

Interim Report April – September 2022

(SEK million)	July – Sep 2022	July – Sep 2021	Apr – Sep 2022	Apr – Sep 2021	Apr – Mar 2022
Net sales	73,3	52,5	119,4	89,1	409,8
Sales growth %	40	117	34	-28	129
Gross margin %	39	31	44	36	23
EBIT	11,9	5,9	19,8	9,0	38,9
EBIT margin %	16	11	17	10	9
Profit for the period	7,5	5,3	14,9	7,8	31,6

A very strong continuation of the year with increased sales and profit

July - September

- Consolidated sales during the second quarter, July to September amounted to SEK 73.3 (52.5) million. Adjusted for non-recurring sales the revenue amounted to 51.2 (34.5) MSEK, an increase of 49%.
- Gross profit amounted to SEK 28.6 (16.3) million for the quarter, an increase of 75%.
- EBIT amounted to SEK 11.9 (5.9) million, an increase of 101%. The operating margin was 16% (11%).
- Earnings per share were SEK 0:26 (0:18) for the quarter.
- Cash flow from operating activities amounted to SEK -18.3 (-3.2) million for the quarter.
- Cash and cash equivalents were SEK 28.3 (8.0) million at the end of the quarter.

April - September

- Consolidated sales during the period April-September amounted to SEK 119.4 (89.1) million. Adjusted for non-recurring sales the revenue amounted to 94.2 (66.1) MSEK, an increase of 42.4%.
- Gross profit for the same period amounted to SEK 52.3 (31.7) million, an increase of 65.0%.
- EBIT for April-September amounted to SEK 19.8 (9.0) million, an increase of 221%. The operating margin was 17% (10%).
- Earnings per share were SEK 0:51 (0:27) for the period.
- Cash flow from operating activities amounted to SEK -12.9 (-18.5) million during April-September.
- Cash and cash equivalents were SEK 28.3 (8.0) million at the end of September.



CEO's comments

Firstly, I would like to welcome the reader to our half-year report! Since this is my first CEO comment, I would like to take the chance to share some of my thoughts regarding EQL and the future, in addition to the normal summary of the quarter.

Second quarter in summary

For the second quarter of 2022/23 our sales amounted to 73,3 (52,5) MSEK. Adjusted for non-recurring items, sales amounted to 51.2 (34.5) MSEK, an increase of 48%.

Operating profit (EBIT) amounted to SEK 11.9 (5.9) million, an increase of 101%. The operating margin was 16% (11%), the positive trend continues. During the quarter we have written down development projects where outlooks have changed negatively, we have also made reservations for higher consulting fees in the coming quarters driven primarily by strategy work together with external parties.

Financial goals

Our long-term financial goals remain intact, but we increase the outlook for the current full year from around 25 percent to north of 30 percent.

Strategic focus of EQL

In my view, there are a few strategic components that stand out as completely crucial for the future growth of

EQL, these are:

- Launching the pipeline products as fast as possible
- Maximize the utility of our assets by launching products in more countries, by ourselves or through partnerships
- Continuously identify and sign new niche generics to be launched in the Nordics and elsewhere to secure long-term growth
- Outlicense and market our strategic key asset Mellozzan
- Be cost-efficient in everything we do
- Continue to curiously explore new business models and potential revenue streams (e.g. as was done with the personal protective equipment (PPE) and the covid tests)

I will keep on coming back to these components and connect my comments about our progress to them.

Products and market

During the quarter we have launched Colecalciferol EQL Pharma (vitamin D3) in Sweden and Norway. The market is about 120 MSEK yearly with three active competitors.

The sales of self-tests for Covid-19 has continued in the second quarter following the increased number of Covid cases mainly in July and August. EQL is and remains well positioned in the market in case the demand remains or increases.

The company conducts an active outlicensing work of its

products mainly in Europe where Mellozzan remains a key product. The first Mellozzan launches through partnerships are expected to take place during the next fiscal year followed by launches in more countries for a number of years. We continue to negotiate with additional licensees in and outside of Europe and hope to close some more license deals during the year.

In September, EQL was named "Best logistics provider within Self-care" by the largest Swedish pharmacy chain Apotek Hjärtat, we are very happy for this award!

Other

The world is currently unstable. So far, we have been able to protect our margins but we keep a watchful eye open for changes in energy, transportation or production costs as well as FX rates and other factors that might influence us.



Axel Schörling
CEO & President

Significant events

During the quarter

Axel Schörling has, in accordance with the plan, started as new CEO in EQL Pharma AB and Martin Kristoffersson is appointed new COO.

