

ÆGIRBIO

HEALTH CHECK.
PRECISION. SIMPLICITY.

Diagnostic tests and platform tailored to
the emerging digital health market.

2023

aegirbio.com



“our platform makes
diagnostic testing and
monitoring as easy to use as
other daily routines”

2023
in brief



AegirBio's
mission



ÆGIRBIO

ÆGIRBIO AB
Scheelevägen 27, SE-223 63 Lund, Sweden

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This is
AegirBio

AegirBio was founded in 2019, a Swedish diagnostics company that develops and commercializes diagnostic tests. The Company has an international presence with establishments in Sweden, Finland, the United Kingdom and the United States. The common theme of the Group's existing and envisaged product portfolio is to make diagnostics more accessible, easier to use, and with precise, transferable, and clinically relevant results.

AegirBio AB specializes in developing a home testing platform for oral health, therapeutic drug monitoring and infectious diseases. The current product line includes the Veritope technology, with intact natalizumab in multiple sclerosis, together with the MagniaReader designed for both research and veterinary applications.

HISTORY

2000

LifeAssays AB founded in Sweden.

2013

Abreos Biosciences Inc. founded in the US.

2015

Magnasense Technologies Oy (Finland) is incorporated into LifeAssays AB through LifeAssays AB taking over all shares in Magnasense Technologies Oy.

2018

A collaboration between LifeAssays AB and Abreos Biosciences Inc. initiated, including verification of Veritope molecules on MagniaReader's Point-of-Care platform.

2019

AegirBio AB founded as a Joint Venture between LifeAssays AB and Abreos Biosciences Inc.

2020

AegirBio AB is listed on Nasdaq First North Growth Market in June. The Company acquires Thyrolytics AB and Viraspec AB. As a consequence of the first acquisition, AegirBio gains access to patented technology for the diagnosis of thyroid-related diseases. The latter acquisition gives rise to the establishment of a new business vertical in rapid tests. AegirBio (UK) Ltd is founded.

2023 in brief

Consolidated profit for the year

(2023-01-01 – 2023-12-31)

- Net sales amounted to MSEK 0 (1.7)
- Profit before tax amounted to MSEK -61.2 (-364.3)
- The operating profit for the full year, before the 2022 impairment of goodwill of MSEK -276.8, amounted to MSEK -56.2 (-87.5). This is a significant improvement in the operating profit.
- R&D, selling and administrative costs for the full year amounted to MSEK -60.6 (-67.8). We have had a strong focus on reducing and optimizing our costs in 2023 and have thus managed to reduce them by MSEK 7.2 in 2023 compared to 2022.
- The cash balance at the end of the year was MSEK 12.1 (14.6) after receiving proceeds totaling MSEK 46.3 in the first quarter from the exercise of warrants and the convertible loan from Atlas.
- Earnings per share* amounted to SEK -2.38 (-18.90)
- Solidity** amounted to -3% (60%)

*Earnings per share: Profit for the period divided by the weighted average number of shares, which amounted to 25,053,902 shares for the full year 2023 before dilution. The corresponding number for the same period in the previous year was 19,200,892 shares.

** Solidity: Equity divided by total capital.

2021

AegirBio AB and LifeAssays AB adopt a merger plan under which AegirBio AB will absorb LifeAssays AB. Through the merger, AegirBio acquires the ownership of key technology that was previously in-licensed. The merger also provides access to LifeAssays AB's platform for simple and accurate home testing (Quantitative Disposable Analyses) and its sample processing technology (SampleX). AegirBio AB enters into an agreement with Abreos Sweden AB to acquire Abreos Biosciences Inc.

2022

AegirBio's saliva COVID antigen test Viraspec receives CE mark for self-testing. Point-of-Care Magna Infliximab and Magna Natalizumab receive CE.

Marco Witteveen is appointed CEO of AegirBio with a clear mission to find a way forward for the Company's robust testing technology.

2023

AegirBio's patented method correlates blood and saliva analyte levels, eliminating the need for invasive blood tests. AegirBio receives a MUSD 1.2 NIH RADx® Tech award to develop a digital self-testing platform for people with disabilities, with potential for Phase 2 funding based on success in Phase 1 studies.

2024

Dr. Adam S. Cheifetz and Professor Iain L.C. Chapple join AegirBio's Scientific Advisory Board. The appointments bring a wealth of experience and expertise and will be key to AegirBio's future strategy in therapeutic drug monitoring and oral health.

Significant events during the year

and after the end of the period



A word from CEO Marco Witteveen

Dear Shareholders,

I am pleased to present to you our annual report for the fiscal year ending December 31, 2023, showcasing the achievements and strategic endeavors of our company during this period. It is a testament to our dedication, resilience, and forward-thinking approach in navigating the challenges and opportunities that have come our way.

Our journey over the past year has been defined by transformative changes and strategic initiatives aimed at fortifying the foundation of our company for sustained growth and success. We began with a bold move to streamline our operations through a comprehensive team restructuring, optimizing our workforce by 25% and strategically focusing our efforts on key research and development activities at our UK facility. This strategic realignment has allowed us to enhance our agility, efficiency, and innovation capabilities, positioning us to thrive in a rapidly evolving marketplace.

In parallel, we embarked on a journey of collaboration and innovation, forging a strategic partnership with Digital Health Solutions LLC, a leading force in healthcare technology based in Boston. This partnership has accelerated our product development timelines, particularly for the Magic Toothbrush platform under the prestigious NIH RADx project. Together, we are pushing the boundaries of healthcare innovation, bringing cutting-edge solutions to market faster and more effectively than before.



Central to our strategic vision is our unwavering commitment to excellence in financial management and research and development. The appointment of our new Chief Financial Officer (CFO), Christel Dahlberg, has brought a wealth of experience and expertise to our leadership team. Together with our esteemed COO, Dr. Vasiliki Fragkou, they have spearheaded a robust financial and R&D strategy, driving substantial cost reductions and ensuring the financial stability of our operations.

In tandem with our operational enhancements, we intensified our efforts to secure strategic partnerships and investments to support our ambitious projects. Towards the end of 2023, we began actively seeking an investment to bolster our resources for the RADx® project under NIH. This project represents a significant opportunity for us to pioneer groundbreaking healthcare solutions, and we are committed to ensuring its success.

In early 2024, our strategic efforts bore fruit as we secured a conditional agreement with Atlas Special Opportunities, LLC for a loan facility of MSEK 45. This investment was the culmination of our diligent work throughout 2023, demonstrating our ability to execute on our strategic plans and secure the necessary resources to drive our projects forward.

Another key milestone achieved in early 2024 was the establishment of our Scientific Advisory Board (SAB). The decision to create this SAB is based on our long-term strategy to leverage the expertise of leading professionals in the field to guide our research and development efforts. After months of diligent work towards this goal, we were thrilled to welcome Prof. Chapple and Dr. Cheifetz to our SAB, bringing with them a wealth of knowledge and experience that will be invaluable in shaping the future of our company.

Our commitment to excellence extends beyond the bottom line. It is rooted in a deep understanding of the profound impact our work has on the health and well-being of individuals and communities

around the world. That is why we have expanded our product focus to include a groundbreaking solution for measuring oral inflammation, addressing prevalent oral care needs while also pioneering preventive healthcare solutions that mitigate risks associated with systemic health issues such as diabetes, osteoporosis, Alzheimer's disease, cancers, and cardiovascular disease. Our commitment to holistic health is unwavering, and we are proud to be at the forefront of innovation in this critical area working closely with our scientific advisor, Prof. Dr. Iain Chapple from the University of Birmingham, UK.

Furthermore, I am delighted to announce that we successfully achieved Milestones 1 and 2 in the RADx project during 2024. These milestones were the culmination of the strategic groundwork laid in 2023, demonstrating the effectiveness of our planning and execution. This remarkable progress fills us with confidence as we set our sights on Milestones 3 and 4, completing it much earlier by May 2024 instead of the initially planned August 2024. We are confident in our ability to continue exceeding expectations and driving innovation forward.

As we reflect on the achievements of 2023 and the outcomes that have manifested in 2024, I extend my deepest gratitude to our shareholders for their unwavering support. It is through your trust, confidence, and partnership that we are able to navigate through challenges and seize opportunities, driving our company toward a future filled with promise, prosperity, and purpose.

Sincerely,

Marco Witteveen
CEO, AegirBio AB

About AegirBio

AegirBio is at the forefront of a groundbreaking initiative focused on creating an innovative digital self-test platform.

This platform is meticulously designed to empower individuals to take charge of their health with unparalleled convenience and inclusivity. Our mission is deeply rooted in acknowledging the distinctiveness of each individual and the pivotal significance of offering accessible health monitoring across a diverse range of health conditions.



Our technology

HEALTH CHECK. PRECISION. SIMPLICITY.

Our platform makes precision diagnostic testing and monitoring as easy as brushing your teeth

We are developing a comprehensive at-home diagnostic platform and a set of tests tailored for the emerging digital health landscape. Our main objective is to democratize healthcare testing by simplifying at-home testing to a level similar to daily routines. This involves a user-friendly saliva collection device resembling a toothbrush, equipped with magnetic test strips and a base reader for an intuitive and non-invasive approach to sample collection and test initiation.

Our mission

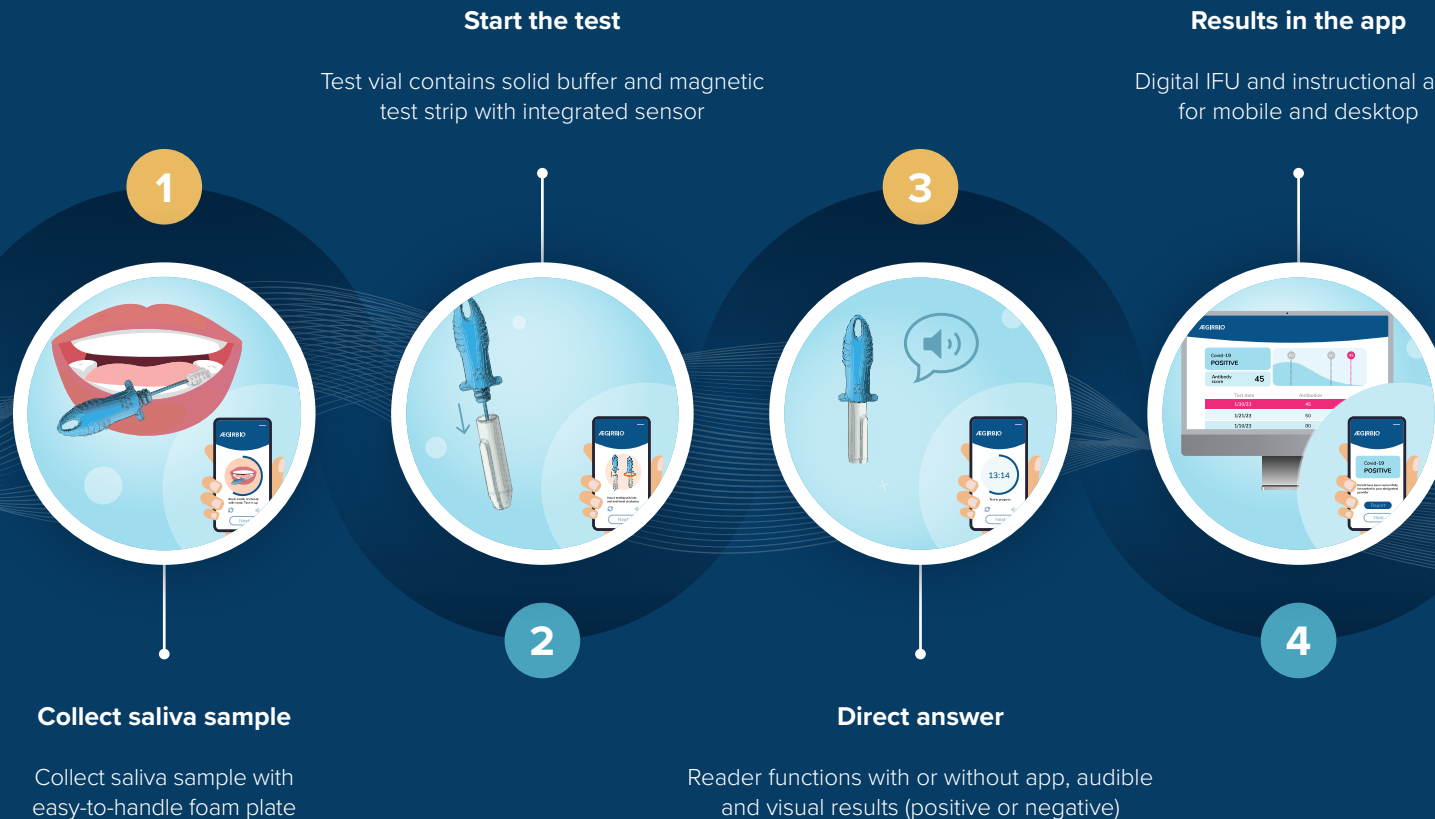
AegirBio's mission is to develop accessible biomarker assay technologies by making diagnostic testing as easy as brushing your teeth and empowering people to monitor their health and improve treatment from the comfort of their homes.

AegirBio is now building its business around technologies for:

- Laboratory developed tests, for the follow-up of patients during treatment with biological drugs
- Point-of-Care, quantitative near-patient tests for routine control in clinics and health centers
- Point-of-Need and rapid tests, quantitative home tests for chronic diseases and rapid tests for indicative and rapid test results



4 steps for a better health



Key features

User-friendly experience

- Designed for intuitive and non-invasive use, enabling effortless sample collection.
- Test activation requires simple, non-precise movements, eliminating the need for fine motor skills.

IoT connectivity

- Interface via secure and standardized IoT (Internet of Things) connectivity, linking to a smartphone app and a cloud platform.
- Allows for device instructions, test result analysis, and user support, ensuring preferred result format accessibility.
- Audible cues, flashing lights, and vibrations on the base unit provide information even without connectivity.
- Healthcare integration
- Seamlessly integrates with laboratory information systems, digital health platforms, and healthcare providers.
- Accessible through a standard web browser for real-time collaboration and data privacy (GDPR and HIPPA compliance).

Accessibility-centric design

- Packaging features high-contrast colors, tactile markers, and QR/NFC codes for independent use.
- Instructions presented through large visual aids, textual content, and video guides for easy comprehension.
- Application optimized for digital assistants and Bluetooth Braille devices.

