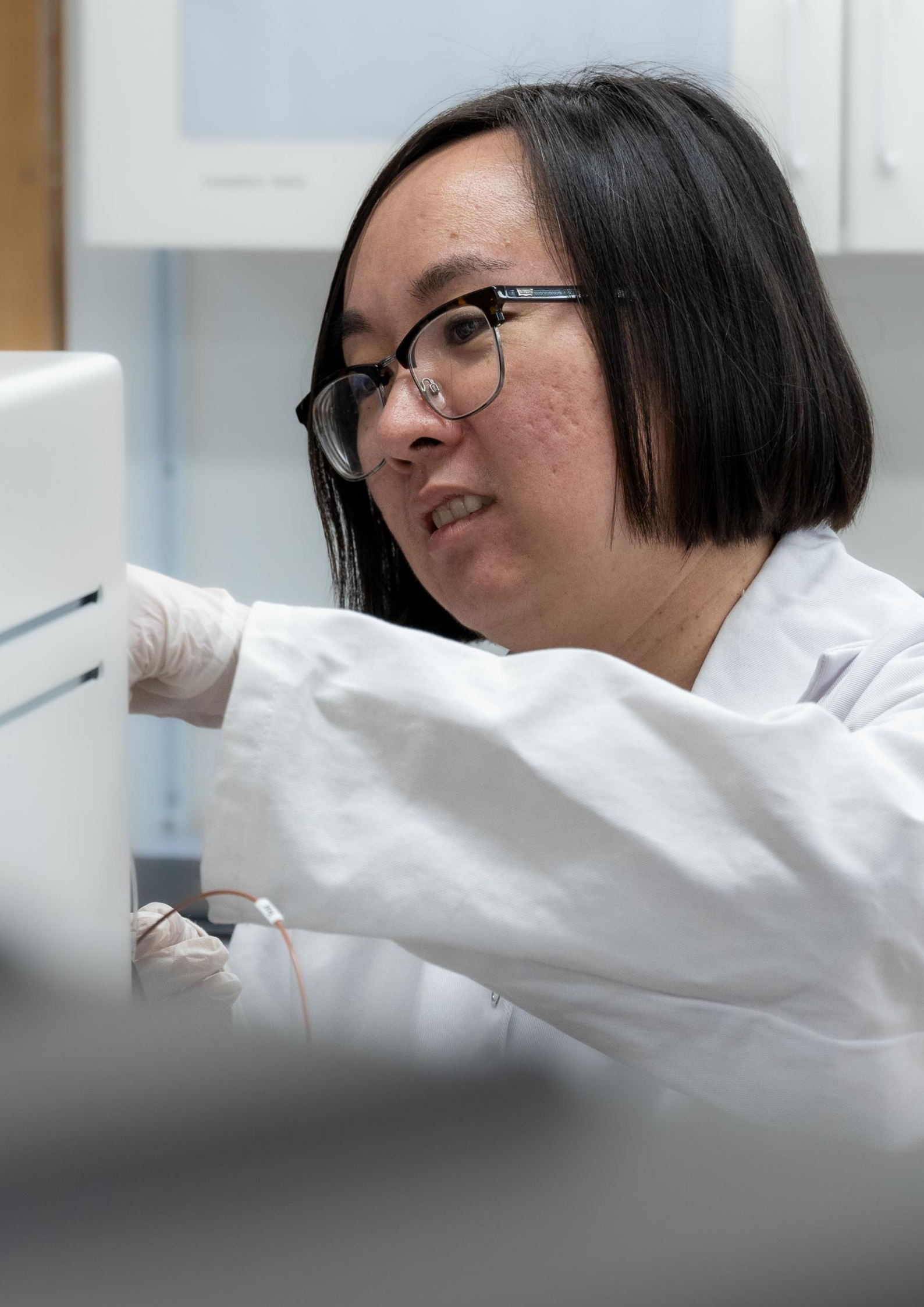


# Interim report

January-June 2023





# The first half in review

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## Jan – Jun 2023

(Jan – Jun 2022)

- Net sales increased by 22% to 22.1 MSEK (18.1) with sales growth in Europe and North America, but reduced sales in Asia due to stochastic purchasing patterns from Bio-Works' largest customers in the region.
- Order intake decreased by 28% to 15.9 MSEK (22.2).
- Operating loss for the first half was -28.8 MSEK (-23.5), a worsening of 23%.
- Earnings per share in the first half of the year amounted to -0.81 SEK (-0.66).
- Cash flow from operating activities amounted to -26.4 MSEK (-27.1).
- Bank deposits amounted to 43 MSEK (79.9) at the end of the period.

