

Q4 2019

YEAR-END REPORT

SEK 158.3 million
Consolidated net sales decreased to SEK 158.3 (168.9) million in the fourth quarter of 2019

SEK 14.1 million
The Group's operating profit increased to SEK 14.1 (11.0) million in the fourth quarter of 2019



Q4 2019 YEAR-END REPORT

YEAR ENDS ON A HIGH NOTE AS PROFITABILITY INCREASES

October - December 2019

- Net sales for the fourth quarter decreased and amounted to SEK 158.3 (168.9) million, which represents a negative organic growth of -6.3 percent. Taking into account currency translation, growth was -9.4 percent.
- The operating profit amounted to SEK 14.1 (11.0) million. Our operating margin for the fourth quarter of 2019 was 8.9 percent, compared to 6.5 percent in the fourth quarter of 2018.
- The profit after financial items amounted to SEK 10.0 (6.0) million. Net financial items in the quarter were positively affected by exchange rate differences of SEK 2.2 (-1.8) million and totaled SEK -4.1 (-5.0) million.
- The profit after tax amounted to SEK 7.6 (4.0) million, which corresponds to SEK 0.94 (0.50) per share.
- Cash flow from operating activities was SEK 14.9 (19.4) million, and amounted to SEK 5.3 (-2.2) million after investments.

January - December 2019

- Net sales for the full year increased to SEK 689.4 (644.7) million, which corresponds to organic growth of 6.9 percent. Taking into account currency translation, growth was 2.8 percent.
- Operating profit for the year amounted to SEK 65.3 (38.9) million, corresponding to an operating margin of 9.5 (6.0) percent.
- The profit after financial items was SEK 50.6 (28.5) million. Net financial items were positively affected by exchange rate differences of SEK 0.7 (0.5) million and totaled SEK -14.7 (-10.4) million.
- The profit after tax amounted to SEK 38.5 (20.9) million, which corresponds to SEK 4.77 (2.76) per share.
- Cash flow from operating activities was SEK 102.6 (66.1) million, and amounted to SEK 5.3 (-13.8) million after investments.

Dividend

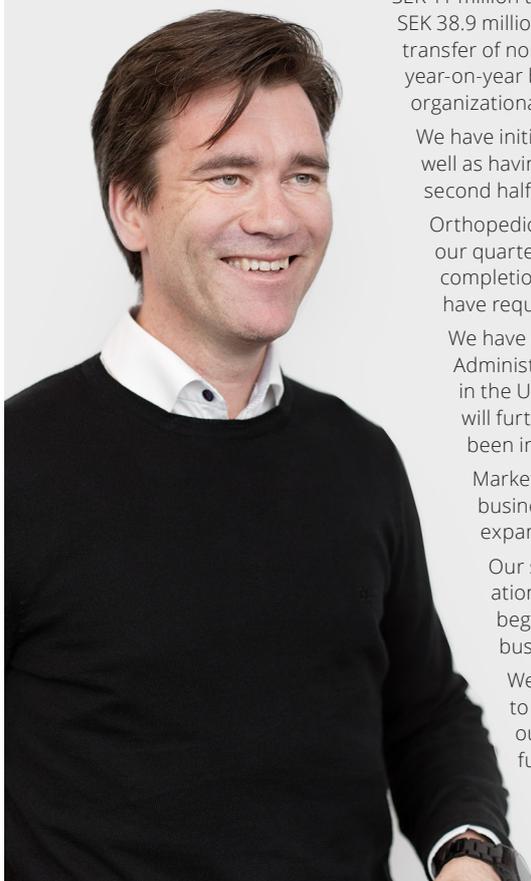
- The Board of Directors proposes a dividend of SEK 1.50 per share for the financial year 2019.

Key performance indicators	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales, SEK million	158.3	168.9	689.4	644.7
Growth,%	-6.3	13.4	6.9	11.6
EBITDA, SEK million*	29.6	28.7	125.6	95.3
EBITDA, %*	18.7	17.0	18.2	14.8
EBIT, SEK million*	14.1	11.0	65.3	38.9
EBIT, %*	8.9	6.5	9.5	6.0
Profit after financial items, SEK million	10.0	6.0	50.6	28.5
Profit after tax, SEK million	7.6	4.0	38.5	20.9
Earnings per share before and after dilution, SEK	0.94	0.50	4.77	2.76

* EBITDA for the fourth quarter of 2019 was affected by the adoption of IFRS 16, as depreciation of right-of-use assets and the finance charge on the lease liability are excluded from the performance measure. For the comparative year the corresponding operating lease payments were included in EBITDA, which means that the two years are not fully comparable. The effect of depreciation of right-of-use assets and finance charges in accordance with IFRS 16 for the fourth quarter of 2019 is approximately SEK 1.6 million, which thus increases EBITDA for the period by the same amount. The effect on the operating profit is positive, plus SEK 0.2 million.

Quarterly growth
-6.3%
After currency translation the
growth rate was -9.4 percent.

COMMENTS ON Q4 FROM JAN WAHLSTRÖM, CEO



The sixth quarter in a row with increased profitability. Despite a slightly reduced volume, we succeeded in further raising profitability, largely thanks to adaptations to achieve cost efficiencies as well as improvements in our organization and production. Operating profit for the period were up by 28 percent, from SEK 11 million to SEK 14.1 million. On an annual basis, operating profit grew by impressive 68 percent, from SEK 38.9 million to SEK 65.3 million, making this the best result in the history of the Group. Excluding the transfer of non-strategic business to Bruel & Kjaer, we also achieved growth in the fourth quarter on a year-on-year basis. We are of course very proud of our positive results and of the solid financial and organizational foundation that we have built.

