

Annual report 2021

Leading supplier
**to healthcare and
research facilities**

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Please note that ADDvise's 2021 annual report in English is an excerpt containing pages 1 to 35 from ADDvise's 2021 annual report in Swedish.

Reporting dates

Interim Report (Jan–Mar 2022)	April 22, 2022
Annual General Meeting	May 6, 2022
Interim Report (Jan–Jun 2022)	July 22, 2022
Interim Report (Jan–Sep 2022)	October 28, 2022
Year-end Report 2022	March 3, 2023

ADDvise in two minutes



- » ADDvise Group AB (publ) is a leading supplier of equipment to healthcare and research facilities. The Group's subsidiaries are divided into two business areas: Lab and Healthcare. Sales are global. The Group has a clear acquisition strategy with the aim of raising shareholder value and expanding the business – both geographically and product-wise.
- » ADDvise shares are listed on Nasdaq First North Premier Growth Market under the stock short names ADDV A and ADDV B.
- » Our broad competence, together with the specialist expertise we offer, means that the solution is always available within the Group. This is valued highly by customers and makes it easier to develop and nurture our long-term relationships.
- » ADDvise works to high quality requirements and is certified according to the global quality systems ISO 9001 and ISO 14001.

Summary income statement

SEK thousands	2021	2020	2019	2018	2017
Net revenue	465,953	358,487	349,877	268,219	239,914
EBITDA	57,261	46,224	30,671	16,487	12,142
EBITDA margin, %	12.3%	12.9%	8.8%	6.1%	5.1%
Operating profit/loss (EBIT)	43,546	34,257	18,629	10,768	7,635
Operating margin, %	9.3%	9.6%	5.3%	4.0%	3.2%

A year of increased acquisition rate

2021 was a strong year for the Group. It saw the completion of four acquisitions.

Net revenue for the full year 2021 was SEK 466.0 million, compared with SEK 358.5 million for the full year 2020, an increase of 30.0 percent. There was an organic increase in net revenue of 4.7 percent during the full year. Pro forma net revenue for the full year 2021 amounted to SEK 588.6 million, covering all companies that were acquired in 2021 as consolidated from January 2021. The corresponding pro forma EBITDA was SEK 80.2 million. Including companies acquired during the first quarter of 2022, pro forma net revenue amounted to SEK 689.9 million, with a corresponding pro forma EBITDA of SEK 112.4 million.

The year has been characterized by a good level of orders received. Orders received for the full year 2021 amounted to SEK 505.0 million (362.6). The organic increase in orders received for the full year 2021 was 9.2%. We may continue to experience disruption to our supply chains, and this was the case for much of 2021. Sick leave in our own production units, combined with sick leave at our subcontractors, has led to us having to maintain higher inventory safety margins. This has had a negative impact on our cash flow, which is expected to normalize by halfway through 2022, when Omicron will have subsided and restrictions will have been removed. We have seen an increase in gross margin during the course of 2021. This is partly the effect of a return to a product mix with a higher proportion of proprietary products and partly the effect of high gross margins in newly acquired subsidiaries. The gross margin in 2021 amounted to 45.9 percent (38.3).

Our objective is to achieve pro forma net revenue of SEK 1 billion and an EBITDA margin in excess of SEK 150 million by the end of 2022. Provided that we complete the acquisition of Surplus Diabetic and Seebreath, we will have achieved a pro forma EBITDA of SEK 150 million as early as Q2 2022. In light of this, the Board will review the targets for 2022 in the spring.

ADDvise's application to join Nasdaq First North Premier was approved in December 2021. Nasdaq First North Premier enables companies to prepare for listing on Nasdaq Main Market by setting stricter requirements for information disclosure, corporate governance, and financial reporting.



Lab business unit

Net revenue in the Lab business unit was SEK 217.2 million, which is an increase of 43.8 percent on 2020, when it was SEK 151.0 million. We are continuing to see positive signs from our laboratory customers, who are moving away from low-margin consumables towards clean room equipment and projects as well as laboratory furnishings with better margins. EBITDA margin for the Lab business unit was SEK 25.5 million, an increase on 2020, when it was SEK 6.9 million.

Healthcare business unit

Net revenue in the Healthcare business unit was SEK 248.8 million, an increase of 19.9 percent on 2020, when it was SEK 207.4 million. EBITDA margin for the Healthcare business unit was SEK 30.0 million, an increase on 2020, when it was SEK 12.0 million.

We are working hard to improve the margins in the Healthcare business unit, and I expect a sequential improvement in 2022 partly thanks to operational improvements and partly as a result of acquisitions with higher gross margins.

Acquisitions

We are continuing to work proactively to expand our product portfolio through new and interesting acquisitions within both our business units.

In December 2021, ADDvise signed a letter of intent to acquire JTECH Medical Industries (JTECH). The acquisition was completed in March 2022. JTECH is a U.S. medtech company specialized in developing software and instruments to quantify patients' range of motion, pain, and strength in muscles during rehabilitation of muscle disorders. The company's products are primarily used by chiropractors, physicians, and physical therapists. The products are sold internationally.

In January 2022, ADDvise signed a letter of intent to acquire Surplus Diabetic. Surplus Diabetic is a U.S. medtech company specialized in supplying diabetes products to the U.S. market, such as glucose meters, insulin, and test sticks. Sales are made to pharmacies, wholesalers, and directly to consumers. The acquisition is scheduled to be completed during Q2, 2022.

In February 2022, ADDvise signed a letter of intent to acquire Seebreath AB. Seebreath AB is a Swedish medtech company that develops and manufactures colorimetric CO2 detectors used in respiratory care. The products are used primarily in emergency medical care. This acquisition is also scheduled to be completed during Q2, 2022.

The Board has decided not to propose a dividend for the 2021 financial year in order to deliver on our strong acquisition pipeline.

In March 2022, ADDvise completed a directed new share issue of approximately SEK 100 million before issue costs. A large number of Swedish and international institutional investors participated in the directed new share issue, which was oversubscribed.

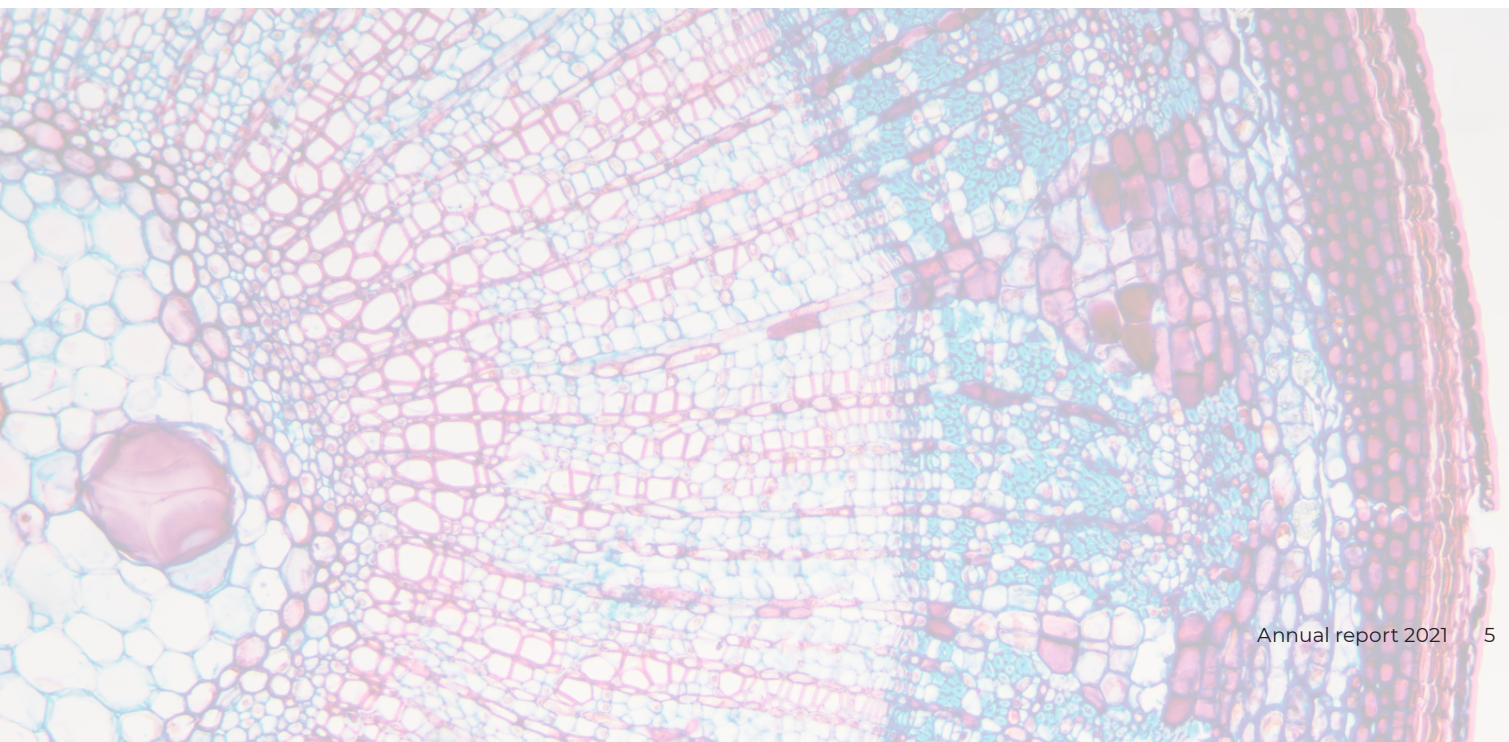
Outlook

We have had a good start of 2022, and I envisage 2022 will be equally as interesting as 2021 when it comes to acquisitions. We have a well-filled acquisition pipeline that we have the opportunity to act on if the price is right. The geographical distribution among the candidates for acquisition is good, but the emphasis is on the medtech segment.

My assessment is that demand in our product segments will increase, and our diverse product portfolio and geographical presence will benefit us. The healthcare debt built up during the two years of the pandemic must be paid off. Many planned interventions have been postponed, and new care needs have arisen in the wake of the pandemic. This will result in increased investment in healthcare equipment. However, ADDvise's long-term revenue growth is driven mainly by a growing and aging population, increased prevalence of chronic illnesses, and greater investment in healthcare as well as in research and development.

Finally, I would like to thank our staff for all their hard work in 2021. It has been a year of challenges with disruptions to both supply chains and our own production as a result of the pandemic. We are now looking forward to 2022, which will see us taking ADDvise to new heights.

