

Interim report January-March 2021

Gradual recovery and strong order intake

Quarter January-March 2021

- ▶ Net sales amounted to SEK 100.6 (118.4) million, a decline of 15.0 percent. After adjustment for currency effects, the decline is 6.2 percent.
- ▶ The number of instruments sold amounted to 931 (912), an increase of 2.1 percent.
- ▶ Cash flow from operating activities amounted to SEK 12.6 (14.5) million.
- ▶ Operating profit was SEK 6.8 (15.2) million, corresponding to an operating margin of 6.8 (12.9) percent.
- ▶ Profit after tax amounted to SEK 0.3 (7.4) million.
- ▶ Basic and diluted earnings per share amounted to SEK 0.02 (0.38).

Significant events during the quarter

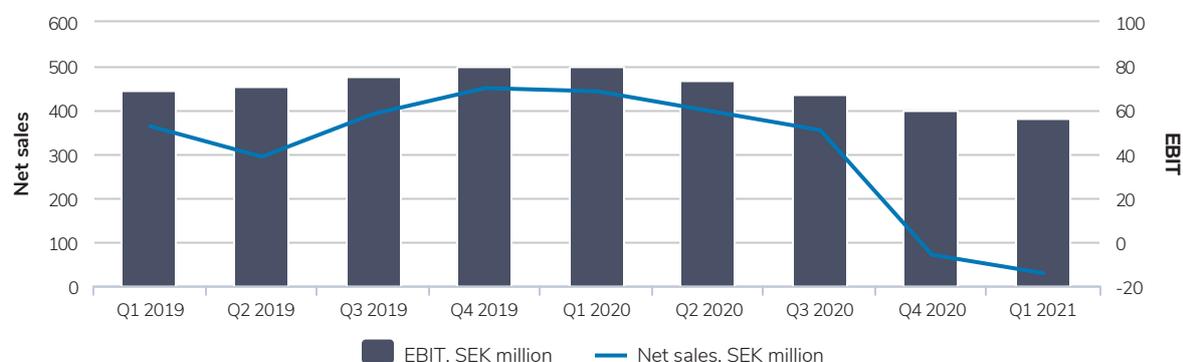
No significant events occurred during the quarter.

Significant events after the period

No significant events have occurred after the end of the period.

Key figures	Jan-Mar 2021	Jan-Mar 2020	Apr 20-Mar 21 (R12)	Apr 19-Mar 20 (R12)
Sales growth, %	-15.0	-0.2	-23.3	12.4
Net sales, SEK million	100.6	118.4	382.7	498.7
Gross margin, %	44.4	46.6	43.6	45.6
Operating profit (EBIT), SEK million	6.8	15.2	-14.3	68.6
Operating margin (EBIT), %	6.8	12.9	-3.7	13.8
Profit after tax, SEK million	0.3	7.4	-55.0	35.1
Net debt, SEK million	-3.2	2.8	-3.2	2.8
Return on equity, %	0.1	2.2	-17.5	10.5
Net debt/EBIT (R12), times	0.2	0.0	0.2	0.0
Diluted earnings per share, SEK	0.02	0.38	-2.83	1.81

Net sales (R12) and EBIT (R12)



Gradual recovery and increasing instrument sales

Sales growth points to increasing optimism as vaccination programs continue, with net sales adjusted for currency effect increasing by 12 percent from the previous quarter. However, net sales compared with Q1 2020 fell by 15 percent to SEK 101 million. Adjusted for currency effects, the decline was 6 percent.

The recovery has been strongest in the United States, where net sales in local currency grew by 6 percent. Several of our markets in Asia, notably India, have been affected by new virus outbreaks and restrictions that have slowed their recovery. Our sales of both reagents and instruments in Asia are significantly below normal volumes.

The gross margin was 44.4 percent, which is 2.1 percentage points higher than for the previous quarter but 2.2 percentage points down on the corresponding quarter in the previous year. The margin was affected by a change in the product mix, with an increase in sales of instruments relative to sales of reagents, which have a higher margin. In addition, continuing low-capacity utilization and increased supply chain costs resulted in negative production variances.

Operating profit was SEK 6.8 million, corresponding to an operating margin of 6.8 percent. Cash flow from operating activities amounted to SEK 12.6 million and the Group's available cash and cash equivalents were unchanged from the end of 2020.

Increased order intake and supply chain challenges

We have seen an increased order intake during the quarter, which means that we now have a larger than normal order backlog for instruments. The trend is positive in all markets, but consumables are lagging behind as a large proportion of our installed base is in Asia, where the pandemic worsened in the first quarter. This also applies to India, which is a large market for Boule.

Demand for instruments currently exceeds our production capacity, which is being hampered by reduced supply of materials. Transport has been a problem for both incoming deliveries of materials and customer deliveries throughout 2020. The situation has worsened over the last month and we are experiencing disruptions and extended lead times for components and raw materials. The disruptions have created additional work, higher freight costs and a risk of increased purchase prices.

Local production of consumables in Russia is progressing, but has been delayed as one of our production equipment suppliers has had to switch production to provide COVID-19 related medical equipment. The planned start of production in Russia has therefore been postponed and is now expected to take place during summer.



