

Interim report January 1–September 30, 2023

July–September 2023

- » Net revenue for the period was SEK 321.1 million (237.0), an increase of 35.5%. Organic growth was 18.0%.
- » Orders received for the period was SEK 360.0 million (268.4), an increase of 34.1%. Organic growth was 30.1%.
- » EBITDA for the period was SEK 93.6 million (39.2)
- » Profit/loss for the period was SEK 34.8 million (33.9)
- » Earnings per share for the period amounted to SEK 0.19 (0.19)
- » Cash flow from Operations for the period was SEK 28.9 million (18.3)

January–September 2023

- » Net revenue for the period was SEK 976.0 million (631.3), an increase of 54.6%. Organic growth was 15.9%.
- » Orders received for the period was SEK 1,019.6 million (660.1), an increase of 54.5%. Organic growth was 35.4%.
- » EBITDA for the period was SEK 299.4 million (94.7)
- » Profit/loss for the period was SEK 73.6 million (53.0)
- » Earnings per share for the period amounted to SEK 0.40 (0.30)
- » Cash flow from Operations for the period was SEK 254.5 million (38.9)

SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months Oct 2022- Sep 2023	Jan-Dec 2022	Change	Pro forma rolling 12 months Oct 2022- Sep 2023
Net revenue	321.1	237.0	976.0	631.3	1,296.3	951.5	36.2%	1,612.4
EBITDA	93.6	39.2	299.4	94.7	389.8	185.1	110.6%	501.0
EBITDA margin, %	29.1%	16.5%	30.7%	15.0%	30.1%	19.5%	10.6 pp	31.1%
Adjusted EBITDA	97.5	36.0	303.9	89.1	389.7	174.9	122.9%	503.9
Adjusted EBITDA margin, %	30.4%	15.2%	31.1%	14.1%	30.1%	18.4%	11.7 pp	31.2%
EBITA	70.9	34.4	234.7	82.1	316.0	163.4	93.4%	415.0
EBITA margin, %	22.1%	14.5%	24.0%	13.0%	24.4%	17.2%	7.2 pp	25.7%
Profit/loss before tax (EBT)	51.1	42.6	120.4	63.1	165.3	108.0	53.0%	258.3
Profit/loss for the period	34.8	33.9	73.6	53.0	101.7	81.1	25.4%	167.4
Cash conversion %	30.9%	46.8%	85.0%	41.0%	84.6%	61.7%	22.9 pp	-
Earnings per share (SEK)	0.19	0.19	0.40	0.30	0.55	0.46	21.3%	0.89
Net debt-to-EBITDA	-	-	-	-	-	-		2.0

CEO's comment

A strong quarter marked by high growth and stable profitability

The third quarter of 2023 saw a continuation of the trend from earlier quarters. On an organic basis revenue grew by 18% while order intake grew by 34%. The US, which is our most important market and accounts for nearly 60% of Group revenue in the year to date, remains strong. Here we see considerable potential for continued growth, both organically and through add-on acquisitions. I am very pleased to see that by the end of the quarter we have exceeded our profitability target for the year of pro forma rolling twelve months EBITDA of 500 MSEK.

The Healthcare business unit remains the principal contributor to the Group's positive revenue and profitability development, with key product categories being medical equipment and pharmaceuticals. Organic growth came in at 33%, gross margins were stable and EBITDA margins expanded year over year due to positive mix effects and ongoing cost base initiatives. The Lab business unit also delivered strong revenue growth, however not on an organic basis. This is a consequence of the unit's partially project-based nature which results in an inherently lumpier revenue pattern. With 61% organic growth in order intake during the quarter, driven by several large customer orders, we remain upbeat about the prospects of this business unit over the coming quarters.

The Group's EBITDA margin was 29% in the quarter, a normalisation from the levels observed in the second quarter. Operating cash flow amounted to 29 MSEK, corresponding to a cash conversion of 31%. This is below our long-term expectations and a result of working capital build-up due to strong organic growth, coupled with one-off effects from certain customer contracts.

Our financial position is strong and enables us to continue to act upon attractive acquisition opportunities within Healthcare and Lab which can broaden and complement our offering. An ample M&A pipeline notwithstanding we remain disciplined and continue to acquire at conservative multiples and with a focus on



efficient capital allocation. During the quarter we made two acquisitions which both embody this strategy. Kolplast, based in Brazil, will give us a strong position in a large and rapidly growing market. The acquisition will strengthen the Healthcare business unit with a broad portfolio of proprietary medical equipment within women's health which can be leveraged into other markets in which we operate. Diabetic Supplies is a US-based provider of medical equipment for diabetes patients. Here we see considerable potential for synergies with our existing diabetes offering.

We are entering the final quarter of 2023 against a backdrop of global unrest and uncertainty. In this environment we take comfort from our diversified exposure towards steadily growing and non-cyclical markets driven by long-term structural and demographic trends. We will continue to strengthen our offering to become an even more complete provider of products and services which save and extend people's lives. A mission we do not take lightly.

Rikard Akhtarzand
CEO

The Group's development

Net revenue and orders

Net revenue for the quarter was SEK 321.1 million (237.0), an increase of 35.5% year over year. Organic growth was 18.0%, corresponding to 14.6% net of currency effects.

Net revenue for January–September was SEK 976.0 million (631.3), an increase of 54.6% year over year. Organic growth was 15.9% corresponding to 9.8% net of currency effects.

Orders received for the quarter was SEK 360.0 million (268.4), an increase of 34.1% year over year. Organic growth was 30.1%.

Orders received for January–September was SEK 1,019.6 million (660.1), an increase of 54.5% year over year. Organic growth was 35.4%.

Profit

EBITDA for the quarter was SEK 93.6 million (39.2). Adjusted EBITDA was SEK 97.5 million (36.0). For information about acquisition costs and other adjustment items, please refer to *Definition of key performance indicators*. EBITA was SEK 70.9 million (34.4). Operating profit/loss for the period was SEK 66.6 million (32.8). Profit/loss after tax was SEK 34.8 million (33.9). Adjusted profit/loss after tax amounted to SEK 39.1 million (31.4). Earnings per share amounted to SEK 0.19 (0.19) for the quarter.