## Significant events during the first half

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- Bio-Works confirmed a new order for GoBio™ prepacked columns to an American manufacturer of plasmids for the Advanced Medicinal Therapy Product (ATMP) market. The order value was 3.4 MSEK.
- Bio-Works announced a cost-savings program intended to secure the company's path to profitability. The program reduces the number of employees from 52 to 40 and is intended to save the company approximately 13 MSEK annually.

## Significant events after the period end

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- There were no significant events reported after the end of the period.

# A message from the CEO

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## High-value products drive continued growth for Bio-Works

Bio-Works focus on high-value, differentiated products continues to pay dividends as sales in the first half of 2023 grew 22% versus the same period in the previous year.

Growth in sales was driven primarily by our portfolio of high-value products: GoBio preppacked columns, custom resin solutions and affinity resins. We continue to believe that as the market for biological therapies diversifies, the need for diversified purification tools will continue to grow. This trend is

favorable for Bio-Works given our strong customer-focus and flexibility.

From a regional perspective, the North American and European markets both grew over 30%. Asia declined during the period, but this is primarily due to a small number of large customers with stochastic ordering patterns.

## Signs of recovery after a period of generally weaker demand

Following a period of remarkable growth, the entire bioprocessing market has faced headwinds during the first half. This is due to two macro factors:

1. Many large pharma companies are right-sizing inventories after a period of increased stocking levels.
2. A significantly weaker capital market for our customers. Low rounds of private financing and a largely unrewarding public market have put a hold on many clinical projects. Less clinical manufacturing means less scale-up activities and a weaker demand for raw materials, such as chromatography resins.

A recent survey of suppliers clearly demonstrated the breadth of this effect: Suppliers of “Raw Materials and Consumables” estimated an average annual growth rate of 13.8% for 2023, down from 27.0% in 2022.

This weaker demand is reflected in our order intake which was down 28% compared to the same period last year.

That said, there are signs that the second half of 2023 could lay the foundation for an industry-wide recovery. An increased number IPOs, acquisitions and successful clinical trials signal a healthy start to the second half. Even the FDA's Center for Biologics Evaluation and Research (CBER) has reportedly announced that they will grant Regenerative Medicine Advanced Therapy and Breakthrough status to Advanced Therapeutic Medicinal Products (ATMPs) which qualify in order to spur the industry along, in order to address the unmet needs of patients with rare diseases where therapies do not exist or need to become more effective.

The fundamental and long-term growth potential in the biotech sector continues to be high due to new technology and unmet patient needs.

## **Increased focus on cost management**

In May, Bio-Works announced a cost-savings initiative designed to extend cash runway to ensure that the company reaches profitability in 2024. This program is expected to save 13 MSEK annually without significantly impacting the company's growth potential in the coming 18 months. We expect to see the full effects of this program in the fourth quarter of this year.

Our strategy to achieve profitability remains unchanged. Bio-Works' focus is to continue to drive strong revenue growth in an attractive, long-term market at the same time as improving cash flow.

Thank you for your continued confidence and support.

Together we continue the journey towards profitability.

A handwritten signature in black ink, appearing to read 'Jonathan Royce', with a long horizontal flourish extending to the right.