Continuing to improve our digital communication

We are working intensively to improve our internal processes and create even better conditions for growth, including continuing the focus on building stronger relationships with our distributors. An important part of this work involves an increased digital presence with both distributors and customers. By offering marketing and sales support and attractive digital product training, we can provide added value that simplifies procedures for distributors and deepens customer relationships. As part of the Boule Academy, we hold webinars in a number of areas and we are planning to expand our training program during the year. We have also launched a new website with a new partner portal that gives our distributors 24/7 access to information. As part of the launch of the new website, we have also updated Boule's visual identity. Our digital offering is essential in order to operate our business, which is conducted in more than 100 countries.

Decisive growth initiatives

Despite the global COVID-19 challenges, we are pursuing several parallel growth initiatives. Among other things, we have signed agreements with six new distributors in EMEA during the first quarter.

We have also continued to establish and develop clinical, manufacturing and technical collaborations and partnerships. Through cooperation, we maximize the benefits of our own expertise and enlist the help of others in order to reach the market, laboratory users and patients in an effective way.

Development of our new product platform and industrialization of the first release, scheduled for launch in late 2022, are progressing according to plan. Activities to establish suppliers and production equipment are in progress. During the first quarter, we have invested SEK 13.0 million in development of the new platform, which is on track and is an increase compared with the previous year.

Strong confidence in the future

The increased order intake is encouraging and we continue to plan for a return to normal demand in the second half of 2021. With close to 30,000 instruments, Boule has a very strong market position and we are confident that the decentralized near-patient hematology market will return to stable growth in the long term. There are obviously challenges along the way. With a methodical approach and close cooperation with our superb distributors and suppliers, we can create an even stronger offering with the right conditions for long-term growth.

A handwritten signature in blue ink, appearing to read "Per Eriksson".

Group performance January-March 2021

Net sales

Net sales for the period amounted to SEK 100.6 (118.4) million, a decline of 15.0 percent. After adjustment for USD and EUR currency effects, the decline was 6.2 percent. During the quarter, we have seen a positive trend and increased orders for instruments. However, consumables are lagging behind as a large proportion of our installed base is in Asia, which continues to be seriously affected by restrictions and lockdowns. This has resulted in a reduced number of doctor visits and therefore lower test volumes. The number of instruments sold increased by 2 percent compared with the same period the previous year, but sales of instruments fell by 5 percent due to the product mix and currency effects.

Net sales by region, SEK million	Jan-Mar 2021	Jan-Mar 2020	change	Apr 20-Mar 21 (R12)	Apr 19-Mar 20 (R12)	change (R12)
USA	33.0	34.5	-4.4%	126.8	145.0	-12.5%
Asia	20.3	29.4	-30.9%	95.0	144.1	-34.1%
Eastern Europe	13.4	18.1	-26.2%	50.4	74.0	-31.9%
Latin America	13.2	12.5	6.0%	33.6	43.9	-23.5%
Western Europe	7.5	9.5	-21.3%	34.1	37.0	-7.7%
Africa/Middle East	13.2	14.3	-7.9%	42.8	54.6	-21.7%
Total	100.6	118.4	-15.0%	382.7	498.7	-23.2%

Net sales by product, SEK million

Instruments	34.5	36.4	-5.1%	118.8	169.1	-29.8%
Consumables, own instruments	41.7	54.5	-23.5%	166.9	216.3	-22.8%
Consumables, OEM and CDS brand	13.9	16.6	-16.5%	59.7	67.3	-11.3%
Other	10.5	10.9	-3.4%	37.3	45.9	-18.7%
Total	100.6	118.4	-15.0%	382.7	498.7	-23.2%

Gross profit

Gross profit for the period was SEK 44.7 (55.2) million, with a gross margin of 44.4 (46.6) percent. The gross margin was adversely affected by a lower proportion of consumables in the product mix, negative production variance due to continuing low capacity utilization and increased supply chain costs.

Net sales (R12) and gross profit (R12)



Expenses

Operating expenses for the period amounted to SEK 38.3 (41.4) million. Distribution costs include cost savings related to Covid-19.

Research and development expenses, including costs related to the quality assurance organization, had an adverse effect of SEK 10.4 (9.9) million on earnings, corresponding to 10.3 (8.4) percent of net sales. Capitalized research and development expenses amounted to SEK 13.0 (9.8) million and development work on our new product platform is progressing according to plan. Total research and development expenses correspond to 23.3 (16.7) percent of net sales.

