, as well as decelerating sales of Small Molecules systems in China. In spite of the continuing challenging market environment, our cashflow from operating activities in the quarter improved by SEK 6 million to SEK 103 (97) million.

Improved margins and cashflow are signs of success for the gradual implementation of our margin expansion and cost optimisation programme. Sales remain robust in most parts of the business. Two out of our three geographic markets are growing, EMEA and Americas, where we had a new record quarter. Sales in APAC are down compared to the third quarter of last year. We have and will continue to take all appropriate actions to ensure all our businesses have the right sized cost base to continue to trade profitably and maximise the market opportunities.

Four out of our six product focus areas are growing. Diagnostics, which includes our oligonucleotide business acquired with ATDBio, grew 50%. I see this as proof that Biotage has the processes to successfully integrate acquired companies and make their businesses grow. Driven by both the oligo business and newly acquired Astrea Bioseparations, with its business in the product focus area Biologics & Advanced Therapeutics, enabled our aftermarket ratio comprising of consumables and services to expand to 65 (52) percent in the quarter.

When it comes to Small Molecules & Synthetic Therapeutics, we want to defend our market share in order to retain a strong position when the markets in which we operate start to grow again. In China for example, we are diversifying our local business with an increased focus on growing market areas and application expertise. Drug discovery being a dynamic and exciting industry, will inevitably need new equipment, tools, and solutions in the future, so I do not doubt that capital expenditure will bounce back. Then our growth will, too. Already in the third quarter of this year, the hesitancy among customers to invest in systems has lessened slightly.

A testament to the strength of the group is our gross cash balance of SEK 501 (441) million and a net cash of SEK 250 (224) million. This tells me that Biotage is a healthy company with a strong balance sheet.

Biotage's strategy is to have a global presence, diversification of product portfolio, markets in attractive new niches to find exciting application areas, and to strengthen recurring revenue. This makes the company more robust in the face of sudden market changes, such as with the pandemic. In this sense, the newly acquired Astrea Bioseparations has been positive in this first full quarter as part of the group.

Astrea Bioseparations has expanded its manufacturing and warehousing capabilities in the US with a new facility in Canton, Massachusetts, which will be completed in the fourth quarter. This reflects growing demand for its innovative chromatography solutions in North American markets. The increased footprint will cut delivery lead times and boost customer support.

Also, at Biotech Week Boston late in September, a disruptive and sustainable new technology came live with Astrea Bioseparations' launch of scaled-up versions of their nanofiber chromatography purification technology. These technologies have been tailored specifically for cell and gene therapies.

As of 25 September, I am happy that we have a new interim CFO Andrew Kellett. Recruitment of a permanent successor as CFO continues.

A lot more can be said about the strengths of our company and people. I feel confident that we will close the year successfully, with a strong commitment to both improve sales and control costs throughout the organisation. We will diligently push on in our continued efforts to make Biotage a leading life science and diagnostics tools company in the markets we operate in.

Uppsala, October 25, 2023



*Tomas Blomquist  
President and CEO*



# Sales, earnings, cash flow and financial position

## Net sales and earnings

Net sales for the quarter amounted to SEK 449 (401) million, an increase of 12.1 percent and an organic decrease of 9.5 percent. Americas was the largest market, with 41 (44) percent of net sales. EMEA accounted for 40 (26) percent and APAC for 19 (30) percent. Net sales for the nine-month period amounted to SEK 1,219 (1,182) million, an increase of 3.2 percent and an organic decrease of 12.1 percent.

The Group's gross margin for the quarter increased by 2.8 percentage points to 62.9 percent (60.1). Gross margin was positively impacted by a favourable mix in sales of aftermarket products, price adjustments and beneficial currency effect. Sales were distributed as follows: system sales 35 (48) percent and aftermarket products (consumables and service) 65 (52) percent. The gross margin for the nine-month period increased by 0.9 percentage points to 62.0 (61.1) percent.

Operating expenses for the quarter amounted to SEK -217 (-144) million, an increase of SEK 73 million. Consolidation of Astrea carrying higher expenses compared to last year contributed significantly to the increase. The increase is also related to amortizations of surplus values and other acquisition-related costs related to Astrea. Distribution costs increased by SEK 32 million to SEK -125 (-93) million, which is mainly explained by amortization of surplus values. Administrative expenses increased by SEK 11 million to SEK -45 (-34) million.

Research and development expenses increased by SEK 16 million to SEK -44 (-28) million, due to higher amortization of surplus values. Other operating items for the quarter amount to SEK -3 (11) million are mainly consisting of currency effects on operating liabilities and receivables.

Operating expenses for the nine-month period amounted to SEK -584 (-436) million, an increase of SEK 148 million, the comparison is affected by consolidation of Astrea and amortization of surplus values and transaction cost related to acquisition of Astrea, see Note 5. Distribution costs increased by SEK 44 million to SEK -324 (-280) million. Administrative expenses increased by SEK 49 million to SEK -148 (-99) million, whereas SEK 33 million is related to transaction costs. Research and development expenses increased by SEK 31 million to SEK -109 (-78) million. Other operating items for the nine-month period were SEK -3

(21) million and consist primarily of currency effects on operating liabilities and receivables.

Operating profit for the quarter decreased by SEK 32 million to SEK 65 (97) million and the operating margin (EBIT) decreased by 9.6 percentage points to 14.6 (24.2) percent. Operating profit for the nine-month period decreased to SEK 172 (286) million and the operating margin (EBIT) amounted to 14.1 (24.2) percent. Adjusted operating profit amounted to SEK 73 (102) million and the adjusted operating margin amounted to 16.2 percent (25.5) for the quarter. For the nine-month period, the corresponding values were SEK 221 (301) million and 18.2 (25.5) percent, respectively.

EBITA for the quarter amounted to SEK 87 (104) million. Adjusted EBITA amounted to SEK 94 (110) million for the quarter. For the nine-month period, the corresponding values were SEK 213 (307) million and SEK 262 (323) million, respectively.

EBITDA for the quarter amounted to SEK 110 (122) million. Adjusted EBITDA amounted to SEK 117 (128) million. For the nine-month period, the corresponding values were SEK 275 (359) million and SEK 324 (375), respectively. The adjusted EBITDA margin for the quarter decreased to 26.1 (31.8) percent and for the nine-month period to 26.6 (31.7) percent. See also Note 2.