Jonathan Royce  
Chief Executive Officer  
Bio-Works Technologies AB

# The Group

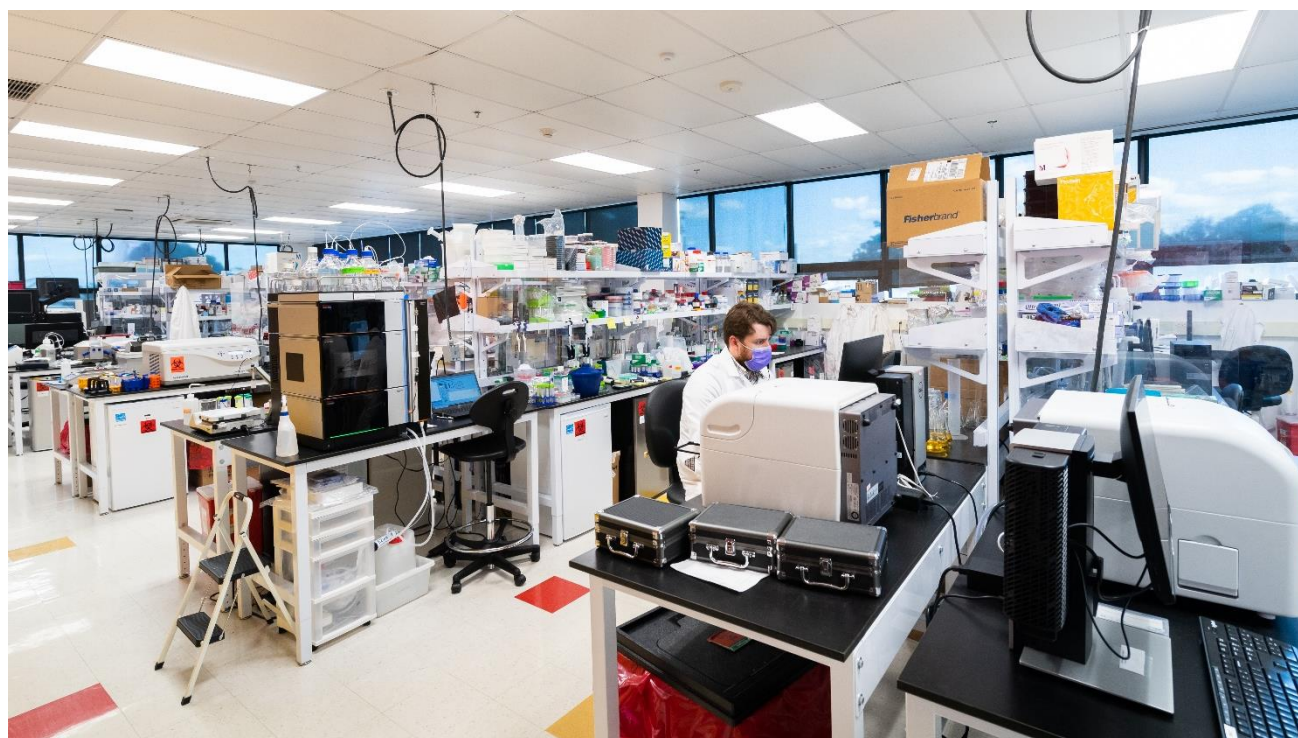
<b>BIO-WORKS GROUP KEY PERFORMANCE INDICATORS</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>
Amount in KSEK	<b>Jan-Jun</b>	<b>Jan-Jun</b>	<b>Full year</b>	<b>Full year</b>
Net sales	22,068	18,145	41,320	21,910
Order intake	15,881	22,196	56,468	29,078
<b>Operating profit/loss</b>	-29,745	-23,790	-46,096	-9,842
<b>Profit/loss for the period</b>	-28,777	-23,532	-44,823	-12,942
Cash flow from operating activities	-26,427	-27,151	-39,872	-13,369
Bank balance	42,971	79,903	65,875	102,745
Equity	42,635	89,061	67,812	108,509
Equity ratio (%)	65%	88%	74.0%	89.8%

	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>
<b>Earnings per share (SEK)</b>	<b>Jan-Jun</b>	<b>Jan-Jun</b>	<b>Full year</b>	<b>Full year</b>
Share price per closing day	12.90	17.58	21.00	27.50
Earnings per share	-0.81	-0.66	-1.28	-0.41

<b>Number of shares</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>Jan-Jun</b>	<b>Jan-Jun</b>	<b>Full year</b>	<b>Full year</b>
Number of shares period start	35,162,146	34,873,746	34,873,746	30,415,746
Number of shares period end	35,462,146	34,873,746	35,162,146	34,873,746
Average number of shares	35,026,167	34,873,746	35,005,713	31,206,413



# The group's development during the period

## Orders received

Bio-Works' order intake decreased by 28% to 15.9 MSEK in the first half of 2023 compared to 22.2 MSEK in the same period in the previous year.

## Net sales

Net sales increased in the first half of 2023 by 22% compared to the previous year and amounted to 22.1 MSEK (18.1).