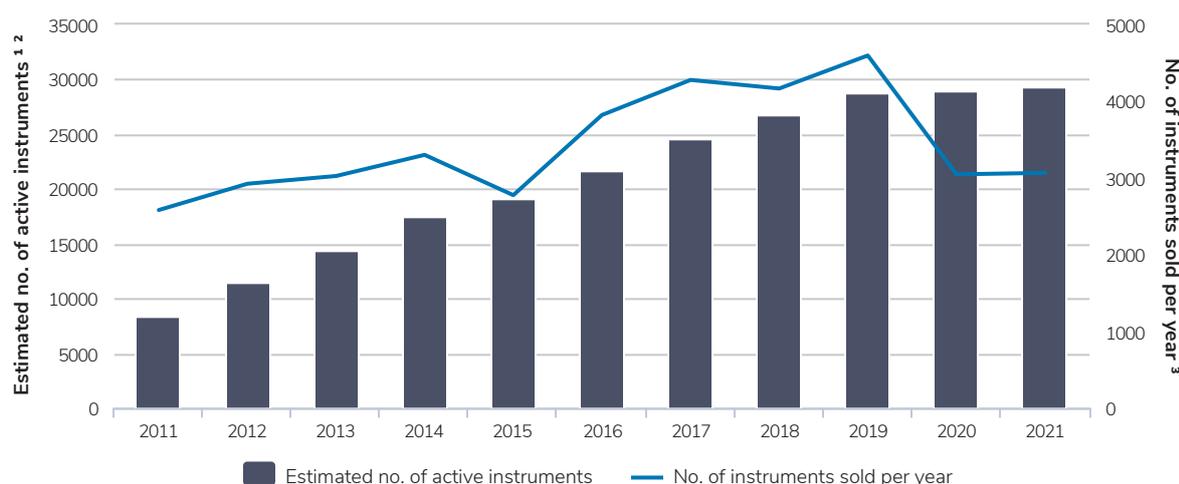
Capitalized expenditure during the period is mainly related to the next generation hematology platform.

Net other operating income and other operating expenses for the period amounted to SEK 0.4 (1.4) million and consists of positive and negative exchange differences.

Operating profit

Operating profit amounted to SEK 6.8 (15.2) million, corresponding to an operating margin of 6.8 (12.9) percent. The operating margin excluding capitalized research and development expenses was -6.2 (4.6) percent.

Estimated number of active instruments



¹ Estimated number of active instruments installed is based on an expected lifespan of eight years for the instruments.

² Accumulated number of instruments sold since 2006 was 41,341 at March 31, 2021.

³ Number of instruments sold in 2021 refers to sales on a rolling 12-month basis.

Net financial items

Net financial items amounted to SEK -3.0 (-5.0) million. Net financial items for the previous year include profit/loss of SEK -3.7 million from associates and amount to SEK -1.3 million excluding profit/loss from associates.

Earnings

Profit before tax was SEK 3.9 (10.2) million. Profit for the period was SEK 0.3 (7.4) million.

Financing and cash flow

Cash flow from operating activities for the period was SEK 12.6 (14.5) million and was positively affected by a reduction in inventories and an increase in current liabilities.

The Swedish Export Credit Agency (EKN) guarantees some of Boules trade receivables at up to 75-95 percent of the receivables' total amount. Receivables may be pledged, in which case the liabilities are reported as interest-bearing liabilities. The change in trade receivables guaranteed by EKN is included in cash flow from operating activities, while the change in other interest-bearing liabilities is reported under cash flow from financing activities.

Cash flow for the period was SEK -3.0 (3.5) million and cash and cash equivalents at March 31 amounted to SEK 31.5 (26.6) million.

Credit facility utilization decreased during the quarter and the Group's available cash and cash equivalents, including unutilized credit facilities, was SEK 83.5 (83.8) million at March 31, which is in line with the same period the previous year.

Investments

Total investments amounted to SEK 14.5 (12.0) million, with investments in future product platforms accounting for SEK 13.7 (10.8) million of the figure.

Equity and liabilities

The Group's equity at March 31, 2021 was SEK 277.5 (353.1) million and the equity/assets ratio was 54 (56) percent.

Interest-bearing liabilities excluding leases are primarily related to pledged trade receivables guaranteed by EKN and amounted to SEK 91.3 (109.6) million at March 31, 2021. SEK 19.5 (31.1) million of these liabilities were non-current and SEK 71.8 (78.5) million were current. At March 31, 2021, SEK 5.4 (1.8) million of the credit facility had been used and other current non-interest-bearing liabilities and trade payables amounted to SEK 91.2 (93.4) million.

Lease liabilities at March 31 amounted to SEK 36.0 (45.4) million. SEK 23.5 (32.7) million of these liabilities were non-current and SEK 12.6 (12.7) million were current.

Net debt at March 31, 2021 amounted to SEK -3.2 (2.8) million.

Deferred tax assets amounted to SEK 0.0 (0.0) million and deferred liabilities were SEK 15.1 (22.4) million at March 31.

Non-current provisions consist of direct pension provisions of SEK 3.3 (3.8) million.

Significant risks and uncertainties

The Group's operations are subject to risks and uncertainties that may, to a varying extent, affect the Company's ability to achieve defined goals. Boule works continuously on management of existing risks and uncertainties and on the risk inventory that forms the basis for detecting new risks and uncertainties. The systematic and internally coordinated work is aimed at identifying risks, limiting risk exposure and minimizing any impact should a risk materialize. Currently, primary risks and uncertainties have been identified in the following areas; regulatory risks, product portfolio risks, distributor risks, production and quality risks, counterfeit reagents, price pressure, supplier risks, market risks and competition, bribery, and corruption, currency risks, IT security and systems, financing risks and future cash flows, health and safety in the workplace, dependence on key personnel and the effects of Covid-19.

