

Year-end report January 1–December 31, 2022

October–December 2022

- » Net revenue for the period was SEK 320.3 million (155.0), an increase of 106.6 %. Organic growth was 5.5 %.
- » Orders received for the period was SEK 517.7 million (177.6), an increase of 191.5 %. Organic growth was 7.7 %.
- » Adjusted EBITDA for the period was SEK 85.8 million (19.0)
- » EBITDA for the period was SEK 90.4 million (19.4)
- » Profit/loss for the period was SEK 28.1 million (1.8)
- » Earnings per share for the period amounted to SEK 0.16 (0.01)
- » Cash flow from Operations for the period was SEK 77.8 million

January–December 2022

- » Net revenue for the year was SEK 951.5 million (466.0), an increase of 104.2 %. Organic growth was 9.5 %.
- » Orders received for the year was SEK 1,177.8 million (505.0), an increase of 133.2 %. Organic growth was 9.6 %.
- » Adjusted EBITDA for the year was SEK 174.9 million (57.1)
- » EBITDA for the year was SEK 185.1 million (57.3)
- » Profit/loss for the year was SEK 81.1 million (2.8)
- » Earnings per share for the year amounted to SEK 0.46 (0.02)
- » Cash flow from Operations for the year was SEK 120.7 million

SEK THOUSANDS	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec	Change	Pro forma 2022 Jan-Dec
Net revenue	320,262	155,014	951,521	465,953	104.2%	1,100,067
EBITDA	90,427	19,360	185,135	57,261	223.3%	242,432
EBITDA margin, %	28.2%	12.5%	19.5%	12.3%	7.2 pp	22.0%
Adjusted EBITDA	85,834	19,032	174,884	57,058	206.5%	232,181
Adjusted EBITDA margin, %	26.8%	12.3%	18.4%	12.2%	6.1 pp	21.1%
EBITA	81,309	16,055	163,416	46,797	249.2%	206,256
EBITA margin, %	25.4%	10.4%	17.2%	10.0%	7.1 pp	18.7%
Profit/loss before tax (EBT)	44,862	4,092	107,986	7,658	1,310.1%	150,826
Profit/loss for the period	28,077	1,778	81,098	2,805	2,791.1%	113,235
Adjusted profit/loss for the period	30,303	3,792	88,311	12,739	593.3%	120,448
Earnings per share (SEK)	0.16	0.01	0.46	0.02		0.63
Net debt-to-EBITDA	-	-	-	-		2.8

CEO's comments

A record profit and robust cash flows

The fourth quarter ended a record year for the Group with higher revenue and profit. The volume of orders received was strong during the quarter and increased by 192 %; organically the increase was 7.7 %. The organic net revenue growth during the quarter amounted to 5.5 %.

When we sum up 2022, we can safely say that we met our target. The adjusted EBITDA was SEK 232 million, and net revenue was SEK 1,100 million, both on a pro forma basis. We updated our financial targets for 2022 in April last year. The target was set to achieve an adjusted EBITDA of over SEK 200 million and revenue of SEK 1,000 million by the end of 2022 on a rolling 12-month pro forma basis.

We have continued to work systematically to improve our margins, and despite a challenging environment of inflation and price increases, we have been able to strengthen our EBITDA margin through an active price strategy. Acquisitions and above all the Healthcare segment have contributed to the margin improvement, and the Group's total adjusted EBITDA margin is 28.2 % (12.5) for the quarter and 18.4 % (12.2) for the full year 2022.

The Group's growth during the quarter was largely driven by increased demand within the Healthcare segment, where orders received increased 260 % and net revenue 189 % compared to the same period last year, due to both acquired and organic growth. One contributing factor to the strong growth was strong demand within our pharmaceutical companies in the US. Although the Healthcare segment has been exceptionally strong during the fourth quarter and we are seeing good demand at the start of 2023, we are humble in the face of the coming quarters.

During the quarter, the Lab segment increased its orders received by 129 %. However, net revenue decreased by 12.4 % during the quarter. We have worked strategically to improve margins, choose more profitable projects and focus on a higher-margin product mix, all of which has improved the EBITDA margin, which amounted to 17.1 % (10.9) and an EBITDA of SEK 9.4 million (6.9), while revenue growth decreased slightly. We are now well placed to return to growth within the Lab segment, with a stronger platform and product mix.

The Group's operating cash flow is strong, and our net interest-bearing debt is below our long-term target of 3.0 times EBITDA. At the end of the fourth quarter, this amounted to 2.8 times pro forma EBITDA compared to 2.8 times pro forma EBITDA at the end of Q3. This is despite the fact that during the fourth quarter we increased gross debt in order to make our largest acquisition to date, the Dutch company CliniChain. Our financial position remains good, which means that we



are well equipped to make acquisitions in priority markets with a focus on high-quality research and healthcare.

The start of 2023 has been good, and the Group's order book is at historically high levels. This, combined with good organic growth in orders received, means that we have good visibility with an expectation of strong development ahead. Sustainability continues to be a focus area, and during the quarter we have taken important steps and started mapping the Group's so-called Scope 3 emissions as well as continuing our work to achieve our sustainability goals published earlier in 2022.

For 2023, ADDvise's goal is to reach an EBITDA of SEK 330 million with a net revenue of SEK 1.6 billion before the end of 2023 on a pro forma rolling 12-month basis.

Our overall goal is to extend, improve and save people's lives by developing and providing products and services for healthcare and research. The fourth quarter showed that we can do this while increasing profit through both organic growth and acquisitions, and we have good hopes to continue on the same trajectory during 2023.

Rikard Akhtarzand,
CEO, ADDvise Group AB (publ)

The Group's development

Net revenue and orders

Net revenue for the quarter was SEK 320.3 million (155.0), an increase of 106.6 % compared with the same period of the previous year. Organic growth was 5.5 %, without currency rate effects, an organic decline of 3.9 %.

Net revenue for the year was SEK 951.5 million (466.0), an increase of 104.2 % compared with the same period of the previous year. Organic growth was 9.5 %, without currency rate effects 2.7 %.

Orders received for the quarter was SEK 517.7 million (177.6), an increase of 191.5 % compared with the same period of the previous year. Organic growth was 7.7 %.

Orders received for year totaled SEK 1,177.8 million (505.0), an increase of 133.2 % compared with the same period of the previous year. Organic growth was 9.6 %.

Profit

EBITDA for the quarter was SEK 90.4 million (19.4).

Adjusted EBITDA was SEK 85.8 million (19.0). For information about acquisition costs and other adjustments items, please refer to *Definition of key performance indicators*.

EBITDA for the year was SEK 185.1 million (57.3).

Adjusted EBITDA was SEK 174.9 million (57.1).

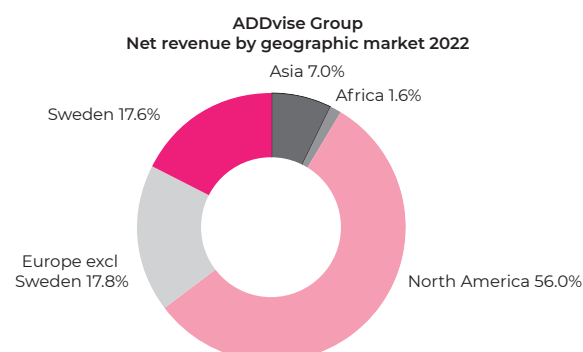
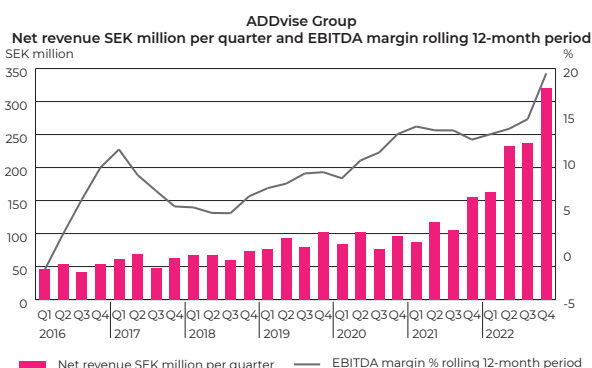
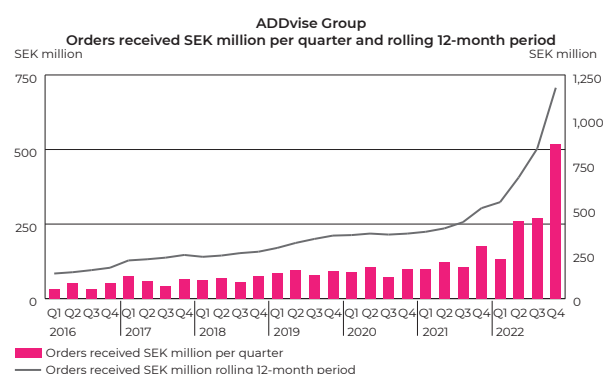
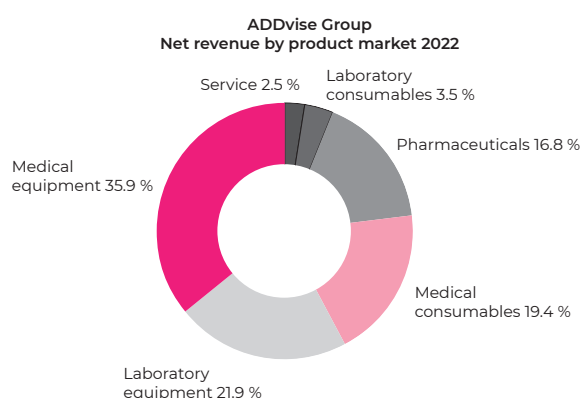
EBITA for the quarter was SEK 81.3 million (16.1).

Operating profit/loss for the period was SEK 79.4 million (15.6). Profit/loss after tax was SEK 28.1 million (1.8).

Adjusted profit/loss after tax amounted to SEK 30.3 million (3.8). Basic earnings per share amounted to SEK 0.16 (0.01) for the quarter.

EBITA for the year was SEK 163.4 million (46.8).

Operating profit/loss was SEK 157.2 million (43.5). Profit/loss after tax was SEK 81.1 million (2.8). Adjusted profit/loss after tax amounted to SEK 88.3 million (12.7). The Net financial items was positively impacted by currency effects from the revaluation of balance sheet items. Basic earnings per share amounted to SEK 0.46 (0.02) for the year.



Healthcare business unit

The Healthcare business unit manufactures and distributes medical equipment and consumables, both advanced and conventional. The Healthcare business unit was expanded in 2022 with the acquisitions of JTECH Medical, Poly Pharma, Seebreath and Surplus Diabetics.

Orders received for the business unit increased by 259.9 % in the quarter, driven by high demand for generic pharmaceuticals in the United States. Sales development has been very good. The gross margin was 66.3 % which was affected by consolidated companies with higher margins during 2022, compared to Q4 2021 when it was 47.1 %.

Net revenue, orders and profit

Net revenue for the quarter was SEK 264.9 million (91.8), an increase of 188.7 % compared with the same period of

the previous year. Organic growth was 24.8 %.

Net revenue for the year was SEK 699.2 million (248.8), an increase of 181.0 % compared with the previous year. Organic growth was 17.5 %.

