



SWEDENCARE

Half year report

April - June 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 Annual General Meeting decided 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.

Expanded partnership with Amazon

Summary of the period

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

Second quarter: April 1st - June 30th, 2025

- Net revenue amounted to **646.7 MSEK** (630.5 MSEK), corresponding to an increase of 3% (10%)
- Organic, currency-adjusted growth amounted to **7%** (10%)
- Operational EBITDA amounted to **122.9 MSEK** (140.9 MSEK), corresponding to a decrease of -13%, and an EBITDA-margin of **19.0%** (22.3%). The operational adjustments totaling 32.6 MSEK include M&A costs, costs for the implementation of an ERP system and non-cash flow-impacted evaluation of acquisition stock to fair value
- Operational EBITA amounted to **106.1 MSEK** (119.9 MSEK), corresponding to a decrease of -12% and an EBITA-margin of **16.4%** (19.0%)
- Profit after tax amounted to **-6.9 MSEK** (20.9 MSEK)
- Earnings per share calculated on **159,840,958 shares** (158,731,900 shares) amounted to **-0.04 SEK** (0.13 SEK)
- Cash flow from operating activities amounted to **32.8 MSEK** (81.2 MSEK)
- As of June 30th, 2025, cash amounted to **124.0 MSEK** (170.0 MSEK)

First half year: January 1st - June 30th, 2025

- Net revenue amounted to **1,287.8 MSEK** (1,228.0 MSEK), corresponding to an increase of 5% (12%)
- Organic, currency-adjusted growth amounted to **6%** (11%)
- Operational EBITDA amounted to **247.4 MSEK** (279.7 MSEK), corresponding to a decrease of -12%, and an EBITDA-margin of **19.2%** (22.8%). The operational adjustments totaling 32.8 MSEK include M&A costs, costs for the implementation of an ERP system and non-cash flow-impacted evaluation of acquisition stock to fair value
- Operational EBITA amounted to **209.6 MSEK** (239.1 MSEK), corresponding to a decrease of -12% and an EBITA-margin of **16.3%** (19.5%)
- Profit after tax amounted to **16.9 MSEK** (51.0 MSEK)
- Earnings per share calculated on **159,354,600 shares** (158,731,900 shares) amounted to **0.11 SEK** (0.32 SEK)
- Cash flow from operating activities amounted to **129.6 MSEK** (151.8 MSEK)

Significant events during the second 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.

Significant events after the second quarter

There are no significant events after the end of the second quarter to comment on.

Words from the CEO

The second quarter's net sales of 647 MSEK represented an increase of 3% compared to Q2 2024. Our operational EBITDA margin was 19%, amounting to 123 MSEK. Our organic growth was 7% for the quarter, an improvement compared to the previous quarter but lower than our target of double-digit organic growth.

If the "Big Box retail order" to Walmart, which we previously communicated, had gone through in Q2 as planned, we would have achieved double-digit organic growth; however, it was postponed to early July due to reasons beyond our control. Despite the delay in our order, the actual in-store launch remains on schedule and by the end of July, we will be present in nearly 1,400 stores! During the quarter, we took control of NaturVet's Amazon account, which was previously scheduled for a year-end change. During the quarter we sold our partners remaining inventory which is the main reason for our soft profitability for the quarter. The remaining product inventory is expected to be sold during Q3 and will have some impact on the EBITDA margin, although to a smaller extent than Q2. When summarizing 2025, we expect to achieve double-digit organic growth for the full year and higher profitability compared to 2024.

External environment

Tariff threats, currency fluctuations, and war naturally create uncertainty in the market, and we continue to see some caution among our larger customers in their orders and inventory buildup. Tariffs, as previously described, have a minimal impact on us since our strategy is to maintain local production and supply chains.

With the group's most significant operations in the USA, we experienced a currency impact during the quarter of -8%, which negatively affects our sales; however, the effect on our profit is marginal as we have a natural hedging with majority of costs and revenues in local currency.

The pet industry is stable and resilient, which is why most market experts expect the industry's growth to remain around 5%. We feel confident about a continued stronger market for us, as Online (where we are closest to the end customer) is the channel where we have the strongest growth.



Laszlo Varga, our CCO Europe and Ecom lead, describes below some of our Online activities during the quarter and will also speak about our sustainability strategy at our quarterly presentation.

Segments

Geographically, Europe continues to lead our growth, especially in the Nordics and the UK. The Online and the veterinary channel remain the strongest in the UK, and Online and Pet Retail for the Nordics.

Trading conditions between the UK and the EU improved significantly when the UK removed the requirement for veterinary certificates for products with animal content. This will have a positive impact both on administration and cost structure, especially between Ireland and the UK where we have a large flow. Southern Europe is somewhat weaker, but Italy has reversed the negative trend from Q1 to single-digit growth.

Our new management for the US Vet Channel has implemented a number of organizational changes resulting in both improved collaboration internally between our various brands and increased customer interactions. The latter has already resulted in a significant multi-year customer agreement covering a broad range of newly developed dermatology products for the veterinary channel, which is expected to generate revenue already in the second half of the year and for many years to come.

Pet Retail has been somewhat weaker due to Naturvet's rebranding and inventory optimization at our larger customers and distributors. All of them want to launch the new design as soon as possible but at the same time need to sell out the products with the old design from their inventory first. When the current quarter is over, all our larger customers will have launched and with CVS and Walmart as new customers and expansion with Petsmart, Q3 and beyond is expected to show strong sales development.

Online remains our fastest-growing channel, and that growth is expected to continue even stronger as we have moved NaturVet's Amazon sales in-house during the quarter. We are currently working to implement our proven sales strategies and processes, and we are already seeing an increase in NaturVet sales on Amazon.

In our manufacturing segment, all companies reported growth, except within Pharma, which postponed its largest production project to the second half of the year due to the client's rapidly changing launch plan. We still anticipate strong growth in the Pharma segment moving forward, with both existing and newly signed customers. We have also expanded our product range and can now produce "sterile eye fluids," a niche yet in-demand product group with interest from multiple veterinary

companies. For the other manufacturing companies, growth is single-digit in North America and double-digit in Europe, where "soft chew" demand remains robust.

M&A and outlooks

Our latest acquisition, Summit, has performed well, with solid growth, although slightly lower profitability due to accounting adjustments related to its integration into our group. We have already begun developing soft chews incorporating some of Summit's active ingredients, and we hope to have these approved for launch early next year.

Our focus going forward regarding acquisition discussions will be more focused on new geographies as we see Asia as a very interesting market going forward where both China and India have good prospects for strong growth.

The second half of the year has started strongly across all segments and from now on we will deliver double-digit growth, along with improved margins. I look forward to our upcoming report and thank you for your interest.

I want to conclude by thanking the entire organization, partners, and our shareholders, and I wish you all a pleasant summer.



Håkan Lagerberg
Malmö July 23rd, 2025

Q2 KPI's Swedencare Group



Strong growth and expanded presence in Europe

We have seen double-digit growth for the Europe YTD and see that our strategic investments in digital activities and regional expansion have delivered good results and with encouraging effects across channels. Increased focus and activity in the online segment have significantly enhanced our digital presence and contributed to sales not only online but also in traditional retail. These developments reflect encouraging win-win outcomes and we will continue to build on this momentum through ongoing investments in digital marketing and platform optimization supporting overall growth and further strengthening relationships with both partners and customers.

The launch of NaturVet by Swedencare in Europe has been well received, with steady sales growth in the first months. We plan to expand the product portfolio with derma products, aligning with our strategy to introduce new categories under established brands. Additional marketing activations will follow to strengthen brand awareness and support further market penetration.

Germany has been identified as a strategic growth market and we have initiated targeted investments in local marketing development. Early results are positive, and we will continue to allocate resources to build our presence and expand distribution in this key market.

We are expanding our presence in the veterinary sector through strategic partnerships on several markets. These initiatives include the introduction of vet-specific ranges and are designed to offer differentiated and trusted products tailored to the needs of veterinary professionals with the aim of further strengthening our position in this important channel.

With a strong global portfolio of brands and products, the successful rollout of new product categories, the ongoing transformation of our digital sales capabilities, and an intensified focus on key markets, we are well positioned to continue our growth journey in Europe.

