ANNUAL REPORT 2022

BICO

BICO GROUP AB (PUBL)

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Annual Report

The Board and CEO of BICO Group AB (publ), company registration number 559050-5052 hereby submit the Annual Report and the consolidated accounts for January 1, 2022 to December 31, 2022.

The Annual Report has been audited by BICO's auditors and the Auditors' report can be found on pages 102-104.

In the events of any differences between the Englsh version and the Swedish version, the latter shall prevail.

The BICO story

BICO's mission is to enable the pharmaceutical and biopharma industries to develop new treatments faster and safer, with more specificity and less need for animal testing. Our laboratory automation technologies are at the forefront, enjoying a significant and growing demand, in many cases driven by their uniqueness and accessibility.

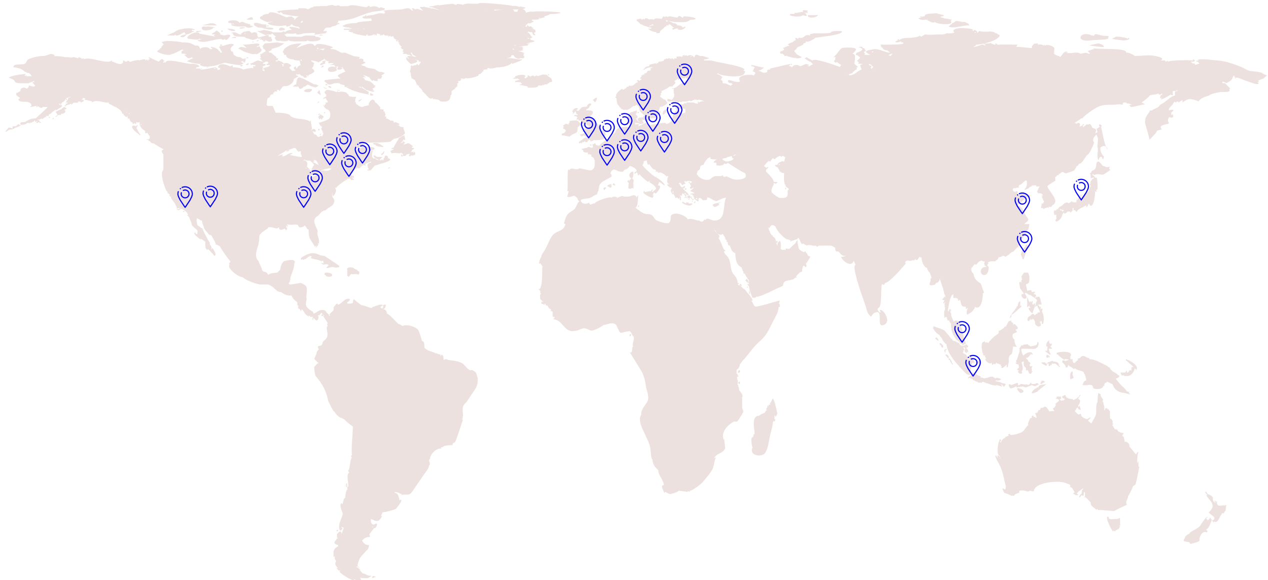
We embody the spirit of bioconvergence, creating user-friendly solutions by combining well-proven, conventional technologies with biology (biology, biomaterials, advanced genomics, bioprinting, artificial intelligence, robotics and computer science). Customers benefit from our accessible solutions that streamline and automate their workflows to ensure faster, more accurate results. This is the BICO foundation and our contribution to the future of healthcare.

Our growth strategy is to acquire innovative technology companies once they are de-risked and ready for commercialization and growth. This strategy is aimed to identify the most cutting-edge technologies and bring them into the BICO environment. We are proud of our early success in building a family of promising companies with complementary and synergistic technologies, ready to scale up.

We are now positioning us for profitable growth, positioning us as a leading provider of drug discovery and laboratory automation tools. The result is unparalleled product offerings with a strong underlying patent portfolio.

In general alignment with the recent changes in the macroeconomic climate, we are now entering an early phase of consolidation. We are streamlining the BICO organization to increase technical and commercial synergies among our companies, as well as creating processes to ensure a successful and efficient scaling-up of their businesses. The core of BICO will evolve to oversee this organic growth agenda, while also driving a more customer-focused approach. This is the key to creating customer value and stable, predictable performance over time.

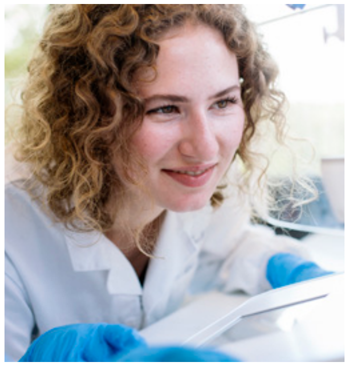
Exceptional talent is the main ingredient in this phase of our journey. The improvements we are implementing will allow us to realize the full value of our strong team, resulting in continued value creation for all our customers around the globe.

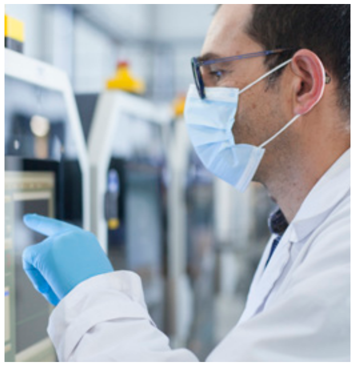


3
BUSINESS AREAS

32,000+
INSTRUMENTS IN THE FIELD

11,000+
PUBLICATIONS





65+
COUNTRIES

17%
2022 ORGANIC GROWTH

1,200+
EMPLOYEES

LABORATORY SOLUTIONS

BIOSCIENCES

- BIOSERO – A BICO COMPANY
- CYTENA – A BICO COMPANY
- CYTENA BPS – A BICO COMPANY
- DISPENDIX – A BICO COMPANY
- ECHO – A BICO COMPANY

BIOPRINTING

- ADVANCED BIOMATRIX – A BICO COMPANY
- CELLINK – A BICO COMPANY
- MATTEK – A BICO COMPANY
- nanoscribe – A BICO COMPANY
- VISIKOL – A BICO COMPANY
- ALLEGRO 3D – A BICO COMPANY

BIOAUTOMATION

BIOAUTOMATION

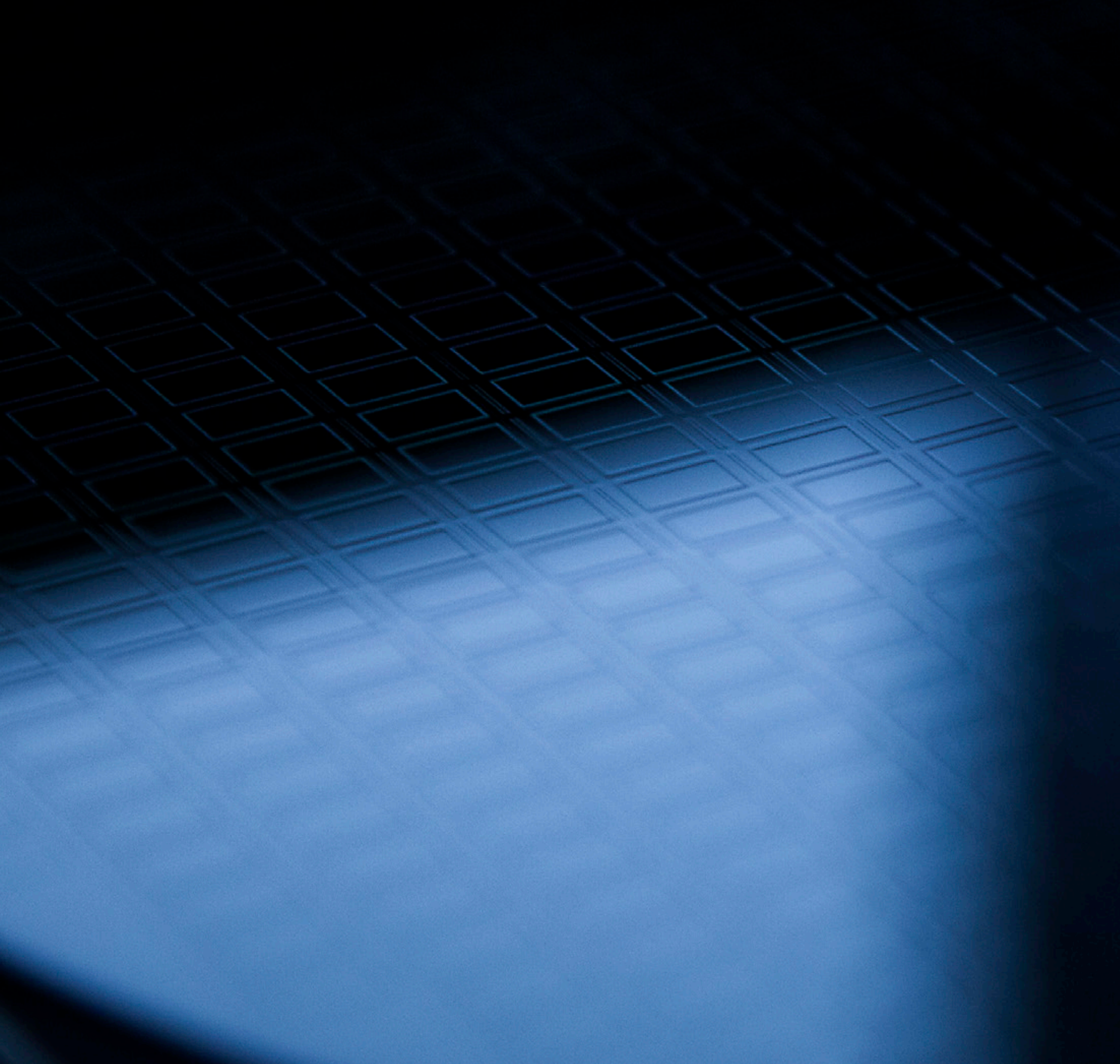
- CELLENION – A BICO COMPANY
- GINOLIS – A BICO COMPANY
- QINSTRUMENTS – A BICO COMPANY
- SCIENION – A BICO COMPANY

THE FUTURE OF LIFE-SAVING TREATMENTS

We are industry-leading experts in bioconvergence. Using a combination of robotics, artificial intelligence, advanced genomics, and 3D bioprinting, we create the future of life-saving treatments. We extend the boundaries of what's possible, as we enable our customers to improve people's health and lives. BICO aims to reduce the organ shortage and speed up drug development by providing accessible life science solutions that combine biology and technology, fundamentally shifting the global healthcare industry.

Our innovative technologies enable researchers and practitioners in the life sciences to conduct improved cell line development; perform high-throughput drug screening and diagnostics; print human tissues and organs for the medical, pharmaceutical, and cosmetic industries; and perform multiomic analyses more efficiently. We help prevent disease oautbreaks and proactively plan for new diseases with better diagnostics, while eliminating costly, unnecessary animal testing.

Our three business areas contribute to our common vision of creating life-saving treatments.



- **2016** — CELLINK
- **2018 DECEMBER** — DISPENDIX
- **2019 AUGUST** — CYTENA, CYTENA BPS
- **2020 SEPTEMBER** — CELLENION, SCIENION
- **2021**
  - MARCH — GINOLIS, MATTEK
  - MAY — VISIKOL, nanoscribe
  - JUNE — ECHO
  - AUGUST — ADVANCED BIOMATRIX
  - OCTOBER — QINSTRUMENTS
  - DECEMBER — BIOSERO
- **2022 MAY** — ALLEGRO 3D

All-time high sales and improved profitability

BICO reported net sales in 2022 of SEK 2,239.5 million (1,257.3), an all-time high corresponding to an increase of 78% (244) over 2021. Organic revenue growth for the period amounted to 17% (44). With the exception of one company, all business areas reported double-digit organic growth. In short, after a turbulent year in which we weathered many storms, we are heading in the right direction and are optimistic about our product offerings, market position, and our team.

We wound up the year with strong quarterly sales of SEK 674 million, driven by robust customer demand in most group companies, normal seasonal patterns, price increases and positive currency effects.

The main sales driver continues to be big pharma's vigorous investments in laboratory automation processes, because replacing manual processes with automation saves time and money. This is where BICO creates tremendous value. In addition, the regulatory changes in drug testing requirements enabled by the recent passing of the FDA Modernization Act 2.0 will open a wide range of opportunities for us, as we are strongly positioned as a first mover in the field of alternative testing models. We are committed to reducing the use of animals in research.

The year ended on a high note with a strategic collaboration with Sartorius, resulting in a strengthened balance sheet and further commercial opportunities ahead.

On top of record revenues, we continue to improve our adjusted EBITDA, which amounted to SEK 62.1 million (16.9), corresponding to a margin of 2.8% (1.3). EBITDA amounted to SEK -56.3 million (-45.1), corresponding to a margin of -2.5% (-3.6).

Net profit/loss for the period amounted to SEK -835.7 million (-229.2), corresponding to earnings per share before and after dilution of SEK -12.94 (-3.97). This was strongly affected by impairment of Ginolis amounting to SEK 625 million (see below).

We focused on improving profitability in the four group companies with negative adjusted EBITDA, as well as reducing central overhead costs. Our cost reduction program, which targets savings of SEK 100 million with full effect from Q1 2023, is well on track. In the fourth quarter we saw positive developments in three of the four loss-making companies, with an improved outlook in 2023.

POST-PANDEMIC DOWNTURN AT GINOLIS

We experienced strong revenues in 2020 and 2021 in conjunction with the global medical response to Covid, since we provided fast and innovative diagnostic automation equipment. One company in particular, Ginolis, successfully ramped up their organization to meet global demand. But by 2022, Covid diagnostic automation sales were dwindling much faster than anticipated, affected by competition from Asia undercutting in lateral flow automation, which has become a commodity. Ginolis was not able to transition as fast as we desired and address new customer segments, and thus faced challenges in both order intake and profitability. Ginolis reported 2022 sales of SEK 140 million (174) and EBITDA of SEK -74 million (5). Our impairment analysis led to the decision to write down goodwill in Ginolis by SEK 625 million. Further extensive cost cuts have been made to right-size the organization. In parallel, we have taken measures to assure continued customer support and deliverables, as well as evaluating our strategic options related to the remaining core technologies in Ginolis.

A YEAR OF TRANSITION CAPPED BY A STRATEGIC PARTNERSHIP

Alongside a steady stream of new products, platforms, services and collaborations this past year, we can celebrate several triumphs for BICO companies:

- Lab-grown human tissues sent to outer space for testing
- Automation of 3D cell cultures
- Single-cell analysis Center of Excellence
- 3D microfabrication capabilities for centimeter-sized structures
- The world's first digital light processing (DLP) based bioprinter for direct printing in multi-well plates, combining technologies from Allegro 3D, Cellink and Advanced BioMatrix.
- Red Dot Design Award and 7 iF design awards

The full list of the year's highlights on the following pages reveals that we continue to build relationships with industry leaders, and are awarded for excellence in many markets. But there was another significant transformation taking place in 2022, driven by our shift to strengthening profitability, and from acquisition of companies to integrating them and synchronizing their operations and financial systems.

We have been reorganizing and developing the BICO organization to increasingly leverage technical and commercial synergies among our companies, as well as creating processes to

ensure improved cash flow and a successful scaling up of their businesses. The cost-savings program we introduced in July has helped us advance towards our more mature phase of improved profitability and improved cash flow. This in turn reduces the risk of macroeconomic impacts. Cost savings are on track, stricter payment terms have been introduced, factoring is underway, and inventory planning and facility financing have been initiated. Financial integration is ongoing.

In the fourth quarter, we reached a strategic agreement with Sartorius – a global life sciences leader with over 100 years of history – followed by a SEK 487 million share issue directed to Sartorius. BICO and Sartorius have agreed to explore wide-ranging cooperation within technology, sales and marketing. Our primary focus will be on BICO's spheroid, 3D cell culturing, our bioprinting technologies, and digital solutions for laboratory automation workflows.

Strategic collaboration with Sartorius is also expected to significantly expand our presence and accelerate growth in the Asia-Pacific region, where today we have considerable market potential, and Sartorius has a well-developed sales organization. We will get access to value-adding, complementary technologies and products, enhancing our current customer offering within bioprinting and lab automation. The detailed collaboration agreements were signed in March 2023.

CASH FLOW IMPROVEMENTS

While operating cash flow for 2022 was SEK -269.4 million, we are entering 2023 with strong liquidity.

The negative operating cash flow during the year was primarily caused by increased working capital in terms of accounts receivable and inventory. Strengthening cash flow has been and will be a key priority to ensure stability for the Group and we have taken several important steps during 2022 that we expect will result in strengthened cash flow in 2023.

OUTLOOK

We are cautiously optimistic after our turbulent year of transitioning from growth through acquisitions to profitable organic growth – we are now focusing on integration, consolidation and improving processes and synergies. Our team has emerged stronger than ever, and we are thankful to our personnel for their dedication and engagement.

Customer demand remains strong, although a potentially weaker economy and external disturbances could impact the near-term future for the industries we operate in. Our new financial targets are designed to support self-financed profitable growth and our Vision 2030 – Be the world's leading laboratory automation company for treatment development applications.

We remain focused on executing our business plan and have a new COO and CFO to help steer the organization towards our strategic goals of profitable growth and improved cash flow. Our strategic partnership with Sartorius leaves us well-positioned to capitalize on new technical and commercial opportunities, adding to the rest of our development pipeline.

Moreover, I will note that our guiding theme and operating system, *bioconvergence*, isn't just a multidisciplinary slogan for us, but rather a major worldwide initiative. It was recently introduced as a topic at the World Economic Forum in Davos. And it's part of our everyday life. BICO is driving the exciting and necessary changes in the life sciences industry that will affect patient lives for decades to come.

And at the Society for Laboratory Automation and Systems trade show in San Diego a few weeks ago – the world's largest forum for our fast-growing industry – a total of six BICO companies exhibited products and solutions. After I had an opportunity to meet with customers, partners and competitors at this largest-ever event, I formed a distinct impression: We can rightfully claim a leadership position in sample preparation, bioprinting, and lab automation, and have ambitions to offer the gold standard in several areas.

Finally, we would like to thank our shareholders for their continued confidence in us. We value our dialog and the interest you show in BICO, and are working hard to ensure we meet your growth and profitability expectations. We would also like to thank our Board of Directors for their steadfast guidance in building a great company. Thank you also to our colleagues around the world – we're proud of our many collaborations and the difference we are making together. I'm very excited about our future and look forward to our 8th year in business.

ERIK GATENHOLM, MSC / PRESIDENT AND CEO

Highlights 2022

JANUARY

- BICO Partners with the Center for Contemporary Sciences to Reduce Animal Testing in Life Sciences.
- SCIENION Partners with Institute for Prevention and Occupational Medicine (IPA) to Develop UROfast, a Rapid Bladder Cancer Diagnostics Platform.
- Nanoscribe Launches Quantum X align, a high-precision 3D Printer Enabling Auto-Aligned Printing on Optical Fibers and Photonic Chips.

FEBRUARY

- DISPENDIX to Introduce Two Disruptive Liquid Handling Platforms at SLAS 2022.
- Biosero Joins Genedata Ready-to-Run Program to Streamline Lab Automation and Data Analysis.
- CELLINK and CollPlant Enter a Collaboration Agreement to Explore Future Large-Scale Production of CollPlant's Regenerative Breast Implants using CELLINK's Bioprinting technologies.
- Biosero Expands Laboratory Automation Capabilities with New Product Launches.

MARCH

- CELLINK Launches the BIO CELLX, a First of its Kind Biodispensing Platform to Automate 3D Cell Culture.
- SCIENION Announces Study Results for PoC-BoSens, an Optofluidic-based Infectious Disease Diagnostic Platform.
- Cellenion Announces Opening of BICO's First Single Cell Analysis Center of Excellence.
- Nanoscribe introduces Extra Large Feature Print Set to extend 3D Microfabrication capabilities to print centimeter-sized structures.
- MatTek Enters Distribution Agreement and Strategic Partnership with Cell4Pharma.

APRIL

- The BICO Group has been awarded 7 iF design awards for excellence in product design.

MAY

- BICO acquires Allegro 3D, adding new light-based 3D bioprinting technology – complementing the existing offering of application tailored products.

OCTOBER

- BICO Group Nomination Committee 2023 AGM appointed.

NOVEMBER

- BICO Group announces new financial targets.

DECEMBER

- BICO agrees with Sartorius Lab Holding GmbH on strategic cooperation, followed by a SEK 487m directed share issue of shares to Sartorius Lab Holding GmbH.
- BICO adopts a long-term incentive program for employees.

BICO is enabling the future of health

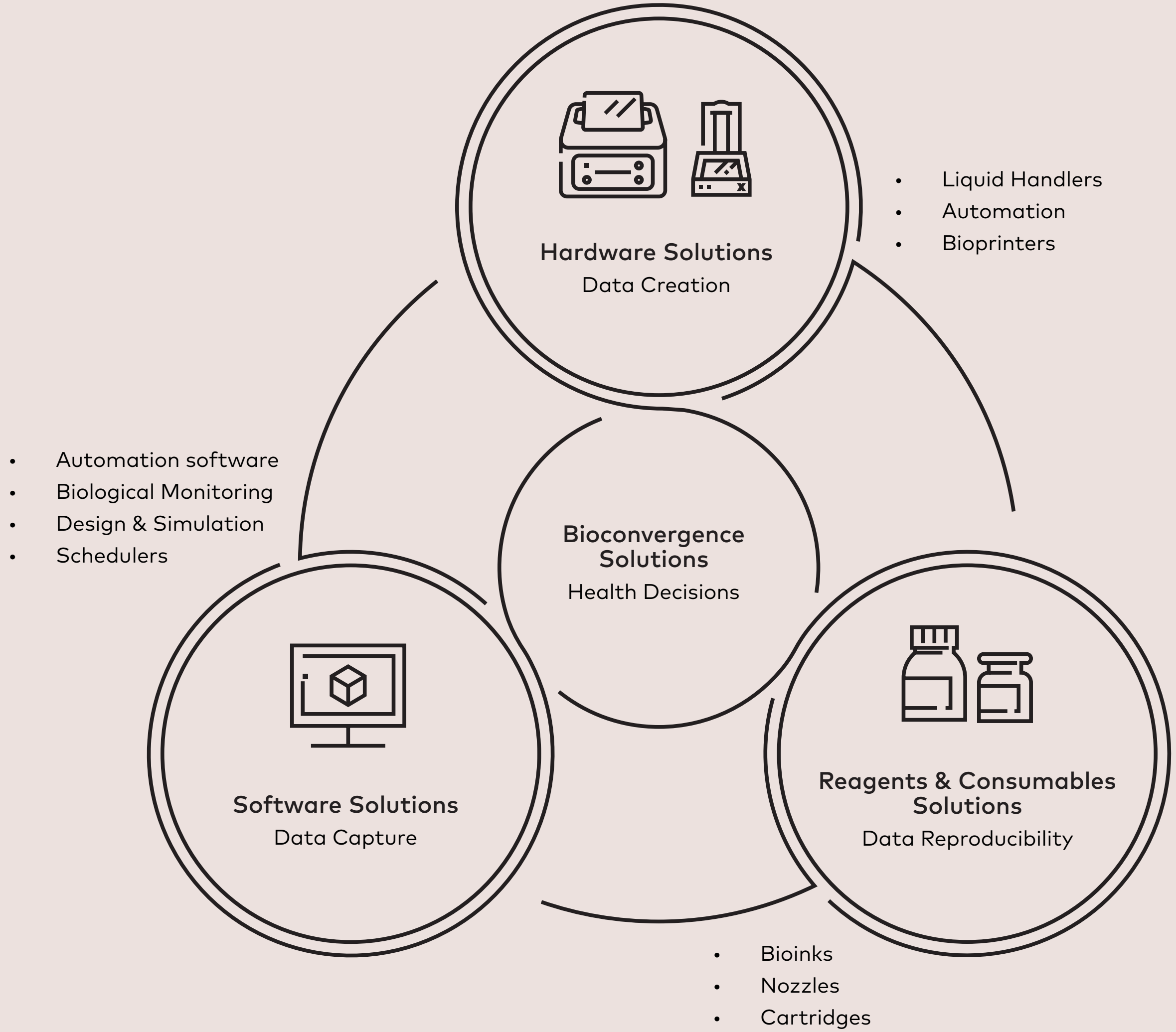
BICO's business model is, through the principle of bioconvergence, to manufacture hardware, laboratory automaton and software solutions and products to streamline, automate and increase efficiency and efficacy in workflows to bring us closer to Health 4.0. The company has an after-market offering for reagents, services including software programs and consumables such as bioinks, well plates and tissue models.

Our business model includes the entire value chain from research, product development and innovation to sales of the company's products through our North American, European, and Asian sales organizations as well as through a strong distributor network. With our range of products and consumables, we offer workflows to our customers that are characterized by efficiency, efficacy, quality and safety. BICO's offering consists of products and services for entire workflows focused on four next-generation core industrial ecosystems: tissue engineering, cell line development, multiomics and diagnostics. BICO's value proposition is to reduce development time and costs for pharmaceutical and diagnostic companies.

Most technology development is done inhouse by our development teams and often takes place in research collaborations with universities and research organizations, as well as with our customers. Our close links with academics and our customers allow us to be agile and quickly act on specific requests. As BICO has grown and acquired companies, our research and development today takes place in Germany, France, the US, Sweden, Finland and Taiwan, and this is also where the majority of our production takes place.

Purchases from subcontractors are coordinated to the extent possible on a business area level, and this can further be matched with other requirements to optimize the logistics flow. BICO is using a Groupwide ERP system to increase internal planning of business processes, increase financial insight and control and gain cross-company visibility over supply chains. Sales are mainly made through our own sales organizations well as an extensive distributor network, which means that we are currently represented on five different continents and in more than 65 countries. BICO's competitiveness is based on innovative product development, targeted sales efforts and responsiveness to our customers' needs. Customers are in four main segments: universities and research organizations, pharmaceutical companies, diagnostic companies, and cosmetics and skin care companies.

Several Group companies offer contract manufacturing services from their facilities. Since September 2021, Visikol, MatTek and CELLINK offer contract research services in bioprinting through a joint contract research organization (CRO).



BIOCONVERGENCE

A revolution and mass convergence of multiple fields

- We live in a post-genomic era, where data, molecular engineering, and new frameworks redefine possibilities.
- Researchers, engineers, and biotech firms are moving beyond the "nature-inspired" paradigm.
- The lines between biology, engineering, nanotech, and IT are increasingly blurred.
- It's not just gradual iteration. It's a revolution, a mass convergence of multiple different fields: Bioconvergence.

The makers of life-saving treatments

Trends and market drivers

TRENDS	MARKET DRIVERS	CORE AREAS	SALES MODEL AND MARKET
Desire to increase reproducibility in experimentation	• Personalized medicine	Next Generation Diagnostics	**Customer base:** Diagnostics, Pharma **Sales model:** Instruments, consumables, services, contract manufacturing **Market position:** Market challenger
Alternatives to animal testing	• Decrease costs, improve efficiency in drug discovery and reduce time to find safe and effective treatments	Next Generation Tissue Engineering	**Customer base:** Academia and Pharma **Sales model:** Instruments, consumables, reagents, services **Market position:** Market leading
Higher cost and lower availability of skilled labor	• Enable transplantation of printed organs	Next Generation Multiomics	**Customer base:** Academia and Pharma **Sales model:** Instruments, consumables, services **Market position:** Market challenger
Increased focus on personalized medicine	• Early detection of diseases better and faster	Next Generation Cell Biology Technologies	**Customer base:** Pharma **Sales model:** Instruments, reagents, consumables **Market position:** Market challenger
Rapid evolution of gene therapies and biopharmaceuticals	• FDA Modernization Act 2.0 allows superior, non-animal testing methods		
Remote work and WFH initiatives	• Integrated and automated workflows in laboratories		

UNIVERSITIES & RESEARCH ORGANIZATIONS

- Human implants
- Biomaterials research
- Cell biology
- Teaching
- >11,000 out of 26,000 applicable academic institutions on a global basis

PHARMACEUTICAL COMPANIES

- Drug discovery and compound screening
- Cancer research
- Biopharmaceuticals
- Gene therapy
- Catering to the largest pharmaceutical companies in the world

DIAGNOSTICS COMPANIES

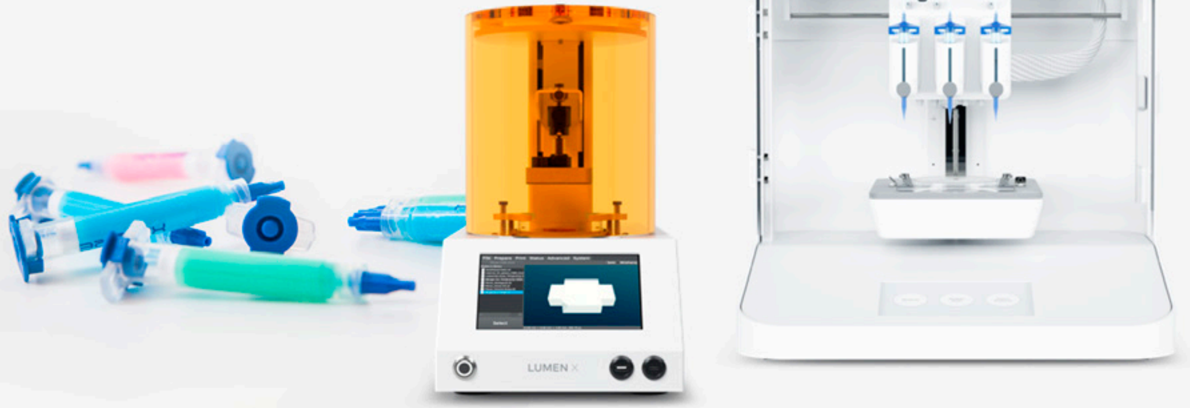
- Novel diagnostic products for disease screening
- Multiplex assays
- Point of Care tests
- Biosensors
- Oncology, STI, flu, diabetes, etc.

COSMETIC & MEDICAL DEVICE COMPANIES

- Toxicity and cosmetic tests on human tissues
- Personalized treatments and devices

Next Generation Tissue Engineering

The end-to-end solution for biofabrication of personalized medical devices and tissues – trusted by the best.



FEATURED WORKFLOW

1. Load patient-specific cells in cartridges with bioink and initiate human tissue bioprinting protocol
2. Automated bioprinting at high throughput
3. Stimulate tissue development with growth factors
4. Tissue stabilization & quality assurance
5. Tissue maturation and non-destructive analysis
6. Personalized implant process completed

Our Life Science Tools and Solutions

1/ SPEED

Help researchers automate manual and previously slow processes

Enable researchers to reduce downtime between manual steps

2/ ACCURACY

Help researchers improve research outcomes by improving repeatability, accuracy, and reliability

Enable researchers to generate better data using better models and sample preparation techniques

3/ EFFICIENCIES

Enable researchers to save time and money

Reduce dependencies on manual labor

Help researchers save money on expensive reagents through miniaturization

The Future of Bioconvergence

1 RAPID GROWTH AND DEVELOPMENT IN REGENERATIVE MEDICINE

Regenerative medicine includes several scientific and medical disciplines where the goal is to develop methods to regrow, repair or replace damaged or diseased cells, organs or tissues, by stimulating the body's self-healing process to repair and restore. Development in this field is mainly driven by technological advances in stem cell biology and tissue engineering, which is one of BICO's focus areas, namely next-generation core industrial ecosystems and tissue engineering. Current developments in 3D bioprinting have enormous potential in regenerative medicine with application areas such as tissue and organ transplants.

2 ALTERNATIVES TO ANIMAL TESTING

Animal testing is still widely used, however the ongoing debate concerning the relevance of animal testing gained momentum during 2021 with the bipartisan FDA Modernization Act 2.0 (now US law since December 2022), which eliminates the requirement to test experimental drugs on animals. In the European Union it is prohibited to test cosmetic products on animals and in 2021 the European Parliament adopted a resolution calling on the European Commission to present an action plan to actively phase out animal testing, since it is still allowed for complex human health issues such as repeat dose toxicity and reproductive toxicity. Changes to regulations with tougher requirements on conducting animal experiments are driving academic institutions and pharmaceutical and cosmetics companies to conduct further research using complex in-vitro models such as 3D bioprinted tissues, 3D microtissues and organ-on-a-chip microfluidic cell cultures.

3 CONTINUOUS FOCUS ON BIOLOGICAL DRUGS

In recent years, synthetic, biologic and biosimilar drugs have been a main focus for pharmaceutical companies. Currently, 8 out of 10 of the globally best-selling drugs are biologics and manufactured by using clonal cell lines. In cell line development, following transfection, single cells need to be isolated from transfected pools. Developing these drugs may take up to 12 years and can cost billions, meaning that the industry is looking for speed, quality, and efficiency in their cell line development workflows. Based on early regulatory guidelines released by the U.S. Food and Drug Administration (FDA) and others, the production cell line of recombinant products must be cloned from a single progenitor cell in order to minimize population heterogeneity and facilitate isolation and subsequent selection of high-producing clones.

4 INCREASED FOCUS OF PERSONALIZED MEDICINE

A major trend in medical research is the movement towards more personalized medical treatments. The end-goal is to provide medical treatments based on the patient's own circumstances and completely adapted to the patient's data. For example, the combination of patient medical imaging data and 3D printing technologies has made it possible to create personalized medical implants that have a perfect fit, or create organ models to aid doctors preparing for complicated surgeries, thus improving treatment outcomes. Another application at the forefront of research is the use of 3D bioprinting to replicate a patient's tumor outside the body and then test various potential medicines to find the best one for the patient.

5 RAPID EVOLVING FIELD OF GENE THERAPIES

With a dozen therapies approved in the recent years and hundreds in clinical phases 2 and 3, the field of gene therapies is rapidly evolving, with the potential to become one of our most important strategies against a wide range of genetic diseases. Technological and scientific advancements in manufacturing and delivering gene therapies over the past decade have paved the path for broader application. In addition, the rapid pace of innovations in genome editing, such as the CRISPR-Cas system, will lead to a second wave of therapeutic approaches. Today, many gene therapies are based on adeno-associated virus (AAV) or retrovirus vectors, which require the development of highly productive cell lines. Since the industrial production of gene therapies is still very new, there are still many innovations to be made. This will allow scaling of manufacturing to ultimately make gene therapies more affordable and accessible for a wider range of patients.

6 HEALTH 4.0

Industry 4.0. represents the fourth manufacturing revolution, entailing increasing interconnectivity and smart automation. Health 4.0 is the transformation of the healthcare sector driven by digital technologies and smart machines and data. Health 4.0 refers to a wide range of possibilities within healthcare that are enabled via industry 4.0 technologies. It is enabled by the convergence of artificial intelligence, laboratory automation, robotics and nanotechnology – unlocking new tools and products for IoHT (Internet of Healthcare Things), personalized care and solutions to fight infectious diseases, detection and treatment of cancer, and production of 3D bioprinted human organs.

BICO Strategy

Become the world's leading life-science tools and laboratory automation company for specific treatment development applications by 2030.

Strategy

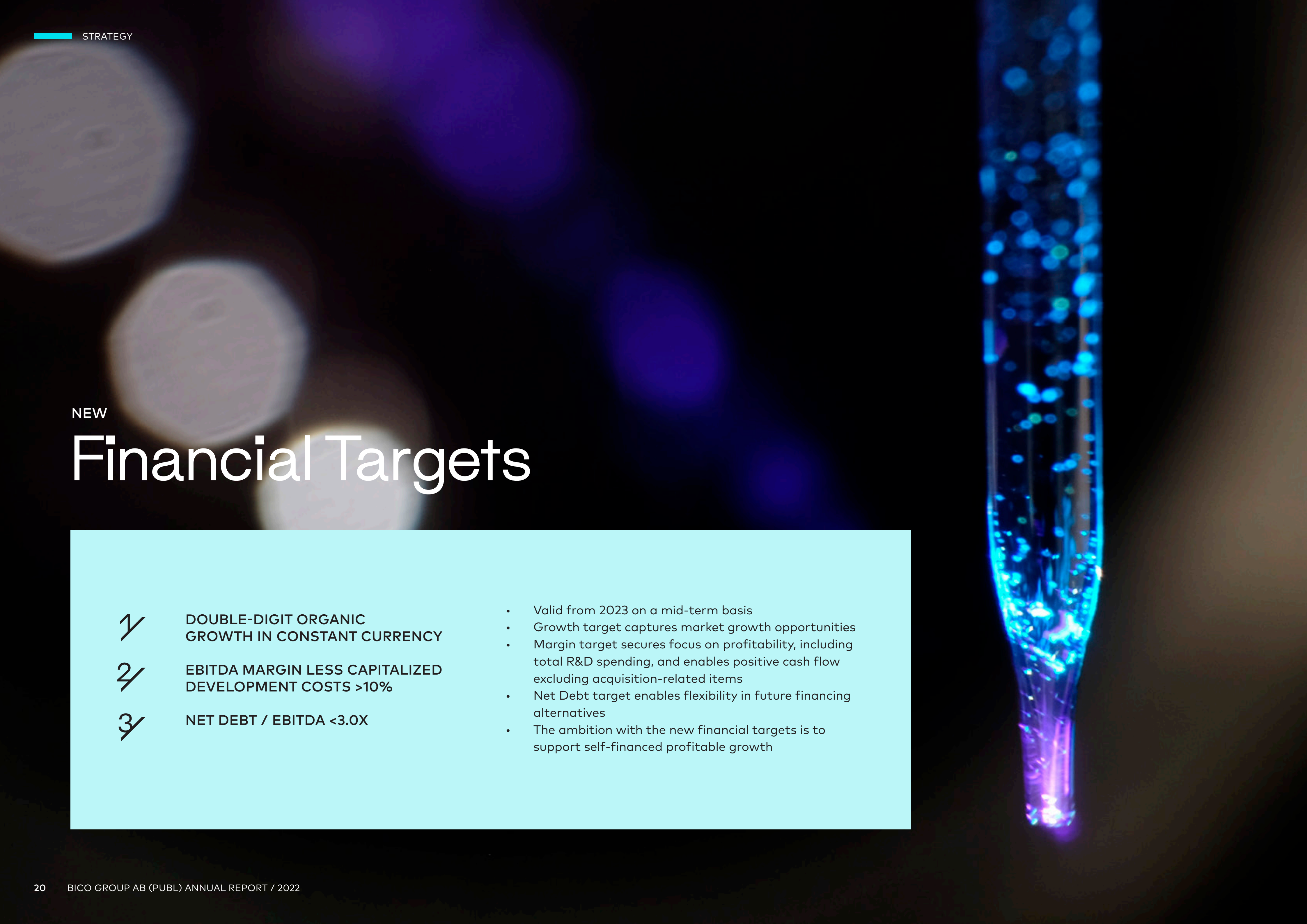
BICO

The world's leading life-science tools and laboratory automation company for specific treatment development applications.

