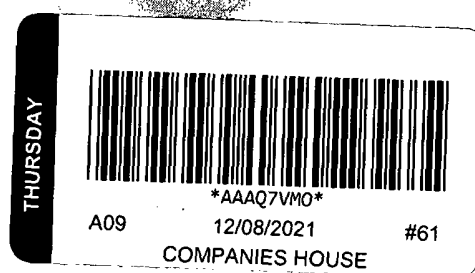




BioVendor Laboratorní medicína a.s.

Consolidated annual report for the year 2020

Translated from the Czech original



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BioVendor Laboratorní medicína a.s.
with its registered office at Brno, Karásek 1767/1,
Řečkovice, postcode: 621 00
Comp. id. no: 634 71 507

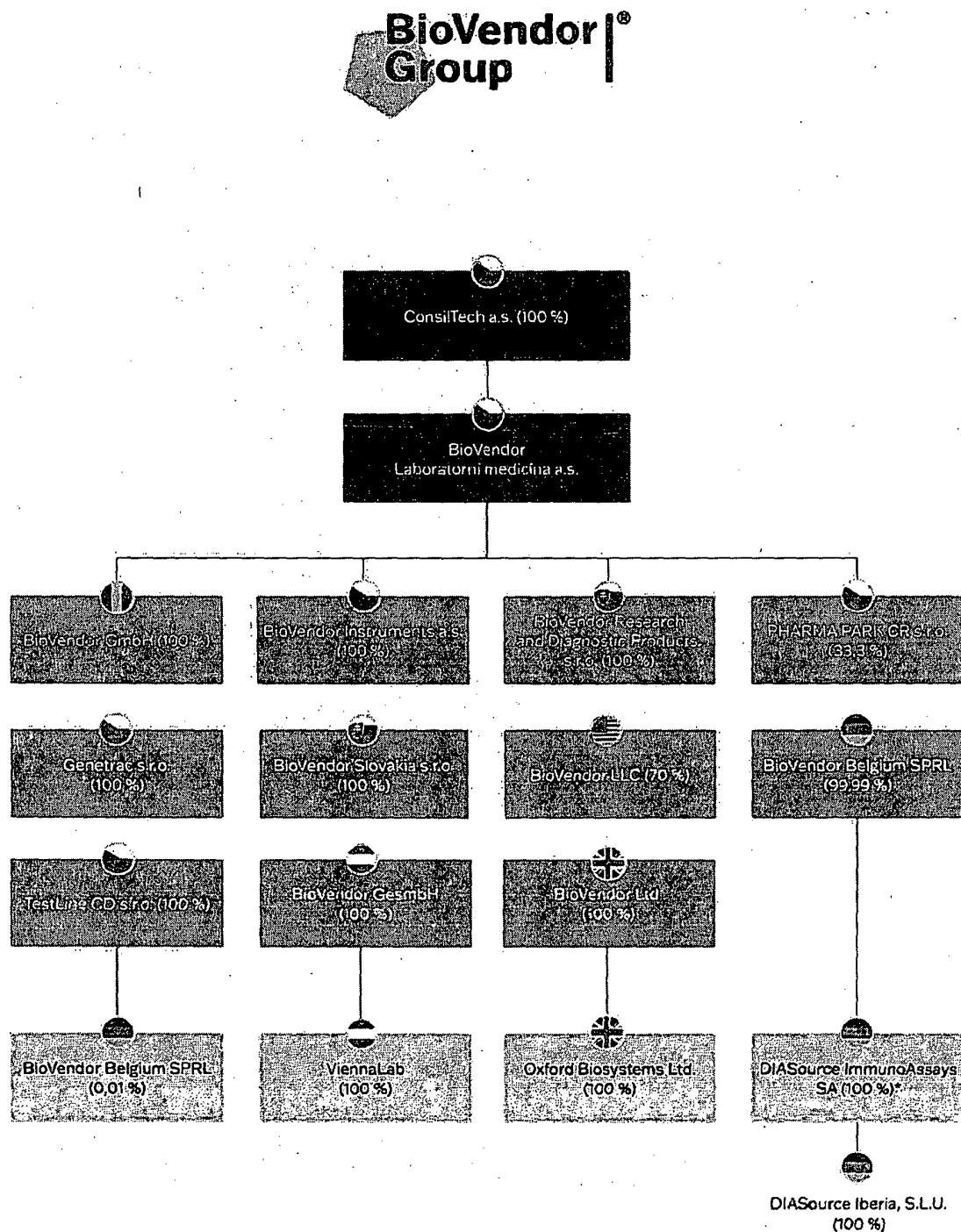
Translation note

this version of the financial statements is a translation from the original, which was prepared in the Czech language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the Czech version of the financial statements takes precedence over this translation.

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1. The Group's structure as of 31 December 2020



2. Specification of the consolidated group

Subsidiaries and associated companies:

Subsidiaries	Address	Legal form	Date of incorporation	Share in RC	Principal business activities
TestLine Clinical Diagnostics s.r.o.	Křižkova 188/68, Brno	s.r.o.	21/04/1993	100 %	Production of in-vitro immunodiagnostic kits
BioVendor GmbH	Im Neuenheimer Feld 583 Heidelberg	GmbH	31/07/2003	100 %	Purchase and sale of products for biomedical research
BioVendor GesmbH	Nussdorfer Strasse 20/10 Wien	GesmbH	21/03/2013	100 %	Purchase and sale of products for biomedical research
BioVendor Instruments a.s.	Karásek 1767/1, Řečkovice, BRNO 621 00	a.s.	25/02/2011	100 %	Manufacture, trade and services not listed in Appendices 1 to 3 to the Trade Licensing Act
BioVendor Research and Diagnostic Products, s.r.o.	Kopčianska 80, BRATISLAVA 851 01	s.r.o.	08/09/2009	100 %	Research and development in natural and engineering sciences
BioVendor Ltd.	115 J Olympic Avenue, Oxford, Veľká Británie	Ltd.	01/12/2014	100 %	Ensuring and provision of servicing
Oxford Biosystems Ltd.	115 J Olympic Avenue, Oxford, Veľká Británie	Ltd.	12/02/2001	100 %	Purchase and sale of products for biomedical research and clinical laboratories
DIASource ImmunoAssays SA	Rue du Bosquet 2, 1348 Louvain-la-Neuve, Belgie	SA	13/06/1996	100 %	Production of in-vitro immunodiagnostic kits
BioVendor, LLC	128 Bingham road, Suite 1300 Asheville, Nc 28806	LLC	09/06/2004	70 %	Purchase and sale of products for biomedical research
ViennaLab Diagnostics GmbH	Gaudenzdorfer Gürtel 43-45, A-1120 Vienna, Rakousko	GmbH	11/07/2012	100 %	Production of in-vitro immunodiagnostic kits especially in genetics
BioVendor Slovakia s.r.o.	Kopčianska 80, 851 01 Bratislava, Slovensko	s.r.o.	28/07/2011	100 %	R&D in natural and engineering sciences, repairs of electrical appliances and equipment, trade and services
BioVendor Belgium SPRL	Rue du Bosquet 2, 1348 Louvain-la-Neuve, Belgie	SPRL	23/04/2018	99 %	Ensuring and provision of servicing
DIASource Iberia S.L.U.	Av Josep Tarradellas 38 59, Barcelona, Španělsko	S.L.U.	30/4/2015	100 %	Purchase and sale of products for biomedical research and clinical laboratories
genetrac s.r.o.	Karásek 1767/1, Řečkovice, BRNO 62100	s.r.o.	23/05/2012	100 %	Research and development in natural and engineering sciences



Associated companies	Address	Legal form	Date of incorporation	Share in RC	Principal business activities
PHARMA PARK CR s.r.o.	Karásek 1767/1, Řečkovice, BRNO 621 00	s.r.o.	31/08/2009	33,33 %	Ensuring and provision of servicing

The accounts of group companies Oxford Biosystems Limited and BioVendor Limited were not audited for the year ended 31 December 2020, because the companies invoked exemption from auditing in the UK in accordance with Section 479A of the Companies Act 2006. The companies genetrac s.r.o. and DIASource Iberia, S.L.U.

were not included in the consolidated unit due to their immateriality. In 2019, the following changes were made in the consolidated unit: Immunolab GmbH was sold. The company was deconsolidated as of 1 January 2019. In 2020 the consolidated unit changed, since the rest of 45% share in ViennaLab was acquired.



UNITED STATES OF AMERICA
Asheville - Branch

UNITED KINGDOM
Milton Park - Branch

AUSTRIA
Vienna - R&D facility, Branch

GERMANY
Kassel - Branch

BELGIUM
Louvain-La-Neuve - R&D facility

THE CZECH REPUBLIC
Brno - Headquarters, R&D facility

FRANCE
Paris - Branch

SLOVAKIA
Bratislava - R&D facility, Branch

SPAIN
Barcelona - Branch

3. The board of directors' report on business activity and state of assets for 2020

The BioVendor Group (hereinafter referred to as "the Group") is an internationally operating diagnostic company based in Brno in the Czech Republic. The group offers a complete range for in vitro diagnostics, has long-term experience with the development and production of its own products and extensive experience in the field of advanced laboratory automation, both for the clinical products market and for the Life Science market.

The main area of the portfolio consists of immunological tests in various formats - single and multiplex tests. The portfolio focuses on infectious serology, autoimmunity, endocrinology, and newly discovered biomarkers.

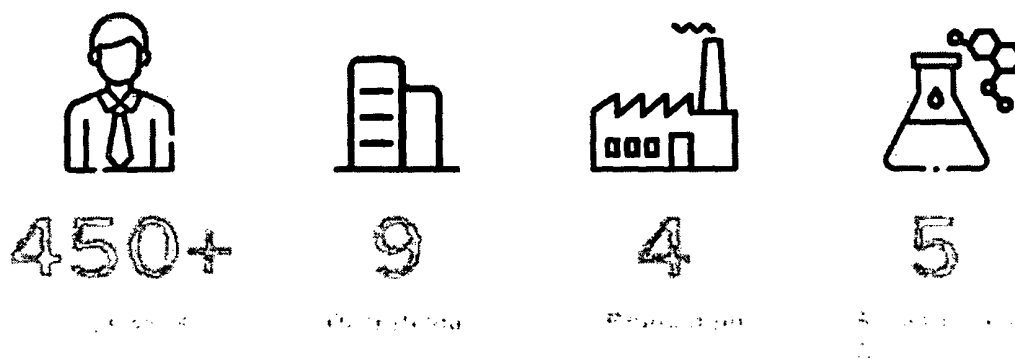
Since its foundation in 1992, BioVendor has placed great emphasis on innovation and the value it brings to customers by providing diagnostic solutions. Recent examples include a fully automated ELISA platform, a proprietary Microblot-Array multiplex solution, an integrated Next Generation Sequencing solution, and a proprietary miRNA immunoassay analysis.

In terms of overall development, 2020 was affected by the Covid-19 pandemic. There was a significant decline in standard testing and an increase in SARS-CoV-2 virus

testing, where we were able to meet the multiplied demand. The portfolio of molecular diagnostics has been temporarily narrowed to almost exclusive supplies of laboratory equipment and reagents for the specified Covid-19 disease.

For Covid-19, we were able to fill the portfolio in collaboration with molecular and microbiological teams across all companies in the Group to offer products for the complete SARS-CoV-2 detection process through various diagnostic and screening approaches. These were products for sampling, subsequent processing, isolation of viral RNA, RT-PCR, including instrumentation. We also offer kits for the determination of SARS-CoV-2 antigen and kits for the determination of antibodies by immunochromatography or ELISA kits.

In 2020, 45% of ViennaLab Diagnostics GmbH was acquired and we now own 100% of the company. This resulted in the launch of new development projects and the strengthening of the company's business team, thus fulfilling the Group's strategy to become an international integrated in-vitro diagnostic a group providing customers primarily in the clinical field with diagnostic solutions based on immunoassay and molecular diagnostics.



