

## On track despite challenging conditions in the quarter

### Organic sales growth:

Q3, 2022: -3% (52)

### EBITDA margin:

Q3, 2022: 21% (32)

### Summary, July 1-September 30, 2022

Net sales increased by 7% to SEK 141 m (132).

Sales decreased organically by 3% (52), currency effect 10%.

EBITDA amounted to SEK 29 m (42).

EBITDA margin amounted to 21% (32).

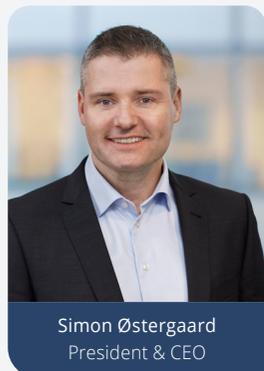
Profit before tax amounted to SEK 13 m (33).

Earnings per share before and after dilution amounted to SEK 0.44 (1.09).

Cash flow from operating activities increased to SEK 31 m (49).

| (MSEK)                                       | Jul-Sep |      | Jan-Sep |      |
|--|---------|------|---------|------|
|  | 2022    | 2021 | 2022    | 2021 |
| Net sales                                    | 141     | 132  | 487     | 401  |
| Gross profit                                 | 96      | 91   | 337     | 278  |
| EBITDA                                       | 29      | 42   | 150     | 136  |
| EBITDA margin, %                             | 21      | 32   | 31      | 34   |
| Profit/loss before tax                       | 13      | 33   | 108     | 107  |
| Earnings per share before and after dilution | 0,44    | 1,09 | 3,61    | 3,59 |
| Cash flow from operating activities          | 31      | 49   | 109     | 114  |
| Total cash flow                              | 6       | 20   | -15     | 9    |
| Equity ratio, %                              | 70      | 67   | 70      | 67   |

## CEO's comment



Simon Østergaard  
President & CEO

CellaVision faced challenging conditions during the third quarter. Sales in APAC dropped following COVID-19 related restrictions, while positive currency effects boosted sales in the Americas and EMEA. During the quarter, several external factors have adversely affected financial performance. Seasonal variations in demand combined with higher operating expenses driven by high activity levels and increasing inflation on material supply, have put pressure on margins. To manage margin pressure, we are actively working with our supply situation and reviewing sales prices for next year.

### *The third quarter in brief*

Net sales for the Group were SEK 141 m (132) in the third quarter. Organic growth, adjusted for currency effects was negative 3 percent in relation to the comparative quarter in 2021. In the Americas, sales were SEK 59 m (48), driven by instrument sales. Growth in large instrument sales and stable reagent sales in EMEA resulted in sales of SEK 74 m (66). In APAC, sales were SEK 8 m (18), due to challenging conditions in the key markets. Operating cash flow was SEK 31 m (49). The Group's total cash flow for the quarter amounted to SEK 6 m (20).

Market activities remained stable in the Americas and EMEA, aided by our presence at major hematology conferences in Chicago and Bologna during the quarter. Continued lockdowns in Asia, specifically in China and Japan, have made it difficult

to install equipment, which has led to postponed orders from our distribution partners. However, our teams in APAC have continued to successfully position our solutions with distributors and train end-users via digital interactions.

### *Progress on updated strategic direction*

We are accelerating initiatives to drive market adoption in small to mid-sized laboratories. An important milestone was the launch of our DIFF-Line™ by CellaVision at the AACC conference in Chicago and at the ISLH symposium in Bologna. While competition has become increasingly visible at conferences, widespread interest was seen for our new complete workflow solution for low-volume hematology laboratories.

Sales of MCDh (Micro Chromatic Detection for hematology) reagents increased, particularly in European countries after the new EU IVDR (In Vitro Diagnostic Regulation) entered into application in May 2022. We will continue to position our reagents for further growth by accelerating reagent compatibility with our partner's sample preparation equipment and adapting protocols to the different geographical markets. The superior value proposition of MCDh is expected to help us gain market penetration in regions where competition is high, such as the US.

Our expansion of production capacity in Bordeaux to help meet increasing demand is progressing well. Construction work commenced in June 2022 and is due for completion in the second quarter of 2023.

The organization remains focused on executing upon the Power of Focus strategy while managing the accelerating cost inflation.

*Simon Østergaard,*  
President and CEO

# Sales, earning and investments

## *Sales and exchange effects*

Net sales for the Group's third quarter increased by 7 percent to SEK 141 m (132), compared to the corresponding period last year. CellaVision invoices most of the sales in Euros and US dollars, which means that exchange rate fluctuations have an impact on the company's sales and earnings. Adjusted for positive currency effects of 10 percent, sales decreased organically by 3 percent compared to the corresponding quarter in 2021.

Net sales for the Group amounted to SEK 487 m (401) for the nine-month period. Adjusted for positive currency effects of 8 percent, sales increased organically by 13 percent compared to the corresponding period in 2021.

## *Gross profit and gross margin*

Gross profit increased by 6 percent to SEK 96 m (91) during the third quarter, corresponding to a gross margin of 68 percent (69). For the nine-month period the gross profit increased to SEK 337 m (278), corresponding to a gross margin of 69 percent (69).

The gross margin is mainly affected by purchase prices related to material and components, the product mix, depreciation of capitalized development expenses and currency effects. The gross margin suffered during the quarter as a result of material price increases due to increased inflation. In addition, shortages of certain critical components have resulted in one-off effects of high purchase prices. Sales prices to customers have remained unchanged during the year. The favorable currency development, especially in USD have kept the gross margin in line with the corresponding period last year.

Depreciation of capitalized development expenses were on par with the corresponding period last year, and amounted to SEK 2 m (2) for the third quarter of the year and to SEK 5 m (5) for the nine-month period.

## *Operating expenses*

Operating expenses increased by 38 percent to SEK 79 m (57) during the third quarter. The increase in operating expenses is most pronounced in product development and



marketing activities which is in line with the long-term strategy of CellaVision. During the quarter, SEK 3 m (0) in previously capitalized research and development expenses relating to projects that are no longer expected to have future measurable income were written off.

For the nine-month period the operating expenses increased by 30 percent to SEK 217 m (167). The increase is, like that of the period, related to the strategic investment in research and development.

## *EBITDA and EBITDA margin*

EBITDA decreased by 31 percent to SEK 29 m (42) during the third quarter, corresponding to an EBITDA margin of 21 percent (32). The lower EBITDA margin for the period is related to increased operating expenses.

