

Interim report January-June 2022

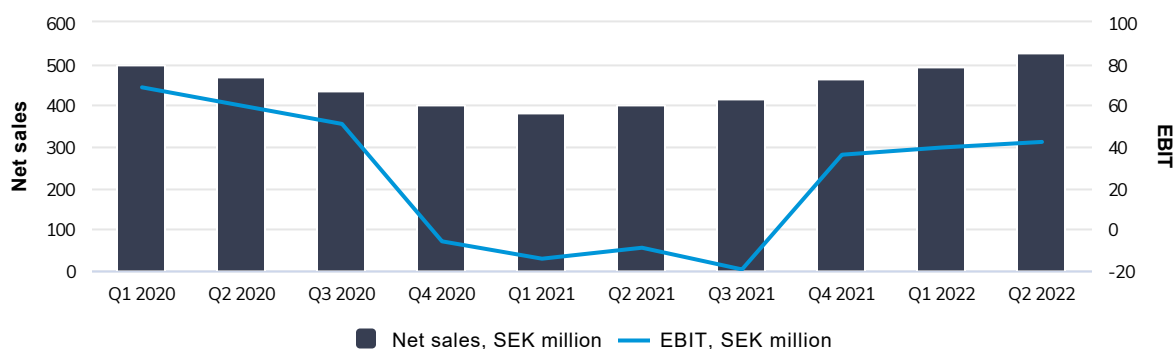
Continued growth for all products

Quarter April-June 2022

- ▶ Net sales amounted to SEK 140.8 (110.7) million, an increase of 27.2 percent. Adjusted for currency effects, the increase was 14.0 percent.
- ▶ The number of instruments sold amounted to 1,186 (974), an increase by 21.8 percent.
- ▶ Operating profit was SEK 5.0 (2.3) million, corresponding to an operating margin of 3.6 (2.1) percent.
- ▶ Profit for the period amounted to SEK 2.9 (-1.4) million.
- ▶ Basic earnings per share amounted to SEK 0.15 (-0.07) and diluted earnings per share amounted to SEK 0.14 (-0.07).
- ▶ Cash flow from operating activities amounted to SEK -8.7 (8.2) million.

Key figures	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul 21-Jun 22 (R12)	Jul 20-Jun 21 (R12)
Sales growth, %	27.2	22.1	29.4	1.1	30.5	-14.2
Net sales, SEK million	140.8	110.7	273.3	211.3	525.4	402.7
Gross margin, %	37.8	41.7	40.3	43.0	41.5	43.7
Operating profit (EBIT), SEK million	5.0	2.3	15.3	9.2	42.2	-9.0
Operating margin (EBIT), %	3.6	2.1	5.6	4.3	8.0	-2.2
Profit after tax, SEK million	2.9	-1.4	7.5	-1.1	30.4	-13.5
Net debt, SEK million	43.8	12.8	43.8	12.8	43.8	12.8
Return on equity, %	0.9	-0.5	2.4	-0.4	10.7	-4.8
Net debt/EBIT (R12), times	1.0	-1.4	1.0	-1.4	1.0	-1.4
Diluted earnings per share, SEK	0.14	-0.07	0.37	-0.06	1.52	-0.70

Net sales and EBIT, rolling 12 months



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

Record sales despite production disruptions

We delivered our highest sales for a quarter so far, despite production disruptions. This is thanks to fantastic partnerships with distributors globally and positive currency effects. Sales increased by 27 percent to SEK 141 million. Organic growth, adjusted for currency changes, was 14 percent compared with the previous year. The growth was mainly driven by demand for consumables and instruments, both increased by 29 percent.

The gross margin was negatively affected by the region and product mix, with instruments in particular being affected by increased costs. Purchases of electronic components on the spot market corresponded to increased expenses just over SEK 8 million. We experienced Covid-related delivery delays from Shanghai and temporary disruptions in the production of consumables in Sweden due to the introduction of the new European regulation, IVDR. Repeated production stops caused additional cost in production and delayed customer deliveries towards the end of the quarter. The gross margin decreased to 38 percent.

Operating profit amounted to SEK 5 million, corresponding to an operating margin of 4 percent. In addition to the lower gross margin, we have incurred higher overhead costs for redesigning electronics and updating product documentation for IVDR. Price increases in the quarter will have an impact later in the year and we expect the gross margin to recover as the supply chain stabilizes, although we don't anticipate this happening completely during this year.