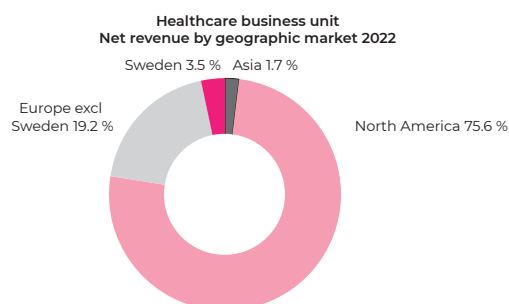
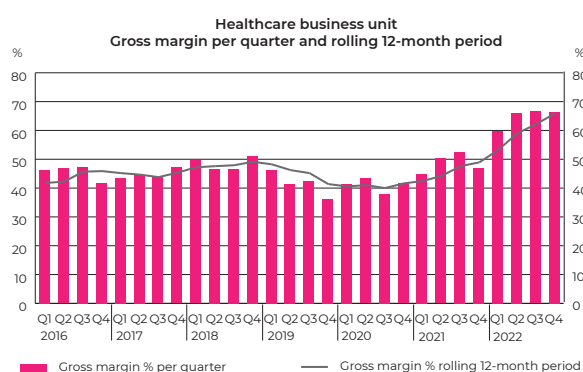
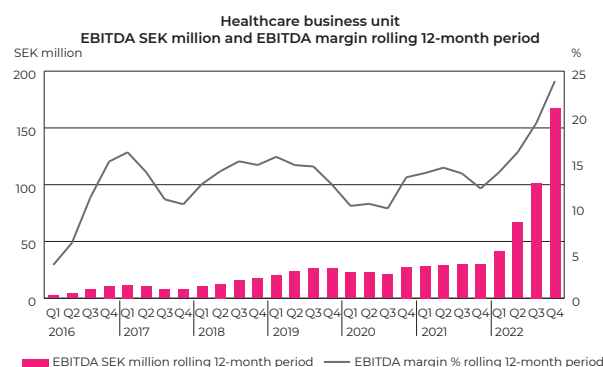
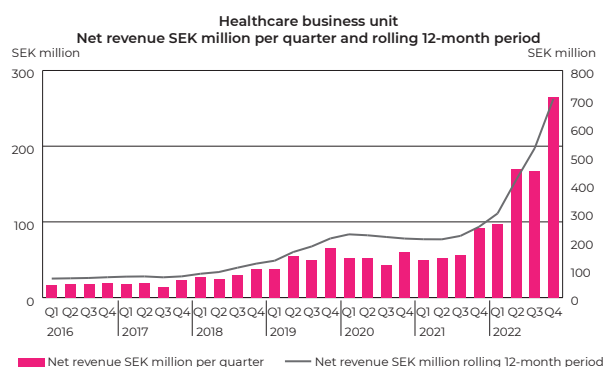
Orders received for the quarter was SEK 306.2 million (85.1), an increase of 259.9 % compared with the same period of the previous year. Organic growth was 22.8 %.

Orders received for the year was SEK 821.1 million (255.9), an increase of 220.8 % compared with the previous year. Organic growth was 27.2 %.

Gross margin for the quarter was 66.3 % (47.1 %). EBITDA for the quarter was SEK 77.5 million (12.6).

Gross margin for the year was 65.4 % (48.5 %). EBITDA for the year was SEK 166.9 million (32.0).

SEK thousands	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Net revenue	264,877	91,756	699,211	248,791
Orders received	306,235	85,091	821,110	255,917
Gross margin %	66.3%	47.1%	65.4%	48.5%
EBITDA	77,486	12,610	166,867	32,034
EBITDA margin %	29.3%	13.7%	23.9%	12.9%



Lab business unit

The Lab business unit provides laboratory furnishings, safety ventilation, climate rooms, clean rooms, and laboratory apparatus to the pharmaceutical and life science research industries. The Lab business unit was expanded in 2022 with the acquisition of CliniChain Holding BV, which is consolidated in the ADDvise Group from December 6, 2022.

Net revenue, orders and profit

Net revenue for the quarter was SEK 55.4 million (63.3), a decrease of 12.4 % compared with the same period of the previous year. Organic decline in net revenue was 21.0 %.

Net revenue for the year was SEK 252.3 million (217.2),

an increase of 16.2 % compared with the previous year. Organic growth was 0.6 %.

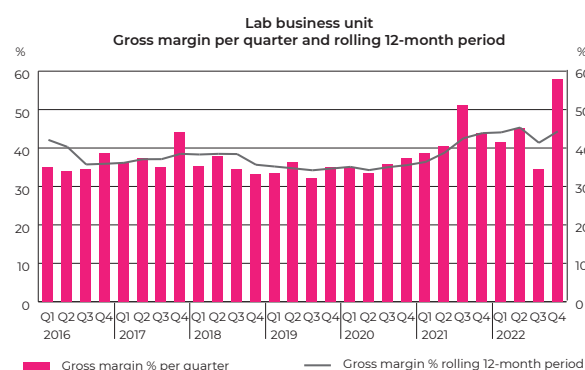
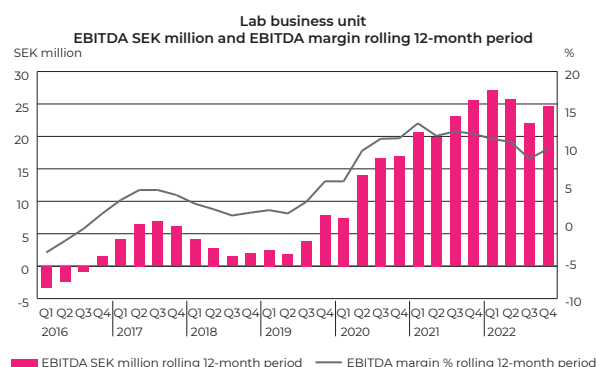
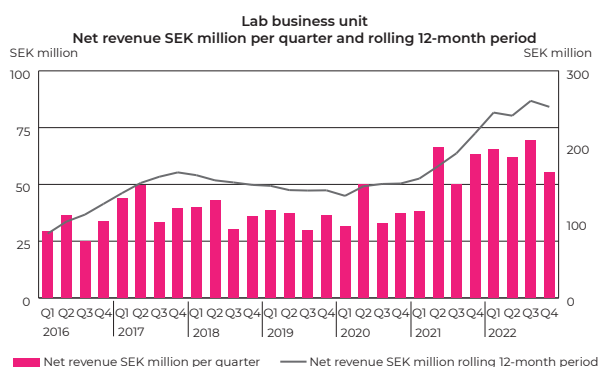
Orders received for the quarter was SEK 211.5 million (92.5) an increase of 128.5 % compared with the same period the previous year. Organic decline in orders received was 5.5 %.

Orders received for the year was SEK 356.7 million (249.1), an increase of 43.2 % compared with the previous year. Organic decline in orders received was 7.9 %.

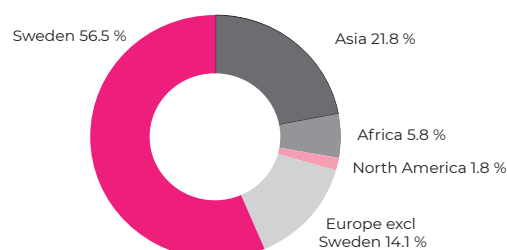
Gross margin for the quarter was 57.9 % (43.9 %). EBITDA for the quarter was SEK 9.4 million (6.9).

Gross margin for the year was 44.0 % (43.5 %). EBITDA for the year was SEK 24.6 million (26.3).

SEK thousands	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Net revenue	55,385	63,259	252,310	217,162
Orders received	211,461	92,529	356,676	249,103
Gross margin %	57.9%	43.9%	44.0%	43.5%
EBITDA	9,448	6,893	24,595	26,275
EBITDA margin %	17.1%	10.9%	9.7%	12.1%



Lab business unit
Net revenue by geographic market 2022

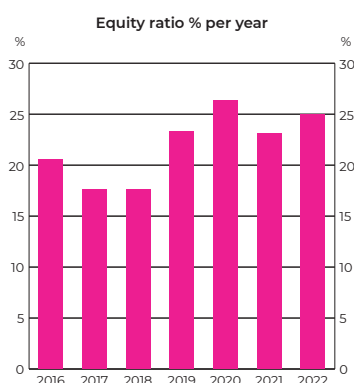


Financial position

Equity and equity ratio

Equity at the end of the period totaled SEK 492.9 million (247.3), equating to SEK 2.73 (1.50) per share outstanding at the end of the period. The equity ratio at the end of the period was 25.0 % (23.1 %).

At the end of the reporting period, the company's equity was entirely attributable to the shareholders of the parent company.



Cash and cash equivalents and short-term investments

Cash and cash equivalents at the end of the period totaled SEK 111.1 million (325.7). At the end of the period, the Group had an overdraft facility of SEK 54.5 million (29.1), which was utilized in the amount of SEK 0.8 million (0.0). At the end of the period, the Group had no short-term investments.

Net debt

Net debt at the end of the period totaled SEK 666.8 million (228.5). The ratio of interest-bearing net debt to pro forma EBITDA at the end of the period was 2.8 (2.3).

One of the Group's long-term financial targets is for the ratio of interest-bearing net debt to EBITDA not to exceed 3. EBITDA according to the Group's previous definition of the ratio of interest-bearing net debt to EBITDA was not calculated pro forma. That made the ratio increase as the year's acquisitions had not contributed to EBITDA throughout the year. Pro forma EBITDA matches the net debt as the Group's bond loan is for acquisition purposes.

At the end of the period, loans and other interest-bearing liabilities due for repayment within one year totaled SEK 33.5 million (29.0). Loans and other interest-bearing liabilities due for repayment within one year include a bank loan of SEK 5.9 million (7.9), utilized overdraft facilities of SEK 0.8 million (0.0) and lease liabilities of SEK 26.9 million (8.6). Overdraft facilities are classified as short-term borrowing, but this portion of short-term borrowing is continuously refinanced.

At the end of the period, loans due for repayment after one year or more totaled SEK 744.3 million (525.1). Loans

due for repayment after one year or more include the Group's bond loan of SEK 628.3 million (487.1), interest-bearing promissory notes for completed acquisitions of SEK 65.7 million (0.0), a bank loan of SEK 0.6 million (1.5) and lease liabilities of SEK 49.8 million (36.5). The increase in lease liabilities is partly attributable to recently acquired subsidiaries.

Bond term sheet net debt

The bond loan issued by ADDvise in May 2021 is subject to conditions linked to indebtedness. A calculation is made of net debt in relation to pro forma EBITDA. The definition of net debt and pro forma EBITDA in the bond term sheet is different from the Group's key performance indicators. For the calculation of net debt and EBITDA in accordance with the terms of the bond, please refer to *Definition of key performance indicators*.

Cash flow

Operating cash flow for quarter was SEK 101.9 million (27.1). During the comparison period, ADDvise paid off liabilities of SEK 1.2 million relating to deferred payment of tax as a result of Covid-19. The effect of the payment of this deferral is reported in the consolidated statement of cash flows under operating cash flow. Changes in working capital was SEK 6.3 million (23.3).

Operating cash flow for the year was SEK 109.9 million (10.2). During the comparison period, ADDvise paid off liabilities of SEK 12.6 million relating to deferred payment of tax as a result of Covid-19. The effect of the payment of this deferral is reported in the consolidated statement of cash flows under operating cash flow. Changes in working capital was SEK -19.7 million (-6.9).

Cash flow from Operations for the quarter amounted to SEK 77.8 million. During the quarter, cash flow from Operations was positively affected by good pharmaceutical sales in our businesses based in the US. Cash flow from Operations for the year amounted to SEK 120.7 million. Cash flow from Operations includes investments in fixed assets and amortization of lease liabilities. Comparative figures have not been calculated, as 2021 have been affected by the covid-19 pandemic to a greater extent than 2022. A comparison would therefore reflect the effects of the pandemic and not only developments in business operations.