For the nine-month period EBITDA amounted to SEK 150 m (136), corresponding to an EBITDA margin of 31 percent (34).

## *Net financial items*

The Group's interest-bearing liabilities in the form of bank loans amounted to SEK 71 m (97). Interest expenses from bank loans

amounted to SEK 0.3 m (0.3). In addition to interest expense from bank loans, net financial income is attributable to foreign exchange gain/loss on acquisition loans in Euro and interest on leasing liability in accordance with IFRS 16.

For the nine-month period interest expenses from bank loans amounted to SEK 0.9 m (0.9) which was on par with the corresponding period last year.

### Investments

The Group continuously capitalizes expenses for product development. Capitalized development expenses decreased during the quarter to SEK 8.3 m (8.8). The quarter's total research and development expenses, before capitalization, increased to SEK 39 m (26). The lower capitalization rate is due to the larger share of development expenses attributable to projects with expenses that cannot be capitalized. According to the company's policy, development expenses are not capitalized in early project phases.

Capitalized development expenses for the nine-month period to SEK 30 m (27). For the nine-month period, total research, and development expenses, before capitalization, increased to SEK 99 m (74).

Most of the capitalized expenses are related to development of instruments and software applications.

### Cash flow

The Group's cash and cash equivalents at the end of the quarter amounted to SEK 116 m (112). The cash flow effect from change in working capital amounted to SEK -1 m (7) for the quarter, mainly explained by increased safety stock. The Group cash flow from operating activities decreased compared with the corresponding period last year, which for the quarter amounted to SEK 31 m (49) which is a consequence of lower profit before tax and increased inventory build-up.

For the nine-month period, cash flow from operating activities amounted to SEK 109 m (114).

For the third quarter, cash flow from investment activities amounted to SEK -13 m (-10) and is mainly related to investment in research and development, as well as expansion of production capacity in France. For the nine-month period, the cash flow from investing activities amounted to SEK -45 m (-67). The comparative figures include last year's acquisition of Clearbridge BioPhotonics with SEK -32 m.

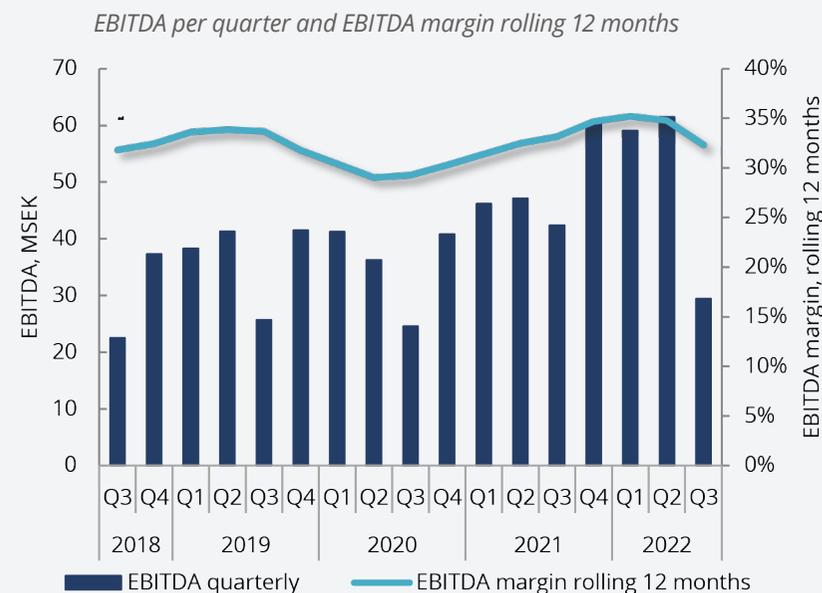
For the third quarter, cash flow from financing activities amounted to SEK -11 m (-18) and has been affected by amortization of loans by SEK -9 m (-17). The effect of last year's termination of factoring affects the comparative figures with SEK 9 m. The larger change is attributable to the end of invoice borrowing, which reduced the cash position in the corresponding period last year.

For the nine-month period, cash flow from financing activities amounted to SEK -79 m (-38). The cash position was reduced during this year by dividends to shareholders of SEK 48 m (18).

The Group's total cash flow for the quarter amounted to SEK 6 m (20) and for the nine-month period amounted to SEK -15 m (9).

### Parent company

Apart from manufacturing of reagents, the group is in all material aspects represented by the operations in the parent company, the comments on the group's result and financial position also refers to the parent company.



# Development in the geographical markets

## Americas: SEK 59 m (48)

In the Americas, sales increased by 23 percent to SEK 59 m (48) compared to the corresponding quarter in 2021. Momentum in the region remains strong, with sales of integrated large instruments and the CellaVision® DC-1 for small and medium laboratories continuing to do well.

In North America, sales of complete hematology lines are increasing. CellaVision instruments are often a part of these lines, which has led to an increase in sales. Field marketing activities in North America are high and are gradually increasing in Brazil, as well as in several Latin American markets.

The DIFF-Line™ solution for small to mid-sized laboratories launched at the AACC conference in Chicago in July. The conference, which is the world's largest clinical lab expo, was well attended by vendors and customers, signaling healthy market conditions.

## EMEA: SEK 74 m (66)

In EMEA, sales increased by 12 percent to SEK 74 m (66) compared to the corresponding quarter in 2021. Sales of reagents continued to develop well, and double-digit growth was seen in instrument sales. A positive trend was also seen in software sales, in particular Remote Review Software.

Reagent sales remain strong, particularly hematology reagents with a growth of 15 percent in local currency. This is driven by the installation of high-volume hematology platforms in continental Europe, and the company's reagents having a competitive advantage as they are compliant with new In Vitro Diagnostic (IVDR) regulations. Sales of non-hematology reagents followed the market trend and increased slightly.