Christer Fåhraeus, Founder & CEO, notified the Board in the autumn of 2021 that he intends to transition into a Board position after the Annual General Meeting ("AGM") in August 2022. At that time, the Board appointed Axel Schörling, Deputy CEO, as new CEO after Fåhraeus' resignation following the AGM in August 2022.

After the AGM, Schörling has assumed the position as new CEO in EQL. In connection with this, Martin Kristofferson, previously Director Strategic Sourcing, has been appointed new COO. Christer Fåhraeus, new Chairman of the Board, will remain a dedicated and committed main owner and Chairman of EQL. Anders Månsson, previously chairman, remains on the Board.

EQL Pharma awarded "Best logistics provider within Self-care" by the largest Swedish pharmacy chain Apotek Hjärtat

EQL has been named the best logistics provider of the year in the area self-care by Apotek Hjärtat. The motivation was "During the last year EQL has shown strength, huge will, entrepreneurship and flexibility. We are immensely grateful for the extra nice cooperation that we have had during the year where EQL has secured high quality deliveries of this year's highest runner, COVID tests".

After the quarter

EQL Pharma launches a one-step "Lollipop" antigen self-test for Covid-19 in the Nordics – All in one – one device, one step

EQL Pharma has today started to sell the brand new Alltest Covid-19 antigen self-test of the one-step "Lollipop" model, i.e. a test that, like a lollipop, is held in the mouth for two minutes.

The test is CE marked and sensitive to all known variants of the Covid-19 virus, including Omicron BA.5 which is now the most common variant in Europe.

The launch of the lollipop test is seen as a generation shift in EQL Pharma self-diagnostics product line and EQL is the exclusive supplier of the Alltest device in Sweden, Denmark, Finland, Norway, Germany and Ireland. The test is available in leading pharmacies.

After the quarter, cont.

Bulletin from the extraordinary general meeting in EQL Pharma AB on 26 October 2022

The meeting resolved in accordance with the proposal from the board of directors to implement a long-term incentive program for the company's Chief Operating Officer, based on issue of warrants.

In case all warrants issued in connection with the warrants program are exercised for subscription of new shares, a total of 70,000 new shares will be issued, which corresponds to a dilution of approximately 0.24 per cent of the company's share capital and votes after full dilution, calculated on the number of shares that will be added upon full utilization of all warrants issued under the warrants program.

EQL Pharma launch a combined Covid-19 and influenza A/B antigen self-test

EQL Pharma has, as an exclusive supplier, launched a brand new combined Covid-19 and influenza (A+B) antigen self-test from Alltest.

The self-test has 96,99% sensitivity to Covid-19, 95,77% sensitivity to influenza type A and 94,12% sensitivity to the less common influenza type B.

The test is CE marked and sensitive to all known variants of the Covid-19 virus, including Omicron BA.5 which is now the most common variant in Europe.

EQL Pharma out-license Mellozzan to a leading European pharmaceutical Company for two major Southern European geographies

EQL Pharma has today entered into an exclusive out-licensing agreement with a leading European pharmaceutical company for EQL's proprietary product Mellozzan (melatonin) for two major geographies in Southern Europe. The agreement is in practice without a set time limit and applies to tablets in six different strengths as well as an oral solution. Both formulations are ready to send in for registration in the two countries.

The agreement includes a consideration of few hundred thousand EUR in down payment and regulatory milestones.

Market

EQL Pharma has an aggressive growth strategy driven by the launch of new products in combination with expansion into new markets. Our products are mainly generics to originals that have been marketed in Sweden and the Nordic countries for a very long time.

This means that the markets we come to are generally mature, but also that there are few, if any, generic competitors to our products and that it is unlikely that new ones will emerge.

Marketed products

The definition of "product" is a unique substance and / or formulation. So PenV tablets and oral suspension count as two products, not one. A product can be launched in several countries at the same time with different pack sizes but is still only counted as one product.

During the quarter, Colecalciferol EQL Pharma tablets 800 IU and 2000 IU were launched in Sweden and Norway. Cholecalciferol (vitamin D3) is used to prevent osteoporosis, often along with other treatments. Colecalciferol EQL Pharma has been well received and sales have been good during the quarter.

Geographic markets

Today, we operate directly under our own brand in Sweden, Denmark, Norway and Finland.

In the rest of Europe our products are sold indirectly through partners.

