Annual Report 2023

bioporto

BioPorto A/S
CVR-no: 17500317

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Letter to our Stakeholders

Reflecting on 2023, the most important milestone for BioPorto was undoubtedly the FDA clearance received in December for NGAL (ProNephro AKI™ NGAL) for pediatric and young adult use. The NGAL test is designed to help doctors identify intensive care unit (ICU) patients at risk of developing acute kidney injury (AKI) earlier than current standard care, which allows for prompt intervention and saving lives. The FDA clearance is a major proof of concept and defining for the future of BioPorto.

The process leading up to FDA clearance has admittedly been very long, extending over many years, but nonetheless a valuable and educational journey. We have gained significant process know-how and clinical experience which will help us in our pursuit of FDA clearance for adult use and not least with respect to the design of clinical trials and documentation requirements.

Our goal is to submit a clearance application to the FDA in 2026, which will enable us to commence US commercialization of NGAL for adults in 2027. The process to seek FDA clearance for adult use including extensive clinical trials, is estimated to require an investment of USD 15-20m in the period 2024-2026. We intend to raise USD 20m by mid-2025 on Nasdaq Copenhagen through the issuance of new shares to fund this investment and to unlock the total potential of a USD 3bn addressable global market for ProNephro AKI.

In February 2024, we launched our updated strategy plan laying the foundation for our strategic objectives and a detailed action plan for the next 3-5 years. The central elements of our strategy are to secure commercial traction in the US for clinical NGAL testing of pediatric and young adult patients, increase the sales of NGAL for adult use in CE marked countries, continued focus on growing revenue for all products in Europe and initiating and submitting US FDA application for clearance of NGAL for adult use.
We will focus on expanding the use of NGAL for testing pediatric and young adults both in the US and in CE-marked countries. Our commercial sales efforts include boosting awareness via Key Opinion Leaders and Medical Science Liaisons as well as leveraging existing partnerships and build new partnerships with Top5 instrument distributors, combined with our own dedicated and well-connected sales team. At the same time, we have initiated dialogue with KDIGO, which is the leading global organization developing and implementing evidence-based clinical practice guidelines for kidney diseases. The purpose is to have NGAL included in KDIGO's guideline for AKI and to make NGAL part of the new standard care for AKI, which will ensure a much broader exposure and volume. The guidelines were last updated in 2012 and typically, clinical practice will have changed well before the guidelines are updated. In general, biomarkers are expected to play a central role in standard care guidelines in future.

An important element in our commercialization plan is to expand the portfolio of instruments that are FDA cleared for NGAL use in order to enable more laboratories to implement the test and hence increase the serviceable market. The first step was to expand our global cooperation agreement with Roche in February 2024 to include additional analyzers. We plan to engage in more strategic distribution partnerships with more leading instrument manufacturers in the coming years.

Our 2023 results showed a total revenue of DKK 31m (USD 4.5m) deriving from our antibodies product line as well as from NGAL for research use only in the US, and for general use in Europe, Canada, Israel, South Korea and other markets where the test is CE marked. In 2023, we maintained tight control over costs and adjusted the organization to the leanest possible structure whilst awaiting the outcome of the FDA application.

In 2024, our target is to achieve a 30% revenue growth with total revenue of DKK 40m (USD 6m). Growth will be driven by increased sales of NGAL through our distribution agreement with Roche and is expected to be back-end loaded, as US clinical commercialization will commence in the second half of 2024. We expect an adjusted EBITDA loss in the range DKK 75-90m (USD 11-13m loss) in 2024 due to higher marketing costs for NGAL in the US and increased costs related to clinical trials for adult use.

Looking towards 2026, revenue from sales of NGAL for pediatric and young adult use is expected to be our strongest revenue growth driver. Our target is to reach total revenue of USD 15-25m and become cash flow positive and EBITDA neutral by 2026 if we meet the high end of our revenue target. Following a potential FDA clearance of NGAL for adult use in the US, our ambition is to reach USD +100m in revenue with increased profitability by 2029.
Since BioPorto is now effectively changing status from a pure research-based company to a growth company, we need different competences in the management team. I have been tasked with the position as CEO and in close co-operation with the Board of directors, we will seek to build an organization and establish a strong management team with a profound understanding of in vitro diagnostic that can lead the business in the early phases of commercialization and towards FDA clearance of NGAL for adult use in 2026.

Peter Mørch Eriksen
Chief Executive Officer

BioPorto's Strategy

Vision

BioPorto is **an IVD (in vitro diagnostic) company** focused on developing actionable biomarker tests designed to help clinicians detect the onset of disease states and help direct appropriate therapies.

BioPorto applies its **expertise in test development and antibody** to create a pipeline of novel and compelling products that focus on conditions where there is **significant unmet medical need**, and where its tests may help to improve clinical and economic outcomes for patients, providers, and the healthcare ecosystem.

BioPorto helps healthcare providers improve patient management and outcomes with tests that provide early and specific insights into significant clinical conditions.

BioPorto aspires to be **a world leader in diagnostics that improve kidney health**.

Strategy: Unlocking a USD 3bn addressable market potential for NGAL Tests

The vision is supported by a 5-year strategy plan adopted by the Board of Directors and launched on 22 February 2024 with the target to unlock a total estimated global addressable market potential for NGAL Test of USD 3bn.

Based on the achievement of FDA clearance for ProNephro AKI™ NGAL in US for pediatric and young adults (3 months – 21 Years of age) in December 2023, BioPorto is effectively changing status from a diagnostic innovator and a research-based company to a growth company, as reflected in the new strategy plan for 2024-2029.

From diagnostic innovator to profitable growth company

The three core elements of the strategy are to:

1) Expand the use of ProNephro AKI™ NGAL Tests in US for pediatric and young adults (Growth driver 2024-2026)
2) Increase sales of NGAL Tests for adults in CE mark countries (Growth 2024-2026)
3) Initiate and submit US FDA application for ProNephro AKI™ NGAL Test for adults (Growth 2027-2029)

1. Expand the use of ProNephro AKITM NGAL Tests in US for pediatric and young adults (Growth driver 2024-2026)

Commercial strategy

With the FDA clearance for US marketing of the test for pediatric and young adults successfully received in December 2023, the primary focus in 2024 is to prepare and execute the US commercial launch of ProNephro AKI™ NGAL for pediatric and young adults, leveraging the distribution agreement with Roche Diagnostics GmbH (Roche) on the Roche Cobas® c 501 analyzer.

BioPorto's initial focus with The NGAL Test is in the pediatric intensive care (ICU) setting, followed by expansion into new settings such as nephrotoxicity (toxicity in the kidneys) monitoring and testing in emergency departments (ECU).

The primary target accounts and customers for BioPorto' s commercial activities are nephrologists, cardiologists, intensivists and laboratory directors at large hospitals and centers.

The commercial strategy for the pediatric launch of the NGAL Test has three focus areas:

• **Peer-to-peer education**: Leveraging KOLs and other experts to describe the value of using NGAL in daily practice to other doctors through grand round presentations, events, webinars, testimonials, and presentations at scientific meetings.
• **Medical Science Liaisons (MSLs)**: Having a dedicated MSL team is critical to furthering deep clinical discussions with doctors. This team will consist of professionals with pediatric and adult ICU experience, who can engage in scientific discourse on the use of NGAL in the medical management of Acute Kidney Injury (AKI). This team will provide step-by-step tools to guide hospitals' implementation of new NGAL test-based kidney biomarker programs.
• **Clinical sales representatives**: A dedicated sales team with clinical experience allowing BioPorto to engage with doctors at prospective accounts and have detailed clinical discussions about the product and its use and connect prospective customers with reference customers who are champions of The NGAL Test. This sales team will also help to ensure alignment and buy-in among all decision makers in the hospital system.

In addition to the increased marketing and sales activities, BioPorto has initiated a dialogue with KDIGO (Kidney Disease: Improving Global Outcomes), the leading global organization developing and implementing evidence-based clinical practice guidelines in kidney disease, to pursue including ProNephro AKI (NGAL), which is the first AKI biomarker test cleared for pediatric and young adult use in the US, in KDIGO's highly important guidelines for AKI.

Instrument expansion

An important element in BioPorto's commercialization plan is to secure expansion of instruments that are FDA cleared for ProNephro AKI (NGAL) use to enable more laboratories to implement the test and hence increase the serviceable market. In February 2024, BioPorto expanded the global cooperation agreement with Roche to include the Cobas c 503 analyzer in addition to the Cobas c 501 and c 502 analyzers.

In 2025 and 2026, BioPorto plans to engage in more strategic distribution partnerships with additional leading instrument manufacturers e.g. Siemens, QuidelOrtho, Bekcman, and Abbott to enable the use of ProNephro AKI (NGAL) on their platforms, following completion of the necessary technical and clinical requirements.

Following the first FDA approval, the Company can conduct validation work and file to expand the marketing authorization to include additional instruments. These subsequent submissions will be filed as 510(k) applications and can use existing pediatric samples for instrument expansions and adult clinical trials for specified adult populations. With the first approval of the NGAL Test serving as a predicate device referable for future submissions, it is anticipated that the regulatory review cycle should be less time intensive.

In CE mark countries, the focus up until now has been on adult use, and now the focus will be expanded to include the pediatric and young adult testing market by leveraging existing partnerships and the data upon which the FDA clearance in the US was given.

	2024 – June 2025 1 Phase I	July 2025 –December 2026 2 Phase II
Go-to-Market Model	• Direct sales to ICU • Distribution via partnership with Roche to pediatric ICU • RUO* sales in pediatrics and adult	• Direct sales to pediatric clinics and hospitals • Indirect sales via partnership with Roche • Distribution via new instrument partnerships • Direct RUO* sales
Target customers	**Target Accounts:** Large ped hospitals/centers **Target customers:** Nephrologists; Cardiologists; Intensivists; CV Surgeons; Laboratory directors	**Target Accounts:** Large integrated hospital centers; Mid-size ped hospitals **Target customers:** Nephrologists; Cardiologists; Oncologist Intensivists; CV Surgeons; Laboratory directors
US sales organization & Partners	• Add Sales reps • 1 distribution partnership	• Ramp up Sales Organization • Add distribution partnerships
US serviceable obtainable market	• USD ~20 million in serviceable obtainable market	• USD ~30 million in serviceable obtainable market

2. Increase sales of NGAL Test for adults in CE mark countries (Growth driver 2024-2026)

The NGAL Test is currently available for In Vitro Diagnostic (IVD) (testing of samples taken from the human body) use in Europe and other geographies under its CE mark for all patient populations, disease states, and instruments.

The FDA clearance for using the test in Pediatric and young Adults and leveraging already existing clinical experience from US and South Korean hospitals, will help the company facilitate initiation of clinical use in European hospitals. Combined with the Company's global marketing organization, BioPorto's executive team will focus on activities to drive market adoption in targeted European markets, including extensive market education on AKI and the value of testing for NGAL, while also strengthening the distribution sales channels.

BioPorto will work towards driving market adoption by expanding its commercial and medical affairs organization, investing in distributor education in Europe, and by expanding distribution partnerships.

BioPorto currently generates revenue from The NGAL Test for research use only (RUO) in the US and EU, and for general use in (EEA) The European Economic Area, Canada, Israel, South Korea and other markets under the CE mark.

In Europe, new EU regulation related to in vitro medical devices (IVDR) has been adopted and entered into force in May 2022. The regulation will replace the current CE mark for in vitro medical devices. The deadline for applying with IVDR has been postponed several times and is now expected in 2026. BioPorto will take the necessary steps to apply in due time and expect that the experience gained through the application for FDA clearance for ProNephro™ AKI NGAL for pediatric and young adult use, and the FDA clearance itself, will facilitate the process. The new regulation focuses on a new classification of IVDs into four risk classes, a more precise description of their analytical and clinical performance, more stringent requirements for the conduct of clinical trials, more precise execution and planning of post market surveillance, as well as better traceability of IVDs and more transparency for patients. Commercially, IVDR approvals may help to drive demand as the lower requirements for clinical evidence of the former IVDD regulation, may have caused physicians to wait for better data for approval of specific tests and indications before considering clinical use.

3. Initiate and submit US FDA application for ProNephro AKITM NGAL for adults (Growth driver 2027-2029)

Following the successful pursuit of FDA clearance for ProNephro AKI (NGAL) in pediatric and young adult patients for ICU risk assessment, BioPorto believes it has the experience and skills to obtain similar clearance for adults. BioPorto is designing clinical trials for this purpose. The literature review has been completed, KOLs have been engaged and biostatisticians are being onboarded to move into protocol draft completion. Patient enrolment will be initiated in 2025. The goal is to submit a clearance application to the FDA in 2026. This could enable US commercialization of ProNephro AKI for adult use in 2027.

The pediatric and young adult indication includes patients from 3 months up to the age of 21. Therefore, adult hospitals that also care for patients aged 18 to 21 are expected to provide a bridge to the adult ICU market, as the laboratories in these hospitals will already be able to run NGAL Tests, and adult-focused physicians will be able to refer to their pediatric colleagues as to their experience with the NGAL Tests clinically. BioPorto anticipates this will accelerate NGAL Test adoption in the adult market with prospective FDA approval of NGAL following the design and completion of one or more corresponding, necessary clinical trials.

Products and Pipeline

NGAL – an actionable biomarker for AKI

Acute Kidney Injury is the abrupt loss of kidney function that develops rapidly over a few hours or days. It typically occurs as a complication of another serious illness or intervention, such as cardiac surgery, mechanical ventilation, solid organ or stem cell transplants, or sepsis, or the administration of nephrotoxic pharmaceuticals. The incidence of AKI in critically ill patients is growing from 2000-2014, the US saw a 230% increase among non-diabetics, and a 139% increase in patients with diabetes.

While AKI symptoms may include decreased urinary output, swelling due to fluid retention, nausea, fatigue, and shortness of breath, AKI is often painless and starts without symptoms. As such, it is very difficult to diagnose. AKI affects 13.3 million people per year worldwide with a 52% community acquired rate and with 48% of cases acquired during hospital stays. Among patients that are hospitalized, 1 in 5 adults, and 1 in 4 children will acquire AKI.

The onset of AKI in hospitalized patients increases the likelihood of mortality by 25%.

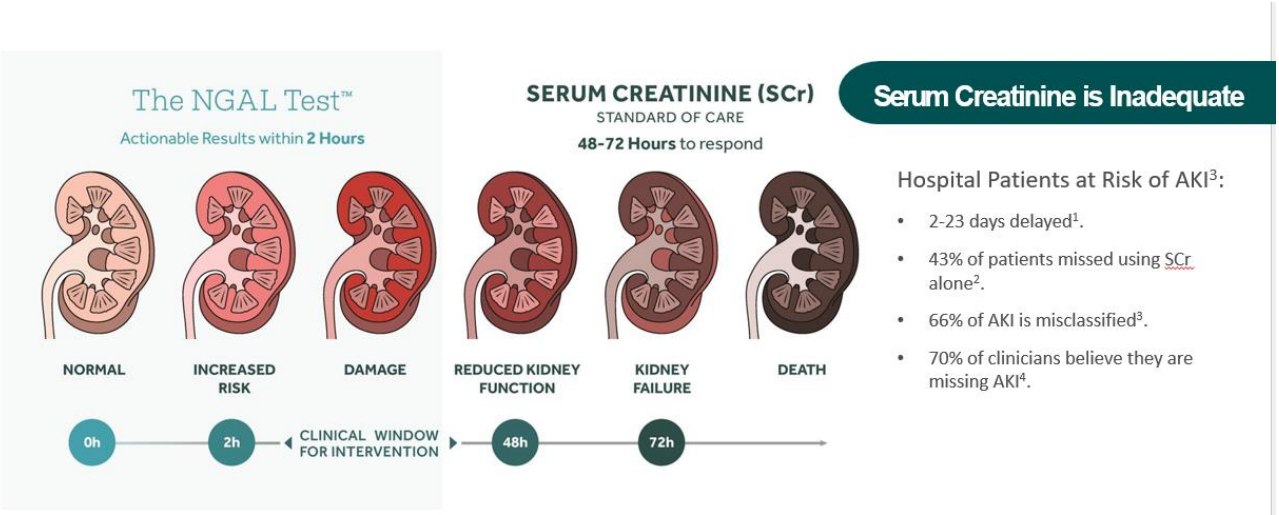
However, to preserve kidney function, it is essential that patients at risk for AKI are detected early and managed promptly. If not diagnosed early, AKI can progress to Acute Kidney Disease (AKD) and eventually to Chronic Kidney Disease (CKD). Patients who develop AKI also have increased risk of other comorbidities and longer hospital stays. When AKI is diagnosed early enough, preventive, or therapeutic procedures can be taken to maintain or restore full functionality.

It is similarly important to identify patients that are not at risk of AKI so inappropriate prophylactic treatment such as dialysis or aggressive fluid management therapies can be employed where more conservative treatment paths might have otherwise been undertaken.
BioPorto's NGAL Tests are designed to help clinicians identify the level of NGAL, a biomarker that rapidly rises within the first 2 hours of the onset of AKI.

The NGAL Test

The NGAL Test is a particle-enhanced immunoassay (biochemical test) that measures the concentration of NGAL in humans. It uses an analytical method that can run on automated clinical chemistry systems such as the Roche Cobas®, Siemens Atellica®, and Abbott Alinity® families of instruments that are used routinely in hospital core laboratories and fits seamlessly into established test workflow in laboratories. This facilitates laboratory adoption of the test and potential market penetration. The NGAL Test does not require any proprietary instrumentation or capital purchase arrangements by the customer that could otherwise add months to the sales cycle.

As illustrated below, The NGAL Test identifies the risk of damage to the kidney as quickly as two hours after insult to the kidney, whereas the current standard of care, serum creatinine (sCr), identifies potential kidney dysfunction after 48 to 72 hours and after >50% of total glomerular filtration capacity (the first step in creating urine where excess fluid and waste products are filtered out of the blood via the kidney) is already lost.



This difference in both speed and more specific risk of kidney injury is important for clinical patient management, as early detection of kidney damage can permit earlier and more tailored approaches such as close control of fluid levels, heightened attention to nephrotoxic drfinanugs, and consideration of renal replacement therapy. Used in conjunction with measurement of serum creatinine (sCr) levels, even more tailored therapy decisions can be considered.

Each of these can be initiated to improve the chances of kidney recovery. Also important, the NGAL Test identify patients that are not at risk of AKI which, together with clinician judgement, can also influence decisions as to appropriate therapy.

ELISA Kits and Antibodies

BioPorto's existing revenue-generating product line includes a library of highly specific monoclonal antibodies for scientific, pharmaceutical, and clinical research. This library includes specific antibodies for NGAL and other analytes in areas such as allergy and immune system disorders. BioPorto also provides in-house scaled-up production of custom antibodies in bulk volumes to meet specific customer needs, such as for diagnostic kit manufacturers.

BioPorto offers NGAL ELISA kits (Enzyme-Linked ImmonuSorbent Assay) for research applications in humans (CE marked) and six additional animal species, ranging from mouse to monkey. These NGAL ELISA kits target different forms of NGAL and help scientists bridge their development work from preclinical study through clinical development.

These research tools are often used to investigate nephrotoxicity (rapid deterioration in the kidney function due to toxic effect) and/or effectiveness during the development of new pharmaceutical compounds.

BioPorto does not intend to actively develop new ELISA kits or seek FDA approval for ELISA kits. However, it will continue to include ELISA kits as part of its product offering, as these kits may serve as research tools that could evolve into future products in the form of FDA cleared or approved actionable biomarkers.