Focus areas:

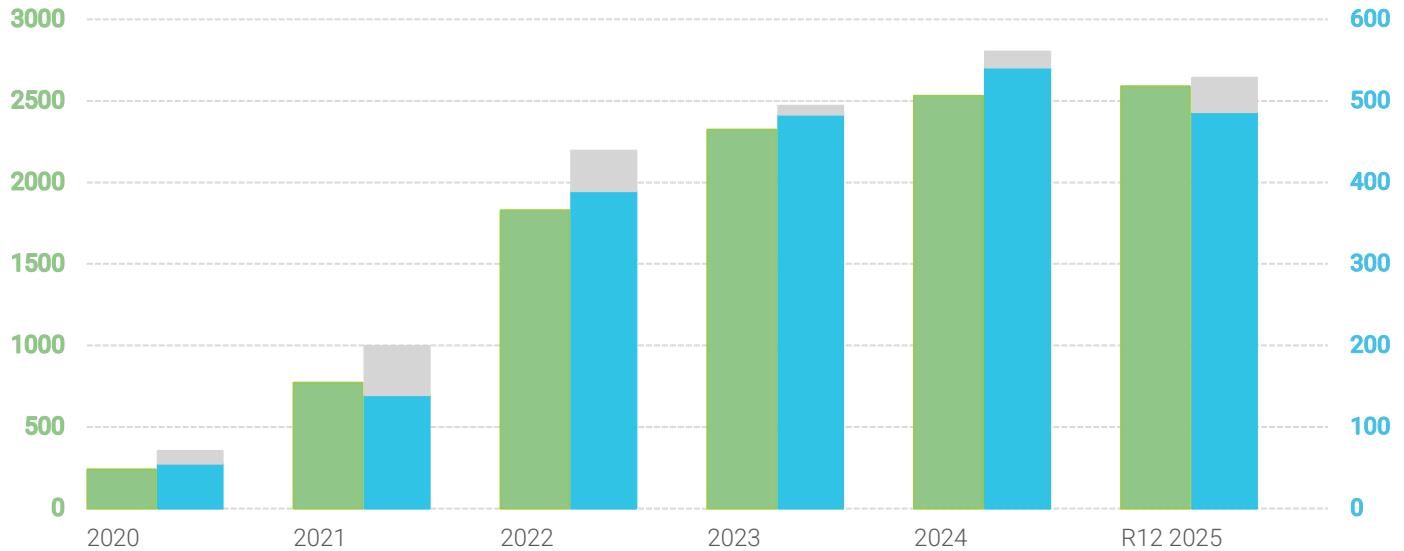
- Continued investments in digital capabilities and activities to drive growth across all channels
- Strategic expansion in key and underdeveloped markets supported by local activation
- Ongoing launch of new products under established brands
- Strategic partnerships in the veterinary sector on select markets



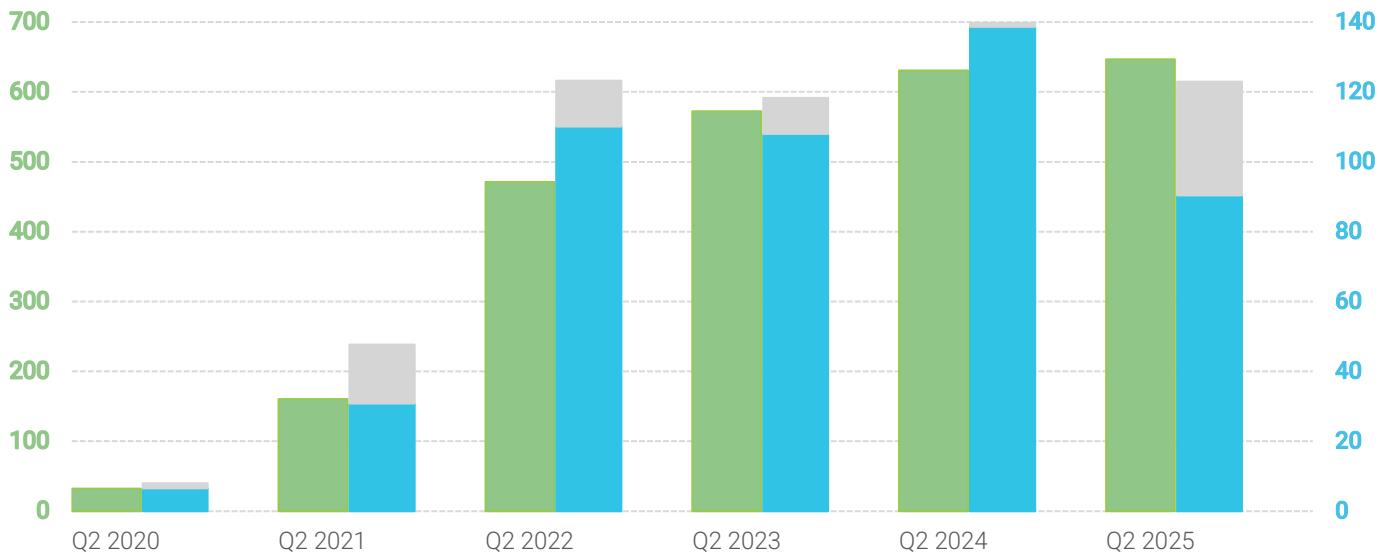
Laszlo Varga
CCO Swedencare Europe

Development 2020 - 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 31-33.

Comments – Financial development

Q2 2025

Net revenue

Net revenue amounted to 646.7 MSEK (630.5 MSEK) which corresponds to an increase of 3% compared to the corresponding period last year. The growth is divided into 7% organic growth and -9% currency impact. Acquired growth amounts to 5%. Summit, which was acquired during the quarter, contributes 25.9 MSEK (4%), and MedVant, acquired in Q3 2024, contributes 4.4 MSEK (1%) of acquired growth in the quarter. NaturVet's Amazon account, which has been managed in-house since April 23rd, contributed 24.1 MSEK.

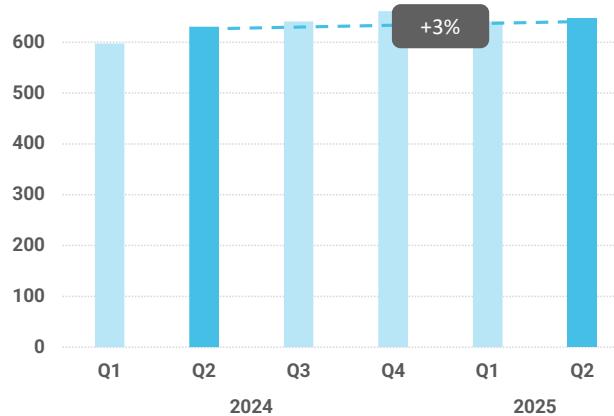
The European segment shows the highest organic growth of 15%. The North American segment has organic growth of 8% and the Production segment shows negative organic growth of -4%.

Segment distribution

North American segment – 60% of total net revenue

Sales of the companies belonging to the North American segment amounted to 389.6 MSEK (396.4 MSEK) a decrease of -2% compared to the corresponding period last year. The growth is divided into 8% organic growth, -11% currency impact and acquired growth amounts to 1%. During the quarter, NaturVet's Amazon account was acquired from our previous collaboration partner which can be read more about in the Words from the CEO. The North American segment's share of revenue has decreased by three percentage point compared to the corresponding period last year (63%) and now represents 60% of the group's total net revenue.

Total net revenue



H1 2025

Net revenue

Net revenue amounted to 1,287.8 MSEK (1,228.0 MSEK) which corresponds to an increase of 5% compared to the corresponding period last year. The growth is divided into 6% organic growth and -4% currency impact. Acquired growth is 3% where Summit represents 2% and MedVant 1%.

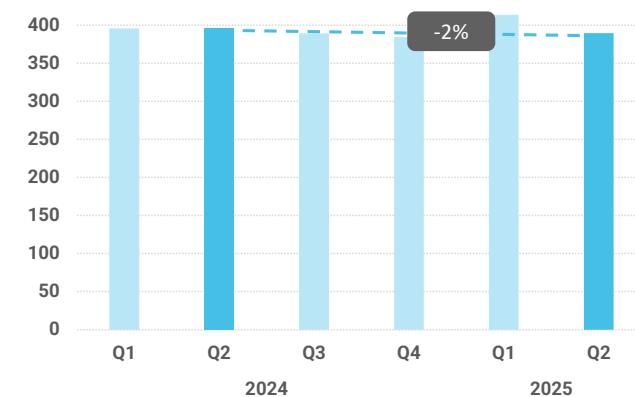
The European segment shows the highest organic growth of 14%. The North American segment has organic growth of 4% and the Production segment shows organic growth of 3%.

Segment distribution

North American segment – 62% of total net revenue

The sales in the companies belonging to the North American segment amounted to 803.4 MSEK (792.1 MSEK) an increase of 1% compared to the corresponding period last year. The growth is divided into 4% organic growth, -4% currency impact and acquired growth amounts to 1%. The weak growth is primarily due to the Big box order that got delayed to H2 at NaturVet, the group's largest company. The segment shows growth of 1%, but its share of total revenue has decreased by three percentage points compared to the same period last year (65%) and now represents 62% of the Group's total net revenue.

North American segment – 60% of total net revenue



Q2 2025

Segment distribution - cont.

European segment – 23% of total net revenue

For the European segment sales amounted to 145.5 MSEK (108.2 MSEK) an increase of 35% compared to the corresponding period last year. The growth is divided into 15% organic growth, -4% currency impact and acquired growth amounts to 24%. The acquired growth is generated by Summit which was acquired during the quarter and contributed with 25.9 MSEK. The UK companies continue to show strong growth, with sales on Amazon growing the fastest as well as the Nordic region with a new record quarter.

