Interim Report

April – June 2025

(SEK million)	Apr – Jun 2025	Apr – Jun 2024	Apr 2024 – Mar 2025
Net sales	107.2	82.8	373.5
Sales growth %	30	47	41
Gross profit	46.2	37.0	156.0
Gross margin %	43	45	42
Operating profit (EBIT)	20.5	15.2	67.4
Operating margin (EBIT) %	19	18	18
Profit for the period	9.8	10.4	43.1
EBITDA	25.8	15.9	78.3
EBITDA-margin, %	24	19	21
Pro-forma adjusted EBITDA*	107.1	N/A	104.3
Pro-forma adjusted EBITDA-margin*, %	25	N/A	25

A strong start to the year - Sales and operating profit growing, good progress in business development

April – June 2025

- Consolidated sales during the first quarter, April to June amounted to SEK 107.2 (82.8) million, an increase of 30%.
- Gross profit amounted to SEK 46.2 (37.0) million, an increase of 25%.
- Operating profit (EBIT) amounted to SEK 20.5 (15.2) million, an increase of 34%. The operating margin was 19% (18%).
- EBITDA amounted to SEK 25.8 (15.9) million and EBITDA margin was 24% (19%).
- Earnings per share before dilution were SEK 0:34 (0:36) for the quarter. Earnings per share after dilution were SEK 0:33 (0:36).
- Cash flow from operating activities amounted to SEK -3.2 (-19.8) million.
- Cash and cash equivalents were SEK 56.1 (13.4) million at the end of the quarter.

*Pro-forma adjusted EBITDA based on the product portfolio acquired by Medilink having been part of EQL Pharma for the twelve-month period ended June 30, 2025, and with assumptions regarding operating costs presented in connection with the signing of the asset transfer agreement on December 10, 2024.

CEO’s comments

The first quarter of 2025/26 marks a strong start for EQL Pharma. Sales grew by 30% and the EBITDA margin amounted to 24%. During the quarter, one new product was added to the pipeline and Memprex received marketing approval in France. After the end of the quarter, a new license deal for Memprex was announced, where the rights for BeNeLux were licensed to Goodlife. EQL also took its first steps for its own establishment in Germany and the Netherlands. Sales growth for the full year 2025/26 is forecast at around 30%.

Financial Overview for the first quarter

During the quarter, sales rose to SEK 107.2 million, an increase of 30% from SEK 82.8 million the previous year. Operating profit (EBIT) increased by 34% to SEK 20.5 million compared to SEK 15.2 million the previous year, with an EBITDA margin of 24%. The gross margin was 43% (45%).

Cash and cash equivalents amounted to SEK 56.1 (13.4) million at the end of the quarter. In addition, there is an unutilized working capital credit of SEK 27.2 (17.3) million.

CAPEX was SEK 23.6 (7.7) million during the quarter driven by a larger pipeline. This is fully in line with the company's ambition to add as many new products as cash flow allows.

The leverage amounted to 3.7x EBITDA, which is below the maximum leverage of 4.0.

Financial targets and forecasts for the current financial year

Sales grew by 30%, which is in line with the company's ambitions for the new five-year period 2024/25 – 2028/29. The EBITDA margin amounted to 24%, which is a sign of strength, given that the goal is to stabilize the EBITDA margin at 25% during the first half of the new five-year period, and then above 25%.

Product launches and market dynamics

No new products were launched during the quarter. The portfolio thus remains at 46 launched products.

EQL received marketing approval in France for our strategic key product Memprex during the quarter. This approval is the first since EQL's focused brand initiative for Memprex began and launch is expected in early 2026. We have also added a new partner for Memprex after the end of the quarter in the form of Goodlife for BeNeLux, which is a testament to the great potential that we see in Europe.

After the end of the quarter, a first step in an internally led European expansion was announced. Key people have been hired in Germany and the Netherlands with the task of identifying niche products there, in a similar way as EQL has successfully done in the Nordics. These two markets were initially chosen because they resemble the Nordic markets that EQL is used to in a number of key characteristics. Above all, these are mainly price-centric markets, where the player with the lowest price gets a majority of the sales, without active marketing. Furthermore, the niche segment appears relatively unexploited in these markets.

During the quarter, a new niche generic was added to our pipeline, which thus grows to 45.

Other

The situation for our carriers in the Red Sea has not changed since last quarter.

EQL has no exposure to the US or direct impact from potential American tariffs. The sale of our pharmaceuticals is also independent of the economic cycle, which means that EQL is financially stable, even in a more uncertain global situation.

EQL is in a phase where a major focus is on ensuring in the long term that we can deliver on the new five-year plan. This means in concrete terms adding more new products and territories, working actively with the cost base and ensuring progress in our various development projects and launches. Furthermore, we are actively working with our new product area Special Generics and are starting work for Germany and the Netherlands, with the aim of expanding our total addressable market and thereby accelerating the addition of new products going forward.

Axel Schörling
President & CEO

Significant events

During the quarter

June 27th, 2025 – Methenamine Hippurate (branded as Altaromin©) have gained marketing approval in France

EQL's key product methenamine hippurate has gained marketing approval by the Health Authorities in France, where it is to be provided to patients by EQL's license partner Laboratoires Majorelle under the EQL owned brand Altaromin©. Launch is planned for early 2026, subject to reimbursement approvals.