Rikard Akhtarzand,
CEO, ADDvise Group AB (publ)

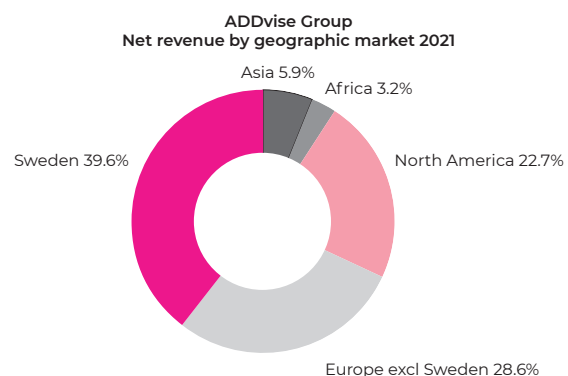
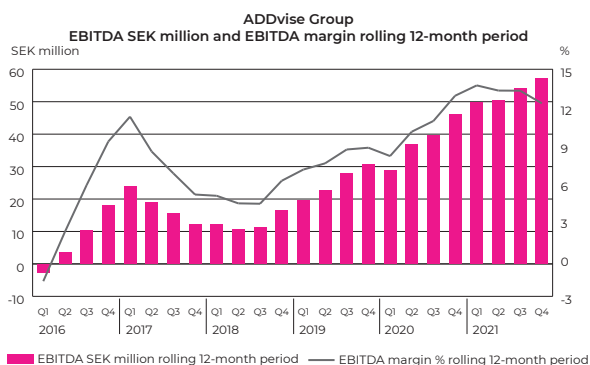
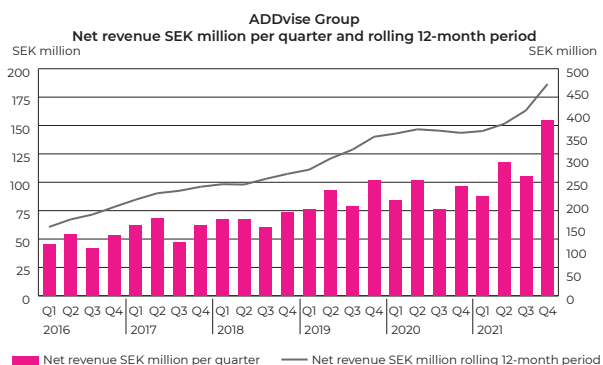


The year in brief

- » ADDvise switched list to Nasdaq First North Premier.
- » Four acquisitions were completed in 2021:
 - MRC Systems FZE develops and constructs clean rooms for the pharmaceuticals industry and hospitals.
 - MediSuite LLC is a U.S. online pharmacy.
 - Graham Medical Technologies, L.L.C. develops and sells orthopedic implants and stents for foot and ankle surgery.
 - Southern Life Systems, Inc. is the market leader in equipment and software for monitoring patients in long-term care.
- » Two letters of intent for acquisitions were signed in 2021:
 - Poly Pharmaceuticals, Inc. develops, manufactures, and markets over-the-counter generic medicines.
 - JTECH Medical develops software and instruments to quantify patients' range of motion, pain, and strength in muscles during rehabilitation of muscle disorders.
- » The Board of ADDvise updated the long-term financial target for the EBITDA margin from 15 percent to 20 percent.
- » The Board of ADDvise updated the long-term financial target for revenue growth from 20 percent to 25 percent.

SEK 466 M

Net revenue 2021



Key performance indicators

SEK thousands	2021	2020	2019
Net revenue	465,953	358,487	349,877
EBITDA	57,261	46,224	30,671
EBITDA margin, %	12.3%	12.9%	8.8%
Operating profit/loss (EBIT)	43,546	34,257	18,629
Operating margin, %	9.3%	9.6%	5.3%
Profit/loss before tax (EBT)	7,658	17,857	1,672
Net margin, %	1.6%	5.0%	0.5%
Profit/loss for the year	2,805	14,637	4,045
Equity ratio, %	23.1%	26.3%	23.3%
Net debt	-228,455	-153,766	-182,793
Number of employees at year-end	285	108	127
Equity per share in SEK	1.50	0.94	0.87
Basic earnings per share in SEK	0.02	0.12	0.04
Diluted earnings per share in SEK	0.02	0.10	0.04
Number of shares at end of period	165,107,273	96,913,631	96,913,631
Average number of shares before dilution	143,133,781	96,913,631	86,841,635
Average number of shares after dilution	143,133,781	113,133,907	89,801,052

For definitions of the key performance indicators, see pages 16–17.

An international and growing group within lab and healthcare

ADDvise Group AB (publ) is an expansive group that supplies integrated solutions in the form of products and services to healthcare and research facilities. The ADDvise Group serves customers in both the private and public sectors. Sales are global.

ADDvise's operations are divided into two business areas, Lab and Healthcare, with a highly decentralized organization. Each company operates as a distinctly separate unit and is run independently in order to maintain its own inventiveness and entrepreneurial flair.

Diversified customer base and product portfolio

Although healthcare is an area where there is constant demand for more care at lower cost, sales of medtech products remain relatively stable and non-cyclical. Most sales are to the public sector, where the demand for care is steadily increasing and equipment is needed in order to provide the care required.

ADDvise's diversified product portfolio provides us with a broad customer base that includes private healthcare providers that deliver publicly funded care, private clinics that are funded through insurance, and—of course—research facilities and other players within life science.

Lab business unit

Within Lab, ADDvise is a turnkey supplier of laboratory furnishings and apparatus to research facilities in both the public and private sectors. In a world of ever-growing requirements for quality, precision, and cleanliness, ADDvise has products to meet every requirement within life science and healthcare.

Healthcare business unit

ADDvise supplies equipment and consumable materials to healthcare units in Sweden, Europe, and North America. Our complete range includes products and customers throughout the healthcare chain, from self-care and home healthcare to surgery and acute, intensive, and emergency medical service care. ADDvise's products include advanced high-tech equipment at the leading edge for the most modern of environments and healthcare facilities.

Our acquisition strategy

Acquisition is one of the most important components of the ADDvise Group's growth strategy. The purpose of the acquisitions is to create critical mass in the different industries in which the Group does business. The critical mass and industrial logic underlying the acquisitions strengthen existing operations and allow new market share to be gained.

The industrial logic in the acquisitions will create long-term value for the company's shareholders. Focus is directed at companies within the life science sector, which constitutes the core of the ADDvise Group. Under this strategy, the attitude toward acquisitions is rather opportunistic.

The ADDvise Group's Board of Directors and executive management have worked with acquisitions over a long period. This means that the competence necessary to identify a good acquisition and then integrate the company is available internally. We are strong with regard to readiness to take on board acquired assets, companies, and company structures.

The payment structure applied by the ADDvise Group consists mainly of a mix of cash, shares, and a supplementary purchase price. We use this payment model partly to create an incentive for the seller to continue assuming responsibility for the development of the company after the sale has taken place, but also to meet the price expectations of the seller.

The companies that ADDvise focuses on are primarily mature companies with historically good cash flows in more-or-less mature industries. The level of risk in these companies must be relatively low. The size of the candidates may vary.

Structural trends and long-term growth

A number of structural trends drive long-term growth in the markets in which ADDvise operates.

A growing population

The global population is expected to grow by two billion people over the next 30 years, which means an annual increase of 83 million people up until 2050. This increase is largely due to more people surviving to childbearing age. Major changes in fertility levels, increased urbanization, and faster migration will also support this growth.

An aging population

Practically every country in the world is experiencing a growth in the proportion of older people in its population. An aging population is one of the biggest social changes of the 21st century. Countries will be exposed to tax burdens and political pressures to maintain healthcare systems.

By 2050, one in six inhabitants in the world is predicted to be over 65 years old, which is almost double the figure from 2019.

Increased incidence of chronic diseases

An aging population and behavioral changes are contributing to a steady increase in chronic diseases. A growing middle class and urbanization are factors that result in a more sedentary lifestyle and new eating habits, leading to obesity and diabetes, among other medical problems. Emerging markets are predicted to suffer the most due to disproportionate population growth and a growing middle class.

Increased healthcare costs

The healthcare sector is growing faster than the overall economy. Between 2000 and 2017, global spending on healthcare increased by 3.7 percent a year, while the economy as a whole grew by 3.0 percent a year. Public sector spending accounts for around 60 percent of global spending on healthcare, increasing by 4.3 percent a year in the period 2000 to 2017.

Technological advances and growing investment in research

Global spending on research and development hit a record high of nearly USD 1.7 billion in 2019. Most countries stimulate investment in both the private and public sectors by setting national research and development targets.

Executive Management



Rikard Akhtarzand
CEO

Born: 1972
Shareholding:
 13,610,879, of which
 2,620,416 are class A shares
 and
 10,990,463 are class B shares
**Holding of call options
 issued by the majority
 shareholder:**
 1,000,000 call options



Fredrik Mella
COO

Born: 1970
Shareholding:
 219,721, of which
 0 are class A shares and
 219,721 are class B shares
**Holding of call options
 issued by the majority
 shareholder:**
 225,000 call options



Hanna Myhrman
General Counsel

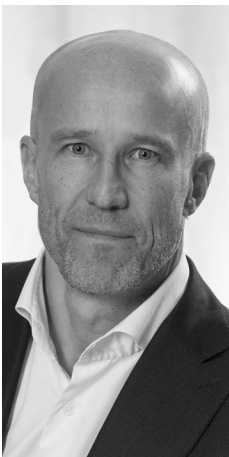
Born: 1992
Shareholding:
 6,940, of which
 0 are class A shares and
 6,940 are class B shares
**Holding of call options
 issued by the majority
 shareholder:**
 25,000 call options



Sebastian Robson
CFO

Born: 1986
Shareholding:
 65,058, of which
 0 are class A shares and
 65,058 are class B shares
**Holding of call options
 issued by the majority
 shareholder:**
 500,000 call options

Board of Directors



**Staffan
Torstensson**
Chairman of the
Board

Born: 1972
Other assignments:
 Partner at Evli Bank
 in the corporate
 finance sector
 and member of
 the board of Tuida
 Holding AB.
Shareholding:
 3,816,660, of which
 600,000 are class A
 shares and 3,216,660
 are class B shares
**Holding of call
 options issued
 by the majority
 shareholder:**
 20,000 call options



**Johanne
Louise
Brændgaard**
Board Member

Born: 1974
Other assignments:
 -
Shareholding:
 0
**Holding of call
 options issued
 by the majority
 shareholder:**
 20,000 call options



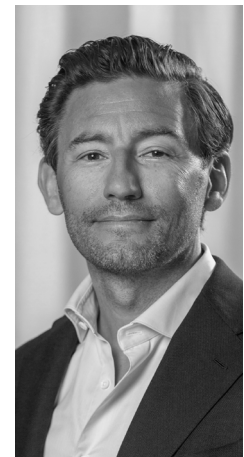
**Fredrik
Celsing**
Board Member

Born: 1967
Other assignments:
 President and CEO
 of Kamic Group AB
 and Amplex AB.
Shareholding:
 37,589, of which
 37,589 are class B
 shares
**Holding of call
 options issued
 by the majority
 shareholder:**
 666,666 call options



**Erland
Pontusson**
Board Member

Born: 1953
Other assignments:
 CEO and Chairman
 of the Board
 at Pontusson
 Consulting AB
Shareholding:
 216,518, of which
 29,420 are class A
 shares and 187,098
 are class B shares
**Holding of call
 options issued
 by the majority
 shareholder:**
 20,000 call options



**Rikard
Akhtarzand**
Board Member and
CEO

Born: 1972
Other assignments:
 Board Member/CEO
 of Kivsvalk AB.
Shareholding:
 13,610,879, of which
 2,620,416 are class
 A shares and
 10,990,463 are class
 B shares
**Holding of call
 options issued
 by the majority
 shareholder:**
 1,000,000 call
 options

Annual General Meeting

The Annual General Meeting of ADDvise Group AB (publ), company registration number 556363-2115 ("the Company" and "ADDvise"), will be held Friday, May 6, 2022 at 10:00 at Grev Turegatan 30 in Stockholm. Registration for the meeting commences at 09:30.