Net financial items for the quarter amounted to SEK -19 (-12) million. Financial costs attributable to earn-outs are higher compared to previous year. The nine-month financial net was SEK -26 (-34) million, where a re-evaluation of additional consideration relating to the PhyNexus, Inc. acquisition of SEK 6 million, met increased financial costs.

Profit after tax for the quarter decreased by SEK 27 million to SEK 38 (65) million. Recognized tax expense decreased to SEK -8 (-20) million. Profit after tax for the nine-month period decreased to SEK 115 (194) million. Recognized tax expense for the nine-month period decreased to SEK -31 (-58) million.

## Cash flow

Cash flow from operating activities for the quarter increased by SEK 6 million to SEK 103 (97) million. Major changes within the working capital relates to Astrea, but gives a small total effect compared to last year. Cash flow from operating activities for the nine-month period decreased by SEK 112 million to SEK 130 (242) million, which is mainly related to cash flow before changes in working capital.

Investments for the quarter amounted to SEK -25 (-17) million and for the nine-month period to SEK 62 (-49) million. Cash and cash equivalents acquired from Astrea contributed positively to cash-flow from investments.

Investments in property, plant and equipment were SEK 8 (10) million for the quarter, and for the nine-month period to SEK 17 (26) million, mostly related to investments into production facilities in the UK.

Investments in intangible assets were SEK 15 (7) million for the quarter and SEK 43 (23) million for the nine-month period. Capitalized development expenses accounted for SEK 10 (7) million of the investments in intangible assets during the quarter and SEK 7 (6) million of amortizations. The corresponding amount for the nine-month period was SEK 36 (22) million for investments and SEK 20 (17) million for amortizations.

Total depreciation and amortization for the quarter was SEK 49 (25) million, with SEK 9 (4) million directly attributable to property, plant and equipment; SEK 8 (6) million to amortization on rights-of-use assets and SEK 32 (15) million to intangible, whereas capitalized development expenses accounted for SEK 7 (6) million.

Total depreciations and amortizations for the nine-month period amounted to SEK 105 (74) million, with SEK 18 (13) million directly attributable to property, plant and equipment, SEK 20 (19) million to rights-of-use assets. Amortization of intangible fixed assets amounted to SEK 67 (42) million, where the increase is largely explained by amortization of surplus values related to the acquisition of Astrea.

## Balance sheet items

The Group's cash & cash equivalents on September 30 were SEK 501 (441) million. Interest-bearing liabilities relate to borrowings of SEK 150 (150) million under a credit facility, lease liabilities of SEK 101 (67) million, an estimated additional consideration of SEK 9 (22) million for the acquisition of PhyNexus, Inc. and SEK 377 (-) million for the acquisition of Astrea, and other financial liabilities of SEK 5 (3) million. The net cash position was SEK 250 (224) million, see note 2.

The Group's total goodwill on September 30 amounted to SEK 2,491 (794) million. The significant increase compared to the previous year is mostly related to the acquisition of Astrea, SEK 1,692 million but also to exchange rate changes.

Capitalized development expenses amounted to SEK 157 (136) million. Other intangible assets, mainly identified surplus values related to acquisitions, amounted to SEK 634 (172) million. The large increase is attributable to Astrea, see note 5.

Equity amounted to SEK 3,690 (1,637) million on September 30. During the period, a new share issue in the parent company has been performed which increased equity with SEK 2,026 million. Furthermore, the change is attributable to net profit of SEK 115 million, currency effects of SEK 10 million on the translation of foreign subsidiaries and dividends to shareholders of SEK 106 million.

During June, 13,954,103 new ordinary shares were issued and after the issue the total number of shares amounted to 80,667,695 and the share capital to SEK 112,128,096.05. In connection with the termination of the incentive program LTIP 2020 in July, 70,307 class C shares were converted to ordinary shares and in connection with this, the company sold 17,960 shares.

## Human resources

The Group had 689 employees (full-time equivalents) on September 30, compared with 510 one year earlier, where the increase is attributable to the acquisition of Astrea. As of December 31, 2022, the Group had 517 employees.

## Parent company

The Group's Parent Company, Biotage AB, has wholly owned subsidiaries in Sweden, the US, the UK, Canada, Germany, France, Italy, Switzerland, Japan, China, South Korea, India, and Singapore. 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 for the quarter amounted to SEK 1 (2) million. The operating expenses were SEK -9 (-9) million. The operating loss was SEK -8 (-7) million. The nine-month revenue was SEK 3 (5) million and operating loss was SEK -20 (-20) million.

The Parent Company's net financial items for the quarter amounted to SEK -12 (12) million and consisted mainly of interest expenses and exchange differences on translation of intra-Group receivables and liabilities. Higher financial costs compared with previous year relates to financial costs attributable to additional considerations. The nine-month financial net was SEK -26 (362) million. Last year's net financial items were affected by dividends from subsidiaries.

Recognized tax for the quarter amounted to SEK 2 (-1) million and SEK 6 (-1) million for the nine-month period. Profit after tax amounted to SEK -18 (4) million for the quarter and SEK -40 (341) million for the nine-month period.

Investments in intangible assets amounted to SEK 0 (0) million for the quarter and SEK 1 (1) million for the nine-month period.

Cash and bank balances on September 30 were SEK 102 (3) million.

## Significant events during the reporting period

On September 25, Andrew Kellett started his position as interim CFO.

## Significant events after the end of the reporting period

No significant events have taken place since the end of the reported period.

## Risks and uncertainties

As an international Group, Biotage is exposed to various risks that affect its ability to achieve defined targets. These include operational risks, such as the risk of competitive situations affecting price levels and sales volumes, and the risk of economic instability in the markets and areas where the Group operates. There are also financial risks, which include currency risks, interest rate risks and credit risks.

No significant change in material risks and uncertainties has taken place during the period compared to the section on Biotage's risks, uncertainties and risk management in the Company's 2022 annual report.

