

INTERIM REPORT Q1

January-March

2021



Our vision

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

This is Swedencare

Swedencare develop, produce partly in own facilities, markets and sells premium products in the global and fast-growing market within animal health care 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 with 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 twelve subsidiaries and an international network of retailers. Swedencare's sales 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 revenue of 2 MDSEK during 2025 with an EBIT margin more than 30%. The financial objective must be achieved primarily through organic growth.

Dividend

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



Mission

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

Acquisitions and strong organic growth set new records

Summary of the period

First quarter: January 1st – March 31st, 2021

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

- Net revenue amounted to 133 908 KSEK (37 726 KSEK), an increase of 255%
- Organic, currency-adjusted growth amounted to 25%
- Operating profit before depreciation (EBITDA) amounted to 35 780 KSEK (10 430 KSEK), corresponding to an increase of 243% and an EBITDA-margin of 26.7% (27.6%)
- Operating profit after depreciation (EBIT) amounted to 35 189 KSEK (10 714 KSEK), corresponding to an increase of 228% and an EBIT-margin of 26.2% (28.3%)
- Profit after tax amounted to 26 743 KSEK (8 441 KSEK)
- Earnings per share calculated on 21 075 598 shares 1.27 SEK (0.53 SEK)
- As of March 31st, 2021 cash amounted to 162 528 KSEK (44 092 KSEK)
- Costs in connection with the acquisition of Holden2 amounted to 911 KSEK. Adjusted for this, EBITDA amounted to 36 690 KSEK, corresponding to an EBITDA margin of 27.4% and EBIT to 36 099 KSEK corresponding to an EBIT margin of 26.9%

Significant events during the first quarter

- Canagans Dental dry food, which contains Swedencare's ProDen PlaqueOff®, has been approved by VOHC
- Swedencare AB (publ) has completed the acquisition of Holden2 and part of the purchase price is settled with a non-cash share issue
- Swedencare AB (publ) presents new financial targets which are to achieve revenue of 2 MSEK in 2025 with an EBIT margin exceeding 30%
- Swedencare AB (publ) acquires Rx Vitamins, an American company focusing on dietary supplements for the veterinary channel

Significant events after the first quarter

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

Words from the CEO

Synergies and business are easy when you have skilled colleagues

Strong demand for our products, some production and delivery challenges due to Covid-19, many internal projects regarding launches, product development, training, new employees, and optimizations as well as mergers of warehousing, logistics and finance in the US and finally a new acquisition completes an intense quarter!

The first quarter's net sales of 134 MSEK meant an increase of 255% compared with Q1 2020, while EBITDA profit increased by 243% to 35.8 MSEK, corresponding to a margin of 26.7%. Adjusted for acquisition costs, we reach an EBITDA margin of 27.4%. Q1 offered strong momentum in the industry despite continued pandemic impact worldwide.

As stated above, we have put a hectic quarter behind us. All companies in our group have had a strong quarter, a development that is largely due to active business development through collaborations between our subsidiaries but also due to our goal-oriented work in recent years that is now beginning to pay off. This correlates well with our goal, which is to grow significantly faster than the industry. During the first quarter, we show organic growth of 25% despite some production and delivery challenges that shifted some major orders, which were originally planned for delivery in the quarter but were just shipped in April.

Our investments in the USA and the timing of them are perfect as several new surveys and market reports confirm the strength of the American pet market. The experts agree that the market will grow for many years to come, both in terms of the number of pets and, above all, the willingness to spend money on the four-legged family members. A clear majority of the new pet owners in recent years have a completely new level of purchasing power, which is why we as a premium producer believe that we are well positioned for the increased demand. We offer high-quality products, with a proven effect, within attractive brands and, above all, we make accessibility easy with our large online investments.



In a short time, we have succeeded with many of our online ventures. A proof of this and a fantastic achievement I dare say, is that our two flagship products, ProDen PlaqueOff® powder and ProDen PlaqueOff® Cat both hold first place on Amazon UK for top product in the Pet oral care category! With a newly hired online manager based in Leeds, we got off to a flying start. Already we have seen several successful contributions and over the year many more will follow, such as improvements regarding Amazon Europe which will be led from the UK. I am impressed and positively surprised by the speed of our digital transformations but feel that we still have most of it ahead of us.

Some projects that I had hoped would be completed during Q1 were, for various reasons a bit delayed, some due to the challenges I mentioned above. However, I can inform you that most projects were completed in April such as; production start at our internal facility in Houston for ProDen PlaqueOff® powder, full integration of Animal Pharm to Stratford regarding finance, warehousing, and logistics, moving to new premises in Malmö and some new additions to the organization, mainly in the USA.

KPI's Q1 2021

In Q2, we have had several exciting start-up projects, including the launch of the Animal Pharm products on Amazon and Chewy.com, which will be handled by our internal online specialists at Holden2. They will also take over the entire ProDen PlaqueOff® portfolio's presence on Amazon. Another upcoming project starting soon is that our Greek subsidiary will be the first group company to launch Nutravet in a new country. We have hired a dedicated resource for this launch, who during the current quarter will present the concept on the Greek veterinary market. The above projects are all proof of the strong business spirit and the curiosity for new markets that characterizes the entrepreneurs in our organization.

All subsidiaries will launch a number of new products and/or new product lines and I look forward to reporting on their progress in the coming quarterly reports.

During the quarter, we received even more attention in the market from a number of major players who approached us with requests for new or expanded collaborations. I see it as proof that our strategy to grow both organically and with qualitative acquisitions is a success. We are well prepared and have laid the ground to take an even more prominent position in the fast-growing pet market around the world.