## APAC: SEK 8 m (18)

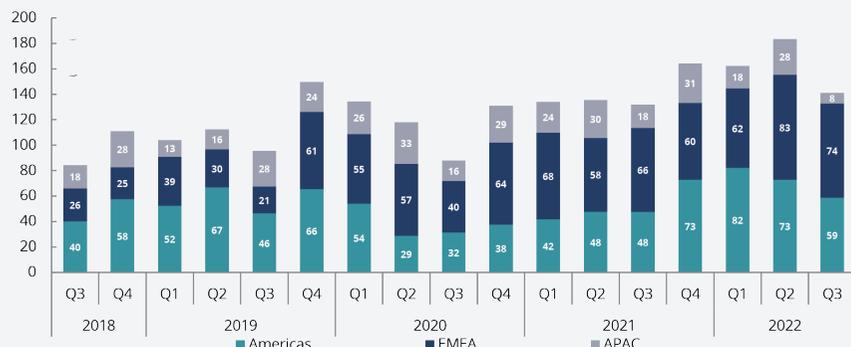
In APAC, sales declined by 54 percent in the third quarter to SEK 8 m (18) compared to the corresponding quarter in 2021. This weak performance is primarily due to the ongoing effect of COVID-19-related lockdowns and restrictions in the company's key markets China and Japan, which has made it difficult to interact with customers and carry out installations throughout the quarter.

In other markets, the easing of restrictions on travel and gatherings has led to an increase in field activities and installations. To continue to raise awareness of the CellaVision technology and software solutions, extensive work is underway to market the company's systems online.

Reagent activities conducted in collaboration with our key partners are gaining traction. Though a strategically important area, sales remain modest but show significant potential.

The inhouse validation of MCDh was successful in Japan, with validation now underway in hospital laboratory settings in the country.

Net sales per region, MSEK



| Net sales per region (MSEK) | Jul-Sep 2022 | Jul-Sep 2021 | Growth %  | Jan-Sep 2022 | Jan-Sep 2021 | Growth %   |
|-----------------------------|--------------|--------------|-----------|--------------|--------------|------------|
| Americas                    | 59           | 48           | 23%       | 214          | 137          | 56%        |
| EMEA                        | 74           | 66           | 12%       | 219          | 192          | 14%        |
| APAC                        | 8            | 18           | -54%      | 55           | 72           | -25%       |
| <b>Total</b>                | <b>141</b>   | <b>132</b>   | <b>7%</b> | <b>487</b>   | <b>401</b>   | <b>21%</b> |

# Research and development

Improving healthcare through continuous innovation is a fundamental ambition of CellaVision. The company devotes considerable resources to research and development to lead technology transformation and offer innovative solutions that meet customer needs and improve laboratory workflows.

During the quarter, the development organization has been strengthened with additional recruitments, something which creates good conditions for the long-term ambitions of CellaVision to deliver several new innovative applications to the company's customers.

To meet the request from the Chinese market in particular, an update of the system software for blood analysis has been completed. The update includes the possibility to digitalize a larger part of the preparation to ensure high quality of the blood smear. Currently, the software is undergoing validation and will subsequently be released on the Chinese market. The same functionality will also be introduced in the other geographical markets during 2023.

Despite a strained situation with component shortages, delivery capacity has been maintained. This has, however, meant an increase in the use of consultants to cover ongoing development project as ordinary staff have worked on validating and adopting replacement components.

Inflation remained high which impacted the production costs for CellaVision instruments. Price increases are expected to continue and are managed through reviewing sales prices for next year.

The CellaVision patent portfolio at the end of the period comprises 25 patented inventions and 106 granted patents.



# The Nomination Committee and the Annual General Meeting

## *The Nomination Committee for the Annual General Meeting in 2023*

In accordance with a resolution of the 2022 Annual General Meeting, the Nomination Committee shall consist of representatives of each of the four largest shareholders in terms of voting rights at the end of July 2022. The Chairman of the Board, Mikael Worning, convenes the Nomination Committee and may participate in the work as an adjunct.

Ahead of the Annual General Meeting in 2023, the Nomination Committee consists of: Christer Fåhraeus, (appointed by Christer Fåhraeus with Companies) Nicklas Hansen (appointed by William Demant Invest A / S), Anette Andersson (appointed by SEB Investment funds) and Emil Hjalmarsson (appointed by Grenlunden CEVI AB). Emil Hjalmarsson has been appointed chairman of the Nomination Committee. The Nomination Committee of CellaVision has been convened in accordance with the guidelines adopted at the Annual General Meeting 2022.

Shareholders wishing to submit proposals to the Nomination Committee can send an email to [ir@cellavision.com](mailto:ir@cellavision.com), or ordinary mail to: The Nomination Committee, CellaVision AB, Mobilvägen 12, 223 62 Lund.

## *Annual General Meeting 2023*

The CellaVision Annual General Meeting in 2023 will be held in Lund at 15:00 o'clock CEST, on May 5, 2023. Shareholders wishing to have matters considered at the Annual General Meeting can send a written request by email to: [bolagsstamma@cellavision.se](mailto:bolagsstamma@cellavision.se), or ordinary mail addressed to: The Board of Directors, CellaVision AB, Mobilvägen 12, 223 62 Lund.

The request must have been received at the latest seven weeks before the Annual General Meeting in order to be included in the notice to attend and thus the agenda of the Annual General Meeting.

# Declaration by the Board of Directors and President/CEO

The Board of Directors through the President/Chief Executive Officer certify that the interim report provides a true and fair view of the parent company's and the Group's business, financial position, performance and describes material risks and uncertainties, to which the parent company and the companies in the group are exposed.