Cash flow from operating activities amounted to SEK -8.7 million. The increase in working capital is due to an increase in trade receivables, with high sales late in the quarter as a result of delivery problems, and lower trade payables. Inventories declined during the quarter.

Investments in Boule's new product platform amounted to SEK 20 million during the quarter.

Key milestones in the quarter

The new regulatory framework in Europe, IVDR, was introduced in May. Boule is now ready to conform to the new rules, which are more demanding for suppliers wanting to sell in the European market. We have noted that CE certification in conformity with IVDR will be required in future procurement processes in other parts of the world.

Development of the new instrument platform has progressed, despite the need for re-prioritization due to recurring challenges in current production. A milestone is our initiation of external clinical data collection, enabling optimization of the algorithms that classify blood cells. This is an important step before the clinical studies to be used for regulatory applications can begin.



Boule has appointed David Metrena as new SVP Commercial Operations for USA, taking over from Bob Ariano who is retiring. David, with extensive experience in the diagnostics industry, will continue to develop the business and to prepare the organization and the US market for future product launches.

We have signed a distribution agreement with Fujifilm Europe, a leading supplier of medical devices in the veterinary market. They will initially sell our Exigo H400 veterinary hematology analyzer, a 4-part instrument, to customers in three European countries and we are already having a dialogue about expanding distribution and include more countries in Europe. This agreement demonstrates the strength of Boule's current offering. Our ability to attract market-leading distributors, such as Fujifilm, reflects Boule's high product quality, dedicated employees and fit-for-purpose product portfolio.

Headwinds in the world

Sales in Eastern Europe fell by 5 percent. The terrible war in Ukraine is now in the fifth month and we are not yet seeing any progress towards peace. Although we are trying to keep operations going throughout the region within the limits set by the sanctions, a further decrease in sales is expected. We have significant amounts in our Russian company that cannot get paid to Sweden.

Although the pandemic has subsided, waiting times and processing of regulatory applications for new products at both the FDA and notified bodies in Europe is expected to take between 6-14 months. All in all, this will result in

market launches being delayed. This means we cannot expect significant revenues from the new platform until late 2024 in some geographies and not fully until 2025.

Despite strong growth, several external factors have had adverse impact on both profitability and growth. We fear that risk of component shortages and high purchase prices will continue to negatively impact our profitability and growth.

Looking ahead

We have now delivered three consecutive strong quarters in terms of sales, despite a highly challenging market and problematic supply situation, with Boule's fantastic employees and partners having done their utmost to adjust and adapt the business to new conditions.

The new product platform and the pace at which it is being developed is an important cornerstone of Boule's future business. Given changed and significantly more volatile market conditions, we are reviewing business plans and financing of new products.

It has been challenging times and we are not at all satisfied with the gross margin and the result for the quarter. However, in recent quarters we have strengthened our market position in many markets, established and expanded valuable distributor partnerships as well as achieved milestones in product development. In doing so, we have laid the foundation for meeting the need for near-patient healthcare and for delivering on our ambition to provide high-quality blood diagnostics for everyone, everywhere in the world.

Have a good summer!

A handwritten signature in blue ink, appearing to read 'Jesper Söderkvist', with a stylized, cursive script.

Jesper Söderkvist
CEO and Group President

Group performance April-June 2022

Net sales

Net sales for the quarter amounted to SEK 140.8 (110.7) million, an increase of 27.2 percent. After adjustment for currency effects, the increase was 14.0 percent. Instrument sales increased by 29 percent, sales of consumables increased by 29 percent and OEM and CDS brand sales increased by 14 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 Africa/Middle East is driven by strong sales of both instruments and consumables and in Latin America mostly instruments. USA is driven by OEM-business and consumables.

Net sales by region, SEK million	Apr-Jun 2022	Apr-Jun 2021	change	Jan-Jun 2022	Jan-Jun 2021	change	Jul 21-Jun 22 (R12)	Jul 20-Jun 21 (R12)	change (R12)
USA	46.0	38.1	21%	90.3	71.0	27%	171.9	132.3	30%
Asia	31.7	31.2	1%	75.0	51.5	46%	144.8	105.9	37%
Eastern Europe	13.7	14.5	-5%	30.4	27.9	9%	63.7	51.1	25%
Latin America	17.6	7.7	127%	27.9	21.0	33%	44.5	33.7	32%
Western Europe	9.5	7.4	28%	17.7	14.9	19%	35.0	35.1	0%
Africa/Middle East	22.4	11.7	91%	32.0	25.0	28%	65.4	44.6	47%
Total	140.8	110.7	27%	273.3	211.3	29%	525.4	402.7	30%