EBITDA for January–September was SEK 299.4 million (94.7). Adjusted EBITDA was SEK 303.9 million (89.1). For information about acquisition costs and other

adjustment items, please refer to *Definition of key performance indicators*. EBITA was SEK 234.7 million (82.1). Operating profit/loss for the period was SEK 222.1 million (77.8). Profit/loss after tax was SEK 73.6 million (53.0). Adjusted profit/loss after tax amounted to SEK 116.1 million (58.0). Earnings per share amounted to SEK 0.40 (0.30) for January–September.

Profit commentary

Depreciation has increased in 2023, mainly in the second and third quarter, as companies acquired in 2022 led to an increase in the Group's tangible fixed assets. In 2023, a significant part of these has consisted of leased assets treated in accordance with IFRS 16 Leases.

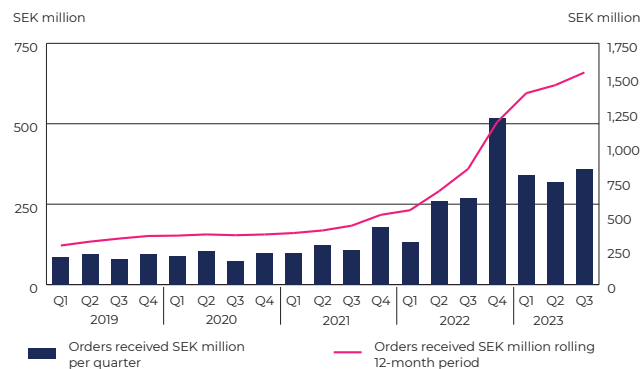
Depreciation on a leased asset is allocated over the length of the lease contract, which is often shorter than what the corresponding useful life would have been if the Group had purchased the asset instead of leasing it. During the second and third quarter, depreciation was affected by the termination of leased assets, with the assets being amortized over a shorter period than originally planned.

Tax in relation to profit before tax was at an elevated level during the quarter and January–September. This is due to the fact that Net financial items consists mostly of non-deductible costs, including non-recurring costs related to the refinancing of an outstanding bond loan.

Net revenue SEK million per quarter and EBITDA margin rolling 12-month period

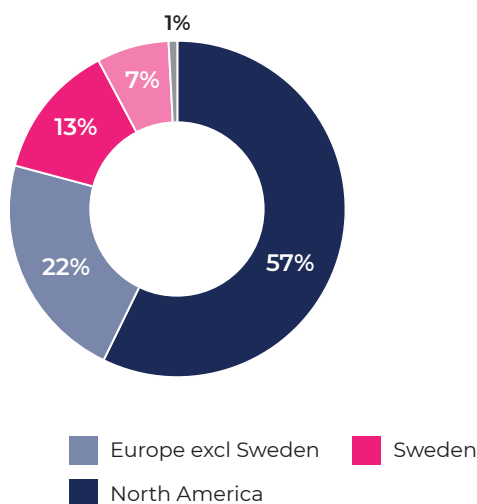


Orders received SEK million per quarter and rolling 12-month period

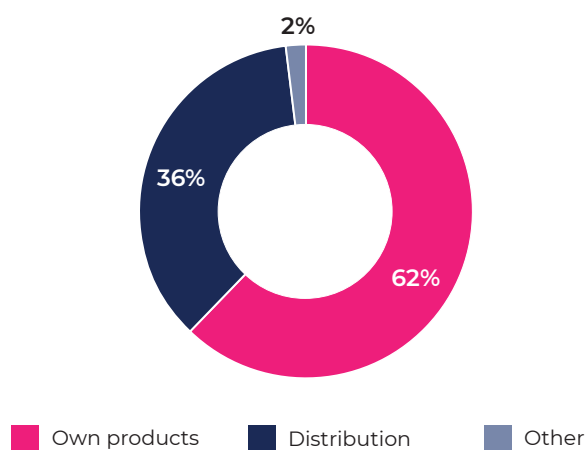


Group net revenue January–September 2023

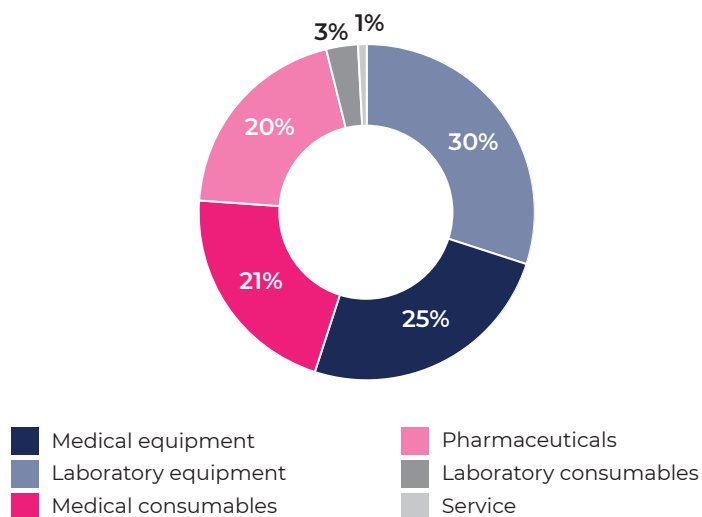
Net revenue split by geography



Net revenue split by own products/distribution



Net revenue split by product



Healthcare business unit

The Healthcare business unit manufactures and distributes medical equipment, both advanced and conventional, as well as pharmaceuticals and consumables for healthcare units. During the quarter, the business unit yet again saw continued solid 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 222.2 million (167.5), an increase of 32.7% year over year. Organic growth was 32.7%. Net revenue for January–September was SEK 645.6 million (434.3), an increase of 48.7% year over year. Organic growth was 25.1%.

