

# Q3 2022

## INTERIM REPORT

**SEK 231.5** million

The Group's net sales increased to SEK 231.5 (187.2) million in the third quarter of 2022

**SEK 37.7** million

The Group's operating profit increased to SEK 37.7 (24.2) million in the third quarter of 2022



# Q3 2022 INTERIM REPORT

## July – September 2022

- Net sales for the third quarter amounted to SEK 231.5 (187.2) million, an increase of 23.7 percent compared to the same quarter last year. Net sales in local currencies increased by 12.4 percent.
- Operating profit amounted to SEK 37.7 (24.2) million, corresponding to an operating margin of 16.3 (12.9) percent. Operating profit in the previous year includes a charge of SEK 11.8 million related to transaction costs in connection with the completion of the offer from the new majority owner.
- Profit after net financial items amounted to SEK 29.0 (23.3) million. Net financial items were negatively affected by exchange rates of SEK -5.3 (1.5) million and totaled SEK -8.7 (-1.0) million.
- Profit after tax amounted to SEK 21.9 (17.6) million.
- Cash flow from operating activities was SEK 55.3 (12.9) million, and SEK 25.6 (1.5) million after investments.
- Earnings per share amounted to SEK 2.71 (2.18).

## January – September 2022

- Net sales for the first nine months of the year amounted to SEK 659.1 (539.4) million, an increase of 22.2 percent compared to the same period last year. Net sales in local currencies increased by 13.4 percent.
- Operating profit amounted to SEK 104.7 (75.8) million, corresponding to an operating margin of 15.9 (14.1) percent. Operating profit in the previous year includes a charge of SEK 15.6 million costs in connection with the completion of the offer from the new majority owner.
- Profit after net financial items amounted to SEK 97.6 (73.2) million. Net financial items were negatively affected by exchange rates of SEK -0.9 (3.0) million and totaled SEK -7.1 (-2.6) million.
- Profit after tax amounted to SEK 74.6 (56.0) million.
- Cash flow from operating activities was SEK 89.9 (71.6) million, and SEK 1.7 (14.1) million after investments.
- Earnings per share amounted to SEK 9.24 (6.95).

Key performance indicators	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021/22	Jan-Dec 2021
Net sales, SEK million	231.5	187.2	659.1	539.4	843.3	723.6
Growth, %	23.7	26.6	22.2	26.9	21.5	24.8
Operating profit before depreciation and amortization (EBITDA), SEK million	54.6	38.8	152.9	117.0	192.5	156.6
Operating profit before depreciation and amortization (EBITDA), %	23.6	20.8	23.3	21.7	22.8	21.6
Operating profit (EBIT), SEK million	37.7	24.2	104.7	75.8	130.0	101.1
Operating profit (EBIT), %	16.3	12.9	15.9	14.1	15.4	14.0
Profit after financial items, SEK million	29.0	23.3	97.6	73.2	122.4	98.0
Undiluted and diluted earnings per share, SEK	2.71	2.18	9.24	6.95	11.66	9.37
Cash flow from operating activities, SEK million	55.3	12.9	89.9	71.6	123.3	105.0
Net debt, SEK million			271.0	252.5		261.3

# THE GROUP'S PERFORMANCE

## Net sales July-September 2022

The Group's net sales for the quarter increased to SEK 231.5 (187.2) million. The increase of 23.7 percent compared with the third quarter of last year is attributable to all business areas: Dental 4.0 percent, Orthopedics 50.5 percent and Life Science 18.2 percent. Sales of proprietary products in Dental business area grew 37.6 percent and accounted for 16.8 (15.1) percent of total consolidated net sales. Net sales in local currencies increased by 12.4 percent. All business areas have been positively affected by currency translation. For Orthopedics, the impact in the quarter is significant, where half of the growth comes from currency translation.

## Net sales January-September 2022

The Group's net sales for the first nine months of the year increased to SEK 659.1 (539.4) million. The increase of 22.2 percent compared with the same period last year is attributable to all business areas: Dental 12.3 percent, Orthopedics 34.6 percent and Life Science 20.9 percent. Sales of proprietary products in Dental business area grew 42.8 percent and accounted for 17.0 (14.6) percent of total consolidated net sales. Net sales in local currencies increased by 13.4 percent. All business areas have been positively affected by currency translation. For Orthopedics, the impact for the period is significant, where half of the growth comes from currency translation.