Proprietary rights

Through its research and development activities, BioPorto has developed expertise in the development of research and diagnostic assays to detect analytes present in various disease states. The Company's antibodies and other aspects of its diagnostic products are proprietary and fundamental to the Company's business. While BioPorto considers its intellectual property rights to be valuable, the Company does not believe that its competitive position in the industry depends solely on obtaining legal protection for its diagnostic products and technology. Instead, BioPorto believes that the success of its business also depends on the Company's ability to commercialize its current and future products, as well as maintaining a reputational leadership position in relation to NGAL by continuing to develop innovative antibodies and diagnostic products utilizing the NGAL biomarker and other health related biomarkers, including for kidney health.

Registration

For a diagnostic product to be marketed for clinical use, it must undergo a registration process with the Health Authorities in each country and/or region. The NGAL Test is CE marked in the EU as an IVD biomarker for AKI; certain countries outside of the EU recognize the CE mark. The NGAL Test is also registered in and/or has received regulatory approval for IVD use in several other countries.

The NGAL Test has received FDA clearance in the US for the ProNephro AKI™ NGAL Test for pediatric and young adult use (ages 3 months through 21 years) on the Roche Cobas® c 501 analyser.

A total global addressable market of USD 3bn

BioPorto believes that the global addressable market for The NGAL Test is approximately $3 billion.

The total addressable market opportunity in the US is estimated at USD 1.2bn annually for all potential applications including outpatient monitoring equivalent to around 40% of the global market, while the total addressable market opportunity in Europe is estimated at USD 1bn.
The global addressable market for adult use of the NGAL Test is estimated at USD 2.8bn annually, while the global market for NGAL Test for pediatric and young adult use is estimated at USD 150-200m annually. The global addressable market for NGAL is estimated to grow at a CAGR of 3.5%-5.5% over the next 5-6 years[1].

The overall research antibodies market is expected to grow at a CAGR of approximately 6-7% from USD 10bn billion in 2020 to approximately USD 14bn by 2025, as these are critical components in life sciences research. BioPorto is tapping into this market via its antibodies business and ELISA kits.

Financial aspirations 2024-2029

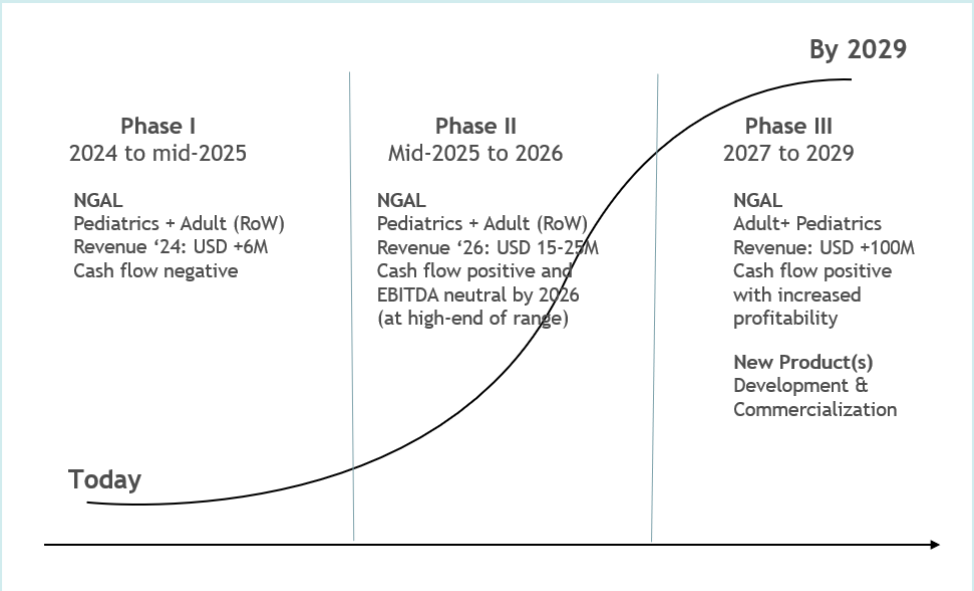
BioPorto expects that the US market for testing pediatric and young adult patients with the FDA-cleared ProNephro AKI (NGAL) will be the strongest contributor to growth for BioPorto through 2026.

BioPorto also believes that success in the US market will drive use of NGAL for testing pediatric, young adult and adult patients throughout the rest of the world. As a result, BioPorto's target is to reach total revenue of USD 15-25m by 2026. Revenue at the top of this range could enable BioPorto to become cash flow positive and EBITDA neutral by 2026.

Following a potential FDA clearance of ProNephro AKI (NGAL) for adult use in the US, BioPorto's ambition is to reach and exceed USD 100m in revenue with increased profitability by 2029.

While commercialization of the NGAL Test will be the primary contributor for growth, BioPorto expects a stable revenue from its existing antibodies business.

Financial aspirations 2024-2029



Capital requirements 2024-2026

To maximize BioPorto's growth and value creation potential, the company is investigating opportunities to bolster its financial position.

The FDA clearance of ProNephro AKI for pediatrics / young adults was a major milestone, allowing marketing in the world's largest IVD market. To unlock the USD 2.8bn adult market, BioPorto will be seeking FDA clearance for adult use which is estimated to require an investment of USD 15-20m in the period 2024-2026.

During this period through 2026, BioPorto plans to increase its operating costs associated with sales and marketing and in particular associated with R&D with the FDA application process for ProNephro AKI for adult usage in the US. The accumulated adjusted EBITDA loss for the period is estimated to be approximately USD 20-25m, which BioPorto will seek to finance from existing cash and by issuing new shares of approx. USD 20m on Nasdaq Copenhagen in 2024 and 2025 to current, strategic, and institutional investors to enable the company to exploit the full growth and value creation potential provided by its technology. The board of directors is currently evaluating available strategies with the aim of initiating the first issue in Q2 2024.

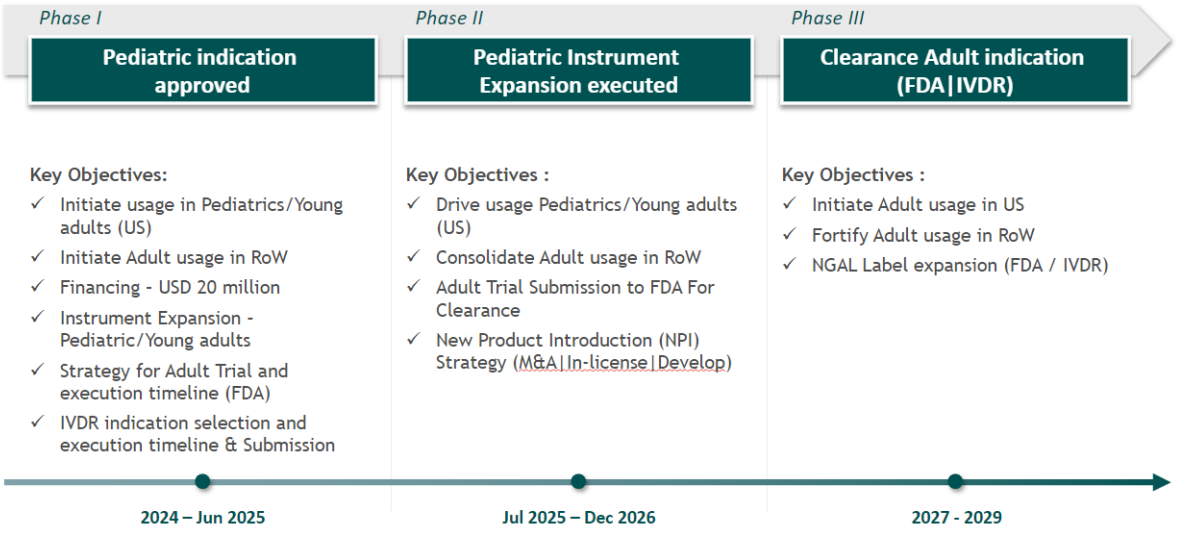
[1]Clinical Diagnostics Market – Size, Overview & Industry Trends, Clinical Laboratory Services Market Size, Share Report, 2030

Outlook for 2024

Expected revenue growth of 30% in 2024

In 2024, BioPorto is targeting a total **revenue of DKK 40m** (USD 6m) which corresponds to a growth rate of 30% compared to 2023. Growth will be driven by increased sales of NGAL products – primarily in the US following the FDA clearance, supplemented by growth in the rest of the world. Revenue is expected to be back-end loaded, as US clinical commercialization of NGAL will commence in the second half of 2024.

For 2024, an adjusted **EBITDA loss in the range DKK 75-90m** (USD 11m to 13m loss) is expected. The higher expected loss results from higher marketing costs for ProNephro AKI (NGAL) in the US, and the cost of new clinical trials to support FDA clearance for ProNephro AKI (NGAL) for adults.



Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) is an alternative measure of performance utilized by management, investors and investment analysts to evaluate and analyze the Company's results. Adjusted EBITDA excludes non-cash share-based compensation and non-recurring costs (e.g., merger and acquisition integration costs).

Adjusted EBITDA is a non-IFRS financial measure that does not have a standard meaning prescribed by IFRS and may not be defined and calculated by other companies in the same manner and thus may not be comparable with such measure.

Consolidated Financial Highlights

DKK million (except where noted)	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31	2021 Jan 1 – Dec 31	2020 Jan 1 – Dec 31	2019 Jan 1 – Dec 31
Revenue	31.0	29.0	24.3	23.2	26.6
Gross profit	20.2	19.0	15.0	13.3	17.3
Sales and marketing costs	18.9	21.2	17.4	20.8	39.3
Research and development costs	25.4	34.9	30.3	28.1	24.6
Administrative costs	36.0	41.8	32.7	28.0	27.8
Lease impairment	1.0	2.6	-	-	-
Loss before financial items (EBIT)	(61.2)	(81.5)	(65.3)	(63.6)	(74.3)
Financial items, net	(0.0)	(0.0)	1.4	(3.2)	0.1
Loss before tax	(61.2)	(81.5)	(63.8)	(66.8)	(74.2)
Net loss	(56.3)	(75.9)	(57.1)	(61.6)	(69.6)
Comprehensive loss	(55.9)	(76.0)	(58.3)	(59.8)	(70.0)
Adjusted EBITDA	(56.1)	(67.3)	(62.0)	(54.3)	(68.3)
Non-current assets	7.5	7.2	17.1	15.5	8.2
Cash and cash equivalents	66.4	81.8	45.5	107.9	18.1
Current assets	82.3	101.4	64.2	124.8	34.5
Total assets	89.8	108.6	81.3	140.3	42.7
Equity	60.2	70.2	46.0	100.9	25.3
Non-current liabilities	4.3	7.4	10.5	8.4	2.5
Current liabilities	25.4	31.0	24.8	30.9	14.9
Total equity and liabilities	89.8	108.6	81.3	140.3	42.7
Cash flows from operating activities	(55.5)	(52.5)	(64.6)	(35.6)	(60.2)
Cash flows from investing activities	(0.3)	(0.5)	(0.4)	(1.5)	(2.1)
Of which investment in property, plant, and equipment	(0.0)	(0.4)	(0.1)	(1.3)	(0.6)
Cash flows from financing activities	40.8	88.7	1.1	127.0	33.6
Net cash flows	(14.9)	35.7	(63.9)	89.9	(28.6)
Revenue growth	7%	19%	5%	(13%)	2%
Gross profit percentage	65%	66%	62%	57%	65%
Equity ratio (solvency)	67%	65%	57%	72%	59%
Average number of employees	31	32	29	28	34
Number of shares at the end of the period (1,000)	379,670	334,693	267,754	266,582	174,944
Loss per share (EPS), DKK	(0.16)	(0.24)	(0.21)	(0.30)	(0.41)
Net asset value per share, period-end, DKK	0.16	0.21	0.17	0.38	0.14
Share price, period-end, DKK	2.09	2.32	2.47	4.04	2.93

: Loss per share (EPS) is calculated in accordance with IAS 33 “Earning per share”. Other financial ratios have been calculated as shown in the Financial Ratio section below.

Reconciliation of Adjusted EBITDA					
Loss before financial items (EBIT)	(61.2)	(81.5)	(65.3)	(63.6)	(74.3)
Depreciation and amortization	2.7	4.0	4.3	4.0	2.9
Share-based compensation expenses	1.4	7.6	(1.0)	5.3	3.1
Lease impairment	1.0	2.6	-	-	-
Adjusted EBITDA	**(56.1)**	**(67.3)**	**(62.0)**	**(54.3)**	**(68.3)**

Non-IFRS Financial Measure

In the Annual Report, BioPorto discloses a financial measure of the Group's financial performance that reflects adjustments to the most directly comparable measures calculated and presented in accordance with IFRS. This non-IFRS financial measure may not be defined and calculated by other companies in the same manner and may thus not be comparable.

The non-IFRS financial measure presented in the Annual Report is Adjusted earnings before interest, taxes, depreciation, and amortization (Adjusted EBITDA).

Adjusted EBITDA is an alternative measure of performance utilized by management, investors, and investment analysts to evaluate and analyze the Company's results. Adjusted EBITDA excludes non-cash share-based compensation and non-recurring costs (e.g., merger and acquisition integration costs and Right-of-use lease asset impairment charges), if any. We believe that earnings exclusive of non-cash and non-recurring costs is a key indication of how a company is progressing from period to period and that the non-IFRS financial measure Adjusted EBITDA is useful to investors, lenders, and other creditors because such information enables them to better understand earnings exclusive of non-cash and non-recurring costs from period to period. However, we also believe that Adjusted EBITDA data has limitations, particularly as non-cash and non-recurring costs could significantly impact our performance. We caution the readers of this report to follow a similar approach by considering data on Adjusted EBITDA only in addition to, and not as a substitute for or superior to, EBIT or net income or loss in accordance with IFRS.

Risk Management

Risk management is an integral part of BioPorto's operations. The Company identifies material risks that could affect revenues, development, production, future performance, regulatory affairs, or the interests of the shareholders in order to run the Company effectively.

All departments in the Company participate in the identification and assessment of financial and operational risk factors in order to address them properly. Risk Management is part of the Rules of Procedures for the Audit Committee. The Board of Directors receives updates and recommendations on initiatives, which then form part of the Board's overall assessment and decisions on the Company's activities and future plans.

In 2024, primary risks include commercialization of ProNephro AKI in the USA, instrument expansion, initiation of adult indication study, working towards future IVDR compliance, securing market adoption and continued growth in NGAL revenues including in regions where CE Mark is accepted, and attracting new talent and retaining qualified personnel in a competitive environment.

Risk Factors

Expectations and assumptions in the annual report concerning BioPorto's business – the market for diagnostics in AKI, antibodies, and ELISA kits – and the Company's revenue, accounting results, and market share are subject to substantial uncertainty. There is no guarantee that the Company as a whole or in part will achieve its expectations for revenue, Adjusted EBITDA, or the profit/loss for the year. Key risks that are specific for the Company that, among others, could cause the Company's results, prospects, and financial performance to differ materially from those expressed forward-looking statements are:

- The Company's products and future products may fail to achieve the degree of market acceptance by physicians, laboratory management, healthcare payors and others in the medical community necessary for commercial success and market penetration may be lengthy and difficult. The mitigating actions are having trained Commercial and Medical Liaison personnel, HEOR and reimbursement dossiers to payers and institution administration, IIS programs for publication on NGAL protocols and KDIGO Guideline public responses.

- Timing of future clinical trials depends on many factors outside of the Company's control, including regulatory pathways and their conditions associated with submissions presently under review that will serve as predicates to other submissions, the impact of future potential pandemics, wars and other events, each of which may impair the Company's ability to complete clinical trials in a timely manner or at all. The mitigating actions are alignment with competent CRO, having internal R&D talent that can effectively and efficiently manage future clinical trials and bring to regulatory bodies for required clearance and approvals. See public health epidemics, pandemics or outbreaks below.

- A failure to successfully commercialize NGAL tests for pediatric and later adult uses would have a material adverse effect on the Company's prospective future revenues, future growth prospects, future cash-flows and future results of operations. The mitigating actions are key partner negotiations and commercial enablement, current lab customer case stories and peer-to-peer support and new product considerations.

- The product benefits of NGAL tests may not demonstrably provide a clinical and economic case to drive market adoption, including until the Company completes a direct health economics and outcomes study of such factors. The mitigating actions are recent FDA clearance of ProNephro AKI (NGAL) which creates a new market in the US and synergies for rest of world revenue growth opportunities.

- Public health epidemics, pandemics or outbreaks, such as COVID-19 could adversely impact the Company's business, future financial position, timeline, results of operations and future growth prospects. The mitigating actions are constantly monitoring news, medical outlets and other media to be informed of new epidemics, pandemics or outbreaks to take the necessary steps to protect our entire community and stakeholders.

- The Company's future success depends in part on its ability to attract and retain its management team and key employees. The mitigating actions are to challenge existing employees with meaningful work growth opportunities and use of tools such as LinkedIn and other forums to market new job opportunities and exciting endeavors at BioPorto.

- The Company's products and future products are complex to manufacture, and the Company may encounter difficulties in manufacturing that could have a material adverse effect on the Company's revenues, cash flow, results of operations and future growth prospects. The mitigating actions are having in-house qualified production leadership and personnel connected to R&D, regulatory, quality assurance and external insights regarding manufacturing of complex products.

- The manufacture of the Company's products is dependent on the supply of raw materials and key components from suppliers, some of which are sole source suppliers for the Company. The mitigating actions are developing, at a minimum, dual source supply for critical raw materials and components.

- Several patents used by the Company will expire in the near term, which may lead to increased competition and materially adversely affect the Company's business, financial condition, results of operations and prospects. The mitigating actions are creating new intellectual property and new product introductions.

- The Company operates in a highly regulated industry, and changes in regulations or the implementation or enforcement of existing regulations could have a material adverse effect on the Company. The mitigating actions are having regulatory intelligence and compliance execution.

- To realize its strategic objectives, the Company will require additional capital to fund its operations, which may not be available to the Company on acceptable terms or at all. The mitigating actions are financing strategy and plan exist to generate investor interest and potential participation.

- The Company has incurred net losses and may continue to do so. The mitigating actions are a multiyear financial strategy and plans created to achieve positive cash flows in mid-2026.

Other short-to-medium-term uncertainties include, but are not limited to the following:

- The ability to obtain the Freedom to Operate in commercially relevant markets. The mitigating actions are Freedom to Operate analysis created for The NGAL Test and ProNephro AKI.

- The ability to prevent competing companies from having Freedom to Operate in commercially relevant markets and general competition. The mitigating actions are to create new intellectual property and new product introduction. Performance and dependence of the Company's subcontractors; most significantly Contract Manufacturing Organizations and Contract Research Organizations. The mitigating actions are to ensure that alternative suppliers are identified for critical subcontractors.

- Clinical development and results from pipeline projects. The mitigating actions are to invest in development pipelines, communication with customers and create new intellectual property.

- Cyber-attacks. The mitigating actions are MFA, device recognition, data recovery processes, phishing awareness, training programs, IT security through Company's IT suppliers and cyber security insurance.

- Risks relating to trade receivables and inventory. The mitigation actions are low expected credit losses and plans to expand key inventory suppliers.

- Changes in the USD exchange rate, capital markets, and the costs of financing, and their impact on the free liquidity, future revenue and net finances. The mitigating actions are a natural hedge for portions of the USD denominated expenses by invoicing part of the customer portfolio in USD and FDA cleared product has potential for meaningful revenue growth and achievement of future positive free cash flows. See Note 17 for further specification.

