



SWEDENCARE

Interim report

January - March 2025



Our vision

Is to establish ourselves as one of the leading companies within Pet Health Care within all larger markets



This is Swedencare

Swedencare is listed on the NASDAQ First North Growth Market and also trades on the OTCQX® Best Market. We develop, produce, and sell premium products in the global and rapidly growing pet healthcare market, focusing on cats, dogs, and horses. Our extensive product portfolio includes strong brands such as **NaturVet®**, **Innovet**, **Pet MD®**, **Rx Vitamins®**, **nutravet®**, **Rileys®**, and **ProDen PlaqueOff®**, the original solution for good oral health.

With headquarters in Malmö, our products are sold in approximately 70 countries through veterinarians, pet stores, and online. Our extensive distribution network consists of subsidiaries in nine countries, along with an international network of retailers. Swedencare has experienced strong growth for several years while maintaining high profitability.

Vision

Swedencare is established in all major markets as an innovative and reliable pet healthcare company. With a global presence and channel strategy as well as a broad portfolio of well-functioning Pet Health Care products for the most important therapy areas, it is **our vision to establish ourselves as one of the leading companies within Pet Health Care on all larger markets.**

Financial objective

Swedencare's financial objective is to achieve revenues of 4 billion SEK during 2026 with an EBITDA-margin exceeding 30%. The financial objective will be achieved primarily through organic growth.

Dividend

Swedencare will propose a dividend that takes into account the group's profit as well as its consolidation and investment needs, liquidity, and financial position. The aim is to distribute a dividend equivalent to 40 percent of the profit after tax.

For 2024, the board proposes a dividend of 0.25 SEK (0.23 SEK) per share.



Mission

We care about improving the health and wellbeing of pets, creating reassurance for the pet parent, worldwide and throughout the whole life of the pet.

Growth, acquisitions and market expansion

Summary of the period

Numbers in parentheses refer to outcome of the corresponding period of the previous year.

First quarter: January 1st - March 31st, 2025

- Net revenue amounted to **641.1 MSEK** (597.4 MSEK), corresponding to an increase of 7% (14%)
- Organic, currency-adjusted growth amounted to **5%** (12%)
- Operational EBITDA amounted to **124.5 MSEK** (138.8 MSEK), corresponding to a decrease of -10%, and an EBITDA-margin of **19.4%** (23.2%). The operational adjustments totaling 0.2 MSEK include M&A costs
- Operational EBITA amounted to **103.4 MSEK** (119.2 MSEK), corresponding to a decrease of -13% and an EBITA-margin of **16.1%** (20.0%)
- Profit after tax amounted to **23.9 MSEK** (30.1 MSEK)
- Earnings per share calculated on **158,862,839 shares** (158,731,900 shares) amounted to **0.15 SEK** (0.19 SEK)
- Cash flow from operating activities amounted to **96.7 MSEK** (70.6 MSEK)
- As of March 31st, 2025, cash amounted to **526.9 MSEK** (224.3 MSEK)

Significant events during the first quarter

Swedencare AB (publ) signs an agreement to acquire Summit Veterinary Pharmaceuticals Limited, a leader in the UK's thriving Animal Health Specials Market.

Significant events after the first quarter

Swedencare AB (publ) has completed the acquisition of av Summit Veterinary Pharmaceuticals Limited and carries out an issue of shares to the seller as a part of purchase price.

Words from the CEO

The net sales for the first quarter amounted to 641 MSEK, representing a 7% increase compared to Q1 2024. Our operational EBITDA-margin was 19.4%, totaling 125 MSEK. Our cash flow remains strong, and our net debt to EBITDA ratio is 2.0; however, it will slightly increase due to our acquisition of Summit Veterinary Pharmaceuticals Limited ("Summit") which was completed on April 1st.

Our organic growth was 5% for the quarter, which is lower than our target. From this quarter onward, I anticipate stronger growth to continue throughout the year. By the end of 2025, we shall achieve double-digit organic growth, and to our non-organic growth, we can already add Summit from Q2, along with an earlier takeover of our NaturVet sales on Amazon.

Market

We expected the quarter to be relatively cautious in sales, as the boost from several new customers will come from Q2 onwards. Additionally, the uncertainty regarding the economy and world trade naturally affects both our customers and us. The increased tariffs have a minimal impact on us today since we have built up manufacturing capacity on both sides of the Atlantic.

Regarding raw materials, we mainly work with local suppliers, and finished products are produced on the same continent where the sales occur. If the global economy is negatively affected for an extended period, it will likely impact us, even though the pet market is stable. Throughout all crises since 1945, the market has shown annual growth, and my hope is that it will be the same when we summarize 2025.

Our important online sales are a good indicator of consumer sentiment, and we have not yet seen any weakening in demand in that channel. The strengthening of the Swedish krona against the dollar also has a marginal impact on the results, as we have both costs and revenues in the same currency; however, it naturally affects our revenue when we convert the group's sales to SEK.

Segment

Geographically, Europe continues to drive our growth, particularly in the Nordics and the UK. The online and veterinary channels are strongest in the UK, and it is especially gratifying to see double-digit growth in the veterinary channel, as 2024 was weak in that area. During the quarter, we successfully tested new online concepts in the Nordics. This year, we will expand this initiative to the rest of Europe, with the UK and France next in line.

Southern Europe remains somewhat soft, and our decline in Italy was anticipated due to challenging comparison figures from 2024 when the largest customer ordered extraordinarily high amounts during the comparable quarter. Other customers have shown good growth, and Italy is set to return to growth in the current quarter.

North America is characterized by numerous trade shows and preparatory work for both product launches and larger customer collaborations. NaturVet is experiencing growth, albeit slight, and the quarter included final efforts on the major rebranding project and preparations to deliver to new, larger customers.

NaturVet's CEO, Geoff Granger, will provide more information in our presentation, but I can already announce that the first "Big Box retail customer" is Walmart. We will deliver to over 1,400 Walmart stores in Q2 for a launch in July. I am impressed by the team that worked diligently during 2024 for everything expected to happen in 2025 and 2026.

At the launch at Global Pet Expo, there were only positive comments from customers, prospects, and even competitors about NaturVet's new design and innovations. Our new online collaborations with Costco and Sam's Club have exceeded expectations, and the next step is to negotiate possible in-store placement.

Our production division has achieved strong results despite scheduled production halts at some units in North America and improvement work, especially in Europe. The uncertainty in global trade has also created new business opportunities for us, with a rise in customer inquiries in both North America and Europe.

ProDen PlaqueOff® remains our fastest-growing brand, both globally and in terms of value. Our latest addition, Soft chews, continues to grow by over 50% as we expand into more markets. This year, we will introduce an innovative cat product in the lineup during the second half of the year.

M&A

At the beginning of the year, we completed a small acquisition, Pack Approved®, with which we had initiated a collaboration in 2024 with our treat brand Riley's. Pack Approved primarily sells treats made from unusual and special protein sources. The small organization is integrated into our online company PetMD.

During the quarter, we announced the signing of Summit, a "specialty pharmacy" operator based in the UK. This represents a new type of business for the group, where we see synergies, especially with Veto North, our pharma business. Summit is a highly profitable enterprise, and we have identified both growth and profitability opportunities for the coming years. In the latest fiscal year, Summit had a turnover of 7.3 MGBP with a 37% EBITDA.

