bioporto

2022 Annual Report

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Letter to our Stakeholders

Wind in Our Sails

One year ago, as the world tenuously emerged from the worst of the COVID-19 pandemic, BioPorto's new management team set out an ambitious series of 2022 objectives for the clinical development and regulatory submission of our flagship NGAL biomarker test, designed and demonstrated to assess the risk of Acute Kidney Injury (AKI) for pediatric patients in the Intensive Care Unit (ICU). Over the last twelve months, our team has met or surpassed all of those objectives through focused operational execution and prudent financial management.

Foremost, we are encouraged in having met our guidance by having completed:

- June enrollment in our three-part clinical study investigating the use of an NGAL test in identifying pediatric ICU patients under the age of 22 at risk for AKI; and
- November submission of a marketing authorization application for NGAL test to the US Food and Drug Administration (FDA).

We are also pleased with the steps we have taken to strengthen our executive team, including the additions of Mr. Nis Kruse, EVP of Strategic Partnerships and GM of EMEA/APAC, Dr. Tabari Baker, VP of Global Medical Affairs, and Dr. Prasad Devarajan, MD FAAP FASN as Senior Medical Director, and to underscore our commitment to timely execution for the benefit of patients and shareholders alike.

Commercially, over the last twelve months, we have raised and exceeded our revenue and Adjusted EBITDA guidance through antibody and NGAL test sales into accessible markets and disciplined cost control. Extrapolating from this performance, we continue to have confidence in our ability to grow and expand the market opportunity for the NGAL test with increasing recognition, approval, and availability for clinical use. Taken together, our clinical and commercial operations are delivering as planned and as communicated, and we remain determined to maintain this record of performance.

Charting the Course

With our NGAL submission to the FDA complete, BioPorto is presently engaged in correspondence with the FDA, including an Additional Information (AI) request in support of their ongoing review. We expect to deliver our response in advance of the July 23rd deadline.

We are also taking deliberate steps to navigate turbulent financial markets. Like other prudent companies, we have taken proactive measures to run lean, conserve capital, and plan expenditures carefully and critically. While our 2022 financial outperformance has helped us in this exercise, BioPorto's team will limit discretionary spending to persuasive, value-added uses. In particular, we are ramping up our commercial and marketing efforts in Europe, where The NGAL Test™ is already available for both pediatric *and* adult use under CE mark. Mr. Kruse focused on this opportunity.

Bright Horizon

With sails up and a course set, we are now well underway in our plan for 2023. While we invest in and expand the European market and engage in productive dialogue with the FDA, we are also taking steps to expand market potential beyond the anticipated first approval of the NGAL Test for pediatric ICU use in the US.

Because, consistent with the FDA's Instrument Family Policy guidance, our first FDA approval will be for use on one Roche instrument, through 2023 and beyond we will seek to expand market access to an increasing number of hospitals, where a variety of compatible instruments are already installed. This will be pursued through two strategies to establish the NGAL test as compatible and approved for use on the broader Roche family of instruments and other brands of instruments. We are performing the validation work on our CE Mark version of the assay, which is not tied to specific instruments, for a 510(k) submission to the FDA.

Neither of these strategies is expected to require a clinical trial.

Also, to broaden our US total addressable market, we are investigating additional indications and points of care, including for pediatric patients outside the ICU and adult patients at high risk of AKI. This includes planning for corresponding clinical trials.

I appreciate the support of our shareholders and am dedicated to building on the opportunity inherent in the NGAL biomarker test. I am firm in my conviction that BioPorto's work will bring value to our shareholders and a new, lifesaving test to patients and healthcare providers.

Tony Pare
Chief Executive Officer

BioPorto's Strategy

BioPorto is an IVD (in vitro diagnostic) company focused on developing actionable biomarker tests – tools designed to help clinicians detect the onset of disease states and help direct appropriate therapies. BioPorto applies its expertise in antibody 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 its tests may help improve clinical and economic outcomes for patients, providers, and the healthcare ecosystem.

Clear Strategic Priorities

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. This vision is supported by three strategic pillars.

Drive Market Adoption of NGAL Biomarker Tests & Have a Pipeline of Products that Deliver High Medical Value

In the US, BioPorto will first focus on obtaining De Novo FDA approval for pediatrics (under age 22) in the ICU. The De Novo application is currently under review by the FDA, following its submission in November 2022.

BioPorto's NGAL biomarker test is already CE Marked for use in the European market in both adult and pediatric populations on any brand of clinical chemistry analyzer. Historically, the Company has made minimal investments in its own and its distributors' commercial and medical education capabilities to drive adoption in Europe. With the addition of a new EVP of Strategic Partnerships and GM of EMEA & APAC, a new VP of Global Medical Affairs, and additional commercial staff, the Company is making investments to drive customer adoption in this up to $1 billion market.[1]

Through the Company's own commercial team and its distribution partnerships, BioPorto seeks to drive market adoption of NGAL tests to assess kidney health in early stages of AKI. It intends to accomplish this by communicating and marketing the clinical and economic value of current and future NGAL products in a clear, efficient, and compelling manner. Further, BioPorto will continue to evaluate opportunities to develop and commercialize other high value, actionable biomarkers focused on kidney health.

Strengthen the Company to Scale & Execute

BioPorto will work towards driving market adoption by building the necessary commercial and medical affairs organization, investing in distributor education in Europe initially, expanding education into the US following prospective FDA approval, scaling production capacity, improving the robustness of its quality systems, ensuring compliance with regulatory requirements, expanding its intellectual property portfolio, and ensuring sufficient capital to support operations.

To realize its strategic priorities, BioPorto will need to seek additional operating capital, with longer-term aspirations to access US capital markets, including through a potential U.S stock market listing. Towards this goal, BioPorto may explore opportunities in relation to a targeted international share offering, potentially including the US.

As the Company routinely assesses and addresses outstanding risks in its business, such as prospective FDA approval, we will continue to manage these risks during a period of conservatism in the capital markets through proactive management of cash reserves. For example, the Company is judiciously managing its infrastructure cost by pursuing a sublease for unused office space in Boston, insourcing clinical research activities, rationalizing product portfolios, outsourcing low-volume work activities, and selectively reducing its workforce. BioPorto is also decreasing the pace of spending related to preparing for the US market commercialization, while awaiting prospective FDA approval, and has also taken actions to improve product pricing and overall product margins.

Attract, Develop & Retain the Best and Brightest Employees Aligned with our Values and with Clear Roles and Responsibilities

BioPorto undertakes proactive efforts to recruit the most qualified people to drive success and embrace its core values. BioPorto motivates employees to stay and contribute through consistent, long term incentive programs and flexible work arrangements that are aligned with personal and company needs, providing frequent feedback and clarity in their contribution to BioPorto's success, and celebrating success.

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

[1] Management estimate.

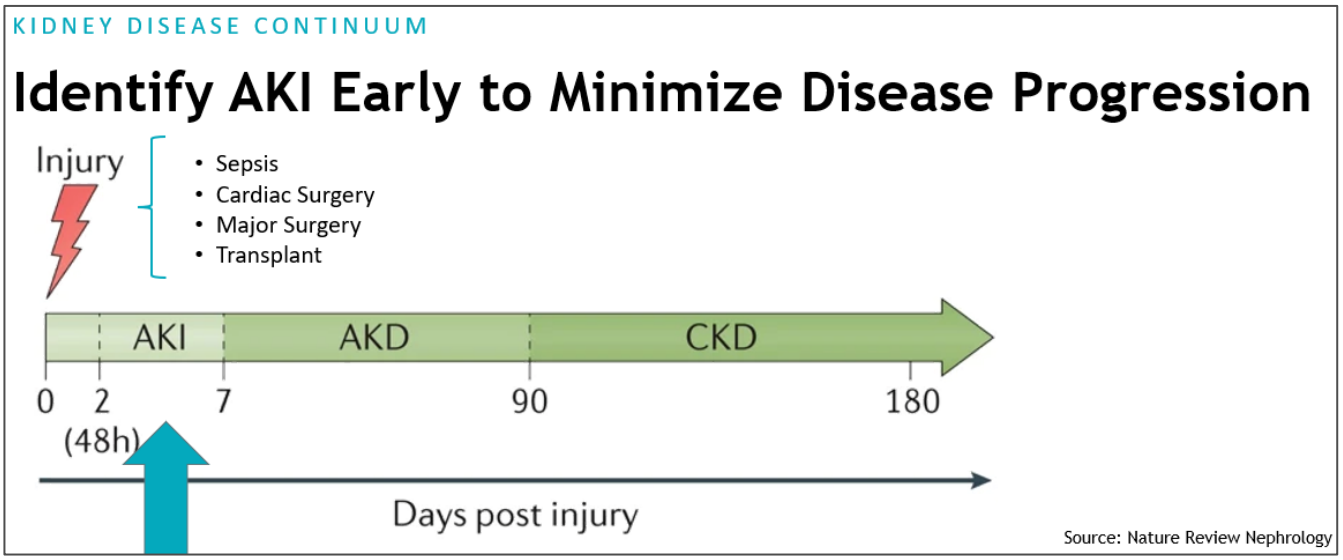
nephrotoxic pharmaceuticals. The incidence of AKI in critically ill patients is growing: from 2000-2014, the US saw a 230% increase among non-diabetics, and a 139% increase in patients with diabetes.[2]

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[3] with a 52% community acquired rate and with 48% of cases acquired during hospital stays. Among patients that are hospitalized, 1 in 5 adults[4], and 1 in 4 children[5] will acquire AKI.

The onset of AKI in hospitalized patients increases the likelihood of mortality by 25%.[3] 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 for the quantitative determination of NGAL in humans. It uses an analytical method that can be run on most 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. This facilitates laboratory adoption of the test and eventual market penetration. The NGAL test does not require any proprietary instrumentation, thereby avoiding any requirement for capital purchase arrangements by the customer that could otherwise add months to the sales cycle.

