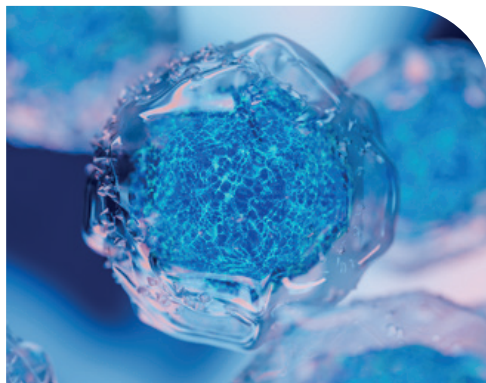
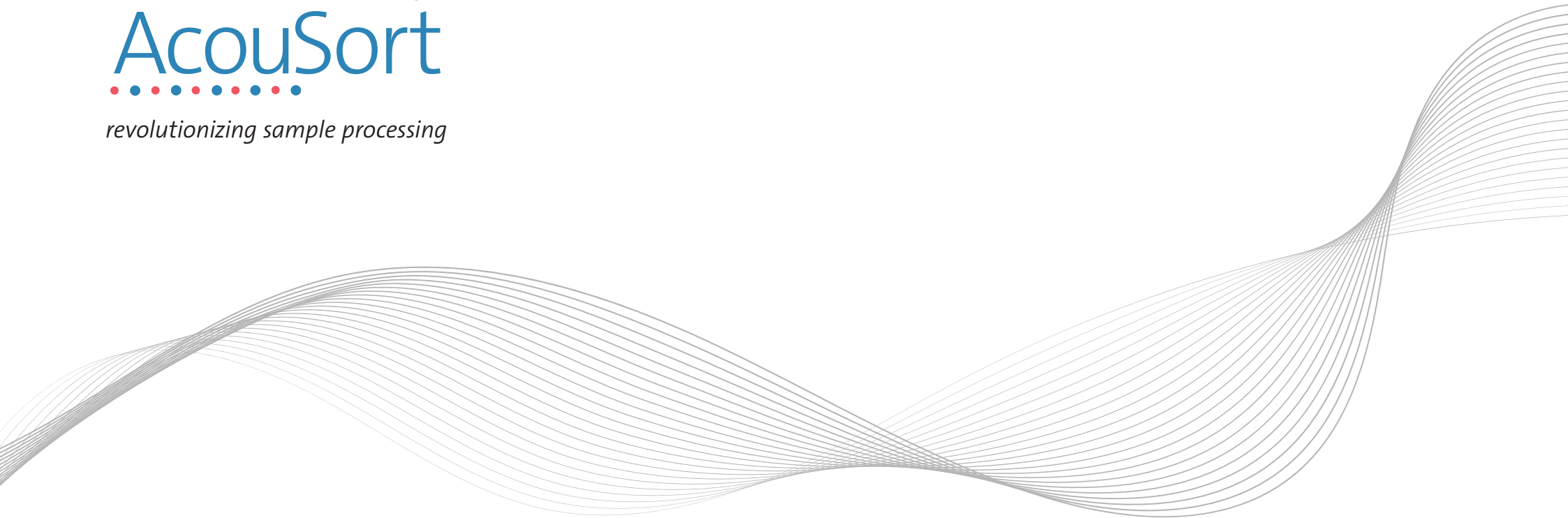


revolutionizing sample processing



Significant milestone reached with the extension of a third project phase in collaboration with a global Life Science company within cell therapy



Rights issue fully subscribed providing AcouSort with approximately SEK 24.8 million before transaction costs



Participation in Phacilitate Advanced Therapies Week in Miami where we extended our cell therapy network

Q4

YEAR-END REPORT
JANUARY 1-DECEMBER 31, 2023
ACOUSORT AB (PUBL)

Summary of the report

SIGNIFICANT EVENTS DURING THE FOURTH QUARTER

- On October 16, AcouSort announces that the company has delivered a test system for automated cell handling within cell therapy as part of the company's collaboration with a global life science partner. The partner will now evaluate the system and investigate a potential integration into their new cell therapy production system.
- On October 25, AcouSort announces that the company has published proof-of-concept data demonstrating that the newly developed high-throughput test system meets important requirements for cell therapy applications.
- On November 7, AcouSort announces that the Board of Directors has resolved on a rights issue of units of approximately SEK 24.8 million.
- On November 30, AcouSort announces that the company changes its Certified Adviser to Carnegie Investment Bank AB (publ).
- On December 4, AcouSort announces that the rights issue has been fully subscribed. Through the Rights Issue, AcouSort is thus receiving approximately SEK 24.8 million before transaction costs. In the event of full exercise of all series TO 2 warrants within the issued units, the company may receive an additional approximately SEK 11.6 million.
- On December 11, AcouSort announces that the company and its partner within critical care diagnostics have updated their collaboration agreement. The updated agreement follows the FDA approval in the fall of 2023 for the partnering company's next generation point-of-care diagnostic system containing AcouSort's acoustofluidics technology. Minimum revenues from the partnership in 2024 are expected to reach approximately SEK 3.5 million.
- On December 19, AcouSort announces that the Board of Directors resolves to repurchase Warrants of series 2020/2023.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- On January 16, AcouSort announces that the company will attend the Phacilitate Advanced Therapies Week to extend its cell therapy network.
- On January 18, AcouSort announces that the company extends its collaboration with a leading cell therapy company into a third project phase. The new assignment will generate revenues of at least SEK 485,000 in 2024.
- On January 31, AcouSort announces that significant technical progress in the AcouSome project has been achieved with two novel patent applications filed.

FINANCIAL SUMMARY

The "Company" or "AcouSort" refers to AcouSort AB (publ) with corporate registration number 556824-1037.

Fourth quarter 2023 for the Group

- Net sales amounted to SEK 0 (2,030,000)
- Result before tax amounted to SEK -6,554,000 (-2,823,000)
- Result per share* was SEK -0.49 (-0.21)
- Equity ratio** amounted to 70% (46%) on December 31, 2023

Full year for the Group

- Net sales amounted to SEK 5,534,000 (4,963,000)
- Result before tax amounted to SEK -17,089,000 (-13,780,000)
- Result per share* was SEK -1.29 (-1.04)
- Equity ratio** amounted to 70% (46%) on December 31, 2023

Fourth quarter 2023 for the Parent company

- Net sales amounted to SEK 0 (2,030,000)
- Result before tax amounted to SEK -5,652,000 (-1,811,000)
- Result per share* was SEK -0.43 (-0.14)
- Equity ratio** amounted to 73% (47%) on December 31, 2023

Full year for the Parent company

- Net sales amounted to SEK 5,496,000 (4,963,000)
- Result before tax amounted to SEK -13,952,000 (-12,908,000)
- Result per share* was SEK -1.05 (-0.98)
- Equity ratio** amounted to 73% (47%) on December 31, 2023

* Earnings/loss per share: Profit/loss for the period divided by 13,294,246 shares, which is the average number of shares in 2023. In the previous year, the number was 13,202,285 shares.

** Equity ratio: Equity divided by total capital.

NOTE TO THE READER

Amounts in parentheses refer to corresponding period of the previous year.



This document is essentially a translation of the Swedish language version. In the event of any discrepancies between this translation and the original Swedish document, the latter shall be deemed correct.