Potential impact

- Aims to revolutionize at-home testing by merging saliva-based diagnostic technology with a user-friendly digital platform.
- Strives to make testing as straightforward as a daily routine, addressing historical exclusion of individuals with visual or motor impairments.

Maturity level

- Presently in the developmental phase with significant progress in early-stage design.
- Committed to advancing the platform to a state of maturity and market readiness.

“Interface via secure and standardized IoT connectivity, linking to a smartphone app and a cloud platform.”





Oral health

Revolutionizing oral health monitoring

The pivotal connection between oral health and overall well-being has gained increasing recognition among dentists and clinicians. This includes the clear link between poor oral health and cardiovascular and respiratory disease. However, a significant gap in oral health literacy persists, extending beyond basic hygiene practices for the majority of patients.

AegirBio's groundbreaking platform is designed to empower patients with a greater understanding of their oral health by measuring key inflammation biomarkers in saliva. AegirBio's solution distinguishes itself from conventional oral health testing by eliminating the need to send samples to external labs and enabling rapid in-house results. Our platform is housed in a compact device that is easily integrated into the routine workflow of a dental visit and facilitates seamless incorporation into clinic settings.

By presenting clear and digital results, our platform enables dentists to quantitatively illustrate necessary adjustments to dental care, fostering greater patient understanding and compliance. Beyond the clinic, patients can effortlessly use the platform at home, enabling autonomous monitoring of their well-being through oral health.

AegirBio is at the forefront of transforming oral health monitoring, making it accessible, efficient and informative for both clinicians and patients. Join us in revolutionizing oral health care for a healthier future.

Therapeutic drug monitoring (TDM)

In the realm of long-term biological drug treatments, adhering to a "one size fits all" dosing strategy may hinder treatment efficacy and elevate the risk of side effects. Shockingly, more than half of patients undergoing biological drug treatment face unnecessary costs, disease progression, or an increased likelihood of severe side effects due to this generalized dosing paradigm.

The inherent diversity in individuals' immune systems and drug metabolism renders standardized dosing ineffective. Patients receiving identical standard doses of biological drugs can experience up to a 100-fold variation in drug levels.

Personalized, precision-based dosing facilitates therapeutic drug monitoring (TDM)

This innovative approach has proven to significantly improve treatment outcomes for various indications treated with biological drugs.

AegirBio revolutionizes the TDM market by providing clinicians with direct access to our saliva-based platform, as opposed to the traditional blood-based analysis performed by third-party laboratories.

Our cloud-based platform is seamlessly connected to a HIPAA-compliant app and clinicians' electronic medical records (EMR), simplifying the sharing and viewing of results. With rapid results and user-friendly execution, AegirBio fosters real-time, impactful discussions on treatment management. This enables personalized dosing and, thereby, improved treatment outcomes.





Our initial focus is on Infliximab, an important anti-TNF α biological drug widely used in treating Crohn's disease and ulcerative colitis (also called Inflammatory Bowel Disease or IBD). We foresee our platform having a significant positive impact on this gastrointestinal disease, addressing the increasing demand for affordable, non-invasive, proactive TDM.

Biological drugs, used to treat a growing array of chronic diseases and cancers, constitute the fastest-growing segment of the pharmaceutical industry. AegirBio is committed to expanding our TDM assortment to meet the increasing need for precision dosing across a wide range of indications. Join us in the development of personalized biological drug therapy.

Infectious diseases

Respiratory virus diagnostics

The market for self-administered diagnostics has evolved significantly, especially in the wake of the COVID-19 pandemic. However, the complexity of self-testing with nasopharyngeal diagnostics remains challenging for some individuals. Complicated instructions, discomfort associated with nasal or throat swabs, and visually interpreted tests create barriers for a substantial portion of the 42.5 million disabled citizens of the United States when it comes to self-testing for respiratory viruses.

In response to this critical need, AegirBio is collaborating with the National Institute of Health's (NIH) Rapid Acceleration Diagnostics (RADx) program. Together, we are pioneering an accessible saliva-based test for COVID, Influenza A and Influenza B.

The AegirBio testing platform is designed to meet the needs of individuals with visual, auditory and motor limitations, ensuring that elderly, young, or disabled users can effortlessly and quickly self-test at a low cost.

Leveraging our expertise in therapeutic drug monitoring of biological drugs and our previous research in saliva diagnostics, our dedicated team will bring this easily accessible test to the market.

AegirBio is committed to removing barriers to respiratory virus testing, making it universally accessible and user-friendly for individuals of all abilities. Support us in advancing accessible diagnostics for a healthier and more inclusive future.

National Institute of Health's (NIH) Rapid Accessible Diagnostics (RADx[®]) Program

On July 17, 2023, AegirBio received approval from the NIH for a development program to be funded under the Rapid Acceleration of Diagnostics (RADx[®]). In the first phase, Work Plan 1, the Company was awarded MUSD 1.2 on October 6, 2023. Funding from RADx[®] is milestone-based and paid as milestones are reached. The award is intended to fund the development of a digital multiplex platform for self-testing, aiming to provide vital assistance to people with disabilities. The first approval has the potential for phase 2 funding pending successful completion of phase 1. The RADx project plays a pivotal role in our strategic roadmap ahead. This success is a testament to our unwavering commitment and the synergies that exist between our teams in both the US and the UK. Not only does this achievement reinforce our commitment, it also underscores the project's promising trajectory for the Company's future.

Share and shareholders

AegirBio's share is listed on Nasdaq First North Growth Market, under the ticker "AEGIR" with ISIN code SE0014401121.

Share capital

According to the Articles of Association of AegirBio AB, the share capital shall amount to a minimum of SEK 2,064,000 and a maximum of SEK 8,256,000. The share capital amounted to SEK 2,470,150 as of 2023-12-31. All 30,876,872 shares with a par value of SEK 0.08 are fully paid and entitle the holder to an equal share in the Company's assets. No shares are held by the Company itself or by its subsidiaries.

Dividend

The Board of Directors proposes to the Annual General Meeting that no dividend be paid to shareholders for the 2023 fiscal year.

Certified Adviser

Eminova Fondkommission AB

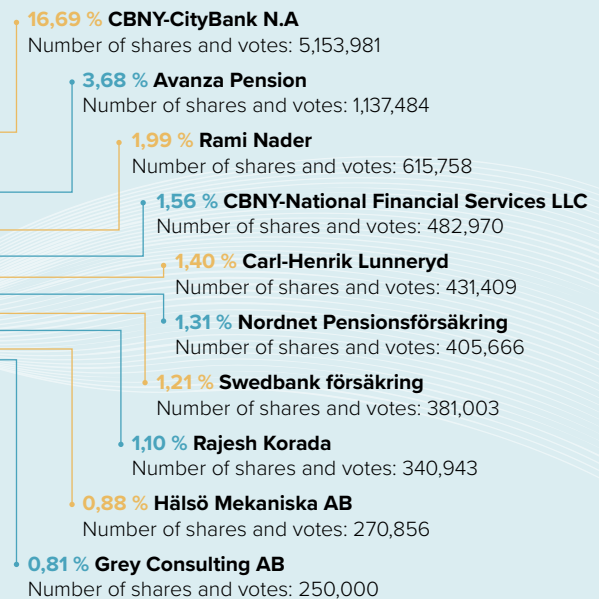
Phone: + 46 8 684 211 10, E-mail: adviser@eminova.se

AegirBio's shareholders

Other shareholders:
Number of shares and votes: 21,406,802

69,33%

Total number of shares:
30,876,872



Source: Euroclear Sweden AB as of December 31, 2023.

CORPORATE GOVERNANCE



Corporate governance report

AegirBio AB (publ.), 559222-2953, is a Swedish limited liability company with its registered office in Lund, and its shares are listed on Nasdaq First North Growth Market in Stockholm. AegirBio AB is classified as a Health Care company.

Corporate governance refers to the framework and structure established to govern and manage the activities of a limited liability company in an efficient and controlled manner. Ultimately, corporate governance aims to satisfy shareholders' demands for return on investment and all stakeholders' need for information on a company and its performance. The basis for the Company's governance includes the Articles of Association, the Swedish Companies Act, Nasdaq First North's rulebook for issuers and internal rules and regulations. Companies listed on Nasdaq First North are under no obligation to apply the Swedish Corporate Governance Code (the "Code"), and the Company does not intend to fully comply with the Code. However, the Company may choose to act in accordance with the Code in certain parts. AegirBio AB's fiscal year follows the calendar year.

Articles of Association

The Articles of Association of AegirBio state that the Company shall, based on innovative and precise technology, contribute to an improved treatment of patients who need biological drugs as part of their treatment. The business shall be based on technology and enable diagnosis and monitoring of drugs dosage from the central laboratory to the home environment and related activities. The Board of Directors shall have its registered office in Lund. The Annual General Meeting shall be held in Lund. The Articles of Association contain provisions on, among other things, the number of shares, the number of board members and auditors, and the Annual General Meeting.

The Company's Articles of Association are available on AegirBio's website under Corporate Governance.

Annual General Meeting

AegirBio's Annual General Meeting (AGM) is the highest decision-making body for the Company's shareholders. Shareholders who wish to attend and exercise their voting rights at AegirBio's AGM must partly be entered in the share register and partly give notice of their attendance. At the AGM, several key issues are addressed, such as the adoption of the income statement and balance sheet for the past year, including the appropriation of the Company's profits, discharge of the Board of Directors from liability, election of board members and auditors, and other matters in accordance with the Swedish Companies Act and the Articles of Association. Amendments to the Articles of Association also require the resolution of the General Meeting. All shareholders have the right to have matters considered at the AGM. In order for such matters to be included in the notice, the request must be made to the Company at least six weeks before the AGM. The notice of the AGM is published at the earliest six and at the latest four weeks before the AGM. The AGM will be held in Lund on June 28, 2024. The time will be announced in the notice.

Composition and work of the Board of Directors

AegirBio's Board of Directors consists of a Chairman and three members. According to the Articles of Association, the Board of Directors shall consist of a minimum of three and a maximum of seven members, with a minimum of zero and a maximum of three alternates. The board members are elected annually at the AGM for the period until the end of the next AGM. The work of the Board is led by the Chairman but otherwise without a permanent division of duties.

According to the Rules of Procedure, the Board of Directors must hold at least five meetings per year. During 2023, the Board met thirty (30) times.

The Chairman of the Board of AegirBio since 2020 is Anders Ingvarsson. The Chairman of the Board is appointed by the AGM.

The Board has chosen not to establish a Nomination, Audit, or Remuneration Committee; these issues are instead handled under the Chairman's leadership, and preparation is handled by the entire Board. The Board decides on the remuneration and other terms of employment of the Group management team.

Group management team

The Group's management includes the Group CFO, Group COO and Group CEO.

In addition to central management issues, the Group management team also handles Group support activities such as research and development, marketing support, production and quality management, risk management, financing and financial control.

Remuneration to senior executives

AegirBio aims to ensure that the principles for Group management team remuneration shall be market-based, that the remuneration shall be determined by the Board of Directors, and shall be based on the importance of the tasks, the person's experience and performance, and that the remuneration comprises the following elements: fixed basic salary, short-term variable remuneration, pension benefits, and other benefits, as well as severance pay.

External auditors

The auditors work according to an audit program and continuously report their findings to the Board, partly during the course of the audit, partly in conjunction with the adoption of the annual report. The auditors review the annual report to assess its accuracy, completeness and the accounting's compliance with Generally Accepted Accounting Principles (GAAP). The auditor in charge attends the AGM and describes the audit work and observations.

Auditors are elected by the AGM for a term of office of one year. Göteborgs Revision KB was elected auditor at the 2023 AGM. Authorized public accountant Stefan Kylebäck is the auditor in charge.

Certified Adviser

Eminova Fondkommission AB
adviser@eminova
Phone: +46 8 684 211 10

Corporate governance

Board of Directors



Jens Umehag

Chairman of the Board since 2024

Born: 1974

Education and experience: Bachelor's degree in European Business Administration at the European Business School, London. Managing Partner Halma Ventures 2019–23. CFO Medical & Environmental sectors at Halma plc 2019–21.

Other ongoing assignments: CFO & COO of Resynergi Inc 2024-present. Founder & Managing partner at JU Advisors LLC. Treasurer & Board director at A Step Ahead Chess non-profit (Chicago) 2023–

Holding: None.

Dependent in relation to the Company and company management but independent in relation to the Company's major shareholders.



Fredrik Häglund

Board member since 2020

Born: 1975

Education and experience: M. Sc. in Strategic Management, Business Administration, Lund University, B.Sc. in Financial Economics, Economics, Lund University. Former board member of LifeAssays AB.

Other ongoing assignments: Board member of Ringtornet Fastigheter AB and Ellingtofta Jordbruks AB, among others. Chairman of the Board at Toftaholm Fastighetsförvaltning AB and AB Sjöholmen.

Holding: 186,982 shares*

*265,458 shares are on loan to Atlas Special Opportunities LLC in connection with the convertible loan agreement in December 2022.

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.



William Vickery

Board member since 2022

Born: 1967

Education and experience: MBA at INSEAD, Engineering Degree, majoring in Chemical Engineering, at HEI, France. Former Senior Evaluation Director at AstraZeneca, Head of the Healthcare Business Unit at Erganeo (Frankrike), Head of Corporate and Business Development at Hybrigenics, Senior Director of Business Development at ExhonHit, Business Development Director at Roche Pharmaceuticals.

Other ongoing assignments: Due Diligence Director at Servier.

Holding: None.

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.



Marco Witteveen

Board member and CEO since 2023

Born: 1969

Education and experience: Bachelor's Degree in International Business at Hogeschool van Utrecht, and Master's Degree in Strategic Sales & Marketing at NCOI Opleidingen. More than 30 years' experience in Med Tech companies, with at least 20 years' focus on Point of Care diagnostics on a global level. Marco has developed and executed core strategies and built effective teams at Abbott, Biosite, Alere, and most recently NanoDx.

Other ongoing assignments: Board member and CEO of the own company Medestex.

Holding: 200,000 warrants.

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.



William Ferenczy

Board member since 2024

Born: 1955

Education and experience: BS Preprofessional, University of Notre Dame 1977. 40 years sales/marketing/executive experience in in-vitro diagnostics with a primary focus on point-of-care testing. Companies include Abbott Diagnostics, Biosite, Nanosphere, QuidelOrtho.

Other ongoing assignments: Since September 2023, special advisor to QuidelOrtho after serving as SVP POCT Business Unit.

Holding: None.

Dependent in relation to the Company and company management but independent in relation to the Company's major shareholders.