As of the interim report for January–March 2022, cash flow from Operations is presented, which is cash flow from the Group's business operations, and where items attributable to acquisition activities having an impact on cash flow have been eliminated. For the calculation of cash flow from Operations, see *Definition of key performance indicators*.

Cash flow for the quarter totaled SEK -17.4 million (183.6). The acquisition of CliniChain was completed during the quarter. Injections of cash and cash equivalents from the acquired companies at the time of

consolidation of the new acquisitions in the Group totaled SEK 7.7 million (4.6). During the quarter, ADDvise received SEK 150.0 million before issue costs in connection with the issue of additional bonds.

Cash flow for the year totaled SEK -225.7 million (282.5). The acquisitions of CliniChain, JTECH Medical, Poly Pharma, Seebreath and Surplus Diabetics were completed during the year. Injections of cash and cash equivalents from the acquired companies at the time of consolidation of the new acquisitions in the Group totaled SEK 16.2 million (17.3). During the period, ADDvise received SEK 100.0 million before issue costs in connection with the issue of new class B shares and SEK 150.0 million before issue costs in connection with the issue of additional bonds. For further information, see *Significant events during the reporting period*.

Intangible non-current assets

The change in goodwill during the quarter was SEK 246.1 million (-8.3). The change in trademarks was SEK 10.3 million (80.9).

The change in goodwill during the year was SEK 532.2 million (132.2). The change in trademarks was SEK 195.7 million (105.2).

Intangible fixed assets, in addition to goodwill and trademarks, consist mostly of acquired customer relationships and capitalized expenditure for development work and similar activities. Change in acquired customer relationships during the quarter amounted to SEK 91.8 million (0.0). Change in acquired customer relationships during the year amounted to SEK 108.5 million (0.0).

For information about goodwill, trademarks and other intangible non-current assets attributable to acquisitions during this year, see *Note 5 Business combinations*.

Investments in capitalized expenditure for development work and similar activities during the quarter totaled SEK 1.8 million (1.3). Investments in capitalized expenditure for development work and similar activities during the year totaled SEK 7.6 million (2.8).

Investments in intangible non-current assets other than goodwill, trademarks, acquired customer relationships and capitalized expenditure for development work and similar activities during the quarter totaled SEK 0.1 million (0.0). Investments in intangible non-current assets other than goodwill, trademarks, acquired customer relationships and capitalized expenditure for development work and similar activities during the year totaled SEK 0.4 million (0.3).

Property, plant and equipment

Investments in property, plant and equipment during the quarter totaled SEK 3.6 million (2.4). Investments in property, plant and equipment during the year totaled SEK 12.1 million (19.9). Investments in property, plant and

equipment include leased non-current assets in accordance with IFRS 16 Leases.

Acquisitions 2022

The table shows acquisitions completed in 2022. Net revenue and EBITDA in the table are estimates of annual rates from the time of the acquisition using local accounting principles. For further information on the acquisitions, see *Note 5 Business combinations*.

Acquisition	Consolidated from	Business unit	Net revenue 12 months	EBITDA 12 months
CliniChain	December	Lab	EUR 7.4 million	EUR 4.0 million
JTECH Medical	March	Healthcare	USD 3.2 million	USD 1.1 million
Poly Pharmaceuticals	February	Healthcare	USD 8.3 million	USD 2.0 million
Seebreath	May	Healthcare	SEK 12.0 million	SEK 8.0 million
Surplus Diabetics	April	Healthcare	USD 18.1 million	USD 3.2 million

Parent company

Net revenue and profit/loss

Net revenue at the parent company for the quarter totaled SEK 13.3 million (7.5). Operating profit/loss was SEK 3.0 million (1.0). The net profit/loss was SEK -22.1 million (17.9).

Net revenue at the parent company for the year totaled SEK 29.4 million (24.8). Operating profit/loss was SEK -4.8 million (1.5). The net profit/loss was SEK 0.6 million (-0.6).

Equity

The balance sheet total was SEK 1,251.6 million (818.6), of which equity constituted SEK 319.1 million (223.1).

Significant events during the reporting period

ADDvise completes a directed new share issue of approximately SEK 100 million

On March 14, 2022, ADDvise carried out a directed new share issue of 15,384,616 shares of series B, corresponding to approximately SEK 100 million. Through the directed new share issue ADDvise received approximately SEK 100 million before issue costs. Through the directed new share issue, the number of outstanding shares increased by 15,384,616 shares, from 165,107,273 shares to 180,491,889 shares. The share capital increased by SEK 1,538,461.6, from SEK 16,510,727.3 to SEK 18,049,188.9. The directed new share issue entailed a dilution of approximately 8.5 percent of the number of shares and 6.2 percent of the number of votes in the company based on the number of shares and votes following the directed new share issue.

The subscription price in the directed new share issue

was SEK 6.50. The subscription price per share of series B in the directed new share issue constituted a discount of approximately 5.9 percent compared to the closing price on Nasdaq First North Premier Growth Market on March 14, 2022 and a premium of approximately 0.9 percent to the VWAP during the last five trading days.

Bondholders approve amendment to bond terms and conditions in January and December, 2022

In January and December 2022, ADDvise successfully conducted written procedures regarding the Company's senior covered bond loan with ISIN SE0015222088. The company asked for bondholders' approval for certain changes to bond terms.

A sufficient number of bondholders participated in the written procedures in order to form a quorum, and a requisite majority of the bondholders voted in favour to approve the proposals.

ADDvise placed senior secured bonds of SEK 150 million

In November 2022, ADDvise placed a subsequent senior secured bond issue in an amount of SEK 150 million under the company's existing senior secured bond framework with ISIN SE0015222088. Following completion of the subsequent bond issue, the outstanding amount under the senior secured bonds was SEK 650 million. The transaction was significantly oversubscribed and placed at a price of 100.0% of par.

ADDvise acquired CliniChain Holding BV, JTECH Medical, Poly Pharmaceuticals Inc, Seebreath AB and Surplus Diabetics Inc

ADDvise acquired 100% of the shares in the following companies during the period:

- » Poly Pharmaceuticals Inc. Acquisition completed on February 18, 2022.
- » JTECH Medical. Acquisition completed on March 3, 2022.
- » Surplus Diabetics Inc. Acquisition completed on April 19, 2022
- » Seebreath AB. Acquisition completed on May 16, 2022.
- » CliniChain Holding BV. Acquisition completed on December 16, 2022.

Major customer contracts and orders during the reporting period

- » Order from Design Infinity LCC, a Dubai based pharmaceutical industry interior design contractor, for design and installation of a cleanroom facility for the Himalaya Drug Company based in United Arab Emirates. Order value USD 1.1 million. Delivery in 2022.
- » Allocation decision from Region Stockholm-Gotland for delivery of blood specimen collection equipment during a four-year period starting in 2022. Total value SEK 44.0 million.

- » Order from Signature Healthcare Consulting Services, LLC, a group providing personalized medical services in primary care, specialty care and hospital care, for systems for vital signs monitoring, in 110 nursing homes. Order value USD 2.0 million. Delivery in 2022.
- » Order from Cadwell Industries, a company specialized in electrodes, consumables, supplies, and accessories for neurology, for wires for electrodiagnostic supplies. Order value USD 1.7 million. Delivery in 2022 and 2023.
- » Allocation decision from Helsinki University Hospital in Finland regarding digital x-ray equipment. Order value EUR 2.4 million. Delivery in 2022 and 2023.
- » Order from Hortman Health Care Investment LLC, an investment company in the private healthcare sector, based in the United Arab Emirates for design and installation of a stem cell laboratory for a clinic in Dubai, United Arab Emirates. Order value USD 0.6 million. Delivery is scheduled for 2023.
- » Order from BioGeneric Pharma, a leading factory in biotechnology based in Cairo, Egypt, for design and supply of a clean room environment to be used for production of mRNA-vaccine. Order value USD 1.7 million. Delivery in 2023.
- » Order from Cochran Wholesale Pharmaceuticals, a generic pharmaceutical wholesale distributor serving the needs of independent pharmacies across the USA, for Folite, a folic acid dietary supplemental. Order value USD 2.1 million. Delivery in 2022.
- » Agreement with one of the world's largest contract research organizations for rental, training and service of medical equipment. Order value EUR 12.8 million. The contract runs for 33 months starting from the end of 2022.
- » Order from Wellgistics, a pharmaceutical wholesale distributor delivering to pharmacies in the USA, for the dietary supplemental Folite. Order value USD 1.5 million. Delivery in 2022.
- » Order from Cochran Wholesale Pharmaceuticals, a generic pharmaceutical wholesale distributor serving the needs of independent pharmacies across the USA, for Folite, a folic acid dietary supplemental. Order value USD 1.2 million. Delivery in 2022.

Fredrik Mella was appointed Senior Vice President

On December 19, 2022, Fredrik Mella was appointed Senior Vice President of ADDvise, starting January 1, 2023. As Senior Vice President, Fredrik Mella will act as a deputy for the CEO of ADDvise. Fredrik Mella will act as Senior Vice President alongside his current role as Chief Operating Officer (COO). Fredrik Mella has worked as COO at ADDvise since February 2022. As COO, Fredrik has an overall responsibility for ensuring that the companies within the group are reaching ADDvise's organic financial targets.

Major shareholder issues call options

On January 10, 2022, the ADDvise board of directors was informed that one of ADDvise's major shareholders, Per Åhlgren through GoMobile nu Aktiebolag, issued call options in ADDvise to board members, senior executives and certain other employees in ADDvise Group. In total, 3,696,666 call options were issued to eleven persons.

Each call option was issued at a price of SEK 0.45, which corresponded to the market value based on a Black & Scholes valuation, and gave the holder the right to during the period October 9, 2022 – January 9, 2023 acquire one share of series B in ADDvise at a price of SEK 9.55.

ADDvise did not participate in the issuance of these call options and will not incur any costs as a result of such issuance.

Significant events after the reporting period

ADDvise signs Letter of Intent to acquire X-Ray Cassette Repair Company Inc

On February 14, 2023, ADDvise signed a Letter of Intent with the shareholder of X-Ray Cassette Repair Company Inc (Reina Imaging) regarding an acquisition of all shares in Reina Imaging.

Reina Imaging is an international medtech equipment manufacturer based in Crystal Lake, Illinois, USA. The company produces digital x-ray panel holders and related imaging products primarily for the healthcare industry. Reina Imaging is a supplier and product development partner to some of the world's largest x-ray imaging companies.

The company's revenue for the full year 2022 amounted to USD 9.1 million, with an adjusted EBITDA of USD 1.9 million, corresponding to an adjusted EBITDA margin of 21.1 percent.

The purchase price for Reina Imaging amounts to a total of USD 14.8 million, divided into an initial payment of USD 10.8 million, and two potential earn-outs of maximum USD 4 million in total. To reach full earn-outs, Reina Imaging must reach an EBITDA of USD 2.1 million during the next twelve months after completion of the acquisition and an EBITDA of USD 2.3 million for the following twelve months.

The acquisition will be financed with own funds. ADDvise assesses that the acquisition will have a positive impact on ADDvise earnings per share during the financial year 2023. The acquisition is subject to a due diligence and that the parties agree to enter into a share purchase agreement. The share purchase agreement and completion of the acquisition is scheduled to be completed during Q2, 2023. At the time of the publishing of this year-end report, ADDvise has not completed the acquisition of Reina Imaging, and is not able to provide a purchase price allocation.

