



Interim report January 1–June 30, 2023

April–June 2023

- » Net revenue for the period was SEK 344.4 million (231.9), an increase of 48.5%. Organic growth was 10.4%.
- » Orders received for the period was SEK 319.3 million (260.9), an increase of 22.4%. Organic growth was 15.7%.
- » EBITDA for the period was SEK 121.6 million (34.3)
- » Profit/loss for the period was SEK 3.2 million (19.1)
- » Earnings per share for the period amounted to SEK 0.02 (0.11)
- » Cash flow from Operations for the period was SEK 102.2 million (20.3)
- » Updated 2023 forecast, SEK 500 million EBITDA pro forma and SEK 1.7 billion net revenue pro forma

January–June 2023

- » Net revenue for the period was SEK 654.9 million (394.3), an increase of 66.1%. Organic growth was 14.6%.
- » Orders received for the period was SEK 659.6 million (391.7), an increase of 68.4%. Organic growth was 39.1%.
- » EBITDA for the period was SEK 205.8 million (55.5)
- » Profit/loss for the period was SEK 38.8 million (19.1)
- » Earnings per share for the period amounted to SEK 0.21 (0.11)
- » Cash flow from Operations for the period was SEK 225.5 million (22.1)

SEK million	Apr–Jun 2023	Apr–Jun 2022	Jan–Jun 2023	Jan–Jun 2022	Rolling 12 months Jul 2022– Jun 2023	Jan–Dec 2022	Change	Pro forma rolling 12 months Jul 2022– Jun 2023
Net revenue	344.4	231.9	654.9	394.3	1,212.1	951.5	27.4%	1,244.5
EBITDA	121.6	34.3	205.8	55.5	335.4	185.1	81.2%	352.9
EBITDA margin, %	35.3%	14.8%	31.4%	14.1%	27.7%	19.5%	8.2 pp	28.4%
Adjusted EBITDA	121.6	31.8	206.4	53.1	328.2	174.9	87.7%	345.7
Adjusted EBITDA margin, %	35.3%	13.7%	31.5%	13.5%	27.1%	18.4%	8.7 pp	27.8%
EBITA	90.7	30.1	163.9	47.7	279.6	163.4	71.1%	294.4
EBITA margin, %	26.3%	13.0%	25.0%	12.1%	23.1%	17.2%	5.9 pp	23.7%
Profit/loss before tax (EBT)	24.8	20.0	69.3	20.5	156.8	108.0	45.2%	171.4
Profit/loss for the period	3.2	19.1	38.8	19.1	100.7	81.1	24.2%	113.8
Cash conversion %	84.0%	59.2%	109.6%	39.8%	95.2%	65.2%	33.5 pp	-
Earnings per share (SEK)	0.02	0.11	0.21	0.11	0.55	0.46	21.7%	0.60
Net debt-to-EBITDA	-	-	-	-	-	-	-	1.5

CEO's comment

Strong quarter and increased 2023 forecast

The second quarter of 2023 showed a continued trend of increasing orders received, net revenue and profit, both compared to the same period last year and sequentially. EBITDA increased by 254.5% to SEK 121.6 million, with a cash conversion of 84.0%. Net revenue increased by 48.5% to SEK 344.4 million. Organic growth was 10.4%. Orders received continued to be strong during the quarter and increased 22.4%, organically 15.7%. Net financial items in the second quarter were negatively affected by non-recurring costs of SEK 37.1 million due to refinancing of the outstanding bond loan, of which SEK 14.1 million did not affect cash flow.

The Lab business unit continued to grow due to a platform with better margins and product mix. The business unit increased its net revenue by 133.5% and orders received by 38.8% in the quarter. Laboratory equipment orders for clinical studies, one of the Group's high margin product segments, have been delivered faster than expected and contributed to both net revenue growth and margin expansion. We continue to focus on a product mix with higher margins and actively choosing more profitable projects. Overall, these activities improved the EBITDA margin to 50.8% (9.8) and EBITDA reached SEK 73.6 million (6.1).

During the quarter, we saw continued demand in the Healthcare business unit, in particular pharmaceutical and medical equipment products in the US. Orders received increased 17.8% and net revenue 17.5% compared to the same period last year. Organic net revenue growth amounted to 10.5% during the quarter.

We are proactively working to improve our margins and have been able to continue to strengthen our EBITDA margin by working with pricing. The Lab business unit has particularly contributed to the improved margin and the Group's adjusted EBITDA margin amounted to 35.3% (13.7) in the quarter. Both business units have seen strong performance in recent quarters, and we continue to see demand for our products, although the operating margin may fluctuate between quarters due to the product mix.

The Group's Cash flow from Operations in the quarter remained strong. We have continued to optimize our balance sheet, inventory management and accounts receivable/payable. At the end of the second quarter, the interest-bearing net debt amounted to 1.5 times EBITDA compared to 2.1 times EBITDA at the end of Q1 2023.

During the quarter, we refinanced our outstanding bond loan of SEK 0.65 billion with a new three-year bond loan of SEK 1.0 billion with a framework of SEK 2.0 billion. The loan was issued with a lower interest rate, decreasing our borrowing costs and provides us with ample opportunities to continue to deliver on our long-term goals.



In addition to the acquisitions already announced this year, we have a well-filled pipeline of add-on acquisitions to our existing product segments. The price of acquisitions has come down somewhat because of several players finding it more difficult to finance their acquisitions. With that, sellers price expectations has gone down, lowering price multiples.

At the end of the second quarter, we reached our profitability target for the full year 2023. The target was SEK 330 million in EBITDA on a pro forma basis by the end of the year. At the end of the second quarter of 2023, EBITDA on a pro forma basis amounted to SEK 353 million. We have therefore increased our pro forma EBITDA target for 2023 to SEK 500 million. The new target is based on completing the acquisitions already communicated during the second half of the year. At the same time, we are also raising the net revenue target for the year from SEK 1.6 billion to SEK 1.7 billion pro forma. No additional financing is needed to reach the new target and my view is that we can reach the targets and still be below a net debt of 3.0x EBITDA.

Our overall goal is to extend, improve and save people's lives by developing and providing products and services for healthcare and research that extend people's lives. Our financial position remains good, and we are well equipped to be able to carry out complementary acquisitions in prioritized markets with a focus on high-quality research and healthcare products.

Rikard Akhtarzand
CEO

The Group's development

Net revenue and orders

Net revenue for the quarter was SEK 344.4 million (231.9), an increase of 48.5% compared with the same period of the previous year. Organic growth was 10.4%, without currency rate effects, an organic growth of 3.6%.

Net revenue for January–June was SEK 654.9 million (394.3), an increase of 66.1% compared with the same period of the previous year. Organic growth was 14.6%, without currency rate effects, an organic growth of 7.0%.

Orders received for the quarter was SEK 319.3 million (260.9), an increase of 22.4% compared with the same period of the previous year. Organic growth was 15.7%.

Orders received for January–June was SEK 659.6 million (391.7), an increase of 68.4% compared with the same period of the previous year. Organic growth was 39.1%.

Profit

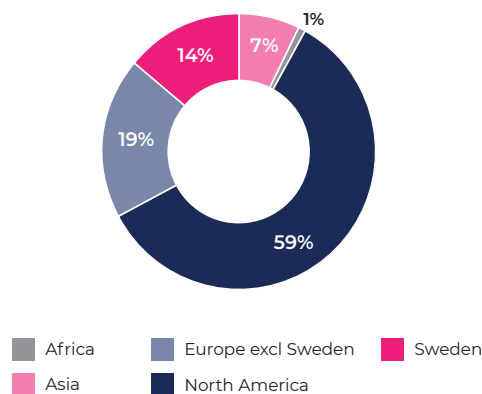
EBITDA for the quarter was SEK 121.6 million (34.3). Adjusted EBITDA was SEK 121.6 million (31.8). For information about acquisition costs and other adjustments items, please refer to *Definition of key performance indicators*. EBITA was SEK 90.7 million (30.1). Operating profit/loss for the period was SEK 86.5 million (28.5). Profit/loss after tax was SEK 3.2 million (19.1). Adjusted profit/loss after tax amounted to SEK 40.4 million (20.8). Basic earnings per share amounted to SEK 0.02 (0.11) for the quarter.