	2023	2022	2022	2021
Net sales	Jan-Jun	Jan-Jun	Full year	Full year
Europe	12,716	9,145	19,903	13,100
North America	8,872	6,794	16,048	4,984
Asia	480	2,206	5,368	3,827
<b>Total</b>	<b>22,068</b>	<b>18,145</b>	<b>41,320</b>	<b>21,910</b>

## Earnings

Profit for the first half of 2023 amounted to -28.8 (-23.5) MSEK. The lower result is due to increased costs for raw materials and costs for temporary staff employed during the first half of 2023 to increase organizational flexibility. During the first half, the company has had increased costs as a result of a reorganization which was announced in May. The full-effect of this cost-savings initiative is expected to be seen in the fourth quarter of 2023.

Personnel costs amounted to 23.7 (22.2) MSEK, which is explained by the increased staff in the quality organization as well as an increase in production personnel in order to meet increased sales.

The cost of raw materials and other supplies increased by 2.7 MSEK to 8.7 (6.0) MSEK, which is explained by increased sales and a somewhat different product mix.

The other external costs amounted to 18.9 (14.5) MSEK, an increase of 4.4 MSEK due to use of consultants to meet the increased customer demand and increased marketing activities such as industry conferences and digital initiatives as well as increased travel costs.

Depreciation in the first half of 2023 increased to 0.3 (0.2) MSEK due to investments late in 2022.

Operating profit in the first half of 2023 amounted to -29.7 (-23.8) MSEK compared to the first half of 2022.

The total booked tax for the first half of 2023 was -0.1 (-0.2) MSEK.

Net financial items for the period amounted to 1.1 (0.5) MSEK, mostly related to exchange rate effects which amounted to 0.9 (0.4) MSEK.

A cost-reduction initiative was implemented by the company's management and board at the end of May 2023. The initiative will generation an improvement in the company's cost structure amounting to approximately 13 MSEK annually as shown in the table below.

	3Q-2023	4Q-2023	1Q-2024	2Q-2024	3Q-2024	4Q-2024
Expected savings	-535	-1,176	-3,167	-3,167	-3,167	-3,167

## Financing and cash flow

Cash flow from operating activities was -26.4 (-26.7) MSEK, and cash flow from investment activities amounted to -0.2 (-0.2) MSEK. Cash flow from financing activities was 3.7 (4.0) MSEK.

Cash flow for the period amounted to -22.9 (-22.9) MSEK.

Cash and cash equivalents at the end of the period were 43.0 (79.9) MSEK and 65.9 MSEK December 31.

The company is planning to finance increases in operating capital with traditional credit as needed.

Bio-Works Technologies AB has been subjected to a tax surcharge of 2 MSEK following a decision by the Swedish Tax Agency. The decision has been appealed to the Administrative Court on November 22, 2022, as the company's stance is that the tax surcharge is disproportionate in relation to the single mistake made in the tax filing. The company's assessment is that the Administrative Court will eliminate the tax surcharge, which is why this is reported as a contingent liability and not as a liability in the company's annual accounts.





# Company developments

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## Strong growth with new customers

During recent years, Bio-Works growth has been primarily driven by larger customers who use WorkBeads and GoBio products in production processes. This trend has continued during the first half of 2023. Four of the customers on the top 10 list were not there a year ago, but rather have grown rapidly during the past twelve months. In a press release issued in January, an American manufacturer of plasmids, a material used in the production of cell and gene therapies, was mentioned. This company has become Bio-Works second largest customer in just one year's time. Another customer who earned a place on the list is an American company which uses GoBio columns in a genetic sequencing workflow. We see large potential for continued growth with both of these customers.

## Contract manufacturers are an important customer category

Bio-Works has previously reported large orders from companies such as Catalent Biologics, Polypeptide, NorthernRNA and other companies which are so-called contract manufacturers. These companies have been and continue to be important for Bio-Works' growth—a third of Bio-Works revenue during the past 18 months has been generated this customer category. Contract manufacturers generate visibility for Bio-Works since they work with customer bases which can be made up of tens to hundreds of other companies. We are working diligently to establish good relationships with contract manufacturers and in addition the above-named companies, we have several others who are using WorkBeads and GoBio products in their production. During the first half of 2023, Bio-Works signed a new supply agreement with a global contract manufacturer who has factories in Germany, the US and England. We see great potential in this relationship for the coming year.