Boule is currently exposed to currency exchange risks. +/- 10 percent of the exchange rate USD/SEK affects the net sales by +/- SEK 20 million and net profit by +/- SEK 4 million. Boule is continuously working on operationally reducing the company's exchange rate exposure.

A more detailed description of risks, risk management and related opportunities can be found in the 2020 Annual Report. The risks are considered unchanged from those described in the Annual Report, other than the update on the effects of Covid-19 presented below.

Covid-19

Like other companies, Boule faces new challenges related to the spread of Covid-19. There has been a slowdown in sales as a result of the closure of many markets, with a significant decline in routine healthcare visits and therefore fewer blood samples taken. The length of time in which key markets are closed will determine the impact on sales of consumables in the period ahead. New sales of instruments have also stopped at times, with healthcare providers concentrating on managing Covid-19 patients. Problems of logistics and distribution to customers have arisen and may continue to arise due to a lack of transport capacity and obstacles related to border closures. The Company has worked through component supply disruptions and sees this as a challenge that has escalated in early 2021. Boule is taking active measures to mitigate the impact by working closely with the Group's subcontractors, planning and booking deliveries well in advance and reducing the spread of infection in factories by arranging for non-production staff to work from home.

Boule has focused on ensuring good liquidity. Some investments have been postponed but long-term strategic investments have continued according to plan.

Future effects on sales are difficult to estimate as there is continuing uncertainty about how quickly the markets will recover in 2021. In the longer term, we see a continuation of stable growth for the decentralized near-patient market that Boule addresses.

Related-party transactions

Other than remuneration of the Board and senior executives, no related-party transactions have taken place during the period.

Parent Company

Boule Diagnostics AB (publ), corporate ID 556535-0252, is a Swedish limited liability company with its registered office in Stockholm. The address of the head office is Domnarvsgatan 4, SE-163 53 Spånga, Sweden.

The Parent Company's revenue is derived from Group-wide services.

Risks and uncertainties for the Parent Company indirectly correspond with those for the Group.

Personnel

The average number of employees in the Group during the period was 213 (210), including 7 (7) employees at the Parent Company. The average number of employees by country was as follows: Sweden 121 (120), United States 81 (82), Mexico 2 (2) and Russia 9 (6). The average number of women in the Group was 94 (91) and the average number of men was 119 (119).

Number of shares

The total number of shares and votes in Boule Diagnostics AB is 19,416,552 and has remained unchanged in 2021.

Shareholders, March 31, 2021 (and known changes thereafter)	Number of shares, March 31	Share of capital/votes
Svolder AB	2,414,194	12.43%
AB Grenspecialisten	2,274,332	11.71%
Thomas Eklund incl. companies	1,956,055	10.07%
Swedbank Robur Fonder AB	1,940,000	9.99%
Tredje AP-fonden	1,625,771	8.37%
Nordea Fonder	1,537,127	7.92%
Länsförsäkringar Fonder	799,477	4.12%
Andra AP-Fonden	684,974	3.53%
Skandinaviska Enskilda Banken UK	608,790	3.14%
Société Générale	565,030	2.91%
CBNY-Norges Bank	444,322	2.29%
Sjoitusrahasto Aktia Nordic	371,270	1.91%
Fondita Nordic	354,000	1.82%
Other shareholders (2,914)	3,841,210	19.78%
Total number of shares	19,416,552	100.00%
No. of options outstanding ex. hedging	548,128	
Total number of shares incl. Options	19,964,680	

Option programs

The Board of Directors believes that it is important and in the interest of all shareholders that the CEO and key employees, who are considered important to the Company's further development, have a long-term interest in good value growth for the Company's shares. A personal, long-term shareholder commitment would be expected to contribute to increased interest in the Company's operations and financial performance, and to increase the CEO's and key employees' motivation and affinity with the Company and its shareholders.

The warrants have been allotted and purchased by employees at market conditions. The market value has been determined using the Black & Scholes option valuation model.

If a warrant holder's employment ceases, Boule has the right of first refusal and may choose to exercise that right. The Board has decided to exercise the right of first refusal regarding former employees who purchased warrants in the 2019 program, and 95,307 warrants have accordingly been repurchased. There are no restrictions on transferring warrants in the programs.

Outstanding programs	Outstanding options			Corresponding shares	Proportion of total no. of shares	Exercise price	Exercise period
	CEO	Key employees	Total				
2019/2022	0	368,128	368,128	368,128	1.9%	67.50	1 Juni 2022-30 Dec 2022
2020/2023	130,000	50,000	180,000	180,000	0.9%	86.70	1 juni 2023-30 dec 2023
	130,000	418,128	548,128				

The Board of Directors and the CEO certify that this interim report provides a true and fair view of the operations, financial position and earnings of the Parent Company and the Group and describes the material risks and uncertainties faced by the Parent Company and the other Group companies.

