

# Q3

## CellaVision Interim Report January-September 2023

Growth and regained momentum in APAC

Organic sales growth:  
Q3, 2023: 11% (-3)

EBITDA margin:  
Q3, 2023: 26% (21)

### July 1-September 30, 2023

Net sales increased by 19% to SEK 168 m (141).

Sales increased organically by 11% (-3), currency effect 8%.

EBITDA amounted to SEK 43 m (29).

EBITDA margin amounted to 26% (21).

Profit before tax amounted to SEK 32 m (13).

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

Cash flow from operating activities amounted to SEK 73 m (31).

	Jul-Sep		Jan-Sep		Jan-Dec
(MSEK)	2023	2022	2023	2022	2022
Net sales	168	141	477	487	639
Gross profit	111	96	327	337	438
EBITDA	43	29	134	150	198
EBITDA margin, %	26	21	28	31	31
Profit/loss before tax	32	13	101	108	148
Earnings per share before and after dilution	1.09	0.44	3.35	3.61	4.96
Cash flow from operating activities	73	31	120	109	137
Total cash flow	44	6	-29	-15	-23
Equity ratio, %	76	70	76	70	72

CELLAVISION



# CEO's comment



**Simon Østergaard**  
President & CEO

We maintained the positive trajectory from the second quarter and ended the third quarter with robust results. Our distribution partners have signaled that demand was strong in multiple markets, and the quarter has seen healthy demand for our ecosystem of offerings.

In the Americas, both small and large instrument sales increased steadily, with a significant number of sales and marketing initiatives in active collaboration with our distribution partners. Meanwhile, in EMEA, robust reagent sales have effectively offset the soft instrument sales. Sales growth in APAC was fueled by significant demand for large instruments in the Chinese market as inventory levels normalized.

The gross margin decreased as a result of the product mix and inventory component write-downs. However, a favorable sales trend and positive currency effects have largely offset the higher cost pressure from inflation.

## The third quarter in brief

Net sales for the Group were SEK 168 million (141) in the third quarter. Organic growth, adjusted for positive currency effects was 11 percent compared to the same quarter in 2022. EBITDA amounted to SEK 43 million (29) in the quarter, corresponding to an EBITDA margin of 26 percent (21).

Sales in the Americas increased to SEK 87 million (59) driven by strong instrument sales. EMEA reported a decline with sales of SEK 59 million (74), due to a decrease in instrument sales and tough comparable figures. Momentum in China post-COVID resulted in sales increasing to SEK 22 million (8) in APAC.

Cash flow from operating activities was positively impacted by a decrease in working capital and amounted to SEK 73 million (31) for the quarter. The Group's total cash flow for the quarter amounted to SEK 44 million (6).

## Progress on strategic direction

We are continuing our work on the long-term development of the company in line with our strategy. The expansion of our production capacity in Bordeaux to address the rising demand for reagents is on track. Production in the new facilities will start in the beginning of next quarter, which marks an important milestone in our efforts to pursue reagent adoption on a global scale.

Our marketing initiatives have intensified with the pre-launch promotion of the first version of our bone marrow application. Demonstrations of the application were conducted at the AACC (American Association for Clinical Chemistry), in Anaheim, California during the quarter, and the analysis was met with enthusiasm for its quality from end-customers. We expect to obtain CE-mark in the second half of 2024.

Over the past two quarters, we have witnessed a gradual recovery from the challenges previously faced and we now look forward to continuing the execution of our strategy with our employees and partners.

**Simon Østergaard,**  
President and CEO

A handwritten signature in blue ink, appearing to read 'Simon Østergaard', with a stylized flourish at the end.

# Sales, earning and investments

## Sales and exchange effects

Net sales for the Group's third quarter increased by 19 percent to SEK 168m (141), compared to the corresponding quarter 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 8 percent, sales increased organically by 11 percent compared to the third quarter of 2022.

Net sales amounted to SEK 477 m (487) for the nine-month period. Adjusted for positive currency effects of 8 percent, sales decreased organically by 10 percent compared to the corresponding period in 2022.

## Gross profit and gross margin

Gross profit increased by 16 percent to SEK 111 m (96) during the third quarter, corresponding to a gross margin of 66 percent (68). For the nine-month period the gross profit decreased by 3 percent to SEK 327 m (337), corresponding to a gross margin of 69 percent (69).

