

SSI Diagnostica A/S

Central Business Registration no. 37 29 45 35

Herredsvejen 2
3400 Hillerød
Denmark



Annual Report

1 January – 31 December 2022

The Annual Report was presented and adopted at The Annual General Meeting of The Company on 30 May 2023

Stig Løkke Pedersen
Chairman

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Company details

The Company

SSI Diagnostica A/S
Herredsvejen 2
3400 Hillerød
Denmark

Central Business Registration no. 37 29 45 35
Financial period: 1 January – 31 December
7th financial year

Executive Board

Christina Charlotte Lindved
Egil Mølsted Madsen
Søren Skjold Mogensen

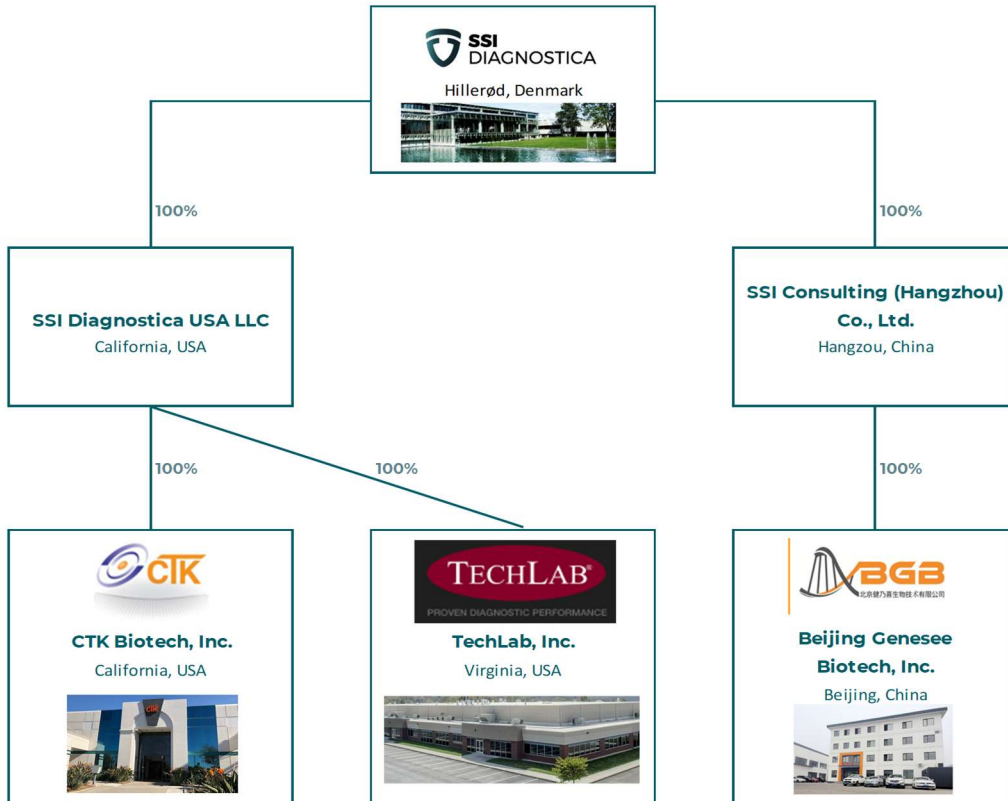
Supervisory Board

Stig Løkke Pedersen (Chairman)
Steffen Kjeld Thomsen
Patrick Olof Dahlén
Rasmus Karl Gustaf Molander
Catherine Yaping Chen
Sibel Karina Arnes

Company Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup
Central Business registration no. 33 77 12 31

Company Group Chart



Management review 2022

Primary activities

SSI Diagnostica A/S develops, produces, and sells in vitro diagnostic products mainly within clinical microbiology, products to vaccine industry, veterinary diagnostics as well as products within food, environmental, hygiene and quality control.

SSI Diagnostica A/S was founded as a division of the renowned Statens Serum Institut, with roots going back to 1902. In 2016, Adelis Equity, acquired the ownership, and SSI Diagnostica A/S is headquartered in Hillerød, Denmark and employs more than 100 people.

Simpler for the better – the overarching mission is to simplify microbiological diagnostics to benefit our customers, their patients, and society.

Segments

The company's activities are divided into the following segments.

Disease Prevention

The category Disease Prevention includes antisera, antigens and other in vitro diagnostics (IVD) products to be used for quality testing of vaccines and typing of bacteria such as E. coli, pneumococci, salmonella and streptococci.

Rapid Screenings

Rapid Screenings relate to rapid tests for the qualitative detection of bacteria and vira including COVID-19 tests and test for dengue fever, tropical diseases, Intestinal Inflammation and C. difficile. The category also includes ImmuView, a category of rapid tests that includes ImmuView Reader, a portable test instrument providing automatic and quick analysis of tests when testing for pneumoniae, legionella etc.

MI Lab Solutions

MI Lab Solutions relates to various products and equipment including culturing media products and trade products involving third party products. Culture media includes a range of culturing media from solid agar plates to liquids in tubes for isolation and identification of microorganisms.

The SSID Group produces, distributes and sells a wide spectrum of different clinical equipment, which is an important pillar in the business in order to service a broader range of products to comply with different customers' demand. The main market for the clinical equipment is microbiological labs, especially located in the Scandinavian countries.

Precision Testing

Precision Testing relates to PCR-products targeted bacteria and fungi. Products in the category include DEC PCR Kit and DEC primer mix used for in vitro diagnostics of diarrhoeagenic E. coli and Dermatophyte PCR Kit used for in vitro diagnostics of dermatophytes in general.

Uncertainty related to recognition and measurement

In the company's inventory of semifinished goods and raw sera (work in progress), several of the products have an infinite expiration time. The management have decided a valuation principle in which the value only accounts for the goods, which are expected to be consumed within the next five years. The value of semifinished goods and raw sera as of 31 December 2022 is DKKm 27.0 which is at the same level as last year. There is a certain uncertainty associated with the measurement, but it is the management's opinion that the uncertainty has been handled appropriately in the valuation.