EBITDA for January–June was SEK 205.8 million (55.5). Adjusted EBITDA was SEK 206.4 million (53.1). For

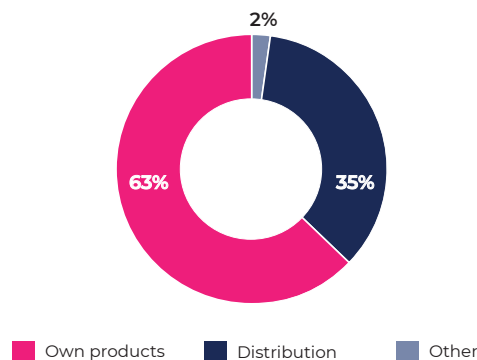
information about acquisition costs and other adjustments items, please refer to *Definition of key performance indicators*. EBITA was SEK 163.9 million (47.7). Operating profit/loss for the period was SEK 155.5 million (45.0). Profit/loss after tax was SEK 38.8 million (19.1). Adjusted profit/loss after tax amounted to SEK 77.0 million (26.6). Basic earnings per share amounted to SEK 0.21 (0.11) for January–June.

Depreciation has increased in 2023, as companies acquired in 2022 led to an increase in the Group's tangible fixed assets. As a result of the refinancing of an outstanding bond loan, Net financial items contains non-recurring costs that are largely non-deductible, which affected tax in the second quarter.

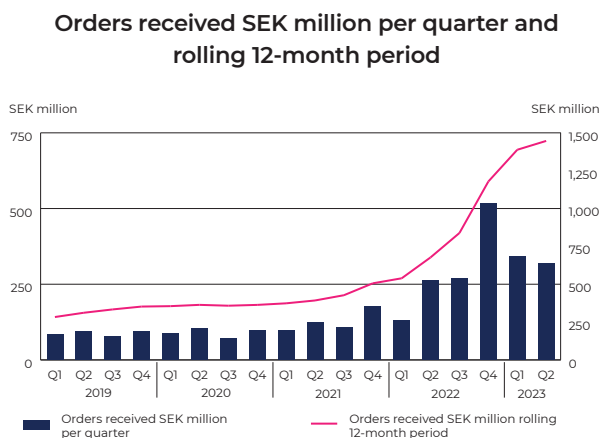
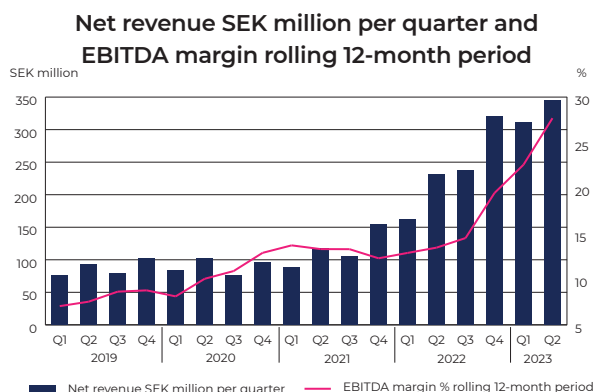
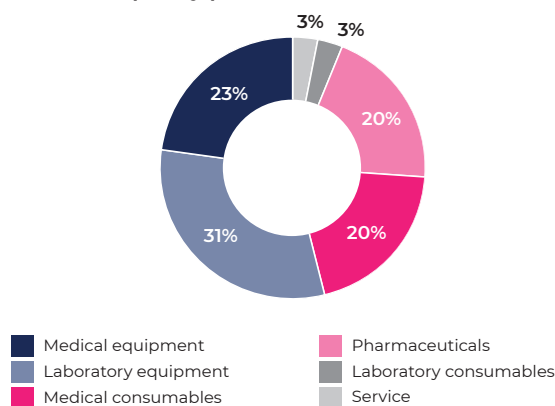
Net revenue split by geography Jan–Jun 2023



Net revenue split by own products/distribution Jan–Jun 2023



Net revenue split by product Jan–Jun 2023



Healthcare business unit

The Healthcare business unit manufactures and distributes medical equipment, both advanced and conventional, plus pharmaceuticals and consumables to healthcare units.

During the quarter, the business unit saw continued good demand, especially in the product segments pharmaceuticals and medical equipment, especially in the US.

Net revenue, orders and profit

Net revenue for the quarter was SEK 199.6 million (169.9), an increase of 17.5% compared with the same period of the previous year. Organic growth was 10.5%.

Net revenue for January–June was SEK 423.4 million (266.9), an increase of 58.7% compared with the same

period of the previous year. Organic growth was 20.3%.

Orders received for the quarter was SEK 239.9 million (203.7), an increase of 17.8% compared with the same period of the previous year. Organic growth was 17.2%.

Orders received for January–June was SEK 488.1 million (298.9), an increase of 63.3% compared with the same period of the previous year. Organic growth was 44.1%.

Gross margin for the quarter was 69.0% (66.0%). Business unit EBITDA for the quarter was SEK 60.8 million (33.9).

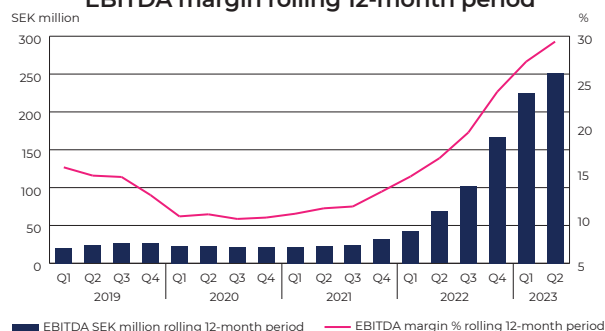
Gross margin for January–June was 68.7% (63.7%). Business unit EBITDA for January–June was SEK 134.2 million (49.5).

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Rolling 12 Months Jul 2022- Jun 2023	Jan-Dec 2022	Jan-Dec 2021
Net revenue	199.6	169.9	423.4	266.9	855.8	699.2	248.8
Orders received	239.9	203.7	488.1	298.9	1,010.4	821.1	255.9
Gross margin %	69.0%	66.0%	68.7%	63.7%	67.5%	65.4%	48.5%
EBITDA	60.8	33.9	134.2	49.5	251.5	166.9	32.0
EBITDA margin %	30.4%	19.9%	31.7%	18.5%	29.4%	23.9%	12.9%

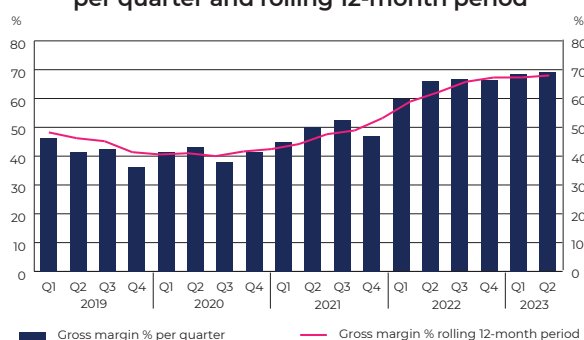
Healthcare business unit net revenue SEK million per quarter and rolling 12-month period



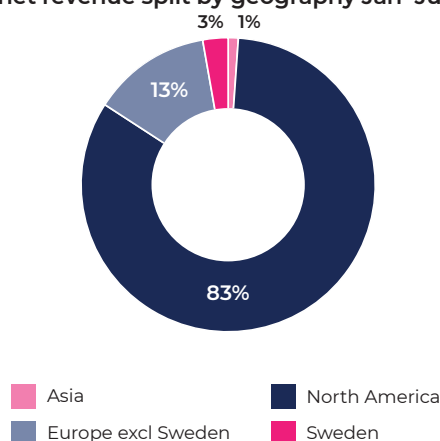
Healthcare business unit EBITDA SEK million and EBITDA margin rolling 12-month period



Healthcare business unit gross margin per quarter and rolling 12-month period



Healthcare business unit net revenue split by geography Jan–Jun 2023



Lab business unit

The Lab business unit provides laboratory furnishings, safety ventilation, climate rooms, clean rooms, and laboratory apparatus to the pharmaceutical and life science research industries.

During the quarter, the business unit continued to show growth with a marginally stronger platform and product mix.

Net revenue, orders and profit

Net revenue for the quarter was SEK 144.8 million (60.0), an increase of 133.5% compared with the same period of the previous year. Organic growth in net revenue was 10.0%.

Net revenue for January–June was SEK 231.4 million (127.4), an increase of 81.6% compared with the same period of the previous year. Organic growth in net

revenue was 2.8%.

Orders received for the quarter was SEK 79.5 million (57.3) an increase of 38.8% compared with the same period of the previous year. Organic growth in orders received was 10.4%.

Orders received for January–June was SEK 171.5 million (92.8) an increase of 84.7% compared with the same period of the previous year. Organic growth in orders received was 41.9%.

Gross margin for the quarter was 66.5% (45.0%). Business unit EBITDA for the quarter was SEK 73.6 million (6.1).