During 2022/2023 and onwards, we will expand our geographical presence in Europe. Depending on the market, this is done through a direct or indirect sales model.

Segment

Today, we only develop and sell prescription drugs in our core business. In that category, there are a few interesting segments. So far, we have mostly invested in (a) the substitutable generics segment in outpatient care. The intention is to broaden the portfolio to include more (b) injection products for inpatient care and (c) unique products / formulations for outpatient care.. The injection products are generally sold through public procurement, while the unique products achieve sales only through specific prescription of our product.

Segments (b) and (c) are new to the company. But they are not new to the company's staff, who have many years of experience in these particular market segments from previous employers.

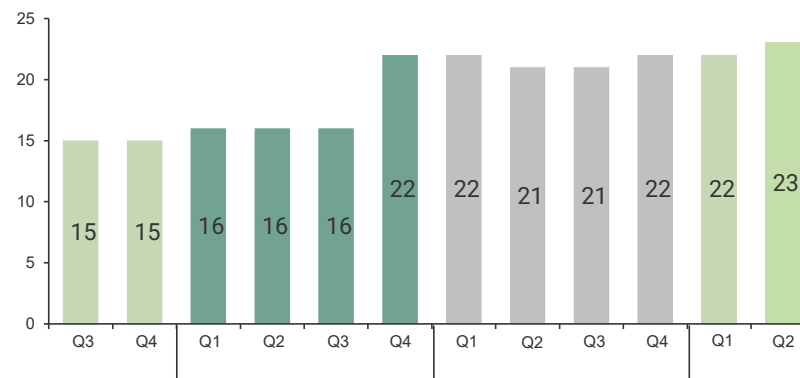


Figure 1. The company's product portfolio, i.e. marketed products, per quarter from fiscal year 2019/20 through the reporting period for the current fiscal year. The Y axis is the number of products marketed.

Product development

Pipeline

EQL Pharma's reporting of the pipeline takes place at a general level and does not include, with the exception of launch phase products, the names of individual products or the products' current or expected market potential. Our goal is to provide better guidance to shareholders without disclosing information to competitors and without our pipeline being interpreted as a financial prospect. The information is updated in connection with the quarterly reports.

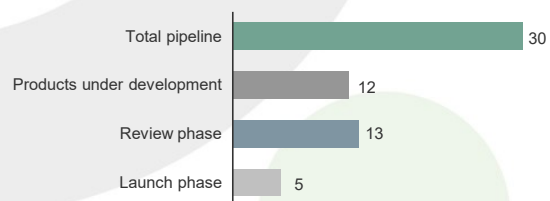


Figure 2. Total pipeline of products and how many products are in Review phase and Launch phase respectively.

Products in the Development phase

Development phase is used here as a general term. In this term all products we actually develop together with partners in, for example, India or the EU are included. But in addition to these products, the term also includes all products on which we have signed licensing or distribution

agreements for one or more geographical markets, although we do not develop the product ourselves.

When a product is fully developed, the application is submitted to the Medicines Agency in the markets where we intend to sell the product. The Agency's then initiate an audit, which generally takes about one year from application to approval. We call this step Review phase. At the end of the quarter, we had 13 products in the review phase.

After approval, when we know that the product is approved, we can place orders for manufacturing and delivery. In parallel with this, we apply for government reimbursement and tenders to the extent that they are available. We call this step the launch phase and usually it takes about six to nine months from approval until the first package is delivered to pharmacies.

Products in the Launch phase

We currently have five products in the launch phase. Ondansetron EQL tablets and Abiraterone Qilu tablets will be launched in Q3 2022/23. Glyronul (glycopyrronium bromide) injection solution is expected to launch in Q4 2022/23. Palonosetron Qilu injection solution and Caloket (ketolac) injection solution are expected to be launched in 2023/24.

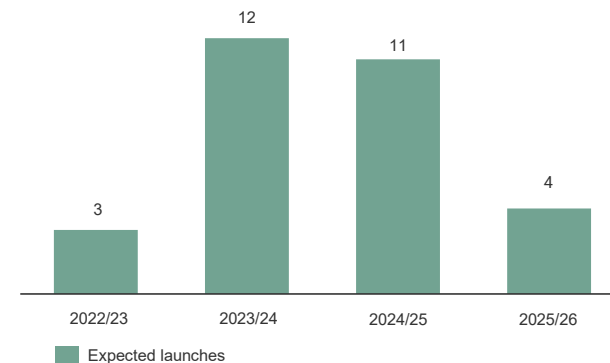


Figure 3. The company's product launches for the current fiscal year and expected product launches up to and including fiscal year 2025/26.