Orders received for the quarter was SEK 265.0 million (216.0), an increase of 22.7% year over year. Organic growth was 22.7%. Orders received for January–September was SEK 753.1 million (514.9), an increase of 46.3% year over year. Organic growth was 31.7%.

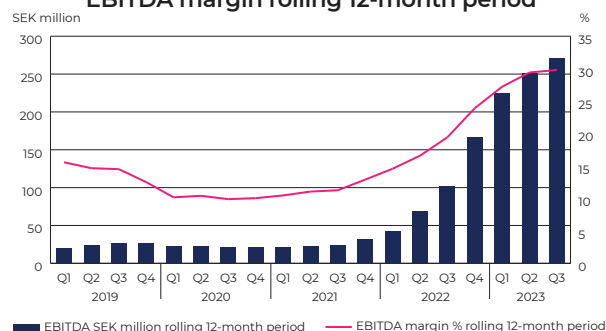
Gross margin for the quarter was 65.5% (66.6%). Business unit EBITDA for the quarter was SEK 59.5 million (39.9). Gross margin for January–September was 67.6% (64.8%). Business unit EBITDA for January–September was SEK 193.6 million (89.4).

SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 Months Oct 2022– Sep 2023	Jan-Dec 2022	Jan-Dec 2021
Net revenue	222.2	167.5	645.6	434.3	910.5	699.2	248.8
Orders received	265.0	216.0	753.1	514.9	1,059.4	821.1	255.9
Gross margin %	65.5%	66.6%	67.6%	64.8%	67.2%	65.4%	48.5%
EBITDA	59.5	39.9	193.6	89.4	271.1	166.9	32.0
EBITDA margin %	26.8%	23.8%	30.0%	20.6%	29.8%	23.9%	12.9%

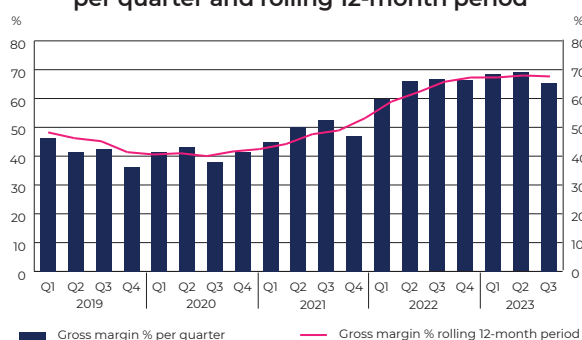
Healthcare business unit net revenue SEK million per quarter and rolling 12-month period



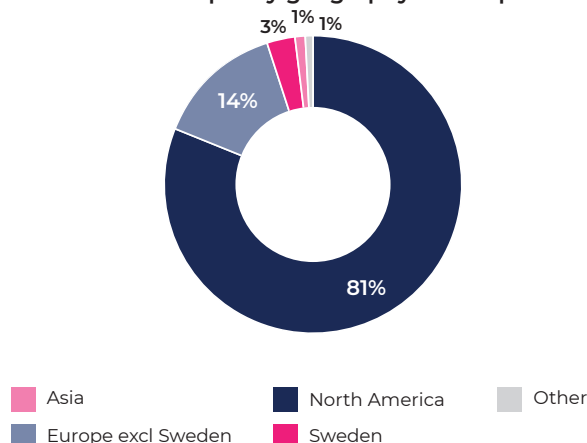
Healthcare business unit EBITDA SEK million and EBITDA margin rolling 12-month period



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



Healthcare business unit net revenue split by geography Jan–Sep 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 stronger margins compared with the previous year, driven by a favourable product mix and an accelerated rate of sales of laboratory equipment for clinical studies.

Net revenue, orders and profit

Net revenue for the quarter was SEK 98.9 million (69.5), an increase of 42.3% year over year. Organic decrease in net revenue was 17.3%. Net revenue for January–September was SEK 330.3 million (196.9), an increase of 67.8% year over year. Organic decrease in net revenue was 4.3%.

Orders received for the quarter was SEK 95.0 million (52.4) an increase of 81.3% year over year. Organic growth in orders received was 60.8%. Orders received for January–September was SEK 266.5 million (145.2) an increase of 83.5% year over year. Organic growth in orders received was 48.7%.

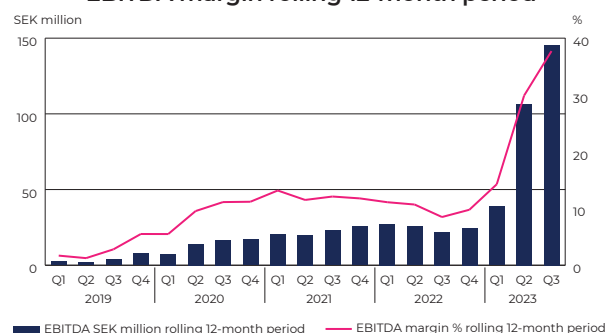
Gross margin for the quarter was 64.7% (34.5%). Business unit EBITDA for the quarter was SEK 41.9 million (2.9). Gross margin for January–September was 61.9% (40.1%). Business unit EBITDA for January–September was SEK 136.0 million (15.1).

SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 Months Oct 2022- Sep 2023	Jan-Dec 2022	Jan-Dec 2021
Net revenue	98.9	69.5	330.3	196.9	385.7	252.3	217.2
Orders received	95.0	52.4	266.5	145.2	477.9	356.7	249.1
Gross margin %	64.7%	34.5%	61.9%	40.1%	61.3%	44.0%	43.5%
EBITDA	41.9	2.9	136.0	15.1	145.4	24.6	26.3
EBITDA margin %	42.3%	4.1%	41.2%	7.7%	37.7%	9.7%	12.1%

