

INTERIM REPORT Q1

January-March

2022



Our vision

is to establish ourselves as the leading company within Pet Health Care on all larger markets.



SWEDENCARE

This is Swedencare

Swedencare develops, produces, markets, and sells premium products in the global and fast-growing market for animal health care products for cats, dogs, and horses. The company has an extensive portfolio with strong brands and products in most therapy areas, which includes veterinary exclusive brands and the ProDen PlaqueOff® brand for oral health for dogs and cats as the largest. Swedencare has its head office in Malmö and the company's products are currently sold in about 50 countries to veterinarians, pet stores and online via a distribution network containing subsidiaries in 9 countries and an international network of retailers.

Swedencare's revenue have increased significantly over the last few years with strong margins and results.

Vision

Swedencare is established in all major markets as an innovative and reliable pet healthcare company. With a global presence and channel strategy as well as a broad portfolio of well-functioning Pet Health Care products for the most important therapy areas, it is **our vision to establish ourselves as the leading company within Pet Health Care on all larger markets.**

Financial objective

Swedencare's financial objective is to achieve revenues of 4 billion SEK during 2026 with an EBITDA-margin exceeding 30%. The financial objective must be achieved primarily through organic growth.

Dividend

Swedencare will pay a dividend that takes into consideration the Group's earnings performance and the need for consolidation, investments, liquidity, and financial position. The goal is to pay a dividend of 40 percent of profit after tax.

For 2021, the Annual General Meeting decided a dividend of 0.20 SEK (0.16 SEK) per share.



Mission

We care about improving the health and wellbeing of pets, creating reassurance for the pet parents, worldwide and throughout life.

Two new acquisitions and a strong start of the year

Summary of the period

First quarter: January 1 – March 31, 2022

Numbers in parentheses refers to outcomes during the corresponding period of the previous year.

- Net revenue amounted to 377.7 MSEK (133.9 MSEK), an increase of 182%
- Operational EBITDA amounted to 94.7 MSEK (36.7 MSEK), corresponding to an increase of 158%, and an operational EBITDA-margin of 24.9% (27.4%). The adjustments refer to costs in connection with the acquisition of NaturVet and Innovet of 11.2 MSEK and an accounting adjustment of acquired inventory of 25.6 MSEK
- Organic, currency-adjusted growth amounted to 7%
- Operational EBIT amounted to 75.0 MSEK (36.1 MSEK), corresponding to an increase of 108%, and an operational EBIT-margin of 19.7% (26.9%)
- Profit after tax amounted to 11.5 MSEK (8.9 MSEK)
- Earnings per share calculated on 146 475 502 shares 0.08 SEK (0.08 SEK)*
- Cash flow from operating activities amounted to 45.6 MSEK (10.9 MSEK)
- As of March 31, 2022, cash amounted to 277.3 MSEK (162.5 MSEK)

Significant events during the first quarter

Swedencare AB (publ) acquires the leading US pet supplement company NaturVet which was completed on February 1, 2022. The purchase price of a total of 4 181 MSEK was paid through a cash payment of 3 750 MSEK and a new issue in kind of shares of 431 MSEK.

Swedencare AB (publ) acquires the Italian pet healthcare company Innovet focused on the veterinary segment which was completed on March 1, 2022. The purchase price of a total of 526 MSEK was paid through a cash payment of 449 MSEK and a new issue in kind of shares of 77 MSEK.

Swedencare AB (publ) carries out a directed new share issue of 35.5 million shares and is thus provided with 3 550 MSEK, which, after issue costs of 16.5 MSEK, provided a net contribution of 3,533.5 MSEK to partially finance the acquisitions of NaturVet and Innovet.

Significant events after the first quarter

There are no significant events after the end of the first quarter to comment.

* Converted to the number of shares after the share split 5:1 that took place in May 2021

Strong demand in combination with high internal pace in an uncertain environment

High demand for our products, some delivery challenges due to Covid-19, the invasion of Ukraine, many internal projects spanning over our wide product supply, top notch recruitments, several IRL customer exhibitions and finally two transformative acquisitions sum up an intense quarter!

The net revenue of the first quarter of 378 MSEK equals an increase of 182% compared to Q1 2021 and the operational EBITDA-result increased by 158% to 94,7 MSEK, corresponding to a 24,9% margin. The sales of our American acquisition NaturVet are included in the consolidation from February 1st and from March 1st also those of Innovet.

As stated above we now have a very hectic as well as productive first quarter behind us. The majority of our group companies have had a strong quarter, which largely is due to active business development creating collaborations between our subsidiaries but also due to our goal-oriented efforts the past years that are now bearing fruit. To grow significantly faster than the market in general is our explicit goal. During the first quarter we show and organic growth of 7%, which is lower than what we strive for on a yearly basis, but this was expected as we will have a significantly stronger growth during the second part of 2022 mainly driven by Vetio and the third production line in NaturVet. In Vetio's Canadian facility production will increase significantly and in Vetio's south facility we also increase production in our new second facility that was completed at the end of last year. Another explanation is that for several of our "organic companies" Q1 2021 was that year's strongest quarter because that is when we had something of a "pop the cap off" -effect after what then was thought to be the end of the pandemic. China is once again affected by mayor lock downs causing a lower organic growth which also is seen in some other export markets. I am satisfied with margin bouncing back from 18,9% in Q4 2021 to almost 25% in operational EBITDA this quarter.

The quarter had a very strong January followed by a more hesitant February, especially for our larger customers due to the uncertain macroeconomic



environment. We could clearly see that our products were sold to consumers on a higher level than that of our customers, who hesitated in filling up stock at the same rate. This was probably due to trimming balance sheets in case of increased interest rates and then came Russia's unjust invasion of Ukraine creating even more uncertainty. These factors affected our sales but I am glad to be able to say that the quarter still ended very strongly and the large costumers, who had made modest orders now are eager to get quick deliveries. This is something of a pleasant problem as you would prefer a more even order flow as we now have not quite managed to ship out all the PO's in Q1. The other side of the coin for this is off course that the current quarter has had a flying start.

We are still affected by the increased prices for raw materials as well as other material and we continually adjust our prices. Many of the prices were raised in January but for a number of customers, among them the online platforms, the new prices will be in effect from the beginning of Q2. The demand from pet owners has not been affected by the increased prices, as predicted by market experts, since we can see that the demand is the same or even stronger.

Our investments in the US are impressing the market and I can proudly state that there are very few suppliers that can deliver the wide range that we now can offer with our many group companies. During the quarter and specifically at the Global Pet Expo we had numerous meetings with both existing and potential customers who are keen to know what we as a group can offer. We are in the final stages of finalizing a number of large collaborations with both new and existing partners and these will, when set in motion have a positive effect on sales already in 2022 and for several years to come. At the Expo, which was the first in two years, we, among other things, launched a new combined product series within the ProDen PlaqueOff® range with four products for dogs and two for cats and NaturVet launched its new product line Evolutions. These new products aroused plenty of attention and several costumers placed orders on the spot.