## Product launches of GoBio and customized resins

One year ago, Bio-Works launched a product line called "GoBio"—a prepacked format which saves customers valuable time in production. At the same time, we increased our focus on customized and tailored resins since we see increasing demand from our customers for these solutions. Both of these initiatives have been timely. Since the launch of GoBio, sales have amounted to over 10 MSEK and we forecast approximately 10 MSEK in additional sales for the second half of the year. Simultaneously, the percentage of sales from customized and tailored products has increased from 12% on full-year basis 2022 to 23% during the first half of this year. Bio-Works currently has more than ten ongoing customization projects with an estimated value of approximately 10 MSEK which can be actualized during the second half.

# The share & shareholders

Bio-Works' stock is listed on Nasdaq First North where it is traded under the ticker BLOWKS. The ISIN code for the stock is SE0007387089.

Number of shares December 30, 2022	35,162,146
New share issue (warrant program 2020/2023)	300,000
Number of shares June 30, 2023	35,462,146

On June 30, 2023, Bio-Works Technologies AB had 2,547 shareholders (2,698 on December 31, 2022).

Shareholder	Number of shares	Share of votes
SWEDIA INVEST AB	6,104,638	17.2%
CALYPTRA AB	4,919,230	13.9%
AVANZA PENSION	1,215,010	3.4%
DARIUSH HOSSEINIAN	1,038,048	2.9%
Rhenman & Partners via SKANDINAVISKA ENSKILDA BANKEN AB, W8IMY	974,228	2.8%
FUTUR PENSION	845,948	2.4%
NORDNET PENSIONS FÖRSÄKRING AB	779,679	2.2%
FÄRJSUNDET INDUSTRI AKTIEBOLAG / Peter Ehrenheim	767,334	2.2%
OLOF MALMGREN	750,000	2.1%
BONIT INVEST	512,000	1.4%
<b>The ten largest shareholders</b>	<b>17,906,115</b>	<b>50.5%</b>
Other shareholders	17,556,031	49.5%
<b>Totals</b>	<b>35,462,146</b>	<b>100.0%</b>

In accordance with a decision made at the Annual General Meeting, warrants were issued and under fair-market conditions accepted by employees. The fair-market value of the warrants were determined by the Black & Scholes valuation model. The issuance was divided according to the following categories: CEO 15,000, other leadership roles 67,500 and other employees 40,500.

On June 30, 2023, 123,000 warrants remained outstanding per the table below. During the second quarter, series 2020/2023 was redeemed which increased the number of shares by 300,000 and the share capital by 30,000 SEK.

Series	Type	Warrant period	Option price (SEK)	Strike price (SEK)	Warrants	Share capital increase	Number of shares
		2023-05-26 –					
<b>2023/2026</b>	Personal	2026-06-30	2,94	18.56	123 000	12 300	123 000

# Employees

The group's average number of employees during the first half of the year was 50.2 (41.3) and full-time employees were 43.9 (43.7). At the end of June, the number of employees was 48 (50).



## Accounting and valuation principles

Annual accounts and interim reports are prepared in accordance with the Swedish Annual Accounts Act and BFNAR 2012: 1 (K3). The rules applied are unchanged compared to the previous year.

# Financial reports

<b>GROUP INCOME STATEMENT</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Amounts in KSEK	<b>Jan-Jun</b>	<b>Jan-Jun</b>	<b>Jan-Dec</b>
<b>OPERATING INCOME</b>			
Net sales	22,068	18,145	41,320
Change in inventory	240	1,024	165
Other operating income	446	388	1,520
<b>TOTAL OPERATING INCOME</b>	<b>22,754</b>	<b>19,557</b>	<b>43,005</b>
<b>OPERATING EXPENSES</b>			
Raw materials and consumables	-8,704	-6,019	-12,638
Other external expenses	-18,947	-14,509	-31,611
Personnel costs	-23,663	-22,242	-43,335
Depreciation of assets	-302	-212	-475
Other operating costs	-882	-365	-1,042
<b>TOTAL OPERATING EXPENSES</b>	<b>-52,498</b>	<b>-43,347</b>	<b>-89,101</b>
<b>OPERATING PROFIT / LOSS</b>	<b>-29,745</b>	<b>-23,790</b>	<b>-46,096</b>
<b>INTEREST INCOME, EXPENSE AND SIMILAR ITEMS</b>			
Interest earnings and similar sources of income	1,077	466	1,423
Interest costs and similar expenses	-2	-5	-23
<b>TOTAL INTEREST INCOME, EXPENSE AND SIMILAR ITEMS</b>	<b>1,075</b>	<b>460</b>	<b>1,400</b>
<b>PROFIT / LOSS BEFORE TAX</b>	<b>-28,670</b>	<b>-23,330</b>	<b>-44,696</b>
INCOME TAX	-107	-202	-255
<b>NET PROFIT / LOSS</b>	<b>-28,777</b>	<b>-23,532</b>	<b>-44,950</b>
<b>EARNINGS PER SHARE</b>	<b>-0.81</b>	<b>-0.66</b>	<b>-1.28</b>

