



# INTERIM REPORT

JANUARY-MARCH 2022

### Growth and strong earnings - EBITDA increased by 39%

#### FIRST QUARTER, JANUARY-MARCH

- The Group's net sales amounted to SEK 262.8 (222.6) million, an increase of 18 percent.
- The Group's EBITDA was SEK 56.3 (40.5) million, an increase of 39 percent.
- The EBITDA margin was 21 (18) percent.
- Profit after tax amounted to SEK 19.7 (15.1) million.
- Earnings per share amounted to SEK 1.3 (0.9).
- Cash flow from operating activities was SEK 56.3 (17.3) million.

SEK MILLION	FIRST QUARTER		CHANGE	R12	JAN-DEC
	2022	2021		2022	2021
Net sales	262.8	222.6	40.2	956.4	916.3
EBITDA	56.3	40.5	15.8	218.3	202.5
EBITDA, %	21.4%	18.2%	3.2 ppt	22.8%	22.1%
EBITA	44.9	30.4	14.5	174.6	160.2
EBITA, %	17.1%	13.7%	3.4 ppt	18.3%	17.5%
Earnings per share (SEK)	1.3	0.9	0.4	6.9	6.5

For definitions and explanations, see page 23.

## CEO'S COMMENTS

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### “GROWTH AND STRONG EARNINGS”

#### Sales growth

The Group's sales increased by 18 percent in the first quarter. The Group's companies experienced good demand and both business areas showed good sales growth. In MedTech, sales increased for all companies. In Specialty Pharma, sales increased mainly in the registered pharmaceutical portfolio, but contract manufacturing also increased its sales.

#### Margin improvement

EBITDA increased by 39 percent. The EBITDA margin was 21 percent, an improvement of 3 percentage points. Higher volumes contributed to the increased margin. Purchasing and transport costs increased and have been partly offset by price increases. Delivery problems and long lead times are occurring for several inputs, but this has not had a significant impact on the Group as a whole.

#### Strong financial position and capacity for acquisitions

MedCap is a long-term owner that acquires and develops small and medium-sized life science companies that are strong in a product area or market, and have potential for continuing expansion. The Group has a strong financial position and we see good opportunities for acquisitions.

#### In conclusion

The horrific events in Ukraine are a humanitarian tragedy. The Group does not have any operations in Ukraine or Russia, but it is difficult to foresee what impact the invasion may have on international supply chains.

The first quarter was a good start to the year for all the Group's companies. I see good opportunities for continued positive development.

Anders Dahlberg, CEO  
Stockholm, 6 May 2022



## THE MEDCAP GROUP IN BRIEF

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MedCap acquires and develops profitable, market-leading niche life science companies, many with international growth ambitions. Operations are conducted in two business areas: MedTech and Specialty Pharma.

MedCap is an active and long-term owner, with independent subsidiaries operated under their own brands but benefiting from Group-wide strategies and synergies. Our subsidiaries have access to resources, expertise, networks and active decision-making support that may otherwise be difficult to achieve in smaller companies. MedCap's governance is based on a clear allocation of mandates, values and corporate philosophy, with the aim of creating the best possible conditions for profitability and growth.

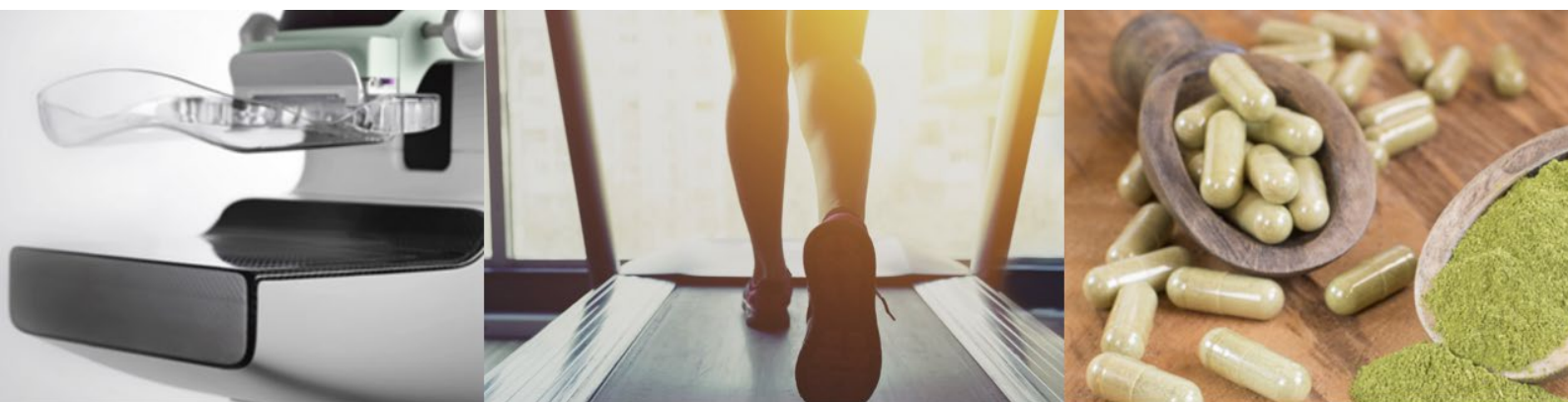
Growth through acquisitions is a key element of MedCap's business strategies and a critical component of expected future growth.