AcouSort at a glance

AcouSort is an innovative medical technology company developing critical components for instrumentation used in the diagnostics, analytics, and cell therapy processing markets. AcouSort's components allow for automated refinement of biological samples such as blood or cell preparations, providing instrumentation manufacturers with a state-of-the-art ability to integrate sample processing steps that traditionally have to be performed manually.

OUR VISION & MISSION

Our vision is to improve healthcare impact and save lives across the globe by enabling more and better healthcare, faster! Our mission is to lead and drive the development and implementation of a new gold standard for automated sample preparation in clinical research, diagnostics and therapeutics. By providing solutions that radically change the way healthcare is provided today, we remove the bottlenecks for tomorrow's standard of care.

To realize our vision, AcouSort's main goals are:

- Support biomarker discovery and diagnostic assay development for critically ill patients with high sense of urgency
- Enable significant growth of the point-of-care market across healthcare sectors
- Streamline and automate cell processing to allow cell therapeutics to become broadly accessible
- Stay in the forefront of the acoustofluidics technology by continuously engaging in R&D activities

By pursuing these goals, AcouSort aims to become the leading supplier of acoustofluidic sample preparation solutions for the healthcare market.

OUR STRATEGY & BUSINESS CONCEPT

AcouSort's strategy is to use our innovative technology to revolutionize today's healthcare by providing a solution to automate and integrate sample processing steps, allowing for a new generation of medical devices to be developed. Through collaborations with leading Life Science companies our integrated technology will eliminate manual handling steps while saving time, money, and ultimately – lives.

Our commercialization strategy builds on our validated OEM business model offering sample preparation modules and solutions to providers of Life Science research instrumentation, diagnostic equipment, and therapeutic systems. Through close collaborations we develop customized solutions tailored to our partner's needs. AcouSort holds an ISO13485 certificate for the design, development, and manufacturing of components for the Medical Device industry.

To simplify evaluation of the technology, we have integrated our OEM components into user-friendly benchtop systems serving as innovation platforms for our partners. The systems are also used for sample preparation within research and assay development.

OUR TECHNOLOGY

AcouSort's core technology is acoustofluidics – a combination of sound waves (acousto) and microfluidics. Microfluidics allow for precise control of liquids while acoustics gives us the ability to move particles of different biophysical properties. By combining the two technologies, we have the unique ability to move target cell types from one liquid to another. This allows us to fractionate the different components in a blood sample, isolate extracellular vesicles or wash cells to remove contaminants, without having any physical contact with the sample. As the technology is gentle and rapid, it provides a competitive alternative to conventional processing techniques such as centrifugation or filtration. By using acoustofluidics, AcouSort can streamline sample processing for a wide range of applications – from biomarker discovery in basic research, to preparation of clinical blood samples prior to analysis, or sample purification in cell therapy manufacturing.

AcouSort's core technology builds on more than 20 years of acoustofluidic research and development headed by Thomas Laurell, professor at Lund University at the Department of Biomedical Engineering and co-founder and board member of AcouSort.

AcouSort through the years

2010	2016	2017	2018	2019	2020	2021	2022	2023
<ul style="list-style-type: none"> • AcouSort is founded 	<ul style="list-style-type: none"> • Transformed from a project-based company to a fully functional organization 	<ul style="list-style-type: none"> • Listed at Aktietorget (now Spotlight) 	<ul style="list-style-type: none"> • Distribution and license agreement with IL/Werfen • AcouSort Inc. founded • AcouWash launched • AcouTrap 2 launched 	<ul style="list-style-type: none"> • First systems placed in Japan and Korea 	<ul style="list-style-type: none"> • Changed trading venue to Nasdaq First North Growth Market • Received ISO13485 certification 	<ul style="list-style-type: none"> • AcouWash 2 launched • First OEM product AcouPlasmaOptical launched 	<ul style="list-style-type: none"> • Increased commercial focus targeting the cell therapy market 	<ul style="list-style-type: none"> • EUR 12.5M in EU funding for the AcouSome project • AcouTrap 3 launched • First regulatory approved commercial OEM module

CEO COMMENTS

Strategic advancements in diagnostics and cell therapy during the year

2023 was a successful year in many respects. AcouSort's first partner within diagnostics achieved regulatory approval in both USA and Europe for a point-of-care system containing AcouSort technology, an important validation of both our technology and our business model. We also experienced a very positive development in our collaboration with a leading company within cell therapy production, and the AcouSome project made significant technical progress during the year. However, sales of benchtop systems were below expectations during the year. This will be met with more focused customer relations. In November, AcouSort carried out a highly successful rights issue. The rights issue was fully subscribed and brought in SEK 24.8 million before transaction costs. Total income in the fourth quarter amounted to SEK 1.2 (2.8) million. For the full year, total income amounted to SEK 10.6 (8.6) million, corresponding to a growth of 23% compared to 2022.

DIAGNOSTICS – A HISTORICAL MILESTONE

One of the absolute highlights of 2023 was that our partner within critical care diagnostics received market approval in the US and in EU for a novel diagnostics system containing AcouSort technology. With this, our first partnership is now about to enter its commercial phase, thus validating our OEM business model. The strength in our unique technology and our commercial progress fills us with confidence and energy as we continue to seek further OEM deals through our from-research-to-OEM approach.

During fall of 2023 AcouSort and the diagnostic partner updated the collaboration agreement following the regulatory approvals and forthcoming launch of the partnering company's novel diagnostic system containing AcouSort technology. Minimum royalties from the partnership will be SEK 3.55 million in 2024. Since our technology in the system is semi-disposable, we expect to see growth in revenue as the installed base of our partner's system grows. Both minimum and per product royalties are index-adjusted going forward.

The FDA and IVDR approvals validate our technology and greatly strengthens our market position across all discussions with potential diagnostic and life science partners.

Strategic collaboration with academia. During 2023 we continued to pursue important collaborations with our partners in academia. We delivered one AcouWash system to the Faculty of Medicine at the University of Porto, Portugal, where it will be used in a research project which aims to develop new methods to isolate, detect and characterize cancer cells in urine samples. A second AcouWash system was delivered to NIH to enable the researchers to continue the development of automated radio-labelling methods for monitoring cancer treatments. During the year we also continued our successful collaboration with Lund University in a project concerning isolation of circulating tumor cells. Applied research projects as the one described above are important steps towards developing novel diagnostic tools. Partnering with academia continues to be important to AcouSort as collaborations with leading scientists pushes us to continuously expand the boundaries of what our technology can achieve.

CELL THERAPY – CONTINUES TO GROW IN IMPORTANCE

In 2023, cell therapy emerged as a very important market for AcouSort. During the year, our collaboration with a global life science company developed very favorably, reaching an important milestone in October with the delivery of a test system



for automated high throughput cell handling. The test system is designed to meet the partnering company's specifications enabling the partner to pursue important verification tests concerning the robustness and integrability of the technology. The collaboration continues in 2024 with an ambition to widen the applicability of AcouSort technology to cover all cell washing and up-concentration steps required. If successful, this represents a very important step towards implementing AcouSort OEM components into the partnering company's future cell therapy system.

The high throughput cell wash OEM modules resolve an important bottleneck for designing closed cell therapy systems, but we also see opportunities to transfer the technological advancement of significantly increased throughput to other separation-based OEM applications.