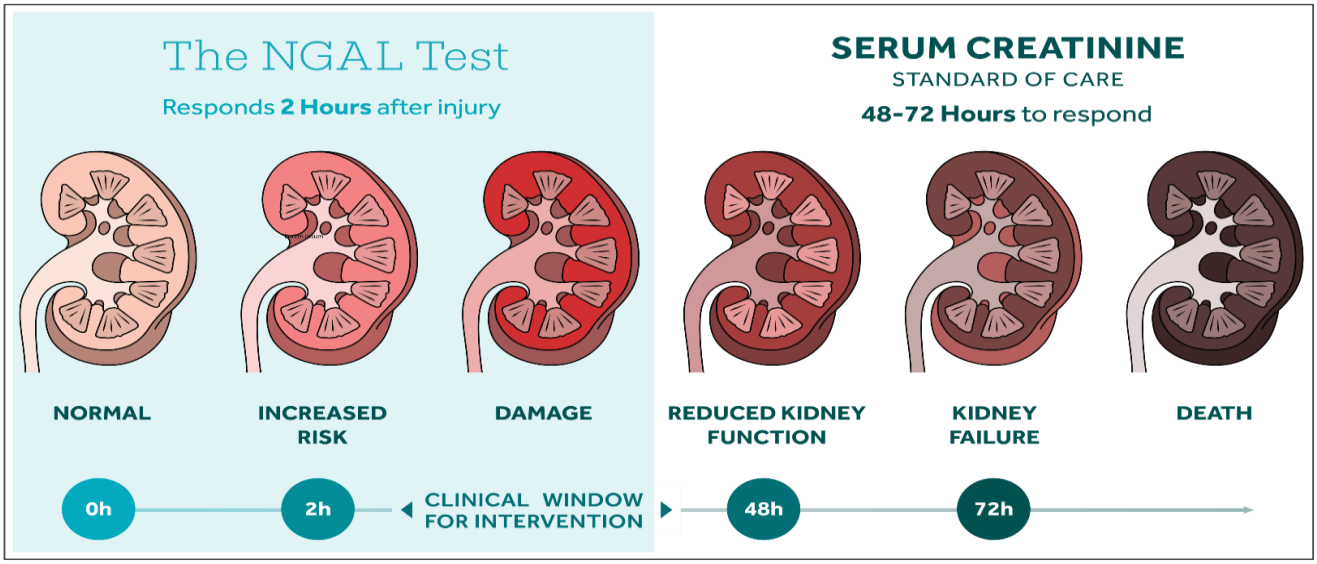
[2] Pavkov ME. (2018) 'Trends in Hospitalizations for Acute Kidney Injury — United States, 2000–2014', MMWR Morb Mortal Wkly Rep. 2018;67.

[3] Mehta RL. Lancet. 2015,

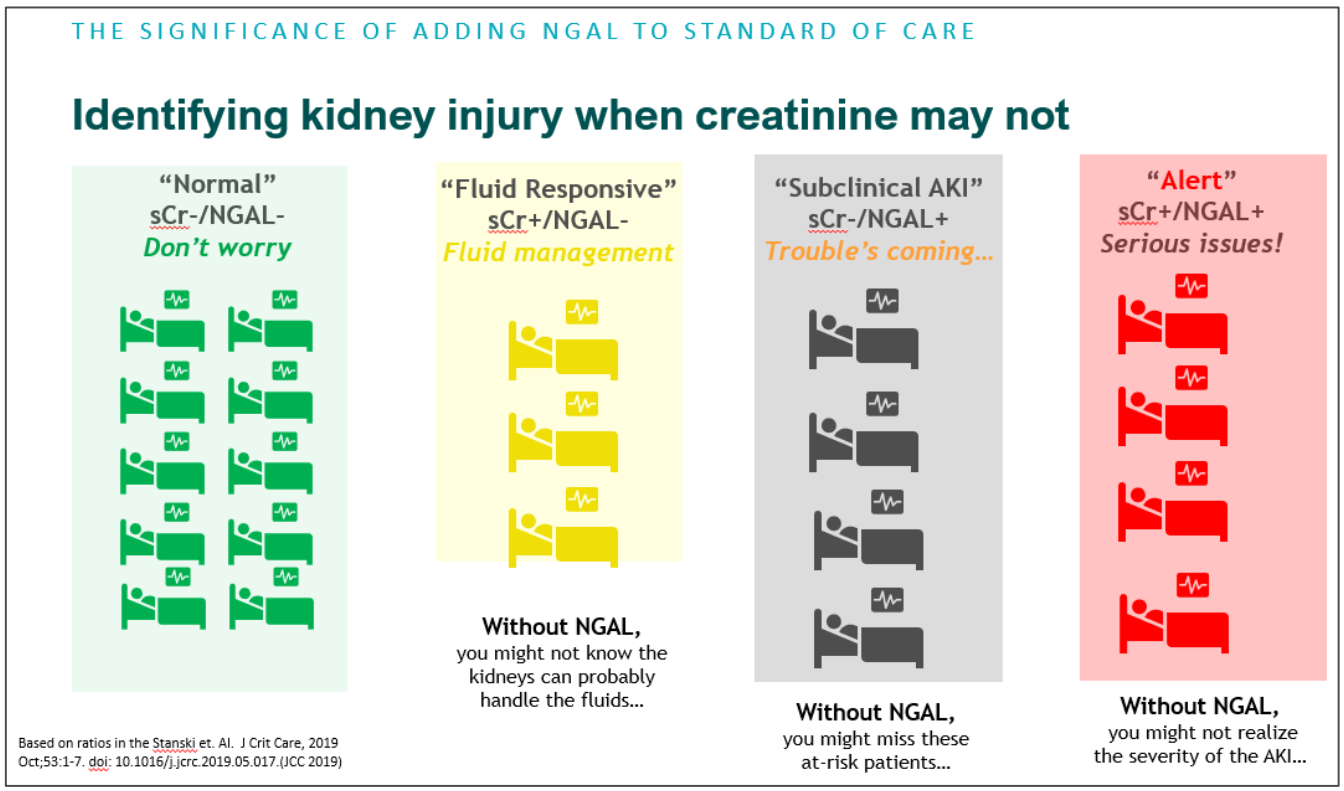
[4] Susantitaphong P. CJASN. 2014;9(6)

[5] Kaddourah A. N Engl J Med. 2017

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[6] and after >50% of total glomerular filtration capacity is already lost[7].



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 drugs, 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.



[6] Haase-Fielitz A, et al. (2014) 'Neutrophil gelatinase-associated lipocalin as a biomarker of acute kidney injury: a critical evaluation of current status', Ann Clin Biochem, 2014 51(0 3): 335–351. doi:10.1177/0004563214521795

[7]) Küllmar M, et al. Crit Care Clin. 2020 Oct;36(4):691-704.

The NGAL Test Addresses a significant global market opportunity

In the US, BioPorto's initial focus with The NGAL Test is in the pediatric intensive care setting, followed by future expansion into new indications such as nephrotoxicity monitoring, testing in the emergency department, and the adult population. BioPorto estimates that the total addressable opportunity in the US is approximately $1.2 billion annually for all potential applications including outpatient monitoring. BioPorto believes that the global addressable market for The NGAL Test is approximately $3 billion.

Focus on $1B European and Other Markets that accept CE Mark while FDA approval is Pending

The NGAL Test is currently available for IVD use in Europe and other geographies under its CE Mark for measurement of NGAL for all patient populations, disease states, and instruments. While awaiting the FDA's decision on the NGAL test submission for pediatric use in the ICU in the US, BioPorto is expanding its presence to drive adoption in Europe. The Company recently announced the additions of Mr. Nis Kruse as EVP of Strategic Partnerships and GM of EMEA/APAC and Dr. Tabari Baker as VP of Global Medical Affairs. 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 our distribution sales channels.

Steady Focus on US Regulatory Pathway for The NGAL Test

In 2022, the Company achieved a major milestone. After three years of dedicated effort during the COVID-19 pandemic, BioPorto completed a three-phase clinical study that included 16 hospital sites in the US. Extensive data analysis was completed to determine if the Company's targeted endpoints were met. The De Novo application for the NGAL test for risk assessment of pediatric patients admitted to the ICU, ages 3 months to 21 years old, on the Roche Cobas c501 clinical chemistry analyzer was submitted to the FDA on November 10, 2022. BioPorto previously obtained a Breakthrough Device Designation from the FDA for the NGAL test, and therefore engagement with the FDA began immediately following submission. The review is ongoing, with formal FDA requests for Additional Information (AI) issued as required. Although a single instrument represents a limited market opportunity, it does follow the guidelines dictated by the FDA's Replacement Reagent and Instrument Family Policy for In Vitro Diagnostic Devices. Following FDA approval, the Company can conduct brief validation work and file to expand the marketing authorization to include additional, common Roche instruments. Roche is generally recognized to have the largest share of the clinical chemistry market.

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 prospective approval of the NGAL test serving as a predicate device referable for future submissions, it is anticipated that the regulatory review cycle will be brief and less complex.

Approach to Expand the US Total Addressable Market

Pediatric Market Expansion

BioPorto's US commercial strategy for NGAL tests is designed to build a market for urinary biomarkers in AKI. Starting in the smaller, focused pediatric market will help to build awareness and momentum ahead of launch in the larger adult market. The pediatric market includes a well-established network of nephrologists and critical care physicians that present as Key Opinion Leaders (KOLs) in AKI, and that have objective, independent experience with, and favorable opinions of, NGAL as a biomarker for risk assessment of AKI and, in turn, the market potential for NGAL tests.

Upon prospective FDA approval, the Company will invest in a commercial strategy for the pediatric launch of the NGAL test with 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.
- **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 ensure there is alignment and buy-in among all decision makers in the hospital system.
- **Medical Science Liaisons (MSLs):** Building 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, for example former critical care nurses, who can engage in scientific discourse on the use of NGAL in the medical management of AKI. This team will provide step-by-step tools to guide hospitals' implementation of new NGAL test-based kidney biomarker programs.

Adult Market Entry and Expansion

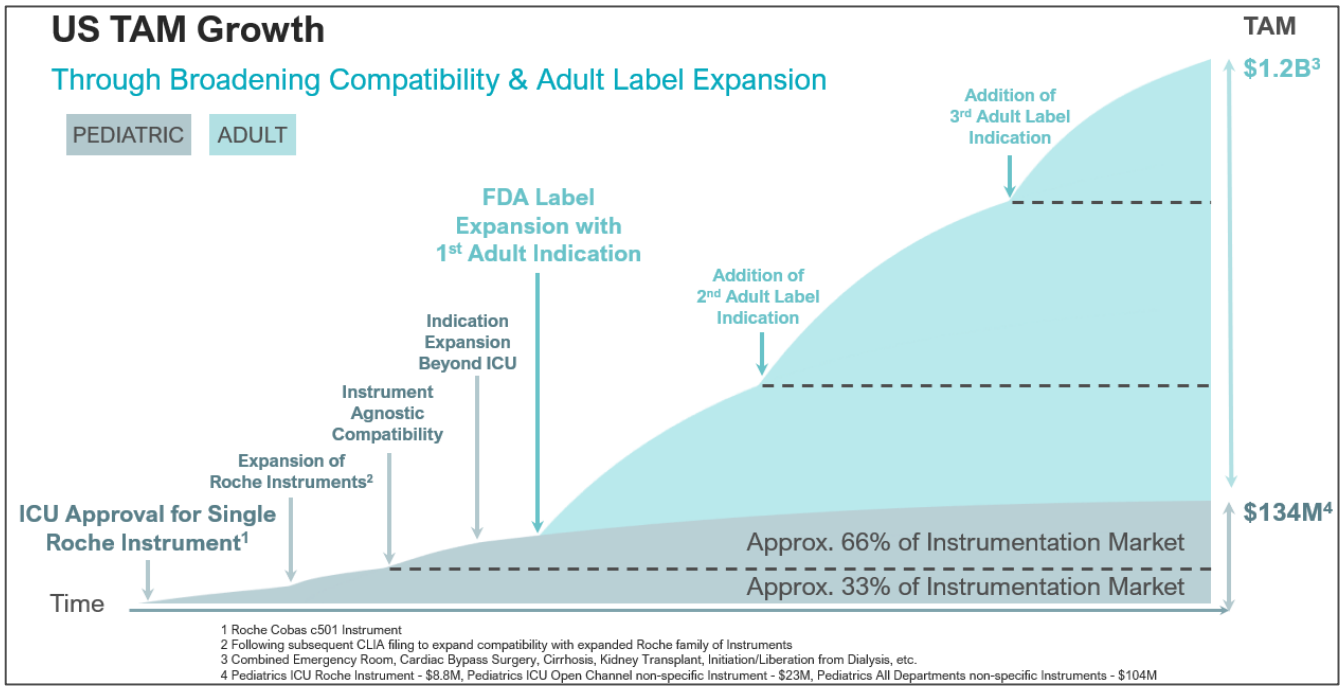
The pediatric indication includes patients up to the age of 22. Therefore, adult hospitals that also care for patients aged 18 to 21 are expected to provide a bridge to the adult ICU market, as the laboratories in these hospitals will already be able to run NGAL tests, and adult-focused physicians will 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.