We have initiated several major new projects, which has had impact on set-up time and operations, as well as having a direct impact on earnings. These projects will have a positive impact on sales in the second half of 2020. Until then, we will continue to focus on improving our profitability.

Orthopedics has expanded rapidly over the past year. We are currently between two launches, and our quarterly growth is therefore not on a par with our annual growth rate of 15 percent. While the completion of our new site in Memphis and the validation of machines for new customer projects have required a significant input of labor, we expect to be fully operational in second half of 2020.

We have during and after the period received 510(k) clearance from the FDA (US Food and Drug Administration) to market Elos Accurate®. This means we are now able to fully market our products in the US market. This is of course a very positive development for our Dental business area, which will further consolidate its position in the market. Sales through new distributors have already been initiated and are expected to gather pace in 2020.

Market demand for our contract manufacturing services in Life Science is strong and our polymer business in the business area continues to grow. To meet this demand, we have initiated an expansion of our site in Skara.

Our site in China has been closed due to the virus outbreak, and at the time of writing the operations will be partly resumed. This will effect sales and earnings that will be slightly lower at the beginning of 2020. We are monitoring the situation closely, as this will have an impact on our business, but above all on the daily lives of our employees.

We will continue to place a strong emphasis on efficiencies in order to ensure that we are able to respond quickly to changes in our trading environment and the economy. Strengthened by our best earnings to date, we are entering 2020 with confidence and with a clear focus on further improving our profitability.

A handwritten signature in blue ink, appearing to read 'Jan Wahlström'.

DENTAL

With an increase of SEK 3 million for the period and after signing a contract with a new customer in contract manufacturing, Dental concluded the year on a high note. The increase was generated mainly by our large customers. Elos Accurate® and digital workflows remain key focus areas, and the launch of our products by the distributor, Vulcan, has been successful. A global distribution agreement has been signed with Nobel Biocare for a selection of products from the Elos Accurate® family, which will be launched as part of their global digital dental care range.

ORTHOPEDICS

The robotic surgery trend remains strong and several new projects have been initiated. We are seeing continued high levels of activity among our customers. It is clear to us that our offering as a specialised partner is well timed, and during the period we won and delivered a project to a new orthopedic customer in China. At our site in the US, several large projects have been initiated and are expected to reach full production in 2020.

LIFE SCIENCE

During the period, we turned the first sod on an expansion project that will double our production space in Skara, with a scheduled completion date in the first half of 2021. The business area has been performing well, with a particularly high level of activity in China and in our polymer contract manufacturing business. The quarterly growth figure was somewhat weakened and is directly related to Bruel & Kjaer, which will also have an impact on sales and earnings in the beginning of the year.

THIS IS ELOS MEDTECH

General information about the business

Elos Medtech specializes in medical technology and has extensive expertise in development and design, along with contract manufacturing of medical devices. Customers are primarily global medical technology companies. Operations are conducted at facilities in Sweden, Denmark, China and the US with Group-wide functions for strategic marketing and IT support, production and quality management, risk management, financing and financial control in Gothenburg. The Group runs operations in the following three business areas: Dental, Orthopedics and Life Science.

Vision

To transform medical technology and improve quality of life across the globe.

Mission

In collaboration with our customers, we provide sustainable, innovative products and solutions for the global medical technology market. Our aim is to set up profitable, long-term partnerships and we strive for excellence in everything we do, for the purpose of helping people all over the world lead healthier, more active lives.

Targets

Elos Medtech's long-term financial targets are: an average annual growth rate of more than 10 percent, average operating margin (EBIT) of over 13 percent and for proprietary products to account for at least 13 percent.

Value-creating business model

Elos Medtech's business model is based on extensive experience and expertise that it has acquired in the development and contract manufacturing of medical devices and components. Customers are offered quality, expertise and innovation in a partner-based overall solution – Complete Performance™. The cornerstones of Elos Medtech's value creation are higher efficiency, improved profitability and high-quality products in partnership with its customers.

Strategy

Elos Medtech's strategy is based on a sharper focus on selected market segments and in both metals and polymer. The strategy also includes a higher level of specialization and expertise in design, development, manufacturing and logistics with the highest quality assurance. With a stronger offering, it will be easier to achieve the strategic targets of more distinct positioning and continued growth.

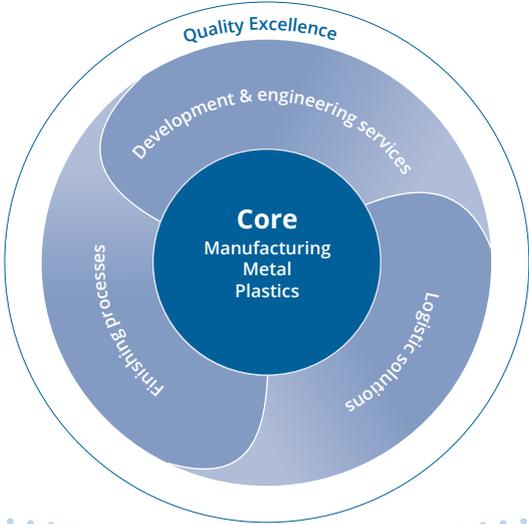
Sustainable focus

Elos Medtech has a sustainable focus and responsibility that extends beyond just delivering high-quality products. The company applies a long-term approach to economic, social and environmental responsibility for how its operations impact its stakeholders. Elos Medtech has specified certain strategic targets to ensure that there is continual improvement in these areas. For more information, please see: elosmedtech.com/whoware/sustainability.