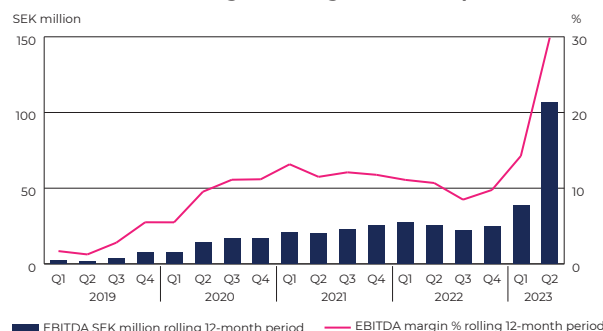
Gross margin for January–June was 60.7% (43.2%). Business unit EBITDA for January–June was SEK 94.1 million (12.3).

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Rolling 12 Months Jul 2022- Jun 2023	Jan-Dec 2022	Jan-Dec 2021
Net revenue	144.8	62.0	231.4	127.4	356.3	252.3	217.2
Orders received	79.5	57.3	171.5	92.8	435.3	356.7	249.1
Gross margin %	66.5%	45.0%	60.7%	43.2%	55.2%	44.0%	43.5%
EBITDA	73.6	6.1	94.1	12.3	106.4	24.6	26.3
EBITDA margin %	50.8%	9.8%	40.7%	9.6%	29.9%	9.7%	12.1%

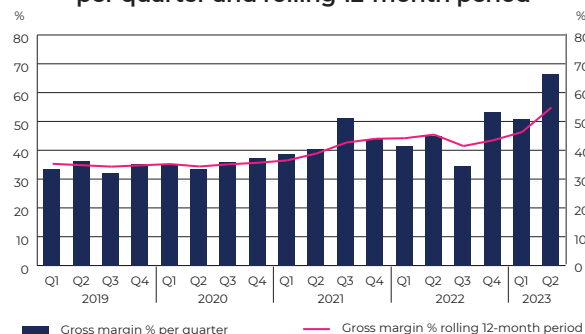
Lab business unit net revenue SEK million per quarter and rolling 12-month period



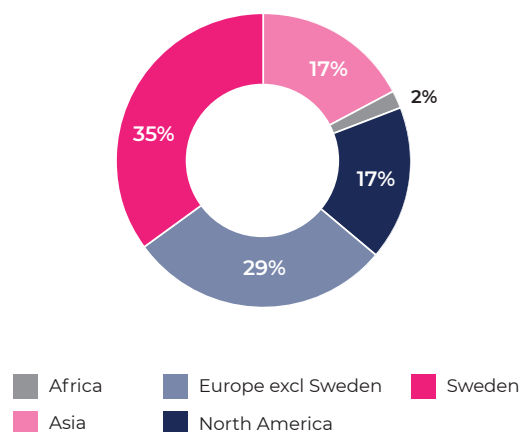
Lab business unit EBITDA SEK million and EBITDA margin rolling 12-month period



Lab business unit gross margin per quarter and rolling 12-month period



Lab business unit net revenue split by geography Jan–Jun 2023

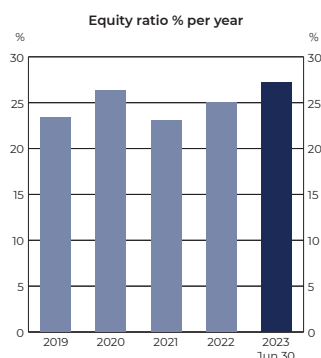


Financial position

Equity and equity ratio

Equity at the end of the period totaled SEK 680.8 million (393.1), equating to SEK 3.62 (2.18) per share outstanding at the end of the period. The equity ratio at the end of the period was 27.2% (27.3%).

At the end of the reporting period, the company's equity was entirely attributable to the shareholders of the parent company.



Cash and cash equivalents and short-term investments

Cash and cash equivalents at the end of the period totaled SEK 597.3 million (105.0). At the end of the period, the Group had an overdraft facility of SEK 82.0 million (33.3), which was utilized in the amount of SEK 0.0 million (3.8). At the end of the period, the Group had no short-term investments.

Net debt

Net debt at the end of the period totaled SEK 534.6 million (450.7). The ratio of interest-bearing net debt to pro forma EBITDA was 1.5 (2.9).

On May 26, 2023, ADDvise issued senior secured bonds in an initial amount of SEK 1 billion, under a total framework of SEK 2 billion. The interest rate for the new bond loan is 5.5% plus STIBOR 3 months, which is an improvement of 1.75 percentage points compared to the Group's previous bond loan. Funds from the new bonds were used to redeem ADDvise bonds 2021/2024 with ISIN SE0015222088 on June 9, 2023.

At the end of the period, loans and other interest-bearing liabilities due for repayment within one year totaled SEK 37.1 million (28.2). Loans and other interest-bearing liabilities due for repayment within one year include a bank loan of SEK 9.7 million (12.0), utilized overdraft facilities of SEK 0.0 million (3.8) and lease liabilities of SEK 27.4 million (12.4). Overdraft facilities are classified as short-term borrowing, but this portion of short-term borrowing is continuously refinanced.

At the end of the period, loans due for repayment after one year or more totaled SEK 1 094.7 million (527.5). Loans due for repayment after one year or more include the Group's bond loan of SEK 979.6 million (486.7), interest-bearing promissory notes for completed acquisitions of SEK 69.6 million (0.0), a bank loan of SEK 0.2 million (1.1) and lease liabilities of SEK 45.3 million (39.8). The increase in lease liabilities is partly attributable to recently acquired subsidiaries.

Cash flow

Operating cash flow for the quarter was SEK -10.7 million (12.9). Changes in working capital was SEK -12.6 million (-3.1). Operating cash flow for January–June was SEK 91.9 million (-0.2). Changes in working capital was SEK 36.1 million (-17.8). Operating cash flow was affected by payments of income tax of SEK 53.6 million during the quarter and SEK 56.1 million during January–June.

Cash flow from Operations for the quarter amounted to SEK 102.2 million (20.3). Cash flow from Operations includes investments in fixed assets and amortization of lease liabilities. Cash conversion for the quarter was 84.0% (59.2%). Cash flow from Operations for January–June amounted to SEK 225.5 million (20.6). Cash conversion for January–June was 109.6% (37.0%).

Cash flow for the quarter totaled SEK 403.9 million (-169.7). Cash flow for January–June totaled SEK 480.8 million (-223.4).

No acquisitions were completed during January–June. Payments of purchase considerations to the former owners of ADDvise's subsidiaries acquired before 2023 as well as adjustments in purchase price allocations for acquisitions in 2022, after analysis of facts that existed at the time of acquisition, have affected the cash flow from investment activities during January–June. For further information about injections of cash and cash equivalents from acquired companies at the time of consolidation of new acquisitions in the Group, please refer to *Note 4 Business combinations*.

Acquisitions 2023

No acquisitions have yet been completed in 2023.

Letters of Intent

ADDvise has signed Letters of Intent for the following acquisitions. ADDvise has not yet completed the acquisitions, and is not able to provide a preliminary purchase price allocation.

- » X-Ray Cassette Repair Company Inc: On February 14, 2023, ADDvise signed a Letter of Intent with the shareholder of X-Ray Cassette Repair Company Inc (Reina Imaging) regarding an acquisition of all shares in Reina Imaging, an international medtech equipment manufacturer based in Crystal Lake, Illinois, USA, with a net revenue for 2022 of USD 9.1 million.
- » Diabetic Supplies Inc: On February 17, 2023, ADDvise Group signed a Letter of Intent with the shareholder of Diabetic Supplies Inc (Diabetic Supplies) regarding an acquisition of all shares in Diabetic Supplies, a distributor of medical devices based in Columbus, Ohio, USA, with a net revenue for 2022 of USD 7.0 million.
- » Kolplast CI S A: On May 8, 2023, ADDvise signed a Letter of Intent with the shareholders of Kolplast CI S A (Kolplast) regarding an acquisition of all shares in Kolplast, a manufacturer of medtech equipment based in São Paulo, Brazil, with a net revenue for 2022 of BRL 100.3 million.

- » Innovative Endoscopy Components LLC: On June 15, 2023, ADDvise signed a Letter of Intent with the shareholders of Innovative Endoscopy Components LLC (IEC) regarding an acquisition of all shares in IEC, a provider of endoscopy equipment and endoscopy spare parts based in Fort Lauderdale, Florida, USA, with a net revenue for the last 12 months as of May 31, 2023, of USD 9.4 million.

Parent company

Net revenue and profit/loss

Net revenue at the parent company for the quarter totaled SEK 1.3 million (4.8). Operating profit/loss was SEK -11.7 million (-4.3). The net profit/loss was SEK -74.9 million (-8.8).

Net revenue at the parent company for January–June totaled SEK 3.2 million (12.1). Operating profit/loss was SEK -21.0 million (-4.4). The net profit/loss was SEK -108.1 million (-19.2).

Equity

Total assets was SEK 1 671.3 million (900.9), of which equity constituted SEK 306.4 million (299.4).

Significant events after the reporting period

No significant events have occurred after the reporting period until the publication of this interim report.