To expand access to the adult market, the Company will select and perform appropriate clinical trials to support older adults and other clinical indications. BioPorto's strategy includes initiatives that will follow the initial adult FDA approval and any associated clinical trials:

- Distribution partnerships with additional instrument manufacturers, e.g., Roche, Siemens, and Abbott, to enable laboratories with any instrument platform to order and run NGAL tests.
- Collaboration with advocacy groups, such as the National Kidney Foundation, KDIGO—Kidney Disease Improving Global Outcomes (a global organization that develops and implements evidence-based clinical practice guidelines in kidney disease), and ADQI—Adult Disease Quality

Initiative (a global organization of academic researchers and clinicians focused on setting new standards for the diagnosis and management of AKI and other kidney-related disorders).

The following chart projects the growth of BioPorto's US addressable market, first for pediatric ICU patients on the Roche Cobas c501 instrument, followed by the broader Roche family, instruments from additional manufacturers, and then adult indications.



ELISA Kits and Antibodies

BioPorto's revenue-generating product line also 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. The overall research antibodies market is expected to grow at a CAGR of 6.7% from $10.1 billion in 2020 to $14.10 billion by 2025, as these are critical components in life sciences research.[8]

BioPorto offers NGAL ELISA kits 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 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, the Company 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 the Company 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, the Company 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.

[8] Markets and Markets 'Research Antibodies Market by Product (Antibodies (Primary, Secondary)(Mouse, Rabbit)), Reagents), Technology (Western Blot, Flow Cytometry, Elisa, Immunofluorescence, Immunohistochemistry), Application, & End User - Global Forecast to 2025', https://www.marketsandmarkets.com/MarketReports/research-antibodies-reagents-market-94212793.html

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.

Outlook for 2023

BioPorto's three strategic activities in 2023 are to:

- Grow revenues in European and other markets that accept CE Mark
- Focus on the US NGAL test's regulatory pathway
- Expand the total addressable market for NGAL tests

Key assumptions relating to the 2023 outlook are as follows:

- Assumes minimal growth in NGAL test revenues in the US during the FDA's review process, and since the timing for an approval is unknown, BioPorto is not including any post-approval revenue in its outlook.
- While FDA approval is pending, costs related to future clinical studies are assumed to be lower than in 2022.
- Sales & marketing costs are assumed to increase compared to 2022 associated with European-focused business development and global product marketing (including travel and related expenses), reimbursement studies, and expanded distributor material and content support.
- R&D costs (excluding those related to clinical trial activities) are assumed to increase compared to 2022, including as a result of the full year impact of 2022 hirings, investments in studies to prepare regulatory filings to increase the addressable US market through expanded clinical chemistry analyzer claims, and investments in manufacturing and quality systems.
- Administrative costs are expected to be comparable to 2022.
- The Company will take judicious mitigating actions throughout the year to protect or strengthen its financial position, including reducing operating expenses in targeted areas.

	Actual 2022	Outlook 2023
Revenue	DKK 29 million	Approximately DKK 30 to 33 million
Adjusted EBITDA Loss[1]	DKK (67) million	Approximately DKK (60) to (65) million

BioPorto's performance and guidance for 2023 are dependent on the continued resolution of the COVID-19 pandemic. The guidance above is predicated on an assumption of the continued opening of societies and the normalization of access to hospitals, research laboratories, and regulatory bodies.

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.

[1] See "Non-IFRS financial measure"

Consolidated Financial Highlights

DKK million (except where noted)	2022 Jan 1 – Dec 31	2021 Jan 1 – Dec 31	2020 Jan 1 – Dec 31	2019 Jan 1 – Dec 31	2018 Jan 1 – Dec 31
Revenue	29.0	24.3	23.2	26.6	26.0
Gross profit	19.0	15.0	13.3	17.3	17.8
Sales and marketing costs	21.2	17.4	20.8	39.3	20.9
Research and development costs	34.9	30.3	28.1	24.6	18.7
Administrative costs	41.8	32.7	28.0	27.8	20.0
Lease impairment	2.6	-	-	-	-
Loss before financial items (EBIT)	(81.5)	(65.3)	(63.6)	(74.3)	(41.8)
Financial items, net	(0.0)	1.4	(3.2)	0.1	0.2
Loss before tax	(81.5)	(63.8)	(66.8)	(74.2)	(41.6)
Net loss	(75.9)	(57.1)	(61.6)	(69.6)	(38.0)
Comprehensive loss	(76.0)	(58.3)	(59.8)	(70.0)	(38.3)
Adjusted EBITDA	(67.3)	(62.0)	(54.3)	(68.3)	(42.2)
Non-current assets	7.2	17.1	15.5	8.2	3.6
Cash and cash equivalents	81.8	45.5	107.9	18.1	46.7
Current assets	101.4	64.2	124.8	34.5	62.6
Total assets	108.6	81.3	140.3	42.7	66.2
Equity	70.2	46.0	100.9	25.3	56.2
Non-current liabilities	7.4	10.5	8.4	2.5	0.8
Current liabilities	31.0	24.8	30.9	14.9	9.2
Total equity and liabilities	108.6	81.3	140.3	42.7	66.2
Cash flows from operating activities	(52.5)	(64.6)	(35.6)	(60.2)	(38.0)
Cash flows from investing activities	(0.5)	(0.4)	(1.5)	(2.1)	(1.5)
Of which investment in property, plant, and equipment	(0.4)	(0.1)	(1.3)	(0.6)	(1.4)
Cash flows from financing activities	88.7	1.1	127.0	33.6	39.1
Net cash flows	35.7	(63.9)	89.9	(28.6)	(0.4)
Revenue growth	19%	5%	(13%)	2%	3%
Gross profit percentage	66%	62%	57%	65%	69%
Equity ratio (solvency)	65%	57%	72%	59%	85%
Average number of employees	32	29	28	34	28
Number of shares at the end of the period (1,000)	334,693	267,754	266,582	174,944	165,688
Loss per share (EPS), DKK	(0.24)	(0.21)	(0.30)	(0.41)	(0.24)
Net asset value per share, period-end, DKK	0.21	0.17	0.38	0.14	0.34
Share price, period-end, DKK	2.32	2.47	4.04	2.93	3.50

Note: Loss per share (EPS) is calculated in accordance with IAS 33 “Earning per share”. Other financial ratios have been calculated in accordance with the guidelines from the Danish Society of Financial Analysts.

Reconciliation of Adjusted EBITDA					
Loss before financial items (EBIT)	(81.5)	(65.3)	(63.6)	(74.3)	(41.8)
Depreciation and amortization	4.0	4.3	4.0	2.9	0.5
Share-based compensation expenses	7.6	(1.0)	5.3	3.1	(0.9)
Lease impairment	2.6	-	-	-	-
Adjusted EBITDA	**(67.3)**	**(62.0)**	**(54.3)**	**(68.3)**	**(42.2)**

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 therefore limit our use of Adjusted EBITDA and do not evaluate our results and performance without considering both non-IFRS Adjusted EBITDA on the one hand and EBIT or net income or loss on the other. 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.

Since 2020, the Company was – as was most of the world – affected by the COVID-19 pandemic whereby the Company took measures to safeguard its employees and modify facilities to enable the Company to continue operations.

While it is hard to measure the impact of the pandemic on revenues, our clinical studies have been broadly affected. Multiple waves of SARS-CoV-2 infections restricted BioPorto's access to hospitals and limited the healthcare system's ability to process and conduct studies according to the schedule the Company originally anticipated.

As a result, the NGAL pediatric De Novo application to the FDA was delayed until November 2022.

In 2023, primary risks include obtaining FDA market authorization for NGAL tests in pediatrics in the US, securing market adoption and continued growth in NGAL revenues including in regions where CE Mark is accepted, 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 in 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.
- 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 Company's pending pediatric NGAL test submission may not be approved by the FDA, or its approval may be delayed by or conditioned by the FDA.
- A failure to obtain FDA approval of a NGAL test for risk assessment of AKI would have a material adverse effect on the Company's prospective future revenues, future growth prospects, future cash-flows and future results of operations.
- 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 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.
- 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 Company's future success depends in part on its ability to attract and retain its management team and key employees.
- 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 manufacture of the Company's products is dependent on the supply of raw materials and key components from suppliers, some of which are single source suppliers for the Company.
- 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 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.
- 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 Company has incurred net losses and may continue to do so.

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 ability to prevent competing companies from having Freedom to Operate in commercially relevant markets.
- Performance and dependence of the Company's subcontractors; most significantly Contract Manufacturing Organizations and Contract Research Organizations.
- Clinical development and results from pipeline projects.
- Cyber-attacks.
- Risks relating to trade receivables and inventory.
- 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.
- Tax risks.
- Risks related to IT in general.

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.

Corporate Governance

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

The Board of Directors believe that the Company is operated 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 2022 on the Company's website here.

The Board of Directors

The General Meeting elects between three and seven members to the Board of Directors, which currently consists of six members. The Board of Directors elects a chairman and a vice chairman. 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. In addition, the Board supervises the Company in a general sense and ensures that it is managed in an adequate manner and in accordance with applicable law and the Company's Articles of Association. The Board discharges its duties in accordance with the rules of procedure of the Board, which are reviewed and updated by all members of the Board.

The Board of Directors held 20 Board meetings in 2022. Eleven meetings are planned for 2023 in accordance with the Board of Directors' annual schedule, which may be changed at any time to allow for additional meetings, if necessary.

Board committees

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

- **Remuneration Committee**: Don Hardison*, Christopher Lindop, John McDonough
- **Nomination Committee**: Christopher Lindop*, John McDonough, Don Hardison
- **Audit Committee**: John McDonough*, Christopher Lindop, Michael Singer. As Chairman of the Audit Committee Mr. McDonough possesses the necessary professional qualifications and experience.
- **Strategy Committee**: Christopher Lindop*, John McDonough, Don Hardison, Michael Singer, Jan Leth Christensen, Peter Mørch Eriksen**
- **Business, Research and Development Committee**: Michael Singer*, Peter Mørch Eriksen**, Christopher Lindop
- **Go to Market Committee*****: Christopher Lindop*, John McDonough, Michael Singer

** indicates the independent chair of each committee, ** indicates if the committee member is considered non-independent,*
**** established during the first quarter of 2023*

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 2022 self-evaluation was conducted internally, and the key conclusions were positive with a continued satisfaction with the Board's work as well as the work in the committees. Organizational development and continued optimization of Board meeting efficiency will be focus areas in 2023.

