



Interim report January 1–March 31, 2024

The first quarter saw a continued favourable revenue development. The Lab segment delivered strong organic growth whereas our pharmaceuticals business affected the Group negatively. The changing product mix resulted in lower margins. Work continued to optimise the capital structure and profit for the period improved.

January–March 2024

- » Net revenue for the period was SEK 413.4 million (310.5), an increase of 33.1%
- » On an organic basis, net revenue declined by 9.5%. Excluding pharmaceuticals, organic growth was 3.6%.
- » EBITDA for the period was SEK 99.1 million (84.2)
- » Profit/loss for the period was SEK 42.9 million (35.6)
- » Earnings per share for the period amounted to SEK 0.22 (0.20)
- » Cash flow from Operations for the period was SEK 55.3 million (123.3)

SEK million	Jan–Mar 2024	Jan–Mar 2023	Rolling 12 months Apr 2023– Mar 2024	Jan–Dec 2023	Change	Pro forma rolling 12 months Apr 2023– Mar 2024
Net revenue	413.4	310.5	1,475.9	1,373.0	7.5%	1,810.6
EBITDA	99.1	84.2	440.3	425.5	3.5%	546.9
EBITDA margin, %	24.0%	27.1%	29.8%	31.0%	-1.2 pp	30.2%
Adjusted EBITDA	84.4	84.8	418.7	419.0	-0.1%	525.2
Adjusted EBITDA margin, %	20.4%	27.3%	28.4%	30.5%	-2.1 pp	29.0%
EBITA	87.4	73.1	351.6	337.3	4.2%	443.3
EBITA margin, %	21.1%	23.6%	23.8%	24.6%	-0.8 pp	24.5%
Profit/loss before tax (EBT)	54.4	44.5	174.2	164.3	6.0%	265.5
Profit/loss for the period	42.9	35.6	110.8	103.5	7.1%	190.9
Cash conversion, %	55.8%	146.5%	60.0%	78.1%	-18.1 pp	-
Earnings per share (SEK)	0.22	0.20	0.59	0.55	0.04	0.96
Return on equity, %	-	-	15.7%	16.4%	-0.7 pp	-
Return on capital employed, %	-	-	17.5%	19.8%	-2.3 pp	-
Net debt to EBITDA	-	-	-	-		2.4

Investors, analysts and other stakeholders are invited to a webcast and conference call at 14:00 (CEST) / 08:00 AM (EST) on April 18, 2024, where CEO Rikard Akhtarzand and CFO Oliver Humlen will present the report and answer questions. Additional information is available at addvisigroup.com.

CEO's comment

Continued growth and improved profit for the period

The first quarter saw revenue grow by 33% to SEK 413 million (310), in line with our long-term financial target. Organic growth was –10%, driven by the normalisation of demand within our US-based pharmaceuticals business which performed very strongly during 2023. This product category accounted for 9% of sales in the quarter, compared with 23% in the same period of last year. Pharmaceuticals is an attractive, high-margin product category, but sales are subject to fluctuations depending on changes in reimbursement schemes or insurance coverage. We are in the process of launching several new drugs which we expect will drive a return to growth within the product category.

Organic growth excluding pharmaceuticals was 4%, driven by robust market activity across both Healthcare and Lab in the Nordics as well as within our project-based cleanrooms business. The Lab segment had a strong quarter with 26% organic growth. Our value proposition resonates well with customers, which builds loyalty and enables us to grow our share of wallet with healthy profitability. Our capital goods-focused businesses in the US experienced a more challenging quarter; we expect these to benefit from an uptick in demand as interest rate cuts materialise. We have further strengthened our operations team in the US to ensure we can provide our companies with the necessary support to drive continued growth.

The quarter also saw the onboarding and full consolidation of the four acquisitions completed during the second half of last year. All are performing in line with or above our expectations and contributed to a more balanced geographic exposure in the quarter. We continue to see opportunities to strengthen our offering in the right areas through further acquisitions.

The change in product mix, with lower pharmaceuticals sales and strong growth within climate- and cleanrooms, affected profitability in the quarter. The gross margin was 55% (64%) and the EBITDA margin was 24% (27%). Earnings per share amounted to SEK 0.22 (0.20) which is the strongest result in a single quarter to date. Return on capital employed was 18% (18%).



Cash flow from Operations amounted to SEK 55 million (123), corresponding to a cash conversion of 56% (147%). During the quarter we saw a build-up of working capital, as opposed to a substantial release last year driven primarily by our pharmaceuticals business.

During the quarter we took several actions to optimise our capital structure and facilitate continued profitable growth. Among others we raised our first dollar-denominated bond, in an amount of USD 60 million. Most of the proceeds from this issue were used to partially repurchase our outstanding SEK-denominated bond. This results not only in a more balanced currency exposure but also improves our debt maturity profile. Net leverage at the end of the quarter stood at 2.4x.

The first quarter has clearly demonstrated the value of a broad and diversified base of products, customers and markets within the structurally important areas healthcare and lab. Irrespective of economic backdrop, the need for products and services which save and extend people's lives remains strong.

Rikard Akhtarzand
CEO

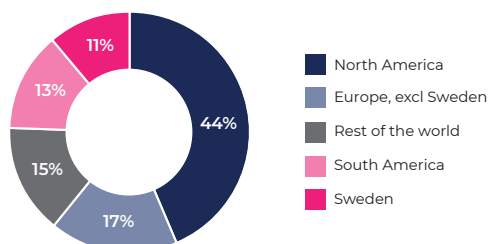
The Group's development

Net revenue and orders

Net revenue for the quarter was SEK 413.4 million (310.5), an increase of 33.1% year-over-year. On an organic basis, net revenue decreased by 9.5%, net of currency effects 9.5%. Excluding pharmaceuticals, organic growth was 3.6%.

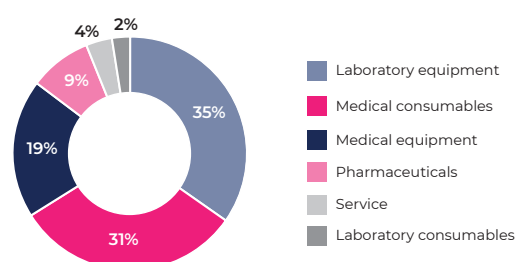
During the quarter, the share of net revenue from the US decreased, while Rest of the world and South America increased.

Net revenue split by geography



During the quarter, laboratory equipment was the largest contributor to the Group's net sales, followed by medical consumables and medical equipment. Own products and distribution accounted for 60% and 39% of the Group's net sales, respectively.

Net revenue split by product



Orders received for the quarter amounted to SEK 406.0 million (340.3), an increase of 19.3% year-over-year. On an organic basis, orders received decreased by 20.1%. Excluding pharmaceuticals, the decrease was 1.1% on an organic basis.