OUR VISION & MISSION

Create the future of life-saving treatments by aiming to reduce the organ shortage and speed up drug development by providing accessible life science solutions that combine biology and technology.

OUR CORE VALUES	OUR FOCUS
PERSISTENCE	**Financials** Market-leading financial performance
EXECUTION	**Customers** Best-in-class supply chain, quality, and commercial strategy
TRANSPARENCY	**Market Leadership** Continue to lead the bioconvergence revolution in automation
INSPIRATION	**Organization** High-performing and motivated team!
PASSION	**Sustainability** Further expand ESG agenda: People Planet Product



NEW

Financial Targets

1/ DOUBLE-DIGIT ORGANIC GROWTH IN CONSTANT CURRENCY

2/ EBITDA MARGIN LESS CAPITALIZED DEVELOPMENT COSTS >10%

3/ NET DEBT / EBITDA <3.0X

- Valid from 2023 on a mid-term basis
- Growth target captures market growth opportunities
- Margin target secures focus on profitability, including total R&D spending, and enables positive cash flow excluding acquisition-related items
- Net Debt target enables flexibility in future financing alternatives
- The ambition with the new financial targets is to support self-financed profitable growth

The share

On November 3, 2016 the CELLINK share, now BICO, was listed on the Nasdaq First North Growth Market and on April 20, 2020 it was subsequently listed on the Nasdaq Stockholm's Main Market, Mid Cap sector, Health Care.

SHARE CAPITAL AND VOTES

As of December 31, 2022, the total number of registered and outstanding shares in BICO Group AB (publ) amounts to 70,494,895, whereof 1,500,000 are shares of series A, together carrying in total 15,000,000 votes, and 68,994,895 are shares of series B, together carrying in total 68,994,895 votes. The total number of votes amounts to 83,994,895 The share capital amounts to SEK 1,762,372.375. The company does not hold any treasury shares.

INCENTIVE PROGRAMS

BICO has four long-term incentive programs aimed at the Group's staff and Board members. The purpose of the incentive programs is to encourage broad share ownership among employees, facilitate recruitment, retain skilled employees and increase motivation to achieve or exceed the Group's goals.

SHAREHOLDERS

As of December 31, 2022, BICO had approximately 26,000 shareholders, an increase of 5,500 compared with December 31, 2021. The proportion of non-Swedish shareholders amounted to 37 percent at year-end. The ten largest confirmed owners at year-end are shown in the table below.

DIVIDEND

According to the current dividend policy, BICO will focus on growth, meaning that dividends may be low or not occur at all in the medium term. There was no dividend paid for the financial period ending December 31, 2022.

COMMUNICATIONS WITH THE STOCK MARKET

The aim is for the company's communications with the stock market to be accessible, accurate and provide clear information that follows the rules and requirements applicable to listed companies. An archive of published press releases and reports can be accessed via the company website at www.bico.com/investors.

Communication with the stock market primarily takes place directly after the publication of the company's financial statements via a teleconference with investors, through the publication of press releases about significant events in the company, and in connection with presentations organized within the company's sector or by BICO.

SHAREHOLDER STRUCTURE

Ten largest shareholders per 31 December 2022

Erik Gatenholm	13.64%
Sartorius Lab Holding GmbH	10.11%
Hector Martinez Avila	8.96%
Handelsbanken Funds	8.88%
Fourth Swedish National Pension Fund	4.54%
Third Swedish National Pension Fund	3.87%
ARK Investment Management LLC	2.31%
Deka Investments	2.22%
Vanguard	1.68%
Carl Bennet	1.68%
Total top 10	**57.88%**
Other	**42.12%**
Total	**100 %**

KEY DATA RELATING TO BICO SHARE 2022

Lowest share price	26.0
Highest share price	148.2
VWAP	59.8
Number of shares traded	130,757,158
Average number per day	998,146
Number of closed trades	390,784
Average number per day	2,983
Average worth per closed trades	20.02 SEK
Average daily turnover	60 MSEK
Daily turnover rel. market value	1.45%
Share of Nasdaq (ordinary trade)	97.2%
Share of block transactions	1.4%
Share of dark pools (Nasdaq)	1.4%

Our business areas

BICO Group AB (publ) is the parent company for the Group with Group-wide functions and with a focus on delivering on the agenda for bioconvergence, identifying synergies, developing the offering and technologies, and contributing to the development of the Group's companies.

Bioautomation

Accelerating the development and manufacturing of innovative, reliable, cost-efficient diagnostic and bioanalysis test platforms for the sake of patients, consumers, public health and the environment.

The Bioautomation business area serves customers in the life science and diagnostic industries with end-to-end products and services in precision dispensing, advanced sample preparation, multiplex analysis and assay miniaturization, diagnostic and medical device manufacturing, enabling research-to-production scalability in an automated and cost-effective manner. Comprising four companies – SCIENION, Cellenion, Ginolis and QInstruments – the Bioautomation business area offers a unique and comprehensive product portfolio, as well as industry-leading expertise enabling client-specific solutions, ranging from application support and customized hardware and software to contract manufacturing.

Products from the Bioautomation business area are driving forward next-generation diagnostics as well as single-cell solutions for multiomics, rare cells, cell line development, drug screening and 3D model development.

OUR BIOAUTOMATION COMPANIES

CELLENION
A BICO COMPANY

Leveraging SCIENION's dispensing technology, Cellenion is disrupting application areas centered around single-cell and single cellular aggregate isolation with a unique product portfolio. The systems allow high throughput, image-based automated dispensing of single cells or cell aggregates onto any chosen substrate. Together with a range of dedicated consumables, the solutions enable miniaturization of sample preparation protocols on the same instrument before downstream analysis.

GINOLIS
A BICO COMPANY

Ginolis is a premier solution provider in the life sciences industry enabling their customers to improve their supply chain productivity and flexibility by utilizing modular desktop automation in the manufacturing of medical devices, diagnostic disposables, and microfluidic devices. The Covid pandemic created supply and logistical problems in its wake, we experienced strong revenues in 2020 and 2021 in conjunction with the global medical response, via providing fast and innovative diagnostic automation equipment. This was especially relevant to one company, Ginolis, which successfully ramped up its organization to meet global demand. But by 2022, sales related to Covid diagnostic automation were dwindling much faster than anticipated.

QINSTRUMENTS
A BICO COMPANY

QInstruments improves human health and life science through sample preparation automation. The company designs and builds innovative solutions for mixing and temperature control of molecular samples on robotic platforms such as the BioShake®, as well as fast and easy-to-use accessories that accelerate and streamline discovery.

SCIENION
A BICO COMPANY

SCIENION is a global market leader with a unique portfolio of ultra-low volume precision dispensing systems, readers, consumables, and microarray development, as well as biosensor technologies and contract manufacturing services. With over 20 years of experience, our customers in the entire life science sector benefit from an integrated product portfolio and services advancing cost-efficient multiplex analysis, miniaturization and automation – from early research to high-throughput production.

Biosciences

Facilitating faster and smarter workflows in multiomics, biopharma cell line development (CLD), combinatorial screenings and next-generation sequencing.

Molecular biology and multiomics are fast-growing fields with ever-increasing requirements for higher throughput and automation. The Biosciences business area provides user-friendly instruments that enable the gentle handling of cells and rare samples, rapid transfer of liquids and reagents, as well as downstream analysis platforms to gain valuable insights from experiments, via upright and inverted microscopy. All this brings efficiency and speed to multiple application areas.

The Biosciences business area consists of five industry driving companies. DISPENDIX is a pioneer in the non-contact liquid handling industry, enabling highly multiplexed assembly of thousands of chemical reactions within minutes and more flexibility in assay development. CYTENA provides pharmaceutical companies with proven single-cell dispensing technology for the deterministic single-cell isolation of a wide range of cell types, including CHO, HEK, primary cells, yeast and bacteria. Additionally, CYTENA has developed solutions for the automated monitoring of cell-based assays, through an innovative live-cell imaging system, complementing Discover Echo's portfolio of inverted and upright microscopes. Additionally, CYTENA BPS supports the cell line development industry with the first of their kind high-throughput microbioreactors for parallel cultivations in 96-well plates to bring production bioreactor conditions to the 150 to 800 µL scale level. Biosero is the most recent addition to the Bioscience business area. As one of the leaders in developing innovative software solutions that integrate end-to-end workflows that multiply productivity in the lab there are many additional synergies to capture.

OUR BIOSCIENCES COMPANIES

BIOSERO
A BICO COMPANY

Biosero is a leader in software solutions, developing science-centric software and laboratory automation solutions that enable researchers to orchestrate their discoveries at every stage. Biosero integrates and connects laboratory automation with business systems to contextualize data, enabling data-driven decisions in a cohesive technology ecosystem.

CYTENA
A BICO COMPANY

CYTENA provides world-class technologies for groundbreaking science. Delivering automated and highly efficient lab workflows for improved cell line development, microbiomes, live cell imaging, liquid handling, and omics applications that enable new discoveries in areas such as drug development and healthcare research.

CYTENA BPS
A BICO COMPANY

Driven by the mission to bring bioreactor conditions into early stages of the pharmaceutical development process, CYTENA BPS provides customers across the wider pharma industry with innovative microbioreactor solutions.

ECHO
A BICO COMPANY

Discover Echo has been built around a singular vision: to rethink traditional microscope design. Every aspect of workflow, usability, and performance have been pushed to create a more modern and powerful product that combines inverted and upright microscopy in a single product.

DISPENDIX
A BICO COMPANY

By providing the finest liquid handling technology to scientists and lab technicians around the world, DISPENDIX is creating the future of health. Liquid handling technology enables new discoveries in areas such as drug development, diagnostics and synthetic biology.

Bioprinting

State-of-the-art systems, products, solutions and services that combine user-friendliness, accessibility and cutting-edge capabilities to enable the proliferation of 3D cell culture with any cell line, in any geometry, using any biomaterial.

Creating the future of health requires out-of-the-box thinking and cutting-edge solutions. The Bioprinting business area comprises six companies that are driving forward the world of 3D cell culture and 3D printing by listening intently to their customers and developing forward thinking solutions. CELLINK and Nanoscribe provide advanced additive manufacturing solutions, shaping the field of bioprinting. Complementing our cutting edge bioprinters are the premium biomaterials produced by Advanced BioMatrix, a leader in the material science field producing top quality bioinks, hydrogel and tunable substrates that seamlessly integrate in cell biology workflows. Visikol is a premier contract research organization that provides cutting-edge services in cell-based assays, tissue imaging and analysis. The final member in our Bioprinting business area is MatTek, which has been defining standards in in vitro human tissue models for the last 25 years, accelerating the adoption of 3D models and improving insights. Since September 2021, Visikol, MatTek and CELLINK offer contract research services in bioprinting through a joint contract research organization (CRO).

OUR BIOPRINTING COMPANIES

ADVANCED BIOMATRIX
A BICO COMPANY

San Diego-based Advanced BioMatrix is a leader in the life science industry of three dimensional (3D) applications for tissue culture, cell assay, bioprinting and cell proliferation. The company's portfolio includes bioinks, reagents and consumables – products that are recognized as the standard for purity, functionality and consistency.

CELLINK
A BICO COMPANY

By releasing the first universal bioink in 2016, CELLINK democratized the cost of entry for researchers around the world and played a major role in turning the then up-and-coming field of 3D bioprinting into the thriving 1 billion USD industry it is today. CELLINK's bioinks, bioprinters, software and services have enabled critical breakthroughs in a wide range of applications from 3D cell culturing to tissue engineering to drug development.

MATTEK
A BICO COMPANY

For more than 25 years, MatTek has been the world leader of reliable in vitro human tissue model innovation. These advanced tissue models empower companies to achieve their goals of non-animal testing while lowering testing costs and providing human-relevant results.

nano scribe
A BICO COMPANY

As the pioneer and market leader in high-precision additive manufacturing, Nanoscribe pushes the limits of 3D printing to challenge the state-of-the-art in microfabrication. Their systems empowers cutting-edge science and drive industrial innovations in a wide variety of sectors such as microoptics, micromechanics, biomedical engineering, and photonics technologies.

VISIKOL
A BICO COMPANY

Visikol is a contract research services company focused on advanced drug discovery, and is leading the fields of bio-imaging, advanced cell culture, bioinformatics and image analysis. The company conducts drug discovery services ranging from early discovery stages through animal studies and analysis of human pathological specimens.

ALLEGRO 3D
A BICO COMPANY

Allegro 3D is a San Diego-based company founded in 2016. Their bioprinting technology, based on digital light processing (DLP) enables high-precision and high-throughput manufacturing of biomedical devices and human tissues for cell culture, drug screening, and regenerative medicine applications.

Research and Development

As a pioneering bioconvergence company, BICO is constantly exploring new frontiers in healthcare and the life sciences and driving innovation through cutting-edge R&D. With a commitment to pushing the boundaries of what is possible, the BICO Group is dedicated to improving and advancing existing technologies, as well as discovering new ones. The four next-generation industrial ecosystems (NXCIS) we serve will play a crucial role in unlocking the full potential of healthcare technologies. We are committed to enable our customers and partners with the right tools to tackle infectious diseases with greater effectiveness, detect and treat cancer more accurately, print human organs in 3D, and speed up the development of life-saving treatments.

At the end of 2022, BICO Group's total R&D team comprised 255 highly skilled engineers and scientists who collaborate with some of the world's leading academic and industrial research institutions. In 2022 about SEK 363 million were invested in R&D personnel costs across the Group, where R&D efforts were primarily conducted in the BICO companies operating in the United States, Germany, Sweden and France. With a focus on excellence and a passion for product development, our talented team of application specialists, engineers and marketers successfully launched new products and services that empower our customers in 3D bioprinting, cell line development, 3D cell culture, laboratory automation software, and precision liquid dispensing, as well as sample preparation workflows and kits for NGS library construction, single-cell transcriptomics and proteomics.

Products included:
- BIO X Gen 3
- DNA Studio 4
- BIONOVA X
- BioInk Discovery Kit for BIONOVA X
- B.SIGHT 2.0
- C.NEST
- I.DOT L
- I.DOT HT
- HT.60 plate
- L.100 plate
- G.STATION 384-well NGS Workstation
- NGS Cloud Subscription
- ProteoCHIP LF 48
- CellenCHIP 384-3'RNA-seq
- SpheroONE
- 3D animal tissue models for translational studies (Rat, Primate)
- Quantum X shape
- IPX Photoresins
- Cell Painting Assay
- Imaging Mass Cytometry Services
- Lifeink 220 and 260 Collagen Bioinks
- CytoSilk Fibroin
- Collagen Bioink Starter Kit
- PhotoHA Powder GM-HA
- GBG Orchestrator
- GBG Lab Experience and Mobile Robots

Our strong focus on functionality, user experience, design, and creating high-performance teams resulted in numerous distinguished awards. In 2022 BICO companies received eleven prestigious design and technology awards, including two R&D 100 Awards, two Red Dot Awards and seven iF Design Awards.

For the third consecutive year, the iF Design Award recognizes the vision and design of BICO products, bringing to 11 the total number of awards granted by iF's panel of experts, placing us among the top 10 companies in the healthcare industry category. Since 1954, the iF Design Award has been a globally recognized trademark for excellent design, and today is regarded as one of the most important design prizes in the world.

Cellenion's ProteoCHIP and Nanoscribe's Quantum X Bio were selected as winners for the 2022 R&D 100 Awards, a renowned worldwide science and innovation competition for the past 60 years. Discover Echo's Revolution hybrid microscope and the S.NEST microbioreactor from Cytena BPS were winners of the 2022 Red Dot Award.

Revolve and Revolution hybrid microscopes, C.NEST and S.NEST microbioreactors, SciFlexArrayer S3 ultra low-volume dispensing system, SpheroONE single spheroid sorting system and Quantum X Two-Photon Grayscale Lithography system were winners of the 2022 iF Design Award.

INTELLECTUAL PROPERTY PORTFOLIO

BICO Group has pioneered several trail-blazing advancements that will establish the company's status as a market leader in innovation for years to come. BICO is deeply committed to safeguarding our technologies and inventions. The Group's intellectual property portfolio encompasses over 540 granted patents and pending patent applications, spread across 144 unique innovations. More than 170 patents have been granted. The geographical coverage is mainly focused on the US and Europe, but also includes Australia, Japan, China, South Korea and India.

540+

granted patent and pending patent applications

11

prestigious design and technology awards from R&D 100 Awards, Red Dot Awards and iF Design Awards

Scientific Advisory Board

BICO's Scientific Advisory Board (SAB) consists of key opinion leaders and innovators in the rapidly evolving fields of Tissue Engineering, Personalized Medicine and Cell Biology Technologies, including single-cell multiomics. All have an extensive track record in developing and commercializing next generation healthcare technologies that include tissue engineering, pharmaceuticals, mRNA vaccines and single-cell genomics. Through our SAB, BICO will remain a market leading innovator by being at the forefront of scientific discovery and dialogue. Our advisors play an important role in helping determine the strategic direction for our investments in research and development.

PROFESSOR ROBERT LANGER

Professor Robert Langer from the Massachusetts Institute of Technology (MIT) is a Lemelson-MIT prize winner, the world's largest prize for invention, for being one of history's most prolific inventors in medicine and is one of only 11 Institute Professors at MIT, the highest award that can be bestowed on a faculty member. Dr. Langer has received over 220 major awards. He is one of three living individuals to have received both the United States National Medal of Science (2006) and the United States National Medal of Technology and Innovation (2011).

DR. ALI KHADEMHOSSEINI

Dr. Ali Khademhosseini is the CEO of the Terasaki Institute for Biomedical Innovation. Formerly, Dr. Khademhosseini served as Professor at Harvard-MIT, Brigham and Women's Hospital and at Harvard Medical School, was formerly Levi Knight Professor of Bioengineering, Chemical Engineering and Radiology, and Founding Director of the Center for Minimally Invasive Therapeutics at UCLA.

PROFESSOR IDO AMIT

Professor of Immunology at Weizmann Institute of Science. Prof. Amit is a leader in the field of immunogenomics and a pioneer in development of single-cell genomic technologies and their application to characterize the immune system. Recipient of the EMBO Gold Medal award and an HHMI Inter-national Research Scholar for his work revealing the function of the immune system.

Guiding Principles

TEAMWORK & LOYALTY
We work together as a team because we know that only together can we truly change the world. The best team wins every time, all the time!

HAPPY CUSTOMERS
We love our customers. Their happiness and satisfaction is our highest priority.

EXCELLENCE
We push ourselves and strive for excellence because we know being the best makes all the difference.

FUN WORK ENVIRONMENT
We enjoy challenges and we have fun working our way to achieve our vision. We are a team that enjoy the ride!

GOALS
We aim high and we reach our goals. Most importantly, we always keep doing!

CHANGE THE WORLD
We are driven to make a difference and change the world for the better. We love this opportunity and live for it.

TRUST & LEADERSHIP
We trust each other, back each other up, and lead by example. We are committed to each other.

INNOVATION & CREATIVITY
We constantly innovate no matter what. We involve our creativity in everything we do to stand out.

Core Values

PERSISTENCE

We aim high and reach our goals. Most importantly we always keep doing. We push ourselves to strive for excellence because we know being the best makes all the difference

INSPIRATION

We have the inspiration to constantly innovate no matter what. We involve our creativity in everything we do to stand out. We inspire our teams, enjoy challenges and have fun working our way to achieve our vision. We are a team that enjoys the ride

PASSION

We are driven to make a difference and change the world for the better. We love this opportunity and live for it. Our customers' happiness and satisfaction are our highest priorities.

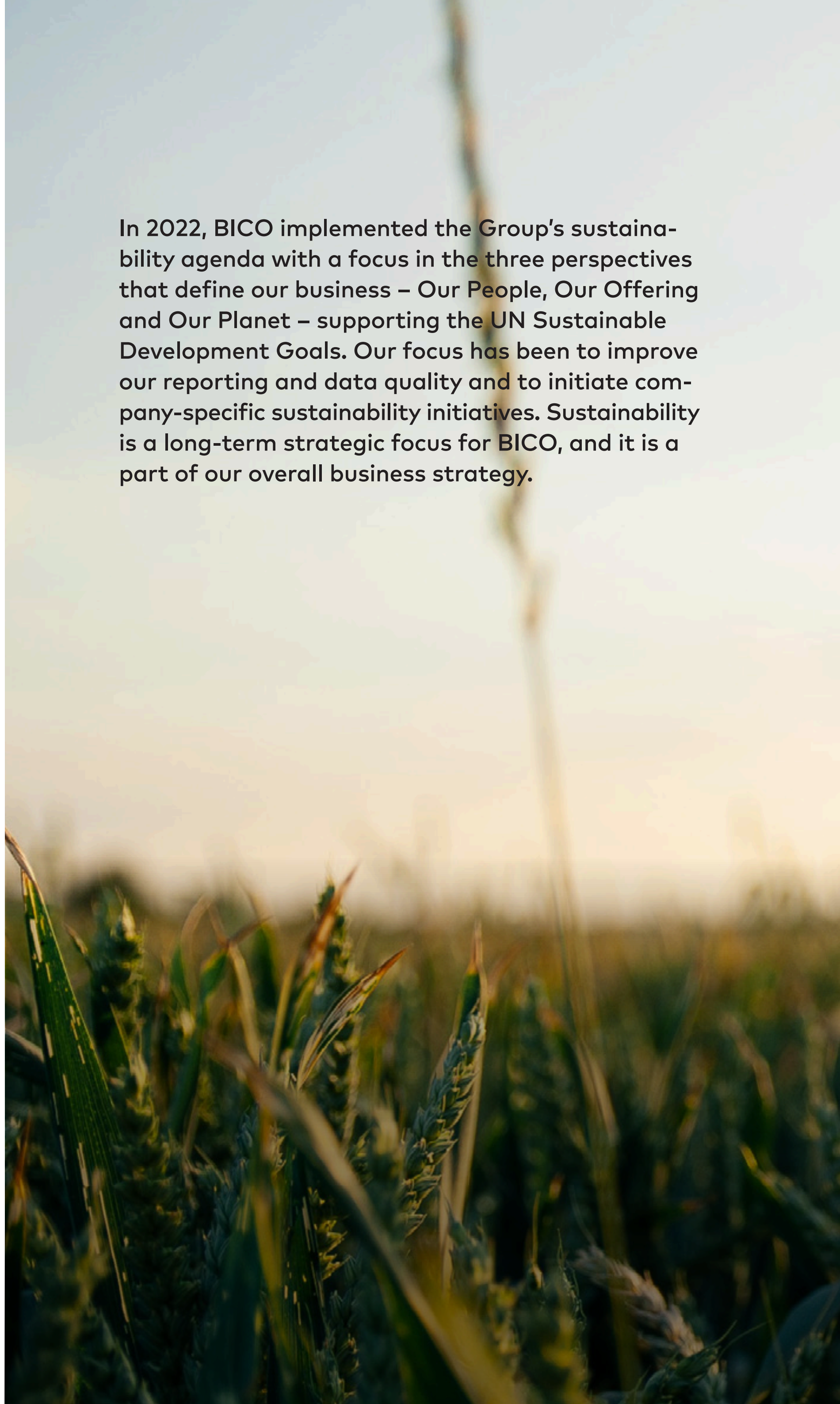
TRANSPARENCY

We guide our actions around honesty and transparency. We work together as a team because we know that only together can we change the world. We trust each other, back each other up, and lead by example. We are committed to each other.

EXECUTION

We inspire hard work while focusing on quality, speed and efficiency. We are driven to exceed our goals to achieve results. We leverage our resources and solve problems creatively to get the job done.

Sustainability



In 2022, BICO implemented the Group's sustainability agenda with a focus in the three perspectives that define our business – Our People, Our Offering and Our Planet – supporting the UN Sustainable Development Goals. Our focus has been to improve our reporting and data quality and to initiate company-specific sustainability initiatives. Sustainability is a long-term strategic focus for BICO, and it is a part of our overall business strategy.

The BICO Way and our Sustainability Agenda

The BICO Way describes who we are and what we stand for. It is grounded in our core values; passion, persistence, inspiration, transparency, and execution, which defines our culture and DNA. It guides us in our everyday decisions and supports us in inspiring trust. The BICO Way includes our company policies and our sustainability agenda.

The sustainability agenda is gathered in the BICO Way, which works as a guide for how BICO views sustainability and focuses on how we, as a company, can make a difference. BICO will drive the changes needed in the industry with cutting-edge instruments and services based on bioconvergence to create the sustainable future of health. The sustainability framework defines how sustainability is anchored in our business strategy and culture, and focuses on three areas: our People, our Offering and our Planet.

Sustainability risk assessment

We work progressively to reduce and monitor risks related to sustainability. We have concluded that these sustainability risks can be market risks, political or regulatory risks, organizational risks as well as climate risks.

These risks may be unforeseen and may affect us in both the near and long term. Therefore, in the next few years, the Group will work on a sustainability action plan based on the new EU Corporate Sustainability Reporting Directives. This will increase transparency in our strategy, business model and value chain, and transparency in the positive and negative material impact that they generate. Political decisions and legislation related to sustainability are constantly changing, so it is therefore important that we monitor these changes and ensure our compliance. The companies in the BICO Group did stop doing business with Russian customers and suppliers in 2022.

UN Global Compact

UN Sustainable Development Goals

As of December 2021, we are an official signatory of the UN Global Compact Sustainability Development Goals and the Ten Principles of the United Nations Global Compact. BICO is committed to the Ten Principles of the United Nations Global Compact, treating all workers with respect and dignity, ensuring safe working conditions, and conducting environmentally responsible, ethical operations.

BICO has focused on sustainability development goals 3, 5, 9 and 12, since these are the goals that BICO can influence the most and which in turn impact BICO the most. Goal three is rooted in all that we do, with our bioconvergence agenda and our goal to save human lives and reduce animal testing.

GOAL 3

A healthier and sustainable society is a direct effect of BICO's offering.

GOAL 5

BICO is actively working with gender equality in our recruitment and promotion processes.

GOAL 9

Technology is paving the way and driving scientific research forward. By combining biology, technology, and engineering in new ways we can fundamentally shift and create the future of health. BICO technology is enhancing R&D partner projects focusing on biodiversity and reduced emissions in food production.

GOAL 12

Technology is paving the way and driving scientific research by producing high-quality products and services and ensuring responsible sourcing throughout the value chain. BICO strives to minimize harmful effects on the planet.

Our People

The Group's overall HR strategy offers employees the opportunity to develop in a work environment that is safe, secure, and innovative. Our sustainability roadmap helps us to recruit and retain the talent that is essential to our innovation-based business growth.

BICO as an employer

Challenging the industry requires engaged, curious and talented employees who dare to think big and think new. A diverse workforce, in terms of competence, gender and ethnicity, is fundamental for our business success in innovating cutting-edge products and services.

In Q3-Q4 2022 the whole BICO Group shifted towards an increased focus on profitability and cashflow. This restructuring plan affected the turnover rate for employees. BICO is working actively to increase employee wellbeing and to ensure that we maintain skilled employees supported by the Employee Life Cycle process.

Initiatives for 2022

In 2022 the whistleblowing function was fully implemented, and six cases were registered. The focus on health and safety resulted in 0 working accidents. BICO introduced a new Code of Conduct for employees in October 2021 with the ambition that all employees would read it and complete training in 2022. This resulted in a 96% completion rate and a widespread awareness in the Group of the Code of Conduct. At Biosero the CSR-focused WHY-initiative started supporting causes and non-profit organizations.

Employee engagement survey

In 2022 we decentralized the employee engagement survey. 71% of BICO Group companies offered their employees the chance to participate in an employment engagement survey. Some companies in the group have a monthly follow-up on engagement and others postponed the survey due to organizational restructuring.

Main risks related to Our People

- Non-compliance with the internal Code of Conduct
- Increased risks of personal injuries in workplace accidents or mental illness, including stress or work-life imbalance
- Pandemic effects.

Our Offering

We live in a world of improving health and wellbeing for people, the common link to our customers and partners. Sustainability of our offerings and our production processes is combined with responsible, ethical collaborations and supplier relationships.

We want to create a transparent and responsible business in our value chain.

- Our goal is for every product to be run through a life cycle analysis.
- We strengthen the relationship with our suppliers around our Code of Conduct for Suppliers and Partners.
- Our EU-funded collaborations with universities and other R&D organizations are constantly being shaped towards sustainable solutions.
- Our emphasis on digitalization of entire workflows enables savings in labor and energy costs, as well as reduction of travel via remote monitoring.

Health and wellbeing

As a part of our internal Code of Conduct, we strive for a safe work environment for our employees as well as safe products. It is vital for us to focus on the quality of the products, so we do not ship any products that cannot be considered safe. We want to ensure the highest possible safety for both our employees and our customers when using our products.

We are very proud of enabling global cutting-edge life science research towards improved health and wellbeing, and at the same time saving 86,000 animal lives in 2022. The FDA Modernization Act of 2021, legislation in the United States that removes the mandate for new drugs and cosmetics to be tested on animals, passed in December 2022.

The companies doing business in the EU are 100% compliant with RoHS and REACH.

Circular business model

In 2022 a life cycle analysis compared a linear and a circular business model for CELLINK. It showed a 25% reduction in CO_2 emissions when adopting a circular business model. At CELLINK, 11% of the instruments sold for the circular product portfolio were refurbished instruments. Additional Group companies have initiated circular business models.

Initiatives for 2022

In 2022, Group companies carried out a number of initiatives to reduce the environmental impact from their processes. For instance, creating more circular processes (Reuse, Reduce, Refurbish, Resell), validated by a Life Cycle Analysis. The Supplier code of conduct was introduced to more companies in the group.

Bioinks approved for 3D-printed food production were tested. An R&D project enabling marine biodiversity by 3D-bioprinting corals was established.

Our approach through the value chain

BICO's impact throughout the value chain derives from several operational activities. Our process starts with R&D and is followed by numerous activities in purchasing, manufacturing, sales, delivery and installation, service, and end of use. The majority of our main suppliers are close to our manufacturing sites, which gives a positive impact on inbound shipment emissions. Within the value chain there are risks linked to climate, human rights, corruption, products and occupational safety.

Main risks related to Our Offering

- Risks related to human rights or corruption can arise in our business relationships and production facilities
- Neglecting to implement or comply with the Code of Conduct for Suppliers and Partners in a consistent and standardized way in global operations
- Lack of tracking or control when purchasing materials for high-risk countries used in production
- Changes in legal requirements may adversely affect the supply and prices of materials used in production
- New or amended requirements from stakeholders or legislators related to BICO's activities or products.

Our Planet

We expect to reach net zero carbon emissions by 2050. The BICO Group is a young company consolidating from an aggressive acquisition agenda, and in 2022 we refined our reporting tool and structure, with each company appointing a person responsible for sustainability.

We are investigating scope 1, 2, and 3 commitments in the Science Based Targets initiative and the impact of the reporting towards the EU's new Corporate Sustainability Reporting Directive (CSRD) and EU Sustainability Reporting Standards (ESRS).

Climate perspective

Scope 1-2 carbon emissions for the Group (direct emissions from owned or controlled sources, plus indirect emissions from purchased power) amounted to 284 tonnes in 2021 (with reporting from only 29 percent of the Group).

In 2022 80% of the companies reported a total of 1406 tonnes. Some companies lack processes for tracking the data, which naturally affects the result.

In 2022 we started to measure other indirect emissions (scope 3) to identify areas where we could improve the climate impact of our value chain. We are now measuring emissions from business travel and outbound shipments.

Waste & reusage

Processes for measuring usage and emissions from waste and materials will be further formalized as part of the Climate Action Plan and will be communicated when they are in place.

Energy usage

We strive towards reducing our energy usage to the greatest extent possible. In several offices and production facilities we already have motion sensors to ensure that lights are only on when necessary. BICO encourages Group companies to switch to renewable energy sources where possible. Two companies in the group, BICO Group (headquarters staff) and CELLINK, moved in to new self-sufficient premises driven by solar energy.

Initiatives for 2022

Some of our Group companies are setting travel and shipping policies. For 2022 the BICO Group took several initiatives to reduce the environmental impact, such as starting to track CO_2 emission for business travel and outbound shipments to a higher extent, optimizing packaging for finished products, and pursuing recycling initiatives, including use of recycled or refurbished products.

Main risks related to Our Planet

- Climate change such as global warming, extreme weather and natural disasters can lead to economic risks and, for example, sharply increased overhead and energy costs.
- Changed environmental legislation could affect companies' sales of products and solutions, including the transport of goods.

Results from sustainability KPIs in 2022

Focus area	KPI	2021 Results	2022 Results	Targets	Comments
Our People	Number of whistleblowing cases	-	6	<12	The whistleblowing process was introduced in Q4 2021.
	Share of employees trained in our Code of Conduct	38% training rate	96% training rate	100% training rate (during 2022)	The Code of Conduct was introduced in October 2021 and 96% of employees have received training.
	Number of corruption cases	0 reported	0 reported	0 reported	No corruption cases were reported in 2022.
	Number of workplace accidents	2 reported accidents	0 reported accidents	0 reported accidents	We support health and safety programs to encourage zero workplace accidents.
	Sick absence rate	2.1%	3.5%	<2.5%	The result is measured in number of days absent/total working days. The increase in absences in 2022 is mainly caused by post-pandemic effects, when employees go back to offices following stricter governmental rules..
	Employee turnover	15.8% turnover rate	18.5% turnover rate	<13.0% turnover rate	A change in focus towards profitability in Q3-4 launched restructuring of the organization, affecting the headcount.
	Gender distribution	65% men/35% women total 67% men/33% women mid management 86% men/14% women, top management teams 62% men/38% women, Board of Directors	64% men/36% women total 69% men/31% women mid management 77% men/23% women, top management teams 62% men/38% women, Board of Directors	60%/40% representation on all levels	Management reflects overall gender distribution. Gender equality improved in 2022.
	Age distribution	< 30 y/o: 33.7% 30-50 y/o: 54.7% >50 y/o: 11.5%	< 30 y/o: 28.1% 30-50 y/o: 57.9% >50 y/o: 14.0%	Maintain a diverse workforce in terms of age	We have a diverse team in terms of age, which we will strive to maintain.

Focus area	KPIs	2021 Results	2022 Results	Targets	Comments
Our offering	Reduction of animal testing	25,000 animal lives saved	86,000 animal lives saved	Reduction of animals in testing over time	More focus on our solutions due to legislations opening up for our technology.
	Share of instruments sold refurbished	-	4-11%	Baseline to be defined	The companies initiating a circular business model reached between 4-11% refurbished units sold within the circular product portfolio.
	Share of suppliers who have signed CoC for Suppliers & Partners	2.5% suppliers signed	2.4% suppliers signed	Target to be set in 2023	The supplier base increased in 2022 due to post-pandemic supply chain disruptions

Focus area	KPIs	2021 Results	2022 Results	Targets	Comments
Our planet	CO_2 emissions (Scope 1-2)	284 tonnes CO_2 emissions	1406 tonnes CO_2 emission	0 tonnes net CO_2 emissions by 2050) (scope 1-3)	More companies reported their emissions which lead to Scope 2 heating and electricity consumption increase. The group works with its reporting structure of data to be able to report a total picture of emissions within scope 1-2.
	Renewable energy sources	21% of KWh consumption	4.9% of kWh consumption	100% renewables sourcing (by 2030)	More companies not sourcing renewable energy reported their emissions.
	CO_2 emissions (Scope 3)	2529 tonnes CO_2 emissions	2149 tonnes CO_2 emissions	Improve data gathering	Business travel and outbound shipments included. Air freight was reduced and business travel by air increased compared to 2021
	Waste handling	Total waste 38 tonnes Sent to Landfill 13% Sent to Recycling 84%	Total waste 184 tonnes Sent to Landfill 51% Sent to Recycling 44%	Improve data gathering	The number of companies reporting waste has increased in 2022

Sustainability Management

Implementation process

2022 has been a year focused on continuing to build and establish the sustainability agenda and introduce it to the Group. Great emphasis was placed on creating an effective measurement method for the Group's companies, which were brought together on a mutual digital platform with a person appointed from each company for reporting responsibilities.

Stakeholders

BICO Group's stakeholders play a vital role in making sure BICO has the right focus on its sustainability work. For us, it is vital to keep an open dialogue with the stakeholders that affect us, and whom we affect. When conducting dialogues with our stakeholder groups we use a variety of channels, for instance meetings and interviews, as well as our internal or external communication channels. In 2022 BICO conducted a stakeholder dialogue mainly with our main investors.

BICO's sustainability management and the governance of our sustainability framework and strategy are monitored on the Group level. Our sustainability efforts are highly integrated with BICO's overarching management structure and as a result, with the responsibility of our management team. Group companies are responsible for the implementation of the sustainability agenda, and during 2022 extended their reporting on various sustainability-related metrics in a Group-wide reporting system.

For the Auditor's report on the Sustainability Report, see page 104.

Code of Conduct

In 2022 BICO continued the implementation of the Code of Conduct, where we commit to a culture of openness, integrity, accountability and to conduct safe, fair, environmentally responsible, and ethical operations.

Our internal Code of Conduct applies to all employees of BICO Group companies. In 2022 96% of all employees were trained in the Code of Conduct as part of an awareness campaign.