Strategic collaboration with academia. In 2023, we installed an AcouTrap system at Karolinska Institutet (KI) as part of the Vinnova-funded IndiCell project. The system at KI will be used throughout the remainder of the IndiCell project to automate the isolation and wash of stem cells used in the research efforts to develop new stem cell-based therapies.

INNOVATION – SIGNIFICANT TECHNICAL PROGRESS IN THE ACOUSOME PROJECT

In August 2022, the European Innovation Council (EIC) awarded the AcouSome project SEK 26 million to develop groundbreaking technology enabling exosome-based diagnostics. The aim of the project is to develop a low cost acoustofluidic thin film actuated chip for separation of extracellular vesicles from blood. Started in the beginning of 2023, the innovation project has already made significant technical progress resulting in the development of two novel patent applications.

Of the SEK 26 million granted by the EIC, SEK 12.2 million go directly to AcouSort, and the remainder of the funding is distributed to AcouSort's partners Lund University, DTU, and Day One. The project will run for 36 months and is fully funded by the EIC.

SUCCESSFUL RIGHTS ISSUE

In December 2023, AcouSort completed a highly successful rights issue. The rights issue was fully subscribed and has provided AcouSort approximately SEK 24.8 million before transaction costs. In the event of full exercise of all series TO 2 warrants within the issued units, AcouSort may receive an additional SEK 11.6 million in March 2025.

I would like to thank all our loyal shareholders as well as all new shareholders who took part in the rights issue for your confidence and invaluable support.

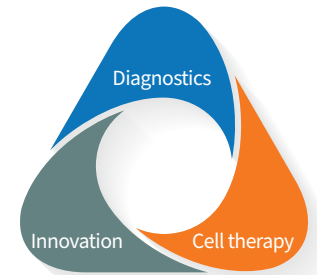
OUTLOOK

In 2024, we will build on our strategic advances within diagnostics and cell therapy. Our research-to-OEM strategy has proved to be successful, and we will continue striving to become a preferred supplier to partners within the diagnostic and cell therapy markets. Developing OEM-partnerships is a process which requires a number of years before a steady stream of revenue can be achieved. To strengthen our current cashflow, we will intensify our efforts to increase sales of our benchtop systems to the research communities within academia and industry with a specific focus on the new AcouTrap.

Torsten Freltoft – CEO
ACOUSORT AB

STRATEGY

Growth through research and innovation collaborations



AcouSort's technology is perfectly placed to play a critical role in the healthcare of tomorrow. Cardiovascular diseases, infections, and cancer are the three deadliest diseases in the world. There is a great need for new and effective diagnostic and cell therapeutic solutions, but current sample processing and manufacturing workflows are facing significant challenges as they rely on a number of manual sample handling processes. Manual handling often entails a high risk of errors as well as bacterial contamination during the production process of cell therapeutics. This puts a high price tag on the therapy, thereby limiting the number of patients who can be offered a potentially life-saving treatment. It is clear that the industry is in great need of inventions in order to really take off.

POTENTIAL FOR SIGNIFICANT IMPROVEMENTS IN CELL THERAPY AND DIAGNOSTICS

AcouSort's ambition is to address the challenges in cell therapy by introducing solutions that enable automated sample processing and integration to limit the need for manual handling in the manufacturing workflow. Our technology fits well in several steps in the process and has a fantastic potential to lower manufacturing cost.

Within diagnostics, our unique ability to automate and integrate sample processing steps will also allow for a new generation of medical devices. Patient samples can be analyzed directly at the point-of-care instead of at central laboratories, meaning that doctors and patients get the results immediately.

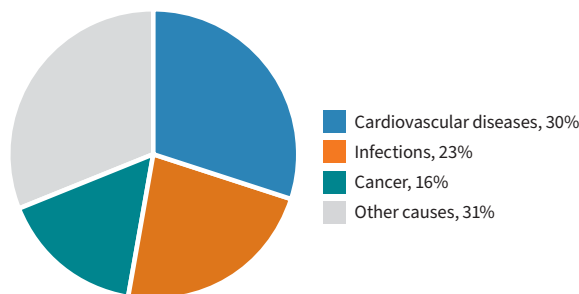
GROWTH THROUGH OUR RESEARCH-TO-OEM MODEL

AcouSort's strategy focuses on our research-to-OEM model, which has the ambition to establish continuous revenues from sales of OEM modules to large Life Science companies. By establishing multiple partnerships in the cell and gene therapy and diagnostic markets, we aim to build a network of researchers and partners for joint developments to take us to a commercially matured technology. Recently, we substantially strengthened our commercial capacity, and we are currently targeting the North American market, the European market, and selected markets in Asia. Through collaborations with leading Life Science companies our technology will eliminate manual handling steps while saving time, money, and ultimately – lives.

INNOVATION WITH GREAT POTENTIAL

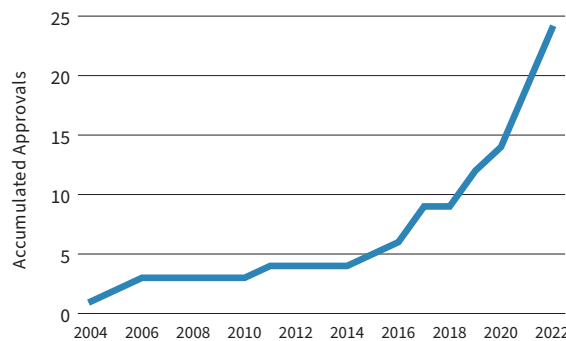
In 2022, AcouSort and a group of partners received a grant of SEK 26 million by the EIC to develop an acoustofluidic thin film actuated chip for exosome separation from blood. Exosomes are nanoparticles that enable human cells to communicate vital information with each other. Thereby, exosome separation has the potential to open a completely new field within diagnostics and therapies. Of the SEK 26 million, SEK 12.2 million go directly to AcouSort, and the remainder of the funding is distributed to AcouSort's partners Lund University, DTU, and DayOne. The project will run for 36 months and is fully funded by the EU.

Top three causes of deaths globally



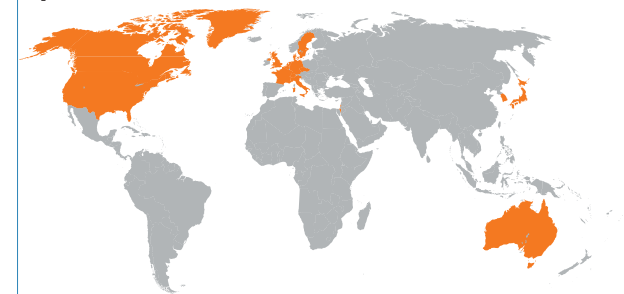
Source: WHO

Cell & Gene Therapies Approved – World

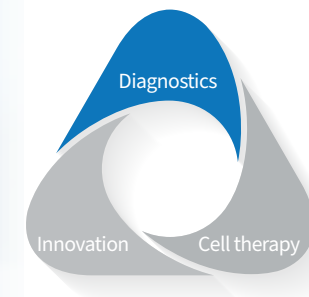


Source: ASGCT_Citeline Q4 2022 Report

Accumulated AcouSort OEM projects and system placements



Advancement within point-of-care testing requires automation of sample preparation



To fight the deadliest diseases in the world – cardiovascular, infectious, and cancer diseases – while the world’s population in many countries is either growing or aging, faster and more efficient diagnostics are needed. One of the most important steps towards achieving this is to move diagnostic testing closer to the patient, thus being able to act immediately on the result. For most diagnostics tests, this will require integrated and automated sample processing, and AcouSort’s advanced sample preparation modules provide an optimal solution to achieve this.