With the acquisition of Summit the European segment increase their share of net revenue compared to the corresponding period last year with six percentage points to 23% (17%).

Production segment – 17% of total net revenue

Sales in the production segment amounted to 111.6 MSEK (126.0 MSEK), a decrease of -11% compared to the corresponding period last year. The growth is divided into -4% organic growth and -7% currency impact. All companies within the segment has growth with the exception of Pharma that is affected by a postponement of the largest project from H1 to H2.

The growth in the European segment has led to the production segment's share of revenue decreasing by three percentage points compared to the corresponding period last year and now represents 17% (20%) of the group's total net revenue.

H1 2025

Segment distribution - cont.

European segment – 20% of total net revenue

For the European segment sales amounted to 257.3 MSEK (206.5 MSEK) an increase of 25% compared to the corresponding period last year. The growth is divided into 14% organic growth, -2% currency impact and acquired growth amounts to 13%. The acquisition of Summit and the UK companies are showing strong growth where Amazon UK is the primary growth driver while Nordics have also had two record quarters in 2025.

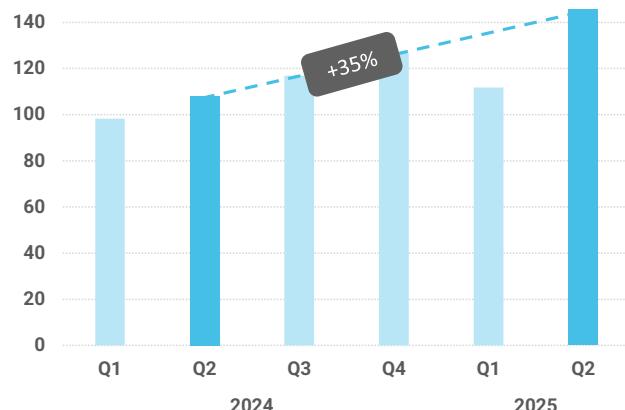
This year's acquisition and growth contributes to the European segment share of net revenue increases compared to the corresponding period last year to 20% (17%).

Production segment – 18% of total net revenue

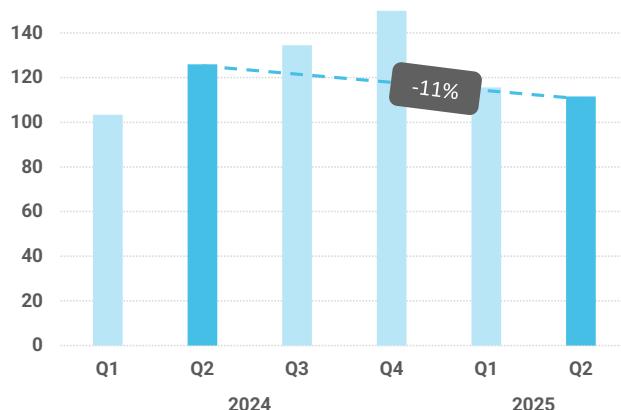
Sales in the production segment amounted to 227.2 MSEK (229.4 MSEK), a decrease of -1% compared to the corresponding period last year. The growth is divided into 3% organic growth and -4% currency impact. The decrease is due to delays in significant Pharma projects from the first half of the year to the current half.

The decline in the segment has led to the production segment's share of revenue decreasing by one percentage point compared to the corresponding period last year and now represents 18% (19%) of the group's total net revenue.

European segment – 23% of total net revenue



Production segment – 17% of total net revenue



Q2 2025

Product and brand distribution

All amounts and product and brand distribution graphs on this page are not adjusted for currency or acquisitions.

Despite a decrease of -8%, continues the product group Nutraceuticals to represent the group's largest product category with 45% (50%) of the group's total net revenue. Both the revenue and the share of the group's net revenue has decreased due to weakened USD currency.

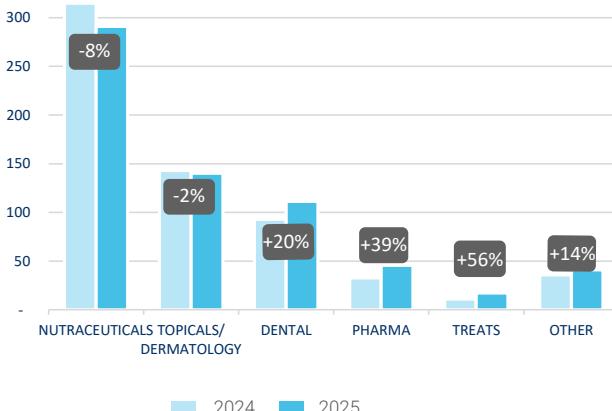
Topicals/Dermatology have decreased with -2% compared to the corresponding period last year due to currency impact. The product category now represent 22% (23%).

The Dental product group, which in addition to ProDen PlaqueOff®, also includes a few other dental products such as toothpaste and dental wipes, has shown a strong growth of 20% and represents 17% (15%) of the group's total net revenue. The main contributors to the increase are ProDen PlaqueOff® Powder and Dental bones. We have also seen positive effects from the successful digital activities and regional expansion, which are described in more detail on page 6 in this report.

Sales of Pharma (product sales, contract development and manufacturing) have increased 39% and now represents 7% (5%) of the group's net sales, which during the quarter is explained by that the revenue from the acquired company, Summit, falls within the Pharma category.

The Treats product group, established with the acquisition of Riley's® Organics in January 2024, continues to show strong growth through new product launches under the brand and demonstrates growth of 56% and represents 3% (2%) of the group's total net revenue.

During Q2 2025 net sales were distributed by product category as shown in the graphic.



H1 2025

Product distribution

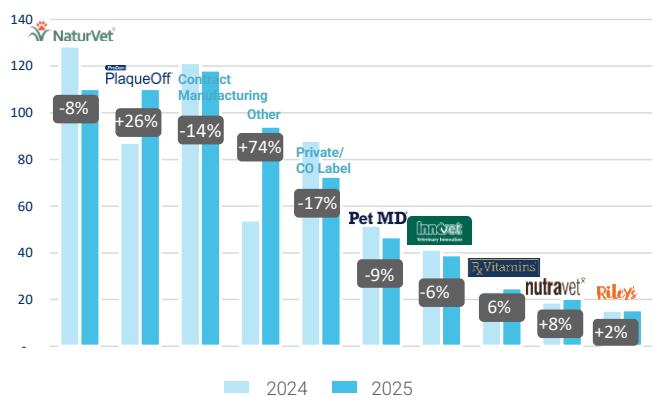
Swedencare has, through the acquisitions, built a broad product portfolio with several strong brands. Nutraceuticals represents the group's largest product category at 47% (50%) and has shown a decrease in growth of -2% compared to the corresponding period last year. The decrease is primarily explained by reduced sales in the North American segment that represent 74% of the revenue in this category.

Topicals/Dermatology has decreased by -1% and represents 23% (24%) of the group's net revenue.

The Dental product group continues to show strong growth during the first half of the year and increases by 27% compared to the previous year. The product group represents 17% (15%) of the group's total net revenue. A reclassification has occurred between the categories in H1. Several subcategories within Dental have shown strong growth with ProDen PlaqueOff® Scoopables, Dental bones and ProDen PlaqueOff® Powder having the largest increases. The large-scale "dental month" campaign in February has received very positive feedback.

The Other product group has increased by 74% compared to the previous year, which is due to the acquired turnover from Summit being categorized as Other. The product group represents 15% (9%) of the group's total net revenue.

During Q2 2025 net sales were distributed by brand as shown in the graphic.



Q2 2025

Profit

The operational gross margin during the second quarter amounted to 58.9% (57.9%), which is the highest since 2022 and at the same time in line with expectations. During the quarter, we have taken control of NaturVet's Amazon account and started to sell our previous partner's existing inventory. This has a slightly negative impact on the gross margin during the quarter as well as the external costs with increased marketing and sales costs linked to Amazon. For the quarter, the move of the account in-house had a negative impact on EBITDA of -7.7 MSEK. During Q3, we expect to sell the rest of the acquired inventory, which will have a smaller negative impact on the gross margin and a positive EBITDA. From Q4, we expect the move of NaturVet's Amazon inventory to have a marginal impact on the gross margin and EBITDA margin.

The external costs amounted to 160.0 MSEK (125.2 MSEK). External costs related to Amazon sales increased by 23.0 MSEK compared to the previous quarter, mainly related to the move of the NaturVet account in-house, special campaigns and strong growth in the channel. Non-operational costs are related to the acquisition of Summit and of implementation costs for a new ERP system. Adjusted for these, external costs amounted to 151.9 MSEK, corresponding to 23% of total net sales, an increase of one percent compared to the previous quarter. External costs not related to Amazon have decreased as a share of net sales compared to previous quarters.

