

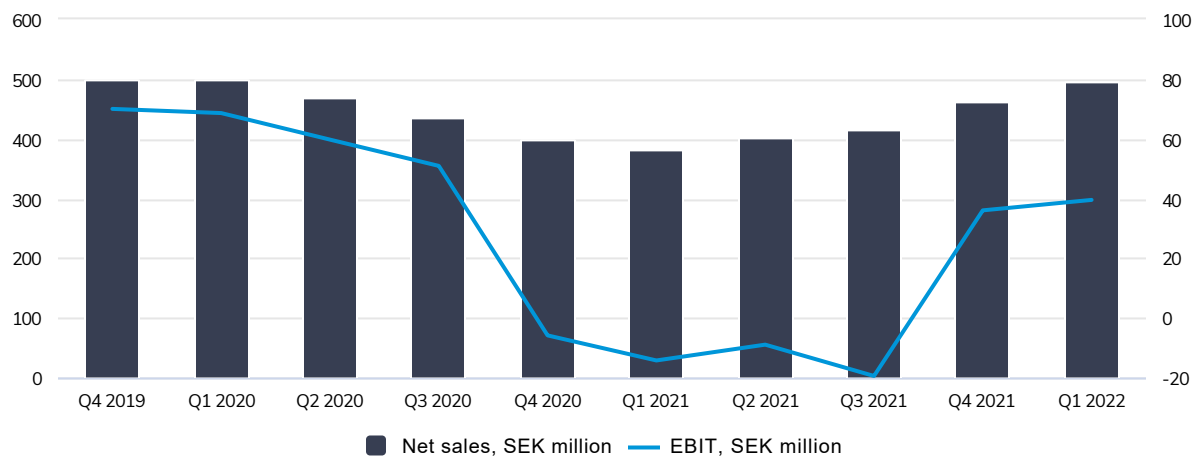
Interim report January-March 2022

Double digit growth for all products

Quarter January-March 2022

- ▶ Net sales amounted to SEK 132.5 (100.6) million, an increase of 31.7 percent. Adjusted for currency effects, the increase was 23.3 percent.
- ▶ The number of instruments sold amounted to 1,207 (931), an increase by 29.6 percent.
- ▶ Cash flow from operating activities amounted to SEK -1.3 (12.6) million.
- ▶ Operating profit was SEK 10.3 (6.8) million, corresponding to an operating margin of 7.8 (6.8) percent.
- ▶ Profit for the period amounted to SEK 4.6 (0.3) million.
- ▶ Basic earnings per share amounted to SEK 0.24 (0.02) and diluted earnings per share amounted to SEK 0.23 (0.02).

Key figures	Jan-Mar 2022	Jan-Mar 2021	Apr 21- Mar 22 (R12)	Apr 20- Mar 21 (R12)
Sales growth, %	31.7	-15.0	29.4	-23.3
Net sales, SEK million	132.5	100.6	495.2	382.7
Gross margin, %	42.9	44.4	42.6	43.6
Operating profit (EBIT), SEK million	10.3	6.8	39.5	-14.3
Operating margin (EBIT), %	7.8	6.8	8.0	-3.7
Profit for the period, SEK million	4.6	0.3	27.5	-55.0
Net debt, SEK million	20.0	-3.2	20.0	-3.2
Return on equity, %	1.6	0.1	9.5	-17.5
Net debt/EBIT (R12), times	0.5	0.2	0.5	0.2
Diluted earnings per share, SEK	0.23	0.02	1.38	-2.83



Q4 2020 incl. a write-down of intangible assets of SEK 40 million.

Strong growth in sales and improved operating profit

Boule started the year with strong growth in sales. We recorded our highest net sales for a first quarter, just below the record net sales in fourth quarter 2021. OEM business with consumables for other manufacturers is continuing to develop positively and reached a new level. Although some markets, particularly in South East Asia, are continuing to be impacted by the pandemic, net sales in Asia doubled in comparison with the previous year.

Net sales increased by 32 percent in comparison with the previous year, to SEK 133 million. Sales of consumables increased by 29 percent, to SEK 54 million. Instrument sales increased by 20 per cent to SEK 41 million. OEM business increased by 6 percent compared to previous quarter and nearly doubled in compared to the first quarter 2021.