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



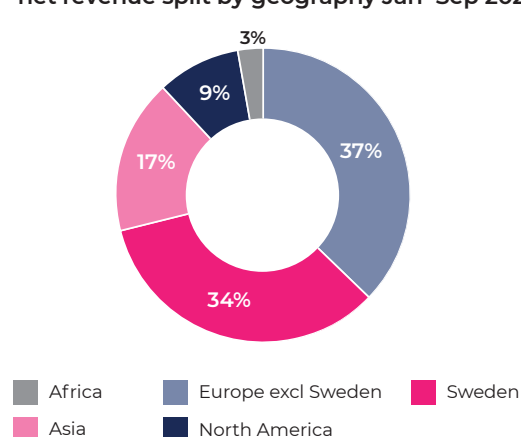
Lab business unit EBITDA SEK million and EBITDA margin rolling 12-month period



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



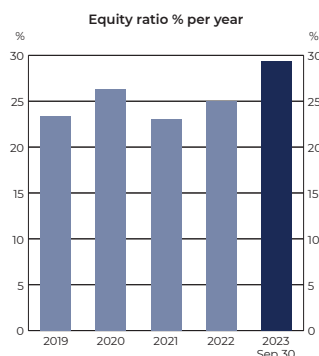
Lab business unit net revenue split by geography Jan–Sep 2023



Financial position

Equity and equity ratio

Equity at the end of the period totaled SEK 701.1 million (488.5), equating to SEK 3.73 (2.71) per share outstanding at the end of the period. The equity ratio at the end of the period was 29.4% (32.3%). 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 569.4 million (124.0). At the end of the period, the Group had an overdraft facility of SEK 132.0 million (54.4), which was utilized in an amount of SEK 0.0 million (2.1). 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 550.7 million (435.7).

Pro forma for acquisitions not yet closed and consolidated, net debt was SEK 1,000.7 million. Pro forma for acquisitions not yet closed and consolidated, EBITDA was SEK 501.0 million. This gives a ratio of pro forma net interest-bearing debt to pro forma EBITDA of 2.0 (2.8).

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 27.2 million (29.2). Loans and other interest-bearing liabilities due for repayment within one year include a bank loan of SEK 6.3 million (14.0), utilized overdraft facilities of SEK 0.0 million (2.1) and lease

liabilities of SEK 20.9 million (13.1). 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 1,093.0 million (530.5). Loans due for repayment after one year or more include the Group's bond loan of SEK 981.1 million (488.5), which is due for repayment in May 2026, interest-bearing promissory notes for completed acquisitions of SEK 67.8 million (0.0), a bank loan of SEK 0.0 million (0.9) and lease liabilities of SEK 44.1 million (41.1).

Cash flow

Operating cash flow for the quarter was SEK 31.6 million (8.2). Change in working capital was SEK -35.1 million (-8.2). Operating cash flow for January–September was SEK 123.4 million (8.0). Change in working capital was SEK 0.9 million (-26.0).

Cash flow from Operations for the quarter amounted to SEK 28.9 million (18.3). Cash flow from Operations includes investments in fixed assets and amortization of lease liabilities. Cash conversion for the quarter was 30.9% (46.8%). Cash flow from Operations for January–September amounted to SEK 254.5 million (38.9). Cash conversion for January–September was 85.0% (41.0%).

Cash flow for the quarter totaled SEK -26.1 million (15.1). Cash flow for January–September totaled SEK 454.6 million (-208.3).

Cash flow commentary

During the quarter and January–September, working capital was negatively affected by one-off effects from an accelerated unwinding of certain lease based customer contracts, where the leased assets were amortized at an accelerated rate. During the quarter and January–September this impacts cash flow from financing activities on the line *Payments made in relation to amortization of loans attributable to leases*.

Operating cash flow was affected by payment of income tax of SEK 13.1 million during the quarter and SEK 69.1 million during January–September. This is also in part extraordinary as payments of income tax in 2023 are attributable to finalized income tax payments for 2022 and preliminary income tax payments for 2023.

Financing cash flow during January–September was affected by a directed share issue in April 2023 raising SEK 100.0 million before issue costs, and by a new bond loan, please refer to *Net debt*.

Payment of purchase consideration to 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 cash flow from investment activities during January–September. For further information about contributed 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

On August 7, 2023, ADDvise entered into a share purchase agreement with the owners of Diabetic Supplies Inc (Diabetic Supplies) regarding the acquisition of all shares of Diabetic Supplies, and on September 30, 2023, ADDvise entered into a share purchase agreement with the owners of Kolplast CI S A (Kolplast) regarding the acquisition of all shares of Kolplast. The acquisitions have not yet closed, and no preliminary purchase price allocation can be provided. Starting August, 2023, ADDvise will only communicate acquisitions in connection with the signing of share purchase agreements. Signing of Letters of Intent will not be communicated.

Parent company

Net revenue at the parent company for the quarter totaled SEK 13.0 million (4.0). Operating profit/loss was SEK -5.9 million (-3.3). The net profit/loss was SEK -19.5 million (41.9).

Net revenue at the parent company for January–September totaled SEK 16.2 million (16.1). Operating profit/loss was SEK -26.9 million (-7.7). The net profit/loss was SEK -127.6 million (22.7).

Total assets was SEK 1,671.5 million (954.7), of which equity constituted SEK 286.9 million (341.2).

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, on a pro forma rolling twelve month basis, an EBITDA of SEK 500 million with a net revenue of SEK 1.7 billion before the end of 2023.

Long-term financial targets

The targets represent an ambition to be achieved over a period of 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 net interest-bearing 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%.

