

Increasing activity levels and double-digit growth with maintained strong profitability

Organic sales growth:
Q2, 2021: +23% (-15)

EBITDA margin:
Q2, 2021: 35% (31)

"We are ramping up market activities, continuing reagent expansion in APAC and executing strategic investments in our innovation pipeline, while reaching our highest profit ever."

Simon Østergaard
President and CEO

	Apr-Jun		Jan-Jun		Jan-Dec
(MSEK)	2021	2020	2021	2020	2020
Net sales	135.5	118.0	269.4	252.5	471.4
Gross profit	93.6	77.9	186.6	170.2	313.0
EBITDA	47.1	36.2	93.3	77.4	142.9
EBITDA margin, %	35	31	35	31	30
Profit/loss before tax	38.9	34.4	74.5	59.8	112.2
Total cash flow	-20.3	18.1	-11.5	12.9	0.9
Equity ratio, %	65	60	65	60	64

1 April-30 June 2021

- Net sales increased by 15% to SEK 135.5 million (118.0).
- Sales increased organically by 23% (-15), currency effect -8%.
- EBITDA amounted to SEK 47.1 million (36.2).
- EBITDA margin amounted to 35% (31).
- Profit before tax amounted to SEK 38.9 million (34.4).
- Earnings per share before and after dilution were SEK 1.30 (1.14).
- Cash flow from operating activities amounted to SEK 38.9 million (34.1).

1 January-30 June 2021

- Net sales increased by 7% to SEK 269.4 million (252.5).
- Sales increased organically by 16% (-8), currency effect -7%.
- EBITDA amounted to SEK 93.3 million (77.4).
- EBITDA margin amounted to 35% (31).
- Profit before tax amounted to SEK 74.5 million (59.8).
- Earnings per share before and after dilution were SEK 2.49 (1.99).
- Cash flow from operating activities amounted to SEK 65.1 million (49.5).

Significant events during the period

- CellaVision acquired the exclusive rights to a patent portfolio containing a new microscopy technology, Fourier Ptychographic Microscopy, from Clearbridge BioPhotonics. The acquisition gives CellaVision access to and control over an interesting future technology. The total acquisition expense amounted to SEK 31.4 million.

Significant events after the period close

- CellaVision has given notice of termination of the distribution agreement with Mindray Medical International Co., Ltd. The agreement signed in 2018 will be terminated by February 2022.

CEO's comment

The effects of the COVID-19 pandemic continued to diminish during the quarter with turnover and results in line with our plans. We are ramping up market activities as laboratory interactions have been enabled across countries in Europe and North America. While a gradual normalization is seen in the markets, CellaVision has continued its work with its strategic plan to secure CellaVision's position as the global market leader within Digital Cell Morphology (DCM) today as well as long-term.

The second quarter in brief

Sales for the Group amounted to SEK 135.5 million (118.0), representing an organic growth of 23 percent, equivalent to a growth of 15% after adjusting for a negative currency impact. In Americas, market conditions improved substantially as the U.S and Canada are returning to a more normal situation. Sales in the region grew by 66 percent compared with the corresponding quarter in 2020, which was heavily impacted by the pandemic. Europe was on par with the second quarter in 2020 with sales of SEK 57.8 million (56.6). In this region, the COVID-19 situation has improved substantially during the quarter, but market conditions are still not yet fully normal with variability across countries. In APAC, many countries maintain varying degree of restrictions, which has hampered our market activities in the region, and sales declined by 8 percent.

The quarter presented the highest EBITDA in CellaVision's history, which amounted to SEK 47.1 million (36.2), corresponding to an EBITDA margin of 35 percent (31). The Group's total cash flow for the quarter amounted to SEK -20.3 million (18.1) as a result of dividend payout and investment in patent rights while maintaining a strong operating cashflow of SEK 38.9 million (34.1).

Continued focus

As the effects of the pandemic are now subsiding in large parts of the world, CellaVision is preparing to step up marketing and innovation ambitions even further. We will resume our geographical expansion and enter new markets when the conditions seem appropriate. We will also accelerate activities related to local market support within some of our existing markets.

As COVID-19 restrictions ceases across countries, we are intensifying our activities to promote CellaVision® DC-1 in various geographies and in different types of hospital settings. We expect to see continued sales of the DC-1 to standalone laboratories across Europe but also to laboratories taking part in larger networks. The latter is expected to become a dominant target segment for DC-1 adoption throughout the American market. This allows for leveraging the product's value proposition to its full potential with laboratory connectivity and our CellaVision® Remote Review Software.

When it comes to RALs hardware and reagents, we are continuing our efforts to globalize this offering to provide customers worldwide with a state-of-the-art solution for the entire digital morphology process. Work to leverage and demonstrate the value of using superior reagents and associated protocols is also progressing. We are progressing to demonstrate the value of RAL reagents with our priorities centered across China and the Asian countries. Ongoing evaluations of the reagent portfolio is progressing, which is expected to expand RAL reagent consumption by taking share from local competition.