The supply of electronic and other components remains very difficult, and the disruptions worsened towards the end of the quarter. This has restricted production and sales. Gross profit for the quarter was SEK 57 million, corresponding to a gross margin of 43 percent, 1.5 percentage points lower than previous year. The quarter was impacted by higher cost for input material of approximately SEK 5 million, uneven utilisation of production capacity and higher transport costs. This lowered gross margin by about 5 percentage points. In addition, the gross margin was affected by an unfavourable product/region mix with a higher share of instruments to India in particular and an increased share of OEM sales. Adjustment of prices charged to customers compensated the effects to some extent.

Operating profit was SEK 10 million, corresponding to an operating margin of 7.8 percent, which is 1.0 percentage point better than previous year.

Cash flow from operating activities was SEK -1.3 million, which is substantially worse than normal. This is mainly due to build-up of stocks and increased trade receivables. A large proportion of deliveries and invoicing took place at the end of the quarter due to production disruptions.

Investments in Boule's' new product platform during the quarter amounted to SEK 18 million.

Loyal partners, end-users and a strong commercial organisation deliver growth

External factors such as major global disruption of material supply and logistics, geopolitical instability and some recurring pandemic restrictions are creating headwinds for many companies. We and our partners have also faced significant challenges in maintaining a good level of service and maintain deliveries. Our entire organisation, in partnership with our distributors, has done an excellent job in overcoming the challenges and delivering record first-quarter sales.

Boule is continuing to grow thanks to our business model with revenue from a large installed base, very good cooperation with loyal distributors and customers, as well as a proactive and dynamic commercial organisation that always spots opportunities. We are expanding in the Middle East and Africa and have a number of new distributors in these regions who have started to market our products.

The number of customer activities is continuing to increase for Boule Academy. We have started travelling again, and our staff have been able to meet distributors and end-customers again after the pandemic. In January, we attended the Medlab Middle East exhibition in Dubai. We have also attended several local congresses and exhibitions. The face-to-face meetings and exchange of ideas that take place at these gatherings generate energy throughout the whole organisation.

We have taken initiative for new price increases and are adjusting delivery terms to reduce our exposure to volatile transport costs. Price adjustments to offset increased costs for input material are made on an ongoing basis under the agreements we have with our distributors.



The war in Ukraine

We are all shocked by the Russian invasion and the developments in Ukraine. Our thoughts are with all those affected by this terrible tragedy. We are monitoring developments and are ready to act. As our products are used to help doctors to make diagnoses, they are not subject to sanctions, but the sanctions will affect our Russian operations indirectly when banking systems and transport fail to work properly. Because of the war, the market outlook for Russia and Ukraine is very uncertain.

Shaping the future

We are in the final stage of implementation to comply with the first phase of the new regulatory framework in Europe, IVDR, which will be introduced on 26 May. This work will entail higher costs in 2022.

Boule's new product platform is the beginning of a digital transformation for our solutions. The core of the new platform is a cloud-based infrastructure and associated services. The development of cloud-based services is progressing according to plan, with a first launch with service functionality scheduled for the end of 2022. To ensure that we can maintain a high rate of investment in the new product platform, we raised a loan of SEK 35 million at the end of April.

The first instrument on the new haematology platform is an advanced 5-part system for the global human market. Development is progressing well, and we will soon be ready for initial clinical testing. The supply of electronic components is also limited for the smaller prototype series now being built, and lead times are very long, which unfortunately is extending timelines. We expect formal release to take place in the first half of 2023 and then we can submit an application for regulatory approvals. Lead times for obtaining these approvals determine when we can receive revenue from new products.

We have now delivered sales record two quarters in a row and order intake remains higher than normal. In the short term there are challenges, mainly linked to geopolitical instability and the impact of this. The outlook for 2022 is difficult to assess.

Boule has capable employees and loyal distributors and customers who are motivated to continue delivering blood diagnostics to everyone, in all parts of the world. This is reassuring in a rapidly changing world.