ADDvise signs Letter of Intent to acquire Diabetic Supplies Inc

On February 17, 2023, ADDvise Group signed a Letter of Intent with the shareholder of Diabetic Supplies Inc (Diabetic Supplies) regarding an acquisition of all shares in Diabetic Supplies.

Diabetic Supplies is based in Columbus, Ohio, USA and is a distributor of medical devices for diabetic patients. The Company distributes, among other things, continuous glucose monitors and insulin pumps.

Diabetic Supplies' revenue for the full year 2022 amounted to USD 7.0 million, with an EBITDA of USD 2.7 million, corresponding to an EBITDA margin of 39 percent.

The purchase price for Diabetic Supplies amounts to a total of USD 15.8 million, divided into an initial payment of USD 10.3 million, and two potential earn-outs of maximum USD 5.5 million in total. To be entitled to the earn-outs, Diabetic Supplies must reach an EBITDA of USD 3.1 million during the next twelve months after completion of the acquisition and an EBITDA of USD 3.4 million for the following twelve months.

The acquisition will be financed with own funds. ADDvise assesses that the acquisition will have a positive impact on ADDvise' earnings per share during the financial year 2023. The acquisition is subject to a due diligence and that the parties agree to enter into a share purchase agreement. The share purchase agreement and completion of the acquisition is scheduled to be completed during Q2, 2023. At the time of the publishing of this year-end report, ADDvise has not completed the acquisition of Diabetic Supplies, and is not able to provide a purchase price allocation.

Major customer contracts and orders after the reporting period

- » Order from Nasser Saeed Al Hajri & Partners Contracting (NHS & Partners), a leading construction contractor in the United Arab Emirates, for the design and installation of an ISO 8 and ISO 7 classified clean room facility for manufacturing applications in the oil and gas industry. Order value USD 1.8 million. Delivery in 2023.
- » Order from AxisCare Health Logistics Inc, a company distributing equipment and medical supplies to hospitals, clinics, medical offices and medical equipment suppliers, for the prescription dietary supplemental Folite. Order value USD 3.5 million. Delivery in 2023.
- » Allocation decision from Region Västra Götaland for equipment for blood- and urine specimen collection. Contract value SEK 48.0 million. Delivery during a four-year period starting in May 2023.

Additional information

Employees

The number of employees at the end of the reporting period was 351 (285).

Organic growth

Net revenue and orders received in acquired companies are included in the calculation of organic growth 12 months after the acquisition date. A company that is consolidated from March of year 1 is included in the calculation of organic growth from March of year 2.

Pro forma profit/loss

The numbers in the *Pro forma 2022 Jan–Dec* column on the first page are pro forma numbers and have not been reviewed by the company's auditor. The numbers are for January – December 2022 including all acquisitions in the period after January 1, 2022, until the publication of this report.

Financial targets

For 2023, ADDvise's goal is to reach an EBITDA of SEK 330 million with a net revenue of SEK 1.6 billion before the end of 2023 on a pro forma rolling 12-month basis.

Long-term financial targets

The targets are a level of ambition to be achieved over several years. These targets will be achieved through a combination of organic growth and acquisitions. The targets are divided into four areas: growth, profitability, capital structure and dividend.

- » Growth: ADDvise must have annual revenue growth of at least 25%. Growth will be achieved organically as well as through acquisitions.
- » Profitability: ADDvise will aim to achieve an EBITDA margin of 20%.
- » Capital structure: ADDvise's ratio of interest-bearing net debt to EBITDA must not exceed 3.0.
- » Dividend: 25% of the preceding year's profit, excluding the revaluation of additional purchase considerations, will be distributed to the shareholders.

Sustainability

ADDvise's business concept is to improve, extend and save people's lives. It is a social responsibility that contributes to a more sustainable society. But sustainability for us is more than that. It's about taking responsibility and make a difference at all levels. When we talk about sustainability, we mean sustainable for the environment, sustainable from a social perspective and sustainable from a business perspective. Together with our subsidiaries, we can do great good.

Sustainability is becoming increasingly fundamental in our pursuit of better business results. In 2022, we will continue to work on developing and improving our sustainability work.

ADDvise has been reporting sustainability-related information to Nasdaq since 2021 and is certified as a Nasdaq ESG Transparency partner. ESG stands for Environment, Social, and Governance and is a long-term effort to reduce negative impacts and increase positive impacts in areas. We strive to increase the amount of reported data and improve our impact.

Sustainability goals by 2030

ADDvise's long-term sustainability goals have a clear connection to the company's vision of contributing to a sustainable society through products and services that improve, prolong and save people's lives.

The sustainability goals, in combination with the financial goals, will ensure that the company steers towards long-term profitable and sustainable growth.

Environment

- » Reduce the carbon dioxide intensity by 50 %.

Finance / Governance

- » All companies within the Group must have incentives linked to sustainability-related goals.
- » 100 % of the acquisitions must contribute to the UN's sustainability goal no. 3 good health and well-being and meet the requirements of ADDvise policy for sustainable investments.
- » 1.5 % of net sales will be set aside for product development of products that improve, prolong, and save people's lives.

Social

- » Achieve gender equality of people on the board and in senior positions (males and females are represented in the range 40–60 %).
- » All companies within the Group must comply with a code of conduct.
- » Sick leave max 5%.
- » Our vision is to work towards zero workplace accidents.

Condensed consolidated statement of comprehensive income

SEK thousands	2022 Oct–Dec ¹	2021 Oct–Dec ²	2022 Jan–Dec ¹	2021 Jan–Dec ²
Net revenue	320,262	155,014	951,521	465,953
Capitalized work on own account	1,711	768	7,455	2,659
Other operating income	3,978	295	10,152	498
	325,951	156,078	969,128	469,110
Cost of materials	-112,725	-84,448	-383,960	-252,047
Other external expenses	-57,698	-17,115	-178,818	-47,334
Personnel costs	-64,612	-35,349	-220,186	-112,468
Depreciation and amortization	-10,978	-3,740	-27,932	-13,716
Other operating expenses	-488	193	-1,029	0
	-246,502	-140,458	-811,925	-425,564
Operating profit/loss (EBIT)	79,449	15,620	157,203	43,546
Net financial items	-34,587	-11,527	-49,216	-35,888
Profit/loss before tax (EBT)	44,862	4,092	107,986	7,658
Tax	-16,785	-2,314	-26,889	-4,853
Profit/loss for the period	28,077	1,778	81,098	2,805
Profit/loss attributable to:				
Shareholders of the parent company	28,077	1,778	81,098	2,805
Non-controlling interests	-	-	-	-
	28,077	1,778	81,098	2,805
Other comprehensive income				
Foreign exchange differences on the translation of foreign operations for the period	-23,721	5,086	69,079	12,783
Change in value of financial assets measured at fair value through other comprehensive income for the period	0	0	0	-122
Comprehensive income for the period	4,356	6,864	150,177	15,466
Comprehensive income attributable to:				
Shareholders of the parent company	4,356	6,864	150,177	15,466
Non-controlling interests	-	-	-	-
	4,356	6,864	150,177	15,466
Basic earnings per share, SEK ³	0.16	0.01	0.46	0.02
Diluted earnings per share, SEK ³	0.16	0.01	0.46	0.02

Note 1: Companies acquired in 2022 are consolidated in the ADDvise Group from: Poly Pharmaceuticals Inc February 12, 2022. JTECH Medical March 3, 2022. Surplus Diabetics Inc April 19, 2022. Seebreath AB May 16, 2022. CliniChain Holding BV December 6, 2022.

Note 2: Companies acquired in 2021 are consolidated in the ADDvise Group from: MRC Systems FZE March 28, 2021. MediSuite LLC August 4, 2021. Graham Medical Technologies LLC September 15, 2021. Southern Life Systems Inc November 24, 2021.

Note 3: Earnings per share were adjusted to take into account the outcome of warrants in series 2019/2021 in February 2021, the directed share issue in September 2021 and the directed share issue in March 2022.

Condensed consolidated statement of financial position

SEK thousands	2022 Dec 31	2021 Dec 31
ASSETS		
<i>Non-current assets</i>		
Goodwill	820,770	288,559
Trademarks	323,442	127,767
Other intangible non-current assets	137,921	24,615
Property, plant and equipment	126,771	65,072
Non-current financial assets	1,838	232
Contract assets	12,875	14,119
Deferred tax assets	0	0
<i>Total non-current assets</i>	<i>1,423,618</i>	<i>520,364</i>
<i>Current assets</i>		
Inventories	102,535	66,543
Contract assets	72,858	48,367
Trade receivables	223,607	96,808
Other current receivables	35,080	11,625
Short-term investments	0	0
Cash and cash equivalents	111,093	325,735
<i>Total current assets</i>	<i>545,173</i>	<i>549,078</i>
TOTAL ASSETS	1,968,791	1,069,442
EQUITY AND LIABILITIES		
<i>Equity</i>	<i>492,868</i>	<i>247,275</i>
Equity attributable to:		
Shareholders of the parent company	492,868	247,275
Non-controlling interests	-	-
	492,868	247,275
<i>Non-current liabilities</i>		
Interest-bearing liabilities	744,314	525,145
Deferred tax liabilities	104,348	14,702
Other non-current liabilities	227,592	108,023
<i>Total non-current liabilities</i>	<i>1,076,254</i>	<i>647,870</i>
<i>Current liabilities</i>		
Interest-bearing liabilities	33,545	29,044
Current tax liabilities	26,113	9,797
Contract liabilities	64,552	13,610
Trade payables	114,170	60,329
Other current liabilities	161,289	61,516
<i>Total current liabilities</i>	<i>399,669</i>	<i>174,296</i>
TOTAL EQUITY AND LIABILITIES	1,968,791	1,069,442

Condensed consolidated statement of changes in equity

SEK thousands	2022 Oct–Dec	2021 Oct–Dec	2022 Jan–Dec	2021 Jan–Dec
Opening equity	488,512	240,609	247,275	91,049
Profit/loss for the period	28,077	1,778	81,098	2,805
Other comprehensive income for the period	-23,721	5,086	69,079	12,661
Comprehensive income for the period	4,356	6,864	150,177	15,466
New share issue	0	-198	95,416	143,449
Dividends	0	0	0	-2,794
Change in non-controlling interests	0	0	0	104
Translation reserve	0	0	0	0
Closing equity	492,868	247,275	492,868	247,275
Attributable to:				
Shareholders of the parent company	492,868	247,275	492,868	247,275
Non-controlling interests	-	-	-	-
Total equity	492,868	247,275	492,868	247,275

Condensed consolidated statement of cash flows

SEK thousands	2022 Oct–Dec	2021 Oct–Dec ¹	2022 Jan–Dec	2021 Jan–Dec ¹
Operating activities				
Profit/loss before tax	44,862	4,092	107,986	7,658
Adjustments for non-cash items	53,084	-1,041	27,992	9,469
Income tax paid	-2,321	716	-6,398	-85
Operating cash flow before changes in working capital	95,626	3,767	129,581	17,042
Operating cash flow	101,896	27,062	109,876	10,186
Investing cash flow ²	-289,517	-67,003	-638,587	-201,662
Financing cash flow	170,215	223,587	303,018	473,975
Cash flow for the period	-17,406	183,646	-225,694	282,499
Cash and cash equivalents at start of period	123,977	139,845	325,735	39,606
Foreign exchange differences in cash and cash equivalents	4,522	2,244	11,052	3,629
Cash and cash equivalents at end of period	111,093	325,735	111,093	325,735

Note 1 During the period October–December 2021, ADDvise paid liabilities of SEK 1.2 million relating to deferred payment of taxes and charges as a result of the Covid-19 situation. During the period January–December 2021, ADDvise paid liabilities of SEK 12.6 million relating to deferred payment of taxes and charges as a result of the Covid-19 situation. The effect of payment of this deferral is reported in the consolidated statement of cash flows under operating cash flow for October–December 2021 and January–December 2021.