- Tax risks. The mitigating actions are the use of tax experts as deemed appropriate for compliance with local laws and regulations.

- Risks related to IT in general. See Cyber-attacks above.

The Company's risks further include the ability to enter into collaborations with partners for development, manufacturing, marketing and financial resources. There are additional risks related to sales contracts and the related production and logistics.

Currency risks include the risk arising from sales and production contracts being denominated in currencies other than Danish kroner. Contracts are primarily in USD and EUR.

Revenues and contracts are still relatively modest and thus the Company is not hedging its USD exposure. However, the Company is monitoring its USD exposure and will be ready to use financial instruments to hedge this exposure if the need arises. Based on its transaction volume, the Group has determined not to hedge its USD exposure. As the Danish kroner is pegged to the EUR, hedging of the Company's transactions in EUR is not necessary.

To the extent these risk factors are within the Company's control, the Company seeks to address them in the ordinary course of business.

Internal controls

The Board of Directors and the Management of BioPorto are responsible for the Company's control and risk management in connection with the financial reporting process, including compliance with rules and regulations that are relevant in reporting.

The Board of Directors has established an Audit Committee that reviews and discusses the accounting and audit practices with the Company's auditors and Management in accordance with the Rules of Procedures of the Audit Committee.

The annual audit and reporting process includes detailed planning of individual tasks and planning by finance based on an audit strategy approved by the Audit Committee.

At least annually, the Audit Committee evaluates the risks connected with the financial reporting process, including the presence of internal controls and guidelines. The Audit Committee assesses the Company's organizational structure, including the risk of fraud and the measures to be taken to reduce

and/or eliminate such risk. In that regard, any incentive or motivation of Management to manipulate earnings or perform any other fraudulent action is discussed.

The Company's internal controls and guidelines provide a reasonable but not an absolute certainty that unlawful use of assets, loss and/or significant errors or deficiencies in relation to the financial reporting process can be avoided. The Board of Directors has not instituted an internal audit function at BioPorto, based on its assessment that the Company's size and complexity do not necessitate such a function.

Governance

Corporate Governance

BioPorto remains focused on good corporate governance, having implemented all, except for four recommendations from the Committee of Corporate Governance (Komitéen for god selskabsledelse) for companies listed on the Nasdaq Copenhagen Stock Exchange.

The Board of Directors believes that the Company operates in compliance with guidelines and recommendations that support the Company's business model and can create value for BioPorto's stakeholders.

Regularly and at least once a year, the Board of Directors monitors adherence to the recommendations on corporate governance in order to ensure appropriate utilization of and compliance with the recommendations and legislation.

In accordance with Section 107 b of the Danish Financial Statements Act, BioPorto has published a statutory report on Corporate Governance for the financial year 2023 on the **Company's website**.

The Board of Directors

BioPorto is managed in a two-tier structure composed of the Board of Directors and the Executive Management.

The General Meeting elects between three and seven members to the Board of Directors, which currently consists of five members. The Board of Directors elects a chairperson and a vice chairperson. Members hold office for terms of one year at a time and may be re-elected. Members of the Board are nominated and stand for election based on their specific qualifications and experience relevant to BioPorto. The Board of Directors is composed to provide a combination of relevant industry experience and functional experience. Not all current Board members are considered independent persons, but the Board of Directors can act independently. Each Board member's qualifications are listed on the Company's website: https://bioporto.com/about-bioporto/.

The Board is responsible for the overall strategic management and the financial and managerial supervision of BioPorto, and regular evaluation of Executive Management. The Board of Directors also ensures that the Company is properly managed as required by the Articles of Association, other guidelines, policies and applicable rules and regulations. Furthermore, the Board of Directors makes decisions on all unusual matters or matters with far-reaching implications. The Board of Directors defines guidelines for the distribution of responsibilities between the Board of Directors and the Executive Management but does not participate in the day-to-day management of the Company. The duties of the Board of Directors are described in the Rules of Procedure.

The Executive Management is appointed by the Board of Directors, which lays down their terms and conditions of employment and the framework for their duties. The Executive Management is responsible for the day-to-day management of the Company in compliance with the guidelines and directions issued by the Board. The day-to-day operations do not include transactions of an unusual nature or of material importance to the affairs of the Company.

As of 31 December 2023, and on the date of the Annual Report, the Board of Directors consists of five board members, of which four are male and one is female. As of the date of this Annual Report, the Executive Management consists of Peter Mørch Eriksen, CEO, who took on the role as CEO in January 2024, due to termination of the former CEO. Peter Mørch Eriksen was the CEO of BioPorto prior to Anthony Pare and has the requisite knowledge and experience to execute his duties in a competent manner. A total of 20 Board meetings were held in 2023: 11 Board meetings were originally planned for in 2023 according to the Boards Annual Schedule and additionally 9 meetings were held following up on the FDA Process and other Company related matters, issuing Warrants, and adopting a capital increase. 11 meetings are initially planned for 2024 in accordance with the Board of Directors' annual schedule, which can be altered at any time to allow for additional meetings, if deemed necessary.

Number of meetings attended by each Board member out of the total number of meetings during 2023:	Board of Directors	Nomination & Remuneration Committee	Audit Committee
Christopher Lindop (Resigned on 27 April 2023)	9/20		
John McDonough	20/20	1/1	4/4
Don Hardison	19/20	1/1	
Michael Singer	19/20		4/4
Jan Leth Christensen (resigned on 4 December 2023)	19/20	1/1	
Peter Mørch Eriksen	20/20		
Ninfa Saunders (Elected on 27 April 2023)	11/20		4/4

Board committees

To support the Board in its duties, the Board has established and appointed the following subcommittees and respective members that are charged with reviewing issues pertaining to their respective fields that are due to be considered at board meetings:

- **Nomination & Remuneration Committee**: Don Hardison*, John McDonough, Peter Mørch Eriksen**
- **Audit Committee**: Ninfa Saunders*, John McDonough and Michael Singer. Mr. McDonough possesses the necessary professional qualifications and experience.

** indicates the independent chair of each committee, ** indicates if the committee member is considered non-independent,*

More information about the committees, including the terms of reference that specify their tasks and responsibilities, are available on the Company's website.

Evaluation of the performance of the Board of Directors and the Executive Management

Annually, the Board of Directors conducts a self-evaluation of the Board's accomplishments and composition. The Chair heads the annual evaluation, which at least every third year is conducted by an external consultant. The process, whether it is facilitated internally or by external consultants, evaluates topics such as board dynamics, board agenda, quality of the material that is submitted to the Board, discussions at the Board meetings, the chair's leadership of the Board, strategy, Board composition and Board competencies. Typically, the process is further facilitated by each Board member completing a detailed questionnaire, and the Board members are asked to score to which extent they agree to the individual questions.

The results of the questionnaire are then discussed at a subsequent Board meeting, and the individual comments submitted are used in the planning and handling of future Board meetings. The 2023 self-evaluation was conducted externally, and the key conclusions were positive with continued satisfaction with the Board's work as well as the work in the committees. Strategic planning and continued optimization of Board meeting efficiency will be focus areas in 2024.

Remuneration policy and report

The remuneration of the Board and the Executive Management is governed by the Company's Remuneration Policy which was updated in 2023 and subsequently approved by the shareholders at the Annual General Meeting in 2023. In accordance with section 139b in the Danish Companies Act, BioPorto has prepared a Remuneration Report on the remuneration of the individual members of the Board and the Executive Management in 2023.

Business Ethics

The Company has established a Code of Conduct that is made available to external stakeholders via the Company's website. Likewise, the Company has established a whistleblower scheme that is available to all employees in the BioPorto Group.

Tax Policy

The Board has adopted a Tax Policy describing the Company's governing principles by which the Company manages its tax affairs. The policy is located on the Company's website: www.bioporto.com/governance.

Data Ethics

In 2023, the Company continued its initiatives to support our continued commitment to maintain strong data ethics. As part of the annual cycle, internal procedures were reviewed and improved, and data protection awareness training activities were carried out for relevant employees. The Board of Directors has adopted a policy on data ethics that is available on the Company's website: www. bioporto.com/governance: https://bioporto.com/wp-content/uploads/2022/04/2022-Data-Ethics-Policy.pdf

Privacy and GDPR (G)

BioPorto focuses on privacy and protection of personal data throughout the Company, covering the data of employees, partners, and other stakeholders. BioPorto has implemented strong measures to protect personal data and comply with the EU General Data Protection Regulation (GDPR) and national personal data protection legislation. BioPorto implemented a Data Ethics Policy.

All new employees received GDPR and data training as part of their introductory program in 2023. In 2024, BioPorto will continue securing its compliance with the above-mentioned policies, and new employees receive GDPR and data training.

Corporate Social Responsibility, cf. Section 99a and 99b of the Danish Financial Statements Act

UN Global Compact

BioPorto is aware of its social responsibility and endeavors to improve its social and environmental conditions. BioPorto adheres to the 10 principles provided by the UN Global Compact, and the latest Communication on Progress, which is available on the Company's website.

In several areas, BioPorto fulfills its responsibility solely by complying with current law, but in other areas, the Company's responsibility has been expanded to include preventive activities for optimizing various conditions. It is important to BioPorto to highlight these efforts vis-à-vis its customers, suppliers, shareholders, other stakeholders, etc., to ensure that the outside world can have confidence in the Company to live up to its social responsibility. Therefore, BioPorto continues its participation in the Global Compact, which identifies ten principles for social commitment as defined by the UN constitute a global frame of reference and are enumerated with commentary, below.

At the same time, through the Group's commitment, it will try to encourage the parties with whom it interacts to consider and shoulder their share of these responsibilities.

Human rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

BioPorto supports and respects internationally recognized human rights. It is imperative for BioPorto to comply with international human rights and labor standards and to work against discrimination. BioPorto is against any form of discrimination and strives to treat all employees and potential applicants equally, regardless of sex, age, ethnicity, disability, attitudes, religion, interests, life philosophy, and personal interests.

BioPorto's compliance in this area is widely covered by its Code of Conduct as well as observance of the national labor and anti-discrimination laws in the countries in which it operates. BioPorto's employees are bound by the Code of Conduct, and the Company is implementing the Code of Conduct into supplier contracts to ensure that the Company's suppliers respect human rights. In their introductory program, BioPorto's employees are trained on human rights and the Code of Conduct. Employees are also trained via the Company's QMS System.

Central to BioPorto's approach is the implementation of a whistleblower scheme in 2023, providing employees with a confidential avenue to report any concerns regarding human rights violations or unethical behavior. This scheme underscores the company's commitment to transparency and accountability, ensuring that all issues are promptly addressed.

BioPorto also conducts clinical trials in a manner that recognizes the importance of respecting research participants while protecting their safety. It does this by applying the highest legal, ethical, and scientific standards, in addition to complying with applicable laws and regulations.

BioPorto's executive management team monitors and evaluates performance annually. Any alleged incidents of human rights abuse will be reported to executive management, who will take prompt action. Zero incidents of human rights violations were reported in 2023. In 2024, BioPorto will continue the same focus as in 2023 through the work performed in the Company's Work Environment Group.

By prioritizing the well-being and rights of its employees, the company demonstrates its dedication to corporate responsibility and ethical leadership.

Looking ahead to 2024, BioPorto remains unwavering in its commitment to upholding human rights. The Work Environment Group at the Danish enterprise will continue its diligent efforts to enforce policies that promote a safe, inclusive, and equitable workplace environment.

Labor rights

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labor;
5. the effective abolition of child labor; and
6. the elimination of discrimination in respect of employment and occupation.

Danish and American traditions, culture and laws mean that labor rights are naturally supported and complied with by BioPorto, both in Denmark and the United States. BioPorto has no external suppliers in countries that are known for the use of child labor or forced and compulsory labor, and BioPorto deems that there is a very low risk of this taking place in areas where BioPorto might be expected to operate. BioPorto has established a Code of Conduct covering

the above. BioPorto employees are bound by this Code of Conduct, and the Company is continuously implementing the Code of Conduct into supplier contracts to ensure that suppliers comply with these labor rights. BioPorto actively supports and respects human rights and labor standards, and it provides a safe and healthy working environment for its staff that includes opportunities for professional and personal development.

The BioPorto group has fair and equal employment terms and working conditions, including equality and non-discrimination. BioPorto's employee handbook covers policies concerning employee rights. BioPorto considers employee safety and health to be among its highest priorities and consistently work to maintain a safe and healthy work environment with procedures in placeto mitigate risks and promote well-being. Both physical and mental aspects of the work environment are diligently monitored and refined by the Work Environment Group and the Management Team to minimize the likelihood of accidents, injuries, or illnesses. Comprehensive training programs conducted on site and through external training equip employees with the necessary skills to handle hazardous materials and chemicals safely.
In the event of any breaches of labor standards, BioPorto has established reporting channels where such concerns can be escalated to executive management for thorough investigation and resolution. By maintaining a commitment to compliance and continual improvement, BioPorto strives to foster a work environment where every employee feels valued, protected, and empowered.

BioPorto monitors and evaluates performance yearly by looking at work related injuries, employee related cases with a union. During 2023 BioPorto had zero employee-related cases with unions and zero work related injuries otherwise recognized and reported through the Work Environment Group, the Whistleblower Hotline and the management teams' day to day engagement with the work force.

The implementation of the Whistleblower Hotline in 2023 at BioPorto has not only empowered employees but also facilitated improved internal reporting procedures, covering a wide range of issues such as sexual harassment, bullying, discrimination, and physical violence. With this initiative BioPorto effectively encouraged transparency and accountability within the organization; Zero incidents have been reported in 2023,.

In 2024, BioPorto will continue efforts on ensuring that suppliers adhere to relevant standards, including its Code of Conduct, and will aim to maintain or improve a balanced diversity, including for both genders.

In the composition of its staff, BioPorto endeavors to achieve an equal gender breakdown as well as a diversity of educational backgrounds, nationalities and cultures. This diversity provides a dynamic work environment and encourages collaboration to the benefit of staff and Company efforts alike. For further information, please see the below section on diversity.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

BioPorto's in-house production is limited in scope and of such a nature that it has an insignificant environmental impact and related risk. BioPorto is committed to full compliance with all environmental laws, standards, and guidelines in the jurisdictions where it operates and continuously seeks to reduce its environmental impact as much as possible. An ongoing effort will be made in an environmentally conscious way to minimize any other possible environmental impact, including the consumption of water and electricity, which will cut costs at the same time. BioPorto's activities are primarily knowledge-based, and employees are encouraged to be mindful of the environment and climate, and to produce as little waste as possible. Employees are bound by BioPorto's Code of Conduct and trained in the Company's QMS System and the Company is implementing the Code of Conduct into supplier contracts. BioPorto continues to consume less paper by encouraging electronic copies, double-sided printing when hard copies are necessary, and release of print app. Furthermore, recycling and proper disposal of ink and toner cartridge from the printers has been installed. BioPorto has made another conscious choice to exchange cleaning equipment such as cloths and soap dispensers to more sustainable items reducing microplastic waste. At the Hellerup office environment BioPorto has installed an enhanced system for recycling and separation of waste, as well as exchanging the coffee machine to a one-cup-at the time, reducing water waste. Management will continually encourage employees to embrace environmental and climate friendly initiatives.
In 2024, BioPorto will continue working to minimize environmental impact

Any environmental incident would be reported to the executive management team, and they would take prompt action to make sure the incident would not happen again.

In 2023 BioPorto has adopted a Whistle-blower Scheme, which covers significant infringements of environmental regulations and pollution of the environment. Zero incidents have been reported in 2023.

Anti-corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

BioPorto has a zero-tolerance policy regarding corruption, bribery, and similar methods. BioPorto's activities must follow the required country anti-corruption legislation and the UN Convention against Corruption. Corruption problems have not historically affected BioPorto's activities, and BioPorto has not been involved in any legal cases, rulings or other events related to corruption and bribery.

BioPorto's Code of Conduct covers the above. Employees are bound by BioPorto's Code of Conduct and the Company implements the Code of Conduct into supplier contracts. BioPorto does not permit or participate in money laundering.

All new employees receive training as part of their introductory program regarding anti-corruption and the Code of Conduct.

Any incidents of corruption will be reported to executive management, and they will take prompt action to ensure that a similar incident will not happen again.

In 2023 BioPorto has adopted a Whistle-blower Scheme, which covers bribery or corruption. Zero incidents have been reported in 2023.

Risks

The Group's risk of affecting the environment and climate, human rights, and anti-corruption is assessed to be limited. The risk assessment has been carried out in such a way that selected topics have been analyzed for their potential risk for BioPorto and the Group's stakeholders, respectively. In this context, risk is a product of the subject's proportional role in the daily business, and the probability of the negative impact each topic may have on the Group or its stakeholders. To the extent that risks have been identified, the individual areas are described below, together with the related policies.

For a detailed description of BioPorto's additional business risks, see the Risk management section of this Annual Report.

Diversity

BioPorto' s Diversity Policy

In pursuit of fostering an inclusive and equitable workplace environment, BioPorto's commitment to diversity remains steadfast as we take off on the journey of 2024. Grounded in our core values of equality, respect, and integrityand to support our continued work regarding diversity in 2024 BioPorto's Board of Directors has adopted the following Policy:

"BioPorto is committed to continue working towards ensuring and furthering equal opportunities for all employees in respect of differences, such as gender, age, religion, sexual orientation and ethnicity, as all – in our view – serve as key components in ensuring a better, more dynamic and healthier business. We believe that employees should be recognized because of – and not despite – their diversity. The view extended through this policy also includes maintaining equal opportunities for women and men at all management levels in the BioPorto group. The Board of Directors annually discusses the Company's activities to ensure relevant diversity at management levels and evaluates the policy on diversity."

Central to our commitment is the principle that all employees should be valued and recognized for their unique perspectives, talents, and contributions. We reject the notion of "fitting in" and instead champion a culture where every voice is heard, every perspective is respected, and every individual is empowered to thrive. As part of our ongoing efforts, BioPorto's Board of Directors diligently reviews and evaluates our diversity initiatives annually, reaffirming our dedication to fostering an inclusive workplace where diversity is not just a goal but a lived reality.

Diversity in the BioPorto Group

In 2023, the diversity landscape among our entire workforce continued to evolve positively. The proportion of female employees increased to 61%, reflecting a growing gender balance within our organization. Additionally, the representation of non-Danish employees remained steady at 61%, underscoring our commitment to embracing cultural diversity.

2023 BioPorto Group	Female	Male	Non-Danish
All Employees (29 persons)	61%	39%	61%
Management (6 persons)	33%	67%	50%
Executive Management (1 person)	0%	100%	100%
BioPorto A/S - Board of Directors (5 persons)	20%	80%	80%
BioPorto Diagnostics A/S - Board of Directors (3 persons)	0%	100%	33%
BioPorto Inc. - Board of Directors (5 persons)	20%	80%	100%
BioPorto Diagnostics Inc. - Board of Directors (2 persons)	50%	50%	100%

As we mark the progress made in advancing diversity and inclusion within our organization, we recognize that our journey is ongoing. We remain steadfast in our commitment to creating a workplace where individuals from diverse backgrounds thrive, contribute meaningfully, and collectively drive our shared success.

Diversity in the Board of Directors of BioPorto A/S

Diversity in the composition of the Board is sought, with a reasonable age composition, several nationalities, and an equal gender ratio. The Board currently has five members, of which four are male and one is female.