At all stages from the development phase to the launch phase, situations can arise that risk delaying a launch or even making it impossible. Both we at EQL and our well-selected partners do everything we can to prevent these situations from occurring, but there are always risk factors beyond our control. This means that launches can take place both earlier and later than indicated. The table above aims to provide a best guess at a given time.



Financial information

Sales and operating profit

Sales development

For the second quarter of 2022/23 our sales amounted to 51.2 (34.5) MSEK, adjusted for non-recurring sales. This corresponds to a sales growth of 48%. This is higher than the long-term plan. The outlook for the full year 2022/23 sales growth is north of 30 percent. This is a change of the outlook that we gave after Q1 which indicated a sales growth of around 25 percent.

Quarterly net sales and Rolling 12 months (R12)*

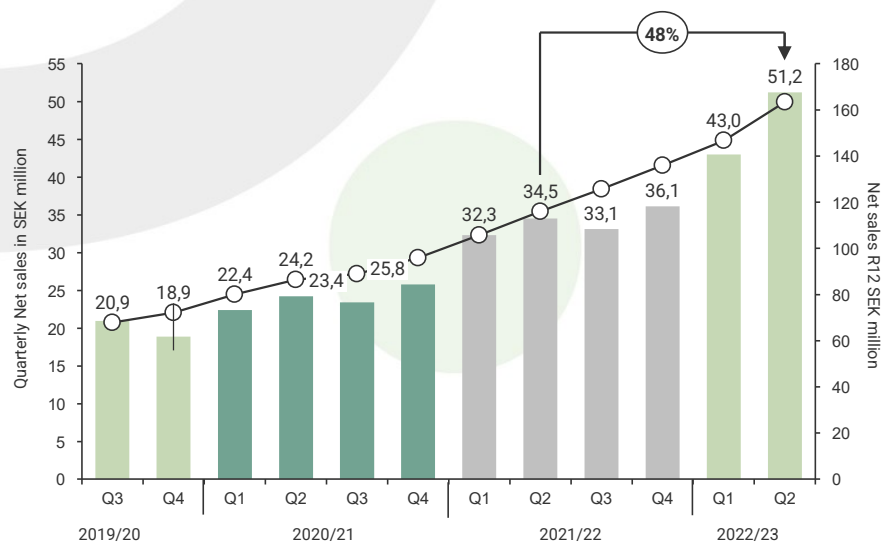


Figure 4. Net sales trend fiscal year 2019/20 through reporting period for the current fiscal year. Left Y-axis quarterly turnover in SEK million. Right Y-axis rolling 12-months sales expressed in SEK million.

* Excluding extraordinary one-time items

Profit performance

Operating profit (EBIT) amounted to SEK 11.9 million (5.9) million, an increase of 101%. The operating margin (EBIT) amounted to 16% (11%). Personnel cost and other external costs have increased compared to the same quarter last year due the larger scope of the operations in the quarter. The operating profit was positively impacted by the sales of Covid-19 tests.

Quarterly EBIT and EBIT Rolling 12 months (R12)