The operational operating profit before amortization of intangible assets (EBITA) amounted to 106.1 MSEK (119.9 MSEK), corresponding to an operational EBITA margin of 16.4% (19.0%). Of the 16.8 MSEK (20.9 MSEK) in depreciation of tangible assets for the quarter, 9.8 MSEK (10.2 MSEK) is attributable to IFRS16 (leased assets).

Exchange rate variations impacted the period's profit with an exchange rate loss of -4.0 MSEK (0.1 MSEK). During the quarter, the interest expenses on loans taken in connection with the acquisitions amounted to 14.6 MSEK (19.1 MSEK). The lower interest costs are due to lower average interest rates, which amounted to 3.15% at the end of the quarter compared to 5.39% at the corresponding date last year.

The net income for the quarter amounted to -6.9 MSEK (20.9 MSEK) corresponding to a net income margin of -1.1% (3.3%).

Earnings per share during the second quarter 2025 amounted to -0.04 SEK (0.13 SEK) calculated on a weighted average number of shares, 159,840,958 (158,731,900) as of June 30th, 2025.

Cash flow

Cash flow from operating activities amounted to 32.8 MSEK (81.2 MSEK). During the quarter, the change of working capital

H1 2025

Profit

The operational gross margin during the first half year amounted to 58.5% (57.8%). The external costs amounts to 301.4 MSEK (236.7 MSEK) equivalent to 23% of total net revenue. Personnel costs amounted to 17% of net sales, compared to 16% in 2024.

The operational operating profit before amortization of intangible assets (EBITA) amounted to 209.6 MSEK (239.1 MSEK), corresponding to an operational EBITA margin of 16.3% (19.5%). Of the 37.9 MSEK (40.6 MSEK) in depreciation of tangible assets for the first six months, 19.9 MSEK (19.7 MSEK) is attributable to IFRS16 (leased assets).

Exchange rate variations impacted the period's profit with an exchange rate loss of -1.5 MSEK (4.5 MSEK). During the first half year, the interest expenses on loans taken in connection with the acquisitions amounted to 26.6 MSEK (39.0 MSEK).

The net income for the period amounted to 16.9 MSEK (51.0 MSEK) corresponding to a net income margin of 1.3% (4.2%).

Earnings per share during the half year 2025 amounted to 0.11 SEK (0.32 SEK) calculated on a weighted average number of shares, 159,354,600 (158,731,900) as of June 30th, 2025.

Cash flow

Cash flow from operating activities amounted to 129.6 MSEK (151.8 MSEK). During the first six months, the change of working capital was -62.7 MSEK (-78.7 MSEK), primarily explained by an increase in accounts receivable as well increased inventory in preparation for upcoming launches.

During the first quarter of the year, Swedencare completed an asset acquisition of Pack Approved. The first part of the purchase price, which was paid at the time of acquisition, amounted to 23.8 MSEK (USD 2.1 MSEK). The second part of the purchase price, 1 MUSD (approximately 11.0 MSEK), will be paid during the third quarter of 2025. During the second quarter of the year, acquisitions were completed of Summit and NaturVet's Amazon account for a total of 428.1 MSEK.

Investments in tangible and intangible fixed assets amounted to 21.8 MSEK (47.6 MSEK) during the second quarter, which is less than 2% of net sales.

Interest-bearing liabilities increased by 450 MSEK increased in connection with acquisitions, while amortizations amounted to 93 MSEK. During the period, cash flow amounted to -46.3 MSEK (-79.0 MSEK).

Q2 2025

Cash flow – cont.

was -52.6 MSEK (-36.4 MSEK), primarily explained by an decrease in accounts payable as well as inventory build-up during the period, which was largely driven by preparations for delivery to Walmart.

During the quarter, Swedencare acquired Summit for 389.3 MSEK. Of the total purchase price, 349.6 MSEK was paid in cash and 39.7 MSEK through a non-cash issue. The asset acquisition of NaturVet's Amazon account amounted to 78.5 MSEK and was financed by utilizing the company's existing RCF. Investments in tangible and intangible fixed assets amounted to 9,4 MSEK (39,1 MSEK) during the second quarter, which is less than 1% of net sales.

During the quarter, the dividend for the 2024 financial year was paid, which negatively affected cash flow by 40.0 MSEK, corresponding to SEK 0.25 per share. A refinancing of the Group's long-term loans to credit institutions was carried out during the quarter. During the period, cash flow amounted to -397.1 MSEK (-54.1 MSEK).

Other financial comments

Financial position

Swedencare's equity as of June 30th, 2025 amounted to 6,922.9 MSEK (7,681.1 MSEK), of which 1.6 MSEK (1.6 MSEK) is restricted equity. Swedencare's cash and cash equivalents by June 30th, 2025 amounted to 124.0 MSEK (170.0 MSEK), the group had by the same date interest bearing short- and long-term debts of 1,809.3 MSEK (1,602.0 MSEK). The group has a cash pool structure for the US companies and has also set up a structure for Europe in 2025, which allows for a lower cash level and thus lower borrowing and lower financing costs. Swedencare's net debt as of June 30th, 2025 amounted to 1,685.2 MSEK (1,432.0 MSEK).

Personnel

Swedencare had as of June 30th, 2025 a total of 620 employees spread over Sweden (19), England (78), Italy (21), France (2), Greece (11), Ireland (25), Spain (4), USA (389) and Canada (71). The gender distribution is 49% women and 51% men. As of June 30th. 2025, Swedencare had a total of 559 employees. The increase during the quarter is attributable to Summit, the company acquired during the quarter, which has a total of 39 employees.

Financing

As of June 30th, 2025, Swedencare's liabilities to credit institutions amounted to 1,600 MSEK. The Group has a Revolving Credit Facility (RCF) of 1,000 MSEK, of which the utilized amount was 800 MSEK as of June 30th, 2025. The utilized amount is divided into three draws, two are maturing at 1-month intervals and one is maturing at 3-month intervals. The loans are subject to a floating interest rate (STIBOR + margin) linked to net debt. The weighted average interest rate as of June 30th, 2025, was 3.15% (5.39%). The loans extends to June 2028 with the possibility of two extension options of one year at a time, which gives a possible final maturity in June 2030. As of June 30th, 2025 the Group has unused credit facilities of 200 MSEK.

During the second quarter of 2025, the long-term debt to credit institutions was refinanced. The financing was previously structured through bilateral agreements with two lenders. The refinancing resulted in a club deal between Skandinaviska Enskilda Banken and Danske Bank, with updated terms compared to the previous agreements.

The loans are subject to financial covenants regarding the financial net debt to EBITDA ratio and interest coverage ratio. As of June 30th, 2025, the reported net debt to proforma EBITDA ratio, both adjusted for IFRS16, was 2.9 compared to 2.4 as of June 30th, 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:



During Q2 we have seen several initiatives from our local sustainability ambassadors. For example, Swedencare Ireland has acquired a cardboard shredder that shreds used cardboard into packing material, which is then used when packing online orders. This gives the cardboard an additional use before being recycled, while also minimizing the purchase of newly produced packing material. Similar initiatives can be seen at Swedencare USA, where cardboard boxes in good enough condition are reused for further deliveries. Swedencare UK has also carried out several sustainability measures, including replacing previous light sources with new, more energy-efficient alternatives.

Several joint initiatives have also been implemented, with companies drawing inspiration from one another. Among these are increased awareness around indoor temperature and AC usage, the introduction of double-sided printing as default, and the implementation of recycling at offices that previously lacked proper recycling systems.

Following the results of our company-wide employee survey earlier this year, each subsidiary has developed an action plan focused on enhancing areas that, although already rated as good or very good, have been identified as opportunities to raise the standard even further. This is part of our ambition of being a best-in-class employer and workplace.

Proven quality – our certifications and approvals

Across the Swedencare Group, we are committed to delivering the highest standards of quality – not only through our internal procedures but also by meeting the requirements of globally recognized certifications and approvals. Several of our production facilities and product lines have obtained third-party certifications that reflect our dedication to excellence, safety, and transparency. These include internationally recognized standards for manufacturing, ingredient quality, and product performance.

In this issue, we highlight a selection of the certifications, quality seals, and endorsements held across the group – each contributing to the well-being of pets and the trust of their owners. Certifications vary across our facilities and reflect the different product types, markets, and regulatory environments we operate within.

NASC – trusted supplements in the U.S.



We are proud to be a member and preferred supplier within the National Animal Supplement Council (NASC) – an organization committed to promoting vigilance, quality, and continuous improvement in the animal health supplement industry. Several of Swedencare's employees and companies have been both founding members and part of NASC's Board. In the U.S., our manufacturing is governed by the regulations of the NASC, which works in collaboration with the Food and Drug Administration (FDA) to promote consistent industry standards.

To qualify for membership, companies must meet strict requirements for quality control, adverse event reporting, and labelling. Members also participate in annually trainings and submit to random independent product testing to verify that label claims are accurate.