Notwithstanding the foregoing, BioPorto has defined a target, that no later than in 2027 at least 40% members of the Board of Directors consists of the underrepresented gender, which will constitute equal representation according to applicable law. This target is not intended to detract from other competency requirements in the nomination of members to the Management team of the Company.

The Company's Board composition underwent a transformative shift towards greater diversity in 2023. The inclusion of a female board member increased our gender diversity, marking a substantial improvement from the previous year. This first milestone underscores our commitment to promoting gender equality and have a 40/60 balance by 2027. Moreover, the representation of non-Danish board members surged to 80%, reflecting our dedication to embracing global perspectives and insights in governance and strategic direction ensuring diverse perspectives at the highest levels of decision-making.

The Company's prior target was defined to reach a 40% target in 2026 but was revised due to the need to attract the right candidates.

As of 31 December 2023, and as of the date of this Annual Report the following information applies to the Board of Directors.

Board of Directors	**2023**	**2024**	**2025**	**2026**	**2027**
Number of Board Members	5				
Underrepresented gender in %	20%				
Target date	2027				
Target number in %	40 %				

The Nomination & Remuneration Committee has a policy for evaluating candidates of both genders for vacant Board positions. For future vacant Board positions, the Nomination & Remuneration committee will continue to evaluate candidates of both genders.

Executive Management and other layers of the Management of BioPorto A/S

The Company has not set a target for the unrepresented gender in the Executive Management and other layers of the Management, as the Company's size is below the minimum thresholds of 50 employees or more cf. guidelines from the Danish Business Authority, section 4.1.2. The Company has adopted a general Diversity Policy cf. above, but the Company is below the threshold of 50 employees or more cf. guidelines from the Danish Business Authority, section 4.2 and accordingly not obligated to adopt a Policy.

As of 31 December 2023, and as of the date of this Annual Report the following information applies to the Executive Management and other layers of the Management.

Executive Management & Other Layers of the Management	**2023**	**2024**	**2025**	**2026**	**2027**
Number of Members	1				
Underrepresented gender in %	0%				
Target date	N/A				
Target number in %	N/A				

Shareholder Matters

Investor Relations

BioPorto maintains an active dialogue with shareholders, analysts, prospective investors, and other stakeholders by providing communication about relevant strategic, economic, financial, operational, and scientific affairs of the Company. Management and Investor Relations are routinely available to existing and potential shareholders via participation in investor conferences, roadshows, investor meetings, and conference calls.

BioPorto aims to provide the market with transparent and adequate information about the Group's strategy, operations, and results with a view to ensuring fair pricing of its shares. BioPorto operates in a highly complex sector in terms of both products and market conditions. The Group endeavors to strike a reasonable balance so that the information it communicates is both technically correct and understandable to laypeople. All stakeholders should have rapid, equal access to material information about BioPorto's development and growth. This means, among other things, that relevant information is published in Company Announcements via NASDAQ Copenhagen A/S and is made available on the group's website: www.bioporto.com.

Other published information, including general Company and investor presentations, is made available to the public on the Company's website. The investor section of the website also includes an email service where shareholders and others can subscribe to receive news by email immediately after the publication of Company announcements, press releases, and other news.

Registered shareholders are offered a range of electronic information services through the shareholder portal, which can be accessed from the Company's website. The portal also offers the opportunity to request admission cards and/or vote by proxy for the General Meetings. Shareholders are encouraged to sign-up to receive Company announcements via e-mail from the Company, which can be done here. Investor Relations (IR) is responsible for ensuring that information from the group's IR stakeholders is shared with the Management and the Board of Directors. For more relevant details relating to BioPorto, investors are referred to the Company's website: www.bioporto.com.

Shares

ISIN, capital stock and price trends

On December 31, 2023, BioPorto's capital stock had a nominal value of DKK 379,670,461 divided into 379,670,461 shares with a nominal value of DKK 1 each. Each share carries one vote. BioPorto A/S's shares are listed on NASDAQ Copenhagen.

In May 2023, the Company increased its share capital following exercise of warrants. A total of 2,000,000 new shares. The exercise prices were DKK 1.70 per share for 1,000,000 of the new shares and DKK 1.48 for the remaining 1,000,000 of the new shares. The total proceeds from the capital increase amounted to DKK 3,180,000

In June 2023, BioPorto completed a rights offering of 42,977,456 new shares raising net proceeds of DKK 41.3 million.

Other published information, including general Company and investor presentations, is made available to the public on the Company's website. The investor section of the website also includes an email service where shareholders and others can subscribe to receive news by email immediately after the publication of Company announcements, press releases and other news.

To support efficient, expedient dialogue with shareholders, BioPorto encourages its shareholders to let their shareholding be registered and to participate in BioPorto's shareholder meetings.

Ownership

As of December 31, 2023, BioPorto had 20.486 registered shareholders (2022: 19,638), that in the aggregate owned 87,61 % of the capital stock. As of December 31, 2023, the following shareholders stated that they owned 5% or more of the Company's shares/voting rights:

Ejendomsselskabet Jano ApS, Toldbodgade 36A, Copenhagen K	Above 10 %
Media-Invest Danmark A/S, Gammel Kongevej 174, 4., Frederiksberg C	Above 10 %
A/S Arbejdernes Landsbank Vesterbrogade 5, Copenhagen V	Above 5%

Warrant Program

The Board established warrant programs in 2023 for the purpose of creating a long-term incentive for retaining and motivating Management and employees in accordance with the Company's remuneration policy and the authorization in section 18a of the Articles of Association. Each warrant granted in 2023 (as listed below) includes conditions on claw-back in case of e.g., erroneous financial information and provisions on accelerated vesting in case of e.g., a takeover bid and/or business combinations, and provides the holder the right to subscribe for one share in BioPorto:

- On February 16, 2023, the Board of Directors of BioPorto A/S issued 500,000 warrants for the subscription of an equal number of shares. The exercise price was DKK 2.405 per share corresponding the closing price on Nasdaq Copenhagen on 16 February 2023. The theoretical market value of the issued warrants was DKK 472,127 based on the Black-Scholes formula using an interest rate of 2.81% and the historical volatility of BioPorto A/S' shares of 26 months calculated to 66.12%. One-fourth of this Stock Option shall vest and become exercisable on the first anniversary of the Grant Date and the remaining three-quarters of the Stock Option shall vest and become exercisable in twelve equal tranches, each tranche vesting per calendar quarter thereafter (i.e., 1 January, 1 April, 1 July and 1 October, provided that first such tranche shall vest on 1 April 2024), subject to the U.S. Grantee's continued service to the Company or a subsidiary of the Company through the applicable vesting date. The warrants vest over a four-year period.

- On April 25, 2023, the Board of Directors of BioPorto A/S issued 4,987,721 warrants for the subscription of an equal number of shares to Executive Management. The exercise price was DKK 1.532 per share, corresponding to the closing price on Nasdaq Copenhagen on April 25, 2023. The theoretical market value of the newly issued warrants is DKK 3,479,000 based on the Black-Scholes formula using an interest rate of 2.92% and the historical volatility of BioPorto A/S' shares over 33 months calculated to 68.95%. The warrants will vest upon the achievement of certain performance criteria. With respect to each holder, 50% of the warrants will vest in twenty-four (24) equal tranches on the first day of each month following the Company achieving marketing rights from the FDA for The NGAL Test for pediatric use, and the remaining 50% will vest in twelve (12) equal tranches on the first day of each month following the Company achieving regulatory approval that expands clinical indication to include expanded pediatric indication outside the Intensive Care Unit, or any adult indications, in the United States. Neil Goldman former CFO resigned effective October 15, 2023 and all of his warrant expense was fully reversed in 2023 in the Consolidated Statement of Profit or Loss. Tony Pare resigned as CEO effective January 9, 2024, and forfeited 3,528,973 of his shares related to this grant. The company recognized warrant expense of DKKt 515 in 2023 for this grant.

- On September 22, 2023, the Board of Directors of BioPorto A/S issued a total of 700,000 warrants to members of the Board of Directors of the Company, and further to issue a total of 2,750,000 warrants to employees of the BioPorto group for the subscription of an equal number of shares. The exercise price was DKK 1.686 per share, corresponding to the closing price on Nasdaq Copenhagen on September 22, 2023. The theoretical market value of the newly issued warrants is DKK 1,689,141. The calculation is based on the Black-Scholes formula using an interest rate of 3.39% and the historical volatility of BioPorto A/S' shares over 15 months calculated to 62.90%. The warrants to the employees' vest twelve (12) months after the Company achieves marketing rights from the FDA for its NGAL test for pediatric use. Regarding the warrants to the Board of Directors, fifty percent (50%) of the Warrants shall vest and become immediately exercisable on the first anniversary of the date of the 2023 Annual General Meeting, which is April 27, 2024, and fifty percent (50%) of the Warrants shall vest and become immediately exercisable six months after shares of the Company (or an entity succeeding the Company) have been admitted to trading on a recognized stock exchange, regulated market, multilateral trading facility or similar in the United States (whether as a separate or dual listing and/or in the form depositary receipts or similar), provided such admission to trading takes place prior to December 31, 2028, in each case, subject to the Beneficiary's continued service as a board member in the Company through the date of the Company's 2024 Annual General Meeting expected to be held in the first half of 2025.The warrants include conditions on claw-back in case of e.g., erroneous financial information and provisions on accelerated vesting in case of e.g., a takeover bid and/or business combinations. The warrants to the members of the board are subject to the terms set out in the notice for the annual general meeting included in company Announcement no. 5 of April 5, 2023.

Detailed terms of the new and existing warrants, including applicable vesting schedules, can be found in the Articles of Association on www.bioporto.com under Investor Relations> Governance> Company Articles. At the end of 2023, a total of 16,024,058 warrants were outstanding, corresponding to 4.2%of the issued and outstanding nominal capital stock, Cf. Note 5.

Dividend policy

BioPorto's policy is that shareholders should receive a return on their investment in the form of a share price increase based on the Group's growth. Because of the Group's need for capital to implement its strategic initiatives and achieve higher sales, no dividend is expected to be paid in 2024. In the long term, and as the Company generates profits, the Company wishes to be able to give shareholders direct returns in the form of dividends and/or share buybacks in addition to a return on the share price.

Equity analysts and investor meetings

BioPorto has ongoing contacts with investors and equity analysts and, in this context, holds regular presentations and meetings where strategy, pipeline development and risks are discussed. BioPorto usually holds investor meetings after the publication of the annual report and interim reports and quarterly announcements.

The following analyst covers BioPorto:

H.C. Wainwright, US	Mr. Yi Chen

Annual Shareholder Meeting

BioPorto A/S will hold its annual shareholder meeting on April 30, 2024, at 3:00 pm CET at the company's address Tuborg Havnevej 15, DK-2900 Hellerup. Additional information will become available on the Company's website no later than three weeks before the Annual General Meeting.

Financial Calendar 2024	
March 18, 2024	Deadline for shareholder proposals – Annual General Meeting
April 4, 2024	Annual Report 2023
April 30, 2024	Annual General Meeting
May 8, 2024	Interim Report – for the three-month period ended March 31, 2024
August 1, 2024	Interim Report – for the six-month period ended June 30, 2024
October 30, 2024	Interim Report – for the nine-month period ended September 30, 2024

Board of Directors

John McDonough, Chairperson

(born 1959, American nationality) has been a member of BioPorto' s Board of Directors since 2021 and currently serves as the chairman of the Board of Directors. John McDonough previously served as President and chief executive officer, of T2 BioSystems, Inc., a diagnostics company focused on the rapid detection of sepsis-causing pathogens. John held several positions at Cytyc Corporation, a company focused on women's health, and ultimately served as president of Cytyc Development Corporation. He also led the efforts that resulted in Cytyc's acquisition by Hologic Inc. for over $6 billion. John McDonough is currently Executive Chairman of the Board of Directors at Sunbird Bio and chairman of the board at Cytrellis Biosystems. He earned his undergraduate degree in business from Stonehill College.

Other directorships: · Cytrellis Biosystems, Inc., Chairman of the Board of Directors, Solace Therapeutics, Board member.

Don Hardison, Jr., Vice Chairperson

(born 1950, American nationality) has been a member of BioPorto's Board of Directors since 2021. Don Hardison most recently served as President, Chief Executive Officer, and as a member of the board of Board of Directors of Biotheranostics, Inc., an oncology-focused molecular diagnostics company which was acquired by Hologic Inc. Prior to Biotheranostics, he was the President and Chief Executive Officer and Director of Good Start Genetics, a molecular diagnostics company focused on reproductive health. Earlier in his career, he held many executive and senior management positions at a number of public companies including Laboratory Corporation of America and Quest Diagnostics, the two largest US clinical laboratories; Exact Sciences Corporation, a molecular diagnostics company; and SmithKline Beecham Corporation, a pharmaceutical company. He currently serves on the Board of Directors of publicly held companies Cytek Biosciences and mdxhealth and several privately held companies including Stemina Biomarker Discovery., YourBio, Decode Health, Breathe BioMedical, Arima Genomics and GeneCentric. He also served as President and CEO and a director of Exact Sciences Corporation, through its initial public offering and the initial years of being a public company. He received his Bachelor of Arts in Political Science from the University of North Carolina, Chapel Hill.

Other directorships: DeCode Health. Board Member, mdxhealth. Board member, Stemina Biomarker Discovery Inc., Board member, YourBio, Board member, Cytek Biosciences. Board member, Breathe BioMedica, Arima Genomics, GeneCentric. Board member.

Michael Singer, MD, PhD

(born 1973, American nationality) has been a member of BioPorto's Board of Directors since 2019. He is currently Chief Scientific Officer (CSO) and co-founder of Cartesian Therapeutics, Inc, a US biotech company that develops RNA-modified cell therapies. Prior to founding Cartesian, he was co-founder and CSO of two startups: Topokine and HealthHonors. Dr. Singer previously served as Director of Translational Medicine at the Novartis Institutes for Biomedical Research. He is a licensed physician and has been admitted to practice patent law. He serves as an adjunct professor at the Yale University School of Medicine. Dr. Singer completed residency at Harvard and holds a BS, MD, and PhD from Yale University.

Other directorships: Cartesian Therapeutics, Inc., Board member, Cartesian Therapeutics, Inc., Chief Scientific Officer, Vice President, Pykus Therapeutics, Inc., Board member, Anodyne Nanotech, Inc., Board member.

Ninfa Saunders

(born 1959, American nationality) has been a member of BioPorto's Board of Directors since 2023. Ninfa has over 50 years of healthcare experience from the bedside as a Clinical Nurse Specialist, to C-Suite roles, topping of her career as President and CEO of multi-hospital systems. She maintained a laser focus on strategy, operations and people while optimizing patient care and enhancing the bottom line. She created innovative strategies that accelerated growth, strengthened operations and saved lives. As CEO of Navicent Health, Ninfa expanded the hospital's reach in Georgia through mergers and acquisitions, partnerships, new service lines and a strategic alliance with 30+ hospitals region-wide. In 2019, she orchestrated a merger with Charlotte based Atrium Health to position Navicent for future growth and sustainability. Since her retirement in 2020, she has served on the Board of Directors for Horizon Blue Cross Blue Shield,NJ, Quorum Health, Pipeline Health and T2 Biosystems. She serves on the Compensation Committee, Audit. Committee, Finance Committee and Governance Committee. Ninfa is a seasoned healthcare executive sought after for her competencies in all areas of leadership, management and governance.

Other directorships: BioPorto Inc., Member of the Board of Directors, Horizon Blue Cross and Shield NJ Member, Board of Directors, Quorum Health, Member of the Board of Directors, Pipeline Health, Member of the Board of Directors, T2 Biosystems, Member of the Board of Directors, Avia Health, Executive in Residence.

Peter Mørch Eriksen

(born 1960, Danish nationality) has been a member of BioPorto's Board of Directors since 2021 and served as CEO of BioPorto from 2013 – 2021 and now as CEO as from 9 January 2024. Peter Mørch Eriksen has spent more than 25 years in the MedTech/life science industries, including as CEO of Sense A/S and VP of Medtronic. From these positions, Peter Mørch Eriksen has extensive experience in creating growth, restructuring and funding in technology-intensive and complex companies. Peter Mørch Eriksen is an experienced leader with a record of business within the medical device industry and has broad experience selling and developing medical devices for both small and large MedTech companies. Peter Mørch Eriksen has an accounting background, supplemented with management experience. He is chairman of the Board of Directors in FluoGuide A/S and MONSENSO A/S and member of the executive management in AptaShape ApS and PME Holding ApS.

Other directorships: FluoGuide A/S, Chairman of the Board of Directors, MONSENSO A/S, Chairman of the Board of Directors, PME Holding ApS, Member of the executive management, AptaShape ApS, Member of the executive management, BioPorto Diagnostics A/S, Member of the Board of Directors, The Medical Device and Diagnostics Advisory Committee of Cincinnati Children's Hospital Center, Board member.

Other Board Information

	First elected	Term Expires	Independent	Nationality	Year of Birth	Gender	Shares held in BioPorto Dec. 31, 2021	Shares held in BioPorto Dec. 31, 2022	Shares held in BioPorto Dec. 31, 2023
John McDonough	2021	2024	Yes	USA	1959	M	-	-	407,750
Don Hardison	2021	2024	Yes	USA	1950	M	-	-	20,000
Michael Singer	2019	2024	Yes	USA	1973	M	167,433	209,291	-
Peter Mørch Eriksen	2021	2024	No*	Denmark	1960	M	105,506	131,882	155,155
Ninfa Saunders	2023	2024	Yes	USA	1959	F	-	-	-
Resigned Board Members									
Christopher Lindop	2019	27 April 2023	Yes	USA	1957	M	446,487	558,108	-
Jan Leth Christensen	2021	4 December 2023	Yes	Denmark	1963	M	32,169,732	40,212,165	47,308,429

*As Mr. Eriksen currently is appointed as CEO, he is considered non-independent under the criteria defined by the Danish Committee on Corporate Governance.

Executive Management

Peter Mørch Eriksen

(born 1960, Danish nationality) currently serves as the CEO of BioPorto since 9 January 2024. He has been a member of BioPorto's Board of Directors since 2021 and served as CEO of BioPorto from 2013 – 2021. Peter Mørch Eriksen has spent more than 25 years in the MedTech/life science industries, including as CEO of Sense A/S and VP of Medtronic. From these positions, Peter Mørch Eriksen has extensive experience in creating growth, restructuring and funding in technology-intensive and complex companies. Peter Mørch Eriksen is an experienced leader with a record of business within the medical device industry and has broad experience selling and developing medical devices for both small and large MedTech companies. Peter Mørch Eriksen has an accounting background, supplemented with management experience. He is chairman of the Board of Directors in FluoGuide A/S and MONSENSO A/S and member of the executive management in AptaShape ApS and PME Holding ApS.

Other directorships: FluoGuide A/S, Chairman of the Board of Directors, MONSENSO A/S, Chairman of the Board of Directors, PME Holding ApS, Member of the executive management, AptaShape ApS, Member of the executive management, BioPorto Diagnostics A/S, Member of the Board of Directors, The Medical Device and Diagnostics Advisory Committee of Cincinnati Children's Hospital Center, Board member.

