

The group
Income statement and other comprehensive income

Consolidated income statement and other comprehensive income

SEK millions	Note	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020
Net sales		111.8	98.8	323.1	307.8
Cost of sales		-61.8	-53.0	-182.3	-169.8
Gross profit		49.9	45.8	140.8	138.0
<i>Gross margin</i>		<i>44.7%</i>	<i>46.4%</i>	<i>43.6%</i>	<i>44.8%</i>
Other operating income		1.1	15.1	5.5	26.9
Distribution costs		-19.8	-20.0	-63.6	-62.4
Administrative expenses		-8.1	-5.5	-24.3	-21.2
Research and development expenses ¹		-9.3	-9.1	-31.0	-31.8
Other operating expenses		-0.9	-2.9	-5.1	-13.7
Operating profit		13.0	23.5	22.2	35.7
<i>Operating margin</i>		<i>11.7%</i>	<i>23.7%</i>	<i>6.9%</i>	<i>11.6%</i>
Finance income		0.2	0.5	0.6	0.8
Finance costs		-2.0	-1.4	-5.5	-4.3
Profit/loss from associates		0.0	0.0	0.0	-40.3
Net financial items		-1.7	-0.9	-4.9	-43.7
Profit before tax		11.3	22.6	17.3	-8.0
Income tax		-4.2	-2.4	-11.3	-7.3
Profit for the period		7.1	20.2	6.0	-15.4
OTHER COMPREHENSIVE INCOME					
Items that may be reclassified to profit/loss for the period					
Exchange differences on translation of foreign subsidiaries for the period		4.5	-5.3	9.2	-4.8
Total other comprehensive income		4.5	-5.3	9.2	-4.8
Total comprehensive income for the period		11.6	14.9	15.3	-20.2
Basic earnings per share, SEK		0.37	1.04	0.31	-0.79
Diluted earnings per share, SEK		0.36	1.01	0.30	-0.77

As the Group does not have any non-controlling interests, comprehensive income is wholly attributable to owners of the Parent Company.

Consolidated statement of financial position

SEK millions	30 Sep 2021	30 Sep 2020	31 Dec 2020
ASSETS			
NON-CURRENT ASSETS			
Intangible assets			
Capitalized development expenses	149.1	144.2	115.6
Goodwill	77.0	78.3	72.9
Total intangible assets	226.1	222.6	188.5
Property, plant and equipment			
Financial assets (Rent)	29.6	38.0	34.9
Plant and machinery	5.3	4.4	4.7
Equipment, tools, fixtures and fittings	11.2	12.8	11.0
Leasehold improvements	3.6	4.5	4.2
Total property, plant and equipment	49.6	59.6	54.7
Financial assets			
Other financial assets	3.1	3.2	3.0
Non-current trade receivables (guaranteed 75-95% by EKN)	34.3	36.9	36.8
Deferred tax assets	0.0	-0.0	0.0
Total financial assets	37.4	40.1	39.8
Total non-current assets	313.2	322.3	283.1
CURRENT ASSETS			
Inventories			
Raw materials and supplies	29.3	32.0	35.8
Products in progress	7.2	2.7	3.9
Finished goods and merchandise	21.4	20.9	14.8
Total inventories	57.9	55.7	54.5
Current receivables			
Tax assets	8.5	5.6	3.0
Trade receivables	36.7	49.8	33.2
Trade receivables (guaranteed 75-95% by EKN)	72.9	69.6	60.4
Other receivables	4.2	2.8	3.5
Prepaid expenses and accrued income	12.1	11.7	8.9
Total current receivables	134.4	139.5	109.1
Cash and cash equivalents	35.7	39.6	33.0
Total current assets	228.1	234.8	196.6
TOTAL ASSETS	541.2	557.1	479.7

SEK millions	30 Sep 2021	30 Sep 2020	31 Dec 2020
TOTAL EQUITY AND LIABILITIES			
EQUITY			
Share capital	4.9	4.9	4.9
Other contributed capital	202.4	202.4	202.4
Translation reserve	12.4	14.6	3.1
Retained earnings, including profit for the period	54.3	91.5	58.9
Total equity	273.9	313.4	269.3
LIABILITIES			
Non-current liabilities			
Non-current interest-bearing liabilities	22.0	2.9	1.8
Non-current interest-bearing liabilities (for receivables guaranteed by EKN)	13.3	20.1	16.0
Non-current lease liabilities/rent	17.8	26.7	23.8
Provisions	3.3	3.8	3.3
Deferred tax liabilities	18.2	25.3	12.8
Total non-current liabilities	74.6	78.8	57.7
Current liabilities			
Current interest-bearing liabilities	10.6	10.4	10.3
Current interest-bearing liabilities (for receivables guaranteed by EKN)	73.0	68.8	61.2
Current lease liabilities/rent	12.7	12.6	12.3
Trade payables	41.9	29.1	29.4
Tax liabilities	6.3	2.5	3.3
Other liabilities	14.4	8.6	6.5
Accrued expenses and deferred income	32.3	31.8	28.7
Non-current provisions	1.5	1.1	1.1
Total current liabilities	192.8	164.9	152.7
Total liabilities	267.4	243.7	210.4
TOTAL EQUITY AND LIABILITIES	541.2	557.1	479.7