The gross margin is affected by purchase prices for materials and components, customer pricing, the product mix, amortization of capitalized development expenses, impairment of inventory as well as as currency effects.

The slightly lower gross margin in the third quarter is mainly explained by inventory impairment and the product mix. The inventory impairment is attributable to excess inventory of components of SEK 2 m.

For the nine-month period price increases towards customers, combined with a positive currency development for the Euro and US Dollar, compensated for inflation, resulted in a sustained gross margin in line with the previous year.

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

## Operating expenses

Operating expenses for the third quarter was on par with the corresponding period last year SEK 78 m (79). For the nine-month period the operating expenses increased by 2 percent to SEK 223 m (217).

## EBITDA and EBITDA margin

EBITDA increased by 48 percent to SEK 43 m (29) during the third quarter, corresponding to an EBITDA margin of 26 percent (21). For the nine-month period EBITDA amounted to SEK 134 m (150), corresponding to an EBITDA margin of 28 percent (31).

## Net financial items

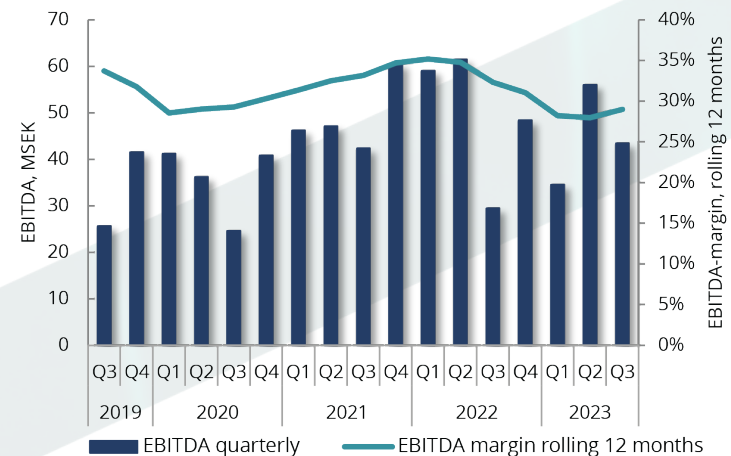
The interest-bearing liabilities in the form of bank loans amounted to SEK 42 m (71). The third quarter's interest expenses from bank loans amounted to SEK 0.6 m (0.3). In addition to interest expense from bank loans, net financial income is attributable to foreign exchange gain/loss on acquisition loans 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 1.8 m (0.9).

Sales per quarter and rolling 12 months



EBITDA per quarter and EBITDA margin rolling 12 months





## Investments

CellaVision continuously capitalizes expenses for product development. Capitalized development expenses increased during the quarter to SEK 12 m (8). The quarter's total research and development expenses, before capitalization, decreased to SEK 36 m (39). The lower expenses can be explained by the fact that SEK 3 m attributable to projects that were no longer considered to have any future measurable revenue, were written down and affected the expenses in the third quarter of last year.

For the nine-month period capitalized development expenses increased to SEK 40 m (30). Total research and development costs, before capitalization, increased to SEK 104 m (99) for the nine-month period.

The increase is attributable to CellaVision's long-term product development goals. Most of the capitalized expenses are related to development of instruments and software applications.

## Cash flow

The cash and cash equivalents at the end of the quarter amounted to SEK 79 m (116). In addition, CellaVision has an unutilized overdraft facility of SEK 30 m. The cash flow effect from change in working capital amounted to SEK 32 m (-1) for the quarter and is mainly explained by decreased accounts receivable and decreased tied-up capital in inventory for the quarter.

The cash flow from operating activities increased to SEK 73 m (31) for the quarter, which mainly is a consequence of decrease in working capital.

For the nine-month period, the cash flow from operating activities amounted to SEK 120 m (109).

Cash flow from investing activities for the quarter amounted to SEK -18 m (-13) and is, mainly related to capitalized development expenses and expansion of production capacity in France in accordance with the corresponding period last year.

For the nine-month period, the cash flow from investing activities amounted to SEK -63 m (-45).

Cash flow from financing activities for the quarter amounted to SEK -11 million (-11) and mainly includes amortization of bank loans and leasing.

For the nine-month period, the cash flow from financing activities amounted to SEK -87 million (-79) and in addition to amortization of bank loans and leasing include dividends to shareholders of SEK -54 m (-48).