4. Consolidating entity profile

A) COMPANY INFORMATION

Company name	BioVendor – Laboratorní medicína a.s.
Legal form	joint stock company
Registered office	Brno, Karásek 1767/1, Řečkovice, postcode 621 00
Tax id. no.	CZ63471507
Registration date	11 July 1995 (as Ltd.) 1 December 2003 (as a joint-stock company)
Commencement of activities date	11 July 1995
File number	B/3917

B) PRINCIPAL BUSINESS ACTIVITIES

Manufacture, trade, and services not listed in Appendices 1 to 3 to the Trade Licensing Act.	recorded on 23 February 2009
Restaurant services	recorded on 23 February 2009
Manufacture, installation and repair of electric machines and appliances and of electronic and telecommunication equipment	recorded on 15 April 2010
Sale of fermented spirits, consumer spirits and alcohol	recorded on 2 July 2014

C) REGISTERED CAPITAL

Registered capital	TCZK 79,668
Shareholders	ConsilTech a.s. 100 %
Shares	796 book-entered ordinary registered shares at 100,000 CZK without any restrictions on the transfer of shares, not listed 68 book-entered ordinary registered shares at 1,000 CZK without any restrictions on the transfer of shares, not listed

D) COMPANY BODIES

BOARD OF DIRECTORS	
Chairman of the board of directors	Michal Kostka
Member of the board of directors	Ondřej Palát
Member of the board of directors	Tomáš Klápště
SUPERVISORY BOARD	
Member of the supervisory board	Ladislav Sekerka

E) AUDITOR

Auditor	KPMG Česká republika Audit, s.r.o. registered office: Pobřežní 648/1a, 186 00 Praha 8
Registration number of the auditing company:	071

5. Report on subsequent events after balance-sheet day

Due to the situation associated with the spread of the SARS-CoV-2 virus, the Group continues to comply with the established strict security measures both in the normal operation of the group and in the area of its own production, development and business activities.

Based on the impact assessment of the Covid-19 pandemic in 2020, the Group's management does not expect negative impacts on its business and entrepreneurial activities in 2021. On the contrary, it will seek to build on the successful 2020 and continue to seize new opportunities in SARS-CoV-2 testing, focusing on the implementation of proprietary innovative testing approaches into routine practice.

Apart from the above, there were no events after the balance sheet date that would have a material impact on the Group's financial statements as at 31 December 2020.

6. Employment relationships

All employees of the BioVendor Group have been properly trained. New employees are trained by head employees immediately upon joining the Group. Permanent employees take part in mandatory trainings within legally stipulated deadlines. Employees regularly participate in training courses and learning events for their professional development and personality growth.

All employees of the BioVendor Group working in R&D are annually trained in working and dealing with chemical substances.

Most learning events are held by external education companies. Professional trainings often take place at machinery suppliers, mostly abroad. These involve especially trainings for employees of the marketing and business department and for service employees of the BioVendor Group.

7. Expected development of the Group's activities

Biovendor Laboratorní medicína, a.s.

In the distribution division, we anticipate continuing to offer a broad portfolio of products for the complete SARS-CoV-2 detection process through various diagnostic and screening approaches. These are products for sampling, subsequent processing, isolation of viral RNA, RT-PCR, including instrumentation. We also offer kits for the determination of SAR-CoV-2 antigen and kits for the determination of antibodies by immunochromatography or ELISA kits.

Recently in 2020, the entire portfolio of products from ViennaLab was included in the range of products offered. From the original distributor for the Czech Republic and Slovakia, Pentagen s.r.o., distribution was transferred to our company in full and sales continued to be supported and developed, including the SARS-CoV-2 virus diagnostic kit, which the company designed, developed, and manufactured. Great emphasis is and will be placed on products for NGS in the future, in our portfolio we have a new kit for targeting the treatment of colorectal cancer, anti-EGFR treatment.

In 2021, sales of products of other members of the BioVendor Group, in particular ViennaLab Diagnostics GmbH, will continue in the Czech Republic.

At the end of 2020, a fully automatic analyser from Macro Array Diagnostics was launched, which significantly increases the comfort of working with reagents, and innovative software based on a cloud solution was launched on the market. In the last quarter of 2020, 5 of these machines were installed and we expect a further increase in installed devices in 2021. Macro Array Diagnostics develops, manufactures, and sells tests, devices and software for allergy diagnostics and research purposes. Its products enable flexible, reliable, and affordable creation of patient sensitization profiles.

The scope of activities of the research and development division (development, production and sale of

diagnostic kits, recombinant proteins, and antibodies) remains unchanged for 2021. Activities will be directed to the field of in vitro diagnostics through new diagnostic markers (e.g., microRNA) and their automated processing. The preparation of technical documentation of IVD products for their certification according to the new legislation will be completed.

As part of the development, the application of two licensed innovative technologies for microRNA determination will continue. MicroRNAs represent a completely new group of biomarkers with diagnostic potential, which can very well complement the currently used protein and peptide markers. The first technology is based on the immunological determination of miRNA using a monoclonal antibody (miRia), the second technology (Two-tailed PCR) developed in the TATTA BioCenter and licensed by Roche works on the principle of PCR. We plan to use both technologies in combination with validated miRNA panels for the development of our own diagnostic kits.

The main target areas for 2021 will be oncology (screening diagnostic kit for colon cancer) and stroke. The R&D division, together with the academic partners CEITEC and the ICRC, received research and development grants in these areas. In addition to the development and production of new miRNA kits, their clinical validation will take place with the aim of certifying selected kits as IVD. For this purpose, cooperation will be established with clinical workplaces, such as the Brno University Hospital, the Ostrava University Hospital, the Masaryk Cancer Institute, and others.

In 2020, the R&D division responded to the new situation caused by the SARS-CoV-2 pandemic and became involved in the development, production and sale of products related to the COVID-19 disease. In the area of distribution, rapid tests for the determination of SARS-CoV-2 antigen, immunodiagnostic kits for the determination of anti-SARS-CoV-2 antibodies and PCR kits for direct detection of the virus were added to the portfolio.

As part of our own development, several coronavirus recombinant proteins have been prepared for use as antigens in other ELISA and CLIA diagnostic kits. Furthermore, a development project for viral and human microRNAs associated with COVID-19 was launched.

TestLine Clinical Diagnostics s.r.o.

The company is stabilized in development and production of immunodiagnostic kits and expects further expansion of the range and expansion into new foreign markets in this area. This assumption is based on the company's success to date in seeking a new market for its products and goods both in Europe and in non-European markets.

The main project for the company in 2021 will be the Microblot-Array project, multiplex diagnostics of infectious and autoimmune diseases - an innovative method of serological diagnostics. The platform allows parallel detection of several markers simultaneously, which brings time and money savings. In addition, there is the possibility of automatic processing of kits on open ELISA analysers.

ViennaLab Diagnostics GmbH

In addition to the sale of traditional products based on RealFast Assay and StripAssay technology, the focus will be on the development, production and sale of our own solutions based on NGS technology. The company's goal is to offer a comprehensive solution from DNA sequencing to a software evaluation tool. The current offer for microbiome testing will be further expanded during 2021.

DIASource ImmunoAssays SA

The company will focus on mastering the process of product certification according to the new EU legislation IVDR. In addition, the process of optimizing the production of the existing portfolio and supporting the sale of materials to produce diagnostic kits will take place. For 2021, it is planned to expand the company's sales team to deepen cooperation and increase sales with other companies in the Group.

The company will continue to seek and analyse opportunities to strengthen its position as one of the world's leading leaders and specialists in the production and distribution of RIA products.

BioVendor Research and Diagnostic Products, s.r.o.

The company with the status of a research organization will continue, albeit to a limited extent, to cooperate in the development of ELISA diagnostic kits for BioVendor Laboratorní medicína a.s. also for other companies in the group. The main current task is the implementation of the transfer of ELISA production from the Belgian company DIAsource to BioVendor Laboratorní medicína a.s. The company's plans include work on data preparation to meet the requirements of new legislation in the field of IVD.

Oxford Biosystems Ltd. a BioVendor Ltd.

In 2021, the company will focus on harnessing the potential created in 2020 associated with revenue growth through sales of diagnostic solutions for SARS-CoV-2 testing and the conversion of existing customers to standard diagnostic kits. The company will continue to strive to increase its share of sales of BioVendor Group products.

BioVendor Slovakia s.r.o.

The business goal is to further increase the market share on the Slovak market and to use the products of the BioVendor group in the Slovak Republic as a priority. Products with high expected benefits include TestLine and ViennaLab's own portfolio. The set business goal is to gain a foothold in the Slovak market with the distribution of MALDI-TOF mass spectrometers from Bruker.

BioVendor LLC

The company will continue to focus on the distribution of R&D products, in particular miRNA-targeted products targeting the RUO market and products targeting NGS.

8. Environmental protection

The approach of the entire Group to environmental protection is especially based on the observance and compliance with legal requirements and ISO standards requirements.

9. Research and development activities

Research and development costs in 2020 totalled 33,431 TCZK, of which eligible costs in the sense of § 34 of Act 586/1992 Coll. as amended in the amount of 12,245 TCZK.

In 2020, the development activities of the R&D division focused on three key areas:

1. automation of immunodiagnostic tests
2. microRNAs and their use for diagnostic purposes
3. additional measurement of analytical parameters for IVD kits and preparation of technical documentation for recertification of kits according to the new IVD legislation

As part of the automation project, immunoassays were transferred from the manual ELISA format.

In 2020, the development of miREIA kits continued the principle of licensed miRia technology. In total, over 40 miREIA kits have been developed and manufactured. The R&D division's portfolio also included OEM kits for microRNA isolation from various types of biological samples, miRXES kits for microRNA detection by RT-PCR, as well as TamiRNA diagnostic kits - OsteomiR and TrombomiR. The goal is to offer customers a comprehensive solution in the field of microRNA. During 2020, the transfer of Two-tailed PCR technology for the determination of microRNAs with high specificity and sensitivity was completed.

In 2020, grant and subsidy projects continued:

INBIO – MEYS subsidy – development in the field of biomarkers of CMP and Alzheimer's disease

Potenciál III (MIT) – Extension of the development centre for In vitro diagnostics

Horizon 2020 – RNADIAGON (RISE).

TACR Epsilon – Use of microRNAs in the diagnosis of tumour chemoresistance

TACR Zeta – Use of urinary microRNAs in the diagnosis of bladder cancer.

In January 2020, two new grant projects were launched in the TACR Trend program:

DIAGONAUT – Development of new laboratory tests for the diagnosis of inflammation, sepsis and cardiovascular diseases based on the principle of chemiluminescence analysis on automated platforms.

HYPOLITHE – Development and application of methods for more accurate monitoring of the effectiveness of hypolipidemic therapy and to assess the risk of subsequent atherosclerotic complications.

The results and products of the R&D division were presented in the form of posters at two online international conferences and at webinars.

The outputs from all the above-mentioned development activities represent new products, which are gradually being launched on the market, as well as the expansion of know-how and the modernization of the technological platform of the research and development department.

10. Acquisition of own shares, temporary certificates, and ownership interests, and acquisition of controlling entity's shares, temporary certificates, and ownership interests

During 2020, no own shares, temporary certificates, or ownership interests, nor any controlling entity's shares, temporary certificates or ownership interests were acquired.

11. Information about branches or parts of the Group's business abroad

The Company does not have any branch or any part of its business abroad.

12. Consolidated financial statements for 2020¹

See Appendix.

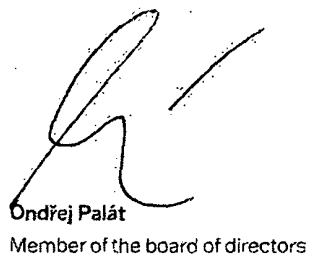
13. Independent auditor's report

See Appendix.