Note 2 For details on the reporting of the net outflow of cash and cash equivalents relating to acquisitions, see *Note 5 Business combinations*.

Consolidated income statement for five quarters

SEK thousands	2022 Oct–Dec	2022 Jul–Sep	2022 Apr–Jun	2022 Jan–Mar	2021 Oct–Dec
Net revenue	320,262	236,960	231,903	162,397	155,014
Capitalized work on own account	1,711	1,852	1,177	2,715	768
Other operating income	3,978	5,376	746	52	295
	325,951	244,188	233,826	165,163	156,078
Cost of materials	-112,725	-101,452	-91,973	-77,810	-84,448
Other external expenses	-57,698	-46,048	-54,908	-20,165	-17,115
Personnel costs	-64,612	-56,641	-53,346	-45,587	-35,349
Other operating expenses	-488	-869	704	-375	193
	-235,523	-205,010	-199,523	-143,937	-136,718
EBITDA	90,427	39,177	34,304	21,227	19,360
EBITDA margin, %	28.2%	16.5%	14.8%	13.1%	12.5%
Depreciation and amortization	-10,978	-6,374	-5,805	-4,774	-3,740
Operating profit/loss (EBIT)	79,449	32,803	28,498	16,452	15,620
Operating margin, %	24.8%	13.8%	12.3%	10.1%	10.1%
Net financial items	-34,587	9,788	-8,541	-15,876	-11,527
Profit/loss before tax (EBT)	44,862	42,591	19,957	576	4,092
Tax	-16,785	-8,690	-907	-506	-2,314
Profit/loss for the period	28,077	33,901	19,050	70	1,778
Profit/loss attributable to:					
Shareholders of the parent company	28,077	33,901	19,050	70	1,778
Non-controlling interests	-	-	-	-	-
	28,077	33,901	19,050	70	1,778

Key performance indicators

SEK thousands	2022 Oct-Dec ¹	2021 Oct-Dec ²	2022 Jan-Dec ¹	2021 Jan-Dec ²
Net revenue	320,262	155,014	951,521	465,953
Gross margin, %	64.8%	45.5%	59.6%	45.9%
EBITDA	90,427	19,360	185,135	57,261
EBITDA margin, %	28.2%	12.5%	19.5%	12.3%
Adjusted EBITDA	85,834	19,032	174,884	57,058
Adjusted EBITDA margin, %	26.8%	12.3%	18.4%	12.2%
EBITA	81,309	16,055	163,416	46,797
EBITA margin, %	25.4%	10.4%	17.2%	10.0%
Operating profit/loss (EBIT)	79,449	15,620	157,203	43,546
Operating margin, %	24.8%	10.1%	16.5%	9.3%
Profit/loss before tax (EBT)	44,862	4,092	107,986	7,658
Net margin, %	14.0%	2.6%	11.3%	1.6%
Profit/loss for the period	28,077	1,778	81,098	2,805
Adjusted profit/loss for the period	30,303	3,792	88,311	12,739
Equity ratio, %	25.0%	23.1%	25.0%	23.1%
Net debt	-666,765	-228,455	-666,765	-228,455
Net debt-to-EBITDA	-	-	2.8	2.3
Number of employees at end of period	351	285	351	285
Equity per share in SEK	2.73	1.50	2.73	1.50
Basic earnings per share in SEK ³	0.16	0.01	0.46	0.02
Diluted earnings per share in SEK ³	0.16	0.01	0.46	0.02
Number of shares at end of period	180,491,889	165,107,273	180,491,889	165,107,273
Average number of shares before dilution	180,491,889	165,107,273	177,457,115	143,133,781
Average number of shares after dilution	180,491,889	165,107,273	177,457,115	143,133,781

Note 1: Companies acquired in 2022 are consolidated in the ADDvise Group from: Poly Pharmaceuticals Inc February 12, 2022. JTECH Medical March 3, 2022. Surplus Diabetics Inc April 19, 2022. Seebreath AB May 16, 2022. CliniChain Holding BV December 6, 2022.

Note 2: Companies acquired in 2021 are consolidated in the ADDvise Group from: MRC Systems FZE March 28, 2021. MediSuite LLC August 4, 2021. Graham Medical Technologies LLC September 15, 2021. Southern Life Systems Inc November 24, 2021.

Note 3: Earnings per share were adjusted to take into account the outcome of warrants in series 2019/2021 in February 2021, the directed share issue in September 2021 and the directed share issue in March 2022.

Condensed parent company income statement

SEK thousands	2022 Oct–Dec	2021 Oct–Dec	2022 Jan–Dec	2021 Jan–Dec
Net revenue	13,329	7,485	29,400	24,814
Capitalized work on own account	0	0	0	0
Other operating income	0	0	0	0
	13,329	7,485	29,400	24,814
Cost of materials	0	0	0	0
Other external expenses	-3,947	-3,017	-13,390	-8,479
Personnel costs	-6,356	-3,431	-20,563	-14,601
Depreciation and amortization	-37	-52	-197	-181
Other operating expenses	0	-9	0	-9
	-10,340	-6,510	-34,150	-23,271
Operating profit/loss (EBIT)	2,989	975	-4,750	1,543
Net financial items	-36,390	-3,830	-5,942	-21,933
Profit/loss after financial items (EBT)	-33,401	-2,855	-10,692	-20,390
Appropriations	16,570	22,550	16,570	21,550
Tax	-5,295	-1,807	-5,287	-1,807
Profit/loss for the period	-22,126	17,888	591	-647
Parent company statement of comprehensive income				
Profit/loss for the period	-22,126	17,888	591	-647
Other comprehensive income for the period	0	0	0	0
Comprehensive income for the period	-22,126	17,888	591	-647

Condensed parent company balance sheet

SEK thousands	2022 Dec 31	2021 Dec 31
ASSETS		
<i>Non-current assets</i>		
Intangible non-current assets	299	323
Property, plant and equipment	294	281
Non-current financial assets	993,519	379,734
Deferred tax assets	5,228	10,522
<i>Total non-current assets</i>	<i>999,340</i>	<i>390,860</i>
<i>Current assets</i>		
Other current receivables	234,195	141,549
Short-term investments	0	0
Cash and bank balances	18,037	286,161
<i>Total current assets</i>	<i>252,231</i>	<i>427,710</i>
TOTAL ASSETS	1,251,571	818,570
EQUITY AND LIABILITIES		
<i>Equity</i>	<i>319,108</i>	<i>223,101</i>
<i>Non-current liabilities</i>		
Interest-bearing liabilities	693,956	487,146
Other non-current liabilities	131,979	54,488
<i>Total non-current liabilities</i>	<i>825,935</i>	<i>541,634</i>
<i>Current liabilities</i>		
Interest-bearing liabilities	0	0
Current tax liabilities	745	865
Trade payables	10,411	4,473
Other current liabilities	95,373	48,496
<i>Total current liabilities</i>	<i>106,529</i>	<i>53,834</i>
TOTAL EQUITY AND LIABILITIES	1,251,571	818,570

Notes

Note 1 Information about the company

ADDvise Group AB (publ), company registration number 556363-2115, with its registered office in Stockholm, Sweden.

In this report, ADDvise Group AB (publ) is referred to either using its full name or as the "parent company", while the ADDvise Group is referred to as "ADDvise" or the "Group." All amounts are expressed in thousands of Swedish kronor (SEK thousands) unless otherwise indicated.

Note 2 Accounting policies

The report was prepared in accordance with IAS 34 Interim financial reporting and the relevant sections of the Swedish Annual Accounts Act. The accounting policies and bases of calculation applied are the same as in the most recent annual report.

The parent company's report was prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act. The accounting policies and bases of calculation applied are the same as in the most recent annual report.

Note 3 Related party transactions

ADDvise Board member Erland Pontusson invoiced the company for consultancy services during the year.

Note 4 Segment reporting

ADDvise's segment information is presented from the company management's perspective, with operating segments identified based on internal reporting to the company's chief operating decision maker. The CEO is ADDvise's chief operating decision maker.

ADDvise's operating segments comprise two business units: Lab and Healthcare. This classification reflects the company's internal organization and reporting system. Internal pricing is on market terms. Intra-Group profits are eliminated.

As of the interim report for January–March 2022 and going forward, acquisition costs and other items attributable to acquisitions are no longer allocated to the business units. This means that the segment's EBITDA is recognized excluding acquisition costs and other items attributable to acquisitions. In the table below, acquisition costs are reported on the line Acquisition costs in Other external expenses. Other items attributable to acquisitions, such as revaluations of liabilities for contingent earn-outs for completed acquisitions, are recognized on the lines Unallocated Group income and Unallocated Group expenses. Comparative figures have been restated for comparative periods in 2021.

Unallocated Group expenses include, for example, costs for parent company functions. These costs are offset here against the management fees and service fees received by the parent company, which means that the net figure can be positive.

SEK thousands	2022 Oct–Dec	2021 Oct–Dec	2022 Jan–Dec	2021 Jan–Dec
Lab business unit	55,385	63,259	252,310	217,162
Healthcare business unit	264,877	91,756	699,211	248,791
Total external net revenue	320,262	155,014	951,521	465,953
Lab business unit	9,448	6,893	24,595	26,275
Healthcare business unit	77,486	12,610	166,867	32,034
Total operating profit/loss before depreciation and amortization (EBITDA)	86,934	19,503	191,462	58,309
Acquisition costs in Other external expenses	-1,038	-595	-2,879	-2,798
Unallocated Group income	5,765	0	11,330	0
Unallocated Group expenses	-1,233	452	-14,778	1,751
Depreciation and amortization	-10,978	-3,740	-27,932	-13,716
Net financial items	-34,587	-11,527	-49,216	-35,888
Consolidated profit/loss before tax (EBT)	44,862	4,092	107,986	7,658

Note 5 Business combinations

During 2022, five acquisitions were completed: CliniChain Holding BV (CliniChain), JTECH Medical (JTECH), Poly Pharmaceuticals Inc (Poly Pharma), Seebreath AB (Seebreath) and Surplus Diabetics Inc (Surplus Diabetics).

On February 18, 2022, ADDvise completed the acquisition of Poly Pharmaceuticals Inc (Poly Pharma). ADDvise acquired 100 percent of the shares in Poly Pharma. The closing date was February 18, 2022. Poly Pharma is consolidated in the ADDvise Group from February 12, 2022. Poly Pharma is an American pharmaceutical company specializing in developing, manufacturing and marketing over-the-counter generic pharmaceuticals for the treatment of cough, cold, allergy and sinusitis, as well as for urological health and pain relief. Sales are mainly to pharmacies and general practitioners. The company markets and sells 20 proprietary pharmaceuticals in the U.S. market, including Folite, Deconex, Poly Tussin, Alahist and Poly Hist. Poly Pharma is based in Huntsville, Alabama.

On March 3, 2022, ADDvise completed the acquisition of JTECH Medical (JTECH). ADDvise acquired 100 percent of the shares in JTECH. The closing date was March 3, 2022. JTECH is consolidated in the ADDvise Group from March 3, 2022. JTECH is an American medtech company specializing in developing software and instruments to quantify patients' range of motion, pain, and strength in muscles during rehabilitation of muscle disorders. The company's products are primarily used by chiropractors, physicians and physiotherapists. The products are sold globally. JTECH is based in Salt Lake City, Utah. The company's revenue consists partly of license revenue from the software, partly of revenue from the sale of corresponding instruments.