Financial targets

ADDvise's target is to reach an EBITDA of SEK 500 million with a net revenue of SEK 1.7 billion before the end of 2023 on a pro forma rolling 12-month basis.

Long-term financial targets

The targets are a level of ambition to be achieved over several years. These targets will be achieved through a combination of organic growth and acquisitions. The targets are divided into four areas: growth, profitability, capital structure and dividend.

- » *Growth*: ADDvise shall have annual revenue growth of at least 30%. Growth will be achieved organically as well as through acquisitions.
- » *Profitability*: ADDvise will aim to achieve an EBITDA margin of 28%.
- » *Capital structure*: ADDvise's ratio of interest-bearing net debt to EBITDA shall not exceed 3.0.
- » *Dividend*: 25% of the preceding year's profit, excluding the revaluation of additional purchase considerations, will be distributed to the shareholders.

The targets for growth and profitability were updated on May 24, 2023 based on the Group's strong financial performance. The growth target was increased from 25% to 30%. The profitability target was increased from 20% to 28%.

Sustainability

ADDvise's business concept is to improve, extend and save people's lives by developing and providing products and services for healthcare and research. It is a social responsibility that contributes to a more sustainable society. But sustainability for us is more than that. It is about taking responsibility and make a difference at all levels. When we talk about sustainability, we mean sustainable for the environment, sustainable from a social perspective and sustainable from a business perspective. Together with our subsidiaries, we can do great good.

Sustainability is becoming increasingly fundamental in our pursuit of better business results. In 2023, we are continuing to work on developing and improving our sustainability work.

ADDvise has been reporting sustainability-related information to Nasdaq since 2021 and is certified as a Nasdaq ESG Transparency partner. ESG stands for Environment, Social, and Governance and is a long-term effort to reduce negative impacts and increase positive impacts in areas. We strive to increase the amount of reported data and improve our impact.

Sustainability goals by 2030

ADDvise's long-term sustainability goals have a clear connection to the company's vision of contributing to a sustainable society through products and services that improve, prolong and save people's lives.

The sustainability goals, in combination with the financial goals, will ensure that the company steers towards long-term profitable and sustainable growth.

Environment

- » Reduce the carbon dioxide intensity by 50%.

Finance / Governance

- » All companies within the Group must have incentives linked to sustainability-related goals.
- » 100% of the acquisitions must contribute to the UN's sustainability goal no. 3 good health and well-being and meet the requirements of ADDvise policy for sustainable investments.
- » 1.5% of net sales will be set aside for product development of products that improve, prolong, and save people's lives.

Social

- » Achieve gender equality of people on the board and in senior positions (males and females are represented in the range 40–60%).
- » All companies within the Group must comply with a code of conduct.
- » Sick leave max 5%.
- » Our vision is to work towards zero workplace accidents.

Condensed consolidated statement of comprehensive income

SEK million	Apr–Jun 2023	Apr–Jun 2022	Jan–Jun 2023	Jan–Jun 2022	Jan–Dec 2022	Jan–Dec 2021
Net revenue	344.4	231.9	654.9	394.3	951.5	466.0
Capitalized work on own account	1.5	1.2	2.4	3.9	7.5	2.7
Other operating income	1.1	0.7	1.8	0.8	10.2	0.5
	347.1	233.8	659.1	399.0	969.1	469.1
Cost of materials	-110.3	-92.0	-223.4	-169.8	-384.0	-252.0
Other external expenses	-51.1	-54.9	-100.7	-75.1	-178.8	-47.3
Personnel costs	-63.9	-53.3	-128.4	-98.9	-220.2	-112.5
Depreciation and amortization	-35.1	-5.8	-50.3	-10.6	-27.9	-13.7
Other operating expenses	-0.1	0.7	-0.7	0.3	-1.0	0.0
	-260.6	-205.3	-503.5	-354.0	-811.9	-425.6
Operating profit/loss (EBIT)	86.5	28.5	155.5	45.0	157.2	43.5
Net financial items	-61.7	-8.5	-86.2	-24.4	-49.2	-35.9
Profit/loss before tax (EBT)	24.8	20.0	69.3	20.5	108.0	7.7
Tax	-21.6	-0.9	-30.6	-1.4	-26.9	-4.9
Profit/loss for the period	3.2	19.1	38.8	19.1	81.1	2.8
Profit/loss attributable to:						
Shareholders of the parent company	3.2	19.1	38.8	19.1	81.1	2.8
Non-controlling interests	0.0	-	0.0	-	-	-
	3.2	19.1	38.8	19.1	81.1	2.8
Other comprehensive income						
Foreign exchange differences on the translation of foreign operations for the period	52.0	30.0	53.9	31.2	69.1	12.8
Change in value of financial assets measured at fair value through other comprehensive income for the period	0.0	0.0	0.0	0.0	0.0	-0.1
Comprehensive income for the period	55.1	49.0	92.6	50.4	150.2	15.5
Comprehensive income attributable to:						
Shareholders of the parent company	55.1	49.0	92.6	50.4	150.2	15.5
Non-controlling interests	0.0	-	0.0	-	-	-
	55.1	49.0	92.6	50.4	150.2	15.5
Basic earnings per share, SEK ¹	0.02	0.11	0.21	0.11	0.46	0.02
Diluted earnings per share, SEK ¹	0.02	0.11	0.21	0.11	0.46	0.02

Note 1: Earnings per share were adjusted to take into account the outcome of warrants in series 2019/2021 in February 2021, the directed share issue in September 2021, the directed share issue in March 2022 and the directed share issue in April 2023.

Condensed consolidated statement of financial position

SEK million	Jun 30 2023	Jun 30 2022	Dec 31 2022	Dec 31 2021
ASSETS				
<i>Non-current assets</i>				
Goodwill	865.4	572.3	820.8	288.6
Trademarks	335.7	316.2	323.4	127.8
Other intangible non-current assets	139.3	44.8	137.9	24.6
Property, plant and equipment	136.9	74.5	126.8	65.1
Non-current financial assets	2.0	0.3	1.8	0.2
Contract assets	11.6	14.6	12.9	14.1
Deferred tax assets	0.0	0.0	0.0	0.0
<i>Total non-current assets</i>	<i>1,490.9</i>	<i>1,022.7</i>	<i>1,423.6</i>	<i>520.4</i>
<i>Current assets</i>				
Inventories	101.9	96.5	102.5	66.5
Contract assets	61.5	74.4	72.9	48.4
Trade receivables	216.6	119.4	223.6	96.8
Other current receivables	38.2	21.9	35.1	11.6
Short-term investments	0.0	0.0	0.0	0.0
Cash and cash equivalents	597.3	105.0	111.1	325.7
<i>Total current assets</i>	<i>1,015.5</i>	<i>417.3</i>	<i>545.2</i>	<i>549.1</i>
TOTAL ASSETS	2,506.4	1,440.0	1,968.8	1,069.4
EQUITY AND LIABILITIES				
<i>Equity</i>	680.8	393.1	492.9	247.3
Equity attributable to:				
Shareholders of the parent company	680.8	393.1	492.9	247.3
Non-controlling interests	-	-	-	-
	680.8	393.1	492.9	247.3
<i>Non-current liabilities</i>				
Interest-bearing liabilities	1,094.7	527.5	744.3	525.1
Deferred tax liabilities	105.3	75.4	104.3	14.7
Other non-current liabilities	117.1	172.7	227.6	108.0
<i>Total non-current liabilities</i>	<i>1,317.2</i>	<i>775.5</i>	<i>1,076.3</i>	<i>647.9</i>
<i>Current liabilities</i>				
Interest-bearing liabilities	37.1	28.2	33.5	29.0
Current tax liabilities	16.9	10.1	26.1	9.8
Contract liabilities	78.0	17.7	64.6	13.6
Trade payables	78.5	70.8	114.2	60.3
Other current liabilities	297.8	144.7	161.3	61.5
<i>Total current liabilities</i>	<i>508.4</i>	<i>271.4</i>	<i>399.7</i>	<i>174.3</i>
TOTAL EQUITY AND LIABILITIES	2,506.4	1,440.0	1,968.8	1,069.4

Condensed consolidated statement of changes in equity

SEK million	Apr-Jun 2023 ¹	Apr-Jun 2022 ²	Jan-Jun 2023 ¹	Jan-Jun 2022 ²	Jan-Dec 2022 ²	Jan-Dec 2021
Opening equity	530.4	344.4	492.9	247.3	247.3	91.0
Profit/loss for the period	3.2	19.1	38.8	19.1	81.1	2.8
Other comprehensive income for the period	52.0	30.0	53.9	31.2	69.1	12.7
Comprehensive income for the period	55.1	49.0	92.6	50.4	150.2	15.5
New share issue	95.3	-0.3	95.3	95.4	95.4	143.4
Dividends	0.0	0.0	0.0	0.0	0.0	-2.8
Change in non-controlling interests	0.0	0.0	0.0	0.0	0.0	0.1
Translation reserve	0.0	0.0	0.0	0.0	0.0	0.0
Closing equity	680.8	393.1	680.8	393.1	492.9	247.3
Attributable to:						
Shareholders of the parent company	680.8	393.1	680.8	393.1	492.9	247.3
Non-controlling interests	-	-	-	-	-	-
Total equity	680.8	393.1	680.8	393.1	492.9	247.3

Note 1 On April 24, 2023, ADDvise carried out a directed new share issue of 7,692,308 shares of series B, corresponding to approximately SEK 100 million before issue costs. Through the directed new share issue, the number of outstanding shares increased by 7,692,308 shares, from 180,491,889 shares to 188,184,197 shares. The share capital increased by SEK 769,230.80, from SEK 18,049,188.90 to SEK 18,818,419.70.