Michael Schwartz

Board member since 2024

Born: 1970

Education and experience: Masters of Business Administration (MBA) - University of Chicago, Booth School of Business - 2004 - Strategy, Finance, Marketing and Entrepreneurship concentrations. Bachelor of Science (B.S.), Business Administration - University of Kansas 1992 with Political Science concentration. Specialty Dental Brands: Board Member 2018–2024. Specialty Dental Brands: Chairman and Chief Executive Officer 2018–2023. Spring & Sprout Support Services: Chief Executive Officer and Founder 2013–2018. Huron Capital Partners: Operating Partner 2013–2018. Corner Dental: Chief Executive Officer 2008–2012.

Other ongoing assignments: None.

Holding: None.

Dependent in relation to the Company and company management but independent in relation to the Company's major shareholders.

Corporate governance

Senior executives



Marco Witteveen

Board member since 2023. CEO since 2023

Born: 1969

Education and experience: Bachelor's Degree in International Business at Hogeschool van Utrecht, and Master's Degree in Strategic Sales & Marketing at NCOI Opleidingen. More than 30 years' experience in Med Tech companies, with at least 20 years' focus on Point of Care diagnostics on a global level. Marco has developed and executed core strategies and built effective teams at Abbott, Biosite, Alere, and most recently NanoDx.

Other ongoing assignments: Board member and CEO of the own company Medestex.

Holding: 200,000 warrants

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.



Christel Dahlberg

CFO since 2023

Born: 1967

Education and experience: Bachelor's Degree in Law, with specialization in tax law, at Lund University and a Bachelor's Degree in Business Administration. More than 20 years' experience as an economist in various roles. More than five years' experience in leading roles, both as an employee and as a consultant.

Other ongoing assignments: None

Holding: 50,000 warrants.

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.



Dr. Vasiliki Fragkou

Employee of AegirBio UK Ltd since 2020. COO since 2023

Born: 1979

Education and experience: Bachelor of Science in Biology at the Universitatea din Bucuresti, Postgraduate Diploma in Applied Genetics at the University of Birmingham, and a PhD in Electrochemical Glucose Biosensors at Cranfield University. Dr. Vasiliki Fragkou was employed in the UK in November 2020 to lead the establishment and management of our UK subsidiary. Dr. Fragkou has extensive experience in innovation, science, design and development of medical devices for in vitro diagnostics, as well as expertise in supply chain and manufacturing.

Other ongoing assignments: None

Holding: 50,000 warrants.

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.

FINANCIAL STATEMENTS

Management report

The Board of Directors and the CEO of AegirBio AB (publ) reg. no. 559222-2953 hereby submit the annual report and consolidated financial statements for the fiscal year 2023-01-01 – 2023-12-31. AegirBio AB (publ) is listed on Nasdaq First North Growth Market in Stockholm and has its registered office in Lund, Sweden.

The annual report and the auditor's report cover pages 19–54. The result of the year's operations and the position of the Parent Company and the Group are set out in the management report and subsequent income statements, balance sheets, statements of comprehensive income, cash flow statements, statements of changes in equity, and supplementary information and notes, which constitute the consolidated annual report.

All amounts, unless otherwise specified, are stated in thousands of SEK (KSEK), and the figures in parentheses refer to the previous period.

The operations in general

AegirBio, established in 2019, is a Swedish diagnostics company that develops and commercializes diagnostic tests, with a key focus on monitoring and optimizing the dosing of biological drugs.

The Company has an international presence with operations in Sweden, Finland, the United Kingdom and the United States. The common theme of the Group's existing and future product portfolio is to make diagnostics more accessible, easier to use, and with precise, transferable, and clinically relevant results.

Significant events during the financial year

- The Company announced in February 2023 that AegirBio UK Ltd has met the requirements of ISO 13485:2016. The ISO 13485:2016 certification is an endorsement of the quality management system (QMS), which confirms the Company's position as a reliable manufacturer of medical devices.

- In March, the Nasdaq Disciplinary Committee decided not to delist AegirBio AB but imposed a fine of approximately MSEK 1.3 due to deficiencies in the Company's information management. In the same month, AegirBio AB issued convertible bonds of MSEK 55.0 with associated warrants to Atlas Special Opportunities, LLC. Atlas Special Opportunities, LLC, called for the conversion of convertible bonds for a nominal amount of MSEK 10.0.
- In April, the Swedish Financial Supervisory Authority launched an investigation into AegirBio AB's inside information management.
- The Company announced in May that it was strengthening its organization by appointing Marco Witteveen as its new CEO, a position he took up on June 15. Marco has more than 30 years of experience in medical device companies, including 20 years focusing on Point of Care diagnostics at a global level.
- In July, AegirBio signed a non-exclusive agreement with Salofa Oy for the veterinary market and received a first order worth approximately MSEK 2. The agreement gives Salofa Oy the right to sell AegirBio's product MagniaReader to the veterinary market.
- In July, AegirBio AB received a phase 1 award from the National Institutes of Health (NIH) for an accessibility project (RADx). The award provides AegirBio with MUS\$ 1.2 from NIH, of which approximately MUS\$ 0.24 was paid in October 2023.
- AegirBio continued to strengthen the organization by appointing Dr. Vasiliki Fragkou as new COO from November 1, 2023. Dr. Fragkou's work as COO helps to further solidify the Company's position as an industry leader by driving innovation that ultimately benefits both patients and healthcare providers.
- In November, AegirBio appointed Christel Dahlberg as CFO, effective February 1, 2024. Christel Dahlberg has been acting as interim CFO of AegirBio since April 2023.

- With a new Group management team and with the RADx Phase 1 award, AegirBio has created the conditions to adopt a new direction with a clear strategy for the future. The Company has simplified its organization by transferring operations from its Finnish subsidiary Magnasense Technology Oy to AegirBio UK Ltd and has focused intently on costs. These measures create a more stable foundation and make AegirBio better equipped for the future.

Significant events after the end of the financial year

- In January 2024, The Company continued to strengthen its focus and activities in oral health through the appointment of a Scientific Advisory Board and announced that renowned gastroenterologist Dr. Adam S. Cheifetz joins AegirBio's Scientific Advisory Board. Dr. Adam S. Cheifetz is Director of the Center for Inflammatory Bowel Disease at Beth Israel Deaconess Medical Center and Professor of Medicine at Harvard Medical School.
- In February 2024, the Company's Scientific Advisory Board was expanded with Professor Iain L.C. Chapple. Professor Chapple is a distinguished dental professional who brings a wealth of experience and expertise to the Company's Scientific Advisory Board and will be a link in AegirBio's strategy of measuring specific biomarkers in saliva with the Company's digital platform, helping to improve the overall health of individuals.
- In March 2024, AegirBio AB received a request for an opinion from the Swedish Financial Supervisory Authority, which made a preliminary assessment that AegirBio had violated Article 17 of MAR on a number of occasions during the period May 4, 2021, to October 27, 2021.
- In April, AegirBio entered into a conditional agreement for a loan facility of MSEK 45 with Atlas Special Opportunities, and an agreement to amend the conditions for outstanding convertible bonds, which are to be approved by an Extraordinary General Meeting. AegirBio's Chair of the Board, Anders Ingvarsson, also announced his intention to leave as Board member and Chair of AegirBio, for personal reasons.



- Due to the agreement on a loan facility with Atlas Special Opportunities, AegirBio AB held an Extraordinary General Meeting on April 26, 2024. The Meeting resolved to elect William Ferenczy, Jens Umehag and Michael Schwartz as new board members and to re-elect Fredrik Häglund, Marco Witteveen and William Vickery as board members, all for the period until the end of the Annual General Meeting 2024, and to dismiss Anders Ingvarsson. Jens Umehag was elected as the new Chairman of the Board.
- In April, the Company announced that it had initiated arbitration proceedings against Salofa Oy.
- In the same month, the Company announced further progress and completion of the “Availability” milestone of the RADx® TECH program, and that it had received a payment of USD 148,026.
- Due to the agreement on a loan facility with Atlas Special Opportunities LLC, AegirBio AB has called for payment of Tranche 1 of MSEK 7.5 and intends to carry out a directed set-off issue of 5,175,374 shares.
- In May, AegirBio AB published its interim report for the first quarter of 2024.
- AegirBio AB successfully completed another milestone in May in the RADx® TECH program.

Economic overview

Revenue

The Group reports net sales of MSEK 0 (1.7) for the full year 2023.

In the fourth quarter, MSEK 2.5 was paid by the National Institute of Health RADx® to our US subsidiary Abreos Biosciences LLC. Together with other research grants, the Group thus reports other income totaling MSEK 4.6 (3.5).

Result

The Group's operating profit for the full year amounted to MSEK -56.2 (-365.1). Research and development costs for the full year 2023 amounted to MSEK -42.5 (-39.3), mostly attributable to patent and consultancy costs.

Sales costs amounted to MSEK -3.9 (-8.5) for the fourth quarter. Administrative costs for the quarter amounted to MSEK -14.2 (-19.9). These costs include administration, financial and legal services, and consultancy costs.

Total costs for the full year, before the 2022 impairment of goodwill of MSEK -276.8, amounted to MSEK -60.6 (-67.8). We have had a strong focus on reducing and optimizing our costs in 2023 and have thus managed to reduce them by MSEK 7.2 in 2023 compared to 2022.

The operating profit for the full year, before non-recurring items (the 2022 impairment of goodwill of MSEK -276.8) amounted to MSEK -56.2 (-88.3). This is a significant improvement in the operating profit. The Group's net financial items for the full year amounted to MSEK -5 (0.8), negatively affected by the accrued interest that the convertible loan entails.

Profit before tax amounted to MSEK -61.2 (-364.3).

Financial overview

Group – multi-year overview KSEK	2023-01-01 2023-12-31	2022-01-01 2022-12-31	2021-01-01 2021-12-31	2020-01-01 2020-12-31
Net sales	92	1,706	13,282	-
Operating profit	-56,158	-365,095	-80,161	-10,347
Profit before taxes	-61,189	-364,313	-92,660	-10,347
Balance sheet total	53,102	66,870	404,367	44,197
Solidity (%)	-3%	60%	92%	86%
Basic earnings per share	-2.38	-18.90	-6.28	-0.87
Diluted earnings per share	-2.38	-18.90	-6.28	-0.87

Parent Company – multi-year overview KSEK	2023	2022	2021	2020	2019
Net sales	41	-	550	14	-
Operating profit	-12,403	-165,767	-71,438	-18,519	-165,767
Profit before taxes	-24,139	-267,845	-93,681	-18,525	-
Balance sheet total	42,677	15,569	280,115	44,119	951
Solidity (%)	8%	55%	97%	90.3%	89.5%

Definitions:

Solidity (%) = Equity as a percentage of balance sheet total

Earnings per share calculated on the basis of average number of shares outstanding



Employees

The average number of employees in the Group amounted to 14 (15) in the Group and 3 (3) in the Parent Company. The proportion of women was 57.1% (40%) in the Group and 0% (0%) in the Parent Company.

Work environment

The Company has adopted a Code of Conduct. It describes the principles for how all employees within the Group shall behave in relationship to other employees, business contacts, other stakeholders, and shareholders. The code is based on AegirBio's values and vision, as well as on the business being operated with integrity and in accordance with applicable laws and regulations.

Quality

AegirBio applies a management system that is established and certified in accordance with the ISO 13485:2016 standard. The certification encompasses design and development, manufacturing, sales, and service at AegirBio.

Financial position

The Group's solidity amounted to -3% (60%). The Group's equity at the end of the period was MSEK -1.5 (39.8), of which MSEK 19.1 relates to contributed capital in the form of converted convertible bonds and warrants

Assets

The Group's tangible assets amounted to MSEK 0.8 (0.9), consisting mainly of equipment and machinery. The Group's intangible assets amounted to MSEK 34.5 (44.6) and relate to capitalized expenditure on research and development, MSEK 23.2 (28.9), and patents, MSEK 11.3 (15.6). Rights of use amounted to MSEK 0.5 (1.9) and relate to lease contracts for rental premises. Other financial assets amounted to 0.3 (0.3) and refer to deposits.

The Group's trade receivables amounted to MSEK 2.6 (2.4). Prepayments amounted to MSEK 0.7 (0.6). Other receivables amounted to MSEK 1.6 (1.7).

Investments

Net investments in intangible assets during the year amounted to MSEK 5.4 (0). The investment relates to capitalized development costs for the RADx® project. Of the capitalized development costs, MSEK 1.5 (0) relates to capitalized personnel costs, and MSEK 3.9 (0) to capitalized external development costs, such as consulting costs and materials.

Liabilities

Liabilities relating to rights of use amounted to a total of MSEK 0.4 (1.9), of which non-current amounted to MSEK 0.2 (0.4) and current amounted to MSEK 0.2 (1.5). Liabilities for rights of use arise when leases for premises are capitalized under IFRS 16. This item has its counterpart on the assets side in the line "Rights of use".

Cash flow statement

Cash flow from operating activities for the year before changes in working capital amounted to MSEK -41.6 (-49.4), after changes in working capital to MSEK -41.9 (-49.0). Working capital amounted to MSEK -0.3 (0.4).

Cash flow from investment activities for the fiscal year amounted to MSEK -5.4 (0.0) and consists of development costs for the RADx® project and investment in new laboratory equipment. The change in cash flow from financing activities is explained by the convertible loan and new share issue, MSEK 45.1, and amortization of lease liability, MSEK -1.4 (-1.9). Total cash flow amounted to MSEK -2.4 (-19.8). The Group's cash and cash equivalents at the end of the year amounted to MSEK 12.1 (14.6).

Related party transactions

The Company's related parties and the extent of related party transactions are described in Note 10.

Parent Company

The Parent Company, whose activities are mainly focused on overall management and financing of the Group, reported a negative operating profit for 2023 of MSEK -12.4 (-165.8). Income totals MSEK 12.9 (2.0) and mainly consists of management fees invoiced to subsidiaries and is recognized as other operating income. Participations in subsidiaries as of December 31 amounted to MSEK 2.9 (2.9). The Parent Company's cash and cash equivalents at the end of the period amounted to MSEK 10.4 (11.2).

Future developments, material risks and uncertainties

The Company is determined to achieve its long-term growth targets. The future development of the Company is based on our success with the RADx® project.

The Company's product development remains a priority, in order to ensure future product leadership. Strong product development is fundamental in AegirBio's organic growth, thanks to our innovative and collaborative strengths.