The yellow NASC Quality Seal, which appears on several of our products, confirms that they meet these high standards and have passed a third-party audit. It is a trusted symbol among veterinarians, retailers, and pet owners – providing confidence that the product is responsibly manufactured, contains quality ingredients, and delivers what it promises.

VOHC – clinically proven oral health



At the heart of our oral health products lies our proprietary seaweed ingredient, A.N ProDen® – the same natural ingredient that led to the founding of Swedencare. Sustainably sourced and carefully processed to retain its efficacy, this unique ingredient is what enables us to meet the strict standards set by the Veterinary Oral Health Council (VOHC).

The VOHC Seal of Acceptance is awarded to products that have been independently reviewed and proven effective in controlling plaque and/or tartar in pets. To receive the seal, products must undergo rigorous evaluation based on VOHC protocols, including well-designed clinical trials.

Swedencare's ProDen PlaqueOff® range proudly carries the VOHC seal in both plaque and tartar control categories. For pet owners, the VOHC seal represents confidence in a product that is not only high quality, but also proven to make a difference in their pet's oral health.

GMP and cGMP – ensuring consistent quality



Most of our production facilities operate in full compliance with Good Manufacturing Practice (GMP) and current Good Manufacturing Practice (cGMP) standards. These certifications confirm that our products are consistently produced and controlled according to strict quality frameworks – covering everything from raw material sourcing and internal controls to final packaging.



Most of our facilities are registered with and regularly audited by authorities such as the U.S. FDA and Health Canada, and also by third-party organizations like Société Générale de Surveillance (SGS) and Underwriters Laboratories (UL). We comply with applicable regulations for the manufacturing, processing, and handling of dietary supplements, veterinary drugs, and animal food.

Our robust quality management systems support transparency, product safety, and consistency across our operations – enabling us to meet global regulatory requirements and exceed customer expectations.

GMP+ – feed safety from source to shelf



In addition to our supplement-focused certifications, we also hold GMP+ certification for the production and trade of pet food. This certification guarantees that we meet strict standards for feed safety, quality, and traceability throughout the supply chain. Every step, from sourcing ingredients to distribution, is carefully controlled to prevent contamination and ensure full regulatory compliance.

ISO certifications – quality and sustainability in our European production



Within our European production, we apply a robust quality management system and work according to ISO 9001, a globally recognized standard for quality management. Our products are manufactured both in our own facilities and in collaboration with partners certified to ISO 9001 and ISO 14001, ensuring that quality and environmental management are integral parts of the production process.

Through these efforts, we ensure the consistent manufacture and distribution of high-quality, effective nutritional products for small animals and equines. The certifications reflect our commitment to customer satisfaction, regulatory compliance, product safety, and continuous improvement.

Organic certification – traceable seaweed ingredients



We are certified by the Irish Organic Association for the packing, storing, distributing, and exporting of organic seaweed. This certification ensures that the seaweed is handled without synthetic chemicals or GMOs and complies with both national and EU organic regulations. Full traceability is maintained throughout the process, guaranteeing the integrity and natural quality of the ingredient.

Certifications that build trust

Our certifications and regulatory registrations are more than a formality – they provide a foundation of trust. They enable us to approach customers with confidence, knowing that our quality management systems are verified, traceable, and continuously reviewed. Just as importantly, they offer reassurance to pet parents and their animals that we are dedicated to meeting and exceeding the standards that matter most in the pet health industry.

Through this commitment, we empower pet owners to make informed choices, knowing the products they use support the health and well-being of their beloved companions, helping to create a safer and healthier future for pets everywhere.



Stock

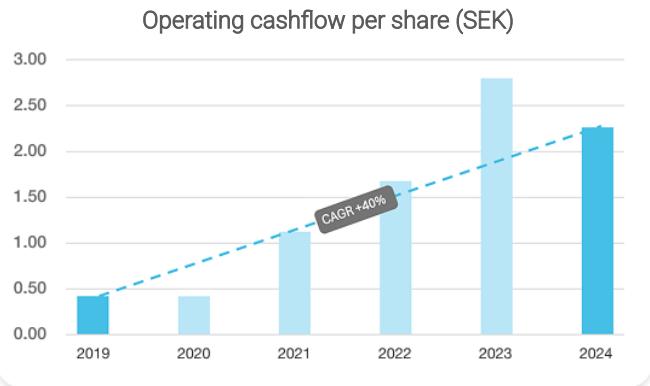
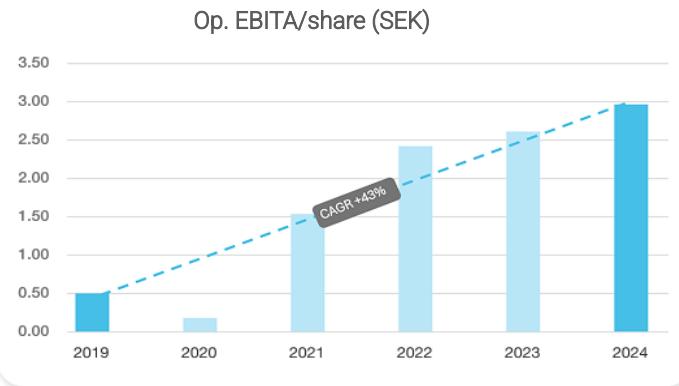
The ten largest shareholders the table summarizes Swedencare's ownership structure as of June 30th, 2025:

	Number of shares	Ownership
Symrise AG	65,285,601	40.8%
Håkan Svanberg & Co Health Care AB	23,090,775	14.4%
JCC Group Invest Sweden AB (Johan Bergdahl through company)	7,526,755	4.7%
Första AP-fonden	6,500,000	4.1%
Mastan AB (Håkan Lagerberg through company)	5,751,516	3.6%
Handelsbanken Fonder	4,231,361	2.6%
Avanza Pension	3,035,777	1.9%
SEB Fonder	2,859,822	1.8%
AMF Pension och Fonder	2,767,371	1.7%
Moneta Asset Management	2,421,829	1.5%
Other	36,370,151	22.8%
Total	159,840,958	100.0%
Free float*	55,314,141	34.6%

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
June 30th, 2025	159,840,958	43.4
June 30th, 2024	158,731,900	59.0
June 30th, 2023	158,731,900	38.0
June 30th, 2022	158,111,805	86.8



Financial overview

Consolidated profit and loss

	Apr - Jun 2025	Apr - Jun 2024	Jan - Jun 2025	Jan - Jun 2024	Full year 2024	Rolling 12 mths
Net revenue	646.7	630.5	1,287.8	1,228.0	2,530.2	2,590.1
Other revenue	2.1	1.9	6.4	3.4	9.7	12.7
Total revenue	648.8	632.5	1,294.3	1,231.4	2,539.9	2,602.8
Cost of sales	-290.4	-267.3	-558.9	-528.2	-1,080.4	-1,111.2
Other external costs	-160.0	-125.2	-301.4	-236.7	-524.0	-588.7
Personnel costs	-106.3	-99.1	-215.5	-194.4	-390.0	-411.1
Other costs	-1.7	-2.2	-3.8	-2.9	-4.6	-5.5
Operating profit before depreciation (EBITDA)	90.4	138.7	214.7	269.3	540.9	486.3
Depreciation and write-downs of tangible fixed assets	-16.8	-20.9	-37.9	-40.6	-82.7	-80.0
Operating profit before interest, taxes and amortization (EBITA)	73.6	117.7	176.8	228.7	458.2	406.3
Amortization of intangible fixed assets	-55.3	-58.8	-113.3	-116.0	-233.2	-230.5
Operating profit (EBIT)	18.3	58.9	63.5	112.7	225.0	175.8
Financial income	1.0	1.7	4.4	6.2	8.7	6.4
Financial costs	-18.9	-21.9	-34.2	-44.4	-82.3	-71.6
Results from shares in associated companies	-0.1	0.0	-0.2	-0.6	-0.9	-0.5
Profit after financial costs	0.3	38.8	33.5	73.9	150.5	110.1
Net income before tax	0.3	38.8	33.5	73.9	150.5	110.1
Tax on profit	-13.0	-10.5	-24.0	-18.2	-39.1	-44.9
Deferred tax	5.7	-7.3	7.4	-4.7	-12.5	-0.4
Net income	-6.9	20.9	16.9	51.0	98.9	64.8
Earnings per share before dilution (SEK)	-0.04	0.13	0.11	0.32	0.62	0.41
Earnings per share after dilution (SEK)	-0.04	0.13	0.11	0.32	0.62	0.41

Consolidated statement of comprehensive income

Net income	-6.9	20.9	16.9	51.0	98.9	64.8
Exchange difference foreign subs.	-348.7	-48.9	-1,126.0	459.7	756.0	-829.7
Total profit	-355.7	-28.0	-1,109.1	510.8	855.0	-764.9

Consolidated balance sheet

	30 Jun 2025	31 Dec 2024	30 Jun 2024
ASSETS			
Non-current assets			
Goodwill	4,035.7	4,336.6	4,197.8
Other intangible assets	3,971.3	4,166.0	4,126.8
Shares in associated companies	0.4	0.6	0.9
Buildings and land	138.6	146.7	144.9
Right of use according to IFRS - Buildings and land	198.6	208.2	219.4
Machinery and other tech assets	129.9	143.8	140.4
Right of use according to IFRS - Machinery and other tech assets	7.2	6.4	7.8
Tools, furniture, and fixtures	12.1	8.4	9.9
Other financial assets	0.8	0.8	0.6
Deferred tax asset	121.6	128.4	112.0
Total non-current assets	8,616.1	9,145.8	8,960.6
Current assets			
Inventory	562.4	475.9	485.0
Accounts receivables	294.4	293.0	287.4
Tax receivables	91.5	117.3	67.9
Other receivables	8.1	6.2	6.3
Prepaid costs and deferred revenue	80.3	91.4	63.7
Cash	124.0	186.8	170.0
Total current assets	1,160.6	1,170.6	1,080.4
TOTAL ASSETS	9,776.7	10,316.4	10,040.9

Consolidated balance sheet – cont.