The total cash flow for the quarter amounted to SEK 44 m (6) and for the nine-month period amounted to SEK -29 m (-15).

## 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 87 m (59)

In the Americas, sales increased by 47 percent to SEK 87 million compared to the corresponding quarter in 2022, which included adjustments in inventory levels at distribution partners. Macro trends point to a rise in demand for digital cell morphology, in part due to a shortage of skilled laboratory personnel in the healthcare sector. Previous investments in collaboration with major distribution partners have now begun to yield positive results and boost sales figures.

The region has experienced robust sales volumes, driven primarily by substantial orders from large integrated health networks. Although large instruments continue to drive sales, small instruments have gained notable traction. While sales volumes remain low, the quarter also saw sales growth in emerging markets within Latin America.

Recent participation at a major congress in Brazil, as well as the upcoming attendance at a congress in Mexico are expected to open more opportunities in the long-term. We continue to strengthen the collaboration with our distribution partners in the Latin American market.

## EMEA: SEK 59 m (74)

In EMEA, sales decreased by 20 percent to SEK 59 million in relation to tough comparable figures in the corresponding quarter in 2022. Instrument sales in the region were adversely affected as laboratories reduced their scope for investment due to macroeconomic volatility. However, reagent sales have demonstrated resilience to market uncertainty and continue to make good headway with double-digit growth.

Germany, the Nordics, Benelux, and France stand out as the most mature markets, while the Middle East and Africa among others, exhibit untapped growth potential. Efforts are underway to deepen collaboration with our distribution partners in major markets and our teams are increasingly involved in sales and marketing activities.

## APAC: SEK 22 m (8)

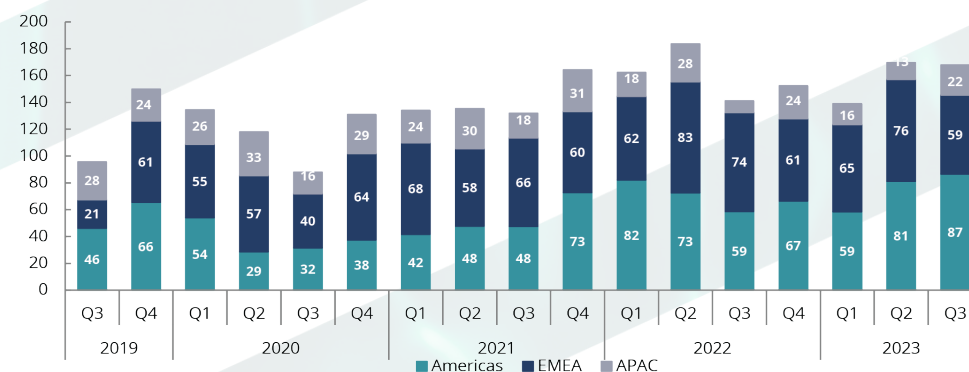
In APAC, sales increased by 166 percent to SEK 22 million compared to the corresponding quarter in 2022. The operations of our distribution partners are rebounding as COVID-related restrictions in key markets ease. In line with the normalization trend, a decline in inventory levels was also observed in China.

Though the Chinese market exhibits significant quarterly variations, signs of recovery reflected in sales figures have been displayed in the quarter, contributing to a substantial increase compared to the corresponding quarter last year. On the other hand, elevated inventory levels in Japan still remain an obstacle for sales in that market.

We are intensifying marketing initiatives in the region and collaborating closely with our distribution partners across the region to roll out our reagent business. The aim of this strategic approach is to penetrate the addressable market in the long-term.

Net sales per region (MSEK)	Jul-Sep 2023	Jul-Sep 2022	Growth %	Jan-Sep 2023	Jan-Sep 2022	Growth %
Americas	87	59	47%	226	214	6%
EMEA	59	74	-20%	200	219	-9%
APAC	22	8	166%	51	55	-7%
<b>Total</b>	<b>168</b>	<b>141</b>	<b>19%</b>	<b>477</b>	<b>487</b>	<b>-2%</b>

Net sales per region, MSEK







# 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.

The most recent upgrade of CellaVision's blood analysis software, which includes a functionality for digitalizing the edge of the blood smear, is currently undergoing validation by our distributors, and is expected to be ready for the market by the end of the year.

