

Labtech

Companies in the Labtech business area are active in the market areas diagnostics, biomedical research and laboratory equipment.

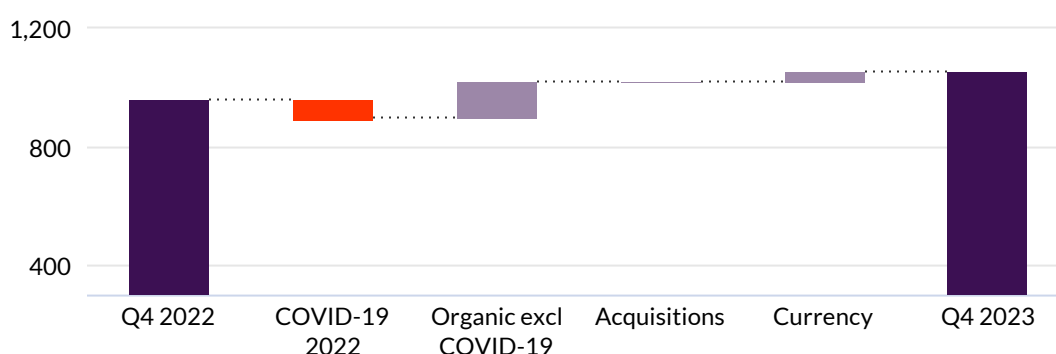


SEKM	3 months ending			12 months ending		
	31 Dec 23	31 Dec 22	change	31 Dec 23	31 Dec 22	change
Net sales	1,050	958	10%	3,654	3,880	-6%
Organic growth, % *	13%	6%		10%	6%	
EBITA	152	138	9%	473	667	-29%
EBITA-margin	14.5%	14.5%		12.9%	17.2%	

*Excluding COVID-19 related sales and exchange rate changes

Labtech had a strong fourth quarter with sales increasing by 10 percent. The organic sales growth, excluding COVID-19 related sales (which in the comparison quarter amounted to 64) and exchange rate fluctuations, amounted to 13 percent. Exchange rate changes had positive impact of 4 percent on net sales. EBITA increased with 9 percent to SEK 152 m (138), corresponding to an EBITA-margin of 14.5 percent (14.5). In the previous year, the EBITA margin was positively affected by COVID-19 related sales and a reversal of previously allowance for contingent consideration. Without this contingent consideration, EBITA margin in the fourth quarter previous year was 13.1%.

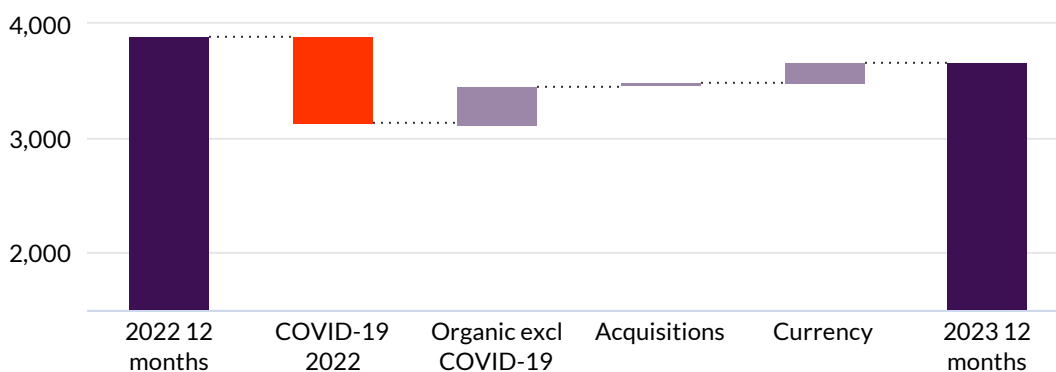
NET SALES 3 MONTHS



Labtech's net sales decreased by 6 percent in the financial year to SEK 3,654 m (3,880), whereof organic sales, excluding COVID-19 related sales and exchange rate changes, increased to 10 percent and acquired growth was 1 percent. Net sales

related to COVID-19 have now ceased and is reported as SEK 0 m (760). Exchange rate changes had positive impact of 5 percent on net sales. EBITA decreased by 29 percent to SEK 473 m (667), corresponding to an EBITA-margin of 12.9 percent (17.2).