Development in the Company's activities and finances

2022 was a year of major changes for SSI Diagnostica Group. The ownership of SSI Diagnostica Group was transferred to a new private equity fund, and the share capital was increased significantly in connection with the large acquisition of TechLab, Inc., Virginia, USA, in August 2022 with a purchase price of 1,930m DKK. The acquisition of TechLab, Inc. contributed positively to the performance of the Group.

The financial position of the Company and subsidiaries for 2022 is negatively impacted by the decreasing demand for COVID-19 tests and test materials compared to the activity level in the prior two financial years. The lack of COVID-19 sales and test material sales is impacting the segments Rapid Screenings and MI Lab solutions negatively.

Revenue amounts to DKKm 316 for 2022 compared to DKKm 529 in 2021 and has decreased by DKKm 213 due to the change in demand of COVID-19 tests and materials.

The result of the activities in 2022 is a profit after tax of DKKm 38 and is below expected net profit of DKKm 100-110 as a result of decreasing sales of COVID-19 products.

Other operating expenses mainly consist of transaction costs in connection with the acquisition of TechLab, Inc., USA, and outplacement of employees.

Total assets amount to DKKm 3,185 at 31 December 2022 compared to the DKKm 999 at 31 December 2021. Total assets are impacted by acquisition of Techlab. Total equity amounts to DKKm 1,016 as per 31 December 2022 and has increased by DKKm 326 compared to the same period last year due to a capital contribution of DKKm 815 following the acquisition of TechLab, Inc, partly offset by distribution of dividend of DKKm 500.

During 2022, the activities level in the Company's branch in Sweden targeting marked in Sweden and Norway increased and experienced a growth.

In August 2022, SSI Diagnostica Group acquired Techlab, Inc. specializing in in vitro enteric diagnostics with focus on enteric disease and microbiology of the intestinal tract. Techlab, Inc. is located in Blacksburg, Virginia, USA, and the subsidiary has approximately 170 employed. In addition, Techlab has a research and development department located at the Corporate Research Centre in Blacksburg, Virginia.

Outlook

The positive impact on sales due to COVID-19 in 2022 and previous years is not expected to impact sales for 2023 to the same extent. Total expected sales is DKKm 250, and sales of non-COVID projects are expected to have an organic growth. Profit for 2023 is anticipated to be around DKKm 35-45.

Events after the balance sheet date

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Research and development

The company has capitalized DKKm 18.3 of the expenses spent on research and development activities related to new products, which are expected to contribute to the future profit. It is the viewpoint of the management that a market exists for these products, and it is realistic that the company can penetrate the market. Some of the products were already launched during 2022 while others are still in development.

Foreign branch

The Company has the following foreign branch:

SSI Diagnostica A/S, Danmark, Filial i Sverige (branch in Sweden)
Herredsvejen 2, 3400 Hillerød, Denmark

Intellectual resources

The most significant intellectual resources consist of the Company's employees. The employees contribute to the Company's earnings in the coming years. Due to growing global organization and market presence, and to strategically harvest the benefits of such growth, the operating model including research and development of SSI Group has been more centralized over the last 2-3 years, with a number of key functions being performed centrally and key strategic and operational activities are centralized at Headquarters.

Financial risks

The Company identifies, monitors, and mitigates financial risks in cooperation with the Company's business units.

With increasing international operating activities, the Company is exposed to foreign currency risks and the risk of exchange fluctuations. The Company handles exchange risks by matching income and expenses in the same currency and by hedging to reduce exposure to exchange rate and interest rates. The Company has entered into agreements in relation to currency swaps and interest rate swaps to reduce the Company's exposure to risks related to currency and interest rate.

Corporate Social Responsibility

Corporate Social Responsibility is an integrated part of the Group's strategy because of the Group's ambition of ensuring a responsible interaction with customers, employees, business partners etc. The Group has implemented global guidelines for "Code of Conduct" which the Group and its stakeholders are committed to follow. The guidelines outline best practice for employees and the remaining organization and requirements to business partners regarding social, ethical, and environmental issues and anti-corruption and bribery.

The Group's business model is described above in the section "Primary activities".

Environmental affairs

The Group's environmental policy is to permanently reduce the environmental impact of the Company's activities, including to lower consumption of energy on the Group's production, reducing waste volumes as well as to minimize noise from the Group's activities where possible with respect to emissions of particularly CO₂. The Group focuses on reusing, rethinking, and recycling of residual products and optimization of energy consumption. In connection with the Group's strategical focus on environmental affairs, operational activities to support the strategy includes establishing action plans to reduce packaging materials and implementing alternative energy sources such as construction of geothermal power sources to reduce emissions of CO₂ in connection with new building projects.

The Company has initiated an environmental certification in accordance with ISO 14001 to ensure that the Company's activities meet requirements for environment and sustainability in accordance with international standards. In 2022, the Group continued mapping of environmental affairs and implemented an Environmental Management System following evaluation of processes, activities and responsibilities. Furthermore, the Company expects to fully implement ISO 14001 in 2023.

Going forward, the Group will continue to focus on reduction of the Group's environmental impact.

Human Rights and Social Responsibility

The Group is committed to act with a high degree of integrity and ethics and to comply with regulations in the countries where the Group operates. The Group respects UN's Universal Declaration of Human Rights and acknowledges its responsibility to ensure that these rights are complied with in relation to employees.

The Group actively works towards contributing to a safe and healthy work environment and is committed to continuously improve working conditions. The Group supports elimination of all forms of forced labour, child work and discrimination and strives to offer equal opportunity to all human beings regardless of gender, nationality, religion, or ethnic origin. The Group does not accept discrimination or harassment.

The Group has not identified significant risks related to human rights and social responsibility.

To ensure a safe and healthy physical and psychological working conditions for employees, employees receive safety related information and training targeted their specific tasks. Furthermore, the Group conducts employee engagement surveys.