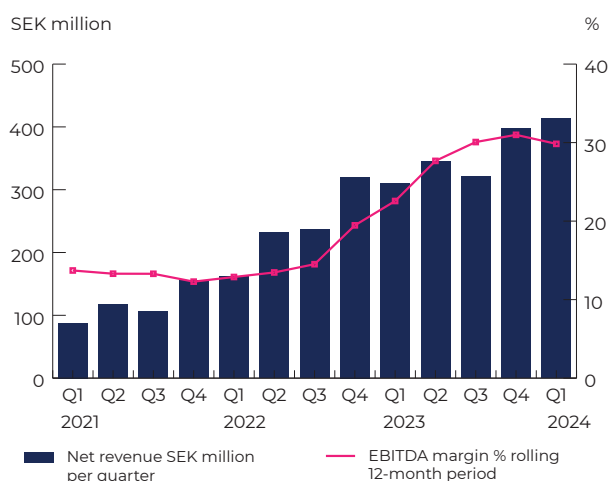
Profit

EBITDA for the quarter was SEK 99.1 million (84.2). Adjusted EBITDA was SEK 84.4 million (84.8). EBITA was SEK 87.4 million (73.1). Operating profit/loss for the period was SEK 79.3 million (69.0). Profit/loss after tax was SEK 42.9 million (35.6). Earnings per share amounted to SEK 0.22 (0.20) for the quarter.

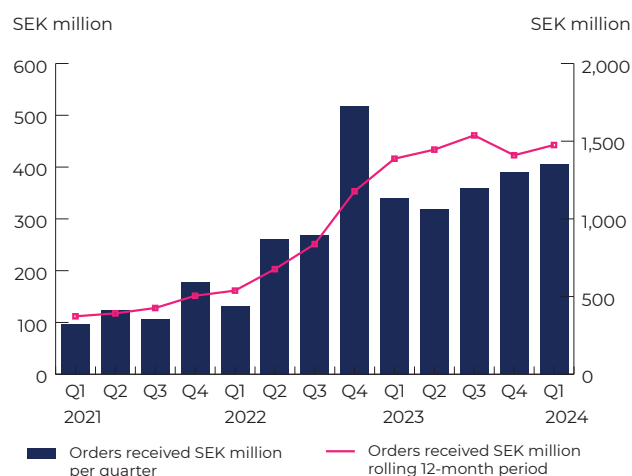
Return on equity and capital employed

Return on equity was 15.7% (24.5%) rolling 12-months. Return on capital employed was 17.5% (17.5%) rolling 12-months.

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



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



Healthcare business unit

The Healthcare business unit manufactures and distributes medical equipment, as well as pharmaceuticals and consumables for healthcare units.

Net revenue, orders and profit

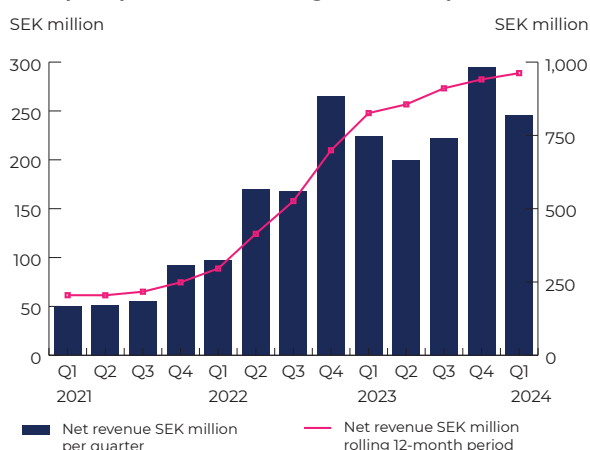
Net revenue for the quarter was SEK 245.2 million (223.8), an increase of 9.6% year-over-year. On an organic basis, net revenue decreased by 23.1%, mostly driven by a decrease in generic pharmaceuticals sales. Excluding pharmaceuticals, net revenue decreased by 9.0% on an organic basis.

Orders received for the quarter amounted to SEK 254.8 million (248.3), an increase of 2.6% year-over-year. On an organic basis, orders received decreased by 21.8%. Excluding pharmaceuticals, orders received increased by 8.9% on an organic basis.

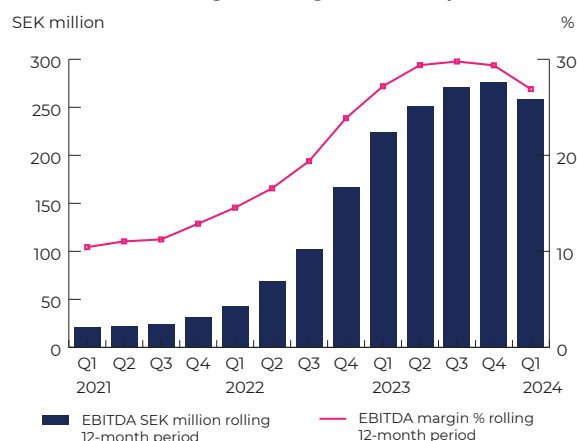
Gross margin for the quarter was 60.0% (68.5%). Business unit EBITDA for the quarter was SEK 55.9 million (73.4), corresponding to a margin of 22.8% (32.8%).

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12-months Apr 2023-Mar 2024	Jan-Dec 2023	Jan-Dec 2022
Net revenue	245.2	223.8	962.3	940.9	699.2
Orders received	254.8	248.3	1,041.4	1,034.9	821.1
Gross margin %	60.0%	68.5%	63.4%	65.5%	65.4%
EBITDA	55.9	73.4	258.8	276.3	166.9
EBITDA margin %	22.8%	32.8%	26.9%	29.4%	23.9%

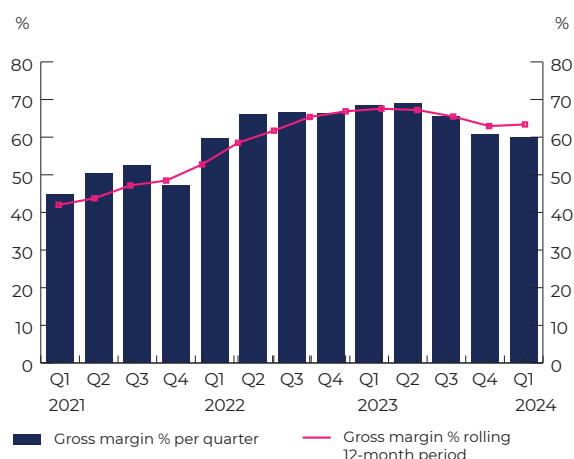
Healthcare business unit net revenue SEK million per quarter and rolling 12-month period



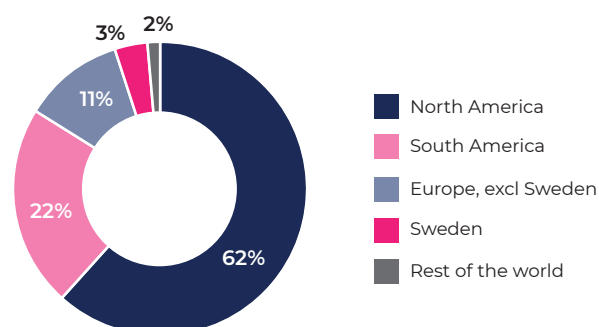
Healthcare business unit EBITDA SEK million and EBITDA margin rolling 12-month period



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



Healthcare business unit net revenue split by geography Jan-Mar 2024



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.