VISION • MISSION • VALUE-BASED CULTURE • SUSTAINABLE FOCUS

Business areas:

- Dental
- Orthopedics
- Life Science



Life Science comprises:

- Diagnostics*
- Hearing Device & Vibration*
- Other Medical Areas*

VALUE CREATION FOR THE COMPANY AND OUR STAKEHOLDERS

THE GROUP'S PERFORMANCE

Net sales October-December 2019

Consolidated net sales for the period decreased to SEK 158.3 (168.9) million. The decrease of 6.3 percent compared with the fourth quarter of last year is attributable to the business areas Life Science -16 percent and Orthopedics -6 percent while Dental reported growth in sales 6 percent. Proprietary product development saw negative growth in the fourth quarter, -20.4 percent. Proprietary products accounted for 9.0 (10.6) percent of consolidated net sales for the period. Taking into account currency translation, consolidated net sales declined by -9.4 percent.

Net sales January-December 2019

Consolidated net sales for the year increased to SEK 689.4 (644.7) million. The increase of 6.9 percent compared with last year is attributable to all business areas: Dental 8 percent, Orthopedics 15 percent and Life Science -1 percent. Sales of proprietary products grew 2.6 percent. Proprietary products now account for 9.9 (10.3) percent of consolidated net sales. Taking into account currency translation, consolidated net sales increased by 2.8 percent.

Earnings October-December 2019

The operating profit for the fourth quarter amounted to SEK 14.1 (11.0) million, corresponding to an operating margin of 8.9 (6.5) percent. At Group level, net financial items were positively affected by exchange rate differences of SEK 2.2 (-1.8) million and totaled SEK -4.1 (-5.0) million. The profit after financial items was SEK 10.0 (6.0) million. The profit after tax amounted to SEK 7.6 (4.0) million, which corresponds to SEK 0.94 (0.50) per share.

Earnings January-December 2019

Operating profit for the year was SEK 65.3 (38.9) million, corresponding to an operating margin of 9.5 (6.0) percent. At Group level, net financial items were positively affected by exchange

rate differences corresponding to SEK 0.7 (0.5) million and totaled SEK -14.7 (-10.4) million. The profit after financial items was SEK 50.6 (28.5) million. The profit after tax amounted to SEK 38.5 (20.9) million, which corresponds to SEK 4.77 (2.76) per share.

Investments

The Group made investments of SEK 9.7 (21.6) million in the fourth quarter. The investments refer mainly to expanded machine capacity and to some extent also to improvements to properties.

The Group's investments for the year, including leased assets, totaled SEK 101 (80) million and refer mainly to expanded machine capacity and the doubling of the production space at our Memphis site.

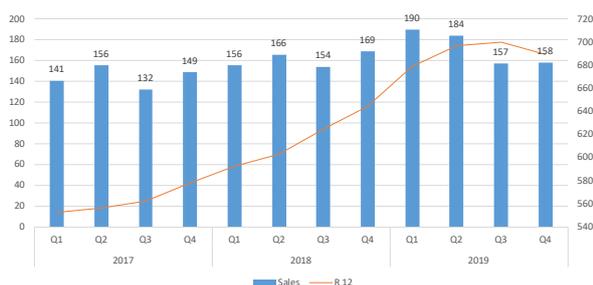
Financial position and liquidity

The Group's balance sheet total increased during the period to SEK 1,034.8 (957.3) million. The Group's equity amounted to SEK 539.9 (508.5) million. Equity per share, calculated on 8,068,000 shares, was SEK 66.92 (63.02). At the end of the quarter, own risk capital was SEK 565.4 (535.7) million, which corresponds to 54.6 (56.0) percent of total capital. The Group's equity ratio was 52.2 (53.1) percent.

The Group's cash flow from operating activities during the quarter amounted to SEK 14.9 (19.4) million. Cash flow after investments and divestiture of fixed assets was SEK 5.3 (-2.2) million.

The Group's net debt increased during the period, to SEK 331.5 (287.4) million. Cash and cash equivalents including unutilized bank overdraft facility amounted to SEK 122.2 (107.1) million.

Net sales, SEK million



Operating profit, SEK million



Segment reporting

The Board of Directors and management have decided to organize the business into three business areas: Dental, Orthopedics and Life Science. It has also been decided to introduce segment reporting based on this business area structure.

Historical comparative figures for net sales are presented. Quality-assured historical earnings data is not available, and no presentation of comparable data at earnings level is therefore made.

Personnel

The Group's average number of employees during the year was 566, compared to 572 in the previous year.

Events during the quarter

A global distribution agreement has been signed with Nobel Biocare covering a selection of products from the Elos Accurate® family. Our products are being launched as part of Nobel Biocare's global digital dental care range. We also received 510(k) clearance from the US Food & Drug Administration to market Elos Accurate® in the US market. In December, the first sod was turned on our second expansion for the year, in this case a doubling of our production space in Skara. The project is expected to be completed in the first half of 2021. In our orthopedic business, the period was marked by the ramp-up of several major projects at our US site, which are expected to reach the production stage in 2020.

Events after the quarter

Onyx Medical LLC ("Onyx"), which is a US subsidiary of Elos Medtech become the subject of a lawsuit in 2019. In January 2020, the counterparty decided to withdraw their action.