Based on the Group's efforts within Human Rights and Social Responsibility, the Group expects a minimal number of work-related injuries. Furthermore, the Group communicates policies for human rights to employees to ensure that employees are informed and act in accordance with policies. The Group will continue to have an increased focus on compliance of human rights.

No breaches of policies for human rights and social responsibility were reported during 2022.

Anti-corruption and bribery

The Group is committed to comply with Danish and international legislation on anti-corruption and bribery and prevent corruption and bribery in line with the Code of Conduct. Employees in the Group are introduced to the Code of Conduct to ensure that employees comply with competition legislation etc. The Group has not identified violations of Code of Conduct in 2022 but will continue the work with anti-corruption and bribery. The Group has not identified significant risks related to anti-corruption and bribery.

Diversity

The Group strives to create an organization characterized by diversity and equality among our leaders and employees. The Group has established a Policy for Diversity and Inclusion to ensure equality on all management levels.

The Group is characterized by having a diverse workforce in relation to nationality, gender, age, education etc. and strives to achieve diversity on all levels of the organization.

The Company's Board of Directors currently consists of 7 members, of which 2 women, while our daily management consists of 6 members, of which 3 women.

The Group complies with the definition of an equal composition between genders in accordance with the Danish Business Authority's "Guidance on Target figures, policies and reporting on the gender composition of management" and expects to continue an equal representation of genders going forward.

Statement on Policy for Data Ethics

The Group is committed to ensuring a responsible storage and processing of data in relation to customers, employees and business partners and has initiated an analysis of the Group's treatment of data aiming to formalize a policy for data ethics. The Group has initiated a process of establishing a policy for data ethics, and the policy is expected to be implemented in 2023.

The Group has not previously implemented a Policy for Data Ethics since the Group's primary data collection relates to Personal Data covered by the Group's Privacy Policy.

Financial Highlights

Amounts in DKK '000	2022	2021	2020	2019*)	2018
Income statement					
Revenue	316.074	528.746	312.996	170.024	162.934
Operating profit/loss	-4.952	200.045	95.986	36.118	30.188
Net financials	-76.682	-25.992	-10.712	-4.090	-6.330
Profit/loss for the year	38.062	251.420	79.973	24.772	19.360
Balance sheet					
Balance sheet total	3.185.375	999.322	843.307	290.151	297.036
Investments in intangible assets	18.258	4.145	4.143	5.352	3.703
Investments in property, plant and equipment	21.027	2.753	2.086	3.565	5.848
Equity	1.016.146	690.076	394.906	98.199	83.197
Cash and cash equivalents	9.835	10.803	24.055	-75.689	-71.683
Ratios					
Revenue growth	-40%	69%	84%	4%	192%
Gross margin	37%	50%	51%	54%	49%
Return on assets	0%	20%	11%	12%	10%
Solvency ratio	32%	69%	47%	34%	26%
Return on equity *)	4%	46%	32%	27%	27%

*) The comparative figures for 2019 have been adjusted due to the merger of Hvidesten A/S and SSI Diagnostica A/S as of 1 January 2020.

Statement by management on the annual report

The Supervisory and Executive Boards have today discussed and approved the Financial Statements for the financial year 1 January – 31 December 2022 of SSI Diagnostica A/S.

The Financial Statements has been prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's financial position at 31 December 2022 and of the result of the Company's operations for the financial year 1 January – 31 December 2022.

In our opinion the management's review includes a fair review about the matters the review deals with.

We recommend that the Financial Statements be approved at the annual general meeting.

Hillerød, 22 May 2023

Executive Board

Christina Charlotte Lindved

Egil Mølsted Madsen

Søren Skjold Mogensen

Supervisory board

Stig Løkke Pedersen
Chairman

Steffen Kjeld Thomsen

Rasmus Karl Gustaf Molander

Patrick Olof Dahlén

Catherine Yaping Chen

Sibel Karina Arnes

Independent Auditor's Report

To the Shareholder of SSI Diagnostica A/S

Opinion

In our opinion the Financial Statement give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of SSI Diagnostica A/S for the financial year 1 January - 31 December 2022, which comprise summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes (financial statements).

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 Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements, or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Independent Auditor's Report, continued

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent Auditor's Report, continued

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the 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 Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Hellerup, 22 May 2023

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jacob F Christiansen
State Authorized Public Accountant
mne18628

Søren Alexander
State Authorized Public Accountant
mne42824

Accounting policies

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The functional currency is Danish kroner, DKK. All other currencies are considered foreign currencies.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the parent company, SSI Diagnostica Holding A/S.

Changes in accounting policies

The accounting policies applied remain unchanged from last year except implementation of the following change in presentation of the income statement. Management has decided to change the accounting policies from presentation of the income statement by nature to presentation of the income statement by function. Management evaluates that presentation of the income statement by functions provides a true and fair view of the Company's activities. The comparative figures have been restated.

The change in accounting policy has not affected revenue, profit for the year, assets and equity.

Recognition and measurement

The financial statements have been prepared based on historical cost.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each financial statement item.

On recognition and measurement, anticipated losses and risks that appear before presentation of the annual report and which confirm or invalidate affairs or conditions existing at the balance sheet date are considered.

Business combinations

Acquisitions after 1 July 2018

Acquisitions of subsidiaries is treated according to the takeover method, whereby the identifiable assets and liabilities of the acquired entity are measured at fair value at the time of the acquisition. Acquired contingent liabilities are recognised in the consolidated financial statements at fair value to the extent that the value can be reliably measured.

The date of acquisition is the time when the group acquires control of the acquired company.

The purchase price of the acquired business represents the fair value of the agreed remuneration, including remuneration that is contingent on future events. Transaction costs directly attributable to the purchase of subsidiaries are recognised in the profit and loss statement in the consolidated financial statements as they are incurred.

Positive differences between the purchase price of the acquired entity and the identified assets and liabilities are recognised in the balance sheet under intangible fixed assets as goodwill, which is depreciated linearly in the profit and loss statement based at the expected useful life. Goodwill depreciation is allocated in the consolidated financial statements to the functions to which the goodwill relates. If the difference is negative, this is immediately recognised in the profit and loss account.