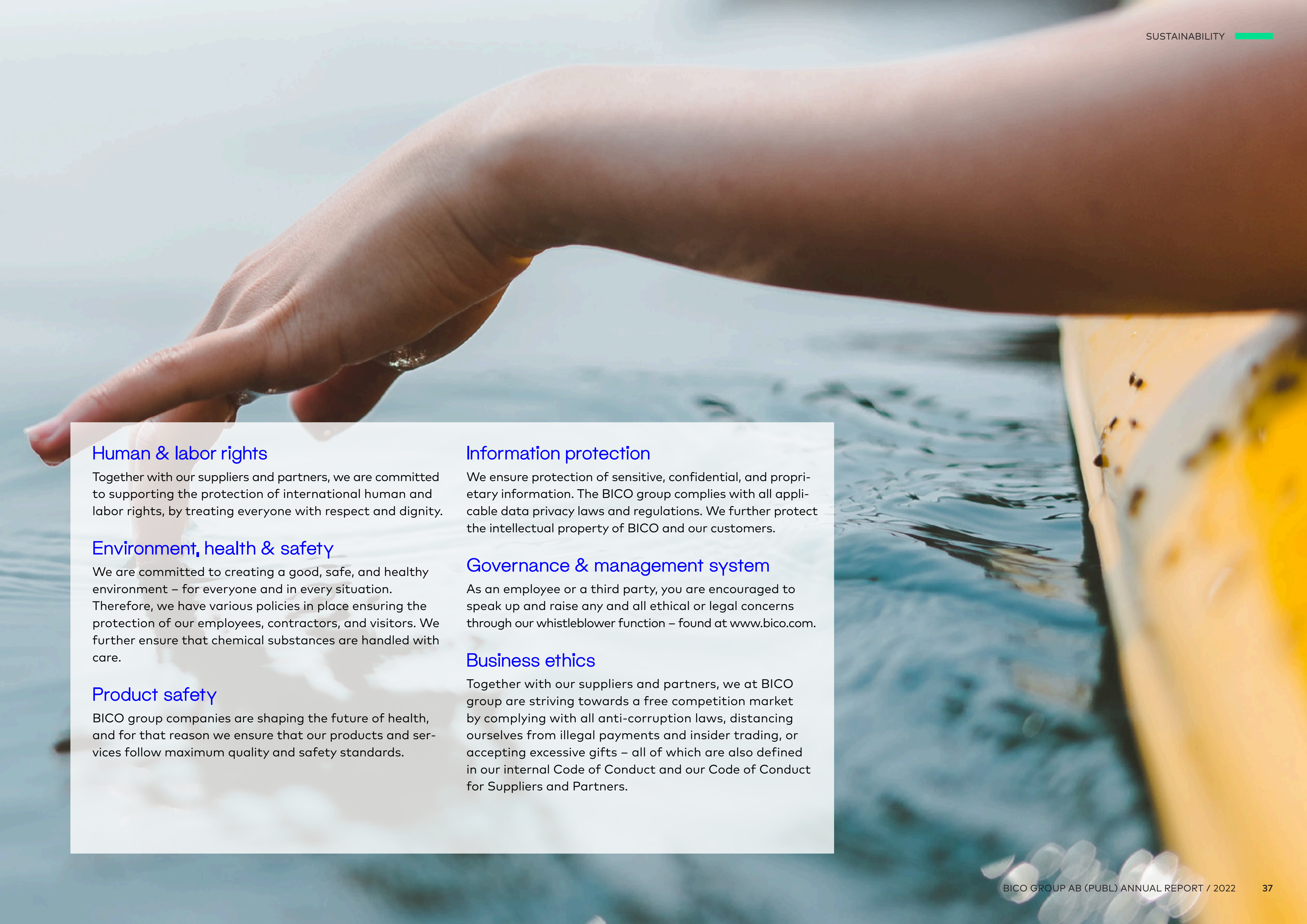
Suppliers and partners to any company within the BICO Group are expected to commit to the same social, environmental, and ethical responsibilities, as laid out in the Code of Conduct for Suppliers and Partners.

BICO's Code of Conduct is based on human rights and labor rights, information protection, environment, health and safety, governance and management systems, product safety and business ethics. The Code of Conduct has been harmonized with the UN principles for the Global Compact and the ILO Convention on Human Rights. The Code of Conduct and the Code of Conduct for Suppliers and Partners describe BICO's business ethics position and principles for these.

In 2022, the Group had six whistleblowing cases concerning the Code of Conduct and zero reports of cases of corruption. Below is a summary of some key provisions in our internal Code of Conduct.

Report misconduct

We will treat all internal and external concerns with the gravity they deserve. we are working together with Whistlelink, which is an external, safe, and secure whistleblowing system that allows you to report suspected wrongdoings, easily and anonymously. We guarantee full anonymity, sensitivity and confidentiality throughout the entire case process. The system is available on BICO's website, which also enables reporting from third parties.



Human & labor rights

Together with our suppliers and partners, we are committed to supporting the protection of international human and labor rights, by treating everyone with respect and dignity.

Environment, health & safety

We are committed to creating a good, safe, and healthy environment – for everyone and in every situation. Therefore, we have various policies in place ensuring the protection of our employees, contractors, and visitors. We further ensure that chemical substances are handled with care.

Product safety

BICO group companies are shaping the future of health, and for that reason we ensure that our products and services follow maximum quality and safety standards.

Information protection

We ensure protection of sensitive, confidential, and proprietary information. The BICO group complies with all applicable data privacy laws and regulations. We further protect the intellectual property of BICO and our customers.

Governance & management system

As an employee or a third party, you are encouraged to speak up and raise any and all ethical or legal concerns through our whistleblower function – found at www.bico.com.

Business ethics

Together with our suppliers and partners, we at BICO group are striving towards a free competition market by complying with all anti-corruption laws, distancing ourselves from illegal payments and insider trading, or accepting excessive gifts – all of which are also defined in our internal Code of Conduct and our Code of Conduct for Suppliers and Partners.

Life sciences in the taxonomy

At present, the majority of BICO's commercial offerings to its customers is not covered by the EU Taxonomy Regulation (the Taxonomy Regulation). The European Commission has stated that it may prepare additional technical screening criteria in the future.

Accounting principles
For reporting in accordance with Article 8 of the Taxonomy Regulation, turnover, capital expenditure (CapEx) and operating expenditure (OpEx) are defined as follows. These definitions differ from the definitions of CapEx and OpEx in BICO's traditional financial reporting.

Turnover
Total turnover corresponds to net sales in the income statement in the financial statements.

CapEx
Total CapEx corresponds to additions, including capitalized research and development expenditure, to these balance sheet items: property, plant and equipment, intangible assets before re-measurements, amortization, depreciation and impairment.

OpEx
Total OpEx corresponds to non-capitalized research and development expenditure and any indirect expenditures relating to the day-to-day servicing of property, plant and equipment.

Taxonomy-eligible turnover, CapEx and OpEx
Turnover pursuant to the above definition that is linked to a taxonomy-eligible economic activity forms the basis for calculating the proportion of turnover that is taxonomy-eligible. CapEx and OpEx pursuant to the above definitions that are associated with taxonomy-eligible economic activities form the basis for calculating the proportion of CapEx and OpEx that is taxonomy-eligible. Also, individually applicable eligible CapEx and OpEx items are added to the proportion of taxonomy-eligible CapEx and OpEx.

Taxonomy-eligible and taxonomy-aligned economic activity
To identify the economic activities that are relevant to BICO, it was necessary to interpret both the Taxonomy Regulation and the Delegated Regulation. According to BICO's interpretation, for an economic activity to be taxonomy-eligible, it must (1) generate, or be intended to generate, external turnover; (2) conform to the description of the activity in Appendix I or II, or to the Delegated Regulation; and (3) be covered by technical screening criteria that are applicable in practice. Based on this interpretation, BICO has established that the Company does not have any activities that are relevant for reporting under the taxonomy.

EU Taxonomy

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2022

	Economic activities (1)		A Taxonomy-eligible activities					B Taxonomy non-eligible activities	
			A.1. Environmentally sustainable activities (Taxonomy-aligned)	Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	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)	Total (A.1 + A.2)	Turnover of Taxonomy-non-eligible activities (B)	Total (A + B)
	Code(s) (2)								
	Absolute turnover (3)	SEK million		0		0	0	2239.5	2239.5
	Proportion of turnover (4)	Percent		0%		0%	0%	100%	100%
Substantial contribution criteria	Climate change mitigation (5)	Percent		-		-	-		
	Climate change adaptation (6)	Percent		-		-	-		
	Water and marine resources (7)	Percent		-		-	-		
	Circular economy (8)	Percent		-		-	-		
	Pollution (9)	Percent		-		-	-		
	Biodiversity and ecosystems (10)	Percent		-		-	-		
DNHS criteria ('Does Not Significantly Harm')	Climate change mitigation (11)	Y/N		-		-	-		
	Climate change adaptation (12)	Y/N		-		-	-		
	Water and marine resources (13)	Y/N		-		-	-		
	Circular economy (14)	Y/N		-		-	-		
	Pollution (15)	Y/N		-		-	-		
	Biodiversity and ecosystems (16)	Y/N		-		-	-		
	Minimum safeguards (17)	Y/N		-		-	-		
	Taxonomy-aligned proportion of turnover, year 2022 (18)	Percent		-		-	-		
	Taxonomy-aligned proportion of turnover, year 2021 (19)	Percent		-		-	-		
	Category (enabling activity or) (20)	E		-		-	-		
	Category '(transitional activity)' (21)	T		-		-	-		

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2022

	Economic activities (1)		A Taxonomy-eligible activities					B Taxonomy non-eligible activities	
			A.1. Environmentally sustainable activities (Taxonomy-aligned)	CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	Total (A.1 + A.2)	CapEx of Taxonomy-non-eligible activities (B)	Total (A + B)
	Code(s) (2)								
	Absolute CapEx (3)	SEK million		0		0	0	511.2	511.2
	Proportion of CapEx (4)	Percent		0%		0%	0%	100%	100%
Substantial contribution criteria	Climate change mitigation (5)	Percent		-		-	-		
	Climate change adaptation (6)	Percent		-		-	-		
	Water and marine resources (7)	Percent		-		-	-		
	Circular economy (8)	Percent		-		-	-		
	Pollution (9)	Percent		-		-	-		
	Biodiversity and ecosystems (10)	Percent		-		-	-		
DNHS criteria ('Does Not Significantly Harm')	Climate change mitigation (11)	Y/N		-		-	-		
	Climate change adaptation (12)	Y/N		-		-	-		
	Water and marine resources (13)	Y/N		-		-	-		
	Circular economy (14)	Y/N		-		-	-		
	Pollution (15)	Y/N		-		-	-		
	Biodiversity and ecosystems (16)	Y/N		-		-	-		
	Minimum safeguards (17)	Y/N		-		-	-		
	Taxonomy-aligned proportion of CapEx, year 2022 (18)	Percent		-		-	-		
	Taxonomy-aligned proportion of CapEx, year 2021 (19)	Percent		-		-	-		
	Category (enabling activity or) (20)	E		-		-	-		
	Category '(transitional activity)' (21)	T		-		-	-		

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2022

Economic activities (1)			A Taxonomy-eligible activities					B Taxonomy non-eligible activities	
			A.1. Environmentally sustainable activities (Taxonomy-aligned)	OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	Total (A.1 + A.2)	OpEx of Taxonomy-non-eligible activities (B)	Total (A + B)
	Code(s) (2)								
	Absolute OpEx (3)	SEK million		0		0	0	169.3	169.3
	Proportion of OpEx (4)	Percent		0%		0%	0%	100%	100%
Substantial contribution criteria	Climate change mitigation (5)	Percent		-		-	-		
	Climate change adaptation (6)	Percent		-		-	-		
	Water and marine resources (7)	Percent		-		-	-		
	Circular economy (8)	Percent		-		-	-		
	Pollution (9)	Percent		-		-	-		
	Biodiversity and ecosystems (10)	Percent		-		-	-		
DNHS criteria ('Does Not Significantly Harm')	Climate change mitigation (11)	Y/N		-		-	-		
	Climate change adaptation (12)	Y/N		-		-	-		
	Water and marine resources (13)	Y/N		-		-	-		
	Circular economy (14)	Y/N		-		-	-		
	Pollution (15)	Y/N		-		-	-		
	Biodiversity and ecosystems (16)	Y/N		-		-	-		
	Minimum safeguards (17)	Y/N		-		-	-		
	Taxonomy-aligned proportion of OpEx, year 2022 (18)	Percent		-		-	-		
	Taxonomy-aligned proportion of OpEx, year 2021 (19)	Percent		-		-	-		
	Category (enabling activity or) (20)	E		-		-	-		
	Category '(transitional activity)' (21)	T		-		-	-		

Management Report

The Board of Directors and the CEO of BICO Group AB (publ), corporate ID number 559050-5052, hereby submit the annual accounts and consolidated accounts for the financial year from January 1 to December 31, 2022.

Operations
Founded in 2016, BICO (formerly CELLINK), is the leading bioconvergence company in the world that combines different technologies, such as robotics, artificial intelligence, computer science, and 3D bioprinting with biology to enable our customers to improve people's health and lives for the better. The company has a focus on developing technologies that will advance Health 4.0 within the application areas: tissue engineering, diagnostics, multiomics, and cell line development. BICO's technologies enable researchers in the life sciences to culture cells in 3D, perform high-throughput drug screening and print human tissues and organs for the medical, pharmaceutical, and cosmetic industries.

The Group and the Parent Company
The Parent Company BICO Group AB (formerly CELLINK AB) with corporate ID number 559052-5052 is a listed public company and its domicile is Gothenburg, Sweden. The Group consists of the Parent Company and subsidiaries.

Important events during the year

On February 23, BICO announced an agreement with Organovo to resolve all aspects of the previous disputes between the parties regarding Organovo's patents. Under the new agreement, all civil actions regarding potential infringements and IPRs concerning validity of Organovo's patents were dismissed and/or terminated. The patent license agreement with Organovo provided BICO with possibilities to access Organovo's bioprinting technologies, which will further empower BICO to continue to advance and expand the product portfolio.

On April 26, BICO's CFO, Gusten Danielsson left the company and his role as CFO with immediate effect. On April 29, Mikael Engblom was appointed interim CFO until a new permanent CFO would be in place. In January 2023, Jacob Thordenberg was appointed new CFO.

On May 6, BICO acquired Allegro 3D Inc., based in San Diego, US, for an up-front enterprise value of USD 6 million. Additionally, the previous shareholders can receive USD 5 million in an earnout payment contingent on Allegro 3D's financial performance in the coming two years. Adding Allegro 3D to the portfolio enables BICO Bioprinting to strengthen its position as the global leader in providing 3D bioprinters. BICO has a robust portfolio of bioprinters, utilizing extrusion based, 2PP and DLP technologies. The Allegro 3D portfolio enables high precision and high speed bioprinting that is tailored for multi-well printing, providing life science companies with the features needed for developing tissue constructs for regenerative medicine and drug testing workflows.

On July 15, BICO released preliminary results for the second quarter 2022 and a one-off bad debt provision of uncertain accounts receivables in two group subsidiaries resulted in a negative EBITDA effect of SEK 44 million. Furthermore, the company announced the implementation of cost-savings. The cost reduction program targeted reducing expenses by SEK 100 million on a twelve-month basis. The cost reductions were expected to materialize gradually over the rest of the year and be in full effect from the first quarter of 2023. In the interim report January – June released on August 24, it was announced that the management was targeting reducing working capital related to accounts receivables and inventory as well as investigating financing opportunities for the ongoing facility investments in Germany and Finland.

On November 10, BICO announced new financial targets from 2023 onwards in connection with the digital Capital Markets Day, held the same day. The new financial targets comprise:

- Double-digit organic growth in constant currency
- EBITDA Margin less capitalized development cost > 10%
- NET DEBT / EBITDA <3.0x

On December 8, BICO announced the agreement with Sartorius Lab Holding GmbH on strategic cooperation, followed by a SEK 487 million directed share issue of shares to Sartorius Lab Holding GmbH. Headquartered in Göttingen, Germany, the Sartorius Lab Holding GmbH is a leading international partner of life science research and the biopharmaceutical industry and listed on the Frankfurt Stock Exchange, with a market capitalization of approximately EUR 23 billion. The Board of Directors of BICO exercised the authorization granted by the Annual General Meeting to issue up to 6,408,626 class B shares in full, equivalent to ten percent (10%) of outstanding shares in the company prior to the transaction, through a directed share issue to Sartorius Lab Holding GmbH. The subscription price of the share issue amounted to SEK 76.00, equivalent to a premium of 2.7 percent compared to the volume weighted average price of the last three trading days for BICO's class B shares on Nasdaq Stockholm preceding 8 December. Through the share issue the company received gross proceeds of approximately SEK 487 million, before transaction costs. In conjunction with the share issue, BICO and Sartorius Lab Holding GmbH agreed on a comprehensive technology as well as sales and marketing cooperation. As part of the partnership, both companies will enter into a research & development collaboration relating to 3D cell printing and associated technologies as well as digital solutions for cell line development workflows. Additionally, it was agreed that Sartorius Lab Holding GmbH will become a distributor of BICO products in the Asia-Pacific (APAC) region.

Financial comments

Sales and earnings development

Net sales for the full year amounted to SEK 2,239.5 million (1,257.3), an increase of 78 percent (244) compared with the corresponding period last year. Organic growth for the full year amounted to 17 percent (44), and 4 percent excluding currency effects. The organic growth in 2022 is negatively impacted by the post pandemic downturn in Ginolis. Bioprinting reported organic growth of 31 percent, and 16 percent excluding currency effects. Biosciences reported organic growth of 29 percent, and 12 percent excluding currency effects. Bioautomation reported organic growth of -1 percent, and -10 percent excluding currency effects.

Contributing to the total sales growth for the full year were the acquisitions made in 2021. The acquired growth mainly came from the Biosciences business area. Services accounted for 14.3 percent (12.7) of sales. Consumables accounted for 16.7 percent (19.5) of product sales in the period. For more information on the distribution of net sales, see Note 5.

Earnings

Gross profit for the full year amounted to SEK 1,648.6 million (908.3), which meant a gross margin of 73.6 percent (72.2). The gross margin is slightly higher than previous periods, which is partly due to positive impact from currency effects by approximately 1.0 percentage points. EBITDA for the full year amounted to SEK -56.3 million (-45.1), corresponding to an EBITDA margin of -2.5 percent (-3.6). EBITDA was negatively impacted by one-off bad debt and restructuring costs, and positively impacted by currency and revaluations of contingent considerations, see table below.

Items affecting comparability SEK millions	Jan–Dec 2022	Jan–Dec 2021
EBITDA	-56.3	-45.1
Costs related to option programs	39.0	16.4
One-off provision for bad debt	43.9	-
Restructuring costs related to personnel changes	27.1	-
Acquisition-related costs	24.3	47.4
Governmental support	-	-1.1
Re-branding	-	7.1
Revaluation of contingent considerations	-25.2	-25.0
ERP, Phase one implementation costs	8.3	9.5
Legal costs	1.0	7.6
Adjusted EBITDA	**62.1**	**16.9**

Adjusted EBITDA for the full year amounted to SEK 62.1 million (16.9). Items in the adjusted EBITDA amount for the full year are shown above. Operating profit for the full year amounted to SEK -996.9 million (-236.9), corresponding to an operating margin of -44.5 percent (-18.8). Operating profit for the period was affected by amortization of acquired intangible assets of SEK -131.4 million (-81.5), as well as impairment of goodwill related to Ginolis with SEK -625.0 million (0.0). For more information on impairment in Ginolis, see note 12. The increased amortization compared to the corresponding period last year is the result of the number of acquisitions made in 2021 as well as a weakened SEK in relation to USD and EUR.

Other operating income for the period amounted to SEK 110.8 million (73.8). Other operating income consisted mainly of grants for research projects and positive effects of currency exchange rates due to the weakened SEK. Furthermore, a revaluation of contingent considerations relating to Visikol was performed, which resulted in an Other Income effect of SEK 25.2 million (25.0). Financial items were affected by negative market development and dividends on the company's short-term investments of net SEK -28.9 million (12.9) in the period. Furthermore, there were net positive currency effects, mainly related to unrealized exchange rate effects on non-currency hedged intra-group loans in the Parent Company, of SEK 374.5 million (79.7) in the period. Financial items were also charged with costs related to convertible bonds totaling SEK -80.0 million (-57.8) for the period, see further information in Note 10 and 19.

Net profit for the full year amounted to SEK -835.7 million (-229.2), corresponding to earnings per share before and after dilution of SEK -12.94 (-3.97).

Balance sheet

BICO's total assets increased to SEK 10,196.8 (9,754.6) million during the financial year. The increase mainly relates to increased Right-of-use assets, the new share issue to Sartorius and currency effects. This was partly neutralized by payments of contingent considerations and the impairment of goodwill in Ginolis. At the end of the year the company had SEK 925.2 million (1,475.0) in cash and cash equivalents, and it is therefore well-placed for continued expansion.

The Group's external financing consisted of interest-bearing liabilities of SEK 1,393.0 million, of which SEK 1,365.4 million relates to convertible debentures, net after transaction costs. In addition, the Group has leasing liabilities totaling SEK 460.2 million. Reported contingent considerations to be paid amount to SEK 278.3 million, of which SEK 83.6 million is reported as due within 12 months. See note 20 and 23 for more information on the contingent considerations.

Cash flow, investments, and liquidity

Cash flow from operating activities for the full year amounted to SEK -269.4 million (-409.3), of which SEK -266.1 million (-348.0) consisted of changes in working capital. The cash flow from changes in inventories amounted to SEK -162.1 million (-169.6). The inventory increased to support future growth and mitigation of supply chain risks. The cash flow from changes in operating receivables amounted to SEK -189.4 million (-352.9). Operating receivables increased mainly due to increased contract assets and trade receivables as a result of the further growth in the company. The cash flow from changes in operating liabilities amounted to SEK 85.4 million (174.4) and was mainly impacted by increased contract liabilities.

Cash flow from investing activities during the full year amounted to SEK 212.9 million (-4,453.9), of which SEK -218.2 million

(-3,540.2) was attributable to the cash purchase price for the acquisitions and contingent considerations paid during the period, as well as associated acquisition costs. During the full year, the Group acquired Allegro 3D and paid installments of the contingent considerations to former owners of Nanoscribe, Advanced Biomatrix and Biosero. In the comparison period, Ginolis, MatTek, Visikol, Nanoscribe, Discover Echo, Advanced Biomatrix, Hurel, QInstruments and Biosero were acquired. SEK 960.7 million (-646.6) was attributable to the purchase and sale of short-term interest rate funds and other shortterm investments during the period. During the full year, the Group invested SEK -255.5 million (-156.1) in intangible fixed assets, mainly attributable to the development of new products. Investments in tangible fixed assets amounted to SEK -274.1 million (-110.9), of which SEK -167.2 million was due to the buildings that SCIENION and Ginolis are constructing for their operations in Berlin and Oulo, respectively. The remaining investments scheduled for these buildings are estimated at SEK 60 million in 2023.

Cash flow from financing activities for the full year amounted to SEK 455.3 million (4,900.1) and consisted mainly of a directed share issue to Sartorius Lab Holding GmbH and amortization of lease liabilities and exercised options in one of the Group's option programs. The Group carried out two new share issues of SEK 1,500 million and SEK 2,040 million respectively, as well as a convertible issue of SEK 1,500 million.

The total cash flow for the full year amounted to SEK 398.8 million (37.1).

At the end of the period, the Group's cash and cash equivalents and short-term investments amounted to SEK 925.2 million (481.2). The short-term investments were converted to cash during the fourth quarter.

Sustainability

BICO's sustainability work aims to strengthen the company's long-term competitiveness and growth, and to promote all aspects of our society. Carrying out this work responsibly is crucial to BICO's commercial success, profitability, and shareholder value. The most important sustainability aspects as determined by the Board and management based on materiality and risk consist of:

- Developing and retaining skilled employees
- Responsibility by making a difference, e.g. helping to reduce the scope of animal testing
- Quality-assured, competitive products
- Responsible business and business relations

BICO's sustainability report has been prepared separately from the management report and can be found on pages 30-41.

Risk and risk management

BICO's management has identified conceivable events that could have an impact on the company's operations. The events have been evaluated and reduced to a net list of which are considered to be the most relevant risks. In order to manage and mitigate identified risks, a number of risk mitigation activities have been established. An evaluation of the most relevant risks and mitigation activities is carried out annually. The most important risks are presented below.

Risk areas

The Group is exposed to various types of risks through its operations. Risks can primarily be sorted into three different categories: External and market-related risks, operational risks, and financial risks.

External and market-related risks

Geopolitical risks and other external events

BICO is exposed to external events such as geopolitical risks, natural disasters, terrorism and pandemics. External factors such as geopolitical tensions and possible associated sanctions are risks that could affect BICO's ability to expand in markets that have significant needs for the Group's products and solutions. During the year, the war in Ukraine had a limited direct effect in terms of reduced sales but a large indirect effect in terms of supply chain challenges, which amongst others resulted in increased inventory levels to mitigate supply chain risks.

COVID-19

During the year, the company has faced challenges in some counties due to travel restrictions, cancelled trade fairs and difficulties carrying out demonstrations in customer laboratories because of COVID-19. Some uncertainty related to COVID-19 remains and during the end of the year, relaxed restrictions were seen in China, which could impact demand in that market positively.

Legal and regulatory environment

BICO's market is affected by legislation and regulations in many countries. Legal or political decisions can affect BICO's ability to run or develop its business. For example, during the year political decisions in China to reduce the spread of COVID-19 had a negative effect on demand; these restrictions were lifted at year-end. Due to the nature of the business, there is some risk of claims for damages and liability. To protect the Group from the financial effects of any claims, BICO has insurance coverage for general and business-related claims for damages.

Market and competition

Fluctuations in the economy, such as recessions, could result in customers reducing investments, and thereby negatively impacting the demand for BICO's products. BICO operates within a competitive field. New products and improved methods are launched continuously, and the future development of the market can influence BICO's competitiveness. Technological advances are currently being made at a fast pace, which is affecting the competitive situation in the market. BICO is subject to risks related to product quality from a customer perspective, and if BICO's products do not meet customer expectations, this could entail a higher risk of customers choosing alternative suppliers. BICO operates a decentralized organizational structure amongst others in order to secure commercial decisions made by the team closest to the market. BICO continuously invests in research and development to ensure that the Group can offer competitive products to the market.

Operational risks

Employees

Being able to attract and retain qualified staff and senior leaders is important for BICO's future operations and business plan. The Group works actively with a performance management process to minimize risks and ensure talent management throughout the organization.

Value chain

In relation to the value chains of the Group companies, we face different challenges and risks. However, some risks apply to all companies, for instance ensuring control and safety. The group is impacted by inflation, for example, increased raw material costs, as well as commodity price increases. The Group faces risks controlling the value chain in terms of ensuring compliance with our Code of Conduct and more specific risks related to human rights and anti-corruption. Furthermore, we also face the risk of ensuring that our suppliers are supporting and meet our quality- and safety standards. As quality, safety, and ethical business practices are some of our cornerstones, we assess this risk to be significant to our business going forward. External parties have a significant impact on this risk and are addressed by the group companies in their work to secure an efficient production process.

In terms of our supplier's compliance with our safety and quality standards, we are currently working with various standards, such as ISO 14001 and ISO 9001. Several of the companies within the Group also have various safety and quality standards to ensure that the products being delivered to the customers also keep a high quality and safety. Some work with their own safety policies while others are working with external certification for their products, for instance UL (Under-writer Laboratories), REACH and ROHS.

Integration of Acquisitions

Acquisitions are an important part of BICO's growth strategy. There are several risks related to acquisitions including business plans, market, competition, product development, legal risks, culture and retention of key personnel. Hence, if an acquisition fails to meet expectations the purchase price paid may not have been justified at the time of the acquisition, which could amongst others result in Goodwill impairment.

All acquisitions are made after comprehensive due diligence relevant to the acquisition target. Risks identified in the due diligence process are either mitigated in the share purchase agreement or after the acquisition. After each completed transaction, an onboarding is made with the acquired company with focus on integration and follow-up of due diligence findings.

BICO also had the ambition to structure the purchase price for acquisitions into upfront payment in cash and shares (subject to lock-up) as well as an earn-out component for several years for the sellers, who typically also are part of management, to incentive them to deliver results according to the expectations at the time of the acquisition. This payment arrangement, with part of the purchase price being linked to an earn-out or payment in BICO shares, is structured to align the interest of BICO and the sellers, and reduce risks associated with the acquisition.

Information management

An information security risk is the product of an information security threat's probability to realize and its business impact. That product defines the information security risk level associated with a threat and a vulnerability allowing that threat to be realized. At BICO, we have documented and implemented a formal global process, BICO information risk management methodology defining the criteria for calculating the information risk levels and for mitigating, avoiding, transferring, or accepting risks.

The BICO Group Management Team has established an information security policy and information risk management methodology that applies to all companies in the Group. The information security policy defines the strategic level governance for managing information security within BICO, i.e., the information security objectives, scope and responsibilities based on ISO 27001 information security management system, an international standard for implementing information security management best practices:

- Appointing a Chief Security Officer to establish, maintain, and continuously improve BICO Group's information- security and risk-management
- Maintaining an asset register of all assets that can impact the security of business-critical information including all assets that belong to the external and internal context of BICO Group's business, e.g., compliance with data protection laws such as GDPR
- Performing regular information risk assessment based on BICO Group information risk management methodology for defining information risk levels, risk treatment and risk appetite, including annual information risk management plan
- BICO Management Team reviews at least annually the information security management system status, including results of internal audits, risk assessments and risk treatment plan Cyber security threats impacting BICO companies are very much in line with the international threat landscape, i.e., phishing attacks targeted all BICO companies. To mitigate these risks BICO Group has invested in technology that protects BICO Group people, data and brand from email threats and common nuisances such as: impostor email, phishing, malware, spam, and viruses.

Since not all threats can be addressed with technical controls, BICO Group has established and implemented new global IT security policies and mandatory annual employee cyber security trainings to build BICO Group resilience to most common threats targeting employees, i.e., phishing, ransomware, social engineering, and eavesdropping.

In 2022, BICO implemented an ERP system from Microsoft in several group companies in order to improve operational efficiency and IT security, among other things.

Intellectual property rights (IPR)

BICO is highly dependent on intellectual property protection to be able to pursue development, marketing and sales without obstructive competition. If the protection of intellectual property rights, trade secrets and other intangible assets on which the Group depends turns out to be inadequate, the Group's opportunities to commercialize its products, and perhaps also its ability to achieve profitability in its operations, will be adversely affected. If the Group should lose IPRs or other intangible assets, or if the Group is unable in another way to maintain adequate protection for named assets, this would have a major negative impact on the Group's operations and financial position and could lead to recognized intangible assets being written down. Conversely, BICO is dependent on newly developed or acquired technology with freedom to operate and that BICO does not infringe the rights of third parties, which can otherwise lead to costly legal proceedings and damages.

BICO works actively with experts in the field to achieve intellectual property protection for its products, and to monitor its existing IPR portfolio. In the event of infringement by a third party, BICO takes measures to remove the infringement, for example by requesting that the infringing actions stop. BICO also conducts ongoing reviews of any obstacles in the development phase of new products and in connection with acquisitions to ensure that the Group has freedom to operate and that new products do not infringe on the rights of third parties.

Tax

Tax-related issues within the Group are handled based on interpretations of applicable tax legislation, tax agreements and other tax regulations in the countries in which the Group operates, and on the positions of the relevant tax authorities. There is a risk of tax audits or reviews resulting in additional taxes being charged, for example with regards to internal pricing or tax compliance. If the company's interpretation of tax legislation, tax agreements and other tax regulations or their application is incorrect, the Group's previous and current handling of tax-related issues may be called into question. If tax authorities successfully argue such claims, this may result in a higher tax cost, including additional tax and interest, and may have a material negative impact on the company's financial position and earnings.

The Group mitigates this risk by seeking assistance from external advisors to comply with internal pricing rules. The Group has documented principles for ensuring that prices in related party transactions are determined in accordance with OECD guidelines and national regulations on internal pricing.

Financial risks

Currency risk
International companies like BICO are in different ways exposed to exchange rate fluctuations that could affect the Group's earnings and equity in some way, either as transaction exposure or translation exposure. This applies both to operating activities, and to events of a more non-recurring nature such as acquisitions of new subsidiaries or dividends from Group companies. For currency exposure, see Note 2.

Credit risk
Credit risk is the risk of losses resulting from the counterparty being unable to fulfill its contractual obligations. During the year, several customers were unable to fulfil their commitments, which resulted in a cost for bad debt of SEK 116 million.

Other financial risks
The Group is exposed to financial risks such as interest rate risks. A more in-depth description of these risks is provided in Note 2.

The share

As of December 31, 2022, the share capital of BICO Group AB (publ) amounted to SEK 1,762,372 (1,553,256), divided into 70,494,895 shares (62,130,269). The shares were traded on the NASDAQ Large Cap during the financial year. There are two types of shares, 1,500,000 Series A shares and 68,994,895 Series B shares, with 10 and 1 vote per share respectively, but with the same share of equity per share. There are no restrictions on the transfer of shares or on the shares' voting rights in law or in rules in the articles of association.

The company is aware of several "lock-up" commitments that limit shareholders' opportunities to sell their shares. These are attributable to the acquisitions the company has made in recent years. In acquisitions where the sellers of the companies receive shares in BICO as part of the purchase price, a "lock-up" commitment is normally included which limits the shareholder's right to sell the shares for a certain period after the acquisition. These restrictions vary between 6 and 36 months depending on the structure of the transaction and are negotiated as part of the commercial terms of the transaction.

Ownership
As of 31 December 2022, the company's five largest shareholders (capital) were: Erik Gatenholm, 13.6%; Sartorius Lab Holding GmbH, 10.1%, Héctor Martínez, 9.0%; Handelsbanken Fonder, 8.9%; Fourth Swedish National Pension Fund, 4.5%

Share-based incentive programs
BICO Group AB had three outstanding equity-regulated option programs during 2022. See note 6 for details and terms.

Guidelines for remuneration to senior executives

At the AGM on April 26, 2021, it was resolved to introduce guidelines for remuneration to senior executives. The term senior executives refer to the CEO, CFO, and other members of the executive management. "Other members of the executive management" refers to people in the executive management team that report directly to the CEO. The guidelines are forward-looking and are applied to remunerations that are agreed, and changes made to already agreed remunerations. The guidelines were adopted by the AGM in 2021 and must be updated at least every fourth year.

The guidelines essentially entail the following: The company shall offer market conditions that allow the company to recruit and retain skilled staff. Remuneration to the executive team shall consist of fixed basic salary, variable remuneration, long-term incentive programs, pensions and other customary benefits. The remuneration is based on the individual's commitment and performance in relation to pre-established goals, and both individual and common goals for the entire company. Evaluation of individual performance is carried out continuously.

Remuneration
Remuneration shall be market-based and may consist of fixed salary, variable cash remuneration, pension benefits and other benefits. The AGM may in addition decide on share and share price-related remuneration. The fixed salary shall consider the individual's experience and areas of responsibility and shall be reviewed annually.

The fulfillment of criteria for paying variable cash remuneration must be measurable over a period of one or more years.

Variable cash remuneration shall amount to a maximum of 100 percent of the total fixed salary during the measurement period. Further variable remuneration may be payable in extraordinary circumstances. Please see note 6 for information about extraordinary payments in 2022.

Incentive programs
The AGM decides on share or share price-related incentive programs. Before each AGM, the Board of Directors shall consider whether such a long-term incentive program for the company's senior executives should be proposed. Incentive programs shall contribute to long-term value growth and that the company, participants, and shareholders receive a common interest in the positive value development of the share.

Pension and other benefits
The CEO's pension benefits shall be defined contribution plans. Pension benefits for other senior executives shall be defined contribution plans, unless the executive is covered by a defined benefit plan under mandatory provisions in a collective agreement. Pension premiums for defined contribution plans shall amount to no more than 31 percent of the fixed annual salary.

Other benefits may include life insurance, health insurance and car benefits. Such benefits may amount to no more in total than 5 percent of the fixed annual salary.

Notice period
In the event of termination of employment by the company, the period of notice may be no more than 12 months. Fixed salary during the period of notice and severance pay may not exceed in total a sum equivalent to the fixed salary for 12 months. In the

event of termination of employment by the senior executive, the period of notice may be no more than six months, without entitlement to severance pay.

Other
The Board of Directors has appointed a Remuneration Committee. The committee's tasks include preparing the Board's decisions on proposed guidelines for remuneration to senior executives. The Board shall draft proposals for new guidelines at least every four years and shall present the proposal at the AGM for a decision. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the company management, the application of the guidelines for remuneration to senior executives, and prevailing remuneration structures and remuneration levels in the company.

The Board of Directors may decide temporarily to deviate from the guidelines, in part or in whole, if there are special reasons for justifying it in an individual case to protect the company's long-term interests, including its sustainability, or to assure the company's financial viability.

Other disclosures

Corporate governance report
The corporate governance report is prepared independently of the annual report and can be found on pages 105-110.

Research and development
BICO actively conducts research and development to improve current technologies and products. The company's R&D team consists of engineers and scientists who, in partnership with scientists around the world, strive to improve and advance current technologies and discover new innovations. During 2022, several new products were launched; for more information, see page 26. During the year, SEK 363.1 million was invested in research and development, of which SEK 219.8 million has been capitalized in the company's balance sheet.

Outlook
Several market reports where one example is McKinsey Global Institute's report: The Bio Revolution which indicates that the market in which the Group operates will grow rapidly in the coming years. Developments are driven by increased demand from pharmaceutical companies for better methods to test and develop new drugs, increased research in regenerative medicine as well as basic and applied research at universities. The company focuses on growing in that market organically as well as through acquisitions.

Seasonal effects
BICO's sales are affected by seasonal effects. Historically, the Group has gradually increased sales and profit during the calendar year, with a certain decline during the holiday period (July-August). Q1 is normally the weakest quarter, and Q4 the strongest.

Dividend and dividend policy
The Board of Directors proposes no dividend for the financial year 2022 given the company's current growth phase.

Subsequent events
For information about subsequent events, refer to Note 30.

Annual General Meeting
BICO's AGM for the financial year of 2022 will be held on Tuesday May 9, 2023. Further information will be available at https://www.bico.com/investors/. Information on decisions taken at the AGM will be published on the same day as the Annual General Meeting, provided that the voting results have been compiled.

Proposed appropriation of profits
The Board of Directors and the CEO propose that the available funds, SEK 7,230,550,387 be disposed of as follows:
Carried forward: SEK 7,230,550,387

The financial statements were approved and issued by the Parent Company's Board of Directors on March 17, 2023. Regarding the company's earnings and position in general, reference is made to the following income statements, balance sheets and cash flow statements.