Tax Policy

In 2023, the Board 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.

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 2022 and subsequently approved by the shareholders at the Annual General Meeting in 2022. 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 2022.

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 employees in the BioPorto Group.

Review of corporate social responsibility, cf. Section 99a, 99b and 99d of the Danish Financial Statements Act

BioPorto is aware of its social responsibility and endeavors to improve its social and environmental conditions. In addition to the corporate social responsibility report provided below, BioPorto has signed on to 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.

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.

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.

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 abuses will be reported to executive management, who will take prompt action. Zero incidents of human rights violations were reported in 2022. In 2023, BioPorto will continue the same focus as in 2022.

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. BioPorto consistently works to maintain a safe and healthy work environment with many procedures in place. Both the physical and mental working environment are monitored and continually improved to avoid accidents, injury, and illness. Management ensures that appliable employees are trained to handle hazardous goods and chemicals correctly.

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.

Gender diversity in BioPorto
The gender diversity in BioPorto Group at the end of 2022 is shown in the overview below:

2022	Female	Male	Non-Danish
All Employees	54%	46%	59%
Management	43%	57%	57%
Executive Management (two persons)	0%	100%	100%
Board of Directors	0%	100%	67%

Overall, the gender diversity among the employees and managers of BioPorto has become moderately more balanced from 2021 to 2022.

BioPorto has adopted the following Diversity 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."

BioPorto's Nomination Committee has a clear policy for evaluating candidates of both genders for vacant Board positions. For future Board vacancies, the Nomination Committee will continue to evaluate candidates of both genders.

Any violations of labor principles would be reported to executive management who would then investigate.

BioPorto monitors and evaluates performance yearly by looking at work related injuries, employee related cases with a union, etc. BioPorto had zero employee-related cases with the union and zero work related injuries in 2022.

In 2023, 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.

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 the Company is implementing the Code of Conduct into supplier contracts to ensure the above. BioPorto continues to consume less paper by encouraging electronic copies, double-sided printing when hard copies are necessary, and release of print app. Management will continually encourage employees to embrace environmental and climate friendly initiatives. In 2023, BioPorto will continue working to minimize impacts.

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.

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. Suppliers and partners are chosen with care, and relevant suppliers are included in BioPorto's quality system. 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 does not permit or participate in money laundering.

BioPorto's Code of Conduct covers the above. Employees are bound by BioPorto's Code of Conduct and the Company is implementing the Code of Conduct into supplier contracts to ensure that suppliers comply with the above.

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. This is the main activity planned when looking into 2023.

Data Ethics

In 2022, 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.

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 2022. In 2023, BioPorto will continue securing its compliance with the above-mentioned policies, and new employees receive GDPR and data training.

Review of the gender-based composition of the Management and Board

As described above, BioPorto has adopted a Diversity Policy that is available on the Company's website.

Board of Directors

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 six members, all of whom are men. Notwithstanding the foregoing, BioPorto has defined a target, that no later than in 2026 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 Nomination Committee has a policy for evaluating candidates of both genders for vacant Board positions. For future vacant Board positions, the nomination committee will continue to evaluate candidates of both genders.

Other layers of Management

The Company does not have a policy for diversity in other layers of Management, as the Company's size is below the minimum threshold (cf. guidelines from the Danish Business Authority).

Gender diversity in the BioPorto Group

The gender diversity in BioPorto Group at the end of the past four years is shown below:

2022	**Female**	**Male**
Board of Directors	0%	100%
Executive Management (two people)	0%	100%
Management	43%	57%
All employees	54%	46%

2021	**Female**	**Male**
Board of Directors	0%	100%
Executive Management (two people)	0%	100%
Management	60%	40%
Other employees	65%	35%

2020	**Female**	**Male**
Board of Directors	20%	80%
Executive Management (one person)	0%	100%
All Employees	54%	46%

2019	**Female**	**Male**
Board of Directors	20%	80%
Executive Management (one person)	0%	100%
All Employees	54%	46%

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 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 have their shares registered with the Company; registration must be through the holder's custodian bank. Shareholders are also encouraged to sign-up to receive Company announcements via e-mail from the Company. Investor Relations (IR) is responsible for ensuring that information from the group's IR stakeholders is shared with 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, 2022 BioPorto's capital stock had a nominal value of DKK 334,693,005 divided into 334,693,005 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 April 2022, BioPorto completed a rights offering of 66,938,601 new shares raising gross proceeds of DKK 100.4 million. No warrants were exercised during the year.

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, 2022, BioPorto had 19,638 registered shareholders (2021: 19,356), that in the aggregate owned 88.21% of the capital stock. As of December 31, 2022, 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 2022 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 18 a of the Articles of Association. Each warrant granted in 2022 (as listed below) vests over a four-year 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, and provides the holder the right to subscribe for one share in BioPorto:

- On May 5, 2022, the Board of Directors of BioPorto A/S issued 270,000 warrants for the subscription of an equal number of shares. The exercise price was DKK 1.28 per share corresponding the closing price on Nasdaq Copenhagen on May 5, 2022. The theoretical market value of the issued

warrants was DKK 149,000 based on the Black-Scholes formula using an interest rate of 0.50% and the historical volatility of BioPorto A/S' shares of 27 months calculated to 75.37%.

- On December 8, 2022, the Board of Directors of BioPorto A/S issued 1,200,000 warrants for the subscription of an equal number of shares. The exercise price was DKK 2.55 per share, corresponding to the closing price on Nasdaq Copenhagen on December 8, 2022. The theoretical market value of the newly issued warrants is DKK 1,316,500 based on the Black-Scholes formula using an interest rate of 2.11% and the historical volatility of BioPorto A/S' shares over 27 months calculated to 73.07%.

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 2022, a total of 14,982,500 warrants were outstanding, corresponding to 4.5% of the issued and outstanding nominal capital stock.

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 2023. 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 27, 2023, 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 2023	
March 15, 2023	Deadline for shareholder proposals – Annual General Meeting
March 30, 2023	Annual Report 2022
April 27, 2023	Annual General Meeting
May 10, 2023	Interim Report – for the three-month period ended March 31, 2023
August 1, 2023	Interim Report – for the six-month period ended June 30, 2023
October 31, 2023	Interim Report – for the nine-month period ended September 30, 2023

Board of Directors

Christopher James Lindop, Chairman

Mr. Lindop became chairman in 2021. He is qualified as a Chartered Accountant and Certified Public Accountant and was previously a partner with Arthur Andersen LLP and Ernst & Young LLP. He took the position as Chief Financial Officer of Inverness Medical Ltd., before being appointed Chief Financial Officer and VP of Business Development at Haemonetics Corporation Ltd. (NYSE: HAE). Mr. Lindop was Chief Financial Officer of Quotient Limited (Nasdaq:QTNT) until his retirement in May 2020. He was also a member of the board of directors of Parexel International (Nasdaq:PRXL), where he served as Chairman of the audit committee and as a member of the nominating and governance committee. As a result, he has considerable experience in the management of US listed healthcare and diagnostic companies and within the functional areas of finance and reporting, corporate governance, mergers & acquisitions, public and private market financing and strategy development and execution.

Other directorships: None.

John McDonough, Vice Chairman

Mr. 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. He earned his undergraduate degree in business from Stonehill College.

Other directorships: Cytrellis Biosystems, Inc. (Chair), Sunbird Biosystems (Executive Chair).

Don Hardison, Jr.

Mr. Hardison most recently served as President, Chief Executive Officer, and as a member of the 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 received his Bachelor of Arts in Political Science from the University of North Carolina, Chapel Hill.

Other directorships: HTG MOLECULAR, MDXHEALTH, Cytek Biosciences, Arima Genomics, YourBio, Genoescopy, Breath BioMedical.

Michael Singer, MD, PhD

Dr. Singer is Chairman and Chief Strategy Officer at Cartesian Therapeutics, Inc, a US biotech company that develops RNA-modified cell therapies. Prior to founding Cartesian, he was co-founder and Chief Scientific Officer of Topokine Therapeutics 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, Pykus Therapeutics, Anodyne Nanotech.

Jan Leth Christensen

Mr. Christensen is an attorney-at-law and is currently a board member and partner at Lønberg & Leth Christensen Advokataktieselskab. He serves as Chairman of Havnens Bygningsudlejnings A/S, Best Ejendomme A/S, and Advokaternes Ejendomsadministration A/S, and is also a member of the executive management and/or the board of directors of several other companies and foundations. Mr. Christensen holds a Master's degree in Law from the University of Copenhagen.

Other directorships: Murermester Willy Lynggard Petersens Familiefond, Rolf Krake Fonden, Hyldegårdsvej 40 A/S (Chair), WRP-Holding A/S, K/S Hørsvinget, Esplanaden Berlin Holding A/S, Havnen Lersø Parkallé 107 ApS (Chair), Lønberg & Leth Christensen Advokataktieselskab, Havnens Bygningsudlejning A/S (Chair), W. Lynggard Petersen Holding A/S, Søborgstræde 2 A/S (Chair), Best Ejendomme A/S (Chair), Advokaternes Ejendomsadministration A/S (Chair).

Peter Mørch Eriksen

Mr. Eriksen served as CEO of BioPorto from 2013 – 2021. He has spent more than 20 years in the MedTech/life science industries, including as CEO of Sense A/S and VP of Medtronic. From these positions, Mr. Eriksen has extensive experience in creating growth, restructuring and funding in technology-intensive and complex companies. He 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. He has an accounting background, supplemented with management experience.

Other directorships: FluoGuide A/S (Chair), Monsenso A/S (Chair), Pharma Equity Group A/S (Chair), MyBlueLabel Compliance Services ApS (Chair), PME Holding ApS.

Other Board Information

Number of meetings attended by each Board member out of the total number of meetings within the member's term:

	Board of Directors	Remuneration Committee	Nomination Committee	Audit Committee	Strategy Committee	Business, Research and Development Committee
Christopher Lindop	20/20	1/3	1/1	4/4	5/5	1/1
John McDonough	19/20	2/3	1/1	4/4	5/5	1/1
Don Hardison	20/20	1/3	0/1		5/5	1/1
Michael Singer	19/20			4/4	5/5	1/1
Jan Leth Christensen	19/20				5/5	1/1
Peter Mørch Eriksen	20/20				5/5	1/1

	First elected	Term Expires	Independent	Nationality	Year of Birth	Gender	Shares held in BioPorto Dec. 31, 2021	Shares held in BioPorto Dec. 31, 2022
Christopher Lindop	2019	2023	Yes	USA	1957	M	446,487	558,108
John McDonough	2021	2023	Yes	USA	1959	M	-	-
Don Hardison	2021	2023	Yes	USA	1950	M	-	-
Michael Singer	2019	2023	Yes	USA	1973	M	167,433	209,291
Jan Leth Christensen	2021	2023	Yes	Denmark	1963	M	32,169,732	40,212,165
Peter Mørch Eriksen	2021	2023	No*	Denmark	1960	M	105,506	131,882

*As BioPorto's former CEO, Mr. Ericksen is considered non-independent under the criteria defined by the Danish Committee on Corporate Governance.