If the purchase price allocation is not final, positive and negative differences from purchased subsidiaries may, as a result of changes in the recognition and measurement of the identified net assets, be adjusted up to 12 months from the date of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in depreciations already made.

If the purchase price contains conditional remuneration, these are measured at fair value at the time of acquisition. Subsequently, conditional remuneration at fair value is re-measured. Revaluations are recognised in the income statement.

Acquisitions before 1 July 2018

Acquisitions carried out before 1 July 2018 are treated, with some exceptions, in accordance with accounting policies such as business combinations implemented on or after 1 July 2018. The main exceptions are:

- Identified assets and liabilities of the acquired undertaking shall be recognised only if they are probable.
- Identified contingent liabilities in the acquired company are not recognised in the group balance sheet.
- If the purchase price allocation is not final, positive and negative differences resulting from a change in recognition and measurement of acquired net assets shall be adjusted until the end of

the financial year following the year of the acquisition. At the same time, these adjustments are reflected in the value of goodwill or negative goodwill, including in depreciations already made.

- Transaction costs directly attributable to the purchase of subsidiaries are included as part of the cost price.
- Adjustment of conditional remuneration after first recognition is recognised directly by offset on the original purchase price, thereby correcting the value of goodwill or negative goodwill.

Mergers (aggregation method)

The aggregation method is used for business combinations of intercompany companies. The two companies book values are merged and do not identify differences. Any remuneration exceeding the book value of the non surviving company shall be recognised directly at equity. The aggregation method is carried out as if the two companies have always been combined by the adjustment of comparative figures.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date is translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

The profit and loss statement of foreign subsidiaries which are independent entities shall be converted at the rate of the transaction date or at an approximate average rate. The balance sheet items are converted at the exchange rate of the balance sheet date. Exchange rate adjustments arising from the conversion of equity at the beginning of the year and exchange rate adjustments, arising from the conversion of the profit and loss statement at the exchange rate of the balance sheet date, are recognised directly at equity.

Consolidated financial statements

As the company itself is a subsidiary of a higher parent company and the parent company, SSI Diagnostica Holding A/S, presents consolidated financial statements, the company has not prepared consolidated financial statements with reference to the Danish Financial Statements Act section 112.

Income statement

The income statement has been classified by function.

Revenue

As income recognition criterion, the delivery method is applied so that revenue comprises delivered revenue for the year. Revenue from the sale of manufactured goods and goods for resale is recognized in the income statement when delivery is made and risk has passed to the buyer before the end of the financial year. Revenue is measured at fair value excl. VAT and less granted goods and customer discounts.

Production Costs

Production costs comprises costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc., as well as operation, administration and management of factories.

Research and development expenses

Research and development expenses comprises research and development costs that do not qualify for capitalisation as well as amortisation of capitalised development costs.

Sales and distribution expenses

Sales and distribution expenses comprises costs in the form of salaries to sales and distribution staff, advertising and marketing expenses.

Administration expenses

Administration expenses comprises expenses related to Management, administrative staff, office expenses, depreciation, etc.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group including transaction costs.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the group enterprises' operating profit/loss adjusted for internal profits and losses less annual amortisation of goodwill on consolidation.

Financial income and financial expenses

Financial income and expenses are recognized with amounts regarding the financial year. Financial items comprise interest, costs related to borrowing as well as realised and unrealised exchange gains and losses.

Tax on profit or loss for the year and income taxes

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax.

The Company is jointly taxed with other Danish group enterprises. The tax effect of the joint taxation is allocated among the group enterprises in ratio to their taxable income according to the rules on full allocation with a refund for tax losses of the Danish Corporation Tax Act.

Joint tax contributions between the jointly taxed companies which have not been settled at the balance sheet date are classified as liabilities or receivables from joint tax contributions.

The Company is subject to the Danish Tax Prepayment Scheme.

Balance sheet

The balance sheet has been presented in account form.

Assets

Intangible assets

Intangible assets include development projects in progress and completed development projects as well as goodwill.

Intangible assets are measured at cost less accumulated amortisation and impairment losses.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation. For own-developed development projects salaries and external costs related to the development are included in the acquisition price.

For own-developed development projects capitalised after 1 January 2016, the carrying amount is transferred from "retained earnings" to "reserve for capitalised development cost" at equity.

Assets are amortised on a straight-line basis over their estimated useful lives:

Completed development projects	3-5 years
Goodwill	5-20 years

As the intangible assets are not being traded in an active and effective market, no residual values after end of use are included when determining the depreciation period.

The depreciation period for goodwill is determined as an overall assessment of the acquired company's market position, earnings profile and expectations of customers loyalty, which within reasonable limits is based on historical data/registrations.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated amortisation and depreciation. The basis of amortisation and depreciation is cost less estimated residual value after the end of useful life. Land is not depreciated.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.

The cost price for an asset is divided into separate components that are depreciated separately if the useful life of the individual components is significantly different.

Depreciation is initiated when the assets are ready to be taken into operation. Assets are depreciated on a straight-line basis over their estimated useful lives with following residual values:

	Useful liv	Residual value
Buildings	20 years	20%
Plant and machinery	3-10 years	0%
Other fixtures, etc.	3-10 years	0%
Leasehold improvements	5-7 years	0%

Minor purchases with useful lives below one year have been recognized as an expense in the income statement under gross profit.

Profit/loss on sale or scrapping has been included in the income statement under other operating income or other operating expenses.

Leasing

Property, plant and equipment that are assets held under lease and meet the conditions for financial leasing are accounted for according to the same guidelines as owned assets. Assets held under lease are recognized in the balance sheet at the lower of fair value and present value of the future lease payments. On calculation of the present value, the internal interest rate of the lease is applied as discount factor or an approximate value thereof. Assets held under finance lease are depreciated and written down according to the same policies as are determined for the Company's remaining fixed assets.

The capitalised remaining lease commitment is recognized in the balance sheet as a liability other than provisions, and the interest portion of lease payments is recognized over the term of the lease in the income statement.