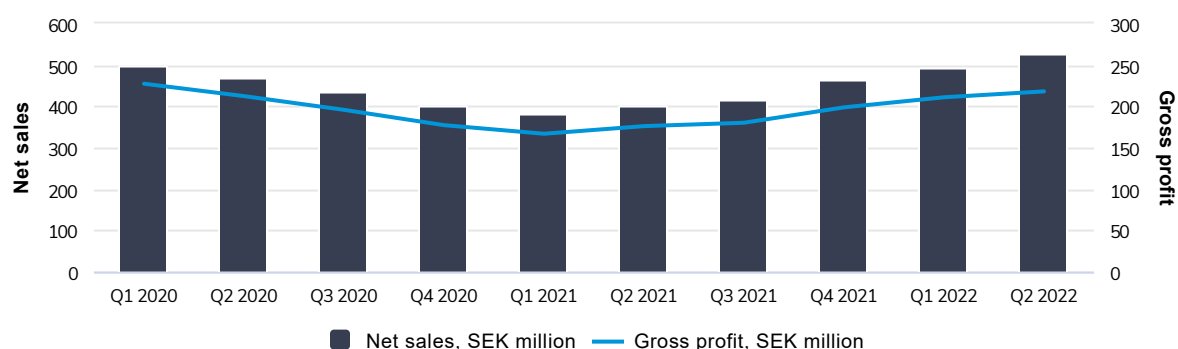
Net sales by product, SEK million

Instruments	46.2	35.8	29%	87.6	70.3	25%	166.0	130.9	27%
Consumables, own instruments	56.3	43.6	29%	110.2	85.3	29%	218.3	169.3	29%
Consumables, OEM and CDS brand	27.3	23.9	14%	54.9	37.8	45%	101.8	66.7	52%
Other	11.0	7.4	49%	20.7	17.9	15%	39.3	35.8	10%
Total	140.8	110.7	27%	273.3	211.3	29%	525.4	402.7	30%

Gross profit

Gross profit for the period was SEK 53.3 (46.1) million, with a gross margin of 37.8 (41.7) percent. The gross margin was negatively affected by the regional and product mix with a high share of instrument sales impacted by increased costs in the supply chain due to component shortages and logistics challenges.

Net sales and EBIT, rolling 12 months



Expenses

Operating expenses for the period amounted to SEK 52.7 (43.5) million.

Selling expenses amounted to SEK 27.9 (23.1) million. The increase is mainly due to recruitment expenses and cost for trade fairs.

Administrative expenses amounted to SEK 9.8 (9.0) million.

Research and development expenses, including costs related to the quality assurance organization, amounted to SEK 14.9 (11.4) million, corresponding to 10.6 (10.3) percent of net sales. Expenses includes redesign of components due to shortages and increased cost for the new European IVDR regulation introduced on May 26. Development expenses of SEK 20.3 (13.1) million were capitalized. Total research and development expenses correspond to 25.0 (22.1) percent of net sales.

The net of other operating income and other operating expenses for the period amounted to SEK 4.5 (-0.3) million and consists of positive and negative exchange differences.

Operating profit

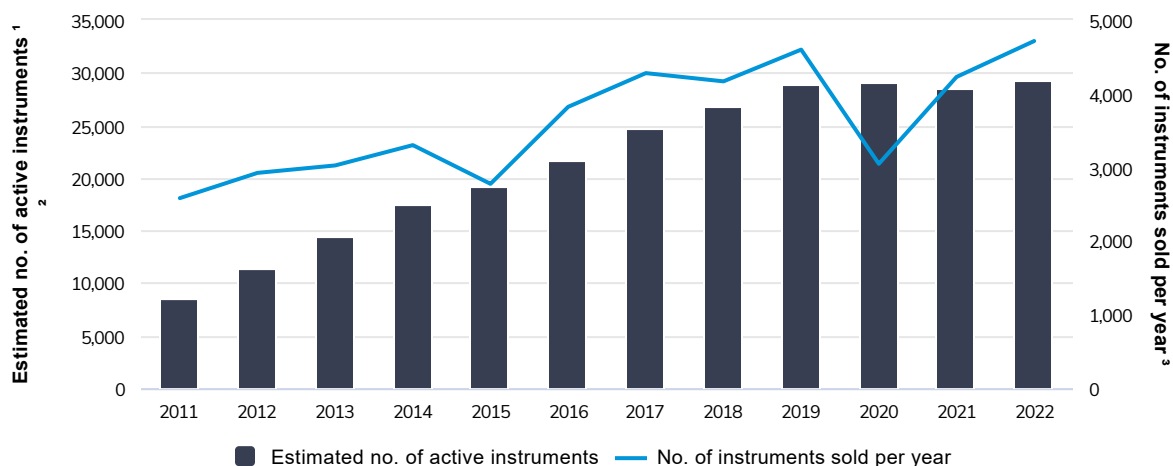
Operating profit amounted to SEK 5.0 (2.3) million, corresponding to an operating margin of 3.6 (2.1) percent.