SEK million			Growth		Growth	
	Oct-Dec 2019	Oct-Dec 2018	Oct-Dec 2019	Jan-Dec 2019	Jan-Dec 2018	Jan-Dec 2019
Net sales by segment						
Dental	53.8	50.9	5.7%	223.9	206.7	8.3%
Orthopedics	51.2	54.3	-5.7%	229.6	200.0	14.8%
Life Science	53.3	63.7	-16.3%	235.9	238.0	-0.9%
Total net sales	158.3	168.9	-6.3%	689.4	644.7	6.9%

There are no sales between the business areas.

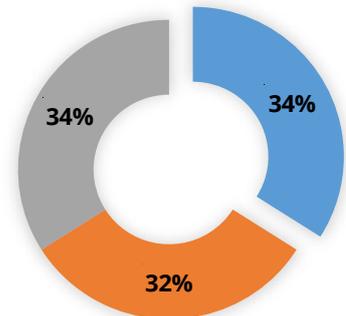
SEK million	EBITDA		EBITDA, %		EBIT		EBIT, %	
	Oct-Dec 2019	Oct-Dec 2019	Jan-Dec 2019	Jan-Dec 2019	Oct-Dec 2019	Oct-Dec 2019	Jan-Dec 2019	Jan-Dec 2019
Key performance indicators								
Dental	9.2	17.1%	41.6	18.6%	4.5	8.4%	22.2	9.9%
Orthopedics	7.7	15.0%	39.3	17.1%	2.0	3.7%	17.4	7.6%
Life Science	13.7	25.7%	50.6	21.4%	8.7	16.3%	31.6	13.4%
Unallocated Group income and expenses	-1.0		-5.9		-1.0		-5.9	
Total	29.6	18.7%	125.6	18.2%	14.1	8.9%	65.3	9.5%

OUR THREE BUSINESS AREAS



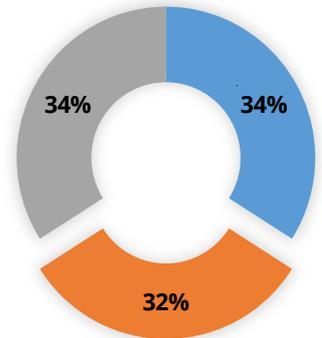
DENTAL

Elos Medtech is a qualified partner to globally leading dental companies. Our offer covers design, development, serial production and global distribution. We are specialized in dental implants. The offer also includes proprietary products in digital dental care and instruments, either on an OEM basis or under our own brand, Elos Accurate®.



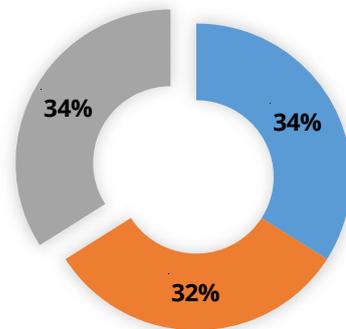
ORTHOPEDICS

Elos Medtech is a focused partner for everything from design and prototypes to serial production and global distribution. We have opted to specialize in the following markets: spine, trauma and reconstruction. We collaborate with the world's leading orthopedic companies.

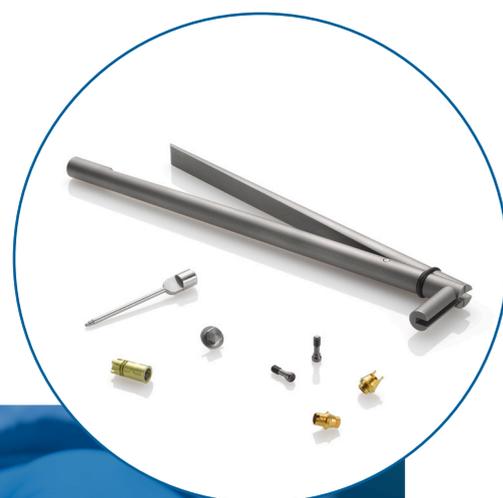


LIFE SCIENCE

Elos Medtech is a specialized global partner for injection molding of high-tech polymer and cutting techniques for primarily steel and brass. We also offer tool design and combination products made from polymer and aluminum, for example. The markets we focus on our diagnostics, hearing aids, diabetes, cardiovascular and neurosurgery.



BUSINESS AREA DENTAL



NET SALES **SEK 53.8 MILLION**

EBITDA **SEK 9.2 million (17.1%)**

EBIT **SEK 4.5 million (8.4%)**

Organic growth
+6%

Important events in the business area during the quarter

- During the period, a contract was signed with a new customer in contract manufacturing.
- Sales of proprietary products totalled SEK 14.3 (18.0) million, which was in line with the figure for the third quarter.
- A global distribution agreement was entered into with Nobel Biocare for a selection of products in the Elos Accurate® family, which are being launched as part of Nobel Biocare's global digital dental care range.
- Received 510(k) clearance from the US Food and Drug Administration to market Elos Accurate® products in the US market.