Impairment of intangible assets and property, plant and equipment

The carrying amount of intangible assets and property plant and equipment is reviewed annually for indication of impairment for loss, apart from what is expressed by usual amortisation and depreciation. If this applies, impairment for loss is made of each asset or group of assets, respectively, to lower recoverable amount.

As recoverable amount, the higher of expected net selling price and net present value is applied. The net present value is calculated as the present value of the anticipated cash flows from the use of the asset or the group of assets.

Impairment for loss for the year is recognized in the income statement as amortisation, depreciation and impairment for loss of property, plant and equipment and intangible assets.

Investments in subsidiaries

Investments in subsidiaries are recognized and measured according to the equity method, so that the investment is measured at the pro rata share of the group enterprises' net asset value adjusted for internal dividends and gains.

Foreign group enterprises' profit or loss and equity have been translated into DKK. Exchange adjustments arising on translation of the foreign group enterprises' and associates' equity at the beginning of the financial year as well as profit/loss for the financial year are recognized at equity.

Distributable reserves in group enterprises and associates which are distributed as dividends to the parent at the balance sheet date are included in the value of investments.

Acquisition of group enterprises and associates are recognized at cost. The difference between the cost price and the net asset value of the acquired company, which appears at the time of establishing the consolidation, is as far as possible allocated to the assets and liabilities whose value is higher or lower than the carrying amount. A remaining positive difference is treated as goodwill and included in the value of investments, which is amortized in the income statement over 5 - 20 years.

The depreciation period is based on an assessment of the market position, earnings profile, and expectations of customers loyalty, which within reasonable limits is based on historical data/registrations. A negative difference, reflecting an expected cost or an unfavourable development, are recognized as income in the income statement in the year of acquisition.

The total net revaluation of investments in group enterprises and associates is allocated via the profit distribution to "reserve for net revaluation according to the equity method" under equity. The reserve is reduced by dividend distributions to the Parent and is adjusted by changes in equity in the group enterprises and associates.

Subsidiaries with negative equity are recognised at DKK 0. Where the parent company has a legal obligation to cover the subsidiary's underbalance, a provision to that effect shall be recognised.

Inventories

Inventories of raw materials and own-produced finished goods are measured at cost according to the FIFO method. In the event of cost exceeding net realisable value, write-down is made to this lower value.

Inventories of goods for resale are measured at cost according to average prices. In the event of cost exceeding net realisable value, write-down is made to this lower value.

Cost of goods for resale as well as raw materials and consumables comprises purchase price.

Cost of own-produced finished goods comprises cost of raw materials, consumables and direct wages plus indirect production costs. Indirect production costs include indirect materials and wages as well as energy costs.

Indirect cost of production includes indirect materials and labour as well as maintenance of and depreciation on the machinery used in production processes, rent for factory buildings and equipment used and cost of production administration and management.

The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales sum.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down for bad debt according to an individual assessment.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years including insurance premiums and subscriptions.

Equity and liabilities

Equity

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Treasury shares

Cost of acquisition and consideration received are recognised directly in equity as retained earnings.

Provision for deferred tax

Deferred tax is measured according to the liability method. Provision of 22% on all temporary differences between carrying amount and tax-based value of assets and liabilities has been made for deferred tax.

The tax-based values of tax losses carried forward are included in the statement of deferred tax if it is probable that the losses can be utilised.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the no-account taxation scheme are recognised in the income statement in financial income and expenses.

Derivative financial instruments

Derivative financial instruments are recognised and measured in the balance sheet at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and other payables, respectively.

Fair values of derivative financial instruments are calculated on the basis of observable data applying generally accepted valuation methods.

Changes in the fair values of derivative financial instruments entered into for the purpose of hedging cash flow which do not qualify for hedge accounting are recognised as they arise in financial income and expense.

Liabilities other than provisions

Liabilities other than provisions are recognized when raising the loan at the proceeds received after deduction of borrowing costs, directly addressed by the loan.

Liabilities other than provisions have been measured at amortised cost which corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers include prepayments from customers.

Financial highlights

The ratios have been prepared in accordance with "Guidelines and ratios 2015 " from The Danish Finance Analysts Society.

The ratios have been calculated as follows:

$$\text{Return on assets} = \frac{\text{Operating profit} \times 100}{\text{Average invested capital}}$$

$$\text{Solvency ratio} = \frac{\text{Equity at closing balance} \times 100}{\text{Total assets}}$$

$$\text{Return on equity} = \frac{\text{Profit or loss for the year} \times 100}{\text{Average equity}}$$

$$\text{Invested capital} = \text{Intangible and fixed assets relating to the activities} + \text{networking capital}$$

Income statement 1 January – 31 December 2022

Note		<u>2022</u>	<u>2021</u>
		<i>DKK</i>	<i>DKK</i>
1	Revenue	316.073.851	528.745.851
2	Production costs	<u>-200.335.924</u>	<u>-264.198.155</u>
	Gross profit	115.737.928	264.547.695
2	Research and development expenses	-4.622.311	-4.107.046
2	Sales and distribution expenses	-32.459.870	-24.129.133
2	Administration expenses	<u>-85.462.464</u>	<u>-37.843.507</u>
	Operating expenses	-122.544.645	-66.079.685
	Other operating income	<u>1.854.657</u>	<u>1.577.330</u>
	Operating profit/loss	-4.952.060	200.045.340
	Income from investments in group enterprises	108.094.698	116.750.617
3	Financial income	88.575.388	7.800.399
4	Financial expenses	<u>-165.257.023</u>	<u>-33.792.388</u>
	Profit/loss before tax	26.461.002	290.803.968
5	Tax on profit/loss for the year	<u>11.601.222</u>	<u>-39.383.585</u>
	Profit/loss for the year	<u><u>38.062.225</u></u>	<u><u>251.420.383</u></u>