A brief update of our markets shows that the USA continues to develop very strongly, despite some coordination and other structural projects. Stratford's takeover of many parts of the operations regarding Animal Pharm was a large project eminently carried out by the parties involved. At the end of the quarter the store and clinic chain increased its activities due to Covid restrictions being eased or eliminated in most US states. From now on we look forward to increasing sales within all channels, and to fully see results from synergy work regarding product and sales collaboration.

At the end of the quarter, we made another acquisition, Rx Vitamins, founded and led by Craig Kisciras. With Rx Vitamins, we add yet another quality addition to our group as both the product range and the organization's expertise are at the highest level. Other companies in the group will be able increase the number of volume deals that Rx Vitamins has so far not been able to focus on.

Despite reintroduced restrictions due to Covid, our companies in the UK have delivered high growth, partly through great success on Amazon and partly thanks to Nutravet. In addition to growing in the UK, Nutravet has managed to get many products approved in South Korea, an already strong market for Swedencare. An initial order has been sent and we expect a second larger order to be shipped already in Q2. The organization has also recruited a well needed Operations Director, who will be crucial in managing Nutravet's future growth.

Also, in the rest of Europe, we have noted growth with record quarters in both Spain and Greece and stable sales in France and the Nordic countries. Regarding France, a major change is taking place now that Hans Persson, to whom we can credit ProDen PlaqueOff®'s success in Central Europe, has decided to retire. Hans introduced the product more than 15 years ago in France as well as on several European markets. Hans has successfully built a large network, which his newly recruited successors will manage and develop.

Net revenue
133 908 KSEK

Change in net revenue
255%

OP. EBIT*
36 099 KSEK
EBIT margin
26.9%

*operational EBIT adjusted for acquisition costs

EBIT
35 189 KSEK
EBIT margin
26.2%

Solvency
83.1%

Earnings per share
1.27 SEK

Cash portion of Rx Vitamins paid on April 1st
161 MSEK


Cash
162 528 KSEK

Moreover, I look forward to our European launch of PetMD® on Amazon, a project that will start in Q2.

As for our other markets, Asia has continued to grow with, above all, a large order to China. For South Korea and Japan, things look good, though we delivered slightly less than usual during this quarter, but this is being remedied in the current quarter. Several new products will be launched in South Korea, and in Japan we will broaden the sales channels for our powder product and launch new flavors of our Dental Bones.

On the acquisition side, we are contacted by many companies, who for various reasons want to be part of our group. We follow the plan laid down and prioritize profitable and growth-driven companies that share our entrepreneurial focus. We are interested in both strong product and brand companies as well as distribution companies in attractive markets. Based on our success in Ireland and Texas, as well as due to some challenges we have experienced in getting the desired volumes on time from our manufacturing partners around the world, we also explore opportunities to grow further in production capability.

I want to express my gratitude for a fantastic organization, amazing customers and for the interest from investors around the world. My hope is that in the coming quarters we all can start to return to a more normal way of living and traveling, allowing more customer meetings IRL!



Håkan Lagerberg, CEO
Malmö April 29th, 2021



There are **over 10.000**
5* reviews for the
ProDen Plaqueoff® Range
on Amazon

Invoiced sales
increased with 54%
in Q1 2021 compared to
Q1 2020



Rankings

All of the ProDen Plaqueoff® products are in the
top 1% in the whole Pet Supplies category!

Dog Oral Care Supplies

#1 - ProDen PlaqueOff® Powder Dog & Cat
#6 - ProDen PlaqueOff® Dental Bones and Mini Bones
#8 - ProDen PlaqueOff® Dental Bites Dog & Cat
out of 537

Overall Pet Supplies category

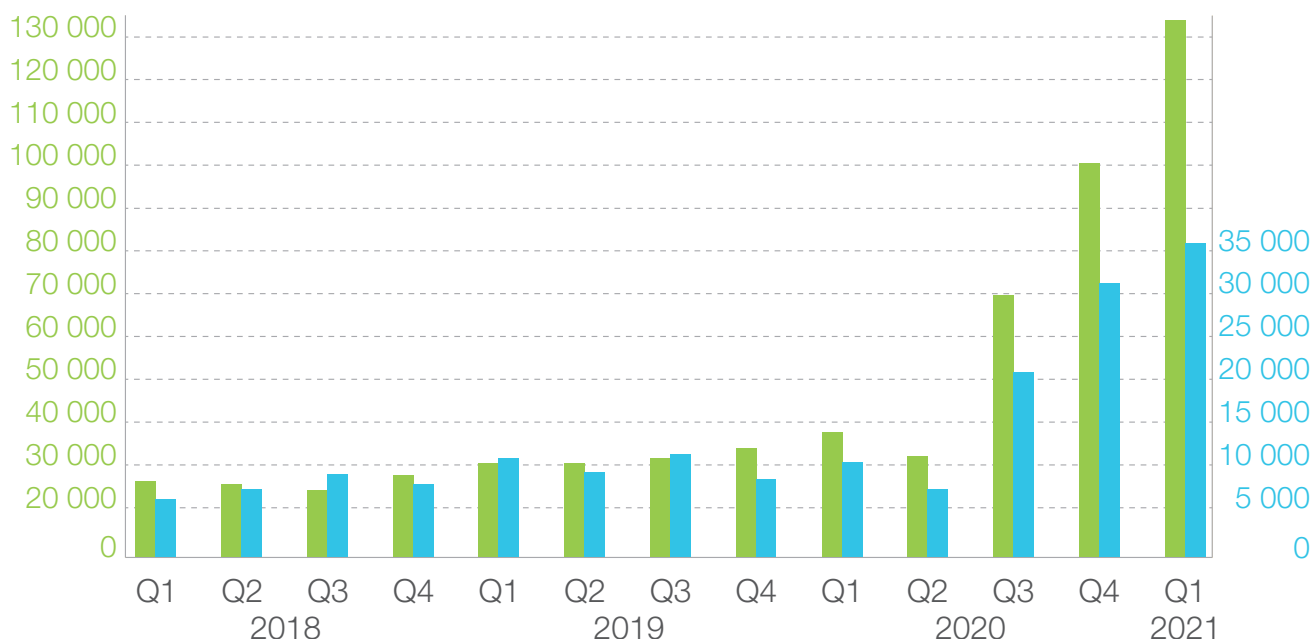
#21 - ProDen PlaqueOff® Powder Dog & Cat
#504 - ProDen PlaqueOff® Dental Bones and Mini Bones
#718 - ProDen PlaqueOff® Powder Cat
#1.676 - ProDen PlaqueOff® Dental Bites Dog & Cat
out of 250.000+