Stockholm, May 6, 2021

Boule Diagnostics AB

Peter Ehrenheim
Chairman of the Board

Thomas Eklund
Board member

Karin Dahllöf
Board member

Jon Risfelt
Board member

Charlotta Falvin
Board member

Jesper Söderqvist
CEO

This interim report has not been reviewed by the Company's auditor.

Consolidated income statement and other comprehensive income

SEK millions	Note	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net sales		100.6	118.4	400.5
Cost of sales		-55.9	-63.2	-223.3
Gross profit		44.7	55.2	177.2
<i>Gross margin</i>		44.4%	46.6%	44.2%
Other operating income	1	2.8	7.5	29.5
Distribution costs		-20.7	-22.7	-82.9
Administrative expenses		-7.2	-8.8	-28.0
Research and development expenses ¹		-10.4	-9.9	-83.1
Other operating expenses		-2.4	-6.1	-18.5
Operating profit		6.8	15.2	-5.9
<i>Operating margin</i>		6.8%	12.9%	-1.5%
Finance income		0.1	0.1	1.5
Finance costs		-3.1	-1.5	-4.3
Profit/loss from associates		0.0	-3.7	-40.3
Net financial items		-3.0	-5.0	-43.1
Profit before tax		3.9	10.2	-49.0
Income tax		-3.5	-2.8	1.1
Profit for the period		0.3	7.4	-48.0
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified to profit/loss for the period				
Exchange differences on translation of foreign subsidiaries for the period		7.9	12.8	-16.3
Total other comprehensive income		7.9	12.8	-16.3
Total comprehensive income for the period		8.2	20.2	-64.3
Basic earnings per share, SEK		0.02	0.38	-2.47
Diluted earnings per share, SEK		0.02	0.38	-2.47

As the Group does not have any non-controlling interests, comprehensive income is wholly attributable to owners of the Parent Company.

Consolidated statement of financial position

SEK millions	31 Mar 2021	31 Mar 2020	31 Dec 2020
ASSETS			
NON-CURRENT ASSETS			
Intangible assets			
Capitalized development expenses	128.1	128.5	115.6
Goodwill	76.5	85.7	72.9
Total intangible assets	204.7	214.2	188.5
Property, plant and equipment			
Financial assets (Rent)	35.1	44.1	34.9
Plant and machinery	5.0	5.4	4.7
Equipment, tools, fixtures and fittings	11.0	13.0	11.0
Leasehold improvements	4.1	6.1	4.2
Total property, plant and equipment	55.2	68.6	54.7
Financial assets			
Investments in associates	0.0	39.5	0.0
Other financial assets	2.9	3.2	3.0
Non-current trade receivables (guaranteed 75-95% by EKN)	34.4	48.3	36.8
Deferred tax assets	0.0	0.0	0.0
Total financial assets	37.2	91.0	39.8
Total non-current assets	297.1	373.9	283.1
CURRENT ASSETS			
Inventories			
Raw materials and supplies	32.5	45.2	35.8
Products in progress	5.4	3.9	3.9
Finished goods and merchandise	13.2	16.1	14.8
Total inventories	51.1	65.2	54.5
Current receivables			
Tax assets	5.0	4.8	3.0
Trade receivables	42.0	60.2	33.2
Trade receivables (guaranteed 75-95% by EKN)	64.7	77.2	60.4
Other receivables	4.7	4.5	3.5
Prepaid expenses and accrued income	18.3	15.2	8.9
Total current receivables	134.7	162.0	109.1
Cash and cash equivalents	31.5	26.6	33.0
Total current assets	217.3	253.8	196.6
TOTAL ASSETS	514.4	627.7	479.7

SEK millions	31 Mar 2021	31 Mar 2020	31 Dec 2020
TOTAL EQUITY AND LIABILITIES			
EQUITY			
Share capital	4.9	4.9	4.9
Other contributed capital	202.4	201.7	202.4
Translation reserve	11.0	32.3	3.1
Retained earnings, including profit for the period	59.2	114.3	58.9
Total equity	277.5	353.1	269.3
LIABILITIES			
Non-current liabilities			
Non-current interest-bearing liabilities	1.9	2.6	1.8
Non-current interest-bearing liabilities (for receivables guaranteed by EKN)	17.6	28.5	16.0
Non-current lease liabilities/rent	23.5	32.7	23.8
Provisions	3.3	3.8	3.3
Deferred tax liabilities	15.1	22.4	12.8
Total non-current liabilities	61.3	90.0	57.7
Current liabilities			
Current interest-bearing liabilities	6.1	2.3	10.3
Current interest-bearing liabilities (for receivables guaranteed by EKN)	65.7	76.2	61.2
Current lease liabilities/rent	12.6	12.7	12.3
Trade payables	38.6	44.8	29.4
Tax liabilities	5.2	2.9	3.3
Other liabilities	11.3	11.0	6.5
Accrued expenses and deferred income	34.9	33.6	28.7
Non-current provisions	1.3	1.0	1.1
Total current liabilities	175.6	184.6	152.7
Total liabilities	236.9	274.6	210.4
TOTAL EQUITY AND LIABILITIES	514.4	627.7	479.7