After the quarter

July 2nd, 2025 – Memprex© (methenamine hippurate) license signed with partner for BeNeLux

EQL's key product Memprex© has been licensed for sale in BeNeLux (Belgium, Netherlands, Luxemburg) with Goodlife Specialty BV, a leading local pharmaceutical company specialising in women's health, endocrinology and urology. There is currently no product with methenamine hippurate offered in the BeNeLux. Memprex© offers an alternative for treatment of recurring urinary tract infections which is both noninferior to long-term antibiotics and which doesn't increase the risk to develop antibiotic-resistant bacteria since it is an antiseptic treatment rather than an antibiotic.
Belgium, the Netherlands and Luxemburg (BeNeLux) is an area of approx. 30,5 million people. For reference, the UK with 68,3 million people had pharmacy market sales of methenamine hippurate close to 13mEUR in 2024. For the exclusive rights to Memprex® in BeNeLux, Goodlife will, subject to reaching agreed sales, pay a six-figure sum in EUR spread over six milestones..

July 8th, 2025 – EQL takes first step to establish itself in Germany and the Netherlands

EQL has taken the first step to establish itself in Germany and the Netherlands by recruiting key people with knowledge of the local markets who can identify, develop/inlicense and launch niche generics for these markets.
The strategy that has worked well in the Nordics will be repeated in these new markets with similar history and healthcare systems. In addition to launching new market-specific products, the existing portfolio of EQL products, both marketed and in the pipeline, may be launched in these countries, provided that the conditions for profitability look good. EQL assesses that both Germany and the Netherlands have price-centric systems, which are very similar to those EQL is used to, and that there are therefore good opportunities to build niche portfolios with significant financial impact within 3-4 years.

Product development

Pipeline

EQL Pharma's reporting of the pipeline takes place at a general level and does not include, with the exception of launch phase products, the names of individual products or the products current or expected market potential. Our goal is to provide better guidance to shareholders without disclosing information to competitors and without our pipeline being interpreted as a financial prospect. The information is updated in connection with the quarterly reports.

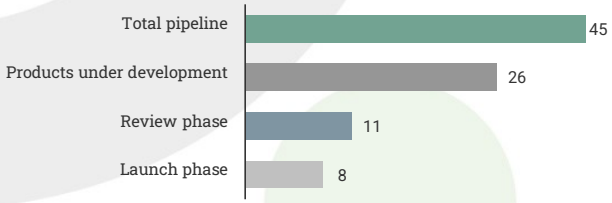

Figure 1. Total pipeline of products and how many products are in Review phase and Launch phase respectively.

Products in different phases

Development phase is used here as a general term. In this term all products we actually develop together with partners in, for example, India or the EU are included. But in addition to these products, the term also includes all products on which we have signed licensing or distribution agreements for one or more geographical markets, although we do not develop the product ourselves.

When a product is fully developed, the application is submitted to the Medicines Agency in the markets where we intend to sell the product. The Agency's then initiate an audit, which generally takes about one year from application to approval. We call this step Review phase. At the end of the quarter, we had eleven products in the review phase.

When we know that the product is approved, we can place orders for manufacturing and delivery. In parallel with this, we apply for government reimbursement and tenders to the extent that they are available. We call this step the launch phase and usually it takes about six to twelve months from approval until the first package is delivered to pharmacies.

Products in the Launch phase

At the end of the quarter, we had eight products in the launch phase. Four of these are hospital products whose launches depend on the outcome of public tenders. The remaining four are classified as outpatient products of which one is part of the Specialty Generics product area.

During all stages from the development phase to the launch phase, situations can arise that risk delaying a launch or even making it impossible. Both ourselves and our carefully selected partners do everything we can to prevent these situations from occurring, but there are always risk factors beyond our control. This means that launches can take place both earlier and later than indicated. The chart below is intended to provide a best guess at any given time.

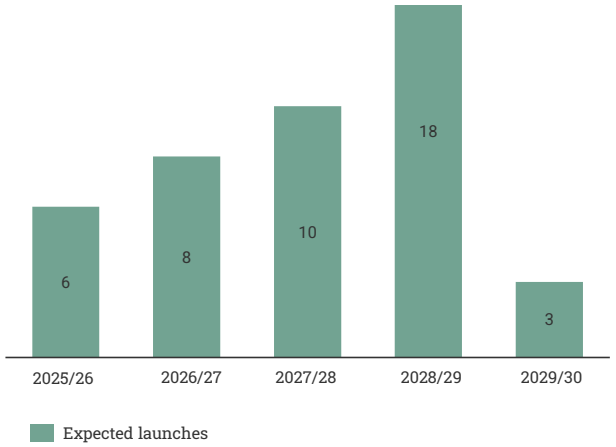

Figure 2. The company's product launches for the current fiscal year and expected product launches up to and including fiscal year 2029/30.

EQL PHARMA

Market

EQL Pharma has an aggressive growth strategy driven by the launch of new products combined with expansion into new markets. Our products are often generic to originals that have been around for a very long time.

This means that the markets we enter are generally mature, but also that there are few, if any, generic competitors to our products and that it is unlikely that many new ones will be added.

Marketed products

The definition of "product" is a unique substance and / or formulation. So PenV tablets and oral suspension count as two products, not one. A product can be launched in several countries at the same time with different pack sizes but is still only counted as one product launch.