Net revenue, orders and profit

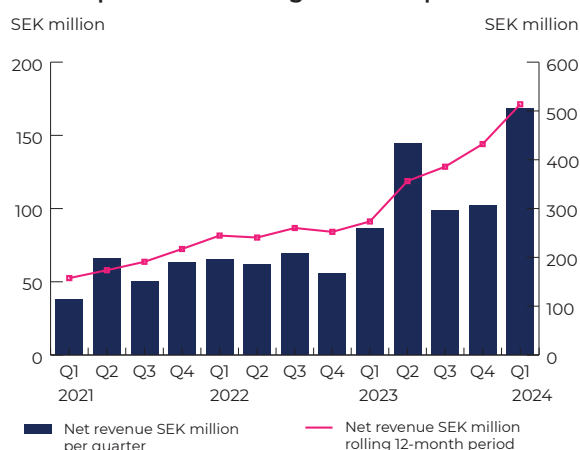
Net revenue for the quarter was SEK 168.2 million (86.7), an increase of 94.0% year-over-year. Organic growth was 25.5%, driven by strong demand for laboratory and cleanroom solutions.

Orders received for the quarter amounted to SEK 151.2 million (92.0) an increase of 64.3% year-over-year. On an organic basis, orders received decreased by 15.6%.

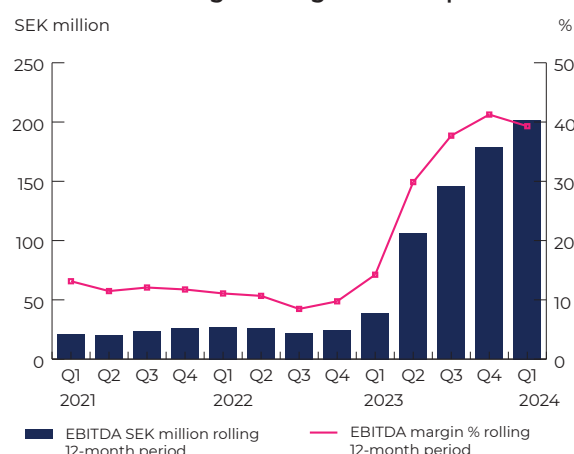
Gross margin for the quarter was 46.8% (50.9%). Business unit EBITDA for the quarter was SEK 44.1 million (20.6), corresponding to a margin of 26.2% (23.7%).

SEK million	Jan-Mar 2024	Jan-Mar 2023	Rolling 12-months Apr 2023-Mar 2024	Jan-Dec 2023	Jan-Dec 2022
Net revenue	168.2	86.7	513.7	432.2	252.3
Orders received	151.2	92.0	433.8	374.6	356.7
Gross margin %	46.8%	50.9%	60.8%	64.2%	44.0%
EBITDA	44.1	20.6	201.8	178.3	24.6
EBITDA margin %	26.2%	23.7%	39.3%	41.3%	9.7%

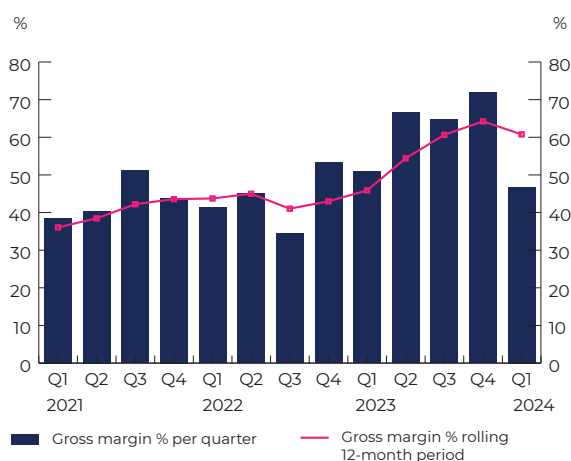
Lab business unit net revenue SEK million per quarter and rolling 12-month period



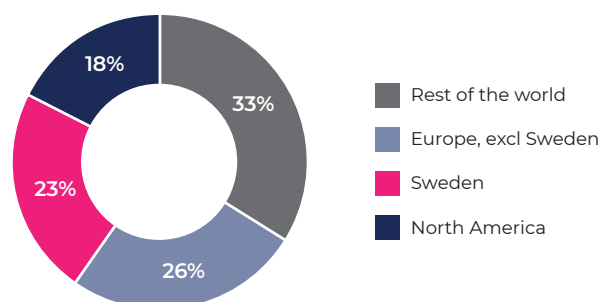
Lab business unit EBITDA SEK million and EBITDA margin rolling 12-month period



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



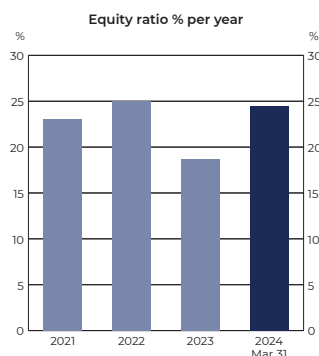
Lab business unit net revenue split by geography Jan-Mar 2024



Financial position

Equity and equity ratio

Equity at the end of the period totaled SEK 834.3 million (530.4), equating to SEK 4.20 (2.94) per share outstanding at the end of the period. The equity ratio at the end of the period was 24.5% (27.1%). At the end of the 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 328.6 million (187.1). At the end of the period, the Group had an overdraft facility of SEK 132.0 million (54.5), which was utilized in an amount of SEK 0.0 million (4.2).

Net debt

Net debt at the end of the period totaled SEK 1,296.6 million (596.1). Pro forma EBITDA was SEK 546.9 million. This gives a ratio of pro forma net interest-bearing debt to pro forma EBITDA of 2.4 (2.1).

At the end of the period, loans and other interest-bearing liabilities due for repayment within one year totaled SEK 94.3 million (39.6), mainly comprised of interest-bearing promissory notes for completed acquisitions of SEK 68.0 million (0.0) and lease liabilities of SEK 26.1 million (28.9).

At the end of the period, loans and other interest-bearing liabilities due for repayment after one year or more totaled SEK 1,530.8 million (743.6). Loans and other interest-bearing liabilities due for repayment after one year or more include the following:

- » The Group's bond loan of SEK 1,427.4 million (632.2), which is due for repayment in May 2026
- » Lease liabilities of SEK 69.8 million (44.3)
- » Interest-bearing promissory notes and interest-bearing holdback amounts for completed acquisitions of SEK 33.6 million (66.5)

Loans with covenants

The Group's bond loan (ISIN SE0020180271) issued on May 26, 2023, as well as an overdraft facility within the Group's cash pool, have covenants.

The bond loan is due for repayment on May 26, 2026 and is classified as non-current. At the end of the reporting period, the outstanding amount was SEK 1,450.0 million. For information on covenants and terms and conditions, please refer to Note 8 *Liabilities with covenants*. The terms and conditions of the bonds are published in their entirety on www.addvisigroup.com. At the end of the reporting period, the Group was in compliance with all covenants.

On March 21, 2024, a senior secured bond loan in an amount of USD 60 million was placed under a framework of USD 200 million with a tenor of 3 years. The settlement date for the new bond loan was April 4, 2024. The USD bond loan will carry floating rate interest of SOFR plus 4.25% per annum. The bond loan is not included in the financial statements for January–March 2024.

On the settlement date of the new USD bond loan, ADDvise repurchased its SEK bonds with ISIN SE0020180271 in an aggregate nominal amount of SEK 403.75 million. The buy-back price was equal to 104.25% of the nominal amount plus accrued and unpaid interest.