Condensed consolidated statement of comprehensive income

SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Net revenue	321.1	237.0	976.0	631.3	951.5	466.0
Capitalized work on own account	1.3	1.9	3.7	5.7	7.5	2.7
Other operating income	4.2	5.4	6.0	6.2	10.2	0.5
	326.6	244.2	985.7	643.2	969.1	469.1
Cost of materials	-111.6	-101.5	-335.0	-271.2	-384.0	-252.0
Other external expenses	-51.2	-46.0	-151.8	-121.1	-178.8	-47.3
Personnel costs	-62.2	-56.6	-190.7	-155.6	-220.2	-112.5
Depreciation and amortization	-27.0	-6.4	-77.3	-17.0	-27.9	-13.7
Other operating expenses	-8.1	-0.9	-8.8	-0.5	-1.0	0.0
	-260.1	-211.4	-763.6	-565.4	-811.9	-425.6
Operating profit/loss (EBIT)	66.6	32.8	222.1	77.8	157.2	43.5
Net financial items	-15.5	9.8	-101.7	-14.6	-49.2	-35.9
Profit/loss before tax (EBT)	51.1	42.6	120.4	63.1	108.0	7.7
Tax	-16.3	-8.7	-46.8	-10.1	-26.9	-4.9
Profit/loss for the period	34.8	33.9	73.6	53.0	81.1	2.8
Profit/loss attributable to:						
Shareholders of the parent company	34.8	33.9	73.6	53.0	81.1	2.8
Non-controlling interests	-	-	-	-	-	-
	34.8	33.9	73.6	53.0	81.1	2.8
Other comprehensive income						
Foreign exchange differences on the translation of foreign operations for the period	-14.5	61.6	39.3	92.8	69.1	12.8
Change in value of financial assets measured at fair value through other comprehensive income for the period	-	-	-	-	-	-0.1
Comprehensive income for the period	20.3	95.5	112.9	145.8	150.2	15.5
Comprehensive income attributable to:						
Shareholders of the parent company	20.3	95.5	112.9	145.8	150.2	15.5
Non-controlling interests	-	-	-	-	-	-
	20.3	95.5	112.9	145.8	150.2	15.5
Basic earnings per share, SEK ¹	0.19	0.19	0.40	0.30	0.46	0.02
Diluted earnings per share, SEK ¹	0.19	0.19	0.40	0.30	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	Sep 30 2023	Sep 30 2022	Dec 31 2022	Dec 31 2021
ASSETS				
<i>Non-current assets</i>				
Goodwill	856.2	574.7	820.8	288.6
Trademarks	335.1	313.1	323.4	127.8
Other intangible non-current assets	134.2	46.2	137.9	24.6
Property, plant and equipment	115.4	78.3	126.8	65.1
Non-current financial assets	2.0	0.3	1.8	0.2
Contract assets	9.2	13.3	12.9	14.1
Deferred tax assets	0.0	0.0	0.0	0.0
<i>Total non-current assets</i>	<i>1,452.1</i>	<i>1,025.9</i>	<i>1,423.6</i>	<i>520.4</i>
<i>Current assets</i>				
Inventories	95.7	114.3	102.5	66.5
Contract assets	59.6	93.1	72.9	48.4
Trade receivables	175.4	130.8	223.6	96.8
Other current receivables	31.7	26.4	35.1	11.6
Short-term investments	-	-	-	-
Cash and cash equivalents	569.4	124.0	111.1	325.7
<i>Total current assets</i>	<i>931.8</i>	<i>488.6</i>	<i>545.2</i>	<i>549.1</i>
TOTAL ASSETS	2,383.9	1,514.5	1,968.8	1,069.4
EQUITY AND LIABILITIES				
<i>Equity</i>	<i>701.1</i>	<i>488.5</i>	<i>492.9</i>	<i>247.3</i>
Equity attributable to:				
Shareholders of the parent company	701.1	488.5	492.9	247.3
Non-controlling interests	-	-	-	-
	701.1	488.5	492.9	247.3
<i>Non-current liabilities</i>				
Interest-bearing liabilities	1,093.0	530.5	744.3	525.1
Deferred tax liabilities	106.4	74.5	104.3	14.7
Other non-current liabilities	44.4	127.7	227.6	108.0
<i>Total non-current liabilities</i>	<i>1,243.7</i>	<i>732.7</i>	<i>1,076.3</i>	<i>647.9</i>
<i>Current liabilities</i>				
Interest-bearing liabilities	27.2	29.2	33.5	29.0
Current tax liabilities	8.7	18.8	26.1	9.8
Contract liabilities	9.3	24.1	64.6	13.6
Trade payables	114.4	92.0	114.2	60.3
Other current liabilities	279.5	129.2	161.3	61.5
<i>Total current liabilities</i>	<i>439.1</i>	<i>293.3</i>	<i>399.7</i>	<i>174.3</i>
TOTAL EQUITY AND LIABILITIES	2,383.9	1,514.5	1,968.8	1,069.4