NET SALES 12 MONTHS

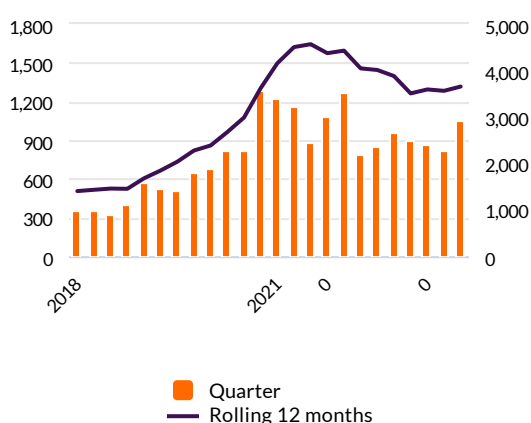


Diagnostics was stable during the quarter, with continued good margins. Staffing shortage among customers and some cautiousness regarding new investment projects have had a somewhat dampening effect on growth. Global manufacturing firms continue to reassess their commercial strategies and in some cases are dismantling direct sales approach and instead choose distributor models, thereby generating opportunities for AddLife's companies. Recently signed distribution agreements are expected to have significant future potential.

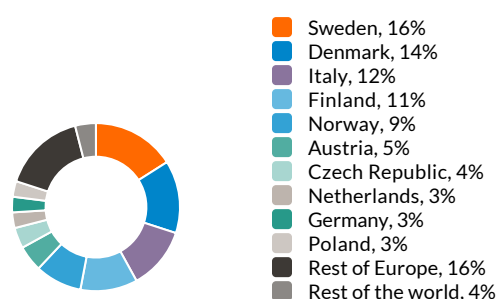
BioMedical & Research achieved robust growth and high profitability in the fourth quarter. Academic research activity is high, generating robust sales of reagents and consumables. Here, too, a cautious approach to large investment projects can be noted. Sales to customers in the pharmaceutical industry saw strong growth.

Delivery and invoicing to customers in Eastern Europe proceeded according to plan in the fourth quarter, leading to excellent sales growth, high margins, and a reduced inventory.

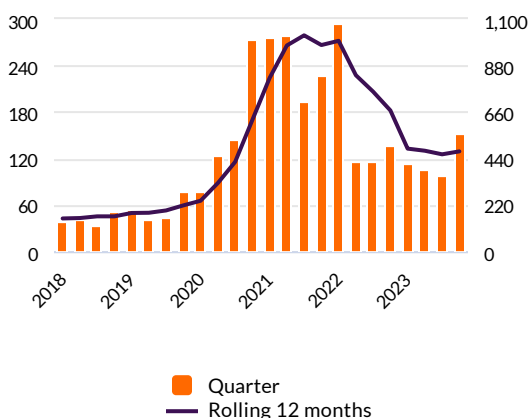
NET SALES (SEKM)



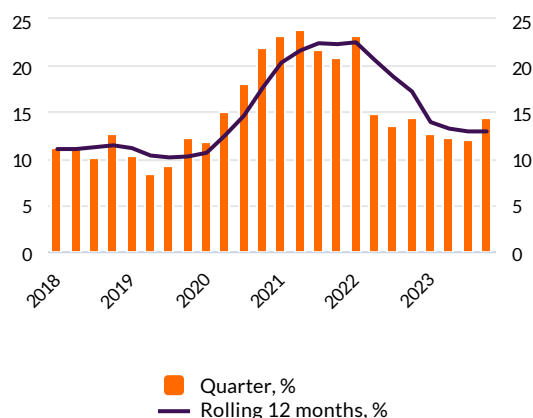
NET SALES PER MARKET 2023



EBITA (SEKM)



EBITA MARGIN (%)



Medtech

Companies in the Medtech business area provide medical device products within the medtech market and assistive equipment within Homecare.