Consolidated statement of changes of equity

SEK millions	Share capital	Other contributed capital	Translation reserve	Retained earnings, incl. profit for the period	Total equity
EQUITY, JANUARY 1, 2020	4.9	201.7	19.5	106.8	332.9
Comprehensive income for the period					0.0
Profit for the period				-15.4	-15.4
Other comprehensive income for the period			-4.8		-4.8
Comprehensive income for the period			-4.8	-15.4	-20.2
Transactions with shareholders					
Option programs		0.7			0.7
Dividend					0.0
EQUITY, SEPTEMBER 30, 2020	4.9	202.4	14.6	91.5	313.4
EQUITY, JANUARY 1, 2021	4.9	202.4	3.1	58.9	269.3
Comprehensive income for the period					
Profit for the period				6.0	6.0
Other comprehensive income for the period			9.2		9.2
Comprehensive income for the period			9.2	6.0	15.3
Transactions with shareholders					
Option programs		-0.0			0.0
Dividend				-10.7	-10.7
EQUITY, SEPTEMBER 30, 2021	4.9	202.4	12.4	54.3	273.9

Consolidated cash flow statement

SEK millions	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020
Operating activities				
Operating profit	13.0	23.5	22.2	35.7
Adjustments for non-cash items	5.7	-6.0	15.7	4.1
Interest received	0.2	0.5	0.6	0.8
Interest paid	-1.4	-1.3	-3.7	-3.8
Income tax paid	-4.3	-2.0	-8.3	-4.4
Cash flow from operating activities before changes in working capital	13.2	14.7	26.5	32.4
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in inventories	0.9	13.3	-2.6	1.3
Increase (-)/Decrease (+) in operating receivables	10.5	-9.1	-6.1	-1.8
Increase (-)/Decrease (+) in operating receivables (guaranteed by EKN)	-7.1	5.5	-10.0	18.1
Increase (+)/Decrease (-) in operating liabilities	-6.9	-6.6	23.6	-0.0
Cash flow from operating activities	10.6	17.8	31.4	49.9
Investing activities				
Investments in associates	0.0	0.0	0.0	0.0
Acquisition of property, plant and equipment	-0.9	-0.3	-2.4	-3.2
Investment in capitalized development expenses	-11.1	-7.6	-37.9	-28.9
Cash flow from investing activities	-12.1	-7.9	-40.3	-32.0
Financing activities				
Proceeds from borrowings/Repayment of borrowings	20.0	0.1	20.0	12.7
Increase (+)/Decrease (-) in financial liabilities (EKN financing)	-1.6	-4.8	8.4	-11.9
Increase (+)/Decrease (-) in financial liabilities	-6.8	2.3	0.9	8.7
Proceeds from borrowings/Repayment of borrowings and lease interest	-3.0	-2.9	-8.7	-8.4
Dividend	0.0	0.0	-10.7	0.0
Cash flow from financing activities	8.6	-5.2	9.9	1.1
Cash flow for the period	7.1	4.7	0.9	19.0
Cash and cash equivalents at beginning of period	27.7	35.7	33.0	21.6
Exchange differences in cash and cash equivalents	0.9	-0.8	1.8	-1.1
Cash and cash equivalents at end of period	35.7	39.6	35.7	39.6

Parent Company

Parent Company Income Statement

Parent Company income statement

SEK millions	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020
Net sales	8.0	5.6	21.3	19.0
Administrative expenses	-5.4	-4.1	-17.6	-17.4
Other operating expenses	-0.3	-0.4	-2.5	-1.3
Operating profit	2.2	1.1	1.2	0.3
Profit/loss from associates	0.0	0.0	0.0	-54.4
Profit/loss from financial items	-0.0	-0.0	-0.0	-0.0
Profit/loss after financial items	2.2	1.1	1.2	-54.1
Group contribution	0.0	0.0	0.0	0.0
Profit/loss before tax	2.2	1.1	1.2	-54.1
Tax	0.0	0.0	0.0	0.0
Net profit/loss	2.2	1.1	1.2	-54.1

As no items are recognized in other comprehensive income, the Parent Company's profit for the period corresponds to comprehensive income.