Lund, October 26, 2022

Simon Østergaard  
President/CEO

*The interim report has been subject to review by the company's auditors.*

## Income statement in summary and consolidated statement of comprehensive income, Group

| Amounts in ' 000 SEK                                    | Jul-sep 2022  | Jul-sep 2021  | Jan-sep 2022   | Jan-sep 2021   | Jan-dec 2021   |
|---|---------------|---------------|----------------|----------------|----------------|
| Net sales   | 141,028       | 131,986       | 487,024        | 401,392        | 565,552        |
| Cost of goods sold                                      | -44,613       | -40,716       | -150,357       | -123,565       | -173,250       |
| <b>Gross profit</b>                                     | <b>96,414</b> | <b>91,271</b> | <b>336,667</b> | <b>277,827</b> | <b>392,303</b> |
| Sales and marketing expenses                            | -30,450       | -24,873       | -90,469        | -73,939        | -102,246       |
| Administration expenses                                 | -18,378       | -15,339       | -57,701        | -45,206        | -63,077        |
| R&D expenses  | -30,631       | -17,184       | -69,296        | -47,711        | -64,248        |
| <b>Operating profit</b>                                 | <b>16,956</b> | <b>33,875</b> | <b>119,201</b> | <b>110,971</b> | <b>162,733</b> |
| Interest income and financial exchange rate gains       | 639           | 327           | 2,801          | 2,073          | 3,422          |
| Interest expense and financial exchange rate losses     | -4,745        | -1,476        | -13,666        | -5,787         | -7,858         |
| <b>Profit/loss before tax</b>                           | <b>12,850</b> | <b>32,725</b> | <b>108,336</b> | <b>107,256</b> | <b>158,297</b> |
| Tax   | -2,467        | -6,630        | -22,298        | -21,672        | -32,958        |
| <b>Profit/loss for the period</b>                       | <b>10,383</b> | <b>26,095</b> | <b>86,038</b>  | <b>85,584</b>  | <b>125,339</b> |
| <b>Other comprehensive income:</b>                      |               |               |                |                |                |
| Components not to be reclassified to net profit:        |               |               |                |                |                |
| Effect on revaluation of pensions                       | -79           | -30           | -230           | -65            | 369            |
| Tax effect on revaluation of pensions                   | 20            | 8             | 59             | 18             | -91            |
| Sum of Components not to be reclassified to net profit: | -59           | -22           | -171           | -47            | 278            |
| Components to be reclassified to net profit:            |               |               |                |                |                |
| <i>a) Financial assets at fair value</i>                |               |               |                |                |                |
| Reclassified to operating result                        | 0             | 0             | 0              | -1,388         | -1,388         |
| Revaluation of financial assets                         | 0             | 0             | 0              | 0              | 0              |
| Income tax relating to financial assets                 | 0             | 0             | 0              | 286            | 286            |
| <i>b) Translation difference</i>                        |               |               |                |                |                |
| Translation difference in the group                     | 9,135         | 2,548         | 24,460         | 4,321          | 7,037          |
| Sum of Components to be reclassified to net profit:     | 9,135         | 2,548         | 24,460         | 3,219          | 5,935          |
| <b>Sum of other comprehensive income:</b>               | <b>9,076</b>  | <b>2,526</b>  | <b>24,289</b>  | <b>3,172</b>   | <b>6,213</b>   |
| <b>Comprehensive result for the period</b>              | <b>19,459</b> | <b>28,621</b> | <b>110,327</b> | <b>88,756</b>  | <b>131,552</b> |

## Per share data

| <b>Per share data</b>                                 | <b>Jul-sep 2022</b> | <b>Jul-sep 2021</b> | <b>Jan-sep 2022</b> | <b>Jan-sep 2021</b> | <b>Jan-dec 2021</b> |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Earnings per share, before and after dilution, SEK */ | 0.44                | 1.09                | 3.61                | 3.59                | 5.25                |
| Equity per share, SEK                                 | 25.40               | 20.98               | 25.40               | 20.98               | 22.78               |
| Number of shares outstanding                          | 23,851,547          | 23,851,547          | 23,851,547          | 23,851,547          | 23,851,547          |
| Average number of shares outstanding                  | 23,851,547          | 23,851,547          | 23,851,547          | 23,851,547          | 23,851,547          |
| Stock exchange rate, SEK                              | 254.50              | 391.40              | 254.50              | 391.40              | 325.20              |
| Dividend per share, SEK                               | 0.00                | 0.00                | 2.00                | 0.75                | 0.75                |

\*/ Based on the profit/loss for the period divided by the average number of shares in issue

## Quarterly earnings trend

| <b>Amounts in ' 000 SEK</b> | <b>Q3 2022</b> | <b>Q2 2022</b> | <b>Q1 2022</b> | <b>Q4 2021</b> | <b>Q3 2021</b> | <b>Q2 2021</b> |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Net sales                   | 141,028        | 183,575        | 162,422        | 164,160        | 131,986        | 135,451        |
| Gross profit                | 96,414         | 124,626        | 115,626        | 114,476        | 91,271         | 93,572         |
| Gross margin in %           | 68             | 68             | 71             | 70             | 69             | 69             |
| Expenses                    | -79,458        | -72,199        | -65,809        | -62,714        | -57,396        | -54,884        |
| EBITDA                      | 29,451         | 61,477         | 59,039         | 60,487         | 42,383         | 47,108         |
| Net profit                  | 10,383         | 37,251         | 38,403         | 39,754         | 26,095         | 31,000         |
| Cash flow                   | 6,093          | -36,324        | 15,114         | 18,382         | 20,045         | -20,330        |

## Balance sheet in summary, Group

| Amounts in ' 000 SEK                  | 09/30/2022     | 09/30/2021     | 06/30/2022     | 12/31/2021     |
|---------------------------------------|----------------|----------------|----------------|----------------|
| <b>Assets</b>                         |                |                |                |                |
| Intangible assets                     | 384,046        | 349,185        | 379,601        | 358,160        |
| Tangible assets                       | 84,745         | 46,726         | 83,318         | 80,326         |
| Financial assets                      | 23,774         | 21,885         | 22,812         | 22,007         |
| Inventory                             | 130,161        | 102,840        | 123,255        | 115,088        |
| Trade receivables                     | 91,800         | 78,650         | 99,047         | 89,736         |
| Other receivables                     | 29,768         | 36,159         | 25,267         | 29,610         |
| Cash and bank                         | 116,201        | 111,538        | 110,033        | 130,286        |
| <b>Total assets</b>                   | <b>860,496</b> | <b>746,983</b> | <b>843,334</b> | <b>825,212</b> |
| <b>Equity and liabilities</b>         |                |                |                |                |
| Equity                                | 605,904        | 500,484        | 586,445        | 543,280        |
| Deferred tax liability                | 51,205         | 46,220         | 50,701         | 47,951         |
| Other provisions                      | 5,656          | 4,170          | 4,898          | 3,636          |
| Long-term debt, interest-bearing      | 69,430         | 75,462         | 78,335         | 95,845         |
| Short-term debt, interest-bearing     | 41,893         | 38,609         | 41,596         | 40,809         |
| Short-term debt, non interest-bearing | 48,748         | 49,562         | 47,800         | 46,380         |
| Trade payables                        | 34,805         | 30,159         | 30,759         | 44,861         |
| Warranty provisions                   | 2,855          | 2,318          | 2,800          | 2,450          |
| <b>Total equity and liabilities</b>   | <b>860,496</b> | <b>746,983</b> | <b>843,334</b> | <b>825,212</b> |