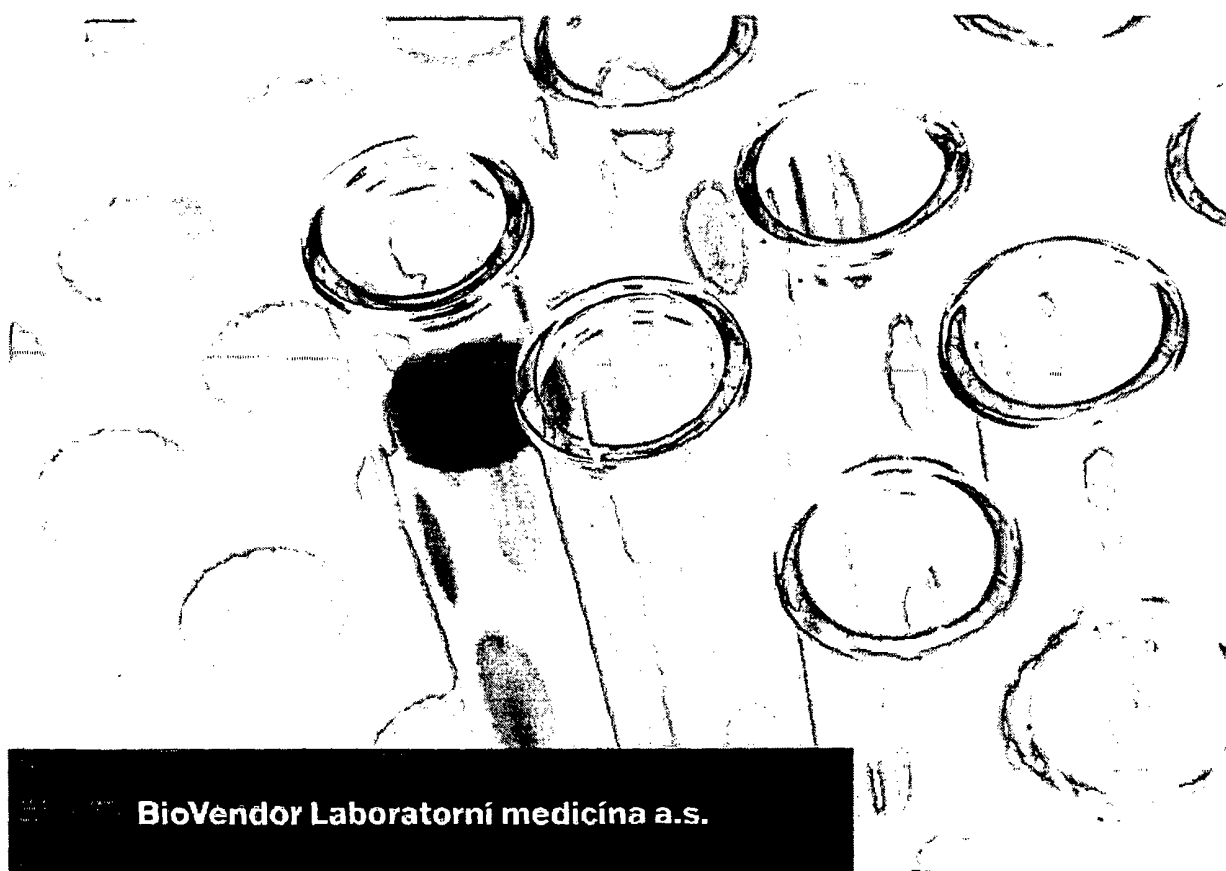
In Brno, on 13 May 2021



Michal Kostka
Chairman of the board of directors



Ondřej Palát
Member of the board of directors



BioVendor Laboratorní medicína a.s.

Consolidated financial statements as of 31 December 2020

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BioVendor Laboratorní medicína a.s.
with its registered office in Brno
Řečkovice, post code: 621 00
Identification number: 634 71 507

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CONSOLIDATED BALANCE SHEET IN FULL FORMAT

as at 31 December 2020 (in thousands of Czech crowns)

Translated from the Czech original

Ident.	ASSETS	line	Current period	Prior period
a	b	c	Net	Net
			1	2
	TOTAL ASSETS	001	2 232 894	1 929 418
B.	Fixed assets	003	1 262 974	1 124 388
B. I.	Intangible fixed assets	004	268 361	260 510
B. I. 1.	Development	005	60 338	58 294
2.	Intellectual property rights	006	38 039	42 662
2. 1.	Software	007	8 928	8 955
2. 2.	Other intellectual property rights	008	29 111	33 707
3	Goodwill	009	396	1 064
4.	Other intangible fixed assets	010	102 842	100 849
5.	Advance payments for intangible fixed assets and intangible fixed assets under construction	011	66 746	57 641
5. 1.	Advance payments for intangible fixed assets	012	60	0
5. 2.	Intangible fixed assets under construction	013	66 686	57 641
B. II.	Tangible fixed assets	014	499 859	461 277
B. II. 1.	Land and buildings	015	253 713	260 033
1. 1.	Land	016	15 114	15 114
1. 2.	Buildings	017	238 599	244 919
2.	Plant and equipment	018	237 270	193 955
4.	Other tangible fixed assets	020	1 486	3 585
4.	Other tangible fixed assets	023	1 486	3 585
B. II. 5.	Advance payments for tangible fixed assets and tangible fixed assets under construction	024	7 390	3 704
5. 1.	Advance payments for tangible fixed assets	025	2 982	216
5. 2.	Tangible fixed assets under construction	026	4 408	3 488
B. III.	Long-term investments	027	7 856	13 160
1.	Equity investments - group undertakings	028	5 806	5 535
2.	Loans - group undertakings	029	538	521
3.	Equity investments - associated companies	030	0	5 957
6.	Loans - other	033	1 470	1 106
7.	Other long-term investments	034	42	41

	7.	1.	Other long-term investments	035	42	41
B	IV.		Consolidation difference	037	476 151	389 441
	1.		Positive consolidation difference	038	478 728	389 441
	2.		Negative consolidation difference	039	2 577	0
B	V.		Securities and equity interests in equivalence	040	10 747	0
	1.		Securities and equity interests in equivalence	041	10 747	0
C			Current assets	042	947 405	777 063
C	I.		Inventories	043	450 365	295 771
	1.		Raw materials	044	112 219	95 429
	2.		Work-in-progress and semi-finished products	045	63 361	55 253
	3.		Finished goods and goods for resale	046	259 762	143 719
	3.	1.	Finished goods	047	53 703	57 689
	3.	2.	Goods for resale	048	206 059	86 030
	5.		Advance payments for inventories	050	15 023	1 370
C	II.		Receivables	051	355 975	327 450
	1.		Long-term receivables	052	12 692	13 831
	1.	1.	Trade receivables	053	48	985
	1.	4.	Deferred tax asset	056	8 224	8 373
	1.	5.	Receivables - other	057	4 420	4 473
	1.	5.	2. Long-term advances paid	059	436	596
	1.	5.	4. Other receivables	061	3 984	3 877
	2.		Short-term receivables	062	343 283	313 619
	2.	1.	Trade receivables	063	326 885	294 077
	2.	3.	Receivables - associated companies	065	3 885	4 676
	2.	4.	Receivables - other	066	12 513	14 866
	2.	4.	3. Tax receivables	069	7 670	8 970
	2.	4.	4. Short-term advances paid	070	2 022	1 804
	2.	4.	5. Estimated receivables	071	392	34
	2.	4.	6. Other receivables	072	2 429	4 058
C	IV.		Cash	080	141 065	153 842
	1.		Cash in hand	081	4 670	757
	2.		Bank accounts	082	136 395	153 085
D.			Deferrals	083	22 515	27 967
D.	1.		Prepaid expenses	084	9 004	11 892
	2.		Complex prepaid expenses	085	0	118
	3.		Accrued revenues	086	13 511	15 957

Ident.	LIABILITIES	line	Current period	Prior period
a	b	c	Net	Net
3	4			
TOTAL LIABILITIES AND EQUITY		083	2 232 894	1 929 418
A (A.I.-A.VI.)	Equity	084	920 501	688 371
A. I.	Registered capital	085	79 668	79 668
1.	Registered capital	086	79 668	79 668
A. II.	Premium and capital contributions	089	57 419	64 989
2.	Capital contributions	091	57 419	64 989
2. 1.	Other capital contributions	092	46 783	46 783
2. 2.	Revaluation of assets and liabilities (+/-)	093	10 636	18 206
A. III.	Funds from profit	097	19 357	19 357
1.	Other reserve funds	098	19 357	19 357
A. IV.	Retained earnings (+/-)	101	524 359	363 583
1.	Retained profits (+/-)	102	524 359	364 684
2.	Other retained earnings (+/-)	103	0	- 1 101
A. V. 1.	Profit (loss) for the current period (+/-)	104	254 894	160 774
A. V. 2.	Share of profit (loss) of equity-accounted investees (+/-)	105	- 196	0
A. VI.	Approved advance profit distribution (-)	106	- 15 000	0
A. VII.	Minority equity	107	2 458	17 957
1.	Minority registered capital	108	0	426
3.	Minority funds from profit including retained profits and accumulated losses	110	0	3 888
4.	Minority profit (loss) for the current period (+/-)	111	2 458	13 643
B.+C.	Liabilities	112	1 297 638	1 213 628
B.	Provisions	113	75 785	47 698
1.	Provision for pensions and other similar payables	114	3 172	4 991
2.	Income tax provision	115	31 380	7 139
4.	Other provisions	117	41 233	35 568
C.	Liabilities	117	1 221 853	1 165 930
C. I.	Long-term liabilities	118	840 194	831 794
2.	Liabilities to credit institutions	122	689 913	675 493
6.	Liabilities - group undertakings	126	124 278	124 278
8.	Deferred tax liability	128	6 990	7 193
9.	Liabilities - other	129	19 013	24 830
9. 3.	Other payables	132	19 013	24 830
C. II.	Short-term liabilities	133	381 659	334 136
2.	Liabilities to credit institutions	134	133 984	156 760
3.	Short-term advances received	135	49 050	244
4.	Trade payables	136	99 734	92 885
8.	Liabilities - other	140	98 891	84 247

8. 2.	Short-term financial liabilities	142	3	0
8. 3.	Payables to employees	143	31 134	31 806
8. 4.	Social security and health insurance liabilities	144	14 301	12 643
8. 5.	Tax liabilities and subsidies	145	23 473	15 544
8. 6.	Estimated payables	146	3 926	6 000
8. 7.	Other payables	147	26 054	18 254
D.	Accruals	148	12 297	9 462
D.1.	Accrued expenses	149	7 001	3 570
D.2.	Deferred revenues	150	5 296	5 892

CONSOLIDATED INCOME STATEMENT

classified by nature for the year ended
31 December 2020 (in thousands of Czech crowns)

Ident.	INCOME STATEMENT	line	Current period	Prior period
a	b	c	1	2
I.	Revenue from products and services	01	721 001	783 594
II.	Revenue from goods	02	1 241 228	727 470
A.	Cost of sales	03	1 061 364	792 484
A. 1.	Cost of goods sold	04	675 709	409 852
2.	Materials and consumables	05	186 387	159 538
3.	Services	06	199 268	223 094
B.	Change in inventory of own production (+/-)	07	- 10 377	11 153
C.	Own work capitalised (-)	08	- 62 163	- 45 210
D.	Personnel expenses	09	474 347	437 224
1.	Wages and salaries	10	350 650	325 507
2.	Social security, health insurance and other expenses	11	123 697	111 717
2. 1.	Social security and health insurance expenses	12	111 893	99 556
2. 2.	Other expenses	13	11 804	12 161
E.	Adjustments relating to operating activities	14	150 036	185 884
1.	Adjustments to intangible and tangible fixed assets	15	148 623	132 197
1. 1.	Depreciation and amortisation of intangible and tangible fixed assets	16	145 636	138 146
1. 2.	Impairment of intangible and tangible fixed assets	17	2 987	- 5 949
2.	Adjustments to inventories	18	4 913	47 904
3.	Adjustments to receivables	19	- 3 500	5 783
III.	Other operating revenues	20	82 814	87 480
1.	Proceeds from disposals of fixed assets	21	32 693	32 758
2.	Proceeds from disposals of raw materials	22	5 366	6 986
3.	Other operating revenues	23	42 345	47 736
4.	Settlement of negative consolidation difference	24	2 410	0
F.	Other operating expenses	25	87 646	103 258
1.	Net book value of fixed assets sold	26	24 233	21 565
2.	Net book value of raw materials sold	27	2 049	4 496
3.	Taxes and charges	28	1 457	3 561
4.	Provisions relating to operating activity and complex prepaid expenses	29	3 232	5 683
5.	Other operating expenses	30	30 668	40 312