Parent Company balance sheet

SEK millions	30 Sep 2021	30 Sep 2020	31 Dec 2020
NON-CURRENT ASSETS			
Intangible assets			
Capitalized development expenses	0.9	0.9	1.1
Total intangible assets	0.9	0.9	1.1
Property, plant and equipment			
Equipment	0.1	0.2	0.2
Total property, plant and equipment	0.1	0.2	0.2
Finansiella anläggningstillgångar			
Shares in Group companies	155.3	155.3	155.3
Shares in associates	0.0	0.0	0.0
Other financial assets	2.6	3.0	2.6
Deferred tax assets	0.1	0.0	0.1
Total financial assets	158.1	158.4	158.1
Total non-current assets	159.0	159.5	159.3
CURRENT ASSETS			
Skattefordringar	1.9	1.9	1.1
Receivables from Group companies	6.6	0.0	21.3
Other receivables	-0.4	0.0	0.9
Prepaid expenses and accrued income	1.5	1.3	1.5
Total current receivables	9.8	3.3	24.8
Cash and bank balances	1.5	0.3	0.8
Total current assets	11.3	3.6	25.6
TOTAL ASSETS	170.3	163.1	184.9
EQUITY	148.3	137.5	157.8
LIABILITIES			
Non-current liabilities			
Other provisions	3.3	3.8	3.3
Total non-current liabilities	3.3	3.8	3.3
Current liabilities			
Trade payables	2.7	2.4	4.3
Liabilities to Group companies	9.9	13.5	14.0
Other liabilities	0.5	0.5	0.7
Accrued expenses and deferred income	5.5	5.4	4.8
Total current liabilities	18.7	21.8	23.9
Total liabilities	22.0	25.5	27.1
TOTAL EQUITY AND LIABILITIES	170.3	163.1	184.9

Note 1 Accounting policies

Boule Diagnostics AB (publ.) applies IFRS (International Financial Reporting Standards) as adopted by the EU. This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The interim report for the Parent Company has been prepared in accordance with chapter 9 of the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The interim report should be read alongside the annual report for the financial year ending December 31, 2020. The accounting policies are consistent with those applied in the previous financial year. The fair values of financial assets and liabilities are considered to be equal to their carrying amounts.

The interim information on pages 1-8 forms an integral part of this financial report, which comprises pages 1-21.

Note 2 Pledged assets and contingent liabilities

September 30, SEK millions	Group		Parent Company	
	2021	2020	2021	2020
Pledged assets	194.7	176.9	5.8	5.5
Contingent liabilities	0.0	0.0	87.2	89.8

Note 3 Revenue by region and product

Net sales by region, SEK million	Jul-Sep 2021	Jul-Sep 2020	change	Jan-Sep 2021	Jan-Sep 2020	change	Oct 20-Sep 21 (R12)	Oct 19-Sep 20 (R12)	change (R12)
USA	37.9	32.3	17%	108.9	99.4	10%	137.9	135.8	2%
Asia	30.2	25.9	16%	81.8	75.6	8%	110.2	118.8	-7%
Eastern Europe	14.4	12.6	14%	42.2	44.5	-5%	52.9	59.8	-12%
Latin America	8.4	7.8	7%	29.3	28.0	5%	34.3	39.2	-12%
Western Europe	6.5	9.7	-33%	21.3	25.5	-16%	31.9	36.0	-11%
Africa/Middle East	14.4	10.5	38%	39.5	34.8	14%	48.5	47.6	2%
Total	111.8	98.8	13%	323.1	307.8	5%	415.7	437.1	-5%

Net sales by product, SEK million

Instruments	33.6	29.7	13%	103.9	89.7	16%	134.9	134.3	0%
Consumables, own instruments	48.5	43.4	12%	133.8	139.2	-4%	174.3	196.2	-11%
Consumables, OEM and CDS brand	20.8	16.0	29%	58.5	49.6	18%	71.5	64.8	10%
Other	8.9	9.7	-8%	26.8	29.4	-9%	35.0	41.8	-16%
Total	111.8	98.8	13%	323.1	307.8	5%	415.7	437.1	-5%