Liabilities for completed acquisitions

Liabilities for completed acquisitions amounted to SEK 586.2 million (329.2) at the end of the period. The liabilities consist of interest-bearing promissory notes, non-interest-bearing promissory notes, interest-bearing holdback amounts, non-interest-bearing holdback amounts and contingent purchase considerations. At the end of the period, liabilities for contingent purchase considerations valued at fair value amounted to SEK 441.2 million (184.1), please refer to Note 6 *Fair value disclosures*.

Of the total acquisition-related liabilities of SEK 586.2 million, SEK 329.2 million (134.2) were current and SEK 257.0 million (195.0) were non-current. The acquisition-related liabilities are reported in the Group's condensed consolidated statement of financial position in *Current liabilities* on the lines *Interest-bearing liabilities* with SEK 68.0 million and *Other current liabilities* with SEK 261.2 million, and in *Non-current liabilities* on the lines *Interest-bearing liabilities* with SEK 33.6 million and *Other non-current liabilities* with SEK 223.4 million.

Cash flow

Operating cash flow for the quarter was SEK 33.4 million (102.6). Change in working capital was SEK -9.8 million (48.7).

Cash flow from Operations for the quarter amounted to SEK 55.3 million (123.3). Cash flow from Operations includes investments in fixed assets and amortization of lease liabilities. Cash conversion for the quarter was 55.8% (146.5%).

Cash flow for the quarter totaled SEK -58.2 million (76.9).

Cash flow commentary

During the quarter, cash conversion was negatively affected by a build-up of working capital, mainly within the Lab business area. The comparison period was positively affected by a substantial working capital release attributable to strong pharmaceuticals sales.

Cash flow in the quarter was affected by acquisition-related payments totaling SEK 179.3 million. These were both payments of purchase considerations for acquisitions to the former owners of ADDvise's subsidiaries, and cash payments made from the acquired companies in line with agreements made at the time of the share transfer. These items are presented in the condensed consolidated statement of cash flows on the lines *Acquisition of subsidiaries* under investing activities, and *Loans, interest-bearing liabilities and non-interest-bearing liabilities raised net with amortizations* under financing activities. Please also refer to Note 4 *Business combinations*.

Financing cash flow in the quarter was affected by a directed share issue in March 2024 raising SEK 100.1 million before issue costs.

Acquisitions 2024

In January 2024, a cash purchase consideration was paid regarding the acquisition of all shares in Diabetic Supplies Inc (Diabetic Supplies). The company is consolidated from August 7, 2023 and was included in the Group's financial statements for 2023. Please also refer to Note 4 *Business combinations*.

Parent company

Net revenue at the parent company for the quarter totaled SEK 6.0 million (1.9). Operating profit/loss was SEK -6.4 million (-9.4). The net profit/loss was SEK -22.7 million (-33.2).

Total assets amounted to SEK 2,141.8 million (1,262.4), of which equity constituted SEK 394.2 million (285.9).

Significant events after the reporting period

Senior secured USD bond loan

On April 4, 2024, a senior secured bond loan in an amount of USD 60 million was issued under a framework of USD 200 million with a tenor of 3 years. Please refer to *Loans with covenants* above.

Financial targets

Long-term financial targets

The targets represent an ambition to be achieved over a period of several years 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.

Condensed consolidated statement of comprehensive income

SEK million	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	Jan-Dec 2022
Net revenue	413.4	310.5	1,373.0	951.5
Capitalized work on own account	1.7	0.8	5.8	7.5
Other operating income	19.3	0.7	36.0	10.2
	434.3	312.0	1,414.9	969.1
Cost of materials	-187.6	-113.1	-479.5	-384.0
Other external expenses	-61.6	-49.5	-219.5	-178.8
Personnel costs	-81.9	-64.5	-270.5	-220.2
Depreciation and amortization	-19.8	-15.2	-108.7	-27.9
Other operating expenses	-4.2	-0.6	-20.0	-1.0
	-355.0	-243.0	-1,098.1	-811.9
Operating profit/loss (EBIT)	79.3	69.0	316.8	157.2
Net financial items	-24.9	-24.5	-152.5	-49.2
Profit/loss before tax (EBT)	54.4	44.5	164.3	108.0
Tax	-11.4	-8.9	-60.8	-26.9
Profit/loss for the period	42.9	35.6	103.5	81.1
Profit/loss attributable to:				
Shareholders of the parent company	42.9	35.6	103.5	81.1
Non-controlling interests	-	-	-	-
	42.9	35.6	103.5	81.1
Other comprehensive income				
Foreign exchange differences on the translation of foreign operations for the period	78.1	1.9	-78.5	69.1
Change in value of financial assets measured at fair value through other comprehensive income for the period	-	-	-	-
Comprehensive income for the period	121.0	37.5	25.0	150.2
Comprehensive income attributable to:				
Shareholders of the parent company	121.0	37.5	25.0	150.2
Non-controlling interests	-	-	-	-
	121.0	37.5	25.0	150.2
Basic earnings per share, SEK	0.22	0.20	0.55	0.45
Diluted earnings per share, SEK	0.22	0.20	0.55	0.45

Condensed consolidated statement of financial position

SEK million	Mar 31 2024	Mar 31 2023	Dec 31 2023	Dec 31 2022
ASSETS				
<i>Non-current assets</i>				
Goodwill	1,581.4	831.8	1,487.3	820.8
Trademarks	496.2	321.3	471.7	323.4
Other intangible non-current assets	280.1	136.8	274.5	137.9
Property, plant and equipment	200.1	121.3	195.9	126.8
Non-current financial assets	3.2	1.9	16.3	1.8
Contract assets	16.7	12.7	14.4	12.9
Deferred tax assets	0.0	0.0	0.0	0.0
<i>Total non-current assets</i>	<i>2,577.9</i>	<i>1,425.8</i>	<i>2,460.2</i>	<i>1,423.6</i>
<i>Current assets</i>				
Inventories	138.0	91.6	121.2	102.5
Contract assets	94.2	62.5	50.3	72.9
Trade receivables	210.6	167.5	221.6	223.6
Other current receivables	55.8	21.5	47.7	35.1
Short-term investments	-	-	-	-
Cash and cash equivalents	328.6	187.1	386.5	111.1
<i>Total current assets</i>	<i>827.2</i>	<i>530.2</i>	<i>827.3</i>	<i>545.2</i>
TOTAL ASSETS	3,405.1	1,956.0	3,287.4	1,968.8
EQUITY AND LIABILITIES				
<i>Equity</i>	<i>834.3</i>	<i>530.4</i>	<i>613.2</i>	<i>492.9</i>
Equity attributable to:				
Shareholders of the parent company	834.3	530.4	613.2	492.9
Non-controlling interests	-	-	-	-
	834.3	530.4	613.2	492.9
<i>Non-current liabilities</i>				
Interest-bearing liabilities	1,530.8	743.6	1,523.4	744.3
Deferred tax liabilities	174.9	104.9	168.0	104.3
Other non-current liabilities	233.3	137.5	289.0	227.6
<i>Total non-current liabilities</i>	<i>1,939.0</i>	<i>986.0</i>	<i>1,980.4</i>	<i>1,076.3</i>
<i>Current liabilities</i>				
Interest-bearing liabilities	94.3	39.6	90.0	33.5
Current tax liabilities	35.4	32.5	30.7	26.1
Contract liabilities	40.2	81.1	12.9	64.6
Trade payables	111.8	74.4	100.6	114.2
Other current liabilities	349.9	212.1	459.6	161.3
<i>Total current liabilities</i>	<i>631.7</i>	<i>439.6</i>	<i>693.8</i>	<i>399.7</i>
TOTAL EQUITY AND LIABILITIES	3,405.1	1,956.0	3,287.4	1,968.8