Condensed consolidated statement of changes in equity

SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023 ¹	Jan-Sep 2022 ²	Jan-Dec 2022 ²	Jan-Dec 2021
Opening equity	680.8	393.1	492.9	247.3	247.3	91.0
Profit/loss for the period	34.8	33.9	73.6	53.0	81.1	2.8
Other comprehensive income for the period	-14.5	61.6	39.3	92.8	69.1	12.7
Comprehensive income for the period	20.3	95.5	112.9	145.8	150.2	15.5
New share issue	0.0	0.0	95.3	95.4	95.4	143.4
Dividends	-	-	-	-	-	-2.8
Change in non-controlling interests	-	-	-	-	-	0.1
Closing equity	701.1	488.5	701.1	488.5	492.9	247.3
Attributable to:						
Shareholders of the parent company	701.1	488.5	701.1	488.5	492.9	247.3
Non-controlling interests	-	-	-	-	-	-
Total equity	701.1	488.5	701.1	488.5	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	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Operating activities						
Profit/loss before tax	51.1	42.6	120.4	63.1	108.0	7.7
Adjustments for non-cash items	28.7	-23.6	71.2	-25.1	28.0	9.5
Income tax paid	-13.1	-2.5	-69.1	-4.1	-6.4	-0.1
Cash flow before changes in working capital	66.7	16.4	122.5	34.0	129.6	17.0
Changes in working capital	-35.1	-8.2	0.9	-26.0	-19.7	-6.9
Operating cash flow	31.6	8.2	123.4	8.0	109.9	10.2
Investing activities						
Acquisition of subsidiaries ¹	-8.7	5.7	-32.1	-342.5	-626.8	-197.2
Net acquisition and sale of intangible non-current assets and property, plant, and equipment	-7.2	-3.3	-11.5	-8.3	-14.0	-4.1
Changes in non-current financial assets	2.2	1.2	4.0	1.7	2.2	-0.3
Investing cash flow	-13.6	3.6	-39.5	-349.1	-638.6	-201.7
Financing activities						
Net new share issue	0.0	0.0	95.3	95.4	95.4	143.4
Loans, interest-bearing liabilities and non-interest-bearing liabilities raised net with amortizations	-21.3	7.1	304.4	47.4	235.7	341.2
Payments made in relation to amortization of loans attributable to leases	-22.7	-3.9	-28.9	-10.0	-28.1	-7.8
Dividend to shareholders	-	-	-	-	-	-2.8
Financing cash flow	-44.1	3.3	370.8	132.8	303.0	474.0
Cash flow for the period	-26.1	15.1	454.6	-208.3	-225.7	282.5
Cash and cash equivalents at start of period	597.3	105.0	111.1	325.7	325.7	39.6
Foreign exchange differences in cash and cash equivalents	-1.7	3.9	3.7	6.5	11.1	3.6
Cash and cash equivalents at end of period	569.4	124.0	569.4	124.0	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	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022
Net revenue	321.1	344.4	310.5	320.3	237.0
Capitalized work on own account	1.3	1.5	0.8	1.7	1.9
Other operating income	4.2	1.1	0.7	4.0	5.4
	326.6	347.1	312.0	326.0	244.2
Cost of materials	-111.6	-110.3	-113.1	-112.7	-101.5
Other external expenses	-51.2	-51.1	-49.5	-57.7	-46.0
Personnel costs	-62.2	-63.9	-64.5	-64.6	-56.6
Other operating expenses	-8.1	-0.1	-0.6	-0.5	-0.9
	-233.1	-225.5	-227.8	-235.5	-205.0
EBITDA	93.6	121.6	84.2	90.4	39.2
EBITDA margin, %	29.1%	35.3%	27.1%	28.2%	16.5%
Depreciation and amortization	-27.0	-35.1	-15.2	-11.0	-6.4
Operating profit/loss (EBIT)	66.6	86.5	69.0	79.4	32.8
Operating margin, %	20.7%	25.1%	22.2%	24.8%	13.8%
Net financial items	-15.5	-61.7	-24.5	-34.6	9.8
Profit/loss before tax (EBT)	51.1	24.8	44.5	44.9	42.6
Tax	-16.3	-21.6	-8.9	-16.8	-8.7
Profit/loss for the period	34.8	3.2	35.6	28.1	33.9
Profit/loss attributable to:					
Shareholders of the parent company	34.8	3.2	35.6	28.1	33.9
Non-controlling interests	-	-	-	-	-
	34.8	3.2	35.6	28.1	33.9

Key performance indicators

SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022 ¹	Jan-Dec 2022 ¹	Jan-Dec 2021 ²
Net revenue	321.1	237.0	976.0	631.3	951.5	466.0
Gross margin, %	65.2%	57.2%	65.7%	57.0%	59.6%	45.9%
EBITDA	93.6	39.2	299.4	94.7	185.1	57.3
EBITDA margin, %	29.1%	16.5%	30.7%	15.0%	19.5%	12.3%
Adjusted EBITDA	97.5	36.0	303.9	89.1	174.9	57.1
Adjusted EBITDA margin, %	30.4%	15.2%	31.1%	14.1%	18.4%	12.2%
EBITA	70.9	34.4	234.7	82.1	163.4	46.8
EBITA margin, %	22.1%	14.5%	24.0%	13.0%	17.2%	10.0%
Operating profit/loss (EBIT)	66.6	32.8	222.1	77.8	157.2	43.5
Operating margin, %	20.7%	13.8%	22.8%	12.3%	16.5%	9.3%
Profit/loss before tax (EBT)	51.1	42.6	120.4	63.1	108.0	7.7
Net margin, %	15.9%	18.0%	12.3%	10.0%	11.3%	1.6%
Profit/loss for the period	34.8	33.9	73.6	53.0	81.1	2.8
Adjusted profit/loss for the period	39.1	31.4	116.1	58.0	88.3	12.7
Equity ratio, %	29.4%	32.3%	29.4%	32.3%	25.0%	23.1%
Cash flow from Operations	28.9	18.3	254.5	38.9	114.3	-
Cash conversion %	30.9%	46.8%	85.0%	41.0%	61.7%	-
Net debt	-550.7	-435.7	-550.7	-435.7	-666.8	-228.5
Net debt-to-EBITDA	-	-	-	-	2.8	2.3
Number of employees at end of period	361	334	361	334	351	285
Equity per share in SEK	3.73	2.71	3.73	2.71	2.73	1.50
Basic earnings per share in SEK ³	0.19	0.19	0.40	0.30	0.46	0.02
Diluted earnings per share in SEK ³	0.19	0.19	0.40	0.30	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	188,184,197	180,491,889	185,000,201	176,434,408	177,457,115	143,133,781
Average number of shares after dilution	188,184,197	180,491,889	185,000,201	176,434,408	177,457,115	143,133,781

Please refer to *Definition of key performance indicators* on page 17.

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	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Net revenue	13.0	4.0	16.2	16.1	29.4	24.8
Capitalized work on own account	-	-	-	-	-	-
Other operating income	-0.0	0.0	-0.0	0.0	0.0	0.0
	13.0	4.0	16.2	16.1	29.4	24.8
Other external expenses	-4.6	-2.5	-14.2	-9.4	-13.4	-8.5
Personnel costs	-7.2	-4.7	-21.8	-14.2	-20.6	-14.6
Depreciation and amortization	-0.0	-0.0	-0.1	-0.2	-0.2	-0.2
Other operating expenses	-7.0	0.0	-7.0	0.0	0.0	-0.0
	-18.8	-7.3	-43.1	-23.8	-34.2	-23.3
Operating profit/loss (EBIT)	-5.9	-3.3	-26.9	-7.7	-4.8	1.5
Net financial items	-13.6	45.2	-100.7	30.4	-5.9	-21.9
Profit/loss after financial items (EBT)	-19.5	41.9	-127.6	22.7	-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	-19.5	41.9	-127.6	22.7	0.6	-0.6
Parent company statement of comprehensive income						
Profit/loss for the period	-19.5	41.9	-127.6	22.7	0.6	-0.6
Other comprehensive income for the period	-	-	-	-	-	-
Comprehensive income for the period	-19.5	41.9	-127.6	22.7	0.6	-0.6