Application to attend

Shareholders wishing to participate in the meeting must:

- » be entered in the register of shareholders maintained by Euroclear Sweden AB on the record date of Thursday, April 28, 2022. Shareholders whose shares are nominee-registered at a bank or other nominee must temporarily register the shares in their own name ("Voting rights registration") in order to participate in the meeting. Shareholders in this category must therefore contact their nominee in good time, in accordance with the nominee's procedures, to request said registration of voting rights. Voting rights registration carried out by the nominee no later than Monday, May 2, 2022, will be reflected in the production of the register of shareholders,
- » and used to notify the Company of participation no later than Monday, May 2, 2022. Applications to attend the meeting should be made by email to hanna.myhrman@addvisigroup.se, or by letter to

ADDvise Group AB (publ)
Attn.: Hanna Myhrman
Grev Turegatan 30
SE-114 38 Stockholm

The application must include the full name, personal ID number or company registration number, address, and telephone number and, where applicable, information about deputies, proxy representatives, and helpers. If shareholders wish to be represented by a proxy representative, a written and dated proxy document must be made available to them. If the proxy document is issued by a legal entity, a certified copy of the certificate of registration or equivalent ("Certificate of Registration") of the legal entity must be attached. The proxy document may not be more than one year old, unless it is valid for a longer period not exceeding five years. The original proxy document and any Certificate of Registration must be available at the meeting and copies of the same should be sent in good time before the meeting by mail or email to the addresses indicated above and should, in order to facilitate entry into the meeting, have been received by the Company no later than Monday, May 2, 2022. A proxy form will be made available on the Company's website, www.addvisigroup.se.

The share and ownership structure

Share capital

The share capital was SEK 16,510,727.30 as at December 31, 2021, divided into 165,107,273 shares, further divided into 7,619,439 class A shares and 157,487,834 class B shares. Class A shares provide entitlement to one (1) vote and class B shares provide entitlement to one-tenth (1/10) of a vote.

The share capital was SEK 18,049,188.90 as at March 14, 2022, divided into 180,491,889 shares, further divided into 7,619,439 class A shares and 172,872,450 class B shares. Class A shares provide entitlement to one (1) vote and class B shares provide entitlement to one-tenth (1/10) of a vote.

Development of share capital

The share capital has developed as follows:

Type of change	Year	No. of new A shares	No. of new B shares	Total no. of shares	Change in share capital, SEK	Total share capital, SEK
Initial share capital	1989	2,000		2,000	200,000	200,000
Bonus issue	1990			2,000	200,000	400,000
Exchange of convertible bonds	1994	733		2,733	146,600	546,600
Bonus issue	1995			2,733	546,600	1,093,200
Stock split 399:1	1997	1,090,467		1,093,200		1,093,200
New share issue	2010	2,186,400		3,279,600	2,186,400	3,279,600
New share issue	2011	638,298		3,917,898	638,298	3,917,898
New share issue	2011	570,000		4,487,898	570,000	4,487,898
New share issue	2012	697,674		5,185,572	697,674	5,185,572
New share issue	2012	190,000		5,375,572	190,000	5,375,572
New share issue	2013	917,432		6,293,004	917,432	6,293,004
New share issue	2014	1,326,435		7,619,439	1,326,435	7,619,439
Bonus issue	2015		7,619,439	15,238,878	7,619,439	15,238,878
New share issue	2016		7,229,300	22,468,178	7,229,300	22,468,178
New share issue	2016		3,791,469	26,259,647	3,791,469	26,259,647
New share issue	2016		2,173,000	28,432,647	2,173,000	28,432,647
Reduction of share capital	2016			28,432,647	-25,589,382	2,843,265
New share issue	2016		2,813,187	31,245,834	281,319	3,124,583
New share issue	2016		5,769,231	37,015,065	576,923	3,701,507
New share issue	2017		1,409,574	38,424,639	140,957	3,842,464
New share issue	2017		4,617,649	43,042,288	461,765	4,304,229
New share issue	2019		43,042,288	86,084,576	4,304,229	8,608,458
New share issue	2019		947,278	87,031,854	94,728	8,703,185
New share issue	2019		1,058,248	88,090,102	105,825	8,809,010
New share issue	2019		8,823,529	96,913,631	882,353	9,691,363
New subscription through warrants	2021		42,787,137	139,700,768	4,278,714	13,970,077
New share issue	2021		25,406,505	165,107,273	2,540,651	16,510,727
New share issue	2022		15,384,616	180,491,889	1,538,462	18,049,189

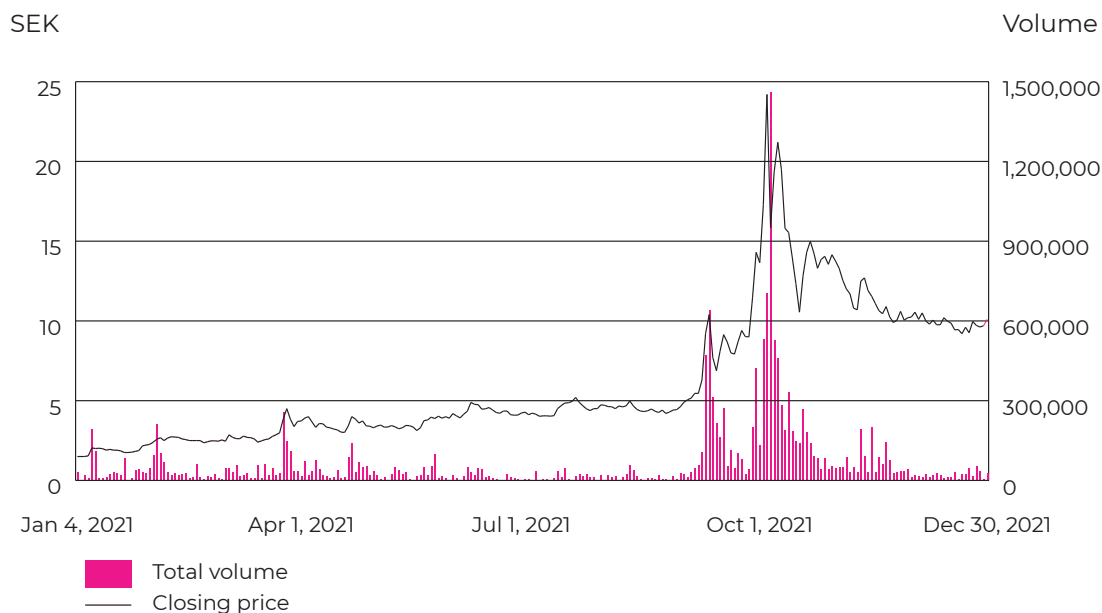
Shareholders in ADDvise Group AB (publ)

Ownership structure of ADDvise as at December 31, 2021, and known changes after this date up to and including March 23, 2022.

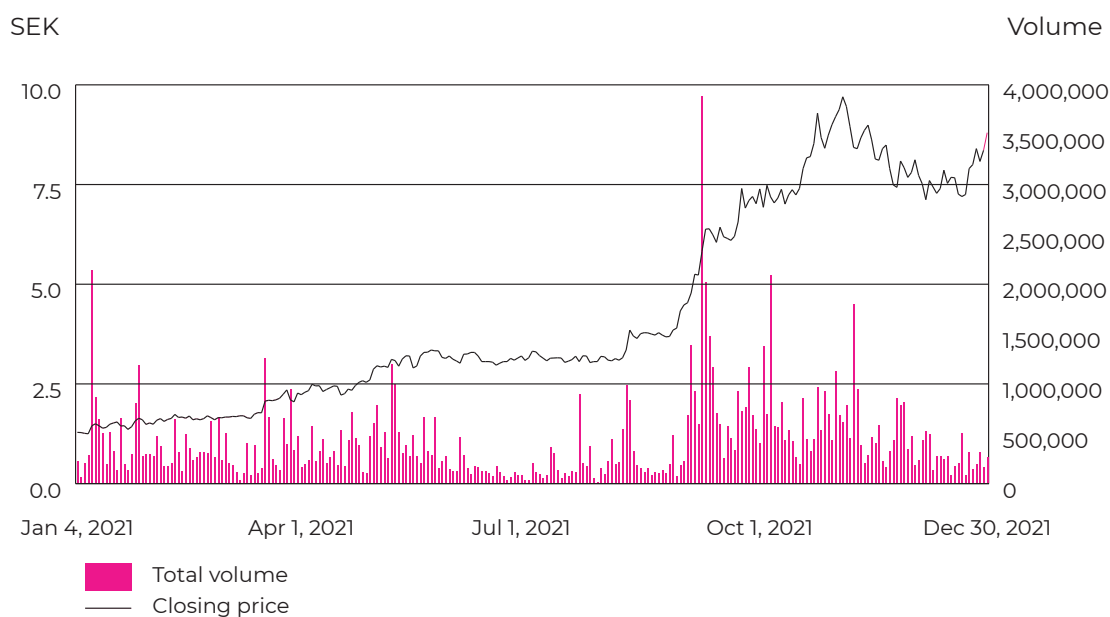
Name	No. of shares	Class A shares	Class B shares	% of votes	% of capital
Per Åhlgren, through companies	33,399,953	0	33,399,953	13.41%	18.50%
Joh. Berenberg, Gossler & Co. KG, through fund	15,515,322	0	15,515,322	6.23%	8.60%
Rikard Akhtarzand, privately and through companies	13,610,879	2,620,416	10,990,463	14.93%	7.54%
Alcur Funds, through fund	10,887,608	0	10,887,608	4.37%	6.03%
Magnus Vahlquist, privately and through companies	10,757,534	363,000	10,394,534	5.63%	5.96%
Fondita Fund Management Company, through fund	7,536,221	0	7,536,221	3.03%	4.18%
Caracal AB	6,446,696	1,099,866	5,346,830	6.56%	3.57%
Lupus Alpha Asset Management AG, through fund	6,400,000	0	6,400,000	2.57%	3.55%
Staffan Torstensson, through company	3,816,660	600,000	3,216,660	3.70%	2.11%
Erik Mitteregger	3,020,000	0	3,020,000	1.21%	1.67%
Other shareholders	69,101,016	2,936,157	66,164,859	38.35%	38.28%
Total	180,491,889	7,619,439	172,872,450	100.00%	100.00%



Class A share closing prices from January 4th, 2021, to December 30th, 2021



Class B share closing prices from January 4th, 2021, to December 30th, 2021



Definitions of key performance indicators

In its financial reports, ADDvise uses alternative performance measures, in other words financial measures that are not defined in IFRS. The company management uses these performance measures to assess the Group's financial development as a complement to the performance indicators that represent generally accepted accounting practice. Financial measures not defined in accordance with IFRS are presented below.

Number of employees

The number of employees working at the end of the period. The Group's definition is unchanged from previous periods.

EBITDA

Operating profit/loss before depreciation, amortization, and impairment. 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, amortization, and impairment (EBITDA) as operating profit/loss from continuing operations excluding depreciation and amortization relating to property, plant, and equipment and intangible assets. The Group's definition is unchanged from previous periods.

SEK thousands	2021	2020	2019
Operating profit/loss, see below	43,546	34,257	18,629
Plus reversal of depreciation, amortization, and impairment	13,716	11,967	12,042
= EBITDA	57,261	46,224	30,671

EBITDA margin

Operating profit/loss before depreciation, amortization, and impairment as a percentage of net revenue. The Group's definition is unchanged from previous periods.

SEK thousands	2021	2020	2019
Operating profit/loss, see below	43,546	34,257	18,629
Plus reversal of depreciation, amortization, and impairment	13,716	11,967	12,042
= EBITDA	57,261	46,224	30,671
Divided by net revenue	465,953	358,487	349,877
= EBITDA margin as a %	12.3%	12.9%	8.8%

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. The Group's definition is unchanged from previous periods.

SEK thousands	2021	2020	2019
Equity attributable to the parent company's shareholders	247,275	90,966	84,003
Divided by number of shares at end of period	165,107,273	96,913,631	96,913,631
= Equity per share in SEK	1.50	0.94	0.87

Net margin

Profit/loss after net financial items as a percentage of net revenue. The Group's definition is unchanged from previous periods.