## Earnings July-September 2022

The operating profit for the third quarter amounted to SEK 37.7 (24.2) million, corresponding to an operating margin of 16.3 (12.9) percent. Adjusted for currency prior year's operating profit would have been SEK 27.8 million. Operating profit in the previous year includes a charge of SEK 11.8 million related to transaction costs in connection with the completion of the offer from the new majority owner. The Group's net financial items were affected by exchange rate, mainly in relation to revaluation of loans, of SEK -5.3 (1.1) million and by a revaluation of interest rate swap, of SEK 2.1 (0.4) million. Net financial items amounted to SEK -8.7 (-0.9) million. Earnings after financial items amounted to SEK 29.0 (23.3) million and earnings after tax amounted to SEK 21.9 (17.6) million.

## Earnings per share July-September 2022

Third quarter earnings per share both before and after dilution were SEK 2.71 (2.18) per share.

## Earnings January-September 2022

The operating profit for the first nine months of the year amounted to SEK 104.7 (75.8) million, corresponding to an operating margin of 15.9 (14.1) percent. Adjusted for currency prior year's operating profit would have been SEK 83.0 million. Operating profit in the previous year includes a charge of SEK 15.6 million related to transaction costs in connection with the completion of the offer from the new majority owner. The Group's net financial items were affected by exchange rate, mainly in relation to revaluation of loans, of SEK -0.9 (3.0) million and by a revaluation of interest rate swap, of SEK 6.1 (2.1) million. Net financial

items amounted to SEK -7.1 (-2.6) million. Earnings after financial items amounted to SEK 97.6 (73.2) million and earnings after tax amounted to SEK 74.6 (56.0) million.

## Earnings per share January-September 2022

First nine months of the year earnings per share both before and after dilution were SEK 9.24 (6.95) per share.

## Investments

The Group's investments in the third quarter amounted to SEK 29.7 (11.4) million and mainly relate to investments in machinery and property for some of the Group's sites, in order to expand production capacity and continue to serve the Group's customers. In total for the year investments of SEK 88.2 (57.6) million.

## Financial position and liquidity

Consolidated total assets increased during the period to SEK 1,475.7 (1,095.6) million. Equity increased by SEK 179.6 million over the period with translation of foreign subsidiaries accounting for SEK 51.1 million of the increase. Total equity amounted to SEK 814.0 (609.4) million. Equity per share, calculated on 8,068,000 shares, amounted to SEK 100.9 (75.5). At the end of the year, riskbearing capital was SEK 855.4 (636.6) million, which corresponds to 58.0 (58.1) percent of total capital. The Group's equity ratio was 55.2 (55.6) percent.

## Cash flow

The Group's cash flow from operating activities for the quarter amounted to SEK 55.3 (12.9) million. Operating cash flow in the quarter amounted to SEK 25.6 (1.5) million. The Group's cash flow from operating activities for the first nine months of the year amounted to SEK 89.9 (71.6) million. Operating cash flow in the period amounted to SEK 1.7 (14.1) million. The Group's net debt increased during the period, to SEK 271.0 (252.2) million. The Group's cash and cash equivalents amounted to SEK 188.0 (101.4) million.

## Personnel

The average number of employees in the Group in the third quarter was 647 compared to 528 in the previous year, which is an increase of 22.5 percent. The average number of employees in the Group in the first nine months of the year was 614 compared to 529 from the previous year, which is an increase of 16.0 percent. At the end of the period, the number of employees in the Group was 652 (541).

## Events during the quarter

On September 5, 2022 the Chairman of the Board appointed Stefano Alfonsi as new President and CEO. In connection with this, Stefano stepped down as Chairman of the Board but remain a Board Member. The Board appointed Board Member Magnus René as new Chairman of the Board as of September 5, 2022.

## Events after the end of the quarter

No events after the balance sheet date have occurred that materially affect the assessment of the financial information contained in this report.