Financial Management

George Rosa

(born 1967, American nationality) currently serves as the Vice President of Global Reporting and Controls since 2 May 2022. He is a member of BioPorto's Leadership Team and has more than 30 years of experience successfully working at Fortune 500 companies, private and multinationals enterprises. George has over 10 years in the MedTech/life science industries, including as Senior Director of Finance at Smith and Nephew and Finance Director at Bruker Corporation. From these positions, George has extensive experience in creating growth, integration of acquisitions, restructuring and operating model redesign to improve business outcomes and profitability. George is an experienced global leader with a record of timely and accurate reporting, improving business process controls, building strategic alliances, and developing internal talent. George has an accounting and finance background and obtained his Bachelor of Science in Business Administration from Northeastern University in Boston, Massachusetts, USA.

Financial Review

This financial review is based on the Group's consolidated financial information for the year ended December 31, 2023, with comparative results for the year ended December 31, 2022, in brackets.

Revenue

Revenue for 2023 was DKK 31.0 million (DKK 29.0 million), an increase of 6.9%, and comprised:

- NGAL tests: DKK 18.6 million (DKK 14.9 million);
- Antibodies: DKK 10.7 million (DKK 12.0 million);
- ELISA kits: DKK 1.7 million (DKK 1.8 million); and,
- Royalty and other: DKK 0.1 million (DKK 0.2 million).

Revenue for 2023 was within Guidance of 30 to 33 million DKK, which reflected a favorable performance with NGAL test revenue. NGAL test revenue increased by DKK 3.7 million, or 24.9%, over the prior year period. Antibody revenue decreased by DKK 1.3 million, or 11.2%, over the prior year period. ELISA kits revenue decreased of DKK 0.1 million, or 8.8%, compared to the prior year period.

Figure 1. Revenue by quarter (DKKM)

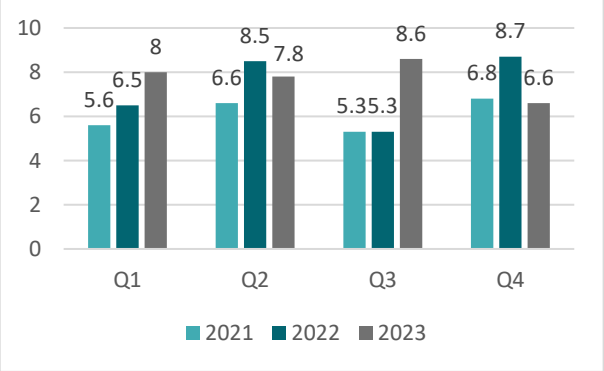
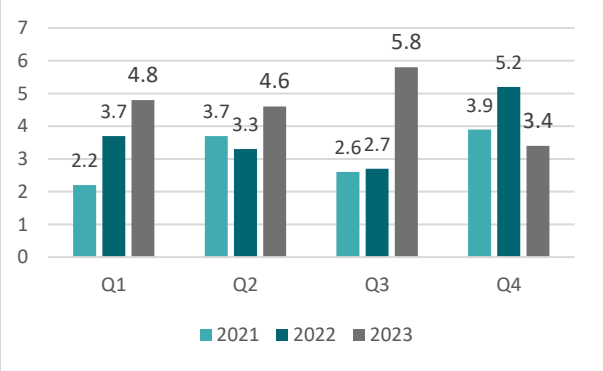


Figure 2. NGAL test product revenue by quarter (DKKM)



Gross profit

Gross profit for 2023 totaled DKK 20.2 million (DKK 19.0 million). The DKK 1.2 million increase in gross profit was mainly comprised of DKK 1.3 million from favorable sales volume.

Sales and marketing costs

Sales and marketing costs totaled DKK 18.9 million (DKK 21.2 million). The decrease is primarily due to lower staffing costs, due to the restructuring in Q2 2023.

Research and development costs

Research and development costs totaled DKK 25.4 million (DKK 34.9 million), with the decrease reflecting lower clinical study costs and a reduction in staff costs due to the restructuring in Q2 2023.

Administrative costs

Administrative costs totaled DKK 36.0 million (DKK 41.8 million), with the decrease related to lower share-based expenses and lower staff costs compared to previous year.

Lease impairment

The Company recorded a non-cash lease impairment charge of DKK 1.0 million during 2023. The sublease agreement was executed in November 2023 of its office space in Needham, MA, USA. The company established a lease receivable as described in Note 18.

Financials items, net

Financial income and expenses reflect interest income/expense and currency transaction gains/losses, bank charges and interest. In 2023 there was an income for a net amount of approximately DKK 0.0 million (DKK 0.0 million), with the net amount related to currency rate changes and interest income.

Tax benefit

A DKK 4.9 million tax benefit (DKK 5.6 million tax benefit) was realized during 2023. The tax benefit is primarily related to tax credits derived by BioPorto's Danish entities associated with investments in research and development.

EBIT/Adjusted EBITDA

For 2023, EBIT was a loss of DKK 61.2 million (DKK 81.5 million), Adjusted EBITDA was a loss of DKK 56.1 million (loss of DKK 67.3 million), each reflecting the mix of variances described above.

Adjusted EBITDA loss for 2023 was favorable compared to the Company's original outlook of a loss of DKK 60 to 65 million and was within the updated guidance of a loss of DKK 56 to 59 million. The improved adjusted EBITDA guidance was mainly driven by the reduction in force executed as part of a restructuring event during Q2 2023.

Cash and cash equivalents

As of December 31, 2023, BioPorto's balance of cash and cash equivalents totaled DKK 66.4 million (DKK 81.8 million) and is deposited at major, national Danish, Nordic, and US banks. The Company continually evaluates its liquidity requirements, capital needs and availability of capital resources based on its operating needs and planned initiatives. The Company assessed its liquidity and capital resources and concluded that they are adequate to fund operations considering a twelve-month period from the date of this Annual Report. The Company's assessment as to the adequacy of liquidity relies *inter alia* on assumptions and significant judgements (in addition to those matters discussed cf. Note 2) applied in the Company's budgets and forecasts as well as customary sensitivities, existing capital resources and assumptions concerning the timing, costs and resources required to undertake the Company's strategic priorities and tactical decisions, including the timing of marketing ProNephro AKI (NGAL) in the US, commercialization activities for NGAL tests under CE Mark and Antibodies in Europe, supply chain management, and ongoing R&D, all of which under current circumstances remain difficult to predict.

Equity

As noted above, on June 23, 2023, BioPorto raised net proceeds of DKK 41.3 million, from a rights offering of new shares. In total, 42,977,456 new shares of common stock were offered and sold for a rights offering with pre-emptive rights for existing shareholders that was filed on May 30, 2023.

See the Consolidated Statement of Changes in Equity below for further details in the movements in equity.

Net working capital

Net working capital (i.e., current assets minus current liabilities) as of December 31, 2023 totaled DKK 56.9 million (DKK 70.5 million). The decrease is related to the cash burn in 2023.

Cash Flow Statement

Cash used in operating activities for the year ended December 31, 2023 totaled DKK 55.5 million (DKK 52.5 million), with the increase over the prior year primarily associated with the timing of account payables, offset by lower share-based expenses.

Cash used in investing activities was DKK 0.3 million (DKK 0.5 million) which primarily consisted of investments in financial assets.

Cash from financing activities was DKK 40.8 million (DKK 88.7 million), reflecting the proceeds of the net rights offering, offset by facility lease costs.

The net cash flow for the year ended December 31, 2023 reflected a use of DKK 14.9 million (source of DKK 35.7 million).

Events after the reporting period

On January 9, 2024, the Company announced that BioPorto's CEO, Anothony Pare, is stepping down and leaving BioPorto effective on that date, and appointed Board Member Peter Mørch Eriksen as CEO of the Company.

Change of control

The Danish Financial Statements Act, Section 107 a, contains rules relating to listed companies with respect to certain disclosures associated with change of control provisions in contracts. BioPorto has entered into agreements with external parties that may be subject to renegotiation in the event of a change of control in BioPorto. However, detailed information is not provided here, as it may be restricted from disclosure due to confidentiality provisions or is not otherwise expected to have a material effect on the Company's financial position.

Financial Statements

Consolidated Statements of Profit or Loss

DKK thousand	Notes	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Revenue	3	30,958	28,969
Production costs	4, 5, 6	10,776	9,927
Gross profit		**20,182**	**19,042**
Sales and marketing costs	4, 5, 6	18,871	21,219
Research and development costs	4, 5, 6	25,446	34,938
Administrative costs	4, 5, 6	36,029	41,829
Lease impairment		1,008	2,583
Loss before financial items (EBIT)		**(61,172)**	**(81,527)**
Financial income	8	1,039	1,185
Financial expenses	8	1,074	1,205
Loss before tax		**(61,207)**	**(81,547)**
Income tax benefit, net	9	4,879	5,624
Net loss		**(56,328)**	**(75,923)**
		DKK	DKK
Loss per share (EPS & DEPS)	10	(0.16)	(0.24)

Consolidated Statements of Comprehensive Loss

DKK thousand	Notes	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Net loss		**(56,328)**	**(75,923)**
Other comprehensive loss:			
Amounts which will be reclassified to the income statement:			
Exchange rate adjustments of investments in subsidiaries		459	(115)
Other comprehensive loss		**459**	**(115)**
Comprehensive loss		**(55,869)**	**(76,038)**

Consolidated Balance Sheets

Assets

DKK thousand	Notes	2023 Dec 31	2022 Dec 31
Non-current assets			
Property, plant and equipment and intangible assets			
Rights and software	11	457	766
Property, plant and equipment	12	919	1,586
Right-of-use assets	13	1,254	2,927
Total property, plant and equipment and intangible assets		**2,630**	**5,279**
Financial assets			
Lease receivable - Long term		2,728	-
Deposits		2,171	1,933
Total financial assets		**4,899**	**1,933**
Total non-current assets		**7,529**	**7,212**
Current assets			
Inventories, net	14	3,787	2,558
Trade receivables, net	15, 18	2,346	2,829
Tax receivable	9	5,882	6,444
Other receivables	15, 18	1,164	1,769
Prepayments	15	1,741	1,555
Cash and cash equivalents	18	66,402	81,792
Assets held-for-sale	13	-	4,481
Lease receivable - short term		960	-
Total current assets		**82,282**	**101,428**
Total assets		**89,811**	**108,640**

Equity and Liabilities

DKK thousand	Notes	2023 Dec 31	2022 Dec 31
Equity			
Share capital	17	379,670	334,693
Treasury shares	17	-	-
Exchange-rate adjustments		225	(234)
Retained earnings		(319,735)	(264,238)
Total equity		**60,160**	**70,221**
Liabilities			
Non-current liabilities			
Lease obligations	13	4,280	7,448
Total non-current liabilities		**4,280**	**7,448**
Current liabilities			
Current portion of lease obligations	13	2,970	3,197
Trade payables	18	6,905	10,457
Tax payables		77	80
Other accrued liabilities	16	15,419	17,237
Total current liabilities		**25,371**	**30,971**
Total liabilities		**29,651**	**38,419**
Total equity and liabilities		**89,811**	**108,640**

Consolidated Statements of Changes in Equity

Amounts in DKK thousand Shares in thousands	Share Capital	Share Premium	Treasury Shares	Accumulated Deficit	AOCI	Total
Balance at December 31, 2022	**334,693**	**-**	**13**	**(264,238)**	**(234)**	**70,221**
Other comprehensive loss	-	-	-	-	459	**459**
Closure of dormant subsidiary	-	-	-	(104)	-	**(104)**
Transaction with owners:						
Exercise of warrants	2,000	1,180	-	-	-	**3,180**
Issuance of stock	42,977	-	-	-	-	**42,977**
Issuance costs	-	(1,629)	-	-	-	**(1,629)**
Tranferred to Accumulated Deficit	-	449	-	(449)	-	**-**
Share-based compensation	-	-	-	1,384	-	**1,384**
Net loss	-	-	-	(56,328)	-	**(56,328)**
Balance at December 31, 2023	**379,670**	**-**	**13**	**(319,735)**	**225**	**60,160**

Amounts in DKK thousand Shares in thousands	Share Capital	Share Premium	Treasury Shares	Accumulated deficit	AOCI	Total
Balance at December 31, 2021	**267,754**	**-**	**13**	**(221,671)**	**(119)**	**45,964**
Other comprehensive loss	-	-	-	-	(115)	**(115)**
Transaction with owners:						
Issuance of stock	66,939	33,469	-	-	-	**100,408**
Issuance costs	-	(7,672)	-	-	-	**(7,672)**
Tranferred to Accumulated Deficit	-	(25,797)	-	25,797	-	**-**
Share-based compensation	-	-	-	7,559	-	**7,559**
Net loss	-	-	-	(75,923)	-	**(75,923)**
Balance at December 31, 2022	**334,693**	**-**	**13**	**(264,238)**	**(234)**	**70,221**

Consolidated Statements of Cash Flows

DKK thousand	Notes	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Loss before financial items		**(61,172)**	**(81,527)**
Adjustments:			
Depreciation and amortization	6	2,678	3,966
Share based compensation expenses		1,384	7,556
Lease impairment	13	1,008	2,583
Other non-cash items		(960)	(945)
Changes in assets and liabilities:			
Inventories		(440)	434
Trade receivables		654	5,019
Trade payables		(3,552)	6,197
Other operating assets and liabilities, net		(1,399)	(1,051)
Cash flows from operations		**(61,799)**	**(57,768)**
Financial income, received		937	1,401
Financial expenses, paid		(94)	(1,618)
Tax refund, net		5,500	5,500
Cash flows from operating activities		**(55,456)**	**(52,485)**
Purchase of property, plant and equipment	12	(39)	(407)
Purchase of rights and software	11	-	(64)
Purchase of financial assets		(238)	(32)
Cash flows from investing activities		**(277)**	**(503)**
Proceeds from warrant programs exercised		3,180	-
Proceeds from rights issue		42,977	100,408
Cost related to Issue of new shares	17	(1,629)	(7,671)
Repayments of non-current liabilities		-	(301)
Repayments of lease obligation	13	(3,738)	(3,737)
Cash flows from financing activities		**40,790**	**88,699**
Net cash flows for the period		**(14,943)**	**35,711**
Cash and cash equivalents at beginning of period		81,792	45,523
Effect of exchange rate changes on cash		(447)	558
Cash and cash equivalents end of period		**66,402**	**81,792**

Notes to Consolidated Financial Statements

1. Basis of reporting

Basis of preparation

The financial statements of the BioPorto Group are presented in accordance with the International Accounting Standards (IFRS) and additional Danish disclosure requirements for Reporting class D (listed) enterprises, cf. the Danish Statutory Order on Adoption of IFRS issued in pursuance of the Danish Financial Statements Act.

The Company assessed its liquidity and capital resources considering a twelve-month period from the date of this Annual Report.

The accompanying consolidated and parent financial statements have been prepared on the basis of going concern assumption. However, Management has identified material uncertainty related to this assumption, as disclosed in Note 22.

In the event that the Company's strategic priorities and tactical decisions, including the marketing of ProNephro AKI (NGAL) in the US, commercialization activities for NGAL tests under CE Mark and Antibodies in Europe, and ongoing R&D are more positive than expected, the Company may choose to accelerate projects and/or increase spending, in which case the Company may be required or may choose to raise additional capital prior to the twelve month period after the date of this Annual Report.

The accounting policies set out below have been used consistently with respect to the financial year and comparative figures. Certain comparative figures have been reclassified to conform to the current year's presentation.

Applying materiality

Material items are presented individually in the financial statements as required by IAS 1.

Items that are not individually material but support the understanding of BioPorto's business model and performance in the reporting period are also presented in the financial statements.

Currency

The Group's consolidated financial statements are presented in Danish kroner (DKK), which is considered the primary currency of the Group's activities and the functional currency of both the parent company and its most significant subsidiary. Figures are rounded to the nearest DKK thousand unless otherwise stated.

Basis of consolidation

The consolidated financial statements are prepared as a consolidation of the financial statements of the Parent Company, BioPorto A/S, and its subsidiaries in accordance with the Group's accounting policies. All intra-group income, expenses, shareholdings, balances, and dividends are eliminated on consolidation. The accounting items of subsidiaries are included in full in the consolidated financial statements.

Implementation of new and amended standards and interpretations

All new and amended Standards (IFRS/IAS) and the new Interpretations (IFRIC) issued by IASB and adopted by EU effective as of January 1, 2023 have been adopted by the BioPorto Group as applicable and did not have a material impact on the consolidated financial statements.

Standards and interpretations not yet in force

As of the publishing of this Annual Report, several new or modified standards and interpretations have been issued by the IASB but which are not yet required to be implemented. Therefore, they have not yet been adopted by the Group and are not reflected in the consolidated financial statements. The new or modified standards and interpretations will be implemented when they become mandatory, and none are presently expected to have a material impact on the consolidated financial statements.

Translation of foreign currency

A functional currency is determined for each of the Group's reporting entities. The functional currency of the Parent Company is Danish kroner (DKK). Transactions denominated in currencies other than the functional currency are considered transactions denominated in foreign currencies.

Upon initial recognition, transactions denominated in foreign currencies are translated to the functional currency at the exchange rates in effect on the transaction date. Differences arising between the exchange rates on the transaction date and the date of payment are recognized as financial income or expense.

Receivables, payables, and other monetary items denominated in foreign currencies are translated at the exchange rates at the reporting date. The difference between the exchange rates at the reporting date and at the date at which the receivable or payable arose or the exchange rate in the latest consolidated financial statements is recognized as financial income or expenses.

Upon recognition in the consolidated financial statements of entities with a functional currency other than the presentation currency (DKK), the income statement and statement of cash flows are translated at the exchange rates prevailing at the transaction date, and the statement of financial position items are translated at the exchange rates prevailing at the reporting date.

Differences arising from the translation of the opening balance of equity of foreign entities at the exchange rates prevailing at the reporting date, and on translation of the income statement from the transaction date to the reporting date, are recognized in other comprehensive income and attributed to a separate translation reserve in equity.

Incentive programs

The Company has issued warrants (options) to Management and employees. Share-based incentive programs in which employees only have the option of choosing to subscribe for new shares in the parent Company (equity-settled share-based payment transactions) are measured at the equity instrument's fair value on the grant date and are recognized in the income statement over the vesting period. The counter entry for this is recognized directly in equity. The fair value per warrant is specified based on a Black-Scholes model as of the grant date and is not subsequently adjusted. Warrants restricted by vesting conditions are forfeited if the vesting conditions are not met.

Issue costs associated with the exercise of warrants are recognized in equity.

Segment information

The BioPorto Group does not prepare segment reporting internally and therefore only reports one operating segment externally. The geographic distribution of revenue and revenue from major customers is presented in Note 3 to the consolidated financial statements. 50% of non-current assets were located in Denmark (42% in 2022).

Statements of profit or loss and Statements of comprehensive loss

Revenue

Revenue from contracts with customers comprises sale of goods, license fees, and royalty income. Revenue from the sale of goods is recognized at the point in time when control of the goods is transferred to the customer, which generally takes place upon shipment. Contracts generally do not provide customers with a right of return.

Licenses that transfer the rights associated with ownership of intellectual property are recognized at the point in time when control is transferred. Royalties on net sales is recognized as the underlying customers' sale occurs in accordance with the terms of the relevant agreement.

Revenue from contracts with customers is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. Amounts disclosed as net revenue exclude discounts, VAT and other duties.

The Group considers whether contracts include other promises that constitute separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration. No element of financing is deemed present. Discounts generally arise from sales transactions where the customer receives an immediate reduction in the selling price. Payment terms are generally net 30 days.