The validation of the analysis for bone marrow samples is progressing according to plan. Feedback from an early evaluation of the application at a European laboratory has enabled us to implement several important improvements that have been positively received.

Production, which was impacted by component shortages throughout 2022, is now stable. However, production costs continue to increase due to high inflation and a weak Swedish krona.

The CellaVision patent portfolio at the end of the period included 25 patented inventions and 114 granted patents.

# The Nomination Committee and the Annual General Meeting

## Annual General Meeting 2024

The CellaVision Annual General Meeting in 2024 will be held in Lund at 15:00 o'clock CEST, on May 3, 2024. 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.



Simon Østergaard  
President/CEO

Lund, October 25, 2023

*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	Note	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	4	167,895	141,028	476,660	487,024	639,340
Cost of goods sold		-56,471	-44,613	-149,541	-150,357	-201,023
<b>Gross profit</b>		<b>111,424</b>	<b>96,414</b>	<b>327,118</b>	<b>336,667</b>	<b>438,317</b>
Sales and marketing expenses		-35,782	-30,450	-102,723	-90,469	-117,962
Administration expenses		-19,094	-18,378	-55,747	-57,701	-73,536
R&D expenses		-23,280	-30,631	-64,149	-69,296	-88,553
<b>Operating profit</b>	7	<b>33,269</b>	<b>16,956</b>	<b>104,499</b>	<b>119,201</b>	<b>158,266</b>
Interest income and similar profit items		388	639	3,378	2,801	5,586
Interest expense and similar profit loss items		-1,502	-4,745	-7,025	-13,666	-15,423
<b>Profit/loss before tax</b>		<b>32,155</b>	<b>12,850</b>	<b>100,852</b>	<b>108,336</b>	<b>148,429</b>
Tax		-6,193	-2,467	-20,974	-22,298	-30,094
<b>Profit/loss for the period</b>		<b>25,962</b>	<b>10,383</b>	<b>79,878</b>	<b>86,038</b>	<b>118,335</b>
<b>Other comprehensive income:</b>						
Components not to be reclassified to net profit:						
Effect on revaluation of pensions		80	-79	-98	-230	855
Tax effect on revaluation of pensions		-20	20	26	59	-212
<b>Sum of Components not to be reclassified to net profit:</b>		<b>60</b>	<b>-59</b>	<b>-72</b>	<b>-171</b>	<b>642</b>
Components to be reclassified to net profit:						
<i>Translation difference</i>						
Translation difference in the group		-7,799	9,135	10,125	24,460	27,074
<b>Sum of Components to be reclassified to net profit:</b>		<b>-7,799</b>	<b>9,135</b>	<b>10,125</b>	<b>24,460</b>	<b>27,074</b>
<b>Sum of other comprehensive income:</b>		<b>-7,739</b>	<b>9,076</b>	<b>10,053</b>	<b>24,289</b>	<b>27,716</b>
<b>Comprehensive result for the period</b>		<b>18,222</b>	<b>19,459</b>	<b>89,931</b>	<b>110,327</b>	<b>146,052</b>



## Per share data

Per share data	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Earnings per share, before and after dilution, SEK */	1.09	0.44	3.35	3.61	4.96
Equity per share, SEK	28.42	25.40	28.42	25.40	26.90
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
Closing date stock price, SEK	153.60	254.50	153.60	254.50	229.00
Dividend per share, SEK	-	-	2.25	2.00	2.00

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

## Quarterly earnings trend

Amounts in ' 000 SEK	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Net sales	167,895	169,668	139,096	152,316	141,028	183,575
Gross profit	111,424	118,834	96,860	101,649	96,414	124,626
Gross margin, %	66	70	70	67	68	68
Expenses	-78,156	-72,639	-71,824	-62,585	-79,458	-72,199
EBITDA	43,445	56,032	34,549	48,397	29,451	61,477
EBITDA margin, %	26	33	25	32	21	33
Net profit	25,962	34,707	19,209	32,297	10,383	37,251
Cash flow	44,245	-58,027	-15,436	-8,023	6,093	-36,324