Consolidated income statement

SEK million	Note	2022	2021
Net sales	5	2,239.5	1,257.3
Other operating income	7	110.8	73.8
Changes in inventories		4.5	13.2
Capitalized work on own account		182.0	94.0
Operating expenses			
Raw materials and consumables		-595.4	-362.2
Other external expenses	9	-719.0	-433.1
Staff costs	6	-1,256.6	-669.8
Amortization, depreciation and impairment	12, 13	-315.6	-191.8
Amortization of goodwill	12	-625.0	-
Other operating expenses	8	-22.1	-18.3
Operating profit/loss		**-996.9**	**-236.9**
Profit/loss from financial items			
Finance income	10	432.2	96.3
Finance costs	10	-188.4	-72.8
Net finance income		**243.8**	**23.5**
Profit/loss after financial items		**-753.1**	**-213.4**
Taxes	11	-82.6	-15.8
Profit/loss for the year		**-835.7**	**-229.2**
Attributable to:			
Owners of the Parent Company		-832.9	-227.6
Non-controlling interests		-2.8	-1.6
Basic earnings per share, SEK	18	-12.94	-3.97
Diluted earnings per share, SEK	18	-12.94	-3.97

Consolidated statement of comprehensive income

SEK million	Note	2022	2021
Profit/loss for the year		**-835.7**	**-229.2**
Other comprehensive income			
Items that have been or may be transferred to profit or loss for the year			
Translation differences for the period in the translation of foreign operations	17	396.7	81.0
Tax on components that have been or may be transferred to profit or loss for the year		-5.2	1.6
Other comprehensive income for the year		**391.5**	**82.6**
Comprehensive income for the year		**-444.2**	**-146.6**
Attributable to			
Owners of the Parent Company		-442.6	-146.0
Non-controlling interests		-1.6	-0.6

Consolidated balance sheet

SEK million	Note	Dec 31, 2022	Dec 31, 2021
ASSETS			
Non-current assets			
Intangible assets	12	6,712.9	6,522.7
Property, plant and equipment	13	459.8	209.1
Right-of-use assets	24	441.8	248.5
Long-term investments	23	3.4	3.4
Non-current receivables	23	40.0	20.4
Deferred tax assets	11	101.9	96.5
Total non-current assets		**7,759.8**	**7,100.6**
Current assets			
Inventories	14	531.0	353.5
Current tax assets		28.3	9.1
Contract assets	5	160.3	132.2
Trade receivables	15, 23	699.7	576.9
Prepaid expenses	16	32.5	19.1
Other receivables		60.0	88.2
Short-term investments	2, 23	-	993.8
Cash and cash equivalents	28	925.2	481.2
Total current assets		**2,437.0**	**2,654.0**
TOTAL ASSETS		**10,196.8**	**9,754.6**

SEK million	Note	Dec 31, 2022	Dec 31, 2021
EQUITY AND LIABILITIES			
Equity	17		
Share capital		1.8	1.6
Other contributed capital		7,590.5	7,017.1
Translation reserve		419.3	29.0
Retained earnings including profit for the year		-1,106.6	-273.8
Equity attributable to owners of the Parent Company		**6,905.0**	**6,773.9**
Non-controlling interests		27.2	28.8
Total equity		**6,932.2**	**6,802.7**
Non-current liabilities			
Interest-bearing non-current liabilities	2, 19	1,384.9	1,350.3
Non-current lease liabilities	2, 19	370.5	198.2
Other provisions	21	24.9	19.5
Other non-current liabilities	2, 20	199.7	393.2
Deferred tax liabilities	11	345.1	260.2
Total non-current liabilities		**2,325.1**	**2,221.4**
Current liabilities			
Interest-bearing current liabilities	2, 19	8.0	5.0
Current lease liabilities	2, 19	89.7	53.3
Trade payables	2, 23	132.6	129.1
Contract liabilities	5	300.9	201.5
Current tax liabilities		49.8	9.5
Other liabilities	2, 20	114.5	151.9
Accrued expenses	22	244.0	180.2
Total current liabilities		**939.5**	**730.5**
Total liabilities		**3,264.6**	**2,951.9**
TOTAL EQUITY AND LIABILITIES		**10,196.8**	**9,754.6**

Consolidated cash flow statement

SEK million	Note	2022	2021
Operating activities			
Profit/loss after financial items		-753.1	-213.4
Adjustments for non-cash items	28	780.6	173.7
Income tax paid		-30.8	-21.5
Cash flows from operating activities before changes in working capital		**-3.3**	**-61.2**
Cash flows from changes in working capital			
Increase (-)/decrease (+) in inventories		-162.1	-169.5
Increase (-)/decrease (+) in operating receivables		-189.4	-352.9
Increase (+)/decrease (-) in operating liabilities		85.4	174.4
Changes in working capital		**-266.1**	**-348.0**
Cash flows from operating activities		**-269.4**	**-409.2**
Investing activities			
Acquisition of property, plant and equipment	13	-274.1	-110.9
Acquisition of intangible assets	12	-255.5	-156.1
Acquisition of subsidiary/business, net effect on liquidity	26	-218.2	-3,540.2
Acquisition (-)/Disposal (+) of short-term investments		960.7	-646.6
Cash flows from investing activities		**212.9**	**-4,453.8**
Financing activities			
New share issue	17	539.7	3,609.5
Issue costs		-7.2	-97.9
Issue of convertible loan		-	1,500.0
Received option premiums		0.9	-
Repayment of loans		-4.3	-73.9
Repayment of lease liability	24	-73.8	-37.6
Cash flows from financing activities		**455.3**	**4,900.1**
Cash flows for the year		**398.8**	**37.1**
Cash and cash equivalents at the beginning of the year		481.2	434.9
Exchange difference in cash and cash equivalents		45.2	9.2
Cash and cash equivalents at end of year	28	**925.2**	**481.2**

Consolidated statement of changes in equity

SEK million	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. profit/loss for the year	Non-controlling interests	Total
Equity, opening balance, Jan 1, 2021	**1.3**	**2,299.5**	**-52.5**	**-46.4**	**6.6**	**2,208.5**
Profit/loss for the year	-	-	-	-227.6	-1.6	**-229.2**
Other comprehensive income for the year	-	-	81.5	-	1.1	**82.6**
Transactions with shareholders						
New share issue	0.2	3,586.2	-	-	22.8	**3,609.2**
Non-cash issue	0.1	1,012.8	-	-	-	**1,012.9**
Convertible bonds	-	167.1	-	-	-	**167.1**
Transaction costs, net of tax	-	-60.6	-	-	-	**-60.6**
Share-based payments	-	12.1	-	-	-	**12.1**
Equity, closing balance, Dec 31, 2021	**1.6**	**7,017.1**	**29.0**	**-273.8**	**28.8**	**6,802.7**
Equity, opening balance, Jan 1, 2022	**1.6**	**7,017.1**	**29.0**	**-273.8**	**28.8**	**6,802.7**
Profit/loss for the year	**-**	**-**	**-**	-832.8	-2.8	**-835.7**
Other comprehensive income for the year	**-**	**-**	390.3	-	1.2	**391.5**
Transactions with shareholders						
New share issue	0.2	539.4	-	-	-	**539.6**
Option premium	-	0.9	-	-	-	**0.9**
Transaction costs, net of tax	-	-5.9	-	-	-	**-5.9**
Share-based payments	-	39.0	-	-	-	**39.0**
Equity, closing balance, Dec 31, 2022	**1.8**	**7,590.5**	**419.3**	**-1,106.6**	**27.2**	**6,932.2**

Parent Company income statement

SEK million	Note	2022	2021
Net sales	5	70.4	217.7
Other operating income	7	46.9	195.5
Changes in inventories		-	-1.3
Capitalized work on own account		-	14.2
Operating expenses			
Raw materials and consumables		-6.4	-134.8
Staff costs	6	-84.2	-120.5
Other external expenses	9	-129.9	-131.6
Amortization, depreciation and impairment	12, 13	-3.2	-22.1
Other operating expenses	8	-6.3	-10.5
Operating profit/loss		**-112.7**	**6.7**
Profit/loss from financial items			
Profit/loss from participations in Group companies	25	-436.1	-40.3
Other interest income and similar profit/loss items	10	634.0	156.8
Interest expenses and similar profit/loss items	10	-172.3	-63.9
Net finance income		**25.6**	**52.6**
Profit/loss after financial items		**-87.1**	**59.3**
Appropriations		-211.9	-
Taxes	11	-15.5	-37.3
Profit/loss for the year		**-314.5**	**22.0**

Parent Company other comprehensive income

SEK million	Note	2022	2021
Profit/loss for the year		**-314.5**	**22.0**
Other comprehensive income			
Components that will not be reclassified to profit/loss for the year		-	-
Components that will be reclassified to profit/loss for the year		-	-
Other comprehensive income for the year		**-**	**-**
Comprehensive income for the year		**-314.5**	**22.0**

Parent Company balance sheet

SEK million	Note	Dec 31, 2022	Dec 31, 2021
ASSETS			
Non-current assets			
Intangible assets	12		
Capitalized expenditure for development work		0.0	1.7
Patents, licenses and software		0.2	0.2
Other intangible assets		2.4	2.8
Property, plant and equipment	13		
Leasehold improvements		-	0.2
Equipment, tools, fixtures and fittings		3.7	1.9
Financial assets			
Participations in Group companies	25	3,789.1	4,221.7
Receivables from Group companies	29	3,323.8	3,405.9
Other long-term securities holdings	23	3.4	3.4
Other non-current receivables	23	0.3	1.3
Deferred tax asset	11	1.3	0.0
Total non-current assets		**7,124.0**	**7,639.1**
Current assets			
Inventories	14	0.5	-
Trade receivables	15	1.0	38.9
Receivables from Group companies	29	1,335.9	87.9
Other receivables		2.6	16.5
Prepaid expenses and accrued income	16	6.0	4.6
Short-term investments	2, 23	-	993.6
Cash and bank balances	28	620.0	91.1
Total current assets		**1,966.0**	**1,232.7**
TOTAL ASSETS		**9,090.0**	**8,871.7**

SEK million	Note	Dec 31, 2022	Dec 31, 2021
EQUITY AND LIABILITIES			
Equity	17		
Restricted equity			
Share capital		1.8	1.6
Development expenditure reserve		-	1.6
Non-restricted equity			
Share premium reserve		7,537.2	7,002.7
Retained earnings		7.8	-54.8
Profit/loss for the year		-314.5	22.0
Total equity		**7,232.3**	**6,973.2**
Untaxed reserves		23.9	-
Provisions			
Other provisions	21	3.0	0.0
Total provisions		**3.0**	**0.0**
Non-current liabilities			
Liabilities to credit institutions	2, 19	2.0	4.0
Convertible bonds	19	1,365.4	1,328.4
Other interest-bearing liabilities	23	0.6	-
Other non-current liabilities	20	194.8	389.2
Total non-current liabilities		**1,562.8**	**1,721.6**
Current liabilities			
Liabilities to credit institutions	2, 19	2.0	2.0
Liabilities to Group companies	29	122.2	1.4
Trade payables	2, 23	2.9	5.6
Tax liabilities		13.6	-
Other liabilities	20	86.3	110.7
Accrued expenses and deferred income	22	40.9	57.2
Total current liabilities		**267.9**	**177.0**
TOTAL EQUITY, PROVISIONS AND LIABILITIES		**9,090.0**	**8,871.7**

Parent Company cash flows

SEK million	Note	2022	2021
Operating activities			
Profit/loss after financial items		-299.0	59.3
Adjustments for non-cash items	28	130.2	-208.4
Income tax paid		-2.1	0.2
Cash flows from operating activities before changes in working capital		**-170.9**	**-148.9**
Cash flows from changes in working capital			
Increase (-)/decrease (+) in inventories		-0.5	-10.1
Increase (-)/decrease (+) in operating receivables		32.0	-38.2
Increase (+)/decrease (-) in operating liabilities		36.0	23.5
Changes in working capital		**67.5**	**-24.8**
Cash flows from operating activities		**-103.4**	**-173.7**
Investing activities			
Acquisition of property, plant and equipment	13	-2.7	-8.3
Acquisition of intangible assets	12	-	-52.0
Acquisition of subsidiary/business, net effect on liquidity	25, 26	-159.0	-1,373.7
Acquisition (-)/Disposal (+) of financial receivables		-698.1	-2,943.9
Acquisition (-)/Disposal (+) of short-term investments		960.7	-646.7
Cash flows from investing activities		**100.9**	**-5,024.6**
Financing activities			
New share issue	17, 26	540.5	3,586.4
Issue costs		-7.2	-98.0
Issue of convertible loan		-	1,500.0
Repayment of loans		-2.0	-2.0
Cash flows from financing activities		**531.3**	**4,986.4**
Cash flows for the year		528.8	-211.9
Cash and cash equivalents at the beginning of the year		91.1	302.3
Exchange difference in cash and cash equivalents		0.1	0.7
Cash and cash equivalents at end of year	28	**620.0**	**91.1**

Parent Company statement of changes in equity

SEK million	Share capital	Development expenditure reserve	Share premium reserve	Retained earnings	Profit/loss for the year	Total Equity
	Restricted equity		*Non-restricted equity*			
Equity, opening balance, Jan 1, 2021	**1.3**	**106.1**	**2,297.3**	**-97.8**	**-68.3**	**2,238.7**
Appropriation of profits	-	-	-	-68.3	68.3	**-**
Profit/loss for the year	-	-	-	-	22.0	**22.0**
Change in development expenditure reserve	-	-104.5	-	104.5	-	**-**
Transactions with shareholders						
New share issue	0.2	-	3,586.1	-	-	**3,586.3**
Non-cash issue	0.1	-	1,012.8	-	-	**1,012.9**
Convertible bonds	-	-	167.1	-	-	**167.1**
Transaction costs, net of tax	-	-	-60.6	-	-	**-60.6**
Share-based payments	-	-	-	6.8	-	**6.8**
Equity, closing balance, Dec 31, 2021	**1.6**	**1.6**	**7,002.7**	**-54.8**	**22.0**	**6,973.3**
Equity, opening balance, Jan 1, 2022	**1.6**	**1.6**	**7,002.7**	**-54.8**	**22.0**	**6,973.3**
Appropriation of profits	**-**	**-**	**-**	22.0	-22.0	**-**
Profit/loss for the year	-	-	-	-	-314.5	**-314.5**
Change in development expenditure reserve	-	-1.6	-	1.6	-	**-**
Transactions with shareholders						
New share issue	0.2	-	539.4	-	-	**539.6**
Option premium	-	-	0.9	-	-	**0.9**
Transaction costs, net of tax	-	-	-5.9	-	-	**-5.9**
Share-based payments	-	-	-	38.9	-	**38.9**
Equity, closing balance, Dec 31, 2022	**1.8**	**-**	**7,537.2**	**7.8**	**-314.5**	**7,232.3**

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Note 1
Accounting principles

These consolidated accounts were prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of the applicable standards issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU. The Swedish Annual Accounts Act and RFR 1 'Supplementary accounting rules for groups' were also applied.

The Parent Company applies the same accounting principles as the Group with the exceptions outlined below in the section 'The Parent Company's accounting principles.' Any discrepancies between the accounting principles of the Parent Company and those of the Group were caused by restrictions to the ability to apply IFRS in the Parent Company due to the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act, and in some cases for tax reasons.

BICO Group comprises three segments, which reflect the three business areas: Bioprinting, Biosciences and Bioautomation – which are working in a decentralized manner.

The potential impact of climate change was considered when the consolidated accounts were prepared, particularly in conjunction with the main climate-related risks identified by BICO. These refer to a strong increase in overhead and energy costs and potential changes to the environmental legislation. These risks may affect the Group's sales of products and solutions, including the transport of goods. They may also affect the Group's use of buildings and associated costs.
In 2022, climate change had no significant impact on the consolidated financial statements or on the estimates and assumptions and were made in the preparation of the consolidated financial statements.

Classification
Non-current assets, non-current liabilities and provisions essentially consist of amounts that are expected to be recovered or paid more than twelve months after the reporting date.

Current assets and current liabilities essentially consist of amounts expected to be recovered or paid within twelve months of the reporting date.

Consolidation principles
The consolidated accounts include the Parent Company BICO Group AB (publ) and the subsidiaries in which the Parent Company had a controlling influence at year-end. Intra-Group receivables and liabilities, income or expenses and unrealized gains or losses arising from intra-Group transactions were eliminated in full when the consolidated accounts were prepared.

Functional currency and reporting currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Parent Company's functional currency is the Swedish krona, which is also the reporting currency of the Parent Company and the Group. This means that the financial statements are presented in Swedish kronor. All figures are rounded to the nearest million kronor (SEK million), and to one decimal place, unless otherwise stated.

Assets and liabilities in foreign subsidiaries, including goodwill and other consolidated surplus and deficit values, are translated into Swedish kronor at the exchange rate at the date of the balance sheet. Income and expenses in foreign subsidiaries are translated into Swedish kronor at an established average exchange rate that applies for the month in which the transaction occurs. Translation differences arising from the currency translation of foreign subsidiaries are recognized in Other comprehensive income.

Foreign currency
Transactions in foreign currencies in the Parent Company are reported in the functional currency using the exchange rates at the transaction date, while income and expenses in foreign subsidiaries are translated into Swedish kronor at an established average rate that applies for the month in which the transaction occurs. Monetary assets and liabilities in foreign currencies are translated into the functional currency using the exchange rate at the balance sheet date. Exchange rate differences arising from translation are reported in the income statement. Non-monetary assets and liabilities that are recognized at historical cost are recognized using the exchange rate at the time of the transaction. The exchange rate difference is then reported in the same way as other changes in the value of the asset or liability.

Key exchange rates against SEK used in the accounts:

Currency	Rate at the balance sheet date	
	Dec 31, 2022	**Dec 31, 2021**
EUR	11.1283	10.2269
USD	10.4371	9.0437

Source: The Riksbank (Sweden's central bank)

CHANGED ACCOUNTING PRINCIPLES

Changed accounting principles due to new or amended IFRS
No standards, amendments or interpretations that entered into force in the 2022 financial year are considered to have had a material impact on the consolidated financial statements.

Future accounting principles
Amendments to IAS 1 – Disclosure of accounting policies, as of January 1, 2023. These amendments affect the requirements in IAS 1 on the disclosure of accounting policies. These amendments require companies to disclose their material accounting policies instead of their significant accounting policies. The Company has not yet reviewed the effects of this amendment.

Income statement by function
The company plans to gradually change the format of its income statement from nature based to function based with full implementation during the first quarter of 2024. The change is being implemented to increase comparability in the company's cost structure and adapt to the most common market practice. This change will affect the reported gross margin negatively as more costs (eg production staff) than before will be included in the cost of goods sold. Net sales, EBITDA, EBIT and net profit will be unchanged.

During 2023, the reporting of the income statement will be by nature, with certain disclosures on what an income statement by funtion would have looked.

THE PARENT COMPANY'S ACCOUNTING PRINCIPLES

The Parent Company has prepared its annual report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Accounting Standards Council's recommendation RFR 2 – Accounting for legal entities. According to RFR 2, in the annual report for the legal entity, the Parent Company shall apply all IFRS and statements adopted by the EU to the extent possible within the scope of the Swedish Annual Accounts Act and with regard to the link between accounting and taxation. The recommendation specifies the exceptions from and amendments to the IFRS that should be made. The differences between the Group's and Parent Company's accounting principles are stated below. The accounting principles described below for the Parent Company have been applied consistently to all periods presented in the Parent Company's financial statements.

The accounting principles have not been changed from the previous year.

Shares and participations
Shares and participations in Group companies are reported at cost and tested for impairment annually. Dividends are recognized in the income statement.
Shareholder contributions
Unconditional shareholder contributions are recognized directly in the equity of the recipient and capitalized by the shareholder in shares and participations if no impairment is required.

Leases
The Parent Company does not apply IFRS 16. Instead, leases are expensed on a straight-line basis over the term of the lease.

Description of accounting principles
Unless otherwise stated, the accounting principles of the Group described in this annual report were applied consistently to all periods included in the Parent Company's financial statements. The Group's accounting principles were applied consistently to the reporting and consolidation of subsidiaries.

To increase the understanding of the accounting principles applied by the Group, BICO has chosen to report them in connection to each note.

Note 2
Financial risk management

BICO's operations are exposed to various types of financial risks that may affect the Company's performance and cash flows. This is primarily as a result of exchange rate fluctuations, but also credit and counterparty risks, liquidity and refinancing risk and, to a certain extent, interest rate risks.

The Group's financial risks are managed in accordance with the Group's Finance Policy. The CEO is responsible for conducting the business in accordance with the instructions from the Board of Directors and is joined by the CFO on the reporting on compliance with policies and potential risks. The CFO is responsible for the Company's financial reporting and for complying with the Board of Directors' authorization to the CEO and senior executives in relation to risk and reporting. The CFO participates in Audit Committee meetings and is responsible for following up and reporting on the Company's internal control and financial risks to the Audit Committee and the Board of Directors. The Group's financial risks are monitored and reported by the CFO to the Board of Directors, the Audit Committee and the CEO.

Foreign currency risk
Exchange rate fluctuations affect the Group's performance and equity in various ways, either as a transaction exposure or as a translation exposure. Transaction exposures comprise commercial flows in foreign currencies. For the Group, these mainly arise because European companies purchase most of their products in EUR but largely invoice in USD, mainly to Asia and North America. Also, Swedish companies report costs in SEK, while the Group has limited invoicing in SEK. This way, a change in the relationship between the currencies EUR, USD and SEK affects the reported performance of the Group.
The amortization and impairment of acquired surplus values from foreign subsidiaries is also affected by a change in exchange rates as the values are calculated in the foreign currency and translated into SEK.

When the earnings and net assets of subsidiaries are translated, a translation exposure affects the Group's other comprehensive income and equity in the event of currency exchange rate changes. The exchange rate difference, which is recognized in other comprehensive income, is attributable to changes in the USD/SEK exchange rate (for US subsidiaries and related surplus values) and the EUR/SEK exchange rate (for European subsidiaries and associated surplus values). Due to the acquisition of American subsidiaries, intra-Group receivables in USD arose in the Parent Company. Due to a planned settlement in the near future, it was determined that these do not form part of the net investment in the foreign operation. This means that the currency exchange differences on the receivables affect the Group's total net finance income and are therefore not recognized in other comprehensive income. Nevertheless, the effect on net finance income is offset by a corresponding effect in other comprehensive income from the translated equity of the subsidiary, which means that total equity is not affected to any material extent.

A 10 percent increase in EUR and USD, respectively, over the financial year would have resulted in the following transaction exposure effect on the Group's operating profit, mainly because the operating profit in the foreign subsidiaries fluctuates with the currency, but also because the amortization and impairment of surplus values denominated in EUR and USD would have increased in the accounting currency (SEK).

Currency	2022	2021
EUR	-135.2	-10.9
USD	26.3	9.5

The net translation exposure (in thousands) for the Group is divided into the currencies below. A 10 percent change in each closing rate would have affected the respective SEK amount by 10 percent, which would have entailed a corresponding change in other comprehensive income and equity.

Currency	*Local currency* 2022	*SEK million* 2022
EUR	241.4	2,686.9
USD	92.6	966.6

Currency	*Local currency* 2021	*SEK million* 2021
EUR	312.8	3,198.6
USD	111.5	1,008.5

The Group's policy is not to hedge against exchange rate fluctuations.

Liquidity and refinancing risk
Financing risk refers to the risk that costs will be higher and funding opportunities will be limited when loans are to be renewed, and that payment obligations might not be met due to insufficient liquidity or difficulties in obtaining financing. The Company shall be an attractive borrower and plan sufficiently in advance so that it can receive financing on good terms.

The Company currently has mainly external financing in the form of convertible bonds that mature in 2026. For further information on the convertible bonds, see Note 19. The Company also has contingent
considerations that are payable in coming years due to acquisitions made in 2021 and 2022. For more information on contingent considerations, see Notes 20, 23 and 26.

In other respects, the Company has financed its growth through equity raised from the Company's shareholders.

Interest rate risk
Interest rate risk is the risk that interest rate changes will affect the Group's earnings and cash flow (cash flow risks). The vast majority of the Company's external financing currently consists of convertible bonds with a nominal value of SEK 1,500 million that mature in 2026. The bonds have a fixed interest rate of 2.875 percent, which corresponds to SEK 43.1 million a year. Consequently, the interest expense is mostly

predictable at present, and the interest rate risk linked to loans is considered to be low.

The summary below shows the effect that a change in market interest rates of one percentage point would have had on the consolidated income statement and equity.

	Change, %	2022	2021
Market interest rate	(+/-) 1	15.0	15.0

Credit and counterparty risk
Credit risk is the risk of losses caused by a counterparty's inability to meet its contractual obligations. The risk for BICO is mainly linked to trade receivables and contract assets. To control the risk, the Company conducts audits of its customers and continuously monitors developments regarding its customers' creditworthiness.

The Company requests advance payments from new customers if there are doubts about the counterparty's ability to pay. For BICO, there is no significant concentration of credit risk related to any individual customer, counterparty or geographical region. The Company has a broad customer portfolio with the majority of sales coming
from a large number of customers. The Company also works with distributors in certain regions, which has some effect on the concentration risk, mainly in relation to the Asian market.

A customer is deemed to be in default if it has payment difficulties or if a receivable is more than 90 days overdue. The reasoning for this is that several customers routinely pay late. At this point, there is a notable increase in expected credit losses according to BICO's model. Credit risk is handled in the accounts by recognizing a loss allowance based on how long the receivable has been overdue and on an individual review of the customer based on previous payment patterns and external factors. The loss allowance is measured at an amount equal to the expected credit losses for the entire remaining payment term, which means that a loss allowance is also recognized for receivables that are not yet due for payment.

Maturity structure for financial liabilities, including future interest payments (non-discounted amounts)

Group, Dec 31, 2022	<1 year	2 years	3 years	4 years	>4 years	Total
Interest-bearing liabilities	52.1	57.1	46.7	1,511.6	1.7	1,669.2
Trade payables	132.6	-	-	-	-	132.6
Lease liabilities	88.7	79.1	75.3	70.5	182.0	495.7
Other liabilities	113.5	116.6	80.8	0.5	-	311.4

Group, Dec 31, 2021	<1 year	2 years	3 years	4 years	>4 years	Total
Interest-bearing liabilities	47.9	50.4	50.3	48.3	1,330.9	1,527.8
Trade payables	129.2	-	-	-	-	129.2
Lease liabilities	53.3	48.5	43.0	34.6	72.1	251.5
Other liabilities	161.3	122.4	184.6	84.6	1.7	554.5

Parent Company, Dec 31, 2022	<1 year	2 years	3 years	4 years	>4 years	Total
Interest-bearing liabilities	45.3	45.2	43.2	1,510.8	0.6	1,645.1
Trade payables	2.9	-	-	-	-	2.9
Other liabilities	85.3	114.6	80.1	-	-	280.1

Parent Company, Dec 31, 2021	<1 year	2 years	3 years	4 years	>4 years	Total
Interest-bearing liabilities	45.1	45.1	45.1	43.1	1,328.4	1,506.8
Trade payables	5.6	-	-	-	-	5.6
Other liabilities	110.7	120.7	183.3	84.6	0.6	499.9

Increased total sales and a more restrictive view of future credit losses have contributed to the increased loss allowance compared with previous years.

Receivables are only written off when the counterparty is declared bankrupt or if changes to the nominal value of the receivable are agreed. See also Note 15 for further information on the Group's trade receivables. The work on collecting overdue receivables is continuous.

The Company also has credit and counterparty risk for cash and cash equivalents. To control the risk, the Company has consistently invested cash in well-established counterparties with a low determined risk of default.

Capital risk management
The Group's capital structure must be kept at a level that ensures the opportunity to continue operations and create returns for shareholders and benefits for other stakeholders, while maintaining an optimal structure for the reduction of capital costs.

To maintain or adjust the capital structure, the Group may, subject to shareholder approval, when appropriate, vary the dividends to shareholders, reduce the share capital for payment to shareholders, issue new shares or sell assets to reduce the debt/equity ratio. The Group analyzes the debt/equity ratio continuously. Net debt includes interest-bearing financial liabilities. The Group's capital consists of assets less interest-bearing liabilities. The Group is not subject to any external capital requirements (covenants).

From time to time, the Group has more liquid assets than required to conduct the Company's operations. On such occasions, the excess liquidity can be invested in fixed income funds and bonds, in accordance with the Group's Finance Policy. The purpose is to manage the Group's capital at the lowest risk possible for when the Company needs the capital, e.g., for acquisitions or other investments. The investments should preserve value rather than generate significant capital gains. The Company's liquidity must be available at short notice to support continued growth.

A basic condition for the investment is that the issuer has an official rating or that there is a credit analysis of the issuer. The lowest permitted rating for investments is BB-. Individual investments may be included with a maximum term of 6 years until maturity or first redemption day, and a final maturity must be specified. See the table below regarding the weighting of the Company's investment of excess liquidity.

Issuer	Risk category	Maximum exposure allowed
Individual issuer of bonds and hybrid capital	Investment grade	10%, but never exceeding SEK 120 million
Individual issuer of bonds and hybrid capital	High yield	5%, but never exceeding SEK 60 million
Individual issuer of commercial papers	Investment grade	10%, but never exceeding SEK 120 million
Individual issuer of commercial papers	High yield	5%, but never exceeding SEK 60 million
Bonds, treasury bills and hybrid capital issued by the Government of Sweden		30%
Bonds, treasury bills and hybrid capital issued by directly or indirectly held, wholly owned subsidiaries of the Government of Sweden		20%

Note 3
Critical accounting estimates and judgments

Preparation of the financial statements in accordance with IFRS requires the Board of Directors and Group management to make assessments, estimates and assumptions that affect the application of the accounting principles and the figures reported for assets, liabilities, income and expenses.
Estimates and assumptions are based on historic experiences and a number of other factors that are considered reasonable under the prevailing circumstances. The result of these estimates and assumptions is then used to assess the carrying amounts of assets and liabilities which are not otherwise apparent from other sources. The actual outcome may deviate from these estimates and judgments. Assessments and assumptions are reviewed regularly depending on their nature, but at least annually. Changes in estimates are reported in the period in which they are made if they only affect that period, or in the period in which they are made and in future periods, if the change affects both the period concerned and future periods. Assessments made by Group management that have a significant impact on the financial statements and estimates that may result in significant adjustments in future financial statements are described below.

Business combinations
Business combinations are recognized according to the acquisition method of accounting. The determination of fair value often requires Group management to make assumptions and estimates about future events. Assumptions and estimates relating to the determination of the fair value of acquired patents, technologies, customer relationships and trademarks generally require significant estimates of forecasted cash flows, growth and discount rates. Changes in any of these assumptions or estimates used to determine the fair value of acquired assets and liabilities may affect the amounts relating to assets, liabilities and goodwill as a result of the purchase price allocation. Future net gains may be affected as a result of changes in depreciation/amortization and the impairment of assets, including goodwill. The Group uses external valuation experts for the preparation of purchase price allocations to ensure that the acquired net assets are assessed objectively.

See also Note 26 for a description of acquisitions made.

Assessment of cash-generating units and impairment testing of goodwill and other intangible assets
Impairment testing requires the identification of the Group's smallest cash-generating units, which requires estimates to be made. Per December 31, 2022, the Group was deemed to comprise 11 cash-generating units, which reflects the Group's revenue streams and historical acquisitions. Testing for impairment has been carried out at this level. A change in this estimate could have significant consequences on the Group's earnings in future periods. See Note 12 for further information.

In the calculation of recoverable amounts of cash-generating units when goodwill and other intangible assets were tested for impairment, several assumptions were made about future conditions and estimates of parameters. An account of these is included in Note 12.

Contingent considerations
In connection with the Group's acquisitions, a portion of the purchase price – the contingent consideration – depends on future events, such as the sales and performance of the acquired entity. In these cases, a discounted, probability-weighted assessment of the possible outcomes of the contingent consideration is conducted at the time of acquisition and included in the purchase price and recognized in other liabilities. Future sales and the discount rate are significant unobservable inputs in the calculation. An increase in future sales, a weakened SEK or a reduction in the discount rate increases the outcome of contingent considerations.

Renewed assessments of the potential outcome of contingent considerations are made in each reporting period. Information received after the acquisition is assessed to determine whether any new information has emerged that relates to circumstances that existed at the time of the acquisition or to subsequent events. In the latter case, any adjustments to the previously reported amounts are reported in other income or other operating expenses in the period in which the change arises. In the former case, adjustments are made to the purchase price allocation, provided it is still preliminary (not older than 12 months). Consequently, changes in the estimate may have significant impact on the Group's earnings.
See also Note 20 and Note 23 for information on contingent considerations.

Loss allowance for trade receivables
BICO recognizes loss allowances for trade receivables based on the provisions on expected credit losses in IFRS 9. In relation to this, accounting estimates are made as to whether trade receivables will be recoverable at their full value, and at what level any loss allowance should be recognized. BICO's cash-generating units have a varying history related to bad debt losses. Estimates are therefore required to assess the risk of future credit losses. The principles are described in more detail in Notes 2 and 15.

Deferred tax
Deferred tax assets attributable to tax losses were capitalized in the Group to the extent that they can be used against future taxable profits in the near future. To determine this, the Group management has produced forecasts for the companies that include tax losses. Assumptions and estimates used in the calculation generally require significant estimates of forecasted cash flows and growth per legal entity. A change in any of these factors could lead to changes in the reported amounts. See Note 11 for further information.

Leases
The recognition of leases in accordance with IFRS 16 requires a certain degree of judgment, primarily regarding the lease term. The Group defines lease term as the non-cancellable period of a lease, plus any periods covered by options to extend if it is reasonably certain that such options will be exercised.

The Group has several leases that include options to extend or terminate. At the beginning of the lease term, the Group determines whether or not it is reasonably certain that the option to extend or terminate the lease will be exercised.
This assessment considers all relevant factors that create an economic incentive to extend or terminate the lease. After the start date, the Group reviews the lease term if a significant event occurs or if there is a change in circumstances within the Group's control that affects its ability to exercise or not exercise the option to extend or terminate the lease (e.g., the expense of major improvements or adaptations to the leased asset).
The Group generally includes the extension period in the lease term for leases of premises with non-cancellable periods of less than three years. Within this period, it is usually considered to be reasonably certain that the Group will exercise its option to renew the leases. The extension periods for leases with longer non-cancellable periods are not included in the lease term as it is not reasonably certain that they will be exercised. Furthermore, the options to extend are not included in the lease term for motor vehicles, as the Group usually leases vehicles for a maximum of three years and therefore does not exercise any option to extend.

See Note 24 for further information on the Group's leases.

Capitalization of development expenditures
Recognition of capitalized development expenses requires assessments to determine whether expenses can be capitalized during the course of a project. Factors affecting the assessment include the project's development stage and its future earnings capacity. To ensure that this is managed correctly, the Group continuously works with project documentation and follow-up, monitors expenditure incurred in relation to the project budget and forecasts future earnings capacity.

A changed estimate of the projects' earnings capacity could have significant impact on the Group's earnings in future periods. See also Note 12 for further information on the Group's capitalized development expenses.

Convertible bonds
On March 19, 2021, the Group issued senior, unsecured convertible bonds with a total nominal value of SEK 1,500 million. Convertible bonds are a hybrid instrument that mainly comprises two parts: a liability portion and an equity portion. To determine the portion of the convertible loan that should be classified as equity, the implicit market rate is used, i.e., the interest rate at which the Company would likely have been able to borrow without the embedded option to convert into shares. This interest rate is used to discount the liability, and the difference between the discounted value and the issued convertible debt is the portion of the loan that is classified as equity. In 2021, the Company determined that this interest rate was 5.5 percent. A change in this estimate could have had material effects on the consolidated income statement and consolidated balance sheet, both over the year and in future periods.
See also Note 19 for information on the convertible bonds.

Note 4
Segments

ACCOUNTING PRINCIPLES

The operating segments' earnings include directly attributable items and items that can reasonably and reliably be attributed to the segments. The recognized items in the operating segments' earnings are measured in accordance with the earnings monitored by the Company's chief operating decision-maker.

Segments

The Group's operations are divided into operating segments based on the parts of the operations that are monitored by the Company's chief operating decision-maker, the Group CEO. The operations are organized so that the CEO monitors the sales and performance generated by the Group's segments. Each operating segment has a manager who is responsible for the day-to-day operations and regularly reports to the CEO on the outcome of the operating segment's performance and resource requirements. As the CEO follows up on the operations' performance and decides the resource allocation based on the below description of the segments, these constitute the Group's operating segments.
The Group's segments are identified based on the fact that various market offerings were aggregated into a single segment if they had similar economic characteristics, products, production processes, customers and distribution methods. The follow-up on the Group's segments is primarily based on sales and EBITDA, so these items are presented in tables below.

Segment reporting

From the first quarter of 2022, the Group has three reporting segments: Bioprinting, Biosciences and Bioautomation. Hence, the split of the former segment Laboratory Solutions into Bioprinting and Biosciences has been implemented. As relevant financial information for the new segments is missing for the comparative periods, the information below provides information according to the new and the old segmentation.

Bioprinting

Bioprinting comprises CELLINK Bioprinting, MatTek, Visikol, Nanoscribe, Advanced BioMatrix and Allegro 3D. The segment offers 3D-bioprinters, 3D-printers and bioink with a wide range of technologies for many demanding applications, resolutions (50 micrometers – 200 nanometers) and volume/speed requirements as well as services focused on the rapid discovery and development of new drugs, including advanced tissue imaging and cell culture services.

Segment reporting

SEK million	Bioprinting Jan–Dec 2022	Biosciences Jan–Dec 2022	Bioautomation Jan–Dec 2022	Group functions Jan–Dec 2022	Eliminations	Total
Net sales	654.9	959.3	652.9	-	-22.7	2,239.5
Raw materials and consumables, incl. changes in inventories	-148.1	-288.6	-176.8	-	22.6	-590.9
Capitalized work on own account	53.8	80.3	47.9	-	-	182.0
Other operating income	22.2	18.4	28.6	41.7	-	110.9
Other external expenses	-179.2	-293.8	-194.5	-56.7	5.1	-719.0
Staff costs	-362.3	-485.5	-324.4	-84.4	-	-1,256.6
Other operating expenses	-7.7	-4.3	-4.9	-5.4	-	-22.1
EBITDA	**33.6**	**-14.1**	**28.8**	**-104.7**	**-**	**-56.3**
EBITDA, %	**5.1%**	**-1.5%**	**4.4%**	**N/A**	**N/A**	**-2.5%**
Amortization and depreciation of non-current assets	-	-	-	-	-	-315.6
Amortization of goodwill	-	-	-	-	-	-625.0
Finance income	-	-	-	-	-	432.2
Finance costs	-	-	-	-	-	-188.4
Profit before tax	**-**	**-**	**-**	**-**	**-**	**-753.1**

Biosciences
Biosciences consist of CYTENA, CYTENA Bioprocess Solutions, DISPENDIX, Discover Echo and Biosero. The segment provides advanced lab instruments and software for connected intelligent workflows for analyzing data with applications in cell culture, cell imaging, cell sorting and sample preparation for various analyses, such as in genomics. The instruments are sold with proprietary consumables and/or proprietary software.

Bioautomation
Bioautomation comprises SCIENION, Cellenion, Ginolis and QInstruments. The segment offers scientific instruments and solutions for the scalable production of diagnostics and consumables that enable both single cell and other workflows. The segment also offers contract manufacturing services based on its technology.

Group functions
Group functions comprise costs that could not be allocated to a specific segment, such as Group-wide administration and shareholder costs.

The Group's operating segments

	Laboratory Solutions		*Bioautomation*		*Total*	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Turnover	1,586.6	741.3	652.9	516.0	2,239.5	1,257.3
Raw materials and consumables less changes in inventories	-414.0	-210.0	-176.8	-139.0	-590.9	-349.0
Gross profit/loss	**1,172.6**	**531.3**	**476.1**	**377.0**	**1,648.7**	**908.3**
Gross margin	**73.9%**	**71.7%**	**72.9%**	**73.1%**	**73.6%**	**72.2%**
Capitalized work on own account	-	-	-	-	182.0	94.0
Other operating income	-	-	-	-	110.8	73.8
Other external expenses	-	-	-	-	-719.0	-433.1
Staff costs	-	-	-	-	-1,256.6	-669.8
Amortization, depreciation and impairment	-	-	-	-	-940.6	-191.8
Other operating expenses	-	-	-	-	-22.1	-18.3
Finance income	-	-	-	-	432.2	96.3
Finance costs	-	-	-	-	-188.4	-72.8
Profit before tax	**-**	**-**	**-**	**-**	**-753.1**	**-213.4**

Non-current assets by geographic area

	Group	
	2022	**2021**
Sweden	293.2	209.3
Germany	3,087.1	2,560.0
USA	4,104.2	3,517.5
Rest of the world	275.1	813.7
Total	**7,759.7**	**7,100.6**

Note 5
Revenue

ACCOUNTING PRINCIPLES

Revenue recognition
The Group recognizes revenue when promised goods or services are transferred to customers with an amount that reflects the consideration to which the Company expects to be entitled in exchange for these goods or services.