Finally, I can announce that in April, we completed the acquisition of our NaturVet partner's Amazon business linked to our brands. This means that we have already taken over NaturVet's sales on Amazon instead of on January 1st, 2026, when the agreement was set to end. This will positively impact both revenue and profitability in 2025. Additionally, we have

removed the risk of transferring our sales to a new Amazon account, which could have negatively affected our sales and increased marketing costs at the beginning of 2026. After an intense acquisition period, we will now focus on integration, synergies, and implementing new strategies in the coming months.

I want to thank the entire organization that works hard for Swedencare, and I am grateful for everyone's commitment. I am also very proud of the results from our latest global employee survey. We managed to improve our already high results, which proves that our strategy is valued and that our organization consists of people with strong drive and a desire to improve and develop.



Håkan Lagerberg
Malmö April 24th, 2025

Swedencare's booth at



Update from NaturVet, Swedencare's largest company

2024 was a transitional year for NaturVet, where we drove transformational change to set the table for meaningful and sustained sales growth in 2025 and beyond.

- Our investments in "human capital" have allowed us to build a best-in-class commercial organization, transition key leadership roles and transform our overall culture to attract and retain top talent
- By optimizing our "financial capital" we were able to identify efficiencies and cost savings that have allowed us to aggressively invest in data/insights, mission-critical 3rd party partners as well as social & digital channels and influencer marketing
- By investing in "intellectual capital" we have been able to leverage exhaustive market/shopper insights to differentiate ourselves through "thought leadership" with existing and prospective retailer partners

We are now seeing positive results from the transformational changes that we made in 2024 with a return to growth for Q1, the highest volume single month ever for NaturVet (March),

industry recognition for product excellence and a record high eNPS (employee net promoter score). The eNPS and other results from Swedencare's employee survey can be found on pages 13-14 of the report.

The transformation continues into 2025 with our NaturVet rebrand and with the expansion of the NaturVet brand into Big Box retail. When combined with the support of extensive marketing activation, we are primed to significantly increase consumer acquisition and our share within the pet supplements space.



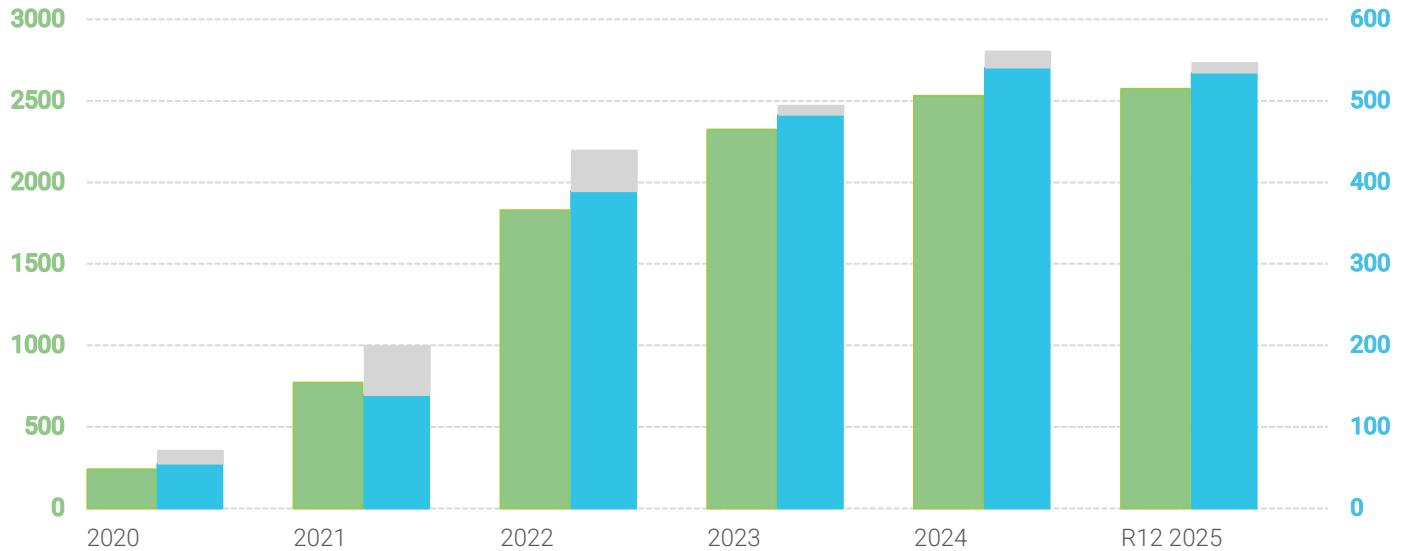
Geoff Granger
CEO, NaturVet

Q1 KPI's Swedencare Group

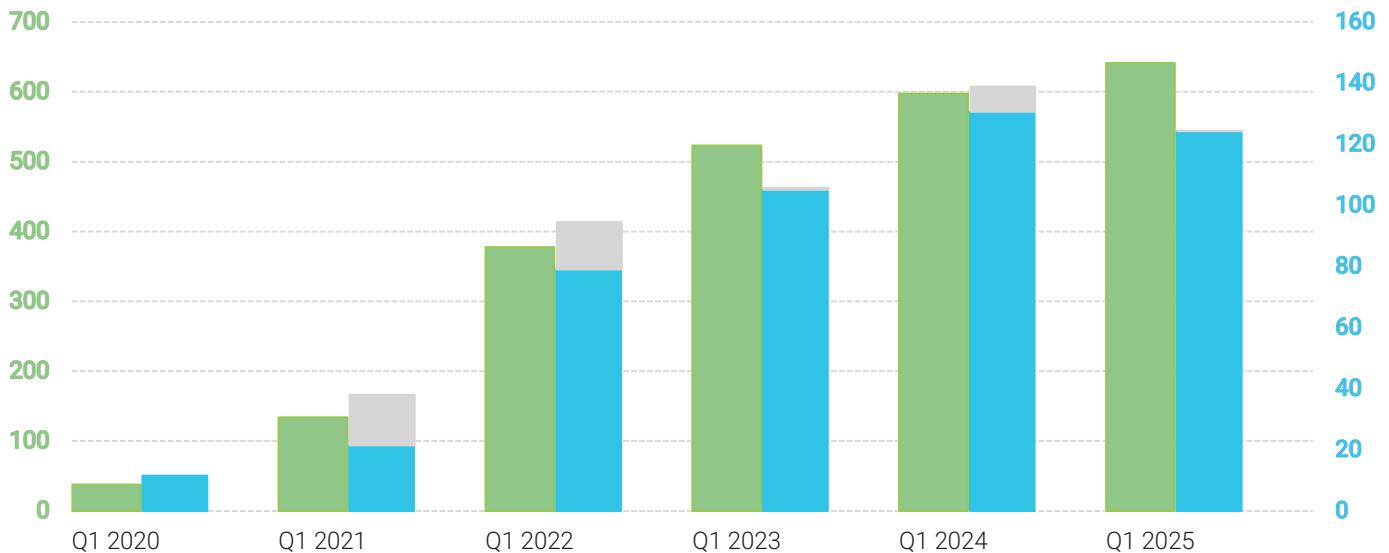


Development 2021 - 2025

Full year history and R12 of net revenue and EBITDA



Quarterly history of net revenue and EBITDA



Net revenue

EBITDA

Operational EBITDA

Additional KPI's and definitions can be found on page 24-26.