Today, almost all blood tests taken in the health care system are shipped to a central hospital or other laboratory facility. There, the samples are processed, and diagnostic assays are performed. For about 75% of the blood samples processed, the sample must be centrifuged to separate the blood cells from the blood plasma that is required to perform the requested tests. To implement most of today’s blood-based diagnostic tests as point-of-care tests, the required blood-plasma separation must be seamlessly integrated into the point-of-care device. Depending on the specific diagnostic assay in question, AcouSort’s OEM separation modules – AcouWash, AcouPlasmaOptical and AcouTrap – are optimal solutions to this challenge.

MARKET

The current trend in diagnostic testing aims to decentralize testing enabling faster and more accurate diagnostics. To provide the use of more advanced diagnostics outside of clinical laboratories, the interest in solutions for automated sample preparation is increasing. The global point-of-care testing (POCT) market size was accounted at USD 40.6 billion in 2021 and it is expected to reach around USD 103.2 billion by 2030¹ corresponding to an average annual growth of about 11%.

OFFERING

AcouSort works with providers of point-of-care diagnostic systems to customize our OEM modules to their future or next generation systems. AcouSort’s modules are designed for integration into consumable or semi-consumable cartridges that our partners design to be used in their instruments. In this way, each separation module is used only for one patient or for a limited number of patients with a thorough decontamination step in between, ensuring sample integrity. When more and more system providers integrate our separation modules into their clinical diagnostic systems, AcouSort business model is highly scalable and with a significant revenue potential.

FOCUS 2024

In 2024, AcouSort will maintain its focus at reaching additional diagnostic customers by providing both the AcouPlasmaOptical and the AcouTrap units as evaluation test kits. The evaluation kits expand the possibilities for more potential collaboration partners to evaluate the products and to speed up the initial evaluation phases. In addition to this, the 2024 plans involve creating additional marketing materials showing the value provided by AcouPlasmaOptical when it comes to speeding up measurements of cells or plasma analytes directly in whole blood or other biofluids.

Activities 2023

Quarter 1

- Started development of OEM evaluation test kit for AcouTrap
- Participated at the TriCon Molecular Medicine conference in San Diego to meet potential customers within the diagnostic and liquid biopsy segment

Quarter 2

- Participated at the BIO convention 2023 in Boston to meet strategic partners interested in automated sample preparation
- Business discussions with potential OEM partners following BIO and CYTO participation
- Continued activities to finalize the AcouTrap OEM evaluation kit

Quarter 3

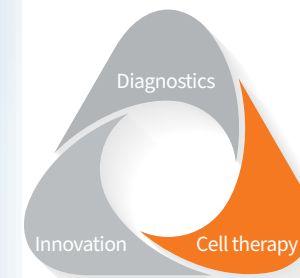
- First diagnostic device developed by partnering company including AcouSort’s acoustofluidic technology receives FDA approval
- Several OEM evaluation kits placed at potential OEM customers

Quarter 4

- Participated in MicroTAS to meet potential OEM partners interested in microfluidic sample preparation technology
- Business discussion with potential Partners following MicroTAS participation
- Development of OEM evaluation kit for AcouTrap finalized

¹ <https://www.precedenceresearch.com/point-of-care-testing-market>

Automated cell processing facilitates the cell therapy revolution



The world is facing a revolutionary increase in clinically approved cell therapies during the coming years. Unfortunately, the complex and expensive manufacturing process significantly limits the access to these treatments. All major Life Science instrumentation companies have active programs targeting automation of the cell therapy processing to manage cost and quality. AcouSort's automated cell separation and processing technology is well suited for providing the solution for this democratization of novel cell therapies.

The number of clinically approved cell and gene therapies is rapidly increasing, with even more in the pipeline. Cell therapies can have price tags of up to USD 500,000 per treatment, a price level that is prohibitive for most health insurances or public health care plans. The reason for this currently very high cost is a combination of the need for sterile labs and the extensive manual handling required to produce the therapeutic cells.

MARKET

The global cell therapy market size was valued at USD 21.6 billion in 2022 and is expected to expand at a compound annual growth rate (CAGR) of 14.15% from 2023 to 2030¹, thus exceeding USD 60 billion in 2030. The market is constantly growing to include new cell types, which presents a significant opportunity for companies to strengthen their market positions. As a result, during the past few years, there has been a dramatic increase in the number of companies engaged in the development of cell therapies.

OFFERING

AcouSort has been approached by a handful of multinational Life Science companies seeking solutions to enclose and automate the cell therapeutics processing and eliminate the current manual processing. Our separation modules are well suited for this as they can automatically perform the cell wash, cell up-concentrations and separation of target cell types needed.

AcouSort's strategy is to develop and supply the automated cell processing modules as single use OEM components to our Life Science instrumentation partners. In this way, the AcouSort business model is both scalable and represents a significant revenue potential.

FOCUS 2024

In 2024, AcouSort will continue the development and marketing activities related to our cell wash, cell separation and cell up-concentration applications for automation of cell therapy sample preparation. An important element is the technical development of higher throughput units followed by the development of new marketing materials highlighting the benefits of these units. With more data and ready solutions, we are aiming to continue intensifying our market outreach during the year to interact with more potential partners active in the field of cell therapy development.

Another business opportunity opening up is the need for in-line monitoring of quality parameters in automated cell processing systems. Currently, lack of such methods is a significant bottleneck for the system developers. Consequently, an additional 2024 focus is to promote the AcouPlasmaOptical module for providing optical access to either cells or cell-free medium for this purpose.

Activities 2023

Quarter 1

- Continued optimization of volume throughput of the acoustic separation modules together with one of the major players in the cell therapy field
- Finalized the development of the stem cell isolation system prototype adapted to fit into the workflow for stem cell isolation
- Continued the development of applications for cell wash of frozen stem cells

Quarter 2

- Finalized throughput optimization project together with major player in the cell therapy field
- Continued development of high throughput cell separation cartridge
- Finalized application development of cell wash for frozen stem cells
- Participated in the event on Acoustic Technology Applications in Cell Processing in Paris

Quarter 3

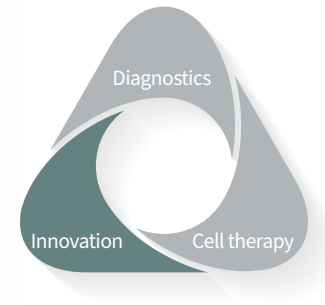
- Two cell therapy-related applications using AcouSort's technology selected for poster presentations at the μTAS conference
- Test system for automated cell processing within cell therapy delivered to partner company for continued internal product development
- High-throughput cell wash application developed to support cell therapy workflows

Quarter 4

- Participated in MicroTAS and Cell Bio conference in Boston to meet potential partners interested in automated sample preparation
- Installation and staff training on test system delivered in Q3, system is now under evaluation by cell therapy partner

¹ From <https://www.grandviewresearch.com/industry-analysis/cell-therapy-market>

Driving the development and exploitation of automated sample processing



Through partnerships with leading universities and through our Research and Innovation platforms – AcouWash and AcouTrap – AcouSort strives to continue driving the innovation of acoustofluidics for automated sample preparation and processing. Our innovation projects are to a large extent funded through public contributions from EIC/EU and from Vinnova.