## Balance sheet in summary, Group

Amounts in ' 000 SEK	Note	09/30/2023	09/30/2022	06/30/2023	12/31/2022
<b>Assets</b>					
Intangible assets	5	431,028	384,046	429,496	399,229
Tangible assets	6	124,750	84,745	125,537	110,035
Financial assets		4,976	23,774	4,993	5,340
Inventory		139,481	130,161	156,932	142,571
Trade receivables		88,755	91,800	112,916	97,630
Other receivables		26,620	29,768	33,422	28,890
Cash and bank		78,832	116,201	34,897	108,053
<b>Total assets</b>		<b>894,442</b>	<b>860,496</b>	<b>898,192</b>	<b>891,748</b>
<b>Equity and liabilities</b>					
Equity		677,893	605,904	659,671	641,628
Deferred tax liability		58,245	51,205	57,510	52,925
Other provisions		5,086	5,656	5,169	3,740
Long-term debt, interest-bearing		32,711	69,430	43,155	60,364
Short-term debt, interest-bearing		43,316	41,893	44,034	42,131
Short-term debt, non interest-bearing		48,233	48,748	45,869	40,252
Trade payables		27,099	34,805	40,953	47,864
Warranty provisions		1,860	2,855	1,833	2,843
<b>Total equity and liabilities</b>		<b>894,442</b>	<b>860,496</b>	<b>898,192</b>	<b>891,748</b>

## Consolidated statement of changes in equity, Group

Amounts in ' 000 SEK	09/30/2023	09/30/2022	06/30/2023	12/31/2022
Balance at the beginning of the year	641,628	543,280	641,628	543,280
Dividend	-53,666	-47,703	-53,666	-47,703
Net profit for the period	79,878	86,038	53,916	118,335
Comprehensive result for the period	10,053	24,289	17,792	27,716
<b>Closing balance</b>	<b>677,893</b>	<b>605,904</b>	<b>659,671</b>	<b>641,628</b>



# Cash flow statement in summary, Group

Amounts in ' 000 SEK	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Result before taxes	32,155	12,850	100,852	108,336	148,429
Adjustment for items not included in cash flow	13,884	21,344	39,020	42,674	44,788
Income tax paid	-5,458	-2,526	-15,700	-20,744	-27,127
<b>Cash flow from operating activities before changes in working capital</b>	<b>40,581</b>	<b>31,669</b>	<b>124,172</b>	<b>130,266</b>	<b>166,090</b>
Changes in working capital	32,418	-787	-4,157	-21,145	-28,804
<b>Cash flow from operating activities</b>	<b>72,999</b>	<b>30,881</b>	<b>120,015</b>	<b>109,121</b>	<b>137,285</b>
Capitalization of development costs	-12,336	-8,294	-40,117	-29,743	-45,751
Acquisitions/divestment of intangible non-current assets	-	-	-	-181	-201
Acquisitions/divestment of financial non-current assets	16	-554	363	-581	-581
Acquisitions/divestment of tangible non-current assets	-5,918	-4,583	-22,914	-14,482	-23,482
<b>Cash flow from investing activities</b>	<b>-18,237</b>	<b>-13,431</b>	<b>-62,668</b>	<b>-44,987</b>	<b>-70,014</b>
Amortization of loans	-7,582	-8,705	-23,988	-23,560	-31,935
Amortization of leasing debts	-2,934	-2,653	-8,910	-7,987	-10,772
Dividend paid	-	-	-53,666	-47,703	-47,703
<b>Cash flow from financing activities</b>	<b>-10,516</b>	<b>-11,357</b>	<b>-86,564</b>	<b>-79,249</b>	<b>-90,410</b>
<b>Total cash flow</b>	<b>44,245</b>	<b>6,093</b>	<b>-29,217</b>	<b>-15,116</b>	<b>-23,139</b>
Liquid funds at beginning of period	34,897	110,033	108,053	130,286	130,286
Exchange rate fluctuations in liquid funds	-311	75	-4	1,031	906
Liquid funds at end of period	78,832	116,201	78,832	116,201	108,053

Disclosures regarding interest expense:

Interest expenses for Jan-Sep 2023 amount to SEK 2 412 k (1 574) whereof SEK 564 k (658) is attributable to leasing in accordance with IFRS 16.