No new products have been launched in the quarter.

Geographic markets

We currently operate directly under our own brand in Sweden, Denmark, Norway, Finland, Estonia, Latvia, Lithuania, the Czech Republic, Austria and Portugal.

In the rest of the world our products are sold indirectly through partners.

In 2025/26 and beyond, we will expand our geographical presence worldwide. Depending on the market, this will be done through a direct or indirect sales model.

Product areas

We currently develop and sell only prescription drugs and rapid tests in our core product. There are several interesting product areas in this category. So far, we have mostly focused on the area of interchangeable generics in outpatient care (Pharmacy), injectable products for inpatient care (Hospital) and tests to identify Covid and/or influenza infections (Tests). The intention going forward is to broaden the portfolio to include more unique products/formulations for primarily outpatient care (Brands) and non-interchangeable generics (Specialty Generics).

Outpatient care generics are primarily sold via various exchange systems such as the Swedish "Periodens Vara" system. The injectable products are generally sold via public procurement. The unique and non-interchangeable products achieve sales only through prescriptions specifically for our product and the tests are sold directly to consumers with pharmacies as the primary sales channel.

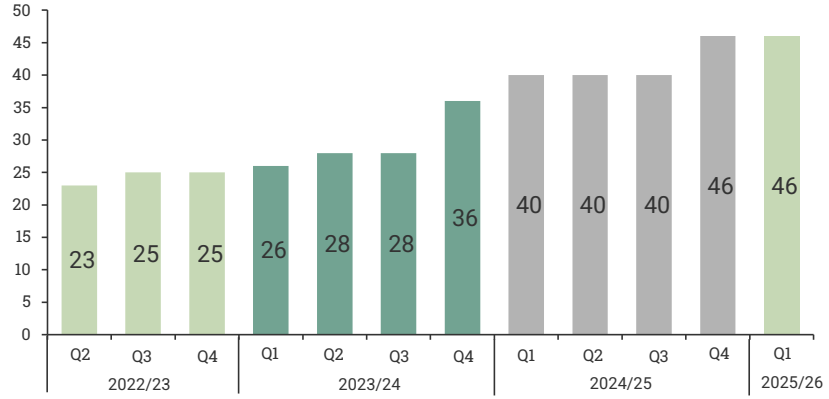

Figure 3. The company's product portfolio, i.e. marketed products, per quarter from fiscal year 2022/23 through the reporting period for the current fiscal year. The Y axis is the number of products marketed..

Market

Pharmacy

From this quarter, we are changing the name of the product area “Retail” to “Pharmacy” to avoid misunderstandings as “Retail” can easily be interpreted as all retail trade.

During the quarter, Denmark introduced a contingency stock that requires us to keep six weeks of stock of all outpatient products that we sell in Denmark. As we generally keep significantly higher stocks than this on average, this has not resulted in any noticeable increase in stock levels. However, during the quarter, we have had to reallocate some stock from wholesalers in Sweden to Denmark to meet the requirements.

Hospital

During the quarter, EQL won tenders in Denmark and Sweden and began sales in new multi-year agreements in Denmark.

Brands

During the quarter, EQL's proprietary product methenamine hippurate was approved in France where it will be sold under the EQL-owned brand name "Altaromin" instead of the Memprex brand, as requested by the local partner and licensee Laboratories Majorelle.
Altaromin is used for the treatment of recurrent urinary tract infections and will be the first treatment in France that does not involve antibiotics and increases the risk of developing antibiotic-resistant bacteria. Launch is expected in EQL's fourth financial quarter 2025/26.

Tests

There has been no Covid epidemic during the quarter and sales of tests have therefore been moderate.

Specialty Generics

Starting this quarter, we will report on current market events for our new Specialty Generics product area, which includes generics that are not interchangeable with other generics or the originator drug.

The area currently has two dedicated and knowledgeable employees with many years of experience in selling this type of drug.

Examples of Specialty Generics

There are several different reasons why a drug is classified as “non-substitutable.” Here are some of them.

A. Medicines with a narrow therapeutic window, i.e. where the dosage difference between substandard effect and toxicity is so small that switching between generics is impossible. Examples include medicines used in transplantation or epilepsy.

B. Medicines with distinctly different flavours, specifically intended for children.

C. Medicines with different classifications, e.g. over-the-counter vs. prescription vs. dietary supplements, where the requirements from authorities regarding safety, efficacy and quality are different.

D. Medicines that differ significantly from other medicines with the same effective substance, e.g. regarding administration, strength or formulation. Examples include medicines with unique inhalers or injection pens.

E. Medicines with the same substance but with differences in important parameters in their market approval. Examples include differences in use during pregnancy or breastfeeding.

Financial information

Sales and operating profit

Sales development

In the first quarter of the financial year 2025/2026, our net sales amounted to SEK 107.2 (82.8) million, which corresponds to a growth of 30%.