	30 Jun 2025	31 Dec 2024	30 Jun 2024
EQUITY AND LIABILITIES			
Equity			
Share capital	1.6	1.6	1.6
Share premium	6,256.3	6,216.5	6,209.7
Conversion reserves	408.4	1,525.3	1,229.0
Other equity incl. full year profit	256.6	288.7	240.8
Total equity	6,922.9	8,032.1	7,681.1
Long term liabilities			
Debt to credit institutions	1,595.5	1,241.9	1,367.4
Other interest-bearing liabilities	173.7	180.0	192.9
Deferred tax liability	519.5	455.4	432.4
Debts to employees	4.3	5.0	4.8
Other long-term liabilities	172.1	5.5	5.3
Short term liabilities			
Accounts payable	112.9	112.2	116.7
Tax liabilities	120.6	136.2	94.8
Other interest-bearing liabilities	40.1	43.2	41.6
Other liabilities	35.2	20.0	25.5
Deferred costs and prepaid income	79.8	84.8	78.5
Total liabilities	2,853.8	2,284.3	2,359.9
TOTAL EQUITY AND LIABILITIES	9,776.7	10,316.4	10,040.9

Consolidated change of equity

	Apr - Jun 2025	Apr - Jun 2024	Jan - Jun 2025	Jan - Jun 2024	Full year 2024
Beginning balance	7,278.7	7,745.5	8,032.1	7,206.8	7,206.8
New share issued	39.8	-	39.8	-	6.9
Paid dividend	-40.0	-36.5	-40.0	-36.5	-36.5
Total profit	-355.7	-28.0	-1,109.1	510.8	855.0
Ending balance	6,922.9	7,681.1	6,922.9	7,681.1	8,032.1

Consolidated cash flow statement

	Apr - Jun 2025	Apr - Jun 2024	Jan - Jun 2025	Jan - Jun 2024	Full year 2024
Operating income before financial costs	18.3	58.9	63.5	112.7	225.0
Depreciation	72.0	79.7	151.1	156.6	315.9
Non-cash flow items	20.8	0.2	19.5	3.9	-0.3
Paid interest	-16.8	-19.0	-29.3	-39.0	-72.2
Paid tax	-8.9	-2.2	-12.4	-3.7	-33.2
Operating cash flow before change of working capital	85.5	117.6	192.3	230.4	435.3
<i>Change in working capital</i>					
Change in inventory	-27.4	-20.4	-54.8	-57.6	-25.2
Change of accounts receivable	3.5	-12.0	-23.5	-45.1	-39.3
Change of other receivables	-13.9	-7.3	1.7	-1.7	-27.8
Change of accounts payable	-16.7	-5.1	18.1	25.9	16.3
Change in current liabilities	1.7	8.3	-4.3	-0.2	-0.2
Operating cash flow	32.8	81.2	129.6	151.8	359.1
<i>Investment activities</i>					
Acquisitions	-428.1	-	-451.9	-53.0	-80.7
Purchases of intangible assets	-0.8	-26.7	-2.3	-27.2	-30.5
Purchases of buildings	-2.1	-1.8	-3.7	-3.0	-11.2
Purchases of machines	-5.5	-8.6	-13.5	-15.4	-25.7
Purchases of tools, furniture, and fixtures	-0.9	-1.9	-2.3	-2.1	-3.9
Cash flow from investment activities	-437.4	-39.1	-473.6	-100.6	-151.9
<i>Financial activities</i>					
Paid dividend	-40.0	-36.5	-40.0	-36.5	-36.5
Loan	1,700.0	-	2,050.0	-	-
Amortization on interest-bearing loan	-1,643.0	-50.0	-1,693.0	-75.0	-200.0
Amortization on lease	-9.5	-9.7	-19.2	-18.7	-37.6
Cash flow from financial activities	7.5	-96.2	297.8	-130.2	-274.2
Cash flow for the period	-397.1	-54.1	-46.3	-79.0	-66.9
Cash balance at beginning of period	526.9	224.3	186.8	237.3	237.3
Exchange difference in cash	-5.8	-0.3	-16.5	11.8	16.4
Cash balance at end of period	124.0	170.0	124.0	170.0	186.8

Revenue breakdown per segment – Q2 2025

Geographic market	North America		Europe		Production		Group		Change %
	2025	2024	2025	2024	2025	2024	2025	2024	
North America	384.6	391.1	0.0	-	75.6	93.9	460.2	485.0	-5%
Europe	1.0	0.7	135.5	100.8	35.7	32.1	172.3	133.6	29%
Rest of the world	4.0	4.6	10.0	7.4	0.3	0.0	14.3	12.0	20%
Total	389.6	396.4	145.5	108.2	111.6	126.0	646.7	630.6	3%

Product areas	North America		Europe		Production		Group		Change %
	2025	2024	2025	2024	2025	2024	2025	2024	
Topicals/Dermatology	64.7	65.8	13.9	15.4	61.6	61.9	140.2	143.1	-2%
Dental	55.5	53.3	50.8	38.2	5.2	1.4	111.4	93.0	20%
Treats	17.3	11.1	-	0.0	-	-	17.4	11.1	56%
Nutraceuticals	213.0	232.3	53.0	52.5	25.1	30.0	291.1	314.8	-8%
Pharma	-	-	26.0	-	19.7	32.7	45.6	32.7	39%
Other	39.1	34.0	1.9	2.0	-	0.0	41.0	35.9	14%
Total	389.6	396.4	145.5	108.2	111.6	126.0	646.7	630.5	3%

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	-	-	-	-	76.8	93.9	76.8	93.9	-18%
The performance commitment is met a certain time	413.8	395.8	145.5	108.2	34.9	32.1	570.0	536.6	6%
Total	389.6	396.4	145.5	108.2	111.6	126.0	646.7	630.6	3%

Revenue breakdown per segment – H1 2025

Geographic market	North America		Europe		Production		Group		Change %
	2025	2024	2025	2024	2025	2024	2025	2024	
North America	792.3	781.3	0.0	-	162.3	173.2	954.5	954.5	0%
Europe	2.3	1.8	236.8	191.1	64.7	56.1	303.7	249.0	22%
Rest of the world	8.9	9.1	20.5	15.3	0.3	0.0	29.6	24.5	21%
Total	803.4	792.1	257.3	206.5	227.2	229.4	1,287.8	1,228.0	5%

Product areas	North America		Europe		Production		Group		Change %
	2025	2024	2025	2024	2025	2024	2025	2024	
Topicals/Dermatology	124.5	134.8	25.5	26.3	128.3	120.0	278.3	281.2	-1%
Dental	124.1	108.3	98.6	70.2	8.7	3.5	231.4	181.9	27%
Treats	36.5	21.2	0.0	0.0	-	-	36.5	21.2	72%
Nutraceuticals	451.5	463.3	103.7	104.8	49.1	50.4	604.4	618.5	-2%
Pharma	-	-	26.0	-	41.1	55.4	67.0	55.4	21%
Other	66.7	64.7	3.5	5.2	0.0	0.0	70.2	69.8	1%
Total	803.4	792.1	257.3	206.5	227.2	229.4	1,287.8	1,228.0	5%

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	-	-	-	-	163.2	173.1	163.2	173.1	-6%
The performance commitment is met a certain time	803.4	792.1	257.3	206.5	64.0	56.3	1,124.6	1,054.9	7%
Total	803.4	792.1	257.3	206.5	227.2	229.4	1,287.8	1,228.0	5%