Net sales and operating profit (SEK million)



BUSINESS AREA ORTHOPEDICS



NET SALES **SEK 51.2 MILLION**
EBITDA **SEK 7.7 million (15.0%)**
EBIT **SEK 2.0 million (3.8%)**

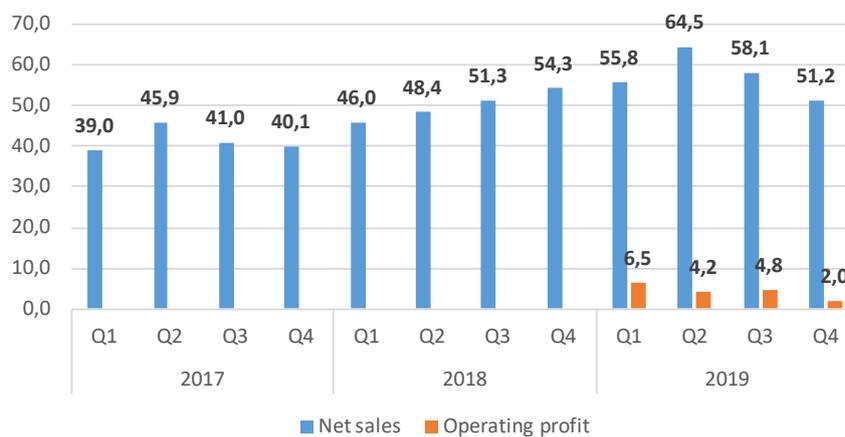
Organic growth

-6%

Important events in the business area during the quarter

- The business area has expanded rapidly in the past year, reaching a new level. This had an impact on the pace of sales during the period.
- Continued high sales activity concerning our offering as a global specialized partner.
- A project for a new orthopedic customer in China has been successfully delivered.
- Ramp-up of several major projects at our US site, which are expected to reach full production in 2020.

Net sales and operating profit (SEK million)



BUSINESS AREA LIFE SCIENCE



NET SALES **SEK 53.3 MILLION**

EBITDA **SEK 13.7 million (25.7%)**

EBIT **SEK 8.7 million (16.3%)**

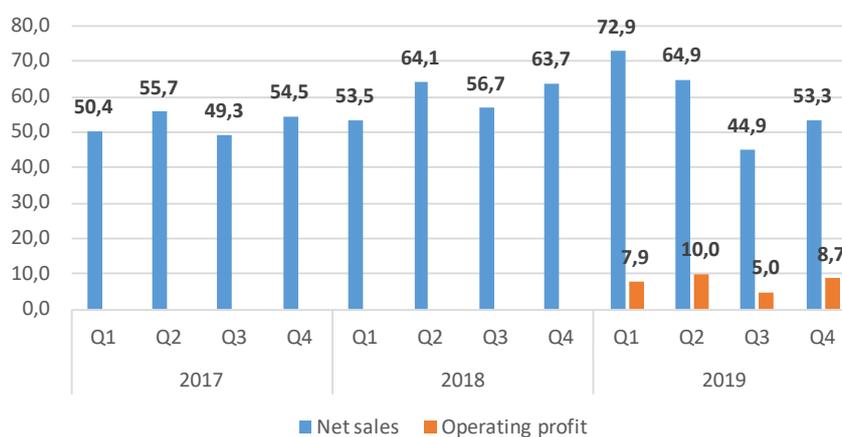
Organic growth

-16%

Important events in the business area during the quarter

- The expansion of our site in Skara was initiated during the period and is expected to be completed in the first half of 2021.
- Sales growth for the period was down due to the events relating to Bruel & Kjaer.
- Other businesses within the business area continued to perform well, with a particularly high level of activity in the polymer business and a strong performance in China.

Net sales and operating profit (SEK million)



OTHER INFORMATION

Parent company

The parent company is focused on key management issues and it also provide Group-wide support in IT and marketing, manufacturing, quality management, risk management, financing and financial control.

The parent company's net sales in the fourth quarter amounted to SEK 7.1 (6.2) million. The profit after financial items was SEK 4.8 (0.6) million. The parent company's profit after tax was SEK 4.8 (0.6) million.

The parent company's net sales for the year amounted to SEK 20.8 (24.6) million. The profit after financial items was SEK 5.8 (4.5) million. The parent company's profit after tax amounted to SEK 5.4 (3.5) million. The share of own risk capital was 78.2 (81.2) percent. The equity ratio was 77.9 (80.9) percent.

Significant risks and uncertainties

The Group's significant risks and uncertainties include the business risks associated with customers and suppliers and other external factors, such as the price risks for input goods. The Group also faces financial risks associated with changes in exchange rates and interest rates. A detailed description of the Group's risks and uncertainties, along with how it manages them, is provided in the Directors' Report and in Note 1 and Note 42 in the 2018 Annual Report.

Onyx Medical LLC ("Onyx"), which is a US subsidiary of Elos Medtech become the subject of a lawsuit in 2019. In January 2020, the counterparty decided to withdraw their action.

Outlook

The company does not make forecasts.

Related party transactions

The company had no transactions with related parties during the reporting period.

Accounting policies

The consolidated financial statements for 2019 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act. The same applied to the company's preparation of its annual financial statements for 2018. The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2, Accounting for Legal Entities. This interim report has been prepared in accordance with IAS 34. The information on pages 1-18 is an integral part of this financial report.

Elos Medtech has applied the new guidelines of ESMA (European Securities and Markets Authority) on alternative performance

measures (APMs). Although these measures are not defined or specified in accordance with IFRS, they provide valuable supplementary information about the company's performance to investors and management. Definitions of the performance measures are provided at the end of the interim report. A reconciliation of each performance measure with the most directly reconcilable item in the financial statements can be found on page 18.

IFRS 16 transition disclosures

The Group uses the same accounting policies, just as they have been described in the 2018 Annual Report, except for what is stated below.

IFRS 16 Leases entered into force on 1 January 2019. The Standard removes the division of leasing agreements into either operational or financial leasing for the lessee, as required by IAS 17, and instead introduces a common model for accounting for all leasing. In this model the lessee shall report (a) assets and liabilities for all leasing agreements where the leasing period exceeds 12 months, with the exception of assets of low value, and (b) depreciation of the leased assets separate from the leasing interest expense in the income statement.

