

A hand in a pink sleeve holds a pink cardboard box with the MEDS logo. Below it is a stack of three more similar boxes. The background is a solid pink color.

# Annual Report 2025

This document is a translated version of MEDS Apotek AB's 2025 Annual Report (Swedish: Årsredovisning) and has been prepared for translation purposes only and is not submitted to the Swedish Companies Registration Office (Swedish: Bolagsverket).

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## MEDS in brief

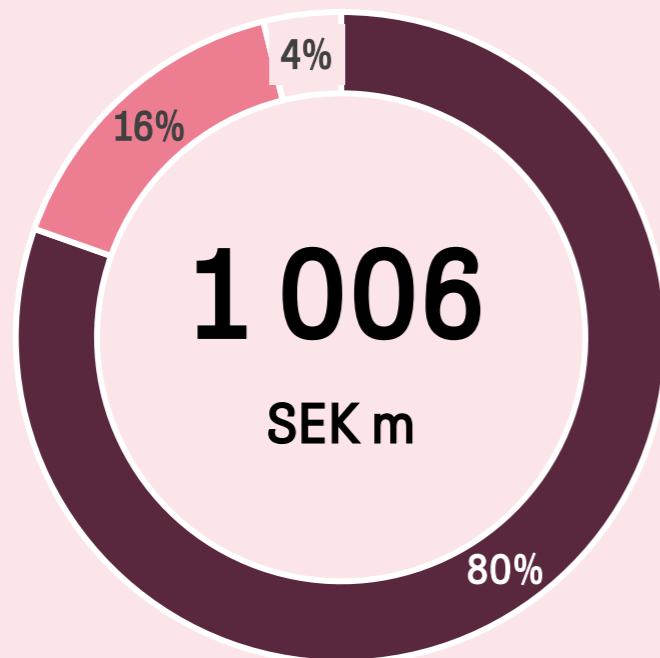
MEDS Apotek is a full-scale online pharmacy operating in the Swedish outpatient market. The company was founded in 2017 and launched in March 2018 with the vision of offering products and advice within health and wellbeing - whenever and wherever the customer needs them. Today, MEDS offers an assortment of approximately 40,000 articles, including prescription medicines, over-the-counter (OTC) medicines and a broad selection of traded goods such as beauty products, dietary supplements, baby products, fitness products, food and beverages, and home and household products.




MEDS is a pure-play online pharmacy without physical stores. This means that customers throughout Sweden - regardless of where they live - can access a product range that is on average 30 percent cheaper than in physical pharmacies, with fast and reliable home delivery and access to qualified pharmaceutical advice. On 23 September 2025, MEDS Apotek AB was listed on Nasdaq First North Premier Growth Market. The share is traded under the ticker MEDS and ISIN code SE0018014110.



## MEDS in figures

### Net sales and segment split, 2025



-  OTC and traded goods
-  Prescription medicines
-  Other

Active customers  
**1 030 000**

Number of products  
**~40 000**

Nets sales growth  
**+21,4%**

Gross margin  
**28%**

Employees  
**54**

Revenue per employee  
**SEK 19m**

## MEDS history

- 2017** MEDS Apotek is founded by Adham Shawwaf, Joanna Elmes and Björn Thorngren. During the autumn, the IT system is developed, and the company obtains the necessary permits.
- 2018** MEDS.se is launched in March.
- 2019** The warehouse space is doubled, and the number of products increases significantly.
- 2020** MEDS Apotek's iOS app is launched. Full warehouse capacity is reached during the fourth quarter, with an impact on growth and efficiency.
- 2021** The company moves to a new logistics centre with four times the floor area.  
MEDS Apotek launches its own brand products.
- 2022** Automation of warehouse operations. Launch of a new e-commerce platform.
- 2023** The marketing and purchasing departments are merged into a single commercial team.
- 2024** MEDS Apotek transitions its logistics personnel to an external staffing company.
- 2025** MEDS Apotek is listed on Nasdaq First North Premier Growth Market in September.



## MEDS Vision & Mission

### VISION

To offer products and advice within health and wellbeing, whenever and wherever the customer needs them.

### MISSION

MEDS Apotek's mission is to be its customers' favourite pharmacy with engaged employees, which enables the company to continue to grow profitably towards multi-billion SEK net sales.



## CEO statement

### PROFITABLE GROWTH IS OUR STRATEGY

2025 was the year in which MEDS delivered on the promise made when the company was founded in 2018: to build a profitable billion-SEK company. With 21.4 percent growth and an EBIT margin of 1.5 percent, we took market share profitably – an unusual combination in the online pharmacy industry. In September, we were listed on Nasdaq First North Growth Market, a step that gives us access to the capital market and strengthened the balance sheet.

### SCALABILITY IN PRACTICE

The number of orders increased by 22 percent during 2025, while fixed costs increased by 7 percent. This is no coincidence – it is the result of deliberate investments in technology, logistics and organisation over several years. We generate close to SEK 20 million in revenue per employee and convert more than half of gross profit growth into EBIT.

The scalability we have built means that every additional order is profitable and that profitability improves with volume. This is possible because we have built a large portion of our business-critical IT systems ourselves. This delivers speed, operational reliability and a low-cost base that is difficult to copy. Combined with an automated logistics centre, we can meet high customer expectations without

increasing the cost per order. With such a high revenue per employee, it is important that we have the best and most engaged employees. I am very proud of what our employees achieve every day in tough competition with larger organisations.

### PRESCRIPTION MEDICINES: MARKET LEADER IN THE FASTEST-GROWING SEGMENT

Prescription medicines are the fastest-growing segment of the online pharmacy market – with market growth of approximately 25 percent during 2025, compared with 12 percent for OTC and traded goods. MEDS' prescription sales increased by 47 percent. This is not just a growth figure – it reflects the fact that we are increasingly the natural starting point even for prescription medicines, which account for 73 percent of the total outpatient market of SEK 68 billion.

The pharmacy market differs from other retail in an important way: demand is driven by need, not by consumer desire. This provides stability in an economic climate where households are selective. High regulatory requirements and technical barriers to entry also keep the competitive landscape stable.

### CAPACITY FOR THE NEXT PHASE

Our existing logistics facility is beginning to reach its capacity limit as volumes grow. The successful commissioning of our new logistics centre, planned for the second half of 2026, will resolve this. The facility has nearly three times the floor area and creates the conditions for further automation and higher productivity.

We are entering 2026 with a clear list of priorities: profitable growth, strict cost discipline and successful commissioning of our expanded logistics, which will carry the company forward. That combination – growth without compromising profitability – is what makes MEDS unique among online pharmacies in Sweden. It is also what we continue to deliver.

Stockholm, 20 April  
Björn Thorngren  
CEO, MEDS Apotek AB



# Market environment

## THE PHARMACY MARKET

### INTRODUCTION

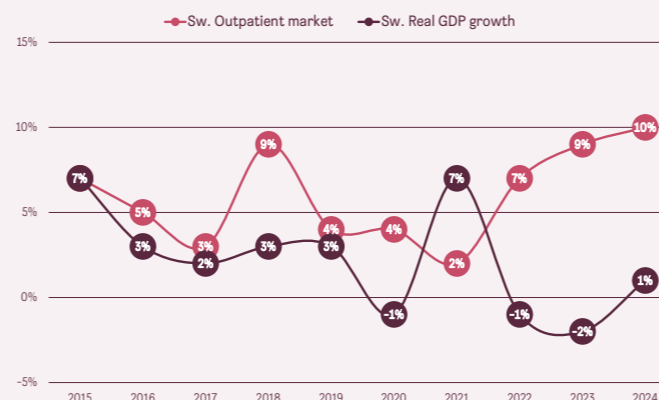
MEDS Apotek operates within a sub-market of the Swedish pharmacy market called the outpatient market<sup>1</sup>, which had revenue of SEK 68 billion in 2025. The entire pharmacy market is regulated by an extensive set of rules and is characterised by high barriers to entry, a small number of well-established players, and a structural shift towards e-commerce that has accelerated significantly since the deregulation in 2009.

Sweden has a long history of pharmaceutical handling. During the first decades after the Second World War, a state monopoly was built around Apoteket AB, meaning that all retail sales of medicines took place through a single operator. The reform that changed everything came in 2009: the deregulation of the pharmacy market, which gave private operators the opportunity to apply for licences to operate pharmacies. The state monopoly was abolished, and the foundation was laid for the dynamic and diverse market that exists today. Despite this, Sweden has among the lowest number of pharmacy outlets per capita in the EU and shorter opening hours than many other countries<sup>2</sup> which means that e-commerce fulfils an important function regarding accessibility in the country.

### GROWTH

The outpatient market grew by 6.7 percent during 2025 to SEK 68 billion. In 2014, revenue was SEK 35.7 billion, corresponding to an average growth rate of 6 percent per year during 2014–2025. During 2020–2025, the online outpatient market has shown average annual growth of 17 percent, more than double the average annual growth of the total market of 7 percent during the same period.

The outpatient market has shown continuous growth even in periods with low or negative real GDP growth, which demonstrates a limited impact from macroeconomic factors. The non-cyclical nature can be attributed to the fact that pharmacy goods fulfil a fundamental need for individuals; the ability to treat or prevent illness is essential, and consumers acquire medicines even in recessions. Pharmacy goods that are not medicines, for example hair care, health and beauty products, also enjoy a stable, non-cyclical market, as they meet basic needs in consumers' daily lives.



### UNDERLYING GROWTH DRIVERS

The growth of the pharmacy market is driven by long-term underlying trends in society.

#### An ageing and growing population

Sweden's population is expected to reach 11 million in 2040 and 12 million in 2077. The group aged over 80, which has the highest number of prescriptions and the greatest need for medicines, is expected to grow by 25 percent by 2030 and by 39 percent by 2040 compared with 2024. The share of older people using BankID continues to rise, which is a prerequisite for collecting prescriptions online.

#### Increased focus on health and wellbeing

A clear global societal trend is increased interest in health, wellbeing, preventive care and lifestyle products. This trend benefits the product categories that account for a large and growing share of the traded goods range at online pharmacies: dietary supplements, skincare, fitness products and natural remedies.

Digitalisation of the healthcare sector – including digital prescribing, telemedicine and electronic referrals – drives structural growth for online pharmacies. As more patients seek and receive care digitally, the likelihood that they will also choose to collect their prescriptions digitally increases. MEDS considers this dynamic to be an important source of growth, not least within prescription medicines.

#### More expensive medicines

Market growth in 2025 was driven primarily by price increases rather than volume increases<sup>3</sup>. New medicines coming onto the market often have a higher price, which contributes to growth.

1 Excluding haemophilia medications and medications dispensed via dose pharmacies.  
 2 Svensk Farmaci: [www.svenskfarmaci.se/2022/05/23/brytpunkten-ar-nadd-nu-minskar-antalet-apotek/](http://www.svenskfarmaci.se/2022/05/23/brytpunkten-ar-nadd-nu-minskar-antalet-apotek/).  
 3 Uppföljning av apoteksmarknadens utveckling 2026, TLV

## PRODUCT CATEGORIES

The outpatient market is divided into three product categories: prescription medicines, over-the-counter (OTC) medicines and traded goods.

### PRESCRIPTION MEDICINES

Prescription medicines are by far the largest segment, accounting for 73 percent of the total outpatient market's revenue during 2025, corresponding to SEK 50 billion. Prices within the pharmaceutical benefits scheme are regulated by the state through the Dental and Pharmaceutical Benefits Agency (TLV), meaning that pharmacies cannot compete on price. E-commerce penetration amounted to 18.7 percent during 2025, lower than the average, partly explained by limited awareness of the possibility of collecting prescriptions online. Penetration is expected to increase in pace with growing awareness and digital maturity.

### OVER-THE-COUNTER (OTC) MEDICINES

The OTC market totalled SEK 5.5 billion during 2025, corresponding to 8 percent of the outpatient market. OTC is not price-regulated and is also subject to competition from the grocery retail trade, which accounted for 14 percent of OTC sales.

E-commerce penetration totalled 25 percent during 2025, and OTC accounts for 7 percent of total online sales within the outpatient market.

### TRADED GOODS

Traded goods - beauty products, dietary supplements, baby products and similar - totalled SEK 13 billion during 2025, corresponding to 19 percent of the market. Traded goods have the highest e-commerce penetration: 52.4 percent during 2025, and account for 40 percent of total online sales within the outpatient market.

### DEREGULATION AND HISTORICAL DEVELOPMENT OF THE PHARMACY MARKET

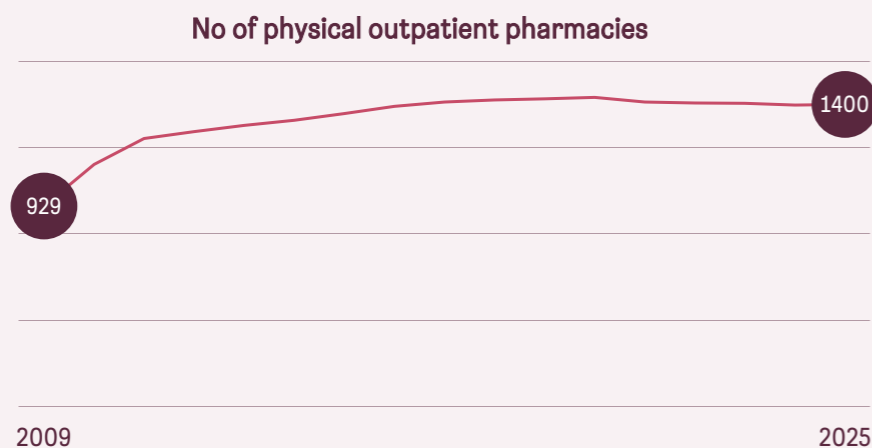
The deregulation in 2009 marked the start of a new era. During the following ten years, the number of physical pharmacies increased by more than 50 percent, from 929 pharmacies at deregulation to a peak of 1,433 in 2020. Since then, the trend has reversed; increased operating costs combined with a structural shift towards e-commerce have reduced the number of pharmacies to 1,400 at the end of 2025.

Sweden is among the European countries with the lowest pharmacy density per capita, something that research from the Dental and Pharmaceutical Benefits Agency shows correlates positively with increased e-commerce penetration.

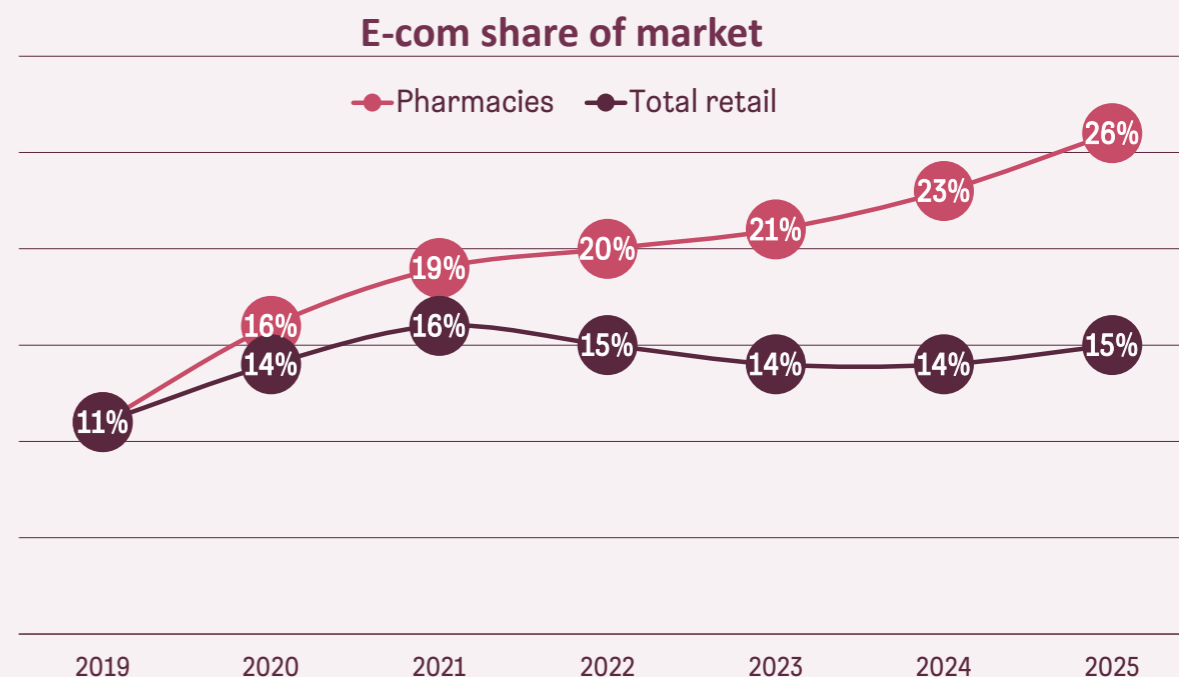
### A STRUCTURAL SHIFT IS ACCELERATING

E-commerce's share of the Swedish pharmacy market amounted to 26 percent during 2025, compared with 21 percent during 2023 and 8 percent in 2018. E-commerce within the pharmacy industry grew by 18 percent during 2025, the fastest-growing sector within Swedish e-commerce. Clothing and footwear (+7%<sup>4</sup>) and groceries (+7%<sup>5</sup>) are far behind.

As the market can be considered to have passed the critical "inflection point" with an e-commerce penetration of 23 percent, MEDS considers that further digitalisation is now inevitable. The inflection point in the book and electronics industries has historically been considered to lie around 15 percent penetration.



Source: Sveriges Apoteksforening, Branschrapport 2025



Source: Sveriges Apoteksforening, Branschrapporter; PostNord, E-barometern

## PHARMACY GOODS WELL SUITED FOR E-COMMERCE

The structural shift is driven not only by external factors but also by the inherent suitability of the products for e-commerce: packaging is compact, shelf life is long, demand is constant and the return rate is low. Medicines are also exempt from the right of withdrawal.

Sweden also has an infrastructure that is unusually well adapted for e-commerce in medicines: virtually all prescription dispensing is electronic (e-prescriptions), the system is administered by the eHealth Agency, and digital ID solutions such as BankID enable secure identification. These conditions are absent in most European countries – which explains why, for example, Germany (around 1%<sup>6</sup>) and the United Kingdom (around 6%<sup>7</sup>) have significantly lower e-commerce penetration for prescription medicines.

## MEDS' MARKET POSITION

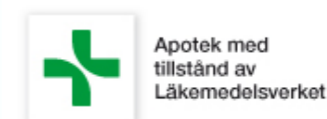
MEDS Apotek has consistently increased its market share since its launch in 2018. During 2024, MEDS' market share within the Swedish e-commerce market for outpatient products amounted to approximately 6 percent, compared with approximately 3 percent during 2020 – close to a doubling in four years. During 2024, MEDS achieved net sales growth of 26.6 percent, approximately 7 percentage points faster than the total e-commerce market for pharmacies. During 2025, growth amounted to 21.4 percent, driven by strong demand for prescription medicines (+50% during Q4).

MEDS is positioned as the transparent and affordable alternative: a broad assortment, competitive prices, fast delivery and qualified advice. MEDS is one of the pure-play online pharmacies that best fulfils the original purpose of the pharmacy deregulation in 2009: increased accessibility to medicines and lower prices for all Swedish consumers regardless of where they live.

Apotek Hjärtat, Apoteket AB and Apotea are the largest players in the e-commerce market, but only MEDS and Apotea are profitable in the channel. MEDS is, moreover, the only player in the e-commerce market that is profitably gaining market share.

## BARRIERS TO ENTRY PROTECT ESTABLISHED PLAYERS

The Swedish pharmacy market is characterised by high barriers to entry: licences from the Swedish Medical Products Agency and the eHealth Agency are required; pricing of benefits medicines is regulated by the state; warehouses and pharmacy personnel must be physically located in Sweden. In addition, it is time-consuming to build up a brand, customer base and supplier relationships. MEDS considers that these barriers explain why no new players have established themselves in the Swedish online market for pharmacy goods since 2018.