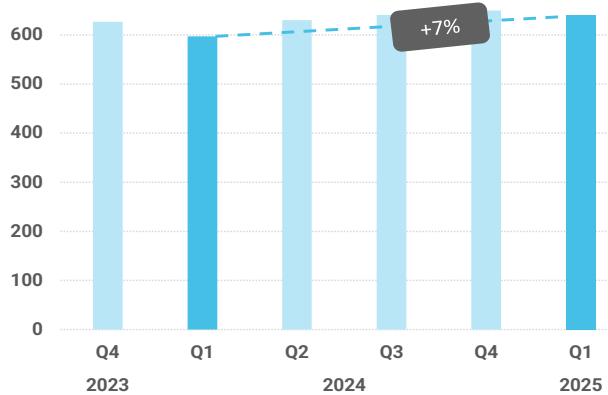
Comments – Financial development Q1 2025

Net revenue

Net revenue amounted to 641.1 MSEK (597.4 MSEK) which corresponds to an increase of 7% compared to the corresponding period last year. The growth is divided into 5% organic growth and 2% currency impact. Acquired growth is rounded to 0%.

In previous reports, net sales were distributed by geographical sales market. Now, net sales are distributed by segment, where Swedencare's subsidiaries are divided into three segments: North America, Europe, and Production. Read more about the segments in note 1. This change represents a difference in the distribution compared to previous reports since the subsidiaries within the different segments have sales in various geographic markets. The geographical distribution of net sales is reported on page 19.

All three segments show growth, with the European segment having the strongest growth at 14%, closely followed by the production segment with a growth of 12%, and North America with a growth of 5%.



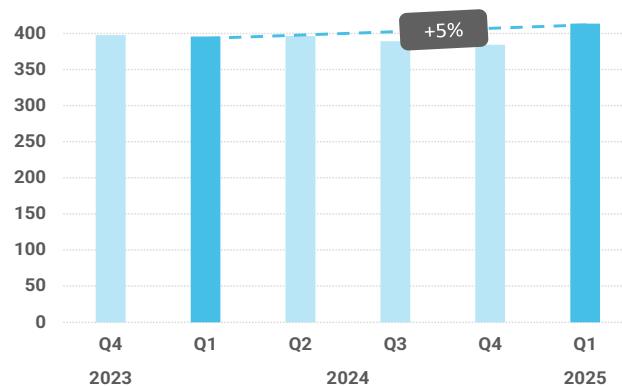
Segment distribution

North American segment – 65% of total net revenue

The sales in the companies belonging to the North American segment amounted to 413.8 MSEK (395.8 MSEK) an increase of 5% compared to the corresponding period last year. The slightly lower growth is due to the first two months of the quarter being weak for the group's largest company, NaturVet, but then ended with a record month in March. New product launches were made towards the end of the quarter, including PetMD launching PetMD Aloe Finger Wipes, which, after a

successful launch, already received the "Best Seller badge" on Amazon.

Despite a 5% growth, the North American segment's share of revenue has decreased by one percentage point compared to the corresponding period last year (66%) and now represents 65% of the group's total net revenue.



European segment – 17% of total net revenue

For the European segment sales amounted to 111.7 MSEK (98.3 MSEK) an increase of 14% compared to the corresponding period last year. It is primarily the UK companies that are showing strong growth where Amazon UK is the primary growth driver while Nordics have also shown a record quarter. The move of Amazon in-house has paid off quarter after quarter, and in Q1, Amazon sales in the UK were 674% higher than in the corresponding period last year.

Despite the growth, the European segment maintains the same share of net revenue compared to the corresponding period last year, 17% (17%).

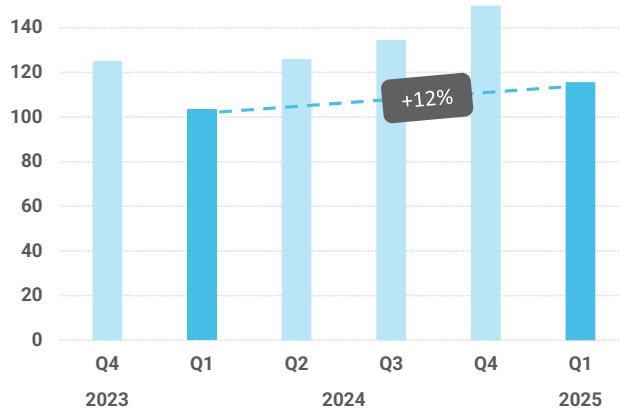


Segment distribution - cont.

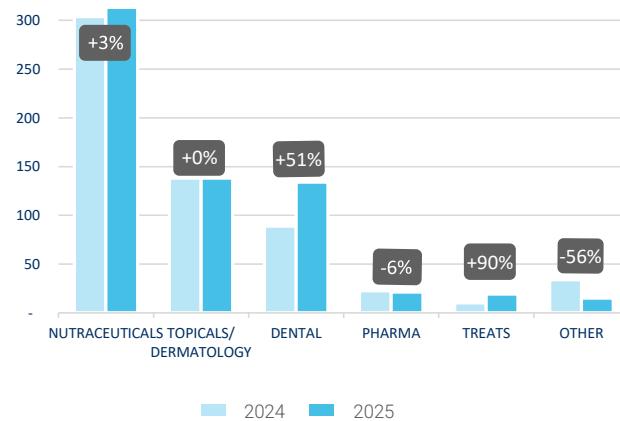
Production segment – 18% of total net revenue

Sales in the production segment amounted to 115.6 MSEK (103.3 MSEK), a increase of 12% compared to the corresponding period last year. A strong quarter, considering that two companies within the segment performed planned maintenance work during the quarter, which paused production during a number of weeks. The loss due to the maintenance was smaller than expected and all companies within the segment show growth.

The growth has led to the production segment's share of revenue increasing by one percentage point compared to the corresponding period last year and now represents 18% of the group's total net revenue.



During Q1 2025 net sales were distributed by product category as shown in the graphic.



Product and brand distribution

With a 3% increase, product group Nutraceuticals continues to represent the groups largest product category with 49% (51%) of the group's total net revenue. While sales have increased, the share of the group's net revenue has decreased, primarily due to strong growth in the dental product group.

Topicals/Dermatology is at a similar level compared to the corresponding period last year and now represent 22% (23%) of the group's net sales. The unchanged share of the group's total revenue is due to stronger growth in the other product categories.

The Dental product group, which in addition to ProDen PlaqueOff®, also include a few other dental products such as toothpaste and dental wipes, has shown a strong growth of 51% and represents 21% (15%) of the group's total net revenue. The main contributors to the increase are ProDen PlaqueOff® Powder and Soft Chews which were launched in Europe during 2024 and continue to show strong growth. The large-scale "dental month" campaign in February has also received very positive feedback.

Sales of Pharma (contract development and manufacturing) has shown a decrease of -6% and now represent 3% (4%) of the group's net sales, which during the quarter is explained by the previously mentioned planned maintenance at our production facility.

The Treats product group, established with the acquisition of Riley's® Organics in January 2024, shows growth of 90% and represents 3% (2%) of the group's total net revenue.

During Q1 2025 net sales were distributed by brand as shown in the graphic.



Profit

The operational gross margin during the first quarter amounted to 58.1% (57.7%), which is in line with expectations. The external costs amounts to 141.4 MSEK (111.5 MSEK) equivalent to 22% of total net revenue, which is one percentage point higher than in 2024. The increase is mainly due to increased investments in trade fairs compared to previous years, with a focus on the rebranding project with NaturVet. Personnel costs amounted to 17% of net sales, compared to 15% in 2024. The increased percentage is partly due to lower revenue growth in the quarter and partly due to more overtime in connection with the inventory buildup as well as increased benefit costs. The organization is now structured for the expected turnover increase in the next quarters.