Partnerships and acquisition

Our commitment and strategic focus to lead Digital Cell Morphology and build long-term sustainable partnerships with our distribution partners remain intact. Nonetheless, after the end of the quarter we have given notice of termination to Mindray Medical International Co Ltd. who has been a distribution partner in China. An agreement was formed in February 2018 and will now be terminated by February 2022. The termination of this agreement is expected to have limited effect for CellaVision. We will continue to service our joint customer base that have CellaVision's solutions installed.

Throughout the pandemic, CellaVision has continued to invest in innovation. During the second quarter, we acquired the exclusive rights to a patent portfolio containing a new microscopy technology, Fourier Ptychographic Microscopy, from Clearbridge BioPhotonics. The acquisition gives us access to and control over an interesting future technology. We believe it might enable



us to retrieve large quantities of information from images with considerable speed, which forms the basis for improved clinical laboratory analysis and workflow enhancements. The feasibility testing of the underlying technology has begun, and we are optimistic and excited to exploit future applications of this technology.

New ways of working

By the end of my first quarter with CellaVision I find it appropriate to express my sincere appreciation to the entire team and the board of directors including our new Chairman Mikael Worning. Collectively, we have continued the work with a methodical strategy process. The aim is to refine our strategic direction to keep delivering superior laboratory solutions and consumables that secure diagnostic certainty by leveraging and developing the core capabilities of CellaVision.

Simon Østergaard,
President and CEO

Sales, earning and investments

Sales and exchange effects

Net sales for the Group's second quarter increased by 15 percent compared to the corresponding period last year, SEK 135.5 million (118.0). 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 negative currency effects of 8 percent, sales organically increased by 23 percent compared to the corresponding quarter of 2020.

Net sales for the Group amounted to SEK 269.4 million (252.5) for the six-month period. Adjusted for negative currency effects of 8 percent, sales organically increased by 15 percent compared to the corresponding period in 2020.

Gross profit and gross margin

Gross profit increased by 20 percent to SEK 93.6 million (77.9) in the second quarter, corresponding to a gross margin of 69 percent (66). For the six-month period the gross profit increased to SEK 186.6 million (170.2), corresponding to a gross margin of 69 percent (67).

Gross margin is mainly affected by the product mix, depreciation of capitalized development expenses and currency effects.

Depreciation of capitalized development expenses decreased to SEK 1.6 million (2.7) in the second quarter and decreased to SEK 3.6 million (5.3) for the six-month period. The lower depreciation is attributable to development projects that have been fully depreciated over the past twelve months.

Operating expenses

Operating expenses increased by 11 percent to SEK 54.9 million (49.6) during the second quarter. The difference between the current and previous year is mainly explained by low expenses last year due to increased cost control related to the COVID-19 pandemic. During the second quarter of the year, market conditions and sales have improved, allowing CellaVision to resume activities that were postponed during the pandemic. The most apparent acceleration of activities is seen within research and development in accordance with long term product development goals.

For the six-month period the operating expenses increased by 1 percent to SEK 109.5 million (108.4).

Investments

The Group continuously capitalizes expenses for product development. Capitalized development costs increased during the quarter by 42 percent to SEK 9.3 million (6.6). The quarter's total research and development costs, before capitalization, amounted to SEK 24.4 million (19.5). Capitalized development costs increased for the six-month period to SEK 17.8 million (12.9). The total research and development costs, before activation, amounted to SEK 48.3 million (40.7).

Most of the capitalized expenses are related to application development but also clinical trials that form the basis for registration of CellaVision® DC-1 in China.

In the second quarter of the year, CellaVision acquired all shares in Clearbridge BioPhotonics Pte Ltd in Singapore. The acquisition gives CellaVision exclusive rights to a patent portfolio containing a new microscopy technology. The acquisition is to



be viewed as an asset acquisition. The total acquisition amount, including capitalized acquisition expenses, amounts to SEK 31.4 million. This amount has been capitalized as license rights in the accounts.

EBITDA and EBITDA

The quarter presented the highest EBITDA in CellaVision's history, SEK 47.1 million, an increase of 30 percent in comparison with the previous year (36.2). The EBITDA margin for the second quarter amounts to 35 percent (31). The improvement is explained by CellaVision's scalable business model where increased sales combined with lean business operations gener-

ate improved profit margins. For the six-month period, EBITDA amounted to SEK 93.3 million (77.4), corresponding to an EBITDA margin of 35 percent (31).