AcouSort is constantly interacting with current and potential partners and customers through meetings and active participation in scientific conferences and tradeshows. The feedback from these interactions is used to direct our Research and Innovation activities.

COMMERCIAL RESEARCH AND INNOVATION PLATFORMS

To enable the development of new or improved applications of our automated sample processing technology, we have developed two benchtop Research and Innovation platforms, the AcouWash and the AcouTrap. We provide these systems to researchers and key opinion leaders at universities and to our OEM collaboration partners in the Life Science industry. Through our academic research partners and their publications and presentations, we distribute information about our technology and its applications. And through the collaboration with the OEM partners, the systems enable access to the automated sample processing modules at a very early stage in their technical assay or system development process. The use of our Research and Innovation platforms by key opinion leaders contributes to broaden the application fields of the technology while promoting the use of our technology in general through their scientific publications.

THE ACOUSOME PROJECT

The AcouSome project is a fully funded EU transition project with two main commercial innovation goals. The most fundamental goal is to replace the currently glass-based and bulk piezo activated

separation modules with modules made in plastic. If successful, this innovation will significantly reduce the production price of our separation modules, paving the way for single use applications of these in point-of-care diagnostics. However, the project also has the goal of developing a robust and simple-to-use device for isolating extracellular vesicles from whole blood samples.

The AcouSome project is funded 100% by the European Innovation Council (EIC) with EUR 2.5 million over 36 months (2023-2025). Our partners in this project are the Technical University of Denmark, Lund University and DayOne.

FOCUS 2024

The AcouSome project officially started January 1, 2023. During the first year the initial focus was to identify and start mitigating the largest challenges in the project. The focus within AcouSome in 2024 is to increase robustness and reproducibility of trapping of extracellular vesicles and exosomes as well as continue developing thin film-based actuation of the ultrasound and exploring the novel polymer-based components.

Focus for the AcouTrap Research and Innovation platform in 2024 will include internal and external performance evaluations and in-depth characterizations of the extracellular vesicles isolated in the AcouTrap. Commercial activities will be intensified to reach the research field working with extracellular vesicles, where the research community is still lacking reliable methods for isolating and processing nanoparticles.

Activities 2023

Quarter 1

- Finalized the AcouPlast project showing the first proof of principle for acoustic separation of blood samples in polymer chips
- Initiated the AcouSome project
- Developed a medium-sized trapping unit with increased capacity to target more cell trapping applications
- Continued the development of new chip designs to enable high throughput separations

Quarter 2

- AcouWash system sold to prominent research group at NIH working with cancer diagnostics
- AcouWash system sold to Lund University for circulating tumor cell project
- Initiated collaboration project with flow cytometry company to evaluate AcouWash technology for sample purification
- Completed the first milestone in the AcouSome project – benchmark testing of our current separation and trapping platforms
- Launch of new AcouTrap 3 system and medium-sized trapping unit with increased capacity for cell applications

Quarter 3

- Delivery of an AcouTrap system to Karolinska Institutet to be used for washing of frozen stem cells within the IndiCell project
- Significant progress within the AcouSome project related to the usability of thin films
- Conference participations in Europe and USA combined with several demonstrations with the new and improved AcouTrap 3 system
- Invited lecture at the Acoustofluidics conference

Quarter 4

- Significant progress within AcouSome project related to production of platelet poor blood plasma with the AcouWash technology.
- Several demonstrations performed with the bench top research systems, both in Europe and in North America
- Participation in the Danish Society for Flow Cytometry and the Danish Society for Extracellular Vesicles conferences

An overview of AcouSort's research collaborations

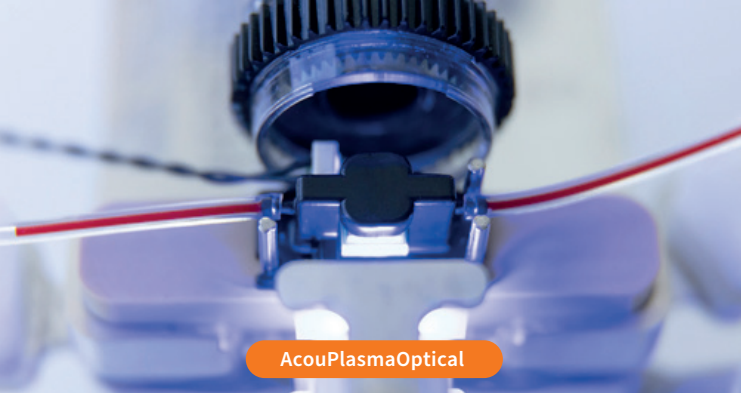
Sound is created when a vibration generates pressure waves that propagate through a medium. When the wave encounters a particle, the particle is moved by the acoustic forces generated by the wave. In acoustofluidics, the technology used by AcouSort, ultrasound is used to create standing acoustic waves in microfluidic channels. The standing wave typically focuses the particles

toward the pressure node, where the pressure variation is the lowest. The sound frequency is similar to diagnostic ultrasound and has been shown to be very gentle to biological samples, with no activation or decrease in viability. Acoustofluidics can be implemented in two different ways, acoustic separation, and acoustic trapping.

To stay at the forefront, AcouSort is continuously developing the acoustofluidic technology further together with universities and commercial partners.

Project	Sponsor	Goal	Partners	Duration	Status	AcouSort grant	Total project grant
AcouSome	European Innovation Council	Development of a miniaturized microfluidic module for exosome isolation directly from blood using ultrasound generated by thin films, to be used in research and diagnostics.	Lund University, DTU, DayOne	2023-2025	Ongoing	EUR 1,100,000	EUR 2,500,000
IndiCell	Vinnova	Development of a world leading innovation milieu for individualized induced pluripotent stem cell derived therapies, to lower the risks and overcome hurdles for the translation from basic science to innovations and further to clinical applications.	Lund University, Karolinska Institute, KTH, Lab-On-A-Bead AB, Skåne University Hospital, BioLamina AB, Karolinska University Hospital	2021-2026	Ongoing	EUR 110,000	EUR 3,520,000*
Blue4Therapy	Eureka, Vinnova, Innovation Fund Denmark	Development of a platform for specific stem cell isolation from autologous adipose tissue for effective regenerative therapy, together with universities and commercial partners.	Blue Cell Therapeutics, University of Southern Denmark, Novozymes A/S	2020-2023	Completed April 2023	EUR 300,000	EUR 800,000
AcouPlast	Eureka, Vinnova, Innovation Fund Denmark	Development of polymer chips to make acoustic separation even more cost efficient and easy to integrate into diagnostic and analytical systems.	DTU, Ortofon A/S, Lund University	2019-2023	Completed Mar 2023	EUR 400,000	EUR 1,000,000
BioWings	EU Horizon 2020	Development of thin films generating the ultrasound used for cell processing to make acoustofluidic chips more efficient and easier to manufacture.	Weizmann Institute of Science, EPFL, PIEMACS, DTU, Lund Univeristy	2018-2022	Completed Nov 2022	EUR 180,000	EUR 3,000,000

*Currency conversion from SEK, i.e. the total project grant in EUR is approximate.