## Consolidated statement of changes in equity, Group

| Amounts in ' 000 SEK                  | 09/30/2022     | 09/30/2021     | 06/30/2022     | 12/31/2021     |
|---------------------------------------|----------------|----------------|----------------|----------------|
| Balance at the beginning of the year  | 543,280        | 429,617        | 543,280        | 429,617        |
| Dividend                              | -47,703        | -17,889        | -47,703        | -17,889        |
| Net profit for the year               | 86,038         | 85,584         | 75,655         | 125,339        |
| Comprehensive result for the period   | 24,289         | 3,172          | 15,213         | 6,213          |
| <b>Balance at the end of the year</b> | <b>605,904</b> | <b>500,484</b> | <b>586,445</b> | <b>543,280</b> |

## Cash flow statement in summary, Group

| Amounts in ' 000 SEK   | Jul-sep 2022   | Jul-sep 2021   | Jan-sep 2022   | Jan-sep 2021   | Jan-dec 2021   |
|--|----------------|----------------|----------------|----------------|----------------|
| Result before taxes  | 12,850         | 32,725         | 108,336        | 107,256        | 158,297        |
| Adjustment for items not included in cash flow                     | 21,344         | 15,528         | 42,674         | 34,282         | 42,013         |
| Taxes  | -2,526         | -6,135         | -20,744        | -18,993        | -28,724        |
| <b>Cash flow from operations before changes in working capital</b> | <b>31,669</b>  | <b>42,118</b>  | <b>130,266</b> | <b>122,546</b> | <b>171,587</b> |
| Changes in working capital   | -787           | 6,632          | -21,145        | -8,688         | -11,870        |
| <b>Cash flow from operations</b>                                   | <b>30,881</b>  | <b>48,750</b>  | <b>109,121</b> | <b>113,858</b> | <b>159,717</b> |
| Capitalization of development costs                                | -8,294         | -8,791         | -29,743        | -26,597        | -38,788        |
| Acquisitions/divestment of intangible non-current assets           | 0              | -39            | -181           | -31,802        | -31,802        |
| Acquisitions/divestment of financial non-current assets            | -554           | 64             | -581           | 44             | -34            |
| Acquisitions/divestment of tangible non-current assets             | -4,583         | -1,486         | -14,482        | -8,514         | -13,716        |
| <b>Cash flow from investment activities</b>                        | <b>-13,431</b> | <b>-10,252</b> | <b>-44,987</b> | <b>-66,870</b> | <b>-84,339</b> |
| Acquired loans   | 0              | 1,175          | 0              | 20,705         | 20,705         |
| Amortization of loans  | -8,705         | -16,975        | -23,560        | -33,305        | -40,298        |
| Amortization of leasing debts                                      | -2,653         | -2,652         | -7,987         | -7,978         | -10,994        |
| Dividend   | 0              | 0              | -47,703        | -17,889        | -17,889        |
| <b>Cash flow from financing activities</b>                         | <b>-11,357</b> | <b>-18,452</b> | <b>-79,249</b> | <b>-38,467</b> | <b>-48,475</b> |
| <b>Total cash flow</b>   | <b>6,093</b>   | <b>20,046</b>  | <b>-15,116</b> | <b>8,520</b>   | <b>26,903</b>  |
| Liquid funds at beginning of period                                | 110,033        | 91,271         | 130,286        | 102,262        | 102,262        |
| Exchange rate fluctuations in liquid funds                         | 75             | 222            | 1,031          | 756            | 1,122          |
| Liquid funds at end of period                                      | 116,201        | 111,538        | 116,201        | 111,538        | 130,286        |

Disclosures regarding interest expense:

Interest expenses for Jan-Sep amount to SEK 1,574 k (1,324) whereof SEK 658 k (424) is attributable to leasing in accordance with IFRS 16.

## Income statement, Parent company

| Amounts in ' 000 SEK                           | Jul-sep 2022  | Jul-sep 2021  | Jan-sep 2022   | Jan-sep 2021   | Jan-dec 2021   |
|--|---------------|---------------|----------------|----------------|----------------|
| Net sales                                      | 111,154       | 104,308       | 395,880        | 322,842        | 457,280        |
| Cost of goods sold                             | -27,003       | -25,181       | -92,935        | -75,876        | -109,983       |
| <b>Gross profit</b>                            | <b>84,151</b> | <b>79,126</b> | <b>302,946</b> | <b>246,966</b> | <b>347,297</b> |
| Sales and marketing expenses                   | -24,021       | -19,312       | -68,631        | -57,797        | -76,521        |
| Administration expenses                        | -14,764       | -12,429       | -47,313        | -36,609        | -51,745        |
| R&D expenses                                   | -35,213       | -24,261       | -92,758        | -69,085        | -96,498        |
| <b>Operating profit</b>                        | <b>10,153</b> | <b>23,124</b> | <b>94,244</b>  | <b>83,475</b>  | <b>122,533</b> |
| Interest income and financial exchange gains   | 562           | 326           | 2,657          | 2,027          | 5,166          |
| Interest expense and financial exchange losses | -4,363        | -1,171        | -12,511        | -4,785         | -8,279         |
| <b>Profit before income tax</b>                | <b>6,352</b>  | <b>22,279</b> | <b>84,389</b>  | <b>80,717</b>  | <b>119,420</b> |
| Taxes  | -1,308        | -4,589        | -17,571        | -16,828        | -24,936        |
| <b>Net profit</b>                              | <b>5,043</b>  | <b>17,690</b> | <b>66,818</b>  | <b>63,889</b>  | <b>94,484</b>  |

| Statement of Comprehensive Income          | Jul-sep 2022 | Jul-sep 2021  | Jan-sep 2022  | Jan-sep 2021  | Jan-dec 2021  |
|--|--------------|---------------|---------------|---------------|---------------|
| Net profit for the period                  | 5,043        | 17,690        | 66,818        | 63,889        | 94,484        |
| Other comprehensive income                 | 0            | 0             | 0             | 0             | 0             |
| <b>Sum of other comprehensive income</b>   | <b>0</b>     | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      |
| <b>Comprehensive profit for the period</b> | <b>5,043</b> | <b>17,690</b> | <b>66,818</b> | <b>63,889</b> | <b>94,484</b> |