Balance sheet at 31 December 2022

Assets

Notes		31/12 2022	31/12 2021
		<i>DKK</i>	<i>DKK</i>
7	Completed development projects	5.851.243	8.388.190
7	Goodwill	117.671.891	126.229.846
7	Development projects in progress	24.666.827	6.541.281
	Intangible assets	<u>148.189.960</u>	<u>141.159.317</u>
8	Land and buildings	43.807.744	25.650.716
8	Plant and machinery	7.811.557	9.666.416
8	Other fixtures etc.	2.731.850	2.204.805
8	Leasehold improvements	2.713.794	3.583.869
8	Prepayments, property, plant and equipment	978.260	0
	Property, plant and equipment	<u>58.043.205</u>	<u>41.105.806</u>
9	Investments in group enterprises	1.476.039.178	614.815.651
10	Deposits	180.625	232.697
16	Other receivables	28.771.010	0
	Fixed asset investments	<u>1.504.990.812</u>	<u>615.048.348</u>
	Fixed assets	<u>1.711.223.977</u>	<u>797.313.471</u>
	Raw materials and consumables	9.897.492	6.546.805
11	Work in progress	27.494.995	27.158.178
	Finished goods and goods for resale	18.473.127	51.803.741
	Prepayments of goods	0	2.858.774
	Inventories	<u>55.865.615</u>	<u>88.367.498</u>
	Trade receivables	28.664.988	53.584.762
	Joint tax contribution receivables	4.640.549	633.238
	Other receivables	72.418	55.323
	Receivables from group enterprises	277.338.353	47.918.286
	Loan to group enterprises	1.096.052.598	0
12	Prepayments	1.681.665	647.209
	Receivables	<u>1.408.450.570</u>	<u>102.838.818</u>
	Cash and cash equivalents	<u>9.834.694</u>	<u>10.802.699</u>
	Current assets	<u>1.474.150.879</u>	<u>202.009.015</u>
	Total assets	<u><u>3.185.374.857</u></u>	<u><u>999.322.486</u></u>

Balance sheet at 31 December 2022

Equity and liabilities

Notes	<u>31/12 2022</u>	<u>31/12 2021</u>
	<i>DKK</i>	<i>DKK</i>
13		
Share capital	1.765.000	1.764.200
Reserve for development expenditure	23.804.094	11.644.987
Reserve for net revaluation according to the equity method	0	140.391.967
Foreign currency translation adjustments	34.695.562	14.010.378
Proposed dividend	0	500.000.000
Retained earnings	955.881.695	22.264.071
Equity	<u>1.016.146.351</u>	<u>690.075.603</u>
Provision for deferred tax	<u>15.137.402</u>	<u>26.838.138</u>
Total provisions	<u>15.137.402</u>	<u>26.838.138</u>
15		
Debt to credit institutions	1.392.550.870	98.418.000
Other payables (long-term part)	5.290.267	5.050.165
Long-term liabilities other than provisions	<u>1.397.841.137</u>	<u>103.468.165</u>
15		
Current portion of long-term liabilities other than provisions	88.887.554	0
Prepayments received from customers	343.224	385.033
Trade payables	10.651.521	16.419.706
Loan from group enterprises	75.574.409	0
Payables to group enterprises	565.310.947	146.881.107
15		
Other payables	15.482.312	15.254.734
Short-term liabilities other than provisions	<u>756.249.967</u>	<u>178.940.580</u>
Liabilities other than provisions	<u>2.154.091.103</u>	<u>282.408.745</u>
Total equity and liabilities	<u><u>3.185.374.857</u></u>	<u><u>999.322.486</u></u>
6		
Distribution of profit/loss		
14		
Treasury shares		
17		
Contingent liabilities		
18		
Contractual obligations		
19		
Related parties		
20		
Audit fees to auditors appointed at the Annual General Meeting		

Statement of change in equity 31 December 2022

	Share capital	Share premium account	Net revaluation acc. to equity method	Reserve for development expenditure	Retained earnings	Foreign currency adjustment	Proposed dividend	Total
	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>
Equity at 1/1 2022	1.764.200	0	140.391.967	11.644.987	22.264.071	14.010.378	500.000.000	690.075.603
Increase of share capital	800	18.175.010	0	0	0	0	0	18.175.810
Transfer from share premium account	0	-18.175.010	0	0	18.175.010	0	0	0
Transferred from distribution of profit/loss	0	0	0	12.159.107	-12.159.107	0	0	0
Contribution from parent company	0	0	0	0	815.121.123	0	0	815.121.123
Net profit/loss for the year	0	0	-74.418.374	0	112.480.599	0	0	38.062.225
Paid dividend	0	0	0	0	0	0	-500.000.000	-500.000.000
Foreign currency translation adjustments	0	0	-65.973.593	0	0	20.685.184	0	-45.288.409
Equity at 31/12 2022	<u>1.765.000</u>	<u>0</u>	<u>0</u>	<u>23.804.094</u>	<u>955.881.695</u>	<u>34.695.562</u>	<u>0</u>	<u>1.016.146.351</u>

Notes

1 Revenue	2022	2021
	<i>DKK</i>	<i>DKK</i>
Disease Prevention	75.767.585	71.845.705
Rapid screenings	82.488.877	167.406.677
MI Lab Solutions	153.026.565	285.302.045
Precision Testing	2.681.060	1.714.922
Other	2.109.764	2.476.502
Total revenue	<u>316.073.851</u>	<u>528.745.851</u>
<i>Geographical Segments</i>		
Europe	243.001.459	454.872.400
North America	35.808.346	26.504.672
Asia	31.053.093	32.768.553
Rest of the world	6.210.954	14.600.226
Total revenue	<u>316.073.851</u>	<u>528.745.851</u>
2 Staff costs	2022	2021
	<i>DKK</i>	<i>DKK</i>
Salary and wages	60.611.076	49.340.300
Change in holiday allowance	4.738.191	243.267
Pensions	7.899.523	7.768.328
Other social security costs	2.015.646	1.126.755
Refunds	-592.237	-976.793
Other employee expenses	3.296.575	0
Total	<u>77.968.775</u>	<u>57.501.857</u>
Wages and Salaries, pensions and other social security expenses are recognised in the following cost function:		
Cost of production	36.265.911	29.853.758
Research and development costs	8.134.762	7.426.672
Sales and distribution costs	23.727.090	16.168.110
Administration costs	9.841.012	4.053.317
Total employee costs expensed to the income statement	<u>77.968.775</u>	<u>57.501.857</u>
The average number of full-time employees has represented	<u>125</u>	<u>113</u>

The total remuneration of the Executive Board and the Supervisory Board amounts to kDKK 2,068 in the financial year against kDKK 1,313 last year.