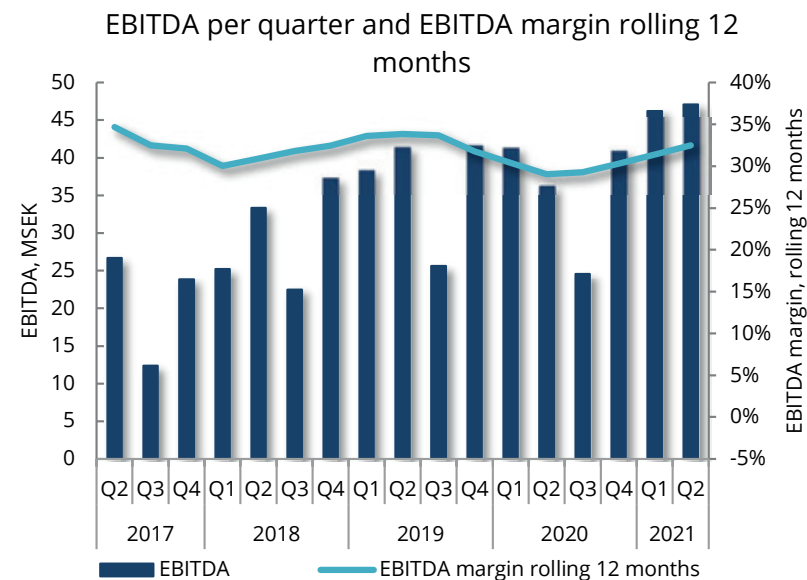
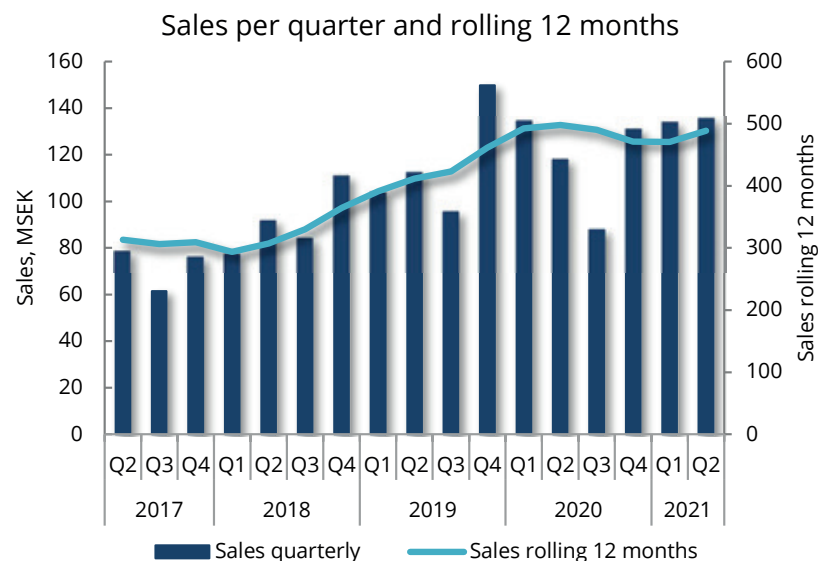
Net financial items

The Group's interest-bearing liabilities in the form of bank loans amounted to SEK 112.7 million (130.0). A loan of SEK 15.0 million was signed during the quarter as part of the financing of the acquisition of Clearbridge BioPhotonics. Interest expenses from bank loans amounted to SEK 0.3 million (0.3). In addition to interest expense from bank loans, net financial income is attributable to foreign exchange gain/loss on acquisition loans

included in Euro and intercompany assets and interest on leasing liability in accordance with IFRS 16.

Cash flow

The Group's cash and cash equivalents at the end of the quarter amounted to SEK 91.3 million (115.5). The Group had a strong positive cash flow from operating activities which amounted to SEK 38.9 million (34.1) for the quarter. During the quarter, the cash position was reduced by dividends to shareholders of SEK 17.9 million (0) and a self-financed part of the acquisition of Clearbridge BioPhotonics of SEK 16.4 million (0). Total cash flow for the quarter amounted to SEK -20.3 million (18.1).



Development in the geographical markets

Americas: SEK 47.7 million (28.8)

Sales increased by 66 percent in the Americas, to SEK 47.7 million (28.8) compared to last year's corresponding period, in which sales were adversely affected by the pandemic. In the U.S. and Canada, market conditions improved significantly as a result of successful vaccination programs, allowing CellaVision to increase its market activities. As an example, CellaVision attended its first live exhibition since the outbreak of COVID-19 in June, and is expected to attend more live exhibitions in the coming quarter. Sales is not yet at pre-pandemic levels but on a positive trajectory towards full recovery. The speed of the ongoing recovery is dependent on the activity level and a sales cycle of six to twelve months.

During the quarter, CellaVision has re-activated demonstrations of the DC-1 towards end users within laboratories. CellaVision expects to have early adopters among small/medium sized laboratories associated with larger laboratories. Here the value proposition for the DC-1 is particularly strong as CellaVision's total solution can establish a fully digitalized laboratory workflow.

Central and South America remain affected by the pandemic, but the company noticed an increased interest in the digital cell morphology solutions for large and small/medium sized laboratories during the quarter.

APAC: SEK 29.9 million (32.6)

Sales in APAC decreased by 8 percent to SEK 29.9 million (32.6) compared to a strong second quarter the previous year. CellaVision's key markets in China, Japan and Southeast Asia continue to perform well although somewhat lower than last year in the wake of the COVID-19 resurgence, which affected the activity level with most exhibitions and live congresses being postponed. Many markets in APAC are still heavily impacted by COVID-19 and restrictions are still in place in a number of countries, making effective market activities more difficult to carry through.

CellaVision DC-1 is cleared for sales in all CellaVision's markets except China, where the initiated registration process is ongoing. Although the electromagnetic pulse (EMP) test has been approved in Europe and the U.S., the EMP test conducted in China failed to fulfil its acceptance criteria. Repetition of the EMP test will cause a delay in the Chinese registration process and new estimated sales clearance is 2022.