## Related-party transactions

There were no significant transactions during the period other than transactions between subsidiaries and remuneration of senior executives of the Group and Parent Company. The amounts are essentially the same as in the most recent annual report.

## Forward-looking information

This report contains forward-looking information based on management's current expectations. Although management believes that the expectations reflected in this forward-looking information are reasonable, no assurance can be given that these expectations will prove to be correct. Actual future outcomes may consequently vary significantly from those contained in this forward-looking information due to factors such as changes to economic, market and competitive conditions, amended legal and regulatory requirements, other policy measures and exchange rate fluctuations.

## Audit review

This report has been reviewed by the Company's auditors.

## Biotage's financial targets

- » Average annual organic growth of 12 % over a three-year period. Outcome: 6.9 % on September 30, 2023.
- » Average annual EBITA margin of 25 % over a three-year period. Outcome: 21.2 % on September 30, 2023.

## General information

Unless otherwise indicated in this interim report, the Group is referred to.

Figures in parentheses indicate the outcome for the corresponding period in the previous year, apart from balance sheet items where they refer to the value on December 31 of the previous year. Unless otherwise stated, amounts are presented in SEK millions.

## Calendar

All financial reports are published on [www.biotage.com](http://www.biotage.com)

Year-end Report 2023	February 15, 2024
The Annual Report 2023 is planned to be published	week 14, 2024
Interim Report January-March 2024	April 25, 2024
Annual General Meeting	April 25, 2024
Interim Report January-June 2024	July 16, 2024
Interim Report January-September 2024	October 23, 2024
Year-end Report 2024	February 19, 2025

The interim report for Biotage AB (publ) has been issued by the Company's President and CEO Tomas Blomquist after authorization by the Board of Directors.

Uppsala, October 25, 2023

Tomas Blomquist  
President and CEO

## For further information

Tomas Blomquist, President and CEO

Andrew Kellett, interim CFO

e: [IR@biotage.com](mailto:IR@biotage.com)

This information is information that Biotage AB (publ) is required to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act.

The information was submitted for publication, through the agency of the contact persons set out above, on October 25, 2023 at 08.00 CET.



# Consolidated financial statements

## Consolidated statement of comprehensive income

SEK Millions	7/1/2023 9/30/2023	7/1/2022 9/30/2022	1/1/2023 9/30/2023	1/1/2022 9/30/2022	1/1/2022 12/31/2022
Net sales	449	401	1,219	1,182	1,566
Cost of sales	-167	-160	-463	-460	-618
<b>Gross profit</b>	<b>282</b>	<b>241</b>	<b>756</b>	<b>721</b>	<b>948</b>
Distribution costs	-125	-93	-324	-280	-379
Administrative expenses	-45	-34	-148	-99	-150
Research & development expenses	-44	-28	-109	-78	-109
Other operating items	-3	11	-3	21	17
<b>Total operating expenses</b>	<b>-217</b>	<b>-144</b>	<b>-584</b>	<b>-436</b>	<b>-621</b>
<b>Operating profit</b>	<b>65</b>	<b>97</b>	<b>172</b>	<b>286</b>	<b>327</b>
Net financial items	-19	-12	-26	-34	21
<b>Profit before tax</b>	<b>46</b>	<b>85</b>	<b>146</b>	<b>252</b>	<b>348</b>
Income tax	-8	-20	-31	-58	-80
<b>Profit for the period</b>	<b>38</b>	<b>65</b>	<b>115</b>	<b>194</b>	<b>268</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Items that may be reclassified to profit or loss for the year:					
Exchange differences from translation of foreign subsidiaries	-102	48	10	125	84
<b>Total other comprehensive income</b>	<b>-102</b>	<b>48</b>	<b>10</b>	<b>125</b>	<b>84</b>
<b>Total comprehensive income for the period</b>	<b>-64</b>	<b>113</b>	<b>125</b>	<b>319</b>	<b>352</b>
Profit for the period attributable to owners of the Parent	38	65	115	194	268
Total comprehensive income for the period attributable to owners of the Parent	-64	113	125	319	352
Average number of shares outstanding	79,984,749	65,983,775	71,801,105	65,983,775	65,983,775
Average number of shares outstanding after dilution due to outstanding share programs	80,118,286	66,194,634	71,963,754	66,179,040	66,184,324
Ordinary shares outstanding at the reporting date	80,008,185	65,983,775	80,008,185	65,983,775	65,983,775
Earnings per share for the period	0.48	0.99	1.60	2.94	4.06
Diluted earnings per share for the period	0.48	0.98	1.60	2.93	4.04

## Consolidated statement of financial position

Amounts in SEK millions	9/30/2023	12/31/2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	2,491	794
Capitalized development expenditure	157	136
Other intangible assets	634	172
Right-of-use assets	97	66
Property, plant and equipment	193	96
Financial assets	19	21
Deferred tax asset	31	23
<b>Total non-current assets</b>	<b>3,622</b>	<b>1,308</b>
<b>Current assets</b>		
Inventories	508	305
Trade receivables	279	223
Other receivables	91	62
Cash and cash equivalents	501	441
<b>Total current assets</b>	<b>1,379</b>	<b>1,031</b>
<b>TOTAL ASSETS</b>	<b>5,001</b>	<b>2,339</b>

Amounts in SEK millions	9/30/2023	12/31/2022
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves attributable to equity holders of the parent company</b>		
Share capital	112	93
Reserves and other contributed capital	2,337	315
Retained earnings	1,241	1,229
<b>Total equity</b>	<b>3,690</b>	<b>1,637</b>
<b>Non-current liabilities</b>		
Liabilities to credit institutions	150	150
Lease liabilities	71	42
Other interest-bearing liabilities	157	17
Deferred tax liability	202	71
Non-current provisions	3	5
<b>Total non-current liabilities</b>	<b>583</b>	<b>285</b>
<b>Current liabilities</b>		
Accounts payables	174	57
Lease liabilities	30	25
Other financial liabilities	234	8
Other liabilities	286	325
Current provisions	4	3
<b>Total current liabilities</b>	<b>728</b>	<b>417</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,001</b>	<b>2,339</b>