6 Doc Morris, Annual Report 2024  
7 IQVIA report, "The rise of e-commerce in health and wellbeing market"

# Strategy

## BUSINESS MODEL

MEDS' business model is based on combining a broad and competitive product offering with a cost-efficient and scalable structure, without the costs and limitations that a physical store network entails.

Revenue is generated from the sale of three product categories (share for 2025 in brackets): prescription medicines (15.7%), OTC and traded goods (80.4%) and other (3.8%). Prescription medicines are the fastest-growing segment.

The cost structure is fundamentally variable and scalable. The four main cost drivers are product purchasing costs, order fulfilment costs (freight, packaging, warehousing), marketing costs, and fixed costs (IT, personnel, administration).

The leverage of the business model has been realised, as MEDS has been profitable at the adjusted EBIT level since Q4 2024. The adjusted EBIT margin improved from -1.1% (2024) to +1.5% (2025).

## CUSTOMER OFFERING

MEDS' customer offering rests on four cornerstones: a broad product range, attractive prices, fast and flexible delivery, and qualified advice.

## BROAD PRODUCT RANGE WITH ATTRACTIVE PRICES

MEDS offers an assortment of approximately 40,000 articles, which is 5–10 times more products than a typical physical outpatient pharmacy. The assortment covers all categories: prescription medicines, OTC products, beauty and skincare, dietary supplements, baby products, fitness, food and beverages, and home and household products.

As a pure-play online pharmacy, MEDS can offer significantly lower prices. A review of more than 500 price comparisons for pharmacy goods showed that e-commerce players were on average around 30 percent lower in price compared with physical outpatient pharmacies<sup>8</sup>.

MEDS has launched a dozen products under its own brand with more than twice the average margin of the rest of the assortment. The goal is for own brands in the long term to reach at least 20 percent of revenue within OTC and traded goods.

## FAST, RELIABLE AND FLEXIBLE DELIVERY

MEDS delivers six days a week and offers:

- Same-day home delivery – available to approximately 60 percent of the customer base
- Delivery within 24 hours – available to approximately 91 percent of the customer base
- Home delivery – to 100 percent of Swedish households

Deliveries are made via a network of freight carriers – including Airmee, Budbee, DHL, Early Bird, Gordon Delivery, Instabox, PostNord and Premo – which minimises dependence on individual operators. Most MEDS' deliveries during 2025 were fossil-free.

## QUALIFIED ADVICE AND CUSTOMER SERVICE

Customer service and pharmaceutical advice is available via chat, telephone and email during generous opening hours, including evenings and weekends. The pharmacists work in a structured environment where technical control and pharmacological control are separated workflows – which increases the quality and efficiency of prescription handling.

## CUSTOMERS

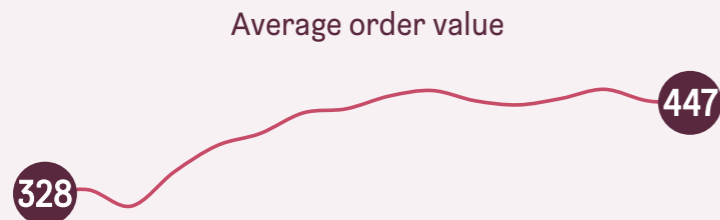
### CUSTOMER DEMOGRAPHICS AND BEHAVIOUR

MEDS' customer base totalled more than one million active customers at the end of 2025. During 2025, women accounted for approximately 84 percent of revenue and the age group 18–50 accounted for 75 percent. The most prominent age group was 31–40 (36 percent), a group with high digital maturity and often family responsibilities, which drives high and recurring shopping baskets.

The customer base is geographically concentrated in densely populated areas: more than 30 percent of customers came from the Stockholm region during 2025, and 91 percent were distributed across Svealand and Götaland.

**STRONG CUSTOMER LOYALTY PATTERN**

During 2025, the share of returning customers was approximately 66 percent (customers who purchased in 2025 and in 2024). The average order value increased by 36 percent between Q1 2022 and Q4 2025 – from SEK 328 to SEK 447 – driven by an expanded product assortment, increased price levels and a strategic focus on more profitable orders.



Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2022				2023				2024				2025			

Source: Company data.

**STRATEGY AND FINANCIAL TARGETS**

**Vision**

To offer products and advice within health and well-being, whenever and wherever the customer needs them.

**Mission**

To be the customers' favourite pharmacy with engaged employees, which enables the company to continue to grow profitably towards multi-billion SEK net sales.

**STRATEGIC FOCUS AREAS**

**Prescription medicines**

The largest segment (73% of the market in 2025) with the lowest e-commerce penetration (18.7%). Strong growth potential in line with increasing digital maturity and telemedicine services.

**Marketing and customer acquisition**

Primarily performance-based channels. Marketing costs decreased from 13% (2022) to 7% (2025) of revenue.

**Increase order value and purchase frequency**

Broadened assortment, targeted campaigns, improved customer experience and conversion optimisation.

**Own brands**

Significantly higher margins. Target: at least 20% of revenue within OTC and traded goods in the long term.

**Economies of scale and cost efficiency**

Proven scalability on fixed costs. Improved negotiating position with suppliers.

**Other opportunities**

B2B partnerships, geographic expansion and selective acquisitions are being evaluated.

**FINANCIAL TARGETS**

**Net sales growth**

Triple net sales organically within 5–6 years from the listing.

**Profitability**

EBIT margin of 3–5% in the short to medium term.

**Dividend**

No dividend for the time being; cash flow is reinvested in growth.



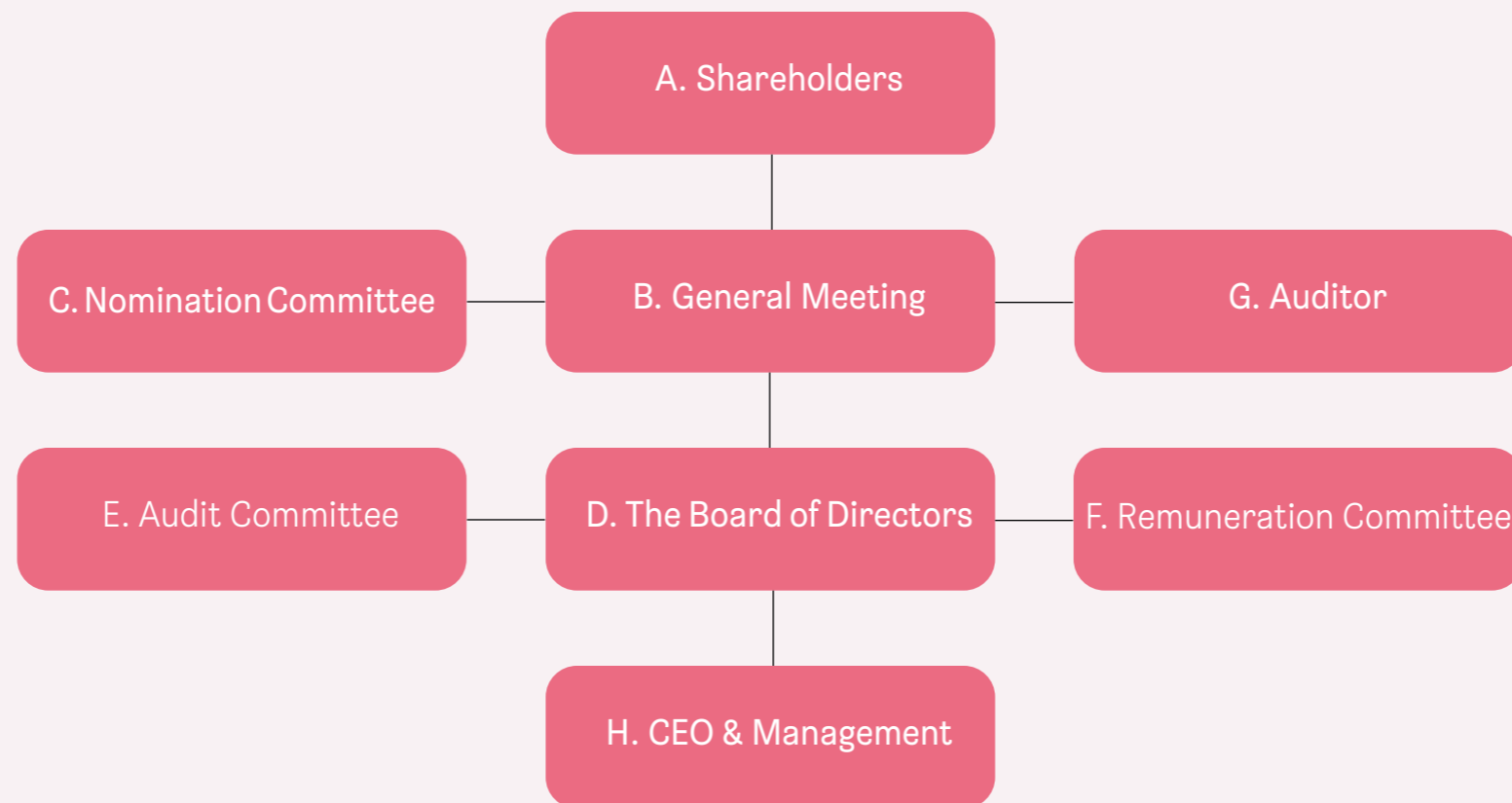
# Corporate governance

## INTRODUCTION TO CORPORATE GOVERNANCE

MEDS Apotek AB is a Swedish public limited company listed on Nasdaq First North Premier Growth Market. The company's corporate governance is based on Swedish law – primarily the Swedish Companies Act (2005:551) – as well as the articles of association and internal rules. As a listed company, MEDS also applies the Nasdaq First North Growth Market Rulebook and the Swedish Corporate Governance Code (the "Code").

The Code is based on the principle of "comply or explain", which means that the company may deviate from individual rules and instead explain the reason in the corporate governance report. MEDS prepares its first corporate governance report in connection with the submission of the 2025 annual report and does not expect to need to report any deviation from the Code.

Good corporate governance contributes to ensuring trust among the company's stakeholder groups – shareholders, customers, employees and society. The purpose is to define a clear distribution of responsibility and roles between shareholders, the general meeting, the board of directors and the company's management.



## A. SHAREHOLDERS

MEDS is a Swedish public limited company whose shares are traded on Nasdaq First North Premier Growth Market Stockholm. As of 31 December 2025, MEDS Apotek AB had 1,863 shareholders, and each share carries one vote. The ten largest shareholders, as of 31 December 2025, owned in total 51.5% of the capital and votes.

Shareholders	Number of shares	Share of votes %
M2 Asset Management AB	2 615 528	14.1%
Björn Thorngren	1 181 385	6.4%
Ilija Batljan controlled accounts	1 074 961	5.8%
Absolute Unlisted AB	984 639	5.3%
Ahlström Invest B.V.	849 056	4.6%
C WorldWide Asset Management	775 000	4.2%
CNI Nordic	597 440	3.2%
Nordnet Pensionsförsäkring	575 334	3.1%
Saeid Esmaeilzadeh (via company)	509 002	2.7%
Christian W. Jansson (via company)	503 860	2.7%
<b>Total, top 10 shareholders</b>	<b>9 666 205</b>	<b>51.5%</b>
Other shareholders	8 905 973	48.5%
<b>Total</b>	<b>18 572 178</b>	<b>100.0%</b>

## ARTICLES OF ASSOCIATION

MEDS' applicable articles of association were adopted at the AGM on 16 June 2022 and are available in their entirety on the company's website at <http://corporate.meds.se>. The articles state that the company's business is to conduct import and export and trade in pharmacy goods, OTC products and prescription medicines, and related activities. The articles also establish the rights of shareholders, the number of board members and auditors, the requirement that the AGM be held annually within six months of the end of the financial year, how notice of general meetings is to be given, and that the company's board has its registered office in the municipality of Stockholm.

The company's financial year is the calendar year, 1 January to 31 December. The share capital shall amount to at least SEK 600,000 and at most SEK 2,400,000, distributed across at least 15,000,000 and at most 60,000,000 shares. The articles contain no restrictions on the number of votes each shareholder may cast at a general meeting and contain no special provisions for the appointment and removal of board members or for amending the articles of association.

## B. GENERAL MEETING

The AGM of MEDS Apotek is the highest decision-making body and the forum through which shareholders exercise their influence over the company. The duties of the AGM are regulated in the Swedish Companies Act and the articles of association. The AGM decides on several central matters such as the adoption of the income statement and balance sheet, discharge of liability for the board members and the CEO, disposition of the company's results, election of the board and auditors, and fees for the board and auditor. Further information on AGMs and complete minutes from previous AGMs are published on the company's website at <http://corporate.meds.se>.

The AGM is held annually no later than six months after the end of the financial year. Notice of the general meeting is given through publication in Post- och Inrikes Tidningar (the Swedish Gazette) and on the company's website, and that notice has been given is announced in Svenska Dagbladet.

## AGM 2025

MEDS Apotek's annual general meeting was held on 25 April 2025 in Stockholm. The Chairman of the Board, Christian W. Jansson, was elected chairman of the meeting, and Mia Arnhult was appointed to verify the minutes together with the chairman. The notice had been published in Post- och Inrikes Tidningar on 28 March 2025 and had been available on the company's website since 26 March 2025, with an announcement in Svenska Dagbladet on the same day.

The meeting adopted the income statement and balance sheet, as well as the consolidated income statement and consolidated balance sheet, for the 2024 financial year. In accordance with the board's proposal, it was resolved that no dividend should be distributed for the 2024 financial year and that the result for the year be carried forward. The members of the board and the CEO were granted discharge from liability for the 2024 financial year.

The meeting re-elected board members Christian W. Jansson, Björn Thorngren and Gunilla Spongh, and resolved on the new election of Jina Zachrisson and Mia Arnhult. Christian W. Jansson was re-elected as Chairman of the Board. The fee to the Chairman of the Board was set at SEK 500,000 and to other meeting-elected members not employed by the company at SEK 250,000 each, with a total board fee of SEK 1,250,000. In addition, it was resolved that the fee to the chairman of the audit committee should amount to SEK 125,000, to other members of the audit committee SEK 35,000, and to the chairman of the remuneration committee SEK 50,000.

Ernst & Young AB was re-elected as the company's auditor for the period until the close of the next AGM, with Andreas Nyberg Selvring remaining as the auditor-in-charge.

The meeting resolved on guidelines for the composition and assignment of the nomination committee, and on the issue of warrants under the 2025/2027 incentive programme, directed at senior executives and key persons in the company. Finally, the board was authorised, on one or more occasions until the next AGM, to resolve on new issues of shares and the issue of warrants and/or convertibles. All resolutions at the meeting were adopted unanimously.

### C. NOMINATION COMMITTEE

The nomination committee's main purpose and responsibility is to present proposals for the election of the chairman of the board, board members and auditors, as well as fees and other remuneration for board work for each of the board members and auditors.

At the AGM on 25 April 2025, guidelines for the composition and work of the nomination committee were established, to apply until further notice until a resolution to amend them is taken by the general meeting. According to these guidelines, MEDS Apotek shall have a nomination committee consisting of the Chairman of the Board and three members appointed by each of the three largest shareholders by voting power, based on the shareholder statistics that the company receives from Euroclear Sweden AB at the end of the third quarter each year. If a shareholder waives its right to appoint a member, the next shareholder in order of size shall be given the opportunity to appoint a representative.

The Chairman of the Board or another board member shall not be the chairman of the nomination committee. Most of the members of the nomination committee shall be independent in relation to the company and the company's management, and at least one member shall be independent in relation to the largest shareholder by voting power. Members of the nomination committee receive no fee from the company, but the company reimburses any expenses arising in the nomination committee's work, if these have been approved by the Chairman of the Board.

### NOMINATION COMMITTEE AHEAD OF THE 2026 AGM

The nomination committee ahead of the 2026 AGM consists of Jakob Mörndal, appointed by M2 Asset Management AB; Ilija Batljan, appointed by Ilija Batljan Invest AB; and Sven Sahle, appointed by Björn Thorngren.

Proposals to the nomination committee may be submitted to [ir@meds.se](mailto:ir@meds.se) or by post to MEDS Apotek AB, Nomination Committee, Drivhjulsvägen 42, 126 30 Hägersten.



## D. THE BOARD OF DIRECTORS

The board of MEDS Apotek is, after the general meeting, the company's highest decision-making body. The board is responsible to the general meeting for the organisation and administration of the company in accordance with the Swedish Companies Act, which includes, among other things, establishing overall strategies and goals, ensuring that control systems are in place for monitoring the operations and risks, taking decisions on matters concerning investments, capital structure and dividend policy, and appointing and determining the remuneration of the CEO and other senior executives. The board members are elected by the AGM for the period until the close of the next AGM.

### COMPOSITION OF THE BOARD

According to the articles of association, the board of MEDS Apotek shall consist of at least three and at most six members. Since the AGM on 25 April 2025, the board consists of five members elected by the general meeting. At the AGM, Christian W. Jansson, Björn Thorngren and Gunilla Spongh were re-elected, and Jina Zachrisson and Mia Arnhult were newly elected. The board is in place for the period until the close of the 2026 AGM.

### INDEPENDENCE OF THE BOARD

Björn Thorngren is the CEO of the company and is therefore not considered independent in relation to the company and the company's management according to the Code. Mia Arnhult represents M2 Asset Management, which is the company's largest shareholder by voting power, and is therefore not considered independent in relation to the company's larger shareholders. The other three members – Christian W. Jansson, Gunilla Spongh and Jina Zachrisson – are independent in relation to both the company and the company's management and the company's larger shareholders, according to the Code. The board therefore meets the Code's requirement that at least two of the meeting-elected members who are independent of the company and the group management must also be independent of the company's larger shareholders.

### RULES OF PROCEDURE

The board's rules of procedure, with instructions for the division of work between the board, the Chairman of the Board and the CEO, are updated and adopted annually. At the board's meetings, in addition to financial reporting and follow-up of ongoing operations and profitability development,

goals and strategies, material investments and matters concerning the capital structure are addressed. According to the rules of procedure, the board shall hold ordinary meetings at least six times per year according to an established annual calendar. In addition, further meetings may be convened to address matters that cannot wait until the next ordinary meeting. The Chairman of the Board and the CEO are also in regular contact to continuously discuss the company's administration and current matters.

### CHAIRMAN OF THE BOARD

Christian W. Jansson was elected Chairman of the Board at the company's statutory board meeting on 28 April 2025. The Chairman of the Board leads the work of the board and is responsible for ensuring that the board's work is conducted effectively and that the board fulfils its duties and responsibilities. The Chairman follows the development of operations in close dialogue with the CEO and is responsible for ensuring that the other members continuously receive the information required for board work to be carried out with maintained quality and in accordance with the Swedish Companies Act and other applicable laws and regulations, the articles of association and the board's rules of procedure.

Name	Position	Year of birth	Elected	Independent in relation to the company and the company's management	Independent in relation to the company's larger shareholders
Christian W. Jansson	Chairman	1949	2018	Yes	Yes
Gunilla Spongh	Member	1966	2021	Yes	Yes
Jina Zachrisson	Member	1987	2025	Yes	Yes
Mia Arnhult	Member	1969	2025	Yes	No

The Chairman of the Board is also responsible for ensuring that the board annually evaluates its own work and the work of the CEO and ensures that the nomination committee receives the results of this evaluation in good time.

### BOARD WORK DURING 2025

During 2025, the board has addressed matters related to strategy, organisation, financial follow-up and risk management. Decisions have been taken regarding the company's long-term growth strategy, financial budget, governing policies, and incentive programmes for senior executives and key personnel. A central theme during the year was the implementation of the company's listing on Nasdaq First North Premier Growth Market in September 2025 – a milestone that placed high demands on the board's work in terms of preparations, communication with the capital market and the establishment of structures and processes adapted for a publicly listed company.

During the year, the board held 18 meetings, of which ten were held as physical meetings or web meetings. Eight meetings were held by circulation (per capsulam). The attendance of each board member at ordinary board meetings during 2025 is shown below.

Board member	Position	Board meetings attended
Christian W. Jansson	Chairman	10
Gunilla Spongh	Member	9
Jina Zachrisson	Member	8
Mia Arnhult	Member	8

The board attained its current composition in connection with the AGM on 25 April 2025, at which Jina Zachrisson and Mia Arnhult were newly elected as board members. Their attendance therefore only refers to meetings held from that date onwards.