The DC-1 has been well-received in Indonesia and Australia. CellaVision is working with distribution partners and laboratories to gain more exact knowledge of the market opportunities for the DC-1 in the different geographies across APAC.

APAC represents a key region for expansion of RAL reagents to countries outside of Europe. The evaluations of RAL reagents initiated in the previous quarter continues to progress according to plan. In Hong Kong and South Korea, the evaluations and reg-

istrations of the RAL stains are complete and market launch has begun. In China, the registration process has been completed and market launch is expected during 2021. In Southeast Asia, a new stain formulation is being tested as a first step before starting product registrations in countries across the region.

EMEA: SEK 57.8 million (56.6)

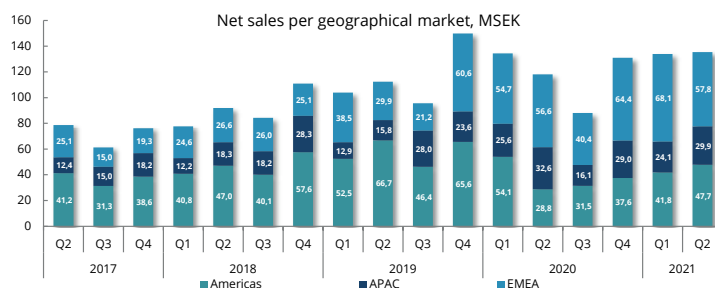
In EMEA, sales grew by 2 percent to SEK 57.8 million (56.6) compared with the second quarter of 2020. In the beginning of the second quarter, significant COVID-19 restrictions were prevalent across the EMEA region. However, towards the end of the quarter restrictions were alleviated as a result of implementing vaccination programs, which provided an increased opportunity for physical interaction.

The hospital landscape across EMEA is more fragmented compared to North America. The fragmentation is driven by different hospital systems across multiple countries, public and private laboratories as well as hospital affiliations where small and larger laboratories are operated independently (i.e. standalone hospitals) or as associated entities (i.e. integrated hospitals).

The value proposition for CellaVision DC-1 is highly applicable within integrated hospital networks. Nevertheless, the roll out of the DC-1 across EMEA signals that the value proposition for DC-1 is also appreciated at standalone hospitals.

In the quarter the company has seen increased sales of advanced software applications, in particular CellaVision® Remote Review Software. This software enables connectivity between CellaVision instruments, hence creating workflow advantages for both standalone- and integrated hospitals.

The underlying growth of RAL reagents is unchanged, but due to COVID-19 related supply shortage of generic materials, reagent sales declined by 9 percent compared to last year's corresponding period. The supply difficulties have resulted in sales orders equivalent to SEK 3.0 million being postponed with expected delivery in July.



Innovation

Improving healthcare through continuous innovation is one of CellaVision's fundamental ambitions. CellaVision devotes considerable resources to being at the forefront of innovation. The company's focus is innovation of applied research and development that meets customer needs, serves laboratory personnel and improves laboratory workflows.

CellaVision conducts profound feasibility testing and development work to increase current and future product offerings

to remain the market leader within digital cell morphology in hematology.

During the quarter, CellaVision acquired the exclusive rights to a patent portfolio containing the new microscopy technology Fourier ptychography microscopy. The technology is a method for creating high-magnification images with low-magnification optics, which enables large image areas to be collected with high resolution and higher speed than with conventional digital microscopy.

Fourier ptychography microscopy may be used to develop future automated microscopes with applications in hematology and adjacent areas. A long-term research effort to further develop and adapt the technology to CellaVision's needs has been initiated.

CellaVision's patent portfolio at the end of the period, grants rights to 25 patented inventions and 106 granted patents.



Declaration by the Board of Directors and President/CEO

The Board of Directors and 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. The interim report has not been reviewed by the company's auditors.