6.	Settlement of positive consolidation difference	31	26 007	27 641
*	Operating profit (loss) (+/-)	32	344 190	113 751
IV.	Revenue from long-term investments - equity investments	33	0	267 906
1.	Revenue from equity investments - group undertakings	34	0	267 906
G.	Cost of equity investments sold	36	0	154 029
V.	Revenue from other long-term investments	37	0	51
2.	Other revenue from other long-term investments	39	0	51
VI.	Interest revenue and similar revenue	41	1 115	2 006
2.	Other interest revenue and similar revenue	43	1 115	2 006
I.	Adjustments and provisions relating to financial activity	44	0	253
J.	Interest expense and similar expense	45	20 589	29 079
1	Interest expense and similar expense - group undertakings	46	4 471	5 085
2.	Other interest expense and similar expense	47	16 118	23 994
VII.	Other financial revenues	48	34 226	10 424
K.	Other financial expenses	49	37 421	11 129
*	Profit (loss) from financial operations	50	- 22 669	85 897
**	Profit (loss) before tax (+/-)	51	321 521	199 648
L.	Income tax	52	61 275	25 231
1.	Current tax	53	61 395	34 340
2.	Deferred tax (+/-)	54	- 120	- 9 109
*	Profit (loss) after tax (+/-)	55	260 246	174 417
***	Profit (loss) for the accounting period (+/-)	57	260 246	174 417
	Profit (loss) for the accounting period without minority interests (+/-)	58	254 894	160 774
	Minority interest in profit (loss) for the current period (+/-)	59	5 352	13 643
	Share of profit (loss) of equity-accounted investees	60	- 196	0
*	Net turnover for the accounting period = I. + II. + III. + IV. + V. + VI. + VII.	61	2 080 384	1 878 931

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2020
(in thousands of Czech crowns)

			Current period	Prior period
P.		Cash and cash equivalents, beginning of period	139 911	35 098
		Net operating cash flow		
Z.		Accounting profit (loss) from ordinary activities	321 521	199 648
A.	1.	Non-cash transactions	196 987	136 789
	1.	Depreciation and amortisation of fixed assets	145 636	138 146
	2.	Change in:	31 228	81 315
	2. 1.	goodwill and consolidation difference	23 596	27 641
	2. 2.	provisions and other adjustments	7 632	53 674
	1. 3.	Profit (-) Loss(+) on sale of fixed assets	- 8 460	- 124 971
	4.	Revenue from dividends and profit distribution	0	- 150
	5.	Expense and revenue interests accounted for	19 474	27 073
	6.	Other non-cash transactions	9 108	15 376
A*		Net operating cash flow before taxation and changes in working capital	518 508	336 437
A.	2.	Changes in working capital	- 166 979	- 50 873
	1.	Change in receivables from operating activities, estimated receivables and deferrals	- 22 365	- 11 957
	2.	Change in short-term liabilities from operating activities, estimated payables and accruals	14 893	- 94 374
	3.	Change in inventories	- 159 507	55 458
A**		Net operating cash flow before taxation	351 529	285 564
	3.	Interest paid excluding amounts capitalised	- 11 448	- 21 804
	4.	Interest received	1 107	78
	5.	Income tax paid on ordinary income and income tax relating to prior periods	- 35 511	- 44 991
	6.	Dividends received	0	150
A***		Net operating cash flow	305 677	218 997
		Investing activities		
B.	1.	Acquisition of fixed assets	- 282 969	- 148 705
	1.	Acquisition of tangible fixed assets	- 159 965	- 148 705
	3.	Acquisition of long-term investments	- 123 004	0
	2.	Proceeds from sales of fixed assets	31 345	294 249
	1.	Proceeds from sales of tangible and intangible fixed assets	31 345	32 642
	2.	Proceeds from sale of financial investments	0	261 607

	3.	Advances and loans to related parties	- 392	- 978
B ***		Net cash flow from investing activities	252 016	144 566
		Financing activities		
C.	1.	Change in long-term resp. short-term liabilities from financing	- 33 330	- 196 633
	2.	Increase and decrease in equity from cash transactions	- 26 787	- 62 117
	6.	Dividends paid, including withholding tax paid and bonuses paid to board members	- 26 787	- 62 117
C ***		Net cash flow from financing activities	- 60 117	258 750
F.		Net increase or decrease in cash balance	- 6 456	104 813
R.		Cash and cash equivalents, end of period	133 455	139 911

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2020
(in thousands of Czech crowns)

TCZK	Registered capital	Other reserve funds	Other capital funds	Retained earnings	Other retained earnings
BALANCE AS OF 01/01/2019	79 668	19 357	46 783	343 327	- 1 265
Transfer of the profit (loss) of prior year period	0	0	0	73 139	1 265
Dividends	0	0	0	- 51 784	0
Change in revaluation (+/-)	0	0	0	0	0
Other retained earnings	0	0	0	0	- 1 101
Profit (loss) for the period	0	0	0	0	0
Additions to funds	0	0	0	2	0
BALANCE AS OF 31/12/2019	79 668	19 357	46 783	364 684	- 1 101
Transfer of the profit (loss) of prior year period	0	0	0	159 673	1 101
Dividends	0	0	0	0	0
Change in revaluation (+/-)	0	0	0	0	0
Profit (loss) for the period	0	0	0	0	0
Profit (loss) for the current period in equity method	0	0	0	0	0
ROUNDING	0	0	0	2	0
BALANCE AS OF 31/12/2020	79 668	19 357	46 783	524 359	0

TCZK	Revaluation of assets and liabilities	Profit (loss) for the current period	Profit (loss) for the current period in equity method	Consolidation reserve fund	Total
BALANCE AS OF 01/01/2019	26 128	73 303	0	0	587 301
Transfer of the profit (loss) of prior year period	0	-74 404	0	0	0
Dividends	0	0	0	0	-51 784
Change in revaluation (+/-)	-7 922	0	0	0	-7 922
Other retained earnings	0	1 101	0	0	0
Profit (loss) for the period	0	160 774	0	0	160 774
Additions to funds	0	0	0	0	2
BALANCE AS OF 31/12/2019	18 206	160 774	0	0	688 371
Transfer of the profit (loss) of prior year period	0	-160 774	0	0	0
Dividends	0	0	0	-15 000	-15 000
Change in revaluation (+/-)	-7 570	0	0	0	-7 570
Profit (loss) for the period	0	254 894	0	0	254 894
Profit (loss) for the current period in equity method	0	0	-196	0	-196
ROUNDING	0	0	0	0	2
BALANCE AS OF 31/12/2020	10 636	254 894	-196	-15 000	920 501



1. Extent of consolidation

The group of companies consists of the controlling company BioVendor – Laboratorní medicína a.s., its subsidiaries and associated companies ("the Consolidated unit" or "the Group"). The definition of these companies is stated below.

The Group's principal activity is the business activity in health care, specifically in the field of immunology, biochemistry, haematology, microbiology, molecular biology, virology, serology, etc. The Group imports and sells laboratory devices and equipment for in vitro diagnostics and research, including diagnostic sets, calibrators, and controls. Further activities of the Group are development, production, and distribution of human and veterinary laboratory diagnostics.

The consolidated financial statements of the upper consolidated group are prepared by ConsilTech a.s., with its registered office at Purkyňova 2121/3, Nové Město, 110 00 Praha 1.

1.1. Subsidiaries

For the purposes of the consolidation, a subsidiary is an entity in which the controlling company exercises controlling influence through:

- direct or indirect execution of more than 50% of the voting rights in the subsidiary, or
- evident control of the operational and strategic policies where the controlling company is a shareholder or member of this company at the same time.

These subsidiaries have been fully consolidated.

1.2. Associated companies

For the purposes of the consolidation, an associated company is an entity in which the controlling company exercises significant influence, i.e., it holds directly or indirectly at least 20% and at maximum 50% of the voting rights effected in this entity or where a significant participation in controlling of the financial and operational policies of the associated company follows from other facts which, however, is not a controlling or joint influence.

These companies are consolidated using the equity method.

1.3. Description of the consolidated group

Controlling company:

BioVendor – Laboratorní medicína a.s.
("the Company")

The Company was recorded in the Commercial Register on 11 July 1995. The Company's registered office is located at Karásek 1767/1, Řečkovice, 621 00 Brno.

The owner of the Company is ConsilTech a.s. which holds a 100% ownership interest in the Company.

Subsidiaries and associated companies:

Controlled companies	Registered office	Share in RC in %	Immediate owner
BioVendor Instruments a.s.	Karásek 1767/1, Řečkovice, 621 00 Brno	100	BioVendor – Laboratorní medicína a.s.
TestLine Clinical Diagnostics s.r.o.	Křížkova 188/68, Královo Pole, 612 00 Brno	100	BioVendor – Laboratorní medicína a.s.
BioVendor Gesmbh	Nußdorfer Straße 20/10, 1090 Vídeň	100	BioVendor – Laboratorní medicína a.s.
BioVendor GmbH	Otto-Hahn-Str. 16, 34123 Kassel, Mandant 53284	100	BioVendor – Laboratorní medicína a.s.
BioVendor Research and Diagnostic Products, s.r.o.	Kopčianska 80, 851 01 Bratislava	100	BioVendor – Laboratorní medicína a.s.
Biovendor Ltd	115 J Olympic Avenue, Oxford, Velká Británie	100	BioVendor – Laboratorní medicína a.s.
Oxford Biosystem Ltd.	115 J Olympic Avenue, Oxford, Velká Británie	100	Biovendor Ltd
Biovendor Slovakia s.r.o.	Kopčianska 80, 85101 Bratislava, Slovensko	100	BioVendor – Laboratorní medicína a.s.
ViennaLab Diagnostics GmbH	Gaudenzhofer Gürtel 43-45, 1120 Wien, Rakousko	100	BioVendor Gesmbh
genetrac s.r.o.	Karásek 1767/1, Řečkovice, 621 00 Brno	100	BioVendor – Laboratorní medicína a.s.
Biovendor LLC	128 Bingham Road, Suite 1300 Asheville, NC 28806	70	BioVendor – Laboratorní medicína a.s.
DIASource ImmunoAssays SA	Rue du Bosquet 2, 1348 Louvain-la-Neuve, Belgie	100	BioVendor Belgium SPRL
DIASource Iberia, S.L.U.	Av Josep Tarradellas 38 59, Barcelona, Španělsko	100	DIASource ImmunoAssays SA
BioVendor Belgium SPRL	Rue du Bosquet 2, 1348 Louvain-la-Neuve, Belgie	99	BioVendor – Laboratorní medicína a.s.

Associated company	Registered office	Share in RC in %	Immediate owner
PHARMA PARK CR s.r.o.	Karásek 1767/1, Řečkovice, BRNO 621 00	33 %	BioVendor – Laboratorní medicína a.s.