SEK thousands	2021	2020	2019
Profit/loss for the year	2,805	14,637	4,045
Plus reversal of tax on profit/loss for the year	4,853	3,219	-2,373
= Profit/loss after net financial items	7,658	17,857	1,672
Divided by net revenue	465,953	358,487	349,877
= Net margin as a %	1.6%	5.0%	0.5%

Net debt

The Group defines net debt as the net sum of cash and cash equivalents, including 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 goals adopted by the Board of Directors in 2017.

The Group's definition is unchanged from previous periods but from the annual report for 2020 onwards, liabilities relating to deferred payment of taxes and charges as a result of COVID-19 are reported separately.

SEK thousands	2021	2020	2019
Cash and cash equivalents	325,735	39,606	13,259
Short-term investments	0	0	0
Loans due for repayment within one year	-29,044	-38,304	-51,737
Deferred tax payments	0	-12,626	-
Other interest-bearing liabilities due for repayment within one year	0	0	0
Loans due for repayment after one year or more	-525,145	-142,442	-144,316
= Net debt	-228,455	-153,766	-182,793

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 EBITDA. The Group monitors this performance indicator since it shows the level of debt and is one of the long-term financial targets adopted by the Board of Directors in 2017. The Group's definition is unchanged from previous periods. For definitions of EBITDA and net debt, see above.

SEK thousands	2021	2020	2019
Cash and cash equivalents	325,735	39,606	13,259
Short-term investments	0	0	0
Loans due for repayment within one year	-29,044	-38,304	-51,737
Deferred tax payments	0	-12,626	-
Other interest-bearing liabilities due for repayment within one year	0	0	0
Loans due for repayment after one year or more	-525,145	-142,442	-144,316
= Net debt	-228,455	-153,766	-182,793
Divided by EBITDA	57,261	46,224	30,671
= Net debt-to-EBITDA	4.0	3.3	6.0

OPEX

The Group defines OPEX as the sum of other external expenses, personnel costs, and other operating expenses (OPERating EXPenses). The Group monitors this performance indicator since it shows the effectiveness of cost-saving initiatives and cost control. The Group's definition is unchanged from previous periods.

SEK thousands	2021	2020	2019
Other external expenses	-47,334	-27,060	-31,443
Personnel costs	-112,468	-70,929	-77,060
Other operating expenses	0	-1,600	-1,215
= OPEX	-159,802	-99,589	-109,717

Orders received

New customer orders received during the year. For large customer orders with delivery plans which covers several financial years, supplements and deductions are made for changes even if the sales order has been received in previous years. The key performance indicator has previously been presented only in ADDvise's interim reports, and not in the annual reports. Starting with the 2021 annual report, the key performance indicator will also be included in the company's annual reports.

Profit/loss before tax (EBT)

Profit/loss after net financial items. The Group's definition is unchanged from previous periods.

SEK thousands	2021	2020	2019
Profit/loss for the year	2,805	14,637	4,045
Plus reversal of tax on profit/loss for the year	4,853	3,219	-2,373
= Profit/loss before tax (EBT)	7,658	17,857	1,672

Operating margin

Operating profit/loss as a percentage of net revenue. The Group's definition is unchanged from previous periods.

SEK thousands	2021	2020	2019
Profit/loss for the year	2,805	14,637	4,045
Plus reversal of tax on profit/loss for the year	4,853	3,219	-2,373
Plus reversal of financial expenses	37,423	16,494	17,186
Minus reversal of financial income	-1,535	-94	-229
= Operating profit/loss (EBIT)	43,546	34,257	18,629
Divided by net revenue	465,953	358,487	349,877
= Operating margin as a %	9.3%	9.6%	5.3%

Operating profit/loss (EBIT)

Profit/loss before financial items and tax. The Group's definition is unchanged from previous periods.

SEK thousands	2021	2020	2019
Profit/loss for the year	2,805	14,637	4,045
Plus reversal of tax on profit/loss for the year	4,853	3,219	-2,373
Plus reversal of financial expenses	37,423	16,494	17,186
Minus reversal of financial income	-1,535	-94	-229
= Operating profit/loss (EBIT)	43,546	34,257	18,629

Equity ratio

Adjusted equity as a percentage of total assets. The Group's definition is unchanged from previous periods.

SEK thousands	2021	2020	2019
Equity	247,275	91,049	84,142
Divided by total assets	1,069,442	345,743	360,367
= Equity ratio as a %	23.1%	26.3%	23.3%

Directors' Report

The Board of Directors and the CEO of ADDvise Group AB (publ) hereby submit the annual report and consolidated financial statements for 2021.

Information about the company

ADDvise Group AB (publ) is an expansive group that supplies integrated solutions in the form of products and services to healthcare and research facilities. The ADDvise Group serves customers in both the private and public sectors. Sales are global.

The parent company ADDvise Group AB (publ), company registration number 556363-2115, was registered on July 6, 1989, and has its registered office in Stockholm. ADDvise has 20 group companies. For information on each group company, see *Note K13 Holdings in other companies*. Operations are conducted at the parent company and all group companies.

ADDvise's class A share is listed at the S SME trading venue, on the Nasdaq First North Premier Growth Market Sweden. The stock short name is ADDV A and the share's ISIN code is SE0001306119. One (1) class A share equals one (1) vote.

ADDvise's class B share is listed at the S SME trading venue, on the Nasdaq First North Premier Growth Market Sweden. The stock short name is ADDV B and the share's ISIN code is SE0007464862. One (1) class B share equals one-tenth (1/10) of a vote.

ADDvise's warrants in series 2019/2021 were listed at the S SME trading venue, on the Nasdaq First North Growth Market Sweden. The short name for the warrants was ADDV TO 1 and the ISIN code was SE0012142370. The exercise period for the warrants ran from January 25, 2021 to February 8, 2021. The warrants in series 2019/2021 that were not sold by February 4, 2021, at the latest, or exercised no later than February 8, 2021, expired without value.

The company's bonds are registered for trading on the Corporate Bond List of Nasdaq Stockholm. For the bond loan issued in 2017, the short name for the bonds was ADDVISE 002 and the ISIN code was SE00010298166. The bonds were redeemed early and delisted from Nasdaq Stockholm in conjunction with the redemption date of June 18, 2021. For the bond loan issued in 2021, the short name for the bonds was ADDV02 and the ISIN code was SE0015222088.

Mangold Fondkommission AB is the Certified Adviser of ADDvise.

Shareholders, other stakeholders, and the general public can subscribe to ADDvise's reports and press releases by registering at <https://www.addvisigroup.com/press/subscription-service/>.

The Group's development 2017–2021

SEK thousands	2021	2020	2019	2018	2017
Net revenue	465,953	358,487	349,877	268,219	239,914
EBITDA	57,261	46,224	30,671	16,487	12,142
EBITDA margin, %	12.3%	12.9%	8.8%	6.1%	5.1%
Operating profit/loss (EBIT)	43,546	34,257	18,629	10,768	7,635
Operating margin, %	9.3%	9.6%	5.3%	4.0%	3.2%
Equity ratio, %	23.1%	26.3%	23.3%	17.7%	17.6%
Net debt	-228,455	-153,766	-182,793	-166,973	-148,014
Net debt-to-EBITDA (multiple)	4.0	3.3	6.0	10.1	12.2
Equity per share in SEK	1.50	0.94	0.87	1.19	1.13
Number of employees at year-end	285	108	127	122	85

Market

ADDvise's operations are organized into two business units: Lab and Healthcare.

Lab business unit

Within Lab, ADDvise is a turnkey supplier of laboratory furnishings and apparatus to research facilities in both the public and private sectors. In a world of ever-growing requirements for quality, precision, and cleanliness, ADDvise has products to meet every requirement within life science and healthcare.

Healthcare business unit

ADDvise supplies equipment and consumable materials to healthcare units primarily in Sweden, Europe, and North America. Our complete range includes products and customers throughout the healthcare chain, from self-care and home healthcare to surgery and acute, intensive, and emergency medical service care. ADDvise's products include advanced high-tech equipment at the leading edge for the most modern of environments and healthcare facilities.

Net revenue and profit/loss

- » Net revenue for 2021 was SEK 466.0 million (358.5), an increase of 30.0% compared with the previous year
- » EBITDA for 2021 was SEK 57.3 million (46.2)
- » Operating profit for 2021 was SEK 43.5 million (34.3)
- » Profit for the year for 2021 was SEK 2.8 million (14.6)
- » Basic earnings per share for 2021 were SEK 0.02 (0.12)

Outlook and significant uncertainties

Our assessment is that demand in our product segments will increase, and our diverse product portfolio and geographical presence will benefit us. The healthcare debt built up during the two years of the pandemic must be paid off. Many planned interventions have been postponed, and new care needs have arisen in the wake of the pandemic, which will result in increased investment in healthcare equipment. However, ADDvise's long-term revenue growth is driven mainly by a growing and aging population, increased prevalence of chronic illnesses, and greater investment in healthcare as well as in research and development.

We are continuing to work proactively to expand our product portfolio through new and interesting acquisitions within both our business units.

Financial position

Acquisitions

ADDvise made four acquisitions in 2021:

- » In February 2021, ADDvise entered into a share transfer agreement with the shareholders of MRC Systems FZE relating to the acquisition of 100 percent of the shares in MRC Systems FZE. The acquisition was completed on June 17, 2021. The business is included in the Group's income statement from the date on which the controlling interest arose, which was March 28, 2021.
- » In July 2021, ADDvise entered into a share transfer agreement with the shareholders of MediSuite LLC relating to the acquisition of 100 percent of the shares in MediSuite. The acquisition was completed on August 4, 2021.
- » In September 2021, ADDvise entered into a share transfer agreement with the shareholder of Graham Medical Technologies, L.L.C. (GraMedica) relating to the acquisition of 100 percent of the shares in GraMedica. The acquisition was completed on September 15, 2021.
- » In November 2021, ADDvise entered into a share transfer agreement with the shareholders of Southern Life Systems, Inc. (SLS) relating to the acquisition of 100 percent of the shares in SLS. The acquisition was completed on November 24, 2021.

For information on the acquired companies and acquisition analyses, see Note 12 *Acquisitions*.

Changes in intangible non-current assets

The change in goodwill during 2021 was SEK 132.2 million (-4.9). The change in trademarks during 2021 was SEK 105.2 million (-0.2).

Investments in intangible non-current assets

Intangible non-current assets other than goodwill and trademarks account for the majority of capitalized expenditure for development work and similar activities. Investments in capitalized expenditure for development work and similar activities during 2021 totaled SEK 2.8 million (0.8).

ADDvise develops its own products within the fields of laboratory furnishings, safety ventilation, consumables for healthcare, safety products for healthcare, and examination and operating tables. Work continued on modernizing the Group's product lines during 2021. The aim of this product development work is to improve profitability by reducing manufacturing costs and increasing sales by being at the leading edge in terms of product range.

Investments in property, plant, and equipment

Investments in property, plant, and equipment in 2021 totaled SEK 19.9 million (6.0). Investments in property, plant, and equipment include leased non-current assets in accordance with IFRS 16 Leases.

Equity

Equity at year-end was SEK 247.3 million (91.0), of which SEK 247,275,000 is attributable to the shareholders of the parent company, which corresponded to SEK 1.50 (0.94) per outstanding share at year-end before dilution. There is no longer a non-controlling interest. ADDvise's holdings in one of the subsidiaries increased from 80 percent to 100 percent in 2021 for a purchase price of SEK 0.1 million.

Equity ratio

The equity ratio at year-end was 23.1% (26.3%).

Net debt

Net debt at the end of the period totaled SEK 228.5 million (153.8). The ratio of interest-bearing net debt to EBITDA at the end of the period was 4.0 (3.3).