Notes

3 Financial income	2022	2021
	<i>DKK</i>	<i>DKK</i>
Interest income from group companies	15.804.579	0
Interest income, credit institutions	92.192	102.189
Other financial income	12.753	20.407
Interest income, swaps	2.497.444	0
Market value adjustment, swaps	28.771.010	0
Unrealised gains on foreign exchange	41.397.410	7.677.803
Total	<u>88.575.388</u>	<u>7.800.399</u>

4 Financial expenses	2022	2021
	<i>DKK</i>	<i>DKK</i>
Interest expenses to group companies	18.520.867	2.736.946
Interest expenses, credit institutions	1.107.007	5.172.159
Interest expenses, loan	36.577.626	0
Other financial expenses	5.792	2.124
Non-deductible interest and fees	0	26.372
Unrealised loss on foreign exchange	109.045.732	25.854.787
Total	<u>165.257.023</u>	<u>33.792.388</u>

Notes

5 Tax on profit/loss for the year	<u>2022</u>	<u>2021</u>
	<i>DKK</i>	<i>DKK</i>
Tax on profit/loss for the year:		
Tax on taxable income for the year	99.514	38.049.060
Deferred tax	<u>-11.700.736</u>	<u>1.334.525</u>
Total	<u><u>-11.601.222</u></u>	<u><u>39.383.585</u></u>

6 Distribution of profit/loss	<u>2022</u>	<u>2021</u>
	<i>DKK</i>	<i>DKK</i>
Reserve for development expenditures	12.159.107	1.152.329
Reserve for net revaluation acc. to equity method	-74.418.374	87.634.646
Proposed dividends for the financial year	0	500.000.000
Retained earnings	<u>112.480.599</u>	<u>-337.366.592</u>
Profit/loss for the year	<u><u>50.221.332</u></u>	<u><u>251.420.383</u></u>

Notes

7 Intangible assets

	Completed development projects	Goodwill	Development in progress	Intangible assets in total
	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>
Cost at 1/1 2022	13.856.251	171.159.115	6.541.281	191.556.646
Additions for the year	0	0	18.257.903	18.257.903
Transfers for the year	132.357	0	-132.357	0
Cost at 31/12 2022	<u>13.988.608</u>	<u>171.159.115</u>	<u>24.666.827</u>	<u>209.814.549</u>
Amortization and impairment at 1/1 2022	5.468.061	44.929.269	0	50.397.329
Amortization for the year	2.669.305	8.557.955	0	11.227.260
Amortization and impairment at 31/12 2022	<u>8.137.365</u>	<u>53.487.224</u>	<u>0</u>	<u>61.624.589</u>
Carrying amount at 31/12 2022	<u><u>5.851.243</u></u>	<u><u>117.671.891</u></u>	<u><u>24.666.827</u></u>	<u><u>148.189.960</u></u>

Notes

8 Property, plant and equipment

	Land and buildings	Plant and machinery	Other fixtures and fittings	Leasehold improvement	Prepayments property, plant and equipment	Property, plant and equipment in total
	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>	<i>DKK</i>
Cost at 1/1 2022	26.760.755	30.045.386	3.557.131	6.094.868	0	66.458.140
Additions for the year	18.368.457	717.147	963.235	0	978.260	21.027.099
Cost at 31/12 2022	<u>45.129.212</u>	<u>30.762.533</u>	<u>4.520.366</u>	<u>6.094.868</u>	<u>978.260</u>	<u>87.485.239</u>
Depreciation at 1/1 2022	1.110.038	20.378.970	1.352.326	2.510.999	0	25.352.334
Depreciation for the year	211.430	2.572.006	436.189	870.075	0	4.089.700
Depreciation at 31/12 2022	<u>1.321.468</u>	<u>22.950.977</u>	<u>1.788.516</u>	<u>3.381.074</u>	<u>0</u>	<u>29.442.034</u>
Carrying amount at 31/12 2022	<u><u>43.807.744</u></u>	<u><u>7.811.557</u></u>	<u><u>2.731.850</u></u>	<u><u>2.713.794</u></u>	<u><u>978.260</u></u>	<u><u>58.043.205</u></u>

Notes

9 Investments in group enterprises

	<u>2022</u>	<u>2021</u>
	<i>DKK</i>	<i>DKK</i>
Cost at 1/1 2022	88.737.643	88.737.643
Contribution to subsidiary	<u>1.068.153.041</u>	<u>0</u>
Cost at 31/12 2022	<u>1.156.890.684</u>	<u>88.737.643</u>
Revaluation at 1/1 2022	140.430.462	31.598.535
Revaluation for the year	147.203.255	145.687.392
Dividend to parent company	-270.840.800	-58.160.060
Exchange rate adjustments	<u>-65.973.593</u>	<u>21.304.595</u>
Revaluation at 31/12 2022	<u>-49.180.676</u>	<u>140.430.462</u>
Amortisation and impairment at 1/1 2022	38.495	145.809
Impairment for the year	<u>0</u>	<u>-107.314</u>
Amortisation, depreciation and impairment at 31/12 2022	<u>38.495</u>	<u>38.495</u>
Carrying amount at 31/12 2022	<u><u>1.107.671.513</u></u>	<u><u>229.129.610</u></u>
Equity according to Financial Statements	1.107.671.513	229.129.610
Goodwill on consolidation	444.379.755	411.575.443
Foreign currency translation, goodwill	20.685.184	22.444.491
Accumulated amortisation	<u>-96.697.274</u>	<u>-48.333.893</u>
Carrying amount at 31/12 2022	<u><u>1.476.039.178</u></u>	<u><u>614.815.651</u></u>