AegirBio's operations are exposed to risks and uncertainties that, to varying degrees, can impact the capacity to attain the objectives set. The Company is continuously working to manage the risks and uncertainties it faces. The work is carried out systematically and aims to bring risks to light and limit their impact as they arise. For a more in depth description of the financial risks faced by the Company and how they are addressed, please refer to Notes 2 and 3.



Sales and credit risk

There is a risk that the Company's products fail to meet market requirements or do not generally achieve a high degree of market acceptance. As the Company's product portfolio is subject to continuous development and the products as yet are relatively unknown to the global market, future demand is, however, difficult to predict. Misjudgments of market acceptance and demand may lead to lower sales revenues and budgeted margins than previously assumed by the Company, failure of the Company's products to generate revenue that justifies the Company's presence in the market, or failure to generate sales revenue at all. In addition, there is a risk that it takes longer than anticipated for the Company's products to penetrate the market, that general market demand does not correlate with the planned intensified commercialization phase of the Company's products, and that the products become obsolete or otherwise fail to be at the forefront of their domains. As the Company's sales are expanded over a wider geography, credit risk also increases. The Company is working continuously to secure payment terms that contribute to mitigating the risk of credit loss.

Dependence on key individuals

AegirBio is a small organization, and the Company's success is largely dependent on the wide-ranging competence and experience of the Board of Directors, senior executives and other key individuals within the Group. This applies primarily to employees with qualifications in biotechnology and/or experience in the medical device or pharmaceutical industries. To attract skilled employees and prevent any loss of key individuals, the Company is constantly working to create good conditions for employees to thrive and get opportunity to further their skills on a regular basis. The loss of any key individual or difficulties in recruiting additional key individuals as the Group grows may cause the Company's development and commercialization of products to be delayed, which may adversely affect the Company's future prospects.

Know-how and trade secrets

AegirBio is dependent on know-how and trade secrets that are not always covered by patents or other formal protection of intellectual property rights, such as information about inventions for which patent applications are yet to be filed. The Company strives to protect such information, including through agreements with employees, consultants and partners. There is, however, a risk of unauthorized dissemination to, or use of the Company's information by, for example, competitors, consultants or employees, and of this occurring in such a manner that renders it impossible for the Company to obtain a patent or otherwise harms the Company's competitiveness. Although the specific knowledge of each individual employee of the Company concerns a limited area of operation, which mitigates the risk of unauthorized dissemination of information at aggregate level, there is still a risk that such an event could occur. In addition, there is a risk that competitors and others may independently develop similar know-how.

Dependence on intellectual property rights

AegirBio is dependent on intellectual property rights, such as the Company's patented technology Veritope used to optimize the dosage of biological drugs to patients (for more information, see section "AegirBio's business"). There is a risk that existing and future patents and other intellectual property rights held by AegirBio may not provide full protection against infringement and competition. The patent position of a biotechnology company is generally uncertain and involves complex technical, medical and patent law assessments. Moreover, the industry is characterized by rapid technological progress and a high level of innovation. As such, there is always a risk that other operators develop new technologies and products that circumvent or replace the Company's intellectual property rights, or prevent the Company from obtaining the necessary patent protection. As patent applications remain confidential until published, there is a risk that AegirBio's patent applications will not be given priority over previously unknown patent applications and patents. In addition,

it is not certain that the Company's patent applications will result in patents being granted, or that any patent protection granted will have the scope of protection stated in the original application. Moreover, the legal regulation of intellectual property rights may differ significantly between countries, and AegirBio's rights may thus be more vulnerable in some countries than in others. There is also a risk that granted patents may be declared invalid, for example as a result of a dispute with a third party, and there may be a risk that the measures taken by AegirBio to protect its intellectual property rights prove insufficient and that competitors or others, intentionally or unintentionally, infringe on the Company's intellectual property rights. If the Company has to defend its patents and other intellectual property rights, product development may incur significant costs and delays as a result. Moreover, it cannot be ruled out that the Company may inadvertently infringe the intellectual property rights of others and thus be drawn into disputes that could be costly, time-consuming and disruptive to business. Thus, there is a risk that the Company may need to allocate substantial amounts to address potential disputes, which in turn may increase the capital needs.

Currency risk

Currency risk is the risk of fluctuations in fair value or future cash flows as a result of changes in foreign exchange rates. AegirBio's exposure to currency risk arises mainly from cash flow in foreign currencies – so-called transaction exposure – and from the translation of foreign subsidiaries' income statements and balance sheets into the Group's reporting currency, Swedish kronor – so-called translation exposure. The Group's operations are international, as the Company has subsidiaries in, inter alia, the United States, the United Kingdom, and Finland, and conducts testing in the United States and the United Kingdom. AegirBio is, consequently, exposed to currency risk from a number of different currencies, most notably USD, GBP and EUR. The risk stems from both translation and transaction exposures. For more information on the currency risk faced by the Group, see Note 3.



Financing capacities and future capital need

AegirBio is still in a development phase. The Company's goals include securing the supply of all of the Company's products and ensuring the revenue flow from LDTs in the US and future POC tests on MagniaReader in Europe and the United States. The Company may in the future become dependent on additional capital beyond that previously raised. There is a risk that the Company for shorter or longer periods of time will not be able to generate sufficient funds to finance its continued operations. In addition, there is a risk that capital cannot be raised when the need arises, or that it cannot be raised at favorable terms for the Company, which could adversely affect the Company's business and financial position. If AegirBio fails to obtain sufficient financing, the Company may be required to halt planned development efforts, implement restructurings of its operations in whole or in part, operate at a slower pace than desired, or reduce or terminate some or all of its operations. In turn, this may delay or prevent commercialization of the Company's products and lead to delay or loss of sales revenue. As explained in "Significant events after the end of the fiscal year", the Board of Directors has taken measures to ensure the Group's financial position by resolving on new loan facilities. Funding through the RADx® project also provides a more stable financial basis and it is hoped to obtain further funding through RADx® for Workplan 2.

Disputes

In April 2023, the Swedish Financial Supervisory Authority launched an investigation into AegirBio AB's inside information management. In March 2024, AegirBio AB received a request for an opinion from the Swedish Financial Supervisory Authority, which made a preliminary assessment that AegirBio had violated Article 17 of MAR on a number of occasions during the period May 4, 2021, to October 27, 2021. There is uncertainty about the final amount resulting from the Swedish Financial Supervisory Authority's decision. The Company has reserved MSEK 1.2 in the financial statements.

Composition and work of the Board of Directors

Information on the Company's governance and the work of the Board during the year can be found in the Corporate Governance Report on pages 14–16 of the annual report.

Allocation of profit or loss

Proposal for the appropriation of profits at the 2024 AGM.

At the disposal of the Annual General Meeting is:

Parent Company

KSEK

Share premium reserve	432,830
Retained earnings	-407,184
Loss for the year	-24,563
Balanced in a new account	1,083

Dividend

The Board of Directors proposes to the Annual General Meeting that no dividend be paid to shareholders for the 2023 fiscal year.



Consolidated statement of comprehensive income

KSEK	NOTE	2023-01-01 2023-12-31	2022-01-01 2022-12-31
Net sales	5	92	1,706
Cost of goods sold		-48	-25,412
Gross profit		44	-23,706
Research and development costs		-42,495	-39,306
Sales costs		-3,883	-8,541
Administrative costs		-14,182	-19,927
Impairment of intangible assets	15	-	-276,845
Other operating income	11	4,505	3,502
Other operating costs		-147	-272
Operating profit	6,7,8,9,10,11,15	-56,158	-365,095
Result from financial items	12		
Financial income		17,443	1,427
Financial costs		-22,473	-645
Profit before tax		-61,189	-364,313
Tax	13	1,493	1,483
Profit/loss for the year		-59,696	-362,830
Other comprehensive income			
Translation differences		-3,376	1,094
Comprehensive income for the year		-63,072	-361,735
Comprehensive income for the year divided on Parent Company shareholders		-63,072	-361,735
Earnings per share before dilution, SEK	24	-2.38	-18.90
Earnings per share after dilution, SEK		-2.38	-18.90



Consolidated statement of financial position

KSEK	NOTE	2023-12-31	2022-12-31
ASSETS	8,15,16,17,18		
Goodwill	15	-	-
Intangible assets	16	34,534	44,560
Tangible fixed assets	17	756	918
Rights of use	8	519	1,891
Other financial assets	18	284	294
Total fixed assets		36 093	47,663
Current assets	3,19,20,22		
Inventories	19	-	-
Trade receivables	3	2,617	2,360
Other receivables	20	1,596	1,657
Prepayments and accrued income	22	654	602
Cash and cash equivalents		12,142	14,588
Total current assets		17,009	19,207
Total assets		53,102	66,870

KSEK	NOTE	2023-12-31	2022-12-31
EQUITY AND LIABILITIES	24,25,26		
Share capital		2,470	1,703
Other contributed capital		532,072	513,679
Translation reserve		-3,376	-953
Retained earnings		-532,619	-474,602
Equity attributable to Parent Company shareholders		-1,453	39,827
Non-controlling interests		-	-
Total equity		-1,453	39,827
Non-current liabilities	8, 13, 21		
Deferred tax liabilities	13	3,731	5,223
Lease liability	8	207	425
Convertible notes	21	32,112	-
Other non-current liabilities	21	8,132	4,118
Total non-current liabilities		44,182	9,766
Current liabilities	21,26		
Current loan payables		169	5,258
Interest-bearing liabilities		-	-
Current lease liability		235	1,470
Trade payables		2,847	4,825
Other liabilities	21	430	828
Accruals and deferred income	26	6,692	4,896
Total current liabilities		10,373	17,277
TOTAL EQUITY AND LIABILITIES		53,102	66,870
Solidity		-3%	60%



Consolidated statement of changes in equity

(KSEK)	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. profit for the year	Total Parent Company shareholders	Non-controlling interests	Total
Opening balance on January 1, 2022	1,386	482,852	-2,047	-111,772	370,419	-	370,419
Profit/loss for the year	-	-	-	-362,830	-362,830	-	-362,830
Other comprehensive income for the year	-	-	1,094	-	1,094	-	1,094
Comprehensive income for the year	-	-	1,094	-362,830	-361,736	-	-361,736
Transactions with shareholders							
New issue	317	40,074	-	-	40,391	-	40,391
Issuance costs	-	-9,247	-	-	-9,247	-	-9,247
Equity on December 31, 2022	1,703	513,679	-953	-474,602	39,827	-	39,827
Opening balance on January 1, 2023	1,703	513,679	-953	-474,602	39,827	-	39,827
Profit/loss for the year	-	-	-	-59,696	-59,696	-	-59,696
Correction of misstatement (after tax)	-	-	-1,285	1,644	359	-	359
Other comprehensive income for the year	-	-	-1,138	-	-1,138	-	-1,138
Comprehensive income for the year	-	-	-2,423	-58,052	-60,475	-	-60,475
Transactions with shareholders							
Contributed capital less transaction costs	767	18,393	-	-51	19,109	-	19,109
Warrants	-	-	-	86	86	-	86
Equity on December 31, 2023	2,470	532,072	-3,376	-532,619	-1,453	-	-1,453



Consolidated cash flow statement

KSEK	NOTE	2023-01-01 2023-12-31	2022-01-01 2022-12-31
Operating activities			
Operating profit		-56,158	-365,095
Adjustment for non-cash items	15,16,17	14,260	315,714
Interest paid		-118	-71
Interest received		341	-
Paid income tax		-	17
Cash flow before changes in working capital		-41,675	-49,435
Change in operating receivables		-105	4,998
Change in operating liabilities		-207	-4,560
Cash flow from operating activities		-41,987	-48,997
Acquisition of tangible assets	17	-93	-65
Acquisition of intangible assets	16	-5,445	-
Business combinations		-	-
Cash flow from investment activities		-5,538	-65
New issue		1,269	40,391
Issuance costs		-	-9,247
Convertible loans net of issuance costs		48,950	-
Transaction costs		-3,898	-
New issue, warrants		87	-
Amortization of lease liabilities		-1,362	-1,883
Cash flow from financing activities		45,046	29,261
Cash flow for the year		-2,431	-19,801
Cash and cash equivalents at the beginning of the period		14,588	34,026
Exchange rate difference on cash and cash equivalents		-15	363
Cash and cash equivalents at the end of the period		12,142	14,588

KSEK	NOTE	2023-01-01 2023-12-31	2022-01-01 2022-12-31
Adjustment for non-cash items			
Impairment of goodwill		-	276,845
Inventory write-down		-	24,894
Depreciations		16,517	12,315
Other operating costs IFRS		-1,387	-
Other items		-822	1,660
Total		14,308	315,714
Change in financial liabilities			
KSEK		Lease liabilities	Other non-current liabilities
Opening balance 2022-01-01		1,391	8,440
Additional liabilities		2,618	-
Translation differences		-	745
Amortization		-1,883	-
Closing balance 2022-12-31		2,126	9,185
Opening balance 2023-01-01		2,126	9,185
Outgoing liabilities		-322	-4,133
Translation differences		-	-
Amortization		-1,362	-
Closing balance 2023-12-31		442	5,052



The Parent Company's income statement

KSEK	NOTE	2023-01-01 2023-12-31	2022-01-01 2022-12-31
Net sales	5	41	-
Cost of goods sold		-	-
Gross profit		41	-
Research and development costs		-4,176	-8,791
Sales costs		-5,181	-5,812
Administrative costs		-15,902	-15,654
Impairment of goodwill	15	-	-137,337
Other operating income	11	12,882	1,972
Other operating costs		-68	-145
Operating profit	6,7,8,9,10	-12,403	-165,767
Result from financial items	12		
Impairment of participations in Group companies	27	-	-75,853
Interest income and other similar items	12	9,913	2,516
Interest costs and similar items	12	-21,648	-28,741
Profit before tax		-24,139	-267,845
Appropriations	14	-424	-25,627
Tax	13	-	-
Profit/loss for the year		-24,563	-293,472

The profit/loss for the period is consistent with the comprehensive income for the year



The Parent Company's balance sheet

KSEK	NOTE	2023-12-31	2022-12-31
ASSETS			
Fixed assets			
Goodwill	15	-	-
Intangible assets	16	-	-
Participations in Group companies	27	2,885	2,885
Total fixed assets		2,885	2,885
Current assets	20,21,22		
Trade receivables	21	40	5
Receivables from Group companies	21	28,252	-
Other receivables	20	848	1,050
Prepayments and accrued income	22	281	404
Cash and bank balance		10,371	11,225
Total current assets		39,792	12,684
Total assets		42,677	15,569