Cat Oral Care Supplies

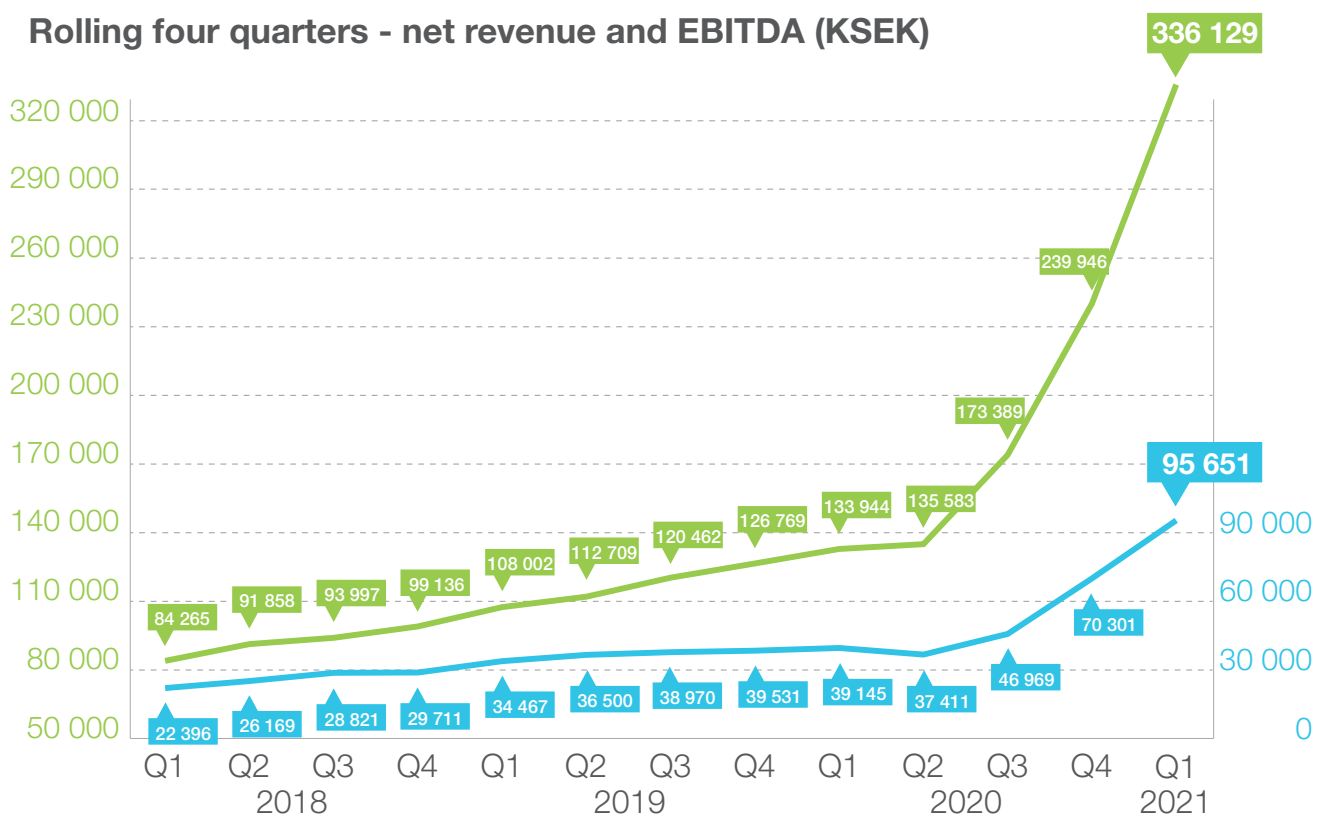
#1 - ProDen PlaqueOff® Powder Cat
out of 202

Development 2018 - 2021

Quarterly history of net revenue and EBITDA (KSEK)



Rolling four quarters - net revenue and EBITDA (KSEK)



Net revenue EBITDA

Additional KPI'S and definitions can be found on page 19.

Comments on the financial development Q1 2021

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

Net revenue

During the quarter, the acquisitions of Holden2 is included, which resulted in net sales of 134 MSEK, corresponding to an increase of 255%. Organic growth during the quarter amounted to 25%, a growth that was broad both geographically and product wise. Asia showed growth of 52% partly affected by a non-order from China in the first quarter of last year. Growth in North America and UK/Ireland is affected by the acquisitions made in 2020, while Swedencare USA, as an existing company, shows record sales and organic growth of 41% during the quarter. Our Greek company has once again reported a record quarter and they note, among other things, strong growth for the ProDen PlaqueOff® product family.