### E. AUDIT COMMITTEE

The company has an audit committee consisting of Gunilla Spongh (chair), Mia Arnhult and Christian W. Jansson. The committee's instructions are established annually by the board. The audit committee shall, among other things, monitor the company's financial reporting, monitor the effectiveness of the company's internal controls and risk management, and review and monitor the auditors' impartiality and independence. The committee meets at least four times per year. Members of the audit committee may not be employed by the company, and at least one member shall have accounting or auditing expertise.

### F. REMUNERATION COMMITTEE

The company has a remuneration committee consisting of all board members except Björn Thorngren, with Christian W. Jansson as chair. The remuneration committee prepares the board's decisions on remuneration principles, remuneration and other employment terms for the company's senior executives. The committee's instructions are established annually by the board.



## BOARD OF DIRECTORS - PRESENTATION

In the disclosure of shareholdings for the board, all shares are included, regardless of form of ownership. This includes shares owned personally, shares owned via companies and shares placed in capital insurance.



### CHRISTIAN W. JANSSON

*Chairman of the Board since 2019. Board member since 2018.*

**Born:** 1949.

**Education:** Christian W. Jansson holds a degree in Business Administration from Lund University (1971). Christian is also Doctor of Economics honoris causa at Lund University since 2010.

**Other current assignments:** Chairman of the Board of Excillum AB. Board member of Frögurka AB, Tridentify AB, Xaga Surgical AB, Blodtrycksdoktorn AB, Sofia Westin AB and Carl Westin AB. Sole trader.

**Previous assignments (past five years):** Chairman of the Board of PostNord AB, 1337 Partners AB and CCWJ AB. Board member of KV87 Stockholm AB, Skopik & Lohn AB and Obicor Medical AB. Deputy board member of The Slow Generation AB.

**Holdings in the Company:** As of the balance sheet date, Christian W. Jansson owns 503,860 shares in the Company through the wholly owned company Carl Westin Ltd. Christian holds no warrants in the Company.



### GUNILLA SPONGH

*Board member since 2021.*

**Born:** 1966.

**Education:** Gunilla Spongh is a Master of Science in Engineering with a degree in Industrial Engineering and Management from Linköping University.

**Other current assignments:** Chairman of the Board of Bluefish Pharmaceuticals AB (publ). Board member of Systemair Aktiebolag, AQ Group AB, Byggmax Group AB, Dacke Industri Holding AB, SafeRoad AS, G Spongh Förvaltnings AB, Consivo Group AB (publ), Momentum Group AB, ViaCon Group AB (publ) and OptiGroup Holding AB.

**Previous assignments (past five years):** Board member of Lernia AB, Pierce Group AB (publ), Swedish Stirling AB, Infranord AB, Alligo AB and Alligo Holding AB.

**Holdings in the Company:** As of the balance sheet date, Gunilla Spongh owns 21,000 shares in the Company. Gunilla owns 17,000 warrants in the Company of series 2024/2026.



### JINA ZACHRISSON

*Board member since 2025.*

**Born:** 1987.

**Education:** Jina Zachrisson holds a bachelor's degree in economics from Stockholm University.

**Other current assignments:** Board member of Zachrisson & Partners AB and Protean Funds Scandinavia AB.

**Previous assignments (past five years):** –

**Holdings in the Company:** As of the balance sheet date, Jina Zachrisson owns 5,000 shares in the Company. Jina holds no warrants in the Company.



**MIA ARNHULT**

*Board member since 2025.*

**Born:** 1969.

**Education:** Mia Arnhult holds a degree in Business Administration and Commercial Law from Lund University.

**Other current assignments:** Chairman of the Board of Devyser Diagnostics AB and Lidingöloppet. Board member of M2 Asset Management, Logistea AB and Nordic LEVEL Group.

**Previous assignments (past five years):** CEO of M2 Gruppen and M2 Asset Management. Board member of M2 Capital Management AB, Odd Molly International AB and Bactiguard Holding AB.

**Holdings in the Company:** As of the balance sheet date, Mia Arnhult owns 2,615,528 shares in the Company through M2 Asset Management. Mia holds no warrants in the Company.



**BJÖRN THORNGREN**

*Board member and Chief Executive Officer since 2017.*

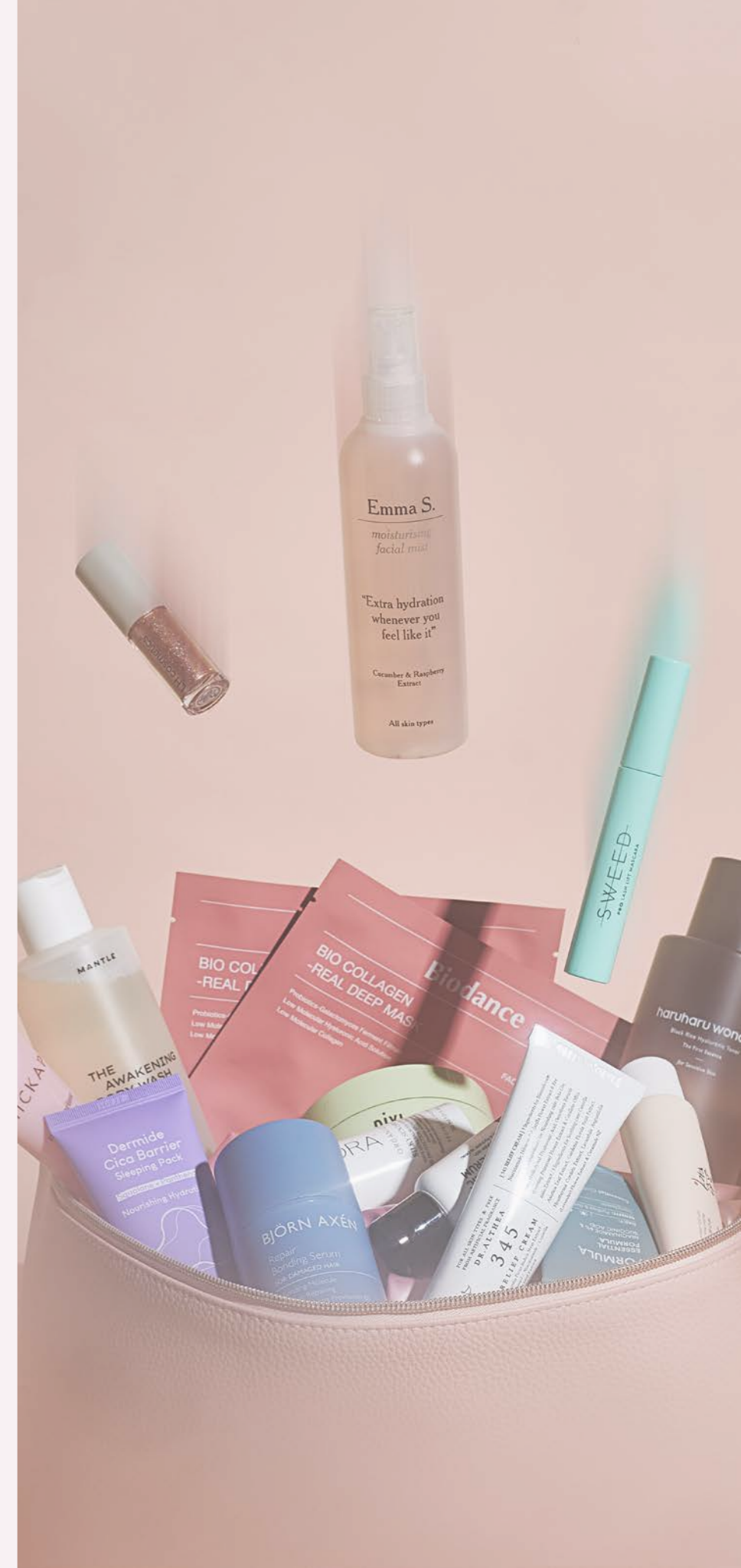
**Born:** 1976.

**Education:** Björn Thorngren holds a degree in Business Administration from Lund University School of Economics and Management (Lund University).

**Other current assignments:** –

**Previous assignments (past five years):** Board member of SA Service AB.

**Holdings in the Company:** As of the balance sheet date, Björn Thorngren owns 1,181,385 shares in the Company. Björn also owns 189,500 warrants in the Company of series 2024/2026 and 40,000 warrants of series 2025/2027.



### EVALUATION OF THE CEO

The board continuously evaluates the work and competence of the CEO and the company management. The evaluation is addressed at least once per year without the presence of representatives from the company management.

### REMUNERATION TO GROUP MANAGEMENT

MEDS strives to offer market-competitive total remuneration that can attract and retain qualified employees. Remuneration shall be based on the employee's position, areas of responsibility and performance. The total remuneration to senior executives shall consist of fixed salary, variable cash remuneration and pension, as well as other benefits such as healthcare allowance.

The fixed salary forms the basis for the total remuneration and shall be based on the respective management person's competence, responsibility and performance, and shall be competitive in relation to applicable market standards.

Variable remuneration shall be linked to predetermined and measurable criteria. Variable remuneration paid in cash shall not exceed 100 percent of the fixed salary. Pensions shall be designed to reflect normally accepted levels and shall be defined contribution.

In addition to variable cash remuneration, share-based incentive programmes may be added. Such programmes are decided by the general meeting. See note 7 for information on the company's warrant programme for board members, senior executives and other employees.

### G. AUDITOR

MEDS' auditor is appointed by the AGM. At the AGM on 25 April 2025, Ernst & Young AB was re-elected as auditor for the period until the next AGM. Authorised auditor Andreas Nyberg Selvring has been appointed as the auditor-in-charge. All services that are called off beyond statutory auditing are tested separately to ensure that no conflict arises in terms of independence or conflict of interest. For remuneration and other fees to auditors, see note 6.

### H. CEO AND GROUP MANAGEMENT

The CEO is appointed by the board and is tasked with being responsible for the day-to-day management of the company in accordance with the board's guidelines and instructions. The CEO is responsible for ensuring that the board receives information and the necessary basis for decisions and leads the work of the company management. The CEO is the rapporteur at the board's meetings and shall continuously keep the board members informed of the company's financial position, results, liquidity and development.

MEDS' group management consists of Chief Executive Officer (CEO) Björn Thorngren, Chief Financial Officer (CFO) Nicholas Mendola, Chief Operating Officer (COO) Adham Shawwaf, Chief Commercial Officer (CCO) Vesam Ashouri, Head of Logistics Sener Özel, and Director of Business Development & HR Jenny Efverström.

The management team holds regular meetings and handles ongoing operational matters, performance follow-up and strategic initiatives. Strategic decisions and overall financial matters are handled by the board.

There are no family ties between board members or senior executives.



## GROUP MANAGEMENT - PRESENTATION

In the disclosure of shareholdings for group management, all shares are included regardless of form of ownership. This includes shares owned personally, shares owned via companies, and shares placed in capital insurance.

### BJÖRN THORNGREN

*Board member and Chief Executive Officer since 2017. See above under "The Board".*

### NICHOLAS MENDOLA

*CFO since 2021.*

**Born:** 1978.

**Education:** Nicholas Mendola holds a Bachelor of Science in Accounting from the State University of New York at Geneseo.

**Other current assignments:** Board member of World's Sports Group AB, Buono Pregnancy AB, Outpoint Holding AB and Roshambo Invest AB, and board member and CEO of OGEN Advisory AB. Deputy board member of Outpoint Alpha AB, ResRent Five AB and LAURA AB.

**Previous assignments (past five years):** Chairman of the Board of World's Sports Group AB and Beauty-sery AB, and board member of several subsidiaries in the Babyshop group.

**Holdings in the Company:** As of the balance sheet date, Nicholas Mendola owns 5,000 shares in the Company. Nicholas owns 15,000 warrants in the Company of series 2024/2026 through Roshambo Invest AB.

### ADHAM SHAWWAF

*COO since 2024.*

**Born:** 1980.

**Education:** Adham Shawwaf has studied electrical engineering at the Faculty of Engineering at Lund University and economics at Lund University.

**Other current assignments:** Chairman of the Board and Chief Executive Officer of Foldspace AB. Chief Executive Officer and board member of GoodOne

Kommunikationsbyrå AB. Board member of Käpp Tindra AB.

**Previous assignments (past five years):** –

**Holdings in the Company:** As of the balance sheet date, Adham Shawwaf owns 373,671 shares in the Company. Adham also owns 90,000 warrants in the Company of series 2024/2026 and 40,000 warrants of series 2025/2027.

### VESAM ASHOURI

*CCO since 2017.*

**Born:** 1987.

**Education:** Vesam Ashouri holds a degree in Business Administration from Linköping University. Vesam also holds a degree in Information Technology from Linköping University.

**Other current assignments:** –

**Previous assignments (past five years):** –

**Holdings in the Company:** As of the balance sheet date, Vesam Ashouri owns 15,000 shares in the Company. Vesam also owns 70,000 warrants in the Company of series 2024/2026 and 40,000 warrants of series 2025/2027.

### JENNY EFVERSTRÖM

*Director of Business Development & HR since 2020.*

**Born:** 1992.

**Education:** Jenny Efverström holds a bachelor's degree in Sociology from Uppsala University.

**Other current assignments:** –

**Previous assignments (past five years):** –

**Holdings in the Company:** As of the balance sheet date, Jenny Efverström owns no shares in the Company. Jenny owns 50,000 warrants in the Company of series 2024/2026.

### SENER ÖZEL

*Head of Logistics since 2022.*

**Born:** 1983.

**Education:** Courses in, among other things, business administration, leadership and logistics at Södertörn University.

**Other current assignments:** Sener Özel is a board member of SNR Invest AB.

**Previous assignments (past five years):** –

**Holdings in the Company:** As of the balance sheet date, Sener Özel owns 560 shares in the Company. Sener owns 10,000 warrants in the Company of series 2024/2026 and 17,500 warrants of series 2025/2027.

### Follow-up and internal control

The board's responsibility for internal control is regulated by the Swedish Companies Act, the Swedish Annual Accounts Act and the Code. The board shall, among other things, ensure that the company has good internal control and formalised procedures that ensure that established principles for reporting and internal control are complied with, and that there are appropriate systems for monitoring and controlling the company's operations and the risks associated with them. The procedures for internal control regarding financial reporting have been designed with the aim of ensuring reliable overall financial reporting and external reporting in accordance with IFRS, applicable laws, regulations and other requirements imposed on listed companies.

The board has delegated responsibility for maintaining an effective control environment to the CEO, but the board remains ultimately responsible. Considering the control environment that has been established, the board considers that no special circumstances justify the establishment of an internal audit function.

**Internal control environment**

The control environment consists of, among other things, an organisational structure with defined areas of responsibility and reporting lines, systematic quality work, and governing documents in the form of policies, procedures and work instructions. The nature of the operations is by its nature risk-aware, and the company works with documentation, follow-up and feedback in all aspects.

The CEO instructions and instructions for financial reporting adopted by the board specify when reporting to the board shall take place and how it shall be designed. Procedures have been created to provide the board with the necessary reports to continuously assess risks and meet the requirements for adequate internal control.

**Control activities**

The most material risks are reviewed regularly and managed through identified and documented key controls that describe how the company shall handle and maintain control over the risks. The design of control activities is based on the internal control environment, with a clear organisational structure, defined reporting lines, and a quality system with processes and IT systems that are continuously improved. Key controls linked to risks related to financial reporting include procedures for attestation and approval of payments and reports.

**Evaluation of processes and key controls**

The company regularly evaluates the internal control processes to ensure that all components are functioning and that the board can maintain adequate oversight. The company also specifically evaluates the identified controls linked to the most material risks to ensure that they are correctly designed. Reporting to the audit committee and the board takes place at least annually in accordance with the governing documents. The external auditor, the company's finance function and the audit committee are in continuous contact throughout the financial year to identify any risks at an early stage and to address issues that may affect financial reporting. The auditor also reports regularly to the board.

**Reporting and information flow**

Reporting and information flow is a central component of the internal control processes. The board receives continuous reporting from the company's management in the form of monthly reports and can follow the development of operations in relation to set goals and identified risks. The company's operations, financial position, capital needs, investments and cost base are discussed at every board meeting.

**Risk assessment and risk management**

Based on the established goals for the operations, a risk assessment is conducted with the aim of identifying and evaluating the most material risks that may negatively affect the company's ability to achieve its goals. The board and management ensure that specific risk assessments based on established goals are conducted regularly. For further information on the company's risks, see the directors' report.

The company's information policy is a governing document that describes the company's principles for the provision of information and communication with the market. The policy ensures that MEDS meets the requirements for accurate and transparent provision of information to the market, in accordance with the requirements applicable to companies listed on Nasdaq First North Premier Growth Market.

The insider policy aims to inform employees and other concerned parties of the laws and regulations applicable to the company's dissemination of information and the special requirements imposed on persons active in a company listed on Nasdaq First North Premier Growth Market, concerning, for example, price-sensitive information.

**Goals and strategic follow-up**

The board sets the strategies, objectives and focus areas for MEDS Apotek's operations. The definition of goals forms a cornerstone of internal control and its processes. Risk is defined as an event which, if it occurs, may negatively affect the company's ability to achieve the established goals.

The board continuously establishes the company's strategy and financial targets. At each board meeting, the company's financial situation is addressed. External information is provided primarily via press releases and is published on the company's website.



# The share & shareholders

## ABOUT THE SHARE

MEDS Apotek AB was listed on Nasdaq First North Premier Growth Market on 23 September 2025. The share is traded under the ticker MEDS and ISIN code SE0018014110. The IPO price was set at SEK 53 per share, giving a market capitalisation of approximately SEK 1,017 million after the offering, assuming that the over-allotment option was exercised in full. The offering was significantly oversubscribed, and MEDS welcomed many new shareholders in connection with the listing. The company's Certified Adviser is FNCA.

As of 31 December 2025, the share capital amounted to SEK 742,887, distributed across 18,572,178 shares with a quota value of SEK 0.04. All shares are of the same class and entitle holders to equal rights to votes and dividends. According to the articles of association, the share capital may amount to a minimum of SEK 600,000 and a maximum of SEK 2,400,000, and the number of shares shall be a minimum of 15,000,000 and a maximum of 60,000,000.

The closing price on 31 December 2025 was SEK 49.80, corresponding to a market capitalisation of approximately SEK 925 million. During the period from listing to year-end, a total of 2,947,890 shares were traded on the primary market with an average daily trading volume of 42,723 shares and a volume-weighted average price (VWAP) of SEK 55.13. The share reached a high of SEK 77 and a low of SEK 44.60 during the period.

## OWNERSHIP STRUCTURE AND SHAREHOLDERS

As of 31 December 2025, the number of registered shareholders amounted to 1,863. Private individuals made up the largest ownership group, holding 36.3 percent of the share capital. Swedish owners accounted for 82.5 percent of the capital, and foreign ownership amounted to 17.5 percent, with the largest foreign holdings in the Netherlands (4.9%), Denmark (4.2%), Norway (2.2%) and Germany (2.0%).

The ten largest shareholders together owned 51.5 percent of the total number of shares and votes as of 31 December 2025. The largest individual shareholder was Rutger Arnhult with a holding of 14.1 percent. Among the ten largest shareholders is also the company's CEO and co-founder Björn Thorngren, with a holding of 6.4 percent.

## DIVIDEND POLICY

The board has decided to prioritise, in an initial phase, investments in profitable growth ahead of dividends. No dividend is being distributed for 2025. The board intends to regularly evaluate the conditions for dividends as the company strengthens its profitability and cash flow generation.

## SHAREHOLDER AGREEMENT AND LOCK-UP

M2 Asset Management AB, board members and company management undertook, in connection with the listing, a lock-up of 360 days. Other shareholders with holdings of one percent or more undertook a lock-up of 180 days from 23 September 2025. As far as the board is aware, there are no shareholders' agreements aimed at jointly influencing the company.