This growth comes mainly from add-on acquisitions for existing subsidiaries, but is also achieved through acquisitions of new core holdings of companies based in northern Europe that have international potential. Acquired companies normally have net sales of SEK 50-200 million.

Each acquired company should have a proven business model enabling us to work with its management or founder to identify and realise the company's full potential and create ambitious plans for further development. MedCap is normally a majority shareholder, but is happy to co-invest in companies with strong entrepreneurs and management as a first step towards a larger ownership role.

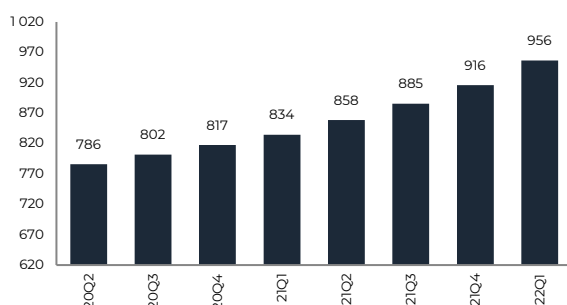
The Group is listed on Nasdaq Stockholm's Mid Cap segment.

Further information can be found at: [www.medcap.se](http://www.medcap.se)

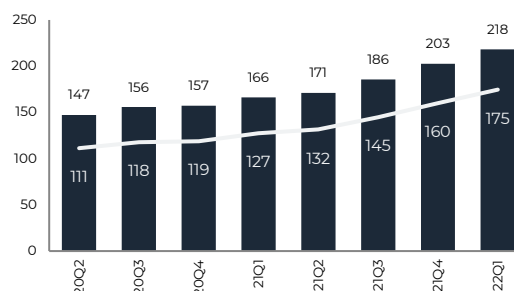


## NET SALES AND EARNINGS

The Group's net sales R12 (SEK million)



The Group's EBITDA and EBITA (line) R12 (SEK million)



## JANUARY-MARCH

### Net sales

Net sales for the first quarter increased by 18 percent to SEK 262.8 (222.6) million. Adjusted for currency effects, net sales increased by 16 percent.

The MedTech business area contributed SEK 175.3 (147.6) million, an increase of 19 percent. The growth was driven by all companies in the segment and is partly explained by increased demand after a downturn during the pandemic.

The Specialty Pharma business area contributed SEK 87.5 (75.0) million, an increase of 17 percent compared with the previous year. The growth was mainly driven by products in the registered pharmaceutical portfolio, but the unlicensed portfolio and contract manufacturing also contributed.

### Earnings

EBITDA for the first quarter increased by 39 percent to SEK 56.3 (40.5) million.

MedTech contributed SEK 49.1 (40.9) million, which is 20 percent higher than in the previous

year. Sales growth was the main contributor to the earnings improvement.

Specialty Pharma increased by 44 percent to SEK 12.0 (8.3) million, mainly due to increased sales.

The EBITDA margin was 21 (18) percent.

Net financial income amounted to SEK -10.1 (-1.4) million during the period and includes a discounting and translation effect of SEK -0.4 million related to additional purchase consideration and a cost of SEK -7.4 million for redemption of the share swap arrangement. The reason for the settlement is that the agreement was set up to cover commitments under the CEO share option programme, which has been replaced by another programme.

Recognised tax for the first quarter amounted to SEK -6.8 (-5.0) million. Recognised tax as a proportion of profit before tax was 25.5 percent. The deviation from 20.6 percent is mainly an effect of differences in tax rates in foreign subsidiaries and unrecognised tax loss carry-forwards.

## FINANCIAL POSITION AND OTHER INFORMATION

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### Financial position

Property, plant and equipment increased by SEK 9 million during the period, which is mainly attributable to the adaptation and installation of Multi-Ply's new factory in the UK.

Cash flow from operating activities for the first quarter was SEK 56.3 (17.3) million. Higher operating profit and reduced tied-up working capital contributed to the improvement.

Cash flow from financing activities in the same period was SEK -15.1 (-17.2) million.

The Group's cash and cash equivalents at the end of the period amounted to SEK 167.6 (142.3) million.

Net debt amounted to SEK 102.6 (165.8) million. Net debt excl. IFRS 16 amounted to SEK -69.5 (27.1) million. The change is partly due to the termination of a share swap arrangement of SEK -22.5 million and positive cash flow from operating activities. Net debt/EBITDA was 0.5 (1.0) incl. IFRS 16 and -0.4 (0.2) excl. IFRS16.

The equity/assets ratio was 62 (54) percent.