Within our group companies it is Pet MD Brands, FAV, NaturVet in the US and Nutravet along with Spain in Europe that have had very strong growth during the first quarter. Vetio as well as a few other group companies are in the process of expanding organizationally to handle the growth as well as to prepare for the customer agreements which now change from pure development to delivery projects and I'm impressed by the huge interest in our advertised positions. We are building a strong team, which will make the most of all the many opportunities we have.

From an organizational and customer point of view our production unit in Ireland will merge with Vetio and be managed by John Kane, CEO of Vetio. John will also be a part of our Group Management as Production Director. Another addition to the Group management is Brian Nugent, who is CCO of the North American veterinary- and online operations. Brian has successfully merged Stratford and Animal Pharm as well as built our warehouse and logistics center where both Pet MD Brands and FAV are located and will now manage these companies as well as Rx Vitamins. NaturVet and SwedencareUSA, who are focusing on Pet Retail will continue to rapport directly to me.

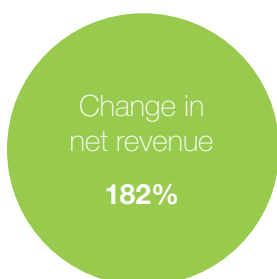
The acquisition rate has been high and there is a large number of entrepreneurs that are interested in becoming a part of the Swedencare family, so we keep exploring many opportunities. If and when we grow further you can be assured that any new acquisition made will complement our group and bring something unique to us as we have secured a strong and successful process in evaluating and completing acquisitions.

We have many exciting projects to finalize in the near future and I look forward to meeting customers at the world's largest Pet retail exhibition, InterZoo in Nurnberg during May and at SuperZoo in Las Vegas at the end of the summer.

Even though the quarter had our highest sales and profit ever, you can expect an even stronger continuation where we will grow by each quarter with strong cash flow introducing exciting new products, collaborations, customers and markets.