Lund, July 20, 2021

Mikael Worning
Chairman of the Board

Christer Fåhraeus
Member of the Board

Åsa Hedin
Member of the Board

Gunnar B. Hansen
Member of the Board
Employee representative

Anna Malm Bernstein
Member of the Board

Niklas Prager
Member of the Board

Jürgen Riedl
Member of the Board

Markus Jonasson Kristoffersson
Member of the Board
Employee representative

Stefan Wolf
Member of the Board

Simon Østergaard
President/CEO

Consolidated income statement in summary

Amounts in ' 000 SEK	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net sales	135,451	118,046	269,405	252,476	471,443
Cost of goods sold	-41,880	-40,176	-82,849	-82,296	-158,402
Gross profit	93,572	77,870	186,556	170,180	313,041
Sales and marketing expenses	-24,543	-24,694	-49,066	-53,516	-100,549
Administration expenses	-15,198	-11,957	-29,867	-27,120	-50,966
R&D expenses	-15,143	-12,940	-30,527	-27,752	-51,253
Operating profit	38,688	28,279	77,097	61,792	110,273
Interest income and financial exchange rate gains	1,675	7,157	1,746	7,779	7,118
Interest expense and financial exchange rate losses	-1,459	-1,086	-4,311	-9,729	-5,163
Profit/loss before tax	38,903	34,351	74,532	59,842	112,228
Tax	-7,904	-7,099	-15,042	-12,314	-22,748
Profit/loss for the period	31,000	27,252	59,490	47,529	89,480
Other comprehensive income:					
Components not to be reclassified to net profit:					
Effect on revaluation of pensions	45	200	-35	-16	-171
Tax effect on revaluation of pensions	-13	-56	10	4	48
Sum of Components not to be reclassified to net profit:	32	144	-25	-11	-123
Components to be reclassified to net profit:					
<i>a) Financial assets at fair value</i>					
Reclassified to operating result	0	1,007	-1,388	2,854	4,034
Revaluation of financial assets	0	4,679	0	-289	1,193
Income tax relating to financial assets	0	-1,215	286	-549	-1,117
<i>b) Translation difference</i>					
Translation difference in the group	-4,480	-16,056	1,772	800	-12,223
Sum of Components to be reclassified to net profit:	-4,480	-11,586	670	2,815	-8,112
Sum of other comprehensive income:	-4,448	-11,442	645	2,804	-8,236
Comprehensive result for the period	26,552	15,810	60,135	50,333	81,244

Per share data

Per share data	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Earnings per share, before and after dilution, SEK */	1.30	1.14	2.49	1.99	3.75
Equity per share, SEK	19.78	16.72	19.78	16.72	18.01
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	368.60	281.00	368.60	281.00	312.40
Dividend per share	0.75	0.00	0.75	0.00	0.00

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

Quarterly earnings trend

Amounts in ' 000 SEK	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net sales	135,451	133,954	130,990	87,977	118,046	134,430
Gross profit	93,572	92,985	85,836	57,025	77,870	92,310
Gross margin in %	69	69	66	65	66	69
Expenses	-54,884	-54,575	-53,965	-40,415	-49,591	-58,797
EBITDA	47,108	46,193	40,805	24,648	36,221	41,221
Net profit	31,000	28,490	28,603	13,348	27,252	20,277
Cash flow	-20,330	8,807	9,242	-21,184	18,097	-5,209

Consolidated balance sheet in summary

Amounts in ' 000 SEK	06/30/2021	06/30/2020	03/31/2021	12/31/2020
Assets				
Intangible assets	342,776	304,475	309,525	300,883
Tangible assets	47,968	51,668	48,540	47,428
Deferred tax assets	0	0	0	0
Financial assets	21,818	22,434	22,009	21,648
Inventory	91,724	69,825	83,342	83,660
Trade receivables	76,003	65,456	83,522	71,030
Other receivables	54,669	35,510	47,430	41,114
Cash and bank	91,271	115,492	112,832	102,262
Total assets	726,228	664,860	707,200	668,025
Equity and liabilities				
Equity	471,863	398,706	463,200	429,617
Deferred tax liability	45,253	41,242	44,596	43,377
Other provisions	4,081	5,353	4,076	3,982
Long-term debt, interest-bearing	83,528	108,339	81,371	86,904
Short-term debt, interest-bearing	48,121	47,632	48,849	45,874
Short-term debt, non interest-bearing	43,178	42,045	38,389	35,531
Trade payables	28,149	19,450	24,829	20,865
Warranty provisions	2,055	2,093	1,890	1,875
Total equity and liabilities	726,228	664,860	707,200	668,025

Consolidated statement of changes in equity

Amounts in ' 000 SEK	06/30/2021	06/30/2020	03/31/2021	12/31/2020
Balance at the beginning of the year	429,617	348,373	429,617	348,373
Dividend	-17,889	0	0	0
Net profit for the year	59,490	47,529	28,490	89,480
Comprehensive result for the period	645	2,804	5,093	-8,236
Balance at the end of the year	471,863	398,706	463,200	429,617

Cash flow analysis in summary

Amounts in ' 000 SEK	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Result before taxes	38,903	34,351	74,532	59,842	112,228
Adjustment for items not included in cash flow	12,979	4,401	18,753	11,206	15,630
Taxes	-6,440	-6,170	-12,858	-10,323	-20,931
Cash flow from operations before changes in working capital	45,443	32,582	80,427	60,725	106,926
Changes in working capital	-6,556	1,496	-15,320	-11,233	-35,802
Cash flow from operations	38,887	34,078	65,107	49,492	71,124
Acquisitions	0	0	0	-1,269	-1,269
Capitalization of development costs	-9,305	-6,563	-17,806	-12,918	-25,524
Acquisitions of intangible non-current assets	-31,732	110	-31,763	-41	-64
Acquisitions of financial non-current assets	-2	180	-20	-58	-33
Acquisitions of tangible non-current assets	-3,021	-2,330	-7,028	-3,909	-8,069
Cash flow from investment activities	-44,059	-8,603	-56,617	-18,195	-34,959
Acquired loans	15,000	1,518	19,530	1,827	3,041
Amortization of loans	-9,614	-6,575	-16,330	-15,652	-28,721
Amortization of leasing debts	-2,655	-2,320	-5,326	-4,583	-9,537
Dividend	-17,889	0	-17,889	0	0
Cash flow from financing activities	-15,158	-7,378	-20,014	-18,408	-35,218
Total cash flow	-20,330	18,097	-11,524	12,889	948
Liquid funds at beginning of period	112,832	99,305	102,262	102,312	102,312
Exchange rate fluctuations in liquid funds	-1,231	-1,910	533	291	-998
Liquid funds at end of period	91,271	115,492	91,271	115,492	102,262

Disclosures regarding interest expense:

Interest expenses for Jan-Jun amount to SEK 877 thousand whereof SEK 293 thousand is attributable to leasing in accordance with IFRS 16.