Production costs

Production costs include costs incurred to generate the revenue, including direct and indirect costs for raw materials and consumables, wages and salaries, freight and packaging material, rent and leasing, and depreciation of production equipment.

Sales and marketing costs

Sales and marketing costs include royalties and costs incurred for the marketing of goods sold during the year and for sales campaigns, etc. This includes costs related to sales and marketing staff, advertising, exhibitions and depreciation and amortization.

Research and development costs

Research and development costs include wages and salaries, laboratory materials, patent costs, clinical studies, rent, leasing, depreciation and amortization, and other costs relating to the Group's research and development activities that are not capitalized.

Administrative costs

Administrative costs include management and administration, including expenses for administrative staff, office premises, office expenses, and depreciation and amortization.

Lease impairment

Lease impairment is a non-cash charge to write-down the value of the Right-of-use asset for the Company's Needham, MA, USA lease, cf. Note 13. It is separately classified as a special item that the Company does not consider to be a part of its ordinary operations.

Financial income and expenses

Financial income and expenses include interest, capital gains and losses, transactions in foreign currencies, amortization of financial assets and liabilities, and additions, etc.

Income tax

Income tax comprises current tax and changes in deferred tax for the year. The tax expense associated with current year results is recognized in the income statement, and the tax expense relating to changes is recognized in equity or other comprehensive income is recognized in equity.

To the extent the Group benefits from a deduction in the determination of taxable income due to share-based compensation, the tax effect of such programs is included in income tax.

Balance sheets

Development projects

In accordance with IAS 38 Intangible Assets, intangible assets arising from development projects are recognized on the balance sheet when the development project is clearly defined and identifiable, the technical feasibility has been demonstrated, and adequate resources to complete the development work and market or use the project have been documented. It must be adequately demonstrated that future income from the development project will exceed the costs of production and development and costs used to sell and administer the product. Development costs concerning individual projects are only capitalized if there is adequate documentation that the future income from the individual projects will exceed not only the production, selling and administrative expenses, but also the actual development costs relating to the product.

Rights and software

Rights and software are measured at cost less accumulated depreciation and impairment. Cost comprises the purchase price as well as costs directly related to the purchase until the date on which the asset is ready for use, and any future minimum royalty payments to which the Company is bound, discounted back to present value, cf. Note 11.

Assets are depreciated on a straight-line basis over their estimated useful lives based on the following assessment of the expected lives of the assets:

Rights and software 3 – 10 years

Depreciation is recognized in the income statement under sales and marketing costs and administrative costs.

Property, plant, and equipment

Property, plan, and equipment are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is ready for use, cf. Note 12.

Assets are depreciated on a straight-line basis over their estimated useful lives based on the following assessment of the expected lives of the assets:

Property, plan, and equipment 3 – 5 years

The basis of depreciation is cost less expected residual value at the end of the useful life. Depreciation methods, useful lives and residual values are reassessed annually. To the extent that depreciation is not reflected in the cost of inventories as production overhead, depreciation is recognized on the income statement under production costs, sales and marketing costs, research and development costs and administrative costs, respectively.

Right-of-use assets

The Company leases facilities in Hellerup, Denmark. Right-of-use assets are initially measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. Lease liabilities are initially measured as the net present value of the future lease payments discounted by the incremental borrowing rate, cf. Note 13.

The right-of-use asset is depreciated over the shorter of the asset's useful life or the lease term on a straight-line basis. Depreciation is recognized on the income statement under administrative costs.

Deferred tax assets

Deferred tax is measured using the balance sheet liability method on temporary differences between the carrying amount and tax base of assets and liabilities. However, no deferred tax is recognized on temporary differences regarding non-deductible goodwill or other items for which temporary differences, with the exception of acquisitions, have arisen at the acquisition date without affecting either the profit/loss for the year or the taxable income. If the tax base may be calculated according to several sets of tax regulations, deferred tax is measured in accordance with the regulations that apply to the use of the asset or settlement of the liability as planned by Management. Deferred tax assets, including the tax base of tax loss carry-forwards, are recognized under other non-current assets at the expected value of their utilization, either as an off-set against tax on future income or as an off-set against deferred tax liabilities within the same legal tax entity or jurisdiction (joint taxation), cf. Note 9.

Deferred tax related to the elimination of unrealized intra-group profits and losses is adjusted upon consolidation. Deferred tax is measured based on the tax regulations and rates that, according to the rules in force at the balance sheet date, will apply at the time the deferred tax is expected to crystallize as current tax. Changes in deferred tax due to changes in the tax rate are recognized on the income statement.

Impairment of assets

The carrying amounts of other non-current assets are tested annually to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of the asset is calculated. The recoverable amount is the higher of an asset's fair value, less expected costs to sell and its value in use. An impairment loss is recognized when the carrying amount of an asset or a cash generating unit exceeds the recoverable amount of the asset or the cash generating unit. Impairment losses are recognized in the income statement as production costs, sales and distribution costs or administrative costs. Impairment of assets is reversed to the extent changes have occurred to the assumptions and estimates leading to the impairment. Impairment is only reversed to the extent the new carrying amount of an asset does not exceed the carrying amount the asset would have had net of depreciation, had the asset not been impaired, cf. Note 13. Deferred tax assets are reviewed annually and recognized to the extent that it is estimated to be probable that they will be utilized in the foreseeable future.

Inventories, net

Inventories are measured at the lower of first-in first-out (FIFO) cost or net realizable value. The cost of raw materials comprises the purchase price plus delivery costs. The cost of work in progress and finished goods comprises the cost of raw materials, direct and indirect labor, and production overhead. Production overhead comprises indirect material and labor costs, maintenance and depreciation of the property, plant and equipment used in the manufacturing process, allocations of rent, utilities and related items, and the cost of production management.

The net realizable value of inventories is calculated as the selling price less costs of conversion and costs incurred to execute the sale, considering marketability, obsolescence, and expected losses, cf. Note 14.

Trade receivables, net

Trade receivables are measured at their transaction price, less an allowance for lifetime expected credit losses. Trade receivables are grouped based on business area and age to estimate credit losses. Trade receivables are written off when there is no reasonable expectation of recovery. Allowances for expected credit losses and write-offs are classified in sales and marketing costs, cf. Note 15.

Taxes receivable

Current taxes receivable are recognized on the balance sheet as calculated tax on the taxable income for the year, adjusted for tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Companies covered by the Danish tax credit scheme (*Skattekreditordningen*) may obtain payment of the base of losses originating from research and development expenses subject to a statutory limit of DKK 25 million.

Prepayments

Prepayments are measured at cost. Prepayments comprise expenditures that relate to subsequent periods.

Treasury shares

The cost and selling prices of treasury shares and dividends are recognized directly in equity. A capital reduction effected by the cancellation of treasury shares will lower the share capital by an amount equal to the nominal value of the shares.

Issue costs

Issue costs include legal fees, placement fees, and other costs associated with the issuing of new shares.

Warrants

Proceeds received from the exercise of warrants are reflected in equity, cf. Note 5.

Lease liabilities

The Group leases office space. Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group, except for low-value assets or short-term assets where the lease term is 12 months or less. Short term leases and leases of low value are recognized as an expense on a straight-line basis over the lease term.

Lease liabilities are initially recognized at the present value of future lease payments. Initial recognition of each lease is assessed individually to determine the probability of exercising any potential extension options. Options to extend a lease term is included in the calculation of the lease liability if it is reasonably certain that the extension option will be exercised. The lease liability is measured using a discount rate equal to the incremental borrowing rate. If a lease contract is modified, the lease liability is remeasured.

Lease costs are accounted for as a single lease component. Variable service components invoiced separately are expensed as operational costs.

Each lease payment is allocated between the liability and finance cost. The finance cost is recognized over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period, cf. Note 13.

Tax payable

Current tax payables are recognized on the balance sheet as calculated tax on the taxable income for the year, adjusted for tax on the prior years' taxable income and for tax paid under the on-account tax scheme.

Other financial liabilities

During 2023 and as of December 31, 2023, the company has no Debt to banks. Debt to banks is recognized at the raising of a loan at fair value less transaction costs. Financial liabilities are measured at amortized cost, applying the "effective interest rate method", to the extent that the difference between the proceeds and the nominal value is recognized on the income statement under financial expenses over the term of the loan.

Other liabilities are measured at amortized cost.

Cash flow statement

The cash flow statement is presented according to the indirect method and cash flows from operating, investing, and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as EBIT adjusted for non-cash operating items, working capital changes, financial income, financial expenses, establishment cost (subsidiaries), and income taxes paid.

Cash flows for investing activities comprise acquisitions and disposals of intangible assets, property, plant and equipment and financial assets.

Cash flows from financing activities comprise changes in the size or composition of the share capital of BioPorto A/S and related costs, the raising of loans, repayment of interest-bearing debt, and payment of dividends to shareholders.

Cash and cash equivalents comprise cash at bank and in hand.

Financial ratios

Earnings per share (EPS) and diluted earnings per share (DEPS) are calculated in accordance with IAS 33.

Financial ratios have been calculated in accordance with the guidelines from the Danish Society of Financial Analysts. See also "Non-IFRS financial measure".

The ratios listed in the key figures and ratios section were calculated as follows:

Revenue growth	$\frac{\text{(Revenue year 1 – Revenue year 0) x 100}}{\text{Revenue year 0}}$
Gross margin	$\frac{\text{Gross profit x 100}}{\text{Net revenue}}$
Equity ratio	$\frac{\text{Equity, closing x 100}}{\text{Total liabilities, closing}}$
Net asset value per share at year end	$\frac{\text{Capital and reserves, closing}}{\text{No. of shares, closing}}$

2. Significant accounting estimates and judgements

The calculation of the carrying amounts of certain assets and liabilities requires an estimate of how future events will affect the value of such assets and liabilities at the balance sheet date. Estimates material to financial reporting are made in the calculation of, *inter alia*, development costs, incentive schemes, right-of-use assets, inventories, accounts receivable, and deferred taxes.

The estimates made are based on assumptions that Management finds reasonable given the circumstances, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or imprecise and unexpected events or circumstances may arise. In addition, the Company is subject to risks and uncertainties that may cause actual results to deviate from the estimates. Such estimates comprise judgements made on the basis of the most recent information available at the reporting date. It may be necessary to change previous estimates as a result of changes to the assumptions on which the estimates were based or due to supplementary information, additional experience, or subsequent events.

Similarly, the value of assets and liabilities often depends on future events that are uncertain. In that connection, it is necessary to set out e.g., a course of events that reflects Management's assessment of the probable course of events.

The preparation of financial statements in accordance with IFRS requires the use of estimates for some material amounts. In addition, the Group's management is required to make judgements and assumptions as to how the Group's accounting policies should be applied in certain areas.

The process of drafting financial statements involves the use of estimates and assumptions, and the application of judgement, about future events. These estimates represent the Company's assessment on the date of the financial statements. However, because of their very nature, each of these factors could produce material changes in balance sheet amounts in future years.

Estimates are updated on an ongoing basis by the Group's management and are based on past experience, other known factors, and the occurrence of future events that are reasonably expected to take place. Special care is used in this area in view of the high level of uncertainty that characterizes the macroeconomic context.

The main items affected by estimates are reviewed below.

Allowance for doubtful accounts

The Allowance for doubtful accounts reflects management's estimates about losses that could be incurred in the portfolio of accounts receivable from end customers and from the indirect distribution network (independent distributors). The allowance for doubtful accounts' estimate is based on the expected credit loss (ECL) model calculated as the difference between the contractual cash flows due and the cash flows the Group expects to receive, determined on the basis

of past experience for similar receivables, the current and historical past due percentages, losses and collections, and monitoring of credit quality, considering current conditions and assumptions concerning future economic conditions. Cf. Note 18.

Provision for inventory write-downs

The Provision for inventory write-downs reflects management's estimates of the Group's loss expectations, determined on the basis of past experience and historical and projected trends for the related items. Cf. Note 14.

Impairment of non-current assets

Non-current assets include property, plant and equipment, intangible assets, right-of-use assets, and other financial assets. Management reviews the carrying amounts of non-current assets held and in use and available-for-sale assets on a regular basis and whenever events or circumstances make such review necessary. The recoverable value of property, plant and equipment and intangible assets is evaluated using criteria that are consistent with the requirements of IAS 36. Cf. Note 13.

Warrant plans

The measurement of warrant plans at fair value requires the formulation of specific assumptions, the most significant of which include the value of the underlying shares on the valuation date and the expected volatility of the price/value of the underlying shares. Cf. Note 5.

Lease impairment

Lease impairment is a non-cash charge to write-down the value of the Right-of-use asset for the Company's Needham, MA, USA lease, cf. Note 13. It is separately classified as a special item that the Company does not consider to be a part of its ordinary operations.

Research and development costs

Research and development costs include wages and salaries, laboratory materials, patent costs, clinical studies, rent, leasing, depreciation and amortization, and other costs relating to the Group's research and development activities that are not capitalized.

3. Business area reporting

GEOGRAPHIC DISTRIBUTION DKK Thousand	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Europe	9,705	10,090
North America	17,479	14,953
Asia	3,774	3,919
Other regions	-	7
Revenue	**30,958**	**28,969**

US represented with DKK 17.3 million 10% or more of BioPorto's revenue in 2023. In 2022 US represented with DKK 14.9 million 10% or more of BioPorto's revenue.

PRODUCT GROUPS DKK Thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
NGAL tests	18,558	14,857
Antibodies	10,681	12,033
ELISA kits	1,674	1,836
Royalty and other revenue	45	243
Revenue	**30,958**	**28,969**

One customer with revenues of DKK 3.1 million, represented 10% or more of BioPorto's revenue in 2023. Two customers with revenue of DKK 3.6 million and DKK 3.1 million represented 10% or more of BioPorto's revenue in 2022.

4. Staff costs

DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Wages and salaries	43,987	54,411
Defined contribution pension plans	2,344	2,159
Share-based compensation expenses	1,384	7,556
Other social security costs	2,734	2,709
Other staff costs	471	378
Staff costs	**50,920**	**67,213**
Average number of employees	31	32

SPECIFICATION OF STAFF COSTS DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Production costs	5,322	5,336
Sales and marketing costs	10,881	13,973
Research and development costs	12,930	17,239
Administrative costs	18,876	30,665
Restructuring costs	2,911	-
Staff costs	**50,920**	**67,213**

REMUNERATION FOR KEY MANAGEMENT PERSONNEL

DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Board of Directors		
Remuneration[1]	3,956	4,161
Board of Directors, Total	**3,956**	**4,161**
Executive Management[2]		
Salary	5,636	6,359
Bonus[3]	1,970	4,529
LTI bonus	-	-
Contribution based pension	-	124
Other employee benefits	754	920
Remuneration, total	**8,360**	**11,932**
Share-based compensation expenses	104	4,842
Executive Management, Total	**8,464**	**16,774**
Other Corporate Management		
Salary	12,271	12,422
Bonus	2,154	6,067
LTI bonus	-	-
Contribution based pension	540	517
Other employee benefits	1,595	1,428
Remuneration, total	**16,560**	**20,434**
Share-based compensation expenses	1,466	2,702
Other Corporate Management, Total	**18,026**	**23,136**
Remuneration for key management personnel	**30,446**	**44,071**

[1] Reflects amounts to board members including the tax equalization scheme. BioPorto is currently reviewing the implementation of the tax equalization scheme for 2022 and 2023. Any amendments from this review will be communicated in the remuneration report for 2024.
[2] The remuneration for the Board of Directors and Executive Management is further described in the Remuneration Report for 2023.
[3] Bonus consists of annual cash bonus and sign-on bonus.

5. Share-based compensation

For the purpose of motivating and retaining Management and key staff and aligning their interests with those of its shareholders, BioPorto A/S uses warrants as an incentive scheme. The arrangements, which are exercised by the issuance of new shares (equity-settled share-based payment transaction), entitle the recipient to subscribe for new shares in the parent Company at a price defined on the date of grant.

For the years ended December 31, 2023 and December 31, 2022, share-based compensation totaled an expense of DKK 1.4 million and DKK 7.6 million, respectively. These amounts reflect the impact of DKK 2.7 million and DKK 0.3 million, respectively, of non-cash equity compensation recoveries related to forfeited warrants. The Board established warrant programs in 2023 pursuant to the authorization in section 18a of the Articles of Association. Each warrant granted in 2023 vests over a four-year service period, includes conditions on claw-back in case of e.g., erroneous financial information and provisions on accelerated vesting in case of e.g., a takeover bid and/or business combinations, other performance-based metrics and provides the holder the right to subscribe for one share in BioPorto:

Detailed terms of the new and existing warrants, including applicable vesting schedules, can be found in the Articles of Association on www.bioporto.com under Investor Relations> Governance> Company Articles. At the end of 2023, a total of 16,024,058 warrants were outstanding, corresponding to 4.2% of the issued and outstanding nominal capital stock. Warrant terms are included in the Company's Articles of Association, which can be found at www.bioporto.com. Upon vesting, each warrant entitles the recipient to subscribe for one share in BioPorto A/S.

Overview of exercise periods

August 2019	August 16, 2021 to August 15, 2024
May 2020	May 11, 2022 to May 10, 2025
February 2021	February 11, 2023 to February 10, 2026
December 2021	December 28, 2022 to September 28, 2026
May 2022	May 5, 2023 to May 5, 2027
December 2022	December 8, 2023 to December 8, 2027
February 2023	February 16, 2024 to February 16, 2028
April 2023	See Warrant Program on page 21-22
September 2023	See Warrant Program on page 21-22

Overview of 2023 and 2022 warrant activity

		2023 Activity					
	Outstanding at January 1	**Granted**	**Exercised**	**Expired**	**Forfeited**	**Outstanding at Dec 31**	**Exercisable at Dec 31**
August 2019	1,250,000	-	(1,000,000)			250,000	250,000
May 2020	1,000,000	-	(1,000,000)	-	-	-	-
February 2021	350,000	-	-	-	(100,000)	250,000	250,000
December 2021	10,912,500	-	-	-	(4,312,500)	6,600,000	3,378,125
May 2022	270,000	-	-	-	-	270,000	101,250
December 2022	1,200,000	-	-	-	-	1,200,000	300,000
February 2023	-	500,000	-	-	-	500,000	-
April 2023	-	4,987,721	-	-	(1,383,663)	3,604,058	-
September 2023	-	3,450,000	-	-	(100,000)	3,350,000	-
Total	**14,982,500**	**8,937,721**	**(2,000,000)**	**-**	**(5,896,163)**	**16,024,058**	**4,279,375**

	Outstanding at January 1	2023 Activity				Outstanding at Dec 31	Exercisable at Dec 31
		Granted	Exercised	Expired	Forfeited		
Board of Directors	-	700,000	-	-	(100,000)	600,000	-
Executive Management	8,400,000	4,987,721	-	-	(4,183,663)	9,204,058	2,800,000
Management	6,482,500	2,750,000	(2,000,000)		(1,512,500)	5,720,000	1,479,375
Other employees	100,000	500,000	-	-	(100,000)	500,000	-
Total	**14,982,500**	**8,937,721**	**(2,000,000)**	**-**	**(5,896,163)**	**16,024,058**	**4,279,375**

	Outstanding at January 1	2022 Activity				Outstanding at Dec 31	Exercisable at Dec 31
		Granted	Exercised	Expired	Forfeited		
August 2018	2,100,000	-	-	(400,000)	1,700,000)	-	-
December 2018	1,800,000	-	-	-	(1,800,000)	-	-
April 2019	1,350,000	-	-	-	(1,350,000)	-	-
August 2019	1,250,000	-	-	-	-	1,250,000	1,250,000
December 2019	250,000	-	-	-	(250,000)	-	-
May 2020	1,350,000	-	-	-	(350,000)	1,000,000	1,000,000
February 2021	350,000	-	-	-	-	350,000	-
December 2021	12,150,000	-	-	-	(1,237,500)	10,912,500	2,900,000
May 2022	-	270,000	-	-	-	270,000	-
December 2022	-	1,200,000	-	-	-	1,200,000	-
Total	**20,600,000**	**1,470,000**	**-**	**(400,000)**	**(6,687,500)**	**14,982,500**	**5,150,000**

	Outstanding at January 1	2022 Activity				Outstanding at Dec 31	Exercisable at Dec 31
		Granted	Exercised	Expired	Forfeited		
Executive Management	8,400,000	-	-	-	-	8,400,000	2,100,000
Management	5,700,000	1,470,000	-	-	(687,500)	6,482,500	3,050,000
Other employees	6,500,000	-	-	(400,000)	(6,000,000)	100,000	-
Total	**20,600,000**	**1,470,000**	**-**	**(400,000)**	**(6,687,500)**	**14,982,500**	**5,150,000**

Specifications of Black-Scholes model parameters

	Aug 2019	May 2020	Feb 2021	Dec 2021	May 2022	Dec 2022	Feb 2023	Apr 2023	Sep 2023
Exercise price (DKK)	1.70	1.48	6.11	2.47	1.28	2.55	2.41	1.53	1.69
Expected volatility rate	47.2%	63.5%	61.8%	72.1%	75.4%	73.1%	66.12%	68.95%	62.9%
Expected vesting period (months)	24	24	24	27	27	27	35	50	27
Expected dividend yield per share	-	-	-	-	-	-	-	-	-
Risk-free interest rate p.a.	-0.87%	-0.60%	-0.58%	-0.58%	-0.50%	2.11%	2.81%	2.92%	3.39%
Fair value at grant (DKK thousand)	1,102	2,005	715	12,685	149	1,317	472	3,479	1,689

All share-based compensation is recognized in the Consolidated Statements of Profit or Loss based on their grant date fair values. Using this model, fair value is calculated based on assumptions with respect to (i) the fair value of the Company's common stock on the grant date; (ii) expected volatility of the Company's common stock price, (iii) the periods of time over which the grantees are expected to hold their warrants prior to exercise (expected term), (iv) expected dividend yield on the Company's common stock, and (v) risk-free interest rates.