Executive Management

Anthony Pare, Chief Executive Officer

Joined the Company in 2021. Mr. Pare has led product development, commercialization, marketing, operations, and business development in leading medical device and diagnostic companies for 25 years. Previously, he was the Chief Commercial Officer (CCO) at T2 Biosystems, a US Nasdaq-listed in vitro diagnostics company. He held the same role at Hemanext, a pre-commercial company marketing blood transfusion technology. Mr. Pare also held various leadership roles at Haemonetics, specializing in blood processing and diagnostic technologies. He actively participates on advisory boards and mentors startup medical technology companies in the Boston (US) area. Mr. Pare holds a Bachelor of Science in Marine Engineering and a Master's of Engineering Administration from George Washington University (US).

Other directorships: None.

Neil Goldman, Executive Vice President & Chief Financial Officer.

Joined the Company in 2021. Mr. Goldman previously served as the Executive Vice President and Chief Financial Officer of Chembio Diagnostics, Inc. (Nasdaq:CEMI). He has been the Executive Vice President-Corporate Development and Chief Financial Officer at J.S. Held LLC, a construction consulting firm. He was the Global Finance Director for the Delphi Data Connectivity division of Delphi Corp. (now Aptiv plc, NYSE:APTV), an automotive supplier, following Delphi's acquisition of Unwired Technology LLC (Unwired), a tier-1 global automotive electronics manufacturer and distributor, from a private equity firm. At Unwired, he was the Executive Vice President-Corporate Development and Chief Financial Officer, the Senior Vice President-Chief Operating and Financial Officer, and previously Chief Financial Officer. He also served as the Chief Financial Officer at EPPCO Enterprises, Inc., an importer and manufacturer of consumer and aftermarket products, and as a Senior Manager at Ernst & Young LLP and its successor Cap Gemini Ernst & Young LLC. He is a Certified Public Accountant and received a Bachelor of Science degree in Business-Accountancy from Miami University (Ohio, US).

Other directorships: Ohio Bridge Corp.

Financial Review

This financial review is based on the Group's consolidated financial information for the year ended December 31, 2022, with comparative results for the year ended December 31, 2021, in brackets.

Revenue

Revenue for 2022 was DKK 29.0 million (DKK 24.3 million), an increase of 19.4%, and comprised:

- NGAL tests: DKK 14.9 million (DKK 12.4 million);
- Antibodies: DKK 12.0 million (DKK 9.3 million);
- ELISA kits: DKK 1.8 million (DKK 2.5 million); and,
- Royalty and other: DKK 0.2 million (DKK 0.1 million).

Revenue for 2022 exceeded both the Company's original outlook of DKK 24 to 26 million and its updated range of DKK 24 to 27 million, principally reflecting favorable performance with the two largest product lines. NGAL test revenue increased by DKK 2.5 million, or 20.3%, over the prior year period. Antibody revenue increased by DKK 2.7 million, or 29.5%, over the prior year period. This growth was somewhat offset by a reduction in revenue from ELISA kits of DKK 0.7 million, or 27.9%, compared to the prior year period.

Figure 1. Revenue by quarter (DKKM)

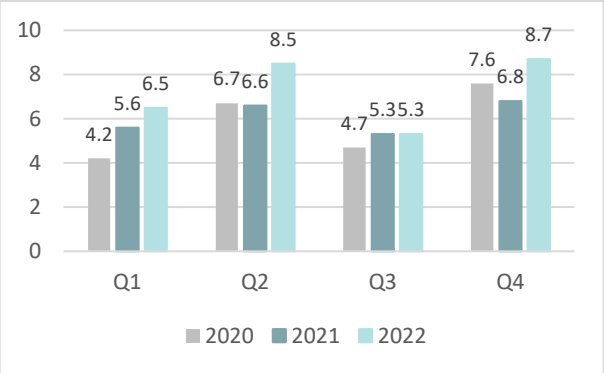
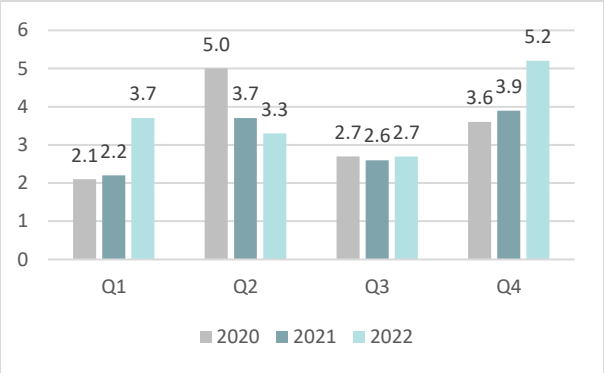


Figure 2. NGAL test product revenue by quarter (DKKM)



Gross profit

Gross profit for 2022 totaled DKK 19.0 million (DKK 15.0 million). The DKK 4.0 million increase in gross profit was comprised of DKK 3.1 million from favorable sales volume and DKK 0.9 million from the 370bps improvement in gross profit percentage over the prior year period.

Sales and marketing costs

Sales and marketing costs totaled DKK 21.2 million (DKK 17.4 million). The increase reflected higher staffing and travel costs, the latter of which was meaningfully reduced in the prior year period due to COVID-19.

Research and development costs

Research and development costs totaled DKK 34.9 million (DKK 30.3 million), with the increase principally reflecting progress in and the related rate of investment in the US clinical trial for an NGAL test, related travel, and consulting costs as the Company completed and submitted its application to the FDA in November 2022, as well as higher staffing-related costs.

Administrative costs

Administrative costs totaled DKK 41.8 million (DKK 32.7 million), with the increase related to net higher non-cash equity compensation costs of DKK 6.7 million due to the benefit realized from recovering such costs related to executive turnover in 2021. Excluding these non-cash amounts, the remaining DKK 2.5 million increase similarly reflects incentive compensation earned in 2022 vs. the related forfeiture in 2021, and Danish tax equalization costs.

Lease impairment

The Company executed a letter of intent to sublease its office space in Needham, MA, USA to reduce its cash infrastructure costs by an estimated DKK 2.8 million over the next three years. Accordingly, the non-cash lease impairment charge of DKK 2.6 million represents the excess of the fair value of the cash flows from the sublease less broker commissions compared to the net book value of the right-of-use asset associated with the underlying lease.

Financials items, net

Financial income and expenses reflect interest income/expense and currency transaction gains/losses, bank charges and interest. In 2022, those amounts effectively offset each other for a net amount of approximately DKK 0 (income of DKK 1.4 million), with the variance substantially related to currency rate changes.

Tax benefit

A DKK 5.6 million tax benefit (DKK 6.7 million tax benefit) was realized during 2022. 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 2022, EBIT was a loss of DKK 81.5 million (DKK 65.3 million), Adjusted EBITDA was a loss of DKK 67.3 million (loss of DKK 62.0 million), each reflecting the mix of variances described above, and EBIT loss was unfavorably impacted by the non-cash Lease impairment charge, also described above.

EBIT loss for 2022 was favorable compared to both the Company's original outlook of a loss of DKK 95 to 100 million and the updated range of DKK 83 to 88 million. Adjusted EBITDA loss was favorable compared to both the Company's original outlook of a loss of DKK 76 to 81 million and the updated range of DKK 71 to 75 million.

Cash and cash equivalents

As of December 31, 2022, BioPorto's balance of cash and cash equivalents totaled DKK 81.8 million (DKK 45.5 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, independent of the timing and potential marketing authorization of NGAL tests by the FDA in the US. 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 and potential marketing authorization of NGAL tests by the FDA 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 April 1, 2022, BioPorto raised net proceeds of approximately DKK 92.7 million, from a fully subscribed pre-emptive rights offering of new shares as part of a long-term capital plan that includes a potential US listing. In total, 66,938,601 new shares of common stock were offered and sold pursuant to a Prospectus for a rights offering with pre-emptive rights for existing shareholders that was filed on March 7, 2022.

The Parent Company has lost half of its share capital. Management plans to reestablish the share capital through the measures described under Cash and cash equivalents, above.

Net working capital

Net working capital (i.e., current assets minus current liabilities) as of December 31, 2022 totaled DKK 70.5 million (DKK 39.4 million). Net working capital as of December 31, 2022 reflected the Group's issuance and sale of approximately 66.9 million shares of common stock in a rights offering that closed on April 1, 2022 for net proceeds of DKK 92.7 million. Net working capital was also favorably impacted by a DKK 10.6 million improvement through an overall focus on managing working capital.

Cash Flow Statement

Cash used in operating activities for the year ended December 31, 2022 totaled DKK 52.5 million (DKK 64.6 million), with the improvement over the prior year primarily associated with favorable management of working capital, in particular accounts receivable, together with the timing benefit of accounts payable related to clinical trials and other items.

Cash used in investing activities was DKK 0.5 million (DKK 0.4 million) which primarily consisted of investments in lab equipment.

Cash from financing activities was DKK 88.7 million (DKK 1.1 million), reflecting the proceeds of the net rights offering, offset by facility lease costs.

The net cash flow for the year ended December 31, 2022 reflected a source of DKK 35.7 million (use of DKK 63.9 million).

Events after the reporting period

Several years ago, BioPorto established Veterinary Diagnostics A/S ("Veterinary") as a wholly owned subsidiary associated with potential opportunities in that market that ultimately were not pursued. As part of the Company's present strategy and focus, and to save the costs of maintaining this separate legal entity, after December 31, 2022, BioPorto has closed Veterinary. Such closure does not impact any amounts recognized in either the Consolidated or the Parent's financial statements, cf. Note 21.

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 affect on the Company's financial position.