### Changes in equity

The Group's equity on 31 March 2022 was SEK 745.2 (612.0) million, distributed as follows: SEK 743.4 (604.7) million attributable to Parent Company shareholders and SEK 1.8 (7.3) million attributable to non-controlling interests.

The number of shares at the end of March was 14,807,353. With a quotient value of SEK 0.4 per share, the Company's share capital on 31 March was SEK 5,922,942. Basic equity per share was SEK 50.2 (40.9).

### Employees

At the end of the period, 363 (358) individuals were employed in the Group.

### Material risks

Material risks and uncertainties for the Group and Parent Company include business risks in the form of high exposure to a particular sector

(pharmaceuticals and medical technology) and to individual holdings in the portfolio.

The Group is exposed to short-term price and currency risks associated with its business activities involving purchases of products and materials, and an operational risk in the form of the loss of major customers.

The ongoing invasion of Ukraine has had a limited impact on the Group's operations to date. The combination of the war and the aftermath of the pandemic may cause difficulties in accessing raw materials, components, transport and logistics services. Related cost increases could affect the profitability of the Group's companies if we do not manage to implement price increases to customers to the same extent.

More information can be found in the Company's most recent annual report.

### Related-party transactions

Transactions between the Parent Company and Group companies during the period January-March amounted to SEK 5.2 (7.3) million. The transactions consist of management fees, passed-on costs and interest.

### Significant events after the end of the period

No significant events have occurred since the end of the period.

## MEDTECH BUSINESS AREA

The companies in the MedTech business area are mainly engaged in the sale of various medical technology products and services. The customer offering includes medical devices, healthcare equipment and packaging solutions for life science products. Customers are mainly regional authorities, municipalities and hospitals, as well as medical technology and pharmaceutical companies. The MedTech business area consists of the operating companies Cardiolex, Abilia, Inpac and Multi-Ply.

SEK MILLION	FIRST QUARTER		CHANGE	R12	JAN-DEC
	2022	2021		2022	2021
Net sales	175.3	147.6	27.7	627.2	599.5
EBITDA	49.1	40.9	8.2	175.9	167.8
EBITDA margin	28.0%	27.7%	0.3 ppt	28.1%	28.0%
EBITA	42.3	35.4	6.9	150.6	143.7
EBITA margin	24.1%	24.0%	0.2 ppt	24.0%	24.0%

\*) The performance measure reported for the operating companies is adjusted EBITDA for the period. The measure is defined as operating profit, adjusted for the Parent Company's invoiced management fees, before depreciation and amortisation. With effect from Q2 2021, the results in the table above include IFRS 16. Comparative periods have been restated to include IFRS16. Earnings excl. IFRS16 are shown in note 4.

The MedTech business area showed positive growth in the first quarter. Sales increased in all of the business area's companies and markets. Net sales for the first quarter increased by 19 percent to SEK 175.3 (147.6) million.

EBITDA for the quarter increased to SEK 49.1 (40.9) million. The increase was mainly driven by Abilia, Multi-Ply and Cardiolex and was largely due to increased sales volumes.

The EBITDA margin was unchanged at 28 (28) percent.

### Abilia

Abilia's sales increased in both Sweden and Norway. The Norwegian market showed the largest increase. The company saw increased interest in the "CARY Base" product, which was launched in the previous year. Export sales also had several bright spots, including in the US and Canada, where the company has had a new product distribution partner for some time. The product mix contributed to a high gross margin.

### Cardiolex

Cardiolex continued to experience good demand. Sales growth was particularly strong in the German operations. The company also noted increased procurement activity in more markets. Working capital increased due to higher inventory levels in order to deal with longer lead times.

### Inpac

Demand in the Nutrients business area was strong and drove sales growth. However, product mix and increased costs of inputs and transport contributed to a lower gross margin in the quarter. Working capital increased due to higher inventory levels. The order intake remained good.

### Multi-Ply

Multi-Ply delivered strong sales growth and improved profitability. The order intake was good. The new production facility was completed during the quarter and the process of moving and co-locating the company's three manufacturing operations to the new facility began.

## SPECIALTY PHARMA BUSINESS AREA

The Specialty Pharma companies develop and sell registered and unlicensed pharmaceuticals, as well as extemporaneous formulations. Customers are found mainly in the pharmacy and pharmaceutical industry, and also include public sector customers in regions and municipalities. The Specialty Pharma business area includes the operating companies Unimedic Pharma AB and Unimedic AB.

SEK MILLION	FIRST QUARTER		CHANGE	R12	JAN-DEC
	2022	2021		2022	2021
Net sales	87.5	75.0	12.5	329.2	316.8
EBITDA	12.0	8.3	3.7	52.2	48.5
EBITDA margin	13.7%	11.1%	2.6 ppt	15.9%	15.3%
EBITA	7.4	3.8	3.7	33.7	30.1
EBITA margin	8.5%	5.0%	3.5 ppt	10.2%	9.5%

\*The performance measure reported for the operating companies is adjusted EBITDA for the period. The measure is defined as operating profit, adjusted for the Parent Company's invoiced management fees, before depreciation and amortisation. With effect from Q2 2021, the results in the table above include IFRS 16. Comparative periods have been restated to include IFRS16. Earnings excl. IFRS 16 are shown in note 4.