Quarterly net sales and Rolling 12 months (R12)*

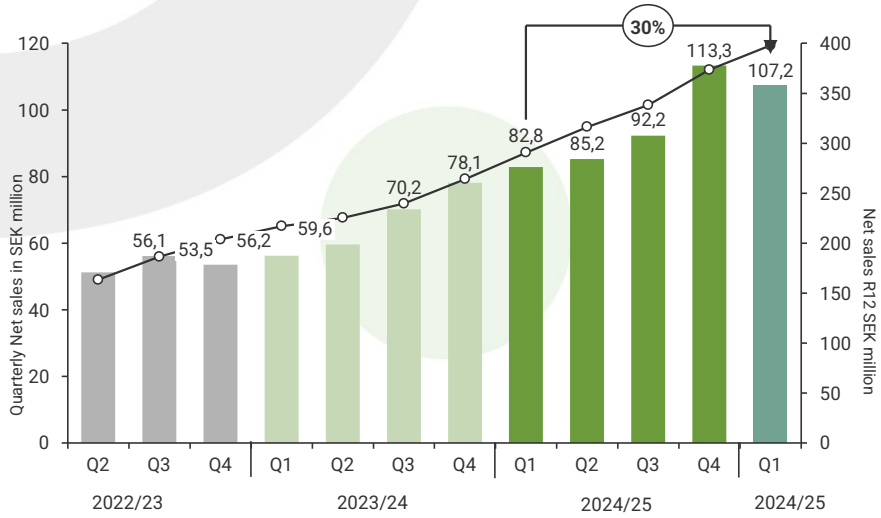

Figure 4. Net sales trend fiscal year 2022/23 through reporting period for the current fiscal year. Left Y-axis quarterly turnover in SEK million. Right Y-axis rolling 12-months sales expressed in SEK million.
*** Excluding non-recurring sales until 2023/24**

Profit performance

Operating profit for the first quarter amounted to SEK 20.5 (15.2) million. The operating margin (EBIT) was 19% (18%). All product areas contributed positively to the result.

Quarterly operating profit (EBIT) and EBIT Rolling 12 months (R12)

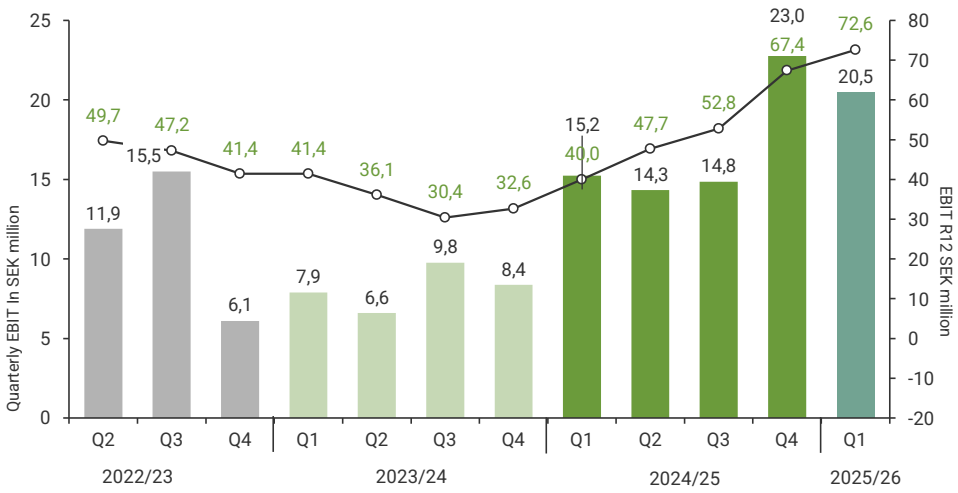

Figure 5. Operating profit trend (EBIT) for fiscal year 2022/23 through the reporting period for the current fiscal year, the bars are EBIT and the line is rolling 12-month EBIT. The left Y-axis EBIT per quarter expressed in SEK million and the right Y-axis is rolling 12-month EBIT expressed in SEK million.

EQL PHARMA

Cash flow, investments and financing

Gross profit

Gross profit increased by 25 percent to SEK 46.2 (37.0) million during the first quarter, which corresponds to a gross margin of 43 percent (45).

The gross margin was affected by shipping costs, the product mix, depreciation of capitalized development expenses, inventory adjustments and currency effects.

Cash flow

Positive cash flow from operations before changes in working capital of SEK 17.7 (14.1) million for the quarter.

Change in working capital during the quarter amounted to SEK -20.9 (-33.8) million.

The change can primarily be explained by a decrease in accounts payable.

The total cash flow from current operations amounted to SEK -3.2 (-19.8) million for the quarter.

Investments

EQL Pharma continues to invest in new products. During the quarter, SEK 23.6 (7.7) million was invested in both ongoing and new projects.

Financing

Cash flow from financing operations totaled SEK 5.9 (20.4) million during the quarter and mainly includes increased lease liabilities according to IFRS16.

Financial costs

The quarter's interest expenses attributable to loans amounted to SEK -8.1 (-2.1) million. In addition to interest costs for loans, financial costs are attributable to interest on leasing debt according to IFRS 16.
Other financial income for the period amounted to SEK 0.0 (0.0) million.

Financial position

Cash and cash equivalents amounted to SEK 56.1 (13.4) million at the end of the quarter and unutilised working capital credit amounted to SEK 27.2 (17.3) million.

Pledged invoice and inventory limits amounted to SEK 134 (140) million.

Tax

Tax according to the applicable tax rate of 20.6% during the quarter amounted to SEK -2.6 (-2.7) million.