The accounts of consolidated companies Oxford Biosystems Limited and BioVendor Limited were not audited for the year ended 31 December 2020, because the companies invoked exemption from auditing in the UK in accordance with Section 479A of the Companies Act 2006.

consolidated unit, when PHARMA PARK CR s.r.o., as previously immaterial and not consolidated company, was included and consolidated.

The companies genetrac s.r.o. and DIASource Iberia, S.L.U. were not included in the consolidated unit due to their immateriality. In 2020 there was a change of the

2. Accounting policies

2.1. Basic principles of preparation of consolidated financial statements

The financial statements have been prepared in compliance with Czech accounting legislation and under the historical cost convention, except for the below cases.

The financial statements have been prepared under the going concern principle.

2.2. Consolidation method

Subsidiaries have been fully consolidated and associated companies have been consolidated using the equity method.

Mutual receivables, payables, revenues, and expenses are fully eliminated on consolidation. The gain on sale of assets between the group undertakings is fully eliminated on consolidation. Dividends received from the companies consolidated using the full consolidation method or the equity method have been eliminated from the consolidated income statement and the consolidated retained earnings or the consolidation reserve fund have been raised by this amount.

The financial statements of all consolidated companies were prepared as of 31 December 2020. For the purposes of the consolidation, the significant accounting policies within the consolidated unit have been unified. These accounting policies used by the individual consolidated companies are described below.

2.3. Consolidation difference

Consolidation difference represents the difference between the acquisition cost of the equity securities and ownership interests in the consolidated company and their valuation determined as the amount of the controlling company's share in equity expressed as the fair

value as at the acquisition date or the date of further increase in its ownership interest (further acquisition of equity securities or ownership interests). The acquisition date is the date at which the controlling company has effectively started exercising its controlling influence over the consolidated company. The straight-line period of amortisation of the consolidation difference has been determined as a period of 20 years where the first amortisation is recognised in the month of arising of the consolidation difference.

2.4. Intangible and tangible fixed assets

Intangible (and tangible) assets with a useful life exceeding one year and acquisition cost exceeding TCZK 20 (TCZK 10) per item are considered intangible and tangible fixed assets.

Purchased intangible and tangible fixed assets are initially stated at acquisition cost, which includes the purchase price and other related costs. The cost of internally produced fixed assets includes direct and indirect costs incurred in relation to the acquisition of the fixed assets. Assets acquired as a gift are stated at the replacement cost as at the date of their takeover.

Intangible and tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives. During the fixed asset use, the depreciation plan is updated based on the estimated useful life. The first depreciation/amortisation is recognised in the month following the moment of putting the asset into use and the last depreciation/amortisation is recognised in the month in which the asset is disposed. The Group uses annual depreciation rates that differ from tax depreciation rates.

Adjustments are established to reduce the net book value of assets to their estimated recoverable amount. The estimated recoverable amount is determined based on expected future cash flows generated by the relevant asset.

The cost of repairs and maintenance of tangible fixed assets is charged directly to expenses. Technical improvement of intangible and tangible fixed assets with a value exceeding TCZK 20 (TCZK 10) per asset has been capitalised.

An adjustment is established to the research and development results under construction based on the expected success of the projects and their individual partial phases.

2.5. Inventories

Purchased inventories are stated at acquisition cost less an adjustment. The cost includes all expenses relating to the acquisition of the inventories (in particular freight, customs duties, etc.). The modified first-in first-out („FIFO”) method is applied for all disposals of inventories - inventories with the shortest expiration period are utilised first. Inventories generated from own production, i.e., work in progress and finished goods, are stated at own production costs less an adjustment. Own production costs comprise direct materials and direct wages. An adjustment to slow-moving and obsolete inventory is established based on an analysis of inventory turnover or an assessment of each inventory item.

2.6. Receivables

Receivables are stated at nominal value less an adjustment for doubtful debts. An adjustment for doubtful amounts is created based on an ageing analysis or individual evaluation of the creditworthiness of the customers. No adjustments are created to receivables from related parties.

2.7. Classification of liabilities

The Company classifies as short-term any part of long-term liabilities, bank loans and overdrafts that is due within one year of the balance sheet date.

2.8. Foreign currency translation

Assets and liabilities are translated at the exchange rate published by the Czech National Bank as at the balance sheet date.

Foreign companies are included in the consolidated financial statements and for this reason equity items are translated at the historical exchange rate, ie at the exchange rate at the date of the transaction, costs and revenues are translated at the average exchange rate for the period. Exchange rate differences arising from these conversions The Group reports on the line Valuation differences from revaluation of assets and liabilities.

Deferred expenses or income denominated in foreign currencies are translated at the exchange rate published by the Czech National Bank as at the balance sheet date.

2.9. Equity

If the Group decides on the payment of advance payments for profit distribution, it will recognise this payment as a decrease in equity on the line Approved advance profit distribution. If the Group reports a loss or a profit lower than the dividends paid as at the reporting date, it reports the payment of advances for profit distribution or its part as a receivable from members in the balance sheet at the end of the reporting period.

2.10. Provisions

Provisions are established If the Group has a present obligation, it is probable that an outflow of resources will be required to settle the liability, and a reliable estimate of this liability exists.

The Group establishes a provision for the future income tax liability net of the income tax prepayments. If the income tax prepayments exceed the expected tax amount, the relevant difference is recognised in tax receivables.

The other provisions established by the Group include the provision for untaken holidays, provision for warranty repairs, provision for pensions and similar liabilities, provision for bonuses, and other provisions.

2.11. Financial derivatives

Financial derivatives, including currency forwards, interest rate futures, FRAs, currency and interest rate swaps, currency and interest rate options and other financial derivatives, are initially recognised at cost in the balance sheet and subsequently remeasured at fair value. Fair values are

determined based on market value, using the discounted cash flow or option valuation models. All derivatives with a positive fair value are recognised as Other receivables, while all derivatives with a negative fair value are recognised as Other liabilities. The changes in fair value of financial derivatives held for trading are recognised in other financial expenses or other financial revenues.

2.12. Revenues

Revenues and expenses are recognised on an accrual basis, i.e., in the period to which they relate in terms of substance and timing. Bonuses provided to customers for goods sold are recognised in the period in which revenue from the respective sale is recorded. In the income statement, bonuses are recognised as a reduction of revenue from goods.

2.13. Subsidies

A subsidy is recognised on its receipt or undoubted entitlement to its receipt.

The subsidy received to cover the Company's costs is recognised in operating or financial revenues in the same period in which the costs are recognised to the pre-determined purpose. The subsidy received to acquire fixed assets including improvements and to cover the interest included in the acquisition cost of the assets reduces the acquisition cost or own acquisition costs.

2.14. Related parties

The Group's related parties are the following:

- parties which can directly or indirectly control the Group and companies outside the Group which are controlled by these parties or where these parties have significant influence;
- parties outside the Group which have direct or indirect significant influence on the Group;
- members of statutory, supervisory and management bodies of the group undertakings and persons close to these members, including the companies where these members and persons have a significant or controlling influence.

Materials transactions and outstanding balances with related parties are disclosed in Note 17.

2.15. Leases

The acquisition cost of assets held under both finance and operating leases is not capitalised as fixed assets. Lease payments are expensed evenly over the life of the lease. Future lease payments not yet due are disclosed in the notes but not recognised in the balance sheet. For financial leases where it is possible to precisely differentiate between a lease payment and a finance expense (e.g., an instalment plan divided into lease payments and interest) the finance expenses are reported separately in the profit/loss from financial operations to ensure a truer view of the actual situation.

2.16. Interest expense

All borrowing costs are expensed.

2.17. Deferred tax

Deferred tax is recognised on all temporary differences between the net book value of an asset or liability in the balance sheet and its tax value.

2.18. Cash flow statement

The Group has prepared a cash flow statement using the indirect method. Cash equivalents represent short-term liquid assets that can be easily and quickly converted into a predetermined amount of cash.

2.19. Research and development

Research costs are incurred for the purpose of acquiring new technical knowledge which may lead to improved products or processes in the future but for which economic viability has not been established. Research costs are charged to the income statement in the year in which they are incurred.

Development costs are incurred to convert new technical knowledge or methods into new or substantially improved products or production processes. These costs are capitalised into intangible fixed assets under construction. After having completed a development project, they are transformed into intangible assets or costs.

2.20. Subsequent events

The impact of events which occurred between the balance sheet date and the date of preparation of the financial statements is reflected in the financial statements, provided these events give supplementary information about facts existing as at the balance sheet date.

Significant subsequent events which occurred between the balance sheet date and the date of preparation of the financial statements and provide supplementary information on facts which became known after the balance sheet date are described in the notes to the financial statements but are not recorded in the financial statements.

3. Intangible fixed assets (IFA)

TC2K	1 January 2020	Additions / transfers	Disposals	31 December 2020
Acquisition cost				
Research and development	175,684	37,169	(1,474)	211,379
Software	45,307	3,836	-	49,144
Intellectual property rights	75,776	(115)	(1,255)	74,406
Other IFA	135,308	26,829	(210)	161,928
Advance payments for IFA	-	60	-	60
IFA under construction	65,450	8,913	-	74,363
Consolidation difference	11,919	392	-	12,311
TOTAL	509,445	77,085	(2,939)	583,591
Accumulated amortisation and adjustment				
Research and development	(117,390)	(34,550)	899	(151,041)
Software	(36,352)	(3,863)	-	(40,216)
Intellectual property rights	(42,069)	(4,052)	826	(45,295)
Other IFA	(34,459)	(24,837)	210	(59,086)
IFA under construction	(7,809)	132	-	(7,677)
Consolidation difference	(10,855)	(1,060)	-	(11,915)
TOTAL	(248,934)	(68,231)	1,935	(315,230)
NET BOOK VALUE	260,511	8,854	(1,004)	268,361

TCZK	31 December 2018 (restated)	Disposals by deconsolidation	Additions/ transfers	Disposals	31 December 2019
Acquisition cost					
Research and development	168,140	-	32,043	(24,499)	175,684
Software	44,382	(391)	1,733	(417)	45,307
Intellectual property rights	76,443	-	2,543	(3,210)	75,776
Other IFA	105,832	(31)	29,507	-	135,308
Advance payments for IFA	-	-	-	-	-
IFA under construction	73,643	-	8,668	(16,861)	65,450
Consolidation difference	12,067	-	(148)	-	11,919
TOTAL	480,507	(422)	74,346	(44,987)	509,444
Accumulated amortisation and adjustment					
Research and development	(102,488)	-	(26,474)	11,572	(117,390)
Software	(33,591)	275	(3,188)	152	(36,352)
Intellectual property rights	(34,324)	-	(9,093)	1,348	(42,069)
Other IFA	(17,147)	31	(17,343)	-	(34,459)
IFA under construction	(16,976)	-	9,167	-	(7,809)
Consolidation difference	(10,292)	-	(563)	-	(10,855)
TOTAL	(214,818)	306	(47,494)	13,072	(248,934)
NET BOOK VALUE	265,689	(116)	26,852	(31,915)	260,510

The Group has established an adjustment to intangible assets under construction and research and development as of 31 December 2020 of TCZK 12,170 (as at 31 December 2019: TCZK 7,809). This adjustment is established based on the expected success of the projects and their individual partial phases.

The development results primarily include the Group's own projects determined for the biomedical research and IVD use of primarily the ELISA sets, antibodies, and proteins.

Software mainly includes purchases for, updates and additional development of IS Helios green and the web pages including their adjustment to enable them to be connected with IS Helios green.

Intellectual property rights comprise purchased licences used within the development of own products and subsequently for their production.

Other intangible fixed assets primarily represent investments in new information systems, and purchase of the customer portfolio, technological rights, new clothes and antibodies and SOP.

As of 31 December 2020, the Group obtained investment subsidies of TCZK 27,487 (as at 31 December 2019: TCZK 20,190), of which TCZK 6,155 was used to decrease the additions to tangible fixed assets and TCZK 9,100 was used to decrease the additions to intangible assets under construction. The remaining portion of the investment subsidy was used in accordance with the grant project to cover the operating expenses and reported in other operating revenues in the amount of TCZK 9,996. A portion of the investment subsidy of TCZK 2,236 which was not utilised as at 31 December 2020 is recognised in tax liabilities and subsidies. For more information see Note 23.

