

## BICO acquires Allegro 3D, adding new light-based 3D bioprinting technology – complementing the existing offering of application tailored products

**Adding Allegro 3D to the portfolio enables BICO Bioprinting to strengthen its position as the global leader in providing 3D bioprinters. BICO has a robust portfolio of bioprinters, utilizing extrusion based, 2PP and DLP technologies.**

BICO has acquired all the shares in San Diego-based Allegro 3D Inc. ("Allegro 3D") for an up-front enterprise value of USD 6 million. Additionally, the shareholders can receive USD 5 million in an earnout payment contingent on Allegro 3D's financial performance in the coming two years. The entire purchase price will be paid in cash. Allegro 3D's patented light-based printing technology will be commercialized by CELLINK and is a strong complement to the existing offering of application-tailored products, as the technology will allow customers greater ability to increase precision and scale their output of bio-fabricated constructs for regenerative medicine and drug discovery purposes.

"The acquisition of Allegro 3D is in-line with our M&A strategy of add-on acquisitions where Allegro 3D complements CELLINK's product portfolio strongly and can quickly be integrated into the current product offering and commercialization infrastructure." comments BICO Head of M&A Jacob Thordenberg

### **Acquisition rationale**

The addition of Allegro 3D's bioprinting portfolio brings a tremendous injection in opportunities to scale operations for bioprinting customers. Given the high throughput nature of the technique, customers will be able to increase their output of bio-fabricated constructs. The Allegro 3D portfolio enables high precision and high speed bioprinting that is tailored for multi-well printing, providing life science companies the features needed for developing tissue constructs for regenerative medicine and drug testing workflows.

The acquisition is in line with BICO's commercial agenda to provide technologies and sustainable solutions that bring us closer to a world where on-demand tissue is a reality, reducing the dependency on animal models. With Allegro 3D, BICO continues to add complementary bioprinting methods to the group. Adding to the CELLINK portfolio enables the company to strengthen its position as the global leader in providing bioprinters. With a robust portfolio of extrusion, 2PP and DLP printers, Allegro 3D's patented printing technology is a strong complement to CELLINK's existing offer of application-tailored products.

The company will remain an independent entity but will be integrated into the commercial structure of global bioprinting leader, CELLINK, another company in the BICO bioprinting business area.

### **About Allegro 3D**

Allegro 3D is a San Diego-based company founded in 2016 by Dr. Wei Zhu and Dr. Shaochen Chen, a pioneer in the field of Digital Light Processing (DLP)-based printing and a driving force within the industry. Their DLP-based bioprinting technology enables high-precision and high-throughput manufacturing of biomedical devices and human tissues for cell culture, drug screening, and regenerative medicine applications.

Allegro 3D's products were commercialized by year end 2021. In 2022 the company is expected to generate about USD 1.0 million in revenue with positive EBITDA margins. In the near term, Allegro 3D is expected to grow exponentially and above BICO's financial targets.

"For many years CELLINK has set the standard for providing Tissue Engineering and Regenerative Medicine researchers advanced bioprinters that accelerate significant advancements in their fields," said BICO CEO and co-founder, Erik Gatenholm. "The addition of Allegro 3D's exceptional portfolio, complemented by CELLINK's extensive industry knowledge and commercialization power, will further facilitate the continuous growth of

BICO's footprint in the bioprinting market. Providing researchers tools to better capture the *in vivo* environment to effectively understand and master biology."

"Allegro 3D's products are an exciting complement to the existing CELLINK portfolio, enabling us to provide researchers with a groundbreaking system catering greatly to the regenerative medicine and drug discovery areas of research," adds CELLINK CEO, Cecilia Edebo. "We look forward to working alongside Dr. Chen and the Allegro 3D team to continue to provide the best products in the industry."

"Expanding the impact of our patented technology has been the goal since the inception of Allegro 3D," comments Dr. Zhu on the acquisition. "With BICO we have found the right commercialization partner to continue this journey and we truly look forward to 'Creating the Future of Health' alongside CELLINK, and the wider BICO family."

#### **Enterprise Value**

The up-front enterprise value for all outstanding shares in Allegro 3D amounts to USD 6 million. Additionally, the shareholders can receive USD 5 million in an earnout payment contingent on the Allegro 3D's financial performance in the coming two years. The entire purchase price will be paid in cash.

#### **Closing**

The acquisition closed on May 5. Allegro 3D will be consolidated in BICO's financial statements and in the financial reporting from Q2, 2022. Allegro 3D will remain under current entity and management after the transaction.

#### **Advisors**

Foley & Lardner acts as legal advisors to BICO in connection with the acquisition, BakerTilly advised on financial and tax due diligence, and Zacco on IP due diligence.

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#### **About BICO**

Founded in 2016, BICO (formerly CELLINK) is enabling the future of life-saving treatments by reducing the organ shortage and accelerating drug development by providing accessible life science solutions that combine biology and technology (bioconvergence). The company focuses on developing, manufacturing, selling, and supporting its life sciences equipment, consumables, and reagents for both manufacturing as well as research purposes. BICO has more than 25,000 products in the field, sales in more than 65 countries, delivers to all top 20 pharmaceutical companies, and have been cited in more than 10,000 scientific publications. BICO is listed on Nasdaq Stockholm under: BICO.