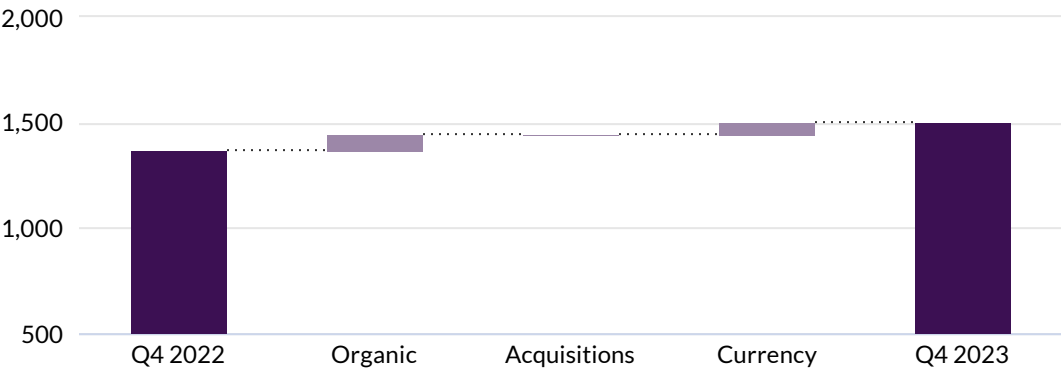


MSEK	3 months ending			12 months ending		
	31 Dec 23	31 Dec 22	change	31 Dec 22	31 Dec 22	change
Net sales	1,498	1,367	10%	6,042	5,210	16%
Organic growth, % *	6%	5%		9%	2%	
EBITA	133	121	10.0%	684	573	19.0%
EBITA-margin	8.9%	8.9%		11.3%	11.0%	

*Excluding COVID-19 related sales and exchange rate changes

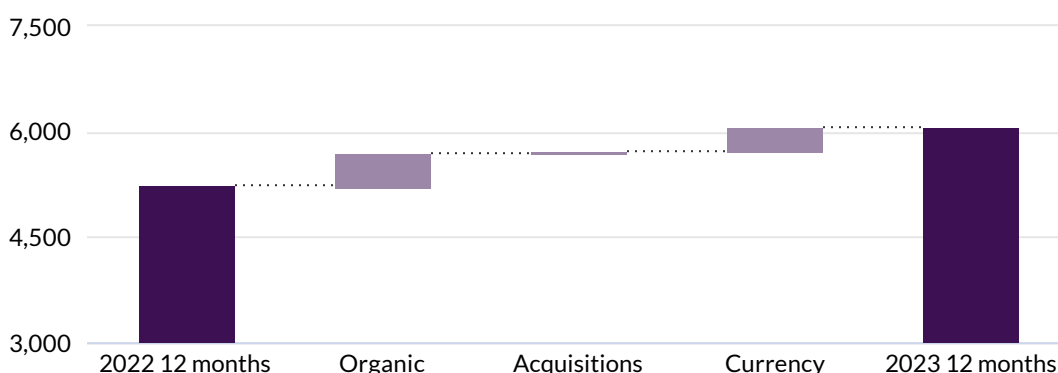
The companies within Medtech had an overall good fourth quarter and net sales increased by 10 percent to SEK 1,498 m (1,367), of which organic growth was 6 percent and exchange rate changes positively affected net sales by 4 percent. EBITA increased by 10 percent to SEK 133 m (121), corresponding to an EBITA-margin of 8.9 percent (8.9). Reversal of contingent consideration has had a positive effect on operating profit of SEK 46 m and one-off costs linked to AddVision and Homecare have had a negative effect on operating profit of SEK -27 m. Adjusted for these, the EBITA margin amounted to 7.6 percent. Profitability within Medtech was significantly reduced by the ongoing operations within AddVision and Homecare.

NET SALES 3 MONTHS



For the financial year, Medtech's net sales increased by 16 percent to SEK 6,042 m (5,210), of which organic growth excluding exchange rate differences, amounted to 9 percent and acquired growth was 1 percent. Exchange rate fluctuations had a positive impact of 6 percent on net sales. EBITA increased by 19 percent to SEK 684 m (573) and EBITA margin amounted to 11.3 percent (11.0). The reversal of contingent considerations, primarily linked to the acquisition of AddVision and Healthcare 21, has had a positive impact on the result of SEK 128 m (87) and adjusted for this EBITA amounted to 9.2 percent (9.3). The investment in digital solutions for remote patient monitoring and care alarms has had a negative impact on the result of SEK 77 m (54) including one-off costs of SEK 19 m.