Financial Statements

Consolidated Statements of Profit or Loss

DKK thousand	Notes	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Revenue	3	28,969	24,254
Production costs	4, 5, 6	9,927	9,213
Gross profit		**19,042**	**15,041**
Sales and marketing costs	4, 5, 6	21,219	17,381
Research and development costs	4, 5, 6	34,938	30,258
Administrative costs	4, 5, 6	41,829	32,657
Lease impairment	13	2,583	-
Loss before financial items (EBIT)		**(81,527)**	**(65,255)**
Financial income	8	1,185	2,461
Financial expenses	8	1,205	1,046
Loss before tax		**(81,547)**	**(63,840)**
Income tax benefit, net	9	5,624	6,727
Net loss		**(75,923)**	**(57,113)**
		DKK	DKK
Loss per share (EPS & DEPS)	10	(0.24)	(0.21)

Consolidated Statements of Comprehensive Loss

DKK thousand	Notes	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Net loss		**(75,923)**	**(57,113)**
Other comprehensive loss:			
Amounts which will be reclassified to the income statement:			
Exchange rate adjustments of investments in subsidiaries		(115)	(1,219)
Other comprehensive loss		**(115)**	**(1,219)**
Comprehensive loss		**(76,038)**	**(58,332)**

Consolidated Balance Sheets

Assets

DKK thousand	Notes	2022 Dec 31	2021 Dec 31
Non-current assets			
Property, plant and equipment and intangible assets			
Rights and software	11	766	1,049
Property, plant and equipment	12	1,586	1,925
Right-of-use assets	13	2,927	12,345
Total property, plant and equipment and intangible assets		**5,279**	**15,319**
Financial assets			
Deposits		1,933	1,739
Total financial assets		**1,933**	**1,739**
Total non-current assets		**7,212**	**17,058**
Current assets			
Inventories, net	14	2,558	2,718
Trade receivables, net	15, 18	2,829	7,177
Taxes receivable	9	6,444	6,272
Other receivables	15, 18	1,769	738
Prepayments	15	1,555	1,769
Cash and cash equivalents	18	81,792	45,523
Assets held-for-sale	13	4,481	-
Total current assets		**101,428**	**64,197**
Total assets		**108,640**	**81,255**

Equity and Liabilities

DKK thousand	Notes	2022 Dec 31	2021 Dec 31
Equity			
Share capital	17	334,693	267,754
Treasury shares	17	-	-
Exchange-rate adjustments		(234)	(119)
Retained deficit		(264,238)	(221,671)
Total equity		**70,221**	**45,964**
Liabilities			
Non-current liabilities			
Lease obligations	13	7,448	10,200
Other non-current liabilities		-	301
Total non-current liabilities		**7,448**	**10,501**
Current liabilities			
Current portion of non-current liabilities	13	3,197	2,975
Trade payables	18	10,457	4,260
Tax payables		80	84
Other accrued liabilities	16	17,237	17,471
Total current liabilities		**30,971**	**24,790**
Total liabilities		**38,419**	**35,291**
Total equity and liabilities		**108,640**	**81,255**

Consolidated Statements of Changes in Equity

Amounts in DKK thousand Shares in thousand	Common Stock		Treasury Stock		Retained		
	Shares	Amount	Shares	Amount	Deficit	AOCI	Total
Balance at December 31, 2021	**267,754**	**267,754**	**13**	**-**	**(221,671)**	**(119)**	**45,964**
Comprehensive loss	-	-	-	-	-	(50)	(50)
Transactions with owners:							
Issuance of stock, net (Note 17)	66,939	66,939	-	-	26,175	-	93,114
Share-based compensation	-	-	-	-	1,909	-	1,909
Net loss	-	-	-	-	(17,030)	-	(17,030)
Balance at March 31, 2022	**334,693**	**334,693**	**13**	**-**	**(210,617)**	**(169)**	**123,907**
Comprehensive loss	-	-	-	-	-	(709)	(709)
Transactions with owners:							
Equity issuance costs (Note 17)	-	-	-	-	(83)	-	(83)
Share-based compensation	-	-	-	-	1,893	-	1,893
Net loss	-	-	-	-	(17,091)	-	(17,091)
Balance at June 30, 2022	**334,693**	**334,693**	**13**	**-**	**(225,898)**	**(878)**	**107,917**
Comprehensive loss	-	-	-	-	-	(1,421)	(1,421)
Transactions with owners:							
Equity issuance costs (Note 17)	-	-	-	-	(312)	-	(312)
Share-based compensation	-	-	-	-	1,773	-	1,773
Net loss	-	-	-	-	(16,877)	-	(16,877)
Balance at September 30, 2022	**334,693**	**334,693**	**13**	**-**	**(241,314)**	**(2,299)**	**91,080**
Comprehensive loss	-	-	-	-	-	2,065	2,065
Transactions with owners:							
Equity issuance costs (Note 17)	-	-	-	-	17	-	17
Share-based compensation	-	-	-	-	1,984	-	1,984
Net loss	-	-	-	-	(24,925)	-	(24,925)
Balance at December 31, 2022	**334,693**	**334,693**	**13**	**-**	**(264,238)**	**(234)**	**70,221**

Amounts in DKK thousand Shares in thousand	Common Stock		Treasury Stock		Retained		
	Shares	Amount	Shares	Amount	Deficit	AOCI	Total
Balance at December 31, 2020	**266,582**	**266,582**	**13**	**-**	**(166,770)**	**1,100**	**100,912**
Comprehensive loss	-	-	-	-	-	(229)	(229)
Transactions with owners:							
Share-based compensation	-	-	-	-	1,419	-	1,419
Net loss	-	-	-	-	(15,364)	-	(15,364)
Balance at March 31, 2021	**266,582**	**266,582**	**13**	**-**	**(180,715)**	**871**	**86,738**
Comprehensive loss	-	-	-	-	-	26	26
Transactions with owners:							
Exercise of warrants	1,172	1,172	-	-	3,166	-	4,338
Share-based compensation					(1,005)		(1,005)
Net loss	-	-	-	-	(13,623)	-	(13,623)
Balance at June 30, 2021	**267,754**	**267,754**	**13**	**-**	**(192,177)**	**897**	**76,474**
Comprehensive loss	-	-	-	-	-	(534)	(534)
Transactions with owners:							
Share-based compensation	-	-	-	-	(1,735)	-	(1,735)
Net loss	-	-	-	-	(11,384)	-	(11,384)
Balance at September 30, 2021	**267,754**	**267,754**	**13**	**-**	**(205,296)**	**363**	**62,821**
Comprehensive loss	-	-	-	-	-	(482)	(482)
Transactions with owners:							
Exercise of warrants issuance costs					12		12
Share-based compensation	-	-	-	-	355	-	355
Net loss	-	-	-	-	(16,742)	-	(16,742)
Balance at December 31, 2021	**267,754**	**267,754**	**13**	**-**	**(221,671)**	**(119)**	**45,964**

Consolidated Statements of Cash Flows

DKK thousand	Notes	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Loss before financial items		**(81,527)**	**(65,255)**
Adjustments:			
Depreciation and amortization	6	3,966	4,329
Share-based compensation expenses		7,556	(966)
Lease impairment	13	2,583	-
Other non-cash items		(945)	311
Changes in assets and liabilities:			
Inventories		434	616
Trade receivables		5,019	(771)
Trade payables		6,197	(376)
Other operating assets and liabilities, net		(1,051)	(6,918)
Cash flows from operations		**(57,768)**	**(69,030)**
Financial income, received		1,401	145
Financial expenses, paid		(1,618)	(1,425)
Tax refund, net		5,500	5,733
Cash flows from operating activities		**(52,485)**	**(64,577)**
Purchase of property, plant and equipment	12	(407)	(130)
Purchase of rights and software	11	(64)	(259)
Purchase of financial assets		(32)	(23)
Cash flows from investing activities		**(503)**	**(412)**
Proceeds from warrant programs exercised		-	4,361
Proceeds from rights issue		100,408	-
Cost related to issue of new shares	17	(7,671)	(11)
Repayments of non-current liabilities		(301)	(150)
Repayments of lease obligations		(3,737)	(3,099)
Cash flows from financing activities		**88,699**	**1,101**
Net cash flows for the period		**35,711**	**(63,888)**
Cash and cash equivalents at beginning of period		45,523	107,943
Effect of exchange rate changes on cash		558	1,468
Cash and cash equivalents end of period		**81,792**	**45,523**

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 Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and additional Danish disclosure requirements for annual reports of 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 and concluded that they are adequate to fund operations considering a twelve-month period from the date of this Annual Report, independent of the timing and potential marketing authorization of NGAL tests by the FDA in the US. 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 and potential marketing authorization of NGAL tests by the FDA 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.

In the event that the Company's strategic priorities and tactical decisions, including the timing and potential marketing authorization of NGAL tests by the FDA 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 accompanying consolidated financial statements have been prepared on the basis that the Group will continue as a going concern, which contemplates continuity of operations, realization of assets, and the satisfaction of liabilities in the normal course of business for the twelve-month period following the date of the accompanying consolidated financial statements. As such, the accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of assets and their carrying amounts, or the amount and classification of liabilities that may result should the Group be unable to continue as a going concern.

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 presentation.

Applying materiality

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

Items that are not individually significant 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, 2022 have been adopted by the BioPorto Group. The BioPorto Group has adopted the following revised standards and interpretations:

- Amendments to IFRS 3, IAS 16, and IAS 37

- Annual improvements to IFRS 1, IFRS 9, and IFRS 16

These amendments to IFRS standards 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. 42% of non-current assets were located in Denmark (46% in 2021).

Statements of profit or loss and Statements of comprehensive income

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.

License fees and royalty income are recognized when earned according to the terms of the respective agreements.

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.

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

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.

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 and Needham (Boston), Massachusetts, USA. 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

Debt to banks is recognized at the raising of a loan at fair value less transaction costs. In the subsequent periods, 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 on-going 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.

3. Business area reporting

GEOGRAPHIC DISTRIBUTION DKK Thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Europe	10,090	7,708
North America	14,953	13,451
Asia	3,919	3,065
Other regions	7	30
Revenue	**28,969**	**24,254**

PRODUCT GROUPS DKK Thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
NGAL tests	14,857	12,351
Antibodies	12,033	9,291
ELISA kits	1,836	2,548
Royalty and other revenue	243	64
Revenue	**28,969**	**24,254**

Two customers with revenues of DKK 3.6 million and DKK 3.1 million, respectively, each represented 10% or more of BioPorto's revenue in 2022. One customer with revenue of DKK 3.2 million represented 10% or more of BioPorto's revenue in 2021.