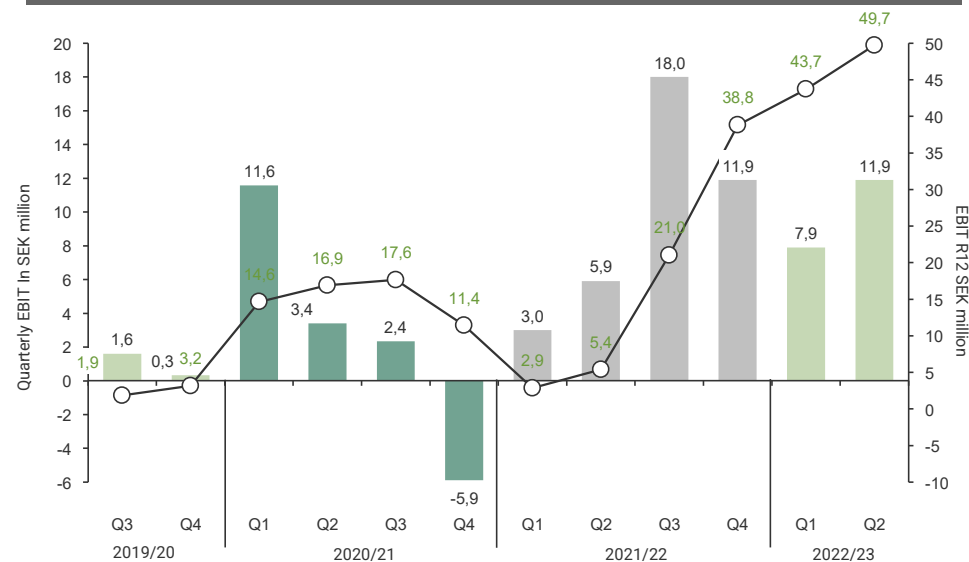


Figure 5. Operating profit trend (EBIT) for fiscal year 2019/20 through the reporting period for the current fiscal year, the bars are EBIT and the line is rolling 12-month EBIT. The left Y-axis EBIT per quarter expressed in SEK million and the right Y-axis is rolling 12-month EBIT expressed in SEK million.

Additional information

Parent company

EQL Pharma AB is the parent company of the EQL Pharma group. Net sales for the Parent Company during the second quarter amounted to SEK 71.8 (50.9) million. Operating profit amounted to SEK 11.5 (5.7) million for the quarter.

Personnel

The number of full-time employees in the group is 14 (11), out of whom 8 (6) are women, at the Swedish parent company.

In addition to the permanent staff, there are long-term consultants with expertise in GMP, pharmacovigilance and wholesale operations tied to the group.

Risk factors

Several risk factors may have a negative impact on the operations of EQL Pharma. It is therefore important to consider the relevant risks alongside the Company's growth opportunities. The following text describes risk factors in no particular order and with no claim to be exhaustive. Delays in launching new products can mean deterioration in earnings for the company and it cannot be excluded that the EQL Pharma in the future may need to raise additional capital. An aggressive investment strategy from competition could pose risks in the form of slower sales and weaker profitability.

Increased competition could lead to negative sales and earnings effects for the Company in the future.

External factors such as inflation, currency and interest rate fluctuations, supply and demand as well as booms and recessions may have an impact on operating costs, selling prices and equity valuations. EQL Pharma's future revenues and valuation of shares may be adversely affected by these factors, which are beyond the Company's control. A large part of the purchases is made in euro whose value can change significantly.

EQL Pharma will continue to develop new products in its field. Time and cost aspects of product development can be difficult to pre-determine with accuracy. This entails the risk that a proposed product is more costly than planned or takes longer than planned.

Additional risks and uncertainties that are not currently known to EQL Pharma may be developed into important factors that affect the Company's operations, results and financial position. For a more detailed list of risks, we refer to EQL's information memorandum of October 29, 2018, pages 4-7.

Legal disclaimer

This financial report includes statements that are forward looking but actual future results may differ materially from

those anticipated. In addition to the factors discussed, the earnings can be affected by delays and difficulties in the various phases of development, such as formulation, stability, preclinical and clinical trials, but also potentially competition, economic conditions, patent protection and the exchange rate and interest rate fluctuations, and political risks.

Upcoming reports 2022

Future reports for 2022/2023 will be published:

Current financial period:	
Interim Report October – December (Q3)	2023-02-14
Year-End Report April – March (Q4)	2023-05-11

Additional information

Accounting policies

EQL Pharma's consolidated accounts are prepared in accordance with International Financial Reporting Standards (IFRS). EQL Pharma's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. For the Group, the same accounting policies as those adopted for this report are described on pages 34-41 of the company's Annual Report for 2021/2022.

Reporting for the Parent follows the Swedish Annual Accounts Act and recommendation RFR 2 of the Swedish Financial Accounting Standards Council ('Reporting for Legal Entities').

Our financial goals

For the current four-year period, from 2020/21 up to and including 2024/25, we aim to grow by 40 percent on average per year. The growth rate refers to sales that are of recurring nature. Furthermore, we aim for the EBIT margin to be more than 25 percent at the end of the period. For the current fiscal year 2022/23, we expect a growth north of 30 percent. This is a change from Q1 when we gave the growth outlook for the year at around 25 percent. Although 30 percent is below the average for the four-year period, we see no reason to change our long-term growth target as the coming years are expected to grow by more than 40 percent on average.

The auditors' review

This interim report has not been audited by the auditor.

Questions regarding interim report

For further information or questions, please contact:

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Board of Directors EQL Pharma

Lund, November 11th, 2022.