The Specialty Pharma business area grew and increased its margins during the first quarter.

Net sales for the first quarter increased by 17 percent to SEK 87.5 (75.0) million compared with the previous year. Growth was driven mainly by products in the registered pharmaceutical portfolio. Sales also increased in unlicensed pharmaceuticals and contract manufacturing (CDMO), which also contributed to the growth.

EBITDA amounted to SEK 12.0 (8.3) million. The increase from the previous year is due to higher sales.

The business area's gross margin was slightly lower at 53.0 (53.9) percent. The difference was mainly due to product mix.

### Unimedic Pharma

Sales in Unimedic Pharma's registered specialty pharmaceutical portfolio increased from the

previous year and accounted for 49 percent of the business area's total sales. Sales growth was driven in particular by the products Cresemba, Phenylephrine, Melatonin and Ephedrine. The portfolio of eight key pharmaceuticals grew by 41 percent during the quarter. The company signed a new distribution agreement with a partner during the quarter, which is expected to complement the product portfolio in the coming years.

Unlicensed pharmaceuticals accounted for 27 percent of the business area's total sales.

### Unimedic AB

Unimedic AB's contract manufacturing (CDMO) accounted for 24 percent of the business area's total external sales. External sales increased in the first quarter compared with the previous year.



## FINANCIAL STATEMENTS

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### CONSOLIDATED INCOME STATEMENT

SEK MILLION	NOTE	FIRST QUARTER		JAN-DEC
		2021	2020	2020
Net sales	1	262.8	222.6	916.3
Other operating income		3.0	2.4	23.3
		265.7	225.0	939.6
Work performed by the Company and capitalised		3.1	2.0	10.0
Raw materials and consumables		-107.4	-88.4	-355.8
Change in inventories		3.1	0.6	-1.9
Other external costs		-36.8	-26.5	-111.9
Personnel expenses		-69.9	-70.4	-272.7
Other operating expenses		-1.6	-1.8	-4.7
<b>Operating profit before depreciation, amortisation and impairment (EBITDA)</b>		<b>56.3</b>	<b>40.5</b>	<b>202.5</b>
Depreciation and impairment of property, plant and equipment		-11.4	-10.1	-42.4
<b>Operating profit before amortisation and impairment of intangible assets (EBITA)</b>		<b>44.9</b>	<b>30.4</b>	<b>160.2</b>
Amortisation and impairment of intangible assets		-8.3	-8.9	-33.1
<b>Operating profit (EBIT)</b>		<b>36.6</b>	<b>21.5</b>	<b>127.0</b>
Finance income		0.1	0.8	1.7
Finance costs		-10.2	-2.2	-11.8
<b>Net financial items</b>		<b>-10.1</b>	<b>-1.4</b>	<b>-10.1</b>
<b>Profit before tax</b>		<b>26.5</b>	<b>20.1</b>	<b>117.0</b>
Income tax		-6.8	-5.0	-18.9
<b>Profit for the period from continuing operations</b>		<b>19.7</b>	<b>15.1</b>	<b>98.1</b>
Profit from discontinued operations		-	-0.6	-
<b>Profit for the period</b>		<b>19.7</b>	<b>14.6</b>	<b>98.1</b>

## FINANCIAL STATEMENTS

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### CONSOLIDATED INCOME STATEMENT, CONT'D

SEK MILLION	NOTE	FIRST QUARTER		JAN-DEC
		2022	2021	2021
Profit for the period attributable to				
Parent Company shareholders		19.6	14.0	96.5
Non-controlling interests		0.1	0.6	1.6
Earnings per share, calculated based on profit attributable to Parent Company shareholders:				
Basic earnings per share, SEK		1.3	0.9	6.5
Diluted earnings per share, SEK		1.3	0.9	6.5
Number of shares before dilution		14 807 353	14 796 229	14 801 837
Number of shares after dilution		14 807 353	14 801 929	14 801 837
Dilution		–	5 700	–

Unless otherwise stated, earnings per share is the total for the Group, including discontinued operations.