Acquired companies also affect the product group distribution with the new category Topicals/Dermatology as well as a wide range of products for new therapy areas within Nutraceuticals. The product distribution now shows an even distribution between Nutraceuticals and ProDen PlaqueOff® with 31% each and Topicals/Dermatology with 34% of total sales.

Online sales continue to grow significantly, which is mainly reflected in the UK and North America with Amazon as a strong contributing factor. Online sales accounted for approximately 50% of total sales during the quarter.



Geographical distribution

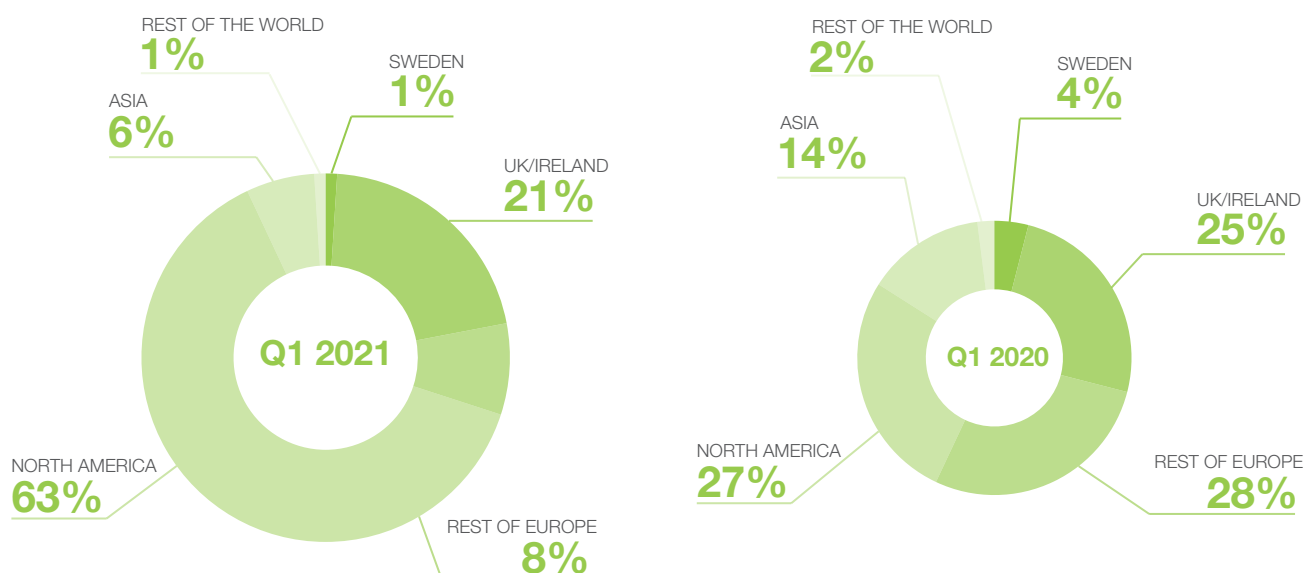
Following the acquisitions of Animal Pharm, Stratford och Holden2 the North American market represents a total of 63% of the Group's total sales, compared with 27% in Q1 2020. This market will be further affected by the acquisition of Rx Vitamins from April 1st, 2021. Despite an organic growth of 18% in UK and the Nutravet acquisition, UK/Ireland's share decreases from 25% to 21% of total sales, as the acquisitions in North America strongly affect the geographical distribution.

Greece continues to grow, primarily with the ProDen PlaqueOff® product family, which has a growth of 84% compared with Q1 2020 and represents 38% of the subsidiary's total sales, compared with just over 15% before the acquisition. Spain also had record sales during the quarter.

The external markets had strong growth of 45% during the quarter, mainly driven by a delivery to China of just over 6 MSEK. During the quarter, a delivery was sent to Brazil, which resulted in a 90% increase for Rest of the World compared to the corresponding quarter last year.

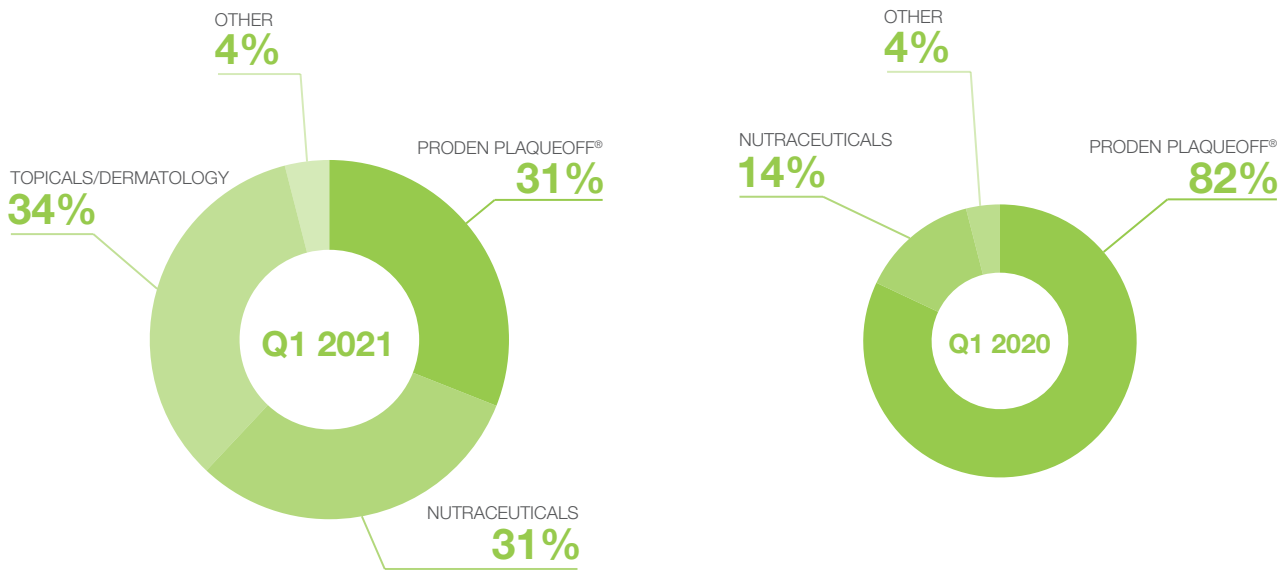
During Q1 2021 and Q1 2020 the geographic sales were distributed according to the graphics.