Jesper Söderkvist
CEO and Group President

Group performance January-March 2022

Net sales

Net sales for the quarter amounted to SEK 132.5 (100.6) million, an increase of 31.7 percent. After adjustment for currency effects, the increase was 23.3 percent. Instrument sales increased by 20 percent, sales of consumables increased by 29 percent and OEM and CDS brand sales increased by 99 percent compared with the same period the previous year.

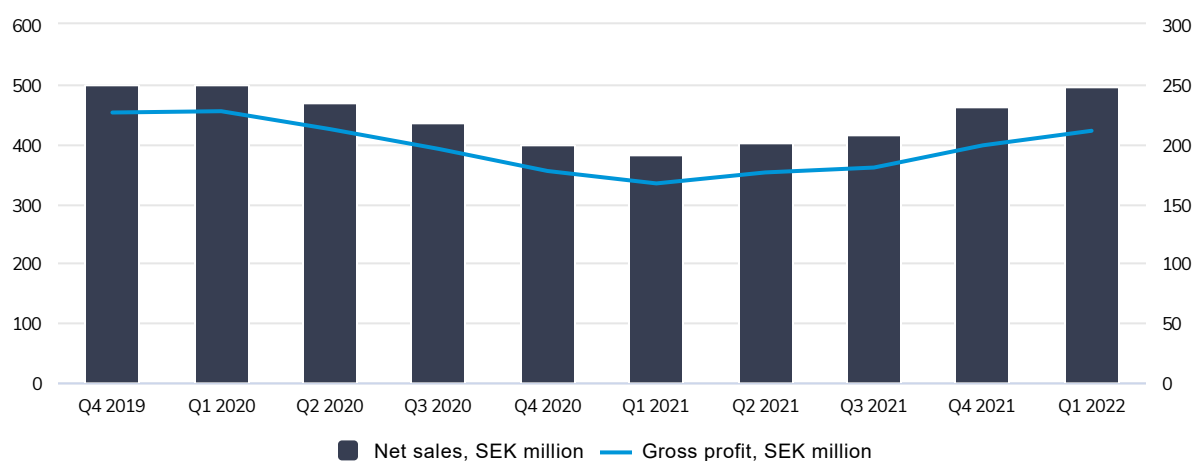
Increased growth is a result of increased vaccination rates and less restrictions and growth in all regions. Growth in US is driven by OEM-business and growth in Asia is driven by strong sales in India where we saw an increase in both instruments and consumables.

Net sales by region, SEK million	Jan-Mar 2022	Jan-Mar 2021	change	Apr 21- Mar 22 (R12)	Apr 20- Mar 21 (R12)	change (R12)
USA	44.4	33.0	35%	164.0	126.8	29%
Asia	43.4	20.3	114%	144.4	95.0	52%
Eastern Europe	16.7	13.4	25%	64.4	50.4	28%
Latin America	10.3	13.2	-23%	34.7	33.6	3%
Western Europe	8.2	7.5	10%	33.0	34.1	-3%
Africa/Middle East	9.5	13.2	-28%	54.8	42.8	28%
Total	132.5	100.6	32%	495.2	382.7	29%

Net sales by product, SEK million	Jan-Mar 2022	Jan-Mar 2021	change	Apr 21- Mar 22 (R12)	Apr 20- Mar 21 (R12)	change (R12)
Instruments	41.4	34.5	20%	155.6	118.8	31%
Consumables, own instruments	53.9	41.7	29%	205.6	166.9	23%
Consumables, OEM and CDS brand	27.6	13.9	99%	98.4	59.7	65%
Other	9.6	10.5	-8%	35.7	37.3	-4%
Total	132.5	100.6	32%	495.2	382.7	29%

Gross profit

Gross profit for the fourth quarter was SEK 56.8 (44.7) million, with a gross margin of 42.9 (44.4) percent. The gross margin was negatively affected by the regional and product mix with a high share of instrument sales to Asia and a high share of OEM-sales, as well as increased costs in the supply chain due to component shortages and logistics challenges.