To meet the accounting requirements according to this principle, a five-step model is applied, which consists of the following parts: identify the contract with the customer, identify the various performance obligations, determine the transaction price, allocate the transaction price to the various performance obligations and recognize the revenue when the performance obligations are satisfied. The Group applies several different payment structures for customers in different markets.

In some cases, goods are sold with a right of return. In these cases, a refund liability is recognized, as well as an asset related to the right to recover the product from the customer (which is included net in the item Contract liabilities) for goods that the Group expects to receive in return. Historical data are used to assess the value of the returns.

Revenue streams
The Group's products that are offered in the market include instruments, bioinks, tissues and consumables. The Company also sells product-related services in the form of contract manufacturing, maintenance, extended warranties, installation, software and training. See also Note 4 for a more detailed description of the market offerings in each segment.

Performance obligations and timing of revenue recognition
BICO's performance obligations to customers usually comprise the sale of goods manufactured by the Company and the provision of services. These performance obligations are included in the contract with the customer.

Promises to deliver the goods are considered to be distinct in nature and distinct in the agreement. The customer may choose to buy the goods separately and is therefore considered to benefit from them, either separately or together with other goods. Goods have been determined to constitute separate performance obligations, and the sale of goods is recognized as revenue at the point in time when control of the goods is transferred to the customers, which is when the goods have been delivered according to the agreed terms of delivery. The Group also develops and sells customer-specific products. Such product-related projects cover several periods. These are accounted for over time, which is the case when the Company's performance obligation does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

The warranties that accompany BICO's products are standardized and are therefore not considered to constitute separate performance obligations. For further information on Company's warranties, see Note 20. Any provisions made are considered to reflect the actual cost of handling warranty matters. Extended warranties are recognized as revenue over the term of the agreement.

BICO also sells product-related services. Services are usually invoiced in advance and recognized as revenue over the term of the service contract. Revenue from services that has not been recognized is reported as prepaid income (contract liabilities) in the balance sheet.
Services offered are generally stated separately from each other and from the product in the contract with the customer. Even if such services are often provided in connection with the sale of a product, they are considered to be distinct, as the customer may derive benefit from the good or the service on its own or in conjunction with other resources that are readily available to the customer, and as BICO's promise to transfer to the product or service to the customer can be separated from other promises made in the contract.

DISCLOSURES

Breakdown of revenue
BICO's operations comprise three segments: Bioprinting, Biosciences and Bioautomation. See Note 4 for further information. A geographic breakdown of the Company's sales is presented below.
The basis for a geographical region is based on the region in which the customer is based.

In the past two financial years, BICO had no customer that accounted for more than 10 percent of total sales.

Contract balances (contract assets and contract liabilities)

	Group	
Contract assets	**Dec 31, 2022**	**Dec 31, 2021**
Unpaid grants for development projects	0.0	2.2
Projects in progress that are recognized over time and linked to products	160.3	130.0
Total	160.3	132.2

The risk of credit losses linked to contract assets is considered to be small, as contract assets are invoiced regularly. The risk of credit losses is therefore considered to relate to trade receivables rather than contract assets, and no loss allowance is recognized for contract assets.
For information on loss allowances for trade receivables, see Note 2 and Note 15.

The Company's contract liabilities can be divided into three types: (1) maintenance services invoiced in advance; (2) products invoiced in advance, which give rise to advance payments from customers; and (3) projects in progress, where revenue is recognized over time, and invoicing exceeds the accrued revenue.

Revenue from the sale of services is recognized over the period when the service is provided to the customers. Advance

Net sales by geographic region

SEK million	*Bioprinting* 2022	*Bioprinting* 2021	*Biosciences* 2022	*Biosciences* 2021	*Bioautomation* 2022	*Bioautomation* 2021	**Total, Group** 2022	**Total, Group** 2021	**Parent Company** 2022	**Parent Company** 2021
Europe	151.4	123.6	214.6	78.3	317.0	181.5	683.0	383.3	47.7	80.7
North America	301.0	174.4	582.2	201.2	293.3	265.6	1,176.5	641.1	18.6	76.5
Asia	140.7	50.1	128.3	80.0	41.6	30.4	310.6	160.5	0.0	51.4
Rest of the world	28.6	16.4	16.0	17.5	24.9	38.6	69.5	72.4	4.1	9.1
Total	**621.6**	**364.4**	**941.1**	**376.9**	**676.8**	**516.0**	**2,239.5**	**1,257.3**	**70.4**	**217.7**

Net sales by products and services

SEK million	*Bioprinting* 2022	*Bioprinting* 2021	*Biosciences* 2022	*Biosciences* 2021	*Bioautomation* 2022	*Bioautomation* 2021	**Total, Group** 2022	**Total, Group** 2021	**Parent Company** 2022	**Parent Company** 2021
Products	525.9	322.7	851.1	360.7	543.1	414.8	1,920.1	1,098.2	2.9	180.0
Services	95.7	41.6	90.0	16.2	133.6	101.2	319.4	159.1	67.5	37.7
Total	**621.6**	**364.4**	**941.1**	**376.9**	**676.8**	**516.0**	**2,239.5**	**1,257.3**	**70.4**	**217.7**

Net sales of products, by consumables and instruments

SEK million	*Bioprinting* 2022	*Bioprinting* 2021	*Biosciences* 2022	*Biosciences* 2021	*Bioautomation* 2022	*Bioautomation* 2021	**Total, Group** 2022	**Total, Group** 2021	**Parent Company** 2022	**Parent Company** 2021
Consumables	248.8	138.7	23.5	31.3	49.3	44.1	321.6	214.1	0.0	26.2
Instruments	277.1	184.0	827.6	329.3	493.8	370.7	1,598.6	884.1	2.9	153.8
Total	**525.9**	**322.7**	**851.1**	**360.7**	**543.1**	**414.8**	**1,920.1**	**1,098.2**	**2.9**	**180.0**

payments from customers are recognized as revenue when the product has been delivered according to the agreed terms of delivery.

For projects in progress in which revenue is recognized over time, BICO estimates the degree of progress towards complete satisfaction in the project based on the actual expenditure compared with the total expected cost of completing the delivery and recognizes the project's revenue over time, in accordance with this assumption. The tables below provide information on when existing contract liabilities are expected to be recognized as revenue and on revenue recognized during the reporting period that was included in contract liabilities at the beginning of the period.

The increase in balances from the previous period is attributable to the increasing organic operations.

	Group	
Contract liabilities	**Dec 31, 2022**	**Dec 31, 2021**
Prepaid income	92.8	50.1
Projects in progress that are recognized over time	121.1	113.0
Advance payments from customers	87.0	38.5
Total	**300.9**	**201.5**

Of the SEK 201.5 million that were classified as contract liabilities on December 31, 2021, SEK 187.9 million was recognized as revenue in 2022.

	Group	
Contract liabilities	**2023**	**2024-**
Expected point in time for revenue recognition	235.3	65.6
Total	**235.3**	**65.6**

Note 6
Employees, staff costs and fees

ACCOUNTING PRINCIPLES

Defined contribution pension plans
The Group has defined contribution pension plans only. This means that the Group pays fixed fees to a separate independent legal entity and has no obligation to pay additional fees. The costs are expensed when the benefits are earned, which usually coincides with payment of the premiums.

Recognition of equity-settled programs
The fair value of granted employee stock option programs is calculated on the grant date using the Black-Scholes valuation model, taking into consideration terms and conditions related to the share price. The value is recognized as a staff cost that is allocated over the vesting period with a corresponding increase in equity.

The recognized cost corresponds to the fair value of the estimated number of options and shares that are expected to vest. In subsequent periods, this cost is adjusted to reflect the actual number of vested options. When equity-settled programs are exercised, shares are delivered to the employee. The shares delivered are newly issued shares. When exercised, the payment of the strike price that is received from the employee is reported as an increase in equity.

Employee options are granted free of charge. Board members and employees who have subscribed to warrants under warrants programs have paid market price for their warrants. Consequently, these are not recognized within the IFRS 2 framework.

Recognition of state aid
Furloughs subsidies received are recognized as a reduced staff cost in the period to which they apply.

Average number of employees and costs for remuneration to employees

	2022			2021		
Average number of employees/country	*Men*	*Women*	**Total**	*Men*	*Women*	**Total**
Parent Company						
Sweden	17	18	**35**	57	38	**95**
Other Group						
China	3	3	**6**	4	3	**7**
England	24	12	**36**	16	6	**22**
Sweden	69	41	**110**	70	48	**118**
France	22	18	**40**	15	17	**32**
Finland	75	11	**86**	57	13	**70**
Indonesia	7	1	**8**	-	-	**-**
Japan	7	4	**11**	7	2	**9**
Slovakia	7	14	**21**	7	10	**17**
USA	226	153	**379**	124	91	**215**
Germany	282	121	**403**	196	92	**288**
Taiwan	17	7	**24**	10	6	**16**
Total, Group	**756**	**403**	**1,159**	**563**	**326**	**890**

Women, %

Parent Company and Group	**2022**	**2021**
Board of Directors	38	29
Other senior executives	33	25

Costs for remuneration to employees

	2022	2021
Parent Company		
Salaries and remuneration	43.0	61.3
Pension costs, defined contribution plans	6.2	4.6
Social security contributions	17.8	19.9
Subsidiary		
Salaries and remuneration	989.5	458.7
Pension costs, defined contribution plans	25.4	12.8
Social security contributions	120.5	59.6
Total, Group	**1,202.4**	**616.8**

Of the Group's pension costs, SEK 856 thousand (563) refers to the Group's Board of Directors and CEO, of which SEK 856 thousand (563) refers to the CEO.

The Group received SEK 1.1 million (0.0) in furlough subsidies, of which SEK 0.0 million (0.0) was attributable to the Parent Company.

Salaries and other remuneration broken down by the Board of Directors/CEO and other employees

	2022		2021	
	Board of Directors and CEO	*Other employees*	*Board of Directors and CEO*	*Other employees*
Parent total	6.4	36.6	10.4	50.9
(of which bonuses, etc.)	*1.3*	*8.6*	*0.7*	*0.1*
Subsidiaries total	21.5	968.0	16.6	442.1
(of which bonuses, etc.)	*0.1*	*52.7*	*1.6*	*17.4*
Group total	**27.9**	**1,006.7**	**26.9**	**493.1**

SALARIES AND OTHER REMUNERATION TO THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES IN BICO

Board of Directors
During the year, SEK 2,430 thousand was expensed as fees to the Board of Directors, pursuant to a resolution by the 2022 Annual General Meeting. The Chairman of the Board received SEK 710 thousand (565) and the other members jointly received SEK 1,720 thousand (1,065).

There were no pension costs or pension commitments for the Board of Directors. For information on related party transactions conducted with Board members, see Note 29.

CEO
Erik Gatenholm has been the CEO of BICO since the Company was founded. In the 2022 financial year, the CEO was paid a fixed salary of SEK 3,003 thousand (2,292) and SEK 1,305 thousand (2,178) in variable remuneration. The pension is according to a defined contribution plan.

Termination by the Company is subject to a 12-month notice period and termination by the CEO is subject to a six-month notice period. The CEO is entitled to six months' severance pay if his employment is terminated. If the CEO finds other employment of which the Company approves during the notice period, the Company shall have the right to offset the remuneration received by the CEO from the new employment. If either party terminates the employment, the Company has the right to demand that the CEO leaves his position with immediate effect.

Other senior executives
During the financial year 2022, senior executives consisting of 8 (8) people incl. CEO paid a fixed salary of SEK 25,329 thousand (14,531). Variable salary has been paid with SEK 6,733 thousand (5,557). Premiums for customary occupational pension have been paid. In the event of termination of senior executives (excl. CEO), the group must also observe a notice period of three months for senior executives.

When the former CFO, Gusten Danielsson, resigned in April 2022, a discretionary bonus of SEK 12.1 million was paid by the Company. This was related to the target for acquisitions in 2021. In consultation between the main shareholders, Erik Gatenholm and Hector Martinez and the Board, it was agreed that the two main shareholders shall pay SEK 12.1 of the cost into the Company's account (corresponding to the cost of the bonus, excluding social security contributions) and that the Company will pay the social security contributions. As the transactions described above are linked and considered cost-neutral to the Company, except for the social security contributions, they were included net in the line item Staff costs in the Company's income statement and in the applicable line items for bonuses and variable remuneration in Note 6. The Board of Directors has determined that the additional remuneration is covered by the Guidelines for remuneration to senior executives, as additional remuneration can be paid under extraordinary circumstances.

The Executive Management of BICO Group consisted from May 2022 to December 2022 of: President and CEO Erik Gatenholm (Founder), EVP and CTO Hector Martinez (Co-founder), Interim Group CFO Mikael Engblom, SVP and General Counsel Lotta Bus, Interim SVP and Head of Investor Relations Åsa Hillsten, SVP and Chief People Officer Erica Bell, SVP and Business Area Director Dr. Jonas Schöndube, SVP and Business Area Director Dr. Holger Eickhoff, SVP and Business Area Director Artur Aira.
The Executive Management of BICO Group as of January 2023 consists of: President and CEO Erik Gatenholm; EVP and CTO Hector Martinez; CFO Jacob Thordenberg and SVP & General Counsel & HR Lotta Bus. As of March 1, 2023, COO Marius Balger and Head of Corporate Development & M&A Artur Aira are also included in the Executive Management team.

Share-based payments
During the year, BICO had a total of three long-term incentive programs awarded to the group's staff and board members. The purpose of the incentive programs is to encourage broad share ownership among BICO's employees, facilitate recruitment, retain competent employees and increase motivation to achieve or exceed the group's goals.

Remuneration and other benefits to the Board of Directors of the Parent Company and the Group management, 2022

SEK thousand	Board fee/ Fixed salary	Variable salary and LTI	Other benefits	Pension costs	Total	Outstanding options, No.
Board of Directors						
Carsten Browall, Chairman of the Board	710	-	-	-	710	160,000
Rolf Classon, Board member	285	-	-	-	285	-
Bengt Sjöholm, Board member	250	-	-	-	250	20,000
Helena Skåntorp, Board member	350	-	-	-	350	40,000
Ulrika Dellby, Board Member	300	-	-	-	300	-
Susan Tousi, Board Member	250	-	-	-	250	52,500
Christian Wildmoser	285	-	-	-	285	40,000
Total	**2,430**	**-**	**-**	**-**	**2,430**	**312,500**
Group management						
Erik Gatenholm, CEO	3,003	1,305	30	856	5,194	-
Other senior executives (7 people)	22,326	5,428	23	2,901	30,678	344,869
Total	**25,329**	**6,733**	**53**	**3,757**	**35,872**	**344,869**

Remuneration and other benefits to the Board of Directors of the Parent Company and the Group management, 2021

SEK thousand	Board fee/ Fixed salary	Variable salary and LTI	Other benefits	Pension costs	Total	Outstanding options, No.
Board of Directors						
Carsten Browall, Chairman of the Board	565	-	-	-	565	160,000
Aristotelis Nastos, Board Member	225	-	-	-	225	-
Bengt Sjöholm, Board Member	240	-	-	-	240	20,000
Helena Skåntorp, Board Member	275	-	-	-	275	40,000
Susan Tousi, Board Member	100	-	-	-	100	-
Christian Wildmoser, Board Member	225	-	-	-	225	40,000
Total	**1,630**	**0**	**0**	**0**	**1,630**	**260,000**
Group management						
Erik Gatenholm, CEO	2,292	2,178	-	563	5,033	-
Other senior executives (7 people)	12,239	3,379	-	1,986	17,605	358,000
Total	**14,531**	**5,557**	**-**	**2,549**	**22,638**	**358,000**

The first program includes a maximum of 1,600,000 options for employees and 80,000 options for the board, each of which could be redeemed for one share at a price of SEK 74.34 between December 2021 and January 2022 for the employees, and during January 2023 for the board. In January 2022, the redemption price was paid for 707,100 options in the program, which resulted in a positive liquidity effect for the group of SEK 52.6 million. As of December 31, 2022, 80,000 options remain for the board in the program. These were redeemed in January 2023 (after the balance sheet date), which resulted in a positive liquidity effect for the group of SEK 5.9 million.

The second program covers a maximum of 1,600,000 options for employees and 220,000 options for board members. For employees, each of the options will be redeemable for one share at a price of SEK 126.46 in January 2023. For board members, each of the options will be redeemable for one share at a price of SEK 143.32 during the period December 2024 to December 2025. In January 2023 (after the balance sheet date) the redemption period for 364,200 options was extended to July 2023. The remaining 1,235,800 options for employees were canceled since the market price was below the redemption price.

The 2021 general meeting decided on 26 April 2021 to introduce an incentive program aimed at employees within the BICO group. The program includes a maximum of 3,000,000 options, of which 2,500,000 are free of charge. The options will be redeemable for one share at a price of SEK 598.50 during the period May 2025 to May 2026, provided that a number of financial conditions for the group are met during the vesting period.

An extraordinary general meeting in December 2022 decided to introduce an additional incentive program of a total of 2,500,000 free options to employees. The options will be redeemable for one share at a price of SEK 150 during the period June-September 2026, provided that a number of financial conditions for the group are met during the vesting period. As of the balance sheet date, none of these options have yet been assigned to the employees.

Below is a summary of the granted options within the framework of IFRS 2:

	2022		2021	
	Number of options	Weighted average strike price (SEK)	Number of options	Weighted average strike price (SEK)
Outstanding at the beginning of the year	2,919,850	463.46	1,574,936	73.80
Granted during the year	491,625	598.50	2,222,750	598.50
Forfeited during the year	-975,113	520.67	-154,900	286.58
Exercised during the year	-396,000	74.34	-722,936	44.38
Outstanding at the beginning of the year	**2,040,362**	**543.39**	**2,919,850**	**463.46**

As of 31 December 2022, a total of 3,236,581 options have been allocated to individuals, of which 2,040,362 options are reported within the framework of IFRS 2. The remaining outstanding options are issued at market price and are thus not covered by the rules in IFRS 2.

The options that are reported within the framework of IFRS 2 have as vesting condition that the employee remains working in the group at the time of redemption in order to expire. In addition to the employment requirement, there are additional financial conditions for redemption regarding the incentive program from 2021. Other options are not subject to any earnings requirements. None of the group's incentive programs are cash-settled. If all outstanding options were to be redeemed for shares, it would correspond to a total increase in number of shares of approximately 4.6% as of December 31, 2022. In addition to this, there is a potential increase effect of 3.5% related to the incentive program that was decided in December 2022, but which has not yet been assigned to the employees.

Outstanding options as of 31 December 2022 had a weighted average exercise price of SEK 543.39, with a weighted average remaining term of 3.1 years. The sum of the calculated fair value for granted options at the time of grant amounted to SEK 2.2 million in 2022 and consisted of late granted options in LTIP 2021. Fair value on each grant date is calculated using the Black-Scholes valuation model. The input to the model is presented below:

	2022	2021
Weighted average share price	164.72	518.76
Weighted average strike price	598.50	598.5
Expected volatility	35.57%	32.72%
Term of the option (years)	4.2	4.7
Risk-free interest	0.56%	-0.1%
Expected dividends	0.00%	0.00%

The cost for stock option programs issued during the year amounts to SEK 39.0 million (12.1).

Note 7
Other operating income

ACCOUNTING PRINCIPLES
Revenue from public grants that are not linked to future performance requirements is recognized as other operating income when the conditions for receiving the government grant are met and the economic benefits associated with the transaction are likely to accrue to the Group, and the income can be reliably calculated.

Public grants were measured at the fair value of the asset received by the Company. Revenue from public grants linked to future performance requirements is recognized as revenue when the performance occurs and the economic benefits associated with the transaction are likely to accrue to the Group, and the income can be reliably calculated. Public grants were measured at the fair value of the asset received by the Group. Grants received before the requirements to recognize the income were met are reported in contract liabilities. If government grants are received for capitalized development projects, such grants are recognized in the balance sheet, either as a reduced asset or as prepaid income. When the project is complete, the government grants are subsequently recognized in the income statement in the period in which the asset is amortized.

Furlough subsidies received are recognized as a reduced staff cost in the period to which they relate, see also Note 6.

Receivables and liabilities in foreign currencies were measured using the exchange rate on the balance sheet date. Exchange rate differences on operating receivables and operating liabilities are included in operating profit/loss.

Renewed assessments of the potential outcome of contingent considerations are made in each reporting period. Information received after the acquisition is assessed to determine whether any new information has emerged that relates to circumstances that existed at the time of the acquisition or to subsequent events. In the latter case, any adjustments to the previously reported amounts are reported in other income or other operating expenses in the period in which the change arises. In the former case, adjustments are made to the purchase price allocation, provided it is still preliminary. Consequently, changes in the assessment may have significant impact on the Group's earnings.

	Group		*Parent Company*	
Other revenue	**2022**	**2021**	**2022**	**2021**
Foreign exchange gains on receivables/liabilities of an operating nature	42.9	20.9	20.0	10.6
Government grants	13.8	26.1	-	1.1
Capital gain on divestment of business	-	-	-	158.5
Revaluation of contingent considerations	25.2	25.0	25.2	25.0
Other	28.8	1.8	1.7	0.3
Total	**110.8**	**73.8**	**46.9**	**195.5**

Note 8
Other operating expenses

ACCOUNTING PRINCIPLES
Receivables and liabilities in foreign currencies were measured using the exchange rate on the balance sheet date. Exchange rate differences on operating receivables and operating liabilities are included in operating profit/loss.

	Group		*Parent Company*	
Other expenses	**2022**	**2021**	**2022**	**2021**
Foreign exchange losses on receivables/liabilities of an operating nature	20.6	12.1	6.0	7.7
Capital losses	1.5	5.0	0.2	2.8
Other	0.0	1.2	0.0	-
Total	**22.1**	**18.3**	**6.2**	**10.5**

Note 9
Remuneration to auditors

Audit engagement means a review of the annual report and accounting and of the other duties of the Board of Directors and the CEO that it is incumbent upon the Company auditor to perform, as well as advice or other assistance prompted by observations during such a review or in the performance of other such duties. Audit business in addition to the audit assignment describes quality assurance services, including assistance with observations during such reviews, which must be carried out in accordance with legislation, articles of association, statutes and agreements, and which culminate in a report that is also intended for parties other than the client. Tax advice is reported separately if received. Everything else is other services.

	Group		*Parent Company*	
Deloitte	**2022**	**2021**	**2022**	**2021**
Audit assignment	7.9	5.6	3.1	1.9
Audit activities outside the audit assignment	0.7	1.5	0.3	1.5
Tax advice	1.9	1.6	0.1	0.0
Other services	-	1.3	-	1.3
Total remuneration to Deloitte	**10.5**	**9.9**	**3.6**	**4.7**

Of the total fee of SEK 10.5 million to Deloitte for the 2022 financial year, the fee to Deloitte AB amounted to SEK 3.6 million, of which SEK 3.1 million was for the audit assignment, SEK 0.3 million was for audit operations in addition to the audit assignment, and SEK 0.1 million was for tax advice and other services.

	Group		*Parent Company*	
Other auditors	**2022**	**2021**	**2022**	**2021**
Audit assignment	0.3	0.0	-	-
Audit activities outside the audit assignment	-	-	-	-
Tax advice	-	-	-	-
Other services	0.2	-	-	-
Total remuneration to other auditors	**0.5**	**0.0**	**-**	**-**
Total remuneration to auditors	**11.0**	**9.9**	**-**	**4.7**

Note 10
Financial items

ACCOUNTING PRINCIPLES
Interest income and interest expenses are distributed over the term using the effective interest method. The effective rate is the interest rate at which the present value of all future payments and disbursements during the fixed-interest period equals the gross value of the financial asset or the amortized cost of the financial liability.

Dividends are recognized when the owner's right to receive the payment has been established. Receivables and liabilities in foreign currencies were measured using the exchange rate on the balance sheet date. Exchange rate differences on financial receivables and liabilities held for cash management purposes are recognized in financial items.

Group	**2022**	**2021**
Net gains on financial assets at fair value	-	10.9
Dividends on holdings at fair value through profit or loss	8.6	2.0
Foreign exchange gains	416.8	83.2
Interest income on financial assets at amortized cost	6.8	0.1
Total finance income	**432.2**	**96.3**
Net losses on financial assets at fair value	-35.1	-
Foreign exchange losses	-38.4	-3.6
Charges resulting from financial liabilities	-6.1	-4.7
Increase in the period of discounted amounts for contingent consideration	-10.6	-5.2
Interest expenses on financial liabilities at amortized cost	-98.2	-59.3
Total finance costs	**-188.4**	**-72.8**

Parent Company	**2022**	**2021**
Net gains on financial assets at fair value	-	10.9
Dividends on holdings at fair value through profit or loss	6.2	2.0
Foreign exchange gains	428.4	87.8
Intra-Group interest income	193.2	56.1
Interest income on financial assets at amortized cost	6.2	-
Total finance income	**634.0**	**156.8**
Foreign exchange losses	-38.4	-
Net losses on financial assets at fair value	-35.1	-
Increase in the period of discounted amounts for contingent consideration	-10.6	-5.2
Charges resulting from financial liabilities	-6.1	-4.0
Interest expenses on financial liabilities at amortized cost	-82.1	-54.7
Total finance costs	**-172.3**	**-63.9**

Note 11
Taxes

ACCOUNTING PRINCIPLES

In the consolidated income statement, income tax consists of current tax based on taxable income for the period in question and changes in deferred tax. Tax is recognized in the income statement, except when it relates to items recognized in other comprehensive income or directly in equity. In such cases, the tax is also recognized in other comprehensive income or in equity, respectively.

The basis for calculating current income tax is the tax rates and tax laws that had been adopted or announced on the balance reporting date. Current tax assets and tax liabilities for the current period and previous periods are determined at the amount expected to be recovered from or paid to the tax authority.

Deferred tax is recognized on the reporting date in accordance with the balance sheet method for temporary differences between the carrying amount and tax base of assets and liabilities.
Deferred tax liabilities are not recognized, however, if they arise as a result of the initial recognition of goodwill. Deferred tax is also not reported if it arises as a result of a transaction that constitutes the first reporting of an asset or liability that is not a business combination and which, at the time of the transaction, does not affect either accounting profit or taxable profit. Deferred income tax is determined using the tax rates (and laws) that have entered into force or been announced on the reporting date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are reported to the extent it is probable that future taxable profits will be available against which the temporary differences can be used.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax assets and liabilities relate

Tax recognized in the income statement

	Group		*Parent Company*	
	2022	**2021**	**2022**	**2021**
Current tax on profit/loss for the year	-61.6	-15.2	-16.1	-
Tax related to the previous year	-3.5	-0.3	-0.7	-
Deferred tax relating to temporary differences	-29.7	10.3	1.3	-1.6
Deferred tax relating to loss carry-forwards	12.2	-10.6	-	-35.7
Total recognized tax expense	**-82.6**	**-15.8**	**-15.5**	**-37.3**

Reconciliation of effective tax

The link between tax at the average tax rate and recognized tax for the Group is shown in the table below.

	Group				*Parent Company*			
	2022	**%**	**2021**	**%**	**2022**	**%**	**2021**	**%**
Profit before tax	-753.1		-213.4	-	-299.0		59.3	-
Tax at the tax rate applicable to the Parent Company	155.1	20.6%	44.0	20.6%	61.6	20.6%	-12.2	20.6%
Tax effect of:								
Non-deductible costs*	-168.3	-22.4%	-18.8	-8.8%	-100.6	-33.6%	-16.9	28.5%
Non-deductible income	12.1	1.6%	8.2	3.8%	5.2	1.7%	5.1	-8.7%
Capitalization of previously non-capitalized loss carry-forwards	-	-	6.3	2.9%	-	-	-	-
Utilization of previously non-capitalized loss carry-forwards	22.6	3.0%	0.3	0.2%	18.9	6.3%	-	-
Increase in loss carry-forwards without any corresponding capitalization of deferred tax	-121.4	-16.1%	-58.2	-27.3%	-	-	-13.3	22.5%
Effect of foreign tax rates	20.8	2.8%	2.9	1.4%	-	-	-	-
Tax related to previous years	-3.6	-0.5%	-0.3	-0.2%	-0.7	-0.2%	-	-
Total tax	**-82.6**	**-11.3%**	**-15.8**	**-7.4%**	**-15.5**	**-5.2%**	**-37.3**	**62.9%**

*The amount for non-deductible costs has increased significantly as a result of the write-down of goodwill (for the group) and shares in subsidiaries (for the parent company) relating to Ginolis during 2022.

to taxes issued by the same tax authority and either relate to the same taxable entity or to different tax entities if there is an intention to settle any balances through on a net basis.

Tax losses

Deferred tax assets attributable to tax losses were capitalized to the extent that they can be used against future taxable profits.

The Group's total tax losses expire according to the below. Accumulated loss carry-forwards that were not capitalized were SEK 1,013.1 (233.9) million.

Expiry structure for loss carry-forwards	Not restricted	Restricted
Loss carry-forwards that expire within 1 year	-	1.0
Loss carry-forwards that expire within 2–5 years	-	-
Loss carry-forwards that expire after 5 years	697.7	58.2
Loss carry-forwards that do not expire	414.2	173.3
Total loss carry-forwards	**1,111.9**	**232.5**

Issue costs

In the financial year, issue costs of SEK 7.2 million (64.1), recognized in equity, were deducted as deductible costs in the tax calculation. The tax effect of SEK 1.4 million (7.0) was recognized directly in equity. In addition, issue costs of SEK 0.0 million (3.5) linked to convertible bonds were recognized in equity. These will become deductible in the event of conversion into shares.

Deferred taxes recognized in the balance sheet

Deferred tax assets and liabilities in the balance sheet relate to the following:

Group	Dec 31, 2022		Dec 31, 2021	
	Assets	*Liabilities*	*Assets*	*Liabilities*
Intangible assets	-	-307.4	1.2	-244.5
Property, plant and equipment	0.2	-9.3	1.7	-7.7
Inventories	1.8	-	2.0	-3.2
Trade receivables	7.5	-	0.4	-
Provisions	-	-	-	-0.5
Other operating liabilities	16.6	-19.1	7.8	-
Loss carry-forwards	75.8	-	82.7	-
Other	-	-9.3	0.8	-4.3
Total	**101.9**	**-345.1**	**96.5**	**-260.2**

Parent Company	Dec 31, 2022		Dec 31, 2021	
	Assets	*Liabilities*	*Assets*	*Liabilities*
Trade receivables	1.3	-	-	-
Loss carry-forwards	-	-	-	-
Total	**1.3**	**-**	**-**	**-**

Change in deferred taxes on temporary differences and loss carry-forwards

	Dec 31, 2022		Dec 31, 2021	
	Group	*Parent Company*	*Group*	*Parent Company*
Opening balance, deferred taxes, net	-163.7	-	-20.1	30.3
Recognized in profit/loss for the year	-17.5	1.3	-0.3	-37.3
Recognized in other comprehensive income	-	-	1.6	-
Recognized in equity	-	-	7.0	7.0
Business combinations	-34.3	-	-143.3	-
Translation differences	-27.7	-	-8.6	-
Closing balance, deferred taxes, net	**-243.2**	**1.3**	**-163.7**	**-**

Note 12
Intangible assets

ACCOUNTING PRINCIPLES

Goodwill
Goodwill represents the difference between the cost of a business acquisition and the fair value of the acquired assets, assumed liabilities and contingent liabilities. Goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to cash-generating units. A cash-generating unit is the lowest level at which goodwill is monitored for internal control purposes. Goodwill is tested for impairment annually, or more frequently if there are indications that it might be impaired. Expenses for internally generated goodwill are recognized in the income statement as an expense when they arise.

Capitalized product development expenditure
Research costs are expenses for research aimed at obtaining new scientific or technological knowledge. Product development expenses refer to expenditure where research results or other knowledge is applied to create new or improved products or processes. Research expenses are expensed in the period in which they arise. If government grants for research are received, such grants are recognized as revenue in the same period as the expenses are expensed.

In the Group, development expenditure is recognized as an intangible asset if the asset is deemed to be able to generate future economic benefits, and then only if it is technically and financially possible to complete the asset, if it is intended and possible to use the asset in the operations or sell it, and if the value can be reliably measured. In the consolidated balance sheet, capitalized development expenses recognized at cost are reduced by accumulated amortization and impairment.

If government grants are received for capitalized development projects, such grants are recognized in the balance sheet, either as a reduced asset or as prepaid income. When the project is complete, the government grants are subsequently recognized in the income statement in the period in which the asset is amortized.

Patents and licenses
Patents and licenses are recognized at cost less accumulated amortization and impairment. In addition to patents acquired from third parties, the Company has recognized expenses for external legal representatives and registration fees for patent applications in the balance sheet. These expenses relate to the acquisition of legal rights in accordance with IAS 38 and were therefore capitalized. Amortization of capitalized patent costs for pending patents begins when the underlying technology is implemented.

Trademarks
Trademarks identified during business combinations are recognized at cost minus accumulated amortization and impairment. Internally generated trademarks are expensed in the period in which they arise.

Software-as-a-Service (SaaS) arrangements A SaaS arrangement is a contract that gives the Group access to cloud-based software for the term of the contract. Costs related to configuration and adaptation and regular costs for access to the cloud-based software are recognized as other external expenses during the period in which the service is used.

Amortization
Amortization is recognized in the income statement on a straight-line basis over the estimated useful life of intangible assets unless the useful life is considered indefinite. Goodwill is tested for impairment annually or as soon as indications arise that the asset in question has decreased in value. Amortizable intangible assets are amortized from the date when they are available for use. The estimated useful lives are:

Asset	Year
Capitalized development costs	5–10 years
Patents	10–12 years
Customer relations	5–10 years
Trademarks	10 years to indefinite
Technology	5–15 years
Other	5–10 years

Capitalized product development expenditure is mainly amortized over 5 to 10 years, which corresponds to the expected useful life of most products. The amortization period for patents is consistent with the useful life of the underlying patents. If the useful life of the patent exceeds the economic life of the underlying technology, the amortization period is adapted to the shorter life. The amortization of patents begins when the underlying technology has been put into use and the application has been registered.

The amortization methods used, residual values and useful lives are reviewed at the end of every year.

Impairment
On each reporting date, an assessment is made of whether there is any indication of a decrease in value of the Group's assets. Goodwill and trademarks, which are not amortized regularly, are tested for impairment once a year. However, such testing may be carried out more frequently if there are indications that an asset may have decreased in value.

Impairment testing is performed to assess the asset's recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. Value in use is the present value of future cash flows attributable to the asset and the present value of the net sales value at the end of the useful life. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. An earlier impairment loss is reversed when there has been a change in the assumptions that formed the basis for determining the asset's recoverable amount when the impairment loss was recognized, which means that the impairment loss is no longer deemed necessary. Reversals of previously recognized impairment losses are tested individually and recognized in the income statement. Impairment losses on goodwill are not reversed in subsequent periods.

Group	2022							2021						
	Goodwill	*Capitalized product development expenditure*	*Patents, licenses and software*	*Customer relations*	*Technology*	*Other*	Total	*Goodwill*	*Capitalized product development expenditure*	*Patents, licenses and software*	*Customer relations*	*Technology*	*Other*	Total
Accumulated cost														
At beginning of the year	5,441.5	301.9	173.4	191.3	494.4	71.2	6,673.8	919.2	140.7	48.8	68.9	86.4	33.3	1,297.2
Investments	-	219.8	16.0	-	0.1	1.2	237.1	-	144.9	5.7	-	-	6.7	157.3
Reclassifications	-	-6.8	1.1	-	0.6	-1.2	-6.3	-	-1.6	0.2	-	-	1.6	0.2
Business combinations*	-159.6	-	-0.2	9.9	168.2	-	18.3	4,396.4	19.6	114.4	117.0	394.2	27.9	5,069.4
Disposals and retirements	-	-2.0	-2.0	-	-	-	-4.0	-	-2.2	-	-	-	-	-2.2
Translation differences	646.0	19.2	23.0	21.0	78.1	5.5	792.7	125.9	0.6	4.5	5.4	13.9	1.7	151.9
At year-end	**5,927.9**	**532.1**	**211.3**	**222.2**	**741.5**	**76.7**	**7,711.6**	**5,441.5**	**301.9**	**173.4**	**191.3**	**494.4**	**71.2**	**6,673.8**
Accumulated amortization and impairment														
At beginning of the year	-	-32.2	-18.1	-33.3	-42.8	-24.7	-151.1	-	-13.9	-5.0	-7.2	-8.7	-1.5	-36.3
Accumulated amortization and impairment for the year	-625.0	-43.0	-10.2	-40.7	-76.0	-11.3	-806.3	-	-21.4	-12.9	-25.5	-33.2	-21.7	-114.7
Reclassifications	-	6.8	-1.1	-	-0.6	1.2	6.3	-	1.4	-0.2	-	-	-1.3	-0.1
Disposals and retirements	-	-	-	-	-	-	-	-	1.5	-	-	-	-	1.5
Translation differences	-29.2	-1.5	-1.8	-5.2	-7.4	-2.5	-47.6	-	0.2	-	-0.6	-0.8	-0.3	-1.5
At year-end	**-654.2**	**-70.0**	**-31.2**	**-79.2**	**-126.7**	**-37.3**	**-998.7**	**-**	**-32.2**	**-18.1**	**-33.3**	**-42.8**	**-24.7**	**-151.1**
Carrying value at the beginning of the year	**5,441.5**	**269.8**	**155.3**	**158.0**	**451.7**	**46.5**	**6,522.7**	**919.2**	**126.8**	**43.7**	**61.7**	**77.7**	**31.8**	**1,260.9**
Carrying value at year-end	**5,273.7**	**462.1**	**180.1**	**142.9**	**614.7**	**39.3**	**6,712.9**	**5,441.5**	**269.8**	**155.3**	**158.0**	**451.7**	**46.5**	**6,522.7**

*In 2022, goodwill was negative, due to a reclassification to technology and reduced reported values of contingent considerations in connection with the adoption of previously preliminary purchase price allocations. See Note 26 for further information.