## THE 10 LARGEST SHAREHOLDERS AS OF 31 DECEMBER 2025

#	Owner	Number of shares	Share of capital
1	M2 Asset Management AB	2 615 528	14.1%
2	Björn Thorngren	1 181 385	6.4%
3	Ilija Batljan controlled accounts	1 074 961	5.8%
4	Absolute Unlisted AB	984 639	5.3%
5	Ahlström Invest B.V.	849 056	4.6%
6	C WorldWide Asset Management	775 000	4.2%
7	CNI Nordic	597 440	3.2%
8	Nordnet Pensionsförsäkring	575 334	3.1%
9	Saeid Esmaeilzadeh (via company)	509 002	2.7%
10	Christian W. Jansson (via company)	503 860	2.7%
	<b>Top 10 shareholders</b>	<b>9 666 205</b>	<b>51.5%</b>
	Other shareholders	8 905 973	48.5%
	<b>Total</b>	<b>18 572 178</b>	<b>100.0%</b>

## DIVIDEND POLICY AND FINANCIAL TARGETS

The board has established the following dividend policy: MEDS does not intend to pay dividends in the medium term. Instead, the company intends to use positive cash flows for investments in profitable growth.

The board's financial targets are to triple net sales organically within 5–6 years and to achieve an operating margin (EBIT) within the range of 3–5 percent in the short to medium term.

## INVESTOR RELATIONS AND FINANCIAL CALENDAR

MEDS' provision of information to the capital market aims to create a fair and transparent picture of the company's operations, financial position and development.

Financial information is published via the company's IR page: [corporate.meds.se](https://corporate.meds.se).

Contacts for investor matters:

PERSON	ROLE	E-MAIL
Björn Thorngren	CEO and founder	<a href="mailto:ir@meds.se">ir@meds.se</a>
Nicholas Mendola	CFO	<a href="mailto:ir@meds.se">ir@meds.se</a>

## FINANCIAL CALENDAR 2026

DATE	EVENT
5 May 2026	Interim report January-March 2026 (Q1)
21 May 2026	Annual General Meeting 2026
21 July 2026	Interim report January-June 2026 (Q2)
6 November 2026	Interim report January-September 2026 (Q3)



# Sustainability

## SUSTAINABILITY AT MEDS

Our sustainability work must be with us in all our decisions but is grounded mainly in three pillars: building a sustainable business, being a genuinely good workplace from every perspective, and a sustainable product assortment.

### SUSTAINABLE BUSINESS

Under the focus area of sustainable business, MEDS works to reduce its direct and indirect environmental impact, primarily linked to deliveries, packaging and the supply chain. The company's efforts include:

1. Fossil-free deliveries  
Most MEDS' deliveries during 2025 were fossil-free, a result of the company's active choice of delivery partners with lower climate impact. MEDS delivers via a broad network of freight carriers – including Airmee, Budbee, Early Bird, Gordon Delivery and Instabox – which enables selection of the greenest alternatives in each region.
2. Packaging optimisation  
MEDS is investing in new technology to optimise the size of each package, reduce unnecessary filling material and avoid transporting air. Automation machines installed in 2022 improved packaging precision and reduced material consumption.

3. Supplier dialogue  
MEDS conducts ongoing dialogue with suppliers about continuously reducing emissions, littering and the environmental impact of products and packaging.
4. Digital infrastructure  
The IT environment is operated primarily in Swedish data centres, with redundant mirroring to geographically separate server halls. The company's fully digital model reduces customers' need for physical journeys to a pharmacy.

### BEST WORKPLACE – “LOVE MEDS”

MEDS strives to be a workplace where all employees thrive, develop and feel proud. Under the focus area Best Workplace, the company works with human rights, good working conditions and business ethics – and continuously measures how well it is succeeding.

MEDS' three values – Be your best, Do it with joy and We care – permeate the daily work.

### DIVERSITY AND EQUALITY

MEDS actively welcomes and encourages diversity and equality in recruitment. As of year-end 2025, the gender distribution among employees was 55 percent women and 45 percent men. On the board, the share of women was 60 percent – an even and, in a board context, unusually high representation.

### WELLBEING

Employee engagement is measured continuously via the Eletive tool and amounted to 4.1 out of 5.0 during 2025. Staff turnover amounted to 16.5 percent and total sick leave to 2.35 percent during the full year 2025.

### SUSTAINABLE PRODUCTS

Under the focus area Sustainable Products, MEDS works to ensure that the assortment meets high requirements for quality, safety and responsible origin.

### PHARMACEUTICAL ADVICE AS A SOCIETAL BENEFIT

MEDS' pharmacists offer qualified advice via chat, telephone and email, including evenings and weekends. The advice contributes to safe and effective use of medicines and thereby to better public health. Accessibility is a central part of MEDS' societal benefit: the company is available around the clock via digital channels, compared with an average of 56 opening hours per week for physical pharmacies.

### ACCESSIBILITY AND PRICE ADVANTAGE AS SOCIETAL BENEFIT

MEDS fulfils the original purpose of the pharmacy deregulation in 2009: increased accessibility to medicines and lower prices on OTC and traded goods. A review of more than 1,100 prices for pharmacy goods showed that physical outpatient pharmacies were on average 45 percent higher in price compared with e-commerce players.

The price difference entails increased societal benefit, as customers need to pay less for their products. 91 percent of customers can receive delivery within 24 hours, and the company delivers to 100 percent of Swedish households. According to a study by the analysis firm Makrologik in which MEDS participated, emissions in e-commerce decrease on average by up to 88 percent, with the largest gain arising in home delivery.

## SUSTAINABILITY DATA IN BRIEF

The table below summarises MEDS reported and assessed sustainability data. MEDS is a small company with a growth-oriented business and is at an early stage of formalised sustainability reporting.

Indicator	Data	Period
Share of fossil-free deliveries	Majority	2025
Gender distribution – employees	55% women / 45% men	2025
Gender distribution – board	60% women / 40% men	2025
Engagement index (Eletive)	4.1 / 5.0	2025
Staff turnover	16.5%	Full year 2025
Sick leave (total)	2.35%	Full year 2025
Price advantage vs physical pharmacies	~30% lower	Feb 2026
Coverage of Swedish households	100%	2025
Assortment size (number of SKUs)	~40,000	2025

## FUTURE SUSTAINABILITY WORK

MEDS works continuously to improve and formalise its sustainability work. As a listed company, transparency requirements increase, and MEDS intends to gradually expand its sustainability reporting as the company matures and in line with regulatory requirements.

Prioritised areas of development include expanded measurement and reporting of climate emissions (Scope 1, 2 and 3), formalised supplier requirements and a code of conduct, increased focus on own brands with a sustainability profile, and continued work to make fossil-free deliveries the standard option.

The new logistics centre contracted in January 2026 almost triples the warehouse area and opens opportunities for further automation and energy efficiency improvements in warehouse operations.



## Directors' report

The Board of Directors and the Chief Executive Officer of MEDS Apotek AB (corp. id. no. 559093-4575) hereby submit the annual report for the financial year 1 January 2025 – 31 December 2025. The Parent Company has its registered office in Stockholm. The annual report is prepared in Swedish kronor.

### INFORMATION ABOUT OPERATIONS

The company, with its registered office in Stockholm, was registered on 22 December 2016. The company launched the e-commerce site MEDS.se during 2018 and is a full-scale online pharmacy operating in the Swedish outpatient market. The company offers its customers a broad product assortment at attractive prices. MEDS Apotek AB sells prescription medicines and OTC and traded goods (over-the-counter medicines and traded goods) with licences from the Swedish Medical Products Agency, the Swedish Food Agency and the eHealth Agency. Traded goods include everything from beauty products, dietary supplements, baby products, fitness products, food and beverages, electronics, and home and household products. MEDS Apotek strives for fast, reliable and (in certain cases, subject to a minimum order value) free delivery directly to the customer.

### OWNERSHIP CONDITIONS

Owners with holdings exceeding 10% comprise M2 Asset Management AB.

### SIGNIFICANT EVENTS DURING THE YEAR

On 23 September, the share was admitted to trading on Nasdaq First North Premier Growth Market. In

connection with the listing, a new share issue was carried out, in which the company received SEK 70 million before issue costs.

### OUTLOOK

The pharmacy market has shown consistent historical growth, driven by favourable demographic trends, an increasing prevalence of chronic diseases and broadened access to healthcare. In parallel, e-commerce penetration within the pharmacy sector has increased significantly, from 16% in 2020 to an estimated 25% in 2025, a structural change that shows no signs of slowing down. Management expects both trends to continue and for MEDS to continue to capitalise on the underlying market growth through its established digital platform and growing customer base.

The company's five-year revenue development reflects this momentum. From SEK 224 million in 2020, net sales grew to SEK 1,006 million in 2025, corresponding to a compound annual growth rate (CAGR) of 34.9%, growth that significantly exceeds the broader market growth and demonstrates MEDS' ability to take an ever-larger share of a growing market.

To support expected future growth, the company has entered a new lease for its logistics operations. This investment in operational infrastructure positions MEDS to scale up its delivery capacity in pace with increasing order volumes, shorter delivery times and to maintain the high service levels that underpin customer loyalty.

Management remains confident in the company's strategic position and its ability to deliver continued growth for shareholders in the coming years.

### DEVELOPMENT EXPENDITURE

The company continuously invests in further development of the business's platform and IT infrastructure. The Group's investments in intangible non-current assets during 2025 consisted primarily of expenditure for development work on MEDS Apotek's Warehouse Management System and amounted to SEK 7.0 (7.8) million, of which SEK 7.0 (6.6) million has been capitalised.



## FINANCIAL POSITION AND FINANCING

At the balance sheet date, the Group had an equity/assets ratio of 47 (28) percent and cash and cash equivalents of SEK 45.2 (21.2) million. Interest-bearing liabilities consist of lease liabilities, which amounted to SEK 7.0 (24.1) million.

### GROUP DEVELOPMENT

#### NET SALES

Net sales for the period totalled SEK 1,006.4 million (829.2), an increase of 21.4 percent. The increase consists primarily of higher net sales of traded goods, mainly driven by increased order volume. Net sales of OTC and traded goods totalled SEK 809.2 million (687.6), an increase of 17.7 percent, while net sales of prescription medicines totalled SEK 158.5 million (108.1), an increase of 46.6 percent.

### FLERÅRSÖVERSIKT

#### SHARE OF NET SALES

Net sales of OTC and traded goods account for 80.4 percent (82.9) of total net sales; prescription medicines account for 15.7 percent (13.0) of total net sales; and other accounts for 3.8 percent (4.0) of total net sales.

#### RESULTS AND MARGINS

Gross profit for the period increased by 19.9 percent to SEK 278.2 million (232.0). Gross margin decreased by 0.4 percentage points to 27.6 percent (28.0). Gross margin was negatively affected by a change in product mix.

Other external costs amounted to SEK 221.8 million (183.9), corresponding to 22.0 percent (22.2) of net sales. Adjusted for items affecting comparability, other external costs amounted to SEK 208.0 million (183.9), corresponding to 20.7 percent (22.2) of net sales. The cost increase is related to volume-driven costs associated with increased sales. The decrease

as a percentage of net sales is explained by improved efficiency in marketing costs and operational economies of scale on the fixed and semi-fixed cost base. Costs affecting comparability with previous periods amounted to SEK 13.9 million (0.0) and relate to preparations for the listing.

Personnel costs amounted to SEK 50.2 million (43.5), corresponding to 5.0 percent (5.2) of net sales. Adjusted for items affecting comparability, personnel costs amounted to SEK 46.7 million (44.1), corresponding to 4.6 percent (5.3) of net sales. The increase is explained by reduced capitalisation of internal development time and annual salary increases. Costs affecting comparability with previous periods amounted to SEK 3.6 million (-0.6) and relate to incentive-related costs.

The Group (TSEK)	2025	2024	2023	2022	2021*
Total revenue	1,018,166	837,393	659,965	609,000	193,089
Operating income	-2,408	-8,155	-49,120	-106,567	-44,125
Income after financial items	-3,003	-11,111	-51,480	-107,737	-44,473
Equity/assets ratio (%)	47%	28%	32%	33%	42%

\* The Group's figures relate to the period 1 Sep – 31 Dec

The Parent Company (TSEK)	2025	2024	2023	2022	2021
Total revenue	1,018,074	837,393	659,965	609,000	470,430
Operating income	-858	-6,597	-48,107	-116,266	-107,100
Income after financial items	-778	-7,677	-49,301	-116,302	-107,157
Equity/assets ratio (%)	47%	27%	32%	35%	49%

EBIT for the period amounted to SEK –2.4 million (–8.2), with an EBIT margin of –0.2 percent (–1.0). Adjusted EBIT for the period amounted to SEK 15.1 million (–8.7), corresponding to an adjusted EBIT margin of 1.5 percent (–1.1).

Net income for the period amounted to SEK 7.7 million (–10.4), which corresponds to 0.8 percent (–1.3) of net sales.

#### ITEMS AFFECTING COMPARABILITY

Items affecting comparability totalled SEK 17.5 million (–0.6) before tax for the period and are mainly attributable to costs for preparations for the listing and incentive-related costs for employees.

Items affecting comparability for tax amounted to SEK –10.3 million and are attributable to the recognition of a deferred tax asset for previous years' tax loss carry-forwards.

#### CASH FLOW

Cash flow from operating activities during the period amounted to SEK –21.2 million (20.3). The deterioration in cash flow is mainly due to increased inventory. Cash flow from investing activities amounted to SEK –8.0 million (–8.5) and is mainly attributable to capitalised IT development work.

Cash flow from financing activities amounted to SEK 53.2 million (–41.2) and is mainly attributable to the new share issue in connection with the company's listing. The total cash flow for the period amounted to SEK 24.0 million (–29.4).

#### INVESTMENTS

The Group's investments in intangible assets during the period amounted to SEK 7.0 million (7.8) and are attributable to capitalised IT development work. Investments in tangible non-current assets during the period amounted to SEK 0.6 million (0.4).

#### FINANCIAL POSITION

Cash and cash equivalents at the end of the period amounted to SEK 45.2 million (21.2).

The Group's interest-bearing liabilities consist of lease liabilities and amounted to SEK 7.0 million (24.1) at the end of the period.

In October 2025, the Group's credit facility was terminated. As of the balance sheet date, there are no external loans.

#### WORKING CAPITAL

Working capital at the end of the period amounted to SEK 50.8 million (11.9).

Inventory at the end of the period amounted to SEK 144.2 million (102.3). Inventory turnover rate amounted to 5.9 times per rolling 12 months (6.5).

Accounts payable at the end of the period amounted to SEK 114.1 million (103.8).

#### EQUITY

Equity at the end of the period amounted to SEK 128.4 million (58.7). The change is mainly attributable to the new share issue in connection with the company's listing and to the result for the year.

#### PERSONNEL

The average number of employees during the period was 54 (56).

#### TAX

As of 31 December, tax loss carry-forwards of SEK 50 million have been recognised as a deferred tax asset in the balance sheet. There are an additional SEK 458 million in tax loss carry-forwards that have not been capitalised. There is no time limit on these carryforwards.

#### RISKS AND UNCERTAINTIES

MEDS, like all business operations, is exposed to several risks and uncertainties that may affect the company's operations, results and financial position. The risks arise both from operations and from the external environment, and are managed through continuous follow-up, internal controls and strategic priorities. The main risk areas considered most material from a business, sustainability and value-creation perspective are presented below.

#### MARKET AND COMPETITION RISKS

MEDS operates in the Swedish pharmacy market, which is characterised by high competition and rapid development, particularly within e-commerce. Increased competition may lead to price pressure, increased marketing costs, and lower margins, while changing consumer preferences may affect demand for digital pharmacy services. The company's long-term development is dependent on the ability to retain and strengthen its competitiveness through an attractive customer offering, a high level of service and efficient deliveries.

#### OPERATIONAL RISKS IN LOGISTICS AND SUPPLY CHAIN

The Group's business model is dependent on well-functioning warehouse and logistics processes and on external transport partners. Disruptions in warehouse operations, limited delivery capacity or increased transport costs may affect customer experience, revenue and profitability. MEDS is also dependent on suppliers' ability to deliver; global or regional disruptions in supply chains may lead to product shortages, increased purchasing costs or the need for alternative suppliers, which may negatively affect results.

**IT, DATA AND INFORMATION SECURITY**

MEDS conducts a fully digital pharmacy business and is therefore heavily dependent on stable, available and secure IT systems. Operational disruptions, cyber-attacks or deficiencies in information security may lead to business interruptions, loss of revenue and loss of customer trust. The handling of large amounts of personal and health data also entails heightened requirements for data protection and regulatory compliance. Incidents in this area can have significant operational, legal and reputational consequences.

**REGULATORY AND LEGAL RISKS**

Pharmacy operations are subject to extensive regulation and supervision. Changes in legislation, authority requirements or regulations relating to pricing and subsidies of medicines may affect the Group's margins, cash flow and business model. Failure to comply with regulations may result in sanction fees, fines or revoked licences, which would have a material negative impact on operations.

**FINANCIAL AND LIQUIDITY RISKS**

The Group is exposed to liquidity and financing risks, including those arising from timing differences in cash flows linked to the pharmaceutical benefits scheme, and the need for ongoing investments in technology, logistics and growth. If cash flows or growth trajectories deviate from plan, a need for external financing may arise, which may affect the Group's financial flexibility and capital structure.

**BRAND AND REPUTATIONAL RISKS**

Trust is a central prerequisite for MEDS' operations. Negative publicity, for example related to delivery problems, IT incidents, data protection, product quality or regulatory compliance, may negatively affect customer loyalty and the value of the brand. Damaged reputation may in turn have a negative impact on sales and growth.

**GROWTH AND ORGANISATIONAL RISKS**

The Group's continued development requires that growth can be managed through scalable systems, processes and organisation. Rapid growth, larger investments or future expansions may entail risks of increased complexity, operational inefficiency and cost increases if integration, talent acquisition or governance do not develop in pace with operations.

**SUSTAINABILITY**

The Group conducts sustainable business and contributes to sustainable operations by, among other things, collaborating and engaging in dialogue with suppliers about continuously reducing emissions by prioritising fossil-free options for transport, reducing littering and the environmental impact of products and packaging, investing in new technology to optimise the size of each package, and constantly increasing the proportion of climate-compensated and fossil-free deliveries by offering climate-compensated freight alternatives. MEDS Apotek also prioritises environmentally friendly ways of travelling for business. MEDS Apotek works continuously to broaden and develop the range of sustainable products by, among other things, promoting suppliers that are at the forefront of sustainability. The company offers over 4,000 organic, vegan and eco-labelled products. MEDS Apotek strives to increase the share of discarded and expired medicines that are returned to pharmacies and provides advice to customers to reduce antibiotic resistance.

**PROPOSED APPROPRIATION OF UNRESTRICTED EQUITY**

The Board of Directors proposes that the result for the year of SEK 9,495 thousand, together with the share premium reserve of SEK 107,129 thousand, be carried forward, totalling SEK 116,623 thousand.