Note 2 On March 14, 2022, ADDvise carried out a directed new share issue of 15,384,616 shares of series B, corresponding to SEK 100 million before issue costs. Through the directed new share issue, the number of outstanding shares increased by 15,384,616 shares, from 165,107,273 shares to 180,491,889 shares. The share capital increased by SEK 1,538,461.60, from SEK 16,510,727.30 to SEK 18,049,188.90.

Condensed consolidated statement of cash flows

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jan-Dec 2021
Operating activities						
Profit/loss before tax	24.8	20.0	69.3	20.5	108.0	7.7
Adjustments for non-cash items	30.7	-4.0	42.6	-1.4	28.0	9.5
Income tax paid	-53.6	0.0	-56.1	-1.5	-6.4	-0.1
Cash flow before changes in working capital	1.9	16.0	55.8	17.5	129.6	17.0
Changes in working capital	-12.6	-3.1	36.1	-17.8	-19.7	-6.9
Operating cash flow	-10.7	12.9	91.9	-0.2	109.9	10.2
Investing activities						
Acquisition of subsidiaries ¹	-4.8	-189.0	-23.4	-348.2	-626.8	-197.2
Net acquisition and sale of intangible non-current assets and property, plant, and equipment	-0.6	-1.7	-4.2	-5.0	-14.0	-4.1
Changes in non-current financial assets	1.7	0.0	1.8	0.5	2.2	-0.3
Investing cash flow	-3.7	-190.7	-25.9	-352.7	-638.6	-201.7
Financing activities						
Net new share issue	95.3	-0.3	95.3	95.4	95.4	143.4
Loans, interest-bearing liabilities and non-interest-bearing liabilities raised net with amortizations	325.5	11.9	325.7	40.3	235.7	341.2
Payments made in relation to amortization of loans attributable to leases	-2.6	-3.4	-6.2	-6.1	-28.1	-7.8
Dividend to shareholders	0.0	0.0	0.0	0.0	0.0	-2.8
Financing cash flow	418.3	8.1	414.8	129.5	303.0	474.0
Cash flow for the period	403.9	-169.7	480.8	-223.4	-225.7	282.5
Cash and cash equivalents at start of period	187.1	274.0	111.1	325.7	325.7	39.6
Foreign exchange differences in cash and cash equivalents	6.3	0.7	5.4	2.6	11.1	3.6
Cash and cash equivalents at end of period	597.3	105.0	597.3	105.0	111.1	325.7

Note 1 For details on the reporting of the net outflow of cash and cash equivalents relating to acquisitions, please refer to Note 4 Business combinations.

Consolidated income statement for five quarters

SEK million	Apr–Jun 2023	Jan–Mar 2023	Oct–Dec 2022	Jul–Sep 2022	Apr–Jun 2022
Net revenue	344.4	310.5	320.3	237.0	231.9
Capitalized work on own account	1.5	0.8	1.7	1.9	1.2
Other operating income	1.1	0.7	4.0	5.4	0.7
	347.1	312.0	326.0	244.2	233.8
Cost of materials	-110.3	-113.1	-112.7	-101.5	-92.0
Other external expenses	-51.1	-49.5	-57.7	-46.0	-54.9
Personnel costs	-63.9	-64.5	-64.6	-56.6	-53.3
Other operating expenses	-0.1	-0.6	-0.5	-0.9	0.7
	-225.5	-227.8	-235.5	-205.0	-199.5
EBITDA	121.6	84.2	90.4	39.2	34.3
EBITDA margin, %	35.3%	27.1%	28.2%	16.5%	14.8%
Depreciation and amortization	-35.1	-15.2	-11.0	-6.4	-5.8
Operating profit/loss (EBIT)	86.5	69.0	79.4	32.8	28.5
Operating margin, %	25.1%	22.2%	24.8%	13.8%	12.3%
Net financial items	-61.7	-24.5	-34.6	9.8	-8.5
Profit/loss before tax (EBT)	24.8	44.5	44.9	42.6	20.0
Tax	-21.6	-8.9	-16.8	-8.7	-0.9
Profit/loss for the period	3.2	35.6	28.1	33.9	19.1
Profit/loss attributable to:					
Shareholders of the parent company	3.2	35.6	28.1	33.9	19.1
Non-controlling interests	-	-	-	-	-
	3.2	35.6	28.1	33.9	19.1

Key performance indicators

SEK million	Apr–Jun 2023	Apr–Jun 2022 ¹	Jan–Jun 2023	Jan–Jun 2022 ¹	Jan–Dec 2022 ¹	Jan–Dec 2021 ²
Net revenue	344.4	231.9	654.9	394.3	951.5	466.0
Gross margin, %	68.0%	60.3%	65.9%	56.9%	59.6%	45.9%
EBITDA	121.6	34.3	205.8	55.5	185.1	57.3
EBITDA margin, %	35.3%	14.8%	31.4%	14.1%	19.5%	12.3%
Adjusted EBITDA	121.6	31.8	206.4	53.1	174.9	57.1
Adjusted EBITDA margin, %	35.3%	13.7%	31.5%	13.5%	18.4%	12.2%
EBITA	90.7	30.1	163.9	47.7	163.4	46.8
EBITA margin, %	26.3%	13.0%	25.0%	12.1%	17.2%	10.0%
Operating profit/loss (EBIT)	86.5	28.5	155.5	45.0	157.2	43.5
Operating margin, %	25.1%	12.3%	23.7%	11.4%	16.5%	9.3%
Profit/loss before tax (EBT)	24.8	20.0	69.3	20.5	108.0	7.7
Net margin, %	7.2%	8.6%	10.6%	5.2%	11.3%	1.6%
Profit/loss for the period	3.2	19.1	38.8	19.1	81.1	2.8
Adjusted profit/loss for the period	40.4	20.8	77.0	26.6	88.3	12.7
Equity ratio, %	27.2%	27.3%	27.2%	27.3%	25.0%	23.1%
Cash flow from Operations	102.2	20.3	225.5	20.6	114.3	-
Cash conversion %	84.0%	59.2%	109.6%	37.0%	61.7%	-
Net debt	-534.6	-450.7	-534.6	-450.7	-666.8	-228.5
Net debt-to-EBITDA	-	-	-	-	2.8	2.3
Number of employees at end of period	366	348	366	348	351	285
Equity per share in SEK	3.62	2.18	3.62	2.18	2.73	1.50
Basic earnings per share in SEK ³	0.02	0.11	0.21	0.11	0.46	0.02
Diluted earnings per share in SEK ³	0.02	0.11	0.21	0.11	0.46	0.02
Number of shares at end of period	188,184,197	180,491,889	188,184,197	180,491,889	180,491,889	165,107,273
Average number of shares before dilution	186,239,987	180,491,889	183,381,817	174,372,042	177,457,115	143,133,781
Average number of shares after dilution	186,239,987	180,491,889	183,381,817	174,372,042	177,457,115	143,133,781

Please refer to *Definition of key performance indicators* on page 16.

Note 1: Companies acquired in 2022 are consolidated in the ADDvise Group from: Poly Pharmaceuticals Inc February 12, 2022. JTECH Medical March 3, 2022. Surplus Diabetics Inc April 19, 2022. Seebreath AB May 16, 2022. CliniChain Holding BV December 6, 2022.

Note 2: Companies acquired in 2021 are consolidated in the ADDvise Group from: MRC Systems FZE March 28, 2021. MediSuite LLC August 4, 2021. Graham Medical Technologies LLC September 15, 2021. Southern Life Systems Inc November 24, 2021.

Note 3: Earnings per share were adjusted to take into account the outcome of warrants in series 2019/2021 in February 2021, the directed share issue in September 2021, the directed share issue in March 2022 and the directed share issue in April 2023.