NET SALES 12 MONTHS

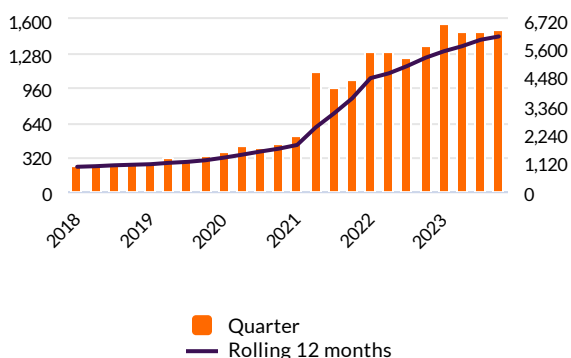


Growth in the Hospital segment was good. Planned surgical activity remains elevated and most countries have a large backlog of patients waiting for surgery. All companies within Hospital had a strong quarter with the exception of AddVision, which has been subject to analysis and improvement activities throughout most of 2023.

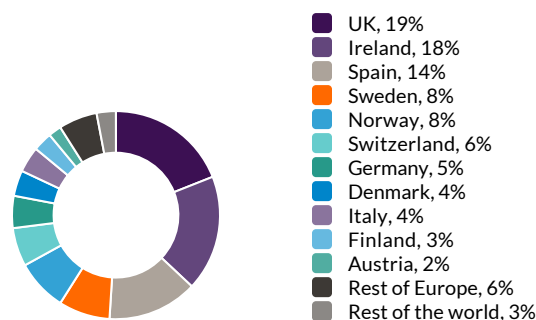
The actions in AddVision mainly focus on improvements in the following areas: cost reduction, a more agile and efficient organisation, as well as improved commercial offering and approaches. An organisational overhaul has been carried out, involving the dismantling of the head office function and efficiency improvements in the local organisations in Switzerland, Germany and the UK. In total, these measures are expected to deliver an annual cost reduction of around SEK 20 m, with start in early 2024, and resulted in a restructuring cost of SEK 8 m in the fourth quarter 2023. The product portfolio has been updated and the commercial approach developed and streamlined through new staff, reorganisation and extensive training programmes. These changes are expected to position the AddVision companies for success in a market undergoing changes in reimbursement levels, competitive landscape and customer structure.

Homecare had a weak quarter mainly because of delayed remodelling and new construction projects in adapted housing. Long-term underlying positive growth drivers, such as an aging population and technological advances, remain unchanged. In 2023, Homecare's digital development projects underwent a thorough review. The development projects include remote patient monitoring (Camano Health) and safety alarms (Camano Care) solutions. As a result of the review, a decision was taken in the third quarter to discontinue the Camano Health remote patient monitoring, which will result in annual savings of just over SEK 10 m in 2024. In addition, in January 2024, trade union negotiations were initiated for the planned discontinuation of Camano Care, and the subsequent dissolution of the subsidiary Camano. This measure is expected to result in an additional cost reduction of SEK 50 m on an annual basis, gradually realised during the discontinuation period. The Camano-related measures are expected to have a total positive effect on cash flow of SEK 90 m on an annual basis. This planned closure led to an impairment of intangible assets of SEK 106 m and an impairment of property, plant and equipment of SEK 19 m in the fourth quarter. The Homecare companies will continue to offer a portfolio of digital products and services, but they will no longer be internally developed. In addition to the impairment charges, the investment in Camano had a negative impact of SEK 17 m (17) on earnings in the fourth quarter.