Condensed parent company balance sheet

SEK million	Sep 30 2023	Sep 30 2022	Dec 31 2022	Dec 31 2021
ASSETS				
<i>Non-current assets</i>				
Intangible non-current assets	0.2	0.3	0.3	0.3
Property, plant and equipment	0.2	0.3	0.3	0.3
Non-current financial assets	990.2	413.3	993.5	379.7
Deferred tax assets	5.2	10.5	5.2	10.5
<i>Total non-current assets</i>	<i>995.9</i>	<i>424.4</i>	<i>999.3</i>	<i>390.9</i>
<i>Current assets</i>				
Other current receivables	177.5	464.8	233.4	141.5
Short-term investments	-	-	-	-
Cash and bank balances	498.1	65.5	18.0	286.2
<i>Total current assets</i>	<i>675.6</i>	<i>530.3</i>	<i>251.5</i>	<i>427.7</i>
TOTAL ASSETS	1,671.5	954.7	1,250.8	818.6
EQUITY AND LIABILITIES				
<i>Equity</i>				
	286.9	341.2	319.1	223.1
<i>Non-current liabilities</i>				
Interest-bearing liabilities	1,048.9	488.5	694.0	487.1
Other non-current liabilities	36.5	31.5	132.0	54.5
<i>Total non-current liabilities</i>	<i>1,085.4</i>	<i>520.0</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	0.0	0.6	0.0	0.9
Trade payables	3.6	1.7	10.4	4.5
Other current liabilities	295.6	91.1	95.4	48.5
<i>Total current liabilities</i>	<i>299.2</i>	<i>93.5</i>	<i>105.8</i>	<i>53.8</i>
TOTAL EQUITY AND LIABILITIES	1,671.5	954.7	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 ultimate 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	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Lab business unit	98.9	69.5	330.3	196.9	252.3	217.2
Healthcare business unit	222.2	167.5	645.6	434.3	699.2	248.8
Total external net revenue	321.1	237.0	976.0	631.3	951.5	466.0
Lab business unit	41.9	2.9	136.0	15.1	24.6	26.3
Healthcare business unit	59.5	39.9	193.6	89.4	166.9	32.0
Total operating profit/loss before depreciation and amortization (EBITDA)	101.3	42.8	329.6	104.5	191.5	58.3
Acquisition costs in Other external expenses	-0.9	-0.6	-1.3	-1.8	-2.9	-2.8
Unallocated Group income	4.0	5.6	4.0	5.6	11.3	0.0
Unallocated Group expenses	-10.9	-8.5	-32.9	-13.5	-14.8	1.8
Depreciation and amortization	-27.0	-6.4	-77.3	-17.0	-27.9	-13.7
Net financial items	-15.5	9.8	-101.7	-14.6	-49.2	-35.9
Consolidated profit/loss before tax (EBT)	51.1	42.6	120.4	63.1	108.0	7.7

Note 4 Business combinations

During 2023, ADDvise has entered into share purchase agreements, but as the acquisitions are not yet closed, no preliminary purchase price allocations can be provided.

- » On August 7, 2023, ADDvise entered into a share purchase agreement with the owners of Diabetic Supplies Inc (Diabetic Supplies) regarding the acquisition of all shares of Diabetic Supplies.
- » On September 30, 2023, ADDvise entered into a share purchase agreement with the owners of Kolplast CI S A (Kolplast) regarding the acquisition of all shares of Kolplast.

ADDvise has decided not to complete the acquisition of X-Ray Cassette Repair Company, Inc. X-Ray Cassette Repair Company, Inc. which ADDvise signed a letter of intent to acquire on February 14, 2023, has during the subsequent due diligence not performed in line with initial expectations regarding sales and profitability. In view of this, ADDvise has decided not to complete the acquisition.

Transaction costs

During January–September, transaction costs of SEK 2.1 million are recognized as costs in the consolidated statement of comprehensive income. The transaction costs are related to acquisitions completed before 2023 and to acquisitions during 2023 where there was a decision not to complete the transaction. SEK 1.3 million is reported in Other external expenses and SEK 0.8 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	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Cash purchase consideration	8.7	-1.6	30.3	300.9	522.5	193.2
Holdback amounts and promissory notes	-	-	-	50.1	120.5	21.3
Cash and cash equivalents acquired	-	-4.2	1.7	-8.5	-16.2	-17.3
Net outflow of cash and cash equivalents	8.7	-5.7	32.1	342.5	626.8	197.2

The cash purchase consideration for the period July–September 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–September 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 July–September 2022 comprises payments to the former owners of ADDvise's subsidiaries acquired in 2022.

The cash purchase consideration for the period January–September 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, based on customer domicile.

SEK million	Jul-Sep 2023			Jul-Sep 2022		
	Lab	Health-care	Total	Lab	Health-care	Total
Sweden	30.6	4.5	35.1	30.2	5.4	35.6
Europe, excl Sweden	56.1	36.6	92.7	23.5	24.5	48.0
North America	-9.1	174.0	164.8	0.1	134.4	134.5
Africa	3.6	0.0	3.6	0.9	0.0	0.9
Asia	17.5	4.0	21.5	14.8	3.2	18.0
Other	0.3	3.2	3.4	0.0	0.0	0.0
Total	98.9	222.2	321.1	69.5	167.5	237.0