# Income statement in summary and consolidated statement of comprehensive income, Parent company

Amounts in ' 000 SEK	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	130,180	111,154	362,969	395,880	517,207
Cost of goods sold	-30,972	-27,003	-78,901	-92,935	-121,438
<b>Gross profit</b>	<b>99,208</b>	<b>84,151</b>	<b>284,068</b>	<b>302,946</b>	<b>395,769</b>
Sales and marketing expenses	-26,236	-24,021	-74,714	-68,631	-87,311
Administration expenses	-15,255	-14,764	-44,736	-47,313	-59,976
R&D expenses	-34,064	-35,213	-99,642	-92,758	-126,842
<b>Operating profit</b>	<b>23,654</b>	<b>10,153</b>	<b>64,977</b>	<b>94,244</b>	<b>121,640</b>
Interest income and financial exchange gains	373	562	3,234	2,657	4,876
Interest expense and financial exchange losses	-1,178	-4,363	-6,044	-12,511	-13,838
<b>Profit before income tax</b>	<b>22,849</b>	<b>6,352</b>	<b>62,167</b>	<b>84,389</b>	<b>112,678</b>
Taxes	-4,708	-1,308	-12,871	-17,571	-23,575
<b>Net profit</b>	<b>18,141</b>	<b>5,043</b>	<b>49,297</b>	<b>66,818</b>	<b>89,103</b>

Statement of Comprehensive Income	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net profit for the period	18,141	5,043	49,297	66,818	89,103
Other comprehensive income	-	-	-	-	-
<b>Comprehensive profit for the period</b>	<b>18,141</b>	<b>5,043</b>	<b>49,297</b>	<b>66,818</b>	<b>89,103</b>



# Balance sheet in summary, Parent company

Amounts in ' 000 SEK	09/30/2023	09/30/2022	06/30/2023	12/31/2022
<b>Assets</b>				
Intangible assets	30,683	33,673	31,430	32,926
Tangible assets	5,755	5,289	5,918	4,869
Deferred tax assets	733	552	733	733
Long term receivables from group companies	37,925	21,835	32,722	22,257
Financial assets	263,523	282,889	263,523	263,907
Inventory	99,256	96,024	116,278	108,240
Trade receivables	65,899	70,717	76,340	71,485
Receivables from group companies	2,298	1,797	2,653	1,169
Other receivables	23,699	25,837	29,466	22,889
Cash and bank	61,436	93,244	29,510	93,903
<b>Total assets</b>	<b>591,208</b>	<b>631,858</b>	<b>588,573</b>	<b>622,379</b>
<b>Equity and liabilities</b>				
Equity	474,103	456,188	455,961	478,472
Other provisions	750	2,022	718	718
Long-term debt, interest-bearing	5,250	33,142	12,721	26,529
Short-term debt, interest-bearing	29,202	27,892	29,885	28,373
Short-term debt, non interest-bearing	34,650	36,370	32,328	27,584
Trade payables	17,543	25,533	25,935	34,148
Liabilities to group companies	27,850	47,856	29,192	23,712
Warranty provisions	1,860	2,855	1,833	2,843
<b>Total equity and liabilities</b>	<b>591,208</b>	<b>631,858</b>	<b>588,573</b>	<b>622,379</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 and Sustainability Report for 2022.

## 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 Group's consolidated 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 and production disruptions 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 68-71 and Note A2 and A5 in the Annual and Sustainability Report for 2022.

Amounts in ' 000 SEK	Jul-Sep 2023				Jul-Sep 2022			
	Instruments	Reagents	Software & Other	Total	Instruments	Reagents	Software & Other	Total
Americas	61,829	701	24,020	<b>86,550</b>	37,212	917	20,565	<b>58,694</b>
EMEA	15,134	30,008	13,789	<b>58,931</b>	33,604	24,531	15,775	<b>73,910</b>
APAC	19,140	760	2,514	<b>22,414</b>	3,723	727	3,974	<b>8,424</b>
<b>Total</b>	<b>96,103</b>	<b>31,469</b>	<b>40,324</b>	<b>167,895</b>	<b>74,539</b>	<b>26,175</b>	<b>40,314</b>	<b>141,028</b>

Amounts in ' 000 SEK	Jan-Sep 2023				Jan-Sep 2022			
	Instruments	Reagents	Software & Other	Total	Instruments	Reagents	Software & Other	Total
Americas	146,369	1,636	78,350	<b>226,354</b>	130,886	2,038	80,741	<b>213,665</b>
EMEA	69,098	91,031	39,594	<b>199,722</b>	97,991	70,831	49,983	<b>218,805</b>
APAC	38,651	3,608	8,325	<b>50,583</b>	37,495	2,335	14,725	<b>54,554</b>
<b>Total</b>	<b>254,117</b>	<b>96,274</b>	<b>126,268</b>	<b>476,660</b>	<b>266,372</b>	<b>75,204</b>	<b>145,449</b>	<b>487,024</b>

Other refers to spare parts and consumables.