The operational operating profit before amortization of intangible assets (EBITA) amounted to 103.4 MSEK (119.2 MSEK), corresponding to an operational EBITA margin of 16.1% (20.0%). Of the 21.1 MSEK (19.6 MSEK) in depreciation of tangible assets for the quarter, 10.0 MSEK (9.5 MSEK) is attributable to IFRS16 (leased assets).

Exchange rate variations impacted the period's profit with an exchange rate gain of 2.4 MSEK (4.5 MSEK). During the quarter, the interest expenses on loans taken in connection with the acquisitions amounted to 12.0 MSEK (19.9 MSEK). The lower interest expenses are partly due to continued lower average interest rates as well as reduced leverage.

The net income for the quarter amounted to 23.9 MSEK (30.1 MSEK) corresponding to a profit margin of 3.7% (5.0%).

Earnings per share during the first quarter 2025 amounted to 0.15 SEK (0.19 SEK) calculated on a weighted average number of shares, 158,862,839 (158,731,900) as of March 31st, 2025.

Cash flow

Cash flow from operating activities amounted to 96.7 MSEK (70.6 MSEK). During the quarter, the change of working capital was -10.1 MSEK (-42.2 MSEK), primarily explained by an increase in accounts receivable due to higher sales in the last month of the quarter, as well as planned inventory buildup ahead of upcoming product launches.

For acquisition of Summit Veterinary Pharmaceuticals Limited, which was completed on April 1st, 2025, Swedencare utilized its existing RCF with new loan totaling 325 MSEK, which explains the higher cash position at the end of the quarter. On February 4th, Swedencare completed an asset acquisition of Pack Approved. The initial part of purchase price, which was paid at the time of acquisition, amounted to 23.8 MSEK (2.1 MUSD). The second part of purchase price, 1 MUSD (approximately 11.0 MSEK), will be paid during the third quarter of 2025.

Investments in tangible and intangible fixed assets amounted to 12.3 MSEK (8.6 MSEK) during the first quarter, which is less than 2% of net sales.

Interest-bearing liabilities increased by 300 MSEK in preparation of acquisition of Summit, which took place at the beginning of the current quarter. During the period, cash flow amounted to 350.8 MSEK (-25.0 MSEK).

Financial position

Swedencare's equity as of March 31st, 2025 amounted to 7,278.7 MSEK (7,745.5 MSEK), of which 1.6 MSEK (1.6 MSEK) is restricted equity. Swedencare's cash and cash equivalents by March 31st, 2025 amounted to 526.9 MSEK (224.3 MSEK), the group had by the same date interest bearing short- and long-term debts of 1,738.5 MSEK (1,638.8 MSEK). Swedencare's net debt as of March 31st, 2025 amounted to 1,211.6 MSEK (1,414.5 MSEK).

Personnel

Swedencare had as of March 31st, 2025 a total of 587 employees spread over Sweden (21), England (40), Italy (20), France (2), Greece (10), Ireland (24), Spain (4), USA (400) and Canada (66). The gender distribution is 50% women and 50% men. As of March 31st, 2024, Swedencare had a total of 552 employees.

Financing

As of March 31st, 2025, Swedencare's liabilities to credit institutions amounted to 1,543 MSEK. The Group has a Revolving Credit Facility (RCF) of 800 MSEK, of which the utilized amount was 725 MSEK as of March 31st, 2025. The utilized amount is divided into four draws, each maturing at 3-month intervals, and is subject to a floating interest rate (STIBOR + margin) linked to net debt. The weighted average interest rate as of March 31st, 2025, was 3.50%. The RCF extends until September 2026. As of March 31st, 2025 the Group has unused credit facilities of 75 MSEK.

The remaining loans to credit institutions consist of a term-loan of 818 MSEK. The agreement extends until September 2026. The loan bears floating interest rates (STIBOR + margin). The weighted average interest rate as of March 31st, 2025, was 3.83%.

The loans are subject to financial covenants regarding the financial net debt to EBITDA ratio and interest coverage ratio. As of March 31st, 2025, the reported net debt to proforma EBITDA ratio was 2.0 compared to 2.4 as of March 31st, 2024. Swedencare has complied with all covenants set by the bank for all assessments related to borrowing.

Swedencare's sustainability work

For Swedencare, sustainability means that we take long-term responsibility for the environmental, social, and financial impact that our operations have on our planet. We are working to implement a structure that ensures that we reduce our impact as far as possible. Swedencare closely follows the development of sustainability related issues and risks. The risks are identified, managed, and analyzed systematically by management. Our sustainability work is clearly anchored in the global development goals adopted by the UN General Assembly with the aim of achieving a better and more sustainable future for everyone.

We have chosen to focus on the five goals where we, as a producer of health care products for pets, have a direct or indirect impact and which can affect sustainability throughout the entire value chain:



Each Swedencare subsidiary has during the quarter selected a Local Sustainability Champion to drive location specific impactful sustainability efforts. An example of this could include initiating recycling programs and suggesting sustainable changes at the local site.

In Q1 we conducted our company wide employee survey. The survey focuses on employee satisfaction and is an important tool for our ongoing work with social sustainability. The response rate was 79% and results are presented on following pages.

Proud employees – excellent results in this year's survey

eNPS Score **41→44**
2023 2025

Being part of Swedencare means more than just sharing an employer – it also means being part of our world of knowledge. By combining local expertise with global experience, we are building a shared foundation where we grow together. Our latest employee survey confirms the strong culture and positive work environment we have created – a setting where our employees thrive, stay engaged, and see a future within Swedencare.

A global perspective

Our most recent global employee survey, which is held every other year, provided valuable insights into how our employees experience their workplace – highlighting both strengths and areas with room for improvement. 457 employees participated in the survey, out of a total of 579 employees at the time of the survey, representing our various operations around the world and providing a representative picture of Swedencare's current position. The number of participants corresponds to 79% of the total number of employees at the time of the survey, and the corresponding figure for the previous survey, which was in 2023, was 62%.

One encouraging aspect is the balanced gender distribution among respondents, in line with the overall distribution in the group – 51% women and 49% men – which strengthens the reliability of the results and ensures diverse perspectives are represented.

The survey is based on a model that captures four key perspectives: Individual, Team, Manager, and Organization. This allows us to gather insights on personal well-being, day-to-day collaboration, leadership, and the overall experience of the workplace. In doing so, we gain a broad and nuanced understanding of our work environment.

Strong results at group level

We are proud to present continued strong results across all areas – with high average scores in all four categories. This is a clear indication that our work environment is not only of high quality but has also improved in several key areas, despite already strong results in the previous survey.

We are particularly pleased to see that our employees feel positive about the future – the statement "I believe we have a positive future as an organization" received consistently high ratings. This demonstrates a shared confidence in our future and a strong sense of engagement across the organization.

Another insight is that employees not only see how their work contributes to achieving company goals but also find their tasks meaningful. This not only strengthens engagement but also creates a deeper connection to our shared purpose. Feeling involved and knowing your work truly makes a difference is a powerful driver for both motivation and job satisfaction.

High levels of engagement and satisfaction

The results also show a high level of engagement throughout the organization. Our eNPS – Employee Net Promoter Score – landed at 44, which is an increase of 3 points from the previous survey. This is a very strong result, as an eNPS above 20 is generally interpreted as very high, and it reflects both pride and a strong willingness to recommend us as an employer.

Employee satisfaction is following the same positive trend, with a high average score of 4.29 on a scale from 1 to 5 – a level that we have not only maintained but even improved. Together, the results reflect strong unity, pride, and motivation across the organization.