Condensed consolidated statement of changes in equity

SEK million	Jan–Mar 2024 ¹	Jan–Mar 2023	Jan–Dec 2023 ²	Jan–Dec 2022 ³
Opening equity	613.2	492.9	492.9	247.3
Profit/loss for the period	42.9	35.6	103.5	81.1
Other comprehensive income for the period	78.1	1.9	-78.5	69.1
Comprehensive income for the period	121.0	37.5	25.0	150.2
New share issue	100.1	-	95.3	95.4
Dividends	-	-	-	-
Change in non-controlling interests	-	-	-	-
Closing equity	834.3	530.4	613.2	492.9
Attributable to:				
Shareholders of the parent company	834.3	530.4	613.2	492.9
Non-controlling interests	-	-	-	-
Total equity	834.3	530.4	613.2	492.9

Note 1 On March 14, 2024, ADDvise carried out a directed new share issue of 10,650,000 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 10,650,000 shares, from 188,184,197 shares to 198,834,197 shares. The share capital increased by SEK 1,065,000.00, from SEK 18,818,419.70 to SEK 19,883,419.70.

Note 2 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 3 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	Jan–Mar 2024	Jan–Mar 2023	Jan–Dec 2023	Jan–Dec 2022
Operating activities				
Profit/loss before tax	54.4	44.5	164.3	108.0
Adjustments for non-cash items	-3.1	11.8	81.1	28.0
Income tax paid	-8.0	-2.5	-76.0	-6.4
Cash flow before changes in working capital	43.2	53.9	169.5	129.6
Changes in working capital	-9.8	48.7	5.5	-19.7
Operating cash flow	33.4	102.6	175.0	109.9
Investing activities				
Acquisition of subsidiaries ¹	-141.4	-18.6	-665.0	-626.8
Net acquisition and sale of intangible non-current assets and property, plant, and equipment	-5.5	-3.7	-17.8	-14.0
Changes in non-current financial assets	-1.3	0.1	-2.1	2.2
Investing cash flow	-148.1	-22.2	-684.9	-638.6
Financing activities				
Net new share issue	100.1	0.0	95.3	95.4
Loans, interest-bearing liabilities and non-interest-bearing liabilities raised net with amortizations	-36.8	0.2	748.2	235.7
Payments made in relation to amortization of loans attributable to leases	-6.8	-3.6	-59.0	-28.1
Deposits	-	-	-1.0	-
Dividend to shareholders	-	-	-	-
Financing cash flow	56.6	-3.5	783.5	303.0
Cash flow for the period	-58.2	76.9	273.5	-225.7
Cash and cash equivalents at start of period	386.5	111.1	111.1	325.7
Foreign exchange differences in cash and cash equivalents	0.3	-0.9	1.8	11.1
Cash and cash equivalents at end of period	328.6	187.1	386.5	111.1

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	Jan–Mar 2024	Oct–Dec 2023	Jul–Sep 2023	Apr–Jun 2023	Jan–Mar 2023
Net revenue	413.4	397.0	321.1	344.4	310.5
Capitalized work on own account	1.7	2.1	1.3	1.5	0.8
Other operating income	19.3	30.0	4.2	1.1	0.7
	434.3	429.2	326.6	347.1	312.0
Cost of materials	-187.6	-144.5	-111.6	-110.3	-113.1
Other external expenses	-61.6	-67.7	-51.2	-51.1	-49.5
Personnel costs	-81.9	-79.8	-62.2	-63.9	-64.5
Other operating expenses	-4.2	-11.2	-8.1	-0.1	-0.6
	-335.3	-303.1	-233.1	-225.5	-227.8
EBITDA	99.1	126.1	93.6	121.6	84.2
EBITDA margin, %	24.0%	31.8%	29.1%	35.3%	27.1%
Depreciation and amortization	-19.8	-31.4	-27.0	-35.1	-15.2
Operating profit/loss (EBIT)	79.3	94.7	66.6	86.5	69.0
Operating margin, %	19.2%	23.8%	20.7%	25.1%	22.2%
Net financial items	-24.9	-50.8	-15.5	-61.7	-24.5
Profit/loss before tax (EBT)	54.4	43.9	51.1	24.8	44.5
Tax	-11.4	-14.0	-16.3	-21.6	-8.9
Profit/loss for the period	42.9	29.9	34.8	3.2	35.6
Profit/loss attributable to:					
Shareholders of the parent company	42.9	29.9	34.8	3.2	35.6
Non-controlling interests	-	-	-	-	-
	42.9	29.9	34.8	3.2	35.6

Key performance indicators

SEK million	Jan–Mar 2024	Jan–Mar 2023	Jan–Dec 2023 ¹	Jan–Dec 2022 ¹
Net revenue	413.4	310.5	1,373.0	951.5
Gross margin, %	54.6%	63.6%	65.1%	59.6%
EBITDA	99.1	84.2	425.5	185.1
EBITDA margin, %	24.0%	27.1%	31.0%	19.5%
Adjusted EBITDA	84.4	84.8	419.0	174.9
Adjusted EBITDA margin, %	20.4%	27.3%	30.5%	18.4%
EBITA	87.4	73.1	337.3	163.4
EBITA margin, %	21.1%	23.6%	24.6%	17.2%
Operating profit/loss (EBIT)	79.3	69.0	316.8	157.2
Operating margin, %	19.2%	22.2%	23.1%	16.5%
Profit/loss before tax (EBT)	54.4	44.5	164.3	108.0
Profit/loss for the period	42.9	35.6	103.5	81.1
Profit margin, %	10.4%	11.5%	7.5%	8.5%
Adjusted profit/loss for the period	30.5	36.6	139.8	88.3
Equity ratio, %	24.5%	27.1%	18.7%	25.0%
Cash flow from Operations	55.3	123.3	332.4	114.3
Cash conversion, %	55.8%	146.5%	78.1%	61.7%
Net debt	-1,296.6	-596.1	-1,227.0	-666.8
Net debt to EBITDA	-	-	2.3	2.8
Number of employees at end of period	620	369	624	351
Equity per share in SEK	4.20	2.94	3.26	2.73
Return on equity, %	-	-	16.4%	18.9%
Return on capital employed, %	-	-	19.8%	14.7%
Basic earnings per share in SEK	0.22	0.20	0.55	0.45
Diluted earnings per share in SEK	0.22	0.20	0.55	0.45
Number of shares at end of period	198,834,197	180,491,889	188,184,197	180,491,889
Average number of shares before dilution	190,290,790	180,491,889	185,802,743	177,457,115
Average number of shares after dilution	190,290,790	180,491,889	185,802,743	177,457,115

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

Note 1: Companies acquired in 2023 are consolidated in the ADDvise Group from: Diabetic Supplies Inc August 7, 2023. Kolplast CI S A September 30, 2023. Axelerist Inc November 22, 2023. Labplan Ltd 22 December 22, 2023.

Note 2: 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.