<b>GROUP BALANCE SHEET</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Amounts in KSEK	<b>30-Jun</b>	<b>30-Jun</b>	<b>31-Dec</b>
<b>ASSETS</b>			
<b>Tangible assets</b>			
Property, plants and equipment	2,329	1768	2433
<b>Total tangible assets</b>	<b>2,329</b>	<b>1768</b>	<b>2433</b>
<b>Current assets</b>			
Inventory	11,781	10,304	9,673
Accounts receivable	4,052	3,682	7,902
Tax receivables	0	0	320
Other short-term receivables	1,229	2,267	2,743
Prepaid expenses and accrued income	3,403	2,947	2,667
Cash and bank balances	42,971	79,902	65,875
<b>Total current assets</b>	<b>63,435</b>	<b>99,102</b>	<b>89,180</b>
<b>TOTAL ASSETS</b>	<b>65,764</b>	<b>100,870</b>	<b>91,613</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Restricted equity</b>			
Share capital	3,546	3,487	3,516
Capital contribution	316,679	313,042	313,014
Other equity incl. profit/loss for the period	-277,591	-227,469	-248,838
<b>Total equity</b>	<b>42,635</b>	<b>89,061</b>	<b>67,692</b>
<b>Short-term liabilities</b>			
Accounts payable	9,417	3,130	6,797
Customer prepayments	6,748	521	10,373
Other short-term liabilities	1,951	1,907	2,019
Accrued expenses and deferred incomes	5,013	6,253	4,733
<b>Total liabilities</b>	<b>23,128</b>	<b>11,810</b>	<b>23,921</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>65,764</b>	<b>100,870</b>	<b>91,613</b>

<b>GROUP CHANGE IN EQUITY</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Amounts in KSEK	<b>Jan-Jun</b>	<b>Jan-Jun</b>	<b>Jan-Dec</b>
Equity at the beginning of the period	67,691	108,509	108,509
New share issue as a result of warrant conversion	3,390	2,820	2,820
New share issue		1,350	1,350
Emission costs	-57	-132	-132
Warrant premiums	362		
Translation differences	31	46	94
Profit / loss for the period	-28,777	-23,532	-44,950
<b>EQUITY AT THE END OF THE PERIOD</b>	<b>42,640</b>	<b>89,061</b>	<b>67,691</b>

<b>GROUP CASH FLOW STATEMENT</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Amounts in KSEK	<b>Jan-Jun</b>	<b>Jan-Jun</b>	<b>Jan-Dec</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Operating profit / loss	-29,745	-23,790	-46,096
<b>Adjustments to obtain the cash flow from operating activities:</b>			
Depreciation and amortization	302	212	475
Currency effects	905	383	1,076
Interest received	172	83	347
Interest paid	-2	-5	-23
Taxes	-107	-202	-255
<b>CASH FLOW FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES</b>	<b>-28,475</b>	<b>-23,319</b>	<b>-44,476</b>
<b>WORKING CAPITAL CHANGES</b>			
Increase (-)/Decrease (+) in inventory	-2,108	-2,457	-1,826
Increase (-)/Decrease (+) in operating receivables	4,949	-411	-5,147
Increase (-)/Decrease (+) in operating liabilities	-792	-539	11,569
<b>CASH FLOW FROM WORKING CAPITAL CHANGES</b>	<b>-26,427</b>	<b>-26,727</b>	<b>-39,880</b>
<b>INVESTMENT ACTIVITIES</b>			
Investments in tangible assets	-208	-196	-1,124
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>-208</b>	<b>-196</b>	<b>-1,124</b>
<b>FINANCING ACTIVITIES</b>			
New share issue	3,390	4,170	4,170
Emission costs	-57	-132	-132
Warrant premiums	362	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>3,695</b>	<b>4,038</b>	<b>4,038</b>
<b>CASH FLOW THIS PERIOD</b>	<b>-22,940</b>	<b>-22,885</b>	<b>-36,966</b>
Liquidity at the beginning of the period	65,875	102,745	102,745
Exchange rate differences	37	43	97
<b>LIQUIDITY AT THE END OF THE PERIOD</b>	<b>42,971</b>	<b>79,902</b>	<b>65,875</b>