Parent company profit and loss

	Apr - Jun 2025	Apr - Jun 2024	Jan - Jun 2025	Jan - Jun 2024	Full year 2024
Net revenue	22.7	23.1	47.2	39.2	84.1
Other revenue	0.6	1.3	1.6	1.9	11.4
Total revenue	23.4	24.4	48.8	41.1	95.4
Cost of sales	-6.5	-6.9	-13.8	-11.5	-25.1
Other external costs	-8.0	-5.8	-15.2	-10.6	-22.9
Personnel costs	-10.4	-8.9	-18.5	-16.2	-30.5
Other costs	-0.5	-1.4	-2.0	-1.7	-2.6
Operating profit before depreciation (EBITDA)	-2.0	1.4	-0.8	1.2	14.5
Depreciation and write-downs of tangible fixed assets	0.0	0.0	0.0	0.0	0.0
Operating profit before interest, taxes and amortization (EBITA)	-2.0	1.3	-0.8	1.2	14.4
Amortization of intangible fixed assets	-0.2	-0.3	-0.3	-0.5	-1.1
Operating profit (EBIT)	-2.2	1.1	-1.1	0.7	13.4
Financial income	1.1	1.0	1.8	1.8	3.9
Financial costs	-17.9	-20.5	-28.5	-37.3	-71.6
Results from shares in associated companies	29.7	66.1	164.8	193.4	376.1
Profit after financial costs	10.7	47.6	137.1	158.6	321.8
Year-end adjustments	-	-	-	-	2.4
Net income before tax	10.7	47.6	137.1	158.6	324.2
Tax on profit	0.5	-0.9	-0.1	-0.9	-3.3
Net income	11.2	46.7	137.0	157.7	321.0

Parent company balance sheet

	30 Jun 2025	31 Dec 2024	30 Jun 2024
ASSETS			
Non-current assets			
Trademarks and other intangible assets	0.9	1.2	1.8
Tools, furniture and fixtures	0.2	0.1	0.1
Shares in subsidiaries	8,921.2	8,230.9	8,194.5
Shares in associated companies	1.6	1.6	1.6
Total non-current assets	8,923.9	8,233.8	8,198.0
Current assets			
Inventory	9.8	8.0	6.5
Accounts receivables	8.5	10.2	6.3
Tax claims	0.0	-	0.8
Intercompany receivables	77.9	53.6	76.2
Other receivables	0.7	0.3	0.4
Prepaid costs and deferred revenue	3.4	2.9	2.6
Cash	50.6	70.0	34.8
Total current assets	150.9	145.0	127.6
TOTAL ASSETS	9,074.7	8,378.8	8,325.6
EQUITY AND LIABILITIES			
Equity			
Share capital	1.6	1.6	1.6
Share premium	6,256.1	6,216.5	6,209.6
Retained earnings including net income	928.1	831.0	667.8
Total equity	7,185.7	7,049.1	6,879.0
Long term liabilities			
Debt to credit institutions	1,595.5	1,241.9	1,367.4
Other liabilities	195.4	-	-
Short term liabilities			
Accounts payable	2.8	3.6	3.6
Intercompany payables	86.1	67.4	59.4
Tax liabilities	-	2.7	1.3
Other liabilities	1.3	1.4	1.9
Deferred costs and prepaid income	7.9	12.7	13.0
Total liabilities	1,889.0	1,329.7	1,446.5
TOTAL EQUITY AND LIABILITIES	9,074.7	8,378.8	8,325.6

Note 1 Operating segment the Group – Q2 2025

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 nine 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	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Net revenue external	389.6	396.4	145.5	108.2	111.6	126.0	0.00	0.00	646.7	630.5
Net revenue internal, between segments	1.1	0.2	11.7	12.8	42.0	40.6	-54.7	-53.6	-	-
Net sales	390.7	396.5	157.2	121.0	153.6	166.6	-54.7	-53.6	646.7	630.5
Other revenue external	1.6	0.0	0.9	1.6	-0.4	0.2	-	-	2.1	1.9
Total revenue	392.3	396.6	158.1	122.6	153.2	166.9	-54.8	-53.6	648.8	632.5
Cost of sales	-163.0	-179.5	-79.3	-39.7	-83.8	-90.8	35.8	42.7	-290.4	-267.3
Other external costs	-103.5	-85.3	-29.9	-20.9	-14.6	-13.1	-11.9	-5.9	-160.0	-125.2
Personnel costs	-51.6	-54.1	-18.5	-12.4	-26.2	-24.5	-9.9	-8.2	-106.3	-99.1
Other costs	0.0	0.0	-1.2	-1.6	-0.5	-0.5	-	-0.1	-1.7	-2.2
EBITDA	74.1	77.8	29.0	48.2	28.1	37.9	-40.9	-25.2	90.4	138.7
Depreciation and write-downs of tangible fixed assets	-10.4	-11.8	1.1	-1.3	-7.5	-7.8	0.0	0.0	-16.8	-20.9
EBITA	63.8	66.0	30.2	46.9	20.6	30.1	-40.9	-25.2	73.6	117.7
Amortization of intangible fixed assets	-34.2	-36.5	-6.8	-6.6	-14.1	-15.5	-0.1	-0.1	-55.3	-58.8
EBIT	29.5	29.5	23.4	40.2	6.4	14.5	-41.0	-25.3	18.3	58.9
Financial costs	3.9	-1.0	-4.9	0.8	-0.1	-0.4	-16.8	-19.6	-17.9	-20.2
Results from shares in associated companies	-	0.0	-	-	-	-	-0.1	0.0	-0.1	0.0
Profit after financial costs	33.4	28.4	18.5	41.0	6.4	14.2	-57.9	-44.9	0.3	38.8
Net income before tax	33.4	28.4	18.5	41.0	6.4	14.2	-57.9	-44.9	0.3	38.8
Tax on profit	-0.5	-0.7	-9.8	-7.3	-2.6	-2.5	-	-	-13.0	-10.5
Deferred tax	-10.3	-13.7	7.7	-0.3	3.5	3.9	4.8	2.7	5.7	-7.3
Net income	22.6	14.0	16.4	33.5	7.3	15.6	-53.2	-42.2	-6.9	20.9

Note 1 Operating segment the Group – H1 2025

	North America		Europe		Production		Group-wide functions		Group	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Net revenue external	803.4	792.1	257.3	206.5	227.2	229.4	0.0	-	1,287.8	1,228.0
Net revenue internal, between segments	2.0	2.9	24.6	19.1	88.2	75.9	-114.8	-98.0	-	-
Net sales	805.4	795.1	281.9	225.6	315.4	305.3	-114.8	-98.0	1,287.8	1,228.0
Other revenue external	3.4	0.1	2.2	3.0	1.0	0.5	-0.2	-0.1	6.4	3.4
Total revenue	808.8	795.2	284.1	228.6	316.4	305.8	-115.0	-98.1	1,294.3	1,231.4
Cost of sales	-350.7	-369.5	-123.7	-73.9	-171.7	-175.5	87.1	90.7	-558.9	-528.2
Other external costs	-197.5	-161.8	-53.6	-38.2	-31.5	-26.5	-18.8	-10.3	-301.4	-236.7
Personnel costs	-111.8	-107.7	-31.9	-25.3	-54.5	-47.1	-17.3	-14.3	-215.5	-194.4
Other costs	-	-	-1.8	-2.0	-0.5	-0.8	-1.5	-0.1	-3.8	-2.9
EBITDA	148.7	156.2	73.0	89.2	58.3	55.8	-65.4	-32.0	214.7	269.3
Depreciation and write-downs of tangible fixed assets	-21.9	-22.9	-0.5	-2.4	-15.5	-15.2	0.0	0.0	-37.9	-40.6
EBITA	126.9	133.3	72.5	86.8	42.8	40.6	-65.4	-32.0	176.8	228.7
Amortization of intangible fixed assets	-70.6	-72.0	-12.8	-13.1	-29.7	-30.6	-0.3	-0.3	-113.3	-116.0
EBIT	56.3	61.2	59.7	73.7	13.2	10.0	-65.7	-32.3	63.5	112.7
Financial costs	2.8	-2.4	-5.3	0.9	-0.7	-1.2	-26.6	-35.5	-29.8	-38.2
Results from shares in associated companies	-	-0.5	-	-	-	-	-0.2	-0.1	-0.2	-0.6
Profit after financial costs	59.1	58.3	54.5	74.6	12.5	8.8	-92.5	-67.9	33.5	73.9
Net income before tax	59.1	58.3	54.5	74.6	12.5	8.8	-92.5	-67.9	33.5	73.9
Tax on profit	-0.6	-1.3	-17.1	-13.3	-6.3	-3.6	0.0	0.0	-24.0	-18.2
Deferred tax	-16.6	-13.6	9.4	-0.5	7.5	7.7	7.0	1.8	7.4	-4.7
Net income	42.0	43.4	46.8	60.8	13.7	12.9	-85.6	-66.1	16.9	51.0

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 (SEK 389.3 million) along with a two-year earn-out arrangement. The cash consideration include GBP 27 million (SEK 349.6 million) drawn from available cash and RCF-credit and an issue-in-kind of 978,119 shares in Swedencare (SEK 39.7 million) to the seller upon closing. The share price of 40.6 SEK for Summit is calculated based on the weighted average price of the parent company's shares during the last 20 banking days prior to March 21, 2025, and is based on the average GBP/SEK exchange rate for the same period, which was 13.2372. A condition-based purchase price (earn-out) of a maximum GBP 15 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. No part of the recorded goodwill is expected to be deductible for income tax purposes.