## FINANCIAL STATEMENTS

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### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK MILLION	NOTE	FIRST QUARTER		JAN-DEC
		2022	2021	2021
Profit for the period		19.7	14.6	98.1
Translation differences in foreign operations		5.6	16.7	17.5
<b>Comprehensive income for the period</b>		<b>25.3</b>	<b>31.3</b>	<b>115.5</b>
Comprehensive income attributable to:				
Parent Company shareholders		25.2	30.3	114.3
Non-controlling interests		0.1	1.0	1.2
Comprehensive income attributable to Parent Company shareholders:				
Continuing operations		25.2	30.9	114.3
Discontinued operations		-	-0.6	-

## FINANCIAL STATEMENTS

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### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK MILLION	NOTE	2022	2021	2021
		31 MARCH	31 MARCH	31 DECEMBER
<b>ASSETS</b>				
Non-current assets				
Goodwill		230.2	244.5	229.5
Other intangible assets		205.6	220.0	208.3
Property, plant and equipment		94.8	55.0	85.6
Right-of-use assets		168.4	133.6	168.2
Financial assets		0.3	1.1	0.3
Deferred tax asset		3.3	4.5	2.7
		<b>702.6</b>	<b>658.8</b>	<b>694.6</b>
Current assets				
Inventories		152.1	152.3	150.2
Current tax asset		9.2	10.9	7.7
Trade and other receivables		177.2	146.4	177.2
Cash and cash equivalents		167.6	142.3	139.7
		<b>506.1</b>	<b>451.9</b>	<b>474.9</b>
Assets held for sale		–	0.6	–
<b>TOTAL ASSETS</b>		<b>1 208.8</b>	<b>1 111</b>	<b>1 169.5</b>

## FINANCIAL STATEMENTS

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### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION, CONT'D

SEK MILLION	NOTE	2022	2021	2021
		31 MARCH	31 MARCH	31 DECEMBER
<b>EQUITY AND LIABILITIES</b>				
Equity attributable to Parent Company shareholders		743.4	604.7	696.0
Equity attributable to non-controlling interests		1.8	7.3	1.7
<b>TOTAL EQUITY</b>		<b>745.2</b>	<b>612.0</b>	<b>697.7</b>
<b>Non-current liabilities</b>				
Liabilities to credit institutions	2,3	13.7	34.4	18.3
Other non-current liabilities	3	0.1	45.0	22.5
Liabilities related to right-of-use assets		145.6	111.5	147.1
Provisions		3.8	2.3	3.9
Deferred tax liabilities		<b>38.7</b>	<b>37.5</b>	<b>38.1</b>
		201.9	230.7	229.9
<b>Current liabilities</b>				
Liabilities to credit institutions	2,3	67.3	75.9	67.0
Liabilities related to right-of-use assets		26.5	27.2	24.5
Current tax liabilities		11.8	11.4	10.1
Trade and other payables	3	<b>156.0</b>	<b>152.6</b>	<b>140.4</b>
		261.6	267.2	241.9
Liabilities directly related to assets held for sale		–	1.4	–
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 208.8</b>	<b>1 111.2</b>	<b>1 169.5</b>

## FINANCIAL STATEMENTS

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### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK MILLION	Equity attributable to Parent Company shareholders	Equity attributable to non-controlling interests	Total equity
Equity, 1 January 2021	595.7	6.3	602.0
	-	-	-
Profit for the period	14.0	0.6	14.6
Other comprehensive income	16.3	0.4	16.7
Comprehensive income for the period	30.3	1.0	31.3
Employee share options	0.9	-	0.9
New share issue	-22.2	-	-22.2
Equity, 31 March 2021	604.7	7.3	612.0
Equity, 1 January 2022	696.0	1.7	697.7
	-	-	-
Profit for the period	19.6	0.1	19.7
Other comprehensive income	5.6	0.0	5.6
Comprehensive income for the period	25.2	0.1	25.3
Employee share options	-	-	-
Warrants	-	-	-
Share swap	22.2	-	22.2
New share issue	-	-	-
Transactions with non-controlling interests in non-wholly owned subsidiaries	-	-	-
Equity, 31 March 2022	743.4	1.8	745.2

## FINANCIAL STATEMENTS

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### CONSOLIDATED STATEMENT OF CASH FLOWS

SEK MILLION	NOTE	FIRST QUARTER		JAN-DEC
		2022	2021	2021
Cash flow from operating activities				
Operating profit before financial items		36.6	21.5	127.0
Profit from discontinued operations		–	-0.6	–
<b>Operating profit before financial items including discontinued operations</b>		<b>36.6</b>	<b>20.9</b>	<b>127.0</b>
Depreciation, amortisation and impairment		19.7	19.0	75.5
Other non-cash items		-1.5	5.3	1.0
Interest received		0.1	0.2	0.1
Interest paid		-0.3	-1.2	-7.7
Income tax paid		-7.3	-14.8	-24.2
<b>Cash flow from operating activities before changes in working capital</b>		<b>47.2</b>	<b>29.3</b>	<b>171.7</b>
Increase/decrease in inventories		-1.7	-14.8	-16.0
Increase/decrease in operating receivables		-4.0	-5.9	-36.5
Increase/decrease in operating liabilities		14.8	8.7	-2.9
<b>Cash flow from operating activities</b>		<b>56.3</b>	<b>17.3</b>	<b>116.3</b>
		–	–	–
Cash flow from investing activities				
Acquisition of subsidiaries		0.3	–	-4.6
Purchase of property, plant and equipment		-13.8	-4.5	-45.3
Purchase of intangible assets		-3.4	-2.7	-15.6
Increase/decrease in current financial assets		0.0	0.0	0.7
<b>Cash flow from investing activities</b>		<b>-16.9</b>	<b>-7.2</b>	<b>-64.8</b>
Cash flow from financing activities				
Repayments		-15.6	-16.1	-66.0
New share issue		–	–	1.1
Share swap		-7.4	–	–
Option premiums		5.7	–	–
Increase/decrease in short-term credit		2.2	-1.0	0.9
<b>Cash flow from financing activities</b>		<b>-15.1</b>	<b>-17.2</b>	<b>-64.1</b>
<b>Decrease/increase in cash and cash equivalents</b>		<b>24.3</b>	<b>-7.0</b>	<b>-12.5</b>
Cash and cash equivalents at beginning of period		139.7	146.9	146.5
Cash from discontinued operations		–	-0.4	0.0
Exchange difference in cash and cash equivalents		3.5	2.8	5.7
<b>Cash and cash equivalents at end of period</b>		<b>167.6</b>	<b>142.3</b>	<b>139.7</b>