Income statement - parent company

Amounts in ' 000 SEK	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net sales	112,619	93,235	218,534	199,511	372,387
Cost of goods sold	-27,120	-23,404	-50,695	-48,531	-90,677
Gross profit	85,499	69,831	167,840	150,980	281,711
Sales and marketing expenses	-19,229	-20,432	-38,485	-43,588	-78,528
Administration expenses	-12,146	-9,126	-24,180	-20,954	-40,846
R&D expenses	-21,951	-18,446	-44,824	-38,476	-72,057
Operating profit	32,173	21,827	60,351	47,961	90,279
Interest income and financial exchange gains	1,654	6,950	1,701	7,572	13,185
Interest expense and financial exchange losses	-1,119	-782	-3,614	-8,946	-3,406
Profit before income tax	32,707	27,996	58,438	46,587	100,058
Taxes	-6,938	-5,991	-12,239	-9,970	-20,097
Net profit	25,769	22,005	46,199	36,617	79,962

Statement of Comprehensive Income

Net profit for the period	25,769	22,005	46,199	36,617	79,962
Other comprehensive income	0	0	0	0	0
Sum of other comprehensive income	0	0	0	0	0
Comprehensive profit for the period	25,769	22,005	46,199	36,617	79,962

Balance sheet - parent company

Amounts in ' 000 SEK	06/30/2021	06/30/2020	03/31/2021	12/31/2020
Assets				
Intangible assets	5,579	6,694	5,493	5,707
Tangible assets	4,805	6,035	5,010	5,138
Deferred tax assets	668	3,678	668	668
Financial assets	282,309	263,014	263,014	263,014
Inventory	63,102	36,212	56,291	56,009
Trade receivables	58,637	44,039	62,305	55,176
Receivables from group companies	15,130	5,159	4,154	3,525
Other receivables	51,997	34,656	43,899	40,383
Cash and bank	68,278	89,872	84,401	72,958
Total assets	550,505	489,361	525,235	502,578
Equity and liabilities				
Equity	388,788	317,133	380,907	360,477
Other provisions	65	1,868	15	0
Long-term debt, interest-bearing	63,941	77,660	58,354	62,935
Short-term debt, interest-bearing	26,085	23,895	23,342	22,886
Short-term debt, non interest-bearing	30,614	28,606	25,027	26,070
Trade payables	21,571	15,006	20,257	16,075
Liabilities to group companies	17,387	23,099	15,442	12,260
Warranty provisions	2,055	2,093	1,890	1,875
Total equity and liabilities	550,505	489,361	525,235	502,578

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 appear 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 2020.

NOTE 2. SEGMENT REPORTING

CellaVision's operations only comprise one operating segment; automated microscopy systems in the field of hematology, and therefore reference is made to the income statement and balance sheet regarding operating segment reporting.

NOTE 3. RISKS AND UNCERTAINTIES

Reduced demand, currency fluctuations and production disruptions are uncertainties but not material risks. However, as earlier mentioned, this may be affected by COVID-19. For a more detailed description of the risks and uncertainties facing CellaVision, please refer to the risk analysis and Note A2 and A5 in the 2020 Annual and Sustainability Report.

NOTE 4. ALLOCATION OF SALES

Amounts in ' 000 SEK	Apr-Jun 2021				Apr-Jun 2020			
	Instruments	Reagents	Other	Total	Instruments	Reagents	Other	Total
Americas	26,769	301	20,670	47,740	14,317	788	13,665	28,770
APAC	27,022	230	2,621	29,873	32,508	280	-160	32,628
EMEA	26,098	19,836	11,904	57,839	28,070	21,232	7,346	56,648
Total	79,889	20,367	35,195	135,451	74,895	22,300	20,851	118,046

Amounts in ' 000 SEK	Jan-Jun 2021				Jan-Jun 2020			
	Instruments	Reagents	Other	Total	Instruments	Reagents	Other	Total
Americas	46,880	614	42,004	89,498	49,423	1,202	32,212	82,837
APAC	45,364	1,205	7,446	54,015	52,105	683	5,485	58,273
EMEA	59,596	41,508	24,789	125,892	47,502	42,847	21,018	111,366
Total	151,840	43,327	74,239	269,405	149,030	44,732	58,714	252,476

Other refers to software, spare parts and consumables.

NOTE 5. FINANCIAL INSTRUMENTS

Amounts in ' 000 SEK	06/30/2021		06/30/2020	
	Reported value	Fair value	Reported value	Fair value
Financial assets				
Derivative assets	0	0	359	359
Financial liabilities				
Derivative liabilities	0	0	-1,623	-1,623

Derivative assets are included in other current receivables in the statement of financial position and derivative liabilities are included in short-term debt. The derivatives refer to forward exchange contracts held for currency hedging.