## Balance sheet, Parent company

| Amounts in ' 000 SEK                       | 09/30/2022     | 09/30/2021     | 06/30/2022     | 12/31/2021     |
|--|----------------|----------------|----------------|----------------|
| <b>Assets</b>                              |                |                |                |                |
| Intangible assets                          | 33,673         | 5,438          | 35,358         | 5,297          |
| Tangible assets                            | 5,289          | 4,234          | 5,526          | 4,066          |
| Deferred tax assets                        | 552            | 668            | 552            | 552            |
| Long term receivables from group companies | 21,835         | 0              | 10,680         | 0              |
| Financial assets                           | 282,889        | 282,309        | 282,360        | 282,309        |
| Inventory                                  | 96,024         | 70,458         | 92,404         | 83,752         |
| Trade receivables                          | 70,717         | 58,091         | 78,880         | 68,199         |
| Receivables from group companies           | 1,797          | 15,977         | 2,390          | 16,594         |
| Other receivables                          | 25,837         | 34,410         | 20,792         | 29,174         |
| Cash and bank                              | 93,244         | 97,133         | 95,203         | 118,215        |
| <b>Total assets</b>                        | <b>631,858</b> | <b>568,718</b> | <b>624,144</b> | <b>608,159</b> |
| <b>Equity and liabilities</b>              |                |                |                |                |
| Equity                                     | 456,188        | 406,478        | 451,144        | 437,073        |
| Other provisions                           | 2,022          | 123            | 1,343          | 232            |
| Long-term debt, interest-bearing           | 33,142         | 57,767         | 39,438         | 51,305         |
| Short-term debt, interest-bearing          | 27,892         | 26,258         | 27,351         | 26,317         |
| Short-term debt, non interest-bearing      | 36,370         | 36,558         | 35,875         | 32,794         |
| Trade payables                             | 25,533         | 22,473         | 24,280         | 37,260         |
| Liabilities to group companies             | 47,856         | 16,744         | 41,912         | 20,728         |
| Warranty provisions                        | 2,855          | 2,318          | 2,800          | 2,450          |
| <b>Total equity and liabilities</b>        | <b>631,858</b> | <b>568,718</b> | <b>624,144</b> | <b>608,159</b> |

# Notes

## NOTE 1. ACCOUNTING POLICIES

The Group applies International Financial Reporting Standards (IFRS), as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Annual Accounts Act and the Nasdaq Stockholm Rule Book for Issuers. Disclosures in accordance with IAS 34 p. 16A appears not only in the financial statements and their accompanying notes but also in other parts of the interim report. The parent company applies the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2 Accounting for Legal Entities. The accounting policies and calculation methods applied are consistent with those described in the Annual Report for 2021.

## NOTE 2. SEGMENT REPORTING

CellaVision's operations comprise only one operating segment: automated microscopy systems and reagents in the field of hematology. Therefore, references are made to the income statement and balance sheet regarding operating segment reporting.

## NOTE 4. ALLOCATION OF SALES

## NOTE 3. RISKS AND UNCERTAINTIES

CellaVision is exposed to several risks, which may impact the Group's development to a greater or lesser extent. Reduced demand, currency fluctuations, production disruptions and restrictions related to COVID-19 are both risks and uncertainties to varying degrees. For a more detailed description of the risks and uncertainties facing CellaVision, please refer to the risk analysis on pages 34-36 and Note A2 and A5 in the 2021 Annual and Sustainability Report.

Due to Russia's invasion of Ukraine, CellaVision has suspended all sales activities in Russia for the foreseeable future. The Russian market contributed marginally to the company's total earnings. CellaVision has not previously had any sales in Ukraine.

| Amounts in ' 000 SEK | Jul-Sep 2022  |               |                  |                | Jul-Sep 2021  |               |                  |                |
|----------------------|---------------|---------------|------------------|----------------|---------------|---------------|------------------|----------------|
|                      | Instruments   | Reagents      | Software & Other | Total          | Instruments   | Reagents      | Software & Other | Total          |
| Americas             | 37,212        | 917           | 20,565           | <b>58,694</b>  | 29,138        | 644           | 17,769           | <b>47,551</b>  |
| EMEA                 | 33,604        | 24,531        | 15,775           | <b>73,910</b>  | 29,804        | 23,196        | 12,953           | <b>65,954</b>  |
| APAC                 | 3,723         | 727           | 3,974            | <b>8,424</b>   | 15,457        | 396           | 2,629            | <b>18,481</b>  |
| <b>Total</b>         | <b>74,539</b> | <b>26,175</b> | <b>40,314</b>    | <b>141,028</b> | <b>74,399</b> | <b>24,236</b> | <b>33,351</b>    | <b>131,986</b> |

| Amounts in ' 000 SEK | Jan-Sep 2022   |               |                  |                | Jan-Sep 2021   |               |                  |                |
|----------------------|----------------|---------------|------------------|----------------|----------------|---------------|------------------|----------------|
|                      | Instruments    | Reagents      | Software & Other | Total          | Instruments    | Reagents      | Software & Other | Total          |
| Americas             | 130,886        | 2,038         | 80,741           | <b>213,665</b> | 76,019         | 1,258         | 59,774           | <b>137,050</b> |
| EMEA                 | 97,991         | 70,831        | 49,983           | <b>218,805</b> | 89,400         | 64,704        | 37,742           | <b>191,846</b> |
| APAC                 | 37,495         | 2,335         | 14,725           | <b>54,555</b>  | 60,820         | 1,601         | 10,074           | <b>72,496</b>  |
| <b>Total</b>         | <b>266,372</b> | <b>75,204</b> | <b>145,449</b>   | <b>487,024</b> | <b>226,239</b> | <b>67,563</b> | <b>107,590</b>   | <b>401,392</b> |

Other refers to spare parts and consumables.

**NOTE 5. TANGIBLE FIXED ASSETS**

| Amounts in ' 000 SEK  | 09/30/2022    | 09/30/2021    |
|---|---------------|---------------|
| <b>Right of use assets</b>  |               |               |
| Land and buildings  | 37,542        | 15,334        |
| Inventories   | 2,580         | 3,030         |
| <b>Total right of use assets</b>                                    | <b>40,121</b> | <b>18,364</b> |
| <b>Tangible fixed assets that are not right of use assets</b>       |               |               |
| Land and buildings  | 24,935        | 15,127        |
| Inventories   | 19,689        | 13,235        |
| <b>Total tangible fixed assets that are not right of use assets</b> | <b>44,624</b> | <b>28,362</b> |
| <b>Total tangible fixed assets</b>                                  | <b>84,745</b> | <b>46,726</b> |

The tangible fixed assets amounted to SEK 85 m on the balance sheet date. The majority of the right of use assets consists of leases for office premises. For all leases for which the Group is lessee (which are not short term leases or low value assets), the Group recognizes a right of use asset and a corresponding lease liability.