Expenses

Operating expenses for the period amounted to SEK 45.1 (38.3) million. Selling expenses increases compared to last year and includes recruitment expenses and cost for trade fairs.

Research and development expenses, including costs related to the quality assurance organization, amounted to SEK 11.7 (10.4) million, corresponding to 8.8 (10.3) percent of net sales. Expenses includes redesign of components due to shortages. Development expenses of SEK 17.9 (13.0) million were capitalized. Total research and development expenses correspond to 22.4 (23.3) percent of net sales.

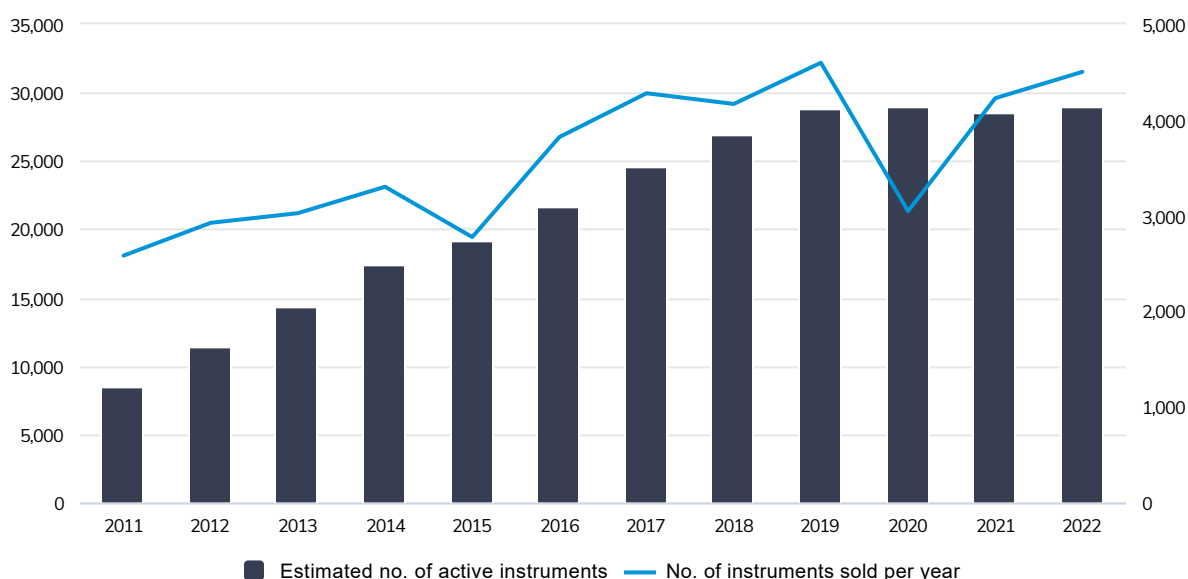
The net of other operating income and other operating expenses for the period amounted to SEK -1.3 (0.4) million and consists of positive and negative exchange differences.

Operating profit

Operating profit amounted to SEK 10.3 (6.8) million, corresponding to an operating margin of 7.8 (6.8) percent.

Inventory of installed base

During 2021 an inventory of instrument installed base was carried out in collaboration with our distributors. The previous assumptions about longevity and use of the instruments have been confirmed with an average life expectancy slightly lower in certain regions than the global average of 8 years. Smaller clinics with very low test volumes have closed down due to the pandemic. This results in an adjustment of the estimated life of instruments from previously 8 years to 7.5 years from 2021. At the end of 2021, active installed base is estimated at 29,000.



¹ Estimated number of active instruments is based on an expected lifespan of 8 years, changes to 7.5 years from 2021.

² Accumulated number of instruments sold since 2006 was 45,844 at March 31, 2022.

³ Number of instruments sold in 2022 refers to sales on a rolling 12-month basis.

Net financial items

Net financial items amounted to SEK -3.4 (-3.0) million, mainly currency effects and interest expenses.

Earnings

Profit before tax was SEK 6.9 (3.9) million. Profit for the period was SEK 4.6 (0.3) million.

Financing and cash flow

Cash flow from operating activities for the fourth quarter was SEK -1.3 (12.6) million.