<u>Group enterprises</u>	<u>Hometown</u>	<u>Share capital</u>	<u>Ownership</u>	<u>Equity</u>	<u>Profit or loss</u>
		<i>DKK</i>	<i>percentage</i>	<i>DKK</i>	<i>DKK</i>
CTK Biotech, Inc.	California, US	63.627	100%	57.268.190	50.062.625
Techlab, Inc	Virginia, US	462.666.683	100%	235.129.177	28.379.814
Beijing Genesee Biotech, Inc.	Beijing, China	1.407.750	100%	35.895.503	107.329.523
SSI Consulting (Hangzhou) Co. Ltd	Hangzhou, China	75.620.124	100%	111.865.478	390.648
SSI Diagnostica USA LLC	California, US	0	100%	955.283.342	-55.628.282
SSI Diagnostica A/S, DK, Filial i Sverige	Malmö, Sweden	0	100%	291.911	89.471
Reagensia AB	Malmö, Sweden	73.133	100%	0	0

Notes

10

Deposits

	<u>2022</u>	<u>2021</u>
	<i>DKK</i>	<i>DKK</i>
Cost at 1/1 2022	232.697	0
Additions for the year	0	232.697
Disposals for the year	-52.072	0
Cost at 31/12 2022	<u>180.625</u>	<u>232.697</u>
Carrying amount at 31/12 2022	<u><u>180.625</u></u>	<u><u>232.697</u></u>

11

Work in progress

In the company's inventory of semifinished goods and raw sera (work in progress), several of the products have an infinite expiration time. The management have decided a valuation principle in which the value only accounts for the goods, which are expected to be consumed within the next five years. The value of semifinished goods and raw sera as of 31 December 2022 is DKKm 29. There is a certain uncertainty associated with the measurement, but it is the management's opinion, that the uncertainty has been handled appropriately in the valuation.

12

Prepayments (receivables)

	<u>2022</u>	<u>2021</u>
	<i>DKK</i>	<i>DKK</i>
Insurance, subscription fees, etc.	<u>1.681.665</u>	<u>647.209</u>
Total	<u><u>1.681.665</u></u>	<u><u>647.209</u></u>

Notes

13 Share capital

The share capital consists of 17,642 certificates of DKK 100. The shares have not been divided into classes.

14 Treasury shares

The company purchased own issued B shares of DKK 5,000,000 at a total price of DKK 218,000,000 in 2021 following a payment of former shareholder.

The company's share capital has been reduced by DKK 5,000,000 treasury B-shares by annulment of the shares.

The company owns 0 treasury shares at the balance sheet date.

15 Long-term liabilities other than provisions

	<u>2022</u>	<u>2021</u>
	<i>DKK</i>	<i>DKK</i>
Credit institutions:		
Instalments next financial year	<u>88.887.554</u>	<u>0</u>
Debt outstanding between 1 and 5 years	<u>311.112.446</u>	<u>98.418.000</u>
Debt outstanding after 5 years	<u>1.081.438.424</u>	<u>0</u>
Total debt	<u><u>1.481.438.424</u></u>	<u><u>98.418.000</u></u>
Other payables:		
Instalments next financial year	<u>15.482.312</u>	<u>15.254.734</u>
Debt outstanding between 1 and 5 years	<u>5.290.267</u>	<u>5.050.165</u>
Debt outstanding after 5 years	<u>0</u>	<u>0</u>
Total debt	<u><u>20.772.579</u></u>	<u><u>20.304.899</u></u>

Notes

16 Derivative financial instruments

The company has entered into agreements in relation to hedging of interest rate risks and exchange rate risks.

The fair value of derivative financial instruments at 31 December 2022 is DKKm 28.8 (2021: DKKm 0) recognised as Other Receivables. The fair value movement on the hedging instruments are recognised in the income statement. The maturity date of the hedging instruments is 30 September 2025.

17 Contingent liabilities

The company is jointly taxed with other group companies and is jointly liable with the other group companies for payable and unsettled corporation and withholding taxes. The total amount for payable corporate tax is shown in the annual report for Adelis Services 1 ApS. Any subsequent corrections to the corporate tax and withholding taxes can lead to a higher liability for the Company.

18 Contractual obligations

The Company's lease agreement with Velliv Ejendomme A/S is interminable until 1 January 2023 (the earliest date for vacating is then 1 January 2024). The annual rent excl. operation costs and consumption costs accounts DKKm 4.3.

The Group has provided a guarantee against landlord as security for any debt between landlord and tenant. The guarantee amounts to DKKm 0.9.

19 Related parties

The Company's related parties comprise the following:

Group Companies

SSI Diagnostica USA LLC, California US
SSI Consulting (Hangzhou) Co. Ltd, Hangzhou, China
CTK Biotech, Inc., California US
Beijing Genesee Biotech, Inc., Beijing China
Techlab, Inc., Virginia

Main shareholder (controlling influence)

SSI Diagnostica Holding A/S,
Herredsvejen 2, 3400 Hillerød

In accordance with section 98(c)(7) of the Danish Financial Statements Act, no transactions with related parties have been disclosed as Management believes that all transactions with related parties have been carried out on arm's length basis.

The Company is included in the consolidated Financial Statements for SSI Diagnostica Holding A/S.

Notes

20 Audit fees to auditors appointed at the Annual General Meeting

	<u>2022</u>	<u>2021</u>
PricewaterhouseCoopers	<i>DKK</i>	<i>DKK</i>
Audit fee	643.985	692.495
Tax advisory services	2.431.380	518.090
Non-audit services	<u>200.000</u>	<u>136.595</u>
Total	<u>3.275.365</u>	<u>1.347.180</u>
Other audit companies		
Non-audit services	<u>2.302.659</u>	<u>3.862.713</u>
Total	<u>2.302.659</u>	<u>3.862.713</u>