The column disposals by deconsolidation relates to the sold company Immunolab GmbH. For more information see Note 7.

4. Tangible fixed assets (TFA)

TCZK	1 January 2020	Additions / transfers	Disposals	31 December 2020
Acquisition cost				
Land	15,114	-	-	15,114
Constructions	307,528	2 321	-	309,849
Plant and equipment	696,237	145 990	(66,050)	776,177
Other TFA	13,224	368	(1,446)	12,147
Advance payments for TFA	216	2 941	(175)	2,982
TFA under construction	3,488	920	-	4,408
TOTAL	1,035,807	152 540	(67,671)	1,120,676
Accumulated amortisation and adjustment				
Land	(62,609)	- 8 641	-	(71,250)
Constructions	(502,282)	- 76 209	39,584	(538,907)
Other TFA	(9,639)	- 1 022	-	(10,661)
Advance payments for TFA	-	-	-	-
TFA under construction	-	-	-	-
TOTAL	(574,530)	- 85 872	39,584	(620,818)
NET BOOK VALUE	461,277	66 669	(28,087)	499,859

TCZK	31 December 2018 (restated)	Disposals by deconsolidation	Additions/ transfers	Disposals	31 December 2019
Acquisition cost					
Land	15,114	-	-	-	15,114
Constructions	293,788	(288)	14,028	-	307,528
Plant and equipment	675,677	(27,412)	92,816	(44,844)	696,237
Other TFA	13,338	-	18	(132)	13,224
Advance payments for TFA	382	-	(166)	-	216
TFA under construction	34,305	-	(30,817)	-	3,488
TOTAL	1,032,604	(27,700)	75,879	(44,976)	1,035,807
Accumulated amortisation and adjustment					
Buildings	(54,079)	268	(8,798)	-	(62,609)
Plant and equipment	(484,597)	18,331	(72,855)	36,839	(502,282)
Other TFA	(9,206)	-	(565)	132	(9,639)
Advance payments for TFA	-	-	-	-	-
TFA under construction	(335)	-	335	-	-
TOTAL	(548,217)	18,599	(81,883)	36,971	(574,530)
NET BOOK VALUE	484,387	(9,101)	(6,004)	(8,005)	461,277

The Group has established an adjustment to tangible assets as of 31 December 2020 of TCZK 2,218 (as at 31 December 2019: TCZK 3,593). This adjustment has been established to those devices which are not fully functional, to fixtures and fittings, and to a motor vehicle.

The major additions to tangible fixed assets represent the improvement to an office building, the equipment, and devices for the own development activities of the Research and development department and laboratory apparatuses placed with the customers under reagent leases.

The column disposals by deconsolidation relates to the sold company Immunolab GmbH. For more information see Note 7.

5. Equity investments in controlled entities and associated companies not included in the consolidated unit

31/12/2020	Carrying amount (TCZK)	Share in registered capital (%)	Profit (loss) for 2020 (TCZK)	Equity (TCZK)	Income from shares in profit for 2020 (TCZK)
genetrac s.r.o.* Karásek 1767/1, 621 00, Brno	15,019	100	(16)	141	-
DIASource Iberia, S.L.U. Av Josep Tarradellas 38 59, Barcelona, Španělsko	5,606	100	426	2,936	-
TOTAL	20,625		410	3,077	
ADJUSTMENT	(14,819)				
NET BOOK VALUE	5,806				

31/12/2019	Carrying amount (TCZK)	Share in registered capital (%)	Profit (loss) for 2020 (TCZK)	Equity (TCZK)	Income from shares in profit for 2020 (TCZK)
genetrac s.r.o.* Kamenice 771/34, Bohunice, 625 00 Brno, Česká republika	15,019	100	(303)	(108)	-
PHARMA PARK CR s.r.o. Brno-Řečkovice, Karásek 1/1767, PSČ 62133	5,957	33	1,253	31,708	149
DIASource Iberia, S.L.U. Av Josep Tarradellas 38 59, Barcelona, Španělsko	5,335	100	(1,779)	2,433	-
TOTAL	26,311		(829)	34,033	149
ADJUSTMENT	(14,819)				
NET BOOK VALUE	11,492				

* In 2019, an adjustment of TCZK 14,819 was established.

6. Granted loans

Granted loans recognised in long-term investments comprise as follows:

31/12/2020	Value	Currency	Interest rate (%)	Value as of 31 December 2020	Value as of 31 December 2019
DIASource Iberia, S.L.U.	21	TEUR	0% p.a.	538	521
DK Vita	1,400	TCZK	3M Pribor + 3 % p.a.	1,400	1,000
Ing. Tomáš Hammer	106	TCZK	6% p.a.	70	106
TOTAL				2,008	1,627
ADJUSTMENT					
NET BOOK VALUE				2,008	1,627

7. Consolidation difference

The movements of the positive consolidation difference balance can be analysed as follows:

TCZK	2020	2019
Opening balance - Netto	389,441	544,243
Newly consolidated companies*	115,293	-
Deconsolidation of Immunolab as of 01.01.2019**	-	(127,159)
Recognition of consolidation difference	(26,007)	(23,269)
Recognition of an extraordinary write-off to BVI***	-	(4,374)
CLOSING BALANCE - NETTO	478,728	389,441

* 115,293 TCZK – Here the number comprises newly acquired 45% of ViennaLab in 2020 and newly consolidated company PHARMA PARK CR, s.r.o.

Item	TCZK	Line
Registered capital as of acquisition	421	45% of overall Registered capital
Retained earnings as of acquisition	7 290	45% of overall Retained earnings
ACQUISITION PRICE	123 004	
CONSOLIDATION DIFFERENCE	115 293	Difference of Registered capital and Acquisition price

** As of 1 January 2019, Immunolab GmbH was deconsolidated. The gross value of the consolidation difference of Immunolab GmbH was TCZK 169,547 and the net book value as of 1 January 2019 was TCZK 127,160.

The values of the sold assets and liabilities of the subsidiary, the net book value of the consolidation difference and the selling price were recognised in the profit (loss) from financial operations as follows:

Item	TCZK	Line in the financial statement
Assets as at the date of sale	38,947	Cost of equity investments sold
Liabilities as at the date of sale	(4,242)	Cost of equity investments sold
Selling price	267,756	Revenue from equity investments - group undertakings
Net book value of the consolidation difference	127,159	Cost of equity investments sold
DECONSOLIDATION OF THE FOREIGN EXCHANGE DIFFERENCE FOLLOWING FROM THE CALCULATION OF THE CONSOLIDATION DIFFERENCE	(9,366)	Cost of equity investments sold
PROFIT/(LOSS) FROM THE DISPOSAL OF THE COMPANY	115,258	

*** In 2019, the consolidation difference in respect of the consolidated entity BioVendor Instruments a.s. was extraordinarily written off. In 2019, the operations of this entity were downsized and most assets including the entire development team were sold to a third party. For this reason, the net book value of the consolidation difference of this entity (TCZK 4,374) was written off in full.

The movements of the negative consolidation difference balance can be analysed as follows:

TCZK	2020	2019
Opening balance - Netto		
Newly consolidated companies*	(4,987)	
RECOGNITION OF CONSOLIDATION DIFFERENCE	2,410	
CLOSING BALANCE - NETTO	(2,577)	

* (4,987) TCZK – Newly consolidated company PHARMA PARK CR a.s., which is a part of the consolidated unit since 2020.

8. Inventories

TCZK	2020	2019
Materials	112,219	95,429
Work in progress and semi-finished goods	63,361	55,253
Products	53,703	57,689
Goods	206,059	86,030
ADVANCES PAID FOR INVENTORIES	15,023	1,370
ZÁSOBY	450,365	295,771

The Group has established an adjustment to inventories as of 31 December 2020 of TCZK 99,048 (as at 31 December 2019: TCZK 92,030) based on newly available data.

Semi-finished products comprise immune serums, antibodies, and non-critical production components. Goods mainly include apparatuses and devices including accessories and reagents.

9. Receivables

Overdue receivables as of 31 December 2020 amounted to TCZK 102,902 (as at 31 December 2019: TCZK 141,843). The adjustment to receivables as of 31 December 2020 amounted to TCZK 18,233 (as at 31 December 2019: TCZK 21,077). Unsettled receivables have not been covered by material guarantees and none of them is due in more than 5 years.

10. Equity

As of 31 December 2020, the Group is 100% owned by ConsilTech a.s. with its registered office at Purkyňova 2121/3, Praha, post code 110 00.

Approved and issued shares:

	31 December 2020		31 December 2019	
	Number (pcs)	Carrying amount (TCZK)	Number (pcs)	Carrying amount (TCZK)
ConsilTech a.s.				
Ordinary registered shares at a nominal value of CZK 100,000 per share in book-entered form	796	79,600	796	79,600
Ordinary registered shares at a nominal value of CZK 1,000 per share in book-entered form	68	68	68	68
TOTAL		79,668		79,668

In 2020, shares in profit of TCZK 0 were paid out (2019 – TCZK 51,784).

Further there was an Advance for the share in profit of TCZK 15,000 paid out in 2020 (2019 – TCZK 0).

As at the date of preparation of the consolidated financial statements, the shareholders did not decide about distribution of the profit for 2020.

11. Provisions

TCZK	2020	2019
Untaken holidays	12,748	11,754
Income tax net of income tax prepayments	31,380	7,139
Pensions and similar liabilities	3,172	4,991
Annual bonuses and bonuses to employees	16,033	9,504
Provisions for warranty repairs	2,753	3,614
OTHER PROVISIONS	9,699	10,696
TOTAL	75,785	47,698

The calculation of the income tax and deferred tax is stated in Note 25 Income tax.

12. Liabilities

Overdue trade payables as of 31 December 2020 amounted to TCZK 14,709 (as of 31 December 2019: TCZK 26,148). Trade payables are not secured by material guarantees and their maturity does not exceed 5 years. Material guarantees provided by the Group are described in Note 13.

Short-term advances received amounted to TCZK 49,050 in 2020 (as of 31 December 2019: TCZK 244). The major item of short-term advances received in 2019 was an advance payment from a foreign customer relating to a planned supply of AMP Rapid Tests SARS-CoV-2.

Tax liabilities amounted to TCZK 23 473 in 2020 (as at 31 December 2019: TCZK 15,544) and mainly represented VAT and subsidies.