On April 19, 2022, ADDvise completed the acquisition of Surplus Diabetics Inc (Surplus Diabetics). ADDvise acquired 100 percent of the shares in Surplus Diabetics. The closing date was April 19, 2022. The company is consolidated in the ADDvise Group from April 19, 2022. Surplus Diabetics is an American medtech company, specialized in supplying the U.S. market with diabetes products, such as glucose monitors, insulin and test stripes. Sales are made to pharmacies, wholesalers and directly to consumers. Surplus Diabetics is based in Deerfield Beach, Florida.

On May 16, 2022, ADDvise completed the acquisition of Seebreath AB (Seebreath). ADDvise acquired 100 percent of the shares in Seebreath. The closing date was May 16, 2022. The company is consolidated in the ADDvise Group from May 16, 2022. Seebreath is a Swedish medtech company developing and producing colorimetric CO₂-indicating products used in respiratory care. The company's products are FDA approved and sold on the American market through distributors.

On December 16, 2022, ADDvise completed the acquisition of CliniChain Holding BV (CliniChain). ADDvise acquired 100 percent of the shares in CliniChain. The closing date was December 16, 2022. CliniChain is consolidated in the ADDvise Group from December 6, 2022. Based in Almere, the Netherlands, CliniChain is an international supplier of medical devices for clinical studies.

Purchase prices

SEK thousands	CliniChain Holding BV	JTECH Medical	Poly Pharma- ceuticals Inc	Seebreath AB	Surplus Diabetics Inc	Total
Cash	221,600	43,174	69,168	30,732	144,851	509,525
Holdback amount	5,501	2,427	33,164	1,500	2,394	44,986
Interest-free promissory note	0	5,824	0	0	4,789	10,612
Interest-bearing promissory note	64,916	0	0	0	0	64,916
Earn-outs	95,503	9,900	30,284	8,500	15,467	159,655
Total purchase price	387,521	61,324	132,617	40,732	167,501	789,694

continuation of Note 5; see next page

Purchase price allocations

As the fair value of the acquired assets has not yet been assessed with certainty for all of the year's acquisitions, the purchase price allocation presented in this year-end report for CliniChain Holding BV is preliminary only. The acquisition of CliniChain Holding BV was completed in December, 2022. The final purchase price allocation for CliniChain Holding BV will be determined in 2023.

SEK thousands	CliniChain Holding BV	JTECH Medical	Poly Pharmaceuticals Inc	Seebreath AB	Surplus Diabetics Inc	Total
Trademarks	10,661	18,751	60,067	0	110,408	199,888
Other intangible non-current assets	92,433	0	3	17,663	0	110,099
Property, plant and equipment	58,246	686	4,281	0	1,460	64,674
Non-current financial assets	0	44	6	85	0	135
Deferred tax assets	137	0	0	0	0	137
Inventories	0	4,125	4,998	0	2,206	11,328
Contract assets	0	3,667	0	0	0	3,667
Trade receivables	53,463	1,572	12,412	4,919	2,425	74,790
Short-term investments	0	0	0	0	0	0
Other current receivables	14,167	1,237	841	404	1,482	18,132
Cash and cash equivalents	8,685	2,198	3,294	180	1,837	16,195
Deferred tax liabilities	-26,493	-7,133	-16,519	-3,612	-32,791	-86,548
Other non-current liabilities	0	0	0	0	0	0
Interest-bearing liabilities	-43,909	0	-4,227	0	-1,460	-49,597
Current tax liabilities	0	0	0	0	0	0
Contract liabilities	-48,595	0	0	0	0	-48,595
Trade payables	-1,114	-750	-1,269	-1,381	0	-4,514
Other current liabilities	-3,955	-3,175	-6,302	-9	-8,175	-21,616
Acquired identifiable net assets	113,726	21,222	57,586	18,248	77,392	288,174
Goodwill	273,795	40,102	75,030	22,484	90,109	501,520
Acquired net assets	387,521	61,324	132,617	40,732	167,501	789,694

Revenue and profit from acquisitions

The newly acquired subsidiaries contributed revenues of SEK 327.2 million and a net profit of SEK 106.6 million to the ADDvise Group for the period from the first date of consolidation until December 31, 2022. If the acquisition dates had been at the

beginning of the financial year, the newly acquired subsidiaries would have contributed revenues of SEK 480.8 million and a net profit of SEK 129.0 million to the Group for the period January 1–December 31, 2022.

Transaction costs

Transaction costs related to the acquisitions of SEK 20.3 million are recognized during 2022 as costs in the consolidated statement of comprehensive income. SEK 2.9 million is reported in Other external expenses and SEK 17.5 million is reported in Net financial items.

Net outflow of cash and cash equivalents – investing activities

Cash outflow for the acquisition of subsidiaries, after deduction of cash and cash equivalents acquired:

SEK thousands	2022 Oct–Dec	2021 Oct–Dec	2022 Jan–Dec	2021 Jan–Dec
Cash purchase consideration	221,586	67,321	522,522	193,218
Holdback amounts and promissory notes	70,417	2,263	120,514	21,330
Cash and cash equivalents acquired	-7,653	-4,585	-16,195	-17,302
Net outflow of cash and cash equivalents	284,350	64,999	626,842	197,247

The cash purchase consideration for the period October–December 2022 comprises payments and adjustments of purchase considerations to the former owners of CliniChain Holding BV.

The cash purchase consideration for the period January–December 2022 comprises payments to the former owners of CliniChain Holding BV, JTECH Medical, Poly Pharmaceuticals Inc, Seebreath AB and Surplus Diabetics Inc, and payments and adjustments of purchase considerations to the former owners of ADDvise's subsidiaries acquired before 2022.

The cash purchase consideration for the period October–December 2021 comprises payments to the former owners of Southern Life Systems Inc, and payments and adjustments of purchase considerations to the former owners of ADDvise's subsidiaries acquired before October, 2021.

The cash purchase consideration for the period January–December 2021 comprises payments to the former owners of MRC Systems FZE, MediSuite LLC, Graham Medical Technologies LLC and Southern Life Systems Inc.

Note 6 Contract assets and contract liabilities

SEK thousands	2022 Dec 31	2021 Dec 31
Assets		
Long-term lease receivables	12,875	14,119
Total non-current contract assets	12,875	14,119
Current lease receivables	20,104	15,076
Accrued income	52,754	33,291
Total current contract assets	72,858	48,367
Trade receivables	223,607	96,808
Total assets	309,340	159,294
Contract liabilities		
Advances from customers	61,400	2,925
Deferred income	3,152	10,685
Total contract liabilities	64,552	13,610
Total liabilities	64,552	13,610

Note 7 Allocation of income

In accordance with IFRS 15 Revenue from Contracts with Customers, income is recognized and allocated to primary geographic markets, principal goods and services and the time of revenue recognition. Geographical allocation of income is also presented based on the domicile of the operations.

Primary geographic markets by segment based on customer domicile

SEK thousands	2022 Oct-Dec			2021 Oct-Dec		
	Lab	Health-care	Total	Lab	Health-care	Total
Sweden	40,935	6,097	47,032	38,727	6,791	45,518
Europe, excluding Sweden	-258	58,004	57,746	9,217	41,251	50,468
North America	656	196,506	197,162	1,205	41,455	42,660
Africa	11,740	11	11,751	807	0	807
Asia	2,312	4,167	6,480	13,303	2,249	15,552
Other	0	91	91	0	10	10
Total	55,385	264,877	320,262	63,259	91,756	155,014

SEK thousands	2022 Jan-Dec			2021 Jan-Dec		
	Lab	Health-care	Total	Lab	Health-care	Total
Sweden	142,673	24,574	167,247	149,867	34,779	184,646
Europe, excluding Sweden	35,528	134,096	169,624	28,426	104,832	133,258
North America	4,415	528,888	533,303	1,308	104,360	105,667
Africa	14,748	11	14,759	14,821	6	14,827
Asia	54,947	11,513	66,459	22,740	4,717	27,457
Other	0	128	128	0	97	97
Total	252,310	699,211	951,521	217,162	248,791	465,953

Geographic allocation by segment based on domicile of operations

SEK thousands	2022 Oct-Dec			2021 Oct-Dec		
	Lab	Health-care	Total	Lab	Health-care	Total
Sweden	41,261	21,607	62,868	37,543	22,325	59,868
Europe, excluding Sweden	5,794	50,351	56,144	6,507	30,625	37,132
North America	0	192,919	192,919	0	38,806	38,806
Africa	0	0	0	0	0	0
Asia	8,330	0	8,330	19,208	0	19,208
Other	0	0	0	0	0	0
Total	55,385	264,877	320,262	63,259	91,756	155,014

SEK thousands	2022 Jan-Dec			2021 Jan-Dec		
	Lab	Health-care	Total	Lab	Health-care	Total
Sweden	144,519	93,198	237,717	151,252	85,003	236,255
Europe, excluding Sweden	24,269	100,493	124,762	22,320	76,871	99,191
North America	0	505,520	505,520	0	86,917	86,917
Africa	0	0	0	0	0	0
Asia	83,522	0	83,522	43,590	0	43,590
Other	0	0	0	0	0	0
Total	252,310	699,211	951,521	217,162	248,791	465,953

Principal goods/services October–December 2022

SEK thousands	Lab	Healthcare	Total
Sale of goods: furnishings, safety equipment and consumable materials for laboratories and healthcare	31,355	101,876	133,230
Sale of goods: treatment tables/chairs for healthcare	0	19,055	19,055
Sale of goods under construction contracts	13,139	0	13,139
Sale of pharmaceuticals	0	139,688	139,688
Services	10,891	4,258	15,149
Total	55,385	264,877	320,262

Principal goods/services October–December 2021

SEK thousands	Lab	Healthcare	Total
Sale of goods: furnishings, safety equipment and consumable materials for laboratories and healthcare	26,051	63,701	89,752
Sale of goods: treatment tables/chairs for healthcare	0	17,054	17,054
Sale of goods under construction contracts	34,110	0	34,110
Sale of pharmaceuticals	0	4,908	4,908
Services	3,097	6,092	9,189
Total	63,259	91,756	155,014

Principal goods/services January–December 2022

SEK thousands	Lab	Healthcare	Total
Sale of goods: furnishings, safety equipment and consumable materials for laboratories and healthcare	113,539	300,582	414,121
Sale of goods: treatment tables/chairs for healthcare	0	76,387	76,387
Sale of goods under construction contracts	122,177	0	122,177
Sale of pharmaceuticals	0	308,276	308,276
Services	16,595	13,965	30,560
Total	252,310	699,211	951,521

Principal goods/services January–December 2021

SEK thousands	Lab	Healthcare	Total
Sale of goods: furnishings, safety equipment and consumable materials for laboratories and healthcare	102,586	168,738	271,324
Sale of goods: treatment tables/chairs for healthcare	0	58,230	58,230
Sale of goods under construction contracts	103,508	0	103,508
Sale of pharmaceuticals	0	7,352	7,352
Services	11,067	14,471	25,538
Total	217,162	248,791	465,953

continuation of Note 7; see next page

Time of revenue recognition October–December 2022

SEK thousands	Lab	Healthcare	Total
Goods and services transferred to customers at a specific point in time	42,246	259,494	301,739
Goods and services transferred to customers over a period of time	13,139	5,383	18,522
Total	55,385	264,877	320,262

Time of revenue recognition October–December 2021

SEK thousands	Lab	Healthcare	Total
Goods and services transferred to customers at a specific point in time	29,148	90,118	119,266
Goods and services transferred to customers over a period of time	34,110	1,638	35,749
Total	63,259	91,756	155,014

Time of revenue recognition January–December 2022

SEK thousands	Lab	Healthcare	Total
Goods and services transferred to customers at a specific point in time	130,134	682,055	812,189
Goods and services transferred to customers over a period of time	122,177	17,156	139,332
Total	252,310	699,211	951,521

Time of revenue recognition January–December 2021

SEK thousands	Lab	Healthcare	Total
Goods and services transferred to customers at a specific point in time	113,653	234,056	347,709
Goods and services transferred to customers over a period of time	103,508	14,735	118,244
Total	217,162	248,791	465,953

Note 8 Fair value disclosures

The table below lists financial instruments measured at fair value, based on the classification in the fair value hierarchy. The different levels are defined as follows:

- » Level 1 – Quoted prices (unadjusted) in active markets
- » Level 2 – Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- » Level 3 – Unobservable inputs for the asset or liability

December 31, 2022			
SEK thousands	Level 1	Level 2	Level 3
Short-term investments	0		
Contingent purchase consideration			200,280
Total	0	0	200,280

December 31, 2021			
SEK thousands	Level 1	Level 2	Level 3
Short-term investments	0		
Contingent purchase consideration			96,768
Total	0	0	96,768

Fair value description

Short-term investments

Short-term investments, which comprise shares and bonds, are traded on an active market, with the fair value calculated on the basis of the last buy price quoted on the balance sheet date.