# Parent company

<b>PARENT COMPANY INCOME STATEMENT</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Amounts in KSEK	<b>Jan-Jun</b>	<b>Jan-Jun</b>	<b>Jan-Dec</b>
<b>OPERATING INCOME</b>	5,342	4,113	8,595
<b>OPERATING EXPENSES</b>			
Other external expenses	-3,776	-2,083	-4,592
Personnel costs	-3,496	-3,776	-7,897
Depreciation of assets			
<b>TOTAL OPERATING EXPENSES</b>	<b>-7,273</b>	<b>-5,860</b>	<b>-12,489</b>
<b>OPERATING PROFIT / LOSS</b>	<b>-1,930</b>	<b>-1,747</b>	<b>-3,894</b>
<b>PROFIT / LOSS FROM FINANCIAL ITEMS</b>			
Profit / loss from associated companies	-21,825	-2,774	-24,496
Interest earnings and similar sources of income	167	82	325
Interest costs and similar expenses	-1		-3
Currency effects	183	200	229
<b>TOTAL PROFIT / LOSS FROM FINANCIAL ITEMS</b>	<b>-21,476</b>	<b>-2,493</b>	<b>-23,944</b>
<b>PROFIT / LOSS BEFORE TAX</b>	<b>-23,406</b>	<b>-4,240</b>	<b>-27,839</b>
INCOME TAX	-	-	-
<b>NET PROFIT / LOSS</b>	<b>-23,406</b>	<b>-4,240</b>	<b>-27,839</b>

<b>PARENT COMPANY BALANCE SHEET</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Amounts in KSEK	<b>30-Jun</b>	<b>30-Jun</b>	<b>31-Dec</b>
<b>ASSETS</b>			
<b>Tangible assets</b>			
Financial assets	182	182	182
<b>Total tangible assets</b>	<b>182</b>	<b>182</b>	<b>182</b>
<b>Current assets</b>			
<b>Short-term assets</b>			
Short-term receivables with associated companies	103	146	110
Other short-term receivables	123	15	196
Prepaid expenses and accrued income	1,149	567	586
<b>Total short-term assets</b>	<b>1,376</b>	<b>728</b>	<b>892</b>
Cash and bank balances	28,585	71,888	48,987
<b>Total current assets</b>	<b>29,961</b>	<b>72,616</b>	<b>49,879</b>
<b>TOTAL ASSETS</b>	<b>30,143</b>	<b>72,798</b>	<b>50,061</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Restricted equity</b>			
Share capital	3,546	3,487	3,516
<b>Non-restricted equity</b>			
Share premium reserve	316,316	313,042	313,014
Profit/loss brought forward	-269,281	-241,804	-241,804
Profit/loss for the period	-23,406	-4,240	-27,839
<b>Total non-restricted equity</b>	<b>23,628</b>	<b>66,998</b>	<b>43,371</b>
<b>TOTAL EQUITY</b>	<b>27,174</b>	<b>70,485</b>	<b>46,887</b>
<b>Short-term liabilities</b>			
Accounts payable	1,105	332	1,259
Other short-term liabilities	909	655	515
Accrued expenses and deferred incomes	955	1,324	1,400
<b>Total short-term liabilities</b>	<b>2,969</b>	<b>2,312</b>	<b>3,175</b>
<b>TOTAL LIABILITIES</b>	<b>2,969</b>	<b>2,312</b>	<b>3,175</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>30,143</b>	<b>72,798</b>	<b>50,061</b>