One of the Group's long-term financial targets is for the ratio of interest-bearing net debt to EBITDA not to exceed 3.0.

EBITDA according to the Group's definition of the ratio of net debt to EBITDA is not calculated pro forma, which means that as at the end of 2021 this performance indicator is affected by the consolidation of most of the year's acquisitions in the second half of the year. New acquisitions have therefore not contributed EBITDA throughout the year, which means that the ratio of net debt to EBITDA has increased.

In May 2021, ADDvise issued a senior secured bond loan (ISIN SE0015222088) with an initial volume of SEK 250.0 million within a framework of SEK 500.0 million. The net proceeds were intended to be used for redemption of the then outstanding 2017/2022 bond loan and other credit facilities, as well as to provide financing for general company purposes, including acquisitions. In October 2021, additional secured bonds of SEK 250.0 million were placed within the framework of SEK 500.0 million. The net proceeds were intended to finance acquisitions. For more information, see below under *Significant events during the financial year*.

At the end of the period, loans and other interest-bearing liabilities due for repayment within one year totaled SEK 29.0 million (50.9). Loans and other interest-bearing liabilities due for repayment within one year include bank loans of

SEK 7.9 million (11.5), pledged trade receivables of SEK 12.5 million (21.5), utilized overdraft facilities of SEK 0.0 million (0.3), lease liabilities of SEK 8.6 million (5.0), and liabilities relating to deferred payment of taxes and charges as a result of the pandemic of SEK 0.0 million (12.6). Pledged trade receivables and overdraft facilities are classified as short-term borrowing, but this portion of short-term borrowing is continuously refinanced.

At the end of the period, loans due for repayment after one year totaled SEK 525.1 million (142.4). Loans due for repayment after one year or more include the Group's bond loan of SEK 487.1 million (135.3), bank loan of SEK 1.5 million (0.0), and lease liabilities of SEK 36.5 million (7.1). The increase in lease liabilities is partly attributable to newly acquired companies.

Cash flow

Cash and cash equivalents

Cash and cash equivalents at year-end totaled SEK 325.7 million (39.6). The Group had an overdraft facility of SEK 29.1 million (20.0) at year-end, of which SEK 0.0 million (0.3) was utilized.

Operating activities

Operating cash flow for 2021 totaled SEK 10.2 million (57.4).

In 2021, liabilities in the amount of SEK 12.6 million for deferral of payment of taxes and charges due to the pandemic were paid.

Deferred payment of taxes and charges of SEK 12.6 million was granted during 2020 due to the pandemic.

The effect of this deferral, together with the granting of the deferral, is reported in the consolidated statement of cash flows under operating cash flow. Excluding payment of the deferred taxes and charges, and the granting of the deferral for the comparison period, operating cash flow totaled SEK 22.8 million (44.8).

Investing activities

Investing cash flow for 2021 totaled SEK -201.7 million (-7.2).

The acquisitions of Graham Medical Technologies, L.L.C., MediSuite LLC, MRC Systems FZE, and Southern Life Systems, Inc. were completed during the period. Injections of cash and cash equivalents from acquired companies at the time of consolidation of new acquisitions in the Group totaled SEK 17.3 million (0.0) during the period.

Short-term investments

Short-term investments totaled SEK 0.0 million (0.0) at year-end. In 2020, ADDvise acquired its own bonds that were repaid in full on June 17,

2021. For the purposes of comparison periods, in the consolidated statement of financial position and on the parent company's balance sheet, the holding has been offset against the liability for the bond loan, which is included as a net amount that reflects ADDvise's expected cash flow upon settlement of the financial instrument, since the asset and liability were settled simultaneously.

Financing activities

Financing cash flow for 2021 totaled SEK 474.0 million (-23.3).

Bond loan 2021/2024

In May 2021, ADDvise placed a senior secured bond loan with an initial volume of SEK 250.0 million within a framework of SEK 500.0 million. In October 2021, ADDvise placed additional secured bonds of SEK 250.0 million within the framework. The bonds placed in October 2021 were issued on November 5, 2021.

The bond loan of SEK 500.00 million has a maturity of three years with a final repayment date of May 21, 2024 and a variable interest rate of three months STIBOR plus 725 basis points. The issue was received with great interest, mainly from institutional investors within and outside the Nordic region, and was heavily oversubscribed. In October 2021, the bonds were placed at a price of 101.5 percent of face value.

ADDvise applied to list the bond loan on the corporate bond list on Nasdaq Stockholm. ADDvise prepared a prospectus for this. The prospectus was approved by the Swedish Financial Supervisory Authority (FI). The prospectus is available via the FI website (www.fi.se) and ADDvise website (www.addvisigroup.com). The bonds were admitted to trading in July 2021, with the short name ADDV02 and ISIN code SE0015222088. The bonds issued on November 5, 2021 were admitted to trading in December 2021. In conjunction with this, another prospectus was prepared, which is available via the FI website (www.fi.se) and ADDvise website (www.addvisigroup.com).

The net proceeds from the bond issue were used to refinance ADDvise's outstanding 2017/2022 bond loan with ISIN SE0010298166 and other credit facilities, as well as being used in the past and future to provide financing for general company purposes, including acquisitions.

In December 2021, ADDvise instructed the agent for the bond loan to commence a written procedure in which ADDvise asked bondholders for permission to amend paragraphs (i) and (r) of the "Permitted Debt" definition in the general

terms and conditions of the bonds and to amend paragraph (f) of the "Permitted Security" definition in the terms and conditions.

The proposed changes will allow ADDvise to optimize the Group's working capital financing and to prevent an increase in the amount due in advance for future acquisitions. This will lower the Group's total financing costs, reduce the financial risk associated with acquisitions, enable ADDvise to continue making attractive and significant acquisitions, and facilitate the overall continued growth of the Group.

The agent sent out the written procedure notice to all bondholders on December 16, 2021. The written procedure was launched on December 22, 2021 and ended on January 14, 2022. Bondholders must have met the formal criteria as at December 22, 2021 to be permitted to participate in the written procedure. This meant that a bondholder must either be a direct-registered owner or trustee of one or more bonds in a securities account registered with Euroclear Sweden AB.

After the end of the year, in January 2022, a sufficient number of bondholders approved the changes.

Bond loans 2017/2022

In May 2021, ADDvise announced its intention to redeem up to SEK 240,000,000 in senior secured fixed rate bond loans with ISIN SE0010298166 early in accordance with clause 8.3 (Voluntary Redemption of the Company) in the terms of the bonds.

The redemption date was June 18, 2021. The redemption amount for each bond was 100.00 percent of the nominal amount of the bonds, plus accrued interest until (and including) the redemption date. The redemption amount was paid to bondholders who were registered as bondholders on the relevant record date (June 11, 2021). The obligation for ADDvise to redeem the bonds on the redemption date was conditional upon fulfilling the conditions for payment of the issue proceeds from ADDvise up to SEK 500,000,000 of secured bond loans with ISIN SE0015222088.

The bonds with ISIN SE0010298166 were delisted from Nasdaq Stockholm in conjunction with the redemption date.

Net cash flow

Net cash flow for 2021 was SEK 282.5 million (26.9). The acquisitions of Graham Medical Technologies, L.L.C., MediSuite LLC, MRC Systems FZE, and Southern Life Systems, Inc. were completed during the year. Injections of cash and cash

equivalents from acquired companies at the time of consolidation of new acquisitions in the Group totaled SEK 17.3 million (0.0) during the year. See also Note K12 *Acquisitions*.

Employees and organization

The average number of employees during the year was 214 (118).

At the time of publication of the annual report, the ADDvise Group has a shared organization with an executive management consisting of:

- » CEO, Rikard Akhtarzand
- » General Counsel, Hanna Myhrman
- » CFO, Sebastian Robson
- » COO, Fredrik Mella

Sustainability report

The Board of ADDvise has prepared a sustainability report for 2021 in accordance with Chapters 6 and 7 of the Swedish Annual Accounts Act (1995:1554).

The sustainability report is a separate publication and is available on the Group's website, www.addvisigroup.com.

Significant events during the financial year

ADDvise switched list to Nasdaq First North Premier

ADDvise applied to join Nasdaq First North Premier and received approval for this on December 22, 2021. ADDvise therefore changed list as of December 23, 2021.

Nasdaq First North Premier enables companies to prepare for listing on Nasdaq Main Market by setting stricter requirements for information disclosure, corporate governance, and financial reporting. ADDvise shareholders are not required to take any action in conjunction with the change of list to Nasdaq First North Premier. The company's shares will be traded under the same stock short names and ISIN codes as before.

Acquisitions

The acquisitions of Graham Medical Technologies, L.L.C., MediSuite LLC, MRC Systems FZE, and Southern Life Systems, Inc. were completed during the year.

Furthermore, letters of intent were drawn up on the acquisition of JTECH Medical and Poly Pharmaceuticals, Inc.

MRC Systems FZE

In February 2021, ADDvise entered into a share transfer agreement with the shareholders of MRC Systems FZE relating to the acquisition of 100 percent of the shares in MRC Systems FZE. The acquisition was completed on June 17, 2021. The company will be consolidated into the ADDvise Group as of March 28, 2021.

MRC develops and constructs clean rooms for the pharmaceuticals industry and for hospitals. MRC is based in Dubai, where its head office and production facility are located. The company has one further production facility in Spain. MRC's revenue for the 2019/2020 financial year totaled USD 9.8 million with an EBITDA margin of USD 1.1 million. The company has around 110 employees.

The total purchase price was USD 8.0 million, of which USD 4.5 million was paid in cash on completion of the acquisition, with USD 0.5 million through an interest-free three-year promissory note. Additional purchase price consideration of a maximum of USD 3.0 million may be payable over a three-year period, provided that the sellers meet pre-agreed financial targets. The acquisition was financed using the company's own funds. The acquisition has had a positive effect on ADDvise earnings per share during the 2021 financial year. For further information about the acquisition, see Note K12 *Acquisitions*.

MediSuite LLC

On July 30, 2021, ADDvise entered into a share transfer agreement with the shareholders of MediSuite LLC relating to the acquisition of 100 percent of the shares in MediSuite. The acquisition was completed on August 4, 2021. The company will be consolidated into the ADDvise Group as of August 4, 2021.

MediSuite is a U.S. online pharmacy that has specialized in drugs in the Men's Health segment. The drugs marketed by MediSuite are primarily used for the treatment of cancer, incontinence, and impotence. MediSuite's customers are mainly urologists and oncologists. MediSuite is based in Cary, North Carolina.

Revenue for the 2020 financial year totaled USD 3.0 million with an adjusted operating profit of USD 1.4 million and an adjusted operating margin of 48 percent.

The total purchase price for MediSuite was USD 10.3 million, of which USD 6.4 million was paid in cash on completion of the acquisition, USD 0.1 million came from a retention payment, and USD 1.3 million came from a two-year interest-free promissory note. Two possible additional purchase price considerations may be payable, which at the time of acquisition are estimated to total USD 2.5 million, provided that the seller meets pre-agreed targets for 2022 and 2023. The acquisition was financed using the company's own funds. The acquisition has had a positive effect on ADDvise earnings per share during the 2021 financial year. For further information about the acquisition, see Note K12 *Acquisitions*.

Graham Medical Technologies, L.L.C.

In September 2021, ADDvise entered into a share transfer agreement with the shareholder of Graham Medical Technologies, L.L.C. (GraMedica) relating to the acquisition of 100 percent of the shares in GraMedica. The acquisition was completed on September 15, 2021. The company will be consolidated into the ADDvise Group as of September 15, 2021.