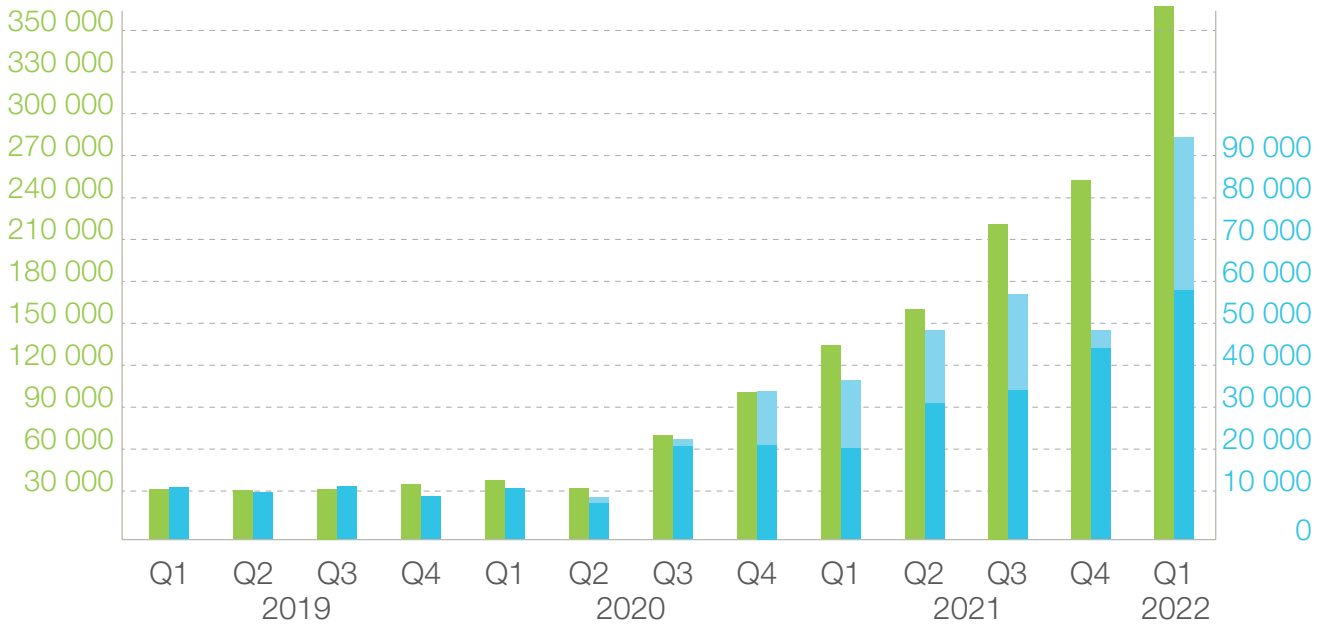


Håkan Lagerberg, CEO
Malmö May 12, 2022

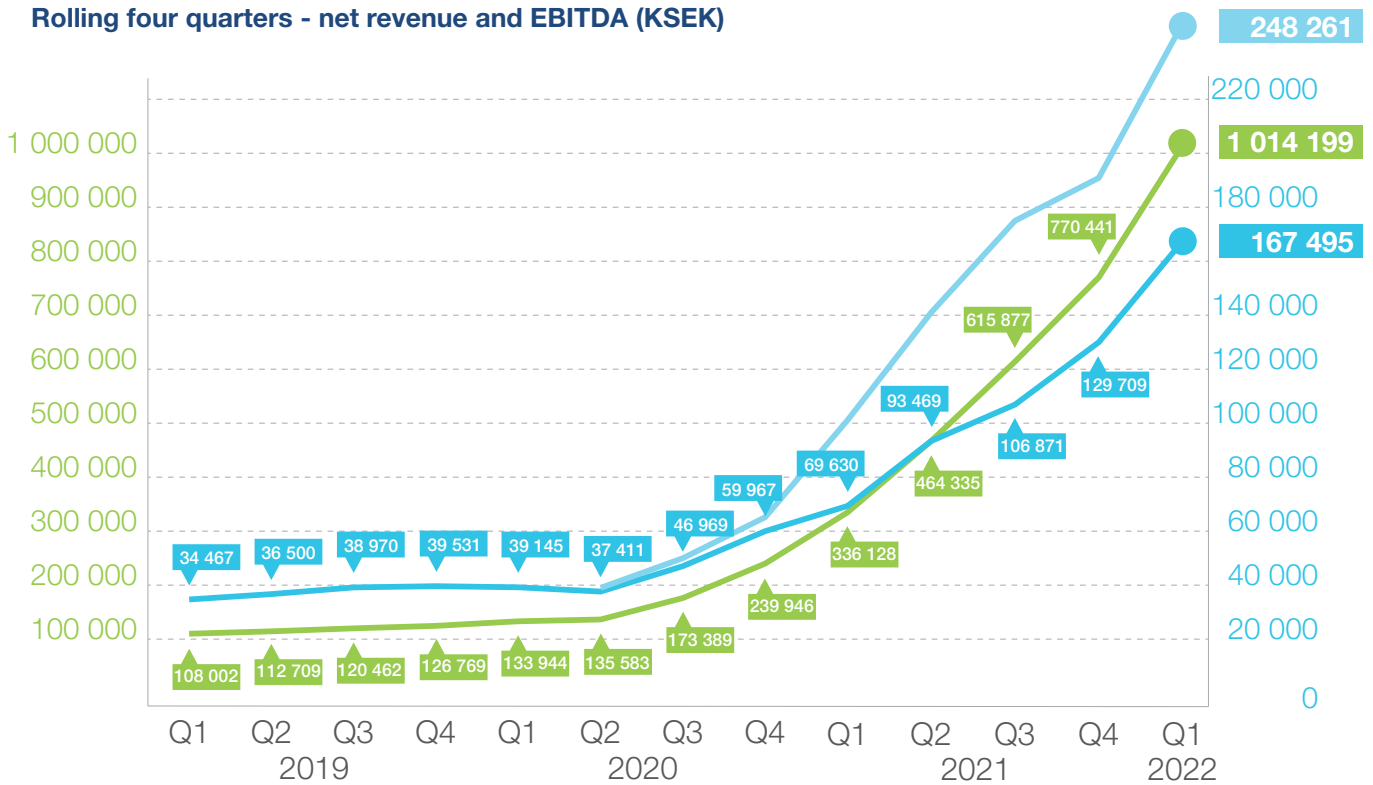


Development 2019 - 2022

Quarterly history of net revenue and EBITDA (KSEK)



Rolling four quarters - net revenue and EBITDA (KSEK)



■ Net revenue
 ■ EBITDA
 ■ Operational EBITDA

Additional KPI's and definitions can be found on page 20 and 21.

Comments on the financial development Q1 2022

Numbers in parentheses refers to outcomes during the corresponding period of the previous year.

Net revenue

Net revenue during the quarter amounted to 377.7 MSEK. NaturVet, which was acquired on February 1, contributed with 110.5 MSEK and Innovet, which was acquired on March 1, with 10.6 MSEK. This represents a growth of 182% compared with the corresponding period last year. Growth is divided into 7% organic growth, 165% acquired growth and 10% currency impact.

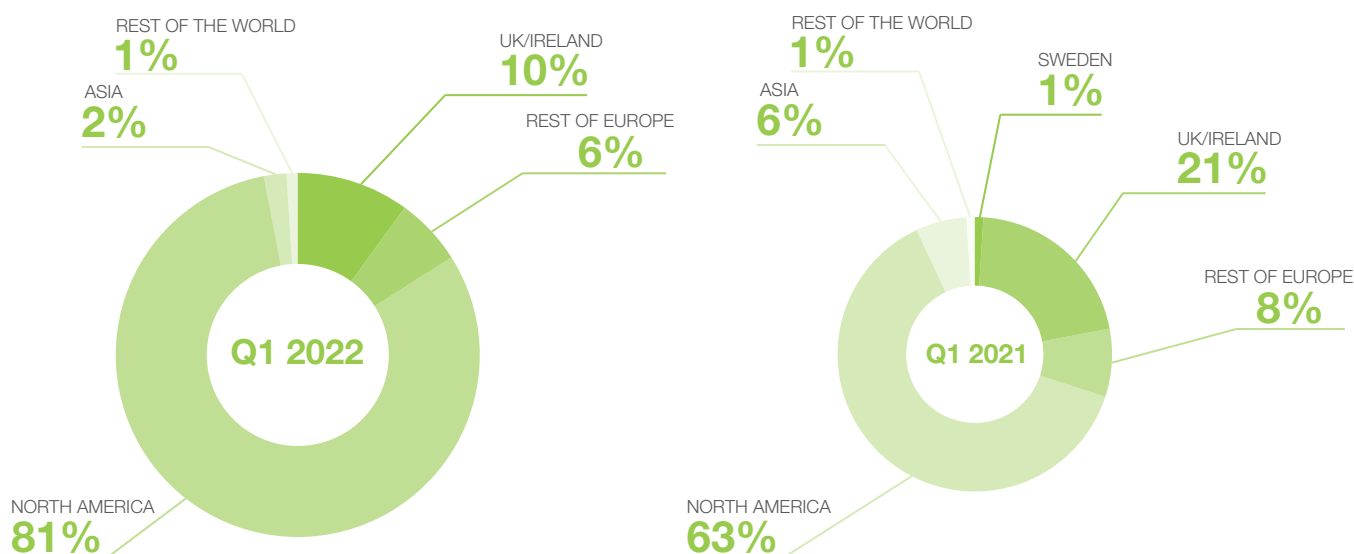
Despite good growth in several markets, growth during the quarter was partly affected by no orders from a lock-down-affected China, and by a record quarter for several group companies in the corresponding period last year.

A higher proportion of available products and completed market investments contribute to strong growth for online shopping in the US, primarily through Amazon.

Geographical distribution

With another acquisition in the US, North America represents 81% of the Group's total sales, compared with 63% in the corresponding period last year. Spain continues to have strong growth even though the volumes are not visible in the graphics, but it is mainly the acquisition of Innovet that is behind the increase in Rest of Europe. Despite an increase of 122% during the quarter, the market decreases its share from 8% to 6% of total revenue. Nutravet in the UK, which are focused on the veterinary channel, is growing with, among other things, a strong collaboration with its largest customer and the market has a growth of 35% during the quarter. Due to the Ukraina conflict we don't have any sales to Russia. Sales to Russia amounted to 0.8 MSEK during 2021.

During Q1 2022 and Q1 2021 the geographic sales were distributed according to the graphics.