The forward exchange contracts are valued in level 2 of the valuation hierarchy, financial instruments where fair value is determined based on valuation model based on other observable data for the asset or liability than quoted prices included in level 1, either directly (ie as price quotes) or indirectly (ie derived from price quotations). The currency forwards are valued on the basis of observable information regarding exchange rates prevailing on the balance sheet date and market interest rates for the remaining maturity.

For other financial assets and liabilities, the carrying amount is considered a reasonable approximation of fair value.

NOTE 6. TANGIBLE FIXED ASSETS

Amounts in ' 000 SEK	06/30/2021	06/30/2020
Right of use assets		
Land and buildings	16,771	24,247
Inventories	2,970	2,357
Total right of use assets	19,741	26,604
Tangible fixed assets that are not right of use assets		
Land and buildings	15,242	14,192
Inventories	12,985	10,871
Total tangible fixed assets that are not right of use assets	28,227	25,064
Total tangible fixed assets	47,968	51,668

The tangible fixed assets amounted to SEK 48.0 million 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 7. EMPLOYEES

	06/30/2021	06/30/2020
Number of employees	184	182
Of which men	113	110
Of which women	71	72

The note refers to number of employees in the Group converted into full-time positions.

NOTE 8. SIGNIFICANT EVENTS AFTER THE PERIOD CLOSE

CellaVision has given notice of termination of the distribution agreement with Mindray Medical International Co., Ltd. The agreement signed in 2018 will be terminated by February 2022. Under the agreement, Mindray has focused on sales of CellaVision's large instruments in the Chinese market. The termination is a natural result of Mindray developing its own digital cell morphology solution. As the collaboration with Mindray resulted in an installed base of 40 systems over 3 years, the discontinued cooperation is expected to have a limited impact on CellaVision's sales and earnings. The decision to terminate distribution via Mindray does not in any way alter CellaVision's strategic direction to commercialize its offerings via the indirect sales model. CellaVision's commitment to, and belief in the Chinese market is unchanged. CellaVision will continue to strengthen and support its strategic alliances with global players in medical technology to provide digital solutions for end users in all parts of the world.

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.

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

Gross profit. Net sales less cost of goods sold.

Shareholders' equity per share. Shareholders' equity attributable to Parent Company shareholders divided by the number of outstanding shares at the end of the period.

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

Operating profit (EBIT). Earnings before interest and tax

Net earnings per share

	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Profit/loss for the period, KSEK	31,000	27,252	59,490	47,529	89,480
Number of shares	23,851,547	23,851,547	23,851,547	23,851,547	23,851,547
Net earnings per share	1.30	1.14	2.49	1.99	3.75

Equity per share

	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Equity, KSEK	471,863	398,706	471,863	398,706	429,617
Number of shares	23,851,547	23,851,547	23,851,547	23,851,547	23,851,547
Equity per share	19.78	16.72	19.78	16.72	18.01

Equity-asset ratio

KSEK	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Equity	471,863	398,706	471,863	398,706	429,617
Balance sheet total	726,228	664,860	726,228	664,860	668,025
Equity ratio	65%	60%	65%	60%	64%

Gross margin

KSEK	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net sales	135,451	118,046	269,405	252,476	471,443
Gross profit	93,572	77,870	186,556	170,180	313,041
Gross margin	69%	66%	69%	67%	66%

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

Operating margin

KSEK	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net sales	135,451	118,046	269,405	252,476	471,443
Operating profit	38,688	28,279	77,097	61,792	110,273
Operating margin	29%	24%	29%	24%	23%

EBITDA

KSEK	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Operating profit	38,688	28,279	77,097	61,792	110,273
Depreciation	8,420	7,942	16,203	15,650	32,622
EBITDA	47,108	36,221	93,300	77,442	142,895

Net sales

	Apr-Jun 2021 (%)	Apr-Jun 2021 KSEK	Apr-Jun 2020 (%)	Apr-Jun 2020 KSEK
Last period		118,046		112,448
Organic growth	22.6%	29,015	-15%	-17,316
Currency effect	-8.0%	-11,719	-3%	-3,214
Structural growth	0.1%	109	23%	26,128
Current period	14.7%	135,451	5%	118,046

This is CellaVision

Vision

CellaVision's vision is to replace traditional microscopes in laboratories through global digitalization and automation of blood analysis for both the human and veterinary segments. The company's solutions contribute to improved patient diagnostics, higher efficiency and reduced healthcare costs.

CellaVision delivers unique solutions for Digital Cell Morphology (DCM)

CellaVision offers products and solutions to hematology laboratories that enable an efficient process for routine analysis of blood. The product offer consists of stains, blood smearing and staining devices, analyzers, applications and software. The solutions from CellaVision enable laboratories to automate, standardize and digitalize their workflow.

Blood analysis plays an important and vital role in offering high-quality healthcare. Complete blood count is one of the world's most common diagnostic tests and is routinely used to obtain an overall status of the blood cells. The driving force and objective for CellaVision is to equip laboratory staff with the best

tools and solutions available on the market to handle differential blood counts of blood cells.

Offer to end customers

CellaVision offers products for sample preparation and digital solutions for medical microscopy in hematology. The end customers are hospital laboratories and commercial laboratories. CellaVision's unique concept replaces manual microscopes and improves the blood analysis process. In this way more patients can receive faster care of better quality while healthcare services can use their resources better.