Condensed parent company income statement

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jan-Dec 2021
Net revenue	1.3	4.8	3.2	12.1	29.4	24.8
Capitalized work on own account	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0
	1.3	4.8	3.2	12.1	29.4	24.8
Other external expenses	-5.7	-3.5	-9.5	-6.9	-13.4	-8.5
Personnel costs	-7.2	-5.5	-14.6	-9.5	-20.6	-14.6
Depreciation and amortization	-0.0	-0.1	-0.1	-0.1	-0.2	-0.2
Other operating expenses	0.0	0.0	0.0	0.0	0.0	-0.0
	-12.9	-9.1	-24.2	-16.5	-34.2	-23.3
Operating profit/loss (EBIT)	-11.7	-4.3	-21.0	-4.4	-4.8	1.5
Net financial items	-63.2	-4.6	-87.1	-14.8	-5.9	-21.9
Profit/loss after financial items (EBT)	-74.9	-8.8	-108.1	-19.2	-10.7	-20.4
Appropriations	0.0	0.0	0.0	0.0	16.6	21.6
Tax	0.0	0.0	0.0	0.0	-5.3	-1.8
Profit/loss for the period	-74.9	-8.8	-108.1	-19.2	0.6	-0.6
Parent company statement of comprehensive income						
Profit/loss for the period	-74.9	-8.8	-108.1	-19.2	0.6	-0.6
Other comprehensive income for the period	0.0	0.0	0.0	0.0	0.0	0.0
Comprehensive income for the period	-74.9	-8.8	-108.1	-19.2	0.6	-0.6

Condensed parent company balance sheet

SEK million	Jun 30 2023	Jun 30 2022	Dec 31 2022	Dec 31 2021
ASSETS				
<i>Non-current assets</i>				
Intangible non-current assets	0.3	0.3	0.3	0.3
Property, plant and equipment	0.3	0.3	0.3	0.3
Non-current financial assets	993.9	413.5	993.5	379.7
Deferred tax assets	5.2	10.5	5.2	10.5
<i>Total non-current assets</i>	<i>999.7</i>	<i>424.7</i>	<i>999.3</i>	<i>390.9</i>
<i>Current assets</i>				
Other current receivables	161.0	432.7	233.4	141.5
Short-term investments	0.0	0.0	0.0	0.0
Cash and bank balances	510.5	43.5	18.0	286.2
<i>Total current assets</i>	<i>671.6</i>	<i>476.2</i>	<i>251.5</i>	<i>427.7</i>
TOTAL ASSETS	1,671.3	900.9	1,250.8	818.6
EQUITY AND LIABILITIES				
<i>Equity</i>	<i>306.4</i>	<i>299.4</i>	<i>319.1</i>	<i>223.1</i>
<i>Non-current liabilities</i>				
Interest-bearing liabilities	1,049.2	486.7	694.0	487.1
Other non-current liabilities	108.2	42.6	132.0	54.5
<i>Total non-current liabilities</i>	<i>1,157.5</i>	<i>529.2</i>	<i>825.9</i>	<i>541.6</i>
<i>Current liabilities</i>				
Interest-bearing liabilities	0.0	0.0	0.0	0.0
Current tax liabilities	0.8	0.5	0.0	0.9
Trade payables	4.6	1.4	10.4	4.5
Other current liabilities	202.0	70.3	95.4	48.5
<i>Total current liabilities</i>	<i>207.4</i>	<i>72.3</i>	<i>105.8</i>	<i>53.8</i>
TOTAL EQUITY AND LIABILITIES	1,671.3	900.9	1,250.8	818.6

Notes

Note 1 Accounting policies

The report was prepared in accordance with IAS 34 Interim financial reporting and the relevant sections of the Swedish Annual Accounts Act. The accounting policies and bases of calculation applied are the same as in the most recent annual report.

The parent company's report was prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act. The accounting policies and bases of calculation applied are the same as in the most recent annual report.

Note 2 Related party transactions

ADDvise Board members Staffan Torstensson and Erland Pontusson invoiced the company for consultancy services during the period.

Note 3 Segment reporting

ADDvise's segment information is presented from the company management's perspective, with operating segments identified based on internal reporting to the company's chief operating decision maker. The CEO is ADDvise's chief operating decision maker.

ADDvise's operating segments comprise two business units: Lab and Healthcare. This classification reflects the company's internal organization and reporting system. Internal pricing is on market terms. Intra-Group profits are eliminated.

Unallocated Group expenses include, for example, costs for parent company functions. These costs are offset here against the service fees received by the parent company, which means that the net figure can be positive.

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jan-Dec 2021
Lab business unit	144.8	62.0	231.4	127.4	252.3	217.2
Healthcare business unit	199.6	169.9	423.4	266.9	699.2	248.8
Total external net revenue	344.4	231.9	654.9	394.3	951.5	466.0
Lab business unit	73.6	6.1	94.1	12.3	24.6	26.3
Healthcare business unit	60.8	33.9	134.2	49.5	166.9	32.0
Total operating profit/loss before depreciation and amortization (EBITDA)	134.3	40.0	228.3	61.8	191.5	58.3
Acquisition costs in Other external expenses	0.0	-1.0	-0.4	-1.2	-2.9	-2.8
Unallocated Group income	0.0	0.0	0.0	0.0	11.3	0.0
Unallocated Group expenses	-12.7	-4.7	-22.1	-5.1	-14.8	1.8
Depreciation and amortization	-35.1	-5.8	-50.3	-10.6	-27.9	-13.7
Net financial items	-61.7	-8.5	-86.2	-24.4	-49.2	-35.9
Consolidated profit/loss before tax (EBT)	24.8	20.0	69.3	20.5	108.0	7.7

Note 4 Business combinations

No acquisitions have yet been completed in 2023.

Transaction costs

Transaction costs related to acquisitions completed before 2023 of SEK 1.0 million are recognized during the quarter as costs in the consolidated statement of comprehensive income. SEK 0.4 million is reported in Other external expenses and SEK 0.5 million is reported in Net financial items.

Net outflow of cash and cash equivalents – investing activities

Cash outflow for the acquisition of subsidiaries, after deduction of cash and cash equivalents acquired:

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jan-Dec 2021
Cash purchase consideration	4.8	179.5	21.7	302.5	522.5	193.2
Holdback amounts and promissory notes	1.4	10.5	1.4	50.1	120.5	21.3
Cash and cash equivalents acquired	0.0	-1.0	1.7	-4.4	-16.2	-17.3
Net outflow of cash and cash equivalents	6.2	189.0	24.8	348.2	626.8	197.2

The cash purchase consideration for the period April–June 2023 comprises payment of purchase considerations to the former owners of ADDvise's subsidiaries acquired before 2023.

The cash purchase consideration for the period January–June 2023 comprises payment of purchase considerations to the former owners of ADDvise's subsidiaries acquired before 2023, and an effect of adjustments to purchase price allocations for acquisitions completed before 2023, after analysis of facts that existed at the time of acquisition.

The cash purchase consideration for the period April–June 2022 comprises payments to the former owners of Seebreath AB and Surplus Diabetics Inc, and payment of purchase considerations to the former owners of ADDvise's subsidiaries acquired before 2022.

The cash purchase consideration for the period January–June 2022 comprises payments to the former owners of JTECH Medical, Poly Pharmaceuticals Inc, Seebreath AB and Surplus Diabetics Inc, and payment of purchase considerations to the former owners of ADDvise's subsidiaries acquired before 2022.

The cash purchase consideration for the period January–December 2022 comprises payments to the former owners of CliniChain Holding BV, JTECH Medical, Poly Pharmaceuticals Inc, Seebreath AB and Surplus Diabetics Inc, and payments and adjustments of purchase considerations to the former owners of ADDvise's subsidiaries acquired before 2022.

The cash purchase consideration for the period January–December 2021 comprises payments to the former owners of MRC Systems FZE, MediSuite LLC, Graham Medical Technologies LLC and Southern Life Systems Inc.

Note 5 Allocation of income

In accordance with IFRS 15 Revenue from Contracts with Customers, income is recognized and allocated to primary geographic markets, by segment based on customer domicile.