Key factors behind our success

Responses show that our employees value the strong team spirit, collaboration, and support within their teams. Clear communication and opportunities for development are also frequently mentioned. These are strong signs that we are creating a workplace where people feel seen, included, and have room to grow.

Areas to strengthen for continued success

Although the overall results are very positive, we have identified a few areas we want to continue developing – to stay ahead and keep improving. Although these areas scored well, they are slightly lower than the other areas.

For example, we see opportunities to further improve internal communication and to enhance our focus on well-being –

especially when it comes to managing stress-related issues. Another area we want to continue exploring is how we can better meet the needs of our highly skilled employees who are looking for more challenging tasks. The statement "My work tasks are sufficiently challenging for me" received somewhat lower ratings from a portion of respondents, which we see as an opportunity to further develop roles and responsibilities. By offering more advanced tasks and tailored growth opportunities, we aim to maintain engagement and continue nurturing our teams' potential. These are important insights that we will bring with us as we move forward.

Putting employee voices at the center

Employee feedback is essential for shaping Swedencare as an employer. This survey has given us clear direction, and we are determined to turn these insights into concrete actions.

Together, we will continue to build a work environment where our people feel motivated, heard, and inspired – both now and in the future.

Analysis and follow-up are currently underway across our operations, and we look forward to tracking progress and continuing to drive positive development. The employee survey has provided valuable guidance as we work to create an even better workplace. We are grateful for the engagement our employees have shown by sharing their thoughts, and we will use both the positive feedback and suggestions for improvement in our continued efforts.

By embracing the commitment our employees have shown in this survey, we can continue growing as an employer. We want to extend a big thank you to all colleagues who participated – your perspectives are invaluable.

Great Company, Great Products, and Great People!

It would be great to have more consistent and clear communication across departments.

I love the company's values and the positive work environment.

It's a great work environment with opportunities for growth and you can tell people are happy here.

I would highly recommend this company due to its commitment to creating a positive, supportive environment for both employees and customers.

Great company and people to be surrounded by, the communication and the environment is just what a warehouse needs.

The company cares about its employees, and hard work is recognized.

I feel valued here, and my opinions are respected.

Stock

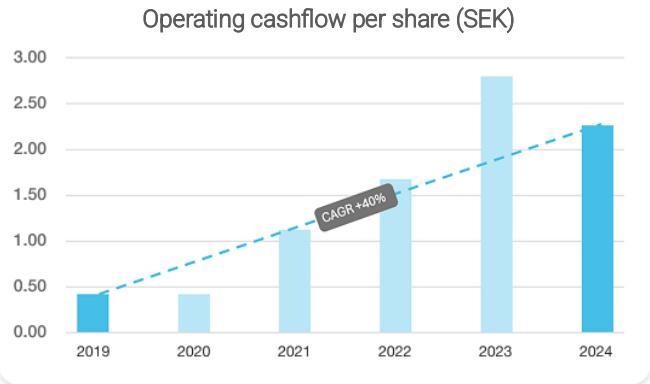
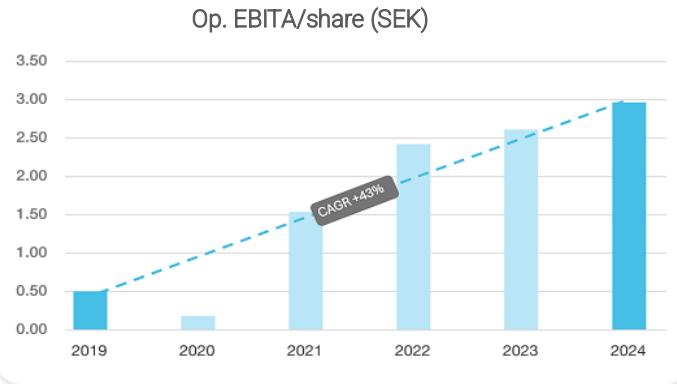
The ten largest shareholders the table summarizes Swedencare's ownership structure as of March 31st, 2025:

	Number of shares	Ownership
Symrise AG	65,285,601	41.1%
Håkan Svanberg & Co Health Care AB	23,077,775	14.5%
JCC Group Invest Sweden AB (Johan Bergdahl through company)	7,526,755	4.7%
Första AP-fonden	6,573,612	4.1%
Mastan AB (Håkan Lagerberg through company)	5,745,666	3.6%
Handelsbanken Fonder	3,831,361	2.4%
SEB Fonder	2,859,822	1.8%
AMF Pension och Fonder	2,767,371	1.7%
Avanza Pension	2,584,544	1.6%
Moneta Asset Management	2,265,995	1.4%
Other	36,344,337	22.9%
Total	158,862,839	100.0%
Free float*	55,307,701	34.8%

Holdings include related parties

*Shares not owned by board members, management, their close related parties, shareholders with more than 10% or which are part of lockup agreement.

	Number of shares	Share price
March 31st, 2025	158,862,839	38.0
March 31st, 2024	158,731,900	63.9
March 31st, 2023	158,731,900	25.5
March 31st, 2022	158,111,805	120.5



Financial overview

Consolidated profit and loss

	Jan - Mar 2025	Jan - Mar 2024	Full year 2024	Rolling 12 mths
Net revenue	641.1	597.4	2,530.2	2,573.9
Other revenue	4.4	1.5	9.7	12.6
Total revenue	645.5	598.9	2,539.9	2,586.5
Cost of sales	-268.5	-260.9	-1,080.4	-1,088.1
Other external costs	-141.4	-111.5	-524.0	-553.8
Personnel costs	-109.2	-95.2	-390.0	-404.0
Other costs	-2.1	-0.7	-4.6	-6.0
Operating profit before depreciation (EBITDA)	124.3	130.6	540.9	534.6
Depreciation and write-downs of tangible fixed assets	-21.1	-19.6	-82.7	-84.2
Operating profit before interest, taxes and amortization (EBITA)	103.2	111.0	458.2	450.4
Amortization of intangible fixed assets	-58.0	-57.2	-233.2	-234.0
Operating profit (EBIT)	45.2	53.7	225.0	216.4
Financial income	4.3	4.5	8.7	7.7
Financial costs	-16.1	-22.5	-82.3	-75.1
Results from shares in associated companies	-0.1	-0.6	-0.9	-0.5
Profit after financial costs	33.2	35.1	150.5	148.5
Net income before tax	33.2	35.1	150.5	148.5
Tax on profit	-11.0	-7.7	-39.1	-42.4
Deferred tax	1.6	2.7	-12.5	-13.5
Net income	23.9	30.1	98.9	92.7
Earnings per share before dilution (SEK)	0.15	0.19	0.62	0.58
Earnings per share after dilution (SEK)	0.15	0.19	0.62	0.58

Consolidated statement of comprehensive income

Net income	23.9	30.1	98.9	92.7
Exchange difference foreign subs.	-777.2	508.6	756.0	-529.8
Total profit	-753.4	538.7	855.0	-437.2

Consolidated balance sheet

	31 Mar 2025	31 Dec 2024	31 Mar 2024
ASSETS			
Non-current assets			
Goodwill	4,012.5	4,336.6	4,221.0
Other intangible assets	3,759.6	4,166.0	4,180.0
Shares in associated companies	0.5	0.6	0.9
Buildings and land	133.0	146.7	147.0
Right of use according to IFRS - Buildings and land	182.2	208.2	209.2
Machinery and other tech assets	132.0	143.8	139.7
Right of use according to IFRS - Machinery and other tech assets	5.8	6.4	5.6
Tools, furniture, and fixtures	8.6	8.4	9.4
Other financial assets	0.8	0.8	0.6
Deferred tax asset	121.2	128.4	108.6
Total non-current assets	8,356.0	9,145.8	9,022.0
Current assets			
Inventory	464.9	475.9	469.8
Accounts receivables	291.3	293.0	278.2
Tax receivables	99.7	117.3	66.8
Other receivables	6.0	6.2	8.2
Prepaid costs and deferred revenue	68.9	91.4	54.8
Cash	526.9	186.8	224.3
Total current assets	1,457.7	1,170.6	1,102.1
TOTAL ASSETS	9,813.7	10,316.4	10,124.1

Consolidated balance sheet – cont.