Condensed parent company income statement

SEK million	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	Jan-Dec 2022
Net revenue	6.0	1.9	18.5	29.4
Capitalized work on own account	-	-	-	-
Other operating income	-0.0	-0.0	5.9	0.0
	6.0	1.9	24.4	29.4
Other external expenses	-5.8	-3.8	-22.5	-13.4
Personnel costs	-9.0	-7.4	-30.6	-20.6
Depreciation and amortization	-0.1	-0.0	-0.2	-0.2
Other operating expenses	2.5	0.0	-7.0	0.0
	-12.4	-11.3	-60.2	-34.2
Operating profit/loss (EBIT)	-6.4	-9.4	-35.8	-4.8
Net financial items	-16.3	-23.8	-96.7	-5.9
Profit/loss after financial items (EBT)	-22.7	-33.2	-132.5	-10.7
Appropriations	-	-	33.0	16.6
Tax	-	-	1.8	-5.3
Profit/loss for the period	-22.7	-33.2	-97.7	0.6
Parent company statement of comprehensive income				
Profit/loss for the period	-22.7	-33.2	-97.7	0.6
Other comprehensive income for the period	-	-	-	-
Comprehensive income for the period	-22.7	-33.2	-97.7	0.6

Condensed parent company balance sheet

SEK million	Mar 31 2024	Mar 31 2023	Dec 31 2023	Dec 31 2022
ASSETS				
<i>Non-current assets</i>				
Intangible non-current assets	0.2	0.3	0.2	0.3
Property, plant and equipment	0.5	0.3	0.3	0.3
Non-current financial assets	977.9	993.9	991.2	993.5
Deferred tax assets	7.0	5.2	7.0	5.2
<i>Total non-current assets</i>	<i>985.6</i>	<i>999.7</i>	<i>998.7</i>	<i>999.3</i>
<i>Current assets</i>				
Other current receivables	939.7	156.5	799.3	233.4
Short-term investments	-	-	-	-
Cash and bank balances	216.5	106.2	272.5	18.0
<i>Total current assets</i>	<i>1,156.2</i>	<i>262.7</i>	<i>1,071.8</i>	<i>251.5</i>
TOTAL ASSETS	2,141.8	1,262.4	2,070.5	1,250.8
EQUITY AND LIABILITIES				
<i>Equity</i>				
	394.2	285.9	316.8	319.1
<i>Non-current liabilities</i>				
Interest-bearing liabilities	1,427.4	698.8	1,425.2	694.0
Other non-current liabilities	0.0	123.3	29.7	132.0
<i>Total non-current liabilities</i>	<i>1,427.4</i>	<i>822.1</i>	<i>1,454.9</i>	<i>825.9</i>
<i>Current liabilities</i>				
Interest-bearing liabilities	68.0	0.0	65.5	0.0
Current tax liabilities	0.0	0.6	0.0	0.0
Trade payables	4.3	3.3	6.5	10.4
Other current liabilities	247.9	150.5	226.9	95.4
<i>Total current liabilities</i>	<i>320.2</i>	<i>154.4</i>	<i>298.8</i>	<i>105.8</i>
TOTAL EQUITY AND LIABILITIES	2,141.8	1,262.4	2,070.5	1,250.8

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.

Amendments to IAS 1 apply to annual periods beginning on or after January 1, 2024 regarding the classification of loans with covenants. The Group's bond loan and overdraft facility are subject to covenants. The amendments to IAS 1 have not had any impact on the Group's financial statements. In line with the requirements of IAS 1, information on covenants is presented as of the interim report for January–March 2024.

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

There have not been any transactions with related parties 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 ultimate 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 against the service fees received by the parent company, which means that the net figure can be positive.

SEK million	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	Jan-Dec 2022
Lab business unit	168.2	86.7	432.2	252.3
Healthcare business unit	245.2	223.8	940.9	699.2
Total external net revenue	413.4	310.5	1,373.0	951.5
Lab business unit	44.1	20.6	178.3	24.6
Healthcare business unit	55.9	73.4	276.3	166.9
Total operating profit/loss before depreciation and amortization (EBITDA)	100.0	93.9	454.6	191.5
Acquisition costs in Other external expenses	-3.9	-0.4	-6.3	-2.9
Unallocated Group income	18.6	0.0	28.8	11.3
Unallocated Group expenses	-15.6	-9.4	-51.6	-14.8
Depreciation and amortization	-19.8	-15.2	-108.7	-27.9
Net financial items	-24.9	-24.5	-152.5	-49.2
Consolidated profit/loss before tax (EBT)	54.4	44.5	164.3	108.0

Note 4 Business combinations

During the quarter, ADDvise paid a cash purchase consideration of SEK 96.2 million regarding the acquisition of all shares in Diabetic Supplies Inc (Diabetic Supplies). The company was consolidated from August 7, 2023 and was included in the Group's financial statements for 2023. Diabetic Supplies is an American supplier of MedTech equipment to diabetes patients.

Updated purchase price allocations 2024

The fair value of acquired assets for acquisitions in 2023 has been updated after analysis of facts that existed by the time of acquisition and after additional payments of purchase considerations. The purchase price allocations presented in this interim report are still preliminary only as the analysis of facts that existed by the time of acquisition is ongoing.

SEK million	Fair value in year-end report Jan-Dec 2023	Updated fair value
Intangible non-current assets	318.4	318.6
Property, plant and equipment	110.0	109.9
Non-current financial assets	13.5	0.3
Inventories	35.3	35.3
Other current assets	167.5	176.9
Deferred tax assets/liabilities	-74.9	-75.0
Other liabilities	-135.2	-144.6
Acquired identifiable net assets	434.6	421.5
Goodwill	704.8	732.6
Acquired net assets	1,139.3	1,154.1

Transaction costs

During January–March 2024, transaction costs of SEK 6.1 million are recognized as costs in the consolidated statement of comprehensive income. The transaction costs are related to acquisitions in 2023. SEK 3.9 million is reported in *Other external expenses* and SEK 2.2 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	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	Jan-Dec 2022
Cash purchase consideration	110.4	16.9	719.8	522.5
Holdback amounts and promissory notes	36.9	0.0	0.0	120.5
Cash and cash equivalents acquired	31.0	1.7	-54.8	-16.2
Net outflow of cash and cash equivalents	178.2	18.6	665.0	626.8

The cash purchase consideration, net of a decrease in cash and cash equivalents acquired, amounts to SEK 141.4 million in the condensed consolidated statement of cash flows under investing activities on the line *Acquisition of subsidiaries*. Holdback amounts and promissory notes totaling SEK 36.9 million are included in the amount SEK 36.8 million under financing activities on the line *Loans, interest-bearing liabilities and non-interest-bearing liabilities raised net with amortizations*. For an acquisition that was completed at the end of 2023, cash and cash equivalents were left in the company to cover payment of liabilities in 2024. These liabilities were paid in full in the first quarter of 2024.

The cash purchase consideration for the period January–March 2024 comprises payment of purchase consideration to the former owners of Diabetic Supplies Inc and payments of purchase considerations to the former owners of companies acquired prior to 2024.

The cash purchase consideration for the period January–March 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 January–December 2023 comprises payment of purchase considerations to the former owners of Axelerist Inc, Kolplast CI S A and Labplan Ltd and 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 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 companies acquired prior to 2022.

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. There has been change in primary geographic markets in the interim report for January–March 2024 compared to previous years.