The grant date fair value of share options is estimated using the Black-Scholes option valuation model. The fair value of warrants are determined on the date of grant. The expected volatility is calculated based on historical data of the Company's common stock. The expected dividend yield per share is zero as the Company has never paid dividends and does not currently anticipate paying any in the foreseeable future. Risk-free interest rates are based on quoted Danish rates for securities with maturities approximating the warrant's expected term. The expected term of warrants granted is determined using the weighted average vesting period of the warrant.

Stock based compensation is reduced for actual forfeitures in the period in which the forfeiture occurs and generally recognized on a straight-line basis over the service period of the grant.

6. Amortization and depreciation

The following tables reflect the amortization and depreciation of the respective asset class and the classification of such expenses in the consolidated statements of profit or loss.

RIGHTS AND SOFTWARE DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Intangible assets	309	347
Total amortization	**309**	**347**
Classification of amortization:		
Production costs	70	66
Sales and marketing costs	138	138
Research and development costs	70	66
Administrative costs	31	77
Total amortization	**309**	**347**

PROPERTY, PLANT AND EQUIPMENT DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Property, plant and equipment	696	784
Total depreciation	**696**	**784**
Classification of depreciation:		
Production costs	183	172
Sales and marketing costs	108	111
Research and development costs	296	367
Administrative costs	109	134
Total depreciation	**696**	**784**

RIGHT-OF-USE ASSETS DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Right-of-use assets	1,673	2,834
Total depreciation	**1,673**	**2,834**
Classification of depreciation:		
Sales and marketing costs	-	1,162
Administrative costs	1,673	1,672
Total depreciation	**1,673**	**2,834**

7. Fees to auditors

On November 23, 2022, the Company held an Extraordinary General Meeting where Deloitte Statsautoriseret Revisionspartnerselskab ("Deloitte") was elected as the Company's new auditor. Prior to that date, the Company's predecessor auditor, PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab ("PWC") performed the related services for the Company. Other services – Deloitte includes fees for various accounting discussions.

BREAKDOWN OF FEES DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Fees for statutory audit – Deloitte	836	100
Fees for statutory audit – PWC	-	311
Total audit fees	**836**	**411**
Tax advisory services – PWC	-	227
Other services – Deloitte	185	60
Other services – PWC	-	36
Total non-audit fees	**185**	**323**
Total fees to auditors	**1,021**	**734**

8. Financial income and expenses

FINANCIAL INCOME DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Interest income from bank	1,039	44
Interest income from financial assets measured at amortized cost	**1,039**	**44**
Net foreign exchange gains	-	1,141
Total financial income	**1,039**	**1,185**

FINANCIAL EXPENSES DKK thousand	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Interest expenses, other debt	23	348
Interest expenses, leasing debt	548	740
Interest expenses on financial liabilities measured at amortized cost	**571**	**1,088**
Exchange rate adjustments, net	432	-
Other financial expenses	71	117
Total financial expenses	**1,074**	**1,205**

9. Taxes

The Group has a deferred tax asset. However, Management has found that it is not sufficiently probable that the tax asset can be utilized in the foreseeable future. Therefore, tax assets have not been recognized on the balance sheet, cf. Note 1. The tax asset is of indefinite duration. The gross value of the tax asset prior to the valuation allowance was DKK 98.4 million as of December 31, 2023 (DKK 88.8 million).

Taxes receivable represent refunds anticipated within the next twelve months for payments in excess of previous US federal tax liabilities and tax credits held by its Danish entities associated with the Company's investment in research and development.

DEFERRED TAX ASSETS NOT RECOGNISED IN THE BALANCE SHEET DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Intangible assets	896	828
Property, plant and equipment	1,261	1,157
Right-of-use assets	(276)	(644)
Current assets	147	358
Leasing liabilities	305	681
Tax loss carryforwards	96,065	86,397
Deferred tax at December 31, net	**98,398**	**88,777**

As a result of the net loss of BioPorto's Danish entities, they do not incur income taxes in Denmark and have an effective tax rate of 0%. BioPorto A/S receives a refundable tax credit for research and development activities which is recognized in the consolidated financial statements.

10. Loss per share

DKK thousand (except where noted)	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Loss for the period	(56,328)	(75,923)
BioPorto Group's share of loss	**(56,328)**	**(75,923)**
Weighted average number of shares (in thousand)	358,511	318,554
Weighted average number of treasury shares (in thousand	(13)	(13)
Weighted average number of shares in circulation – basic and diluted (in thousand)	358,498	318,541
Loss per share (EPS) basic and diluted, DKK	**(0.16)**	**(0.24)**

Warrants outstanding were not included in the calculation of loss per share because the effect would have been anti-dilutive.

11. Rights and software

DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Cost at January 1	3,069	3,005
Additions during the period	-	64
Transfer	-	-
Cost at end of period	**3,069**	**3,069**
Accumulated depreciation at January 1	2,303	1,956
Depreciation expense during the period	309	347
Accumulated depreciation at end of period	**2,612**	**2,303**
Carrying amount at end of period	**457**	**766**

12. Property, plant and equipment

DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Cost at January 1	6,082	5,621
Additions during the period	39	407
Disposals during the period	-	-
Currency adjustments	(30)	54
Cost at end of period	**6,091**	**6,082**
Accumulated depreciation at January 1	4,496	3,696
Depreciation expense during the period	696	784
Currency adjustments	(20)	16
Accumulated depreciation at end of period	**5,172**	**4,496**
Carrying amount at end of period	**919**	**1,586**

13. Leases

RIGHT-OF-USE ASSETS DKK thousand	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Cost at January 1	9,109	19,355
Additions during the period	-	-
Disposals during the period	-	-
Transfer to assets held-for-sale	-	(10,888)
Currency adjustments	-	642
Cost at end of period	**9,109**	**9,109**
Accumulated depreciation at January 1	6,182	7,010
Depreciation expense during the period	1,673	2,834
Disposals during the period	-	-
Transfer to assets held-for-sale	-	(3,824)
Currency adjustments	-	162
Accumulated depreciation at end of period	**7,855**	**6,182**
Carrying amount at end of period	**1,254**	**2,927**

LEASE OBLIGATIONS DKK thousand	2023 Dec 31	2022 Dec 31
Current	2,970	3,197
Non-current	4,280	7,448
Lease liability end of period	**7,250**	**10,645**

LEASE OBLIGATIONS DKK thousand	2023 Dec 31	2022 Dec 31
Less than 1 year	2,970	3,197
Between 1 and 5 years	4,280	7,448
More than 5 years	-	-
Total	**7,250**	**10,645**

AMOUNTS RECOGNIZED IN CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Depreciation charge of right-of-use assets	1,673	2,834
Interest expense (included in financial expenses)	548	740
Expense related to short-term leases	-	-
Total	**2,221**	**3,574**

LEASE LIABILITIES DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Lease liabilities at January 1	**10,645**	**13,034**
New or modifications to lease liabilities	-	-
Repayments	(3,738)	(3,737)
Cancellation of lease liabilities	-	-
Interest Expense	548	740
Currency adjustments	(205)	608
Lease liabilities end of period	**7,250**	**10,645**

During the fourth quarter of 2022, the Group commenced through a third party the marketing of its leased Needham, MA office space ("Needham Lease") to be sub-leased. The Company concluded the Right-of-use asset associated with the Needham Lease was impaired and recognized a 2.6 million charge to reduce the carrying value of the Right-of-use asset to the excess of the fair value of the cash flows from the sublease less broker commissions over the net book value of the right-of-use asset associated with the underlying lease in 2022. During 2023, the Company recognized impairment expense of DKK 1.0 million related to the Needham, MA office Asset-Held-For-Sale. The Company executed a sublease agreement of its office space in Needham, MA, USA in November 2023 to reduce its cash infrastructure costs by an estimated DKK 4.7 million over the next three years and four months. As a result of the sublease, the Company has a Lease Receivable Long-Term and Lease Receivable Short Term assets as of December 31, 2023. Cf. Note 18.

14. Inventories

DKK thousand	2023 Dec 31	2022 Dec 31
Raw materials	1,228	1,172
Work in Progress	-	-
Finished goods	3,170	2,786
Reserves	(611)	(1,400)
Inventories, net	**3,787**	**2,558**
(Recovery)/write-down recognized in the period	(789)	(274)
Cost of sales included in production costs in the period	2,285	2,998

All product groups have been individually assessed in terms of historical marketability and future sales potential. Inventories have been written down to the extent it is estimated that the product group will not contribute substantially to the Company's future revenue. Inventories estimated to be non-marketable within the next two years are written off and recognized in Production costs. The recovery is resulting from physical inventory count in 2023. The cost of inventories is recognized as Research and development costs in the period when they are identified as being expected to be used in R&D activities.

15. Receivables

DKK thousand	2023 Dec 31	2022 Dec 31
Trade receivables	2,404	3,058
Other receivables	1,164	1,769
Prepayments	1,741	1,555
Provisions for bad debt	(58)	(229)
Financial assets at amortized costs	**5,251**	**6,153**

For receivables that mature within one year after the end of the financial year, the nominal value is considered to correspond to the fair value. An overview of trade receivables is included in Note 18.

16. Other accrued liabilities

DKK thousand	2023 Dec 31	2022 Dec 31
Accrued incentive compensation	4,158	8,574
Accrued board fee	2,756	2,179
Accrued vacation	1,099	1,906
Accrued professional and consulting fees	1,726	648
Accrued clinical trial costs	1,825	1,059
Accrued supplier costs	2,483	-
Accrued expenses – Other	1,372	2,871
Other accrued liabilities	**15,419**	**17,237**

17. Share capital

As of December 31, 2023, the share capital consists of 379,670,461 shares of DKK 1.00 each. The share capital has been paid up in full. The shares have not been divided into classes and carry no special rights. As of December 31, 2023 and December 31, 2022, the Company held 13,000 treasury shares representing less than 0.01% of outstanding shares as of each date with nominal value of DKK 13,000. As of December 31, 2023, BioPorto A/S is not authorized to acquire treasury shares. The company raised gross proceeds of DKKt 42,977 less issuance cost of DKKt 1,629 for net proceeds of DKKt 41,348. BioPorto A/S did not acquire treasury shares during the years ended December 31, 2023 or December 31, 2022, respectively.

18. Financial risks and financial instruments

Financial instrument categories

DKK thousand	2023 Dec 31	2022 Dec 31
Trade receivables, net	2,346	2,829
Other receivables	1,164	1,769
Lease receivable – Short term	960	-
Lease receivable – Long term	2,728	-
Cash and cash equivalents	66,402	81,792
Financial assets at amortized costs	**73,600**	**86,390**

Financial asset

Trade receivables generally fall due within 30 days after the end of the financial year. Their carrying amount is assumed to equal fair value. The Lease receivable pertains to amounts due from sublease agreement between BioPorto Diagnostics, Inc. with Bone Support, Inc. entered November 2023 through lease termination of April 2027.

DKK thousand	2023 Dec 31	2022 Dec 31
Lease liabilities	7,250	10,645
Other non-current liabilities	-	-
Trade payables	6,905	10,457
Financial liabilities at amortized costs	**14,155**	**21,102**

Financial liabilities

Trade payables generally fall due within one year after the end of the financial year. Their carrying amount is assumed to equal fair value.

Currency risk

The Group's presentation currency is DKK, but part of its activities are denominated in currencies other than DKK, primarily USD and EUR. Consequently, there is a risk of exchange rate fluctuations having an impact on the Group's reported results.

The Group is exposed to currency risks through sales, production, R&D contracts, and payroll denominated in currencies other than Danish kroner. The Group is subjected to transaction risk related to sales and purchases in foreign currencies, and translation risk when translating foreign entities into the Group's presentation currency.

For the year ended December 31, 2023, 35% (32%) and 64% (66%) of the Group's revenue was transacted in USD and EUR, respectively, with the remainder in other currencies.

B/S CURRENCIES PERCENTAGES DKK thousand	2023 Dec 31	2022 Dec 31
Inventory		
DKK	100%	100%
Trade receiveables		
USD	51%	19%
EUR	49%	79%
Other	-	2%
Cash and cash equivalents		
DKK	90%	93%
USD	5%	4%
EUR	5%	3%
Trade payables		
DKK	60%	37%
USD	25%	52%
EUR	6%	4%
Other	9%	7%

The Group has determined not to hedge its USD exposure. As the Danish kroner is pegged to the EUR, hedging of the Company's transactions in EUR is not found necessary.

Interest rate risk

The Group's exposure to interest rate risk is considered to be limited. Substantially all of the Group's assets consisted of bank deposits.

Credit risk

The Group's credit risk is primarily associated with trade receivables. The Company, at times, may maintain balances at banks in excess of insurance limits provided by The Danish Guarantee Fund (*Garantiformuen*) and US Federal Deposit Insurance Corporation. The financial situation and ability of customers to pay trade receivables are regularly evaluated, with payment upon placement of an order required if ability-to-pay is evaluated to be low. Expected credit losses are estimated by grouping trade receivables by customer type and days past due. An estimated loss percentage is calculated based on historical credit losses and specific customer circumstances. Trade receivables are written off when there is no reasonable expectation of recovery.

A provision for bad debts is recognized to reduce the carrying amount of trade receivables by the value which is impaired due to risk of loss.

AS OF DECEMBER 31, 2023

DKK thousand	Expected credit loss rate	Trade receivables	Expected loss	Total
Not due	0.2%	1,802	4	1,798
1 – 30 days overdue	0.4%	475	2	473
31 – 60 days overdue	0.0%	31	-	31
61 – 90 days overdue	6.7%	15	1	14
More than 90 days overdue	63.0%	81	51	30
As of December 31, 2023		**2,404**	**58**	**2,346**

AS OF DECEMBER 31, 2022

DKK thousand	Expected credit loss rate	Trade receivables	Expected loss	Total
Not due	0.1%	2,264	2	2,262
1 – 30 days overdue	0.3%	376	1	375
31 – 60 days overdue	0.0%	153	-	153
61 – 90 days overdue	0.0%	-	-	-
More than 90 days overdue	85.3%	265	226	39
As of December 31, 2022		**3,058**	**229**	**2,829**

Liquidity risk

In connection with BioPorto's ongoing financing of operations, efforts are made to ensure sufficient financial resources are available. BioPorto's cash and cash equivalents totaled DKK 66.4 million and DKK 81.8 million as of December 31, 2023 and December 31, 2022, respectively, cf. Note 1. The Company's current liabilities are due within 12 months from the reporting date (in this case December 31, 2023). The only long-term liability of the Company is its lease obligation. See Note 13 for further information on when this liability is due.

Free funds are placed in bank deposits to maintain flexibility.

Capital structure

The Board of Directors and Management regularly assess whether the Group's capital structure properly serves the interests of the Group and its shareholders. This assessment is performed by evaluating cash forecasts, monitoring the development of the cash position and operating cash requirements. Any potential cash shortfalls are evaluated for raising capital to ensure strategic plans are met and debt/equity could be a potential source of cash under the right facts and circumstances.

19. Commitments and contingencies

The Company has a defined contribution 401(k) plan established for its US-based employees whereby it makes a non-elective safe harbor contribution of 3% of eligible compensation. Contribution expenses totaled DKK 0.4 million for the year ended December 31, 2023 (DKK 0.3 million).

All of the Company's existing and proposed diagnostic products are regulated by the FDA and similar regulatory bodies in other countries and/or regions. Most aspects of development, production, and marketing, including product testing, authorizations to market, labeling, promotion, manufacturing, and record keeping, are subject to regulatory review.

After marketing or other applicable regulatory approval has been granted for its products, the Company must continue to comply with governmental regulations. Failure to comply with applicable requirements can lead to sanctions, including withdrawal of products from the market, recalls, refusal to authorize government contracts, product seizures, civil money penalties, injunctions, and criminal prosecution.

From time-to-time the Company may become involved in legal proceedings or may be subject to claims arising in the ordinary course of its business. Although the results of litigation and claims cannot be predicted with certainty, the Company currently believes that the final outcome of these ordinary course matters will not have a material adverse effect on its business, operating results, financial condition or cash flows. Regardless of the outcome, litigation can have an adverse impact on the Company because of defense and settlement costs, diversion of management resources, and other factors.

20. Related parties

BioPorto Group has no related parties with control over the Group and no related parties with significant influence other than key management personnel – mainly in the form of the Board of Directors and Executive Management.

Board of Directors and Executive Management

Christopher Lindop, Chairman (opted not to stand for re-election and replaced by John McDonough as Chairman effective April 27, 2023)
John McDonough, Chairman
Dr. Michael Singer
Jan Leth Christensen (resigned as a board member for BioPorto on December 4, 2023)
Don Hardison
Peter Mørch Eriksen (CEO effective January 9, 2024)
Anthony Paul Pare, CEO (Change in Executive Management and stepped down as CEO effective January 9, 2024)
Neil Allan Goldman, Executive Vice President & Chief Financial Officer (resigned effective October 15, 2023)

Group-owned companies

BioPorto Diagnostics A/S, 2900 Hellerup, Denmark. Ownership: 100%
BioPorto Diagnostics Inc., Needham, Massachusetts, USA. Ownership: 100%
BioPorto Inc., Needham, Massachusetts, USA. Ownership: 100%

Related party transactions

The related party transactions during 2023 were as follows:

- Ordinary management remuneration, Cf. Note 4.
- Peter Mørch Eriksen earned an aggregate amount of DKK 150,000 for consulting services (via his wholly-owned legal entity, PME Holding ApS).