Parent Company	2022				2021			
	Capitalized product development expenditure	*Patents, licenses and software*	*Other*	*Total*	*Capitalized product development expenditure*	*Patents, licenses and software*	*Other*	*Total*
Accumulated cost								
At beginning of the year	2.4	0.2	4.5	7.1	120.2	27.9	-	148.0
Reclassifications	-	-	-	-	-1.6	-0.2	1.5	-0.3
Investments	-	-	-	-	46.5	2.1	-	48.6
Disposals and retirements	-	-	-	-	-162.6	-29.6	3.0	-189.2
At year-end	**2.4**	**0.2**	**4.5**	**7.1**	**2.4**	**0.2**	**4.5**	**7.1**
Accumulated amortization and impairment								
At beginning of the year	-0.8	-	-1.7	-2.5	-13.7	-1.9	-	-15.5
Reclassifications	0.1	-0.1	-	-	1.4	0.2	-1.2	0.4
Accumulated amortization and impairment for the year	-1.8	-	-0.5	-2.2	-9.3	-8.0	-0.5	-17.8
Disposals and retirements	-	-	-	-	20.9	9.6	-	30.5
At year-end	**-2.4**	**-0.1**	**-2.2**	**-4.7**	**-0.8**	**0.0**	**-1.7**	**-2.4**
Carrying value at the beginning of the year	**1.7**	**0.2**	**2.8**	**4.7**	**106.5**	**26.0**	**-**	**132.5**
Carrying value at year-end	**-**	**0.1**	**2.3**	**2.4**	**1.7**	**0.2**	**2.8**	**4.7**

OTHER INFORMATION

Research and development expenditure that has been expensed
Research and development expenditure of SEK 143.3 million (105.2) was expensed over the year and included in operating expenses. The corresponding figure for the Parent Company is SEK 0.0 million (2.1).

Impairment testing
The Group's goodwill is attributable to acquisitions of subsidiaries and their operations. Goodwill was tested for impairment for each cash-generating unit (CGU). Per December 31, 2022, the Group was deemed to comprise 11 (12) separate cash-generating units, which reflects the Group's revenue streams and historical acquisitions. As of December 31,2022, the Group has a large number of cash-generating units that currently have revenue streams that are relatively independent of each other. As relevant businesses are integrated and joint sales offers are drawn up, this assessment can be changed.

The Group's recognized goodwill is SEK 5,273.7 million (5,441.5), which can be broken down by cash-generating unit as shown in the table below:

Goodwill per CGU	Segments	Dec 31, 2022	Dec 31, 2021	WACC after taxes, 2022	WACC after taxes, 2021
CELLINK*	Bioprinting	212.6	-	12.4%	9%
DISPENDIX	Biosciences	51.7	47.6	12.4%	9%
CYTENA	Biosciences	233.2	214.3	11.8%	9%
SCIENION	Bioautomation	734.1	675.9	11.3%	9%
Ginolis	Bioautomation	-	601.2	12.3%	9%
MatTek	Bioprinting	572.7	496.3	10.8%	9%
Visikol	Bioprinting	137.2	154.9	12.3%	9%
Nanoscribe	Bioprinting	399.3	382.2	11.8%	9%
Discover Echo	Biosciences	971.0	850.8	11.4%	9%
Advanced Biomatrix*	Bioprinting	-	130.1	-	9%
QInstruments	Bioautomation	498.5	458.1	11.4%	9%
Biosero	Biosciences	1,463.4	1,430.1	12.4%	9%
Total		**5,273.7**	**5,441.5**		

*As of 2022, goodwill and trademarks from Advanced Biomatrix are included in the cash-generating unit CELLINK, due to a large amount of integrated functions in these entities over the financial year.

In addition to goodwill, trademarks with an indefinite useful life from acquisitions amount to SEK 90.2 million (79.5), which is broken down by cash-generating unit according to the table below:

Trademarks with indefinite useful lives	Dec 31, 2022	Dec 31, 2021
Discover Echo	49.8	43.4
Advanced Biomatrix*	-	17.4
CELLINK*	20.1	-
QInstruments	20.3	18.6
Total	**90.2**	**79.5**

Goodwill and trademarks were tested for impairment based on forecasts. These forecasts were produced internally by Group management, assisted by the management teams of the subsidiaries.

The most important variables in the forecasts were growth, gross margin, costs, working capital and investments. The calculations are generally based on a gross margin on a par with the history of each unit and a gradual reduction in investment needs in relation to sales as a result of sales development and the planned rate of investment. According to the forecasts, profitability will increase over time. This is due to an increased focus on profitability in the Group's financial targets, followed by planned cost-savings initiatives. Alternatively, the cash-generating unit may grow into its existing cost base.

The growth rate used is an overall assessment of the management's forecasts and external market reports, which generally indicate good growth in the industry in which BICO's companies will operate in the years to come, even if percentages vary between units. It is assumed that the working capital will change in proportion to sales and gradually decrease as operations mature.

The forecast cash flow periods cover ten years, which is explained by the fact that the expected growth rate in the Group is not reflected in an impairment test based on a shorter forecast period. The forecasts are based on the 2023 budget per cash operating unit as adopted by the Board of Directors. They were then extrapolated based on history, market reports, planned local initiatives and assumptions made in connection with each acquisition. The perpetual growth rate is expected to be 3 percent in all cash generating units, which is somewhat above the expected long-term inflation. This is justified by the disruptive sector in which BICO's products are expected to be found for many years to come. Growth rate and gross margins generally decreased somewhat compared with the previous period, in the short term, due to the weak market sentiment. Nevertheless, most long-term acquisition forecasts remain the same.

WACC was calculated using the Capital Asset Pricing Model for the Group as a whole. It is applied with a surcharge to each cash-generating unit in 2022. Due to increased market interest rates and a segmentation by cash-generating unit, the discount rate is higher than in the previous year.

The recoverable amounts, which are calculated by the Group as value in use, exceed the reported amounts for all cash-generating units except Ginolis. In the fourth quarter 2022, an impairment loss of SEK 625 million on goodwill was recognized in Ginolis, so the closing value is zero.

The global medical response to the Covid-19 pandemic resulted in strong revenues for Ginolis in 2020 and 2021 due to diagnostic automation equipment. In 2022, sales from diagnostic automation related to Covid-19 declined faster than expected, and the Company reverted to more normalized revenue levels related to microfluidics and automation of medical devices. In addition, there is also new competition from Asia in lateral flow automation, and the product category has become a more standardized commodity in the last two years, after the global pandemic. Accordingly, Ginolis has not been able to revert quickly enough to more stable and normalized business levels.

In 2022, Ginolis reported sales of SEK 140 million (174) and EBITDA of SEK -74 million (5) and kept facing challenges regarding order intake and internal efficiencies. The Group is now implementing additional considerable cost savings and downscaling Ginolis' organization, making it better adapted to lower revenue. In parallel, strategic alternatives related to the remaining core values, such as technology, are evaluated in Ginolis. The remaining value in use for the cash-generating unit Ginolis is in line with the residual value of the units' net operating assets.

Sensitivity analysis

To support the impairment tests performed on the intangible fixed assets, an analysis has been performed to demonstrate the sensitivity of material assumptions in the impairment test. In this analysis, reasonable changes to assumptions have been made, and to the extent that the recoverable amount of cash-generating units would fall below book value, additional information is provided below.

The sensitivity in the calculations was tested for an increase/decrease in WACC of one percentage point and an increase/decrease in the perpetual growth rate of one percentage point. These are the reasonably possible changes of important assumptions that were identified for all cash-generating units.

In six cash-generating units, at least one of the above sensitivity analyses indicates an impairment of goodwill. This is mainly because the acquisition calculation often requires relatively high growth, in which case the discounted cash flow is at a disadvantage due to the relatively high WACC in 2022. Also, many acquisitions were made relatively recently, which means that the entities have not yet accumulated a significant difference between recoverable amount and carrying amount.

When testing the above-mentioned entities for impairment, in addition to the discount rates after taxes (WACC) and the perpetual growth stated above, a growth of up to 35 percent for individual years was assumed, with a decreased growth rate over time. It was assumed that the EBITDA margin would increase over time, from sometimes negative or low single-digit figures to well above 20 percent. This assumption was based on the entities' historical margins and sales growth, any planned initiatives that will be implemented in each unit, and on a comparison with similar companies in the market.

The table below first shows the effect in SEK million on the Group's recoverable amounts if the discount rate (WACC) would increase/decrease by one percentage point, and thereafter, if the perpetual growth would increase/decrease by one percentage point. At the end of the table, it shows the absolute change in the recoverable amount in SEK millions that would make it correspond to the carrying value, as well as the total recoverable amount.

The disclosure in the table is provided for the six cash-generating units where any one of the Group's sensitivity analyses indicates the impairment of goodwill and other intangible assets with an indefinite useful life.

	2022
SEK million	**Six cash-generating units with an indication of impairment in at least one sensitivity analysis**
Effect of a one percentage point increase in WACC	-670.0
Effect of a one percentage point decrease in WACC	862.2
Effect of a one percentage point decrease in perpetual growth	-356.3
Effect of a one percentage point increase in perpetual growth	452.6
Change in recoverable amount to show the carrying amount	-288.2
Total recoverable amount	5,009.2

Note 13
Property, plant and equipment

ACCOUNTING PRINCIPLES

Property, plant and equipment are recognized as assets in the balance sheet when, based on available information, it is likely that the future economic benefits associated with the holding will accrue to the Group, and that the cost of the asset can be reliably calculated. The carrying amount of property, plant and equipment consists of costs less accumulated depreciation and any impairment losses.

Subsequent costs

Subsequent costs are added to the historical cost only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the item can be measured reliably.

All other subsequent costs are expensed in the reporting period in which they are incurred.

Depreciation

Depreciation according to plan is based on original costs less the calculated residual value. The residual values and useful lives of property, plant and equipment are reviewed each reporting date and adjusted as necessary.

Depreciation is carried out on a straight-line basis over the asset's estimated useful life. Land is not depreciated. The estimated useful lives are:

Asset	Year
Equipment, tools, fixtures and fittings	3–5 years
Leasehold improvements	5 years
Buildings	20–50 years

Group	2022				2021			
	Land and buildings	*Leasehold expenditure*	*Equipment,tools, fixtures and fittings*	Total	*Land and buildings*	*Leasehold expenditure*	*Equipment, tools, fixtures and fittings*	Total
Accumulated cost								
At beginning of the year	37.4	31.4	184.3	253.1	-	8.9	53.6	62.5
Reclassifications	-	-4.4	13.0	8.5	6.5	-6.5	3.6	3.6
Investments	167.3	21.4	85.4	274.1	30.9	12.4	76.8	120.1
Business combinations	-	-	0.2	0.2	-	16.3	58.5	74.8
Divestments	-	-0.4	-1.0	-1.5	-	-	-10.2	-10.2
Translation differences	11.1	4.0	22.1	37.1	-	0.3	2.0	2.3
At year-end	**215.8**	**52.0**	**303.8**	**571.6**	**37.4**	**31.4**	**184.3**	**253.1**
Accumulated depreciation and impairment								
At beginning of the year	0.0	-3.2	-40.8	-44.0	-	-0.9	-9.1	-10.0
Reclassifications	-	0.2	-9.6	-9.4	-	-	-3.8	-3.8
Accumulated depreciation and impairment for the year	0.0	-4.2	-48.3	-52.4	-	-2.3	-31.6	-33.9
Divestments	-	0.2	0.4	0.6	-	-	4.3	4.3
Translation differences	0.0	-0.4	-6.2	-6.6	-	-	-0.6	-0.6
At year-end	**0.0**	**-7.4**	**-104.5**	**-111.9**	**-**	**-3.2**	**-40.8**	**-44.0**
Carrying value at the beginning of the year	**37.4**	**28.3**	**143.5**	**209.1**	**-**	**8.1**	**44.5**	**52.5**
Carrying value at year-end	**215.8**	**44.6**	**199.3**	**459.8**	**37.4**	**28.3**	**143.5**	**209.1**

Parent Company	2022			2021		
	Leasehold expenditure	*Equipment, tools, fixtures and fittings*	Total	*Leasehold expenditure*	*Equipment, tools, fixtures and fittings*	Total
Accumulated cost						
At beginning of the year	0.4	3.0	3.4	1.8	10.6	12.5
Reclassifications	-	-	0.0	-	0.1	0.1
Investments	-	2.7	2.7	0.5	7.8	8.3
Disposals and retirements	-0.4	0.0	-0.4	-1.9	-15.5	-17.4
At year-end	**0.0**	**5.7**	**5.7**	**0.4**	**3.0**	**3.4**
Accumulated depreciation and impairment						
At beginning of the year	-0.2	-1.1	-1.3	-0.6	-2.8	-3.4
Reclassifications	-	-	0.0	-	-0.2	-0.2
Accumulated depreciation and impairment for the year	0.0	-0.9	-0.9	-0.4	-3.8	-4.3
Disposals and retirements	0.2	0.0	0.2	0.9	5.7	6.6
At year-end	**0.0**	**-2.0**	**-2.0**	**-0.2**	**-1.1**	**-1.3**
Carrying value at the beginning of the year	**0.2**	**1.9**	**2.1**	**1.2**	**7.9**	**9.1**
Carrying value at year-end	**0.0**	**3.7**	**3.7**	**0.2**	**1.9**	**2.1**

Note 14 Inventories

ACCOUNTING PRINCIPLES

Inventories are recognized at the lower of cost and net realizable value, where the cost is calculated using the first-in, first-out (FIFO) principle. The cost of inventories includes the costs for purchasing and manufacturing as well as other expenses to bring the goods to their current location and condition. The cost of an asset produced by the Company includes costs directly related to production of the asset and a reasonable proportion of indirect manufacturing costs.

	Group		*Parent Company*	
	Dec 31, 2022	**Dec 31, 2021**	**Dec 31, 2022**	**Dec 31, 2021**
Raw materials and consumables	258.0	179.7	-	-
Advances to supplier	37.8	32.9	-	-
Work in progress	132.3	34.7	-	-
Finished goods and goods for resale	102.8	106.2	0.5	-
Total	**531.0**	**353.5**	**0.5**	**-**

An obsolescence write-down of SEK 8.0 million (2.5) is included in the closing balance for inventories.

Note 15 Trade receivables

ACCOUNTING PRINCIPLES

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. As trade receivables have short expected maturities, the value is approximated to the nominal amount without discounting.

If the expected holding period exceeds 12 months, the receivables are classified as non-current.

Measurement of expected credit losses

BICO applies the simplified approach to expected credit losses, according to which an allowance for expected credit losses is recognized with an amount corresponding to the lifetime expected loss allowance for the trade receivable from initial recognition.

On every reporting date, the Group assesses whether financial assets recognized at amortized cost are credit impaired. Credit risk is handled in the accounts by recognizing a loss allowance based on how long the receivable has been overdue and on an individual review of the customer based on previous payment patterns and external factors. Expected credit losses also include expected credit losses relating to receivables that are not overdue.

Loss allowances for trade receivables are deducted from the assets' gross value and recognized in other external costs. The Group's expected credit losses were valued at SEK 87.1 million (32.2). As several of the Group's customers generally pay their receivables late, BICO believes that the loss allowance covers the risk on the balance sheet date, even though the allowance is less than the total amount overdue more than 90 days. The Group's customers largely consist of universities and large pharmaceutical companies with good payment capacity.

Receivables are only written off when the counterparty is declared bankrupt or if changes to the nominal value of the receivable are agreed.

Changes in loss allowance for accounts receivable

	Group		*Parent Company*	
	Dec 31, 2022	**Dec 31, 2021**	**Dec 31, 2022**	**Dec 31, 2021**
Opening balance	-32.2	-13.1	-16.5	-7.0
Acquired loss allowance	-	-0.5	-	-
Amounts written down	22.3	-	17.8	-
Revaluation of loss allowance, net	-77.2	-18.6	-7.4	-9.5
Closing balance	**-87.1**	**-32.2**	**-6.1**	**-16.5**

Increased total sales and a more restrictive view of future credit losses have contributed to the changed loss allowance compared with previous years.

	Group		Parent Company	
Age analysis	**Dec 31, 2022**	**Dec 31, 2021**	**Dec 31, 2022**	**Dec 31, 2021**
Not past due	417.7	314.1	-	11.5
Receivables, 1–30 days past due	123.5	100.2	-	0.0
Receivables, 31–90 days past due	130.4	91.8	-	16.5
Receivables, 91–180 days past due	38.4	36.3	0.5	8.2
Receivables, 181–365 days past due	44.6	34.3	-	4.7
Receivables, >365 days past due	32.2	32.4	6.6	14.5
Total trade receivables, gross	**786.8**	**609.1**	**7.1**	**55.4**

	Group		Parent Company	
Trade receivables	**Dec 31, 2022**	**Dec 31, 2021**	**Dec 31, 2022**	**Dec 31, 2021**
Trade receivables, gross	786.8	609.1	7.1	55.4
Loss allowance, receivables, not past due	-3.0	-1.8	-	-0.0
Loss allowance, receivables, 1–30 days past due	-2.8	-	-	-0.0
Loss allowance, receivables, 31–90 days past due	-9.2	-1.0	-	-0.3
Loss allowance, receivables, 91–180 days past due	-10.1	-2.0	-	-0.8
Loss allowance, receivables, 181–365 days past due	-33.1	-5.9	-	-1.1
Loss allowance, receivables, >365 days past due	-28.8	-21.5	-6.1	-14.3
Trade receivables, net	**699.7**	**576.9**	**1.0**	**38.9**

Note 16
Prepaid expenses and accrued income

	Group		Parent Company	
	Dec 31, 2022	**Dec 31, 2021**	**Dec 31, 2022**	**Dec 31, 2021**
Rent and leases	7.8	0.1	2.0	1.4
Insurance and alarms	3.1	1.6	0.7	0.1
Pension premiums	-	-	-	0.2
Fairs	3.5	3.3	-	-
Products and services	2.0	2.7	-	-
Licenses	5.9	5.1	2.9	2.2
Unpaid grants for development projects	1.1	-	-	0.1
Other	9.1	6.3	0.4	0.6
Total	**32.5**	**19.1**	**6.0**	**4.6**

Note 17
Equity

ACCOUNTING PRINCIPLES

Transaction costs that can be directly attributed to the issue of new shares or options are reported, net after tax, in equity as a deduction from the issue proceeds.

The Group has designated certain intra-Group receivables of a financial nature as a part of a net investment in a foreign operation. In practice, monetary non-current receivables from a foreign operation, the settlement of which are not planned or likely to happen in the foreseeable future, are part of the Company's net investment in such foreign operation. The exchange rate difference arising from the monetary non-current receivable is recognized in other comprehensive income and accumulated in the translation reserve in equity.

Share capital

Per December 31, 2022, the Company's registered share capital was SEK 1,762,372 (1,553,257) divided into 70,494,895 shares (62,130,269), of which 1,500,000 were Series A shares and 68,994,895 were Series B shares, with a quota value of SEK 0.025.

The change in the number of shares and share capital over the financial year is shown below.

No. of shares	Class A shares	Class B shares	Total
At beginning of the year	1,500,000	**60,630,269**	**62,130,269**
New share issue	-	7,164,626	7,164,626
Non-cash issue	-	1,200,000	1,200,000
At year-end	**1,500,000**	**68,994,895**	**70,494,895**

Share capital	Class A shares	Class B shares	Total
At beginning of the year	37,500	**1,515,757**	**1,553,257**
New share issue	-	179,116	179,116
Non-cash issue	-	30,000	30,000
At year-end	**37,500**	**1,724,872**	**1,762,372**

Other contributed capital

This refers to equity contributed by the owners, including share premium reserves that arose in connection with issues.

Translation reserve

The translation reserve includes all exchange rate differences that arise when translating financial statements from foreign operations that prepared their financial statements in a currency other than the currency in which the consolidated financial statements are presented. The Parent Company and the Group present their financial statements in Swedish kronor.

Dividends

Dividends are proposed by the Board in accordance with the rules of the Swedish Companies Act and are resolved upon by the Annual General Meeting. The Board of Directors proposes that no dividend be paid for the 2022 financial year.

Dilutive effect of outstanding stock option programs and convertible bonds

If all outstanding options were to be exercised for shares, this would correspond to a total increase of 4.6 percent of all shares outstanding per December 31, 2022. To this will be added the effect of a potential increase of approximately 3.5 percent related to the incentive program that was adopted in December 2022, but which has not yet been granted to the employees. If all outstanding convertible bonds were to be exercised for shares, this would correspond to a total increase of 3.6 percent of all shares outstanding per December 31, 2022.

A description of the outstanding stock option programs is provided in Note 6. A description of the convertible bonds is provided in Note 19.

Note 18
Earnings per share

ACCOUNTING PRINCIPLES

The calculation of basic earnings per share is based on profit/loss for the year attributable to the Parent Company's shareholders in the Group and on the weighted average number of shares outstanding over the year. Diluted earnings per share is calculated by adjusting the average number of shares to include all potential ordinary shares that give rise to a dilutive effect. The dilution from BICO's incentive programs is attributable to the outstanding employee stock options and the warrants.

	Basic		*Diluted*	
	2022	**2021**	**2022**	**2021**
Earnings per share (SEK)	-12.94	-3.97	-12.94	-3.97

The calculations of the numerators and denominators used in the above calculations of earnings per share are shown below.

Basic earnings per share

Basic earnings per share for 2022 was calculated based on the profit/loss for the year attributable to the Parent Company's holders of ordinary shares, which totaled SEK -832.8 million (-227.6), and on the weighted average number of shares outstanding in 2022, which was 64,348,627 (57,265,416). The two components were calculated as follows:

Profit/loss for the year attributable to the shareholders of the Parent Company, before dilution

	2022	**2021**
Profit for the year attributable to owners of the Parent Company	-832.8	-227.6
Profit/loss attributable to the Parent Company's shareholders, before dilution	**-832.8**	**-227.6**

Weighted number of shares outstanding, before dilution

	2022	**2021**
Number of shares outstanding, opening balance	62,130,269	51,601,285
Effect of share issues	1,051,234	4,493,714
Effect of non-cash issues	1,167,124	1,170,417
Number of shares used in the calculation of basic earnings per share	**64,348,627**	**57,265,416**

The number of shares outstanding at year-end was 70,494,895 (62,130,269).

Diluted earnings per share

Diluted earnings per share for 2022 was calculated based on the profit/loss for the year attributable to the Parent Company's holders of ordinary shares, which totaled SEK -789.7 million (-193.9), and on the weighted average number of shares outstanding in 2022, which was 66,876,838 (61,352,967). The two components were calculated as follows:

Profit/loss for the year attributable to the shareholders of the Parent Company, diluted

	2022	**2021**
Profit/loss for the year attributable to the shareholders of the Parent Company	-832.8	-227.6
Effect of interest on convertible bonds	43.1	33.7
Profit/loss attributable to the Parent Company's shareholders, after dilution	**-789.7**	**-193.9**

Weighted number of shares outstanding, after dilution

	2022	**2021**
Weighted number of shares, before dilution	64,348,627	57,265,416
Effect of option programs	22,461	1,581,801
Effect of convertible bonds	2,505,750	2,505,750
Number of shares used in the calculation of diluted earnings per share	**66,876,838**	**61,352,967**

Options that were granted to employees were deemed to be potential ordinary shares in the event that the share price exceeds the strike price. They were included in the calculation of diluted earnings per share if the vesting conditions related to the options would have been met based on the Company's performance up until the reporting date, and to the extent that they give rise to a dilutive effect. If the profit/loss for the year is a loss, the dilutive effect is not considered in the calculation of earnings per share. The options were not included in the calculation of basic earnings per share. Further information on the options is available in Note 6.

Dilution from convertible bonds is calculated by increasing the number of shares by the total number of shares that the convertibles correspond to and increasing the profit/loss by the reported interest expense after tax. Potential ordinary shares are seen as dilutive only during periods when it leads to a lower profit or greater loss per share.

Note 19
Interest-bearing liabilities

ACCOUNTING PRINCIPLES

Loans are initially recognized at fair value, net of transaction costs incurred, and subsequently measured at amortized cost. Any difference between the proceeds and the redemption amount is recognized in profit or loss over the period of the loans using the effective interest method. Loans are classified as interest-bearing non-current or current liabilities in the balance sheet.

	Group		*Parent Company*	
	Dec 31, 2022	**Dec 31, 2021**	**Dec 31, 2022**	**Dec 31, 2021**
Non-current liabilities				
Liabilities to credit institutions[1]	15.9	21.8	2.0	4.0
Convertible bonds	1,365.4	1,328.4	1,365.4	1,328.4
Lease liabilities	370.5	198.2	-	-
Other interest-bearing liabilities	3.7	-	0.6	-
Total	**1,755.5**	**1,548.5**	**1,368.0**	**1,332.4**
Current liabilities				
Liabilities to credit institutions[1]	8.0	5.0	2.0	2.0
Lease liabilities	89.7	53.3	-	-
Total	**97.7**	**58.2**	**2.0**	**2.0**

[1] For information on pledged assets, see Note 27.

Convertible bonds

On March 19, 2021, the Company issued senior, unsecured convertible bonds with a total nominal value of SEK 1,500 million. The number of bonds is 750 and the nominal value per convertible is SEK 2.0 million. As of March 19, 2026, the holders of the bonds have the right to convert them into shares at a conversion price of SEK 598.5 per share, which corresponds to a premium of 42.5 percent on the share price at issue. Bonds that are not converted into shares will be redeemed at the nominal amount on March 19, 2026.

The interest rate is 2.875 percent and it is payable semi-annually, in September and March, with the first payment in September 2021.

	Group		*Parent Company*	
Convertible bonds	**2022**	**2021**	**2022**	**2021**
Opening balance	1,328.4	-	1,328.4	-
Proceeds from the issue of 750 convertible bonds	-	1,500.0	-	1,500.0
Transaction costs	5.4	-28.3	5.4	-28.3
Amount classified as equity	-	-163.7	-	-163.7
Capitalized interest	31.6	20.4	31.6	20.4
Recognized liability, December 31	**1,365.4**	**1,328.4**	**1,365.4**	**1,328.4**

Convertible bonds are a hybrid instrument that mainly comprises two parts: a liability portion and an equity portion. To determine the portion of the convertible loan that should be classified as equity, the implicit market rate is used, i.e., the interest rate at which the Company would likely have been able to borrow without the embedded option to convert into shares. This interest rate is used to discount the liability, and the difference between the discounted value and the issued convertible debt is the portion of the loan that is classified as equity. In 2021, the Company determined that this interest rate was 5.5 percent. Over the term of the loan, the loan will be adjusted upwards using the same discount rate so that at the end of the loan, the liability will be SEK 1,500 million.

Note 20
Other liabilities

ACCOUNTING PRINCIPLES

Contingent considerations were measured at fair value during the preparation of the purchase price allocation based on a weighted probability assessment of the various possible outcomes, after which they were discounted to the present value.

Future sales and the discount rate are significant unobservable inputs in the calculation. An increase in future sales, a weakened SEK or a reduction in the discount rate increases the outcome of contingent considerations.

Contingent considerations were classified as other non-current liabilities or other current liabilities and measured at fair value in accordance with IFRS 13, level 3.

Renewed assessments of the potential outcome of contingent considerations are made in each reporting period. Information received after the acquisition is assessed to determine whether any new information has emerged that relates to circumstances that existed at the time of the acquisition or to subsequent events. In the latter case, any adjustments to the previously reported amounts are reported in other income or other operating expenses in the period in which the change arises. In the former case, adjustments are made to the purchase price allocation, provided it is still preliminary.

	Group		*Parent Company*	
	Dec 31, 2022	**Dec 31, 2021**	**Dec 31, 2022**	**Dec 31, 2021**
Other non-current liabilities				
Contingent consideration	194.7	388.6	194.7	388.6
Other non-current liabilities	5.0	4.7	-	0.6
Total	**199.7**	**393.3**	**194.7**	**389.2**
Other current liabilities				
Contingent consideration	83.6	108.1	83.6	108.1
Other current liabilities	31.0	43.8	2.8	2.6
Total	**114.6**	**151.9**	**86.4**	**110.7**

Note 21
Other provisions

ACCOUNTING PRINCIPLES

Provisions are recognized in the balance sheet when the Group has a legal or constructive obligation as a result of past events, it is probable that an outflow of financial resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are not made for future operating losses. Where the effect of the timing of payment is significant, provisions are calculated by discounting the expected future cash flow at a pre-tax interest rate that reflects current market assessments of the time value of money and, if applicable, the risks specific to the obligation.

Provisions that are non-current liabilities

	Group		*Parent Company*	
	Dec 31, 2022	**Dec 31, 2021**	**Dec 31, 2022**	**Dec 31, 2021**
Warranty commitments	21.3	18.3	-	-
Other	3.6	1.2	3.0	-
Total	**24.9**	**19.5**	**3.0**	**-**

Change in provision for warranty claims

	Group		*Parent Company*	
	Dec 31, 2022	**Dec 31, 2021**	**Dec 31, 2022**	**Dec 31, 2021**
Carrying amount at the beginning of the period	18.3	4.7	-	0.5
Provisions made during the period	5.7	7.4	-	0.3
Amounts claimed during the period	-4.2	-2.2	-	-0.8
Acquired provisions	-	9.3	-	-
Translation differences	1.5	-0.9	-	-
Carrying amount at the end of the period	**21.3**	**18.3**	**-**	**-**

Note 22
Accrued expenses and deferred income

	Group		*Parent Company*	
	Dec 31, 2022	**Dec 31, 2021**	**Dec 31, 2022**	**Dec 31, 2021**
Personnel-related expenses	155.7	109.5	15.7	20.0
Consultancy, audit and Board fees	6.2	11.1	4.3	4.7
Accrued cost of materials	9.4	2.3	0.0	-
Accrued interest	12.2	12.2	12.2	12.2
Other accrued expenses	60.6	45.3	6.5	13.5
Other prepaid income	-	-	2.2	6.8
Total	**244.0**	**180.3**	**40.9**	**57.2**

Note 23
Financial assets and liabilities

ACCOUNTING PRINCIPLES
Financial instruments that are recognized in the balance sheet include the following assets and liabilities: long-term investments, non-current receivables, trade receivables, contract assets, intra-Group receivables and liabilities, short-term investments, cash and cash equivalents, interest-bearing liabilities, contingent considerations and trade payables. Trade receivable and debt instruments are recognized when they are issued. Other financial assets and financial liabilities are reported when the Group becomes a party in the instrument's contractual terms and conditions. On initial recognition, a financial asset or financial liability is measured at fair value.

Assets and liabilities measured at amortized cost
After initial recognition, non-current receivables, trade receivables, contract assets, intra-Group receivables and liabilities, cash and cash equivalents, interest-bearing liabilities and trade payable are measured at amortized cost including any transaction costs. Interest income and expenses and exchange rate gains and losses are recognized in profit or loss. Gains or lo losses arising out of derecognition are recognized directly in profit or loss.

Financial assets measured at amortized cost are subject to ongoing impairment testing and allowances for expected credit losses. See also Note 15 for a description of the management of expected credit losses related to the Group's trade receivables.

Financial assets and liabilities measured at fair value through profit or loss
Long- and short-term investments are measured at fair value through profit or loss after initial recognition. This means that net gains and losses, including all interest and dividend income, are recognized in profit or loss. The Group does not apply hedge accounting. The Group's short-term investments, which mainly consist of listed fixed income funds and bonds, are measured at fair value in accordance with IFRS 13, level 1 (quoted market values in an active market). The Group's long-term investments consist of strategic investments in unlisted companies. The investments are measured at fair value in accordance with IFRS 13, level 3 (inputs not based on observable market data).

When long-term investments are acquired, the cost is deemed to correspond to the fair value, as the transaction is carried out between two independent parties. Thereafter, financial changes to the acquisition target, such as valuations in connection with new share issues, earnings and sales trends, are considered to constitute factors that affect the fair value. The fair value of long-term investments is remeasured every reporting period, and any difference from the previously reported amount is recognized in net finance income in the period in which the change arises.

Contingent considerations were measured at fair value during the preparation of the purchase price allocation based on a weighted probability assessment of the various possible outcomes, after which they were discounted to the present value. Future sales and the discount rate are significant unobservable inputs in the calculation. An increase in future sales, a weakened SEK or a reduction in the discount rate increases the outcome of contingent considerations. Contingent considerations were classified as other non-current liabilities or other current liabilities and measured at fair value in accordance with IFRS 13, level 3.

Renewed assessments of the potential outcome of contingent considerations are made in each reporting period. Information received after the acquisition is assessed to determine whether any new information has emerged that relates to circumstances that existed at the time of the acquisition or to subsequent events. In the latter case, any adjustments to the previously reported amounts are reported in other income or other operating expenses in the period in which the change arises. In the former case, adjustments are made to the purchase price allocation, provided it is still preliminary. Implicit interest and exchange rate differences that arise on the contingent considerations are reported in net finance income.

Derecognition from the statement of financial position
A financial asset is derecognized from the balance sheet when the rights in the agreement are realized, expire or the Company loses control of it. The same applies to parts of a financial asset. A financial liability is derecognized from the balance sheet when the obligation in the agreement is met or otherwise terminated. The same applies to parts of a financial liability. Acquisitions and disposals of financial assets are recognized on the date when the Company undertakes to acquire or divest the asset, except when the Company acquires or sells quoted securities, in which case settlement date accounting is applied.

Fair values in level 3
The table below presents the reconciliation between the opening and closing balances for financial instruments measured in level 3 according to IFRS 13.

Group	Contingent considerations	Long-term investments
Fair value, January 1, 2022	**-496.6**	3.4
Acquisitions	-16.5	-
Payment to seller	131.6	-
Adjustment from contingent considerations to goodwill within 12 months of the preliminary purchase price allocation	123.3	-
Total gains and losses recognized in operating profit/loss for the year	25.2	-
Total gains and losses recognized in net finance income for the year	-45.3	-
Fair value, Dec 31, 2022	**-278.3**	**3.4**

Group	Dec 31, 2022	Dec 31, 2021	IFRS 13 fair value level
Financial assets			
Financial assets at fair value through profit or loss			
Long-term investments	3.4	3.4	3
Short-term investments	-	993.6	1
Financial assets at amortized cost			
Non-current receivables	39.9	20.4	
Contract assets	160.3	132.2	
Trade receivables	699.7	576.9	
Cash and cash equivalents	925.2	481.2	
Total financial assets	**1,828.5**	**2,207.7**	
Financial liabilities			
Financial liabilities at fair value			
Contingent considerations	-278.3	-496.6	3
Financial liabilities measured at amortized cost			
Liabilities to credit institutions	-23.9	-26.8	
Convertible bonds	-1,365.4	-1,328.4	
Other interest-bearing liabilities	-3.7	-	
Lease liabilities	-460.1	-251.6	
Trade payables	-132.6	-129.2	
Total financial liabilities	**-2,264.0**	**-2,232.6**	

Parent Company	Dec 31, 2022	Dec 31, 2021	IFRS 13 fair value level
Financial assets			
Financial assets at fair value through profit or loss			
Long-term investments	3.4	3.4	3
Short-term investments	-	993.6	1
Financial assets at amortized cost			
Non-current receivables	0.3	1.3	
Trade receivables	1.0	38.9	
Receivables from Group companies	4,659.7	3,493.8	
Cash and cash equivalents	620.0	91.1	
Total financial assets	**5,284.4**	**4,622.1**	
Financial liabilities			
Financial liabilities at fair value			
Contingent considerations	-278.3	-496.6	3
Financial liabilities measured at amortized cost			
Liabilities to credit institutions	-4.0	-6.0	
Convertible bonds	-1,365.4	-1,328.4	
Other interest-bearing liabilities	-0.6	-	
Liabilities to Group companies	-122.2	-1.4	
Trade payables	-2.9	-5.6	
Total financial liabilities	**-1,773.4**	**-1,838.0**	

Financial assets or liabilities were offset to the extent that they had the same counterparties and maturity structure, which affects certain intra-Group receivables and liabilities in the Parent Company.
The carrying amounts above for financial assets and liabilities correspond in all essentials to the fair values, except with regard to convertible bonds. These are traded on the Frankfurt Stock Exchange, and per December 31, 2022, the market price was approximately 70 percent of the nominal amount.

Valuation techniques and significant unobservable inputs

Instruments	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Contingent consideration	Discounted cash flows: The valuation model discounts the present value of expected cash flows using a risk-adjusted discount rate. Expected cash flows are determined based on probable scenarios for future outcomes in relevant parameters, amounts that are payable in case of each outcome and the probability of each outcome.	• Forecast annual growth rate • Discount rate	The estimated fair value would increase (decrease) if: • The annual growth was higher (lower) • The discount rate was lower (higher)
Long-term investments	If a transaction occurred recently, the valuation model is based on the most recent transaction for the specific company. If there were significant changes in conditions between the transaction date and the reporting date and BICO is of the view that these could have a significant impact on the fair value, the carrying amount is adjusted to reflect such changes.	• Multiple on equity • Valuation at the most recent issue of new shares	The estimated fair value would increase (decrease) if: • The multiple on equity was higher (lower) • The valuation at the most recent new issue of shares was higher (lower)

SENSITIVITY ANALYSIS

Contingent consideration
Per December 31, 2022, BICO had six historical acquisitions that were subject to contingent consideration. Most of the remaining contingent considerations are linked to future sales. The contingent considerations were discounted with an interest rate of 1.25–4.68 percent. 74 percent were denominated in USD and 26 percent were denominated in EUR.

In total, contingent considerations of SEK 278.3 million were reported. If all contingent considerations had been estimated to be payable with a probability of 100 percent, the reported liability for contingent considerations (short-term and long-term) would have been SEK 451.7 million per December 31, 2022, all other things equal.
Other reasonably possible changes in unobservable inputs would have the following effect on the reported liabilities, all other things equal:

	Increase	Decrease
Discount rate (1% change)	-3.2	3.2
Exchange rates EUR and USD (10% change)	27.9	-27.9
Future sales (10% change)	59.9	-179.5

See also Note 26 for information on the contingent considerations for each acquisition.

Note 24
Leases

ACCOUNTING PRINCIPLES
At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the beginning of the lease, or when reviewing a lease that contains multiple components – lease and non-lease components – the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component.
However, for leases of buildings and land where the Group is the lessee, the Group has decided not to differentiate between non-lease components, so both lease and non-lease components that are paid with fixed amounts are treated as a single lease component.

Leases where the Group is the lessee
The Group recognizes a right-of-use asset and a lease liability at the commencement date of the lease. The right-of- use asset is initially measured at cost, which includes the initial value of the lease liability plus lease payments paid at or before the commencement date plus any initial direct costs. The right-of-use asset is then depreciated on a straight-line basis from the commencement date to the end of the asset's useful life or the end of the lease term, whichever is earlier, which for the Group is usually the end of the lease term.

The lease liability, which is divided into non-current and current portions, is initially measured at the present value of the remaining lease payments for the estimated lease term. The lease term consists of the non-cancellable period together with any additional periods in the lease if, at the commencement date, it is deemed reasonably certain that they will be utilized.