GraMedica specializes in the development of orthopedic implants and stents for foot and ankle surgery. Since GraMedica was founded in 2003, the company has developed a portfolio of patented foot and ankle implants, including top seller HYPROCURE®. The implants are designed to correct foot and ankle problems in patients, and are used by orthopedic surgeons all over the world.

GraMedica is headquartered in Michigan, U.S.A., and distributes its products in the United States, Europe, and Asia. The company also has a sales office in Shanghai, China.

Revenue for the 2020 financial year totaled USD 3.3 million with an adjusted operating profit of USD 0.9 million.

The total purchase price for GraMedica was USD 5.9 million, of which USD 3.8 million was paid in cash on completion of the acquisition and USD 0.3 million came from a retention payment. Two possible additional purchase price considerations totaling a maximum of USD 1.8 million may be payable, provided that the seller meets pre-agreed targets. The two potential additional purchase price considerations amount to a maximum of USD 0.7 million for the 2021 financial year and USD 1.1 million for the 2022 financial year. The acquisition was financed using the company's own funds. The acquisition has had a positive effect on ADDvise earnings per share during the 2021 financial year. For further information about the acquisition, see Note K12 *Acquisitions*.

Southern Life Systems, Inc.

In November 2021, ADDvise entered into a share transfer agreement with the shareholders of Southern Life Systems, Inc. (SLS) relating to the acquisition of 100 percent of the shares in SLS. The acquisition was completed on November 24, 2021. The company will be consolidated into the ADDvise Group as of November 24, 2021.

SLS is a U.S. medtech company that is the market leader in equipment and software for monitoring patients in long-term care. The company has developed Rosie 4, Rosebud, and RCS software, which together streamline the monitoring of vital parameters in patients in long-term care and retirement homes.

SLS is based in Savannah, Georgia. Revenue for the 2020 financial year totaled USD 11.6 million with an adjusted EBITDA of USD 1.7 million. Income consists of recurring software revenue from RCS software, revenue from sales of the proprietary Rosie 4 and Rosebud products and of related consumables.

The transaction took place for a total purchase price of USD 11.0 million, divided into an initial purchase price consideration of USD 7.6 million on a cash and debt-free basis plus two possible additional purchase price considerations, provided that the sellers meet pre-agreed targets. The two potential additional purchase price considerations amount to a maximum of USD 1.5 million for the 2022 financial year and USD 1.9 million for the 2023 financial year.

The acquisition was financed using the company's own funds. ADDvise believes that the acquisition will have a positive impact on ADDvise's earnings per share. For further

information about the acquisition, see Note K12 *Acquisitions*.

Poly Pharmaceuticals, Inc.

On October 21, 2021, ADDvise signed a letter of intent with the shareholders of Poly Pharmaceuticals, Inc. (Poly Pharma) relating to the acquisition of 100 percent of the shares in Poly Pharma. The acquisition of Poly Pharma was completed after the end of the year. On February 12, 2022, a share transfer agreement was signed with the shareholders of Poly Pharma relating to the acquisition of 100 percent of the shares in Poly Pharma.

Poly Pharma is a U.S. pharmaceutical company specializing in the development, manufacture, and marketing of over-the-counter generic drugs for the treatment of cough, cold, allergy, and sinusitis, as well as for urological health and pain relief. Sales are primarily to pharmacies and general practitioners. The company markets and sells 20 proprietary medicines on the U.S. market, including Folite, Deconex, Poly Tussin, Alahist, and Poly Hist.

Poly Pharma is based in Huntsville, Alabama. Revenue for the last 12 months as at September 30, 2021 totaled USD 8.3 million, with EBITDA of USD 2.0 million, which corresponds to an EBITDA margin of 24.4 percent.

The purchase price for Poly Pharma was USD 13.0 million, divided into an initial purchase price consideration of USD 7.0 million and two possible additional purchase price considerations, estimated at the time of acquisition as USD 1.0 million each, provided that the sellers achieve pre-agreed targets. The purchase price also included an interest-free seller promissory note of USD 4.0 million with a maturity of 24 months. The acquisition was financed using the company's own funds.

For a preliminary acquisition analysis, see Note K12c *Acquisitions 2022*. The acquisition is not included in the consolidated financial statements for 2021. The company will be consolidated into the ADDvise Group as of February 12, 2022.

JTECH Medical

On December 22, 2021, ADDvise signed a letter of intent with the shareholder of JTECH Medical (JTECH) relating to the acquisition of 100 percent of the shares in JTECH. The acquisition of JTECH was completed after the end of the year. On March 3, 2022, a share transfer agreement was signed with the shareholder of JTECH relating to the acquisition of 100 percent of the shares in JTECH.

JTECH is a U.S. medtech company specialized

in developing software and instruments to quantify patients' range of motion, pain, and strength in muscles during rehabilitation of muscle disorders. The company's products are primarily used by chiropractors, physicians, and physical therapists. The products are sold globally.

JTECH is based in Salt Lake City, Utah. JTECH's revenue for 2021 was USD 3.2 million, with EBITDA of USD 1.1 million, which corresponds to an EBITDA margin of 34.3 percent. The company's revenue consists of license income from the software and income from the sale of related instruments.

The purchase price for JTECH was USD 7.3 million, divided into an initial purchase price consideration of USD 4.5 million and two possible additional purchase price considerations, estimated at the time of acquisition to be a maximum of USD 1.0 million and USD 1.2 million respectively, provided that the seller achieves pre-agreed targets. The purchase price also included an interest-free seller promissory note of USD 0.6 million with a maturity of 24 months. The acquisition was financed using the company's own funds.

For a preliminary acquisition analysis, see Note K12c *Acquisitions 2022*. The acquisition is not included in the consolidated financial statements for 2021. The company will be consolidated into the ADDvise Group as of March 3, 2022.

Impact of coronavirus on ADDvise during 2021

During the year, the Group has continued to experience disruptions in supply chains. Sick leave in the Group's own production units combined with sick leave at our subcontractors has led to the Group needing to maintain higher inventory safety margins. During Q4 of the year, the Group had no tangible income attributable to COVID-19.

Updated long-term financial targets

On September 23, 2021, the Board of ADDvise adopted a new long-term financial target for the EBITDA margin. The previous long-term financial target for the EBITDA margin was 15 percent. The new long-term financial target for the EBITDA margin is set at 20 percent. On September 23, 2021, the long-term financial target for operating growth was also updated from 20 percent to 25 percent.

Major contracts and orders during the year

- » Order from Takura AB, a cell therapy company, for the construction of clean rooms and laboratory equipment for its production facility. Order value approximately SEK 9 million. Delivery took place in 2021.
- » Order from Cordeel, a multinational contracting company, for the construction

of clean rooms for drug production in a production facility in Bulgaria. Order value USD 1.8 million. Delivery is scheduled for 2022.

- » Order from Masarat in Saudi Arabia, a company specializing in biosecurity and clean room services, for design and building assignments for two clean room facilities for IAU University in Saudi Arabia. Order value USD 0.8 million. Delivery is scheduled for 2022.
- » Order from Masarat in Saudi Arabia for design and building assignments for a clean room facility for Advanced Bio-Medical Industrial Co in Saudi Arabia. Order value USD 0.5 million. Delivery is scheduled for 2022.
- » Award decisions from Oulu University Hospital in Finland relating to the supply of X-ray equipment and servicing over a 10-year period for a total value of approx. EUR 5 million. First deliveries are expected to take place in 2023.

A new CFO for ADDvise

Aaron Wong, Chief Financial Officer (CFO) and member of the ADDvise Executive Management since October 2018, decided in July 2021 to leave his position. The reason for this decision was that Aaron Wong wants to focus on his family and seek new challenges.

Bengt Miller was appointed temporary CFO and temporary member of the Group's Executive Management on November 29, 2021. He held this post until ADDvise's new CFO, Sebastian Robson, took up the role. Bengt Miller has a background as an auditor with extensive experience as CFO for companies in a variety of industries.

Sebastian Robson was appointed the new CFO and member of the Group's Executive Management on February 28, 2022. Sebastian's most recent position was CFO for Hexicon AB (publ), a company listed on Nasdaq First North. He has extensive experience of leading international financial teams in EF Education First, with this role involving postings in the United Kingdom, Canada, and Switzerland, among others. He has a master's degree in management from the University of Edinburgh, UK.

ADDvise reinforces Executive Management and recruits COO

ADDvise has recruited Fredrik Mella as COO. Fredrik's most recent position was as CEO of ScandiNova, a company that is a world leader in pulsed power and microwave systems for the medtech, industry, and research sectors. He has previously been Export Director at ETAC AB, which develops, manufactures, and sells medical devices, as well as a board member at Abilia, a medtech company that is part of the MedCap Group. Fredrik has an MScBA in International Finance.

Fredrik's primary responsibility will be to support the subsidiaries' management teams in achieving the Group's organic financial targets. Fredrik is also part of the ADDvise Group's executive management, and took up his post on February 17, 2022.

Significant events after the end of the financial year

See Note K16 *Significant events after the end of the financial year*.

The share, share capital and ownership structure

Number of shares, nominal value, share capital, and other contributed capital

Information about share capital, other contributed capital and changes in the number of shares issued, share capital, and other contributed capital is provided in Note K9 *Equity*. For changes in equity, see also the consolidated statement of changes in equity.

Translation reserve

The translation reserve covers all foreign exchange differences arising from the translation of the financial statements of foreign operations, the financial statements for which have been prepared in a currency other than the currency in which the consolidated financial statements are presented. The parent company and the Group present their financial statements in Swedish kronor (SEK). Cumulative translation differences are recognized through profit or loss on divestment of foreign operations.

Fair value reserve

The fair value reserve covers the cumulative net change after tax in the fair value of financial assets measured at fair value through other comprehensive income until such asset is derecognized from the balance sheet, which relates to investments in listed bonds.

Group reserves in SEK thousands	Fair value reserve	Translation reserve	Total reserves
Opening carrying amount Jan 1, 2020	0	6,246	6,246
Change for the year 2020	122	-7,729	-7,607
Closing carrying amount Dec 31, 2020	122	-1,484	-1,362
Opening carrying amount Jan 1, 2021	122	-1,484	-1,362
Change for the year 2021	-122	12,783	12,661
Closing carrying amount Dec 31, 2021	0	11,299	11,299

Largest shareholders

The largest shareholders at the end of 2021, and known changes after this time, are shown in the table below:

	No. of shares	Votes, %	Equity, %
Per Åhlgren, through companies	33,399,953	13.41%	18.50%
Joh. Berenberg, Gossler & Co. KG, through fund	15,515,322	6.23%	8.60%
Rikard Akhtarzand, privately and through companies	13,610,879	14.93%	7.54%
Alcur Funds, through fund	10,887,608	4.37%	6.03%
Magnus Vahlquist, privately and through companies	10,757,534	5.63%	5.96%

Other than these three shareholders, no shareholder holds, directly or indirectly, more than 10 percent of the shares or votes in ADDvise Group AB (publ).

Authorization for the Board to decide on new share issues

The 2021 Annual General Meeting decided to give the Board the authority to decide, within the framework of the applicable articles of association, until the next Annual General Meeting, on one or more occasions, with or without deviation from the preferential rights of the shareholders, on issues of shares, warrants, and/or convertibles. The Board proposes that it be given the authority to decide whether such issues are to be made for payment in cash, in kind, and/or through offsetting or otherwise with conditions attached.

The Board's ability to make decisions on issues without preferential rights for shareholders as above is primarily for the purpose of being able

to raise new capital in order to increase the company's flexibility and strengthen its capital base or in connection with acquisitions.