## FINANCIAL STATEMENTS

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### PARENT COMPANY INCOME STATEMENT

SEK MILLION	FIRST QUARTER		JAN-DEC
	2022	2021	2021
Net sales	1.5	3.8	15.1
Other income	–	–	1.1
<b>Total</b>	<b>1.5</b>	<b>3.8</b>	<b>16.3</b>
Other external costs	-1.4	-1.1	-7.3
Personnel expenses	-3.8	-6.2	-20.8
Depreciation/amortisation	-0.1	0.0	-0.2
<b>Operating profit</b>	<b>-3.7</b>	<b>-3.5</b>	<b>-12.0</b>
Interest and similar income	4.0	4.8	14.4
Interest and similar expenses	-7.6	-0.5	-4.2
<b>Profit before appropriations and tax</b>	<b>-7.3</b>	<b>0.8</b>	<b>-1.8</b>
Group contributions	–	–	31.0
Tax on profit for the year	–	–	–
<b>Profit for the period</b>	<b>-7.3</b>	<b>0.8</b>	<b>29.2</b>

The Parent Company's net sales consist of invoiced management fees. SEK 3.7 (3.5) million of profit before appropriations and tax is internal interest and SEK -7.4 million is the cost of early termination of a share swap arrangement.



## FINANCIAL STATEMENTS

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### CONDENSED PARENT COMPANY BALANCE SHEET

SEK MILLION	NOTE	2022	2021	2021
		31 MARCH	31 MARCH	31 DECEMBER
<b>ASSETS</b>				
Non-current assets				
Intangible assets		0.8	0.7	0.9
Financial assets		467.1	427.7	458.9
		<b>467.9</b>	<b>428.4</b>	<b>459.8</b>
Current assets				
Trade and other receivables		2.2	2.4	2.1
Receivables from Group companies		22.5	31.4	19.8
Cash pool receivables from Group companies		98.9	109.3	105.2
Cash and cash equivalents		126.4	82.3	108.2
		<b>249.9</b>	<b>225.3</b>	<b>235.3</b>
<b>TOTAL ASSETS</b>		<b>717.8</b>	<b>653.7</b>	<b>695.1</b>
<b>EQUITY AND LIABILITIES</b>				
Restricted equity				
Unrestricted equity		40.0	40.0	40.0
<b>TOTAL EQUITY</b>		<b>583.0</b>	<b>533.6</b>	<b>568.2</b>
Provisions				
		–	0.2	–
Non-current liabilities				
Liabilities to Group companies		1.3	4.9	1.3
Non-current financial liabilities	3	–	45.0	22.5
		<b>1.3</b>	<b>50.0</b>	<b>23.8</b>
Current liabilities				
Cash pool liabilities to Group companies		106.7	49.2	78.4
Trade and other payables	3	26.8	20.8	24.8
		<b>133.5</b>	<b>69.9</b>	<b>103.2</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>717.8</b>	<b>653.7</b>	<b>695.1</b>

The Parent Company's investments in intangible assets and property, plant and equipment amounted to SEK - (-) million.

## DECLARATION BY THE BOARD OF DIRECTORS

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### DECLARATION BY THE BOARD OF DIRECTORS

The Board of Directors and the CEO of MedCap AB hereby declare that the interim report provides a true and fair overview of the operations, financial position and performance of the Parent Company and Group and describes significant risks and uncertainties faced by the Parent Company and Group companies.

Stockholm, 6 May 2022

MedCap AB (publ)

Karl Tobieson  
*Chairman of the Board*

Anders Hansen  
*Board member*

David Jern  
*Board member*

Anders Lundmark  
*Board member*

Nina Rawal  
*Board member*

Anders Dahlberg  
*CEO*

This information is information that MedCap AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act. The information was submitted through the agency of the contact person below for publication at 06.30 CET on 6 May.