<b>PARENT COMPANY CHANGE IN EQUITY</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Amounts in KSEK	<b>Jan-Jun</b>	<b>Jan-Jun</b>	<b>Jan-Dec</b>
Equity at the beginning of the period	46,887	70,688	70,689
New share issue as a result of warrant conversion	3,390	2,820	2,820
New share issue		1,350	1,350
Emission costs	-57	-132	-132
Warrant premiums	362		
Profit / loss for the period	-23,406	-4,240	-27,839
<b>EQUITY AT THE END OF THE PERIOD</b>	<b>27,176</b>	<b>70,486</b>	<b>46,888</b>

<b>PARENT COMPANY CASH FLOW STATEMENT</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
Amounts in KSEK	<b>Jan-Jun</b>	<b>Jan-Jun</b>	<b>Jan-Dec</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Operating profit / loss	-1,930	-1,747	-3,894
<b>Adjustments to obtain the cash flow from operating activities:</b>			
Currency effects	183	200	228
Interest received	167	82	325
Interest paid	-1	0	-3
<b>CASH FLOW FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES</b>	<b>-1,582</b>	<b>-1,465</b>	<b>-3,344</b>
<b>WORKING CAPITAL CHANGES</b>			
Increase (-)/Decrease (+) in operating receivables	-484	-338	-502
Increase (-)/Decrease (+) in operating liabilities	-206	-21,220	-20,355
<b>CASH FLOW FROM WORKING CAPITAL CHANGES</b>	<b>-2,272</b>	<b>-23,022</b>	<b>-24,201</b>
<b>INVESTMENT ACTIVITIES</b>			
Shareholder contributions	-21,825	-2,774	-24,496
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>-21,825</b>	<b>-2,774</b>	<b>-24,496</b>
<b>FINANCING ACTIVITIES</b>			
New share issue	3,390	4,170	1,350
Emission costs	-57	-132	-132
Warrant premiums	362		2,820
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>3,695</b>	<b>4,038</b>	<b>4,038</b>
<b>CASH FLOW THIS PERIOD</b>	<b>-20,402</b>	<b>-21,758</b>	<b>-44,659</b>
Liquidity at the beginning of the period	48,987	93,646	93,646
<b>LIQUIDITY AT THE END OF THE PERIOD</b>	<b>28,585</b>	<b>71,888</b>	<b>48,987</b>

# Risks

Bio-Works operations and market are subject to a number of risks which entirely or partially are out of the company's control, but which influence or may influence Bio-Works business, financial position and result. These risks are described below in no particular order and without guarantee that they are all-encompassing.

## **Business risks**

Bio-Works is in a commercialization phase which creates risks that sales revenues may vary sharply from quarter to quarter. This is due to the relatively small number of large customers who have demands which are difficult to forecast. When the number of large customers increases, this variability will decrease.

Bio-Works' manufacturing operations are subject to environmental controls and reporting requirements according to environmental laws which means that Bio-Works is exposed to the risk of being held responsible financially to rectify, sanify or investigate environmental issues. Bio-Works maintains a permit for handling flammable chemicals.

## **Financial risker**

The company's assessment is that the company's operations are financed sufficiently to breakeven in 2024 without the need for additional capital.

## **The war in Ukraine**

The geopolitical situation in Europe has worsened quickly as a result of the war in Ukraine. Currently, it continues to be very difficult to summarize the potential consequences, but there is a risk of affecting the company's sales in both the short- and long-term. For example, a slowdown of economic growth in Europe or even globally is possible, as are logistical challenges and increased prices for raw materials and freight.

# The Board's declaration

The Board of Directors and the CEO assure that the interim report, to the best of their knowledge, provides a true and fair view of the Parent Company and the Group's operations, position and results and describes the most significant risks and uncertainties that the Parent Company and its subsidiaries face.

Uppsala 18 August 2023

Peter von Ehrenheim	Chairman of the board
Kirsti Gjellan	Board member
Johan Sedihh	Board member
Peter Nählstedt	Board member
Jonathan Royce	CEO

This report has not been reviewed by the company's auditor.

This English translation is unofficial and is provided for convenience.

## **Certified Advisor**

FNCA Sweden AB, +46(0)8-528 00 399, [info@fnca.se](mailto:info@fnca.se), is the Company's Certified Advisor at Nasdaq First North Growth Market, Stockholm

## **Financial calendar**

Year-end report 2023

19 February 2024

All reports are available on the Bio-Works website from the specified date.

For further information

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