	Summit
<i>Acquisition</i>	
<i>Purchase price</i>	
Cash payment for this year's acquisition	349.6
Issue in kind of shares	39.7
Additional purchase price	157.8
Total purchase price	547.1
 <i>Payment for acquisitions:</i>	
Payment for this year's acquisition	349.6
Acquired cash and bank balances	0.0
Issuance costs that are deductible items in equity	0.1
Transaction costs that are included in Net income as Other external costs	4.8
Total paid	354.5
 <i>Contributions from acquired companies</i>	
<i>Contribution from the time when the controlling influence existed</i>	
Total revenue	25.9
Net income	8.3
 <i>Contributions if the acquisitions had been made January 1st, 2025.</i>	
Total revenue	51.5
Net income	11.8
 <i>Acquired assets and liabilities</i>	
Intangible assets	392.2
Tangible assets	17.0
Inventory	57.6
Accounts receivable	14.1
Other current receivables	3.7
Cash	0.0
Total acquired net assets	484.6
 Accounts payable	-3.3
Deferred tax liability	-112.1
Other current assets	-5.3
Total acquired net liabilities	-120.7
Goodwill	183.2
Total	547.1

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.

Acquisition of Amazon account and inventory

During the second quarter of 2025, Swedencare completed an asset acquisition of an established Amazon account and associated inventory from our former partner. The account in question has historically been an important sales channel for several of NaturVet's brands, and the acquisition enables continued growth while maintaining operational stability.

The transition of NaturVet's Amazon sales in-house, originally planned for the end of 2025, was brought forward in order to reduce business risks and ensure sales continuity. The takeover became effective on April 23, 2025.

The total purchase price is lower than the expected annual profit increase from the business, meaning the transaction is expected to contribute positively to both revenue and

profitability during the current fiscal year. By acquiring an existing Amazon account, the risks typically associated with migrating to a new seller account, such as loss of revenue, increased marketing costs, and temporarily reduced visibility in the platform's algorithms are avoided.

The acquisition strengthens our presence on Amazon and lays the foundation for continued growth within our prioritized product categories.



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 23.8 MSEK (2.1 MUSD) and impacted cash flow during the first quarter of 2025. The second part of the purchase price, 1 MUSD (approximately 11.0 MSEK), will be paid during the third quarter of 2025. A conditional earn-out of up to 1 MUSD (approximately 11.0 MSEK) 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 half year 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 June 30th, 2025.

Note 4 Accounting principles

This half year 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 half year 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 - June 30th, 2025:

- Purchased services from companies controlled by senior executives for an amount of 0.2 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 and loss statement. The contingent consideration is attributable to the acquisition of Pack Approved and Summit and is based on companies' sales until 2027. Since the conditions for the Axiom Direct earn-out are no longer deemed to be met, the liability of 5.1 MSEK was reversed during Q2 2025, with a positive impact on results.

The contingent consideration was valued at fair value at the time of acquisition and was revalued at fair value as of June 30th, 2025. The valuation is based on expected future cash flows, which are discounted using the discount rate (WACC). Swedencare's assessment of the fair value of the financial liability related to contingent consideration as of June 30th, 2025, amounts to 172.1 MSEK. The adjustment to fair value is recognized as a financial expense of 4.5 MSEK during the second quarter.

Note 8 incentive programs

Swedencare has two ongoing share-based incentive programs. The purpose of these programs is to support the company's long-term development by aligning employee motivation with the interests of the shareholders. For more information about the programs, see page 45 of the 2024 Annual Report and the minutes from the 2025 Annual General Meeting, available on the company's website.

Malmö July 23rd, 2025

Håkan Lagerberg
CEO

Håkan Svanberg
Board Chairman

Johan Bergdahl
Board Member

Sara Brandt
Board member

Thomas Eklund
Board Member

Isabelle Guiller
Board Member

Jean-Yves Parisot
Board Member

Ulrika Valassi
Board Member

Auditor's review

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

Future reporting schedule

Interim report Q3	Year-end report Q4	Interim report Q1	Half year report Q2
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22/10 2025

12/2 2026

23/4 2026

22/7 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

	Apr - Jun 2025	Apr - Jun 2024	Jan - Jun 2025	Jan - Jun 2024	Full year 2024
Result measures					
Net revenue	646.7	630.5	1,287.8	1,228.0	2,530.2
Total revenue	648.8	632.5	1,294.3	1,231.4	2,539.9
Change of revenue (%)	2.6%	10.2%	4.9%	12.1%	8.9%
Gross margin (%)	55.1%	57.6%	56.6%	57.0%	57.3%
EBITA	73.6	117.7	176.8	228.7	458.2
EBITA-margin (%)	11.4%	18.7%	13.7%	18.6%	18.1%
EBIT	18.3	58.9	63.5	112.7	225.0
EBIT-margin (%)	2.8%	9.4%	4.9%	9.2%	8.9%
Net income	-6.9	20.9	16.9	51.0	98.9
Net income margin (%)	-1.1%	3.3%	1.3%	4.2%	3.9%
Share data (SEK)					
Outstanding shares at period close	159,840,958	158,731,900	159,840,958	158,731,900	158,862,839
Average outstanding shares	159,840,958	158,731,900	159,354,600	158,731,900	158,786,637
Earnings per share (SEK)*	-0.04	0.13	0.11	0.32	0.62
Equity per share (SEK)	43.31	48.39	43.31	48.39	50.56
Other information					
Cash	124.0	170.0	124.0	170.0	186.8
Interest-bearing net debt	1,685.2	1,432.0	1,685.2	1,432.0	1,278.4
Equity	6,922.9	7,681.1	6,922.9	7,681.1	8,032.1
Balance sheet total	9,776.7	10,040.9	9,776.7	10,040.9	10,316.4
Solvency (%)	70.8%	76.5%	70.8%	76.5%	77.9%

* KPI's defined according to IFRS

Consolidated Operational Key Performance Indicators

	Apr - Jun 2025	Apr - Jun 2024	Jan - Jun 2025	Jan - Jun 2024	Full year 2024
Net revenue	646.7	630.5	1,287.8	1,228.0	2,530.2
Operational gross profit	380.7	365.3	753.3	709.7	1,464.9
<i>Operational gross margin (%)</i>	58.9%	57.9%	58.5%	57.8%	57.9%
Revaluation of acquisition stock to fair value	-24.4	-2.0	-24.4	-7.7	-12.9
Other non-operational exceptional items	-	-	-	-2.2	-2.2
Gross profit	356.3	363.3	728.9	699.8	1,449.7
<i>Gross margin (%)</i>	55.1%	57.6%	56.6%	57.0%	57.3%
Operational EBITDA	122.9	140.9	247.4	279.7	560.7
<i>Operational EBITDA-margin (%)</i>	19.0%	22.3%	19.2%	22.8%	22.2%
Merger- and acquisition costs	-5.0	-0.2	-5.2	-0.6	-1.6
Revaluation of acquisition stock to fair value	-24.4	-2.0	-24.4	-7.7	-12.9
Other non-operational exceptional items	-3.1	-	-3.1	-2.2	-5.3
EBITDA	90.4	138.7	214.7	269.3	540.9
<i>EBITDA margin (%)</i>	14.0%	22.0%	16.7%	21.9%	21.4%
Operational EBITA	106.1	119.9	209.6	239.1	478.0
<i>Operational EBITA-margin (%)</i>	16.4%	19.0%	16.3%	19.5%	18.9%
Merger- and acquisition costs	-5.0	-0.2	-5.2	-0.6	-1.6
Revaluation of acquisition stock to fair value	-24.4	-2.0	-24.4	-7.7	-12.9
Other non-operational exceptional items	-3.1	-	-3.1	-2.2	-5.3
EBITA	73.6	117.7	176.8	228.7	458.2
<i>EBITA margin (%)</i>	11.4%	18.7%	13.7%	18.6%	18.1%
Operational EBIT	105.5	119.6	208.4	238.4	476.4
<i>Operational EBIT-margin (%)</i>	16.3%	19.0%	16.2%	19.4%	18.8%
Merger- and acquisition costs	-5.0	-0.2	-5.2	-0.6	-1.6
Revaluation of acquisition stock to fair value	-24.4	-2.0	-24.4	-7.7	-12.9
Other non-operational exceptional items	-3.1	-	-3.1	-2.2	-5.3
Depreciation of acquisition-related intangible assets	-54.7	-58.4	-112.1	-115.3	-231.6
EBIT	18.3	58.9	63.5	112.7	225.0
<i>EBIT margin (%)</i>	2.8%	9.4%	4.9%	9.2%	8.9%







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