	31 Mar 2025	31 Dec 2024	31 Mar 2024
EQUITY AND LIABILITIES			
Equity			
Share capital	1.6	1.6	1.6
Share premium	6,216.5	6,216.5	6,209.7
Conversion reserves	757.2	1,525.3	1,277.9
Other equity incl. full year profit	303.5	288.7	256.4
Total equity	7,278.7	8,032.1	7,745.5
Long term liabilities			
Debt to credit institutions	1,542.4	1,241.9	1,416.8
Other interest-bearing liabilities	156.6	180.0	181.8
Deferred tax liability	420.4	455.4	423.3
Debts to employees	4.1	5.0	4.7
Other long-term liabilities	14.3	5.5	5.3
Short term liabilities			
Accounts payable	131.1	112.2	123.5
Tax liabilities	124.7	136.2	85.9
Other interest-bearing liabilities	39.5	43.2	40.2
Other liabilities	33.6	20.0	21.5
Deferred costs and prepaid income	68.2	84.8	75.4
Total liabilities	2,535.0	2,284.3	2,378.5
TOTAL EQUITY AND LIABILITIES	9,813.7	10,316.4	10,124.1

Consolidated change of equity

	Jan - Mar 2025	Jan - Mar 2024	Full year 2024
Beginning balance	8,032.1	7,206.8	7,206.8
New share issued	-	-	6.9
Paid dividend	-	-	-36.5
Total profit	-753.4	538.7	855.0
Ending balance	7,278.7	7,745.5	8,032.1

Consolidated cash flow statement

	Jan - Mar 2025	Jan - Mar 2024	Full year 2024
Operating income before financial costs	45.2	53.7	225.0
Paid interest	-12.5	-20.0	-72.2
Depreciation	79.1	76.9	315.9
Paid tax	-3.6	-1.5	-33.2
Non-cash flow items	-1.3	3.7	-0.3
Operating cash flow before change of working capital	106.8	112.8	435.3
<i>Change in working capital</i>			
Change in inventory	-27.4	-37.2	-25.2
Change of accounts receivable	-27.0	-33.1	-39.3
Change of other receivables	15.6	5.5	-27.8
Change of accounts payable	34.8	31.0	16.3
Change in current liabilities	-6.1	-8.5	-0.2
Operating cash flow	96.7	70.6	359.1
<i>Investment activities</i>			
Acquisitions	-23.8	-53.0	-80.7
Purchases of intangible assets	-1.4	-0.4	-30.5
Purchases of buildings	-1.6	-1.2	-11.2
Purchases of machines	-7.9	-6.8	-25.7
Purchases of tools, furniture, and fixtures	-1.5	-0.2	-3.9
Cash flow from investment activities	-36.2	-61.5	-151.9
<i>Financial activities</i>			
Paid dividend	-	-	-36.5
Loan	350.0	-	-
Amortization on interest-bearing loan	-50.0	-25.0	-200.0
Amortization on lease	-9.7	-9.0	-37.6
Cash flow from financial activities	290.3	-34.0	-274.2
Cash flow for the period	350.8	-25.0	-66.9
Cash balance at beginning of period	186.8	237.3	237.3
Exchange difference in cash	-10.7	12.1	16.4
Cash balance at end of period	526.9	224.3	186.8

Revenue breakdown per segment – Q1

Geographic market	North America		Europe		Production		Group		Change %
	2025	2024	2025	2024	2025	2024	2025	2024	
North America	407.7	390.2	0.0	-	86.7	79.3	494.4	469.5	5%
Europe	1.3	1.0	101.3	90.3	28.9	24.0	131.5	115.4	14%
Rest of the world	4.9	4.5	10.5	8.0	0.0	0.0	15.3	12.5	22%
Total	413.8	395.8	111.7	98.3	115.6	103.3	641.1	597.4	7%

Product areas	North America		Europe		Production		Group		Change %
	2025	2024	2025	2024	2025	2024	2025	2024	
Topicals/Dermatology	59.9	-	11.6	10.9	66.7	58.2	138.1	138.1	0%
Dental	82.8	-	47.8	31.9	3.5	-	134.1	89.0	51%
Treats	19.2	-	0.0	-	-	-	19.2	10.1	90%
Nutraceuticals	238.6	231.0	50.8	52.3	24.0	20.4	313.3	303.7	3%
Pharma	-	-	-	-	21.4	22.7	21.4	22.7	-6%
Other	13.4	-	1.6	3.2	-	0.0	15.0	33.9	-56%
Total	413.8	395.8	111.7	98.3	115.6	103.3	641.1	597.4	7%

Time of revenue recognition	North America		Europe		Production		Group		Change %
	2025	2024	2025	2024	2025	2024	2025	2024	
The performance commitment is met over time	-	-	-	-	86.3	79.1	86.3	79.1	9%
The performance commitment is met a certain time	413.8	395.8	111.7	98.3	29.2	24.2	554.8	518.3	7%
Total	413.8	395.8	111.7	98.3	115.6	103.3	641.1	597.4	7%

Note 1 Operating segment the Group

An operating segment is a part of the Group that conducts activities from which it can generate revenues and incur expenses, with its operating results regularly reviewed by the company's highest executive decision-maker and for which separate financial information is available. The Group's operations are reported by geographical area (North America, Europe) as well as by manufacturing units. The operating segments are reported in a manner consistent with the internal reporting provided to the highest executive decision-maker, who is responsible for resource allocation and monitoring the results of the operating segments. In the Swedencare Group, this function has been identified as the CEO and CFO. The CEO and CFO use the same operating segments in their reporting of the Group's financial performance to the board, confirming that the external and internal reporting are aligned.

The North American operating segment includes seven sales companies in North America.

The European operating segment includes eight sales companies in Europe.

The Production operating segment includes Vetic (Canada, UK and USA), Swedencare Tillverka (USA), and Swedencare Ireland (Ireland).