# OTHER INFORMATION

## Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Reporting and the relevant provisions of the Annual Accounts Act. The interim report of the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, Interim Report. For the Group and the Parent Company, the same accounting principles and calculation bases have been applied as in the most recent annual report.

In addition to the financial statements, disclosures in accordance with IAS 34.16A are also presented in parts of the interim report.

## Segment reporting

The internal financial follow-up per business area is adapted to the Group's various customer segments and uses operating profit as a measure to assess segment performance. Directly attributable items and items that can reasonably be allocated by segment have been included in the segment's operating profit.

Unallocated Group expenses refer mainly to note-related costs.

## Financial instruments at fair value

For the property loans in the US, the Group swaps its variable interest rate for a fixed rate through interest rate swaps. These interest rate swaps are recognized at fair value via the income statement. Unrealized gains and losses arising from fluctuations in the fair values of the financial instruments are recognized in net financial items in the consolidated income statement. For interest rate swaps, fair value is determined based on market prices. If such prices are not available, fair value is determined by discounting the difference between the contractual interest rate and the interest rate that can be obtained at the balance sheet date for the remaining contract term. Any premiums paid for the swap contract are recognized as interest over the term of the contract. As Elos Medtech intends to hold these derivatives to maturity, mark-to-market accounting of the derivatives over time will not affect earnings or cash flow.

Fair value measurement of interest rate derivatives had a positive impact on quarterly earnings of SEK 2.1 (0.4) million, and a positive impact of SEK 6.1 (2.1) million on earnings for the first nine months of the year.

## Significant risks and uncertainties

The Group's principal risks and uncertainties include operational and financial risks. Among operational risks, Elos Medtech is primarily affected by risks associated with customers and markets, but also other external factors such as price risks for materials and supplies. The Group also faces financial risks associated with changes in exchange rates and credit risks. A detailed description of the Group's risks and uncertainties, as well as how these are being managed, is provided in the Directors' Report and in Notes 42 and 44 in the 2021 Annual Report.

Uncertainty in the geopolitical environment remains high but has not yet had a relevant impact on the financial performance. However, it cannot be ruled out that this will have an effect in the future. Elos Medtech continues to focus on customer deliveries by working actively with the Group's suppliers and secure good raw material levels.

## Related party transactions

The company had no transactions with related parties during the reporting period.

## Parent Company

In addition to the administration of central management issues, the parent company also provide Group-wide support in IT and marketing, quality management, risk management, financing, and financial control.

The Parent Company's net sales in the second quarter amounted to SEK 7.5 (6.5) million. Profit after financial items amounted to SEK 26.5 (-6.9) million, of which SEK 31.2 (5.4) million refers to exchange rate differences mainly related to the translation of loans to subsidiaries. The result was negatively affected by SEK 2.2 million due to changed basis of calculation for the PRI pension liability. SEK 1.4 million of this change has been reported as increased financial expenses. The Parent Company reported a profit after tax of SEK 21.0 (-6.2) million. The percentage of risk-bearing capital was 55.3 (81.5) percent. The equity ratio was 55.1 (81.3) percent.

### Future-oriented information

The company does not make forecasts.

Future-oriented information in this report is based on management's expectations at the time of the report. Although the Board of Directors and management feel that these expectations are reasonable, it is no guarantee that the expectations are, or will prove to be, correct. Consequently, future outcomes may vary significantly compared to the future-oriented information due to such things as changes in the market conditions for the Group's services or changes in the overall situation concerning the economy, market and competition, changes in legal requirements and other policy measures as well as fluctuations in exchange rates. The company does not undertake to update or correct any future-oriented information except as stipulated by law.

### Examination by the auditors

This report has been subjected to a review by the company's auditors.

Gothenburg, October 21, 2022

Elos Medtech AB (publ)

The Board of Directors

### Review report

To the Board of Directors of Elos Medtech AB (publ.)

Corp. id. 556021-9650

### Introduction

We have reviewed the condensed interim financial information (interim report) of Elos Medtech AB (publ.) as of 30 September 2022 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Gothenburg, October 21, 2022

KPMG AB

Johan Kratz

Authorized Public Accountant

This is a translation from the Swedish original.