SEK million	Jan–Mar 2024			Jan–Mar 2023		
	Lab	Health-care	Total	Lab	Health-care	Total
Sweden	38.4	8.5	46.9	38.7	6.8	45.5
Europe, excl Sweden	43.3	27.7	71.1	18.3	26.7	45.0
North America	29.8	151.0	180.8	8.5	186.6	195.1
South America	0.0	54.2	54.2	0.0	0.0	0.0
Rest of the world	56.7	3.7	60.4	21.1	3.7	24.8
Total	168.2	245.2	413.4	86.7	223.8	310.5

SEK million	Jan–Dec 2023			Jan–Dec 2022		
	Lab	Health-care	Total	Lab	Health-care	Total
Sweden	149.6	25.8	175.3	142.7	24.6	167.2
Europe, excl Sweden	160.0	117.8	277.8	35.5	134.1	169.6
North America	47.8	732.0	779.8	4.4	528.9	533.3
South America	0.0	51.0	51.0	0.0	0.0	0.0
Rest of the world	74.9	14.3	89.1	69.7	11.7	81.3
Total	432.2	940.9	1,373.0	252.3	699.2	951.5

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	March 31, 2024		
	Level 1	Level 2	Level 3
Short-term investments	-	-	-
Contingent purchase consideration	-	-	441.2
Total	-	-	441.2

SEK million	March 31, 2023		
	Level 1	Level 2	Level 3
Short-term investments	-	-	-
Contingent purchase consideration	-	-	184.1
Total	-	-	184.1

SEK million	December 31, 2023		
	Level 1	Level 2	Level 3
Short-term investments	-	-	-
Contingent purchase consideration	-	-	443.4
Total	-	-	443.4

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

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 first, of the amount and second, of how likely it is that the condition will be met.

At the end of the reporting period, the majority of contingent purchase considerations were based on key performance indicators that must be met in the acquired subsidiaries. For one of the acquisitions, the condition was based on a net revenue target. For one of the acquisitions, the condition was based on a non-financial condition.

The key performance indicator EBITDA is adjusted for service fees and similar items affecting comparability. The conditions are often structured so that a maximum amount is paid out if the subsidiary reaches the target key performance indicator that was agreed upon in the share purchase agreement. If the key performance indicator target is not reached, there are often levels that result in a lower amount for the contingent purchase consideration. If these levels are not reached either, no contingent purchase consideration is paid. According to certain share purchase agreements, earnings from more than one financial year may be combined in order to achieve an EBITDA that results in a contingent purchase consideration being paid.

If an actual contingent purchase consideration deviates from the assessment made at the time of the acquisition, this has an effect on the Group's profit/loss. A write-down of a liability for a contingent purchase consideration is reported on the line Other operating income. A write-up of a liability for a contingent purchase consideration is reported on the line Other operating expenses. Contingent purchase considerations for acquisitions completed at the end of the reporting period, are estimated to amount to SEK 441.2 million. If the subsidiaries do not reach the required targets, no contingent purchase consideration is paid. An estimate of the range for possible outcomes of contingent purchase consideration is from SEK 105.5 million to SEK 541.9 million at the end of the reporting period.

The fair value of contingent purchase considerations is subject to currency risk. At the end of the reporting period, the fair value of contingent purchase considerations can be affected by changes in SEK versus BRL, EUR and USD. A change in the currency exchange rate for BRL of 5% would have an effect of SEK 5.5 million on the valuation of contingent purchase considerations and SEK 0.0 million on profit/loss before tax. A change in the currency exchange rate for EUR of 5% would have an effect of SEK 8.9 million on the valuation of contingent purchase considerations and SEK 8.9 million on profit/loss before tax. A change in the currency exchange rate for USD of 5% would have an effect of SEK 7.7 million on the valuation of contingent purchase considerations and SEK 0.2 million on profit/loss before tax.

Reconciliation of level 3

The change in financial instruments in level 3, Contingent purchase consideration, is presented below:

SEK million	Mar 31, 2024	Dec 31, 2023	Dec 31, 2022
Fair value at the beginning of the year	443.4	200.3	96.8
Change	11.7	258.8	109.6
<i>Of which is attributable to contingent purchase considerations paid</i>	0.0	-29.0	-16.5
<i>Of which is attributable to reclassified contingent purchase considerations for previous year's acquisitions</i>	0.0	0.0	-40.5
<i>Of which is attributable to contingent purchase considerations for this year's acquisitions</i>	0.0	303.6	166.6
<i>Of which is attributable to exchange rate differences</i>	11.7	-15.8	0.0
Changes affecting profit/loss	-14.0	-15.7	-6.1
<i>Of which is posted on the line Other operating income</i>	-18.6	-30.0	-9.9
<i>Of which is posted on the line Other operating expenses</i>	4.6	14.3	0.0
<i>Of which is posted on the line for Net financial items</i>	0.0	0.0	3.8
Fair value at the end of the year/period	441.2	443.4	200.3

Changes affecting profit/loss on the line Other operating income include write-downs of contingent purchase considerations in an amount of SEK 18.6 million. Changes affecting profit/loss on the line Other operating expenses include currency exchange losses in an amount of SEK 4.6 million.

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.

Note 8 Liabilities with covenants

The Group's bond loan with an issue date of May 26, 2023 as well as the Group's overdraft facility within the Group's cash pool have covenants. The covenants are linked to the ratio of net debt to EBITDA and are evaluated at the end of each quarter ("maintenance test") and prior to increased indebtedness or dividends to shareholders ("incurrence test").

The Group was in compliance with the covenants at the end of the reporting period. The bond loan is due for repayment on May 26, 2026 and is classified as non-current. At the end of the reporting period, the amount outstanding under the senior secured bond loan totaled SEK 1,450.0 million. At the end of the reporting period, the overdraft facility was not utilised. The terms and conditions of the bonds in their entirety are published on www.addvisigroup.com.

Net debt to EBITDA according to bond term sheet

The table below presents the calculation of net debt to EBITDA according to the terms of the Group's bond loan. The ratio is not calculated for periods before the issue of the bonds in May 2023.

SEK million	Mar 31 2024	Dec 31 2023
Cash and cash equivalents	328.6	386.5
Excluding purchase price paid in cash for acquisitions after the end of the reporting period net with acquired cash and cash equivalents	-	-96.2
Loans	-1,517.3	-1,516.0
Acquisition-related liabilities	-134.1	-112.8
= Net debt according to bond term sheet	-1,322.9	-1,338.5
EBITDA rolling 12-month period	440.3	425.5
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	-21.7	-6.4
Pro forma EBITDA from new acquisitions	106.5	153.2
= EBITDA rolling 12-month period according to bond term sheet	525.2	572.3
= Net debt to EBITDA according to bond term sheet	2.5	2.3

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. 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	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	Jan-Dec 2022
Operating profit/loss, see below	79.3	69.0	316.8	157.2
Reversal of depreciation and amortization	19.8	15.2	108.7	27.9
Reversal of acquisition costs	3.9	0.4	6.3	2.9
Reversal of restructuring costs	-	-	-	1.9
Reversal of state subsidies and similar items relating to Covid-19	-	-	-	-3.7
Reversal of revaluation of estimated additional purchase consideration for completed acquisitions	-18.6	0.2	-12.7	-11.3
= Adjusted EBITDA	84.4	84.8	419.0	174.9

Adjusted EBITDA margin

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

SEK million	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	Jan-Dec 2022
Adjusted EBITDA, see above	84.4	84.8	419.0	174.9
Divided by net revenue	413.4	310.5	1,373.0	951.5
= Adjusted EBITDA margin as a %	20.4%	27.3%	30.5%	18.4%

Adjusted profit/loss for the period

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

SEK million	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	Jan-Dec 2022
Profit/loss for the period	42.9	35.6	103.5	81.1
Reversal of acquisition costs	3.9	0.4	6.3	2.9
Reversal of restructuring costs	-	-	-	1.9
Reversal of financial expenses related to acquisitions and other non-recurring financial expenses	2.2	0.4	42.8	17.5
Reversal of state subsidies and similar items relating to Covid-19	-	-	-	-3.7
Reversal of revaluation of estimated additional purchase consideration for completed acquisitions	-18.6	0.2	-12.7	-11.3
= Adjusted profit/loss for the period	30.5	36.6	139.8	88.3

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.