When valuating the right of use asset, the acquisition method is used, i.e the right of use asset is calculated at acquisition cost, adjusted for any revaluation of the lease liability less depreciation.

The right of use asset is reported as a tangible fixed asset, while leasing liability is reported separately in the Group's statement of financial position as long-term debt, interest-bearing and short-term debt, interest-bearing.

**NOTE 6. EMPLOYEES**

|                                  | 09/30/2022 | 09/30/2021 |
|----------------------------------|------------|------------|
| Number of permanent employees    | 234        | 199        |
| Number of temporary employees    | 20         | 21         |
| <b>Total number of employees</b> | <b>254</b> | <b>220</b> |

The note refers to the number of employees in the Group at the end of the period. Temporary employees include all employees on a temporary contract with a defined end date, this includes paid interns and apprentices.

**NOTE 7. SIGNIFICANT EVENTS AFTER THE PERIOD CLOSE**

No significant events have occurred after the period close.

## Reconciliation tables KPIs, non-IFRS measures

The company presents certain financial measures in the interim report which are not defined according to IFRS. The company considers these measures to provide valuable supplementary information for investors and the company's management as they enable the assessment of relevant trends. CellaVision's definitions of these measures may differ from other companies' definitions of the same terms. These financial measures should therefore be seen as a supplement rather than as a replacement for measures defined according to IFRS. Definitions of measures which are not defined according to IFRS and which are not mentioned elsewhere in the interim report are presented below. Reconciliation of these measures is shown in the tables below.

**Key performance indicators not defined according to IFRS**  
**Currency effect.** Exchange rate effects on sales growth for the period.

**Equity/assets ratio.** Shareholders' equity including non-controlling interests as a percentage of total assets.

**EBITDA.** Overall financial performance before interest, taxes, depreciation and amortization.

**Gross margin.** Gross profit as a percentage of net sales.

**Gross profit.** Net sales less cost of goods sold.

**Operating margin (EBIT), %.** Operating profit (EBIT) as a percentage of net sales for the period.

**Operating profit (EBIT).** Earnings before interest and tax.

### Equity-asset ratio

| KSEK                | Jul-sep 2022 | Jul-sep 2021 | Jan-sep 2022 | Jan-sep 2021 | Jan-dec 2021 |
|---------------------|--------------|--------------|--------------|--------------|--------------|
| Equity              | 605,904      | 500,484      | 605,904      | 500,484      | 543,280      |
| Balance sheet total | 860,496      | 746,983      | 860,496      | 746,983      | 825,212      |
| Equity ratio        | 70%          | 67%          | 70%          | 67%          | 66%          |

### Gross margin

| KSEK         | Jul-sep 2022 | Jul-sep 2021 | Jan-sep 2022 | Jan-sep 2021 | Jan-dec 2021 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| Net sales    | 141,028      | 131,986      | 487,024      | 401,392      | 565,552      |
| Gross profit | 96,414       | 91,271       | 336,667      | 277,827      | 392,303      |
| Gross margin | 68%          | 69%          | 69%          | 69%          | 69%          |

### Operating margin

| KSEK             | Jul-sep 2022 | Jul-sep 2021 | Jan-sep 2022 | Jan-sep 2021 | Jan-dec 2021 |
|------------------|--------------|--------------|--------------|--------------|--------------|
| Net sales        | 141,028      | 131,986      | 487,024      | 401,392      | 565,552      |
| Operating profit | 16,956       | 33,875       | 119,201      | 110,971      | 162,733      |
| Operating margin | 12%          | 26%          | 24%          | 28%          | 29%          |

### EBITDA

| KSEK                    | Jul-sep 2022 | Jul-sep 2021 | Jan-sep 2022 | Jan-sep 2021 | Jan-dec 2021 |
|-------------------------|--------------|--------------|--------------|--------------|--------------|
| Operating profit        | 16,956       | 33,875       | 119,201      | 110,971      | 162,733      |
| Depreciation/write-down | 12,494       | 8,508        | 30,765       | 24,712       | 33,437       |
| EBITDA                  | 29,451       | 42,383       | 149,966      | 135,683      | 196,170      |

## Reconciliation tables KPIs, non-IFRS measures, cont'd

**Net sales**

|                   | <b>Jul-sep 2022<br/>(%)</b> | <b>Jul-sep 2022<br/>KSEK</b> | <b>Jul-sep 2021<br/>(%)</b> | <b>Jul-sep 2021<br/>KSEK</b> |
|-------------------|-----------------------------|------------------------------|-----------------------------|------------------------------|
| Last period       |                             | 131,986                      |                             | 87,977                       |
| Organic growth    | -2.9%                       | -3,879                       | 51.9%                       | 46,492                       |
| Currency effect   | 9.8%                        | 12,920                       | -1.9%                       | -2,590                       |
| Structural growth | 0.0%                        | 0                            | 0.1%                        | 107                          |
| Current period    | 6.9%                        | 141,027                      | 50.1%                       | 131,986                      |

# Review Report

To the Board of Directors of CellaVision AB (publ)  
Corp. id. 556500-0998

## *Introduction*

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

## *Scope of review*

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

## *Conclusion*

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

Malmö 26 October 2022

KPMG AB

*Jonas Nihlberg*  
Authorized Public Accountant  
Auditor in charge

*Tobias Lindberg*  
Authorized Public Accountant

# This is CellaVision

## About us

CellaVision is an innovative, global medical technology company that develops and sells its own leading solutions for routine analysis of blood and other body fluids in health care services. The products replace manual laboratory work, and secure and support effective workflows and skills development within and between hospitals. The company has leading-edge expertise in sample preparation, image analysis, artificial intelligence and automated microscopy. Sales are via global partners with support from the parent company in Lund, Sweden and by the company's 17 local market support organizations covering more than 40 countries.

## Mission

*Our mission is to advance laboratory workflow and diagnostic certainty through intelligent microscopy*

Our mission defines what our line of business is and what purpose we serve. Our tools for automating cell classification and diagnostic certainty include analyzers, staining reagents, smearing and staining devices and software. We are at the forefront of advancing laboratory technology, using deep learning and artificial intelligence.

## Vision

*Our vision is to elevate healthcare through the evolution of microscopy*

Our vision fulfills our values and provide the big picture of why we are here. Our customers work in laboratories. We provide microscopes with intelligence to make lab work easier and more efficient. Because the faster a blood sample can be correctly analyzed, the faster a patient can get a diagnosis and treatment.