Additional information

Parent company

EQL Pharma AB is the parent company of the EQL Pharma group. Net sales for the Parent Company during the first quarter amounted to SEK 107.2 (82.8) million. Operating profit amounted to SEK 20.5 (15.2) million for the quarter.

Personnel

The number of full-time employees in the group is 20 (22), out of whom 10 (15) are women, at the Swedish parent company.

In addition to the permanent staff, there are long-term consultants with expertise in GMP, pharmacovigilance, regulatory affairs, business development and wholesale operations tied to the group.

Risk factors

This financial report includes statements that are forward looking but actual future results may differ materially from those anticipated. In addition to the factors discussed, the earnings can be affected by delays and difficulties in the various phases of development, such as formulation, stability, preclinical and clinical trials, but also potentially competition, economic conditions, patent protection and the exchange rate and interest rate fluctuations, and political risks.
Several risk factors may have a negative impact on the operations of EQL Pharma. It is therefore important to consider the relevant risks alongside the Company's growth opportunities. The following text describes risk factors in no particular order and with no claim to be exhaustive.
Delays in launching new products can mean deterioration in earnings for the company and it cannot be excluded that the EQL Pharma in the future may need to raise additional capital. An aggressive investment strategy from competition could pose risks in the form of slower sales and weaker profitability. Increased competition could lead to negative sales and earnings effects for the Company in the future.

External factors such as inflation, currency and interest rate fluctuations, supply and demand, booms and recessions as well as geopolitical such as the unrest in the Middle East may have an impact on operating costs, freight costs, selling prices and equity valuations. EQL Pharma's future revenues and valuation of shares may be adversely affected by these factors, which are beyond the Company's control. A large part of the purchases is made in euro whose value can change significantly.

EQL Pharma will continue to develop new products in its field. Time and cost aspects of product development can be difficult to pre-determine with accuracy. This entails the risk that a proposed product is more costly than planned or takes longer than planned.

Additional risks and uncertainties that are not currently known to EQL Pharma may be developed into important factors that affect the Company's operations, results and financial position.

For a more detailed list of risks, we refer to EQL's Annual Report 2024/25, pages 47-48 and 62-63.

Upcoming reports

Future reports for 2025/26 will be published:

Current financial period:	
Annual General Meeting	2025-08-21
Interim Report July – September (Q2)	2025-11-05
Interim Report October – December (Q3)	2026-02-03
Year-End Report April 2025 – March 2026 (Q4)	2026-05-08

Additional information

Accounting policies

EQL Pharma's consolidated accounts are prepared in accordance with International Financial Reporting Standards (IFRS). EQL Pharma's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. For the Group, the same accounting policies as those adopted for this report are described on pages 56-61 of the company's Annual Report for 2024/2025 with the addition of IFRS 13 where fair value has been calculated for all financial assets and liabilities and with additions for acquired products based on the assets' acquisition values and estimated useful lives of up to 20 years. The fair value of other financial assets, other receivables, trade receivables and other short-term receivables, cash and cash equivalents, trade payables and other liabilities and interest-bearing liabilities is estimated to be equal to its book value. The company has loans with variable interest rates and thus the fair value is deemed to be in line with the book value.

Reporting for the Parent follows the Swedish Annual Accounts Act and recommendation RFR 2 of the Swedish Financial Accounting Standards Council ('Reporting for Legal Entities').

Our financial goals

During the last quarter, a new five-year plan was presented (with four full years). 2024/25 – 2028/29, the goal is to grow by an average of 30%; stabilizing the EBITDA margin initially at 25%; then over 25%. Our peak leverage shall be a maximum of 4.0x EBITDA, with a target to strive for 2.5x. Sales growth for the current full year 2025/26 is forecast to around 30%.

The auditors' review

This interim report has not been audited by the auditor.

Questions regarding year end report

For further information or questions, please contact:

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EQL Pharma is listed on Nasdaq Stockholm, Small Cap list. The company is traded under the ticker symbol EQL and ISIN code SE0005497732.

Board of Directors EQL Pharma

Lund, August 8th, 2025.

Christer Fåhraeus,
Chairman

Anders Månsson,
Member

Per Ollermark,
Member

Linda Neckmar,
Member

Per Svangren,
Member

Nikunj Shah,
Member

EQL PHARMA

The Group

Consolidated profit and loss statement

All amounts in '000	Note	Apr – Jun 2025	Apr – Jun 2024	Apr 2024 – Mar 2025
Net sales	3	107 215	82 789	373 516
Cost of goods sold		-61 063	-45 808	-217 562
Gross profit		**46 152**	**36 981**	**155 953**
Gross margin		**43%**	**45%**	**42%**
Sales and marketing expenses		-17 606	-12 826	-58 763
Administration expenses		-6 254	-6 436	-19 698
R&D expenses		-2 826	-3 201	-11 263
Other operating income		995	715	1 140
Operating profit (EBIT)		**20 460**	**15 232**	**67 370**
Other financial items		2	0	7
Interest paid		-8 078	-2 119	-13 022
Result before tax		**12 384**	**13 113**	**54 354**
Tax		-2 556	-2 701	-11 232
Net profit for the period		**9 829**	**10 412**	**43 123**
Other comprehensive income:				
Translation difference in the group		4	-4	-10
Sum of Components to be reclassified to net profit:		**4**	**-4**	**-10**
Sum of other comprehensive income:		4	-4	-10
Comprehensive result for the period		**9 833**	**10 407**	**43 113**