Share premium reserve	107,129
Retained earnings	–
Result for the year	9,495
	<b>116,623</b>
To be appropriated as follows:	
Carried forward	116,623
	<b>116,623</b>

# Financial reports

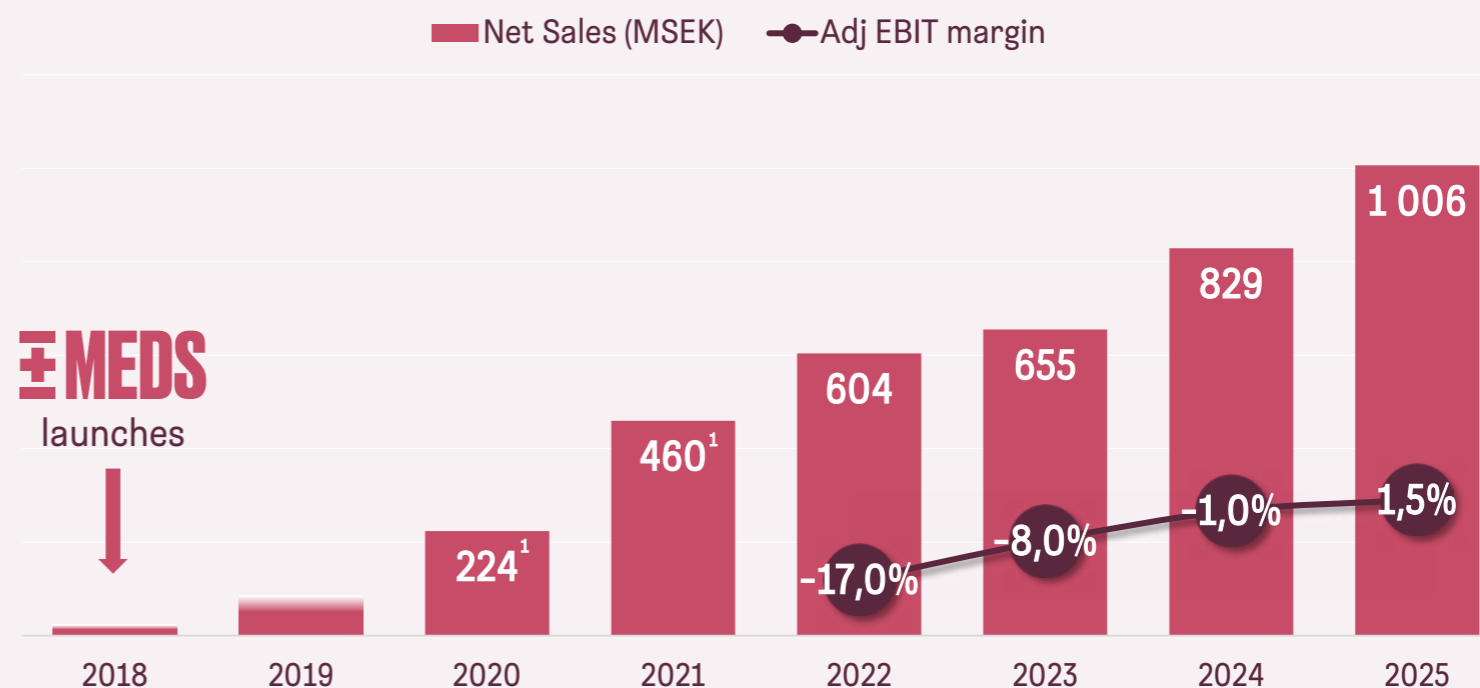
## FINANSIELL ÖVERSIKT 2025

The 2025 financial year was MEDS Apotek AB's first year as a listed company and a year of strong growth. Net sales exceeded the one-billion mark for the first time and totalled SEK 1,006.4 million (829.2), an increase of 21.4 percent. The company delivered a positive net income of SEK 7.7 million and was strengthened by a successful IPO that contributed SEK 70 million in new share issue proceeds, before issue costs of SEK 24.2 million, of which SEK 9.3 million has been recognised against equity.

The financial statements are presented for the Group (MEDS Apotek AB with subsidiaries) and for the Parent Company, and relate to the period 1 January - 31 December 2025 with the comparative period 1 January - 31 December 2024. Amounts are stated in thousands of Swedish kronor (TSEK) unless otherwise stated.

Key figures (MSEK unless otherwise stated)	2025	2024
Net sales	1,006.4	829.2
Net sales growth*	21.4%	26.6%
Gross profit*	278.2	232.0
Gross margin*	27.6%	28.0%
Contribution margin II*	98.9	69.8
Contribution margin II margin*	9.8%	8.4%
Operating income (EBIT)	(2.4)	(8.2)
Adjusted EBIT*	15.1	(8.7)
EBITDA*	17.8	12.6
Net income for the year	7.7	(10.4)
Earnings per share (SEK, before dilution)	0.44	(0.60)
Cash flow from operating activities	(21.2)	20.3
Cash and bank	45.2	21.2
Equity/assets ratio*	47.4%	28.2%
Active customers (thousands)*	1 030	875

\*Alternative measure



<sup>1</sup> Net Sales from Parent Company

## CONSOLIDATED STATEMENT OF INCOME

Amounts in SEK thousand	Note	2025	2024
<b>Operating revenue</b>			
Net sales	4	1,006,394	829,226
Other operating income	5	11,772	8,167
<b>Total revenue</b>		<b>1,018,166</b>	<b>837,393</b>
<b>Operating expenses</b>			
Raw materials and consumables	14	-728,208	-597,235
Other external costs	6	-221,792	-183,886
Personnel costs	7	-50,245	-43,494
Depreciation and amortisation of tangible and intangible non-current assets	11,12,13	-20,184	-20,753
Other operating expenses		-144	-181
<b>Operating income</b>		<b>-2,408</b>	<b>-8,155</b>
Financial income	8	431	954
Financial expenses	8	-1,025	-3,909
<b>Income after financial items</b>		<b>-3,003</b>	<b>-11,111</b>
Taxes	9	10,730	709
<b>Net income</b>		<b>7,727</b>	<b>-10,402</b>
Earnings per share, before dilution (SEK)	10	0.44	-0.60
Earnings per share, after dilution (SEK)	10	0.43	-0.60

Net income is attributable in full to the parent company's shareholders.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK thousand	2025	2024
<b>Net income</b>	<b>7,727</b>	<b>-10,402</b>
Total other comprehensive income for the year, net of tax	-	-
<b>Total comprehensive income for the year, net of tax</b>	<b>7,727</b>	<b>-10,402</b>

Net income and total comprehensive income are attributable in full to the parent company's shareholders.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK thousand	Note	12-31-2025	12-31-2024	Amounts in SEK thousand	Note	12-31-2025	12-31-2024
<b>ASSETS</b>				<b>EQUITY AND LIABILITIES</b>			
<b>Non-current assets</b>				<b>Share capital</b>			
Intangible assets	11	12,266	14,549		21,22	743	690
Property, plant and equipment	12	8,958	10,482	Additional paid-in capital		609,840	547,905
Right-of-use assets	13	8,691	25,620	Retained earnings including net income for the year		-482,185	-489,913
Deferred tax assets	9	10,464	204	<b>Total equity</b>		<b>128,397</b>	<b>58,681</b>
Other non-current financial assets		794	428				
<b>Total non-current assets</b>		<b>41,173</b>	<b>51,283</b>	<b>Non-current liabilities</b>			
<b>Current assets</b>				Lease liabilities	13,23	-	15,715
Inventory	14	144,172	102,268	Deferred tax liabilities	9	667	1,137
Accounts receivables	15	25,764	24,011	Other provisions	24	985	428
Other receivables	16	9,129	4,704	<b>Total non-current liabilities</b>		<b>1,652</b>	<b>17,280</b>
Current tax assets		819	1,257	<b>Current liabilities</b>			
Prepaid expenses and accrued income	17	4,483	3,474	Lease liabilities	13,23	7,046	8,367
Cash and cash equivalents	18	45,165	21,167	Accounts payables	15,23	114,109	103,843
<b>Total current assets</b>		<b>229,530</b>	<b>156,881</b>	Other liabilities	25	2,411	1,470
<b>TOTAL ASSETS</b>		<b>270,703</b>	<b>208,164</b>	Accrued expenses and prepaid income	26	17,089	18,522
				<b>Total current liabilities</b>		<b>140,655</b>	<b>132,202</b>
				<b>TOTAL EQUITY AND LIABILITIES</b>		<b>270,703</b>	<b>208,164</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEK thousand	Equity attributable to the parent company's shareholders			Total equity
	Share capital	Additional paid-in capital	Retained earnings incl. net income for the year	
<b>Opening equity as per 01-01-2024</b>	<b>690</b>	<b>546,616</b>	<b>-478,919</b>	<b>68,387</b>
Net income for the year	-	-	-10,402	-10,402
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-10,402</b>	<b>-10,402</b>
<i>Transactions with the parent company's owners</i>				
Share issue costs	-	-203	-	-203
Issuance of warrants	-	1,517	-	1,517
Repurchases of warrants	-	-26	-	-26
Share-based compensation	-	-	-593	-593
<b>Total</b>	<b>-</b>	<b>1,288</b>	<b>-593</b>	<b>695</b>
<b>Closing equity as per 31-12-2024</b>	<b>690</b>	<b>547,905</b>	<b>-489,913</b>	<b>58,681</b>
<b>Opening equity as per 01-01-2025</b>	<b>690</b>	<b>547,905</b>	<b>-489,913</b>	<b>58,681</b>
Net income for the year			7,727	7,727
<b>Total comprehensive income for the year</b>			<b>7,727</b>	<b>7,727</b>
<i>Transactions with the parent company's owners</i>				
New share issue	53	69,947	-	70,000
Share issue costs	-	-9,298	-	-9,298
Issuance of warrants	-	1,286	-	1,286
<b>Total</b>	<b>53</b>	<b>61,935</b>	<b>-</b>	<b>61,988</b>
<b>Closing equity as per 31-12-2025</b>	<b>743</b>	<b>609,840</b>	<b>-482,185</b>	<b>128,397</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in SEK thousand	Note	Jan-Dec 2025	Jan-Dec 2024
Operating income		-2,408	-8,155
Adjustment for non-cash items	27	20,092	20,419
Change in provisions		557	298
Interest received		431	954
Interest paid		-1,025	-3,909
Income tax paid		438	-423
<b>Net cash provided by operating activities before changes in working capital</b>		<b>18,084</b>	<b>9,184</b>
<b>Cash flows from changes in working capital</b>			
Change in inventory		-41,903	-20,505
Change in operating receivables		-7,186	-13,977
Change in operating liabilities		9,773	45,586
<b>Net cash provided by operating activities</b>		<b>-21,233</b>	<b>20,288</b>
<b>Investing activities</b>			
Acquisitions of intangible assets	11	-7,011	-7,777
Acquisitions of tangible non-current assets	12	-598	-449
Acquisitions of financial non-current assets		-366	-298
<b>Net cash provided by investing activities</b>		<b>-7,976</b>	<b>-8,524</b>
<b>Financing activities</b>			
New share issue		70,000	-
Share issue costs		-9,298	-203
Warrants		1,286	1,517
Repurchases of warrants		-	-2,795
Repayment of outstanding loans		-	-30,000
Repayment of lease liability	13,27	-8,782	-9,702
<b>Net cash provided by financing activities</b>		<b>53,206</b>	<b>-41,183</b>
<b>Net increase in cash during the year</b>	18	<b>23,998</b>	<b>-29,419</b>
Cash at the beginning of the year		21,167	50,585
<b>Cash at the end of the year</b>		<b>45,165</b>	<b>21,167</b>

## PARENT COMPANY INCOME STATEMENT

Amounts in SEK thousand	Note	2025	2024
<b>Operating revenue</b>			
Net sales	4	1,006,394	829,226
Other operating income	5	11,680	8,167
<b>Total revenue</b>		<b>1,018,074</b>	<b>837,393</b>
<b>Operating expenses</b>			
Raw materials and consumables	14	-728,208	-597,235
Other external costs	6	-233,989	-194,749
Personnel costs	7	-54,467	-49,631
Depreciation and amortisation of tangible and intangible non-current assets	11,12	-2,123	-2,194
Other operating expenses		-144	-181
<b>Operating income</b>		<b>-858</b>	<b>-6,597</b>
Other interest income and similar profit/loss items	8	431	954
Interest expenses and similar profit/loss items	8	-351	-2,035
<b>Income after financial items</b>		<b>-778</b>	<b>-7,677</b>
Tax on net income for the year	9	10,272	-
<b>Net income for the year</b>		<b>9,495</b>	<b>-7,677</b>

## PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK thousand	2025	2024
<b>Net income for the year</b>	<b>9,495</b>	<b>-7,677</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>9,495</b>	<b>-7,677</b>

## PARENT COMPANY BALANCE SHEET

Amounts in SEK thousand	Note	12-31-2025	12-31-2024	Amounts in SEK thousand	Note	12-31-2025	12-31-2024
<b>ASSETS</b>				<b>EQUITY AND LIABILITIES</b>			
<b>Tangible non-current assets</b>				Share capital	21	743	690
Equipment, tools and installations	12	8,958	10,482	<b>Restricted equity</b>		<b>743</b>	<b>690</b>
<b>Total tangible non-current assets</b>		<b>8,958</b>	<b>10,482</b>	Share premium reserve		107,129	53,464
Shares in subsidiaries	20	25	25	Retained earnings or losses		-	-593
Deferred tax assets	9	10,272	-	Net income for the year		9,495	-7,677
Other non-current receivables		794	428	<b>Non-restricted equity</b>		<b>116,623</b>	<b>45,194</b>
<b>Total financial non-current assets</b>		<b>11,091</b>	<b>453</b>	<b>Total equity</b>		<b>117,366</b>	<b>45,884</b>
<b>Total non-current assets</b>		<b>20,049</b>	<b>10,935</b>	Other provisions	24	985	428
<b>Current assets</b>				<b>Total non-current liabilities</b>		<b>985</b>	<b>428</b>
Inventory	14	144,172	102,268	Accounts payables	15,23	114,109	103,843
Accounts receivables	15	25,764	24,011	Other liabilities	25	2,411	1,470
Other receivables	16	9,129	4,704	Accrued expenses and prepaid income	26	17,089	18,522
Current tax assets		819	1,257	<b>Total current liabilities</b>		<b>133,609</b>	<b>123,835</b>
Prepaid expenses and accrued income	17	6,882	5,826	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>251,960</b>	<b>170,147</b>
Cash and bank balances	15,18	45,146	21,146				
<b>Total current assets</b>		<b>231,910</b>	<b>159,212</b>				
<b>TOTAL ASSETS</b>		<b>251,960</b>	<b>170,147</b>				

## PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

Amounts in SEK thousand	Restricted equity	Non-restricted equity			Total equity
	Share capital	Share premium reserve	Retained earnings	Net income for the year	
<b>Opening equity as per 01-01-2024</b>	<b>690</b>	<b>101,599</b>	<b>-123</b>	<b>-49,301</b>	<b>52,866</b>
Reclassifying prior year's profit/loss	-	-49,423	123	49,301	-
Net income for the year	-	-	-	-7 677	-7 677
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-7 677</b>	<b>-7 677</b>
<i>Transactions with the parent company's owners</i>					
Share issue costs	-	-203	-	-	-203
Issuance of warrants	-	1,517	-	-	1,517
Repurchases of warrants	-	-26	-	-	-26
Share-based compensation	-	-	-593	-	-593
<b>Total</b>	<b>-</b>	<b>1,288</b>	<b>-593</b>	<b>-</b>	<b>695</b>
<b>Ending equity 12-31-2024</b>	<b>690</b>	<b>53,464</b>	<b>-593</b>	<b>-7,677</b>	<b>45,884</b>
<b>Opening equity as per 01-01-2025</b>	<b>690</b>	<b>53,464</b>	<b>-593</b>	<b>-7,677</b>	<b>45,884</b>
Reclassifying prior year's profit/loss	-	-8,271	593	7,677	-
Net income for the year	-	-	-	9,495	9,495
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,495</b>	<b>9,495</b>
<i>Transactions with the parent company's owners</i>					
New share issue	53	69,947	-	-	69,947
Share issue costs	-	-9,298	-	-	-9,298
Issuance of warrants	-	1,286	-	-	1,286
<b>Total</b>	<b>53</b>	<b>61,935</b>	<b>-</b>	<b>-</b>	<b>61,988</b>
<b>Ending equity 12-31-2025</b>	<b>743</b>	<b>107,129</b>	<b>-</b>	<b>9,495</b>	<b>117,366</b>

## PARENT COMPANY CASH FLOW STATEMENT

Amounts in SEK thousand	Note	Jan-Dec 2025	Jan-Dec 2024
Operating income		-858	-6,597
Adjustment for non-cash items	27	2,123	1,860
Change in provisions		557	298
Interest received		431	954
Interest paid		-351	-2,035
Income tax paid		438	-423
<b>Net cash provided by operating activities before changes in working capital</b>		<b>2,339</b>	<b>-5,942</b>
<b>Cash flows from changes in working capital</b>			
Change in inventory		-41,903	-20,505
Change in operating receivables		-7,233	-13,990
Change in operating liabilities		9,773	43,247
<b>Net cash provided by operating activities</b>		<b>-37,024</b>	<b>2,810</b>
<b>Investing activities</b>			
Acquisitions of tangible non-current assets	12	-598	-449
Acquisitions of financial non-current assets		-366	-298
<b>Net cash provided by investing activities</b>		<b>-965</b>	<b>-747</b>
<b>Financing activities</b>			
New share issue	21	70,000	-
Share issue costs		-9,298	-203
Warrants	6	1,286	1,517
Repurchases of warrants		-	-2,795
Repayment of outstanding loans		-	-30,000
<b>Net cash provided by financing activities</b>		<b>61,988</b>	<b>-31,480</b>
<b>Net increase in cash during the year</b>	18	<b>23,999</b>	<b>-29,417</b>
Cash at the beginning of the year		21,146	50,563
<b>Cash at the end of the year</b>		<b>45,146</b>	<b>21,146</b>

# Notes

## NOTES TO THE CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENTS

### NOTE 1 GENERAL INFORMATION

Meds Apotek AB, corporate identity number 559093-4575, is a limited liability company registered in Sweden with its registered office in Stockholm. The Board of Directors and the Chief Executive Officer approved the annual report and consolidated financial statements on X 2026 for submission for adoption at the Annual General Meeting on 21 May 2026.

### NOTE 2 SIGNIFICANT ACCOUNTING PRINCIPLES

This annual report and consolidated financial statements comprise the Swedish parent company Meds Apotek AB med organisationsnummer 559093-4575 and its subsidiaries. The parent company is a limited liability company registered in and domiciled in Stockholm, Sweden. The address of the head office is Drivhjulsvägen 42, 126 30 Stockholm.

The Group's principal business is the import, export and trade of pharmacy goods, over-the-counter (OTC) medicines and prescribed medicines online via its webshop, together with related activities.

#### Basis for the consolidated financial statements

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) as adopted by the European Union (EU). In addition, the Group applies the

Swedish Annual Accounts Act (1995:1554) and RFR 1 "Supplementary Accounting Rules for Groups" issued by the Swedish Financial Reporting Board.

The consolidated financial statements have been prepared on a going concern basis. Assets and liabilities are measured at cost. The consolidated financial statements have been prepared in accordance with the acquisition method, and all subsidiaries in which a controlling interest is held are consolidated from the date on which such control was obtained.

Att upprätta rapporter i överensstämmelse med IFRS kräver att flera uppskattningar görs av ledningen för redovisningsändamål. De områden som innefattar en hög grad av bedömning, som är komplexa eller sådana områden där antaganden och uppskattningar är av väsentlig betydelse för koncernredovisningen, anges i not 3 Significant estimates and judgements. Dessa bedömningar och antaganden baseras på historiska erfarenheter samt andra faktorer som bedöms vara rimliga under rådande omständigheter. Faktiskt utfall kan skilja sig från gjorda bedömningar om gjorda bedömningar ändras eller andra förutsättningar föreligger.

The parent company applies the same accounting principles as the Group, except in cases specified under the section "Parent company accounting principles". The parent company applies the Swedish Annual Accounts Act (1995:1554) and RFR 2 "Accounting for Legal Entities". Any deviations that occur arise from limitations in the ability to apply IFRS in the parent company due to the Swedish Annual Accounts Act and applicable tax rules.

The accounting principles set out below have, unless otherwise stated, been applied consistently to all periods presented in the Group's financial reports. All amounts are stated in SEK thousand unless otherwise stated. Rounding differences may occur.

### NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED BY THE GROUP

The International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRIC) have issued and the EU has adopted new and revised standards and interpretations applicable from the financial year 2025. These have not had any material impact on the Group's financial performance or position. In April 2024, the IASB published IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation in the income statement, including specific totals and sub-totals. In addition, companies must classify all income and expenses in the income statement in one of five categories: operating, investing, financing, income tax and discontinued operations, of which the first three are new. IFRS 18 applies to financial years beginning on 1 January 2027 or later, but earlier application is permitted and must be disclosed. IFRS 18 is to be applied retrospectively. Meds Apotek is currently working on identifying all effects that the changes may have on the primary financial reports and notes.