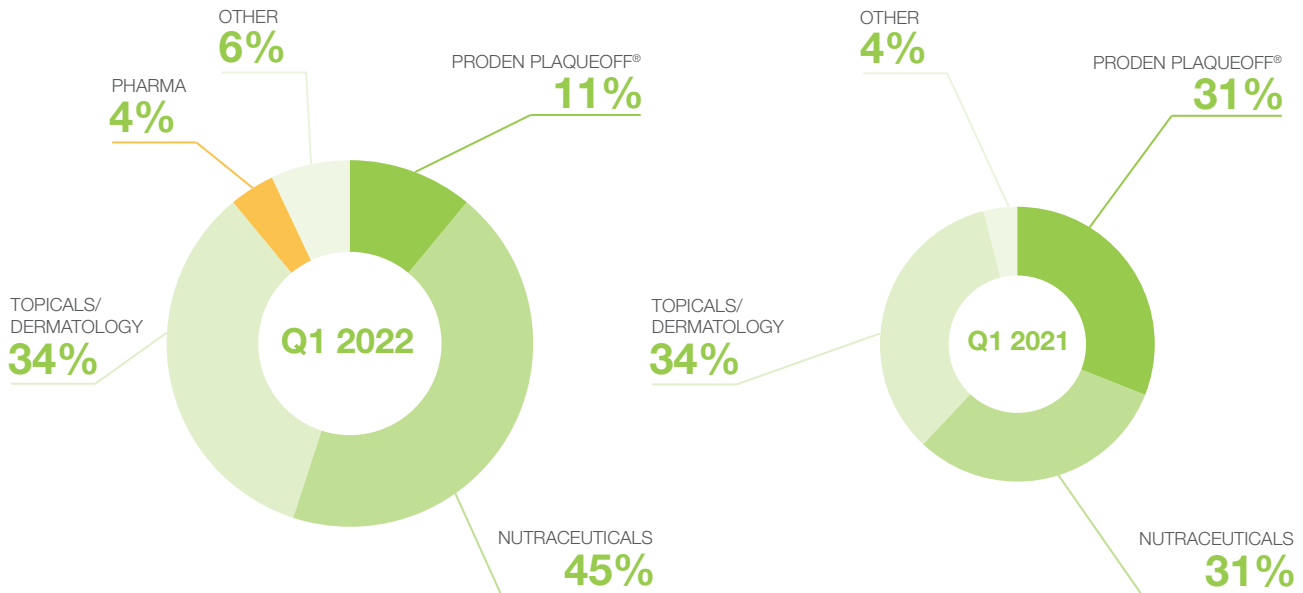
Product and brand distribution

NaturVet mainly sells Nutraceuticals, which has contributed to the product group increasing its share compared with the previous quarter. During the quarter, the category represented 45% of the Group's revenue. Due to the lack of ProDen PlaqueOff® Powder delivery to China, growth in the product group did not occur despite Dental Bone growth continuing its strong growth in markets where they were launched. During the quarter, Dental Bones was 74%, while Dental Bites also grew by 54% during the quarter. In the important North American market, ProDen PlaqueOff® grew by 27% during the quarter compared with the corresponding period last year.

Vetio, which we acquired on July 1, 2021, represents the Pharma category, which accounted for 4% of total revenue while also contributing to the growth in Topicals/Dermatology as the company produces dermatology products for both external and internal sales.

The category Other has increased since Pet MD Brands, Rx Vitamins and FAV also sell human products, treats and dental wipes which are part of this product group.

During Q1 2022 and Q1 2021 the geographic sales were distributed according to the graphics.

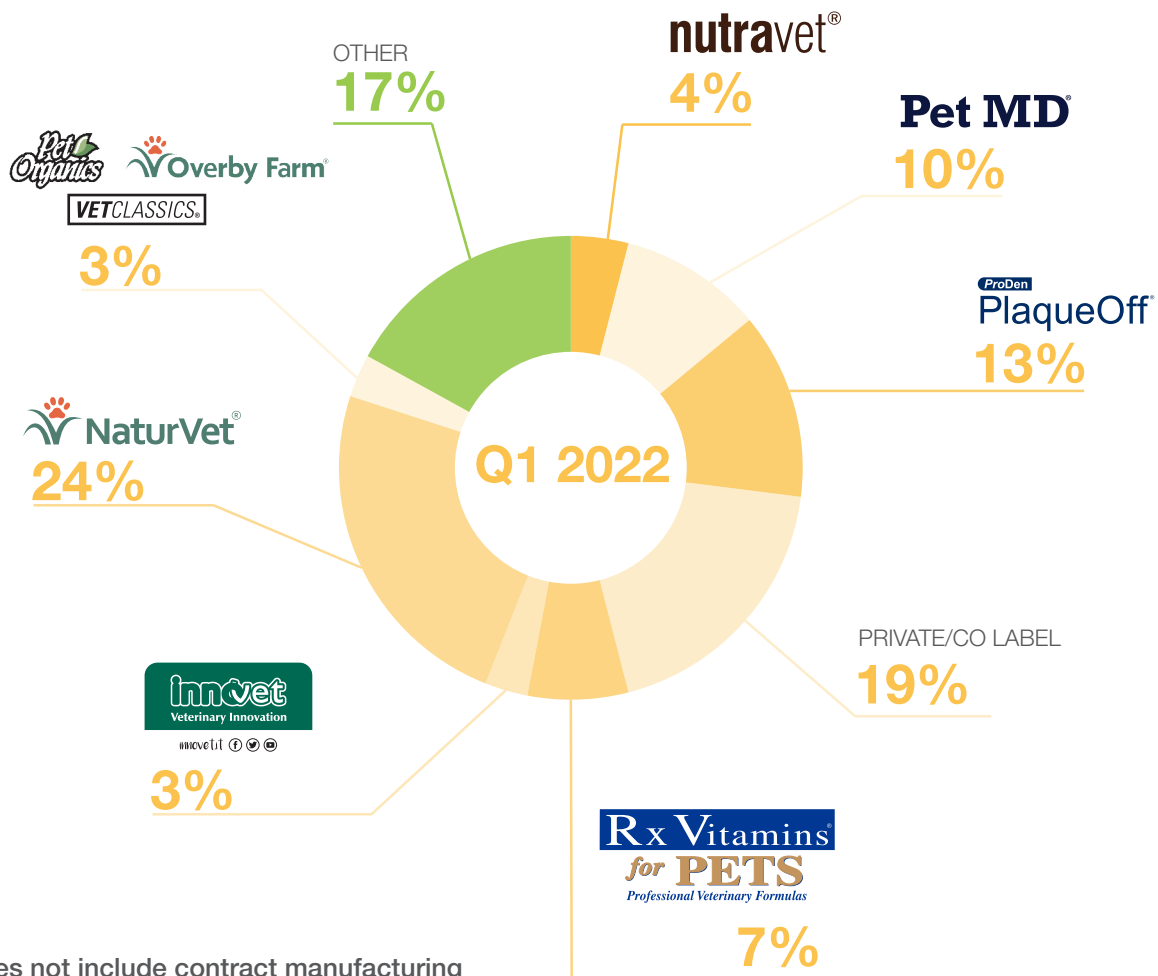


New Product line-Evolutions-June 2022



All soft chews are available in 90 & 180 count packaging. Probiotic Powder Sachets are available in 30ct.