The lease payments are usually discounted by using the Group's incremental borrowing rate, which, in addition to the Group's credit risk, reflects each lease's lease term, currency, and the quality of the underlying asset as intended security. Where the interest rate implicit in the lease can readily be determined, that rate is used instead.
The lease liability comprises the present value of fixed payments and variable lease payments that depend on an index or a rate over the estimated lease term. The value of the liability is increased by the interest expense for each period and decreased by the lease payments.
Interest expense is calculated as the value of the liability multiplied by the discount rate.

The lease liability for the Group's premises with index-linked rent is calculated based on the rent that applies at the end of each reporting period. At this point, the liability is adjusted and a corresponding adjustment is made to the carrying amount of the right-of-use asset.
In a corresponding manner, the values of the liability and the asset are adjusted if the lease term is revised. This occurs when the last date for terminating the lease in the previously determined lease term for the lease of premises has passed, or upon the occurrence of significant events or a significant change in circumstances in a way that is within the Group's control and affects the prevailing determination of the lease term.

The Group presents right-of-use assets and lease liabilities as separate items in the balance sheet.

No right-of-use asset or lease liability is recognized for leases with a lease term of 12 months or less or for leases with an underlying asset of low value (less than SEK 50 thousand). Lease payments for such leases are expensed on a straight-line basis over the lease term.

Lessee
The Group's property, plant and equipment consist of both owned and leased assets.

	Dec 31, 2022	Dec 31, 2021
Property, plant and equipment, owned	459.8	209.1
Right-of-use assets	441.8	248.5
Total	**901.5**	**457.6**

Leased assets mainly consist of real estate and premises and to a lesser extent of vehicles and office equipment. No leases contain covenants or other restrictions in addition to the security in the leased assets.

Real estate leases
The Group leases buildings for offices, production and storage. The leases generally have a term from one to ten years.

Some leases contain an option to extend the lease for an additional period.
Sometimes the leases contain lease payments based on changes in local price indices. Some leases also require the Group to pay fees relating to real estate taxes and other expenses that are imposed on the lessee.

Options to extend or terminate
Certain leases contain options to extend or terminate the lease, which the Group may or may not exercise up to one year before the end of the non-cancellable period. When possible, the Group attempts to include such options in new leases, as they contribute to operational flexibility. The options may only be exercised by the Group and not by the lessor.

It is determined at the commencement date of the lease whether it is reasonably certain that an option to extend will be exercised. The Group reassesses whether it is reasonably certain that an option to extend will be exercised upon the occurrence of either a significant event or a significant change in circumstances that is within the Group's control.

The Group's leases usually have non-cancellable periods of one to ten years, with options for the Group to extend for further periods. The leases contain no final end date. For leases with a non-cancellable period of 3–10 years, it has been determined that it is not reasonably certain that additional periods will be utilized. For leases with a non-cancellable period of less than three years, it has been determined in most cases that it is reasonably certain that additional period(s) will be utilized, which usually results in lease terms of three to five years.

Other leases
Leases of vehicles and office equipment usually have lease terms of one to three years. These leases are usually short-term leases and/or leases of low-value assets. In such cases, the Group has chosen not to report right-of-use assets and lease liabilities for these leases.

The Group did not have any leases with the Group as the lessor in 2021 or 2022.

Additions to right-of-use assets were SEK 255.7 million in 2022. This figure includes the cost of right-of-use assets that were newly acquired during the year and additional amounts from reviewing lease liabilities due to changed payments as a result of changes in the lease term.
Larger additions to right-of-use assets during the financial year include new offices for BICO Group AB and CELLINK Bioprinting AB in Sweden and properties for CYTENA in Germany and Biosero in the US.

Right-of-use assets

	2022			2021		
	Real estate	**Other**	**Total**	**Real estate**	**Other**	**Total**
Opening balance	240.5	8.0	**248.4**	78.4	2.5	**80.8**
Additions to right-of-use assets	253.2	2.5	**255.7**	97.0	4.0	**101.0**
Adjustments of right-of-use assets	-10.8	-1.4	**-12.1**	-	-	**-**
Business combinations	-	-	**-**	133.1	3.3	**136.4**
Expiring right-of-use assets	-0.2	-	**-0.2**	-28.3	-0.8	**-29.1**
Depreciation during the year	-77.8	-4.0	**-81.8**	-40.6	-1.0	**-41.6**
Translation differences	30.9	0.9	**31.8**	0.9	-	**0.9**
Closing balance	**435.7**	**6.0**	**441.8**	**240.5**	**8.0**	**248.4**

Lease liabilities

	Dec 31, 2022	Dec 31, 2021
Current	370.5	53.3
Non-current	89.7	198.2
Lease liabilities included in the balance sheet	**460.2**	**251.5**

See Note 2, Financial Risk Management, for a maturity analysis of the lease liabilities.

Amounts recognized in profit/loss

	Group	
IFRS 16	**2022**	**2021**
Depreciation of right-of-use assets	-81.8	-41.6
Interest expense on lease liabilities	-9.5	-3.5
Costs for short-term leases	-19.3	-4.9
Costs for leases of low-value assets	-6.4	-0.0
Total	**-117.0**	**-50.0**

IAS 17– Non-cancellable lease payments were:

	Parent Company	
	Dec 31, 2022	**Dec 31, 2021**
Within one year	6.3	3.7
Between one and five years	36.3	0.6
Beyond five years	4.2	-
Total	**46.8**	**4.2**

IAS 17 – Expensed payments for operating leases were:

	Parent Company	
	2022	**2021**
Minimum lease payments	10.8	5.7
Total	**10.8**	**5.7**

Note 25
Participations in Group companies

Parent Company	Dec 31, 2022	Dec 31, 2021
Accumulated cost		
At beginning of the year	4,266.4	1,325.7
Acquisition	44.9	2,868.3
Adjusted preliminary purchase price allocation	-123.4	-
Shareholders' contributions provided	82.0	72.4
At year-end	**4,269.9**	**4,266.4**
Accumulated amortization and depreciation		
At beginning of the year	-44.7	-4.4
Amortization and depreciation for the year	-436.1	-40.3
At year-end	**-480.8**	**-44.7**
Carrying value at year-end	**3,789.1**	**4,221.7**

The US acquisitions made in 2021 and 2022 were carried out through acquisition vehicles, which have since been merged with the acquisition targets. Consequently, part of the purchase price consists of receivables from Group companies and is not included in shares in subsidiaries, and the item shares in subsidiaries does not reflect the entire purchase price for these companies.

Directly held subsidiaries	Corp. ID. No.	Registered office	No. of shares	Holding, %	Carrying value Dec 31, 2022	Carrying value Dec 31, 2021
CELLINK LLC	81–3033020	Blacksburg, VA, USA	10,000	100	1.0	1.7
BICO international AB	559144–2008	Gothenburg, Sweden	50,000	100	0.2	0.1
Dispendix GmbH	755770	Stuttgart, Germany	25,000	100	54.9	52.9
CYTENA GmbH	711600	Freiburg, Germany	78,461	100	337.4	333.0
CELLINK Ltd	1200920	Brighton, United Kingdom	1	100	0.0	0.0
CELLINK SAS	877893693	Lyon, France	1	100	0.0	0.0
CELLINK KK	6130001066261	Kyoto, Japan	100,000	100	0.8	0.5
SCIENION AG	19874	Dortmund, Germany	186,665	100	968.8	961.4
Ginolis OY	2344452–8	Oulu, Finland	63,056,813	100	278.5	664.6
Mattek Corp	42877744	Massachusetts, USA	1,000	100	161.8	157.2
CELLINK Bioprinting AB	559314–6169	Gothenburg, Sweden	100	100	4.4	0.6
Visikol Inc	5946263	Delaware, USA	1,000	100	74.3	105.9
Nanoscribe GmbH*	703637	Mannheim, Germany	41,600	100	542.7	550.6
Discover Echo	5386719	Delaware, USA	1,000	100	142.0	139.1
Advanced BioMatrix	6190156	Delaware, USA	1,000	100	52.5	52.4
Qinstruments GmbH	209986	Jena, Germany	66,500	100	637.6	635.1
Biosero Inc	6123939	Delaware, USA	1,000	100	510.4	566.6
Allegro 3D Inc	3956310	California, USA	1,000	100	21.8	-
Carrying value at year-end					**3,789, 1**	**4,221.7**

*The consolidated accounts of BICO Group AB make an exception for Nanoscribe GmbH & Co. KG, Eggenstein-Leopoldshafen / Germany, in accordance with section 264b of the German Commercial Code (Handelsgesetzbuch).

Note 26
Acquisitions

Preliminary purchase price allocation, SEK million	Allegro 3D
Acquired assets:	
Identified intangible assets	16.2
Property, plant and equipment	0.2
Inventories	0.5
Other current assets	2.2
Cash and cash equivalents	1.8
Total assets	**20.9**
Acquired provisions and liabilities:	
Current operating liabilities	-1.8
Deferred tax liabilities	-4.7
Total provisions and liabilities	**-6.5**
Net identifiable assets and liabilities	**14.4**
Group goodwill	64.1
Total purchase price	**78.5**
Settled in:	
Cash and cash equivalents	-62.0
Contingent consideration[1]	-16.5
Net cash outflow on acquisition date:	
Consideration paid in cash and cash equivalents	-62.0
Less: Cash and cash equivalents in acquisition target	1.8
Effect on the Group's cash and cash equivalents	**-60.2**

[1] Carrying amount in the preliminary purchase price allocation, which was based on a probability assessment of possible outcomes and calculated at present value.

EFFECTS OF ACQUISITIONS IN 2022

Allegro 3D
On May 5, 2022, BICO Group AB acquired 100 percent of the shares in Allegro 3D Inc. (corporate identity number C3956310, with its registered office in San Diego, California, USA). The acquisition of Allegro 3D and its light-based 3D bioprinting technology further strengthens the position of the Bioprinting business area as the global market leader in 3D bioprinting. The company's products improve the customers' ability to achieve scalability in their production and development of biofabricated structures in regenerative medicine and drug development.

The preliminary purchase price was SEK 78.5 million, of which SEK 62.0 million was paid in cash. The purchase price also includes a reported contingent consideration of SEK 16.5 million, which is based on sales targets for 2022–2024. The maximum possible contingent consideration is USD 5 million. For the maximum contingent consideration to be payable, the Company must have, among other things, sales of at least USD 5.5 million in the financial year 2023/2024. In 2021, Allegro 3D's sales were approximately SEK 1 million.

In addition to recognized net assets of Allegro 3D, surplus values in the form of technology were identified in the purchase price allocation. Most of the purchase price was allocated to goodwill. Goodwill includes the value of the know-how of the newly acquired employees and synergies in the form of cross selling and the utilization of customer relations in the Group after the acquisition. No part of the goodwill is expected to be tax deductible. Goodwill related to the acquisition is included in the cash-generating unit CELLINK.

If Allegro 3D had been included in the Company's accounts for the entire financial year, the acquisition would have contributed sales of approximately SEK 24 million instead of the reported SEK 20 million.

Acquisition costs
Acquisition costs were SEK 6.1 million (42.0) over the year and referred to the acquisition of Allegro 3D and costs for previous years' acquisitions, which were not accrued in 2021. The costs refer to fees to lawyers and consultants in connection with due diligence. These expenses were recognized as other external costs in the consolidated income statement in acquisitions of subsidiaries/operations in the net cash flow from investing activities in the consolidated cash flow statement.

Issue costs related to the acquisitions were SEK 0.6 million (1.5) for January to December and were recognized as a reduction in equity after deduction for deferred tax.

EFFECTS OF ACQUISITIONS MADE IN 2021 IN THE 2022 ANNUAL ACCOUNTS
In 2022, the purchase price allocations for the acquisitions made in 2021 were finalized. In some cases, the purchase price allocations for acquisitions made in the last 12 months were adjusted after the end of the previous financial year. This is due to adjustments in the net assets of the acquired companies and updated assessments related to contingent considerations. Information on preliminary purchase price allocations per December 31, 2021 is provided in Note 26, pages 113–116, of the 2021 Annual Report. Information on implemented changes in 2022 is presented below.

Visikol
The contingent consideration reported for Visikol was reduced by SEK 33.0 million due to a revaluation of the probability of the payment. The change entails a corresponding reduction in goodwill. In addition to the above change, another revaluation of SEK 25.2 million was made in 2022. As the purchase price allocation had been finalized at the time, it was recognized as other revenue in the income statement.

Nanoscribe
Nanoscribe's acquired net assets were adjusted upwards by SEK 1.9 million due to the revaluation of deferred tax assets at the acquisition date. The change entails a corresponding reduction in goodwill. Also, the contingent consideration reported for Nanoscribe was reduced by SEK 13.2 million due to a revaluation of the probability of the payment. The change entails a corresponding reduction in goodwill.

Discover Echo
Discover Echo's acquired net assets were adjusted upwards by SEK 9.5 million due to the remeasurement of the of identifiable intangible assets acquired at the acquisition date, with an adjustment for deferred tax. The change entails a corresponding reduction in goodwill.

Advanced BioMatrix
Advanced BioMatrix's acquired net assets were adjusted upwards by SEK 2.3 million due to the remeasurement of identifiable intangible assets acquired at the acquisition date, with an adjustment for deferred tax. The change entails a corresponding reduction in goodwill.

During the year, a final revaluation of the opening balances for the inventories was also made per the balance sheet date, which resulted in an increase of SEK 1.5 million in inventories per the acquisition date. The change entails a corresponding reduction in goodwill.

Biosero
The contingent consideration reported for Biosero has been reduced by SEK 76.9 million since December 31, 2021, mainly due to a reclassification of an amount from contingent considerations to future possible bonus costs, but also that full payment was also considered to be less likely. The reclassification to future bonus costs will be expensed over time, if and when the adopted targets are met in the period 2022–2024. The change entails a corresponding reduction in goodwill.

Also, the fair value of the acquired net assets was adjusted upwards by SEK 2.3 million, which entails a corresponding reduction in goodwill. During the year, a preliminary purchase price allocation was prepared, which was later finalized. It resulted in the identification of SEK 103.2 million in intangible assets (net after deferred tax), mainly in the form of acquired technology. The change entails a corresponding reduction in goodwill.

Finally, an additional payment of SEK 20.3 million was agreed, based on net adjustments in working capital in the opening balances. This resulted in a corresponding increase in goodwill.

ACQUISITIONS IN 2021

Ginolis
On March 1, 2021, BICO acquired 100 percent of the shares in the Finnish company Ginolis Oy, which has its registered office in Oulu, Finland. The purchase price was SEK 648.8 million, of which SEK 242.3 million was paid in 666,028 newly issued BICO shares and SEK 406.5 million was paid in cash. Goodwill from the acquisition is included in the cash-generating unit Ginolis. In 2022, goodwill was written down to zero, see Note 12.

MatTek
On March 22, 2021, BICO acquired 100 percent of the shares in the US company MatTek Corp., which has its registered office in Boston, USA. The purchase price was SEK 614.9 million, of which SEK 115.3 million was paid in 284,176 newly issued BICO shares and SEK 499.6 million was paid in cash. Goodwill from the acquisition is included in the cash-generating unit MatTek.

Visikol
On May 20, 2021, BICO acquired 100 percent of the shares in the US company Visikol Corp., which has its registered office in Hampshire, New Jersey, USA. The purchase price was SEK 144.2 million, of which SEK 20.7 million was paid in 57,911 newly issued shares and SEK 38.9 million was paid in cash on the acquisition date.

The purchase price also included a reported contingent consideration of SEK 84.6 million initially, which was based on financial targets for 2022–2023 being met. The maximum contingent consideration payable is USD 12 million, which is subject, among other things, to the company having sales of at least USD 13.9 million in 2023. Goodwill from the acquisition is included in the cash-generating unit Visikol.

Nanoscribe
On May 31, 2021, BICO acquired 100 percent of the shares in the German company Nanoscribe Holding GmbH, which has its registered office in Karlsruhe, Germany. The purchase price was SEK 544.9 million, of which SEK 132.3 million was paid in 301,332 newly issued BICO shares and SEK 250.5 million was paid in cash on the acquisition date.
The purchase price also included a reported contingent consideration of SEK 162.1 million initially, which was based on financial targets (related to order intake and sales) for 2021–2023 financial years being met. One of the conditions for full payment is that Nanoscribe must have sales of at least EUR 24.8 million in the 2023 financial year. Goodwill from the acquisition is included in the cash-generating unit Nanoscribe.

Discover Echo
On June 30, 2021, BICO acquired 100 percent of the shares in the US company Discover Echo Inc., which has its registered office in San Diego, California, USA. The purchase price was SEK 966.8 million, of which SEK 106.5 million was paid in 262,320 newly issued shares and SEK 860.3 million was paid in cash. Goodwill from the acquisition is included in the cash-generating unit Discover Echo.

Advanced BioMatrix
On August 27, 2021, BICO acquired 100 percent of the shares in the US company Advanced BioMatrix Corp., which has its registered office in San Diego, California, USA. The purchase price was SEK 148.6 million, of which SEK 130.1 million was paid in cash and SEK 18.4 million was initially recognized as contingent consideration.

The contingent consideration is subject to certain senior executives in Advanced Biomatrix (not selling shareholders) remain employed in the company for a three-year period after completion of the acquisition. The maximum contingent consideration payable is USD 2.25 million. Goodwill from the acquisition is included in the cash-generating unit CELLINK.

Hurel
On September 15, 2021, the assets and operations of HUREL corp. were acquired. The assets and operations that were acquired from HUREL have been integrated into Visikol, and the related goodwill is included in the cash-generating unit Visikol. The preliminary purchase price was SEK 21.5 million, paid in cash.

QInstruments
On October 15, 2021, BICO acquired 100 percent of the shares in the German company QInstruments GmbH, which has its registered office in Jena, Germany. The purchase price was SEK 631.6 million, of which SEK 523.2 million was paid in cash, SEK 80.1 million was paid in 172,852 million newly issued shares and SEK 28.3 million was initially recognized as contingent consideration.

The contingent consideration, which is based on EBITDA and sales in the company in 2022 and must not exceed EUR 3 million, is subject to sales of at least EUR 12.5 million in 2022. Goodwill from the acquisition is included in the cash-generating unit QInstruments.

Biosero
On December 28, 2021, BICO acquired 100 percent of the shares in the US company Biosero Inc., which has its registered office in San Diego, California, USA. The preliminary purchase price was SEK 1,514.1 million, of which SEK 315.6 million was paid in 1,200,000 newly issued shares and SEK 984.6 million was paid in cash on the acquisition date.

The purchase price also included a reported contingent consideration of SEK 213.9 million initially, which was based on sales targets for the 2022–2024 financial years. The maximum contingent consideration payable is USD 25.7 million and requires, among other things, a sales level of USD 95 million in 2024. Goodwill from the acquisition is included in the cash-generating unit Biosero.

Note 27
Pledged assets and contingent liabilities

ACCOUNTING PRINCIPLES
A contingent liability is recognized when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events or when there is a present obligation that is not recognized as a liability or provision because it is not probable that an outflow of resources will be required.

Pledged assets
Per December 31, 2022, the Parent Company and the Group have outstanding pledged assets in the form of floating charges totaling SEK 4.0 million (6.0). The floating charges are related to a bank loan of SEK 4.0 million (6.0).

Contingent liabilities
The Group had no contingent liabilities to disclose per December 31, 2022. The Parent Company made several guarantee commitments with subsidiaries as beneficiaries. The possibility that these guarantee commitments will be used is remote, so no amounts are disclosed.

Note 28
Statement of cash flows

	Group		*Parent Company*	
Cash and cash equivalents	**Dec 31, 2022**	**Dec 31, 2021**	**Dec 31, 2022**	**Dec 31, 2021**
The following sub-components are included in cash and cash equivalents:				
Cash and bank balances[1]	925.2	481.2	620.0	91.1
Total according to the balance sheet	**925.2**	**481.2**	**620.0**	**91.1**
Total according to the cash flow statement	**925.2**	**481.2**	**620.0**	**91.1**

[1] The balance includes restricted funds of SEK 9.3 million (4.0) for the Group and SEK 0.0 million (3.2) for the Parent Company.

	Group		*Parent Company*	
Interest paid	**2022**	**2021**	**2022**	**2021**
Interest received	6.9	0.1	6.3	0.1
Interest paid	-61.4	-26.8	-50.4	-22.2
Total	**-54.5**	**-26.7**	**-44.1**	**-22.1**

	Group		*Parent Company*	
Adjustments for non-cash items	**2022**	**2021**	**2022**	**2021**
Amortization, depreciation and impairment	940.6	191.8	439.3	62.4
Capital gains/losses from the sale of non-current assets	3.2	4.2	0.2	-155.6
Obsolescence in inventories	9.6	-	-	-
Unrealized change in the value of and capital gains/losses on short-term investments	35.1	-1.1	35.1	-1.1
Unrealized exchange rate differences	-397.2	-64.3	-418.2	-84.5
Provision for loss allowance for trade receivables	112.0	9.5	9.2	9.5
Accrued interest	12.2	12.2	12.2	-43.9
Revaluation of contingent considerations	-25.2	-25.0	-25.2	-25.0
Implicit interest expenses for liabilities at amortized cost	42.2	25.6	42.2	25.6
Allocation of issue costs to a period	5.4	3.5	5.4	3.5
Change in other provisions and appropriations	3.7	5.2	26.9	0.3
Costs for share-based remuneration	39.0	12.1	3.1	0.4
Total	**780.6**	**173.7**	**130.2**	**-208.4**

	Group	
Acquisitions of subsidiaries and other business units[2]	**2022**	**2021**
Acquired assets:		
Intangible assets	100.6	5,069.1
Other non-current assets	0.2	262.2
Inventories	0.5	94.9
Other current assets	4.0	501.5
Total assets	**105.3**	**5,927.7**
Acquired provisions and liabilities:		
Provisions	-	-9.3
Deferred tax liabilities	-4.7	-196.8
Interest-bearing liabilities	-	-202.0
Current operating liabilities	-1.8	-284.2
Total provisions and liabilities	**-6.5**	**-692.3**
Purchase price	**98.8**	**5,235.4**
Settled in:		
Cash and cash equivalents	-82.3	-3,715.2
Issued shares	-	-1,012.8
Contingent consideration	-16.5	-507.4
Net cash outflow on acquisition date:		
Consideration paid in cash and cash equivalents	-82.3	-3,715.2
Acquisition costs	-6.1	-42.0
Contingent considerations paid	-131.6	-
Less: Cash and cash equivalents in acquisition target	1.8	217.0
Effect on cash and cash equivalents	**-218.2**	**-3,540.2**

[2] See Note 26, Acquisitions.

Reconciliation of liabilities derived from financing activities

Group	Dec 31, 2021	Non-cash movements: New/expiring leases according to IFRS 16	Non-cash movements: Reclassifications	Non-cash movements: Translation differences	Non-cash movements: Implicit interest expenses	Cash flows	Dec 31, 2022
Lease liabilities	251.6	249.7	-	32.7	-	-73.8	460.2
Liabilities to credit institutions	26.8	-	-	1.4	-	-4.3	23.9
Convertible bonds	1,328.4	-	-	-	37.0	-	1,365.4
Other interest-bearing liabilities	-	-	3.7	-	-	-	3.7
Total	**1,606.8**	**249.7**	**3.7**	**34.1**	**37.0**	**-78.1**	**1,853.2**

Group	Dec 31, 2020	Non-cash movements: New/expiring leases according to IFRS 16	Non-cash movements: Liabilities in acquired companies	Non-cash movements: Translation differences	Implicit interest expenses	Cash flows	Dec 31, 2021
Lease liabilities	80.2	72.3	136.4	0.3	-	-37.6	251.6
Liabilities to credit institutions	28.1	-	65.5	6.4	-	-73.2	26.8
Convertible bonds	-	-	-	-	20.4	1,308.0	1,328.4
Other interest-bearing liabilities	0.6	-	-	-0.6	-	-	-
Total	**108.9**	**72.3**	**201.9**	**6.1**	**20.4**	**1,197.2**	**1,606.8**

Parent Company	Dec 31, 2021	Implicit Interest expenses	Reclassifications	Cash flows	Dec 31, 2022
Liabilities to credit institutions	6.0	-	-	-2.0	4.0
Convertible bonds	1,328.4	37.0	-	-	1,365.4
Other interest-bearing liabilities	-	-	0.6	-	0.6
Total	**1,334.4**	**37.0**	**0.6**	**-2.0**	**1,370.0**

Parent Company	Dec 31, 2020	Implicit Interest expenses	Cash flows	Dec 31, 2021
Liabilities to credit institutions	8.0	-	-2.0	6.0
Convertible bonds	-	20.4	1,308.0	1,328.4
Other interest-bearing liabilities	0.6	-	-0.6	-
Total	**8.6**	**20.4**	**1,305.4**	**1,334.4**

Note 29
Related parties

The Parent Company has a related party relationship to its subsidiaries, see Note 25. Of the Parent Company's total purchases and sales, 10 percent (37) of the purchases and 90 percent (44) of the sales are intra-Group transactions.

Transfer pricing in the Group is based on the arm's length principle, i.e., prices are set as if the parties are independent of each other, well-informed and interested in conducting the transactions.

Non-current receivables from Group companies

	Parent Company	
	Dec 31, 2022	**Dec 31, 2021**
BICO Singapore	3.1	-
CELLINK Options AB	-	6.7
CELLINK KK	11.6	-
CELLINK Bioprinting AB	117.6	306.2
CELLINK LLC	-	92.9
Dispendix GmbH	-	137.8
CYTENA GmbH	-	135.9
Nanoscribe GmbH	-	0.1
SCIENION	144.7	-
Ginolis Oy	-	158.1
Visikol Inc	103.4	92.7
Allegro 3D	65.5	-
Advanced Biomatrix Inc	121.8	107.5
Biosero Inc	1,118.9	946.9
Discover Echo Inc	1,069.4	907.0
Mattek Corp	567.8	514.1
Total	**3,323.8**	**3,405.9**

Current receivables from Group companies

	Parent Company	
	Dec 31, 2022	**Dec 31, 2021**
Advanced Biomatrix Inc	0.7	0.3
Cellenion SAS	-	0.1
CELLINK Bioprinting AB	84.7	16.0
CELLINK LLC	188.0	-
Dispendix	193.2	-
Biosero	25.1	-
Cellenion SAS	2.9	-
Ginolis AB	1.2	-
CELLINK KK	-	3.5
CELLINK Ltd	1.3	3.3
CELLINK Options AB	-	-
CELLINK SAS	1.5	2.4
CYTENA Bioprocess Solutions	-	0.3
CYTENA GmbH	261.6	35.1
Discover Echo Inc	3.8	2.7
Ginolis Oy	377.5	4.3
MatTek Corp	37.5	3.1
Nanoscribe GmbH	125.4	2.5
Qinstruments GmbH	0.5	0.4
SCIENION GmbH	16.7	5.8
SCIENION Inc	2.7	2.7
SCIENION UK Ltd	3.1	3.7
Visikol Inc	8.2	1.7
Total	**1,335.9**	**87.9**

Current liabilities to Group companies

	Parent Company	
	Dec 31, 2022	**Dec 31, 2021**
CELLINK KK	-7.8	-1.4
Advanced BioMatrix	-1.0	-
Nanoscribe Verwaltungs GmbH	-0.1	-
Nanoscribe Holding GmbH	-98.6	-
Nanoscribe GmbH	-0.3	-
Discover Echo	-0.3	-
Cellink Bioprinting	-0.2	-
Cellink LLC	-12.2	-
Cellenion SAS	-0.7	-
CYTENA Bioprocess Solutions	-	-
CYTENA GmbH	-1.0	-
SCIENION GmbH	-	-
Total	**-122.2**	**-1.4**

The Company has tested the intra-Group receivables for impairment and found no indication of impairment. The receivables are subject to interest based on the arm's length principle.

Transactions with key people in senior positions
No options were granted free of charge over the year. However, within the scope of LTIP2021, transactions were made at market prices. A total of 86,619 options were sold over the year to senior executives.

Note 30
Events after the reporting date

New Group management
In early January 2023, it was announced that Jacob Thordenberg had been hired as the new CFO and Marius Balger had been hired as the new COO. Per January 5, 2023, the following people were members of the Group management: Erik Gatenholm, president and CEO; Hector Martinez, CTO; Jacob Thordenberg, CFO; and Lotta Bus, SVP & Head of Legal & HR. As of March 1, 2023, Marius Balger, COO, and Artur Aira, Head of Corporate Development & M&A, are also members of BICO's Group management.

Restructuring in Ginolis
In a press release dated February 21, 2023, regarding the impairment of goodwill in Ginolis, it was announced that the Group will make additional cost savings and downscale Ginolis' organization to make it better adapted to the reduced demand faced by the company. In parallel, strategic alternatives related to the remaining core values, such as technology, are evaluated in Ginolis.

Note 31
Proposed appropriation of profits

The following non-restricted funds are at the disposal of the Annual General Meeting (SEK):

Share premium reserve	7,537,206,569
Retained earnings	7,867,443
Profit/loss for the year	-314,523,625
Total to allocate	**7,230,550,387**

The Board of Directors proposes that the non-restricted funds be appropriated as follows:
To be carried forward (SEK): 7,230,550,387

Note 32
Disclosures about the Parent Company

Founded in 2016, BICO is a world-leading bioconvergence company that combines different technologies, such as robotics, artificial intelligence, computer science and 3D bioprinting with biology to allow its customers to improve people's health and lives.

Through its subsidiaries, the Company mainly focuses on developing technologies that advance Health 4.0 with a focus on the following areas of application: tissue engineering, diagnostics, multiomics and cell line development. BICO's technologies make it possible for researchers in life sciences to culture cells in 3D, perform high-throughput drug screening and print human tissue and organs for the medical, pharmaceutical and cosmetic industries.

The Parent Company, BICO Group AB, corporate identity number 559052-5052, is a Swedish limited company with its registered office in Gothenburg, Sweden. The Company has its registered office in Gothenburg and conducts its operations on premises on Långfilsgatan 9 in Gothenburg, Sweden. The Group comprises the Parent Company and 37 subsidiaries. The Parent Company owns and manages subsidiaries.

In the final six months of 2021, the Group carried out a gradual restructuring where employees, IP, inventories and non-current assets were transferred from the Parent Company to three subsidiaries. The restructuring also involved a change in the flow of invoices, which led to a decrease in the Parent Company's net sales to the benefit of the subsidiaries. Since December 1, 2021, the external invoicing is performed directly by the subsidiaries.

Address of the head office:
BICO Group AB (publ)
Långfilsgatan 9
412 77 Gothenburg, Sweden
www.bico.com

The Board of Directors and the CEO hereby declare that the annual accounts were prepared in accordance with generally accepted accounting practices in Sweden and that the consolidated accounts were prepared in accordance with international financial reporting standards as referred to in the Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual accounts and consolidated accounts give a fair presentation of the Parent Company's and the Group's financial position and performance. The statutory administration report for the Parent Company and the Group provides a fair view of the Parent Company's and the Group's operations, financial position and performance and describes material risks and uncertainties to which the Parent Company and other companies in the Group are exposed.

Gothenburg, March 17, 2023

Carsten Browall
Chairman of the Board

Helena Skåntorp
Board Member

Bengt Sjöholm
Board Member

Ulrika Dellby
Board Member

Susan Tousi
Board Member

Christian Wildmoser
Board Member

Rolf Classon
Board Member

Erik Gatenholm
Board member & CEO

Our audit report was issued on March 17, 2023
Deloitte AB

Fredrik Jonsson
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of BICO Group AB (publ) corporate identity number 559050-5052

Report on the annual accounts and consolidated accounts

Opinions
We have audited the annual accounts and consolidated accounts of BICO Group AB (publ) for the financial year 2022-01-01 - 2022-12-31. The annual accounts and consolidated accounts of the company are included on pages 42-101 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 the parent company 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 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.

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
Revenue recognition
Revenue amounts to SEK 2 239.5 million for the financial year, and is generated from three segments, mainly within Europe, Asia and North America. For further information related to the company's revenue recognition, referr to note 4 and 5 on the pages 63-67 in the annual report which sets out accounting principles, segment reporting and revenue per geographical area and revenue type. We focus on this area due to high transaction volumes and variations in customer agreements regarding delivery terms and whether a sale is made directly to a customer or via a distributor, which may affect the point in time of revenue recognition.

Our audit procedures
Our audit procedures include, but are not limited to:
- Evaluate the company's policy for revenue recognition in accordance with IFRS 15 to assess whether these are appropriately designed to account for revenue in the correct period.
- Evaluate the design and implementation of relevant internal controls used for revenue recognition in the correct period.
- On a sample basis, test sales transactions to assess whether revenue has been recognized in the correct period.
- Determine that required and accurate disclosures are provided in relevant notes in the annual report related to timing of revenue recognition.

Valuation of goodwill and intangible assets with indefinite useful life
The total goodwill amounts to SEK 5 273.7 million as of December 31, 2022, and has been reduced by an impairment of goodwill of SEK 625 million in one of the cash generating units. The value of the recognized goodwill and other intangible assets with an indefinite useful life, is dependent on future return and profitability in the respective cash generating unit the goodwill and other intangible assets are allocated to and is tested for impairment at least on a yearly basis. For further information about accounting of goodwill and other intangible assets with an indefinite useful life, and significant judgements and estimates, refer to note 12 on the pages 75-79 in the annual report.

We focus on these areas due to the significant judgements and estimates made by management in the determination of cash generating units and impairment tests of goodwill and other intangible assets with indefinite useful life for the respective cash generating units.

Our audit procedures
Our audit procedures include, but are not limited to:

- Evaluate the design of the company's routines, processes and valuation model for the impairment testing of goodwill and other intangible assets with indefinite useful life and the company's identification of cash generating units on which the impairment test is based upon.
- Assess and challenge management's significant assumptions in the impairment test, assess that the valuation model is consistently applied, test integrity in input data which the calculations are based upon, and test the arithmetic accuracy of the valuation model used.
- Determine that required and accurate disclosures are provided in relevant notes in the annual report.
- Involve valuation specilalists in the execution of certain audit procedures.

Other information than the annual accounts and consolidated accounts
This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-41 and 111-121. 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 Directors 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 intends 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 responsibilities for the audit of the annual accounts and consolidated accounts is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description forms part of the auditor´s report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of BICO Group AB (publ) for the financial year 2022-01-01 - 2022-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors 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 Directors 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's 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 responsibilities for the audit of the management's administration is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/rn/showdocument/documents/rev_dok/revisors_ansvar.pdf. This description forms 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 BICO Group AB (publ) for the financial year 2022-01-01 - 2022-12-31.

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 BICO Group 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of The Board of Directors 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 firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable 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 audit 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 XHMTL 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 have been marked with iXBRL in accordance with what follows from the Esef regulation.

Deloitte AB, was appointed auditor of BICO Group AB by the general meeting of the shareholders on the 2022-04-26 and has been the company's auditor since 2016-09-16.

Gothenburg, March 17, 2023
Deloitte AB

Fredrik Jonsson
Authorized public accountant

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in BICO Group AB (publ), corporate identity number 559050-5052.

Engagement and responsibility
It is the board of directors who is responsible for the statutory sustainability report for the fiscal year 2022 on pages 30-41 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit
Our examination has been conducted in accordance with FAR's standard RevR 12 The auditor´s opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion
A statutory sustainability report has been prepared.

Gothenburg, March 17, 2023
Deloitte AB

Fredrik Jonsson
Authorized Public Accountant

Corporate Governance Report

This Corporate Governance Report was prepared for BICO Group AB (publ), corporate identity number 559050-5052, for the 2022 financial year, pursuant to Chapter 6, Sections 6–9 of the Swedish Annual Accounts Act.

Introduction and principles of corporate governance

BICO Group AB ("BICO") is a Swedish public limited liability company based in Gothenburg and its Series B shares are listed on Nasdaq Stockholm. BICO's corporate governance is based on the Swedish Companies Act, the Swedish Annual Accounts Act, the Nasdaq Stockholm Rule Book for Issuers, internal rules and the Swedish Corporate Governance Code (the "Code").

BICO applies any rules provided by laws or other statutes, as well as the Code. To the extent BICO deviates from the Code, the Company adheres to the "comply or explain" mechanism permitted under the Code for deviations from the rules. BICO complied with the Code in all respects in the 2022 financial year.

Corporate governance structure

At general meetings, the shareholders make the appointments and adopt the guidelines that form the basis for BICO's corporate governance. The organization chart below summarizes BICO's corporate governance structure.

Governance instruments

External governance instruments that set the scope for BICO's corporate governance include the Swedish Companies Act, the Swedish Annual Accounts Act, the Nasdaq Stockholm Rule Book for Issuers, the Code and other relevant laws. Foreign subsidiaries comply with the applicable laws and regulations in their respective country, but they also ensure compliance with the Group's guidelines for governance and control. The Board of Directors is ultimately responsible for the organization and management of the Company's affairs. Supervision is performed by authorities and bodies appointed by the authorities, both through the Company's reporting to them and through regular audits by the authorities. The internal governance instruments include the Articles of Association as adopted by the Annual General Meeting and the Rules of Procedure for the Board of Directors and the instructions to the CEO, the Board's committees and the financial reporting.

Annual General Meeting

The shareholders of BICO exercise their right to resolve on the Company's affairs at the Annual General Meeting or, where applicable, at an Extraordinary General Meeting. The general meeting is the highest decision-making body of BICO.

The Annual General Meeting shall be held within six months after the end of each financial year. The Annual General Meeting passes resolutions regarding the Articles of Association appoints the Board of Directors and the Chairman of the Board, elects the auditor, adopts the income statement and balance sheet, resolves on the appropriation of profits and discharge from liability, and resolves on the principles for the appointment of the Nomination Committee and adopts guidelines for remuneration to senior executives, etc.

Each shareholder has the right to be present at the Annual General Meeting, in person or by proxy. Each shareholder has the right to raise issues to be addressed at the Annual General Meeting, and each shareholder is entitled to vote for all shares held by him or her. Notices of meetings and other information prior to general meetings are available at BICO's website. The fact that a meeting has been convened shall also be advertised in the Swedish business daily, Dagens industri.

Shareholders who wish to have a matter addressed at the Annual General Meeting should make a written request to the Board of Directors. The request must normally be made to the Board of Directors well in advance of the Annual General Meeting, in accordance with the information provided on

BICO's website in connection with the publication of the time and place of the Annual General Meeting.

Shareholders

BICO's Series B shares have been listed on Nasdaq Stockholm since April 20, 2020. According to the share register kept by Euroclear Sweden, there were 26,016 shareholders in BICO per December 30, 2022.

The share capital was SEK 1,762,372, divided into 70,494,895 shares, of which 1,500,000 were Series A shares, which confer 10 votes per share, and 68,994,895 were Series B shares, which confer 1 vote per share.