# CONDENSED CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

SEK million		Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021/22	Jan-Dec 2021
<b>Income statement</b>							
Net sales		231.5	187.2	659.1	539.4	843.3	723.6
Cost of goods sold		-147.0	-119.1	-415.1	-346.7	-536.5	-468.1
<b>Gross profit</b>		<b>84.5</b>	<b>68.1</b>	<b>243.9</b>	<b>192.7</b>	<b>306.8</b>	<b>255.5</b>
Selling expenses		-11.8	-8.3	-35.6	-26.1	-45.1	-35.6
Administrative expenses		-29.9	-31.4	-87.8	-77.9	-113.0	-103.1
Development costs		-6.1	-3.9	-18.6	-12.5	-23.8	-17.7
Other operating income/expenses		1.1	-0.3	2.7	-0.4	5.1	2.0
<b>Operating profit</b>		<b>37.7</b>	<b>24.2</b>	<b>104.7</b>	<b>75.8</b>	<b>130.0</b>	<b>101.1</b>
Financial income		2.3	1.8	11.2	5.6	13.4	7.8
Financial expenses		-11.0	-2.7	-18.3	-8.2	-21.0	-10.9
<b>Profit after financial items</b>		<b>29.0</b>	<b>23.3</b>	<b>97.6</b>	<b>73.2</b>	<b>122.4</b>	<b>98.0</b>
Tax expense		-7.2	-5.7	-23.1	-17.2	-28.3	-22.4
<b>Profit after tax</b>		<b>21.9</b>	<b>17.6</b>	<b>74.6</b>	<b>56.0</b>	<b>94.2</b>	<b>75.6</b>
Attributable to Parent Company shareholders		21.9	17.6	74.6	56.0	94.2	75.6
Undiluted and diluted earnings per share, SEK*		2.71	2.18	9.24	6.95	11.66	9.37
* Attributable to Parent Company shareholders' share of profit after tax.							
<b>Statement of comprehensive income</b>							
<b>Profit after tax</b>		<b>21.9</b>	<b>17.6</b>	<b>74.6</b>	<b>56.0</b>	<b>94.2</b>	<b>75.6</b>
<b>Other comprehensive income</b>							
<b>Items that will not be reclassified to profit or loss</b>							
Actuarial gains and losses		4.8	-	11.2	2.9	4.8	-3.5
Tax		-1.0	-	-2.3	-0.6	-1.0	0.7
		3.8	-	8.9	2.3	3.8	-2.8
<b>Items that may be reclassified to profit or loss</b>							
Translation differences for the period		57.0	11.9	107.7	25.1	119.0	36.4
Tax		-7.5	-0.9	-11.7	-1.9	-12.5	-2.7
		49.5	11.0	96.0	23.2	106.5	33.7
<b>Other comprehensive income, net</b>		<b>53.4</b>	<b>11.0</b>	<b>105.0</b>	<b>25.5</b>	<b>110.3</b>	<b>30.9</b>
<b>Comprehensive income for the year</b>		<b>75.3</b>	<b>28.6</b>	<b>179.6</b>	<b>81.5</b>	<b>204.5</b>	<b>106.5</b>
Parent Company shareholders		75.3	28.6	179.6	81.5	204.5	106.5
Operating profit before depreciation and amortization (EBITDA)	%	23.6	20.8	23.3	21.7	22.8	21.6
Operating profit (EBIT)	%	16.3	12.9	15.9	14.1	15.4	14.0
Depreciation and amortization charged to earnings	SEK million	16.9	14.6	48.2	41.2	62.5	55.5

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK million

Balance sheet	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>Assets</b>			
Intangible assets	323.9	266.5	272.3
Property, plant and equipment	567.1	446.9	469.5
Financial fixed assets	0.5	1.6	1.4
Current assets	396.1	279.2	288.1
Cash and cash equivalents	188.0	101.4	95.1
<b>Total assets</b>	<b>1 475.7</b>	<b>1 095.6</b>	<b>1 126.4</b>
<b>Equity and liabilities</b>			
Equity	814.0	609.4	634.4
Non-current liabilities	476.5	327.8	316.6
Current liabilities	185.2	158.4	175.4
<b>Total equity and liabilities</b>	<b>1 475.7</b>	<b>1 095.6</b>	<b>1 126.4</b>