KSEK	NOTE	2023-12-31	2022-12-31
EQUITY AND LIABILITIES			
Equity	23,24,25		
<i>Restricted equity</i>			
Share capital		2,470	1,703
Total restricted equity		2,470	1,703
<i>Non-restricted equity</i>			
Share premium reserve		432,830	414,175
Retained earnings		-407,184	-113,799
Comprehensive income for the year		-24,563	-293,472
Total non-restricted equity		1,083	6,904
Total equity		3,553	8,607
Liabilities			
<i>Non-current liabilities</i>			
Convertible notes	21	32,112	-
		32,112	0
<i>Current liabilities</i>	21,26		
Trade payables		770	1,479
Liabilities to Group companies	21	791	583
Other liabilities	21	586	520
Accruals and deferred income	26	4,865	4,380
Total current liabilities		7,012	6,962
TOTAL EQUITY AND LIABILITIES		42,677	15,569



The Parent Company's statement of changes in equity

(KSEK)	Share capital	Share premium reserve	Retained earnings	Profit/loss for the year	Total
Opening balance on January 1, 2022	1,386	383,688	-195	-113,945	270,934
Previous year's result	-	-	-113,945	113,945	-
Adjustment of warrants 2021	-	-341	341	-	-
New issues	317	40,074	-	-	40,391
Issuance costs	-	-9,246	-	-	-9,246
Profit/loss for the year	-	-	-	-293,472	-293,472
Equity on December 31, 2022	1,703	414,175	-113,799	-293,472	8,607
Opening balance on January 1, 2023	1,703	414,175	-113,799	-293,472	8,607
Previous year's result	-	-	-293,472	293,472	-
New issue	53	1,164	-	-	1,217
Net value of conversion rights before transaction costs*	-	7,436	-	-	7,436
Conversion of convertible loans*	714	10,055	-	-	10,769
New issue, warrants	-	-	87	-	87
Profit/loss for the year	-	-	-	-24,563	-24,563
Equity on December 31, 2023	2,470	432,830	-407,184	-24,563	3,553



The Parent Company's cash flow statement

KSEK	NOTE	2023-01-01 2023-12-31	2022-01-01 2022-12-31
Operating activities			
Operating profit		-12,403	-165,767
Adjustment for non-cash items	15,16,17	-3,585	165,674
Interest paid		-29	-3
Interest received		341	17
Paid income tax		-	-
Cash flow before changes in working capital		-15,676	-79
Change in operating receivables		-31,958	-4,100
Change in operating liabilities		373	-43,882
Cash flow from operating activities		-47,261	-48,061
Acquisition of intangible assets		-	-
Business combinations		-	-
Cash flow from investment activities		-	-
New issue		1,269	40,392
Issuance costs		-	-9,247
Convertible loans net of issuance costs		48,950	-
Transaction costs		-3,898	-
New issue, warrants		87	-
Amortization of loans		-	-
Cash flow from financing activities		46,408	31,145
Cash flow for the year		-853	-16,916
Cash and cash equivalents at the beginning of the period		11,225	28,141
Exchange rate difference on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the period		10,372	11,225



Notes to the financial statements

Note 1 - General information and accounting policies

AegirBio AB, reg. no. 559222–2953, is the Parent Company of the AegirBio Group. AegirBio AB has its registered office in Lund, Sweden.

This annual report covers the period January to December 2023 for the Parent Company and the Group. The income statements and balance sheets of the Group and the Parent Company for 2023 shall be adopted by the Annual General Meeting.

Compliance with law and standards

The consolidated financial statements of AegirBio AB (publ) are prepared in accordance with the Swedish Annual Accounts Act and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Commission for application in the EU. In addition, the Group applies the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Regulations for Groups, which specifies the additions to IFRS disclosures required by the provisions of the Swedish Annual Accounts Act. The Parent Company applies the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities, which means the same accounting policies as the Group except in the cases described in the concluding part of this note. The divergences between the policies applied by the Parent Company and the Group stem from restrictions imposed by the Annual Account Act on the Parent Company's ability to apply IFRS.

Bases for preparation of the financial statements of the Parent Company and the Group

The Parent Company's functional currency is Swedish kronor, which is also the reporting currency for the Parent Company and the Group. Consequently, the financial statements are stated in Swedish kronor. All amounts, unless otherwise specified, are stated

in thousands of SEK (KSEK), and the figures in parentheses refer to the previous period. Assets and liabilities are recognized at historical cost. Preparing the financial reports in accordance with IFRS requires the management team to make assessments and estimates, and to make assumptions about the accounting principles and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are based on historical experience as well as on a number of other considerations that are considered reasonable given the prevailing circumstances. The results of these estimates and assumptions are then used to assess the reported values of assets and liabilities that are not otherwise clear from other sources. The actual results may ultimately differ from those estimates and judgments. The accounting policies set out below have been applied consistently to all periods presented in the Group's financial statements, unless otherwise stated below. The accounting policies of the Group have been applied consistently to the reporting and consolidation of the Parent Company and the subsidiaries.

New IFRS and interpretations that have not yet been put into practice

None of the new or amended standards that entered into force in 2023 had a material impact on the Group's earnings or financial position.

None of the standards, amendments or interpretations of existing standards that become effective in 2024 or later are expected to have a material impact on the Group's earnings or financial position.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the highest executive decision maker. The highest executive decision maker is the function responsible for allocating resources and assessing the performance of the operating segments. In AegirBio, this function has been identified as the Chief Executive Officer and the

management, that is, the unit within AegirBio that makes strategic decisions. AegirBio's operations comprise only one branch of activity: developing and commercializing tests to monitor the dosing of biological drugs to ensure that the right dosing is given to the right people at the right time.

Classification

Fixed assets consist essentially of amounts expected to be recovered or paid after more than twelve months from the balance sheet date, while current assets consist essentially of amounts expected to be recovered or paid within twelve months from the balance sheet date. Non-current liabilities consist essentially of amounts that AegirBio, at the end of the reporting period, has an unconditional right to elect to pay beyond twelve months after the end of the reporting period. If AegirBio does not have such a right as of the end of the reporting period – or if the liability is held for trading or is expected to be settled in the normal operating cycle – the amount of the liability is recognized as a current liability.

Principles of consolidation

Subsidiaries

Subsidiaries are all companies (including structured entities) in which the Group holds a controlling influence. The Group controls a company when it is exposed to or is entitled to variable returns from its holding in the company and is able to influence the return through the influence it exercises in the company. A controlling influence implies the direct or indirect power to design the financial and operational strategies of the entity for financial advantage and usually follows from a shareholding of more than half of the voting rights. In assessing whether a controlling influence exists, any shares carrying voting rights that can be readily exercised or converted shall be taken into account. Subsidiaries are recognized by applying the purchase method, if the acquisition of the subsidiary involved the acquisition of a business and not just of assets and liabilities. Under the purchase method, the acquisition of a subsidiary is regarded as a transaction whereby the Group indirectly acquires the assets of the



subsidiary and assumes its liabilities and contingent liabilities. The consolidated cost is determined by preparing an acquisition analysis in connection with the business combination. In the analysis, the cost of the shares or the business is determined along with the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed. The cost of the shares or the business is the fair value at the date of transfer of the assets, liabilities incurred or assumed, and equity instruments issued as consideration for the net assets acquired. The cost further includes the fair value of all assets and liabilities resulting from an agreed contingent consideration. Acquisition-related costs are expensed. Identifiable assets and assumed liabilities in a business combination are initially measured at fair value as of the acquisition date. For each acquisition, the Group determines whether non-controlling interests in the acquiree should be recognized at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. If the cost exceeds the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed, the difference is recognized as goodwill. If the cost is less than the fair value of the identifiable net assets acquired and contingent liabilities assumed, the difference is recognized directly in profit or loss. The financial statements of subsidiaries are included in the consolidated financial statements as of the day on which controlling influence is established and until the day on which it ceases. Intra-group receivables and liabilities, income and expenses and unrealized gains or losses arising from intra-group transactions between group companies are eliminated in their entirety when the consolidated financial statements are prepared.

Translation of foreign currency

The items included in the financial statements of the various entities in the Group are measured in the currency used in the economic environment in which each entity is principally active (functional currency). In the consolidated financial statements, Swedish kronor (SEK) is used. This is the Parent Company's functional currency and the Group's reporting currency.

Transactions and balance sheet items in foreign currency

Transactions in foreign currency are translated into the functional currency at the exchange rate prevailing on the date of the transaction or the date on which the items are remeasured. Exchange rate gains and losses that arise in conjunction with payments of such transactions or in conjunction with translation of monetary assets and liabilities denominated in foreign currency at the exchange rate on the balance sheet date are recognized in the income statement.

Group companies

The results and financial position of Group companies with a functional currency different from the reporting currency are translated into the reporting currency as follows:

- assets and liabilities for each of the balance sheets are translated at the exchange rate on the balance sheet date,
- income and expenses for each of the income statements are translated at the average exchange rate, and
- any exchange differences arising are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of that operation and translated at the exchange rate on the balance sheet date.

Operating income

Revenue comprises the fair value of the consideration received or receivable for the sale of goods.

The Group recognizes revenue when a performance obligation is considered satisfied. Virtually all of the Group's revenue relates to performance obligations that are fulfilled at a specific point in time. The Group develops, manufactures and distributes proprietary surgical instruments and operating tables. A performance obligation regarding the sale of goods is considered satisfied and revenue is recognized when the material risks associated with ownership of the goods are

transferred to the buyer, which is typically when the customer takes possession of the goods.

Recognition of government grants

Government grants are recognized at fair value when there is reasonable certainty that the grants will be received and the Group will meet the conditions associated with the grants. Government grants relating to the recovery of costs are accrued and recognized in the income statement in the same periods as the costs they are intended to compensate.

Tax

Income taxes consist of current taxes and deferred taxes. None of the Group companies are in a tax position.

Financial instruments

Financial instruments recognized as assets in the balance sheet include cash and cash equivalents, trade receivables and loan receivables. Liabilities include financial instruments in the form of trade payables and loan payables. A financial asset or liability is recognized in the balance sheet when the Company becomes party to the instrument's contractual terms. Trade receivables are recognized when the invoice has been sent. Liabilities are recognized when the counter-party has performed and there is a contractual obligation to pay, even if the invoice has not yet been received. Trade payables are recognized when an invoice has been received. Financial assets are removed from the balance sheet when rights set out in the agreement are realized, expire or the company loses control of them. The same applies to parts of financial assets. A financial liability is removed from the balance sheet when the contractual obligation is fulfilled or otherwise extinguished. The same applies to parts of financial liabilities. Acquisitions and disposals of financial assets are recognized on the trade date, which is the date on which the company commits to acquire or dispose of the asset. On initial recognition, financial instruments are classified by type of asset and, for debt instruments, by business model. Financial instruments are initially recognized at



cost equal to the fair value of the instrument plus transaction costs, except for financial instruments classified as financial assets at fair value through profit or loss, which are recognized at fair value excluding transaction costs. Subsequent recognition depends on the classification of the financial instruments, as set out below.

Financial assets at fair value through profit or loss

AegirBio has no financial instruments in this category.

Financial assets carried at amortized cost

Loan and trade receivables are financial assets held for the purpose of collecting contractual cash flows. The receivables arise from cash lending and when AegirBio provides goods and services directly to the debtor with no intention of trading the receivables. This category also includes purchased receivables. Receivables are recognized at amortized cost. Amortized cost is determined based on the effective interest rate calculated at the date of acquisition. This implies that surplus and deficit values as well as direct transaction costs are amortized over the life of the instrument. Trade receivables are recognized at the amount expected to be collected less provisions for credit losses. The expected life of trade receivables is short, and the value is thus recognized at the nominal amount without discounting. Where applicable, a provision for expected credit losses is calculated based on the risk of loss throughout the life of the receivable and recognized on initial recognition of the receivable. The amount of the provision is the difference between the carrying amount of the asset and the present value of estimated future cash flows. Impairment of trade receivables is recognized in the income statement as a reduction of operating income, and impairment of loan receivables is recognized in the financial costs item.

Financial liabilities at fair value through profit or loss

AegirBio has no financial instruments in this category. Financial liabilities measured at amortized cost This category includes loans and other financial liabilities, for example, trade payables. Financial liabilities are initially measured at fair value, net of transaction costs.

Subsequently, financial liabilities are measured at amortized cost, and any difference between cost (net of transaction costs) and redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method. Breakage costs on early repayment of loans without raising a new loan are recognized in profit and loss at the time of repayment. Non-current liabilities have an expected maturity of more than one year, while current liabilities have a maturity of one year or less. Trade and other operating payables where the expected maturity is short are, therefore, normally recognized at the nominal amount.

Hedge accounting

AegirBio does not apply hedge accounting.

Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and recognized with a net amount in the statement of financial position only when the following criteria are met: There is a legally enforceable right to set off the recognized amounts, and the Company intends to settle the items on a net basis or to realize the assets and liabilities simultaneously. Financial income and expenses are offset in the income statement when they are associated with the financial assets and liabilities that are set off.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and immediately accessible balances with banks and equivalent institutions.

Inventories

Inventories are valued on a FIFO basis at the lower of cost and net realizable value. The cost of inventories includes expenses incurred to acquire the inventory assets.

Goodwill

Goodwill is calculated in accordance with the principles set out above in the section on consolidation principles. Goodwill is not

amortized but instead tested for impairment annually or more frequently if events or changes in circumstances indicate a possible impairment. Goodwill is recognized at cost less accumulated impairment losses. An impairment of goodwill is not reversed in the subsequent period.

Intangible fixed assets

Capitalized expenditure for product development

The Group conducts research and development relating to new products. Research expenses are recognized as incurred. Expenditure that is directly attributable to the development of identifiable and unique products is recognized as intangible assets when the following criteria are fulfilled:

- it is technically possible to complete the product so that it can be used,
- the intention of the company is to complete the product and use it or sell it,
- conditions are established for the use or sale of the product,
- it can be shown how the product will generate probable future economic benefits,
- adequate technical, financial and other resources are available to complete the development and use or sell the product, and
- the expenditure that is attributable to the product during its development can be calculated reliably.

Directly attributable expenditure that is capitalized also include personnel costs and a fair share of indirect costs. Other development expenditure that does not fulfill these conditions is expensed as incurred. Development expenditure previously recognized as expense is not recognized as an asset in a subsequent period.

Patents

Costs directly attributable to patents are recognized at cost less accumulated amortization and any impairment loss.