During Q1 2022 sales were distributed per brand according to the graphic.



*Does not include contract manufacturing

Profit

Gross margin was positively affected during the quarter by the price adjustments to our customers that have begun to have an impact, and that the two newly acquired companies, NaturVet and Innovet, have a higher gross margin than the average for the other Group companies. Sales of acquired inventories have a negative effect on the gross margin as the cost of goods is reported at fair value. During the quarter, this adjustment was 25.6 MSEK. Adjusted for this non-cash flow cost, the gross margin was 55.9% during the quarter, compared with 52.0% during the fourth quarter last year.

During the quarter, several major physical expos were held, which affected external costs, while the market investments that take place online, primarily via Amazon, had a lower percentage of revenue compared with previous quarters. As described in the previous report, a higher proportion of market investments take place via Amazon during the last quarter of the year.

This has contributed to good growth in the channel at the beginning of the year. During the quarter, acquisition costs of 11.2 MSEK are included. Adjusted for these acquisition costs, external costs during the quarter amounted to 15.9% of revenue, compared with 17.2% during the full year 2021.

Expansion and restructuring in the organization continue to burden the result with higher personnel costs. The workforce has been increased and thus costs increase, to meet the increasing demand at the same time, several coordinating positions have been recruited to the Group. Vetio North, which is undergoing a change effort to prepare the organization for the upcoming production projects, is burdening the results with costs for reorganization and recruitment. The major volume productions are planned for the second half of 2022, which is expected to be a contributing factor to this year's growth. Non-recurring costs in connection

with personnel changes amounts to 1.4 MSEK during the quarter. Operational EBITDA amounted to 94.7 MSEK (36.7 MSEK), corresponding to an increase of 158%, and an EBITDA-margin of 24.9% (27.4%). The increasing depreciation which during the quarter amounted to 50.3 MSEK is attributable to the completed company acquisitions where parts of the surplus value are allocated to fixed-term intangible assets. Depreciation of tangible assets is also increasing as NaturVet has a production facility in California. Of the total depreciation, 37.8 MSEK are from intangible assets. Of the 12.5 MSEK in total tangible assets, 6.6 MSEK is attributable to IFRS16.

Operational EBIT amounted to 75.0 MSEK (36.1 MSEK), corresponding to an increase of 108%, and an operational EBIT-margin of 19.7% (26.9%). Exchange rate fluctuations affected EBIT during Q1 with an exchange rate loss of 0.2 MSEK. During the quarter, interest expenses for loans raised in connection with the acquisitions amounted to 3.3 MSEK.

The tax rate on the profit for the period is positively affected by a corporate structural change in the USA that was implemented at the turn of the year, which increases the possibilities of using the tax depreciation that exists in the Group.

Profit after tax during the first quarter of 2022 amounted to 11.5 MSEK (8.9 MSEK), corresponding to a profit margin of 3.0% (6.7%). Earnings per share during the first quarter of 2022 amounted to 0.08 SEK (0.08 SEK) based on the number of outstanding shares (146 475 502) as of March 31, 2022. In May 2021, a share split was carried out, in which case an existing share was divided into 5 shares of the same share class (share split 5:1).

Cash flow

Cash flow from operating activities after changes in working capital amounted to 45.6 MSEK (10.9 MSEK) during the first quarter 2022.

During the quarter, the purchase price was paid, on a debt- and cash-free basis, for NaturVet of 4.181 MSEK, which consisted of an issue in kind of shares of 431 MSEK and a cash payment of 3,750 MSEK, and the purchase price for Innovet of 526 MSEK, which consisted of an issue in kind of shares of 77 MSEK and a cash payment of 449 MSEK. The acquisitions were financed mainly through issues in kind of shares of a total of 507.5 MSEK and a directed new share issue of 3,550 MSEK, which after issue costs of 16.5 MSEK, gave a net contribution to the fund

of 3,533.5 MSEK. In connection with the acquisition, the existing long-term loan has increased by 200 MSEK and a Revolving credit facility (RCF) of 800 MSEK has been established where 550 MSEK was used in the financing.

Investments of tangible and intangible assets during the quarter amounted to 21.6 MSEK, which mainly includes investments in the two major production facilities in California and Florida.

During the first quarter 2022, cash flow amounted to 140.6 MSEK (-124.4 MSEK).

Financial position

Swedencare's equity, as of March 31, 2022, amounted to 6,484 MSEK (1,046 MSEK), of which 1.6 MSEK (1.1 MSEK) was restricted equity. The increase is mainly explained by the directed new share issues of total 4,041 MSEK made during the quarter to finance the acquisitions of NaturVet and Innovet.

Swedencare's cash amounted to 277.3 MSEK (162.5 MSEK) on March 31 2022, at the same date the Group had interest-bearing long-term and short-term liabilities totaling 1,595 MSEK (168.6 MSEK). As of March 31, 2022, Swedencare had a net debt amounting to 1,317 MSEK (6.1 MSEK).

Personnel

As of March 31, 2022, Swedencare had a total of 517 employees in Sweden (11), UK (19), Italy (16), France (2), US (442), Ireland (15), Spain (1) and Greece (11). The gender distribution is 53% men and 47% women. As of March 31, 2021, Swedencare had a total of 102 employees. The increase in the number of employees is mainly due to the acquisitions of RX Vitamins (8), Vetio (151), Fullfillment Advantage Ventures (12), NaturVet (203 employees) and Innovet (16).

Acquisitions completed during the period

NaturVet – Acquisition of the leading American pet supplement company

On February 1, 2022, Swedencare acquired 100% of the American company NaturVet, one of the largest and most profitable companies of the pet market in the premium segment. The purchase price of a total of 4,181 MSEK was paid through a cash payment of 3,750 MSEK and a new issue in kind of shares of a total of 3 854 978 shares in Swedencare, 431 MSEK upon acquisition. A condition-based purchase price (earn-out) of a maximum of approximately 27.5 MUSD may be paid if certain conditions are met as of June 30, 2022, this part of the purchase price is settled in cash. The preliminary, unaudited, financial statements for the financial year 2021 show a revenue of 548 MSEK and an adjusted EBITDA of approximately 179 MSEK, corresponding to an EBITDA margin of 32.7%. Through the acquisition, Swedencare will have a very strong position in premium products in the American pet market, while NaturVet's products can gradually be offered within Swedencare's global distribution network.