## Condensed consolidated statement of changes in equity

Amounts in SEK millions	Share capital	Other paid-in capital	Translation reserve	Retained earnings	Total equity
<b>OPENING BALANCE JANUARY 1, 2022</b>	<b>92</b>	<b>266</b>	<b>-50</b>	<b>1,063</b>	<b>1,371</b>
<b>Changes in equity between January 1 and December 31, 2022</b>					
Total comprehensive income for the period	-	-	84	268	352
<b>Total changes during the period, excluding transactions with owners of the Parent</b>	<b>-</b>	<b>-</b>	<b>84</b>	<b>268</b>	<b>352</b>
<b>Transactions with owners of the Parent</b>					
New share issue	1	-	-	-	1
Dividend to shareholders of the Parent	-	-	-	-102	-102
Share-based compensation	-	15	-	-	15
Share buy-back, Parent company	-	-	-	-0	-0
<b>Closing balance December 31, 2022</b>	<b>93</b>	<b>281</b>	<b>34</b>	<b>1,229</b>	<b>1,637</b>
<b>CHANGES IN EQUITY BETWEEN JANUARY 1 AND SEPTEMBER 30, 2023</b>					
Total comprehensive income for the period	-	-	10	115	125
<b>Total changes during the period excluding transactions with owners of the Parent</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>115</b>	<b>125</b>
<b>Transactions with owners of the Parent</b>					
New share issue	19	2,007	-	-	2,026
Dividend to shareholders of the Parent	-	-	-	-106	-106
Share-based compensation	-	3	-	2	5
Other changes	-	-	1	-	1
<b>Closing balance September 30, 2023</b>	<b>112</b>	<b>2,291</b>	<b>45</b>	<b>1,241</b>	<b>3,690</b>

## Condensed consolidated statement of cash flows

Amounts in SEK millions	7/1/2023 9/30/2023	7/1/2022 9/30/2022	1/1/2023 9/30/2023	1/1/2022 9/30/2022	1/1/2022 12/31/2022
<b>OPERATING ACTIVITIES</b>					
Profit before tax	46	85	146	252	348
Adjustments for non-cash items	78	31	128	103	84
	<b>124</b>	<b>116</b>	<b>274</b>	<b>355</b>	<b>432</b>
Income tax paid	-20	-12	-68	-38	-52
<b>Cash flow from operating activities before changes in working capital</b>	<b>104</b>	<b>104</b>	<b>206</b>	<b>317</b>	<b>380</b>
<b>CASH FLOW FROM CHANGES IN WORKING CAPITAL</b>					
Increase (-)/decrease (+) in inventories	-72	-4	-69	-37	-45
Increase (-)/decrease (+) in operating receivables	34	-2	-35	-68	-45
Increase(+)/decrease (-) in operating liabilities	37	-1	28	30	51
<b>Cash flow from changes in working capital</b>	<b>-1</b>	<b>-7</b>	<b>-76</b>	<b>-75</b>	<b>-39</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>103</b>	<b>97</b>	<b>130</b>	<b>242</b>	<b>341</b>
<b>INVESTING ACTIVITIES</b>					
Acquisition of intangible assets	-15	-7	-43	-23	-35
Acquisition of property, plant and equipment	-8	-10	-17	-26	-35
Acquisition/disposal of financial assets	-2	0	-3	-0	-2
Acquisition of subsidiaries, net of cash	-	-	125	-	-12
<b>Cash flow from investing activities</b>	<b>-25</b>	<b>-17</b>	<b>62</b>	<b>-49</b>	<b>-84</b>
<b>FINANCING ACTIVITIES</b>					
Dividend to shareholders	-	-	-106	-102	-102
Subscription of new loans	-	-	-	-	150
Repayment of borrowings	-13	-8	-28	-25	-180
<b>Cash flow from financing activities</b>	<b>-13</b>	<b>-8</b>	<b>-134</b>	<b>-127</b>	<b>-133</b>
<b>Cash flow for the reporting period</b>	<b>65</b>	<b>72</b>	<b>58</b>	<b>65</b>	<b>124</b>
Cash and cash equivalents at beginning of period	444	312	441	311	311
Exchange differences	-8	4	2	12	7
<b>Cash and cash equivalents at end of reporting period</b>	<b>501</b>	<b>388</b>	<b>501</b>	<b>388</b>	<b>441</b>
<b>Adjustments for non-cash items</b>					
Depreciation and impairment	49	25	105	74	102
Translation differences	2	8	6	23	4
Value adjustment, additional consideration	-	-	-6	-	-28
Other items	27	-2	23	5	7
<b>Total</b>	<b>78</b>	<b>31</b>	<b>128</b>	<b>103</b>	<b>84</b>

## Condensed income statement, Parent Company

Amounts in SEK millions	7/1/2023 9/30/2023	7/1/2022 9/30/2022	1/1/2023 9/30/2023	1/1/2022 9/30/2022	1/1/2022 12/31/2022
Net sales	1	2	3	5	6
Administrative expenses	-8	-8	-20	-22	-30
Research & development expenses	-1	-1	-3	-3	-3
Other operating items	-0	0	-0	0	0
<b>Operating expenses, net</b>	<b>-9</b>	<b>-9</b>	<b>-23</b>	<b>-25</b>	<b>-33</b>
<b>Operating profit</b>	<b>-8</b>	<b>-7</b>	<b>-20</b>	<b>-20</b>	<b>-27</b>
<b>Profit/loss from financial investments</b>					
Interest income on receivables from group companies	-	1	-	2	3
Profit/loss from investments in subsidiaries	-	-	-	338	338
Other interest and similar income	15	17	18	46	51
Interest and similar expense	-27	-5	-44	-24	-27
Group contributions received	-	-	-	-	36
<b>Net financial items</b>	<b>-12</b>	<b>12</b>	<b>-26</b>	<b>362</b>	<b>401</b>
<b>Profit/loss after financial items</b>	<b>-20</b>	<b>5</b>	<b>-46</b>	<b>342</b>	<b>374</b>
Appropriations	-	-	-	-	2
Income tax	2	-1	6	-1	-7
<b>Profit/loss for the reporting period</b>	<b>-18</b>	<b>4</b>	<b>-40</b>	<b>341</b>	<b>369</b>
<b>STATEMENT OF COMPREHENSIVE INCOME, PARENT COMPANY</b>					
Profit/loss for the reporting period	-18	4	-40	341	369
<b>Other comprehensive income</b>					
Items that may be reclassified to profit or loss for the year	-	-	-	-	-
<b>Comprehensive income for the reporting period</b>	<b>-18</b>	<b>4</b>	<b>-40</b>	<b>341</b>	<b>369</b>