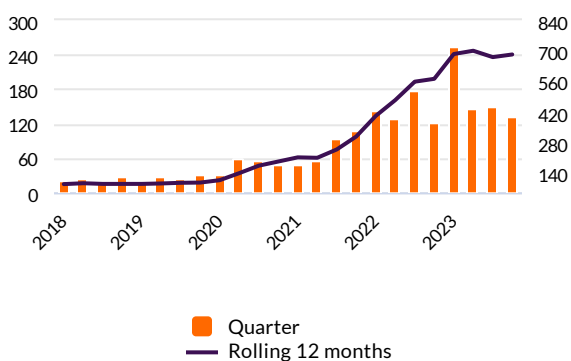
NET SALES (SEKM)



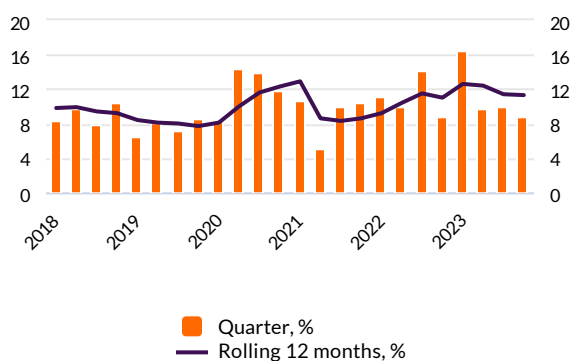
NET SALES PER MARKET 2023



EBITA (SEKM)



EBITA MARGIN (%)



Net sales by business area

Quarterly data, SEKm	2023				2022			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Labtech	1,050	827	872	905	958	856	786	1,280
Medtech	1,498	1,494	1,496	1,554	1,367	1,246	1,296	1,301
Group items	-4	-2	-3	-2	1	-2	-3	-2
AddLife Group	2,544	2,319	2,365	2,457	2,326	2,100	2,079	2,579

EBITA by business area

Quarterly data, SEKm	2023				2022			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Labtech	152	99	107	115	138	116	117	296
Medtech	133	150	145	256	121	179	129	144
Parent Company and Group items	-7	-5	-5	-5	-1	-7	-6	-5
EBITA	278	244	247	366	258	288	240	435
Depreciation and write-down intangible assets	-219	-112	-111	-108	-109	-105	-102	-97
Operating profit	59	132	136	258	149	183	138	338
Finance income and expenses	-57	-71	-66	-52	-72	-41	-44	-49
Profit after financial items	2	61	70	206	77	142	94	289

Net sales by business area

SEKm	3 months ending			12 months ending		
	31 Dec 23	%	31 Dec 22	31 Dec 23	%	31 Dec 22
Labtech	1,050	10	958	3,654	-6	3,880
Medtech	1,498	10	1,367	6,042	16	5,210
Group items	-4		1	-11		-6
AddLife Group	2,544	9	2,326	9,685	7	9,084

EBITA and EBITA-margin by business area and operating profit for the group

SEKm	3 months ending				12 months ending			
	31 Dec 23	%	31 Dec 22	%	31 Dec 23	%	31 Dec 22	%
Labtech	152	14.5	138	14.5	473	12.9	667	17.2
Medtech	133	8.9	121	8.9	684	11.3	573	11.0
Parent Company and Group items	-7		-1		-22		-19	
EBITA	278	10.9	258	11.1	1,135	11.7	1,221	13.4
Depreciation and write-down intangible assets	-219		-109		-550		-413	
Operating profit	59	2.3	149	6.4	585	6.0	808	8.9
Finance income and expenses	-57		-72		-246		-206	
Profit after financial items	2		77		339		602	

Net sales by revenue type

SEKm	3 months ending		12 months ending	
	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22
Products	691	680	2,548	2,954
Instruments	260	232	804	692
Service	99	46	302	234
Labtech	1,050	958	3,654	3,880
Products	1,175	1,087	4,912	4,186
Instruments	98	149	505	529
Service	225	131	625	495
Medtech	1,498	1,367	6,042	5,210
Group items	-4	1	-11	-6
Total	2,544	2,326	9,685	9,084

Sales per country

	3 months ending		12 months ending	
	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22
UK	268	253	1,186	980
Ireland	268	222	1,114	892
Sweden	285	322	1,100	1,100
Spain	220	180	826	725
Denmark	268	471	793	956
Norway	206	222	784	876
Italy	187	141	662	650
Finland	160	175	577	582
Rest of Europe	642	326	2,351	2,066
Rest of the world	40	14	292	257
Total	2,544	2,326	9,685	9,084