Innovet – Acquisition of an Italian company with focus on the veterinary segment

On March 1, 2022, Swedencare acquired 100% of the Italian company Innovet, one of Italy's leading and most profitable dietary supplement companies focused on the veterinary segment. The purchase price of a total of 526 MSEK will be paid through a cash payment of 449 MSEK and a new issue in kind of shares of a total of 606 799 shares in Swedencare, 77 MSEK upon closing. Innovet had a revenue of 128.8 MSEK during the twelve-month period October 2020 - September 2021 with an adjusted EBITDA of 45.7 MSEK corresponding to an EBITDA margin of 35.4%. Through the acquisition, Swedencare will have a strong position in dietary supplements in the Italian pet market, while Innovet's internationalization will have increased resources through Swedencare's global distribution network.

Acquisition analyzes are preliminary, which means that fair value has not been finally determined for all items. Uncertainty in valuation exists mainly for intangible fixed assets and inventories. The process of determining fair values has begun and will be completed in Q2 2022.

Acquisition	Innovet	NaturVet
Purchase price:		
Cash payment for this year's acquisition	449 083	3 749 529
Issue in kind of shares	77 185	430 987
Deferred purchase price	-	257 980
Total purchase price	526 268	4 438 496

	Innovet	NaturVet
Payments for acquisitions:		
Payment for this year's acquisition	526 268	4 438 496
Acquired cash and bank balances	34 838	529
Issuance costs that are deductible items in equity	-8 404	-8 717
Transaction costs that are included in Net income as Other external costs	-3 189	-8 025
Total paid	549 513	4 422 283

Acquisitions completed during the period

Contributions from acquired companies:	Innovet	NaturVet
<i>Contribution from the time when the controlling influence existed</i>		
Total revenue	10 672	110 509
Net income	3 600	30 558

	Innovet	NaturVet
<i>Contribution if the acquisition had been made January 1, 2022</i>		
Total revenue	29 777	167 888
Net income	4 510	45 078

Acquired assets and liabilities	Innovet	NaturVet	Total
<i>Intangible assets</i>			
- Brands	77 493	556 652	634 145
- Customer relationships	146 921	1 417 143	1 564 064
- Intellectual property	67	9 081	9 148
Tangible assets	566	79 377	79 943
Inventory	62 698	183 692	246 390
Accounts receivable	26 458	55 717	82 175
Other current receivables	5 165	15 044	20 209
Cash	34 838	530	35 368
Total acquired net assets	354 206	2 317 236	2 671 442
Accounts payable	-21 742	-23 055	-44 797
Other current liabilities	-55 565	-9 768	-65 333
Deferred tax liability	-72 465	-428 571	-501 036
Total acquired net liabilities	-149 772	-461 394	-611 166
Goodwill	321 834	2 582 654	2 904 488
Total	526 268	4 438 496	4 964 764

Stock

	31 Mar 2022	31 Mar 2021	31 Mar 2020	31 Mar 2019
Number of shares at the end of the period	158 111 805	105 422 375	79 009 900	78 853 110
Share price at the end of the period	120,5	83,8	15,2	10,6

Shareholders (the table summarizes Swedencare's ownership structure as of March 31, 2022).

	Number of shares	Ownership
Symrise AG	37 292 254	23.6%
Håkan Svanberg & Co Health Care AB	23 007 275	14.6%
JCC Group Invest Sweden AB (<i>Johan Bergdahl through company</i>)	7 526 755	4.8%
Handelsbanken Fonder	6 514 957	4.1%
AMF Aktiefond Småbolag	6 006 500	3.8%
Mastan AB (<i>Håkan Lagerberg through company</i>)	5 601 810	3.5%
Första AP-fonden	4 959 674	3.1%
SEB Fonder	4 601 775	2.9%
Scott Garmon - MD NaturVet	3 854 978	2.4%
DNCA Finance S.A	3 610 888	2.3%
Aktia Asset Management	2 620 640	1.7%
ODIN Fonder	2 300 000	1.5%
Grandeur Peak Global Advisors, LLC	2 117 777	1.3%
Swedbank Robur Fonder	2 035 007	1.3%
Matthew Shaw - MD Nutravet	1 935 897	1.2%
Enter Fonder	1 663 550	1.1%
Other	42 462 068	26.86%
Total	158 111 805	100.00%
Free Float*	112 172 936	70.96%

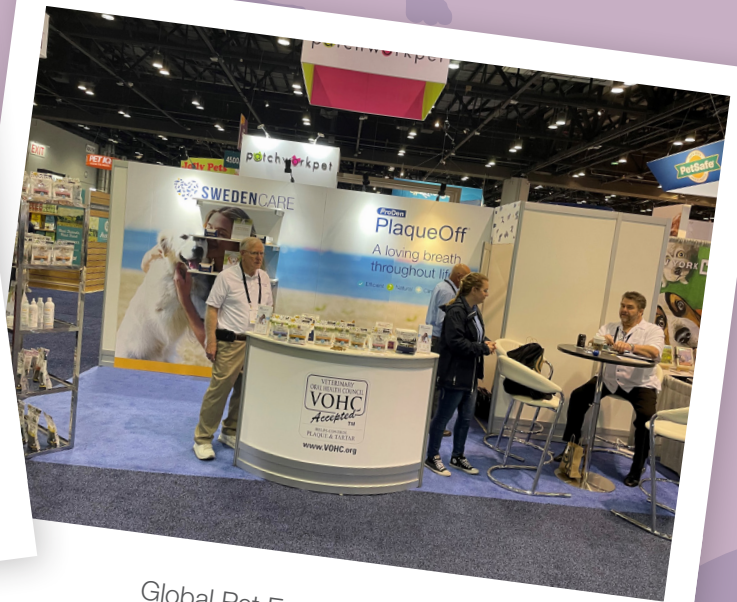
Holdings include related parties

* Shares not owned by board members, management, their close related parties, shareholders with more than 10% or which are part of a lockup agreement.