## Balance sheet, Parent Company

Amounts in SEK millions	9/30/2023	12/31/2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b>Intangible assets</b>		
Patents and licenses	13	13
<b>Total intangible assets</b>	<b>13</b>	<b>13</b>
<b>Financial assets</b>		
Investments in Group companies	3,545	1,141
Receivables from Group companies	13	12
Other financial assets	15	15
<b>Total financial assets</b>	<b>3,573</b>	<b>1,168</b>
<b>Total non-current assets</b>	<b>3,586</b>	<b>1,181</b>
<b>Current assets</b>		
<b>Current receivables</b>		
Receivables from Group companies	5	125
Other receivables	13	5
Prepaid expenses and accrued income	-	17
<b>Total current receivables</b>	<b>18</b>	<b>147</b>
<b>Cash and bank balances</b>	<b>102</b>	<b>3</b>
<b>Total current assets</b>	<b>120</b>	<b>150</b>
<b>Total assets</b>	<b>3,706</b>	<b>1,331</b>

Amounts in SEK millions	9/30/2023	12/31/2022
<b>EQUITY, PROVISIONS AND LIABILITIES</b>		
<b>Equity</b>		
<b>Restricted equity</b>		
Share capital	112	93
<b>Total restricted equity</b>	<b>112</b>	<b>93</b>
<b>Unrestricted equity</b>		
Other paid-in capital	2,264	258
Retained earnings	638	368
Profit/loss for the reporting period	-40	369
<b>Total unrestricted equity</b>	<b>2,862</b>	<b>995</b>
<b>Total equity</b>	<b>2,974</b>	<b>1,088</b>
Untaxed reserves	1	1
<b>Non-current liabilities</b>		
Liabilities to credit institutions	150	150
Other non-current liabilities	201	59
<b>Total non-current liabilities</b>	<b>351</b>	<b>209</b>
<b>Current liabilities</b>		
Trade payables	1	3
Liabilities to Group companies	161	-
Current tax liabilities	-	4
Other financial liabilities	205	-
Other current liabilities	1	-
Accruals and deferred income	12	26
<b>Total current liabilities</b>	<b>380</b>	<b>33</b>
<b>Total equity and liabilities</b>	<b>3,706</b>	<b>1,331</b>

## Key figures and ratios

Amounts in SEK millions	2023				2022			2021	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net Sales	449	409	361	384	401	395	386	341	305
Growth in net sales, %	12.1%	3.4%	-6.4%	12.6%	31.2%	30.3%	37.0%	14.5%	16.3%
Organic growth, %	-9.5%	-14.0%	-12.8%	-0.8%	12.2%	14.4%	21.9%	10.0%	17.8%
Gross profit	282	253	220	227	241	240	241	212	183
Gross margin, %	62.9%	62.0%	60.9%	59.1%	60.1%	60.6%	62.5%	62.1%	60.0%
Operating profit	65	53	54	41	97	93	96	61	68
Operating margin, %	14.6%	12.9%	14.8%	10.8%	24.2%	23.4%	24.9%	18.0%	22.3%
Profit for the period	38	34	43	74	65	57	71	46	53
Profit margin, %	8.5%	8.3%	11.9%	19.2%	16.2%	14.5%	18.4%	13.4%	17.4%
Total Assets	5,001	5,002	2,362	2,339	2,306	2,158	2,056	1,992	1,503
Net cash(+)/net debt(-), SEK millions	250	226	207	224	191	118	151	108	299
Equity/Assets ratio, %	73.8%	74.9%	71.5%	70.0%	69.3%	68.6%	70.8%	68.9%	72.5%
Cash flow from operating activities, SEK/share	1.29	0.28	0.16	1.49	1.47	1.25	0.86	1.57	1.37
Average number of employees	689	527	516	517	510	493	496	497	478
Return on equity, %	7.1%	8.2%	15.2%	17.8%	17.8%	18.2%	17.0%	17.3%	19.6%
Return on capital employed, %	11.2%	12.0%	22.5%	26.5%	29.7%	29.1%	24.0%	23.4%	25.8%
Return on total assets, %	8.8%	9.5%	18.1%	21.0%	22.9%	22.6%	19.3%	18.9%	20.9%
Earnings, SEK/share	0.48	0.49	0.65	1.12	0.99	0.87	1.08	0.69	0.81
Earnings after dilution, SEK/share	0.48	0.49	0.65	1.11	0.98	0.87	1.08	0.69	0.81
Stock market price at end of period, SEK/share	107.4	134.2	132.2	185.5	166.8	181	220.2	262.0	239.4
Equity, SEK/share	46.13	53.94	25.58	24.81	24.23	22.44	22.05	20.83	16.71
Equity after dilution, SEK/share	46.06	53.81	25.52	24.73	24.16	22.39	21.98	20.77	16.68
Weighted average number of shares, thousands	79,985	69,435	65,984	65,984	65,984	65,984	65,984	65,822	65,202
Weighted average number of shares after dilution, thousands	80,118	69,592	66,181	66,200	66,195	66,158	66,185	66,015	65,345
Total number of shares outstanding at end of the period, thousands	80,008	79,938	65,984	65,984	65,984	65,984	65,984	65,984	65,202

See definitions in Note 2 and in the 2022 Annual Report, pp 105-107

# Notes

## NOTE 1 Accounting policies

Biotage's consolidated financial statements are based on International Financial Reporting Standards as adopted by the EU. The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The Group and the Parent Company have applied the same accounting policies and calculation methods in the interim report as in the most recent annual report. Disclosures in accordance with IAS 34 Interim Financial Reporting are provided in the notes and elsewhere in the interim report. Amended and new standards and interpretations from the IASB and IFRS Interpretations Committee that are effective for the 2023 fiscal year have not had any impact on the Group's financial reporting. Amendments to RFR2 that have come into force and are effective on or after January 1, 2023, have not had any material impact on the Parent Company's financial statements.