SEK million	Jan-Sep 2023			Jan-Sep 2022		
	Lab	Health-care	Total	Lab	Health-care	Total
Sweden	112.6	16.2	128.8	101.7	18.5	120.2
Europe, excl Sweden	122.5	92.7	215.2	35.8	76.1	111.9
North America	30.4	523.5	553.9	3.8	332.4	336.1
Africa	7.5	0.0	7.5	3.0	0.0	3.0
Asia	57.0	8.7	65.7	52.6	7.3	60.0
Other	0.3	4.5	4.8	0.0	0.0	0.0
Total	330.3	645.6	976.0	196.9	434.3	631.3

continuation of Note 5; see next page

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	September 30, 2023		
	Level 1	Level 2	Level 3
Short-term investments	-	-	-
Contingent purchase consideration	-	-	178.5
Total	0.0	0.0	178.5

SEK million	September 30, 2022		
	Level 1	Level 2	Level 3
Short-term investments	-	-	-
Contingent purchase consideration	-	-	107.7
Total	0.0	0.0	107.7

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 5.3 million on the valuation of contingent purchase considerations and SEK 5.3 million on profit/loss before tax. A change in the currency exchange rate for USD of 5% would have an effect of SEK 3.4 million on the valuation of contingent purchase considerations and SEK 1.1 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 any acquisition financing 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	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Operating profit/loss, see below	66.6	32.8	222.1	77.8	157.2	43.5
Reversal of depreciation and amortization	27.0	6.4	77.3	17.0	27.9	13.7
Reversal of acquisition costs	0.9	0.6	1.3	1.8	2.9	2.8
Reversal of restructuring costs	-	1.9	-	1.9	1.9	-
Reversal of state subsidies and similar items relating to Covid-19	-	-0.1	-	-3.8	-3.7	-3.0
Reversal of revaluation of estimated additional purchase consideration for completed acquisitions	3.0	-5.6	3.2	-5.6	-11.3	0.0
= Adjusted EBITDA	97.5	36.0	303.9	89.1	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	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Adjusted EBITDA, see above	97.5	36.0	303.9	89.1	174.9	57.1
Divided by net revenue	321.1	237.0	976.0	631.3	951.5	466.0
= Adjusted EBITDA margin as a %	30.4%	15.2%	31.1%	14.1%	18.4%	12.2%

Adjusted profit/loss for the period

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

SEK million	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Profit/loss for the period	34.8	33.9	73.6	53.0	81.1	2.8
Reversal of acquisition costs	0.9	0.6	1.3	1.8	2.9	2.8
Reversal of restructuring costs	-	1.9	-	1.9	1.9	-
Reversal of financial expenses related to acquisitions and other non-recurring financial expenses	0.3	0.7	38.0	10.6	17.5	10.1
Reversal of state subsidies and similar items relating to Covid-19	-	-0.1	-	-3.8	-3.7	-3.0
Reversal of revaluation of estimated additional purchase consideration for completed acquisitions	3.0	-5.6	3.2	-5.6	-11.3	0.0
= Adjusted profit/loss for the period	39.1	31.4	116.1	58.0	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 wishing to see the cash generated by the Group's business operations in relation to the Group's EBITDA.

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	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Operating profit/loss (EBIT)	66.6	32.8	222.1	77.8	157.2
Changes in working capital	-35.1	-10.3	0.9	-35.2	-19.7
Finance net attributable to Operations	-0.7	0.2	-1.5	0.5	-2.1
Depreciation and amortization attributable to Operations	24.1	5.9	68.8	16.1	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	-29.9	-7.2	-40.4	-18.3	-42.0
Items attributable to acquisition activities	4.0	-3.1	4.5	-1.9	-4.9
= Cash flow from Operations	28.9	18.3	254.5	38.9	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

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	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Operating profit/loss, see below	66.6	32.8	222.1	77.8	157.2	43.5
Reversal of amortization of intangible assets	4.3	1.6	12.6	4.4	6.2	3.3
= EBITA	70.9	34.4	234.7	82.1	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	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
EBITA, see above	70.9	34.4	234.7	82.1	163.4	46.8
Divided by net revenue	321.1	237.0	976.0	631.3	951.5	466.0
= EBITA margin as a %	22.1%	14.5%	24.0%	13.0%	17.2%	10.0%

EBITDA

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 is obliged to report this under the terms of the Group's bonds.

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	Sep 30 2023
Cash and cash equivalents	569.4
Excluding purchase price paid in cash for acquisitions after the end of the reporting period net with acquired cash and cash equivalents	-449.9
Loans	-1,047.3
Acquisition-related liabilities	-79.8
= Net debt according to bond term sheet	-1,007.6
EBITDA rolling 12-month period	389.8
Reversal of acquisition costs rolling 12-month period, reversal of revaluation of estimated earn-outs for completed acquisitions rolling 12-month period and adjusted for other non-recurring items	-0.2
Pro forma EBITDA from new acquisitions	114.1
= EBITDA rolling 12-month period according to bond term sheet	503.8
= Net debt-to-EBITDA according to bond term sheet	2.0

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 has been recalculated as a result of a one-off order of SEK 50.0 million received in the first quarter of 2020. Instead of being accounted for as an order received in 2020, the order has been 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

Acquisitions is one of the most important components of the Group's growth strategy. The purpose of 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 Group's subsidiaries receive 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.

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. ADDvise has been reporting sustainability-related information to Nasdaq since 2021 and is certified as a Nasdaq ESG Transparency partner.

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

Environment

- » Reduce 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.

Other information

Publication dates for financial information

Year-end report 2023	February 22, 2024
Annual report and sustainability report 2023	April 3, 2024
Interim report Jan-Mar 2024	April 18, 2024
Annual General Meeting	May 3, 2024
Interim report Jan-Jun 2024	July 18, 2024
Interim report Jan-Sep 2024	October 24, 2024
Year-end report 2024	February 20, 2025

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 October 26, 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

The Swedish version of this interim report has been 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, October 26, 2023

Staffan Torstensson	Johanne Louise Brændgaard	Fredrik Celsing	Anna Ljung	Erland Pontusson
<i>Chairman of the Board</i>	<i>Board Member</i>	<i>Board Member</i>	<i>Board Member</i>	<i>Board Member</i>