Strategic partnerships and distribution via suppliers of cell counters

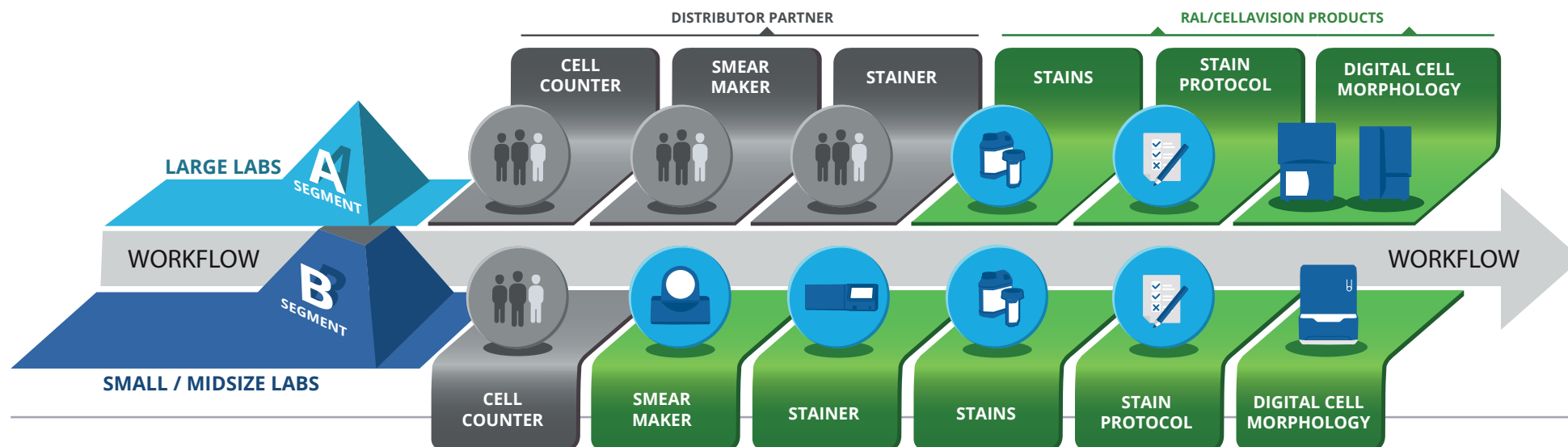
CellaVision collaborates with strategic partners in order to gain scalability in manufacturing and sales. CellaVision's solutions are the last step in a blood analysis process, in which the cell counter is central. Agreements with the foremost suppliers of cell counters are therefore strategically important so as to reach end customers in a cost effective way. CellaVision's partners have a broad range of products and global salesforces with local

knowledge. CellaVision's own organization supports its partners in the sales process.

Financial targets

CellaVision's objective is to create a global standard for digital microscopy in the sub-field hematology. 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 operating margin is to exceed 20 percent over an economic cycle.



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Publication

This information constitutes information that CellaVision AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act. The information was submitted for publication at 7:20 a.m. CEST on July 20, 2021.

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

Financial calendar

Activity	Date
Interim Report January-September	October 22
Year-end bulletin 2021	February 4, 2022

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

CellaVision in the world

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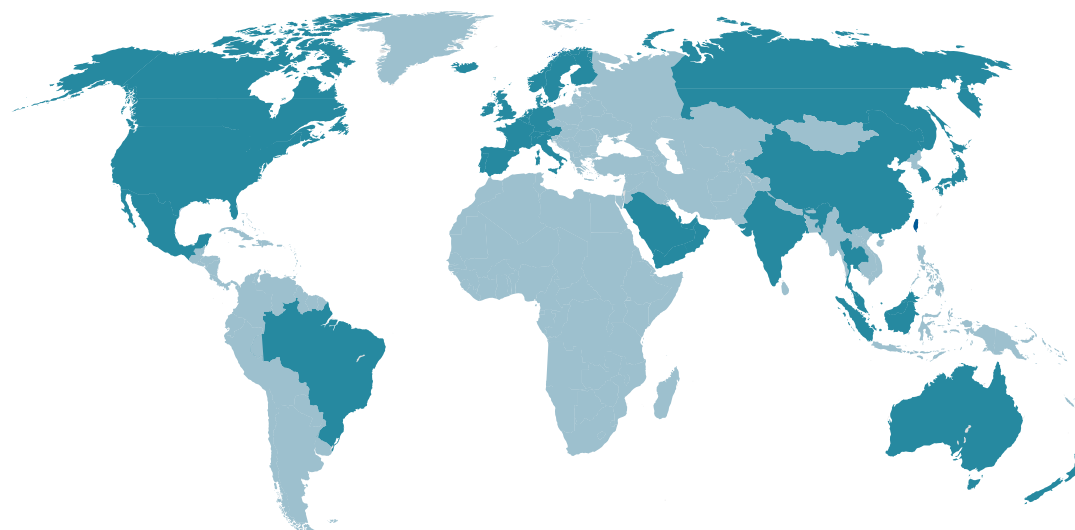
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Established 2020



With 18 organizations for local market support CellaVision has direct presence in more than 40 countries.