The Swedish Export Credit Agency (EKN) guarantees some of Boules trade receivables at up to 75-95 percent of the receivables' total amount. Receivables may be pledged, in which case the liabilities are reported as interest-bearing liabilities.

The change in trade receivables guaranteed by EKN is included in cash flow from operating activities, while the change in other interest-bearing liabilities is reported under cash flow from financing activities.

Cash flow for the period was SEK -1.8 (-3.0) million and cash and cash equivalents at March 31 amounted to SEK 36.2 (31.5) million.

The Group's available cash and cash equivalents, including unutilized credit facilities, was SEK 67.1 (83.5) million at March 31.

Investments

Total investments amounted to SEK 19.2 (14.5) million, with investments in future product platforms accounting for SEK 17.9 (13.7) million of the figure.

Equity and liabilities

The Group's equity at March 31 was SEK 303.6 (277.5) million and the equity/assets ratio was 49.8 (54.0) percent.

Interest-bearing liabilities excluding leases are primarily related to pledged trade receivables guaranteed by EKN and amounted to SEK 149.6 (91.3) million at March 31, of which SEK 39.3 (19.5) million of these liabilities were non-current and SEK 110.3 (71.8) million were current. At March 31, SEK 34.4 (5.4) million of the credit facility had been used and other current non-interest-bearing liabilities and trade payables amounted to SEK 117.6 (91.2) million.

Lease liabilities at March 31 amounted to SEK 24.4 (36.1) million, of which SEK 13.0 (23.5) million liabilities were non-current liabilities and SEK 11.4 (12.6) million were current liabilities .

Net debt at March 31 amounted to SEK 20.0 million compared to last year where net cash was SEK 3.2 million.

Deferred tax liabilities were SEK 10.0 (15.1) million at March 31.

Non-current provisions consist of direct pension provisions of SEK 3.9 (3.3) million.

Significant risks and uncertainties

The Group's operations are subject to risks and uncertainties that may, to a varying extent, affect the Company's ability to achieve defined goals. Boule works continuously on management of existing risks and uncertainties and on the risk inventory that forms the basis for detecting new risks and uncertainties. The systematic and internally coordinated work is aimed at identifying risks, limiting risk exposure and minimizing any impact should a risk materialize. Currently, primary risks and uncertainties have been identified in the following areas: regulatory risks, product portfolio risks, distributor risks, production and quality risks, counterfeit reagents, price pressure, supplier risks, market risks and competition, bribery, and corruption, currency risks, IT security and systems, financing risks and future cash flows, health and safety in the workplace, dependence on key personnel and the effects of Covid-19.

Boule is currently exposed to exchange rate changes. A change of +/- 10 percent in the USD/SEK exchange rate affects net sales by +/- SEK 20 million and operating profit by +/- SEK 4 million. Boule works constantly to reduce the Group's currency exposure in its operations.

A more detailed description of risks, risk management and related opportunities can be found on page 36 in the 2021 Annual Report.

Uncertainties due to the war in Ukraine

In 2021, Boule's sales in Eastern Europe amounted to 13 percent of net sales, with the majority referring to Russia. During the first quarter, sales amounted to 13 percent (13%) of net sales. The company has employees in Russia and a production facility for consumables that are distributed to the Russian market. Future sales in Eastern Europe is uncertain due to the war in Ukraine and the current sanctions against Russia. The company monitors the situation on an ongoing basis.

Covid-19

Like other companies, Boule faced new challenges related to the spread of covid-19. There has been a slowdown in sales as a result of the lockdown in many markets. Initially healthcare visits decreased affecting the number of blood samples and also new sales of instruments as the care providers prioritized covid-19 patients. Both sales and order intake have recovered during 2022.

Problems with components and raw material shortages, logistics and distribution to customers have arisen and continue to arise due to a lack of transport capacity and obstacles related to border closures. The disruptions have escalated during 2021, which may lead to a levershorter or longer production stop. Boule is taking active measures to mitigate the impact by working closely with the Group's subcontractors, redesign of components and planning and booking deliveries well in advance.