Some of the expos we attended during the first quarter of 2022



NaturVet sales team at Global Pet Expo – Orlando, US



Global Pet Expo - Orlando, US



Cruft - Birmingham, UK



Unisvet Congress – Milano, Italy



Vet Exhibition - Madrid, Spain



Nutravet at Cruft - Birmingham, UK



Expozoo - Paris, France



Cruft - Birmingham, UK
Our colleagues, Faith and Jessica

Financial overview

Consolidated profit and loss (KSEK)

	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021	Rolling 12 months
Net revenue	377 666	133 908	770 441	1 014 199
Other revenue	2 487	190	2 767	5 064
Total revenue	380 153	134 098	773 208	1 019 263
Cost of sales	-193 108	-70 450	-384 569	-507 227
Gross margin	187 045	63 648	388 639	512 036
Other external costs	-71 776	-24 747	-149 846	-196 875
Personnel costs	-57 389	-18 808	-109 085	-147 666
EBITDA	57 880	20 093	129 708	167 495
Depreciation and amortization	-50 323	-8 888	-72 942	-114 377
Other costs	-153	1 309	7 789	6 327
EBIT	7 404	12 514	64 555	59 445
Financial costs	-4 729	-1 311	-7 654	-11 072
Result after financial costs	2 675	11 203	56 901	48 373
Net income before tax	2 675	11 203	56 901	48 373
Tax on profit	-5 207	-7 135	-23 465	-21 537
Deferred tax	14 064	4 856	21 186	30 394
Net income	11 532	8 924	54 622	57 230
Earnings per share (SEK)	0,08	0,08	0,49	0,48

Consolidated statement of comprehensive income (KSEK)

Net income	11 532	8 924	54 622	57 230
Exchange difference foreign subs.	11 046	65 663	186 857	132 240
TOTAL PROFIT	22 578	74 587	241 479	189 470

Consolidated balance sheet (KSEK)

ASSETS	31 Mar 2022	31 Dec 2021	31 Mar 2021
Non-current assets			
Goodwill	4 367 912	1 464 390	525 645
Other intangible assets	3 477 727	1 302 843	419 215
Buildings and land	345 745	171 810	27 825
Machinery and other tech assets	113 927	67 452	5 696
Tools, furniture, and fixtures	8 736	8 035	8 314
Other financial assets	738	273	61
Deferred tax asset	6 294	4 580	2 512
Total non-current assets	8 321 079	3 019 383	989 268
Current assets			
Inventory	398 315	158 299	100 763
Accounts receivable	199 672	110 271	73 239
Tax receivables	22 340	6 521	-
Other receivable	12 573	8 555	1 256
Prepaid costs and deferred revenue	35 450	32 004	4 422
Cash	277 340	136 086	162 528
Total current assets	945 690	451 736	342 208
TOTAL ASSETS	9 266 769	3 471 119	1 331 476

*Rights of use according to IFRS as of March 31, 2022:

Part of Buildings and land: 219,376 KSEK (19,902 KSEK as of March 31, 2021)

Part of Machinery and other tech assets: 6,765 KSEK (4,562 KSEK as of March 31, 2021)

Consolidated balance sheet (KSEK) - cont.

	31 Mar 2022	31 Dec 2021	31 Mar 2021
EQUITY AND LIABILITIES			
Equity			
Share capital	1 581	1 182	1 054
Reserve fund	22	22	22
Other equity incl. full year profit	6 481 825	2 418 596	1 045 153
Total equity	6 483 428	2 419 800	1 046 229
Long term liabilities			
Debt to credit institutions	1 366 977	616 970	108 625
Other interest-bearing liabilities	196 100	86 749	19 726
Deferred tax liability	720 470	232 818	66 607
Debts to employees	4 454	-	-
Short term liabilities			
Debt to credit institutions	-	-	35 500
Accounts payable	87 991	36 262	21 010
Tax liabilities	27 194	14 100	11 419
Other interest-bearing liabilities	31 541	17 814	4 794
Other liabilities	308 583	10 231	7 056
Deferred costs and prepaid income	40 031	36 375	10 510
Total liabilities	2 783 341	1 051 319	285 247
TOTAL EQUITY AND LIABILITIES	9 266 769	3 471 119	1 331 476

Consolidated cash flow statement (KSEK)

	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Operating income after financial costs	2 675	11 203	56 901
Depreciation	50 323	8 888	72 942
Paid tax	-1 180	-2 242	-20 423
Non-cash flow items	25 420	15 687	37 603
Change in working capital	-31 611	-22 661	-21 177
Cash flow from operating activities	45 627	10 875	125 846
<i>Investment activities excl. leasing</i>			
Acquisitions	-4 163 245	-122 809	-1 840 963
Purchase of intangible assets	-622	-212	-2 194
Purchases of buildings	-6 083	-	-10 064
Purchases of machines	-14 309	-1 696	-13 048
Purchases of tools, furniture, and fixtures	-563	-421	-2 476
Cash flow from investments	-4 139 195	-114 263	-1 742 899
<i>Financial activities</i>			
New share issue	3 532 879	-	1 149 307
Paid dividend	-	-	-16 944
Loan	748 350	-	478 000
Amortization on interest-bearing loan	-	-8 875	-13 000
Amortization on lease	-1 401	-1 280	-9 514
Cash flow for the period	140 633	-124 418	-155 050
Cash balance at beginning of period	136 086	284 081	284 081
Exchange difference in cash	621	2 865	7 055
Cash balance at end of period	277 340	162 528	136 086

Consolidated change of equity (KSEK)

	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Beginning balance	2 419 800	918 351	918 351
New share issue	4 041 050	53 291	1 276 914
Paid dividend	-	-	-16 944
Total profit	22 578	74 587	241 479
Ending balance	6 483 428	1 046 229	2 419 800

Consolidated KPI's (KSEK)

	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Net Revenue	377 666	133 908	770 441
Total Revenue	380 153	134 098	773 208
EBIT	7 404	12 514	64 555
Net Income	11 532	8 924	54 622
Balance Sheet Total	9 266 769	1 331 476	3 471 119
Equity	6 483 428	1 046 229	2 419 800
Change of Revenue (%)	183.5%	254.3%	221.8%
Gross Margin (%)	49.2%	47.5%	50.3%
Operational gross margin (%)	55.9%	59.2%	55.9%
EBIT-margin (%)	1.9%	9.3%	8.3%
Operational EBIT-margin (%)	19.7%	26.9%	23.1%
Operational EBITDA-margin (%)	24.9%	27.4%	24.6%
Net Income margin (%)	3.0%	6.7%	7.1%
Solvency (%)	70.0%	78.6%	69.7%
Interest-bearing net debt	1 317 278	6 117	585 447
Cash	277 340	162 528	136 086
Outstanding Shares at period close	158 111 805	105 422 375	118 150 028
Average outstanding shares	146 475 502	105 377 990	111 951 297
Earnings per share (SEK)	0.08	0.08	0.49
Equity per share (SEK)	41.01	9.92	20.48

Definition of KPI's

Net revenue

The main revenue of the Company

Change of revenue (%)

Total revenue in relation to the previous corresponding period

Gross profit

Sales revenue minus costs for raw materials, components, merchandise and transportation costs

Gross margin (%)

Gross profit as a percentage of total revenue

EBITDA

Operating profit before depreciation and other operating expenses

EBITDA-margin (%)

Operating profit before depreciation and other operating expenses as a percentage of total revenue

EBIT

Operating profit

EBIT-margin (%)

Operating profit as a percentage of total revenue

Net income margin (%)

Profit after tax as a percentage of total revenue

Solvency (%)