The issue of new shares by virtue of this authorization must be carried out on usual terms under prevailing market conditions. If the Board deems it appropriate to enable delivery of shares in connection with an issue as set out above, this may be done at a subscription price equivalent to the nominal value of the shares.

The Board or the person authorized by the Board will be entitled to make minor adjustments to the decision that may be deemed necessary in connection with registration of the decision with the Swedish Companies Registration Office.

Dividend

The Board proposes a dividend of SEK 0.00 (0.02) per share. This proposal equates to a total dividend of SEK 0 (2,794,000). The Board has decided to prioritize growth over paying a dividend in 2022, and is not proposing a dividend to the 2022 ADDvise Annual General Meeting.

Corporate governance

ADDvise Group AB (publ) has prepared a separate corporate governance report, see pages 89–92 for information on governance of ADDvise.

Guidelines for the remuneration of senior executives

General

The company will have the levels of remuneration and terms of employment necessary to secure the company's access to executives with the required expertise and capacity to achieve the targets set at a cost appropriate to the company and taking into account the expertise of the individual executive. The application of market terms in relation to comparable listed companies of a similar size within the same industry, adapted to the company's costs, will be the general principle for salaries and other remuneration for senior executives of the company. The total possible remuneration available to senior executives of the company comprises fixed salary, variable remuneration, long-term incentive schemes, pension benefits, and non-monetary benefits.

Variable remuneration for senior executives is determined on the basis of the achievement of predefined targets at Group and individual level relating to management and production results and the company's financial performance in

order to improve the company's long-term value creation, and taking into account the personal development of the senior executive in question.

The company's business strategy, long-term interests, and sustainability

The company develops and supplies equipment to healthcare and research facilities. Demographic changes, with a population that is living longer and requiring more advanced healthcare, mean that the company must continue, in a sustainable manner, to maintain long-term relationships by offering a broad range of skills and specialist expertise within the business areas of Lab and Healthcare.

A prerequisite for the success of the company's business strategy, long-term interests, and sustainability is the company's ability to attract the right employees. These guidelines form part of the foundation on which the company recruits and retains qualified employees by offering competitive remuneration.

Fixed salary

The basic principle for the remuneration of senior executives is that remuneration takes the form of a fixed salary on market terms that must be determined individually on the basis of the criteria above and the particular expertise of the senior executive in question.

Variable remuneration

In addition to a fixed salary, variable remuneration on market terms may be offered where appropriate. Such remuneration must be linked to predefined and clearly specified measurable targets with the aim of improving the company's long-term value creation and must be based on straightforward and transparent structures.

In those cases where variable remuneration for senior executives is deemed appropriate, it must be determined (a) on the basis of the achievement of predefined targets at Group and individual level relating to management and production results and the company's financial performance in order to improve the company's long-term value creation and (b) taking into account the personal development of the senior executive in question. Targets for the CEO are set by the Board of Directors. Targets for other senior executives are set by the CEO on the recommendation of the Chairman of the Board. The terms and basis of calculation for variable remuneration must be determined each financial year.

The total amount of variable remuneration must not exceed the fixed salary paid to the senior executive in question during the period to

which the variable remuneration relates. When structuring variable remuneration for senior executives that is paid in cash, the Board of Directors must consider incorporating provisions that:

- » make the payment of a certain proportion of such remuneration conditional on the performance on which it is earned proving to be sustainable over time, and
- » enable the company to require the repayment of such remuneration that is paid on the basis of information that subsequently proves to be clearly inaccurate.

Long-term incentive scheme

It is also possible for remuneration to be paid through a long-term incentive scheme, consisting of, for example, a share savings scheme, warrant program, or other share-based instruments, such as synthetic options or employee options, and based on the outcome in relation to set targets and structured so that a greater community of interests is achieved between the senior executive and the company shareholders. The earning period or the period from entering into the agreement until a share may be acquired must be no shorter than three years.

The forms of variable remuneration also help to attract, retain, and provide an incentive for senior executives to contribute to the company's continued success in terms of business strategy, long-term interests, and sustainability.

Pension benefits

The pension terms for senior executives must be on market terms and individually adapted, taking into account the particular expertise of the senior executive in question, and adapted to the company's costs. Pension provisions must be defined contribution.

Non-monetary benefits

The non-monetary benefits of senior executives (such as cell phone and computer) must support them in the performance of their work and be on market terms.

Notice period and severance pay

The notice period between the company and the CEO must be 6–18 months. Notice periods for other senior executives will normally be 3–12 months. Salary during the notice period and severance pay must under no circumstances exceed 18 months.

Consultancy fee

If a Board member carries out work on behalf of the company in addition to their Board work, a

consultancy fee and other remuneration for such work may be paid in accordance with a specific decision of the Board of Directors.

Salaries and terms of employment of the company's employees taken into account

Information about the salaries and terms of employment of the company's other employees has been taken into account in the preparation of these guidelines, in that the total remuneration of other employees and the change in remuneration over time have formed part of the basis for decision-making.

Decision-making process

The Board of Directors intends to draw up a proposal for new guidelines at least every four years and to submit the proposal for adoption at the Annual General Meeting. Where the Board's preparation of and decision on remuneration-related issues concerns the CEO or other senior executives, these must not be present.

The current guidelines were adopted by the 2020 Annual General Meeting.

Deviation from the guidelines under exceptional circumstances

The Board of Directors reserves the right to deviate from the guidelines in individual cases under exceptional circumstances.

Principles for the appointment of Board members by the nomination committee

1. The company must have a nomination committee consisting of at least three members, as well as the Chairman of the Board as rapporteur.
2. On the basis of the ownership statistics the company receives from Euroclear Sweden AB on June 30, the Chairman of the Board must, without undue delay, identify the three shareholders with the largest share of votes in the company.
3. The Chairman of the Board must, as soon as reasonably possible, contact in an appropriate manner the three largest shareholders identified and request that, within a period that is reasonable given the circumstances and is no longer than 30 days, they nominate in writing the person the shareholder wishes to appoint as a member of the nomination committee. If a shareholder waives their right to appoint a member, or if a shareholder fails to appoint a member within the specified period, the right to appoint a member of the nomination committee passes to the shareholder with the next-largest share of votes who has not already appointed a member of the nomination committee or not previously waived such right. In the event of a change of member of the nomination committee in accordance with the above, the rules of section 5 above apply analogously.
4. The chairman of the nomination committee will be the member appointed by the shareholder with the largest share of votes, unless the nomination committee unanimously decides to appoint another member appointed by a shareholder as the chairman of the nomination committee. The chairman of the nomination committee must not be a member of the Board of Directors.
5. The nomination committee must inform the company as soon as all of the members of the nomination committee and its chairman have been appointed and at the same time provide the necessary information about the members and chairman of the nomination committee, as well as which shareholder has appointed each member. The company must, without undue delay, make public the composition of the nomination committee by publishing information in a special press release and on the company's website.
6. The nomination committee will be considered appointed and its mandate period begin on the date when the information is published in a special press release. The mandate period of the nomination committee is until the next nomination committee is duly appointed and its mandate period has begun.
7. If a member appointed by a shareholder leaves the nomination committee or if a member is prevented from fulfilling their duty, the nomination committee must, without delay, request that the shareholder who appointed the member appoint a new member of the nomination committee within a period that is reasonable given the circumstances and is no longer than 30 days. If a shareholder fails to appoint a new member within the specified period, the right to appoint a new member of the nomination committee passes to the shareholder with the next-largest share of votes who has not already appointed a member of the nomination committee or not previously waived such right. In the event of a change of member of the nomination committee in accordance with the above, the rules of section 5 above apply analogously.

8. If a shareholder feels that their shareholding in the company has reached such a size that it entitles them to representation on the nomination committee, the shareholder can notify the nomination committee of this in writing and at the same time provide verification of their shareholding in a satisfactory manner. If the nomination committee receives such written proposal no later than December 31 and if the nomination committee considers the shareholding stated to be verified in a satisfactory manner, the nomination committee will notify the shareholder of this, who will then be entitled to appoint one additional member of the nomination committee. The relevant parts of the procedures described in sections 3, 4, and 5 then apply analogously. If the nomination committee receives the proposal from the shareholder after December 31, no action will be taken on the proposal.
9. If the nomination committee at any one time contains fewer than three members, the nomination committee is nevertheless authorized to perform the duties incumbent upon the nomination committee under this AGM resolution.
10. The nomination committee must perform its duties in accordance with this AGM resolution and applicable regulations. The duties include submitting proposals for:
 - » the chairman of the Annual General Meeting;
 - » the Chairman of the Board and other Board members;
 - » the fees paid to the Board members;
 - » auditors;
 - » fees paid to the auditors;
 - » any fee to be paid to the members of the nomination committee; and
 - » principles for the appointment of Board members by the nomination committee.

The company will bear reasonable costs associated with the duties of the nomination committee.

Risks and risk management

The ADDvise Group is exposed to various financial risks in its activities, including credit risk, market risk and currency risk, interest rate risk, and liquidity risk. The company management and the Board take active steps to minimize these risks.

Credit risk is defined as the risk of the Group's counterparties being unable to fulfill their

financial obligations to the Group. The Group's largest credit risk is trade receivables. The Group has established guidelines to ensure that products and services are sold to customers with a suitable credit history.

Exchange rate fluctuations represent one of the risks that the company manages using a currency policy, which in principle means that the company must seek to avoid currency risk. Currency risk is managed by seeking to agree orders in SEK or by using currency clauses in customer agreements. The Group currently has sales in SEK, AED, NOK, USD, and EUR, and has costs in the same currencies, which in itself balances the currency risk. Exposure in other currencies is limited.

Liquidity risk is the risk of the Group having difficulty fulfilling its obligations in relation to financial liabilities. As of the balance sheet date, interest-bearing liabilities total SEK 554,189,000 (193,372,000). The Group's operations also involve a liquidity risk, since large orders tie up significant capital. To minimize the amount of capital tied up, the company has payment terms with the company's customers that require a portion of the order value to be paid on the signing of the order. The company also has agreements on factoring.

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

For further information about the Group's financial risks, see Note K11 *Financial risks*. The assessment of the Board of Directors and the company management is that the liquidity of the company and the Group, in view of current plans, forecasts, and available credit, is secured for the next 12 months.

Market and operational risks

Macroeconomic conditions

ADDvise is dependent on the general economic cycle. Any economic downturn in Sweden, or in other parts of the world where ADDvise operates, poses a risk of reduced demand for the products and services supplied by ADDvise. The company's operations, financial position, and operating profit/loss can be negatively affected by a number of different factors. Examples of such factors include lower consumption, a reduction in the number or volume of investments, and increased volatility on the capital market, as well as changes in exchange rates, inflation, and interest rates. These factors, together with a more cautious approach from both companies and consumers, which are out of the company's control, may lead

to further economic slowdown and recession, which affects the commercial and economic situation and ultimately may have a negative impact on the company's operations, financial position, and operating profit/loss.

ADDvise's subsidiaries operate globally. The effects of the current coronavirus outbreak are creating both risks and opportunities in different parts of the world. ADDvise operates in an industry whose products and services are vital during the current crisis. We believe that governments and public authorities will prioritize guaranteeing the continued supply of these products and services to the general public.

Senior executives, other personnel, and operational risk

Operational risk is defined as the risk of losses being incurred as a result of inadequate procedures and/or fraud. Good internal controls, appropriate administrative systems, skills development, and access to reliable valuation and risk models provide a good basis for ensuring operational security.

The knowledge, experience, and commitment of employees are vital to the future development of ADDvise. ADDvise could be negatively affected if several of the company's employees were to leave ADDvise at the same time or if inadequacies were to emerge in the company's operational security.