AcouPlasmaOptical



AcouTrap



AcouWash

AcouSort's products

OEM COMPONENTS

AcouSort's main strategy is to develop and commercialize Original Equipment Manufacturer (OEM) components for sample preparation and processing. The OEM solutions enable integration of our technology into analytical, diagnostic, and therapeutic systems, providing automated sample preparation. The customer base for the OEM components are instrument manufacturers within the Life Science industry.

AcouSort intends to expand the portfolio of OEM components to cover a wide range of applications for clinical analysis and handling of biological samples. The Company expects the acoustic separation components to be critical components, essential for development of novel point-of-care testing devices where access to blood plasma or other fractions of blood is required. This also applies for biological sample processing systems in therapeutic settings for e.g., personalized medicine.

AcouPlasmaOptical

Integrated blood plasma separation. AcouPlasmaOptical is an OEM component designed for integration into diagnostic instruments as a semi-consumable. It enables automated and rapid access to plasma for optical measurements of blood analytes in point-of-care diagnostic devices. The technology uses gentle acoustic forces in combination with microfluidics to create a plasma window for optical access in whole blood samples without the need for prior centrifugation. Centrifugation often requires manual intervention that may have negative effects on sample quality, making AcouPlasmaOptical a competitive alternative.

Custom made solutions for interfacing of sample flow and electronic connection are available. Production of AcouPlasmaOptical is ISO13485 certified.

AcouSort offers evaluation kits to partners interested in exploring integration of the component into their systems.

RESEARCH AND INNOVATION SYSTEMS

AcouSort has developed two benchtop systems, the AcouTrap and the AcouWash, to offer the Company's core acoustofluidic techniques, i.e., trapping and separation techniques, in an easy-to-use format. The instruments serve as Research and Innovation platforms, providing easy access to the technology for instrument manufacturers interested in integrating acoustofluidic OEM components into their systems. With user-friendly hardware and software, the instruments enable automated handling of biological samples, supporting academic researchers and product development teams working with new biomarker identification and diagnostic assay development.

AcouTrap

Handling of cells and extracellular vesicles. AcouTrap is a benchtop research instrument for automated enrichment, washing and staining of biological samples. AcouTrap provides a solution for gentle and rapid sample preparation of biological particles of various sizes. The AcouTrap system is excellent for sample preparation of precious cell samples, where traditional methods are ill-suited as they can dramatically decrease recovery and viability. The AcouTrap efficiently automate common sample preparation steps

such as up-concentration, high recovery washing and labelling of low cell number samples. The system also facilitates handling of nanoparticles, including bacteria, viruses, and extracellular vesicles. These particles are very small, often less than one micrometer in size, and are found in complex biological liquids such as blood plasma. The small size and the complexity of the liquid makes isolation through conventional techniques challenging. With AcouTrap, isolation is automated and manages samples with smaller volumes than the competing technologies. This enables research studies with biobank samples that often contain minute fluid volumes.

AcouWash

Automated cell separation. AcouWash is a benchtop research instrument for label-free separation of target cells from a variety of sample types. The system provides automated processing and is designed to perform sensitive separations and handle fragile cells without any impact on viability. The acoustic forces used in the AcouWash provides samples with very high quality and with minimal sample to sample variation.

With the AcouWash system, a variety of applications aimed at separation of blood cells can be automated. Common applications comprise gentle and highly efficient cell wash, label-free separation of mononuclear cells from whole blood, isolation of platelets, rare cell isolation (e.g., circulating tumor cell, CTC) as well as blood-plasma separation for diagnostic applications.

Income statement – Group

	10/1/2023	10/1/2022	1/1/2023	1/1/2022
(SEK thousand)	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Operating income				
Net sales	0	2,030	5,534	4,963
Other income	1,182	734	5,017	3,622
Total income	1,182	2,764	10,551	8,585
Operating expenses				
Raw materials	-674	-132	-2,162	-2,052
Other external expenses	-2,401	-1,612	-7,238	-6,512
Personnel costs	-4,182	-4,144	-17,854	-13,449
Depreciations	-256	-283	-783	-921
Other operation expenses	0	0	0	0
Total expenses	-7,514	-6,171	-28,038	-22,934
OPERATING RESULT	-6,332	-3,407	-17,487	-14,349
Result from financial items				
Financial income	2	584	398	584
Financial expenses	-224	0	0	-15
Result before taxes	-6,554	-2,823	-17,089	-13,780
Tax on this year's result	0	0	0	0
Result for the period	-6,554	-2,823	-17,089	-13,780
Result per share, SEK	-0.49	-0.21	-1.29	-1.04

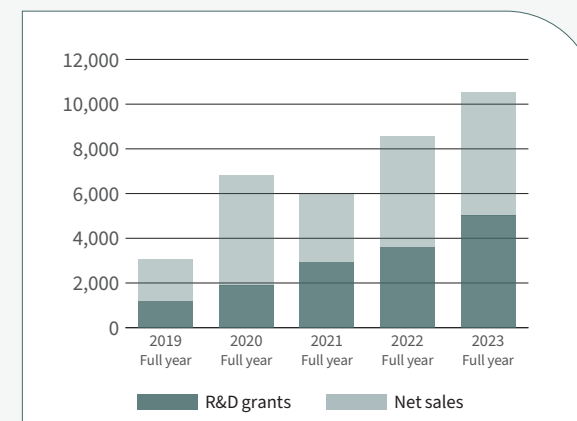
Operating results

For the fourth quarter of the year AcouSort Group reported net sales of SEK 0 (2,030,000). Other operating income consists of grants amounting to SEK 1,182,000 (734,000).

Raw materials amounted to SEK -674,000 (-132,000). Other external expenses amounted to SEK -2,401,000 (-1,612,000). Personnel costs amounted to SEK -4,182,000 (-4,144,000). Depreciation amounted to SEK -256,000 (-283,000).

For the fourth quarter of the year AcouSort Group's operating result totalled SEK -6,332,000 (-3,407,000).

Total income, SEK thousand



AcouSort has been successful in applying for public R&D grants within Sweden and the EU. In total over the past four years, AcouSort has been awarded EUR 2.2 million corresponding to almost SEK 25 million in research and development grants. This, together with a positive sales trend, has limited the need to raise additional capital from the company's owners.

Balance sheet – Group

ASSETS (SEK thousand)	12/31/2023	12/31/2022
Fixed assets		
Intangible assets	3,520	2,723
Tangible assets	218	668
Financial assets	24	0
Total fixed assets	3,762	3,391
Current assets		
Inventories	2,080	1,609
Account receivable	3,374	1,017
Other receivables	496	518
Prepaid expenses and accrued income	815	531
Cash and cash equivalents	23,986	34,426
Total current assets	30,751	38,100
TOTAL ASSETS	34,513	41,491
EQUITY AND LIABILITIES (SEK thousand)	12/31/2023	12/31/2022
Equity		
Share capital	1,490	1,320
Other contributed capital	99,278	77,370
Reserves	170	-65
Retained earnings	-59,714	-45,895
Profit/loss for the period	-17,089	-13,780
Total equity	24,135	18,949
Current liabilities		
Account payables	753	1,046
Tax liabilities	107	42
Other liabilities	493	431
Accrued expenses and deferred income	9,025	21,022
Total current liabilities	10,378	22,542
TOTAL EQUITY AND LIABILITIES	34,513	41,491

Financial Position

On December 31, 2023, AcouSort Group's equity ratio was 70% (46). Equity amounted to SEK 24,135,000 (18,949,000). Cash and cash equivalents amounted to SEK 23,986,000 (34,426,000). Total assets for the Group amounted to SEK 34,513,000 (41,491,000).