Other new and amended standards and interpretations that come into effect on 1 January 2026 or later are not expected to have any material impact on Meds Apotek's financial reports.

**CONSOLIDATION****Transactions eliminated on consolidation**

Intra-Group receivables and liabilities, income or expenses and unrealised gains or losses arising from intra-Group transactions between Group companies are eliminated in full on consolidation.

**CURRENCY****Functional currency and reporting currency**

The functional currency of the parent company is Swedish kronor, which is also the reporting currency for the parent company and the Group.

**Transactions in foreign currency**

Transactions in foreign currency are translated to the functional currency at the exchange rate on the transaction date. Monetary assets and liabilities in foreign currency are translated to the functional currency at the exchange rate on the balance sheet date. Non-monetary items measured at historical cost in a foreign currency are not translated. Exchange rate differences arising on translation are recognised in net income for the year. Exchange gains and losses on operating receivables and operating liabilities are recognised in operating income, while exchange gains and losses on financial receivables and liabilities are recognised as financial items.

**SEGMENT REPORTING**

The Group's segmentation is based on the internal structure of the Group's business operations, which means that Meds Apotek's operations are considered to constitute a single segment.

**REVENUE FROM CONTRACTS WITH CUSTOMERS**

The largest part of the Group's revenue consists of e-commerce sales of traded goods within, among other things, health and beauty, as well as over-the-counter and prescription medicines for humans and pets.

Contracts between Meds and its customers are deemed to arise when the customer places an order in Meds' e-commerce platform. The sales contracts consist essentially of separate purchase orders that are fulfilled over short time periods. Meds Apotek assesses that the obligation to deliver each individual product to the customer is a distinct performance obligation. The transaction price is mainly fixed, although variable consideration occurs to some extent, such as returns. Discounts granted due to campaigns on the website reduce the price at the time of purchase and are not considered variable consideration. Revenue is recognised when control transfers to the customer, which is the point in time when the product is delivered to the customer and the performance obligation is satisfied.

**OTHER INCOME**

Commission income, insurance compensation, exchange rate differences and other miscellaneous income are recognised as other income.

**RAW MATERIALS AND CONSUMABLES**

Direct costs for the purchase of goods are recognised as raw materials and consumables. They consist of purchase price, customs duties, inbound transport costs and other direct costs of purchase.

**EMPLOYEE BENEFITS****Short-term benefits**

Short-term employee benefits, such as salary, social security contributions and holiday pay, are expensed in the period in which the employees perform the services.

**Defined-contribution pension plans**

The Group's pension obligations comprise only defined-contribution pensions. A defined-contribution pension plan is a pension plan under which the Group pays fixed contributions to a separate legal entity. Meds Apotek has no legal or constructive obligation

to pay additional contributions if this legal entity does not have sufficient assets to pay all employee benefits relating to the employees' service in the current or previous periods. The Group therefore has no further risk. The Group's obligations regarding contributions to defined-contribution plans are recognised as an expense in the income statement as the employees perform services for the Group during the period.

**Termination benefits**

A cost for benefits in connection with the termination of employment is recognised only if the company is demonstrably committed, without realistic possibility of withdrawal, by a formal detailed plan to end an employment before the normal time. When benefits are offered to encourage voluntary resignation, a cost is recognised if it is probable that the offer will be accepted and the number of employees who will accept the offer can be estimated reliably.

**Qualified employee stock options**

Meds Apotek has share-based compensation plans under which the Company receives services from employees as consideration for the Group's equity instruments. The fair value of the services that entitle employees to the award of options through Meds Apotek's employee stock option programme is recognised as a personnel cost with a corresponding increase in equity. The total amount to be expensed is based on the fair value of the options granted during the period. The total cost is recognised over the vesting period; the period over which all the specified vesting conditions are to be met. At the end of each reporting period, the Group reassesses its estimates of how many shares are expected to vest based on the service conditions. Any deviation from the original estimates that the reassessment gives rise to is recognised in the income statement and corresponding adjustments are made in equity.

**Warrant programmes**

Meds Apotek has share-based incentive programmes consisting of warrants that have been offered to employees and officers in the Group. Employees have been offered the opportunity to purchase warrants on market terms, which entitle the holder to subscribe for shares in the parent company at a future point in time. The Group has applied the Black & Scholes model in the warrants valuation to determine the warrant price. Since the premium paid for the warrants corresponded to the market value at the date of the offer, the warrants do not result in any impact on personnel costs or social security contributions during the warrants term. The purpose of the warrants programmes is to ensure long-term commitment from management and other key persons who work for Meds, through an incentive linked to the Company's future value growth.

See note 7 Employees and personnel costs for more information on the Group's warrants programmes.

**FINANCIAL INCOME AND EXPENSES****Financial income**

Financial income consists of interest income and any realised gains on financial assets. Interest income is recognised in accordance with the effective interest method.

**Financial expenses**

"Financial expenses consist mainly of interest expenses on liabilities calculated using the effective interest method and of interest expenses on lease liabilities. Financial expenses are recognised in the period to which they relate.

**INCOME TAXES**

Deferred tax is recognised in full, using the balance sheet method, on all temporary differences that arise between the tax base of assets and liabilities

and their carrying amounts. Temporary differences are not taken into account upon the recognition of goodwill or upon the initial recognition of an asset acquisition, since the acquisition affects neither accounting profit nor taxable profit. Furthermore, temporary differences attributable to investments in subsidiaries that are not expected to be reversed in the foreseeable future are not taken into account.

Deferred tax assets relating to deductible temporary differences and loss carryforwards are recognised only to the extent that it is probable that they will be utilised. The value of deferred tax assets is reduced when it is no longer considered probable that they can be utilised. Deferred tax assets and deferred tax liabilities are offset if there is a legal right to offset current tax assets against current tax liabilities and the deferred tax relates to the same entity in the Group and the same tax authority.

**EARNINGS PER SHARE**

Earnings per share before dilution are calculated by dividing net income attributable to the parent company's shareholders by the weighted average number of outstanding shares during the year.

Potential dilution exists when the exercise price of issued warrants is below the estimated market price. Potential ordinary shares give rise to dilution only if a conversion of them gives rise to lower earnings per share or a larger loss per share. For employee warrants programmes where employees must perform future services to become entitled to exercise the warrants, the value of the future services is taken into account when calculating the dilution effect.

**INTANGIBLE ASSETS****Internally developed intangible assets**

Expenditures that arise during the development phase are capitalised as intangible assets when, in

management's assessment, it is probable that they will result in future economic benefits for the Group, the criteria for capitalisation are met, and the costs can be measured reliably.

Meds Apotek's internally developed intangible assets primarily relate to the development of the website and internal logistics systems. The expenses that are capitalised include direct wages, consulting costs and other expenses directly attributable to the project. The capitalised expenses are recognised as a reduction in costs. All costs that do not meet the criteria for capitalisation are charged to profit or loss as they arise. Internally developed assets under development are tested for impairment at least annually.

**Amortisation principles**

Intangible non-current assets are amortised systematically over the assessed useful life of the asset. The useful life is reassessed at each balance sheet date and adjusted if required. When determining the depreciable amount, any residual value of the asset is taken into account. Intangible assets with a definite useful life are amortised from the date on which they are available for use. Estimated useful lives for material intangible non-current assets are as follows:

- Internally developed intangible assets      3 years

Applied amortisation methods, residual values and useful lives are reassessed at the end of each year.

## PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recognised in the Group at cost less accumulated depreciation and any impairment. Cost includes the purchase price and expenditure directly attributable to the asset to bring it to the location and in the condition necessary for use in accordance with the purpose of the acquisition.

### Depreciation principles

Depreciation is applied on a straight-line basis over the estimated useful life of the asset. The estimated useful lives are:

- Equipment, tools and installations	3-5 years
- Machinery	10 years

Applied depreciation methods, residual values and useful lives are reassessed at the end of each year.

## LEASES

The Group is only a lessee. At the inception of a contract, the Group determines whether the contract is, or contains, a lease based on the substance of the contract. A contract is, or contains, a lease if the contract conveys the right to determine the use of an identified asset for a certain period of time in exchange for consideration.

### Right-of-use assets

The Group recognises right-of-use assets in the statement of financial position on the commencement date of the lease (i.e. the date on which the underlying asset becomes available for use). Right-of-use assets are measured at cost less accumulated depreciation and any impairment, and adjusted for any remeasurements of the lease liability. The cost of right-of-use assets includes the initial value recognised for the related lease liability, initial direct expenses, and any prepayments made on or before the commencement date of the lease less any received incentives. Unless

the Group is reasonably certain that ownership of the underlying asset will be obtained at the end of the lease, the right-of-use asset is depreciated on a straight-line basis over the shorter of the useful life and the lease term.

### Lease liabilities

On the commencement date of a lease, the Group recognises a lease liability corresponding to the present value of the lease payments to be made during the lease term. The lease term is determined as the non-cancellable period together with periods to extend or terminate the contract if the Group is reasonably certain to exercise these options. The lease payments include fixed payments (less any benefits received in connection with entering into the lease), variable lease payments that depend on an index or a price (e.g. a reference rate) and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of an option to purchase the underlying asset or termination penalties under an option to terminate, if such options are reasonably certain to be exercised by the Group. Variable lease payments that do not depend on an index or a price are recognised as an expense in the period to which they relate.

For calculating the present value of the lease payments, the Group uses the interest rate implicit in the lease if it can be determined, and in other cases uses the incremental borrowing rate as of the commencement date of the lease. After the commencement date of a lease, the lease liability increases to reflect interest on the lease liability and decreases with lease payments made. In addition, the value of the lease liability is remeasured as a consequence of modifications, changes in the lease term, changes in lease payments or changes in an assessment to purchase the underlying asset.

### Application of practical expedients

Meds Apotek AB applies the practical expedients relating to short-term leases and leases where the underlying asset is of low value. Short-term leases are defined as leases with an initial lease term of a maximum of 12 months after taking into account any options to extend the lease. The assessment of the value of an underlying asset is based on the value of the asset when it is new, regardless of the leased asset's value. An underlying asset of low value is only deemed to be such if the lessee can benefit from the underlying asset on its own or together with other resources that are readily available to the lessee, and the underlying asset is not highly dependent on, or highly interrelated with, other assets. Examples of underlying assets of low value may be laptops and desktop computers, smaller office furniture and telephones. Lease payments for short-term leases and leases where the underlying asset is of low value are expensed on a straight-line basis over the lease term.

### Impairment of non-financial assets

The Group performs an impairment test in the event that there are indications that a decline in value has occurred in the tangible or intangible assets, i.e. whenever events or changes in circumstances indicate that the carrying amount is not recoverable. This also applies to right-of-use assets relating to leases.

## FINANCIAL INSTRUMENTS

Financial instruments recognised in the statement of financial position include, on the asset side: accounts receivables and cash and cash equivalents. Liabilities include: accounts payables and other liabilities. The accounting depends on how the financial instruments have been classified.

### Financial assets

The Group's financial assets are classified at amortized cost. Financial assets classified at amortized cost

are held within a business model whose objective is to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets classified at amortized cost are initially measured at fair value plus transaction costs. Subsequently, the assets are measured at amortized cost using the effective interest method. The assets are subject to a loss allowance for expected credit losses. The Group's financial assets that are debt instruments classified at amortized cost are disclosed in note 15 Financial instruments.

#### **Financial liabilities**

The Group's financial liabilities are classified at amortised cost. Financial liabilities recognised at amortised cost are initially measured at fair value including transaction costs. Following initial recognition, they are measured at amortised cost using the effective interest method.

#### **Impairment of financial assets**

The simplified model is applied for accounts receivables. A loss allowance is recognised, in the simplified model, for the expected remaining life of the receivable or asset. Meds Apotek's current counterparties consist of credit institutions and the government, which have a high credit rating, meaning that the risk of credit losses is considered immaterial. Meds Apotek has therefore not made any provision for expected credit losses.

The measurement of expected credit losses is based on various methods; see the Group's note 23 Financial risks. For credit-impaired assets and receivables, an individual assessment is made, taking into account historical, current and forward-looking information. The measurement of expected credit losses takes into consideration any collateral and other credit enhancements in the form of guarantees. The financial assets are recognized in the statement of financial position at amortized cost, that is, net of the gross carrying amount and the loss allowance. Changes

in the loss allowance are recognized in the income statement. Expected credit losses on cash and cash equivalents have not been recognized, as the amount has been assessed to be immaterial.

#### **INVENTORY**

Inventory is measured at the lower of cost and net realisable value. Cost is calculated using the weighted-average method. The cost of each unit is determined by a weighted average of the costs of similar units at the beginning of the period and the costs of the units purchased or produced during the period. It includes expenses incurred in acquiring the inventory assets and transporting them to their current location and condition. Net realisable value is defined as the selling price less selling costs.

#### **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of cash on hand and immediately available balances with banks and similar institutions.

#### **EQUITY**

All of the Company's shares are ordinary shares. Share capital is recognised at its quota value, and the excess portion is recognised as Additional paid-in capital. Transaction costs directly attributable to the issue of new shares are recognised, net of tax, in equity as a deduction from the issue proceeds. Option premiums received from the issuance of warrants are recognised as additional paid-in capital.

#### **GOVERNMENT GRANTS**

Wage subsidies are recognised as a reduction of personnel costs and are systematically allocated to profit or loss for the year in the same manner and over the same periods as the costs that the grants are intended to compensate.

#### **CASH FLOW**

The cash flow statement is prepared using the indirect method. This means that the result is adjusted for

transactions that have not resulted in incoming or outgoing payments, as well as for income and expenses that are attributable to investing and/or financing activities.

#### **PARENT COMPANY ACCOUNTING PRINCIPLES**

The parent company has prepared its financial reports in accordance with the Swedish Annual Accounts Act (1995:1554) and the recommendation RFR 2 "Accounting for Legal Entities" issued by the Swedish Financial Reporting Board. The parent company applies the same accounting principles as the Group, with the exceptions and additions set out in RFR 2. This means that IFRS is applied with the deviations set out below. The deviations that occur between IFRS and RFR 2 arise from limitations in the ability to apply IFRS in legal entities due to the Swedish Annual Accounts Act and applicable tax rules. The accounting principles for the parent company set out below have been applied consistently in all periods presented in the parent company's financial reports, unless otherwise stated.

#### **PRESENTATION**

The income statement and balance sheet are, for the parent company, presented in accordance with the presentation formats of the Swedish Annual Accounts Act, while the statement of comprehensive income, statement of changes in equity and cash flow statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows, respectively.

#### **LEASES**

The rules for the accounting of leases under IFRS 16 are not applied in the parent company. This means that lease payments are recognised as an expense on a straight-line basis over the lease term, and that right-of-use assets and lease liabilities are not included in the parent company's balance sheet. Identification of a lease is, however, carried out in accordance with IFRS 16, i.e. that a contract is or contains a lease if the contract conveys the right to

determine the use of an identified asset for a certain period of time in exchange for consideration.

#### **SHARES IN SUBSIDIARIES**

Shares in subsidiaries are recognised in the parent company using the cost method. Transaction costs are included in the carrying amount of the holding. In cases where the carrying amount exceeds the consolidated carrying amount, impairment is recognised in profit or loss. An analysis to determine whether an impairment need exists is performed at the end of each reporting period. In cases where a previous impairment is no longer justified, such impairment is reversed.

#### **FINANCIAL INSTRUMENTS**

Due to the link between accounting and taxation, the rules on financial instruments under IFRS 9 are not applied in the parent company as a legal entity; instead, the parent company applies the cost method in accordance with the Swedish Annual Accounts Act. In the parent company, financial non-current assets are therefore measured at cost, and financial current assets in accordance with the lower of cost and market principle, with the application of impairment for expected credit losses in accordance with IFRS 9 regarding assets that are debt instruments.

#### **IMPAIRMENT OF FINANCIAL ASSETS**

Financial assets, including intra-Group receivables, are impaired for expected credit losses. For the method for impairment for expected credit losses, see the Group's accounting principles. Expected credit losses for intra-Group receivables are estimated using the general model, in which the creditworthiness of the Group companies is estimated.

#### **CAPITALISATION OF DEVELOPMENT EXPENDITURE**

All expenses related to development are expensed as incurred in the parent company.

#### **NOTE 3 SIGNIFICANT ESTIMATES AND JUDGEMENTS**

In preparing the financial reports, management must make certain judgements and assumptions that affect the carrying amount of asset and liability items and income and expense items, as well as other information provided. Actual outcomes may subsequently differ from these assessments if other circumstances arise. Changes in estimates are recognised in the period in which the change is made if the change only affects that period, or in the period in which the change is made and future periods if the change affects both the current period and future periods. The estimates and assumptions that involve a significant risk of material adjustments in the carrying amounts of assets and liabilities during the next financial year are addressed in general terms below.

#### **INVENTORY**

Inventory is measured at the lower of cost and fair value (net realisable value). The Group makes impairments of slow-moving goods. The cost of the impairments is included in the cost of "Raw materials and consumables". The actual outcome of future selling prices and costs of completing the sale may differ from the assessments and estimates made.

#### **DEFERRED TAX ASSETS**

Deferred tax assets that are judged to be utilisable in the tax returns of subsequent years have been recognised. Remaining amounts are not recognised in the balance sheet.

#### NOTE 4 REVENUE FROM CONTRACTS WITH CUSTOMERS

Meds applies the practical expedient of not disclosing revenue that is part of contracts expected to be completed within one year. None of the Group's customers individually accounts for a significant share of revenue.

Group (TSEK)	2025	2024
<i>Type of goods</i>		
Traded goods & OTC medicines	809,238	687,576
Prescription medicines	158,483	108,075
Other	38,672	33,575
<b>Revenue from contracts with customers</b>	<b>1,006,394</b>	<b>829,226</b>

<i>Type of customer</i>		
Private and corporate customers	920,520	771,590
Public sector	85,873	57,636
<b>Revenue from contracts with customers</b>	<b>1,006,394</b>	<b>829,226</b>

Parent Company (TSEK)	2025	2024
<i>Type of goods</i>		
Traded goods & OTC medicines	809,238	687,576
Prescription medicines	158,483	108,075
Other	38,672	33,575
<b>Revenue from contracts with customers</b>	<b>1,006,394</b>	<b>829,226</b>

<i>Type of customer</i>		
Private and corporate customers	920,520	771,590
Public sector	85,873	57,636
<b>Revenue from contracts with customers</b>	<b>1,006,394</b>	<b>829,226</b>

Contract assets, i.e. the Group's accrued income, arise primarily when the Group is entitled to revenue based on services performed. Contract liabilities relate to consideration received from customers before performance has been provided.

Group (TSEK)	2025	2024
<i>Contract balances</i>		
Accounts receivables	25,764	24,011
Contract assets	1,414	1,124
Contract liabilities	35	398
<b>Total</b>	<b>27,213</b>	<b>25,533</b>

Parent Company (TSEK)	2025	2024
<i>Contract balances</i>		
Accounts receivables	25,764	24,011
Contract assets	1,414	1,124
Contract liabilities	35	398
<b>Total</b>	<b>27,213</b>	<b>25,533</b>

#### NOTE 5 OTHER OPERATING INCOME

Group (TSEK)	2025	2024
Commission income	10,286	7,350
Exchange rate differences	91	65
Insurance compensation	6	172
Other	1,390	580
<b>Total</b>	<b>11,772</b>	<b>8,167</b>

Parent Company (TSEK)	2025	2024
Commission income	10,286	7,350
Exchange rate differences	91	65
Insurance compensation	6	172
Other	1,298	580
<b>Total</b>	<b>11,680</b>	<b>8,167</b>

#### NOTE 6 AUDITOR'S FEES

Audit engagement refers to the auditor's work for the statutory audit, and audit services refer to various types of quality-assurance services. Other services refer to services that are not part of the audit engagement, the audit services or tax advisory.