Per December 31, 2022, Erik Gatenholm held 13.19 percent of the total number of shares and 20.17 percent of the votes. Per December 31, 2022, Lab Holding GmbH held 10.11 percent of the total number of shares and 8.48 percent of the votes. Per December 31, 2022, Héctor Martínez held 8.96 percent of the total number of shares and 13.61 percent of the votes. No other shareholder held a direct or indirect stake representing ten percent or more of the votes for all shares in BICO.

2022 Annual General Meeting

BICOs 2022 Annual General Meeting (in respect of the 2021 financial year) was held on April 26, 2022. Approximately 66.10 percent of the votes were represented at the Annual General Meeting.

Resolutions passed at the Annual General Meeting included the following (in addition to matters ordinarily dealt with by the Annual General Meeting):

To authorize the Board of Directors to resolve, on one or more occasions until the end of the next Annual General Meeting, to issue new shares corresponding to no more than 10 percent of the registered share capital in the Company at the time of the resolution regarding the issue.

Extraordinary general meeting held in 2022

In 2022, BICO held an extraordinary general meeting on December 14, 2022. At the extraordinary general meeting, it was resolved to establish a new long-term incentive program for employees of the BICO Group (Co-worker LTIP 2022) through a directed issue of no more than 2,500,000 warrants in total.

2023 Annual General Meeting

BICO's 2023 Annual General Meeting will be held on May 9, 2023.

Nomination Committee

BICO's Annual General Meeting adopts principles for the appointment of members of the Nomination Committee and instructions to the Nomination Committee. The 2021 Annual General Meeting resolved that the Nomination Committee shall comprise five members, one of whom shall be the Chairman of the Board. The other members shall be appointed by the four largest shareholders (in terms of voting rights) in the Company per the end of September. If the Chairman of the Board, directly or indirectly, is one of the four largest shareholders, the Chairman of the Board shall refrain from nominating a member to the Nomination Committee. The principles also include a procedure for the replacement of a member who resigns prematurely from the Nomination Committee or a member who no longer represents one of the four largest shareholders in terms of voting rights. The Nomination Committee did not propose any changes to the instructions at the 2022 Annual General Meeting, which means that the above principles remain unchanged.

The names of the members of the Nomination Committee shall be presented no later than six months before the 2022 Annual General Meeting. The composition of the Nomination Committee from time to time will be published on BICO's website. A press release stating the composition of the Nomination Committee and setting out the procedure for shareholder proposals to the Nomination Committee was published on October 28, 2022. It was also made available on BICO's website. The following members of the Nomination Committee were appointed: Mats Engström (appointed by Erik Gatenholm), Claes Dinkelspiel (appointed by Héctor Martínez), Malin Björkmo (appointed by Handelsbanken Fonder), Jannis Kitsakis (appointed by the Fourth Swedish National Pension Fund) and Carsten Browall (Chairman of the Board of BICO). The nominating shareholders represented approximately 39 percent of the votes in BICO.

The Nomination Committee shall submit proposals to the 2023 Annual General Meeting regarding the election of the Chairman of the Annual General Meeting, the number of Board members, the election of the Chairman of the Board and other members of the Board, Board fees and remuneration for committee work, election of auditors, fees to auditors and, where applicable, changes to the instructions to the Nomination Committee.

The Nomination Committee has considered diversity issues in its work and used Rule 4.1 of the Code as its diversity policy. BICO's Board of Directors comprises three women and five men. Consequently, the Nomination Committee notes that the proposed Board of Directors does not meet the Code's goal of an equal gender distribution. Nevertheless, the proportion of women on the Board of Directors has grown from 29 to 38 percent, and the Nomination Committee will keep striving to meet the Code's goal.

The Nomination Committee deems that the proposed Board of Directors, which consists of eight individuals, has a composition that it appropriate to the Company's operations, phase of development and other relevant circumstances. When the independence of the proposed Board members was considered, the Nomination Committee found that its proposal for the composition of the Board of Directors of BICO meets the Code's independence requirement.

Auditor

The auditors of BICO are elected at the Annual General Meeting. The 2022 Annual General Meeting adopted the Nomination Committee's proposal for the re-election of Deloitte AB with Fredrik Jonsson, Authorized Public Accountant, as auditor in charge.

Audit work

The auditor shall review the Company's annual report and accounts and the administration by the Board of Directors and the CEO. After the end of each financial year, the auditor shall submit an auditor's report and an auditor's report for the Group to the Annual General Meeting. According to BICO's Articles of Association, BICO shall have at least one auditor and no more than one deputy auditor.

The auditor in charge has reported his observations from the audit work to the Board of Directors and to the Audit Committee. In connection with the audit work described above, the annual report, the accounts and the administration by the Board of Directors and the CEO were reviewed. In addition to the audit assignment, which is paid according to customary charging standards, Deloitte AB also provided consultations and audit-related services for approximately SEK 0.1 million in the financial year.

Board of Directors

According to the Articles of Association, the Board of Directors of BICO shall consist of no less than three and no more than eight members, with no deputies. At the end of the 2022 financial year, the Board of Directors of BICO comprised eight members, elected by the general meeting.

The Board of Directors complies with written Rules of Procedure that are revised annually and adopted at the statutory Board meeting held every year. The Rules of Procedure include rules on Board practices, functions and the division of work between the Board members and the CEO. In connection with the statutory Board meeting, the Board of Directors also adopts instructions to the CEO, including on financial reporting.

Evaluation of the work of the Board of Directors
The Board of Directors annually conducts a systematic evaluation during which the members are given the opportunity to present their views on the working methods, documentation and their own and the other members' efforts in connection with the work of the Board of Directors. The purpose is to improve the work of the Board of Directors and provide the Nomination Committee with relevant documentation for decisions prior to the Annual General Meeting.

Independence
According to the Code, The majority of the Board members elected by the shareholders' meeting should be independent of the Company and its executive management, and at least two of these Board members should also be independent in relation to the Company's major shareholders.

BICO's Board of Directors is considered to meet the Code's independence requirements, as seven of the members elected by the general meeting are considered independent in relation to the Company, its executive management and its major shareholders. In 2022, all Board members elected by the general meeting were independent in relation to the Company, its executive management and its major shareholders, with the exception of Board member Erik Gatenholm, as he is both the CEO and the largest shareholder of the Company.

The work and responsibilities of the Board of Directors
At the 2022 Annual General Meeting, eight ordinary Board members with expertise in medical technology and the fields of finance and strategy were elected. The Company's General Counsel, Lotta Bus, was the secretary of the Board during the year. In 2022, 25 Board meetings were held (35 meetings during the 2021 financial year), all of which were minuted. The CEO and the CFO presented matters at the Board meetings. On a couple of occasions, other members of the Group management also presented matters.

The Board of Directors oversees the work of the CEO and is responsible for ensuring that the organization, management, and guidelines for the Company's funds are appropriately structured. The Board of Directors is also responsible for ensuring that the Company is organized in such a way that there is appropriate internal control and appropriate systems for follow-up of the Company's operations and risks, and for compliance with laws, regulations and internal guidelines. The Board of Directors is further responsible for the development and follow-up of the Company's strategies through plans and goals, decisions on corporate acquisitions and divestments, major investments, appointments and remuneration to the management along with ongoing follow-up during the year. The Board of Directors adopts the budget and year-end accounts.

The work of the Board of Directors in 2022
In 2022, the Board showed great dedication and drive during the turbulent year. At the ordinary meetings, the Board of Directors addressed fixed agenda items as per its annual plan, such as strategy for the Group and its three business areas, long-term goals, financial targets, risks and risk management, corporate governance documents, sustainability issues, year-end accounts and interim reports. Over the year, the Board of Directors also regularly discussed the business situation in the Group's three business areas, financial targets, financing, cost savings, partnerships, ethics and compliance and overarching

	Elected	Attendance at Board meetings	Remuneration Committee	Audit Committee	Total remuneration
Carsten Browall	2018	25/25	3/3	12/12	710
Rolf Classon[1]	2022	13/25	1/3		285
Ulrika Dellby[2]	2022	15/25		9/12	300
Erik Gatenholm	2016	25/25			0
Aristotelis Nastos[3]	2020	9/25	2/3		0
Bengt Sjöholm[4]	2016	24/25		2/12	250
Helena Skåntorp	2019	24/25		12/12	350
Susan Tousi	2021	22/25			250
Christian Wildmoser	2019	24/25	3/3		285

[1] Rolf Classon was elected to the Board of Directors at the Annual General Meeting held on April 26, 2022.
[2] Ulrika Dellby was elected to the Board of Directors at the Annual General Meeting held on April 26, 2022.
[3] Aristotelis Nastos declined re-election as a board member at the Annual General Meeting held on April 26, 2022.
[4] Bengt Sjöholm was a member of the Audit Committee until the Annual General Meeting held on April 26, 2022.

organizational matters. The Board of Directors gained regular insight into the operations, either through physical visits to subsidiaries or through presentations from business area managers and CEOs of subsidiaries. In addition to scheduled Board meetings, the Board of Directors is provided with monthly reports from the CEO.

Rules of Procedure of the Board of Directors
Prior to each Board meeting, the draft agenda and supporting documents on the matters to be addressed at the meeting are distributed. The draft agenda is prepared by the CEO in consultation with the Chairman of the Board. Matters presented to the Board of Directors are presented for information, discussion or decision purposes. Resolutions are not passed until the matters have been discussed and each Board member present has been given the opportunity to make a statement. The broad experience of the Board of Directors in various areas ensures a constructive and open discussion. During the year, no Board member made a reservation against a resolution. Open matters are followed up on an ongoing basis.

Committees of the Board of Directors
The Board has the full knowledge of, and is responsible for, all matters on its agenda. Over the year, work was carried out by two committees appointed by the Board of Directors: the Audit Committee and the Remuneration Committee.

Audit Committee
The Board of Directors has appointed an Audit Committee consisting of Helena Skåntorp (chair), Ulrika Dellby and Bengt Sjöholm. The tasks of the Audit Committee are set out in its rules of procedure, which are adopted annually. Without prejudice to the general responsibilities and tasks of the Board of Directors, the Audit Committee shall monitor BICO's financial reporting, monitor the effectiveness of BICO's internal control and risk management, stay informed of the audit of the annual accounts and consolidated accounts, monitor the handling of related party transactions, review and monitor the auditor's impartiality and independence, with particular attention to whether the auditor provides the Company with services other than audit services, and assist in preparations to procure audit services. The auditor, who is elected by the general meeting, attends most of the Committee's meetings. The Committee also reviews its own work and that of the external auditors annually. The reviews are based on questionnaires, which are then discussed by the Committee as part of a continuous improvement process.

Remuneration Committee
The Board of Directors has appointed a Remuneration Committee consisting of Carsten Browall (chairman), Christian Wildmoser and Rolf Classon. The tasks of the Remuneration Committee are set out in its rules of procedure, which are adopted annually. The Remuneration Committee shall prepare proposals regarding remuneration principles, remuneration to and other terms of employment for the Company's senior executives. The Remuneration Committee shall also review and evaluate the Company's program for variable remuneration to senior executives, compliance with the guidelines for remuneration to senior executives adopted by the Annual General Meeting, and the Company's current remuneration levels and structures.

The Chief Executive Officer (CEO)

In accordance with the rules of the Swedish Companies Act and other legislation, the CEO is responsible for the day-to-day management in accordance with the Board of Director's guidelines and instructions and should take care of any necessary measures to ensure that the Company's accounts are handled in a satisfactory manner. The CEO shall further ensure that the Board of Directors is provided regularly with the information required by the Board of Directors to adequately monitor the Company and the Group's financial situation, position and development and otherwise meet its reporting obligation regarding financial conditions.

The CEO is also responsible for preparing reports, compiling information from the Group management prior to Board meetings and presenting the information at the Board meetings.

The CEO shall keep the Board of Directors continuously informed of the development of the Company's operations and sales, the Company's performance and financial position, liquidity and credit situation, important business events and any other event, circumstance or situation that is likely to be of material importance to the Company's shareholders.

Guidelines for remuneration to senior executives

At the Annual General Meeting on April 26, 2021, it was resolved to adopt guidelines for remuneration to senior executives. The term senior executives refer to the CEO, the CFO and certain other people in the Group management. The guidelines, which must be updated at least every four years, essentially entail the following:

Remuneration shall be market-based and may consist of a fixed salary, variable cash remuneration, pension benefits and other benefits. The general meeting may also decide on share-based remuneration and remuneration linked to the share price. The fixed salary shall be based on the individual's areas of responsibility and experience and shall be reviewed annually. The remuneration guidelines are available in their entirety on the Company's website.

The meeting of the criteria for payment of variable cash remuneration shall be measurable over a period of one or several years. The variable cash remuneration must not exceed 100 percent of the fixed cash salary during the measurement period. Additional variable remuneration may be payable under extraordinary circumstances.

The CEO's pension benefits shall be according to a defined contribution plan. Pension benefits for other senior executives shall be according to defined contribution plans unless the executive is covered by a defined benefit plan under the compulsory provisions of a collective bargaining agreement. Pension premiums for defined contribution plans must not exceed 31 percent of the fixed annual salary.

Other benefits may include life insurance, health insurance and car insurance. Such premiums must not exceed 5 percent of the fixed annual cash salary.

If the Company terminates the employment, the notice period must not exceed 12 months. Fixed salary and severance pay during the notice period must not exceed an amount corresponding to the fixed salary for 12 months. If the employment is terminated by the senior executive, the notice period may not exceed six months and shall not confer a right to severance pay.

As mentioned previously, a Remuneration Committee has been established by the Board of Directors. The Committee's duties include preparing the Board of Directors' decisions on proposals for guidelines for remuneration to senior executives. The Board of Directors shall prepare proposals for new guidelines at least every four years and present the proposals for adoption by the Annual General Meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration to the Group management, the application of the guidelines for remuneration to senior executives and prevailing remuneration structures and remuneration levels in the Company.

The Board of Directors may temporarily resolve to deviate from the guidelines, wholly or in part, if there are special reasons to do so in the individual case and it is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. For information on the year's remuneration to senior executives, see Note 6.

Further information is available on bico.com.

- Articles of Association
- Information from previous annual general meetings (notices, documentation, minutes, etc.)
- Information about the Nomination Committee

Internal control systems

Pursuant to the Swedish Companies Act and the Code, the Board of Directors is responsible for internal control in the Company. According to the Swedish Annual Accounts Act, the Corporate Governance Report shall also include information on the most important elements of the Company's system for internal control and risk management in connection with the financial reporting. In addition, the Board of Directors is responsible for ensuring that there are suitable systems for monitoring and controlling the Company's operations and the risks associated with the Company and its operations.
The overall purpose of internal control is to ensure with reasonable certainty that the Company's operational strategies and goals are followed up and that the shareholders' investments are protected. The internal control shall also ensure that it is reasonably certain that the external financial reporting is reliable and prepared in accordance with generally accepted accounting principles and complies with applicable laws and regulations, and requirements on publicly listed companies.

BICO's internal control structure is mainly based on the following five components:

- Control environment
- Risk assessment
- Control activities
- Follow-up
- Information and communication

Control environment
The Board of Directors has adopted several policy documents for the Company's internal control and governance, including the Rules of Procedure for the Board of Directors and instructions to the CEO and the committees of the Board of Directors, reporting instructions and an instruction for financial reporting, all of which aim to ensure a clear division of roles and responsibilities.

The Board of Directors has the overall responsibility for internal control with regard financial reporting. To create and maintain a functioning control environment, the Board of Directors has adopted several policies and governance documents that govern the financial reporting. These consist mainly of the Rules of Procedure for the Board, the Instructions to the CEO, the Rules of Procedure for the Audit Committee and the Instructions for Financial Reporting. The Instructions for Financial Reporting include principles, guidelines and process descriptions for accounting and financial reporting aimed at ensuring good internal control.

The CEO is responsible for ensuring an effective control environment and for the continuous work on internal control and risk management. The CEO reports to the Board of Directors based on established procedures. The CEO is also responsible for internal activity-specific control in the day-to-day operations.

Risk assessment
The risk assessment includes identifying risks that may arise if the fundamental requirements on financial reporting in the Company are not met. BICO's Group management has prepared a special risk register, in which they have identified and evaluated the risks arising in the Company's operations and evaluated how to manage these risks. Every year, BICO's Group management shall carry out an overall risk assessment of strategic, operational and financial risks and present these to the Audit Committee and Board of Directors. The CEO is responsible for the presentation, and the Group' management's risk assessment shall be reviewed annually by the CFO before being presented to the Audit Committee and Board of Directors. The Board of Director's Audit Committee is primarily responsible for continuously evaluating the Company's risk situation, after which the Board also conducts an annual review and assesses the risk situation.

Control activities
Control activities limit the identified risks and ensure an accurate and reliable financial reporting. The Board of Directors is responsible for internal control and follow-up of the Group management. This is done through internal and external control activities and by reviewing and following up on the Company's risk-related policy documents. The effectiveness of the control activities is evaluated annually, and the results of these evaluations are reported to the Board of Directors and the Audit Committee. According to agreements with important suppliers, the Company is guaranteed the right to review each supplier's delivery of services, including any quality aspects thereof.

Ongoing work and measures for 2023
In 2022, BICO focused on the group's internal control in the form of renewed risk assessments, relevant key controls and process reviews. BICO has updated finance manuals and communicated the updated processes to subsidiaries to ensure good internal control. BICO will continue with this work in 2023 and will add additional resources to these efforts.

Follow-up
Compliance with, and the effectiveness, of the internal control system is monitored continuously. The CEO shall ensure that the Board of Directors receives regular reports on the performance of BICO's operations, including the Company's financial performance and position and information on important events. The CEO also reports on these issues at each regular Board meeting. The Company's compliance with policies and governance documents is subject to annual evaluations. The results of these evaluations will be compiled by BICO's general counsel and reported to the Board of Directors and the Audit Committee annually.

Information and communication
The Company has information and communication channels aimed at promoting the accuracy of the financial reporting and allowing reporting and feedback from the operations to the Board of Directors and Group management, for example by making governance documents in the form of internal policies, guidelines and instructions on financial reporting available and known to the employees concerned. The Board has also adopted an information policy that governs the Company's disclosure of information.

Auditor's Report on the Corporate Governance Statement

To the general meeting of the shareholders
in BICO Group AB (publ)
corporate identity number 559050-5052

Engagement and responsibility
It is the board of directors who is responsible for the corporate governance statement for the financial year 2022-01-01 - 2022-12-31 on pages 105-109 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit
Our examination has been conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions
A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Gothenburg, March 17, 2023
Deloitte AB

Fredrik Jonsson
Authorized public accountant

Board of Directors

Carsten Browall

Born in 1958. Chairman of the Board since 2019 and Board member since 2018. Chairman of the Remuneration Committee and member of the Audit Committee.

Education and employment history:
M.Sc. in economics from Gothenburg University. Professional board work. Extensive experience in medical technology and healthcare in fast-growing companies such as Mölnlycke, Nobel Biocare, Capio, Vitrolife and Unfors RaySafe.

Other current positions:
Board member of Bure Equity AB and CEO of Carbo AB.

Shareholding in BICO:
B shares: 32,000, Options: 160,000

Independent in relation to the Company, its management and its major shareholders.

Erik Gatenholm

Born in 1989. Board member and CEO since 2016.

Education and employment history:
B.Sc. from Virginia Tech University and an M.Sc. in Innovation & Industrial Management from Gothenburg University. Erik has documented success in biotechnology entrepreneurship with more than 13 years of entrepreneurial experience. Honors include Forbes 30 Under 30, MIT Review 35 Under 35 and Entrepreneur of the Year 2020.

Other current positions:
Board member of BICO International AB.

Shareholding in BICO:
A shares: 848,958, B shares: 8,767,036. Holding: 13.64%, Votes: 20.54%

Not independent in relation to the Company, its management and its major shareholders.

Bengt Sjöholm

Born in 1953. Board member since 2016.

Education and employment history:
M.Sc. in electrical engineering from Lund University of Technology. He has been the CEO of several Swedish companies, including Tylö, and the CEO of a business areas in the Getinge group.

Other current positions:
Chairman and CEO of BSJ i Halmstad AB and board member of Avidicare Holding AB, Integrum AB, Handelstriangeln AB, Mentice AB and Texor AB.

Shareholding in BICO:
B shares: 343,283, Options: 20,000, Holding: 0.54%, Votes: 0.44%

Independent in relation to the Company, its management and its major shareholders.

Helena Skåntorp

Born in 1960. Board member since 2019. Chairman of the Audit Committee.

Education and employment history:
Extensive experience from leading positions as CEO and CFO, including at Jarowskij AB and Arla, and Doctoral student at Stockholm School of Economics. She has been a board member of listed companies for more than 15 years.

Other current positions:
Chairperson of Nielstorp AB, Plint AB and Ljung & Sjöberg AB. Board member of Byggpartner Gruppen AB (publ) and MEKO AB.

Shareholding in BICO:
B shares: 4,000, Options: 40,000

Independent in relation to the Company, its management and its major shareholders.

Susan Tousi

Born in 1969. Board member since 2021.

Education and employment history:
Chief Commercial Officer at Illumina, leading global sales, commercial operations and commercial strategy. More than 25 years of R&D and business leadership at Fortune 100 technology companies and in the life sciences industry. Formerly Corporate Vice President and General Manager of Eastman Kodak's Consumer Inkjet Systems organization. Prior to joining Kodak, R&D program manager of Phogenix Imaging LLC, a joint venture start-up of Hewlett-Packard and Kodak.

Education and employment history:
MBA degree from UCLA and an Honors BS in Engineering Science and Mechanics from Pennsylvania State University.

Other assignments and positions:
Executive trustee of La Jolla Playhouse and on the UCSD Jacobs School of Engineering Dean's Council of Advisors.

Shareholding in BICO:
-

Christian Wildmoser

Born in 1955. Board member since 2019.
Member of the Remuneration Committee.

Education and employment history:
Doctor of Economics and has worked in banking for 25 years. He was a partner of CVC Capital Partners for 16 years with responsibility for the operations in German-speaking Europe. He is currently an investor in growth companies.

Other current positions:
Chairman of Waterdrop Microdrinks GmbH, board member of 1Drop SA and Board of the African Parks Foundation Switzerland.

Shareholding in BICO:
B shares: 318,492, Options: 40,000, Holding: 0.64%, Votes: 0.50%

Independent in relation to the Company, its management and its major shareholders.

Ulrika Dellby

Born in 1966. Board member since 2022.
Member of the Audit Committee.

Education and employment history:
MBA from Stockholm School of Economics. Extensive experience of strategy, business development and M&A. Formerly partner of BCG and partner in Private Equity and has more than 15 years of experience as a board member of listed and private companies.

Other current positions:
Chair of Fasadgruppen.
Board member of Lifco, Linc, SJ, Werksta and the Business Executives Council of the Royal Swedish Academy of Engineering Sciences (IVA).

Shareholding in BICO:
B shares: 5000

Independent in relation to the Company, its management and its major shareholders.

Rolf Classon

Swedish-American healthcare executive with 40+ years of experience. Member of the Remuneration Committee.

Education and employment history:
Chemical engineer and Master of Political Science from Gothenburg University. 40+ years' experience in pharmaceuticals, medical technology, diagnostics, life science tools and healthcare delivery, including roles such as CEO and Chairman.

Other current positions:
Boards of directors: Catalent (NYSE CTLT, Fresenius Medical Care (NYSE, DAX),

Privately held companies:
Metenova AB, Destination Pet Inc.

Shareholding in BICO:
B shares: 31000, Holding: 0.05%, Votes: 0.04%

Independent in relation to the Company, its management and its major shareholders.

Group management

Erik Gatenholm

President, CEO & co-founder
Born in 1989. CEO since 2016.

Education and employment history:
B.Sc. from Virginia Tech University and an M.Sc. in Innovation & Industrial Management from Gothenburg University. Erik has documented success in biotechnology entrepreneurship with more than 13 years of entrepreneurial experience. Honors include Forbes 30 Under 30, MIT Review 35 Under 35 and Entrepreneur of the Year 2020.

Other current positions:
Board member of BICO Group AB. Chairman of BICO International AB

Shareholding in BICO:
A shares: 848,958, B shares: 8,767,036.
Holding: 13.64%, Votes: 20.54%

Jacob Thordenberg

Chief Financial Officer
Born in 1985, CFO since 2023

Education:
M.Sc. in corporate and financial management from Lund University, Sweden.

Employment history:
Over ten years of financial experience, including Head of M&A at BICO and M&A Director at Telia Company and Deloitte Transaction Services.

Other board assignments:
None

Shareholding in BICO:
900 B shares.
12,000 options (LTIP 2021)

Dr. Héctor Martínez

CTO, EVP & co-founder
Born in 1985. CTO since 2016.

Education and employment history:
M.Sc. and PhD in Biomedical Engineering from Chalmers University of Technology. Hector has over ten years of experience in developing and commercializing cutting-edge converging technologies that allow our customers to create, understand and master biology.

Other current positions:
Board member of BICO International AB

Shareholding in BICO:
A shares: 567,709, B shares: 5,751,897.
Holding: 8.96%, Votes: 13.61%

Arthur Aira

Head of Corporate Development & M&A
Born in 1967. Director of the Bioprinting business area since 2020.

Education and employment history:
Medical technology engineer with an MBA from Chalmers University of Technology. More than 25 years of experience in Life Sciences (biotech, pharma and diagnostics). Former CEO of Organon, bioMerieux Nordics, Ad-dtech Life Lifescience, Addlife dvlp, and COO and Exec VP of Addlife and Abigo Medical AB.

Other current positions:
Board member experience from more than 35 companies. Board member of Integrum and Predicare. Board member of CELLINK from 2017 to 2020.

Shareholding in BICO:
B shares: 80,000
Options: 40,000

Lotta Bus

SVP & General Counsel & HR
Born in 1970. General Counsel since 2020.

Education and employment history:
LL.M. from Lund University & Maastricht University. Over 20 years of experience as an attorney in the law firms Vinge, MAQS and Magnusson, including 14 years as a partner and five years as CEO.

Other current positions:
Board member of Sincrly AB and BICO International AB.

Shareholding in BICO:
B shares: 7,000

Five-year summary

SEK million	2022 *12 months*	2021 *12 months*	2019/2020 *16 months*	2018/2019 *12 months*	2017/2018 *12 months*
INCOME					
Net sales	2,239.5	1,257.3	416.0	105.5	45.3
Other operating income	110.8	73.8	28.1	18.4	6.9
Changes in inventories	4.5	13.2	3.5	7.8	1.7
Capitalized work on own account	182.0	94.0	60.7	15.9	10.5
Gross profit/loss	**1,648.6**	**908.3**	**298.6**	**75.4**	**29.1**
Operating profit/loss (EBIT)	**-996.9**	**-236.9**	**-51.8**	**-3.8**	**0.4**
Profit/loss from financial items	243.8	23.5	-2.3	3.8	0.7
Profit before tax	**-753.1**	**-213.4**	**-54.1**	**0.1**	**1.1**
Taxes	-82.6	-15.8	5.2	0.5	0.1
Profit/loss for the period	**-835.7**	**-229.2**	**-48.9**	**0.6**	**1.2**
Other comprehensive income	391.5	82.6	-57.8	5.1	-0.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-444.2**	**-146.6**	**-106.7**	**5.7**	**1.1**
Condensed cash flow statement					
Cash flows from operating activities	-269.4	-409.2	-79.3	-15.8	-12.3
Cash flows from investing activities	212.9	-4,453.8	-828.0	-110.2	-97.4
Cash flows from financing activities	455.3	4,900.1	1,308.8	140.3	121.8
Cash flows for the period	398.8	37.1	401.5	14.3	12.1
Cash and cash equivalents at the beginning of the period	481.2	434.9	39.8	23.0	10.7
Exchange difference in cash and cash equivalents	45.2	9.2	-6.5	2.5	0.2
Cash and cash equivalents at the end of the period	925.2	481.2	434.9	39.8	23.0

SEK million	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Aug 31, 2019	Aug 31, 2018
BALANCE SHEET					
Non-current assets	7,759.7	7,100.6	1,446.7	404.4	33.1
Current assets	2,437.1	2,654.0	1,067.2	198.8	161.8
Total assets	**10,196.8**	**9,754.6**	**2,513.9**	**603.1**	**195.0**
Equity	6,932.2	6,802.7	2,208.5	549.6	186.2
Non-current liabilities	2,325.0	2,221.4	151.1	17.0	0.6
Current liabilities	939.5	730.5	154.3	36.5	8.2
Total equity and assets	**10,196.8**	**9,754.6**	**2,513.9**	**603.1**	**195.0**

Key performance indicators*

Key performance indicators	2022 *12 months*	2021 *12 months*	2019/2020 *16 months*	2018/2019 *12 months*	2017/2018 *12 months*
Gross margin, %	73.6%	72.2%	71.8%	71.5%	64.2%
Operating margin before amortization and depreciation (EBITDA), %	-2.5%	-3.6%	0.2%	3.2%	6.6%
Operating margin (EBIT), %	-44.5%	-18.8%	-12.5%	-3.6%	0.8%

Other measures	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Aug 31, 2019	Aug 31, 2018
Average number of employees	1,159	890	215	95	48
Net debt (-)/net cash (+) position	-467.7	119.7	755.7	108.5	135.9
Debt/equity ratio	68%	70%	88%	91%	95%

Share data					
Average number of shares outstanding	66,876,838	61,352,967	44,888,273	34,907,324	30,865,408
Number of shares outstanding on the reporting date	70,494,895	62,130,269	51,601,285	38,984,776	33,293,756
Basic earnings per share, SEK	-12.94	-3.97	-1.10	0.02	0.04
Diluted earnings per share, SEK	-12.94	-3.97	-1.10	0.02	0.04
Share price on the reporting date, SEK	105.8	277.8	234.5	66.25	36.5
Market capitalization on the reporting date, SEK billion	7.5	17.3	12.1	2.6	1.2

* For definitions of alternative performance measures, see page 117.

Alternative performance measures

This Annual Report contain references to several financial measures that supplement the measures that are defined in or specified in the applicable rules on financial reporting. Some of these measures are defined in IFRS, while others are alternative measures that are not reported in accordance with the applicable framework for financial reporting framework or other legislation.

The alternative performance measures are derived from the Company's consolidated accounts. The measures are used by BICO because they provide clearer and more in-depth information than the measures defined in the applicable rules on financial reporting and therefore aids both investors and management in their analyses of the operations. The measures used in this Annual Report is provided below, along with definitions and an explanation of the reasons for using them.

Alternative performance measure	Definition	Purpose
Debt/equity ratio	Equity divided by total assets.	BICO considers that the debt/equity ratio is a useful measure for the of the Company's ability to continue as a going concern.
Gross profit/loss	Net sales less raw materials and supplies reduced by changes in inventories. Staff costs and amortization and depreciation of current assets used in the production are not included in the gross profit/loss but reported on separate lines in the income statement.	This measure shows the efficiency in BICO's operations. Together with EBITDA, it provides an overall picture of the ongoing profit generation and expenses.
Gross margin	Gross profit/loss as a percentage of net sales.	The measure is used for analysis of the Company's effectiveness and value creation.
Net debt (-)/net cash (+) position excl. leases	Short-term investments and cash and cash equivalents less interest-bearing non-current and current liabilities, excluding lease liabilities. Contingent considerations are not included in net debt. A positive figure indicates a net cash position.	BICO believes that net debt/net cash position is a useful measure of the Company's ability to continue as a going concern and its ability to execute the adopted business plan.
Earnings before interest, taxes, depreciation and amortization (EBITDA)	Profit/loss before interest, taxes, depreciation, amortization and impairment.	As operating profit/loss is encumbered by the amortization or depreciation of surplus values linked to the acquisitions made by BICO, Group management considers that earnings before interest, taxes, depreciation and amortization (EBITDA) is a fair measure of the Group's earnings capacity.
Operating margin (EBITDA), %	EBITDA in percent of net sales.	BICO considers operating margin (EBITDA, %) to be a useful measure for showing the performance generated in operating activities.
Adjusted EBITDA	EBITDA adjusted for items affecting comparability and costs.	The definition is the same as for EBITDA, but with the addition that the adjustment for items affecting comparability and costs facilitate comparisons over time, as it excludes items that are irregular in frequency or size.
Adjusted EBITDA, %	Adjusted EBITDA in percent of net sales.	BICO considers adjusted EBITDA, % to be a useful measure for showing the performance generated in operating activities.
Operating profit/loss (EBIT)	Earnings before interest and similar items and tax.	BICO considers operating margin (EBIT) to be a useful measure for showing the performance generated in operating activities.
Operating margin (EBIT), %	EBIT in percent of net sales.	BICO considers operating margin (EBIT, %) to be a useful measure for showing the performance generated in operating activities.
Organic revenue growth	Growth generated from operations in companies that were part of the Group during the corresponding comparison period.	This measure shows the growth in existing operations, adjusted for acquisitions in the last 12 months.
Organic revenue growth, excluding currency effects	Growth generated from operations in companies that were part of the Group during the corresponding comparison period, excluding currency effects.	This measure shows the growth in the existing operations adjusted for acquisitions in the last 12 months in constant currency.

Reconciliation of alternative performance measures

Debt/equity ratio, %	**Dec 31, 2022**	**Dec 31, 2021**
Equity	6,932.2	6,802.7
Total assets	10,196.8	9,754.6
Debt/equity ratio, %	**68%**	**70%**
Net debt (-)/net cash (+) position excl. leases, SEK million		
Short-term investments	-	993.8
Cash and cash equivalents	925.2	481.2
Non-current interest-bearing liabilities excl. lease liability	-1,384.9	-1,350.3
Current interest-bearing liabilities excl. lease liability	-8.0	-5.0
Net debt (-)/net cash (+) position	**-467.7**	**119.7**

Gross profit/loss, SEK million	**2022** *12 months*	**2021** *12 months*
Net sales	2,239.5	1,257.3
Raw materials and consumables less changes in inventories	-590.8	-349.0
Gross profit/loss	**1,648.6**	**908.3**
Gross margin, %		
Gross profit/loss	1,648.6	908.3
Net sales	2,239.5	1,257.3
Gross margin, %	**73.6%**	**72.2%**
Earnings before interest, taxes, depreciation and amortization (EBITDA)		
Operating profit/loss	-996.9	-236.9
Amortization and depreciation	940.6	191.8
Earnings before interest, taxes, depreciation and amortization (EBITDA)	**-56.3**	**-45.1**
Earnings before interest, taxes, depreciation and amortization (EBITDA), %		
EBITDA	-56.3	-45.1
Net sales	2,239.5	1,257.3
EBITDA margin, %	**-2.5%**	**-3.6%**

Adjusted EBITDA, SEK million		
EBITDA	-56.3	-45.1
Costs associated with the option program	39.0	16.4
Acquisition-related costs	24.3	47.4
Rebranding	-	7.1
Restructuring costs related to employee changes	27.1	-
One-off provision for doubtful trade receivables	43.9	-
Revaluation of contingent considerations	-25.2	-25.0
Government grants	-	-1.1
ERP system, implementation costs, stage 1	8.3	9.5
Legal costs	1.0	7.6
Adjusted EBITDA	**62.1**	**16.9**
Adjusted EBITDA, %		
Adjusted EBITDA	62.1	16.9
Net sales	2,239.5	1,257.3
Adjusted EBITDA, %	**2.8%**	**1.3%**
Operating margin (EBIT), %		
Operating profit/loss	-996.9	-236.9
Net sales	2,239.5	1,257.3
EBIT margin, %	**-44.5%**	**-18.8%**
Organic revenue growth, %		
Net sales	2,239.5	1,257.3
Net sales generated from companies acquired in the last 12 months	-777.2	-730.2
Organic net sales	**1,475.6**	**527.1**
Net sales, comparative period	1,257.2	365.8
Organic revenue growth, %	**17%**	**44%**
Currency effects	13%	-8%
Organic revenue growth, excluding currency effects	**4%**	**52%**

Glossary

3D cell culturing
The culturing of cells in an artificially created three-dimensional environment that allows cells to interact, proliferate or mature in environments that are physiologically reminiscent of *in vivo* conditions.

Workflows
A planned sequential execution of established processes and protocols in the laboratory to transform or analyze biomaterials in life sciences. BICO's products and technologies are designed to streamline and optimize these workflows that researchers can work smarter.

Bioautomation
From early research to high-throughput manufacturing, our Bioautomation business area serves customers across many disciplines, including medicine, pharmaceuticals, cosmetics and food. BICO's customers benefit from our unique product portfolio, total solution services and 20 years of expertise in next-generation multiplex analysis. This business area was previously called Industrial Solutions.

Bioconvergence
A revolution bringing together technology and biology to inspire and create advanced, efficient and cost-effective solutions for the healthcare challenges of today and in the future.

Bioprinting
Based on the principles of 3D printing, a combination of cells, growth factors and other biocompatible components, also knowns as bioinks, are assembled for 3D cell culturing, creating structures and engineering tissues for organ and disease models used in research in life sciences and regenerative medicine.

Biosciences
The Biosciences business area offers a range of bioprocessing technologies and devices that automate tasks in the lab that were previously very labor-intensive, such as liquid handling, single-cell dispensing, multiomics and next-generation sequencing.

Cell line development
Method for generating a clonal cell line from a single progenitor cell to minimize population heterogeneity. A single cell proliferates to form colonies that can be used to develop biological or recombinant products.

Diagnostics
Diagnostics entails identifying and monitoring biomarkers and metabolic parameters to determine health conditions.

Single cell omics
The genomes, transcriptomes and proteomes of single cells are analyzed to gain insights about cell development and diseases at the cellular level, as well as gene expression.

Health 4.0
Health 4.0 is a concept derived from the fourth industrial revolution, Industry 4.0, and refers to increasing interconnectivity and smart automation. Health 4.0 is the transformation of the healthcare sector driven by digital technologies, smart machines and data.

Multiomics
Multiomics is the area of biological analysis approach molecular and genetic biology to integrate diverse omics data such as genomic, transcriptomics, proteomics, epigenomics and metabolomics to find novel associations between genotype and phenotype. It has transformed the field of medicine and biology, filling the gaps in understanding human health and disease.

Next Generation Core Industrial Ecosystems (NXCIS)
The future of health is defined by several rapidly accelerating disciplines – fields of research that are on the cutting edge of technology. At BICO, we have identified four such disciplines that can be considered the pillars of the health care revolution and Health 4.0, the Next Generation Core Industrial Ecosystems (NXCIS): Tissue Engineering, Cell Line Development, Multiomics and Diagnostics.

Tissue Engineering
A practice where researchers combine advanced engineering and materials science to recapitulate human and animal biology. It refers to combining cells and biologically active molecules into functional tissues. The main objective with tissue engineering is to assemble functional models and structures that restore, maintain or improve damaged tissues or entire organs.

JOIN THE BIO-CONVERGENCE REVOLUTION

Financial calendar and contact details

Financial calendar
May 4, 2023 | **Q1 Report 2023**
May 9, 2023 | **2023 Annual General Meeting**
August 22, 2023 | **Q2 Report 2023**
November 9, 2023 | **Q3 Report 2023**

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