Contingent purchase consideration

Contingent purchase consideration refers to the estimated contingent additional purchase consideration for completed acquisitions.

In those cases where the amount is specified in the share purchase agreement, an estimate is made of how likely it is that the condition will be met. If it is considered likely, the purchase consideration is valued at 100% of the agreed amount. If it is considered unlikely, the purchase consideration is valued at 0% of the agreed amount.

In those cases where the amount is not specified in the share purchase agreement, but is calculated on the basis of performance, an estimate is made firstly of the amount and secondly of how likely it is that the condition will be met.

The fair value of contingent purchase considerations can be affected to an extent by currency risk. At the end of the reporting period, the fair value of contingent purchase considerations can be affected by changes in the SEK versus EUR and USD currency exchange rate. A change in the currency exchange rate for EUR and USD of 5 % would have an effect of SEK 9.6 million on the valuation of contingent purchase considerations and SEK 6.5 million on profit/loss before tax.

Note 9 Financial risks

ADDvise is exposed to a number of different financial risks through its activities, such as market risk, credit risk, currency risk and liquidity risk. The Group management and the Board of Directors take active steps to minimize these risks.

The Group's operations involve a liquidity risk, since large orders tie up significant capital. To minimize the amount of capital tied up, the Group has payment terms with the Group's customers that require a portion of the order value to be paid in advance on the signing of the order.

Since the Group's strategy is to make complementary acquisitions, the Group's level of debt may change over time. The Board of Directors always makes an overall assessment of the risk that an acquisition loan represents to the Group.

Note 10 Number of shares

	2022 Oct–Dec	2021 Oct–Dec	2022 Jan–Dec	2021 Jan–Dec
Weighted average number of shares before dilution	180,491,889	165,107,273	177,457,115	143,133,781
Adjustment on the calculation of basic earnings per share:				
Warrants	-	-	-	-
Weighted average number of shares after dilution	180,491,889	165,107,273	177,457,115	143,133,781

At the time of publication of this year-end report, there were no warrants issued by the Group.

Note 11 State subsidies and similar Covid-19-related items

During the Covid-19 pandemic, ADDvise has been applying for and receiving various kinds of state subsidies. Details are provided below of the state subsidies and similar Covid-19-related items that are recognized in the consolidated financial statements in this interim report.

State subsidies that are intended to compensate the company for costs relating to short-time working and similar personnel costs are recognized in profit and loss in the same period as the costs for which the subsidies are intended to compensate. The subsidies are recognized on the same rows as the costs in the consolidated statement of comprehensive income. During the Covid-19 pandemic, ADDvise has received

continuation of Note 11; see next page

subsidies for sick pay costs and subsidies for personnel costs in Sweden, as well as subsidies for personnel costs in the USA.

Reductions in charges are recognized in profit and loss in the periods to which the reduced charges relate. The reductions are recognized on the same rows as the charges. During 2020, ADDvise made use of the general reduction in employer's contribution offered by the Swedish Parliament as a result of Covid-19.

Some state subsidies relating to Covid-19 have been paid as advances and recognized in profit and loss when it is considered, with reasonable assurance, that the reporting of the utilization of the subsidy will be approved in accordance with the prevailing rules. The portion of the advance not yet utilized at the end of the reporting period, and therefore not yet recognized in profit and loss, is recognized in the consolidated statement of financial position on the row for Other current liabilities.

Items relating to state subsidies and similar Covid-19-related items that are recognized in profit and loss

SEK thousands	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
State subsidies relating to short-time working and similar subsidies for personnel costs	-208	961	3,505	2,997
State subsidies relating to sick pay costs	74	0	152	43
Temporarily reduced employer's contributions	0	0	0	0
Total	-134	961	3,657	3,040

Items relating to state subsidies and similar Covid-19-related items that are recognized in the consolidated statement of financial position

SEK thousands	2022 Dec 31	2021 Dec 31
Other current liabilities relating to the payment of subsidies not yet recognized in profit and loss	0	0
Total	0	0

Liabilities relating to the payment of subsidies in advance result in a contingent liability to repay portions of the subsidy in the event that the reporting is not approved. At the end of the reporting period, this contingent liability amounted to SEK 0 thousand (1,061).

Note 12 Russia's invasion of Ukraine

As a result of the Russian invasion of Ukraine, we have stopped all business with companies in Russia and Belarus. We condemn Russia's actions and our thoughts go out to all those affected.

ADDvise has no subsidiaries or employees in Russia, Ukraine or Belarus and the direct business exposure is very limited. The indirect exposure and the total effect on net sales during the second quarter are also marginal overall.

Definition of key performance indicators

In its financial reports, ADDvise uses alternative performance measures, in other words financial measures that are not defined by IFRS. The company management uses these performance measures to assess the Group's financial development as a complement to the performance indicators that represent generally accepted accounting practice. Described below are financial measures not defined by IFRS. Unless otherwise stated in the respective key performance indicator definition, the Group's definition of the key performance indicator is unchanged from previous periods.

Financial measures that use items not otherwise presented in financial statements or by other facts in this interim report are described with detailed calculations.

Adjusted EBITDA

Operating profit/loss before depreciation and amortization, acquisition costs and non-recurring items.

SEK thousands	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Operating profit/loss, see below	79,449	15,620	157,203	43,546
Plus reversal of depreciation and amortization	10,978	3,740	27,932	13,716
Plus reversal of acquisition costs	1,038	634	2,879	2,837
Plus reversal of restructuring costs	0	0	1,857	0
Minus reversal of state subsidies and similar items relating to Covid-19	134	-961	-3,657	-3,040
Minus reversal of revaluation of estimated additional purchase consideration for completed acquisitions	-5,765	0	-11,330	0
= Adjusted EBITDA	85,834	19,032	174,884	57,058

Adjusted EBITDA margin

Operating profit/loss before depreciation and amortization, acquisition costs and non-recurring items as a percentage of net revenue.

SEK thousands	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Adjusted EBITDA, see above	85,834	19,032	174,884	57,058
Divided by net revenue	320,262	155,014	951,521	465,953
= Adjusted EBITDA margin as a %	26.8%	12.3%	18.4%	12.2%

Adjusted profit/loss for the period

Profit/loss for the period before acquisition costs and non-recurring items.

SEK thousands	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Profit/loss for the period	28,077	1,778	81,098	2,805
Plus reversal of acquisition costs	1,038	634	2,879	2,837
Plus reversal of restructuring costs	0	0	1,857	0
Plus reversal of financial expenses for liabilities relating to deferred payment of taxes and charges as a result of Covid-19	0	0	0	0
Plus reversal of financial expenses related to acquisitions and other non-recurring financial expenses	6,820	2,341	17,464	10,136
Minus reversal of state subsidies and similar items relating to Covid-19	134	-961	-3,657	-3,040
Minus reversal of revaluation of estimated additional purchase consideration for completed acquisitions	-5,765	0	-11,330	0
= Adjusted profit/loss for the period	30,303	3,792	88,311	12,739

Average number of shares after dilution

Weighted average of the number of shares outstanding during the period in the event that issued warrants are exercised. This performance indicator is as defined by IFRS, but is described here for information purposes.

Average number of shares before dilution

Weighted average of the number of shares outstanding during the period without taking into account issued warrants. This performance indicator is as defined by IFRS, but is described here for information purposes.

Basic earnings per share

Profit/loss for the period attributable to the parent company's shareholders as a proportion of the average number of shares before dilution, with earnings per share adjusted to take into account new share issues at a discount (the subscription price is lower than the current closing price). This performance indicator is as defined by IFRS, but is described here for information purposes.

Cash flow from Operations

As of the interim report for January–March 2022, cash flow from Operations is presented, which is cash flow from the Group's business operations, and where items attributable to acquisition activities having an impact on cash flow have been eliminated. The Group is presenting this key performance indicator as it has been requested by investors. Comparative figures have not been calculated, as 2021 have been affected by the covid-19 pandemic to a greater extent than 2022. A comparison would therefore reflect the effects of the pandemic and not only developments in business operations.

SEK thousands	2022 Oct-Dec	2022 Jan-Dec
Operating profit/loss (EBIT)	79,449	157,203
Income taxes paid	2,321	6,398
Changes in working capital	15,536	-19,705
Finance net attributable to Operations	-2,522	-2,071
Depreciation and amortization attributable to Operations	9,783	25,858
Acquisition of intangible and tangible non-current assets and payments made in relation to amortization of loans attributable to leases, attributable to Operations	-23,749	-42,045
Items attributable to acquisition activities	-3,065	-4,932
= Cash flow from Operations	77,752	120,706

Diluted earnings per share

Profit/loss for the year attributable to the parent company's shareholders as a proportion of the average number of shares after dilution, with earnings per share adjusted to take into account new share issues at a discount (the subscription price is lower than the current closing price). This performance indicator is as defined by IFRS, but is described here for information purposes.

EBITA

Operating profit/loss before amortization of intangible assets but after depreciation of property, plant and equipment. EBITA is a measure that the Group considers relevant for an investor wishing to understand profit generation before investments in intangible assets. The Group defines Earnings Before Interest, Tax and Amortization (EBITA) as operating profit/loss from continuing operations excluding amortization relating to intangible assets.

SEK thousands	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Operating profit/loss, see below	79,449	15,620	157,203	43,546
Plus reversal of amortization of intangible assets	1,860	435	6,214	3,251
= EBITA	81,309	16,055	163,416	46,797

EBITA margin

Operating profit/loss before amortization of intangible assets but after depreciation of property, plant and equipment as a percentage of net revenue.