Future sales impact and delivery capacity will continue to be difficult, as there is still uncertainty related to market recovery, shut-downs and other disruptions in the supply chain. In the longer term the assessment is continued stable growth for the decentralized patient-centered market that Boule target.

Related-party transactions

No related-party transactions have taken place during the period that have affected the groups financial position and result.

Significant events during the interim period

There are no significant events to report for the period.

Events after the end of the interim period

Annette Colin joined as the new CFO effective April 4, 2022.

Parent Company

Boule Diagnostics AB (publ), corporate ID 556535-0252, is a Swedish limited liability company with its registered office in Stockholm. The address of the head office is Domnarvsgatan 4, SE-163 53 Spånga, Sweden.

The Parent Company's revenue is derived from Group-wide services.

Risks and uncertainties for the Parent Company indirectly correspond with those for the Group.

Personnel

The average number of employees in the Group during the quarter was 225 (213), including 6 (7) employees at the Parent Company. The average number of employees by country was as follows: Sweden 122 (121), United States 90 (81), Mexico 2 (2) and Russia 11 (9). The average number of women in the Group was 101 (94) and the average number of men was 124 (119). Personnel in countries where Boule does not have a legal entity are not included in the number of employees as they are employed via external companies and therefore included as consultancy costs.

Number of shares

The total number of shares and votes in Boule Diagnostics AB is 19,416,552 and has remained unchanged in 2022. After full dilution, the number of shares amounts to 19,949,349.

Shareholders, Mars 31, 2022 (accord. to Euroclear)	Number of shares, Mars 31	Share of capital/votes
Svolder AB	2,414,194	12.4%
AB Grenspecialisten	2,274,332	11.7%
Thomas Eklund inkl bolag	1,956,055	10.1%
Swedbank Robur Fonder AB	1,929,181	9.9%
Nordea Fonder	1,786,223	9.2%
Tredje AP-fonden	1,625,771	8.4%
Länsförsäkringar Fonder	470,685	2.4%
Andra AP-Fonden	684,974	3.5%
Skandinaviska Enskilda Banken UK	565,879	2.9%
Société Générale	463,234	2.4%
Sijoitusrahasto Aktia Nordic	496,270	2.6%
CBNY-Norges Bank	284,988	1.5%
Fondita Nordic	354,000	1.8%
Other shareholders (2,702)	4,110,766	21.2%
Total number of shares	19,416,552	100.0%

Warrant programs

The Board of Directors believes that it is important and in the interest of all shareholders that the CEO and key employees, who are considered important to the Company's further development, have a long-term interest in good value growth for the Company's shares. A personal, long-term shareholder commitment would be expected to contribute to increased interest in the Company's operations and financial performance, and to increase the CEO's and key employees' motivation and affinity with the Company and its shareholders.

The warrants have been allotted and purchased by employees at market conditions. The market value has been determined using the Black & Scholes option valuation model.

If a warrant holder's employment ceases, Boule has the right of first refusal and may choose to exercise that right. The Board has decided to exercise the right of first refusal regarding former employees who purchased warrants in the 2019 program, and 110,638 warrants have accordingly been repurchased since allotment. There are no restrictions on transferring warrants in the programs.

Outstanding programs	Outstanding warrants			Corresponding shares	Proportion of total no. of shares	Exercise price	Exercise period
	CEO	Key employees	Total				
2019/2022	0	352,797	352,797	352,797	1.8%	67.50	1 Juni 2022-30 Dec 2022
2020/2023	130,000	50,000	180,000	180,000	0.9%	86.70	1 juni 2023-30 dec 2023
	130,000	402,797	532,797				

The Board of Directors and the CEO certify that this interim report provides a true and fair view of the operations, financial position and earnings of the Parent Company and the Group and describes the material risks and uncertainties faced by the Parent Company and the other Group companies.

Stockholm, May 4, 2022

Boule Diagnostics AB

Peter Ehrenheim

Chairman of the Board

Thomas Eklund

Board member

Karin Dahllöf

Board member

Jon Risfelt

Board member

Charlotta Falvin

Board member

Yvonne Mårtensson

Board Member

Torben Jørgensen

Board Member

Jesper Söderqvist

CEO

Audit Review

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