## Our strategic ambition: The power of focus

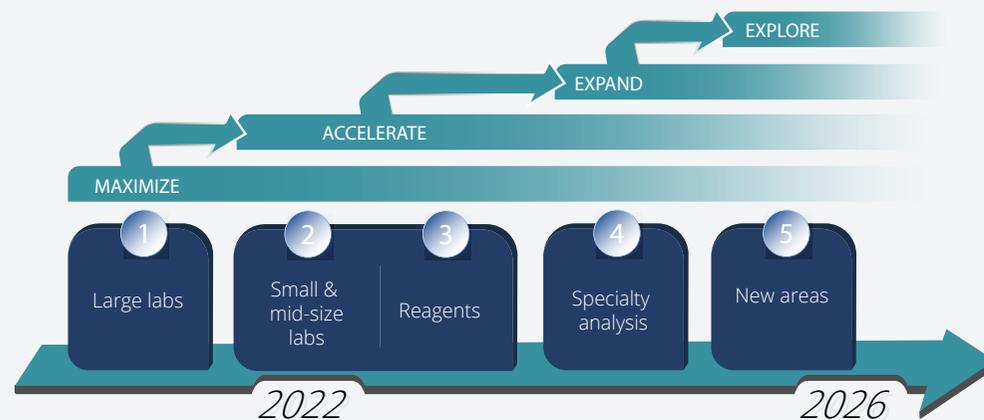
Since 2021, our strategy is to digitalize and improve microscopy workflows to provide diagnostic certainty in the medical labs of the world. Our strategy is supported by our organization, processes and culture. The strategy rests on five strategic pillars:

1. Maximize our leading position in large laboratories
2. Accelerate the worldwide adoption of the DC-1
3. Accelerate our global leadership in reagents
4. Expand into specialized microscopy analyses
5. Explore new areas of analytics with innovation

## Financial targets

CellaVision's objective is to create a global standard for digital microscopy. The objective is broken down into important financial targets:

- Sales growth  
Increase sales over an economic cycle by an average of at least 15 percent per year.
- Profitability  
The EBITDA margin is to exceed 30 percent over an economic cycle.



## Questions concerning the report can be addressed to:



Simon Østergaard, President & CEO  
Phone: +46 46 460 16 23  
simon.ostergaard@cellavision.com



Magnus Blixt, CFO  
Phone: +46 46 460 16 46  
magnus.blixt@cellavision.com

### *Publication*

This information constitutes information that CellaVision AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 7:20 a.m. CEST on October 26, 2022.

CellaVision is listed on the Nasdaq Stockholm, Mid Cap list. The company is traded under the ticker symbol CEVI and ISIN code SE0000683484.

### *Conference*

In connection with the release of the interim report analysts, investors and media are invited to a telephone conference and audio webcast on October 26, at 11:00 CEST where Simon Østergaard, President & CEO, will present and comment the report. The presentation will be in English via a conference call or audio webcast:  
<https://ir.financialhearings.com/cellavision-q3-2022>

Dial in details:

SE: +46 8 51 9993 83

UK: +44 33 33 009 268

US: +1 64 67 224 902

No pre-registration is required. Please dial in 5-10 minutes prior to the scheduled start time to facilitate a timely start.

### *Financial calendar*

| <b>Activity</b>                  | <b>Date</b>      |
|----------------------------------|------------------|
| Year-end bulletin 2022           | February 7, 2023 |
| Interim Report January-March     | May 4, 2023      |
| Annual General Meeting           | May 5, 2023      |
| Interim Report January-June      | July 20, 2023    |
| Interim Report January-September | October 25, 2023 |
| Year-end bulletin 2023           | February 7, 2024 |

NOTE: This is an unofficial translation of the original Swedish Interim Report. In case of discrepancies, the Swedish version shall prevail.

# CellaVision in the world

## HEAD QUARTERS SWEDEN

CellaVision AB (publ)  
 Mobilvägen 12  
 SE-22362 Lund, Sweden  
*Established 1998*

Visiting address:  
 Mobilvägen 12  
 Phone: +46 46 460 16 00  
 www.cellavision.se  
 Org. Reg. No. 556500-0998

## USA

CellaVision Inc.  
 2530 Meridian Pkwy,  
 Suite 300  
 Durham, NC 27713  
 Email: us.info@cellavision.com  
*Established 2001*

## CANADA

CellaVision Canada Inc.  
 2 Bloor St West, Suite 2120 Toronto,  
 ON M4W 3E2  
 Email: ca.info@cellavision.com  
*Established 2007*

## JAPAN

CellaVision Japan K.K.  
 9th Floor Sotestu KS Building 1-1-5  
 Kitasaiwai, Nishi-ku,  
 Kanagawa 220-0004 Japan  
 Email: info@cellavision.jp  
*Established 2008*

## CHINA

Shanghai (Market Support office)  
 Email: cn.info@cellavision.com  
*Established 2012*

Beijing (Market Support office)  
 Email: cn.info@cellavision.com  
*Established 2013*

## SOUTH KOREA

Seoul (Market Support office)  
 Email: hoju@cellavision.com  
*Established 2016*

## MIDDLE EAST

Dubai (Market Support office)  
 Email: hohe@cellavision.com  
*Established 2016*

## AUSTRALIA

Sydney (Market Support office)  
 Email: josn@cellavision.com  
*Established 2016*

## FRANCE

Paris (Market Support office)  
 Email: sybe@cellavision.com  
*Established 2016*

## GERMANY

Berlin (Market Support office)  
 Email: suma@cellavision.com  
*Established 2017*

## BRAZIL

São Paulo (Market Support office)  
 Email: kech@cellavision.com  
*Established 2017*

## UK

London (Market Support office)  
 Email: sawa@cellavision.com  
*Established 2017*

## MEXICO

Mexico City (Market Support office)  
 Email: roji@cellavision.com  
*Established 2018*

## INDIA

Mumbai (Market Support office)  
 Email: pata@cellavision.com  
*Established 2018*

## ITALY

Naples (Market Support office)  
 Email: gana@cellavision.com  
*Established 2019*

## IBERIA

Madrid (Market Support office)  
 Email: daga@cellavision.com  
*Established 2019*



With 16 organizations for local market support CellaVision has direct presence in more than 40 countries.