Statement of changes in equity – Group

(SEK thousand)	Share capital	Other contributed capital	Reserves	Loss for the period	Total
Opening balance January 1, 2022	1,320	77,370	-3	-45,896	32,791
Conversion difference and other adjustments	0	0	-62	0	-62
Loss for the period	0	0	0	-13,780	-13,780
Equity December 31, 2022	1,320	77,370	-65	-59,676	18,949
Opening balance January 1, 2023	1,320	77,370	-65	-59,676	18,949
Conversion difference	0	0	235	-38	197
Warrants, Serie 2023/2026	0	211	0	0	211
Redemption Warrants 2020/2023	5	661	0	0	666
Rights issue	166	24,674	0	0	24,840
Costs, rights issue	0	-3,638	0	0	-3,638
Loss for the period	0	0	0	-17,089	-17,089
Equity December 31, 2023	1,490	99,278	170	-76,803	24,135

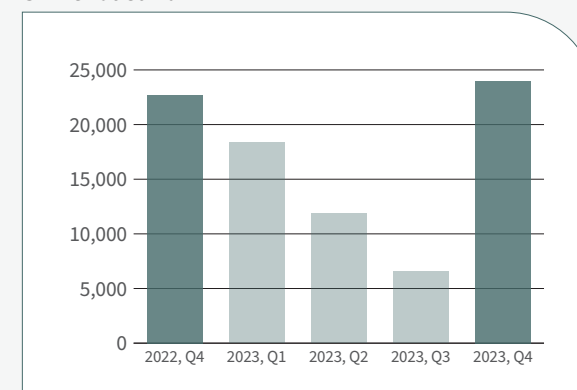
Cash flow statement – Group

(SEK thousand)	10/1/2023	10/1/2022	1/1/2023	1/1/2022
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Operating activities				
Operating result	-6,332	-3,407	-17,487	-14,349
Depreciations	256	283	783	921
Financial income	2	584	398	584
Financial expenses	-224	0	0	-15
Cash flow from operating activities before changes in working capital	-6,298	-2,540	-16,306	-12,859
Change in working capital				
Increase/decrease inventories	172	-1,008	-471	-987
Increase/decrease in receivables	-770	-825	-2,619	-1,192
Increase/decrease in current liabilities	2,836	19,762	-12,163	19,003
Changes in working capital	2,238	17,929	-15,253	16,824
Cash flow from operating activities	-4,060	15,389	-31,559	3,965
Investing activities				
Increase/decrease of tangible assets	0	-68	-213	-382
Increase/decrease of intangible assets	-680	-629	-917	-629
Increase/decrease of financial assets	0	0	-24	0
Cash flow from investing activities	-680	-697	-1,155	-1,011
Financing activities				
Rights issue	21,868	0	21,868	0
Warrants	0	0	211	0
Increase/decrease of long-term liabilities	0	0	0	0
Cash flow from financing activities	21,868	0	22,079	0
Change in cash and cash equivalents	17,128	14,692	-10,635	2,954
Cash and cash equivalents at the beginning of the period	6,550	19,698	34,426	31,533
Conversion difference and other adjustments	308	36	195	-61
Cash and cash equivalents at the end of the period	23,986	34,426	23,986	34,426

Cash flow and investments

AcouSort Group's cash flow for the fourth quarter of the year was SEK 17,128,000 (14,692,000). Investments amounted to SEK -680,000 (-697,000), of which SEK -680,000 (-629,000) pertained to intangible assets and SEK 0 (-68,000) to tangible assets.

Cash and cash equivalents last five quarters, SEK thousand



At the end of the fourth quarter, the Group had cash and cash equivalents amounting to SEK 23,986,000, a fund that allows us to complete our current plans during 2024.

Income statement – Parent company

(SEK thousand)	10/1/2023	10/1/2022	1/1/2023	1/1/2022
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Operating income				
Net sales	0	2,031	5,496	4,963
Other income	1,183	734	5,017	3,622
Total income	1,183	2,765	10,513	8,585
Operating expenses				
Raw materials	-675	-132	-2,133	-2,052
Other external expenses	-2,197	-1,538	-6,426	-6,345
Personnel costs	-3,652	-3,439	-15,687	-12,744
Depreciations	-256	-283	-783	-921
Other operation expenses	0	0	0	0
Total expenses	-6,780	-5,392	-25,029	-22,062
OPERATING RESULT	-5,598	-2,628	-14,517	-13,477
Result from financial items				
Financial income	2	584	565	584
Financial expenses	-56	0	0	-15
Result before taxes	-5,652	-2,044	-13,952	-12,908
Tax on this year's result	0	0		0
Result for the period	-5,652	-2,044	-13,952	-12,908
Result per share, SEK	-0.43	-0.15	-1.05	-0.98

Operating results

For the fourth quarter of the year, the parent company reported net sales of SEK 0 (2,030,000). Other operating income consists of grants amounting to SEK 1,183,000 (734,000).

Raw materials for the period amounted to SEK -675,000 (-132,000). Other external expenses for the period amounted to SEK -2,197,000 (-1,843,000). Personnel costs for the period amounted to SEK -3,652,000 (-2,900,000). Depreciation for the period amounted to SEK -256,000 (-283,000).

The fourth quarter's operating result for the parent company totalled SEK -5,598,000 (-2,395,000).

Balance sheet – Parent company

ASSETS (SEK thousand)	12/31/2023	12/31/2022
Fixed assets		
Intangible assets	3,520	2,723
Tangible assets	218	668
Financial assets	33	9
Total fixed assets	3,771	3,400
Current assets		
Inventories	2,080	1,609
Account receivables	3,374	1,017
Receivables from subsidiaries	4,393	1,646
Other receivables	496	480
Prepaid expenses and accrued income	815	531
Cash and cash equivalents	23,690	33,974
Total current assets	34,848	39,256
TOTAL ASSETS	38,619	42,656
EQUITY AND LIABILITIES (SEK thousand)	12/31/2023	12/31/2022
Equity		
Share capital	1,490	1,320
Development expense fund	3,520	2,723
Share premium	99,278	77,370
Retained earnings	-62,095	-48,391
Profit/loss for the period	-13,952	-12,908
Total equity	28,241	20,114
Current liabilities		
Account payables	753	1,046
Tax liabilities	107	42
Other liabilities	493	431
Accrued expenses and deferred income	9,025	21,022
Total current liabilities	10,378	22,542
TOTAL EQUITY AND LIABILITIES	38,619	42,656

Financial Position

On December 31, 2023, the parent company's equity ratio was 73% (47). Equity amounted to SEK 28,241,000 (20,114,000). Cash and cash equivalents amounted to SEK 23,690,000 (33,974,000). Total assets amounted to SEK 38,619,000 (42,656,000).