The Group

Per share data

Per share data	Apr – Jun 2025	Apr – Jun 2024	Apr 2024 – Mar 2025
Earnings per share, before dilution, SEK */	0.34	0.36	1.48
Earnings per share, after dilution, SEK */	0.33	0.36	1.44
Equity per share, SEK	7.94	6.47	7.61
Number of shares outstanding	29 063 610	29 063 610	29 063 610
Average number of shares outstanding, before dilution	29 063 610	29 063 610	29 063 610
Average number of shares outstanding, after dilution	29 895 610	29 063 610	29 895 610
Stock exchange rate, SEK	91.50	56.20	71.00
Dividend per share	-	-	-

* Based on the profit/loss for the period divided by the average number of shares in issue

Quarterly earnings trend

All amounts in '000	Apr – Jun 2025	Jan – Mar 2025	Oct – Dec 2024	Jul – Sep 2024	Apr – Jun 2024
Net sales	107 215	113 256	92 222	85 248	82 789
Sales growth	30	45	31	43	47
Gross profit	46 152	46 508	37 742	34 722	36 981
Gross margin, %	43	41	41	41	45
Operating profit (EBIT)	20 460	22 973	14 844	14 321	15 232
Operating margin, %	19	20	16	17	18
Net profit for the period	9 829	13 088	10 061	9 562	10 412
Cash flow for the period	-26 294	66 844	3 727	-1 542	-7 097

The Group

Consolidated balance sheet

All amounts in '000	Note	2025-06-30	2024-06-30	2025-03-31
Intangible assets	**4**	420 505	180 387	402 246
Tangible fixed assets		5 970	2 329	6 324
Financial assets		1	1	1
Inventory		176 740	137 284	179 031
Trade receivables		123 349	56 673	125 682
Other receivables		14 610	16 546	13 139
Cash and bank		56 106	13 371	82 400
Total assets		**797 279**	**406 591**	**808 823**
Equity		230 868	188 134	221 034
Deferred Tax liability		27 892	20 211	25 338
Long-term debt, interest-bearing		342 557	16 607	341 818
Short-term debt, interest-bearing		109 169	123 847	109 739
Short-term debt, non interest-bearing		22 024	11 235	19 960
Trade payables		64 769	46 557	90 935
Total equity and liabilities		**797 279**	**406 591**	**808 823**

Consolidated changes in equity

All amounts in '000	Apr – Jun 2025	Apr – Jun 2024	Apr 2024 – Mar 2025
Balance at beginning of period	221 034	177 726	177 726
Warrants	0	0	194
Profit for the period	9 829	10 412	43 123
Other comprehensive income	4	-4	-10
Balance at end of period	**230 868**	**188 134**	**221 034**

The Group

Cash flow

All amounts in '000	Apr – Jun 2025	Apr – Jun 2024	Apr 2024 - Mar 2025
Operating profit (EBIT)	20 460	15 232	67 370
Interest paid	-8 076	-2 119	-13 015
Adjustment for items not included in cash flow	5 357	958	12 517
Taxes	0	0	0
Cash flow from operations before changes in working capital	**17 741**	**14 071**	**66 871**
Changes in inventory	2 295	-31 662	-73 413
Changes in current receivables	863	-1 539	-67 151
Changes in current liabilites	-24 103	-637	49 041
Sum changes in working capital	**-20 945**	**-33 838**	**-91 523**
Cash flow from operations	**-3 204**	**-19 767**	**-24 652**
Acquisitions of intangible non-current assets	-23 577	-7 653	-239 715
Acquisitions of tangible non-current assets	-5 387	-37	-6 127
Cash flow from investment activities	**-28 963**	**-7 691**	**-245 843**
Amortization, raising of loans	430	20 722	328 128
Warrants program	0	0	194
Leasing debts	5 443	0	2 326
Amortization of leasing debts	0	-361	1 778
Cash flow from financing activities	**5 873**	**20 361**	**332 427**
Total cash flow during period	**-26 294**	**-7 097**	**61 932**
Cash / cash equivalents at beginning of period	82 400	20 468	20 468
Cash / cash equivalents at end of period	56 106	13 371	82 400

Parent company

Profit and loss statement

All amounts in i '000	Apr – Jun 2025	Apr – Jun 2024	Apr 2024 – Mar 2025
Net sales	107 211	82 790	371 910
Cost of goods sold	-61 049	-45 670	-216 481
Gross profit	**46 162**	**37 120**	**155 428**
Gross margin	**43%**	**45%**	**42%**
Sales and marketing expenses	-17 577	-12 736	-58 443
Administration expenses	-6 256	-6 391	-19 794
R&D expenses	-2 826	-3 208	-11 281
Other operating income	995	715	1 140
Operating profit (EBIT)	**20 497**	**15 500**	**67 050**
Other financial and interest income	1	0	7
Interest expenses and similar expenses	-8 016	-2 108	-12 813
Profit before tax	**12 482**	**13 392**	**54 243**
Appropriations	0	0	-38 000
Tax	-2 554	-2 701	-3 392
Net profit for the period	**9 928**	**10 691**	**12 852**