When preparing the interim reports for the Group and Parent Company, the same accounting policies and calculation methods have been used as in Biotage's 2022 annual report. The accounting policies are described on pages 65-79 of the annual report. For balance sheet items, figures in parentheses refer to the value at the end of the previous fiscal year, December 31, 2022. For income statement and cash flow items, figures in parentheses refer to the corresponding period in the previous year.

### Fair value

#### Additional consideration

Biotage's financial liabilities relating to additional considerations in connection to business combinations are 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 of related products in the period 2019 to 2023. The agreement with the sellers does not include a maximum amount.

The additional consideration attributable to the acquisition of Astrea is estimated at SEK 325 million, based on the USD/SEK exchange rate as of June 1, 2023, and is based on financial targets linked to sales and gross profit during the years 2023 to 2025. The debt is divided into a long-term and short-term part. The Group's total earn-out also includes earn-out related to Astrea's acquisition of Delta.

The company's best assessment of fair value on the closing date is shown in the table below. The fair value calculations are based on level 3 of the fair value hierarchy, which means that the fair value was determined based on a valuation model using significant inputs that are unobservable. Valuation was based on expected future cash flows, discounted using a market interest rate.

	9/30/2023	12/31/2022
Additional consideration, non-current portion	154	15
Additional consideration, current portion	233	7
<b>Total</b>	<b>387</b>	<b>22</b>

<b>Opening value, January 1, 2023</b>	<b>22</b>
Value adjustment	15
Acquisition in the period	358
Exchange rate differences	-1
Settled during the year	-7
<b>Closing balance, September 30, 2023</b>	<b>387</b>

#### Other financial assets

Biotage has a financial asset in the form of shares in Chreto ApS, reported as financial assets at fair value. The holding has been allocated to level 2 of the fair value hierarchy on the basis that issue prices during the fourth quarter of 2022 are observable market data. On September 30, the shares were valued at the last known transaction price, which is the same price as in the previous quarter.

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 other 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. Further information about financial assets and liabilities and their classification can be found in Note 20 and 21 of the 2022 Annual Report.

#### Performance share program

In accordance with a resolution of the AGM, Biotage has adopted long-term incentive programs in the form of performance-based share programs ("LTIP 2020", "LTIP 2021" and "LTIP 2022") for employees of the Biotage Group. All programs 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. For further information about the programs, see the 2022 Annual Report. LTIP 2020 expired in mid-July and ordinary shares was transferred to the participants. Changes in number of performance shares:

Number of performance shares	LTIP		
	2020	LTIP 2021	LTIP 2022
Opening balance January 1, 2023	127,819	151,599	168,926
Transferred performance shares	-52,347	-	-
Cancelled performance shares	-75,472	-13,220	-18,823
<b>Closing balance September 30, 2023</b>	<b>-</b>	<b>138,379</b>	<b>150,103</b>



### Scope and costs of the LTIP programs

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

Nine participants, including the CEO, have been awarded a total of 127,819 rights to performance shares under the LTIP 2020 program. LTIP 2020 expired in the mid-July and 52,347 ordinary shares were transferred to seven participants. Under the LTIP 2022 program, eleven participants, including the CEO, have been awarded a total of 151,599 rights to performance shares under the LTIP 2021 program. 13 participants, including the CEO, have been awarded a total of 168,926 rights to performance shares under the LTIP 2022 program.

The cost of LTIP 2020 for the fourth quarter amounted to SEK 0.1 million, including social security contributions. The total cost of LTIP 2020 amounted to SEK 14 million. LTIP 2021 impacted the quarter with a cost of SEK 0.8 million, including social security contributions. The estimated maximum total cost of LTIP 2021 amounts to SEK 13 million. LTIP 2022 impacted the quarter with a cost of SEK 0.9 million, including social security contributions. The estimated maximum total cost of LTIP 2022 amounts to SEK 14 million.

### Effects on key figures and dilution

In order to secure the allotment of ordinary shares in Biotage to participants in LTIP 2020, 2021 and 2022, Biotage issued and repurchased C shares. In connection with the expiration of LTIP 2020, a total of 70,307 class C shares have been converted to ordinary shares, where 52,347 shares have been transferred to the participants and 17,960 have been used to cover social costs. Further information about the terms and conditions of the Class C shares can be found in the appendix to the minutes of the respective AGM on the Biotage website.

On maximum allotment of performance shares under LTIP 2021, 138,379 ordinary shares will be allotted to participants and 47,130 ordinary shares will be used to cover any social security contributions associated with the program. This will have a dilutive effect of about 0.23 percent of the number of ordinary shares in the Company. On maximum allotment of performance shares under LTIP 2022, 150,103 ordinary shares will be allotted to participants and 47,130 ordinary shares will be

used to cover any social security contributions associated with the program. This will have a dilutive effect of about 0.24 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 September 30. However, this does not have any material effect on earnings per share.

### NOTE 2 Key figures and performance measures

A list of definitions of key figures and performance measures reported in the consolidated financial statements can be found in Note 32 of the 2022 Annual Report.

### Alternative performance measures

In this report, Biotage presents information used by management to assess the Group's performance. Some of the financial measures presented are not defined under IFRS. The Company believes that these measures provide useful additional information to investors and Company management and contribute to the evaluation of relevant trends and the Company's performance. 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. ESMA's guidelines on alternative performance measures are applied and include enhanced disclosure requirements for performance measures not defined under IFRS. Explanations of the financial measures that Biotage considers relevant are provided below.

### Net cash/debt

Information on the Group's net cash/debt, defined as cash less liabilities to credit institutions, is reported in order to enable stakeholders and management to monitor and analyze the Group's financial strength. Previously presented net cash is adjusted as above.

	9/30/2023	12/31/2022
Cash and cash equivalents	501	441
Liabilities to credit institutions	-150	-150
Lease-related liabilities	-101	-67
<b>Net cash (+) /net liabilities (-)</b>	<b>250</b>	<b>224</b>

### Profit measurements and adjusted profit measurements

In this report, Biotage uses the performance measure EBIT (Earnings Before Interest and Taxes) as an alternative term for operating profit. EBIT margin is an alternative term for the operating margin, which is calculated as operating profit divided by net sales. Operating profit is calculated as net sales less cost of sales and operating expenses.