Equity (equity and untaxed reserves minus deduction for deferred tax) calculated as a percentage of total assets

Interest-bearing net debt

Interest-bearing debt including financial leasing minus cash

Earnings per share

Net income for the period in relation to the average number of shares during the period. There is no dilution effect

Equity per share

Equity in relation to the number of shares at the end of the period

Definition of operational KPI's

Operational Gross Profit

Gross profit excluding items affecting comparability

Operational Gross-Margin (%)

Gross profit adjusted for PPA adjustment as a percentage of total revenue

Operational EBITDA

EBITDA excluding items affecting comparability. The measure is relevant for showing the Group's results generated by operating activities

Operational EBITDA-margin (%)

Operating profit before depreciation and other operating expenses adjusted for acquisition costs and PPA adjustment as a percentage of total revenue

Operational EBIT

EBIT excluding items affecting comparability. The measure is relevant for showing the Group's results generated by operating activities

Operational EBIT-margin (%)

Operating profit excluding items affecting comparability as a percentage of total revenue

MSEK

	Q1 2022	Q1 2021
Total revenue	380 153	134 098
Operational EBITDA	94 707	36 691
<i>Operational EBITDA-margin</i>	24,9%	27,4%
Acquisition costs	11 214	911
Revaluation of acquisition stock to fair value	25 613	15 687
EBITDA	57 880	20 093
<i>EBITDA margin</i>	15,2%	15,0%
Operational EBIT	74 975	36 100
<i>Operational EBIT-margin</i>	19,7%	26,9%
Acquisition costs	11 214	911
Revaluation of acquisition stock to fair value	25 613	15 687
Depreciation of acquisition-related intangible assets	30 744	6 988
EBIT	7 404	12 514
<i>EBIT margin</i>	1,9%	9,3%

Items affecting comparability

Items affecting comparability refer to events and transactions whose earnings effects are important to pay attention to when the period's earnings are compared with previous periods and include; amortization of acquisition-related intangible assets, cost of goods that arose as a technical accounting consequence of allocation of acquisition purchase consideration and acquisition costs.

Items affecting comparability are a designation of items which excluded show the Group's earnings excluding items which by their nature are not recurring as part of current operations. In addition, peer comp analysis of companies that do not make acquisitions is facilitated, at the same time as analysis and assessment of acquisition objects becomes clearer and more transparent as their EBIT contribution coincides with the actual contribution to the Group after consolidation. At the same time, it is important to note that the effect of the acquisitions is reflected in the Group's capital structure and net debt in accordance with accepted accounting rules.

Revenue breakdown (KSEK)

Group (KSEK)	Jan-Mar 2022	Jan-Mar 2021	Change %
Product areas			
ProDen PlaqueOff®	40 446	41 076	-2%
Nutraceuticals	169 762	41 008	314%
Topicals/Dermatology	130 260	46 061	183%
Pharma	16 452	-	-
Other	20 746	5 763	260%
Total	377 666	133 908	182%
Time of revenue recognition			
The performance commitment is met over time	75 856	-	-
The performance commitment is met at a certain time	301 810	133 908	125%
Total	377 666	133 908	182%
Geografic market			
Sweden	1 590	1 804	-12%
UK/Ireland	37 811	27 984	35%
Rest of Europe	23 206	10 462	122%
North America	306 834	84 199	264%
Asia	6 323	7 943	-20%
Rest of the World	1 902	1 516	25%
Total	377 666	133 908	182%

Other information

Risk factors

The Board of Directors and the Managing Director ensure that the interim report gives a true and fair view of the Group's business, position, and results. In assessing Swedencare's future development, it is important to consider risk factors in addition to potential sales and profit growth. Swedencare's operations are affected by several risks that may affect the Group's earnings and financial position to varying degrees. For a description of Swedencare's risks, reference is made to Swedencare's Annual Report.

Accounting principles

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting for the Group. The same consolidation principles, as well as accounting and evaluation principles have been used as in the latest Annual report.

Related party transactions

There have been no transactions with related parties during the first quarter 2022.

Board of directors

The Board of Directors ensures that this interim report provides a true and fair view of the group's operations, financial position, and results.

Malmö May 12, 2022

Håkan Lagerberg
CEO

Håkan Svanberg
Board Chairman

Johan Bergdahl
Board Member

Sara Brandt
Board Member

Thomas Eklund
Board Member

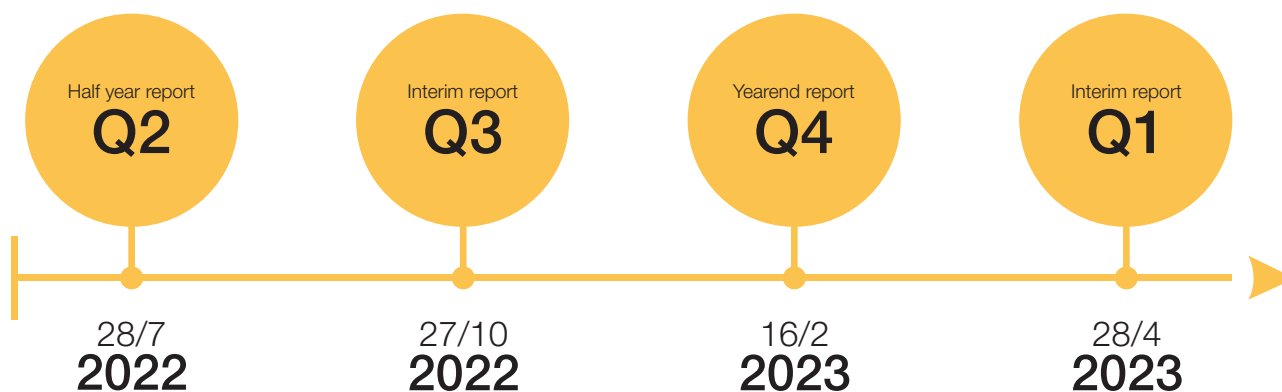
Jean-Yves Parisot
Board Member

Ulrika Valassi
Board Member

Auditor's review

The company's auditor has not reviewed this interim report.

Future reporting schedule



Contact

Swedencare AB (publ), Org.nr. 556470-3790
Medeon Science Park
Per Albin Hanssons väg 41
205 12 Malmö

Visit our website www.swedencare.com

Håkan Lagerberg, CEO Swedencare
Mobil: +46 (0)73 517 0170
Email: hakan.lagerberg@swedencare.se

Jenny Graflind, CFO Swedencare
Mobil: +46 (0)73 944 8554
Email: jenny.graflind@swedencare.se

Certified adviser

FNCA Sweden AB
102 48 Stockholm
+46 8 528 00 399
info@fnca.se



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