# CONDENSED CONSOLIDATED CASH FLOWS STATEMENT

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021/22	Jan-Dec 2021
<b>Cash flow</b>						
Profit after net financial items	29.0	23.3	97.6	73.2	122.4	98.0
Reversal of depreciation and amortization	16.9	14.6	48.2	41.2	62.5	55.5
Adjustment for non-cash items	5.7	-2.1	-1.8	-3.3	-0.6	-2.1
Tax paid	-1.4	-1.7	-7.9	-7.4	-18.7	-18.2
Changes in working capital	5.0	-21.2	-46.3	-32.1	-42.4	-28.2
<b>Cash flow from operating activities</b>	<b>55.3</b>	<b>12.9</b>	<b>89.9</b>	<b>71.6</b>	<b>123.3</b>	<b>105.0</b>
Investments in fixed assets	-29.7	-11.4	-88.2	-57.6	-116.1	-85.5
Sale of fixed assets	-	-	-	0.1	-	0.1
<b>Cash flow from investing activities</b>	<b>-29.7</b>	<b>-11.4</b>	<b>-88.2</b>	<b>-57.5</b>	<b>-116.1</b>	<b>-85.4</b>
<b>Operating cash flow</b>	<b>25.6</b>	<b>1.5</b>	<b>1.7</b>	<b>14.1</b>	<b>7.2</b>	<b>19.6</b>
Borrowings	0.6	18.2	340.4	48.4	352.9	60.9
Repayment of borrowings	-5.5	-14.5	-264.2	-42.2	-289.8	-67.8
Dividend to shareholders	-	-	-	-12.1	-	-12.1
<b>Cash flow from financing activities</b>	<b>-4.9</b>	<b>3.7</b>	<b>76.2</b>	<b>-5.9</b>	<b>63.1</b>	<b>-19.0</b>
<b>Cash flow for the period</b>	<b>20.7</b>	<b>5.2</b>	<b>78.0</b>	<b>8.2</b>	<b>70.4</b>	<b>0.5</b>
Cash and cash equivalents at the beginning of the period	160.0	94.1	95.1	88.5	101.4	88.5
Exchange rate difference in cash and cash equivalents	7.3	2.1	14.9	4.7	16.3	6.1
<b>Cash and cash equivalents at the end of the period</b>	<b>188.0</b>	<b>101.4</b>	<b>188.0</b>	<b>101.4</b>	<b>188.0</b>	<b>95.1</b>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Opening balance	634.4	540.3	540.3
Total comprehensive income	179.6	81.5	106.2
Dividend	-	-12.1	-12.1
Other	-	-0.3	
<b>Closing equity</b>	<b>814.0</b>	<b>609.4</b>	<b>634.4</b>

## KEY PERFORMANCE INDICATORS, GROUP

		Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Return on operating capital	%	13.2	11.2	12.0
Return on equity*	%	13.1	11.5	12.9
Share of risk-bearing capital	%	58.0	58.1	58.9
Equity ratio	%	55.2	55.6	56.3
Net debt/EBITDA*	times	1.4	1.7	1.7
Investments, not including acquisitions	SEK million	88.2	57.6	85.5
Average number of employees	number	614	529	535

\*R12

## DATA PER SHARE

		Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Undiluted and diluted earnings per share, SEK*	SEK million	9.24	6.95	9.37
Average number of shares	thousands	8 068.0	8 068.0	8 068.0
Number of shares at the end of the period	thousands	8 068.0	8 068.0	8 068.0
Equity per share	SEK	100.9	75.5	78.6
Share price at the end of the period	SEK	238.0	301.0	274.0

\* Attributable to Parent Company shareholders' share of profit after tax



# BUSINESS AREA INFORMATION

SEK million			Growth			Growth		
Net sales by business area	Jul-Sep 2022	Jul-Sep 2021	Jul-Sep 2022	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Oct-Sep 2021/22	Jan-Dec 2021
Dental	74.1	71.2	4.0%	231.7	206.4	12.3%	301.1	275.8
Orthopedics	94.6	62.8	50.5%	244.8	181.9	34.6%	299.2	236.3
Life Science	62.8	53.1	18.2%	182.6	151.0	20.9%	243.0	211.4
<b>Total net sales</b>	<b>231.5</b>	<b>187.2</b>	<b>23.7%</b>	<b>659.1</b>	<b>539.4</b>	<b>22.2%</b>	<b>843.3</b>	<b>723.6</b>

The value of sales between business areas is minor.