4. Staff costs

DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Wages and salaries	54,411	40,378
Defined contribution pension plans	2,159	2,455
Share-based compensation expenses	7,556	(966)
Other social security costs	2,709	1,798
Other staff costs	378	659
Staff costs	**67,213**	**44,324**
Average number of employees	32	29

SPECIFICATION OF STAFF COSTS DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Production costs	5,336	2,904
Sales and marketing costs	13,973	12,298
Research and development costs	17,239	12,950
Administrative costs	30,665	16,172
Staff costs	**67,213**	**44,324**

REMUNERATION FOR KEY MANAGEMENT PERSONNEL

DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Board of Directors		
Remuneration	4,161	1,915
Board of Directors, Total	**4,161**	**1,915**
Executive Management[1]		
Salary	6,359	4,093
Bonus[2]	4,529	1,873
LTI bonus	-	(1,398)
Contribution based pension	124	591
Other employee benefits	920	297
Remuneration, total	**11,932**	**5,456**
Share-based compensation expenses	4,842	(1,230)
Executive Management, Total	**16,774**	**4,226**
Other Corporate Management		
Salary	12,422	11,208
Bonus	6,067	3,690
LTI bonus	-	(699)
Contribution based pension	517	658
Other employee benefits	1,428	568
Remuneration, total	**20,434**	**15,425**
Share-based compensation expenses	2,702	(45)
Other Corporate Management, Total	**23,136**	**15,380**
Remuneration for key management personnel	**44,071**	**21,521**

[1] The remuneration for the Board of Directors and Executive Management is further described in the Remuneration Report for 2022.
[2] Bonus consists of annual cash 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, 2022 and December 31, 2021, share-based compensation totaled an expense of DKK 7.6 million and recovery of DKK 1.0 million, respectively. These amounts reflect the impact of DKK 0.3 million and DKK 3.8 million, respectively, of non-cash equity compensation recoveries related to forfeited warrants. The Board established warrant programs in 2022 pursuant to the authorization in section 18 a of the Articles of Association. Each warrant granted in 2022 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, 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 2022, a total of 14,982,500 warrants were outstanding, corresponding to 4.5% 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 2018	August 20, 2021 to August 19, 2023
December 2018	December 20, 2021 to December 19, 2023
April 2019	April 16, 2021 to April 15, 2024
August 2019	August 16, 2021 to August 15, 2024
December 2019	December 30, 2021 to December 29, 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

Overview of 2022 and 2021 warrant activity

		2022 Activity					
	Outstanding at January 1	**Granted**	**Exercised**	**Expired**	**Forfeited**	**Outstanding at Dec 31**	**Exercisable at Dec 31**
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**

		2022 Activity					
	Outstanding at January 1	Granted	Exercised	Expired	Forfeited	Outstanding at Dec 31	Exercisable at Dec 31
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**

		2021 Activity					
	Outstanding at January 1	Granted	Exercised	Expired	Forfeited	Outstanding at Dec 31	Exercisable at Dec 31
April 2016	2,432,500	-	(1,172,500)	(1,260,000)	-	-	-
June 2018	900,000	-	-	-	(900,000)	-	-
August 2018	4,100,000	-	-	-	(2,000,000)	2,100,000	-
December 2018	2,500,000	-	-	-	(700,000)	1,800,000	-
April 2019	5,100,000	-	-	-	(3,750,000)	1,350,000	-
August 2019	1,250,000	-	-	-	-	1,250,000	1,250,000
December 2019	250,000	-	-	-	-	250,000	250,000
May 2020	2,150,000	-	-	-	(800,000)	1,350,000	-
February 2021	-	350,000	-	-	-	350,000	-
December 2021	-	12,150,000	-	-	-	12,150,000	-
Total	**18,682,500**	**12,500,000**	**(1,172,500)**	**(1,260,000)**	**(8,150,000)**	**20,600,000**	**1,500,000**

		2021 Activity					
	Outstanding at January 1	Granted	Exercised	Expired	Forfeited	Outstanding at Dec 31	Exercisable at Dec 31
Executive Management	5,760,000	8,400,000	-	(910,000)	-	8,400,000	-
Management	9,850,000	3,450,000	-	-	(7,850,000)	5,700,000	1,250,000
Other employees	3,072,500	650,000	(1,172,500)	(350,000)	(300,000)	6,500,000	250,000
Total	**18,682,500**	**12,500,000**	**(1,172,500)**	**(1,260,000)**	**(8,150,000)**	**20,600,000**	**1,500,000**

Specifications of Black-Scholes model parameters

	Aug 2018	Dec 2018	Apr 2019	Aug 2019	Dec 2019	May 2020	Feb 2021	Dec 2021	May 2022	Dec 2022
Exercise price (DKK)	2.28	2.47	2.54	1.70	1.67	1.48	6.11	2.47	1.28	2.55
Expected volatility rate	37.3%	50.1%	47.3%	47.2%	50.1%	63.5%	61.8%	72.1%	75.4%	73.1%
Expected vesting period (months)	36	24	24	24	24	24	24	27	27	27
Expected dividend yield per share	-	-	-	-	-	-	-	-	-	-
Risk-free interest rate p.a.	-0.58%	-0.51%	-0.60%	-0.87%	-0.69%	-0.60%	-0.58%	-0.58%	-0.50%	2.11%
Fair value at grant (DKK thousand)	2,868	2,561	5,151	1,102	197	2,005	715	12,685	149	1,317

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	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Intangible assets	347	335
Total amortization	**347**	**335**
Classification of amortization:		
Production costs	66	40
Sales and marketing costs	138	139
Research and development costs	66	40
Administrative costs	77	116
Total amortization	**347**	**335**

PROPERTY, PLANT AND EQUIPMENT DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Property, plant and equipment	784	719
Total depreciation	**784**	**719**
Classification of depreciation:		
Production costs	172	114
Sales and marketing costs	111	163
Research and development costs	367	369
Administrative costs	134	73
Total depreciation	**784**	**719**

RIGHT-OF-USE ASSETS DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Right-of-use assets	2,834	3,275
Total depreciation	**2,834**	**3,275**
Classification of depreciation:		
Sales and marketing costs	1,162	1,447
Administrative costs	1,672	1,828
Total depreciation	**2,834**	**3,275**

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	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Fees for statutory audit - Deloitte	100	-
Fees for statutory audit - PWC	311	589
Total audit fees	**411**	**589**
Tax advisory services - PWC	227	200
Other services - Deloitte	60	-
Other services - PWC	36	42
Total non-audit fees	**323**	**242**
Total fees to auditors	**734**	**831**

8. Financial income and expenses

FINANCIAL INCOME DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Interest income from bank	44	-
Interest income from financial assets measured at amortized cost	**44**	**-**
Net foreign exchange gains	1,141	2,461
Total financial income	**1,185**	**2,461**

FINANCIAL EXPENSES DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Interest expenses, other liabilities	348	284
Interest expenses, lease liabilities	740	628
Interest expenses on financial liabilities measured at amortized cost	**1,088**	**912**
Other financial expenses	117	134
Total financial expenses	**1,205**	**1,046**

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 88.8 million as of December 31, 2022 (DKK 76.8 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	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Intangible assets	828	751
Property, plant and equipment	1,157	1,026
Right-of-use assets	(644)	(1,012)
Current assets	358	416
Leasing liabilities	681	1,024
Tax loss carryforwards	86,397	74,564
Deferred tax at December 31	**88,777**	**76,769**

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)	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Loss for the period	(75,923)	(57,113)
BioPorto Group's share of loss	**(75,923)**	**(57,113)**
Weighted average number of shares (in thousand)	318,554	267,436
Weighted average number of treasury shares (in thousand)	(13)	(13)
Weighted average number of shares in circulation – basic and diluted (in thousand)	318,541	267,423
Loss per share (EPS) basic and diluted, DKK	**(0.24)**	**(0.21)**

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	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Cost at January 1	3,005	2,773
Additions during the period	64	259
Transfer	-	(27)
Cost at end of period	**3,069**	**3,005**
Accumulated depreciation at January 1	1,956	1,621
Depreciation expense during the period	347	335
Accumulated depreciation at end of period	**2,303**	**1,956**
Carrying amount at end of period	**766**	**1,049**

12. Property, plant and equipment

DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Cost at January 1	5,621	5,411
Transfer	-	27
Additions during the period	407	130
Disposals during the period	-	(14)
Currency adjustments	54	67
Cost at end of period	**6,082**	**5,621**
Accumulated depreciation at January 1	3,696	2,963
Depreciation expense during the period	784	719
Currency adjustments	16	14
Accumulated depreciation at end of period	**4,496**	**3,696**
Carrying amount at end of period	**1,586**	**1,925**

13. Leases

RIGHT-OF-USE ASSETS DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Cost at January 1	19,355	15,083
Additions during the period	-	5,018
Disposals during the period	-	(1,602)
Transfer to assets held-for-sale	(10,888)	-
Currency adjustments	642	856
Cost at end of period	**9,109**	**19,355**
Accumulated depreciation at January 1	7,010	4,822
Depreciation expense during the period	2,834	3,275
Disposals during the period	-	(1,303)
Transfer to assets held-for-sale	(3,824)	-
Currency adjustments	162	216
Accumulated depreciation at end of period	**6,182**	**7,010**
Carrying amount at end of period	**2,927**	**12,345**

LEASE OBLIGATIONS DKK thousand	2022 Dec 31	2021 Dec 31
Current	3,197	2,834
Non-current	7,448	10,200
Lease liability end of period	**10,645**	**13,034**

LEASE OBLIGATIONS DKK thousand	2022 Dec 31	2021 Dec 31
Less than 1 year	3,197	2,834
Between 1 and 5 years	7,448	9,562
More than 5 years	-	638
Total	**10,645**	**13,034**

AMOUNTS RECOGNIZED IN CONSOLIDATED STATEMENTS OF PROFIT OR LOSS DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Depreciation charge of right-of-use assets	2,834	3,275
Interest expense (included in financial expenses)	740	628
Expense related to short-term leases	-	7
Total	**3,574**	**3,910**

LEASE LIABILITIES DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Lease liabilities at January 1	**13,034**	**10,679**
New or modifications to lease liabilities	-	5,017
Repayments	(3,737)	(3,099)
Cancellation of lease liabilities	-	-
Interest Expense	740	628
Currency adjustments	608	(191)
Lease liabilities end of period	**10,645**	**13,034**

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. In due course, Group expects to lease alternate office space in the Needham, MA area. The Company concluded the Right-of-use asset associated with the Needham Lease was impaired and recognized a DKK 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. Subsequent to December 31, 2022, the Company executed a letter of intent to sublease its office space in Needham, MA, USA to reduce its cash infrastructure costs by an estimated DKK 2.8 million over the next three years.

14. Inventories

DKK thousand	2022 Dec 31	2021 Dec 31
Raw materials	1,172	1,702
Work in Progress	-	-
Finished goods	2,786	2,690
Reserves	(1,400)	(1,674)
Inventories, net	**2,558**	**2,718**
(Recovery)/write-down recognized in the period	(274)	548
Cost of sales included in production costs in the period	2,998	2,650

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 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	2022 Dec 31	2021 Dec 31
Trade receivables	3,058	8,076
Other receivables	1,769	738
Prepayments	1,555	1,769
Provisions for bad debt	(229)	(899)
Financial assets at amortized costs	**6,153**	**9,684**

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. 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. An overview of trade receivables is included in Note 18.

16. Other accrued liabilities

DKK thousand	2022 Dec 31	2021 Dec 31
Accrued incentive compensation	8,574	6,638
Accrued board fee	2,179	567
Accrued vacation	1,906	1,228
Accrued professional and consulting fees	648	2,801
Accrued clinical trial costs	1,059	3,568
Accrued expenses - Other	2,871	2,669
Other accrued liabilities	**17,237**	**17,471**

17. Share capital

As of December 31, 2022, the share capital consists of 334,693,005 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, 2022 and December 31, 2021, 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, 2022, BioPorto A/S is not authorized to acquire treasury shares. BioPorto A/S did not acquire treasury shares during the years ended December 31, 2022 or December 31, 2021, respectively.

18. Financial risks and financial instruments

Financial instrument categories

DKK thousand	2022 Dec 31	2021 Dec 31
Trade receivables, net	2,829	7,177
Other receivables	1,769	738
Cash and cash equivalents	81,792	45,523
Financial assets at amortized costs	**86,390**	**53,438**

DKK thousand	2022 Dec 31	2021 Dec 31
Lease liabilities	10,645	13,034
Other non-current liabilities	-	442
Trade payables	10,457	4,260
Financial liabilities at amortized costs	**21,102**	**17,736**

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, 2022, 32% (31%) and 66% (68%) of the Group's revenue was transacted in USD and EUR, respectively, with the remainder in other currencies.