Product and brand distribution



Holden2, like Animal Pharm and Stratford, offers many products in the new category Topicals/ Dermatology, which thus increases to 34% of the Group's total sales. In this category, the majority are products used for skin and coat, it also contains ear products. Nutravet's product portfolio of dietary supplements is mainly reported in Nutraceuticals. In this product group, joints and mobility are the largest subgroup with about a third of total sales. Joint problems are a common condition in older and larger dogs. Digestion/probiotics as well as products for liver and kidneys are two other large subgroups within Nutraceuticals in which our companies have developed many products.

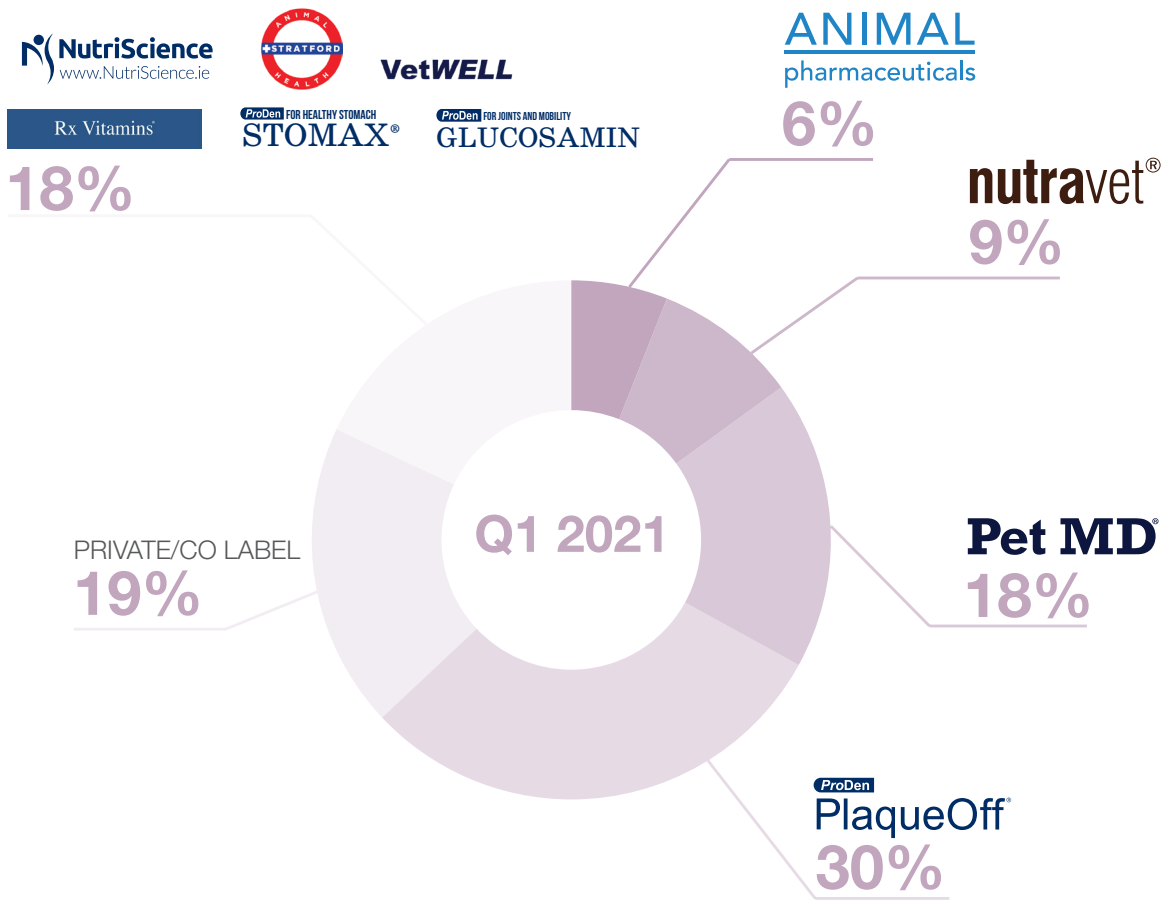
The ProDen PlaqueOff® product family has a growth of 33%, despite delays in Dental Bites which will not be delivered until April. ProDen PlaqueOff® powder acts as strongest driver with a growth of 40%, partly driven by strong growth in both the veterinary channel through Stratford, where sales doubled in Q1 compared to the previous quarter, and online where Holden2 also launched it under a co-branded brand. During the quarter, the new ProDen PlaqueOff® Soft Chews was launched in the North American market, while the ProDen PlaqueOff® Mini Bones had great success, especially with the new flavour "Peanut butter and Banana" which was launched during the quarter in the USA. During Q1 2021 and Q1 2020 sales per product group were distributed according to the graphics.



The acquired companies have contributed with several strong brands that will be launched in new markets in the coming quarters. Following ProDen PlaqueOff®, which continues to be the largest brand during the quarter, PetMD®, an online brand sold by Holden2, is the Group's second largest brand.

During Q1 2021 sales were distributed per brand according to the graphic.