Elos Medtech does not apply the standard retroactively, which means that the 2018 financial statements have not been restated. For rental agreements, the company has applied the marginal lending rate as the discount rate, taking into consideration the duration of the lease agreement. For the transition, the simplified approach has been applied, which means that the value of right-of-use asset equals the lease liability. The exception, whereby short-term leases and assets with a low value are not reported, has also been applied.

When applying IFRS16, the component of lease payments, which were previously included in operating expenses in the consolidated income statement, has been transferred to depreciation and the interest component is included in financial expenses. Initially, the standard has had an effect on how the Group reports its operating leases, increasing total assets and resulting in certain changes to KPIs. As a result of the adoption of IFRS 16, additional right-of-use assets and related additional lease liabilities of approximately SEK 20 million have been included in the opening balance as at January 1, 2019.

New accounting policies for leases from 2019

The Group as lessee

The Group's leases mainly comprise right-of-use assets relating to premises and equipment. The leases are recognized as right-of-use assets with corresponding lease liabilities on the day when the leased asset is available for use by the Group. Exceptions are made for short-term leases and leases for which the

underlying asset has a low value.

Each lease payment is apportioned between the finance charge and the reduction of the outstanding lease liability. The finance charge is allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease term is the non-cancellable period together with any further terms for which the lessee has the option to extend the lease, when it is reasonably certain that the lessee will exercise the option, and terms for which the lessee has the option of cancelling the lease, when it is reasonably certain that the lessee will not exercise the option.

The Group's lease liabilities are recognized at the present value of the Group's fixed payments (including in-substance fixed payments). Purchase options are included in the fees when it is reasonably certain that these will be exercised to acquire the underlying asset.

Payments of penalties for terminating the lease are included if the lease term reflects the lessee exercising an option to terminate the lease. Lease payments are discounted using the interest rate implicit in the lease if this rate can be readily determined; if not, the Group's incremental borrowing rate is used.

The Group's right-of-use assets are recognized at cost and initially include the present value of the lease liability, adjusted for lease payments paid at or before the commencement date as well as initial direct costs. Restoration costs are included in the asset if a corresponding provision for restoration costs is identified. The right-of-use asset is depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term.

Examination by the auditors

This report has not been examined by the company's auditors.

Gothenburg, February 18, 2020

Elos Medtech AB (publ)

The Board of Directors

CONDENSED CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

SEK million	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Income statement	2019	2018	2019	2018
Net sales	158.3	168.9	689.4	644.7
Cost of goods sold	-108.8	-120.9	-476.0	-466.3
Gross profit	49.5	48.0	213.4	178.4
Selling expenses	-9.9	-10.0	-40.0	-40.2
Administrative expenses	-21.3	-19.3	-93.3	-80.6
Development costs	-4.3	-8.1	-17.2	-19.3
Other operating income/expenses	0.1	0.4	2.4	0.6
Operating profit	14.1	11.0	65.3	38.9
Financial income	0.1	-	0.1	0.1
Financial expenses	-6.4	-3.2	-15.5	-11.0
Exchange differences	2.2	-1.8	0.7	0.5
Profit after financial items	10.0	6.0	50.6	28.5
Taxes	-2.4	-2.0	-12.1	-7.6
Profit after tax	7.6	4.0	38.5	20.9
Profit attributable to:				
Parent company shareholders	7.6	4.0	38.5	20.9
Statement of comprehensive income				
Profit after tax	7.6	4.0	38.5	20.9
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Actuarial gains and losses	-2.0	-2.3	-11.2	-5.1
Tax	0.3	0.5	2.3	1.1
	-1.7	-1.8	-8.9	-4.0
Items that may be reclassified to profit or loss				
Translation differences for the period	-18.9	2.6	10.8	22.9
Tax	1.4	-0.3	-0.9	-1.8
	-17.5	2.3	9.9	21.1
Other comprehensive income, net	-19.2	0.5	1.0	17.1
Comprehensive income	-11.6	4.5	39.5	38.0
Comprehensive income attributable to:				
Parent company shareholders	-11.6	4.5	39.5	38.0
EBITDA, %				
EBITDA, %	18.7	17.0	18.2	14.8
EBIT, %				
EBIT, %	8.9	6.5	9.5	6.0
Depreciation/amortization charged to earnings				
Depreciation/amortization charged to earnings	15.5	17.7	60.3	56.4
Earnings per share before and after dilution, SEK *				
Earnings per share before and after dilution, SEK *	0.94	0.50	4.77	2.76
Average number of shares (thousands)				
Average number of shares (thousands)	8,068	8,068	8,068	7,598
Number of shares (thousands) at the end of the period				
Number of shares (thousands) at the end of the period	8,068	8,068	8,068	8,068

* Attributable to parent company shareholders' share of profit after tax.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK million

Balance sheet	31 Dec 2019	31 Dec 2018
Assets		
Intangible assets	283.4	278.5
Property, plant and equipment	444.1	374.0
Financial fixed assets	1.9	2.4
Other current assets	250.2	253.4
Cash and bank balances	55.2	49.0
Total assets	1,034.8	957.3
Equity and liabilities		
Equity	539.9	508.5
Non-current liabilities	356.7	294.0
Current liabilities	138.2	154.8
Total equity and liabilities	1,034.8	957.3