EBITA is calculated as earnings before amortization of acquisition-related surplus values, interest, and tax. EBITA margin is EBITA divided by net sales.

EBITDA is calculated as operating profit with reversal of depreciation and amortization of tangible and intangible assets. The EBITDA margin is EBITDA divided by net sales.

To facilitate for the reader to form an opinion about underlying operations adjusted for non-recurring items related to acquisitions, Biotage also reports adjusted profit measures in the form of adjusted EBIT, adjusted EBITA and adjusted EBITDA. The performance measures, how they relate to each other, and the effect of adjustments are shown in the tables below.

	7/1/2023 9/30/2023	7/1/2022 9/30/2022	1/1/2023 9/30/2023	1/1/2022 9/30/2022	1/1/2022 12/31/2022
<b>EBITA</b>					
<b>EBIT</b>	65	97	172	286	327
Amortization of acquisition-related surplus values	22	7	41	21	29
<b>EBITA</b>	87	104	213	307	356
	7/1/2023 9/30/2023	7/1/2022 9/30/2022	1/1/2023 9/30/2023	1/1/2022 9/30/2022	1/1/2022 12/31/2022
<b>EBITDA</b>					
<b>EBIT</b>	65	97	172	286	327
Depreciations/amortizations on tangible and intangible assets	45	25	103	74	101
<b>EBITDA</b>	110	122	275	359	428
	7/1/2023 9/30/2023	7/1/2022 9/30/2022	1/1/2023 9/30/2023	1/1/2022 9/30/2022	1/1/2022 12/31/2022
<b>Adjusted EBIT</b>					
<b>EBIT</b>	65	97	172	286	327
Additional consideration	6	5	16	16	21
Transaction costs	1	-	33	-	15
<b>Adjusted EBIT</b>	73	102	221	301	362
	7/1/2023 9/30/2023	7/1/2022 9/30/2022	1/1/2023 9/30/2023	1/1/2022 9/30/2022	1/1/2022 12/31/2022
<b>Adjusted EBITA</b>					
<b>EBITA</b>	87	104	213	307	356
Additional consideration	6	5	16	16	21
Transaction costs	1	-	33	-	15
<b>Adjusted EBITA</b>	94	110	262	323	391
	7/1/2023 9/30/2023	7/1/2022 9/30/2022	1/1/2023 9/30/2023	1/1/2022 9/30/2022	1/1/2022 12/31/2022
<b>Adjusted EBITDA</b>					
<b>EBITDA</b>	110	122	275	359	428
Additional consideration	6	5	16	16	21
Transaction costs	1	-	33	-	15
<b>Adjusted EBITDA</b>	117	128	324	375	464

### Organic growth and growth at comparable exchange rates

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 considerable extent. The Group's revenue is also affected by acquisitions. To enable stakeholders and management to obtain a clear picture of organic growth and analyze the sales trend excluding currency effects and acquisitions, the Company reports sales growth for the current and comparative period at constant exchange rates and adjusted for acquisitions. The current period's sales in each currency are translated at the exchange rates that were used in the financial statements for the comparative period and adjusted for acquisitions. Organic growth as a percentage is the ratio of organic growth and reported net sales for the comparative period.

	7/1/2023 9/30/2023		7/1/2022 9/30/2022		1/1/2023 9/30/2023		1/1/2022 9/30/2022	
	SEK millions	%	SEK millions	%	SEK millions	%	SEK millions	%
Net sales recognized in the comparative period	401		305		1,182		890	
Net sales recognized in the period	449		401		1,219		1,182	
<b>Recognized change</b>	<b>48</b>	<b>12.1</b>	<b>95</b>	<b>31.2</b>	<b>37</b>	<b>3.2</b>	<b>291</b>	<b>32.7</b>
Net sales for the period, excl. acquisitions	376		389		1,099		1,146	
<b>Change attributable to acquisitions</b>	<b>73</b>	<b>18.2</b>	<b>12</b>	<b>3.8</b>	<b>120</b>	<b>10.3</b>	<b>35</b>	<b>4.0</b>
Net sales for the period at comparative period's exchange rates, excl. acquisitions	363		343		1,039		1,033	
<b>Change attributable to currency</b>	<b>13</b>	<b>3.4</b>	<b>46</b>	<b>15.2</b>	<b>60</b>	<b>5.0</b>	<b>113</b>	<b>12.7</b>
Net sales for the period at comparative period's exchange rates, excl. acquisitions	363		343		1,039		1,033	
<b>Organic growth</b>	<b>-38</b>	<b>-9.5</b>	<b>37</b>	<b>12.2</b>	<b>-143</b>	<b>-12.1</b>	<b>143</b>	<b>16.0</b>

### Graphs of net sales and operating result

Biotage has chosen to report graphs of the net sales and adjusted EBITDA on a last twelve months (LTM) basis as corporate management also follows the development over time on a LTM basis and believes that this provides supplementary information to the calendar-based interim data otherwise given in the report.

	9/30/2023			9/30/2022		
	1/1/2023 9/30/2023	10/1/2022 12/31/2022	LTM	1/1/2022 9/30/2022	10/1/2021 12/31/2021	LTM
Net sales	1,219	384	1,602	1,182	341	1,523
Adjusted EBITDA	324	89	414	375	92	467
<b>Growth, %</b>			<b>5.2%</b>			<b>40.6 %</b>

### NOTE 3 Pledged assets and contingent liabilities

In connection with the acquisition of ATDBio, Ltd., there has been an agreement on an additional purchase price of GBP 5 million, which may be due provided that certain conditions are met. The terms mean that the additional purchase price is expensed over time, and owed to the extent that they are earned. The excess part, SEK 20 (35) million on September 30, is a contingent liability.

### NOTE 4 Composition of income

As a result of changes in customer or product classifications, individual sales information may differ from that disclosed in previous interim reports.