Parent company

Balance sheet

All amounts in '000	2025-06-30	2024-06-30	2025-03-31
Intangible assets	231 018	180 102	210 344
Tangible fixed assets	584	315	622
Financial assets	391	391	391
Inventory	176 695	136 667	178 971
Trade receivables	123 347	56 682	125 677
Other receivables	202 866	17 949	204 310
Cash and bank	55 938	11 981	81 641
Total assets	**790 839**	**404 088**	**801 956**
Equity	132 625	120 343	122 698
Long-term debt, interest-bearing	339 411	15 671	338 387
Short-term debt, interest-bearing	110 927	122 723	111 524
Short-term debt, non interest-bearing	20 116	13 941	15 503
Appropriations	123 000	85 000	123 000
Trade payables	64 759	46 411	90 845
Total equity and liabilities	**790 839**	**404 088**	**801 956**

Notes

Note 1 Accounting policies

The Group applies International Financial Reporting Standards (IFRS), as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting; the Annual Accounts Act and the Nasdaq Stockholm Rule Book for Issuers. Disclosures in accordance with IAS 34 p. 16A appear not only in the financial statements and their accompanying notes but also in other parts of the interim report. Valuation according to IFRS 13 explains that fair value has been calculated for all financial assets and liabilities. The fair value of other financial assets, other receivables, trade receivables and other short-term receivables, cash and cash equivalents, trade payables and other liabilities and interest-bearing liabilities is estimated to be equal to its book value. The company has loans with variable interest rates and thus the fair value is deemed to be in line with the book value. The parent company applies the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2 Accounting for Legal Entities.

Note 2 Segment reporting

EQL Pharma's operations only comprise one operating segment; generics for prescription pharmacy sales and hospital sales, and therefore reference is made to the income statement and balance sheet regarding operating segment reporting.

Note 3 Allocation of sales

Net sales divided in geographical markets.

All amounts in '000	Apr – Jun 2025	Apr – Jun 2024
Sweden	33 511	31 329
Other Scandinavia	49 120	32 831
Other Europe	24 041	18 629
Outside Europe	543	-
Total	**107 215**	**82 789**

All amounts in '000	**Apr 2024 – Mar 2025**
Sweden	164 832
Other Scandinavia	138 641
Other Europe	69 491
Outside Europe	553
Total	**373 516**

Note 4 Intangible fixed assets

All amounts in '000	Apr – Jun 2025	Apr – Jun 2024	Apr 2024 – Mar 2025
Opening accumulated cost	450 142	210 427	210 427
Investments for the period	23 577	7 653	239 715
Write-down for the period	-	-	-
Closing accumulated cost	**473 719**	**218 080**	**450 142**
Opening accumulated depreciation	-47 896	-37 118	-37 118
Depreciation for the period	-5 318	-576	-10 778
Sales/disposals for the period	-	-	-
Closing accumulated depreciation	**-53 214**	**-37 694**	**-47 896**
Total intangible fixed assets	**420 505**	**180 387**	**402 246**

The intangible fixed assets amounted to SEK 420.5 (180.4) milion on the balance sheet date.

Intangible assets are reported at the cost of acquisition minus accumulated depreciation and any write-downs. The useful life is reviewed at each accounting year-end.

For the recently acquired product portfolio from Medilink, the useful life has been estimated at 20 years and the products are depreciated on a straight-line basis at 5% per year.

Notes

Note 5 Transactions with related parties

The nature and extent of related party transactions are described in the group's annual report for 2024/25.

Transactions with related parties arise in the day-to-day operations and are based on commercial terms and market prices. In addition to customary transactions between group companies and remuneration to management and the board, the following transactions with related parties have taken place during the period: Transactions with Cadila Pharmaceuticals Ltd regarding goods purchases and development costs have taken place with SEK 8.8 (14.4) million during the period April to June 2025.

Note 6 Incentive Programmes

Options Scheme – During the period April to June, the company has not granted any new warrants.

There are previously outstanding incentive programs in the company in the form of four warrant programs through which a maximum of 832,000 new shares may be issued. If all warrants that have been issued and held by participants are fully utilized for the subscription of shares, a total of 832,000 new shares will be issued, which corresponds to a combined dilution of approximately 2.78 percent of the company's share capital and votes after full dilution.

The earnings conditions mean that the individuals annually for 3.5 years earn the right to the warrants and where it exists a requirement for employment during the respective period. As the warrants in the Warrants Programs will be issued to the participant at their fair market value, it is the company's assessment that no social costs will occur for the company as a result of the Warrants Programs.

Description of the full terms and conditions for incentive programs can be found on the company's website under Investor Relations.

Note 7 Events after accounting period

On July 2, it was announced that EQL's key product Memprex© (methenamine hippurate) has been licensed for sale in BeNeLux (Belgium, Netherlands, Luxembourg) with Goodlife Specialty BV.

On July 8, it was announced that EQL is taking the first step to establish itself in Germany and the Netherlands.

Reconciliation tables KPIs, non-IFRS measures

The company presents certain financial measures in the interim report which are not defined according to IFRS. The company considers these measures to provide valuable supplementary information for investors and the company's management as they enable the assessment of relevant trends. EQL Pharma's definitions of these measures may differ from other companies' definitions of the same terms. These financial measures should therefore be seen as a supplement rather than as a replacement for measures defined according to IFRS. Definitions of measures which are not defined according to IFRS and which are not mentioned elsewhere in the interim report are presented below. Reconciliation of these measures is shown in the tables below.