	North America		Europe		Production		Group-wide functions		Group	
Jan - Mar	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Net revenue external	413.8	395.8	111.7	98.3	115.6	103.3	-	-	641.1	597.4
Net revenue internal, between segments	0.9	2.8	12.9	6.3	46.3	35.3	-60.1	-44.4	-	-
Net sales	414.7	398.5	124.7	104.6	161.8	138.7	-60.1	-44.4	641.1	597.4
Other revenue external	1.8	0.0	1.3	1.3	1.2	0.2	-	-	4.4	1.5
Total revenue	416.5	398.6	126.0	105.9	163.2	138.9	-60.2	-44.4	645.5	598.9
Cost of sales	-187.7	-190.0	-44.3	-34.2	-87.9	-84.7	51.4	48.1	-268.5	-260.9
Other external costs	-94.0	-76.5	-23.7	-17.3	-16.8	-13.4	-6.9	-4.4	-141.4	-111.5
Personnel costs	-60.3	-53.6	-13.4	-12.9	-28.2	-22.6	-7.3	-6.1	-109.2	-95.2
Other costs	0.0	0.0	-0.6	-0.4	0.0	-0.3	-1.4	-	-2.1	-0.7
EBITDA	74.6	78.4	44.0	41.1	30.2	17.9	-24.5	-6.8	124.3	130.6
Depreciation and write-downs of tangible fixed assets	-11.5	-11.1	-1.6	-1.1	-8.0	-7.4	-	-	-21.1	-19.6
EBITA	63.1	67.3	42.3	40.0	22.3	10.5	-24.5	-6.8	103.2	111.0
Amortization of intangible fixed assets	-36.3	-35.5	-6.0	-6.5	-15.5	-15.1	-0.1	-0.1	-58.0	-57.2
EBIT	26.8	31.8	36.3	33.5	6.7	-4.6	-24.7	-7.0	45.2	53.7
Financial costs	-1.0	-1.4	-0.3	0.1	-0.7	-0.8	-9.8	-15.9	-11.9	-18.0
Results from shares in associated companies	-	-0.5	-	-	-	-	-0.1	-0.1	-0.1	-0.6
Profit after financial costs	25.8	29.9	36.0	33.6	6.1	-5.3	-34.6	-23.0	33.2	35.1
Net income before tax	25.8	29.9	36.0	33.6	6.1	-5.3	-34.6	-23.0	33.2	35.1
Tax on profit	-0.1	-0.6	-7.3	-6.0	-3.6	-1.1	-	-	-11.0	-7.7
Deferred tax	-6.3	0.1	1.7	-0.2	4.0	3.8	2.2	-1.0	1.6	2.7
Net income	19.4	29.4	30.4	27.4	6.4	-2.7	-32.4	-24.0	23.9	30.1

Note 2 Acquisitions completed during the year

Swedencare acquires Summit Veterinary Pharmaceuticals Limited, a leader in the UK's thriving Animal Health Specials Market

On April 1st, 2025, Swedencare acquired 100% of the shares in the leading UK-based company, Summit Veterinary Pharmaceuticals Limited ("Summit"). The company provides customized specialty pharmaceuticals for companion animals and had annual revenues of GBP 7.3 million for 2024 calendar year, along with an operational EBITDA of GBP 2.7 million, resulting in an EBITDA margin of 37%.

The initial purchase price is GBP 30 million (approximately SEK 395.4 million) along with a two-year earn-out arrangement. The cash consideration will include GBP 27 million (approximately SEK 355.9 million) drawn from available cash and RCF-credit) and an issue-in-kind of 978,119 shares in Swedencare (approximately SEK 39.5 million) to the seller upon closing. A condition-based purchase price (earn-out) of a maximum GBP 15 million (SEK 197.7 million) may be payable if certain conditions are met by April 1st, 2027.

Summit develops, produces, and sells Animal Health Specials exclusively for veterinary professionals in the UK and Hong Kong. With this strategic acquisition, Swedencare has boosted its presence in the rapidly growing Animal Health Specials market. Summit's strong product portfolio, primarily focused on small animals, has recently expanded into the equine sector. Several new products are set to be introduced in the coming years. Summit's customer base includes over 5,500 veterinary clinics across the UK.

Analysis of the closing balances is ongoing, and therefore no preliminary purchase price allocation has been prepared.



Asset acquisitions

Acquisitions of companies can be classified as either business acquisitions or asset acquisitions, and each acquisition requires an individual assessment. According to IFRS, a business must comprise an integrated set of activities and assets, including at least one input and a significant process that together contribute significantly to the ability to generate output (return). If an acquisition does not generate current output but includes an identifiable asset that can generate output in the future, an organized workforce is required for the acquisition to be classified as a business acquisition. If an acquisition is not assessed as a business, it is reported as an asset acquisition.

A concentration test can be voluntarily applied to determine if an acquisition is an asset acquisition. The test implies that if substantially all of the fair value of the acquired gross assets can be attributed to a single asset or a group of similar assets, the acquisition is classified as an asset acquisition.

Pack Approved

During the first quarter of 2025, Swedencare completed an acquisition classified as an asset acquisition — trademark rights to Pack Approved®, a leading brand and supplier of unique, exotic, and sustainable protein-based health treats for pets. The company primarily sells online (Amazon & Chewy) through PetMD, and the Pack Approved brand represents an additional opportunity within our fast-growing Treats category. These products, made with only one or two ingredients, offer unique protein sources and formats that support our sustainability efforts and enable us to increase our market share within this segment. Pet owners are increasingly demanding high-quality and sustainably produced snacks for their animals, and this expansion allows us to leverage our existing sales channels to offer differentiated solutions to a broader range of customers.

The first part of the purchase price amounted to SEK 23.8 million (USD 2.1 million) and impacted cash flow during the first quarter of 2025. The second part of the purchase price, USD 1 million (approximately SEK 11.0 million), will be paid during the second quarter of 2025. A conditional earn-out of up to USD 1 million (approximately SEK 11.0 million) may be payable if certain conditions are met by February 4th, 2027.



Note 3 Material risks and uncertainties; the group and the parent company

The board and the managing director guarantee that the interim report provides a fair overview of the Company's operations, position, and results. When evaluating Swedencare's future development, it is important to consider risk factors in addition to potential revenue and profit growth. Swedencare's operations are affected by several risks that can have an effect on the company's results and financial position to varying extents. For a description of Swedencare's risks, refer to the management report on pages 61-65 and in note 31 in the annual report for 2024. It is deemed that there have been no significant changes in these risks and uncertainty factors as of March 31st, 2025.

Note 4 Accounting principles

This interim report has been prepared for the Group in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act, and for the parent company in accordance with the Swedish Annual Accounts Act. All amounts in the report are presented in Swedish kronor (SEK) and rounded to the nearest million, unless otherwise stated.

Note 5 Change in accounting estimates

When preparing the financial reports in accordance with IFRS, estimations, judgments, and assumptions are made that affect the application of accounting principles and the amounts reported for assets, liabilities, revenues, and expenses. These estimations and assumptions are based on historical experience and a number of other factors that under current circumstances appear reasonable. Actual outcomes may differ from these estimations and judgments. The areas that involve a high degree of judgment, are complex, or are areas where assumptions and estimations are of significant importance to the financial reports are disclosed in the latest annual report. There have been no material changes in the preparation of the interim report.

Note 6 Transactions with related parties

Transactions with related parties occur within the ordinary course of business and are conducted on commercial terms and at market prices. In addition to the usual transactions between group companies and compensations to management and the board of directors, the following transactions with related parties have taken place during the period from January 1st - March 31st, 2025:

- Purchased services from companies controlled by senior executives for an amount of 0.0 MSEK
- Sold products to companies controlled by senior executives for 0.0 MSEK

Note 7 Fair value

Financial liabilities

Swedencare has two financial liabilities related to contingent considerations in business acquisition and asset acquisition, which is valued at fair value through profit or loss. The contingent consideration is attributable to the acquisition of Axiom Direct and Pack Approved and is based on companies' sales until 2026/2027.

The contingent consideration was valued at fair value at the time of acquisition and was revalued at fair value as of March 31st, 2025. The valuation is based on expected future cash flows, which are discounted using the discount rate. The discount rate (WACC) for the contingent consideration corresponds to the risk-free rate for 10-year US Treasury bonds, which increased from 2.3% at the time of acquisition to 3.8% as of March 31st, 2025. Swedencare's assessment of the fair value of the financial liability related to contingent consideration as of March 31st, 2025, amounts to 14.3 MSEK. The adjustment to fair value is recognized as a financial expense of 0.1 MSEK during the first quarter.