Christer Fåhraeus,
Chairman

Anders Månsson,
Member

Per Ollermark,
Member

Linda Neckmar,
Member

Per Svangren,
Member

Rajiv I Modi,
Member

The Group

Consolidated profit and loss statement

All amounts in '000	Jul – Sep 2022	Jul – Sep 2021	Apr – Sep 2022	Apr – Sep 2021	Apr 2021 – Mar 2022
Net sales	73 291	52 549	119 389	89 117	409 753
Cost of goods sold	-44 712	-36 140	-67 106	-57 437	-314 019
Gross profit	28 579	16 319	52 283	31 679	95 734
Gross margin	39%	31%	44%	36%	23%
Sales and marketing expenses	-9 370	-6 602	-19 629	-14 148	-37 275
Administration expenses	-4 117	-2 275	-6 652	-4 580	-10 883
R&D expenses	-3 251	-1 594	-6 406	-4 178	-9 131
Other operating income	58	76	176	190	395
Operating profit	11 899	5 925	19 772	8 963	38 839
Other interest income	0	0	0	0	0
Interest expenses and similar expenses	-582	-575	-1 063	-1 115	-2 874
Profit before tax	11 317	5 350	18 709	7 849	35 965
Tax	-3 858	0	-3 858	0	-4 417
Net profit for the period	7 459	5 350	14 851	7 849	31 549
Other comprehensive income::					
Components not to be reclassified to net profit:					
<i>a) Translation difference</i>					
Translation difference in the group	0	0	-1	-1	-1
Sum of Components to be reclassified to net profit:	0	0	-1	-1	-1
Sum of other comprehensive income:	0	0	-1	-1	-1
Comprehensive result for the period	7 459	5 350	14 851	7 847	31 547

The Group

Per share data

Per share data	Apr – Sep 2022	Apr – Sep 2021	Apr 2021 – Mar 2022
Earnings per share, before and after dilution, SEK */	0,51	0,27	1,09
Equity per share, SEK	8,67	8,65	8,19
Number of shares outstanding	29 063 610	29 063 610	29 063 610
Average number of shares outstanding	29 063 610	29 063 610	29 063 610
Stock exchange rate, SEK	28,6	30,2	31
Dividend per share	0	0	0

* Based on the profit/loss for the period divided by the average number of shares in issue

Quarterly earnings trend

All amounts in '000	Jul – Sep 2022	Jul – Sep 2021	Apr – Jun 2022	Apr – Jun 2021	Apr – Mar 2022
Net sales	73 291	52 459	46 098	37 290	409 753
Sales growth	40%	117%	24%	-63%	129%
Gross profit	28 579	16 319	23 703	15 993	95 734
Gross margin, %	39%	31%	51%	43%	23%
Operating profit	11 899	5 925	7 873	3 038	38 839
Operating margin, %	16%	11%	17%	8%	9%
Net profit	7 459	5 350	7 392	2 499	31 549
Cash flow	-18 307	-3 178	5 429	-15 361	14 620

The Group

Consolidated balance sheet

All amounts in '000	Sep 2022	Sep 2021	March 2022
Intangible assets	112 298	112 330	110 243
Tangible fixed assets	3 490	4 911	4 192
Financial assets	1	1	1
Deferred tax assets	0	296	0
Inventory	44 834	71 165	41 674
Trade receivables	60 032	50 882	34 098
Other receivables	2 887	3 810	6 480
Cash and bank	28 321	8 040	41 199
Total assets	251 863	251 436	237 888
Equity	138 485	99 385	123 626
Long-term debt, interest-bearing	10 670	13 220	14 557
Short-term debt, interest-bearing	869	4 174	948
Short-term debt, non interest-bearing	81 555	109 487	82 782
Trade payables	20 285	25 169	15 975
Total equity and liabilities	251 863	251 436	237 888

Consolidated changes in equity

All amounts in '000	Apr – Sep 2022	Apr – Sep 2021	Apr 2021 – Mar 2022
Balance at beginning of period	56 186	23 780	23 781
Warrants	0	317	857
Profit for the period	14 851	7 849	31 549
Other comprehensive income	7	-2	0
Balance at end of period	71 045	31 944	56 186