13. Loans, other borrowings and other liabilities

TCZK	31/12/2020	31/12/2019
Bank overdrafts	7,610	13,931
Other bank loans and other borrowings due within one year	126,375	142,829
Long-term bank loans due in 1 - 5 years	471,880	409,229
LONG-TERM BANK LOANS DUE IN MORE THAN 5 YEARS	218,031	266,264
Total bank loans and overdrafts	823,896	832,253
Other liabilities due within one year	26,056	18,254
Other liabilities due in more than one year	19,013	25,830
Payables to related parties due within one year		
PAYABLES TO RELATED PARTIES DUE IN MORE THAN ONE YEAR	127,278	124,278
TOTAL OTHER BORROWINGS	169,347	167,362

Bank loans can be classified as follows:

	Interest rate (%)	31/12/2019
Česká spořitelna	7D PRIBOR + 0.45%	7,610
Česká spořitelna	7D EURIBOR + 0.45%	-
Česká spořitelna	7D LIBOR + 0.45%	-
Česká spořitelna	3M PRIBOR + 0.45% p.a.	279,926
Česká spořitelna	3M EURIBOR + 0.60% p.a.	336,966
Česká spořitelna	1M PRIBOR + 0.80% p.a.	4,375
Česká spořitelna	3M PRIBOR + 0.87% p.a.	92,313
Heidelberg Volksbank	2.50%	2
BNP Paribas Fortis	0.72%	7,306
CBC Banque & Assurance	0.65%	4,636
CBC Banque & Assurance	0.55%	3,709
BNP Paribas Fortis	0.88%	18,946
CBC Banque & Assurance	0.92%	18,690
CBC Banque & Assurance	0.99%	10,456
BNP Paribas Fortis	1.07%	11,033
CBC Banque & Assurance	1.97%	11,220
BNP Paribas Fortis	1.17%	11,469
Slovenská spořitelna	1.95%	2,843
Capital One	12.99%	432
TOTAL		823,897

	Interest rate (%)	31/12/2019
Česká spořitelna	3M PRIBOR + profit margin	320,046
Česká spořitelna	3M EURIBOR + profit margin	372,849
Česká spořitelna	1M PRIBOR + profit margin	6,875
CBC Banque & Assurance	0.65%	5,446
CBC Banque & Assurance	0.55%	3,987
CBC Banque & Assurance	0.88%	19,097
CBC Banque & Assurance	4.00%	30,941
CBC Banque & Assurance	0.99%	10,532
BNP Paribas Fortis	1.07%	11,765
BNP Paribas Fortis	0.72%	7,432
BNP Paribas Fortis	0.92%	18,849
BNP Paribas Fortis	0.05%	6,353
Lombard North Central plc	7.82%	126
Slovenská sporiteľňa	1.95%	4,024
TOTAL		818,322

Other liabilities can be classified as follows:

TCZK	Interest rate (%)	31/12/2020
ConsilTech a.s.	3M PRIBOR + 2% p.a	124,278
Consumer loans for acquisition of motor vehicles	2 - 9,5 %	4,240
Other liabilities		40,829
TOTAL		169,347

TCZK	Interest rate (%)	31/12/2019
ConsilTech a.s.	3M PRIBOR + 2% p.a	124,278
Consumer loans for acquisition of motor vehicles	2 - 9,5 %	12,428
Other liabilities		30,656
TOTAL		167,362

Bank guarantee to loans and other liabilities:

TCZK	31/12/2020	31/12/2019
Receivables	102,298*	57,748**
Inventories	-	-
Blank bill	yes	yes
Real estate – net book value of real estate	206,391	242,263
Receivables from insured real estate	yes	yes
Shares of BioVendor – Laboratorní medicína a.s.	no	no
Ownership interest in DIAsource ImmunoAssays S.A.	yes	yes

* The value of pledged receivables as of 2 January 2021

** The value of pledged receivables as of 3 January 2020

The contractual terms and conditions of the bank loan from Česká Spořitelna a.s., the balance of which was TCZK 713,580 as at 31 December 2020 (as at 31 December 2019: TCZK 699,770), relate to the consolidated financial statements of the BioVendor group. All contractual terms and conditions were fulfilled as of 31 December 2020.

The balances of other liabilities include relevant outstanding interest.

14. Financial derivatives

To hedge the interest rate risks connected with the reference interest rate 3M EURIBOR in respect of the drawn amounts of the bank loan in EUR and the 3M PRIBOR rate in respect of the drawn amounts of the bank loan in CZK, the Company has concluded financial derivatives in the form of interest rate swaps. The fair value of the financial derivatives is recognised in other receivables where the fair value is positive for the Company or in other payables where the fair value is negative:

	31 December 2020		31 December 2019	
	Fair value		Fair value	
	Positive	Negative	Positive	Negative
Interest rate swap	-	(2,262)	3,412	-
Interest rate swap in EUR	-	(6,267)	-	(5,276)
TOTAL DERIVATIVES HELD FOR TRADING		(8,529)	3,412	(5,276)

15. Revenues

Revenues can be analysed as follows:

TCZK	2020	2019
Total revenue from own products and services	721,001	783,594
Total revenue from goods	1,241,228	727,470
TOTAL	1,962,228	1,511,064

As the individual markets do not significantly differ in terms of the organisation of the sale of goods and products and provision of services which are part of the entity's ordinary business activities, the Group has decided not to report revenues in the form divided into domestic and foreign revenues.

16. Audit fees

The information is disclosed in the notes to the consolidated financial statements prepared for the higher consolidated group in which the Company is included.

17. Transactions with related parties

This note comprises all materials transactions with related parties outside the consolidated unit.

The Group recognised the following related party balances:

TCZK	2020	2019
Revenues		
Sale of products and services	1,106	3,991
Sale of goods	2,139	3,112
Sale of fixed assets	-	1,374
Sale of materials	-	10
Interest revenue	-	46
Operating Income	58	-
Revenue from ownership in associated companies	-	150
TOTAL	3,302	8,683
Expenses		
Expenses on sale of own products and services	-	917
Cost of sale of assets	-	552
Cost of sale of materials	-	9
Cost of goods	1,637	2,073
Interest expense	4,471	6,406
Other operating expense	43	43
Materials and consumables	34	872
Services	3,310	10,915
Cost of equity investments sold	-	1,531
TOTAL	9,495	23,318

TCZK	2020	2019
Receivables		
Trade receivables	3,899	6
Receivables - group undertakings and associated companies	-	4,676
Provided loans	538	521
Prepaid expenses	17	17
Advance payments	-	15
Accrued income	-	4
TOTAL	4,454	5,239
Payables		
Trade payables	1,889	258
Other LT liabilities - to members, group undertakings, associated companies	124,278	124,278
Accrued expenses	-	405
Deferred revenues	-	105
TOTAL	126,167	125,046

The major balances of other long-term liabilities to members, group undertakings and associated companies represent loans received from ConsilTech a.s. of TCZK 124,278 (as of 31 December 2019: TCZK 124,278).

The major balances included in receivables - group undertakings represent the trade receivables from DI-ASource Iberia, S.L.U of TCZK 3,881 (as of 31 December 2019: TCZK 4,676).

The loans granted and received bear interest at arm's length interest rates.

Members of management, supervisory and administrative bodies received no loans, advances, deposits, securities, or other benefits as of 31 December 2020 and 31 December 2019.

As of 31 December 2020, and 31 December 2019, the Company had incurred no pension liabilities to former members of management, supervisory and administrative bodies.

Executives and members of the Company's board of directors can use company cars.

18. Employees

	2020		2019	
	Number	TCZK	Number	TCZK
Payroll expenses on members of the statutory body	6	11,082	6	9,548
Payroll expenses on members of the supervisory board	5	4,660	5	4,545
Payroll expenses on other executives	10	24,323	13	24,280
Payroll expenses on other employees	473	310,585	437	287,134
Social security expenses	-	111,893	-	99,556
Other social expenses	-	11,804	-	12,161
TOTAL PERSONNEL EXPENSES	494	474,347	461	437,224

The Group's management comprises executive members of the board of directors, other directors and managers directly subordinated to them. Their remuneration is included under other executives.

19. Services

The Group's total expenses on services for 2020 amounted to TCZK 199,268 (as of 31 December 2019: TCZK 223,094). The major items include legal services and advisory, transportation, rental, and mediation of the service of apparatuses and devices. The other expenses on services include travelling expenses, repairs and maintenance, telecommunication services, data and mail services, leases, licensing fees, and representation costs.

20. Miscellaneous operating revenues and expenses

In 2020, miscellaneous operating revenues amounted to TCZK 42,345 (as of 31 December 2019: TCZK 47,736).

A significant portion of the miscellaneous operating revenues represent the received operating subsidies of TCZK 26,049 (as of 31 December 2019: TCZK 22,629).

In 2020, miscellaneous operating expenses amounted to TCZK 30,668 (as of 31 December 2019: TCZK 40,312). Significant items of miscellaneous operating expenses are expenses on failed investments in development projects, write-off of receivables, and other operating expenses.

21. Revenue from and expenses on equity investments - group undertakings

Revenue from equity investments - group undertakings of TCZK 0 (as of 31 December 2019: TCZK 267,906 mainly represent the selling price of Immunolab GmbH). The expenses connected with the sale of Immunolab GmbH of TCZK 152,498 are recognised in expenses related to other long-term investments in prior year. For more information see Note 7.

22. Proceeds from disposals of fixed assets

Proceeds from disposals of fixed assets of TCZK 32,693
(2019 – TCZK 32,758) mainly represent the disposals of
equipment and laboratory apparatuses.

23. Overview of received subsidies

Subsidy name	Country	Type of subsidy	Currency	Received in 2020 (TCZK)	Received in 2019 (TCZK)
Operational Programme Enterprise and Innovation for Competitiveness	Czechia	investment	CZK	-	6,331
DIAGORAS	Czechia	investment	CZK	-	2,397
Research and development in terms of in-vitro diagnostics (Potential)	Czechia	investment	CZK	5,415	9,136
TAČR ZĚTA	Czechia	investment	CZK	963	805
TAČR EPSILON	Czechia	investment	CZK	900	1,300
RNA DIAGON	Czechia	operational	CZK	-	1,629
INBIO	Czechia	operational	CZK	3,044	579
APPLICATION in terms of in-vitro diagnostics	Czechia	operational	CZK	2,907	6,569
TAČR TREND - DIAGONAUT	Czechia	investment	CZK	6,241	-
TAČR TREND - HYPOLITHE	Czechia	investment	CZK	2,810	-
Diagnosis of Bee Plague	Czechia	operational	CZK	459	-
Application project TLCD Research and development for innovations	Czechia	operational	CZK	2,220	8,959
Operational subsidy for wages - TLCD	Czechia	operational	CZK	8,938	-
COMET - COvid 19 - sechzig MinutEn qPCR Test	Austria	operational	CZK	1,262	-
Sonderbetreuungszeit	Austria	operational	CZK	83	-
1.25 OH Region Walloon - Subsidy for support of R&D	Belgium	operational	CZK	5,541	5,555
25 OH - PFOA Alternative Region Walloon - Subsidy for support of R&D	Belgium	operational	CZK	1,595	-

Subsidies that were not drawn as of 31 December 2020 are reported in the position State - tax liabilities in the total amount of 2,236 TCZK (2019 - 2,065 TCZK)

Research and development costs in 2020 totalled 33,431 TCZK (2019 - 23,477 TCZK). Of this, eligible costs in the sense of § 34 of Act 586/1992 Coll. as amended in the amount of 12,245 TCZK (2019 - 8,934 TCZK).

24. Off-balance sheet items

Contingent liabilities represent lease payments of TCZK 57,223 (as of 31 December 2019: TCZK 62,041) and liabilities that result from concluded operating lease agreements of TCZK 73 (as of 31 December 2019: TCZK 43).

The Group further recognised contractual liabilities relating to the future purchase of assets of TCZK 0 (as of 31 December 2019: TCZK 20,963).

The Group further recognised receivables and contingent receivables not reported in the balance sheet totalling TCZK 6,322 (as of 31 December 2019: TCZK 6,450). The receivables not reported in the balance sheet are written off in full and the Group recognises them only for the purpose of their possible repayment.

25. Income tax

Tax expense comprises as follows:

TCZK	2020	2019
Current tax	61,395	34,379
Deferred tax	(120)	(9,109)
Adjustments of prior year tax expense based on final CIT return		(39)
TOTAL TAX EXPENSE	61,275	25,231

Due to the different jurisdictions in the individual countries, the Group recognises both a receivable due from the state and an income tax provision at the same time and it does not mutually offset these two items in the consolidated balance sheet.

Deferred tax was calculated primarily using the tax rate of 19% (the tax rate valid for 2020 and the following years, or if appropriate the tax rate of the country in which the deferred will be utilised).