Statement of changes in equity – Parent company

(SEK thousand)	Share capital	Development expenses	Share premium	Retained earnings	Loss for the period	Total
Opening balance January 1, 2022	1,320	2,125	77,370	-35,593	-12,200	33,022
Prior year´s result	0	0	0	-12,200	12,200	0
Development expenses fund	0	598	0	-598	0	0
Loss for the period	0	0	0	0	-12,908	-12,908
Equity December 31, 2022	1,320	2,723	77,370	-48,391	-12,908	20,114
Opening balance January 1, 2023	1,320	2,723	77,370	-48,391	-12,908	20,114
Prior year´s result	0	0	0	-12,908	12,908	0
Development expenses fund	0	797	0	-797	0	0
Warrants, Serie 2023/2026	0	0	211	0	0	211
Redemption Warrants 2020/2023	5	0	661	0	0	666
Rights issue	166	0	24,674	0	0	24,840
Costs, rights issue	0	0	-3,638	0	0	-3,638
Loss for the period	0	0	0	0	-13,952	-13,952
Equity December 31, 2023	1,490	3,520	99,278	-62,095	-13,952	28,241

Cash flow statement – Parent company

(SEK thousand)	10/1/2023	10/1/2022	1/1/2023	1/1/2022
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Operating activities				
Operating result	-5,598	-2,628	-14,517	-13,477
Depreciations	256	283	783	921
Financial income	-56	584	565	584
Financial expenses	2	0	0	-15
Cash flow from operating activities before changes in working capital	-5,396	-1,761	-13,169	-11,987
Change in working capital				
Increase/decrease inventories	171	-1,008	-472	-987
Increase/decrease in receivables	-1,027	-1,342	-5,405	-2,568
Increase/decrease in current liabilities	2,846	19,764	-12,163	19,005
Changes in working capital	1,990	17,414	-18,040	15,451
Cash flow from operating activities	-3,406	15,653	-31,209	3,464
Increase/decrease of tangible assets	0	-68	-213	-382
Increase/decrease of intangible assets	-680	-629	-917	-629
Increase/decrease of financial assets	0	0	-24	0
Cash flow from investing activities	-680	-697	-1,154	-1,011
Financing activities				
Rights issue	21,868	0	21,868	0
Warrants	0	0	211	0
Increase/decrease of long-term liabilities	0	0	0	0
Cash flow from financing activities	21,868	0	22,079	0
Change in cash and cash equivalents	17,782	14,956	-10,284	2,452
Cash and cash equivalents at the beginning of the period	5,907	19,017	33,974	31,521
Cash and cash equivalents at the end of the period	23,690	33,974	23,690	33,974

Cash flow and investments

The parent company's cash flow for the third quarter was SEK 17,782,000 (14,956,000). Investments amounted to SEK -680,000 (-697,000), of which SEK -680,000 (-629,000) pertained to intangible assets and SEK 0 (-68,000) to tangible assets.

Other information

THE SHARE

AcouSort's share was listed on Spotlight Stock Market January 9th, 2017. In December 2020 the share changed list to Nasdaq First North Growth Market, with December 14th as the first trading day. The ticker symbol of the share is "ACOU", and the ISIN-code is SE0009189608. First North Growth Market is an alternative marketplace run by NASDAQ OMX GROUP. Companies traded on First North Growth Market do not have to be compliant to the same rules as companies traded on a regulated market. Instead, the companies follow under less strict rules applied for growth companies. The risk of investing in a company traded on First North Growth Market may thus be greater than investing in a company traded on a regulated market. All companies with shares traded on First North Growth Market have a Certified Adviser that supervises the compliance of the rules. The stock exchange examines applications to be listed on the exchange. AcouSort's Certified Adviser on Nasdaq First North Growth Market is Carnegie Investment Bank AB (publ), +46 (0)73 856 42 65. As of December 31, 2023, the number of shares in AcouSort AB was 13,294,246 shares (i.e. the average number of shares in 2023. In the previous year, the number was 13,202,285 shares). The Company has one class of shares. Each share carries one (1) vote per share and carries equal rights to share in the Company's assets and earnings.

THE SUBSIDIARY ACOUSORT INC

AcouSort AB has a wholly owned subsidiary in the USA, AcouSort Inc. The Company's task is to carry out marketing and sales on

the North American market. During the financial year 2023, the parent company has transferred funds to the American subsidiary with a total of approximately SEK 2.75 million.

BUSINESS-RELATED RISKS AND UNCERTAINTIES

In summary, the risks and uncertainties that AcouSort's operations are exposed to are related to, among other things, competition, technology development, market conditions, capital needs, currencies and interest rates. No significant changes in risk or uncertainty factors occurred during the current period. For more detailed reporting of risks and uncertainties, please refer to the Annual Report.

The Group makes continuous simulations regarding expected liquidity development for the coming twelve-month period. These simulations are based on the current order backlog, ongoing EU-funded R&D projects, planned investments as well as operational costs. The Group's simulations show that the Group has sufficient liquidity for the coming twelve-month period without having to carry out a new capital acquisition.

In a scenario where the Group would not succeed in achieving the budgeted sales revenues, there is a potential risk the Group may experience liquidity problems. This means that liquidity development constitutes an uncertainty factor regarding the Group's continued operations. It is the Group's current assessment that such a situation can be handled without a new issue being carried out.

UPCOMING FINANCIAL REPORTS

- Annual report 2023: April, 2, 2024
- Q1 2024: May 22, 2024
- Q2 2024: August 28, 2024
- Q3 2024: November 27, 2024
- Q4 2024: February 26, 2025

REVIEW BY AUDITORS

This year-end report has not been reviewed by the Company's auditor.

PRINCIPLES FOR THE YEAR-END REPORT'S ESTABLISHMENT

The year-end report has been prepared in accordance with the Swedish Accounting Standards Board's General Council 2012:1 Annual Report and Consolidated Accounts (K3) and the Annual Accounts Act.

ANNUAL GENERAL MEETING AND AVAILABILITY OF THE ANNUAL REPORT

The Annual General Meeting will be held in Lund on April 30, 2024, at 9 AM. The annual report will be available for download on the Company's website (www.acousort.com) no later than three weeks before the annual general meeting.

DIVIDEND

The Board of Directors does not propose a dividend for the financial year 2023.

	Jan - Dec 2023	Jan - Dec 2022
Number of shares before dilution	14,903,958	13,202,285
Number of shares after dilution	15,455,956	13,202,285
Result per share before and after dilution	-1.05	-0.98
Average number of shares before dilution	13,294,246	13,202,285
Average number och shares after dilution	13,846,244	13,202,285

Declaration by the Board of Directors and the CEO



Martin Olin



Thomas Laurell



Stefan Scheduling



Katherine Flagg



Torsten Freltoft

The Board of Directors and the Chief Executive Officer certify that the interim report provides a true and fair view of the company's business, financial position, performance and describes material risks and uncertainties, to which the company is exposed.

The interim report has not been reviewed by the company's auditors.

Lund February 28, 2024

Martin Olin

Chairman

Thomas Laurell

Board member

Stefan Scheduling

Board member

Katherine Flagg

Board member

Torsten Freltoft

CEO

For further information, contact:

Torsten Freltoft, CEO
Telephone: +45 20 450 854
E-mail: torsten.freltoft@acousort.com
Website: www.acousort.com
Address: Medicon Village, SE-223 81 LUND, Sweden



AcouSort
revolutionizing sample processing