# Notes, cont'd

## NOTE 5. INTANGIBLE ASSETS

Amounts in ' 000 SEK	09/30/2023	09/30/2022
Capitalised expenditure for development	197,536	148,406
Goodwill	128,201	121,791
Trademarks, customer relationships and other intangible assets	105,291	113,849
<b>Total intangible assets</b>	<b>431,028</b>	<b>384,046</b>

## NOTE 6. TANGIBLE FIXED ASSETS

Amounts in ' 000 SEK	09/30/2023	09/30/2022
<b>Right of use assets</b>		
Land and buildings	30,219	37,542
Machinery, equipment	3,444	2,580
<b>Total right of use assets</b>	<b>33,663</b>	<b>40,121</b>
<b>Tangible fixed assets that are not right of use assets</b>		
Land and buildings	66,901	24,935
Machinery, equipment	24,186	19,689
<b>Total tangible fixed assets that are not right of use assets</b>	<b>91,087</b>	<b>44,624</b>
<b>Total tangible fixed assets</b>	<b>124,750</b>	<b>84,745</b>

The tangible fixed assets amounted to SEK 124,750 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 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

Average number of employees	Jul-Sep 2023	Jul-Sep 2022
Permanent employees	236	230
Temporary employees	18	25
<b>Total</b>	<b>253</b>	<b>254</b>

The average number of employees is calculated as an average of the number of employees at the beginning and 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 8. 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.

**Currency effect.** Exchange rate effects on sales growth for the period.

**Equity/assets ratio.** Shareholders' equity including noncontrolling 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	09/30/2023	09/30/2022	12/31/2022
Equity	677,893	605,904	641,628
Balance sheet total	894,442	860,496	891,748
Equity ratio	76%	70%	72%

## Gross margin

KSEK	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	167,895	141,028	476,660	487,024	639,340
Gross profit	111,424	96,414	327,118	336,667	438,317
Gross margin	66%	68%	69%	69%	69%

## Operating margin

KSEK	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	167,895	141,028	476,660	487,024	639,340
Operating profit	33,269	16,956	104,499	119,201	158,266
Operating margin	20%	12%	22%	24%	25%

## EBITDA

KSEK	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Operating profit	33,269	16,956	104,499	119,201	158,266
Amortization/depreciation/write-down	10,176	12,494	29,528	30,765	40,097
EBITDA	43,445	29,451	134,026	149,966	198,363

## Net sales

	Jul-Sep 2023 (%)	Jul-Sep 2023 KSEK	Jul-Sep 2022 (%)	Jul-Sep 2022 KSEK
Last period		141,028		131,986
Organic growth	11%	15,799	-3%	-3,879
Currency effect	8%	11,068	10%	12,920
Current period	19%	167,895	7%	141,028

# Review Report

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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 2023 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 October 25, 2023

KPMG AB

**Jonas Nihlberg**  
Authorized Public Accountant  
Auditor in charge

**Tobias Lindberg**  
Authorized Public Accountant

# Questions concerning the report

## 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 25, 2023.

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 25, 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:

To participate via webcast, use the link below.

<https://ir.financialhearings.com/cellavision-q3-report-2023>

To participate via conference call, register on the link below. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

<https://conference.financialhearings.com/teleconference/?id=5002796>

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



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## Financial calendar 2024

Year-end Bulletin 2023  
February 7, 2024

Interim Report January-March  
April 25, 2024

Annual General Meeting  
May 3, 2024

Interim Report January-June  
July 19, 2024

Interim Report January-September  
October 24, 2024

Year-end Bulletin 2024  
February 6, 2025



# 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 13 local market support organizations covering more than 40 countries.



## Our strategic ambition: The power of focus

Our strategic ambition 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 ambition

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 around 15 percent per year.
- **Profitability**  
The EBITDA margin is to exceed 30 percent over an economic cycle.

## 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.