Revenue by sales channel	7/1/2023	7/1/2022	1/1/2023	1/1/2022
	9/30/2023	9/30/2022	9/30/2023	9/30/2022
Direct sales through own sales channels	427	378	1,166	1,135
Sales through distributors	22	23	53	47
<b>Total sales revenue</b>	<b>449</b>	<b>401</b>	<b>1,219</b>	<b>1,182</b>

Revenue by systems and aftermarket products	7/1/2023	7/1/2022	1/1/2023	1/1/2022
	9/30/2023	9/30/2022	9/30/2023	9/30/2022
System	158	192	454	561
Service	62	53	174	149
Consumables	229	156	591	472
<b>Total sales revenue</b>	<b>449</b>	<b>401</b>	<b>1,219</b>	<b>1,182</b>

Revenue by customer focus area	7/1/2023	7/1/2022	1/1/2023	1/1/2022
	9/30/2023	9/30/2022	9/30/2023	9/30/2022
White	293	226	786	769
Red	97	132	282	282
Blue & Green	59	43	151	131
<b>Total sales revenue</b>	<b>449</b>	<b>401</b>	<b>1,219</b>	<b>1,182</b>

**Distribution by geographical markets and product areas**

	Americas		EMEA		APAC		Total	
	7/1/2023	7/1/2022	7/1/2023	7/1/2022	7/1/2023	7/1/2022	7/1/2023	7/1/2022
	9/30/2023	9/30/2022	9/30/2023	9/30/2022	9/30/2023	9/30/2022	9/30/2023	9/30/2022
Small Molecules & Synthetic Therapeutics	71	64	47	45	49	88	167	197
Biologics & Advanced Therapeutics	20	14	70	3	3	1	92	18
Scale Up	11	13	12	18	11	8	34	40
Analytical Testing	60	58	28	27	16	17	105	103
Diagnostics	1	1	13	6	2	4	16	11
Water & Environmental Testing	24	25	8	6	3	2	35	32
<b>Summa</b>	<b>187</b>	<b>175</b>	<b>178</b>	<b>105</b>	<b>84</b>	<b>120</b>	<b>449</b>	<b>401</b>

	Americas		EMEA		APAC		Total	
	1/1/2023	1/1/2022	1/1/2023	1/1/2022	1/1/2023	1/1/2022	1/1/2023	1/1/2022
	9/30/2023	9/30/2022	9/30/2023	9/30/2022	9/30/2023	9/30/2022	9/30/2023	9/30/2022
Small Molecules & Synthetic Therapeutics	191	181	121	120	181	279	494	580
Biologics & Advanced Therapeutics	48	41	117	6	5	3	169	50
Scale Up	51	43	40	84	21	24	111	151
Analytical Testing	171	149	90	79	45	52	307	281
Diagnostics	4	2	30	22	10	11	43	34
Water & Environmental Testing	67	63	19	15	8	7	95	86
<b>Summa</b>	<b>532</b>	<b>479</b>	<b>417</b>	<b>326</b>	<b>270</b>	<b>376</b>	<b>1,219</b>	<b>1,182</b>

The distribution relates to sales per product area to customers located in the above geographical areas.

## NOTE 5 Business Acquisitions

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

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

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

Acquisition price:

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

The fair value of the 13,954,103 ordinary shares issued is based on the share price for Biotage AB on June 1, 2023, of SEK 145.2 per share. The final purchase price did not deviate materially from the previous preliminary purchase price. All adjustments to the purchase price will consist of cash and cash equivalents, and is expected to be done during the fourth quarter 2023.

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

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

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

The acquisition impacted the Groups cash flow as follows:

Cash and cash equivalents	128
Transaction expenses for the period	-21
Stamp duty	-12
<b>Net cash flow effect</b>	<b>95</b>

During the period, the acquired business contributed SEK 120 million in net sales and SEK 76 million in gross margin (63.1%) and SEK -45 million in EBIT. If the companies had been owned as of 1 of January 2023, they would have contributed approximately SEK 229 million in net sales, SEK 141 million in gross margin (61.4%) and SEK -54 million in EBIT (excluding acquisition-related costs).

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

### Additional consideration

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

\*Held through Gamma Biosciences Newco Limited and Gamma Biosciences Newco 2 Limited, two entities controlled by KKR.

# Auditor's report

**Biotage AB corp. reg. no. 556539-3138**

## Introduction

We have reviewed the condensed interim financial information (interim report) of Biotage AB as of 30 September 2023 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Uppsala, 25 October 2023

Öhrlings PricewaterhouseCoopers AB

Leonard Daun

Authorized Public Accountant

# 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 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"**.

Biotage is headquartered in Uppsala in Sweden and employs approx. 700 people worldwide. The Group had sales of 1,566 MSEK in 2022 and our products are sold in more than 80 countries. Biotage's share (BIOT) is listed in the Large Cap segment on the NASDAQ Stockholm

Website: [www.biotage.com](http://www.biotage.com)

## This is where we're located

Biotage has 18 office locations in nine 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.

### Biotage Headquarter

Uppsala, Sweden

### Biotage Canada

Joliette, Quebec

### Biotage USA

San Jose, CA  
Charlotte, NC  
Salem, NH  
Boston, MA

### Biotage UK

Cardiff, Wales  
Southampton, England  
Oxford, England  
Cambridge, England  
Stonehouse, England  
Isle of Man, British Isles

### Biotage India

New Delhi, India

### Biotage Korea

Seoul, South Korea

### Biotage Japan

Tokyo, Japan  
Osaka, Japan

### Biotage China

Shanghai, China

### Biotage Singapore



# Customer excellence

Biotage's mission is to help our customers make the world a healthier, greener and cleaner place. To achieve this we provide them with a wide set of solutions ranging from tools and services for drug and diagnostics discovery and development to products, methods and applications for analytical, clinical, environmental and food testing. All this is in line with our ethos – HumanKind Unlimited.

Our portfolio of solutions is very wide and so is our customer base. They span a wide range of activities – including the pharmaceutical and diagnostic industry, biotech, contract research and manufacturing as well as clinical, forensic and academic laboratories; in addition to organizations focused on food safety, clean water and environmental sustainability. To better meet the needs of each customer group we have divided them into three focus areas: **White Tech**, **Red Tech** and **Blue & Green Tech**.



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



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



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



# HumanKind Unlimited

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