Inventory of installed base

Following an inventory count of instrument installed base in collaboration with our distributors, our 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.

Estimated number of active instruments



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 47,030 at June 30, 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 -0.8 (-0.2) million, mainly interest expenses and currency effects.

Earnings

Profit before tax was SEK 4.2 (2.1) million. Profit for the period was SEK 2.9 (-1.4) million.

Financing and cash flow

Cash flow from operating activities for the fourth quarter was SEK -8.7 (8.2) million. The change is mainly due to increased trade receivables amounting to SEK 4.9 million, sales happened towards the end of the quarter due to delivery problems, as well as operating liabilities decreasing by SEK 13 million. Inventory decreased by SEK 7.6 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 2.7 (-3.2) million and cash and cash equivalents at June 30 amounted to SEK 40.5 (27.7) million.

The Group's available cash and cash equivalents, including unutilized credit facilities, was SEK 67.1 (67.0) million at June 30.

The Group's cash flow from operations for the first half year are not sufficient to fully support the current investment pace in intangible assets. Cash flow and gross profit have deteriorated due to challenges in the supply chain, price increases for material cost and logistics as well as funds being locked up in Russia. The development pace of the new product platform is an important cornerstone of the Group's future earnings and the management and the board are reviewing business plans and financing to secure a continued fast development pace of new products.

Investments

Total investments amounted to SEK 21.9 (13.8) million, with investments in future product platforms accounting for SEK 20.3 (13.1) million of the figure.

Equity and liabilities

The Group's equity at June 30 was SEK 313.0 (262.3) million and the equity/assets ratio was 48.6 (50.0) percent.

Interest-bearing liabilities excluding leases are primarily related to pledged trade receivables guaranteed by EKN and amounted to SEK 195.8 (107.2) million at June 30, of which SEK 34.0 (20.4) million of these liabilities were non-current and SEK 161.8 (86.8) million were current. At June 30, SEK 32.1 (17.6) million of the credit facility had been used and other current non-interest-bearing liabilities and trade payables amounted to SEK 102.0 (102.8) million.

Lease liabilities at June 30 amounted to SEK 21.0 (33.4) million, of which SEK 11.7 (20.7) million liabilities were non-current liabilities and SEK 9.3 (12.7) million were current liabilities.

Net debt at June 30 amounted to SEK 43.8 million compared to last year where net cash was SEK 12.8 million.

Deferred tax liabilities were SEK 7.9 (16.4) million at June 30.

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.

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 10 percent (13%) of net sales. The company has employees in Russia and a production facility for consumables that are distributed to the Russian market. The Eastern European market 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. 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. 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.

Related-party transactions

Other than remuneration of the Board and senior executives, no related-party transactions have taken place during the period.

Significant events during the interim period

There are no significant events to report for the period.

Events after the end of the interim period

There are no significant events to report after the end of the period.

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 234 (218), including 7 (7) employees at the Parent Company. The average number of employees by country was as follows: Sweden 129 (123), United States 91 (84), Mexico 2 (2) and Russia 12 (9). The average number of women in the Group was 96 (99) and the average number of men was 138 (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 during the year. After full dilution, the number of shares amounts to 19,949,349.