SEK million							
EBITDA by business area	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021/22	Jan-Dec 2021	
Dental	17.1	19.0	60.8	52.6	76.0	67.8	
Orthopedics	18.2	16.4	41.0	42.8	51.4	53.2	
Life Science	21.1	16.1	55.2	40.5	71.4	56.7	
Unallocated Group expenses	-1.7	-12.7	-4.1	-18.9	-6.5	-21.3	
<b>Total profit before depreciation and amortization</b>	<b>54.6</b>	<b>38.8</b>	<b>152.9</b>	<b>117.0</b>	<b>192.3</b>	<b>156.6</b>	
<b>Depreciation and amortization by business area</b>							
Dental	-5.0	-4.5	-14.6	-13.6	-18.6	-17.6	
Orthopedics	-7.0	-5.3	-19.2	-14.3	-24.0	-19.1	
Life Science	-4.9	-4.8	-14.3	-13.4	-19.4	-18.5	
<b>Total depreciation and amortization</b>	<b>-16.9</b>	<b>-14.6</b>	<b>-48.2</b>	<b>-41.2</b>	<b>-62.0</b>	<b>-55.5</b>	
<b>Operating profit by business area</b>							
Dental	12.2	14.6	46.3	39.1	57.4	50.2	
Orthopedics	11.3	11.1	21.9	28.6	27.4	34.1	
Life Science	16.1	11.3	40.8	27.1	52.0	38.2	
Unallocated Group expenses	-1.7	-12.7	-4.1	-18.9	-6.5	-21.3	
<b>Total operating profit</b>	<b>37.8</b>	<b>24.2</b>	<b>104.7</b>	<b>75.8</b>	<b>130.3</b>	<b>101.1</b>	

# QUARTERLY RESULTS FOR THE GROUP

SEK million								
Quarterly results	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
<b>Net sales</b>	<b>231.5</b>	<b>233.1</b>	<b>194.5</b>	<b>184.2</b>	<b>187.2</b>	<b>181.0</b>	<b>171.2</b>	<b>154.8</b>
Cost of goods sold	-147.0	-147.2	-120.9	-121.4	-119.1	-115.6	-112.0	-102.6
<b>Gross profit</b>	<b>84.5</b>	<b>85.9</b>	<b>73.5</b>	<b>62.8</b>	<b>68.1</b>	<b>65.4</b>	<b>59.2</b>	<b>52.2</b>
Sales, admin and development costs	-47.8	-49.6	-44.4	-39.9	-43.6	-39.2	-33.8	-32.2
Other operating income and expenses	1.1	1.5	0.2	2.4	-0.3	0.3	-0.4	-1.1
<b>Operating profit</b>	<b>37.7</b>	<b>37.8</b>	<b>29.2</b>	<b>25.3</b>	<b>24.2</b>	<b>26.5</b>	<b>25.0</b>	<b>18.9</b>
Financial income	2.3	5.3	3.6	2.2	1.8	-	4.9	-
Financial expenses	-11.0	-4.2	-3.0	-2.7	-2.7	-3.7	-2.8	-5.6
<b>Profit after financial items</b>	<b>29.0</b>	<b>38.8</b>	<b>29.8</b>	<b>24.8</b>	<b>23.3</b>	<b>22.8</b>	<b>27.1</b>	<b>13.3</b>
Tax expense	-7.2	-9.1	-6.8	-5.2	-5.7	-4.4	-7.1	-2.2
<b>Profit after tax</b>	<b>21.9</b>	<b>29.7</b>	<b>23.0</b>	<b>19.5</b>	<b>17.6</b>	<b>18.4</b>	<b>20.0</b>	<b>11.1</b>