Amortization policy for intangible fixed assets

Amortization of projects commences when they are deemed ready for commercialization. Capitalized development expenditure is amortized over its estimated useful life, which is considered to be five years.

Tangible fixed assets

A tangible fixed asset is recognized as an asset in the balance sheet if it is probable that future economic benefits will flow to the Company and the cost of the asset can be measured reliably. In the Group, tangible fixed assets are recognized at cost less accumulated depreciation and any impairment loss. Cost includes the purchase price and expenses directly attributable to bringing the asset to its location and into condition for its intended use. Tangible fixed assets consisting of parts with significantly different useful lives are treated as separate components of tangible fixed assets. The carrying amount of a tangible fixed asset is removed from the balance sheet on disposal of the asset or when no future economic benefits are expected from its use. The gain or loss arising on the sale or other disposal of an asset is the difference between the selling price and the carrying amount of the asset, less direct cost to sell. The gain or loss is recognized as other operating income/cost.

Depreciation policy for tangible fixed assets

Depreciation is recognized on a straight-line basis over the asset's estimated useful life. Fixtures and fittings are depreciated over five years. The depreciation methods applied and the residual values and useful lives of the assets are subject to annual review at year-end.

Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether any indication of impairment exists. When testing for impairment, IAS 36 is applied for assets other than financial assets. Financial assets are tested in accordance with IFRS 9.

Impairment testing of non-financial assets

Goodwill and intangible assets that have an indefinite useful life or intangible assets not ready for use are not amortized but are tested for impairment annually, or when there is an indication of impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable value is the higher of the fair value of the asset less cost to sell and value in use of the asset. The market value of all the listed shares of the Company as of the balance sheet date was used as recoverable amount. When tested for impairment, assets are grouped on the lowest levels where there are substantially independent cash flows (cash-generating units). As set out above in relation to segment reporting, the operations are monitored and reported by AegirBio as one operating segment. Impairment testing at the end of 2022 has led to a full impairment of goodwill, see further Note 15 Goodwill.

Impairment testing of financial assets

AegirBio measures expected future credit losses related to debt instrument investments at amortized cost, based on forward-looking information. The Group chooses provisioning method depending on whether there has been a material increase in credit risk or not. In accordance with the rules in IFRS 9, AegirBio applies a simplified method for impairment testing of trade receivables. The simplification involves calculating the provision for expected credit loss based on the risk of loss over the entire life of the receivable and recognizing it on initial recognition of the receivable.

Cash flow statement

The cash flow statement is drawn up using the indirect method. This means that the operating profit is adjusted for transactions that have not resulted in cash inflows or outflows during the period as well as for any revenue and costs attributable to the cash flows of investment or financing activities.

Earnings per share

Basic and diluted earnings per share are calculated by dividing the profit attributable to Parent Company shareholders by a weighted average number of ordinary shares during the period.

Employee benefits

Short-term employee benefits, including salaries, paid annual leave, paid sick leave and social security contributions, are recognized as services are rendered by the employees in exchange for the benefits.

Pension obligations

The Group only has defined contribution pension plans. A defined contribution pension plan is a pension plan pursuant to which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligations to pay additional contributions if the legal entity has insufficient assets to pay all compensation to employees relating to the employees' service during a current or earlier period.

Share-based incentive programs

An outstanding warrant program to be settled in shares has been issued to senior executives and other key individuals for consideration equal to the fair value of the warrants. As participants paid fair value, no benefit arose and no cost is thus recognized for the warrant program. Consideration received is reported directly against equity.

Leasing – lessee

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the start of the lease, or when reviewing a lease that contains several components – both lease and non-lease components – the Group allocates consideration under



the contract to each component based on the independent price. For leases of premises in which the Group is the lessee, the Group has, however, decided not to distinguish between lease and non-lease components and recognizes lease and non-lease components paid for with a fixed amount as a single lease component.

The Group recognizes a right-of-use asset and a lease liability on the commencement date of the lease. The right-of-use asset is measured initially at cost, which consists of the initial value of the lease liability and lease payments made at or before the commencement date, plus any initial direct expenses. The right-of-use asset is depreciated in a straight line from the commencement date until the earlier of the end of the asset's useful life and the end of the lease term. For the Group, this is normally the end of the lease term.

Lease liabilities – divided into a non-current part and a current part – are initially measured at the present value of out-standing lease payments during the estimated lease term. The lease term consists of the interminable term plus additional terms in the lease if, at the commencement date, it is deemed reasonably certain that these will be used.

The lease payments are normally discounted by the Group's marginal borrowing rate, which, in addition to the Group's/Company's credit risk, reflects each lease's term, currency and quality of the underlying asset as intended security. However, in such cases where the implicit interest rate of the lease is easily determined, that rate is used.

The value of the liability increases with the interest expense for each period and decreases with the lease payments. The interest expense is calculated as the liability's value times the discount rate. The lease liability for the Group's premises with indexed rent is

calculated at the rent applicable at the end of each reporting period. At this time, the liability is adjusted by the corresponding adjustment of the right-of-use asset's recognized value. Correspondingly, the liability's and the asset's values are adjusted when the lease term is reviewed. This takes place in connection with the expiry of the final termination date within the previously determined lease term for a premises lease, or upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the Group and affects the current determination of the lease term. The Group discloses right-of-use assets and lease liabilities separately in the statement of financial position. For leases with a term of 12 months or less, or with an underlying asset of low value (less than KSEK 50), no right-of-use asset or lease liability is recognized. Lease payments for these leases are recognized as an expense over the lease term on a straight-line basis.

Mergers

Mergers are recognized in accordance with BFNAR 2020:5.

The Parent Company's accounting policies

The Parent Company prepares its annual report in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities and statements on emerging issues. Pursuant to the RFR 2 rules, the Parent Company must, in the annual report for the legal entity, apply all IFRS/IAS standards and statements adopted by the EU to the extent that is possible within the framework of the Annual Accounts Act and with consideration to the relationship between accounting and taxation. The recommendation specifies the exceptions to be made to IFRS/IAS. The Parent Company applies the same accounting policies as specified for the Group, with the following exceptions.

Financial instruments

The Parent Company has chosen not to apply IFRS 9; however, the principles for impairment in IFRS 9 shall nevertheless be used for intra-group receivables.

Subsidiaries

Participations in subsidiaries are recognized in the Parent Company using the cost method.

Recognition of group contributions

Group contributions are recognized according to the alternative rule in RFR 2, which means that both paid and received group contributions are recognized as appropriations in the income statement.

Goodwill

Goodwill is amortized over ten years in the Parent Company, which is justified by the strategic nature of the related acquisitions.

Intangible fixed assets

Expenditure for product development is expensed in the Parent Company when incurred, that is, the expenditure is not capitalized as intangible assets.

Leasing – lessee

The Parent Company does not apply IFRS 16, in accordance with the exemption in RFR 2. As a lessee, lease payments are recognized as an expense over the lease term on a straight-line basis. Hence, right-of-use assets and lease liabilities are not recognized in the balance sheet. In the same manner as in the consolidated financial statements, lease and non-lease components are not separated for premises. Instead, lease and non-lease components are recognized as a single lease component for these types of underlying assets. The agreements in which the Parent Company is the lessor are recognized as operating leases.



Format of the income statement and balance sheet

The Parent Company follows the format of the Swedish Annual Accounts Act, which, among other things, implies a different breakdown of equity.

Note 2 - Important estimates and assessments for accounting purposes

Estimates and assessments are reviewed regularly and are based on past experience and other factors, including expectations of future events that are judged to be reasonable taking current conditions into consideration. The Group makes estimates and assumptions about the future. By definition, the estimates for accounting purposes that follow from such estimates and assumptions will not always correspond to the actual outcome. The estimates and assumptions that pose a significant risk of material adjustments to the carrying amounts of assets and liabilities during the next fiscal year are outlined below.

Goodwill

For impairment purposes, the Group is considered a single cash-generating unit whose carrying amounts of goodwill – and other intangible assets, tangible fixed assets, and right-of-use assets – are tested for impairment as a whole. Impairment testing at the end of 2022 has led to a full impairment of the Group's and Parent Company's goodwill, so there is no future valuation risk.

Intangible assets

The Group capitalizes expenses attributable to the development of medical products to the extent that the criteria in IAS 38 p. 57 are considered to be satisfied. The recognized capitalized expenditure for development work is subject to impairment testing by the management. The most critical assumption, which is evaluated by management, is whether the intangible asset is expected to generate future economic benefits that are at least sufficient to

cover the carrying amount of the intangible asset. However, the financial resources required to complete development depend on the Company's ability to obtain future financing. Moreover, the valuation is dependent on the assumption of going concern. AegirBio is also, to some extent, dependent on its ability to obtain protection of its intangible assets. The Group's intellectual property rights are primarily protected by patents and patent applications. The research and development work carried out by AegirBio and in cooperation with various partners continuously generates new patentable ideas for the Group. These ideas are carefully assessed by the Company and by patent agents consulted by the Group. Whether to file a patent application for a certain invention is decided on a case-by-case basis.

Inventories

There is a risk that changing market conditions impact the Group's ability to sell AegirBio's products. In order to market and sell medical devices, the Group must also obtain authorization and register the products with the relevant authorities in each market. In the event that AegirBio, directly or through partners, fails to obtain the necessary authorizations and registrations, there is a risk that the Group's ability to generate revenue may be hampered. After the end of the fiscal year, sales of COVID-19 tests have ceased. It was therefore decided to write down the inventory value to SEK 0 as a precautionary measure.

Conditions for going concern

The annual report has been prepared under the assumption of going concern. In the past, the Company has reported losses due to its research and development work and inability to realize revenue in line with management's plans. All financing has been through equity. In preparing the annual report, management has based its assumptions on existing cash and cash

equivalents, including cash received after the end of the year of approximately MSEK 40.5 from a directed issue of convertible bonds and the contributions from the RADx® project funded by the National Institute of Health (NIH). In the estimation of future cash flows, the management has taken into account internal measures implemented to focus sales and streamline the internal organization. The fact that some future expenses are under the control of the management and thus can be eliminated or deferred has also been taken into account. Despite the overall conditions, it cannot be completely ruled out that additional financing may be needed in the next 12 months. Should the Group, for any reason, be unable to continue operations, this may impact the Group's ability to realize the carrying values of the assets, in particular those related to intangible assets in the form of patents and capitalized development expenditures, as well as its ability to pay its debts at normal pace and in the amounts set out in the Group's financial statements.



Note 3 - Financial risk management

Through its activities, the Group is exposed to financial risks, and the Board of Directors is ultimately responsible for managing and monitoring these risks.

Liquidity and financing risk

Liquidity risk exists if AegirBio fails to meet its payment obligations due to a lack of cash or if has no other means to meet them than by borrowing at a significantly higher cost than normal or through disposal of assets at below-market prices. AegirBio closely monitors the development of cash flow to ensure that sufficient cash is at hand at all times and continuously works on various financing options to bridge the period until a positive cash flow is achieved.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market interest rates. The Group's assessment is that it is not currently exposed to any material interest rate risks.

Credit and counterparty risk

Credit and counterparty risk partly refers to risks linked to customers and suppliers not being able to fulfill their obligations to AegirBio and partly to the risk that AegirBio cannot fulfill its obligations, which can significantly reduce the Company's creditworthiness. In the first case, the credit risk is mainly attributable to outstanding trade receivables, but may nevertheless involve the failure of distributors/suppliers to meet their commitments. In the second case, AegirBio ensures its own creditworthiness by maintaining adequate liquidity.

KSEK	Parent Company		Group	
	2023	2022	2023	2022
Credit risk exposure:				
Cash and cash equivalents	10,371	11,225	12,142	14,588
Trade receivables	40	5	5,518	5,586
Impairment of trade receivables	-	-	-2,901	-3,226
Receivables from Group companies	28,252	-	-	-
Other current receivables	1,129	1,454	2,250	2,259
Other non-current receivables	-	-	-	-
Total	39,792	12,684	17,009	19,207

Currency risk

The Group has foreign subsidiaries in the United States, the United Kingdom, and Finland and, therefore, has currency exposure to USD, GBP, and EUR. No hedge accounting is applied.

The Group's purchases in foreign currency break down by currency as below:

	2023		2022	
	KSEK	Sensitivity analysis*	KSEK	Sensitivity analysis*
Currency				
USD	11,756	1,175.6	1,997	199.7
EUR	2,760	276.0	1,739	173.9
GBP	6,948	694.8	6,458	645.8

* A +/- 10% difference in exchange rate would have this impact on the Group's equity.

The Group's recognized assets in foreign currency are distributed as follows:

	2023		2022	
	KSEK	Sensitivity analysis*	KSEK	Sensitivity analysis*
Currency				
USD	6,052	605.2	5,198	519.8
EUR	8,155	815.5	11,355	1,135.5
GBP	3,105	310.5	1,675	167.5

* A +/- 10% difference in exchange rate would have this impact on the Group's equity.



Note 3 - Financial assets and liabilities

The maturities of financial assets and liabilities are shown in the table below:

Maturity structure of financial assets and liabilities 2023-12-31

Group KSEK	Financial liabilities	Financial liabilities			
		Loan	Supplier	Leasing	Other
0–3 months	14,759	-	2,847	235	-
3–12 months	2,250	169	-	-	12,175
1–2 years	-	32,112	-	207	-
2–5 years	-	-	-	-	-
More than 5 years*	-	3,079	-	-	-
Total	17,009	35,360	2,847	442	12,175

* This loan is in the subsidiary Magnasense Technologies Oy and is a capital loan, which means that repayment shall be made only when there are distributable funds in the company.

Parent Company KSEK	Financial liabilities	Financial liabilities			
		Loan	Supplier	Leasing	Other
0–3 months	11,540	-	770	-	-
3–12 months	-	-	-	-	6,242
1–2 years	-	32,112*	-	-	-
2–5 years	-	-	-	-	-
More than 5 years*	-	-	-	-	-
Total	11,540	0	770	-	6,242

*See Note 21

Maturity structure of financial assets and liabilities 2022-12-31

Group KSEK	Financial liabilities	Financial liabilities			
		Loan	Supplier	Leasing	Other
0–3 months	16,948	-	4,825	1,470	-
3–12 months	2,259	-	-	-	5,725
1–2 years	-	3,890	-	425	-
2–5 years	-	-	-	-	-
More than 5 years*	-	5,295	-	-	-
Total	19,207	9,185	4,825	1,895	5,725

Parent Company KSEK	Financial liabilities	Financial liabilities			
		Loan	Supplier	Leasing	Other
0–3 months	12,684	-	1,479	-	-
3–12 months	-	-	-	-	5,483
1–2 years	-	-	-	-	-
2–5 years	-	-	-	-	-
More than 5 years*	-	-	-	-	-
Total	12,684	-	1,479	-	5,483

Net gains/losses for each category of financial instruments:

The Group has no net gains/losses to report for the various financial instruments.