Group (TSEK)	2025	2024
<i>Ernst &amp; Young AB</i>		
Audit engagement	680	586
Other audit services	410	-
Tax advisory	-	-
Other services	1,335	-
<b>Total</b>	<b>2,425</b>	<b>586</b>

Parent Company (TSEK)	2025	2024
<i>Ernst &amp; Young AB</i>		
Audit engagement	680	586
Other audit services	410	-
Tax advisory	-	-
Other services	1,335	-
<b>Total</b>	<b>2,425</b>	<b>586</b>

## NOTE 7 EMPLOYEES AND PERSONNEL COSTS

All operations are conducted in and all personnel are employed by the parent company Meds Apotek AB. The Group's disclosures therefore also represent the parent company.

Average number of employees	2025			2024		
	Average number of employees	Of which women, percent %	Of which men, percent %	Average number of employees	Of which women, percent %	Of which men, percent %
Parent company	54	55%	45%	56	57%	43%
Subsidiaries in:						
Sweden	-	-	-	-	-	-
<b>Total in the Group</b>	<b>54</b>	<b>55%</b>	<b>45%</b>	<b>56</b>	<b>57%</b>	<b>43%</b>

Gender distribution, board and senior executives	12-31-2025			12-31-2024		
	Employees at balance sheet date	Of which women, percent %	Of which men, percent %	Employees at balance sheet date	Of which women, percent %	Of which men, percent %
Board members	4	75%	25%	3	67%	33%
Chief Executive Officer and other senior executives	6	17%	83%	6	17%	83%
<b>Total in the Group</b>	<b>10</b>	<b>40%</b>	<b>60%</b>	<b>9</b>	<b>33%</b>	<b>67%</b>

Personnel costs (TSEK)	2025	2024
<i>Board and other senior executives*</i>		
Salaries and other remuneration	13,928	10,834
Social security contributions	3,267	2,508
Pension costs	1,952	1,331
Other personnel costs	17	16
<b>Total</b>	<b>19,164</b>	<b>14,689</b>

\*The amounts include both directly employed personnel and services provided via external consulting firms.

<i>Other employees</i>		
Salaries and other remuneration	25,209	24,454
Social security contributions	7,909	7,785
Pension costs	1,512	1,815
Other personnel costs	674	887
<b>Total</b>	<b>35,303</b>	<b>34,942</b>
<b>Total</b>	<b>54,467</b>	<b>49,631</b>

NOTE 7 EMPLOYEES AND PERSONNEL COSTS,  
CONT'D.

Personnel costs (TSEK)	2025				2024			
	Base salary, board fees	Variable remuneration	Pension cost	Total	Base salary, board fees	Variable remuneration	Pension cost	Total
<i>Board members</i>								
Christian W. Jansson	511	-	-	511	363	-	-	363
Gunilla Spongh	364	-	-	364	354	-	-	354
Mia Arnhult	190	-	-	190	-	-	-	-
Jina Zachrisson	167	-	-	167	-	-	-	-
Ingrid Jonasson Blank	52	-	-	52	154	-	-	154
David Sandström	-	-	-	-	115	-	-	115
<i>Chief Executive Officer</i>								
Björn Thorngren	3,080	934	1,227	5,241	2,751	-	712	3,463
Other senior executives (5 persons)	8,005	625	725	9,355	7,022	75	619	7,716
<b>Total</b>	<b>12,369</b>	<b>1,559</b>	<b>1,952</b>	<b>15,880</b>	<b>10,759</b>	<b>75</b>	<b>1,331</b>	<b>12,164</b>

**REMUNERATION AND TERMS FOR SENIOR EXECUTIVES**

Remuneration to the Chief Executive Officer and other senior executives consists of base salary, pension benefits and other benefits such as healthcare benefits. The Chief Executive Officer and other senior executives are also covered by incentive programmes.

The Chief Executive Officer has a notice period of 12 months if the termination is initiated by the Group and 6 months if the Chief Executive Officer chooses to terminate the employment.

**WARRANT PROGRAMMES**

The Group has two ongoing warrant programmes. The programmes have been allocated to board members and senior executives as well as key persons.

**Warrant programme 2023/2025**

Programme 2023/2025 comprised a maximum number of 293,400 warrants. All warrants in programme 2023/2025 have lapsed without exercise.

**Warrant programme 2024/2026**

Programme 2024/2026 comprises a maximum number of 540,000 warrants, which can be exercised into shares in the Company. The premium paid for the warrants corresponds to the fair value at the time the warrants were issued.

Since fair value has been paid on issuance of the options, no personnel cost is recognised for the warrant programmes.

**Warrant programme 2025/2027**

Programme 2025/2027 comprises a maximum number of 345,028 warrants, which can be exercised into shares in the Company. The premium paid for the warrants corresponds to the fair value at the time the warrants were issued.

Since fair value has been paid on issuance of the options, no personnel cost is recognised for the warrant programmes.

## NOTE 8 FINANCIAL ITEMS

Group (TSEK)	2025	2024
<i>Financial income</i>		
Interest income	431	954
<b>Total financial income</b>	<b>431</b>	<b>954</b>
<i>Financial expenses</i>		
Interest expenses, credit institutions	-332	-1,991
Interest expenses, other	-19	-43
Interest expenses, lease liabilities	-674	-1,875
<b>Total financial expenses</b>	<b>-1,025</b>	<b>-3,909</b>
<b>Net financial items</b>	<b>-595</b>	<b>-2,955</b>

Parent Company (TSEK)	2025	2024
<i>Financial income</i>		
Interest income	431	954
<b>Total financial income</b>	<b>431</b>	<b>954</b>
<i>Financial expenses</i>		
Interest expenses, credit institutions	-332	-1,991
Interest expenses, other	-19	-43
Interest expenses, lease liabilities	-	-
<b>Total financial expenses</b>	<b>-351</b>	<b>-2,035</b>
<b>Net financial items</b>	<b>80</b>	<b>-1,081</b>

## NOTE 9 TAXES

Group (TSEK)	2025	2024
<i>Current tax</i>		
Current tax on net income for the year	-	-
Adjustments relating to prior years	-	-
<b>Total current tax</b>	<b>-</b>	<b>-</b>
<i>Deferred tax</i>		
Deferred tax on temporary differences	10,730	709
<b>Total deferred tax</b>	<b>10,730</b>	<b>709</b>
<b>Redovisad skatt i resultaträkningen</b>	<b>10,730</b>	<b>709</b>
<i>Reconciliation of the effective tax rate</i>		
<b>Profit/loss before tax</b>	<b>-3,003</b>	<b>-11,111</b>
Tax at the applicable tax rate for the parent company (2025: 20.6%, 2024: 20.6%)	619	2,289
Tax effect of:		
Non-deductible expenses	-155	1
Other	1,908	-
Deferred tax attributable to prior years' losses	8,359	-
Loss carryforwards without corresponding recognition of deferred tax asset	-	-1,581
<b>Tax recognised</b>	<b>10,730</b>	<b>709</b>
Effective tax rate	-357%	-6%

The Group has no tax items recognised in other comprehensive income or directly in equity.

## NOTE 9 TAXES, CONT'D.

Group (TSEK)	2025	2024
<i>Information on deferred tax assets and tax liabilities</i>		
The following tables specify the tax effect of the temporary differences:		
<i>Deferred tax asset</i>	<b>Skattemässiga underskott</b>	<b>Summa</b>
<b>Opening carrying amount as per 01-01-2025</b>	<b>204</b>	<b>204</b>
<i>Recognised:</i>		
Additions	10,272	10,272
Disposals	-12	-12
In other comprehensive income	-	-
<b>Closing carrying amount as per 31-12-2025</b>	<b>10,464</b>	<b>10,464</b>
<i>Deferred tax liability</i>	<b>Immateriella tillgångar</b>	<b>Summa</b>
<b>Opening carrying amount as per 01-01-2025</b>	<b>-1,137</b>	<b>-1,137</b>
<i>Recognised:</i>		
In profit or loss	470	470
In other comprehensive income	-	-
<b>Closing carrying amount as per 31-12-2025</b>	<b>-667</b>	<b>-667</b>

The Group has recognised a deferred tax asset of TSEK 10,272, contingent on future taxable profits. This deferred tax asset is based on internal forecasts and budgets that show a recovery of profits over the coming three years. There are tax loss carry-forwards for which deferred tax assets have not been recognised in the statement of financial position, amounting to TSEK 457,803 (TSEK 498,386 for 2024), and they have no time limit. Deferred tax assets have not been recognised for these items, as it is not probable that the Group will be able to utilise them against future taxable profits within the foreseeable future.

Parent Company (TSEK)	2025	2024
<i>Current tax</i>		
Current tax	-	-
Adjustment relating to prior years	-	-
<b>Total current tax</b>	<b>-</b>	<b>-</b>
<i>Deferred tax</i>		
Deferred tax on temporary differences	10,272	-
<b>Total deferred tax</b>	<b>10,272</b>	<b>709</b>
<b>Redovisad skatt i resultaträkningen</b>	<b>10,272</b>	<b>709</b>
<i>Reconciliation of the effective tax rate</i>		
<b>Profit/loss before tax</b>	<b>-778</b>	<b>-7,677</b>
Tax at the applicable tax rate for the parent company, 20.6 %	160	1,582
Tax effect of:		
Non-deductible expenses	-155	1
Other	1,908	-
Deferred tax attributable to prior years' losses	8,360	-
Increase in tax losses without corresponding increase in deferred tax	-	1,583
<b>Tax recognised</b>	<b>10,272</b>	<b>-</b>
Effective tax rate	151%	-

The parent company has no tax items recognised in other comprehensive income or directly in equity.

## NOTE 9 TAXES, CONT'D.

**Parent Company (TSEK)**

Information on deferred tax assets and tax liabilities

The following tables specify the tax effect of the temporary differences:

<i>Deferred tax asset</i>	<b>Skattemässiga underskott</b>	<b>Summa</b>
<b>Opening carrying amount as per 01-01-2025</b>	-	-
<i>Recognised:</i>		
Additions	10,272	10,272
In other comprehensive income	-	-
<b>Closing carrying amount as per 31-12-2025</b>	<b>10,272</b>	<b>10,272</b>

The Parent Company has recognised a deferred tax asset of TSEK 10,272, contingent on future taxable profits. This deferred tax asset is based on internal forecasts and budgets that show a recovery of profits over the coming three years. There are tax loss carry-forwards for which deferred tax assets have not been recognised in the balance sheet, amounting to TSEK 457,803 for 2025 and TSEK 498,386 for 2024, and they have no time limit. Deferred tax assets have not been recognised for these items, as it is not probable that the Parent Company will be able to utilise them against future taxable profits within the foreseeable future.

## NOTE 10 EARNINGS PER SHARE

<b>Group (TSEK)</b>	<b>2025</b>	<b>2024</b>
<i>Earnings per share before and after dilution</i>		
Net income for the year attributable to the parent company's shareholders	7,727	-10,402
Weighted average number of ordinary outstanding shares	17,616,893	17,251,424
<b>Earnings per share before dilution (SEK)</b>	<b>0.44</b>	<b>-0.60</b>
Weighted average number of total outstanding shares	17,837,189	17,251,424
<b>Earnings per share after dilution (SEK)</b>	<b>0.43</b>	<b>-0.60</b>

There are outstanding potential ordinary shares in the form of warrants that may give rise to a dilutive effect; see note 7 for further information on outstanding options. Earnings per share after dilution is reported only when a conversion of warrants into ordinary shares results in a lower earnings per share.

## NOTE 11 INTANGIBLE ASSETS

<b>Group (TSEK)</b>	<b>Internally developed intangible assets</b>	<b>Software and similar rights</b>	<b>Total</b>
<i>Cost</i>			
<b>Per 1 Januari 2024</b>	<b>25,589</b>	<b>10,940</b>	<b>36,529</b>
Acquisitions	6,137	1,640	7,777
<b>Per 31 December 2024</b>	<b>31,726</b>	<b>12,580</b>	<b>44,306</b>
Acquisitions	4,222	2,789	7,012
<b>Per 31 December 2025</b>	<b>35,948</b>	<b>15,369</b>	<b>51,317</b>
<i>Amortisation</i>			
<b>Per 1 Januari 2024</b>	<b>-12,739</b>	<b>-5,718</b>	<b>-18,457</b>
Amortisation for the year	-8,042	-3,258	-11,300
<b>Per 31 December 2024</b>	<b>-20,781</b>	<b>-8,976</b>	<b>-29,757</b>
Amortisation for the year	-6,686	-2,608	-9,294
<b>Per 31 December 2025</b>	<b>-27,467</b>	<b>-11,584</b>	<b>-39,051</b>
<b>Closing carrying amount as per 31-12-2024</b>	<b>10,945</b>	<b>3,604</b>	<b>14,549</b>
<b>Closing carrying amount as per 31-12-2025</b>	<b>8,481</b>	<b>3,785</b>	<b>12,266</b>

## IMPAIRMENT TESTING

The Group's intangible assets consist of capitalised expenditure for product development. The portion of the intangible assets that is not yet ready for use is tested annually, or more frequently if there are indications of impairment.

The impairment test consists of assessing whether the asset's recoverable amount is higher than its carrying amount. The recoverable amount has been calculated on the basis of the asset's value in use, which is the present value of the asset's expected future cash flows, without taking into account any future expansion of operations or restructuring. The calculation of value in use has been based on:

- A discount rate of 11% before tax
- A forecast of future cash flows based on a 3-year period extending from 2026 to 2028.
- The impairment test is based on assumed forecasts.

The discounted cash flow model includes the forecasting of future cash flows from operations, including estimates of revenue volumes and production costs. The key assumptions driving the expected cash flows are sales capacity, i.e. sales and marketing resources. Values for these variables have been estimated primarily on the basis of, and in accordance with, historical experience. The calculations do not indicate any impairment need, and they do not indicate that any reasonably possible changes in key assumptions would lead to an impairment need.

## NOTE 12 TANGIBLE NON-CURRENT ASSETS

Group (TSEK)	Equipment, tools and installations
<i>Cost</i>	
<b>Per 1 Januari 2024</b>	<b>17,528</b>
Acquisitions	449
<b>Per 31 December 2024</b>	<b>17,977</b>
Acquisitions	598
<b>Per 31 December 2025</b>	<b>18,575</b>
<i>Depreciation</i>	
<b>Per 1 Januari 2024</b>	<b>-5,302</b>
Depreciation for the year	-2,194
<b>Per 31 December 2024</b>	<b>-7,496</b>
Depreciation for the year	-2,123
<b>Per 31 December 2025</b>	<b>-9,619</b>
<b>Closing carrying amount as per 12-31-2024</b>	<b>10,482</b>
<b>Closing carrying amount as per 12-31-2025</b>	<b>8,958</b>

Parent Company (TSEK)	Equipment, tools and installations
<i>Cost</i>	
<b>Per 1 Januari 2024</b>	<b>17,528</b>
Acquisitions	449
<b>Per 31 December 2024</b>	<b>17,977</b>
Acquisitions	598
<b>Per 31 December 2025</b>	<b>18,575</b>
<i>Depreciation</i>	
<b>Per 1 Januari 2024</b>	<b>-5,302</b>
Depreciation for the year	-2,194
<b>Per 31 December 2024</b>	<b>-7,496</b>
Depreciation for the year	-2,123
<b>Per 31 December 2025</b>	<b>-9,618</b>
<b>Closing carrying amount as per 12-31-2024</b>	<b>10,482</b>
<b>Closing carrying amount as per 12-31-2025</b>	<b>8,958</b>

## NOTE 13 LEASES

Group (TSEK)	Right-of-use asset	Lease liability
<b>Opening balance 01-01-2024</b>	<b>34,267</b>	<b>35,173</b>
New contracts	-	-
Depreciation	-7,259	-
Remeasurement	-1,388	-1,389
Interest expenses	-	1,875
Lease payments	-	-11,577
<b>Closing balance 12-31-2024</b>	<b>25,620</b>	<b>24,082</b>
New contracts	-	-
Depreciation	-8,767	-
Remeasurement	-8,162	-8,254
Interest expenses	-	674
Lease payments	-	-9,456
<b>Closing balance 12-31-2025</b>	<b>8,691</b>	<b>7,046</b>

The Group's material lease agreements consist of an agreement for combined office and warehouse premises that is attributable to the Parent Company. Set out below are the amounts recognised in the Group's income statement during the year attributable to lease agreements:

	2025	2024
Depreciation of right-of-use assets	-8,767	-7,259
Interest expenses on lease liabilities	-674	-1,875
Cost relating to short-term leases	-318	-318
<b>Total</b>	<b>-9,759</b>	<b>-9,451</b>

The Group reports a cash outflow attributable to lease agreements amounting to SEK 13,252 thousand in 2025 and SEK 16,171 thousand in 2024. For a maturity analysis of the Group's lease liabilities, see note 23 Financial risks.

Parent Company (TSEK)	2025	2024
<i>Future minimum lease payments</i>		
Within 1 year	7,198	9,409
Between 1-5 years	-	16,466
<b>Total</b>	<b>7,198</b>	<b>25,875</b>

Lease payments expensed during the year amounted to SEK 10,716 thousand for 2025 and SEK 10,492 thousand for 2024.

## NOTE 14 INVENTORY

<b>Group (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
Traded goods	144,172	102,268
<b>Carrying amount</b>	<b>144,172</b>	<b>102,268</b>

<b>Parent Company (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
Traded goods	144,172	102,268
<b>Carrying amount</b>	<b>144,172</b>	<b>102,268</b>

The write-down of inventory to net realisable value amounts to TSEK -354 in 2025 and TSEK 536 for 2024. For the comparative period, the reserve for inventory write-down decreased, which meant that the effect on profit was positive for 2024. The write-down has been recognised in the income statement as cost of goods sold.

## NOTE 15 FINANCIAL INSTRUMENTS

<b>Group (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
<i>Financial assets measured at amortised cost</i>		
Accounts receivables	25,764	24,011
Cash and cash equivalents	45,165	21,167
<b>Total financial assets</b>	<b>70,929</b>	<b>45,178</b>

<i>Financial liabilities measured at amortised cost</i>		
Lease liabilities	7,046	24,082
Accounts payables	114,109	103,843
<b>Total financial liabilities</b>	<b>121,155</b>	<b>127,925</b>

<b>Parent Company (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
<i>Financial assets measured at amortised cost</i>		
Accounts receivables	25,764	24,011
Cash and bank balances	45,146	21,146
<b>Total financial assets</b>	<b>70,909</b>	<b>45,157</b>

<i>Financial liabilities measured at amortised cost</i>		
Accounts payables	114,109	103,843
<b>Total financial liabilities</b>	<b>114,109</b>	<b>103,843</b>

Neither the Group nor the parent company has financial assets or liabilities measured at fair value. For all financial assets and liabilities, the carrying amount is considered a reasonable approximation of fair value.

## NOTE 16 OTHER RECEIVABLES

<b>Group (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
VAT receivables	7,423	3,368
Tax account receivables	279	210
Other	1,426	1,126
<b>Carrying amount</b>	<b>9,129</b>	<b>4,704</b>

<b>Parent Company (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
VAT receivables	7,423	3,368
Tax account receivables	279	210
Other	1,426	1,126
<b>Carrying amount</b>	<b>9,129</b>	<b>4,704</b>

## NOTE 17 PREPAID EXPENSES AND ACCRUED INCOME

Group (TSEK)	12-31-2025	12-31-2024
Accrued income	2,891	2,122
Other items	1,592	1,352
<b>Carrying amount</b>	<b>4,483</b>	<b>3,474</b>

Parent Company (TSEK)	12-31-2025	12-31-2024
Prepaid rent costs	2,630	2,555
Accrued income	2,891	2,122
Other items	1,361	1,149
<b>Carrying amount</b>	<b>6,882</b>	<b>5,826</b>

## NOTE 18 CASH AND CASH EQUIVALENTS

Group (TSEK)	12-31-2025	12-31-2024
Bank balances	45,165	21,167
<b>Carrying amount</b>	<b>45,165</b>	<b>21,167</b>

Parent Company (TSEK)	12-31-2025	12-31-2024
Bank balances	45,165	21,167
<b>Carrying amount</b>	<b>45,165</b>	<b>21,167</b>

Neither the Group nor the parent company has restricted bank balances.