# PARENT COMPANY INCOME STATEMENT

SEK million	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Oct-Sep	Jan-Dec
Income statement	2022	2021	2022	2021	2021/22	2021
<b>Net sales</b>	<b>7.5</b>	<b>6.5</b>	<b>22.0</b>	<b>19.5</b>	<b>26.8</b>	<b>24.3</b>
Selling expenses	-2.2	-1.6	-6.4	-5.9	-8.5	-8.0
Administrative expenses	-10.2	-18.0	-31.3	-35.5	-42.4	-46.6
Other operating income/expenses	-	-	0.2	-0.1	0.2	-0.1
<b>Operating profit</b>	<b>-4.9</b>	<b>-13.1</b>	<b>-15.5</b>	<b>-22.0</b>	<b>-23.9</b>	<b>-30.4</b>
Income from investments in Group companies	-	-	19.4	19.0	44.4	44.0
Interest income, Group companies	4.7	1.1	8.8	3.3	10.0	4.5
Other interest income and similar income	31.2	5.4	55.8	11.4	60.6	16.2
Other interest expense and similar charges	-4.5	-0.3	-9.1	-1.2	-9.3	-1.4
<b>Profit after financial items</b>	<b>26.5</b>	<b>-6.9</b>	<b>59.4</b>	<b>10.5</b>	<b>81.8</b>	<b>32.9</b>
Appropriations	-	-0.8	-	-0.8	-2.0	-2.8
Tax on profit for the year	-5.6	1.5	-8.7	1.7	-12.9	-2.5
<b>Profit after tax</b>	<b>21.0</b>	<b>-6.2</b>	<b>50.8</b>	<b>11.4</b>	<b>67.0</b>	<b>27.6</b>

\* Profit after tax is the same as comprehensive income for the year.

# CONDENSED PARENT COMPANY BALANCE SHEET

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Balance sheet			
<b>Assets</b>			
Intangible assets	2.7	3.8	3.3
Property, plant and equipment	0.2	0.3	0.2
Financial fixed assets	700.5	410.5	412.8
Current assets	52.3	36.5	62.5
Cash and cash equivalents	72.5	26.3	26.9
<b>Total assets</b>	<b>828.2</b>	<b>477.4</b>	<b>505.7</b>
<b>Equity and liabilities</b>			
Equity	451.3	384.2	400.5
Untaxed reserves	7.0	5.0	7.0
Provisions for pensions	10.7	8.2	8.5
Non-current liabilities	307.7	19.4	17.2
Current liabilities	51.5	60.6	72.5
<b>Total equity and liabilities</b>	<b>828.2</b>	<b>477.4</b>	<b>505.7</b>

# RECONCILIATION BASIS FOR ALTERNATIVE PERFORMANCE MEASURE

The interim report presents certain financial performance measures of earnings trend, financial position and cash flow that are not defined in accordance with IFRS. These performance measures are intended to serve as important supplementary performance indicators of the Group's performance and financial position and the purpose is to provide a better understanding of the business. Elos Medtech's definitions of these measures may differ from other companies' definitions of the same concepts. The alternative performance measures presented in the interim reports should not be regarded as a replacement to terms and concepts in accordance with IFRS. They are instead intended as a supplement.

Calculations of non-IFRS performance measures that are not mentioned elsewhere in the interim report are presented below. For complete information regarding the calculation and reasons for using alternative performance measures, please see: [www.elosmedtech.com](http://www.elosmedtech.com).