Capital employed

The Group defines capital employed as total assets less cash and cash equivalents less non-interest-bearing and non-acquisition-related non-current and current liabilities, calculated as the average of the last four quarters. The key performance indicator is presented as of the interim report for January–March 2024, as it is included in the key performance indicator return on capital employed.

SEK million	Mar 31 2024	Mar 31 2023	Dec 31 2023	Dec 31 2022
Total assets	2,895.7	1,719.8	2,533.4	1,543.9
Cash and cash equivalents	-470.4	-131.8	-435.1	-153.5
Non-current liabilities	-147.3	-102.2	-129.5	-84.4
Current liabilities	-266.8	-231.0	-264.2	-196.3
= Capital employed average 4 quarters	2,011.3	1,254.9	1,704.7	1,109.6

Cash conversion

The Group defines cash conversion as Cash flow from Operations, see below, divided by EBITDA, see below. The key performance indicator is considered relevant for investors wishing to understand the cash generated by the Group's business operations in relation to the Group's EBITDA.

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.

SEK million	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	Jan-Dec 2022
Operating profit/loss (EBIT)	79.3	69.0	316.8	157.2
Changes in working capital	-9.8	48.7	5.5	-19.7
Finance net attributable to Operations	-0.4	-0.1	-1.5	-2.1
Depreciation and amortization attributable to Operations	13.2	12.4	94.8	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	-12.3	-7.3	-76.8	-42.0
Items attributable to acquisition activities	-14.7	0.6	-6.4	-4.9
= Cash flow from Operations	55.3	123.3	332.4	114.3

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	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	Jan-Dec 2022
Operating profit/loss, see below	79.3	69.0	316.8	157.2
Reversal of amortization of intangible assets	8.1	4.1	20.5	6.2
= EBITA	87.4	73.1	337.3	163.4

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	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	Jan-Dec 2022
EBITA, see above	87.4	73.1	337.3	163.4
Divided by net revenue	413.4	310.5	1,373.0	951.5
= EBITA margin as a %	21.1%	23.6%	24.6%	17.2%

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.

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 bond loan. The key performance indicator is not calculated for periods before the issue of the bond loan in May 2023. As of the interim report for January–March 2024, the presentation of the calculation is included with other information in Note 8 *Liabilities with covenants*.

Net margin

As of the interim report for January–March 2024, the key performance indicator net margin is replaced by the key performance indicator profit margin, which uses profit/loss for the period, after taxes, and is considered to be more representative. Net margin was based on profit/loss before tax (EBT).

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.

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.

Profit margin

Profit/loss for the period as a percentage of net revenue. The key performance indicator is presented as of the interim report for January–March 2024 and replaces the key performance indicator net margin. Profit margin uses profit/loss for the period, after taxes, and is considered to be more representative than the previous key performance indicator net margin.

Return on capital employed

The Group defines return on capital employed as EBITA on a rolling 12-month basis divided by average capital employed for 4 quarters. For calculation of capital employed, see above. The key performance indicator is presented as of the interim report for January–March 2024 for increased transparency.

SEK million	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023	Jan-Dec 2022
EBITA rolling 12-month period, see above	351.6	219.0	337.3	163.4
Divided by capital employed average 4 quarters, see above	2,011.3	1,254.9	1,704.7	1,109.6
= Return on capital employed as a %	17.5%	17.5%	19.8%	14.7%

Return on equity

The Group defines return on equity as profit/loss for the period on a rolling 12-month basis divided by average equity for 4 quarters. The key performance indicator is presented as of the interim report for January–March 2024 for increased transparency.

About ADDvise

ADDvise is a growing international life science group, operating within the business areas lab and healthcare. Our business model is successful and delivers long-term, solid returns with the aim of generating sustainable value growth. The combination of acquisitions and organic growth forms the basis of our growth strategy. We are continuously working on add-on acquisitions while at the same time developing our 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 the companies we acquire.

Our business concept

ADDvise's mission is 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 ADDvise'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 should create long-term value for the Company's shareholders. We focus exclusively on companies within the life science sector.

Strong trends and long-term growth

Several factors contribute to the long-term demand for products and services in the life science and medical technology markets. There is a substantial need for increased capacity and modernization in both the private and public healthcare and lab sectors. An additional factor is that populations are growing and aging in almost every country in the world. This creates long-term demand for our products.

Decentralization

Every company within the Group functions as a separate entity and operates independently so as to retain its own strategy and culture. This enables product development and key commercial decisions to be made closest to customers, based on cultural and geographical considerations.

Support and knowledge sharing

Subsidiaries of the ADDvise Group are offered central support in everything from high-level strategic decisions to advice on pricing, marketing, and how to optimize their balance sheet and working capital.

Increasingly complex regulations are creating significant barriers for smaller players who struggle to allocate sufficient resources to ensure full compliance. A

Group-level QA/RA (quality assurance/regulatory affairs) function offers the subsidiaries support and guidance to ensure that the Group's companies comply with applicable quality standards, laws, and regulations.

ADDvise encourages the sharing of knowledge, experience, and business opportunities with other subsidiaries within the Group.

Sustainability

ADDvise's business concept is to extend, improve 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.

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 should have incentives linked to sustainability-related goals.
- » 100% of acquisitions should contribute to the UN's sustainability goal no. 3 good health and well-being, and also meet the requirements of our sustainable investment policy.
- » 1.5% of net revenue should be allocated to development of products that extend, improve and save people's lives.

Social

- » Achieve an equal gender distribution of people on the board and in senior positions (the distribution of men and women is within the range 40–60%).
- » All companies within the Group should comply with the code of conduct.
- » Max absence due to illness of 5%.
- » Zero vision for workplace accidents.

Other information

Publication dates for financial information

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 April 18, 2024 at 07:45 CEST. This report, as well as further information, is available on ADDvise's website, www.addvisegroup.com

For further information, please contact:

Rikard Akhtarzand, CEO
+46(0)76-525 90 71
rikard.akhtarzand@addvisegroup.se

Oliver Humlen, CFO
+46 (0)70-916 26 97
oliver.humlen@addvisegroup.se

ADDvise Group AB (publ)
Grev Turegatan 30, SE-114 38 Stockholm
Sweden

Certified Adviser

Mangold Fondkommission AB, +46(0)8 503 015 50, is the company's Certified Adviser and liquidity guarantor.

Review of interim report

This interim report has not 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, April 18, 2024

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>