Profit



Operating profit after depreciation and amortization (EBIT) for the first quarter 2021 amounted to 35 189 KSEK (10 714 KSEK), corresponding to an operating margin of 26.2% (28.3%). The result has been charged with non-recurring costs amounting to 911 KSEK in connection with the acquisition of the American company Holden2. Operating EBIT, adjusted for acquisition costs, amounted to 36 099 KSEK, corresponding to an operating margin of 26.9%.

Gross margin during the same period was 59.2% (71.3%), affected by a lower margin in Stratford, Animal Pharm and Holden2.

During the first quarter, external costs continued to be affected by canceled trade fairs and travel, while we continued to increase long-term market efforts. With the acquisition of Holden2, an American e-commerce company that sells products via the major online platforms Amazon and Chewy.com, market investments have increased significantly. Market costs in connection with direct sales to the major online platforms represent about half of the total external costs during the quarter, partly affected by the launches that primarily take place during the first quarter. During the quarter, a unique marketing initiative with Chewy.com, as the largest online platform in the pet segment in the USA, was also launched. We continue to work with brand-building activities, which during the quarter included work on a new website and redesign of ProDen PlaqueOff®.

The result was also charged with costs of 0.7 MSEK during the quarter in connection with the conversion, adaptation and relocation of functions to the company's hub in Florida, where a merger of warehousing, logistics and finances is expected to generate synergy effects already during Q2.

At the time of writing this, the production of ProDen PlaqueOff® in our own facility in Texas has finally begun and the start-up of this has impacted the result with 0.3 MSEK during the quarter.

Despite increased costs, partly of a non-recurring nature and partly of continued large market investments, synergies and scalability in the business contribute to external costs and personnel costs decreasing by approximately 5 and 7 percentage points in relation to sales compared with the corresponding quarter last year.

Exchange rate fluctuations affected EBIT during Q1 with an exchange rate gain of 1 309 KSEK, mainly caused by a stronger USD. The increasing depreciation is mainly attributable to IFRS16, which represents 1.3 MSEK of the total depreciation of 1.9 MSEK. During the quarter, interest expenses for loans raised in connection with the acquisitions amounted to 1.1 MSEK.

Profit after tax for the first quarter of 2021 amounted to 26 743 KSEK (8 441 KSEK) corresponding to a profit margin of 19.9% (22.3%).

Earnings per share during the first quarter of 2021 amounted to 1.27 SEK (0.53 SEK) based on the number of outstanding shares (21 075 598) as of March 31st, 2021.

Cash flow

Cash flow from operating activities after changes in working capital amounted to 10 875 KSEK (-1 104 KSEK) during the first quarter 2021. Increased working capital had a negative impact on cash flow as capital tied up in accounts receivable increased significantly during the quarter. This is mainly due to higher sales during the month of March. The move of warehousing and logistics during the quarter also contributed to part of the sales being generated later in the quarter/March instead of February.

During the first quarter of 2021, cash flow amounted to -124 418 KSEK (-1 645 KSEK). During the quarter, the purchase price of Holden2 of a total of 176 MSEK was paid, of which 53 MSEK was financed by a non-cash share issue. Investments in the new production facility in Texas affected cash flow by 1.7 MSEK during the quarter.

Financial position

Swedencare's equity, as of March 31st, 2021 amounted to 1 080 MSEK (142 MSEK), of which 1 076 KSEK (812 KSEK) was restricted equity. The increase is mainly explained by the directed new issues made in 2020.

Swedencare's cash amounted to 162 528 KSEK (44 092 KSEK) at March 31st 2021, at the same date the Group had interest-bearing long-term and short-term liabilities totaling 168 645 KSEK (1 926 KSEK). As of March 31st, 2021, Swedencare had a net debt of 6 117 KSEK (-42 166 KSEK). On April 1st, 2021, Swedencare paid the cash purchase price for the acquisition of Rx Vitamins of approximately 161 MSEK. In connection with this, an acquisition credit of 90 MSEK was raised.

Personell

As of March 31st, 2021, Swedencare had a total of 102 employees in Sweden (9), England (20), France (2), USA (46), Ireland (14), Spain (1) and Greece (10). The gender distribution is 47% men and 53% women. As of March 31st, 2020, Swedencare had a total of 43 employees. The increase in the number of employees is mainly due to the acquisitions of Nutravet (16 employees), Stratford (22 employees), Animal Pharm (6 employees) and Holden2 (12 employees).



Stock

	31 Mar 2021	31 Mar 2020	31 Mar 2019	31 Mar 2018
Number of shares at the end of the period	21 084 475	15 801 980	15 770 622	15 770 622
Share price at the end of the period	419.0	76.0	53.0	34.0

Shareholders (the table summarizes Swedencare's ownership structure as of March 31st, 2021).

	Number of shares	Ownership
Håkan Svanberg & Co Health Care AB	4 631 455	22.0%
JCC Group Invest Sweden AB (<i>Johan Bergdahl through company</i>)	1 517 351	7.2%
DNCA Investments	1 184 869	5.6%
Mastan AB (<i>Håkan Lagerberg through company</i>)	1 110 362	5.3%
Handelsbanken Fonder	1 019 350	4.8%
AMF Aktiefond Småbolag	959 500	4.6%
SEB Fonder	809 072	3.8%
Aktia Asset Management	604 196	2.9%
Matthew Shaw - MD Nutravet	580 769	2.7%
Consensus Asset Management	459 000	2.2%
Joh. Berenberg, Gossler & Co. KG Act oBo Universal Inv. Funds	394 804	1.9%
Nordnet Pensionsförsäkring AB	284 556	1.3%
Martin Shimko - MD Swedencare USA	280 000	1.3%
Enter Fonder	279 710	1.3%
Jason Braun - MD Animal Pharm	251 994	1.2%
ODIN Fonder	250 000	1.2%
Swedbank Robur Fonder - NEW	210 000	1.0%
Grandeur Peak Global Advisors, LLC	208 177	1.0%
Other	6 049 310	28.7%
Total	21 084 475	100.00%
Free Float*	12 444 812	59.0%

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.