Competition

ADDvise currently only has a few competitors that are able to offer comparable services. If new players were to enter the market or if existing players were to develop their own solutions and strengthen their positions, this could have a negative impact on the company's operations and performance. ADDvise may then need to carry out costly investments, restructuring, or price reductions in order to adapt to the new competitive situation. Increased competition could therefore have a negative impact on the operations, performance, and financial position of ADDvise.

Customers

ADDvise supplies medtech equipment and apparatus to laboratories and research facilities. ADDvise's largest customers are in the public sector, as well as pharmaceuticals companies. ADDvise is not dependent on any individual customer contract for the operation of its business, although income from a single customer can be significant. There is therefore a risk that the loss of such customers may have a significant negative impact on the operations,

financial position, and performance of ADDvise. Exposure to the pharmaceuticals industry and the public sector also means that changes within these industries may have a negative impact on the operations, financial position, and performance of ADDvise.

The NLM 02 standard terms, which govern, among other things, the customer's right to cancel an order, are generally used for order-based domestic sales within the Lab business area.

Suppliers

To be in a position to deliver its products, ADDvise is dependent upon components and services from third parties being delivered on time, in the right quantity, and in compliance with ADDvise's quality requirements. Deficient delivery or non-delivery from suppliers may result in delays to ADDvise's production, which may have a negative impact on the operations, financial position, and performance of ADDvise. Significant disruption, quality issues, or other negative events affecting the company's relationship with one or more of its major suppliers may result in additional costs and have a negative impact on the company's performance and financial position. If ADDvise were to replace one of its main suppliers, the company could be exposed to risks and costs in relation to such a transition. There could also be a negative impact on the company's performance and financial position if the company is unable to replace one of its major suppliers on reasonable commercial terms.

Disputes

Legal disputes involve an inherent risk of both losing the case and the costs of legal representation and – in the case of arbitration proceedings – the arbitral tribunal. There is always a risk of disputes arising in connection with contracts or agreements or of being unable to resolve any disputes that have arisen in a way that is to the advantage of the company. Legal proceedings may therefore have a negative impact on the operations, financial position, and performance of ADDvise.

Changes to legislation

The company operates in the public sector, among others, and works with the pharmaceuticals industry. These areas are both subject to extensive regulation, which undergoes constant change. New laws or regulations, or changes in the application of existing laws or regulations that apply principally to these areas, may have a negative impact on the operations of the company.

Parent company

ADDvise Group AB, company registration number 556363-2115, is the parent company of the ADDvise Group and is a registered Swedish limited company with its registered office in Stockholm. The address of the head office is ADDvise Group AB, Grev Turegatan 30, SE-114 38 Stockholm. The parent company provides support functions within finance, marketing, HR, and management for the Group's subsidiaries. The parent company's net revenue was SEK 24,814,000 (19,448,000) and the profit/loss after net financial items was SEK -20,390,000 (2,522,000), while the balance sheet total was SEK 818,570,000 (277,887,000). Unrestricted equity was SEK 206,372,000 (73,183,000) at the parent company.

Risks and uncertainties in the parent company's operations are described in the Group Directors' Report.

The Boards' proposed distribution of profits

The following profits are at the disposal of the 2022 Annual General Meeting:

Share premium account and retained earnings	SEK 207,019,218.09
Profit/loss for the year	SEK -647,124.84
Total disposable earnings	SEK 206,372,093.25

The Board of Directors proposes the following appropriation of the disposable earnings:

Carried forward then distributed to share premium account	SEK 206,372,093.25
	SEK 206,372,093.25

As far as the Board of Directors and the CEO are aware, the annual report has been prepared in accordance with generally accepted accounting practice. The information provided corresponds to the actual circumstances of the business and nothing of material significance has been omitted that could affect the view of the Group and the parent company that is created by the annual report.

Consolidated statement of comprehensive income

SEK thousands	Note	2021 Jan-Dec	2020 Jan-Dec
Net revenue	K3, K4a	465,953	358,487
Capitalized work on own account	K8b2	2,659	769
Other operating income	K5a	498	7,712
		469,110	366,968
Cost of materials	K8d	-252,047	-221,155
Other external expenses	K5d, K5g, K12a, K15a	-47,334	-27,060
<i>Of which impairment losses (calculated in accordance with IFRS 9)</i>		0	0
Personnel costs	K5c, K5g, K17b	-112,467	-70,929
Depreciation, amortization, and impairment	K8c	-13,716	-11,967
Other operating expenses	K5b	0	-1,600
		-425,564	-332,711
Operating profit/loss (EBIT)		43,546	34,257
Financial income	K5e	1,535	94
Financial expenses	K5f	-37,423	-16,494
Profit/loss before tax (EBT)		7,658	17,857
Tax	K6a, K6b	-4,853	-3,219
Profit/loss for the year		2,805	14,637
<i>Profit/loss attributable to:</i>			
Shareholders of the parent company		2,805	14,638
Non-controlling interests		-	-1
		2,805	14,637
Other comprehensive income			
<i>Items that can be reclassified in the income statement</i>			
Change in fair value of financial assets recognized at fair value through other comprehensive income	K7c	0	122
Foreign exchange differences on the translation of foreign operations		12,783	-7,729
Income tax attributable to the items above		0	0
<i>Reclassification of items in the income statement</i>			
Utilization of reserves	K7c	-122	0
Income tax attributable to the items above		0	0
Other comprehensive income for the year, after tax		12,661	-7,607
Total comprehensive income for the year		15,466	7,030
<i>Comprehensive income attributable to:</i>			
Shareholders of the parent company		15,466	7,028
Non-controlling interests		-	2
		15,466	7,030
Basic earnings per share (SEK)	K18	0.02	0.12
Diluted earnings per share (SEK)	K18	0.02	0.10

Consolidated statement of financial position

SEK thousands	Note	2021 Dec 31	2020 Dec 31
ASSETS			
<i>Non-current assets</i>			
Goodwill	K8b5	288,559	156,319
Trademarks	K8b1	127,767	22,594
Other intangible non-current assets	K8b2, K8b3, K8b4	24,615	19,491
Property, plant, and equipment	K8a	65,072	15,944
Non-current financial assets	K7b	232	134
Contract assets	K4b	14,119	-
Deferred tax assets	K6f	0	7,122
<i>Total non-current assets</i>		<i>520,364</i>	<i>221,604</i>
<i>Current assets</i>			
Inventories	K8d	66,543	33,422
Contract assets	K4b	48,367	727
Trade receivables	K7a	96,808	44,930
Other current receivables	K7b	4,590	3,384
Prepayments and accrued income	K8e	7,035	2,071
Short-term investments	K7c	0	0
Cash and cash equivalents	K7d	325,735	39,606
<i>Total current assets</i>		<i>549,078</i>	<i>124,140</i>
TOTAL ASSETS		1,069,442	345,743
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	K9	16,511	9,691
Other contributed capital	K9	223,106	86,476
Reserves		11,299	-1,362
Retained earnings including profit/loss for the year		-3,641	-3,756
<i>Total equity</i>		<i>247,275</i>	<i>91,049</i>
<i>Equity attributable to:</i>			
Shareholders of the parent company		247,275	90,966
Non-controlling interests		-	83
		<i>247,275</i>	<i>91,049</i>
<i>Non-current liabilities</i>			
Interest-bearing liabilities	K7f, K11	525,145	142,442
Deferred tax liabilities	K6f	14,702	-
Other non-current liabilities	K7g, K7h	108,024	0
<i>Total non-current liabilities</i>		<i>647,871</i>	<i>142,442</i>
<i>Current liabilities</i>			
Interest-bearing liabilities	K5g, K7f, K11	29,044	50,930
Current tax liabilities	K6	9,797	2,145
Contract liabilities	K4b	13,610	1,303
Trade payables	K7e	60,329	29,073
Other current liabilities	K7e, K7g, K7h	31,299	13,647
Accruals and deferred income	K8f	30,217	15,154
<i>Total current liabilities</i>		<i>174,296</i>	<i>112,252</i>
TOTAL EQUITY AND LIABILITIES		1,069,442	345,743

For information about the Group's pledged assets and contingent liabilities, see Note K14 and Note K19

Consolidated statement of changes in equity

SEK thousands	Equity attributable to the parent company's shareholders				Non-controlling interests	Total equity	
	Share capital	Other contributed capital	Reserves	Retained earnings including profit/loss for the year			
Total							
Note	K9	K9					
Opening balance at January 1, 2020	9,691	86,599	6,246	-18,532	84,003	139	84,142
Comprehensive income							
Profit/loss for the year				14,638	14,638	-1	14,637
Other comprehensive income			-7,610		-7,610	3	-7,607
Total comprehensive income	0	0	-7,610	14,638	7,028	2	7,030
Change in non-controlling interests			3	55	58	-58	0
Transactions with shareholders in their capacity as owners:							
Contributed capital after deduction of transaction costs and tax		-123			-123		-123
	0	-123	0	0	-123	0	-123
Closing balance at December 31, 2020	9,691	86,476	-1,362	-3,839	90,966	83	91,049
Opening balance at January 1, 2021	9,691	86,476	-1,362	-3,839	90,966	83	91,049
Comprehensive income							
Profit/loss for the year				2,805	2,805	0	2,805
Other comprehensive income			12,661		12,661	0	12,661
Total comprehensive income	0	0	12,661	2,805	15,466	0	15,466
Change in non-controlling interests				188	188	-83	104
Transactions with shareholders in their capacity as owners:							
Contributed capital after deduction of transaction costs and tax	6,819	136,630			143,449		143,449
Dividend				-2,794	-2,794		-2,794
	6,819	136,630	0	-2,794	140,655	0	140,655
Closing balance at December 31, 2021	16,511	223,106	11,299	-3,641	247,275	0	247,275

Consolidated statement of cash flows

SEK thousands	Note	2021 Jan-Dec	2020 Jan-Dec
<i>Operating activities</i>			
Profit/loss before tax		7,658	17,857
of which interest received	K10	973	100
of which interest paid	K10	-22,431	-12,882
Adjustments for non-cash items	K10	9,470	3,778
Income tax paid		-85	-2,259
<i>Operating cash flow before changes in working capital</i>		17,043	19,375
Change in inventories		-3,236	3,829
Change in current receivables		-19,852	25,692
Change in current liabilities		28,842	-4,085
Deferred payment of tax		-12,611	12,626
<i>Operating cash flow</i>		10,186	57,438
<i>Investing activities</i>			
Acquisition of subsidiaries	K12	-197,246	-4,956
Acquisition of intangible non-current assets	K8b	-3,079	-804
Acquisition of property, plant, and equipment	K8a	-1,058	-683
Sale of property, plant, and equipment	K8a	0	196
Change in non-current contract assets	K4b	-279	-
Acquisition of short-term investments	K10a	0	-966
<i>Investing cash flow</i>		-201,662	-7,214
<i>Financing activities</i>			
	K10, K10a		
Share issue	K9	152,811	-
Transaction costs for share issues	K9	-9,362	-123
Loans raised		488,769	-
Amortization of loans		-167,868	-12,554
New non-interest-bearing liabilities	K10c	21,330	-
Amortization of non-interest-bearing liabilities	K10c	-1,073	-3,995
Payments made in relation to amortization of loans attributable to leases		-7,838	-6,642
Dividend to shareholders		-2,794	-
<i>Financing cash flow</i>		473,975	-23,314
Cash flow for the year		282,499	26,910
Cash and cash equivalents at start of year	K10a	39,606	13,259
Foreign exchange differences in cash and cash equivalents		3,629	-562
Cash and cash equivalents at year-end		325,735	39,606