CONDENSED STATEMENT OF CHANGES IN EQUITY

SEK million	31 Dec 2019	31 Dec 2018
Opening balance	508.5	369.0
New issue	-	101.7
Redemption of warrants	-0.2	-0.2
Effect of changed tax rate	0.2	-
Dividend	-8.1	-
Total comprehensive income	39.5	38.0
Closing equity	539.9	508.5

KEY PERFORMANCE INDICATORS, GROUP

	Jan-Dec 2019	Jan-Dec 2018
Return on operating capital	7.8	5.1
Return on equity, %	7.3	4.8
Proportion of risk-bearing capital, %	54.6	56.0
Equity/assets ratio, %	52.2	53.1
Net debt, SEK million	331.5	287.4
Investments excl. acquisitions and leased assets, SEK million	98.8	79.9
Average number of employees	566	572
Equity per share, SEK	66.92	63.02
Dividend, SEK *	1.50	1:00

* Proposed.

KEY PERFORMANCE INDICATORS BY SEGMENT

SEK million Net sales by segment			Growth		Growth	
	Oct-Dec 2019	Oct-Dec 2018	Oct-Dec 2019	Jan-Dec 2019	Jan-Dec 2018	Jan-Dec 2019
Dental	53.8	50.9	5.7%	223.9	206.7	8.3%
Orthopedics	51.2	54.3	-5.7%	229.6	200.0	14.8%
Life Science	53.3	63.7	-16.3%	235.9	238.0	-0.9%
Total net sales	158.3	168.9	-6.3%	689.4	644.7	6.9%

There are no sales between the business areas.

SEK million Key performance indicators	EBITDA	EBITDA, %	EBITDA	EBITDA, %	EBIT	EBIT, %	EBIT	EBIT, %
	Oct-Dec 2019	Oct-Dec 2019	Jan-Dec 2019	Jan-Dec 2019	Oct-Dec 2019	Oct-Dec 2019	Jan-Dec 2019	Jan-Dec 2019
Dental	9.2	17.1%	41.6	18.6%	4.5	8.4%	22.2	9.9%
Orthopedics	7.7	15.0%	39.3	17.1%	2.0	3.8%	17.4	7.6%
Life Science	13.7	25.7%	50.6	21.4%	8.7	16.3%	31.6	13.4%
Unallocated Group income and expenses	-1.0		-5.9		-1.0		-5.9	
Total	29.6	18.7%	125.6	18.2%	14.1	8.9%	65.3	9.5%

QUARTERLY RESULTS FOR THE GROUP

SEK million Quarterly results	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net sales	158.3	157.1	184.1	189.9	168.9	154.1	166.0	155.7
Cost of goods sold	-108.8	-109.3	-128.0	-129.9	-120.9	-110.3	-123.3	-111.8
Gross profit	49.5	47.8	56.1	60.0	48.0	43.8	42.7	43.9
Sales, admin and development costs	-35.5	-34.3	-41.1	-39.6	-37.4	-32.7	-36.8	-33.2
Other operating items	0.1	0.7	0.6	1.0	0.4	0.7	-0.7	0.2
Operating profit	14.1	14.2	15.6	21.4	11.0	11.8	5.2	10.9
Financial income/expense	-6.3	-2.8	-3.1	-3.2	-3.2	-3.2	-2.4	-2.1
Exchange differences	2.2	-	-3.9	2.4	-1.8	-0.9	2.4	0.8
Profit after financial items	10.0	11.4	8.6	20.6	6.0	7.7	5.2	9.6
Taxes	-2.4	-2.4	-2.0	-5.3	-2.0	-1.3	-1.8	-2.5
Profit after tax	7.6	9.0	6.6	15.3	4.0	6.4	3.4	7.1

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

SEK million	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Cash flow	2019	2018	2019	2018
Profit after net financial items	10.0	6.0	50.6	28.5
Reversal of depreciation and impairments	15.5	17.7	60.3	56.4
Non-cash items	2.1	3.7	3.8	2.9
Tax paid	-5.6	-10.8	-11.0	-11.8
Change in working capital	-7.1	2.8	-1.1	-9.9
Cash flow from operating activities	14.9	19.4	102.6	66.1
Investments in fixed assets	-9.7	-21.6	-98.8	-79.9
Sale of fixed assets	0.1	-	1.5	-
Operating cash flow	5.3	-2.2	5.3	-13.8
New share issue/redemption of warrants	-	0.1	-0.3	101.4
Change in bank overdraft facility	0.8	1.5	-8.9	-40.4
Loans raised	6.9	9.2	95.3	54.3
Repayment of loans	-14.2	-1.8	-77.3	-62.2
Dividend	-	-	-8.1	-
Cash flow for the period	-1.2	6.8	6.0	39.3
Cash flow for the period, in total	-1.2	6.8	6.0	39.3
Cash and cash equivalents at the beginning of the period	57.7	41.9	49.0	9.6
Exchange difference in cash and cash equivalents	-1.3	0.3	0.2	0.1
Cash and cash equivalents at the end of the period	55.2	49.0	55.2	49.0

CONDENSED PARENT COMPANY INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

SEK million	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Income statement	2019	2018	2019	2018
Net sales	7.1	6.2	20.8	24.6
Cost of goods sold	-0.1	-	-0.7	-
Gross profit	7.0	6.2	20.1	24.6
Selling expenses	-1.4	-3.0	-7.0	-11.1
Administrative expenses	-5.8	-6.1	-29.0	-26.3
Other operating income/expenses	-0.3	0.1	0.1	0.1
Operating profit	-0.5	-2.8	-15.8	-12.7
Profit from interests in Group companies	11.0	-	11.0	-
Financial income	2.5	3.2	9.9	11.7
Financial expenses	-0.8	-1.3	-3.8	-4.1
Exchange differences	-7.4	1.5	4.5	9.6
Profit after financial items	4.8	0.6	5.8	4.5
Appropriations	1.4	0.4	1.4	0.4
Taxes	-1.4	-0.4	-1.8	-1.4
Profit after tax	4.8	0.6	5.4	3.5

* Profit after tax is the same as comprehensive income for the year.