Shareholders, June 30, 2022 (accord. to Euroclear)	Number of shares, June 30	Share of capital/votes
AB Grenspecialisten	2,443,634	12.6%
Svolder AB	2,414,194	12.4%
Thomas Eklund inkl bolag	1,956,055	10.1%
Swedbank Robur Fonder AB	1,929,181	9.9%
Nordea Invesment Funds	1,757,388	9.1%
Tredje AP-fonden	1,625,771	8.4%
Andra AP-Fonden	684,974	3.5%
Skandinaviska Enskilda Banken AB	674,333	3.5%
Sijoitusrahasto Aktia Nordic	496,270	2.6%
Société Générale	424,794	2.2%
Fondita Nordic	354,000	1.8%
CBNY-Norges Bank	235,348	1.2%
Other shareholders (2,637)	4,420,610	22.8%
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, July 18, 2022

Boule Diagnostics AB

Yvonne Mårtensson
Chairman of the Board

Thomas Eklund
Board member

Karin Dahllöf
Board member

Jon Risfelt
Board member

Torben Jørgensen
Board member

Jesper Söderqvist
CEO

Audit Review

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

Consolidated income statement and other comprehensive income

SEK millions	Note	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
Net sales		140.8	110.7	273.3	211.3
Cost of sales		-87.6	-64.6	-163.2	-120.4
Gross profit		53.3	46.1	110.1	90.8
<i>Gross margin</i>		<i>37.8%</i>	<i>41.7%</i>	<i>40.3%</i>	<i>43.0%</i>
Other operating income		13.4	1.6	16.5	4.4
Distribution costs		-27.9	-23.1	-54.3	-43.8
Administrative expenses		-9.8	-9.0	-17.0	-16.2
Research and development expenses ¹		-14.9	-11.4	-26.7	-21.7
Other operating expenses		-8.9	-1.9	-13.3	-4.2
Operating profit		5.0	2.3	15.3	9.2
<i>Operating margin</i>		<i>3.6%</i>	<i>2.1%</i>	<i>5.6%</i>	<i>4.3%</i>
Finance income		1.4	0.9	0.5	0.4
Finance costs		-2.2	-1.1	-4.7	-3.5
Net financial items		-0.8	-0.2	-4.3	-3.2
Profit before tax		4.2	2.1	11.1	6.0
Income tax		-1.3	-3.6	-3.6	-7.1
Profit for the period		2.9	-1.4	7.5	-1.1
OTHER COMPREHENSIVE INCOME					
Items that may be reclassified to profit/loss for the period					
Exchange differences on translation of foreign subsidiaries for the period		3.3	-3.1	20.4	4.8
Total other comprehensive income		3.3	-3.1	20.4	4.8
Total comprehensive income for the period		6.2	-4.6	27.9	3.7
Basic earnings per share, SEK		0.15	-0.07	0.38	-0.06
Diluted earnings per share, SEK		0.14	-0.07	0.37	-0.06

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

¹ Of which the write-off of acquired laser technology and related capitalized development expenses amounts to SEK 40.0 million.

Consolidated statement of financial position

SEK millions	30 Jun 2022	30 Jun 2021	31 Dec 2021
ASSETS			
NON-CURRENT ASSETS			
Intangible assets			
Capitalized development expenses	198.1	139.6	162.9
Goodwill	86.6	75.1	78.7
Total intangible assets	284.7	214.6	241.6
Property, plant and equipment			
Financial assets (Rent)	21.1	32.3	26.8
Plant and machinery	7.6	5.0	6.1
Equipment, tools, fixtures and fittings	10.7	10.5	11.2
Leasehold improvements	2.8	3.8	3.2
Total property, plant and equipment	42.2	51.6	47.4
Financial assets			
Other financial assets	4.5	2.9	3.8
Non-current trade receivables (guaranteed 75-95% by EKN)	48.4	32.4	36.8
Total financial assets	52.9	35.3	40.7
Total non-current assets	379.8	301.5	329.7
CURRENT ASSETS			
Inventories			
Raw materials and supplies	37.8	33.9	30.4
Products in progress	6.5	9.0	4.5
Finished goods and merchandise	22.9	16.0	24.1
Total inventories	67.2	58.9	59.0
Current receivables			
Tax assets	0.2	6.3	4.0
Trade receivables	54.9	43.3	48.2
Trade receivables (guaranteed 75-95% by EKN)	84.1	67.7	79.7
Other receivables	8.0	4.2	7.8
Prepaid expenses and accrued income	8.8	15.8	5.5
Total current receivables	156.0	137.3	145.2
Cash and cash equivalents	40.5	27.7	38.2
Total current assets	263.8	223.9	242.4
TOTAL ASSETS	643.5	525.4	572.0