21. Subsequent event

On January 9, 2024, the Company announced that BioPorto's CEO, Anthony Pare, is stepping down and leaving BioPorto effective on that date, and appointed Board Member Peter Mørch Eriksen as interim CEO of the Company. The total cost of the severance is DKK 3.6 million to be paid over a 12-month period from the separation date of January 9, 2024. The severance includes DKK 3.4 million of base salary and DKK 0.2 million of health benefits coverage and will be recorded in 2024. On April 2, 2024, the company announced that Peter Mørch Eriksen was appointed as permanent CEO.

22. Cash preparedness and cash position

The Board of Directors and Management regularly assess whether BioPorto has an adequate capital structure, adequate capital resources and liquidity resources available. Such assessment has also been carried out in relation to preparing the 2023 Annual Report. The Board of Directors will together with Management continue monitor the development of the cash position on a continuous basis ensuring appropriate financial readiness at all times.

The guidance for 2024 and the expected cash position on March 31, 2025 are based on assumptions of financing with net proceeds of DKK 61.4 million in 2024 and a 30% increase in total revenues in 2024. As announced (see Announcement no. 03 on February 22, 2024), the Company will seek financing by issuing new shares of 63pprox.. USD 20 million in 2024 and 2025.

Budgets and plans are based on best estimates of the future at the time of approving the 2023 Annual Report. However, budgets and financing plans relate to future events and the fulfilment of such are by nature prone to uncertainty.

If against expectations, BioPorto does not complete the financing or raises a lower cash amount than expected in the financing and/or performs below budget, the Board of Directors and Management will take mitigating actions to secure sufficient cash until March 31, 2025. These mitigating actions could include a capital increase with pre-emptive rights for shareholders later in 2024.

Although the Board of Directors and Management based on this assessment considers that BioPorto will have adequate and enough liquidity resources available to finance the operations of the Group for the coming year, the above indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern.

Parent Company

Statements of Profit or Loss

DKK thousand	Notes	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Revenue	2	9,600	9,600
Gross profit		**9,600**	**9,600**
Sales and marketing costs		-	83
Administrative costs	3	14,153	25,319
Loss before financial items (EBIT)		**(4,553)**	**(15,802)**
Loss from investments in subsidiaries	4	(105,253)	(81,184)
Financial income	5	55,681	21,642
Financial expenses	5	2,933	579
Loss before tax		**(57,058)**	**(75,923)**
Income tax benefit, net	6	730	-
Net loss		**(56,328)**	**(75,923)**
Proposed distribution of loss			
Accumulated Deficit		(56,328)	(75,923)
		(56,328)	**(75,923)**

Balance Sheets

Assets

DKK thousand	Notes	2023 Dec 31	2022 Dec 31
Non-current assets			
Property, plant and equipment and intangible assets			
Property, plant and equipment		-	-
Right-of-use assets		1,254	2,927
Total property, plant and equipment and intangible assets		**1,254**	**2,927**
Financial assets			
Investments in subsidiaries	4	2,163	2,208
Receivables from subsidiaries		91,248	76,345
Deposits		923	851
Total financial assets		**94,334**	**79,404**
Total non-current assets		**95,588**	**82,331**
Current assets			
Taxes receivable		4,956	5,500
Other receivables		556	379
Total receivables		**5,512**	**5,879**
Cash and cash equivalents		57,662	74,941
Total current assets		**63,174**	**80,820**
Total assets		**158,762**	**163,151**

Equity and liabilities

DKK thousand	Notes	2023 Dec 31	2022 Dec 31
Equity			
Share capital		379,670	334,693
Exchange rate adjustments		225	(234)
Retained loss		(319,735)	(264,238)
Total equity		**60,160**	**70,221**
Provisions			
Provisions in subsidiaries with negative equity		90,968	85,141
Total provisions		**90,968**	**85,141**
Liabilities			
Non-current liabilities			
Lease obligation		-	1,387
Non-current liabilities		-	**1,387**
Current liabilities			
Current portion of lease obligations		1,387	1,707
Trade payables		3,526	2,838
Other payables		2,721	1,857
Current liabilities		**7,634**	**6,402**
Total liabilities		**7,634**	**7,789**
Total equity and liabilities		**158,762**	**163,151**

Statements of changes in equity

Amounts in DKK thousand Shares in thousands	Share Capital	Share Premium	Treasury Shares	Accumulated Deficit	AOCI	Total
Balance at December 31, 2022	**334,693**	**-**	**13**	**(264,238)**	**(234)**	**70,221**
Other comprehensive loss	-	-	-	-	459	**459**
Closure of dormant subsidiary	-	-	-	(104)	-	**(104)**
Transactions with owners:						
Exercise of warrants	2,000	1,180	-	-	-	**3,180**
Issuance of Stock	42,977	-	-	-	-	**42,977**
Issuance costs	-	(1,629)	-	-	-	**(1,629)**
Transferred to Accumulated Deficit	-	449	-	(449)	-	**-**
Share-based compensation	-	-	-	1,384	-	**1,384**
Net loss	-	-	-	(56,328)	-	**(56,328)**
Balance at December 31, 2023	**379,670**	**-**	**13**	**(319,735)**	**225**	**60,160**

Amounts in DKK thousand Shares in thousands	Share Capital	Share Premium	Treasury Shares	Accumulated Deficit	AOCI	Total
Balance at December 31, 2021	**267,754**	**-**	**13**	**(221,671)**	**(119)**	**45,964**
Other comprehensive loss	-	-	-	-	(115)	**(115)**
Transaction with owners:						
Issuance of Stock	66,939	33,469	-	-	-	**100,408**
Issuance costs	-	(7,672)	-	-	-	**(7,672)**
Transferred to Accumulated Deficit	-	(25,797)	-	25,797	-	**-**
Share-based compensation	-	-	-	7,559	-	**7,559**
Net loss	-	-	-	(75,923)	-	**(75,923)**
Balance at December 31, 2022	**334,693**	**-**	**13**	**(264,238)**	**(234)**	**70,221**

Notes to Financial Statements of Parent Company

1. Basis of reporting

The financial statements of the parent company, BioPorto A/S, have been prepared in accordance with the provisions of the Danish Financial Statements Act for Reporting class D (listed) enterprises.

The annual report is presented in Danish kroner (DKK), which also is the functional currency of the company.

Changes in accounting policies

The accounting policies of the Parent Company are unchanged from the prior year.

Differences relative to the Group's accounting policies

The Parent Company's accounting policies for recognition and measurement are in accordance with the Group's policies with the exceptions set out below.

Statements of Profit or Loss

Income from investments in subsidiaries.

Income from investments in subsidiaries are recognized in the parent company's income statement as the proportional share of the subsidiaries results for year corresponding to the Parent Company's ownership.

Balance Sheets

Investments in subsidiaries.

Investments in subsidiaries are recognized and measured under the equity method. Subsidiaries with a negative net asset value are recognized at DKK nil, and any receivable amount from these companies is written down by the negative net asset value to the extent it is deemed to be irrecoverable.

Statements of Cash Flows

As permitted under section 86 (4) of the Danish Financial Statements Act, a statement of cash flows for the parent company is not presented, as it is included in the Consolidated Statement of Cash Flows.

Taxation

The parent company is taxed jointly with its domestic subsidiary. The jointly taxed Danish enterprises are taxed under the Danish on-account tax scheme. Current tax for jointly-taxed companies is recognized in each individual company. All jointly-taxed companies are covered by the joint-taxation liability. See disclosures related to "Deferred tax assets" and "Tax payables" in the Consolidated Financial Statements and related notes thereto.

2. Business area reporting

GEOGRAPHIC DISTRIBUTION DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Denmark	9,600	9,600
Revenue	**9,600**	**9,600**

The sale of services in BioPorto A/S exclusively represents intra-group services. Revenue is recognized over time in the accounting period in which the performance obligations associated with the services are rendered.

3. Staff costs

DKK thousand	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Wages and salaries	3,865	7,670
Defined contribution pension plans	-	299
Share-based compensation expenses	71	7,556
Other social security costs	17	3
Other staff costs	26	108
Staff costs	**3,979**	**15,636**
Average number of employees	0	3

Reclassification of share-based compensation expenses have been made in 2023. Reference is made to note 4 in the Consolidated financial statements.

SPECIFICATION OF STAFF COSTS DKK thousand	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Sales and marketing costs	-	-
Administrative costs	3,979	15,636
Staff costs	**3,979**	**15,636**

REMUNERATION FOR KEY MANAGEMENT PERSONNEL

DKK thousand	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Board of Directors		
Remuneration	3,956	4,161
Board of Directors, Total	**3,956**	**4,161**
Executive Management		
Salary	-	-
Bonus	-	-
LTI bonus	-	-
Contribution based pension	-	-
Other employee benefits	-	-
Remuneration, total	**-**	**-**
Share-based compensation expenses	-	4,842
Executive Management, Total	**-**	**4,842**
Other Corporate Management		
Salary	-	720
Bonus	-	97
LTI bonus	-	-
Contribution based pension	-	64
Other employee benefits	-	-
Remuneration, total	-	**881**
Share-based compensation expenses	-	2,702
Other Corporate Management, Total	-	**3,583**
Remuneration for key management personnel	**3,956**	**12,586**

4. Investments in subsidiaries

DKK thousand	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Cost on January 1	51,364	51,364
Additions (Disposals)	(2,000)	-
Cost at December 31	**49,364**	**51,364**
Revaluation on January 1	(590,510)	(509,210)
Loss from investments in subsidiaries	(105,253)	(81,185)
Exchange rate adjustments investments in subsidiaries	459	(115)
Equity changes in subsidiaries	2,102	-
Revaluation on December 31	**(693,202)**	**(590,510)**
Value on December 31	**(643,838)**	**(539,146)**
Negative value of investments set off against receivables from group	555,136	456,210
Negative value of investments recognized as a provision	90,865	85,144
Value on December 31	**2,163**	**2,208**

BioPorto A/S regularly contributes capital to the subsidiary BioPorto Diagnostics A/S to support the subsidiary's operating activities. The receivable amount carries interest at an average annual rate for 2023 of 9.4%, which accrues at the end of each quarter. The Management members of BioPorto A/S and BioPorto Diagnostics A/S are identical. As BioPorto Diagnostics A/S activities account for the bulk of the Group's activities, and reference is made to the Management Review, including the description of risks. Management believes that uncertainty attached to BioPorto Diagnostics A/S possibility of repaying the part of the Parent Company's receivable from the subsidiary which corresponds to the subsidiary's negative equity. Accordingly, a write-down has been made to reflect this.

List of subsidiaries

BioPorto Diagnostics A/S, 2900 Hellerup, Denmark. Ownership: 100%

BioPorto Inc., Needham, Massachusetts, USA. Ownership: 100%

BioPorto Diagnostics Inc., Needham, Massachusetts, USA. Ownership: 100%

5. Financial income and expenses

FINANCIAL INCOME DKK thousand	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Interest income from subsidiaries	54,793	17,783
Interest income from bank	888	21
Exchange rate adjustments, net	-	3,838
Total financial income	**55,681**	**21,642**

FINANCIAL EXPENSES DKK thousand	2023 Jan 1 - Dec 31	2022 Jan 1 - Dec 31
Interest expenses, leasing debt	139	237
Interest expenses, other debt	19	342
Exchange rate adjustments, net	2,776	-
Total financial expenses	**2,934**	**579**

6. Taxes

A deferred tax asset has been calculated. However, Management has concluded that it is not sufficiently probable that the tax asset can be utilized in the foreseeable future. Therefore, tax assets have not been recognized on the balance sheet. Reference is made to Note 9 in the Consolidated Financial Statements.

DEFERRED TAX ASSETS NOT RECOGNIZED IN THE BALANCE SHEET DKK thousand	2023 Jan 1 – Dec 31	2022 Jan 1 – Dec 31
Right-of-use assets	(276)	(644)
Leasing liabilities	305	681
Tax loss carryforwards	-	361
Deferred tax on December 31, net	**29**	**398**

Through the consolidated tax return, the Parent receives a refundable tax credit for research and development activities associated with one of its subsidiaries that is recognized in that subsidiary.

7. Commitments and contingencies

BioPorto A/S has acknowledged that it will finance the operations of its subsidiaries BioPorto Diagnostics A/S, BioPorto Inc., and BioPorto Diagnostics Inc. through 2024. The Parent is jointly taxed with its Danish subsidiary, and they are jointly liable for any such tax liabilities.

8. Distribution of this year's result

The Board of Directors proposes that BioPorto A/S's loss of DKK 57.0 million for the year ended December 31, 2023 be transferred to retained deficit.

9. Other notes

Reference is made to Note 7 in BioPorto's consolidated financial statements with respect to auditor fees.

Reference is made to Note 17 in BioPorto's consolidated financial statements with respect to share capital and treasury shares.

Reference is made to Note 21 in BioPorto's consolidated financial statements with respect to subsequent events.

Statement by the Board of Directors and Management

The Board of Directors and Executive Management today considered and approved the Annual Report of the BioPorto Group and the Parent Company for the period January 1 to December 31, 2023.

The Consolidated Financial Statements have been prepared in accordance with International Accounting Standards (IFRS) and further requirements in the Danish Financial Statements Act, and the Parent Company Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at December 31, 2023 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year January 1 to December 31, 2023.

In our opinion, Management's commentary includes a fair review of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year, and of the financial position of the Group and the Parent Company in general, as well as a description of the principal risks and uncertainties pertaining to the Group and the Parent Company.

In our opinion, the Annual Report of the Group and the Parent Company for the financial year January 1 to December 31, 2023, identified as 5299004SWFL5JAN4W830-2023-12-31-en.zip, has been prepared, in all material respects, in compliance with the ESEF Regulation.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hellerup, April 4, 2024

Executive Management:

_____

Peter Mørch Eriksen
Chief Executive Officer

Board of Directors:

_____

John McDonough
Chairman

_____

Don Hardison
Vice Chairman

_____

Michael Singer

_____

Ninfa Saunders

_____

Peter Mørch Eriksen

Independent Auditor’s Report

Report on the audit of the Financial Statements

To the shareholders of BioPorto A/S

Report on the consolidated financial statements and the parent financial statements Opinion

We have audited the consolidated financial statements and the parent financial statements of Bioporto A/S for the financial year 1 January - 31 December 2023 , which comprise the income statement, balance sheet, statement of changes in equity and notes, including material accounting policy information, for the Group as well as the Parent, and the statement of comprehensive income and the cash flow statement of the Group. The consolidated financial statements are prepared in accordance IFRS Accounting Standards as adopted by the EU and additional requirements for listed entities in Denmark, and the Parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements give a true and fair view of the Group’s financial position at 31 December 2023, and of the results of its operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements under the Danish Financial Statements Act.

Furthermore, in our opinion, the parent financial statements give a true and fair view of the Parent’s financial position at 31 December 2023, and of the results of its operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Our opinion is consistent with our audit book comments issued to the Audit Committee and the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor’s responsibilities for the audit of the consolidated financial statements and the parent financial statements" section of this auditor’s report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, we have not provided any prohibited non-audit services as referred to in Article 5(1) of Regulation (EU) No 537/2014.

We were appointed auditors of Bioporto A/S for the first time on 23.11.2022 for the financial year 2022. We have been reappointed annually by decision of the general meeting for a total contiguous engagement period of 2 years up to and including the financial year 2023.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

Material uncertainty related to going concern

We draw attention to Note 22 in the consolidated financial statements, which describes that the necessary cash flow to support the planned activities is depending on both on both the completion of and the amount of cash received from the planned capital increase in 2024. Management is expecting a capital increase in 2024 but no commitments has been made. This indicates that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Statement on management's review

Management is responsible for the management review.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management review provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management review is in accordance with the Consolidated financial statements and the Parent financial statements and has been prepared in accordance with the requirements of the relevant law and regulation. We did not identify any material misstatement of the management review.

Management's responsibilities for the consolidated financial statements and parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act as well as the preparation of parent financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Parent's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark 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 consolidated financial statements and these parent financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, safeguards put in place and measures taken to eliminate threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on compliance with the ESEF Regulation

As part of our audit of the consolidated financial statements and the parent financial statements of Bioporto A/S we performed procedures to express an opinion on whether the annual report for the financial year 2023, with the file name , is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation), which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for financial information required to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL tagged data and the consolidated financial statements presented in human readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the consolidated financial statements including notes;
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited consolidated financial statements.

In our opinion, the annual report of Bioporto A/S for the financial year 2023, with the file name 5299004SWFL5JAN4W830-2023-12-31-en.zip, is prepared, in all material respects, in compliance with the ESEF Regulation.

Copenhagen, April 4, 2024

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Niels Skannerup Vendelbo
State Authorised Public Accountant
Identification No (MNE) mne34532

Lars Hansen
State Authorised Public Accountant
Identification No (MNE) mne24828

Forward-looking safe harbor statements

This Annual Report contains forward-looking statements that involve risks, uncertainties, and other factors, many of which are outside of BioPorto's control, that could cause actual results to differ materially from the results or expectations discussed in the forward-looking statements. Forward-looking statements include statements concerning the Group's plans, objectives, goals, future events, performance and/or other information that is not historical information. The words "believe", "expect", "anticipate", "intend" and "plan" and similar expressions identify forward looking statements. Actual results or performance may differ materially from any future results or performance expressed or implied by such statements. The important factors that could cause our actual results or performance to differ materially include, among others, risks associated with product discovery and development, uncertainties related to regulatory approval, uncertainties related to the outcome and conduct of clinical trials including unforeseen safety issues, uncertainties related to product manufacturing, the lack of market acceptance of our products, our inability to manage growth, the competitive environment in relation to our business area and markets, our inability to attract and retain suitably qualified personnel, the unenforceability or lack of protection of our patents and proprietary rights, our relationships with affiliated entities, changes and developments in technology which may render our products obsolete, and other factors. For a further discussion of these risks, please refer to the section "Risk Management" in this Annual Report. All such forward-looking statements are expressly qualified by these cautionary statements and any other cautionary statements which may accompany the forward-looking statements. BioPorto does not undertake any obligation to update or revise forward looking statements in this Annual Report nor to confirm such statements in relation to actual results, subsequent events, or circumstances after the date made.

BioPorto is an in vitro diagnostics company focused on saving lives and improving the quality of life with actionable biomarkers – tools designed to help clinicians make changes in patient management. The Company uses its expertise in antibodies and assay development, as well as its platform for assay development, to create a pipeline of novel and compelling products that focus on conditions where there is significant unmet medical need, and where the Company's tests can help improve clinical and economic outcomes for patients, providers, and the healthcare ecosystem.

The Company's flagship product is The NGAL Test, which has been designed to aid in the risk assessment of Acute Kidney Injury (AKI), a common clinical syndrome that can have severe consequences, including significant morbidity and mortality if not identified and treated early. With the aid of The NGAL Test, physicians can identify patients potentially at risk of AKI more rapidly than is possible with current standard of care measurements, enabling earlier intervention and more tailored patient management strategies.

www.bioporto.com

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