Note 4 - Segment information

AegirBio's operations comprise only one branch of activity: developing and commercializing tests to monitor the dosing of biological drugs to ensure that the right dosing is given to the right people at the right time. As activities are pursued in a single operating segment, there is no separate segment information to present.



Note 5 - Net sales

Breakdown of net sales KSEK	Parent Company		Group	
	2023	2022	2023	2022
COVID-19 saliva test Viraspec	-	-	-	1,402
Customized Veritope development project	-	-	-	304
Other	41	-	92	-
Total	41	-	92	1,706

Net sales per geographic market KSEK	Parent Company		Group	
	2023	2022	2023	2022
Sweden	-	-	41	1,402
USA	-	-	-	304
Finland	-	-	51	-
Total	-	-	92	1,706

Fixed assets by geographical market KSEK	Parent Company		Group	
	2023	2022	2023	2022
Sweden	-	-	11,780	20,709
UK	-	-	756	818
Finland	-	-	7,988	10,901
USA	-	-	14,766	13,050
Total	-	-	35,290	45,478

Note 6 - Breakdown of operating costs by category

In the statement of comprehensive income, the operating costs are classified based on the functions “Cost of goods sold”, “Research and development costs”, “Sales costs” and “Administrative costs”.

The total costs classified by function break down into the following cost categories:

KSEK	Parent Company		Group	
	2023	2022	2023	2022
Raw materials and consumables	-	-	1,227	27,941
Other external costs	18,977	24,338	25,530	30,546
Personnel costs	6,350	5,918	17,334	17,280
Depreciation	-	-	16,517	17,425
Impairment	-	137,337	-	276,845
Total COGS, research & development, sales, and administrative costs	25,327	167,593	60,608	370,037

Note 7 - Disclosure of auditor's fee and reimbursement

KSEK	Parent Company		Group	
	2023	2022	2023	2022
Göteborgs Revision KB				
Audit engagement	1,034	780	1,097	780
Audit work in addition to the audit engagement	50	254	50	254
Tax consultancy services	-	-	-	-
Other services	-	-	-	-
Total	1,084	1,034	1,147	1,034

Audit engagements mean fees related to the statutory audit, that is, such work that has been necessary in order to provide the audit report, as well as so-called audit advice provided in connection with the audit engagement. Audit work, in addition to the audit engagement, means fees related to various types of quality assurance services. Other engagements mean services not included in audit engagements, audit work or tax consultancy.



Note 8 - Lease agreements

Operating leases KSEK	Parent Company	
	2023	2022
Lease cost	351	845
The nominal value of future lease payments can be broken down as follows:		
Maturity within 1 year	262	268
Between 2 and 5 years	202	1,072
Residual maturity, total	464	1,340

The Group leases office and research premises which have been recognized in accordance with IFRS 16 where the rights of use, lease liability, interest and depreciation are based on the original maturities of these agreements. The accounting policies are set out in Note 2. A maturity analysis of lease liabilities is provided in Note 3 Financial assets and liabilities.

Rights of use KSEK	Group		
	Premises	Cars	Total
Opening balance 2022-01-01	1,289	233	1522
Divestments and early termination of contracts	-	-134	-134
Contracts added in the year	2,533	-	2,533
Depreciation for the year	-1,931	-	-1,931
Closing balance 2022-12-31	1,891	99	1,990
Opening balance 2023-01-01	1,891	99	1,990
Contracts added in the year	-	-	-
Divestments and early termination of contracts	-12	-99	-111
Depreciation for the year	-1,360	-	-1,360
Closing balance 2023-12-31	519	0	519

Rights of use KSEK	Group	
	2023-12-31	2022-12-31
Assets with rights of use		
Premises	519	1,792
Cars	-	99
	519	1,891
Lease liabilities		
Current	235	1,470
Non-current	207	425
	442	1,895
Amounts recognized in profit or loss:		
Depreciation	-1,361	-1,931
Interest costs	-47	-120
	-1,408	-2,051
Amounts recognized in the statement of cash flows		
Amortization of financial lease liabilities	-1,362	-1,883
Interests paid for financial lease liabilities	-47	-120
Total cash outflows related to lease agreements	-1,409	-2,003

The Group has no variable lease fees, short-term leases or expenses for low-value leases.



Note 9 - Average number of employees, personnel costs, pensions and other

Average number of employees	Parent Company		Group	
	2023	2022	2023	2022
Number of employees	3	3	14	15
Of whom men	3	3	6	9

Senior executives	Parent Company		Group	
	2023	2022	2023	2022
Board of Directors	3	5	3	5
Chief Executive Officer and other senior executives	1	1	1	2
Of whom men	4	5	4	6

Total salaries, social security contributions and pensions	Parent Company		Group	
	2023	2022	2023	2022
Salaries and other remunerations including pension costs	4,984	4,073	15,177	12,349
Social security contributions	869	1,381	1,659	1,884
Other costs*	1,662	3,101	7,514	3,101
Total	7,515	8,555	24,350	17,334
Of which pension costs	696	606	1,334	1,247

* Other costs include board fees and invoiced fees from non-employed senior executives.

Benefits for senior executives

Board members

As matter of principle, remuneration of board members is paid in accordance with the decision of the General Meeting. Board fees are not paid to Bradley Messmer and Marco Witteveen, who are both formally employed by the Group and thus have received remuneration based on their employment contracts.

Chief Executive Officer

For the first half of the fiscal year, Abreos Biosciences LLC reported MSEK 1.2 in basic pay for CEO Bradley Messmer. For the second half of the fiscal year, AegirBio reported MSEK 1.1 (1.1) in basic pay to CEO Marco Witteveen, who took office on June 15, 2023. Pension contributions for the CEO are made at 25 percent of the basic salary. The period of notice from each party is 6 months, and no contractual severance pay shall be awarded.

Other senior executives

Remuneration to other senior executives consists of invoiced consultancy fees based on time spent and, in cases where the senior executive is an employee, salary. Other senior executives are CFO Christel Dahlberg, who, together with CEO Marco Witteveen, constitute the management team.



Remuneration and other benefits for the directors, CEO and other senior executives

2023						
KSEK	Directors' fees	Basic pay	Variable remuneration	Other remuneration	Pension costs	Total
Anders Ingvarsson, Chairman of the Board*	157			722		879
Seppo Mäkinen, Director*	64			120		184
William Vickery, Director	105					105
Fredrik Häglund, Director	105					105
Sofia Bertling, Director	64					64
Marco Witteveen, CEO		1,142		323		1,465
Board and CEO, total	495	1,142	0	1,165	0	2,802
Other senior executives**		2,373		2,966	263	5,602
Total	495	3,515	0	4,131	263	8,404

* Other remuneration comprises consultancy services in addition to board assignments, relating to business development and market analyses, which were provided on market terms.

** CEO Marco Witteveen took office on June 15, 2023. Bradley Messmer resigned on June 14, 2023, and his salary is reported as basic pay under Other senior executives.

2022						
KSEK	Directors' fees	Basic pay	Variable remuneration	Other remuneration	Pension costs	Total
Anders Ingvarsson, Chairman of the Board	145	-	-	245	-	390
Seppo Mäkinen, Director *	97	-	-	180	-	277
William Vickery, Director	97	-	-	-	-	97
Fredrik Häglund, Director	97	-	-	-	-	97
Sofia Bertling, Director	97	-	-	-	-	97
Patrik Elfving, former CEO	375	-	-	144	-	519
Bradley Messmer, CEO	1,954	-	-	-	51	2,005
Board and CEO, total	2,862	-	-	569	51	3,482
Other senior executives**	-	-	-	2,966	-	1,898
Total	2,862	-	-	3,535	51	5,380

* Other remuneration comprises consultancy services in addition to board assignments, relating to business development and market analyses, which were provided on market terms.

** CEO Martin Linde was signed off on sick leave on October 11, 2021. As of this period, Patrik Elfving became acting CEO, and his salary is reported as basic pay under other senior executives.

Share-based incentive programs

On August 25, 2023, the Annual General Meeting decided to introduce a warrant program for senior executives and other key individuals in the Group, TO 2023/2026. The program entailed that the Company issued 360,000 warrants, where each warrant shall entitle the holder to subscribe for 1 new share in the Company. The warrants were issued at a subscription price of SEK 0.24 per warrant, which corresponded to the market value of the warrant in accordance with the customary valuation model (Black & Scholes). Each warrant entitles the holder to subscribe for one new share at a subscription price of SEK 2.95. Subscription of shares with the support of warrants in series TO 2023/2026 can take place during the period from September 1, 2026, up to and including September 30, 2026. As program participants paid fair value, no benefit arose. Consideration received is reported directly against equity.

Warrant holdings	No. of warrants
Marco Witteveen, CEO	200,000
Christel Dahlberg, CFO	50,000
Vasiliki Fragkou, COO	50,000
Catherine Dent	20,000
Lesley Page	20,000
Stacey Casswell	20,000
Total	360,000



Note 10 - Related party transactions

Group

All the companies in the Group are wholly owned and none of the Parent Company owners has significant influence. No board member or senior executive of AegirBio AB has personally, through companies or through related parties been directly involved in any business transaction conducted by AegirBio that was or is unusual in its nature or terms. Transactions with related parties are priced on market terms. For a specification as to which persons are board members and other senior executives, see Note 9. Transactions/remuneration not paid as regular salary or board fees are listed below:

Related party transactions

KSEK	2022
Ingvarsson Consulting AB (owned by Anders Ingvarsson, Chairman of the Board)	245
Seppo Mäkinen, Director	180
P3 Management & Consulting AB (owned by Patrik Elfving)	2,303
Total	2,728
KSEK	2023
Ingvarsson Consulting AB (owned by Anders Ingvarsson, Chairman of the Board)	722
Seppo Mäkinen, Director	120
P3 Management & Consulting AB (owned by Patrik Elfving)	380
Aegirbio UK Limited	533
medestex (owned by Marco Witteveen, CEO)	323
Total	2,078

Parent Company

In addition to the related party relationships disclosed for the Group, the Parent Company holds a controlling influence over its subsidiaries, which are listed in Note 25. Payables and receivables to subsidiaries relate to settlement balances, and transactions are priced at market terms.

Note 11 - Other operating income

	Parent Company		Group	
KSEK	2023	2022	2023	2022
Received contributions	455	1,960	4,505	1,960
Management fees	12,335	-	-	-
Exchange rate differences	92	12	-	1,542
Total	12,882	1,972	4,505	3,502

Note 12 - Financial income and costs

	Parent Company		Group	
KSEK	2023	2022	2023	2022
Interest income	2,129	1,364	9,659	276
Foreign exchange gains	7,784	1,152	7,784	1,151
Total	9,913	2,516	17,443	1,427

	Parent Company		Group	
KSEK	2023	2022	2023	2022
Interest costs	-5,395	-3	-9,954	-98
Foreign exchange losses	-11,781	-426	-12,472	-427
Other financial costs	-	-	-	-
Impairment of participations in Group companies	-	-75,853	-	-
Impairment of receivables recognized as current assets	-4,472	-28,312	-	-
Financial costs relating to lease liabilities	-	-	-47	-120
Total	-21,648	-104,594	-22,473	-645
Net financial items	-11,735	-102,078	-5,030	782



Note 13 - Tax

KSEK	Parent Company		Group	
	2023	2022	2023	2022
Tax cost				
Current tax expense	-	-	-	-9
Adjustments relating to previous years	74	-	-	-
Deferred tax	-	-	1,492	1,492
Total tax cost	74	-	1,492	1,483
Profit before tax	-24,563	-293,472	-61,189	-364,313
Reconciliation of effective tax				
Tax at Swedish tax rate of 20.6% (20.6%)	5,060	60,455	12,605	74,042
Tax effect of non-deductible costs	-2,300	-18,674	2,388	-3,050
Tax effect of non-taxable income	-	-	-	-
Tax effects of issuance costs reported directly to equity	-11	-	-	-
Unvalued tax loss carry-forwards	-2,749	-41,781	-13,492	-71,983
Tax attributable to previous years	-	-	-9	-9
Total	0	-	1,492	-

Accumulated tax loss carryforwards, for which deferred tax assets are not recognized, provisionally amount to KSEK 792,071 (445,949) for the Group and KSEK 531,126 (379,231) for the Parent Company. These tax loss carryforwards have no expiration date. However, MSEK 245 of the tax loss carry-forwards for both the Parent Company and the Group are restricted due to the merger between AegirBio AB and Life-Assays AB during 2021. The deferred tax has not been recognized because of the difficulty in assessing when future taxable profit will be available against which these loss carry-forwards can be utilized.

Deferred tax recognized in the financial statements

Deferred tax liability	Parent Company		Group	
	2023	2022	2023	2022
Opening balance	-	-	5,223	6,716
Merger	-	-	-	-
Acquisition	-	-	-	-
Recognized in profit or loss	-	-	-1,492	-1,493
Total deferred tax liabilities	-	-	3,731	5,223

Recognized deferred tax liability attributable to consolidated surplus relating to the merger with LifeAssay and acquisition of AegirBio US Inc.

Note 14 - Appropriations

KSEK	Parent Company	
	2023	2022
Group contributions	-424	-25,627
Total	-424	-25,627



Note 15 - Goodwill

KSEK	Note 2,26	Parent Company		Group	
		2023	2022	2023	2022
Cost, opening balance		145,485	145,485	276,845	276,845
Increase through acquisition/merger		-	-	-	-
Accumulated cost, closing balance		145,485	145,485	276,845	276,845
Accumulated amortization/impairment, opening balance		-145,485	-8,148	-276,845	-
Depreciation for the year		-	-	-	-
Impairment for the year		-	-137,337	-	-276,845
Accumulated amortization/impairment, closing balance		-145,485	-145,485	-276,845	-276,845
Closing carrying amount		-	-	-	-

For accounting policies attributable to goodwill and the Group's impairment policy, see Note 2.