SEK millions	30 Jun 2022	30 Jun 2021	31 Dec 2021
TOTAL EQUITY AND LIABILITIES			
EQUITY			
Share capital	4.9	4.9	4.9
Other contributed capital	202.4	202.4	202.4
Translation reserve	37.4	7.9	17.0
Retained earnings, including profit for the period	68.3	47.1	71.5
Total equity	313.0	262.3	295.7
LIABILITIES			
Non-current liabilities			
Non-current interest-bearing liabilities	11.1	1.9	16.0
Non-current interest-bearing liabilities (for receivables guaranteed by EKN)	22.9	18.5	19.7
Non-current lease liabilities/rent	11.7	20.7	14.9
Provisions	3.9	3.3	3.9
Deferred tax liabilities	7.9	16.4	10.5
Total non-current liabilities	57.5	60.8	65.1
Current liabilities			
Current interest-bearing liabilities	77.7	18.1	12.3
Current interest-bearing liabilities (for receivables guaranteed by EKN)	84.1	68.7	79.8
Current lease liabilities/rent	9.3	12.7	12.7
Trade payables	49.0	43.4	41.2
Tax liabilities	0.0	6.1	6.7
Other liabilities	11.1	15.5	20.8
Accrued expenses and deferred income	40.5	36.9	36.4
Non-current provisions	1.5	1.0	1.5
Total current liabilities	273.1	202.3	211.2
Total liabilities	330.6	263.1	276.3
TOTAL EQUITY AND LIABILITIES	643.5	525.4	572.0

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, 2021	4.9	202.4	3.1	58.9	269.3
Comprehensive income for the period					
Profit for the period				-1.1	-1.1
Other comprehensive income for the period			4.8		4.8
Comprehensive income for the period			4.8	-1.1	3.7
Transactions with shareholders					
Warrant programs					-
Dividend				-10.7	-10.7
EQUITY, JUNE 30, 2021	4.9	202.4	7.9	47.1	262.3
EQUITY, JANUARY 1, 2022	4.9	202.4	17.0	71.5	295.7
Comprehensive income for the period					
Profit for the period				7.5	7.5
Other comprehensive income for the period			20.4		20.4
Comprehensive income for the period			20.4	7.5	27.9
Transactions with shareholders					
Warrant programs					-
Dividend				-10.7	-10.7
EQUITY, JUNE 30, 2022	4.9	202.4	37.4	68.3	313.0

Consolidated cash flow statement

SEK millions	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
Operating activities				
Operating profit	5.0	2.3	15.3	9.2
Adjustments for non-cash items	8.6	6.2	15.9	10.1
Interest received	0.5	0.2	0.5	0.4
Interest paid	-3.5	-1.1	-3.5	-2.3
Income tax paid	-8.9	-2.4	-10.5	-4.0
Cash flow from operating activities before changes in working capital	1.8	5.2	17.7	13.3
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in inventories	7.6	-8.1	-3.6	-3.6
Increase (-)/Decrease (+) in operating receivables	9.6	1.2	-8.1	-16.6
Increase (-)/Decrease (+) in operating receivables (guaranteed by EKN)	-14.5	-1.1	-16.0	-2.9
Increase (+)/Decrease (-) in operating liabilities	-13.0	11.0	1.1	30.6
Cash flow from operating activities	-8.7	8.2	-8.9	20.8
Investing activities				
Acquisition of property, plant and equipment	-1.6	-0.7	-2.9	-1.5
Investment in capitalized development expenses	-20.3	-13.1	-38.2	-26.8
Cash flow from investing activities	-21.9	-13.8	-41.0	-28.3
Financing activities				
Proceeds from borrowings	35.0	0.0	35.0	0.0
Increase (+)/Decrease (-) in financial liabilities (EKN financing)	5.6	4.0	7.0	10.0
Increase (+)/Decrease (-) in financial liabilities	5.4	12.0	25.8	7.7
Repayment of borrowings and lease interest	-3.3	-2.9	-6.4	-5.8
Dividend	-10.7	-10.7	-10.7	-10.7
Cash flow from financing activities	32.0	2.4	50.8	1.3
Cash flow for the period	2.7	-3.2	0.8	-6.2
Cash and cash equivalents at beginning of period	36.2	31.5	38.2	33.0
Exchange differences in cash and cash equivalents	1.7	-0.7	1.5	0.9
Cash and cash equivalents at end of period	40.5	27.7	40.5	27.7

Parent Company income statement

SEK millions	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
Net sales	8.1	7.4	14.8	13.4
Administrative expenses	-7.3	-6.5	-12.8	-12.1
Other operating expenses	-0.9	-1.2	-2.6	-2.2
Operating profit	0.0	-0.3	-0.6	-1.0
Anticipated dividend from subsidiaries	-	-	-	-
Profit/loss from associates	-	-	-	-
Profit/loss from financial items	0.0	0.0	0.0	0.0
Profit/loss after financial items	0.0	-0.3	-0.6	-1.0
Group contribution	-	-	-	-
Profit/loss before tax	0.0	-0.3	-0.6	-1.0
Tax	-	-	-	-
Net profit/loss	0.0	-0.3	-0.6	-1.0