New products during Q1

ProDen PlaqueOff® Mini Dental Care Bones Peanut butter & Banana

Our Mini Dental Care Bones are specially developed for small dog breeds and together with our large bones, these are the only bones on the market that contain the 100% natural and active algae ingredient with clinically proven effect against plaque, tartar, and bad breath. Peanut butter & Banana contains a vegan recipe with probiotics and will be the third flavor in the Mini Bones range.



VetWELL Hydrocortisone Plus Spray

Hydrocortisone PLUS helps relieve the symptoms of hot spots, bites, and skin conditions so your pet can heal quickly.

ProDen PlaqueOff® Crunchy Dental Bites

For the North American market

Dental Bites contains the 100% natural, active ingredients with clinically proven effect against plaque, tartar and bad breath and is the perfect reward for the health-conscious pet owner. Now we are expanding the range with a delicious chicken flavor for large and small dogs and one with salmon for cats. Of course without added sugar or artificial flavors, dyes or additives.



Keto-C®-Tris Wipes

Keto-C®-Tris Wipes is an antiseptic (antifungal) solution for mild cleansing and wiping of ears and skin. Contains ketoconazole for the management of fungal activity. Can be used on dogs & cats.



Keto-C® XL Wipes

NEW & IMPROVED!
Keto-C® XL Wipes contains an antiseptic (antibacterial and antifungal) solution for topical treatment of skin conditions that react to chlorhexidine and ketoconazole.



nutraplaque®

nutraplaque® is a 100% natural product that provides an advanced double action formula to help aid oral health and hygiene by systemically working against bad breath, tartar & plaque for healthy teeth and gums.



Pet MD Calming Hemp Soft Chews

Pet MD Calming Hemp Soft Chews is a blend of soothing ingredients chamomile, thiamine, L-tryptophan, melatonin and hemp seeds for maximum effectiveness.



Pet MD Stoolfix

Pet MD Stool-Fix is recommended to regulate bowel function and promote normal bowel movements. For use with all pets.



Hydrocortisone Spray

Hydrocortisone Spray helps relieve symptoms and itching from hot spots, bites and other skin irritations so that your pet gets quick relief and can heal quickly.



Financial overview

Consolidated profit and loss (KSEK)

	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net revenue	133 908	37 726	239 946
Other revenue	190	125	349
Total revenue	134 098	37 851	240 295
Cost of sales	-54 763	-10 849	-82 602
Gross margin	79 335	27 002	157 693
Other external costs	-24 747	-8 703	-43 623
Personnel costs	-18 808	-7 869	-43 769
EBITDA	35 780	10 430	70 301
Depreciation and amortization	-1 900	-844	-4 844
Other costs*	1 309	1 128	-5 091
EBIT	35 189	10 714	60 366
Financial costs	-1 311	-24	-1 696
Result after financial costs	33 878	10 690	58 670
Net income before tax	33 878	10 690	58 670
Tax on profit	-7 135	-2 249	-10 139
Net income	26 743	8 441	48 531

*Includes exchange rate differences

Consolidated statement of comprehensive income

Net income	26 743	8 441	48 531
Items that may be reclassified to the income statement			
Exchange difference foreign subs.	66 934	272	-52 544
Total profit	93 677	8 713	-4 013

Consolidated balance sheet (KSEK)

	31 Mar 2021	31 Dec 2020	31 Mar 2020
ASSETS			
Non current assets			
<i>Intangible assets</i>			
Goodwill	777 512	567 915	49 140
Other intangible assets	149 946	141 413	2 910
<i>Tangible assets</i>			
Buildings and land*	27 825	29 841	8 758
Machinery and other tech assets*	5 696	5 212	5 046
Tools, furniture and fixtures	8 315	6 019	2 272
<i>Financial assets</i>			
Other financial assets	61	60	65
Deferred tax asset	-	5	1 229
Total non current assets	969 355	750 465	69 420
Current assets			
Inventory	88 468	61 792	16 385
Accounts receivable	73 239	49 061	28 718
Other receivable	1 256	1 419	444
Prepaid costs and deferred revenue	4 422	3 662	1 604
Cash	162 528	284 081	44 092
Total current assets	329 913	400 015	91 243
TOTAL ASSETS	1 299 268	1 150 480	160 663
EQUITY AND LIABILITIES			
Equity			
Share capital	1 054	1 044	790
Reserve fund	22	22	22
Other equity incl. full year profit	1 078 840	931 882	141 561
Total equity	1 079 916	932 948	142 373
Long term liabilities			
Debt to credit institutions	108 625	117 500	-
Other long term liabilities	19 726	21 432	1 926
Deferred tax liability	712	-	-
Short term liabilities			
Debt to credit institutions	35 500	35 500	-
Accounts payable	21 010	18 991	4 342
Tax liabilities	11 419	6 457	2 992
Other liabilities	11 850	11 127	6 216
Deferred costs and prepaid income	10 510	6 525	2 814
Total liabilities	219 352	217 532	18 290
TOTAL EQUITY AND LIABILITIES	1 299 268	1 150 480	160 663

*Rights of use according to IFRS as of March 31st, 2021:

Part of Buildings and land: 19 902 KSEK (0 as of March 31st, 2020)