Consolidated statement of changes of equity

SEK millions	Share capital	Other contributed capital	Translation reserve	Retained earnings, incl. profit for the period	Total equity
EQUITY, JANUARY 1, 2020	4.9	201.7	19.5	106.8	332.9
Comprehensive income for the period					
Profit for the period				7.4	7.4
Other comprehensive income for the period			12.8		12.8
Comprehensive income for the period			12.8	7.4	20.2
Transactions with shareholders					
Option programs			0.0		0.0
Dividend				0.0	0.0
EQUITY, MARCH 31, 2020	4.9	201.7	32.3	114.2	353.1
EQUITY, JANUARY 1, 2021	4.9	202.4	3.1	58.9	269.3
Comprehensive income for the period					
Profit for the period				0.3	0.3
Other comprehensive income for the period			7.9		7.9
Comprehensive income for the period			7.9	0.3	8.2
Transactions with shareholders					
Option programs					0.0
Dividend				0.0	0.0
EQUITY, MARCH 31, 2021	4.9	202.4	11.0	59.2	277.5

Consolidated cash flow statement

SEK millions	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Operating activities			
Operating profit	6.8	15.2	-5.9
Adjustments for non-cash items	3.8	5.5	52.9
Interest received	0.1	0.1	0.4
Interest paid	-1.2	-1.4	-4.3
Income tax paid	-1.5	-2.1	-4.6
Cash flow from operating activities before changes in working capital	8.1	17.4	38.5
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in inventories	4.6	-6.2	-1.4
Increase (-)/Decrease (+) in operating receivables	-17.8	-14.6	14.5
Increase (-)/Decrease (+) in operating receivables (guaranteed by EKN)	-1.8	-1.0	27.3
Increase (+)/Decrease (-) in operating liabilities	19.6	18.9	-3.7
Cash flow from operating activities	12.6	14.5	75.2
Investing activities			
Investments in associates	0.0	0.0	0.0
Acquisition of property, plant and equipment	-0.8	-1.3	-4.6
Investment in capitalized development expenses	-13.7	-10.8	-41.4
Cash flow from investing activities	-14.5	-12.0	-46.0
Financing activities			
Proceeds from borrowings/Repayment of borrowings	0.0	0.0	11.0
Increase (+)/Decrease (-) in financial liabilities (EKN financing)	6.0	4.0	-23.5
Increase (+)/Decrease (-) in financial liabilities	-4.3	-0.2	8.7
Proceeds from borrowings/Repayment of borrowings and lease interest	-2.9	-2.8	-11.1
Dividend	0.0	0.0	0.0
Cash flow from financing activities	-1.2	1.0	-14.9
Cash flow for the period	-3.0	3.5	14.4
Cash and cash equivalents at beginning of period	33.0	21.6	21.6
Exchange differences in cash and cash equivalents	1.5	1.6	-2.9
Cash and cash equivalents at end of period	31.5	26.6	33.0

Parent Company income statement

SEK millions	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net sales	6.0	8.4	24.1
Administrative expenses	-5.7	-7.7	-23.1
Other operating expenses	-1.0	-0.4	-1.5
Operating profit	-0.6	0.4	-0.5
Anticipated dividend from subsidiaries			21.0
Profit/loss from associates	0.0	0.0	-54.4
Profit/loss from financial items	0.0	0.0	0.0
Profit/loss after financial items	-0.6	0.4	-33.9
Group contribution	0.0	0.0	0.0
Profit/loss before tax	-0.6	0.4	-33.9
Tax	0.0	0.0	0.1
Net profit/loss	-0.6	0.4	-33.8

As no items are recognized in Other comprehensive income the Parent Company's profit and loss correspond to comprehensive income

Parent Company balance sheet

SEK millions	31 Mar 2021	31 Mar 2020	31 Dec 2020
NON-CURRENT ASSETS			
Intangible assets			
Capitalized development expenses	1.0	0.8	1.1
Total intangible assets	1.0	0.8	1.1
Property, plant and equipment			
Equipment	0.1	0.2	0.2
Total property, plant and equipment	0.1	0.2	0.2
Finansiella anläggningstillgångar			
Shares in Group companies	155.3	153.5	155.3
Shares in associates	0.0	54.4	0.0
Other financial assets	2.6	3.0	2.6
Deferred tax assets	0.1	0.0	0.1
Total financial assets	158.1	211.0	158.1
Total non-current assets	159.2	212.0	159.3
CURRENT ASSETS			
Skattefordringar	1.4	1.4	1.1
Receivables from Group companies	8.2	3.4	21.3
Other receivables	0.3	0.0	0.9
Prepaid expenses and accrued income	1.9	1.6	1.5
Total current receivables	11.7	6.3	24.8
Cash and bank balances	0.2	0.2	0.8
Total current assets	11.9	6.5	25.6
TOTAL ASSETS	171.1	218.5	184.9
EQUITY	157.2	191.2	157.8
LIABILITIES			
Non-current liabilities			
Other provisions	3.3	3.8	3.3
Total non-current liabilities	3.3	3.8	3.3
Current liabilities			
Trade payables	3.9	3.3	4.3
Liabilities to Group companies	0.3	12.0	14.0
Skulder till intressebolag	0.0	0.0	0.0
Other liabilities	0.4	0.9	0.7
Accrued expenses and deferred income	5.9	7.3	4.8
Total current liabilities	10.7	23.5	23.9
Total liabilities	13.9	27.2	27.1
TOTAL EQUITY AND LIABILITIES	171.1	218.5	184.9