The Group

Cash flow

All amounts in '000	Jul – Sep 2022	Jul – Sep 2021	Apr - Sep 2022	Apr – Sep 2021	Apr 2021– mar 2022
Result before taxes	7 459	5 350	14 851	7 849	31 549
Adjustment for items not included in cash flow	6 542	2 537	8 584	2 888	13 021
Taxes	3 858	0	3 858	-55	4 359
Cash flow from operations before changes in working capital	17 859	7 887	27 293	10 682	48 928
Changes in inventory	-2 180	-16 610	-3 160	-28 808	683
Changes in current receivables	-25 187	-17 994	-22 341	-25 804	-11 691
Changes in current liabilities	1 582	31 016	3 082	39 780	3 883
Sum changes in working capital	-25 785	-3 588	-22 419	-14 832	-7 125
Cash flow from operations	-7 926	4 300	4 874	-4 150	41 803
Acquisitions of intangible non-current assets	-2 871	-7 504	-9 936	-14 137	-21 463
Acquisitions of tangible non-current assets	0	0	0	-602	-602
Cash flow from investment activities	-2 871	-7 504	-9 936	-14 740	-22 066
Amortization of loans	-7 200	0	-7 200	0	-5 400
Warrants program	0	317	0	317	857
Translation difference	3	-6	7	-2	0
Leasing debts	0	0	0	602	602
Amortization of leasing debts	-313	-284	-624	-567	-1 177
Cash flow from financing activities	-7 509	27	-7 816	351	-5 118
Total cash flow during period	-18 307	-3 178	-12 878	-18 539	14 620
Cash / cash equivalents at beginning of period	46 628	11 218	41 199	26 579	26 579
Cash / cash equivalents at end of period	28 321	8 040	28 321	8 040	41 199

Parent company

Profit and loss statement

All amounts in i '000	Jul – sep 2022	Jul – sep 2021	Apr – sep 2022	Apr – sep 2021	Apr – Mar 2022
Net sales	71 821	50 877	116 902	86 538	406 049
Cost of goods sold	-43 969	-35 033	-65 750	-55 945	-311 513
Gross profit	27 853	15 844	51 151	30 593	94 536
Gross margin	39%	31%	44%	35%	23%
Sales and marketing expenses	-9 056	-6 430	-19 010	-13 864	-36 602
Administration expenses	-4 098	-2 241	-6 611	-4 511	-10 777
R&D expenses	-3 257	-1 569	-6 418	-4 103	-9 057
Other operating income	58	76	176	190	395
Operating profit	11 500	5 679	19 289	8 304	38 496
Other interest income	0	0	0	0	0
Interest expenses and similar expenses	-560	-575	-1 021	-1 115	-2 874
Profit before tax	10 940	5 104	18 269	7 190	35 622
Appropriations	0	0		0	-19 680
Tax	0	0	0	0	0
Net profit for the period	10 940	5 104	18 269	7 190	15 942

Parent company

Balance sheet

All amounts in '000	September 2022	September 2021	March 2022
Intangible assets	112 013	112 023	109 958
Tangible fixed assets	38	4 912	4 192
Financial assets	391	391	391
Inventory	43 787	70 292	40 238
Trade receivables	59 329	49 434	33 742
Other receivables	4 952	4 762	7 817
Cash and bank	26 372	7 481	40 448
Total assets	246 882	249 295	236 787
Equity	125 592	97 895	107 187
Long-term debt, interest-bearing	0	13 220	10 437
Short-term debt, interest-bearing	0	4 174	948
Short-term debt, non interest-bearing	81 315	109 041	82 657
Appropriations	20 000	0	20 000
Trade payables	19 974	24 965	15 558
Total equity and liabilities	246 882	249 295	236 787

Notes

Note 1 Accounting policies

The Group applies International Financial Reporting Standards (IFRS), as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Annual Accounts Act and the Nasdaq Stockholm Rule Book for Issuers. Disclosures in accordance with IAS 34 p. 16A appear not only in the financial statements and their accompanying notes but also in other parts of the interim report. The parent company applies the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2 Accounting for Legal Entities.

Note 2 Segment reporting

EQL Pharma's operations only comprise one operating segment; generics for prescription pharmacy sales and hospital sales, and therefore reference is made to the income statement and balance sheet regarding operating segment reporting.

Note 3 Allocation of sales

Net sales dividend in geographical markets.