SEK million	Apr-Jun 2023			Apr-Jun 2022		
	Lab	Health-care	Total	Lab	Health-care	Total
Sweden	43.3	4.9	48.2	34.8	4.8	39.6
Europe, excl Sweden	48.1	29.3	77.5	10.1	28.6	38.7
North America	31.0	163.0	194.0	3.7	135.0	138.7
Africa	1.5	0.0	1.5	-0.0	-0.0	-0.0
Asia	20.9	1.4	22.3	13.5	1.5	15.0
Other	-0.1	1.0	0.9	0.0	-0.0	-0.0
Total	144.8	199.6	344.4	62.0	169.9	231.9

SEK million	Jan-Jun 2023			Jan-Jun 2022		
	Lab	Health-care	Total	Lab	Health-care	Total
Sweden	82.0	11.7	93.7	71.6	13.1	84.7
Europe, excl Sweden	66.4	56.1	122.5	12.3	51.6	63.9
North America	39.6	349.5	389.1	3.7	198.0	201.7
Africa	3.9	0.0	3.9	2.1	0.0	2.1
Asia	39.5	4.7	44.2	37.8	4.2	42.0
Other	0.1	1.4	1.4	0.0	0.0	0.0
Total	231.4	423.4	654.9	127.4	266.9	394.3

SEK million	Jan-Dec 2022			Jan-Dec 2021		
	Lab	Health-care	Total	Lab	Health-care	Total
Sweden	142.7	24.6	167.2	149.9	34.8	184.6
Europe, excl Sweden	35.5	134.1	169.6	28.4	104.8	133.3
North America	4.4	528.9	533.3	1.3	104.4	105.7
Africa	14.7	0.0	14.8	14.8	0.0	14.8
Asia	54.9	11.5	66.5	22.7	4.7	27.5
Other	0.0	0.1	0.1	0.0	0.1	0.1
Total	252.3	699.2	951.5	217.2	248.8	466.0

Note 6 Fair value disclosures

The table below lists financial instruments measured at fair value, based on the classification in the fair value hierarchy. The different levels are defined as follows:

- » Level 1 – Quoted prices (unadjusted) in active markets
- » Level 2 – Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- » Level 3 – Unobservable inputs for the asset or liability

SEK million	June 30, 2023		
	Level 1	Level 2	Level 3
Short-term investments	-		
Contingent purchase consideration			188.3
Total	0.0	0.0	188.3

SEK million	June 30, 2022		
	Level 1	Level 2	Level 3
Short-term investments	-		
Contingent purchase consideration			232.3
Total	0.0	0.0	232.3

SEK million	December 31, 2022		
	Level 1	Level 2	Level 3
Short-term investments	-		
Contingent purchase consideration			200.3
Total	0.0	0.0	200.3

SEK million	December 31, 2021		
	Level 1	Level 2	Level 3
Short-term investments	-		
Contingent purchase consideration			96.8
Total	0.0	0.0	96.8

Fair value description

Short-term investments

Short-term investments, which comprise shares and bonds, are traded on an active market, with the fair value calculated on the basis of the last buy price quoted on the balance sheet date.

Contingent purchase consideration

Contingent purchase consideration refers to the estimated contingent additional purchase consideration for completed acquisitions.

In those cases where the amount is specified in the share purchase agreement, an estimate is made of how likely it is that the condition will be met. If it is considered likely, the purchase consideration is valued at 100% of the agreed amount. If it is considered unlikely, the purchase consideration is valued at 0% of the agreed amount.

In those cases where the amount is not specified in the share purchase agreement, but is calculated on the basis of performance, an estimate is made firstly of the amount and secondly of how likely it is that the condition will be met.

The fair value of contingent purchase considerations can be affected to an extent by currency risk. At the end of the reporting period, the fair value of contingent purchase considerations can be affected by changes in SEK versus EUR and USD currency exchange rate. A change in the currency exchange rate for EUR of 5% would have an effect of SEK 5.1 million on the valuation of contingent purchase considerations and SEK 5.1 million on profit/loss before tax. A change in the currency exchange rate for USD of 5% would have an effect of SEK 4.1 million on the valuation of contingent purchase considerations and SEK 1.7 million on profit/loss before tax.

Note 7 Financial risks

ADDvise is exposed to a number of different financial risks through its activities, such as market risk, credit risk, currency risk and liquidity risk. The Group management and the Board of Directors take active steps to minimize these risks.

The Group's operations involve a liquidity risk, since large orders tie up significant capital. To minimize the amount of capital tied up, the Group has payment terms with the Group's customers that require a portion of the order value to be paid in advance on the signing of the order.

Since the Group's strategy is to make complementary acquisitions, the Group's level of debt may change over time. The Board of Directors always makes an overall assessment of the risk that an acquisition loan represents to the Group.

Definition of key performance indicators

In its financial reports, ADDvise uses alternative performance measures, in other words financial measures that are not defined by IFRS. The company management uses these performance measures to assess the Group's financial development as a complement to the performance indicators that represent generally accepted accounting practice. Described below are financial measures not defined by IFRS. Unless otherwise stated in the respective key performance indicator definition, the Group's definition of the key performance indicator is unchanged from previous periods.

Financial measures that use items not otherwise presented in financial statements or by other facts in this interim report are described with detailed calculations.

Adjusted EBITDA

Operating profit/loss before depreciation and amortization, acquisition costs and non-recurring items.

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jan-Dec 2021
Operating profit/loss, see below	86.5	28.5	155.5	45.0	157.2	43.5
Plus reversal of depreciation and amortization	35.1	5.8	50.3	10.6	27.9	13.7
Plus reversal of acquisition costs	0.0	1.0	0.4	1.2	2.9	2.8
Plus reversal of restructuring costs	0.0	0.0	0.0	0.0	1.9	0.0
Minus reversal of state subsidies and similar items relating to Covid-19	0.0	-3.5	0.0	-3.7	-3.7	-3.0
Minus reversal of revaluation of estimated additional purchase consideration for completed acquisitions	0.0	0.0	0.2	0.0	-11.3	0.0
= Adjusted EBITDA	121.6	31.8	206.4	53.1	174.9	57.1

Adjusted EBITDA margin

Operating profit/loss before depreciation and amortization, acquisition costs and non-recurring items as a percentage of net revenue.

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jan-Dec 2021
Adjusted EBITDA, see above	121.6	31.8	206.4	53.1	174.9	57.1
Divided by net revenue	344.4	231.9	654.9	394.3	951.5	466.0
= Adjusted EBITDA margin as a %	35.3%	13.7%	31.5%	13.5%	18.4%	12.2%

Adjusted profit/loss for the period

Profit/loss for the period before acquisition costs and non-recurring items.

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jan-Dec 2021
Profit/loss for the period	3.2	19.1	38.8	19.1	81.1	2.8
Plus reversal of acquisition costs	0.0	1.0	0.4	1.2	2.9	2.8
Plus reversal of restructuring costs	0.0	0.0	0.0	0.0	1.9	0.0
Plus reversal of financial expenses related to acquisitions and other non-recurring financial expenses	37.3	4.3	37.7	9.9	17.5	10.1
Minus reversal of state subsidies and similar items relating to Covid-19	0.0	-3.5	0.0	-3.7	-3.7	-3.0
Minus reversal of revaluation of estimated additional purchase consideration for completed acquisitions	0.0	0.0	0.2	0.0	-11.3	0.0
= Adjusted profit/loss for the period	40.4	20.8	77.0	26.6	88.3	12.7

Average number of shares after dilution

Weighted average of the number of shares outstanding during the period in the event that issued warrants are exercised. This performance indicator is as defined by IFRS, but is described here for information purposes.

Average number of shares before dilution

Weighted average of the number of shares outstanding during the period without taking into account issued warrants. This performance indicator is as defined by IFRS, but is described here for information purposes.

Basic earnings per share

Profit/loss for the period attributable to the parent company's shareholders as a proportion of the average number of shares before dilution, with earnings per share adjusted to take into account new share issues at a discount (the subscription price is lower than the current closing price). This performance indicator is as defined by IFRS, but is described here for information purposes.

Cash conversion

The Group defines cash conversion as Cash flow from Operations, see below, divided by EBITDA, see below. The key performance indicator is presented for the first time in the interim report for January–March 2023 as it is seen as relevant for investors wanting to see the cash generated by the Group's business operations in relation to the Group's EBITDA. As of the interim report for January–June 2023, adjustment is no longer made for tax in the calculation of cash flow from Operations. Cash flow from Operations for comparison periods has been recalculated.

Comparative figures have not been calculated for 2021, as 2021 was affected by the covid-19 pandemic to a greater degree than 2022 and 2023. A comparison would therefore reflect the effects of the pandemic and not only the development within the business operations.

Cash flow from Operations

Cash flow from Operations is cash flow from the Group's business operations, and where items attributable to acquisition activities having an impact on cash flow have been eliminated. The Group is presenting this key performance indicator as it has been requested by investors. Comparative figures have not been calculated for 2021, as 2021 was affected by the covid-19 pandemic to a greater extent than 2022 and 2023. A comparison would therefore reflect the effects of the pandemic and not only developments in business operations.

As of the interim report for January–June 2023, adjustment is no longer made for tax in the calculation of cash flow from Operations. Cash flow from Operations for comparison periods has been recalculated.