Note 1 Accounting policies

Boule Diagnostics AB (publ.) applies IFRS (International Financial Reporting Standards) as adopted by the EU. This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The interim report for the Parent Company has been prepared in accordance with chapter 9 of the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The interim report should be read alongside the annual report for the financial year ending December 31, 2020. The accounting policies are consistent with those applied in the previous financial year. The fair values of financial assets and liabilities are considered to be equal to their carrying amounts. The interim information on pages 1-8 forms an integral part of this financial report, which comprises pages 1- 21.

Note 2 Pledged assets and contingent liabilities

March 31, SEK millions	Group		Parent Company	
	2021	2020	2021	2020
Pledged assets	167.7	198.7	5.8	6.3
Contingent liabilities	0.0	0.0	83.8	105.1

Note 3 Revenue by region and product

Net sales by region, SEK million	Jan-Mar	Jan-Mar	change	Apr 20-	Apr 19-	change
	2021	2020		Mar 21	Mar 20	
				(R12)	(R12)	(R12)
USA	33.0	34.5	-4.4%	126.8	145.0	-12.5%
Asia	20.3	29.4	-30.9%	95.0	144.1	-34.1%
Eastern Europe	13.4	18.1	-26.2%	50.4	74.0	-31.9%
Latin America	13.2	12.5	6.0%	33.6	43.9	-23.5%
Western Europe	7.5	9.5	-21.3%	34.1	37.0	-7.7%
Africa/Middle East	13.2	14.3	-7.9%	42.8	54.6	-21.7%
Total	100.6	118.4	-15.0%	382.7	498.7	-23.2%
Net sales by product, SEK million						
Instruments	34.5	36.4	-5.1%	118.8	169.1	-29.8%
Consumables, own instruments	41.7	54.5	-23.5%	166.9	216.3	-22.8%
Consumables, OEM and CDS brand	13.9	16.6	-16.5%	59.7	67.3	-11.3%
Other	10.5	10.9	-3.4%	37.3	45.9	-18.7%
Total	100.6	118.4	-15.0%	382.7	498.7	-23.2%

Quarterly overview

	2021	2020				2019			
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net sales, SEK million	100.6	92.7	98.8	90.6	118.4	129.3	131.2	119.7	118.6
Gross profit, SEK million	44.7	39.2	45.8	37.0	55.2	57.7	62.3	52.0	54.1
Gross margin, %	44.4	42.3	46.4	40.8	46.6	44.6	47.5	43.4	45.6
EBITDA, SEK million	12.3	3.6	28.9	2.4	20.8	20.3	37.8	11.6	21.7
EBITDA margin, %	12.3	3.9	29.3	2.7	17.5	15.7	28.8	9.7	18.3
Depreciation and impairment of property, plant and equipment, SEK million	4.2	4.2	4.4	4.4	4.5	4.1	4.5	4.7	4.1
EBITA, SEK million	8.1	-0.6	24.5	-1.9	16.2	16.2	33.3	6.9	17.7
EBITA margin, %	8.1	-0.6	24.8	-2.1	13.7	12.5	25.4	5.8	14.9
Amortization and impairment of intangible assets, SEK million ²	1.3	41.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0
EBIT, SEK million	6.8	-41.6	23.5	-3.0	15.2	15.1	32.3	5.9	16.7
EBIT margin, %	6.8	-44.9	23.7	-3.3	12.9	11.7	24.6	5.0	14.1
Profit after tax, SEK million ²	0.3	-32.6	20.2	-43.0	7.4	7.2	20.3	0.3	9.8
Basic earnings per share, SEK	0.02	-1.68	1.04	-2.21	0.38	0.37	1.04	0.01	0.51
Diluted earnings per share, SEK	0.02	-1.68	1.04	-2.21	0.38	0.37	1.04	0.01	0.51
Cash flow from operating activities per share, SEK ¹	0.65	1.30	0.92	0.91	0.75	1.02	1.23	0.80	-0.25
Return on equity, %	0.1	-11.2	6.6	-13.2	2.2	2.2	6.4	0.1	3.2
Net debt/ EBIT (R12)	0.2	0.8	-0.1	0.2	0.0	0.1	0.4	0.7	0.3
Equity/assets ratio, %	54	56	56	53	56	57	56	55	57

¹ IFRS 16 is applied with effect from January 1, 2019, which affects the Group's financial statements, key figures and comparisons between quarters. For more information, see the 2019 Annual Report.

² Profit/loss from biosurfit and the impairment of the Group's holding in the associate in Q2 2020 are not included in the Group's operating profit. The impairment loss of SEK 36.6 million is recognized in net financial income together with biosurfit's profit/loss and is therefore only shown in profit after tax in the quarterly overview.