	Jul – Sep 2022			Jul – Sep 2021		
	Pharmaceuticals	Non-recurring	Other	Pharmaceuticals	Non-recurring	Other
All amounts in '000						
Skandinavia	51 182	22 109	0	34 459	18 000	0
Other Europe	0	0	0	0	0	0
Total	51 182	22 109	0	34 459	18 000	0

	Apr – Sep 2022			Apr – Sep 2021		
	Pharmaceuticals	Non-recurring	Other	Pharmaceuticals	Non-recurring	Other
All amounts in '000						
Skandinavia	94 172	25 217	0	66 117	23 000	0
Other Europe	0	0	0	0	0	0
Total	94 172	25 217	0	66 117	23 000	0

Note 4 Tangible fixed assets

All amounts in '000	2022-09-30	2021-09-30
Right of use assets		
Land and buildings	2 616	3 691
Inventories	837	1 084
Total right of use assets	3 452	4 774

Tangible fixed assets that are not right of use assets

Land and buildings	0	0
Inventories	38	138
Total tangible fixed assets that are not right of use asstes	38	138

The tangible fixed assets amounted to SEK 3.5 million on the balance sheet date. The majority of the right of use assets consists of leases for office premises. For all leases for which the Group is lessee (which are not short-term leases or low value assets), the Group recognizes a right of use asset and a corresponding lease liability.

When valuating the right of use asset, the acquisition method is used, i.e the right of use asset is calculated at acquisition cost, adjusted for any revaluation of the lease liability less depreciation. The right of use asset is reported as a tangible fixed asset, while leasing liability is reported separately in the Group's statement of financial position as long-term debt, interest-bearing and short-term debt, interest-bearing.

Reconciliation tables KPIs, non-IFRS measures

The company presents certain financial measures in the interim report which are not defined according to IFRS. The company considers these measures to provide valuable supplementary information for investors and the company's management as they enable the assessment of relevant trends. EQL Pharma's definitions of these measures may differ from other companies' definitions of the same terms. These financial measures should therefore be seen as a supplement rather than as a replacement for measures defined according to IFRS. Definitions of measures which are not defined according to IFRS and which are not mentioned elsewhere in the interim report are presented below. Reconciliation of these measures is shown in the tables below.

Key performance indicators not defined according to IFRS

Key performance indicators	Definition
Sales growth	Net sales divided by net sales corresponding to the period last year.
Gross profit	Net sales less cost of goods sold.
Gross margin	Gross profit as a percentage of net sales.
Operating profit (EBIT).	Earnings before interest and tax
Operating margin (EBIT), %.	Operating profit (EBIT) as a percentage of net sales for the period.
Shareholders' equity per share	Shareholders' equity attributable to Parent Company shareholders divided by the number of outstanding shares at the end of the period.
Equity/assets ratio	Shareholders' equity including non-controlling interests as a percentage of total assets.

Sales growth		Jul - Sep 2022	Jul - Sep 2021	Apr - Sep 2022	Apr - Sep 2021	Apr - Mar 2022
A	Net sales current period, KSEK	73 291	52 459	119 389	89 117	409 753
B	Net sales last period, KSEK	52 459	24 221	89 117	123 726	179 141
(A-B)/B	Sales growth, %	40%	117%	34%	-28%	129%
Gross profit / Gross margin		Jul - Sep 2022	Jul - Sep 2021	Apr - Sep 2022	Apr - Sep 2021	Apr - Mar 2022
A	Net sales, KSEK	73 291	52 459	119 389	89 117	409 753
B	Cost of goods sold, KSEK	-44 712	-36 140	-67 106	-57 437	-314 019
A-B	Gross profit, KSEK	28 579	16 319	52 283	31 679	95 734
(A-B)/A	Gross margin, %	39%	31%	44%	36%	23%

Reconciliation tables KPIs, non-IFRS measures, cont.

Operating profit / Operating margin		Jul - Sep 2022	Jul - Sep 2021	Apr - Sep 2022	Apr - Sep 2021	Apr - Mar 2022
A	Net sales, KSEK	11 899	5 925	19 772	8 963	38 839
B	Operating profit, KSEK	73 291	52 459	119 389	89 117	409 753
A/B	Operating margin, %	16%	11%	17%	10%	9%
Shareholders' equity per share		Jul - Sep 2022	Jul - Sep 2021	Apr - Sep 2022	Apr - Sep 2021	Apr - Mar 2022
A	Profit/loss for the period, KSEK	7 459	5 350	14 851	7 849	31 549
B	Number of shares	134 754	96 552	131 056	95 303	107 424
A/B	Net earnings per share, %	6%	6%	11%	8%	29%
Equity-asset ratio		Jul - Sep 2022	Jul - Sep 2021	Apr - Sep 2022	Apr - Sep 2021	Apr - Mar 2022
A	Equity, KSEK	138 485	99 385	138 485	99 385	123 626
B	Balance sheet total, KSEK	251 863	251 436	251 863	251 436	237 888
A/B	Equity ratio, %	55%	40%	55%	40%	52%