Part of Machinery and other tech assets: 4 562 KSEK (3 390 KSEK as of March 31st, 2020)

Consolidated cash flow statement (KSEK)

	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Operating income after financial costs	33 878	10 690	58 670
Depreciation	1 900	844	4 845
Paid tax	-2 242	-1 324	-8 592
Change in working capital	-22 661	-11 314	-24 327
Cash flow from operating activities	10 875	-1 104	30 596
<i>Investment activities excl. leasing</i>			
Acquisitions	-122 809	-	-618 679
Purchase of intangible assets	-212	-	-43
Purchases of buildings	-	-88	-80
Purchases of machines	-1 696	-	-167
Purchases of tools, furniture and fixtures	-421	-26	-687
Cash flow from investments	-114 263	-1 218	-589 060
<i>Financial activities</i>			
New share issue	-	-	682 618
Paid dividend	-	-	-11 061
Loan	-	-	165 000
Amortization on interest-bearing loan	-8 875	-	-12 000
Amortization on lease	-1 280	-427	2 847
Cash flow for the period	-124 418	-1 645	238 344
Cash balance at beginning of period	284 081	45 737	45 737
Exchange difference in cash	2 865	-	-
Cash balance at end of period	162 528	44 092	284 081

Consolidated change of equity (KSEK)

	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Beginning balance	932 948	131 328	131 328
New share issue	53 291	-	816 694
Paid dividend	-	2 332	-11 061
Total profit	93 677	8 713	-4 013
Ending balance	1 079 916	142 373	932 948

Consolidated KPI's (KSEK)

	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Net Revenue	133 908	37 726	239 946
Total Revenue	134 098	37 851	240 295
EBIT	35 189	10 714	60 366
Net Income	26 743	8 441	48 531
Balance Sheet Total	1 299 268	160 663	1 150 480
Equity	1 079 916	142 373	932 948
Change of Revenue (%)	254.3%	23.9%	89.4%
Gross Margin (%)	59.2%	71.3%	65.6%
EBIT-margin (%)	26.2%	28.3%	25.1%
Net Income margin (%)	19.9%	22.3%	20.2%
Solvency (%)	83.1%	88.6%	81.1%
Interest-bearing net debt	6 117	-42 166	-109 649
Cash	162 528	44 092	284 081
Outstanding Shares at period close	21 084 475	15 801 980	20 884 743
Average outstanding shares	21 075 598	15 801 980	17 358 303
Earnings per share (SEK)	1.27	0.53	2.80
Equity per share (SEK)	51.22	9.01	44.67

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 and components

Gross margin (%)

Gross profit as a percentage of total revenue

EBITDA

Operating profit before depreciation and other operating expenses

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 netdebt

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

Revenue breakdown

Group (KSEK)	Jan-Dec 2021	Jan-Dec 2020	Change %
<i>Product areas</i>			
ProDen PlaqueOff®	41 076	30 818	33%
Nutraceuticals	41 008	5 231	684%
Topicals/Dermatology	46 061	-	-
Other	5 763	1 677	244%
Total	133 908	37 726	255%
<i>Time of revenue recognition</i>			
The performance commitment is met over time	-	-	-
The performance commitment is met at a certain time	133 908	37 726	255%
Total	133 908	37 726	255%
<i>Geografic market</i>			
Sweden	1 804	1 470	23%
UK/Ireland	27 984	9 507	194%
Rest of Europe	10 462	10 379	1%
North America	84 199	10 334	715%
Asia	7 943	5 239	52%
Rest of the World	1 516	797	90%
Total	133 908	37 726	255%

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 Company'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 Company's earnings and financial position to varying degrees. For a description of Swedencare's risks, reference is made to the Company'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 2021.

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 April 29th, 2021



Håkan Lagerberg
CEO and Board Member



Per Malmström
Board Chairman



Sara Brandt
Board Member



Håkan Svanberg
Board Member



Thomas Eklund
Board Member

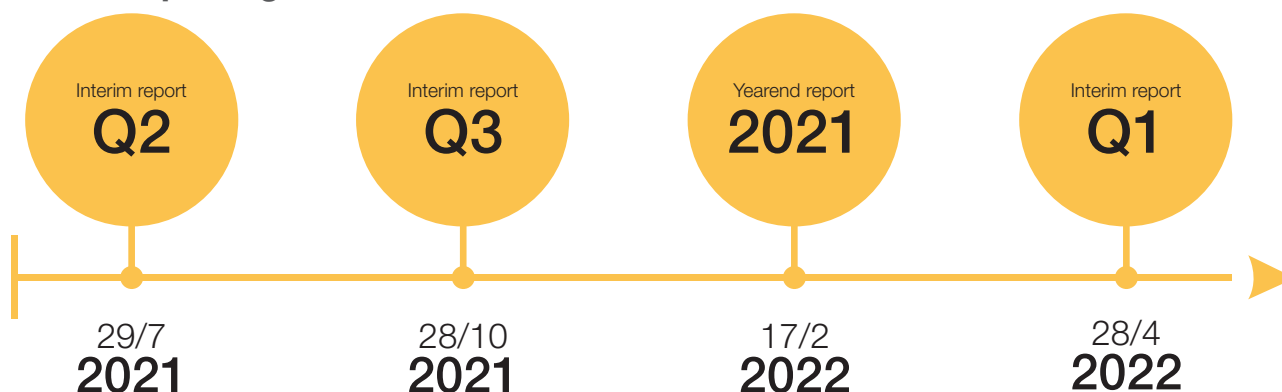


Johan Bergdahl
Board Member

Auditor's review

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

Future reporting schedule



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