## NOTE 19 LIABILITIES TO CREDIT INSTITUTIONS

## CREDIT FACILITIES

Group (TSEK)	12-31-2025	12-31-2024
Granted amount	-	35,000
Utilised amount	-	-

Parent Company (TSEK)	12-31-2025	12-31-2024
Granted amount	-	35,000
Utilised amount	-	-

## NOTE 20 GROUP COMPANIES

Meds Apotek AB's, holdings in direct and indirect subsidiaries covered by the consolidated financial statements are shown in the table below:

Company	Corporate identity number	Registered office	Capital share/voting rights share	
			12-31-2025	12-31-2024
MEDS Apotek AB	559093-4575	Stockholm	Parent company	Parent company
MEDS Apotek Sverige AB	559330-2192	Stockholm	100%	100%

Parent Company (TSEK)	2025-01-01 - 2025-12-31	2024-01-01 - 2024-12-31
<b>Opening cost</b>	<b>25</b>	<b>25</b>
Acquisition / shareholder contribution	-	-
<b>Closing cost</b>	<b>25</b>	<b>25</b>
<b>Closing carrying amount</b>	<b>25</b>	<b>25</b>

Company	Equity 2025-12-31	Result 2025	Number of shares	Carrying amount 2025-12-31
MEDS Apotek Sverige AB	19	-2	25 000	25

## NOTE 21 EQUITY

## SHARE CAPITAL

The registered share capital of SEK 743 thousand (SEK 690 thousand as of 31-12-2024) consists of 18,572,178 shares (17,251,424 shares as of 31-12-2024). Meds Apotek AB has only one class of share.

Holders of ordinary shares are entitled to dividends, which are established from time to time, and the shareholding entitles the holder to voting rights at the general meeting with one vote per share.

	12-31-2025	12-31-2024
<b>Number of outstanding shares at the beginning of the year</b>	<b>17,251,424</b>	<b>17,251,424</b>
Increase via new share issue	1,320,754	-
<b>Number of outstanding shares at the end of the year</b>	<b>18,572,178</b>	<b>17,251,424</b>

**NOTE 21 EQUITY, CONT'D.****GROUP**

Additional paid-in capital consists of capital contributed by the Group's owners in the form of new share issues and premiums from warrants. Retained earnings including net income for the year consist of prior years' profits/losses and net income for the year.

**PARENT COMPANY**

The share premium reserve consists of capital contributed by the parent company's owners in the form of share premium upon new share issues and premiums from warrants. The Company has retained earnings and net income for the year.

**NOTE 22 APPROPRIATION OF PROFIT**

The Board of Directors proposes that the net income for the year, SEK 9,495 thousand, be offset against the share premium reserve and that the remaining share premium reserve of SEK 116,623 thousand be carried forward.

<b>(TSEK)</b>	<b>12-31-2025</b>
---------------	-------------------

*Proposed appropriation*

**The following funds are at the disposal of the Annual General Meeting:**

Retained earnings, SEK thousand	-
Share premium reserve	107,129
Net income for the year, SEK thousand	9,495
<b>Total</b>	<b>116,623</b>

**The Board of Directors proposes that the funds be appropriated as follows:**

Carried forward	116,623
<b>Share premium reserve</b>	<b>116,623</b>

**NOTE 23 FINANCIAL RISKS**

The Group's results, financial position and cash flow are affected both by changes in the external environment and by the Group's own actions. The risk management work aims to clarify and analyse the risks that the company faces and, as far as possible, to prevent and limit any negative effects.

Through its operations, the Group is exposed to various types of financial risks: credit risk, market risks (interest rate risk, currency risk and other price risk), as well as liquidity risk and financing risk. The Board of Directors and the company management have overall responsibility for the Group's risk work, including financial risks. The risk work includes identifying, assessing and evaluating the risks that the Group faces. Priority is placed on the risks that, in an overall assessment of possible impact, probability and consequence, are deemed capable of having the most negative effect on the Group. The Group's overall objective with regard to financial risks is to safeguard the Group's ability to continue operating its business and to maintain a sound financial position.

**CREDIT RISK**

Credit risk is the risk that the Group's counterparty in a financial instrument cannot fulfil its obligation and thereby cause the Group a financial loss. The Group's credit risk arises primarily through receivables from customers and through the placement of cash and cash equivalents. At each reporting date, the Group evaluates the credit risk of existing exposures, taking forward-looking factors into account.

**CREDIT RISK IN ACCOUNTS RECEIVABLE (SIMPLIFIED METHOD FOR CREDIT RISK PROVISION)**

For the Group, credit risk primarily exists in accounts receivable, and the Group's objective is to continuously monitor this credit risk. The Group's customers consist primarily of private individuals and public authorities. Credit risk towards private individuals is handled primarily through cooperation with parties that offer external payment solutions. Credit risk towards customers is transferred to the counterparty in such cooperation. The Group also has accounts receivable from suppliers for post-invoicing of margin support and campaigns. There have been no material credit losses from post-invoicing historically, and no material losses are expected going forward either. The Group has chosen to apply the simplified method for the recognition of expected credit losses in respect of accounts receivable. This means that expected credit losses are provided for over the remaining maturity, which is expected to be less than one year for all receivables. The Group applies a rating-based method for calculating expected credit losses based on probability of default, expected loss and exposure at default. The counterparties consist of credit institutions and the state, which have a high credit rating, meaning that the risk of credit losses is considered immaterial. The Group has therefore not made any provision for expected credit losses.

## NOTE 23 FINANCIAL RISKS, CONT'D.

**CASH AND CASH EQUIVALENTS**

The Group's credit risk also arises from the placement of cash and cash equivalents. The Group's objective is to continuously monitor credit risk attributable to placements. For placements in bank accounts, the objective is for the counterparty to have a high credit rating of at least an investment grade rating of A-/BBB (S&P).

**PROVISION FOR EXPECTED CREDIT LOSSES (GENERAL METHOD)**

For other items covered by expected credit losses, an impairment method with three stages is applied. Under the general method, credit risk is measured for the next 12 months. The Group applies a rating-based method where expected credit losses are measured as the product of probability of default, loss given default, and exposure at default. Other known information and forward-looking factors are also taken into account in the assessment of expected credit losses. As of the balance sheet date, no significant increase in credit risk has been deemed to exist for any receivable or asset. Such an assessment is based on whether payment is 90 days overdue or more, or whether a significant deterioration in creditworthiness has occurred, resulting in a creditworthiness below investment grade. In the event of a significant increase in credit risk, credit risk is measured over the remaining maturity of the exposure. In cases where the amounts are not deemed to be immaterial, a provision for expected credit losses is also recognised for these financial instruments.

**CREDIT RISK EXPOSURE AND CREDIT RISK CONCENTRATION**

The Group's credit risk exposure consists of cash and cash equivalents and accounts receivable. Cash and cash equivalents of TSEK 45,165 (TSEK 21,167 as of 31 December 2024) are placed with financial institutions with a high credit rating. The majority of cash and cash equivalents is placed with banks with a rating of AA-. The majority of the Group's accounts receivable of TSEK 25,764 (TSEK 24,011 as of 31 December 2024) is guaranteed by credit institutions and the eHealth Agency.

**MARKET RISK**

Market risk is the risk that the fair value of, or future cash flows from, a financial instrument will vary due to changes in market prices. According to IFRS, market risks are divided into three types: currency risk, interest rate risk and other price risks. The Group is not exposed to material market risks.

**LIQUIDITY RISK AND FINANCING RISK**

Liquidity risk is the risk that a company will have difficulty fulfilling obligations associated with financial liabilities that are settled in cash or another financial asset. The Group manages liquidity risk through continuous monitoring of operations, where the Group regularly forecasts future cash flows based on various scenarios to ensure that financing is arranged in good time. Through prudent liquidity management, the Group ensures that sufficient cash is available

to meet the needs of ongoing operations. The total liquidity reserve consists of cash and cash equivalents.

Financing risk refers to the risk that financing for acquisitions or development cannot be retained, extended, expanded or refinanced, or that such financing can only be arranged on terms that are unfavourable to the company. To limit financing risk, the Group strives for an even maturity structure and a sound liquidity reserve. The Group's contractual and undiscounted interest payments and repayments of financial liabilities are presented in the table below. Liabilities have been included in the period when repayment can be required at the earliest.

Group (TSEK)	12-31-2025					Totalt
	<6 mån	6-12 mån	1-3 år	3-5 år	>5 år	
<i>Maturity analysis</i>						
Lease liabilities	4,667	2,379	-	-	-	7,046
Accounts payables	114,109	-	-	-	-	114,109
<b>Total</b>	<b>118,776</b>	<b>2,379</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>121,155</b>

Group (TSEK)	12-31-2024					Totalt
	<6 mån	6-12 mån	1-3 år	3-5 år	>5 år	
<i>Maturity analysis</i>						
Lease liabilities	4,130	4,237	15,715	-	-	24,082
Accounts payables	103,843	-	-	-	-	103,843
<b>Total</b>	<b>107,973</b>	<b>4,237</b>	<b>15,715</b>	<b>-</b>	<b>-</b>	<b>127,925</b>

Parent Company (TSEK)	12-31-2025					Totalt
	<6 mån	6-12 mån	1-3 år	3-5 år	>5 år	
<i>Maturity analysis</i>						
Accounts payables	114,109	-	-	-	-	114,109
<b>Total</b>	<b>114,109</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>114,109</b>

Parent Company (TSEK)	12-31-2024					Totalt
	<6 mån	6-12 mån	1-3 år	3-5 år	>5 år	
<i>Maturity analysis</i>						
Accounts payables	103,843	-	-	-	-	103,843
<b>Total</b>	<b>103,843</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>103,843</b>

## NOTE 24 OTHER PROVISIONS

<b>Group (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
Opening provisions	428	130
Change during the year	557	298
<b>Carrying amount</b>	<b>985</b>	<b>428</b>

<b>Parent Company (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
Opening provisions	428	130
Change during the year	557	298
<b>Carrying amount</b>	<b>985</b>	<b>428</b>

Other provisions relate to a pension commitment to the CEO through a capital insurance policy taken out by the Company. Special payroll tax is included in the amount.

## NOTE 25 OTHER LIABILITIES

<b>Group (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
Personnel-related items	2,411	1,470
<b>Carrying amount</b>	<b>2,411</b>	<b>1,470</b>

<b>Parent Company (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
Personnel-related items	2,411	1,470
<b>Carrying amount</b>	<b>2,411</b>	<b>1,470</b>

## NOTE 26 ACCRUED EXPENSES AND PREPAID INCOME

<b>Group (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
Accrued salaries and fees	141	104
Accrued holiday pay	1,331	1,228
Accrued social security contributions	462	419
Accrued payroll taxes	581	1,374
Accrued freight costs	4,947	5,797
Accrued marketing costs	4,863	4,684
Prepaid income	35	398
Accrued other external costs	4,728	4,518
<b>Carrying amount</b>	<b>17,089</b>	<b>18,522</b>

<b>Parent Company (TSEK)</b>	<b>12-31-2025</b>	<b>12-31-2024</b>
Accrued salaries and fees	141	104
Accrued holiday pay	1,331	1,228
Accrued social security contributions	462	419
Accrued payroll taxes	581	1,374
Accrued rent contract costs	386	571
Accrued freight costs	4,947	5,797
Accrued marketing costs	4,863	4,684
Prepaid income	35	398
Accrued other external costs	4,342	3,947
<b>Carrying amount</b>	<b>17,089</b>	<b>18,522</b>

## NOTE 27 CASH FLOW STATEMENT

Group (TSEK)	01-01-2025 - 12-31-2025	01-01-2024 - 12-31-2024
Adjustments for non-cash items <i>Adjustments in operating income</i>		
Depreciation and amortisation	20,184	20,753
Costs for qualified employee stock options	-	-593
Other	-92	260
<b>Total</b>	<b>20,092</b>	<b>20,419</b>

Change in liabilities attributable to financing activities

*Lease liabilities*

<b>2024-12-31</b>	<b>24,082</b>
Cash flows from financing	-8,254
Non-cash-flow-related changes - Other	-8,752
<b>2025-12-31</b>	<b>7,046</b>

Parent Company (TSEK)	01-01-2025 - 12-31-2025	01-01-2024 - 12-31-2024
Adjustments for non-cash items <i>Adjustments in operating income</i>		
Depreciation and amortisation	2,123	2,194
Costs for qualified employee stock options	-	-593
Other	-	260
<b>Total</b>	<b>2,123</b>	<b>1,860</b>

## NOTE 28 PLEDGED ASSETS AND CONTINGENT LIABILITIES

Group (TSEK)	12-31-2025	12-31-2024
<i>Pledged assets for own liabilities to credit institutions</i>		
Floating charges (Sw: Företagsinteckning)	-	35,000
<b>Total</b>	<b>-</b>	<b>35,000</b>

Koncernens företagsinteckningar finns i företagsinteckningsregistret per 2025-12-31 men är inte pantsatta. Under 2024 avsåg företagsinteckningar säkerhet för företagets kreditfacilitet hos Norion Bank AB.

**Pensionsåtagande VD**

Bolaget har ett individuellt pensionsåtagande gentemot verkställande direktören. Åtagandet redovisas som ett förmånsbestämt pensionsåtagande enligt IAS 19. En kapitalförsäkring har tecknats för att säkra åtagandet. Då kapitalförsäkringen inte uppfyller kriterierna för planförmögenhet redovisas den som en finansiell tillgång. Försäkringen är pantsatt till förmån för pensionsutfästelsen.

Parent Company (TSEK)	12-31-2025	12-31-2024
<i>Pledged assets for own liabilities to credit institutions</i>		
Floating charges (Sw: Företagsinteckning)	-	35,000
<b>Total</b>	<b>-</b>	<b>35,000</b>

#### NOTE 29 RELATED PARTY TRANSACTIONS

The Parent Company has a related-party relationship with its subsidiary; see Note 20 Group Companies. Transactions with related parties (the Board of Directors, the CEO and other senior executives) have taken place in accordance with Note 7 Employees and Personnel Costs. No transactions have taken place between group companies.

Transactions with related parties have been based on established commercial terms in the industry and have been entered into on normal commercial terms.

#### NOTE 30 EVENTS AFTER THE BALANCE SHEET DATE

In January 2026, the company signed an agreement for new warehouse premises with a possession date of 1 August 2026.

## Board's certification

The Board of Directors and the Chief Executive Officer assure that the annual report and the consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU, and the applicable provisions of the Swedish Annual Accounts Act (1995:1554), and that they give a true and fair view of the financial position and results of the Parent Company and the Group, and that the directors' report provides a fair overview of the development of the Parent Company's and the Group's operations, position and results, and describes the material risks and uncertainties faced by the Parent Company and the companies included in the Group.

The content of the annual report was finalised on 21 April 2026 and signed by all members on 22 April 2026.

**CHRISTIAN W. JANSSON**  
Chairman of the Board

**GUNILLA SPONGH**  
Board member

**MIA ARNHULT**  
Board member

**JINA ZACHRISSON**  
Board member

**BJÖRN THORNGREN**  
Board member, CEO

**Stockholm, 22 April 2026**

Our auditor's report was submitted on 22 April 2026

Ernst & Young AB

**ANDREAS NYBERG SELVRING**  
Authorised Public Accountant

# Auditor's report



To the general meeting of the shareholders of MEDS Apotek AB, corp. id. no. 559093-4575

## REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

### OPINIONS

We have audited the annual accounts and consolidated accounts of MEDS Apotek AB for the financial year 2025. The company's annual accounts and consolidated accounts are included on pages 27–60 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of the Parent Company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Swedish Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU and the Swedish Annual Accounts Act. The directors' report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopt the income statement and balance sheet for the Parent Company and the Group.

### BASIS FOR OPINIONS

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the Parent Company and the Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### INFORMATION OTHER THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

This document also contains information other than the annual accounts and consolidated accounts, which is presented on pages 1–26. The Board of Directors and the CEO are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information, and we do not express any form of assurance regarding it. In connection with our audit of the annual accounts

and consolidated accounts, it is our responsibility to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this review, we also consider the knowledge we have otherwise obtained during the audit and assess whether the information otherwise appears to contain material misstatements.

If, based on the work performed regarding this information, we conclude that the other information contains a material misstatement, we are required to report this fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE CEO

The Board of Directors and the CEO are responsible for the preparation of the annual accounts and consolidated accounts, and that they give a true and fair view in accordance with the Swedish Annual Accounts Act, and, in the case of the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the CEO are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.



In preparing the annual accounts and consolidated accounts, the Board of Directors and the CEO are responsible for assessing the company's ability to continue as a going concern. They disclose, where applicable, matters that may affect the ability to continue as a going concern and the use of the going concern assumption. The going concern assumption is, however, not applied if the Board of Directors and the CEO intend to liquidate the company, cease operations, or have no realistic alternative but to do so.

### AUDITOR'S RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual accounts and consolidated accounts.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. Furthermore:

- We identify and assess the risks of material misstatement in the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to

provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of the part of the company's internal control that is relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the CEO.
- We conclude on the appropriateness of the Board of Directors' and the CEO's use of the going concern assumption in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, on whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- We plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of entities or business units within the Group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other things, the planned scope and timing of the audit. We must also inform of significant findings during the audit, including any significant deficiencies in internal control that we have identified.



## REPORT ON OTHER REQUIREMENTS UNDER LAWS AND OTHER REGULATIONS

### OPINIONS

In addition to our audit of the annual accounts and consolidated accounts, we have also conducted an audit of the administration of the Board of Directors and the CEO of MEDS Apotek AB for the financial year 2025, and of the proposed appropriation of the company's profit or loss.

We recommend that the general meeting of shareholders appropriate the profit in accordance with the proposal in the directors' report and grant the members of the Board of Directors and the CEO discharge from liability for the financial year.

### BASIS FOR OPINIONS

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the Parent Company and the Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our ethical responsibilities under these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE CEO

The Board of Directors is responsible for the proposal for the appropriation of the company's profit or loss. In the case of a proposal for dividends, this includes, among other things, an assessment of whether the dividend is justifiable taking into account the requirements that the nature, scope and risks of the company's and the Group's operations place on the

size of the Parent Company's and the Group's equity, consolidation needs, liquidity and overall financial position.

The Board of Directors is responsible for the company's organisation and the administration of the company's affairs. This includes, among other things, continuously assessing the financial situation of the company and the Group and ensuring that the company's organisation is designed in such a way that the bookkeeping, the management of funds and the company's financial affairs in general are controlled in a satisfactory manner. The CEO shall manage the day-to-day administration in accordance with the Board of Directors' guidelines and instructions and, among other things, take the measures necessary to ensure that the company's bookkeeping is carried out in accordance with the law and that the management of funds is handled in a satisfactory manner.

### AUDITOR'S RESPONSIBILITIES

Our objective concerning the audit of the administration, and thus our opinion on discharge from liability, is to obtain audit evidence to assess, with a reasonable degree of assurance, whether any board member or the CEO, in any material respect:

- has taken any action or been guilty of any negligence that may result in liability to the company; or
- has otherwise acted in violation of the Swedish Companies Act, the Swedish Annual Accounts Act or the articles of association.

Our objective concerning the audit of the proposed appropriation of the company's profit or loss, and thus our opinion on this matter, is to assess, with a reasonable degree of assurance, whether the proposal is compatible with the Swedish Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or negligence that could give rise to liability to the company, or that a proposed appropriation of the company's profit or loss is incompatible with the Swedish Companies Act.

As part of an audit conducted in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and of the proposed appropriation of the company's profit or loss is based primarily on the audit of the accounts. Further audit procedures performed are based on our professional judgment, starting from risk and materiality. This means that we focus the examination on such matters, areas and circumstances which are material to the operations and where deviations and violations would have particular significance for the company's situation. We review and assess decisions taken, decision support, measures taken and other circumstances relevant to our opinion on discharge from liability. As a basis for our opinion on the Board of Directors' proposal regarding the appropriation of the company's profit or loss, we have examined whether the proposal is compatible with the Swedish Companies Act.

Stockholm on the date set out in our electronic signature

Ernst & Young AB

Andreas Nyberg Selvring  
Authorised Public Accountant