Quarterly overview

Quarterly overview

	2021			2020			2019		
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep
Net sales, SEK million	111.8	110.7	100.6	92.7	98.8	90.6	118.4	129.3	131.2
Gross profit, SEK million	49.9	46.1	44.7	39.2	45.8	37.0	55.2	57.7	62.3
Gross margin, %	44.7	41.7	44.4	42.3	46.4	40.8	46.6	44.6	47.5
EBITDA, SEK million	18.2	8.0	12.3	3.6	28.9	2.4	20.8	20.3	37.8
EBITDA margin, %	16.3	7.2	12.3	3.9	29.3	2.7	17.5	15.7	28.8
Depreciation and impairment of property, plant and equipment, SEK million	3.6	4.2	4.2	4.2	4.4	4.4	4.5	4.1	4.5
EBITA, SEK million	14.7	3.6	8.1	-0.6	24.5	-1.9	16.2	16.2	33.3
EBITA margin, %	13.1	3.3	8.1	-0.6	24.8	-2.1	13.7	12.5	25.4
Amortization and impairment of intangible assets, SEK million ¹	1.6	1.3	1.3	41.1	1.0	1.0	1.0	1.0	1.0
EBIT, SEK million	13.0	2.3	6.8	-41.6	23.5	-3.0	15.2	15.1	32.3
EBIT margin, %	11.7	2.1	6.8	-44.9	23.7	-3.3	12.9	11.7	24.6
Profit after tax, SEK million ²	7.1	-1.4	0.3	-32.6	20.2	-43.0	7.4	7.2	20.3
Basic earnings per share, SEK	0.37	-0.07	0.02	-1.68	1.04	-2.21	0.38	0.37	1.04
Diluted earnings per share, SEK	0.36	-0.07	0.02	-1.63	0.99	-2.10	0.36	0.35	0.99
Cash flow from operating activities per share, SEK	0.54	0.42	0.65	1.30	0.92	0.91	0.75	1.02	1.23
Return on equity, %	2.7	-0.5	0.1	-11.2	6.6	-13.2	2.2	2.2	6.4
Net debt/ EBIT (R12)	-0.3	-1.4	0.2	0.8	-0.1	0.2	0.0	0.1	0.4
Equity/assets ratio, %	51	50	54	56	56	53	56	57	56

¹ Write-off of acquired laser technology and related capitalized development expenses amounts to SEK 40.0 million in Q4 2020.

² Profit/loss from biosurfit and the impairment of the Group's holding in the associate in Q2 2020 are not included in the Group's operating profit. The impairment loss of SEK 36.6 million is recognized in net financial income together with biosurfit's profit/loss and is therefore only shown in profit after tax in the quarterly overview.

Definitions

Definitions

Use of alternative performance measures

The Boule Group's financial statements are prepared in accordance with IFRS. Only a small number of performance measures are defined in IFRS. Boule applies the ESMA (European Securities and Market Authority) Guidelines for Alternative Performance Measures. In brief, an alternative performance measure is a financial measure of historical or future earnings development, financial position or cash flow that is not defined or specified in IFRS. Boule presents certain non-IFRS performance measures in order to support management and other stakeholders in their analysis of the Group's development. Management believes that use of these measures facilitates this analysis. These alternative performance measures supplement the information presented in accordance with IFRS and do not replace IFRS performance measures. Boule's definitions of non-IFRS performance measures shown on page 20 may differ from those of other companies. Calculations for all performance measures can be reconciled to line items in the income statement and balance sheet.

Sales growth is net sales for the period divided by net sales for the comparative period, expressed as a percentage change

Gross profit is net sales less cost of sales

Gross margin is gross profit divided by net sales

EBITDA (Earnings before interest, taxes, depreciation and amortization) is profit before net financial items, taxes, depreciation of property, plant and equipment and amortization of intangible assets

EBITDA margin is EBITDA divided by net sales

EBITA (Earnings before interest, taxes and amortization) is operating profit before net financial items, taxes and amortization of intangible assets

EBITA margin is EBITA divided by net sales

EBIT (Earnings before interest and taxes) is operating profit before net financial items and taxes

EBIT margin (Operating margin) is EBIT divided by net sales

Working capital is inventories, trade receivables (current and non-current) and cash less trade payables

Interest coverage ratio is operating profit plus finance income divided by finance costs

Return on equity is profit after tax divided by average equity

Net debt is interest-bearing liabilities less cash and cash equivalents and current and non-current interest-bearing receivables guaranteed by EKN

Net debt/equity ratio is net debt divided by equity

Equity/assets ratio is equity divided by total assets.

Operating margin excluding non-recurring expenses is operating profit before non-recurring expenses divided by net sales

Operational cash flow is cash flow from operating activities, excluding net investments in intangible assets and property, plant and equipment, financing, non-recurring items and restructuring expenses, but including tax paid.