Malmö April 24th, 2025

Håkan Lagerberg
CEO

Håkan Svanberg
Board Chairman

Johan Bergdahl
Board Member

Heinz-Jürgen Bertram
Board member

Sara Brandt
Board Member

Thomas Eklund
Board Member

Jean-Yves Parisot
Board Member

Ulrika Valassi
Board Member

Auditor's review

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

Future reporting schedule

Annual meeting 2025	Half-year report Q2	Interim report Q3	Year-end report Q4
24/4 2025	23/7 2025	22/10 2025	12/2 2026

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Definition of Key Performance Indicators

In this report, Swedencare presents information that the company's management uses to assess the Group's performance. Some of the key figures presented are not defined according to IFRS. The company believes that these measures provide valuable supplementary information to stakeholders and the company's management as they contribute to the evaluation of relevant trends and the company's performance. Since not all companies calculate key figures in the same way, they are not always comparable to measures used by other companies. Therefore, these key figures should not be seen as a substitute for measures defined according to IFRS. ESMA's guidelines on "alternative performance measures" are applied, which means increased disclosure requirements regarding key figures not defined according to IFRS. Below is a reconciliation of the key figures that Swedencare deems relevant according to these guidelines. Margins are calculated as a percentage of net revenue instead of a percentage of total revenue. Therefore, the comparative figures have been adjusted to provide a more accurate picture.

Net revenue The main revenue of the company	EBITA Operating profit before amortization	Interest-bearing net debt Interest-bearing debt including financial leasing minus cash.
Change of revenue (%) Net revenue in relation to the previous corresponding period	EBITA-margin (%) EBITA as a percentage of net revenue	Earnings per share Profit for the period attributable to the parent company's shareholders in relation to the average number of shares (definition according to IFRS)
Gross profit Sales revenue minus cost of sales	EBIT Operating profit	Equity per share Equity in relation to the number of shares at the end of the period
Gross margin (%) Gross profit as a percentage of net revenue	EBIT-marginal (%) EBIT as a percentage of net revenue	Organic growth Change in net sales during the current period, excluding acquisitions and exchange rate effects, in relation to the net sales corresponding period of the previous year. The acquisitions are included in organic net sales after a period of twelve months.
EBITDA Operating profit before depreciation	Solvency (%) Equity (equity and untaxed reserves minus deduction for deferred tax) calculated as a percentage of total assets.	
EBITDA-margin (%) EBITDA as a percentage of net revenue		

Definition of operational Key Performance Indicator

Operational gross profit Gross profit excluding items affecting comparability. The measure is relevant for showing the group's result generated by activities.	Operational EBITDA-margin (%) Op. EBITDA as a percentage of net revenue	Operational EBIT EBIT excluding items affecting comparability. The measure is relevant for showing the group's results generated by operating activities
Operational gross margin (%) Op. Gross profit as a percentage of net revenue	Operational EBITA EBITA excluding items affecting comparability. The measure is relevant for showing the group's results generated by operating activities	Operational EBIT-margin (%) Op. EBIT as a percentage of net revenue.
Operational EBITDA EBITDA excluding items affecting comparability. The measure is relevant for showing the group's results generated by operating activities.	Operational EBITA-margin (%) Op. EBITA as a percentage of net revenue	

Items affecting comparability

Items affecting comparability refer to events and transactions whose profit effects are important to pay attention to when the period's results are compared with previous periods and include items of a one-off nature that are not directly related to the ongoing operations, and which are adjusted due to specific events. Items affecting comparison are a designation for items which excluded shows the group's earnings excluding items which by their nature are not recurring as part of its ongoing operations. In addition, peer comp analysis is facilitated of companies that do not make acquisitions, while analysis and assessment of acquisition objects becomes more clear and transparent then their EBIT contribution coincides with the actual contribution to the group after consolidation. It is also important to note that the effect of the acquisitions is reflected in the group's capital structure and net debt in accordance with accepted accounting rules

Consolidated Key Performance Indicators

	Jan - Mar 2025	Jan - Mar 2024	Full year 2024
Result measures (MSEK)			
Net revenue	641.1	597.4	2,530.2
Total revenue	645.5	598.9	2,539.9
Change of revenue (%)	7.3%	14.2%	8.9%
Gross margin (%)	58.1%	56.3%	57.3%
EBITA	103.2	111.0	458.2
EBITA-margin (%)	16.1%	18.6%	18.1%
EBIT	45.2	53.7	225.0
EBIT-margin (%)	7.0%	9.0%	8.9%
Net income	23.9	30.1	98.9
Net income margin (%)	3.7%	5.0%	3.9%
Share data (SEK)			
Outstanding shares at period close	158,862,839	158,731,900	158,862,839
Average outstanding shares	158,862,839	158,731,900	158,786,637
Earnings per share (SEK)*	0.15	0.19	0.62
Equity per share (SEK)	45.82	48.80	50.56
Other information (MSEK)			
Cash	526.9	224.3	186.8
Interest-bearing net debt	1,211.6	1,414.5	1,278.4
Equity	7,278.7	7,745.5	8,032.1
Balance sheet total	9,806.4	10,124.1	10,316.4
Solvency (%)	74.2%	76.5%	77.9%

* KPI's defined according to IFRS

Consolidated Operational Key Performance Indicators

	Jan - Mar 2025	Jan - Mar 2024	Full year 2024
Net revenue	641.1	597.4	2,530.2
Operational gross profit	372.6	344.4	1,464.9
<i>Operational gross margin (%)</i>	58.1%	57.7%	57.9%
Revaluation of acquisition stock to fair value	-	-5.7	-12.9
Adjustment of provisions due to claims from 2022	-	-2.2	-2.2
Gross profit	372.6	336.5	1,449.7
<i>Gross margin (%)</i>	58.1%	56.3%	57.3%
Operational EBITDA	124.5	138.8	560.7
<i>Operational EBITDA-margin (%)</i>	19.4%	23.2%	22.2%
Merger- and acquisition costs	-0.2	-0.4	-1.6
Revaluation of acquisition stock to fair value	-	-5.7	-12.9
Adjustment of provisions due to claims from 2022	-	-2.2	-5.3
EBITDA	124.3	130.6	540.9
<i>EBITDA margin (%)</i>	19.4%	21.9%	21.4%
Operational EBITA	103.4	119.2	478.0
<i>Operational EBITA-margin (%)</i>	16.1%	20.0%	18.9%
Merger- and acquisition costs	-0.2	-0.4	-1.6
Revaluation of acquisition stock to fair value	-	-5.7	-12.9
Adjustment of provisions due to claims from 2022	-	-2.2	-5.3
EBITA	103.2	111.0	458.2
<i>EBITA margin (%)</i>	16.1%	18.6%	18.1%
Operational EBIT	102.9	118.8	476.4
<i>Operational EBIT-margin (%)</i>	16.0%	19.9%	18.8%
Merger- and acquisition costs	-0.2	-0.4	-1.6
Revaluation of acquisition stock to fair value	-	-5.7	-12.9
Adjustment of provisions due to claims from 2022	-	-2.2	-5.3
Depreciation of acquisition-related intangible assets	-57.5	-56.9	-231.6
EBIT	45.2	53.7	225.0
<i>EBIT margin (%)</i>	7.0%	9.0%	8.9%



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