Key performance indicators not defined according to IFRS

Key performance indicators	Definition
Sales growth	Net sales divided by net sales corresponding to the period last year.
Gross profit	Net sales less cost of goods sold.
Gross margin	Gross profit as a percentage of net sales.
Operating profit (EBIT).	Earnings before interest and tax
Operating margin (EBIT), %.	Operating profit (EBIT) as a percentage of net sales for the period.
EBITDA	Operating profit (EBIT) before interest, taxes, depreciation and amortization.
EBITDA margin %	Operating profit (EBIT) adjusted for write-downs and amortization divided by net sales.
Pro-forma adjusted EBITDA	Pro-forma adjusted EBITDA as if acquired entities had been part of EQL Pharma during the last twelve-month period
Net debt through pro-forma adjusted EBITDA	Short-term and long-term liabilities to credit institutions, bond loans less cash and cash equivalents divided by pro forma adjusted EBITDA
Shareholders' equity per share	Shareholders' equity attributable to Parent Company shareholders divided by the number of outstanding shares at the end of the period.
Equity/assets ratio	Shareholders' equity including non-controlling interests as a percentage of total assets.

Sales growth		**Apr – Jun 2025**	**Apr – Jun 2024**	**Apr – Mar 2025**
A	Net sales current period, KSEK	107 215	82 789	373 516
B	Net sales last period, KSEK	82 789	56 206	264 168
(A-B)/B	Sales growth, %	30%	47%	41%

Gross profit / Gross margin		**Apr – Jun 2025**	**Apr – Jun 2024**	**Apr – Mar 2025**
A	Net sales, KSEK	107 215	82 789	373 516
B	Cost of goods sold, KSEK	-61 063	-45 808	-217 562
A-B	Gross profit, KSEK	46 152	36 981	155 953
(A-B)/A	Gross margin, %	43%	45%	42%

Reconciliation tables KPIs, non-IFRS measures, cont.

Operating profit (EBIT)/ Operating margin		Apr – Jun 2025	Apr – Jun 2024	Apr – Mar 2025
A	Operating profit (EBIT), KSEK	20 460	15 232	67 370
B	Net sales, KSEK	107 215	82 789	373 516
A/B	Operating margin (EBIT), %	19%	18%	18%

EBITDA		Apr – Jun 2025	Apr – Jun 2024	Apr – Mar 2025
A	Operating profit (EBIT), KSEK	20 460	15 232	67 370
B	Write-downs and amortization, KSEK	5 357	628	10 882
A+B	EBITDA, KSEK	25 817	15 860	78 252

EBITDA margin, %		Apr – Jun 2025	Apr – Jun 2024	Apr – Mar 2025
A	Operating profit (EBIT) adjusted for write-downs and amortization , KSEK	25 817	15 860	78 252
B	Net sales, KSEK	107 215	82 789	373 516
A/B	EBITDA margin, %	24%	19%	21%

Net debt through pro-forma adjusted EBITDA		Jul 2024 – Jun 2025	Apr – Jun 2024	Apr – Mar 2025
A	EBITDA, KSEK	88 216	N/A	78 252
B	EBITDA Medilink before date of acquisition, KSEK	18 847	N/A	26 052
A+B	Pro-forma adjusted EBITDA, KSEK	107 063	N/A	104 304
C	Interest-bearing net debt, KSEK	395 621	N/A	369 157
C/(A+B)	Interest-bearing net debt through pro-forma adjusted EBITDA, times	3.70	N/A	3.54

* Pro-forma adjusted EBITDA based on the product portfolio acquired by Medilink having been part of EQL Pharma for the twelve-month period ended June 30, 2025, and with assumptions regarding operating costs presented in connection with the signing of the asset transfer agreement on December 10, 2024.

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Reconciliation tables KPIs, non-IFRS measures, cont.

Pro-forma adjusted EBITDA margin, %		Jul 2024 – Jun 2025	Apr – Jun 2024	Apr – Mar 2025
A	Pro-forma adjusted EBITDA, KSEK	107 063	N/A	104 304
B	Net sales, KSEK	397 941	N/A	373 516
C	Net sales Medilink before date of acquisition, KSEK	29 518	N/A	42 168
B+C	Pro-forma adjusted net sales, KSEK	427 459	N/A	415 683
A/(B+C)	Pro-forma adjusted EBITDA margin, %	25%	N/A	25%

Shareholders' equity per share		Apr – Jun 2025	Apr – Jun 2024	Apr – Mar 2025
A	Profit/loss for the period, KSEK	9 829	10 412	43 123
B	Number of shares	225 951	114 997	199 380
A/B	Net earnings per share, %	4%	9%	22%

Equity-asset ratio		Apr – Jun 2025	Apr – Jun 2024	Apr – Mar 2025
A	Equity, KSEK	230 868	188 134	221 034
B	Balance sheet total, KSEK	797 279	406 591	808 823
A/B	Equity ratio, %	29%	46%	27%

* Pro-forma adjusted EBITDA based on the product portfolio acquired by Medilink having been part of EQL Pharma for the twelve-month period ended June 30, 2025, and with assumptions regarding operating costs presented in connection with the signing of the asset transfer agreement on December 10, 2024.

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