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021/22	Jan-Dec 2021
<b>Growth</b>						
Reported net sales	231.5	187.2	659.1	539.4	843.3	723.6
Net sales for the corresponding period last year	187.2	147.9	539.4	425.2	694.2	580.0
<b>Change in net sales</b>	<b>44.3</b>	<b>39.3</b>	<b>119.7</b>	<b>114.2</b>	<b>149.1</b>	<b>143.6</b>
<b>Growth, %</b>	<b>23.7</b>	<b>26.6</b>	<b>22.2</b>	<b>26.9</b>	<b>21.5</b>	<b>24.8</b>
<b>Net sales adjusted for exchange rate changes</b>						
Exchange rate changes	18.8	-0.6	42.0	-16.7	43.7	-15.0
Net sales for the corresponding period last year adjusted for exchange rate changes	206.0	147.3	581.4	408.5	737.9	565.0
<b>Growth adjusted for exchange rate changes, %</b>	<b>12.4</b>	<b>27.1</b>	<b>13.4</b>	<b>32.1</b>	<b>14.3</b>	<b>28.2</b>
<b>EBITDA</b>						
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct-Sep 2021/22	Jan-Dec 2021
Reported operating profit	37.7	24.2	104.7	75.8	130.0	101.1
Depreciation/amortization	16.9	14.6	48.2	41.2	62.5	55.5
<b>EBITDA</b>	<b>54.6</b>	<b>38.8</b>	<b>152.9</b>	<b>117.0</b>	<b>192.5</b>	<b>156.6</b>
<b>Risk-bearing capital</b>						
	30 Sep 2022	30 Sep 2021	31 Dec 2021			
Equity	814.0	609.4	634.4			
Deferred tax liability	41.4	27.2	28.9			
<b>Risk-bearing capital</b>	<b>855.4</b>	<b>636.6</b>	<b>663.3</b>			
<b>Net debt</b>						
	30 Sep 2022	30 Sep 2021	31 Dec 2021			
Non-current interest-bearing provisions for pensions	60.3	62.7	69.9			
Non-current interest-bearing liabilities	374.7	237.4	217.2			
Current interest-bearing liabilities	24.0	53.8	69.3			
<b>Total liabilities</b>	<b>459.0</b>	<b>353.9</b>	<b>356.4</b>			
Cash and cash equivalents	-188.0	-101.4	-95.1			
<b>Net debt</b>	<b>271.0</b>	<b>252.5</b>	<b>261.3</b>			
<b>Liquidity reserve</b>						
	30 Sep 2022	30 Sep 2021	31 Dec 2021			
Cash and cash equivalents	188.0	101.4	95.1			
Bank overdraft facilities granted	0.0	67.4	67.5			
<b>Liquidity reserve</b>	<b>188.0</b>	<b>168.8</b>	<b>162.6</b>			

## Nomination Committee

In accordance with the resolution at Elos Medtech's Annual General Meeting on May 3, 2022, based on the list of shareholders kept by Euroclear, as of August 31, 2022, the Chairman of the Board has offered the three shareholders in the company with the largest voting rights as well as the shareholder with the largest proportion of equity to appoint members to the Nomination Committee. The following individuals have been appointed to be members of Elos Medtech's Nomination Committee for the 2023 Annual General Meeting: Lovisa Lander, appointed by EM Intressenter AB (TA Associates), Thomas Öster, appointed by the Öster family (incl. companies), Kent Molin, appointed by the Molin family, Jonas Fridh, appointed by Bank Julius Baer & Co LTD. The Chairman of the Nomination Committee is Lovisa Lander, who has been appointed by the Nomination Committee. The Chairman of the Board, Magnus René, is a co-opted member of the Nomination Committee.

Shareholders who wish to submit proposals to the Elos Medtech Nomination Committee may send an e-mail to [valberedning@elosmedtech.com](mailto:valberedning@elosmedtech.com) with the heading "To the Nomination Committee" or letter to Elos Medtech AB, Torsgatan 5B, SE-411 04 Gothenburg, marked "To the Nomination Committee", no later than January 20, 2023.

## Financial calendar

Activity	Date
Year-End Report 2022	February 23, 2023
Annual Report 2022	April 2023
Interim Report January-March 2023	April 26, 2023
Interim Report January-June 2023	July 14, 2023
Interim Report January-September 2023	October 19, 2023
Year-End Report 2023	February 22, 2024

The Annual General Meeting 2023 will be held on May 3, 2023.

## Publication

This information in this report is information that Elos Medtech AB (publ) is required to publish under the EU Market Abuse Regulation. The information was submitted (by the contact person specified below) for publication on October 21 at 03:00 p.m. (CET).

Elos Medtech AB (publ) is a Swedish limited liability company, whose B shares are listed on Mid Cap, NASDAQ Stockholm AB. Elos Medtech's corporate governance is based on Swedish legislation and the company's listing agreement with NASDAQ Stockholm AB.

This is a translation of the Swedish version of the Interim Report January-September. When in doubt, the Swedish wording prevails.

For questions about the report, please contact:



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