This is a translation of the Swedish interim report of MedCap AB (publ.). In the event of inconsistency between the English and the Swedish version, the Swedish version shall prevail.

This report has not been reviewed by the Company's auditor.

#### Contact details

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[www.medcap.se](http://www.medcap.se)

### FINANCIAL CALENDAR

Annual General Meeting, 9 May 2022

Interim Report 2 2022, 29 July 2022

Interim Report 3 2022, 28 October 2022

Year-end report 2022, 10 February 2023

Interim Report 1 2023, 3 May 2023

## NOTES

### ACCOUNTING AND MEASUREMENT POLICIES

The interim report has been prepared in accordance with the IFRS adopted by the EU and the IFRIC interpretations of applicable standards adopted by the EU. The interim report for the Group has been prepared in accordance with IAS 34, Interim Financial Reporting, and applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act, Interim Reports, and RFR 2, Accounting for Legal Entities. For the Group and Parent Company, the same accounting policies and computation methods have been applied as in the most recent annual report. No other standards, amendments or interpretations effective for annual financial periods beginning on or after 1 January 2022 have had any material impact on the Group's financial statements.

### NOTES

#### Note 1 Operating segments

Management has established operating segments (business areas) based on the information that is dealt with by the CEO and used to make strategic decisions. The CEO assesses the business by operating segment. The operating segments for which information is provided derive their revenues primarily from the sale and production of pharmaceuticals and the sale of medical technology. With effect from Q2 2021, the tables below show EBITDA including IFRS 16. Comparative periods have been restated to include IFRS 16.

SEK MILLION	MEDTECH		SPECIALTY PHARMA		OTHER AND ELIM.		TOTAL	
	2022	2021	2022	2021	2022	2021	2022	2021
FIRST QUARTER								
Segment net sales	175.3	147.6	87.5	75.0	–	–	262.8	222.6
EBITDA, adjusted	49.1	40.9	12.0	8.3	-4.8	-8.8	56.3	40.5
Depreciation/amortisation of property, plant and equipment and intangible assets	-11.3	-10.7	-7.3	-7.4	-1.0	-0.9	-19.7	-19.0
<b>Operating profit</b>	<b>37.8</b>	<b>30.2</b>	<b>4.7</b>	<b>0.9</b>	<b>-5.8</b>	<b>-9.6</b>	<b>36.6</b>	<b>21.5</b>
Finance income and costs	-4.4	-3.9	-2.2	-1.8	-3.6	4.3	-10.1	-1.4
<b>Profit before tax</b>	<b>33.4</b>	<b>26.4</b>	<b>2.5</b>	<b>-0.9</b>	<b>-9.5</b>	<b>-5.4</b>	<b>26.5</b>	<b>20.1</b>

## NOTES

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### Note 1 Operating segments, cont'd

#### Net sales by product category

SEK MILLION	MEDTECH		SPECIALTY PHARMA		TOTAL	
FIRST QUARTER	2022	2021	2022	2021	2022	2021
Pharmaceuticals	8.3	6.1	83.8	71.6	92.1	77.7
Assistive technology	63.6	56.9	–	–	63.6	56.9
Medical devices	58.6	47.7	–	–	58.6	47.7
Food	37.2	25.8	3.0	2.7	40.2	28.5
Other	7.6	11.0	0.8	0.8	8.4	11.8
	<b>175.3</b>	<b>147.6</b>	<b>87.5</b>	<b>75.0</b>	<b>262.8</b>	<b>222.6</b>

#### Net sales by geographical region

SEK MILLION	MEDTECH		SPECIALTY PHARMA		TOTAL	
FIRST QUARTER	2022	2021	2022	2021	2022	2021
Sweden	73.8	61.9	61.8	59.1	135.6	121.0
Nordic (excl. Sweden)	43.0	36.5	16.6	11.4	59.6	47.9
Europe (excl. Nordic)	45.4	40.1	9.1	4.5	54.5	44.6
Rest of the world	13.1	9.2	–	–	13.1	9.2
	<b>175.3</b>	<b>147.6</b>	<b>87.5</b>	<b>75.0</b>	<b>262.8</b>	<b>222.6</b>

## NOTES

### Note 2 Pledged assets and contingent liabilities

SEK MILLION	GROUP		PARENT COMPANY	
	2022	2021	2022	2021
PLEGED ASSETS	31 MARCH	31 MARCH	31 MARCH	31 MARCH
Floating charges	71.6	71.6	-	-
Pledged inventory	1.0	2.2	-	-
Shares in subsidiaries	319.4	234.6	154.9	143.6
Blocked funds	0.4	0.5	-	-
Pledged trade receivables	84.7	78.7	-	-
Other	0.0	0.0	-	-
<b>Total pledged assets</b>	<b>477.1</b>	<b>387.6</b>	<b>154.9</b>	<b>143.6</b>

CONTINGENT LIABILITIES	2022	2021	2022	2021
	31 MARCH	31 MARCH	31 MARCH	31 MARCH
	General guarantee	General guarantee	General guarantee	General guarantee

Guarantees between MedCap AB and all its subsidiaries apart from Multi-Ply are in place for all borrowings through Danske Bank.