Note 16 - Intangible assets

KSEK	Parent Company		Group	
	2023	2022	2023	2022
Cost, opening balance	17,266	17,266	63,572	63,572
Purchases/internally generated	-	-	5,445	-
Increase through acquisition/merger	-	-	-	-
Accumulated cost, closing balance	17,266	17,266	69,017	63,572
Accumulated amortization/impairment, opening balance	-17,266	-17,266	-19,011	-7,085
Depreciation for the year	-	-	-15,471	-11,926
Impairment for the year	-	-	-	-
Accumulated amortization/impairment, closing balance	-17,266	-17,266	-34,482	-19,011
Closing carrying amount	-	-	34,534	44,560

The intangible assets recognized by the Group comprise capitalized expenditure for research and development amounting to KSEK 23,200 (28,948) and patents of KSEK 11,334 (15,612).

Note 17 - Tangible fixed assets

KSEK	Parent Company		Group	
	2023	2022	2023	2022
Cost, opening balance	-	-	2,216	2,197
Purchases	-	-	93	19
Increase through acquisition/merger	-	-	-	-
Accumulated cost, closing balance	-	-	2,309	2,216
Accumulated depreciation, opening balance	-	-	-1,298	-909
Disposal	-	-	-18	-
Depreciation for the year	-	-	-237	-389
Accumulated depreciation, closing balance	-	-	-1,553	-1,298
Closing carrying amount	-	-	756	918

Note 18 - Other financial assets

KSEK	Parent Company		Group	
	2023	2022	2023	2022
Cost, opening balance	-	-	294	257
Deposits	-	-	-10	37
Accumulated cost, closing balance	0	0	284	294
Closing carrying amount	0	0	284	294



Note 19 - Inventory

	Parent Company		Group	
	2023	2022	2023	2022
KSEK				
Opening balance	-	-	-	24,894
Goods for resale	-	-	-	-
Write-downs	-	-	-	-24,894
Total	-	-	-	-

Note 20 - Outgoing receivables

	Parent Company		Group	
	2023	2022	2023	2022
KSEK				
Cost, opening balance	1,050	1,346	1,657	1,574
Outgoing receivables	-202	-296	-61	83
Accumulated cost, closing balance	848	1,050	1,596	1,657
Closing carrying amount	848	1,050	1,596	1,657

Note 21 - Classification of financial instruments

Assets on the balance sheet, measured at amortized cost

	Parent Company		Group	
	2023	2022	2023	2022
KSEK				
Trade receivables	40	5	2,617	2,360
Receivables from Group companies	28,252	-	-	-
Other receivables	1,129	1,454	2,250	2,259
Cash and cash equivalents	10,371	11,225	12,142	14,588
Total	39,792	12,684	17,009	19,207

Current liabilities on the balance sheet, measured at amortized cost

	Parent Company		Group	
	2023	2022	2023	2022
KSEK				
Trade payables	770	1,479	2,847	4,825
Liabilities to Group companies	791	583	-	-
Other current liabilities	5,451	4,900	7,526	12,452
Total	7,012	6,962	10,373	17,277

The fair value of the above instruments is considered equivalent to their carrying amounts, as they are short-term in nature.

Non-current liabilities on the balance sheet, measured at amortized cost

	Parent Company		Group	
	2023	2022	2023	2022
KSEK				
Leasing	-	-	207	425
Other non-current liabilities	-	-	8,132	-
Convertible notes*	32,112	-	32,112	4,118
Total	32,112	-	40,451	4,543

The carrying amount is equivalent to the fair value as the interest on it is on par with current market interest rates.



In March 2023, AegirBio AB raised a convertible loan of nominal SEK 55,000,000 through a directed issuance of 550 convertible bonds. The convertible bonds accrue zero interest and are due for payment on January 20, 2025, unless they are converted into shares before that date at the holder's request. In accordance with the terms and conditions, the conversion price shall correspond to 100 percent of the lowest daily volume-weighted average price according to First North's price list for the share in the Company during the fifteen (15) trading days preceding the day of the conversion notice, however, at least the highest amount of SEK 1.00 or the share's par value (today SEK 0.08).

Atlas has called for conversion on two occasions during the year, March 23, 2023 (100 convertibles), and December 20, 2023 (50 convertibles).

Convertible notes are recognized in the balance sheet as follows:

KSEK	2023	2022
Nominal value of convertible notes	55,000	-
Transaction costs	-9,999	-
Equity component - value of the conversion right	-18,255	-
	26,746	-
Interest costs*	5,366	-
Amount of debt	32,112	-

*In accordance with IAS 32, an effective interest rate shall be calculated and charged to the amount of debt. The effective interest rate is 23.1% and the interest cost is calculated by multiplying the effective interest rate by the amount of debt.

Note 22 - Prepayments and accrued income

KSEK	Parent Company		Group	
	2023	2022	2023	2022
Opening acquisition costs	404	567	602	663
Prepayments	-123	-163	52	-61
Accumulated costs, closing balance	281	404	654	602
Closing carrying amount	281	404	654	602

Note 23 - Equity

Share capital

Ordinary shareholders are entitled to any dividends and voting rights of one vote per share at the General Meeting. All shares convey equal rights to the Group's remaining net assets.

Other contributed capital

Other contributed capital consists entirely of amounts paid in excess of the par value of issued shares in connection with new issues.

Retained earnings including profit for the year

Retained earnings including profit for the year includes profits earned in the Parent Company and its subsidiaries.

Dividend

No distribution of dividend will be proposed at the Annual General Meeting 2024.

Number of shares, Parent Company

Change in number of shares:	2023	2022
Opening balance	21,283,848	17,324,062
Business acquisition	-	-
Merger	-	-
New issue	9,593,024	3,959,786
Closing balance	30,876,872	21,283,848



Restricted equity

Restricted equity may not be reduced by the distribution of dividends.

Share premium reserve

Share premium reserve consists entirely of amounts paid in excess of the par value of issued shares in connection with new issues and amounts paid for warrants exercised during the fiscal year and is non-restricted equity.

Retained earnings

Consists of the previous year's unrestricted equity after the payment of any dividend. Where applicable, results of mergers are also recognized here. Together with share premium reserve and profit/loss for the year, this makes up total non-restricted equity.

Note 24 - Earnings per share

Earnings per share, calculated as profit attributable to Parent Company shareholders for the year (SEK per share) divided by the average number of shares, which as of 2023-12-31 was 25,053,902 shares before full dilution. The corresponding number for the same period in the previous year was 19,200,892 shares.

The share

The AegirBio AB (publ) share was listed on Nasdaq First North Growth Market in Stockholm on June 22, 2020. On December 31, 2023, the number of shares in the Company amounted to 30,876,872. The corresponding number on 2022-12-31 was 21 283 848.

There is one class of shares. Each share has equal right to shares in the Company's assets and profit, and entitles to one vote in the General Meeting. The par value of the share is SEK 0.08, and the registered share capital amounts to SEK 2,470,150.

The weighted average number of shares in 2023 amounted to 25,053,902 before full dilution and 29,088,902 after full dilution. The corresponding numbers for 2022 was 19,200,892 shares before full dilution and 21,880,785 shares after full dilution.

Earnings per share before dilution for the Parent Company amounted to SEK -0.98 based on the profit for the year divided by the average number of shares before full dilution. The corresponding figure for 2022 was SEK -18.90 per share.

Note 25 - Appropriation of profits

The Board of Directors' proposal for the appropriation of profits

Number of shares in the Parent Company

KSEK	
Share premium reserve	432,830
Retained earnings	-407,184
Loss for the year	-24,563
Total	1,083

The Board of Directors proposes that of the funds at disposal of KSEK 1,083, KSEK -407,184 shall be carried forward, and KSEK 432,830 shall remain as a share premium reserve. Hence, it is proposed that no dividend be paid.

Note 26 - Accruals and deferred income

KSEK	Parent Company		Group	
	2023	2022	2023	2022
Accrued salary-related costs	508	590	508	859
Deferred grant revenue	1,442	1,296	1,442	1,296
Accrued sales costs	-	-	-	-
Other accrued expenses	2,915	2,494	4,742	2,742
Total	4,865	4,380	6,692	4,896



Note 27 - Participations in Group companies

KSEK	Parent Company	
	2023	2022
Opening acquisition costs	78,739	78,739
Acquisition	-	-
Through merger	-	-
Accumulated cost, closing balance	78,739	78,739
Accumulated impairment, opening balance	-75,854	78,739
Impairment for the year	-	-75,854
Carrying amount at year-end	2,885	2,885

AegirBio AB's participations in Group companies through direct holdings:

		2023		2022	
		Participation, %	Value in KSEK	Participation, %	Value in KSEK
Viraspec AB, Sweden, Lund	559243-8708	100	263	100	263
Thyrolitics AB, Sweden, Lund	559167-2869	100	2,622	100	2,622
AegirBio Ltd, UK, Richmond	12963210	100	-	100	-
AegirBio US Inc, US, Delaware *	86-2923979	100	-	100	-
Magnasense Technologies Oy, FI, Vantaa	2336219-4	100	-	100	-
Total			2,885		2,885

AegirBio AB's participations in Group companies through indirect holdings:

		2023	2023
		Participation, %	Participation, %
Abreos Biosciences LLC, US, San Diego *	1636983	100	100
Abreos France Sàrl, FR, Marseille ***	82 258 282 100 028	100	100

* The indirect holdings above are owned through AegirBio US Inc.

** Abreos France Sàrl, FR, Marseille was liquidated in November 2023.

Note 28 - Contingent liabilities

There are no contingent liabilities to report.

Note 29 - Pledged assets

There are no pledged assets to report.



Signatures

Lund, May 31, 2024

Jens Umehag

Chairman of the Board

Marco Witteveen

CEO

Fredrik Häglund

Director

William Vickery

Director

William Ferenczy

Director

Michael Schwartz

Director

Our auditor's report was submitted on May 31, 2024
Göteborgs Revision KB

Stefan Kylebäck

Authorized Public Accountant



Auditor's Report

To the general meeting of AegirBio AB, reg. no. 559222–2953

Report on the annual report and consolidated financial statements

Opinions

We have audited the annual report and consolidated financial statements of AegirBio AB for the year 2023. The annual report and consolidated financial statements of the Company are included on pages 19–51 in this document.

In our opinion, the annual report has been prepared in accordance with the Swedish Annual Accounts Act and presents fairly, in all material respects, the financial position of the Parent Company as of December 31, 2023 and its financial performance and cash flow for the year in accordance with the Swedish Annual Accounts Act. The consolidated financial statements have been prepared according to the Swedish Annual Accounts Act and present a true and fair view, in all material respects, of the Group's financial position as of December 31, 2023, and of its financial performance and cash flow for the year in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Swedish Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual report and consolidated financial statements.

We therefore recommend that the general meeting adopts the income statement and balance sheet for the Parent Company and the Group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under these standards are further described in the Auditor's Responsibilities section. We are independent of the Parent Company and the Group in accordance with generally accepted auditing standards for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other information

The audit of the annual report for the year 2022 has been performed by another auditor who submitted an auditor's report dated July 20, 2023, with modified opinions in the Report on the annual report. The auditor was unable to express an opinion on whether the annual report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act and whether the consolidated financial statements were prepared in accordance with the Swedish Annual Accounts Act and presented fairly, in all material respects, the financial position of the Group and its financial performance and cash flow for the year in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Swedish Annual Accounts Act. The auditor could neither support nor oppose the adoption of the income statement and balance sheet of the Parent Company as well as the statement of comprehensive income and the statement of the Group's financial position.

Other information than the annual report

This document also contains information other than the annual report, found on pages 1–18. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our opinion on the annual report does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual report, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual report. In this procedure, we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation and fair presentation of the annual report and the consolidated financial statements under the Swedish Annual Accounts Act and, as regards the consolidated financial statements, under IFRS as adopted by the EU. The Board of Directors and the Chief Executive Officer are also responsible for any internal control they deem necessary to prepare an annual report and consolidated financial statements free from material misstatement, whether due to fraud or errors.

In preparing the annual report and consolidated financial statements, the Board of Directors and the Chief Executive Officer are responsible for assessing the Company's and the Group's ability to continue as a going concern. They disclose, when applicable, conditions that may affect the ability to continue operations and to use the assumption of continued operations. However, the going concern assumption is not applied if the Board of Directors and the Chief Executive Officer intend to liquidate the Company, cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objective is to obtain reasonable assurance that the annual report and consolidated financial statements are free from material misstatements caused by fraud or errors and to provide an audit report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when

it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this annual report and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual report and consolidated 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 opinions. 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 the Company's internal control relevant to our 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 the Board of Directors and the Chief Executive Officer.
- conclude on the appropriateness of the Board of Directors' and the Chief Executive Officer's use of the going concern basis of accounting in preparing the annual report and consolidated

financial statements. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group'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 annual report and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion about the annual report and consolidated financial statements. 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 a company and a group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual report and consolidated financial statements, including the disclosures, and whether the annual report and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient and 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 opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual report and consolidated financial statements, we have also audited the administration of the Board of Directors and the Chief Executive Officer of AegirBio AB for the year 2023 and the proposed appropriations of the Company's profit or loss.

We recommend to the general meeting that the profit be appropriated as proposed in the administration report and that the members of the Board of Directors and the Chief Executive Officer be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the Parent Company and the Group in accordance with generally accepted auditing standards for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors is responsible for the proposed appropriation of the Company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the Company's and the Group's type of operations, size and risks place on the size of the parent Company's and the Group's equity, consolidation requirements, liquidity and position in general.



The Board is responsible for the Company's organization and the management of the Company's affairs. This includes, among other things, continuously assessing the financial situation of the Company and the Group and ensuring that the organization of the Company is such that the accounting, asset management, and the Company's financial position, in general, includes satisfactory controls. The Chief Executive Officer shall handle the day-to-day administration in accordance with the Board's guidelines and instructions and, among other things, take the measures necessary for the Company's accounting to be carried out in accordance with law and for the asset management to be conducted in a secure manner.

Auditor's responsibilities

Our objective concerning the audit of the administration, and thus our statement on discharge from liability, is to obtain audit evidence in order to be able to assess with a reasonable degree of certainty whether any board member or the Chief Executive Officer in any significant respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the Company, or
- in any other way acted in contravention of the Swedish Companies Act, the Annual Accounts Act, or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the Company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Swedish Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the Company, or that the proposed appropriations of the Company's profit or loss are not in accordance with the Swedish Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we use professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the Company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the Company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the Company's profit or loss we examined whether the proposal is in accordance with the Swedish Companies Act.

Gothenburg, May 31, 2024
Göteborgs Revision KB

Stefan Kylebäck
Authorized Public Accountant

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