DISTRIBUTION OF BASE CURRENCIES OF CONSOLIDATED BALANCE SHEET AMOUNTS	2022 Dec 31	2021 Dec 31
Inventories		
DKK	100%	100%
Trade receivables		
USD	19%	41%
EUR	79%	54%
Other	2%	5%
Cash and cash equivalents		
DKK	93%	63%
USD	4%	21%
EUR	3%	16%
Trade payables		
DKK	37%	47%
USD	52%	21%
EUR	4%	32%
Other	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 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.

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**

AS OF DECEMBER 31, 2021

DKK thousand	Expected credit loss rate	Trade receivables	Expected loss	Total
Not due	0.8%	2,941	24	2,917
1 - 30 days overdue	0.9%	1,626	14	1,612
31 - 60 days overdue	1.3%	472	6	466
61 - 90 days overdue	4.1%	291	12	279
More than 90 days overdue	30.7%	2,746	843	1,903
As of December 31, 2021		**8,076**	**899**	**7,177**

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 81.8 million and DKK 45.5 million as of December 31, 2022 and December 31, 2021, respectively, cf. Note 1.

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.

19. Commitments and contingencies

The Company has a 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 0.3 million for the year ended December 31, 2022 (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
John McDonough
Dr. Michael Singer
Jan Leth Christensen
Don Hardison
Peter Mørch Eriksen
Anthony Paul Pare, CEO
Neil Allan Goldman, Executive Vice President & Chief Financial Officer

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

Related party transactions

The related party transactions during 2022 were as follows:

- Ordinary management remuneration
- Peter Mørch Eriksen earned an aggregate amount of DKK 300,000 for consulting services (via his wholly-owned legal entity, PME Holding ApS).

21. Subsequent event

Several years ago, BioPorto established Veterinary Diagnostics A/S ("Veterinary") as a wholly owned subsidiary associated with potential opportunities in that market that ultimately were not pursued. As part of the Company's present strategy and focus, and to save the costs of maintaining this separate legal entity, after December 31, 2022, BioPorto has closed Veterinary. Such closure does not impact any amounts recognized in either the Consolidated or the Parent's financial statements.

Parent Company

Statements of Profit or Loss

DKK thousand	Notes	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Revenue	2	9,600	9,600
Gross profit		**9,600**	**9,600**
Sales and marketing costs	3	83	912
Administrative costs	3	25,319	29,312
Loss before financial items (EBIT)		**(15,802)**	**(20,624)**
Loss from investments in subsidiaries	4	(81,184)	(51,990)
Financial income	5	21,642	15,252
Financial expenses	5	579	385
Loss before tax		**(75,923)**	**(57,747)**
Income tax benefit, net	6	-	634
Net loss		**(75,923)**	**(57,113)**

Balance Sheets

Assets

DKK thousand	Notes	2022 Dec 31	2021 Dec 31
Non-current assets			
Property, plant and equipment and intangible assets			
Property, plant and equipment		-	-
Right-of-use assets		2,927	4,600
Total property, plant and equipment and intangible assets		**2,927**	**4,600**
Financial assets			
Investments in subsidiaries	4	2,208	973
Receivables from subsidiaries		-	12,120
Deposits		851	819
Total financial assets		**3,059**	**13,912**
Total non-current assets		**5,986**	**18,512**
Current assets			
Taxes receivable		5,500	5,500
Other receivables		379	971
Total receivables		**5,879**	**6,471**
Cash and cash equivalents		74,941	34,624
Total current assets		**80,820**	**41,095**
Total assets		**86,806**	**59,607**

Equity and liabilities

DKK thousand	Notes	2022 Dec 31	2021 Dec 31
Equity			
Share capital		334,693	267,754
Exchange rate adjustments		(234)	(119)
Retained deficit		(264,238)	(221,671)
Total equity		**70,221**	**45,964**
Provisions			
Provisions in subsidiaries with negative equity	4	8,796	-
Total provisions		**8,796**	**-**
Liabilities			
Non-current liabilities			
Lease obligation		1,387	3,094
Other non-current liabilities		-	-
Non-current liabilities		**1,387**	**3,094**
Current liabilities			
Current portion of non-current liabilities		1,707	1,560
Trade payables		2,838	2,039
Payables to subsidiaries		-	21
Other payables		1,857	6,929
Current liabilities		**6,402**	**10,549**
Total liabilities		**7,789**	**13,643**
Total equity and liabilities		**86,806**	**59,607**

Statements of changes in equity

Amounts in DKK thousand Shares in thousand	Common Stock		Treasury Stock		Retained		
	Shares	Amount	Shares	Amount	Deficit	AOCI	Total
Balance at December 31 2021	**267,754**	**267,754**	**13**	**-**	**(221,671)**	**(119)**	**45,964**
Comprehensive loss	-	-	-	-	-	(115)	**(115)**
Transactions with owners							
Issuance of Stock, net	66,939	66,939	-	-	-	**-**	**92,736**
Share-based compensation	-	-	-	-	7,559	**-**	**7,559**
Transfer of additional paid in capital	-	-	-	-	25,797	**-**	-
Net loss	-	-	-	-	(75,923)	**-**	**(73,340)**
Balance at December 31, 2022	**334,693**	**334,693**	**13**	**-**	**(264,238)**	**(234)**	**70,221**

Amounts in DKK thousand Shares in thousand	Common Stock		Treasury Stock		Retained		
	Shares	Amount	Shares	Amount	Deficit	AOCI	Total
Balance at December 31 2020	**266,582**	**266,582**	**13**	**-**	**(166,770)**	**1,100**	**100,912**
Comprehensive loss	-	-	-	-	-	(1,219)	**(1,219)**
Transactions with owners							
Issuance of Stock, net	1,172	1,172	-	-	-	**-**	**4,350**
Share-based compensation recovery	-	-	-	-	(966)	**-**	**(966)**
Transfer of additional paid in capital	-	-	-	-	3,178	**-**	**-**
Net loss	-	-	-	-	(57,113)	**-**	**(57,113)**
Balance at December 31, 2021	**267,754**	**267,754**	**13**	**-**	**(221,671)**	**(119)**	**45,964**

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 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.

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 subsidiaries. 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	2022 Jan 1 - Dec 31	2021 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	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Wages and salaries	7,670	15,248
Defined contribution pension plans	299	1,343
Share-based compensation expenses	7,556	(966)
Other social security costs	3	75
Other staff costs	108	198
Staff costs	**15,636**	**15,898**
Average number of employees	3	6

SPECIFICATION OF STAFF COSTS DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Sales and marketing costs	-	872
Administrative costs	15,636	15,026
Staff costs	**15,636**	**15,898**

REMUNERATION FOR KEY MANAGEMENT PERSONNEL

DKK thousand

	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Board of Directors		
Remuneration	4,161	1,915
Board of Directors, Total	**4,161**	**1,915**
Executive Management		
Salary	-	3,420
Bonus	-	1,369
LTI bonus	-	(1,398)
Contribution based pension	-	591
Other employee benefits	-	211
Remuneration, total	**-**	**4,193**
Share-based compensation expenses	-	(1,281)
Executive Management, Total	**-**	**2,912**
Other Corporate Management		
Salary	720	4,673
Bonus	97	1,713
LTI bonus	-	(699)
Contribution based pension	64	503
Other employee benefits	-	130
Remuneration, total	**881**	**6,320**
Share-based compensation expenses	-	(1,194)
Other Corporate Management, Total	**881**	**5,126**
Remuneration for key management personnel	**5,042**	**9,953**

4. Investments in subsidiaries

DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Cost on January 1	51,364	51,364
Additions	-	-
Cost at December 31	**51,364**	**51,364**
Revaluation on January 1	(509,210)	(456,001)
Income from investments in subsidiaries	(81,185)	(51,990)
Exchange rate adjustments investments in subsidiaries	(115)	(1,219)
Equity changes in subsidiaries	-	-
	(590,510)	**(509,210)**
Subtotal	**(539,146)**	**(457,846)**
Negative value of investments set off against receivables from group	456,210	406,123
Negative value of investments recognized as a provision	85,144	52,696
Value on December 31	**2,208**	**973**

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 2022 of 3.6%, 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 attaches 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%

Veterinary 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	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Interest income from subsidiaries	17,783	9,490
Interest income from bank	21	-
Exchange rate adjustments, net	3,838	5,762
Total financial income	**21,642**	**15,252**

FINANCIAL EXPENSES DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Interest expenses, leasing debt	237	110
Interest expenses, other debt	342	275
Total financial expenses	**579**	**385**

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 ON THE BALANCE SHEET DKK thousand	2022 Jan 1 - Dec 31	2021 Jan 1 - Dec 31
Right-of-use assets	(644)	(1,012)
Leasing liabilities	681	1,024
Tax loss carryforwards	361	3,207
Deferred tax on December 31	**398**	**3,219**

As a result of the Parent's net loss, it does not incur income taxes in Denmark and has an effective Danish tax rate of 0%. 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, Veterinary Diagnostics A/S, BioPorto Inc., and BioPorto Diagnostics Inc. through 2023. The Parent is jointly taxed with its Danish subsidiaries, 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 75.9 million for the year ended December 31, 2022 be transferred to retained earnings.

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 20 in BioPorto's consolidated financial statements with respect to matters associated with related parties (excluding intercompany balances and transactions between any Group-owned companies with the Parent) and the section on directorships held by members of the Board of Directors and Executive Management.

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, 2022.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU 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, 2022 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, 2022.

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, 2022, identified as 5299004SWFL5JAN4W830-2022-12-31-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, March , 2023

Executive Management:

Anthony Paul Pare
Chief Executive Officer

Neil Allan Goldman
Executive Vice President and Chief Financial Officer

Board of Directors:

Christopher Lindop
Chairman

John McDonough
Vice Chairman

Michael Singer

Jan Leth Christensen

Don Hardison

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 Company financial statements of BioPorto A/S for the financial year 1 January - 31 December 2022, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, for the Group as well as for the Parent. The Consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and the Parent Company 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 2022, and of the results of their operations and cash flows for the financial year 1 January - 31 December 2022 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Further, in our opinion, the Parent Company financial statements give a true and fair view of the Parent’s financial position at 31 December 2022 and of the results of its operations for the financial year 1 January - 31 December 2022 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 Company 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 November 2022 for the financial year 2022.

Key audit matters

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

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 review and, in doing so, consider whether the management review 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 under the Danish Financial Statements Act.

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 Danish Financial Statements Act. 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 International Financial Reporting Standards as adopted by the EU and additional requirements of 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 2022, with the file name 5299004SWFL5JAN4W830-2022-12-31-en.zip, 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 2022, with the file name 5299004SWFL5JAN4W830-2022-12-31-en.zip, is prepared, in all material respects, in compliance with the ESEF Regulation.

Copenhagen, March 30, 2023

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Statsautoriseret Revisionspartnerselskab
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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.

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