### Note 3 Financial instruments

Financial liabilities and assets are recognised at amortised cost, apart from the contingent consideration liability, which is recognised at fair value, see table below. The carrying amounts of loan receivables, trade and other receivables, cash and cash equivalents, loan liabilities, and trade and other payables are a reasonable approximation of their fair values.

SEK MILLION	2022		2021		2021	
	31 MARCH		31 MARCH		31 DECEMBER	
LIABILITIES MEASURED AT FAIR VALUE	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Opening balance	16.6	16.6	36.5	36.5	36.5	36.5
Acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Settlement during the year	-	-	0.0	0.0	-	-
Adjustment of purchase price allocation	0.0	0.0	-	-	-14.8	-14.8
Remeasurements	0.4	0.4	0.0	0.0	-7.8	-7.8
Exchange difference	0.0	0.0	0.4	0.4	2.7	2.7
<b>Closing balance</b>	<b>17.0</b>	<b>17.0</b>	<b>36.9</b>	<b>36.9</b>	<b>16.6</b>	<b>16.6</b>

## NOTES

### Note 4 Use of alternative performance measures

In this report, reference is made to a number of alternative performance measures that are used to help investors and management analyse the Company's operations. Below we describe the various measures used to complement the financial information reported under IFRS but not explained in the report. For definitions, see page 23.

#### Adjusted EBITDA, incl. and excl. IFRS 16, SEK million

SEK MILLION	MEDTECH		SPECIALTY PHARMA		OTHER AND ELIM.		TOTAL	
	2022	2021	2022	2021	2022	2021	2022	2021
FIRST QUARTER								
Operating profit	37.8	30.2	4.7	0.9	-5.8	-9.6	36.6	21.5
Depreciation/amortisation	11.3	10.7	7.3	7.4	1.0	0.9	19.7	19.0
Adjusted EBITDA, incl. IFRS 16	49.1	40.9	12.0	8.3	-4.8	-8.8	56.3	40.5
IFRS 16 effect on EBITDA	-4.3	-3.5	-3.6	-3.4	-0.1	-	-8.0	-6.9
Adjusted EBITDA, excl. IFRS 16	44.8	37.4	8.4	4.9	-4.9	-8.8	48.3	33.6

#### Working capital, SEK million

SEK MILLION	MEDTECH		SPECIALTY PHARMA		OTHER AND ELIM.		TOTAL	
	2022	2021	2022	2021	2022	2021	2022	2021
31 MARCH								
Inventory	82.7	65.6	69.4	86.2	-	0.5	152.1	152.3
Trade receivables	82.4	66.6	58.4	53.5	-0.1	-0.1	140.7	120.0
Trade payables	-25.6	-17.5	-28.0	-46.4	-0.7	-0.1	-54.4	-64.1
Working capital	139.5	114.7	99.8	93.3	-0.9	0.2	238.4	208.3

## KEY PERFORMANCE MEASURES AND DEFINITIONS

### KEY PERFORMANCE MEASURES

SEK MILLION	FIRST QUARTER		JAN-DEC
	2022	2021	2021
Return on equity, %	2.7	2.3	14.9
Basic equity per share, SEK	50.2	40.9	47.0
Diluted equity per share, SEK	50.2	40.9	47.0
Earnings per share, SEK	1.3	0.9	6.5
Equity/assets ratio, %	62	54	60
Number of shares	14 807 353	14 796 229	14 807 353
Average number of shares	14 807 353	14 796 229	14 801 837
Number of shares after dilution	14 807 353	14 801 929	14 801 837

## KEY PERFORMANCE MEASURES AND DEFINITIONS

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### DEFINITIONS OF TERMS USED IN THE REPORT

EBITDA	Earnings before interest, taxes, depreciation and amortisation
Adjusted EBITDA	EBITDA adjusted for management fees charged (not applicable to consolidated financial statements)
EBITA	Earnings before interest, taxes and amortisation
Working capital	Inventories plus trade receivables less trade payables
Equity/assets ratio	Equity attributable to Parent Company shareholders as a percentage of total assets
Return on equity	Profit for the period attributable to Parent Company shareholders as a percentage of average equity
Equity per share	Equity attributable to Parent Company shareholders divided by the number of shares outstanding at the end of the period
Earnings per share	Profit for the period attributable to Parent Company shareholders divided by the average number of shares during the period

In this report, MedCap presents data used by management to assess the Group's performance. Some of the financial measures presented are not defined under IFRS. The Company believes that these measures provide valuable supplementary information to stakeholders and management as they contribute to the evaluation of relevant trends and the Company's performance. As not all companies calculate financial measures in the same way, these are not always comparable with measures used by other companies. These financial measures should therefore not be considered as a substitute for measures defined under IFRS.