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Operating profit/loss (EBIT)	86.5	28.5	155.5	45.0	157.2
Changes in working capital	-12.6	-10.2	36.1	-24.9	-19.7
Finance net attributable to Operations	-0.8	0.8	-0.8	0.3	-2.1
Depreciation and amortization attributable to Operations	32.3	5.4	44.7	10.1	25.9
Acquisition of intangible and tangible non-current assets and payments made in relation to amortization of loans attributable to leases, attributable to Operations	-3.2	-5.2	-10.5	-11.1	-42.0
Items attributable to acquisition activities	0.0	1.0	0.6	1.2	-4.9
= Cash flow from Operations	102.2	20.3	225.5	22.1	120.7

Diluted earnings per share

Profit/loss for the period attributable to the parent company's shareholders as a proportion of the average number of shares after dilution, with earnings per share adjusted to take into account new share issues at a discount (the subscription price is lower than the current closing price). This performance indicator is as defined by IFRS, but is described here for information purposes.

EBITA

Operating profit/loss before amortization of intangible assets but after depreciation of property, plant and equipment. EBITA is a measure that the Group considers relevant for an investor wishing to understand profit generation before investments in intangible assets. The Group defines earnings before interest, tax and amortization (EBITA) as operating profit/loss from continuing operations excluding amortization relating to intangible assets.

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jan-Dec 2021
Operating profit/loss, see below	86.5	28.5	155.5	45.0	157.2	43.5
Plus reversal of amortization of intangible assets	4.2	1.6	8.3	2.7	6.2	3.3
= EBITA	90.7	30.1	163.9	47.7	163.4	46.8

EBITA margin

Operating profit/loss before amortization of intangible assets but after depreciation of property, plant and equipment as a percentage of net revenue.

SEK million	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jan-Dec 2021
EBITA, see above	90.7	30.1	163.9	47.7	163.4	46.8
Divided by net revenue	344.4	231.9	654.9	394.3	951.5	466.0
= EBITA margin as a %	26.3%	13.0%	25.0%	12.1%	17.2%	10.0%

EBITDA

Operating profit/loss before depreciation and amortization. EBITDA is a measure that the Group considers relevant for an investor wishing to understand profit generation before investments in non-current assets. The Group defines earnings before interest, tax, depreciation and amortization (EBITDA) as operating profit/loss from continuing operations excluding depreciation and amortization relating to tangible and intangible assets.

EBITDA margin

Operating profit/loss before depreciation and amortization as a percentage of net revenue.

Equity per share

Equity at the end of the period attributable to the parent company's shareholders divided by the number of shares at the end of the period.

Equity ratio

Adjusted equity as a percentage of total assets.

Gross margin

Net revenue minus cost of materials as a percentage of net revenue.

Net debt

The Group defines net debt as the net sum of cash and cash equivalents plus short-term investments and interest-bearing liabilities. The Group monitors this performance indicator since it shows the level of debt and is part of one of the long-term financial targets adopted by the Board of Directors.

Net debt-to-EBITDA

The Group defines net debt-to-EBITDA as the net sum of cash and cash equivalents plus short-term investments and interest-bearing liabilities divided by pro forma EBITDA on a rolling 12-month basis. The Group monitors this performance indicator since it shows the level of debt and is one of the financial targets adopted by the Board of Directors. For the definition of EBITDA, see above.

Net debt-to-EBITDA according to bond term sheet

The Group defines net debt according to the bond term sheet as the net sum of cash and cash equivalents plus short-term investments and liabilities to be included in net debt according to the bond term sheet. The calculation of net debt-to-EBITDA according to the bond term sheet is different from the Group's net debt/EBITDA key performance indicator, which is one of the Group's financial targets. The Group follows the net debt-to-EBITDA according to the bond term sheet key performance indicator as it constitutes the terms of the Group's bond to do so.

The key performance indicator is not calculated for periods before the issue of the bonds in May 2023. The key performance indicator published in reports up to and including the interim report for January–March referred to the Group's previous bonds that were placed in April 2021 and repaid in full in June 2023.

SEK million	Jun 30 2023
Cash and cash equivalents	597.3
Excluding purchase price paid in cash for acquisitions after the end of the reporting period net with acquired cash and cash equivalents	0.0
Loans	-1,052.2
Acquisition-related liabilities	-91.3
Acquisition-related liabilities for acquisitions after the end of the reporting period	0.0
= Net debt according to bond term sheet	-546.2
EBITDA rolling 12-month period	335.4
Plus reversal of acquisition costs rolling 12-month period minus reversal of revaluation of estimated earn-outs for completed acquisitions rolling 12-month period and adjusted for other non-recurring items	-35.4
Plus pro forma EBITDA from new acquisitions	17.5
Plus pro forma EBITDA from new acquisitions after the end of the reporting period	0.0
= EBITDA rolling 12-month period according to bond term sheet	317.5
= Net debt-to-EBITDA according to bond term sheet	1.7

Net margin

Profit/loss after net financial items (profit/loss before tax, EBT) as a percentage of net revenue.

Number of employees

The number of employees working at the end of the period.

Operating margin

Operating profit/loss as a percentage of net revenue.

Operating profit/loss (EBIT)

Profit/loss before financial items and tax.

OPEX

The Group defines OPEX (operating expenses) as the sum of other external expenses, personnel costs and other operating expenses. The Group monitors this performance indicator since it shows the effectiveness of cost-saving initiatives and cost control.

Orders received

New customer orders received during the period, plus additions and deductions for changes to customer orders received earlier in the current financial year. Additions and deductions are made for changes to larger customer orders with delivery schedules spread across several financial years even if the customer order was received in a previous year.

Orders received for 2021 have been recalculated as a result of the one-off order of SEK 50.0 million received in the first quarter of 2020 for the years 2020–2022, instead of being seen as an order received in 2020, now being allocated over 3 years.

Organic growth

Net revenue and orders received in acquired companies are included in the calculation of organic growth 12 months after the acquisition date. A company that is consolidated from March of year 1 is included in the calculation of organic growth from March of year 2.

Pro forma numbers

The numbers in the pro forma column on the first page are pro forma numbers for a full year or a rolling 12-month period, and have not been reviewed by the company's auditor. The numbers are including all acquisitions from the start of the year or the rolling 12-month period until the publication of this report.

Profit/loss before tax (EBT)

Profit/loss after net financial items.

About ADDvise

ADDvise is a growing international group within lab and healthcare. Our business model delivers long-term, solid returns with the aim of generating sustainable value growth. The combination of acquisitions and organic growth is the basis of the growth strategy. We are continuously working on add-on acquisitions while at the same time developing the existing businesses.

ADDvise are long-term owners that operate a decentralized business model, and our focus is to maintain entrepreneurship and business acumen at a local level in acquired companies.

Our business concept

ADDvise work everyday to extend, improve and save people's lives by developing and providing products and services for healthcare and research.

Our acquisition strategy

Acquisition is one of the most important components of the ADDvise Group's growth strategy. The purpose of the acquisitions is to create critical mass in the different industries in which the Group does business. The industrial logic in the acquisitions will create long-term value for the Company's shareholders. Focus is directed at companies within the life science sector.

Strong trends and long-term growth

There are several factors contributing to long-term demand for products and services in the life science and medical technology market in which ADDvise operates. The need for increased capacity and modernization is widespread in both the private and public sector. A growing and aging population in almost every country in the world is also a factor. This creates long-term demand for our products.

Decentralization

Each company acts as a separate entity and operates independently to maintain its strategy and culture. This enables product development and allows key commercial decisions to be made close to customers based on cultural and geographical considerations.

Support and knowledge sharing

The ADDvise Group's subsidiaries receive Group support in everything from high-level strategic decisions to advice on pricing, marketing, and balance sheet and working capital optimization.

Increasingly complex regulations create significant barriers for smaller players, who struggle to allocate enough resources to ensure full compliance. A Group-level QA/RA (quality assurance/regulatory affairs) department provides support and guidance to the subsidiaries to ensure that the Group companies comply with applicable quality standards, laws, and regulations.

The sharing of knowledge, experience, and business opportunities with other subsidiaries within the Group is also encouraged.

Other information

Publication dates for financial information

Interim report Jan-Sep 2023 October 26, 2023
Year-end report 2023 February 22, 2024

This information is information that ADDvise Group AB is required to disclose under the EU Market Abuse Regulation. The information was submitted for publication on July 20, 2023 at 07:45 CEST. This report, as well as further information, is available on ADDvise's website, www.addvisigroup.com

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Review of interim report

This interim report was not reviewed by the company's auditor.

Declaration

The undersigned declare that the interim report presents fairly the business, financial position and performance of the parent company and the Group and describes the significant risks and uncertainties faced by the parent company and the constituent companies of the Group.

Stockholm, July 20, 2023

Staffan Torstensson

*Chairman of the
Board*

Johanne Louise

Brændgaard
Board Member

Fredrik Celsing

Board Member

Anna Ljung

Board Member

Erland Pontusson

Board Member