SEK thousands	2022 Oct–Dec	2021 Oct–Dec	2022 Jan–Dec	2021 Jan–Dec
Operating profit/loss, see below	79,449	15,620	157,203	43,546
Plus reversal of amortization of intangible assets	1,860	435	6,214	3,251
= EBITA	81,309	16,055	163,416	46,797
Divided by net revenue	320,262	155,014	951,521	465,953
= EBITA margin as a %	25.4%	10.4%	17.2%	10.0%

EBITDA

Operating profit/loss before depreciation and amortization. EBITDA is a measure that the Group considers relevant for an investor wishing to understand profit generation before investments in non-current assets. The Group defines Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) as operating profit/loss from continuing operations excluding depreciation and amortization relating to tangible and intangible assets.

EBITDA margin

Operating profit/loss before depreciation and amortization as a percentage of net revenue.

Equity per share

Equity at the end of the period attributable to the parent company's shareholders divided by the number of shares at the end of the period.

Equity ratio

Adjusted equity as a percentage of total assets.

Gross margin

Net revenue minus cost of materials as a percentage of net revenue. This performance indicator is presented in the interim report but not in the annual report. This is to facilitate comparison in quarterly follow-up.

Net debt

The Group defines net debt as the net sum of cash and cash equivalents, plus short-term investments and interest-bearing liabilities. The Group monitors this performance indicator since it shows the level of debt and is part of one of the long-term financial targets adopted by the Board of Directors.

Net debt-to-EBITDA

The Group defines net debt-to-EBITDA as the net sum of cash and cash equivalents plus short-term investments and interest-bearing liabilities divided by pro forma EBITDA on a rolling 12-month basis. The Group monitors this performance indicator since it shows the level of debt and is one of the financial targets adopted by the Board of Directors. For the definition of EBITDA, see above.

As of the year-end report for January–December 2022, pro forma EBITDA is included in the calculation of the key ratio. EBITDA according to the Group's previous definition of net debt-to-EBITDA was not calculated pro forma. This meant that the key figure was affected by the fact that new acquisitions did not contribute to EBITDA throughout the 12-month period, and meant that net debt in relation to EBITDA increased. Pro forma EBITDA matches the net debt as the Group's bond loan is for acquisition purposes.

Net debt-to-EBITDA according to bond term sheet

The Group defines net debt according to the bond term sheet as the net sum of cash and cash equivalents, plus short-term investments and liabilities to be included in net debt according to the bond term sheet. The calculation of net debt-to-EBITDA according to the bond term sheet is different from the Group's net debt/EBITDA key performance indicator, which is one of the Group's financial targets. The Group follows the net debt-to-EBITDA according to the bond term sheet key performance indicator as it constitutes the terms of the Group's bond to do so. The key performance indicator is not calculated retroactively, so comparative figures are not presented for periods before the bond loan was issued, in May 2021.

SEK thousands	2022 Dec 31	2021 Dec 31
Cash and cash equivalents	111,093	325,735
Excluding cash from bond loan deposited in escrow account	0	-168,274
Excluding purchase price paid in cash for acquisitions after the end of the reporting period net with acquired cash and cash equivalents	0	-65,917
Loans	-683,850	-554,189
Excluding bond loan related to cash from bond loan deposited in escrow account	0	168,274
Acquisition-related liabilities	-90,944	-20,257
Acquisition-related liabilities for acquisitions after the end of the reporting period	0	-37,159
= Net debt according to bond term sheet	-663,702	-351,787
EBITDA rolling 12-month period	185,135	57,261
Plus reversal of acquisition costs rolling 12-month period minus reversal of revaluation of estimated earn-outs for completed acquisitions rolling 12-month period and adjusted for other non-recurring items	-8,174	2,837
Plus pro forma EBITDA from new acquisitions	57,297	22,929
Plus pro forma EBITDA from new acquisitions after the end of the reporting period	0	17,126
= EBITDA rolling 12-month period according to bond term sheet	234,258	100,154
= Net debt-to-EBITDA according to bond term sheet	2.8	3.5

Net margin

Profit/loss after net financial items (profit/loss before tax, EBT) as a percentage of net revenue.

Number of employees

The number of employees working at the end of the period.

Operating margin

Operating profit/loss as a percentage of net revenue.

Operating profit/loss (EBIT)

Profit/loss before financial items and tax.

OPEX

The Group defines OPEX (operating expenses) as the sum of other external expenses, personnel costs and other operating expenses. The Group monitors this performance indicator since it shows the effectiveness of cost-saving initiatives and cost control.

Orders received

New customer orders received during the period, plus additions and deductions for changes to customer orders received earlier in the current financial year. Additions and deductions are made for changes to larger customer orders with delivery schedules spread across several financial years even if the customer order was received in a previous year.

Orders received for 2021 have been recalculated as a result of the one-off order of SEK 50.0 million received in the first quarter of 2020 for the years 2020–2022, instead of being seen as an order received in 2020, now being allocated over 3 years.

Profit/loss before tax (EBT)

Profit/loss after net financial items.

About ADDvise

ADDvise Group AB (publ) is a leading supplier of equipment to healthcare and research facilities. The Group's operations are divided into two business units, Lab and Healthcare, with a highly decentralized organization. Each company operates as a distinctly separate unit and is run independently in order to maintain its own inventiveness and entrepreneurial flair. Sales are global. The Group has a clear acquisition strategy with the aim of raising shareholder value and expanding the business – both geographically and product-wise.

Our acquisition strategy

Acquisition is one of the most important components of the ADDvise Group's growth strategy. The purpose of the acquisitions is to create critical mass in the different industries in which the Group does business. The industrial logic in the acquisitions will create long-term value for the company's shareholders. Focus is directed at companies within the life science sector, which constitutes the core of the ADDvise Group.

Share and bond

The company's class A share is listed at the S SME trading venue, on the Nasdaq First North Premier Growth Market Sweden. The stock short name is ADDV A and the share's

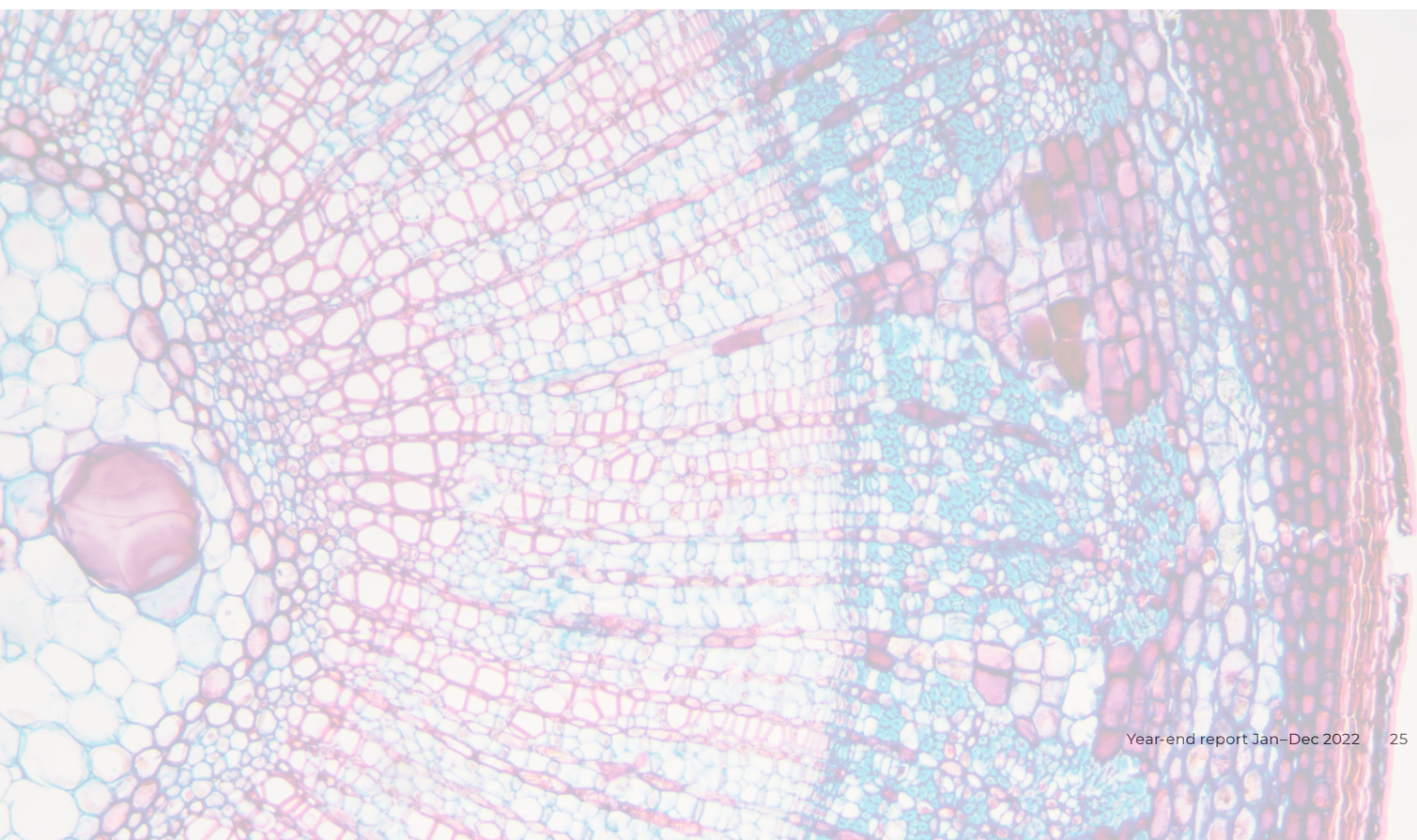
ISIN code is SE0001306119. One (1) class A share equals one (1) vote.

The company's class B share is listed at the S SME trading venue, on the Nasdaq First North Premier Growth Market Sweden. The stock short name is ADDV B and the share's ISIN code is SE0007464862. One (1) class B share equals one-tenth (1/10) of a vote.

The company's bonds are registered for trading on the Corporate Bond List on Nasdaq Stockholm. The bonds' short name is ADDV02 with ISIN code SE0015222088.

Legal structure

The parent company ADDvise Group AB (publ), company registration number 556363-2115, was registered on July 6, 1989, and has its registered office in Stockholm. At the end of the reporting period, ADDvise had 30 subsidiaries. Operations are conducted at the parent company and all subsidiaries.



Other information

Publication dates for financial information

Annual report and sustainability report 2022	April 5, 2023
Interim report Jan-Mar 2023	April 20, 2023
Interim report Jan-Jun 2023	July 20, 2023
Interim report Jan-Sep 2023	November 2, 2023
Year-end report 2023	February 29, 2024

This information is information that ADDvise Group AB is required to disclose under the EU Market Abuse Regulation. The information was submitted for publication on February 23, 2023 at 07:45 CET. This report, as well as further information, is available on ADDvise's website, www.addvisigroup.com

For further information, please contact:

Rikard Akhtarzand, CEO
+46(0)8 128 766 08
rikard.akhtarzand@addvisigroup.se

Sebastian Robson, CFO
+46 (0)70-441 84 48
sebastian.robson@addvisigroup.se

ADDvise Group AB (publ)
Grev Turegatan 30, SE-114 38 Stockholm
Sweden

Certified Adviser

Mangold Fondkommission AB, +46(0)8 503 015 50, is the company's Certified Adviser and liquidity guarantor.

Review of year-end report

This year-end report was not reviewed by the company's auditor.

Declaration

The undersigned declare that the year-end report presents fairly the business, financial position and performance of the parent company and the Group and describes the significant risks and uncertainties faced by the parent company and the constituent companies of the Group.

Stockholm, February 23, 2023

Staffan Torstensson

Chairman of the Board

Johanne Louise Brændgaard

Board Member

Fredrik Celsing

Board Member

Anna Ljung

Board Member

Erland Pontusson

Board Member