CONDENSED PARENT COMPANY BALANCE SHEET

SEK million	31 Dec 2019	31 Dec 2018
Balance sheet		
Assets		
Intangible assets	3.7	3.8
Property, plant and equipment	0.5	0.7
Financial fixed assets	403.8	417.3
Other current assets	41.2	13.5
Cash and bank balances	33.5	34.3
Total assets	482.7	469.6
Equity and liabilities		
Equity	371.5	374.3
Untaxed reserves	5.8	7.2
Provisions	6.4	5.5
Non-current liabilities	42.1	51.4
Current liabilities	56.9	31.2
Total equity and liabilities	482.7	469.6

RECONCILIATION BASIS FOR ALTERNATIVE PERFORMANCE MEASURES

SEK million	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Organic growth	2019	2018	2019	2018
Reported net sales	158.3	168.9	689.4	644.7
Net sales compared to the same period last year	168.9	148.9	644.7	577.9
Change in net sales	-10.6	20.0	44.7	66.8
Growth,%	-6.3	13.4	6.9	11.6
Net sales from acquired operations	-	-	-	-
Adjusted net sales from acquisition effects	158.3	168.9	689.4	644.7
Organic growth,%	-6.3	13.4	6.9	11.6
Net sales adjusted for currency fluctuations				
Currency fluctuations	5.8	6.9	25.9	19.0
Currency-adjusted net sales of the same period last year	174.7	155.8	670.6	596.9
Change,%	-9.4	8.4	2.8	8.0

	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
EBITDA	2019	2018	2019	2018
Reported operating profit	14.1	11.0	65.3	38.9
Depreciation/amortization and impairment	15.5	17.7	60.3	56.4
EBITDA	29.6	28.7	125.6	95.3

The Board of Directors and management have decided to remove comparative figures for non-recurring items in the Reconciliation Basis for Alternative Performance Measures report.

Own risk capital	31 Dec 2019	31 Dec 2018
Equity	539.9	508.5
Deferred tax liability	25.5	27.3
Own risk capital	565.4	535.8
Net debt		
	31 Dec 2019	31 Dec 2018
Non-current interest-bearing provisions for pensions	59.0	44.7
Non-current interest-bearing liabilities	272.2	222.1
Current interest-bearing liabilities	55.5	69.6
Total liabilities	386.7	336.4
Cash and cash equivalents	-55.2	-49.0
Net debt	331.5	287.4
Cash and cash equivalents including unutilized bank overdraft facility and framework agreements		
	31 Dec 2019	31 Dec 2018
Cash and cash equivalents	55.2	49.0
Utilized bank overdraft facility	-0.9	-9.4
Bank overdraft facilities granted and framework agreements	67.9	67.5
Cash and cash equivalents including unutilized bank overdraft facility and framework agreements	122.2	107.1

Definitions of Alternative Performance Measures

Alternative Performance Measures are financial measures of the company's earnings trend, financial position and cash flow that are not defined in IFRS. These key performance indicators are intended to serve as important supplementary performance indicators of the Group's earnings and position and the purpose is to provide a better understanding of the business. Alternative Performance Measures that are presented in the interim reports should not be regarded as a replacement to terms and concepts in accordance with IFRS. They are instead intended as a supplement. These performance measures do not need to be comparable with similar performance measures used by other companies. The reconciliation basis for calculating some of these performance measures is provided on page 18 of this report.

Sales adjusted for currency fluctuations

Change in net sales adjusted for changes in exchange rates attributable to translation of subsidiaries compared with the same period last year.

Organic growth

Change in net sales adjusted for sales from acquired and divested operations compared to the same period last year.

EBITDA

Operating profit before depreciation/amortization and impairment.

EBITDA, %

Operating profit before depreciation/amortization and impairment as a percentage of the net sales from operations.

Own risk capital

The total of the reported amount of equity, any minority interests and deferred tax liability.

Net debt

Interest-bearing financial liabilities and provisions for pensions less cash and cash equivalents.

Cash and cash equivalents including unutilized bank overdraft facility

Cash and bank balances plus the amount of granted overdraft facility less the amount of utilized bank overdraft facility.

Financial information

The Annual Report 2019 will be published on March 31, 2020.

The interim report for January-March 2020 will be published on May 5, 2020.

The interim report for January-June 2020 will be published on July 16, 2020.

The interim report for January-September 2020 will be published on October 20, 2020.

The year-end report for 2020 will be published on February 24, 2021.

The Annual General Meeting will be held on April 21, 2020, at 5 p.m. at Best Western Plus Hotel Waterfront Göteborg, Adolf Edelsvärdsgata 10, Gothenburg.

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Elos Medtech AB (publ) is a Swedish limited liability company, whose B shares are listed on Small Cap, NASDAQ Stockholm AB. Elos Medtech's corporate governance is based on Swedish legislation and the listing agreement with NASDAQ Stockholm AB.

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