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

Parent company balance Sheet

SEK millions	30 Jun 2022	30 Jun 2021	31 Dec 2021
NON-CURRENT ASSETS			
Intangible assets			
Capitalized development expenses	0.6	0.9	0.8
Total intangible assets	0.6	0.9	0.8
Property, plant and equipment			
Equipment	0.3	0.1	0.1
Total property, plant and equipment	0.3	0.1	0.1
Finansiella anläggningstillgångar			
Shares in Group companies	200.3	155.3	170.3
Other financial assets	3.1	2.6	3.1
Deferred tax assets	0.1	0.1	0.1
Total financial assets	203.5	158.1	173.5
Total non-current assets	204.4	159.1	174.4
CURRENT ASSETS			
Receivables from Group companies	1.5	1.6	1.2
Tax assets	20.0	1.3	0.9
Other receivables	0.3	0.8	0.9
Prepaid expenses and accrued income	2.2	2.5	1.9
Total current receivables	23.9	6.3	4.9
Cash and bank balances	0.5	0.1	0.5
Total current assets	24.4	6.4	5.2
TOTAL ASSETS	228.8	165.5	179.7
EQUITY	150.6	146.1	162.0
LIABILITIES			
Non-current liabilities			
Other provisions	3.9	3.3	3.9
Total non-current liabilities	3.9	3.3	3.9
Current liabilities			
Trade payables	5.6	5.2	4.1
Liabilities to Group companies	63.5	5.4	3.8
Other liabilities	0.8	0.6	0.4
Accrued expenses and deferred income	4.4	4.9	5.6
Total current liabilities	74.3	16.1	13.9
Total liabilities	78.1	19.4	17.8
TOTAL EQUITY AND LIABILITIES	228.8	165.5	179.7

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, 2021. 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 1-9 forms an integral part of this financial report, which comprises pages 1-22.

Note 2 Pledged assets and contingent liabilities

June 30, SEK millions	Group		Parent Company	
	2022	2021	2022	2021
Pledged assets	257.8	167.5	6.4	5.8
Contingent liabilities	-	-	108.2	88.1

Note 3 Revenue by region and product

Net sales by region, SEK million	Apr-Jun 2022	Apr-Jun 2021	change	Jan-Jun 2022	Jan-Jun 2021	change	Jul 21-Jun 22 (R12)	Jul 20-Jun 21 (R12)	change (R12)
USA	46.0	38.1	21%	90.3	71.0	27%	171.9	132.3	30%
Asia	31.7	31.2	1%	75.0	51.5	46%	144.8	105.9	37%
Eastern Europe	13.7	14.5	-5%	30.4	27.9	9%	63.7	51.1	25%
Latin America	17.6	7.7	127%	27.9	21.0	33%	44.5	33.7	32%
Western Europe	9.5	7.4	28%	17.7	14.9	19%	35.0	35.1	0%
Africa/Middle East	22.4	11.7	91%	32.0	25.0	28%	65.4	44.6	47%
Total	140.8	110.7	27%	273.3	211.3	29%	525.4	402.7	30%

Net sales by product, SEK million

Instruments	46.2	35.8	29%	87.6	70.3	25%	166.0	130.9	27%
Consumables, own instruments	56.3	43.6	29%	110.2	85.3	29%	218.3	169.3	29%
Consumables, OEM and CDS brand	27.3	23.9	14%	54.9	37.8	45%	101.8	66.7	52%
Other	11.0	7.4	49%	20.7	17.9	15%	39.3	35.8	10%
Total	140.8	110.7	27%	273.3	211.3	29%	525.4	402.7	30%

Net cash/debt

SEK millions	30 Jun 2022	30 Jun 2021	31 Dec 2021
Cash and cash equivalents	40.5	27.7	38.2
Liabilities to credit institutions	-88.9	-20.0	-28.3
Lease-related liabilities	-21.0	-33.4	-27.6
Other interest carrying assets	25.5	12.9	17.0
Net cash (+) / net liabilities (-)	-43.8	-12.8	-0.7