The net deferred tax liability can be analysed as follows:

TCZK	2020	2019
Deferred tax liability following from the:		
Difference between the net book value of assets for the accounting and tax purposes	(6,990)	(7,193)
Provisions and adjustments		
Other temporary differences and accumulated losses		
NET DEFERRED TAX LIABILITY	(6,990)	(7,193)

The deferred tax asset can be analysed as follows:

TCZK	31. 12. 2020	31. 12. 2019
Deferred tax asset following from the:		
Difference between the net book value of assets for the accounting and tax purposes		(8,806)
Provisions and adjustments	8,224	17,179
NET DEFERRED TAX ASSET	8,224	8,373

26. Cash flow statement

Cash and cash equivalents specified in the cash flow statement comprise as follows:

TCZK	2020	2019
Cash in hand and cash in transit	4,670	757
Bank accounts	136,395	153,085
NET DEBIT BALANCE OF THE CURRENT ACCOUNT INCLUDED IN CURRENT BANK ACCOUNTS	(7,610)	(13,931)
TOTAL CASH AND CASH EQUIVALENTS	133,455	139,911

27. Other financial income and expenses

Other financial income and expenses consist mainly of realized and unrealized foreign exchange gains and losses.

28. Other events

The Company operates in an industry that was not significantly affected by the COVID-19 pandemic, and during 2020 the Company generated stable sales. Based on currently publicly available information, the Company's management does not expect an immediate significant negative impact of the COVID-19 pandemic on the Company, its operation, financial condition, and results of operations. The Company's management continues to monitor the situation closely and will respond to mitigate the impact of these events and circumstances in line with current developments.

29. Subsequent events

Due to the situation associated with the spread of the SARS-CoV-2 virus, the Group continues to comply with the established strict security measures both in the normal operational of the Group and in the area of its own production, development and business activities.

Based on the impact assessment of the Covid-19 pandemic in 2020, the Group's management does not expect negative impacts on its business and entrepreneurial activities in 2021. On the contrary, it will seek to build on the success of 2020 and continue to seize new opportunities in SARS-CoV-2 testing, focusing on the implementation of proprietary innovative testing approaches into routine practice.

The company's management also decided to refinance a shareholder loan from ConsilTech a.s. during the first quarter of 2021. The refinancing, and thus the drawing of a new loan, which repaid the shareholder loan in the amount of TCZK 124,278, took place at the end of March 2021.

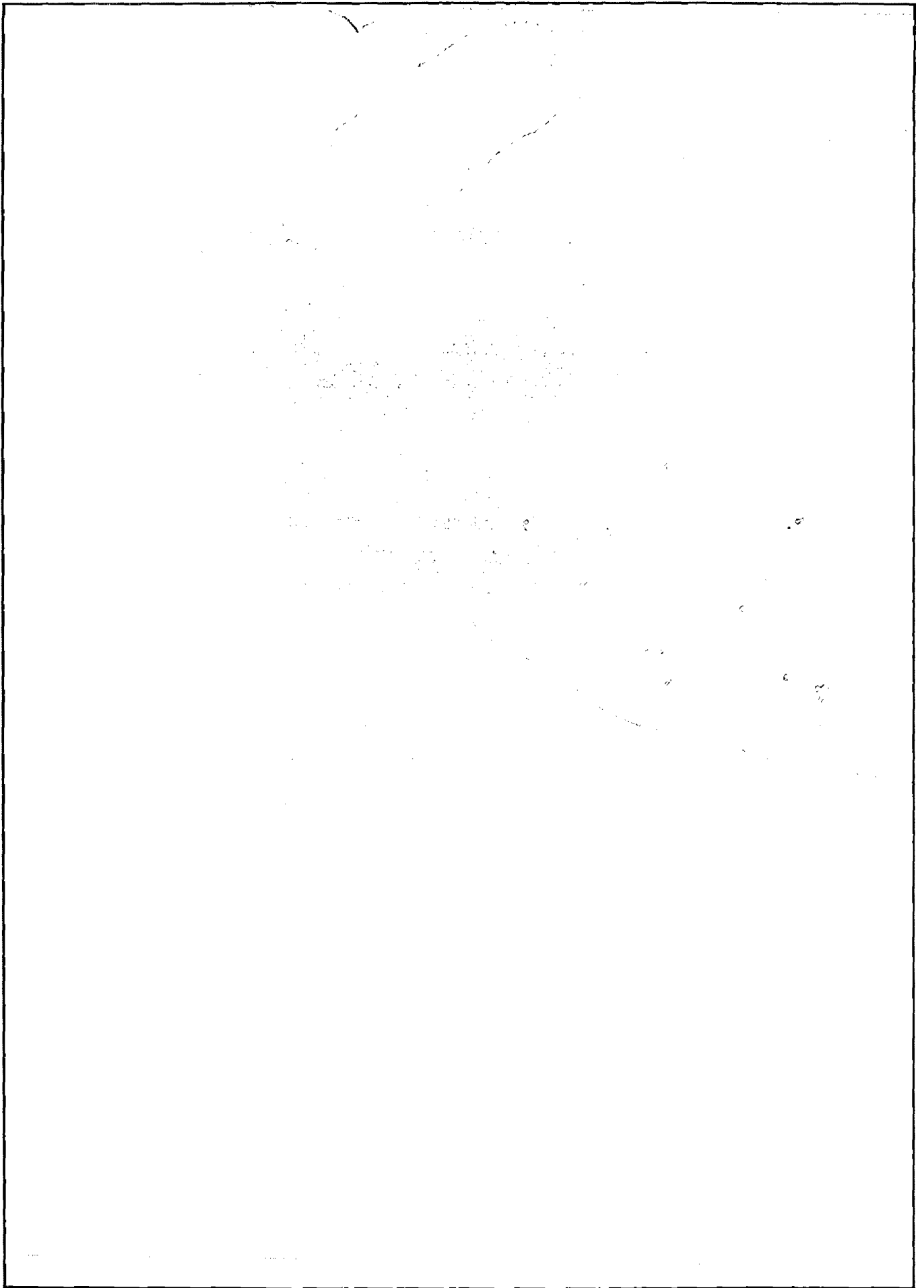
Apart from the above, there were no events after the balance sheet date that would have a material impact on the Group's financial statements as of 31 December 2020.

In Brno, on 13 May 2021

Michal Kostka
Chairman of the Board of Directors

Matej Milata
Chief Financial Officer

Ondřej Palát
Member of the Board of Directors





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This document is an English translation of the Czech auditor's report.
Only the Czech version of the report is legally binding.

Independent Auditor's Report to the Shareholder of BioVendor - Laboratorní medicína a.s.

Opinion

We have audited the accompanying consolidated financial statements of BioVendor - Laboratorní medicína a.s. ("the Company") and its subsidiaries (together "the Group"), prepared in accordance with Czech accounting legislation, which comprise the consolidated balance sheet as at 31 December 2020, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory notes. Information about the Group is set out in Note 1 to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Czech accounting legislation.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, and Auditing Standards of the Chamber of Auditors of the Czech Republic, consisting of International Standards on Auditing (ISAs), which may be supplemented and amended by relevant application guidelines. Our responsibilities under those regulations are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic, and we have fulfilled our other 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 opinion.



Other Information

In accordance with Section 2(b) of the Act on Auditors, other information is defined as information included in the consolidated annual report other than the consolidated financial statements and our auditor's report. The statutory body is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable laws and regulations, in particular, whether the other information complies with laws and regulations in terms of formal requirements and the procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with those requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- the other information describing matters that are also presented in the consolidated financial statements is, in all material respects, consistent with the consolidated financial statements; and
- the other information has been prepared in accordance with applicable laws and regulations.

In addition, our responsibility is to report, based on the knowledge and understanding of the Group obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of the Statutory Body and Supervisory Board for the Consolidated Financial Statements

The statutory body is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Czech accounting legislation and for such internal control as the statutory body determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the statutory body is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the statutory body either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Group's financial reporting process.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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 opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the statutory body.
- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Statutory Auditor Responsible for the Engagement

Barbora Šiblová is the statutory auditor responsible for the audit of the consolidated financial statements of BioVendor - Laboratorní medicína a.s. as at 31 December 2020, based on which this independent auditor's report has been prepared.

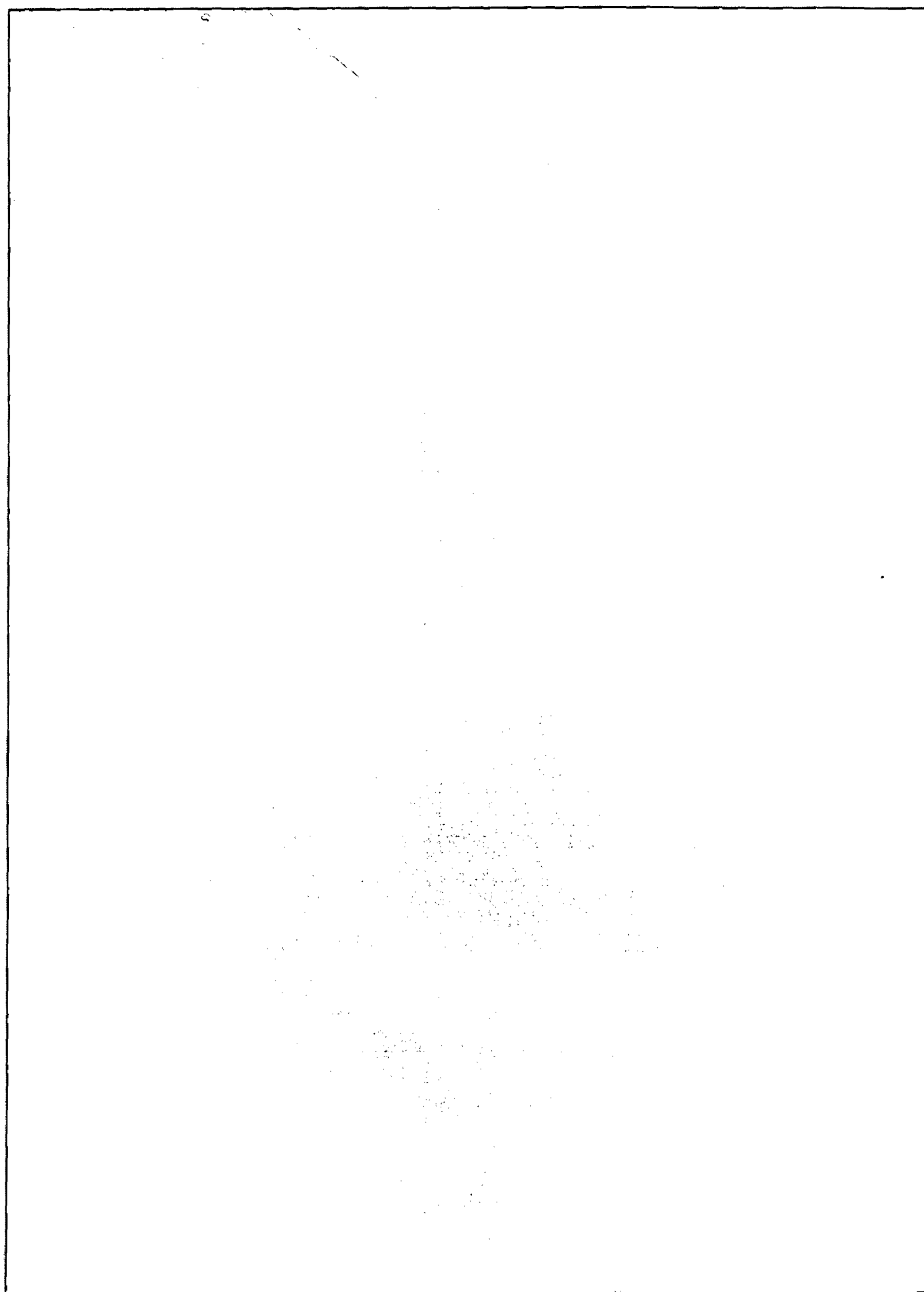
Brno
13 May 2021

KPMG Česká republika Audit, s.r.o.

KPMG Česká republika Audit, s.r.o.
Registration number 71

Barbora Šiblová

Barbora Šiblová
Director
Registration number 2418





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