Definitions

Use of alternative performance measures

The Boule Group's financial statements are prepared in accordance with IFRS. Only a small number of performance measures are defined in IFRS. Boule applies the ESMA (European Securities and Market Authority) Guidelines for Alternative Performance Measures. In brief, an alternative performance measure is a financial measure of historical or future earnings development, financial position or cash flow that is not defined or specified in IFRS. Boule presents certain non-IFRS performance measures in order to support management and other stakeholders in their analysis of the Group's development. Management believes that use of these measures facilitates this analysis. These alternative performance measures supplement the information presented in accordance with IFRS and do not replace IFRS performance measures. Boule's definitions of non-IFRS performance measures shown on page 19 may differ from those of other companies. Calculations for all performance measures can be reconciled to line items in the income statement and balance sheet.

Sales growth is net sales for the period divided by net sales for the comparative period, expressed as a percentage change

Gross profit is net sales less cost of sales

Gross margin is gross profit divided by net sales

EBITDA (Earnings before interest, taxes, depreciation and amortization) is profit before net financial items, taxes, depreciation of property, plant and equipment and amortization of intangible assets

EBITDA margin is EBITDA divided by net sales

EBITA (Earnings before interest, taxes and amortization) is operating profit before net financial items, taxes and amortization of intangible assets

EBITA margin is EBITA divided by net sales

EBIT (Earnings before interest and taxes) is operating profit before net financial items and taxes

EBIT margin (Operating margin) is EBIT divided by net sales

Working capital is inventories, trade receivables (current and non-current) and cash less trade payables

Interest coverage ratio is operating profit plus finance income divided by finance costs

Return on equity is profit after tax divided by average equity

Net debt is interest-bearing liabilities less cash and cash equivalents and current and non-current interest-bearing receivables guaranteed by EKN

Net debt/equity ratio is net debt divided by equity

Equity/assets ratio is equity divided by total assets.

Operating margin excluding non-recurring expenses is operating profit before non-recurring expenses divided by net sales

Operational cash flow is cash flow from operating activities, excluding net investments in intangible assets and property, plant and equipment, financing, non-recurring items and restructuring expenses, but including tax paid.

About Boule Diagnostics

Boule Diagnostics AB (publ) is a global diagnostics company specializing in near-patient, decentralized blood diagnostics and one of the few companies in the global diagnostics market that conducts its own development, manufacturing and marketing of instruments and consumables for blood diagnostics. The Company primarily serves hospitals, clinics, laboratories and other diagnostics companies to which it offers complete systems for blood diagnostics (hematology) in both the human and veterinary areas. Boule has strong positions in important emerging markets such as in Asia and in recent years has improved its position in the fast-growing veterinary market. Operations are conducted through operating subsidiaries in Sweden, the United States, Mexico and Russia. The Group reported net sales of approximately SEK 400 million in 2020 and has over 200 employees. Sales are conducted globally, predominantly through the company's 200 or so distributors in over 100 countries, supported by Boule's own local sales and service personnel. Boule has been listed on Nasdaq Stockholm since 2011.

VISION

Improving health for everyone, everywhere.

MISSION

We work closely with our customers and partners to provide user-friendly, high-quality, near-patient diagnostics solutions everywhere in the world.

BUSINESS CONCEPT

We efficiently develop, manufacture and provide complete solutions for the human and veterinary markets.

FINANCIAL TARGETS

- ▶ Operating margin (EBIT margin) above 15 percent,
- ▶ Average annual long-term sales growth above 10 percent,
- ▶ Net debt (interest-bearing liabilities minus cash and cash equivalents).
- ▶ An annual dividend corresponding to 25-50 percent of profit for the year, taking into account the Company's liquidity.

STRATEGIES

Protect and grow Boule's core business

Continue to improve efficiency, increase production capacity and ensure quality and regulatory compliance. Develop and launch next generation product platforms.

Secure positions in emerging markets

Further develop distributor relationships and networks and strengthen local presence.

Grow in new segments and markets

Expand into new geographical markets and new customer segments with improved sales methods and resources and by joining with partners.

Develop OEM and CDS brand operations

Focus on and expand selected profitable product segments (CDS=Clinical Diagnostic Solutions, OEM=Original Equipment Manufacturer).

Broaden the customer offering

Develop new product platforms and broaden the product portfolio through partnerships and acquisitions. Expand the offering of service and customer solutions.

OUR BRANDS






Other information

Calendar

2021 Annual General Meeting	May 6, 2021
Interim report Q2 2021	July 19, 2021
Interim report Q3 2021	November 9, 2021

Presentation of the interim report

CEO Jesper Söderqvist and CFO Christina Rubenhag will present and comment on the interim report through Teams Live Event. After the presentation, there will be time for questions.

The presentation will be held in English.

Time: 16.00, May 6, 2021

[Please follow this link to participate.](#)



Jesper Söderqvist

President and CEO

+46 (0)70-689 05 90

jesper.soderqvist@boule.com



Christina Rubenhag

CFO

+46 (0)70-546 72 22

christina.rubenhag@boule.com

This information is information that Boule Diagnostics AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 15:00 CET on May 6, 2021.