Quarterly overview

	2022		2021				2020			
	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net sales, SEK million	140.8	132.5	140.3	111.8	110.7	100.6	92.7	98.8	90.6	118.4
Gross profit, SEK million	53.3	56.8	57.9	49.9	46.1	44.7	39.2	45.8	37.0	55.2
Gross margin, %	37.8	42.9	41.2	44.7	41.7	44.4	42.3	46.4	40.8	46.6
EBITDA, SEK million	12.2	16.3	24.1	18.2	8.0	12.3	3.6	28.9	2.4	20.8
EBITDA margin, %	8.7	12.3	17.2	16.3	7.2	12.3	3.9	29.3	2.7	17.5
Depreciation and impairment of property, plant and equipment, SEK million	5.5	4.5	3.6	3.6	4.2	4.2	4.2	4.4	4.4	4.5
EBITA, SEK million	6.7	11.9	15.4	14.7	3.6	8.1	-0.6	24.5	-1.9	16.2
EBITA margin, %	4.8	9.0	11.0	13.1	3.3	8.1	-0.6	24.8	-2.1	13.7
Amortization and impairment of intangible assets, SEK million ¹	1.7	1.5	1.6	1.6	1.3	1.3	41.1	1.0	1.0	1.0
EBIT, SEK million	5.0	10.3	13.8	13.0	2.3	6.8	-41.6	23.5	-3.0	15.2
EBIT margin, %	3.6	7.8	9.9	11.7	2.1	6.8	-44.9	23.7	-3.3	12.9
Profit after tax, SEK million ²	2.9	4.6	17.3	7.1	-1.4	0.3	-32.6	20.2	-43.0	7.4
Basic earnings per share, SEK	0.15	0.24	0.89	0.37	-0.07	0.02	-1.68	1.04	-2.21	0.38
Diluted earnings per share, SEK	0.14	0.23	0.87	0.36	-0.07	0.02	-1.63	0.99	-2.10	0.36
Cash flow from operating activities per share, SEK	-0.45	-0.07	0.61	0.54	0.42	0.65	1.30	0.92	0.91	0.75
Return on equity, %	0.9	1.6	6.2	2.7	-0.5	0.1	-11.2	6.6	-13.2	2.2
Net debt/ EBIT (R12)	1.0	0.5	0.0	-0.3	-1.4	0.2	0.8	-0.1	0.2	0.0
Equity/assets ratio, %	49	50	52	51	50	54	56	56	53	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

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.

About Boule Diagnostics

Boule Diagnostics AB (publ) is a global diagnostics company specializing in near-patient, decentralized blood diagnostics and one of the few companies in the global diagnostics market that conducts its own development, manufacturing and marketing of instruments and consumables for blood diagnostics. The Company primarily serves hospitals, clinics, laboratories and other diagnostics companies to which it offers complete systems for blood diagnostics (hematology) in both the human and veterinary areas. Boule has strong positions in important emerging markets such as in Asia and in recent years has improved its position in the fast-growing veterinary market. Operations are conducted through operating subsidiaries in Sweden, the United States, Mexico and Russia. The Group reported net sales of SEK 463 million in 2021 and has more than 200 employees. Sales are conducted globally, predominantly through the company's 200 or so distributors in over 100 countries, supported by Boule's own local sales and service personnel. Boule has been listed on Nasdaq Stockholm since 2011.

Our Core Values

Courageous | Customer oriented | Innovative | Result oriented | Teamwork | Quality

Boule purpose

We provide versatile high-quality, decentralized diagnostics solutions for everyone everywhere

Business model

- Indirect sales
- Extend installed base
- Multi-brand strategy

Boule aspiration

- Most satisfied customers
- Highly valued employer
- >500M tests yearly

Financial targets

- Operating Margin >15%
- Long-term sales growth >10%
- Net debt to EBIT ratio <3 times

Strategic pillars for profitable growth

Increase value for users and distributors

Invest in sustainable product development

Grow # tests done with Boule solutions

Other information

Calendar

Interim report Q3 2022	November 10, 2022
Year-end report 2022	February 2, 2023
Interim report Q1 2023	May 3, 2023
2023 Annual General Meeting	May 4, 2023

Presentation of the interim report

CEO Jesper Söderqvist and CFO Annette Colin will present and comment on the interim report through Teams. After the presentation, there will be time for questions.

The presentation will be held in English.

Time: 10.00, July 18, 2022

[Please follow this link to participate.](#)



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This information is information that Boule Diagnostics AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securites Market Act. The information was submitted for publication, through the agency of the contact person set out above, at 07:30 CET on July 18, 2022.