

Interim report 1 January – 31 March 2023

Strong organic growth in both business areas

"Strong organic growth of 12 percent this quarter reflects high demand for our products and services. We are well-positioned for the recovery that is now taking place in health care and is expected to continue for a long time to come."
Fredrik Dalborg, President and CEO

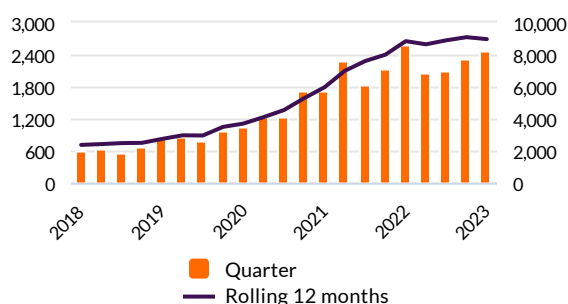
1 JANUARY – 31 MARCH 2023 (3 MONTHS)

- Net sales decreased by 5 percent to SEK 2,457m (2,579), partly driven by the fact that covid-19 related sales decreased to SEK 0m (510). Organic growth excluding covid-19 related turnover was 12 percent and acquired growth was 2 percent.
- EBITA amounted to SEK 366m (435), corresponding to an EBITA-margin of 14.9 percent (16.9). EBITA includes a reversed contingent consideration amounting to 83m, adjusted for this the EBITA-margin amounts to 11.5 percent.
- Profit after tax amounted to SEK 174m (225).
- Earnings per share amounted to SEK 1.43 (1.85). Earnings per share for the last 12 months amounted to SEK 3.54 (5.91).
- Cash flow from operating activities amounted to SEK 105m (332).
- The equity ratio was 39 percent (38).
- Return on working capital (P/WC) amounted to 55 percent (61).

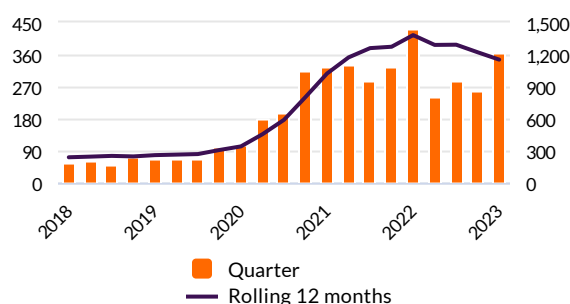
12 %
ORGANIC GROWTH
Q1 2023

SEKm	3 months ending			12 months ending	
	31 Mar 23	31 Mar 22	change	31 Mar 23	31 Dec 22
Net sales	2,457	2,579	-5%	8,962	9,084
EBIT	258	338	-24%	728	808
EBITA	366	435	-16%	1,152	1,221
EBITA-margin	14.9%	16.9%		12.9%	13.4%
Profit before tax	206	289	-29%	519	602
Profit for the period	174	225	-23%	432	483
Earnings per share before dilution, SEK	1.43	1.85	-23%	3.54	3.96
Earnings per share after dilution, SEK	1.42	1.84	-23%	3.54	3.95

NET SALES (SEKM)



EBITA (SEKM)



Comments by the CEO

AddLife started 2023 with a strong first quarter. Healthcare activity levels are clearly recovering in all markets and the number of elective surgical procedures is increasing.

In 2021 and 2022, the company positioned itself to meet the demand that the increased number of elective procedures was expected to drive once the effects of the pandemic subsided. We are now seeing this development materialise, which in the quarter resulted in strong organic growth of 13 percent in the Medtech business area.

In the Labtech business area, sales declined as expected in relation to the challenging comparative figures for the first quarter of 2022, which is the last comparative quarter with significant COVID-19 sales. Nevertheless, underlying demand is robust and our companies are well-positioned in diagnostics, biomedical and research, which resulted in organic growth excluding COVID-19 of 10 percent for the quarter.



We are well-positioned for the current recovery in the health care, which is expected to continue for a long time to come.

Clear recovery in health care

Activity levels in hospitals in general and in surgery in particular are recovering in all our markets. The number of procedures performed increased significantly during the quarter, which led to increased demand in product areas such as orthopaedic surgery, anaesthesia, laparoscopy and general surgery, where several of our companies have strong positions.

Healthcare systems in Europe continue to be affected by staff shortages, which means that the recovery in planned surgery will take longer. Several countries are also allocating extra resources to health care to reduce waiting times. Overall, our assessment is that the reduction of the backlog will be gradual over an extended period of time, as the number of surgical procedures performed gradually increase.

In home care, demand is also developing strongly for products that enable care and assistance in the home, as well as home adaptation products, mobility solutions and our newly launched digital security alarms.

Now that COVID-19-related visitor restrictions have been lifted, customers are accessible again, and are increasingly willing to try new products to improve care and increase efficiency.

Operating margin still in positive trend

The positive trend in the operating margin for the underlying business continued during the quarter, driven by the good volume development, good cost control, a favourable product mix and active price management.

In Labtech, specific COVID-19 sales have ended and with them the sales volumes that previously had a significant positive impact on the operating margin. However, robust organic growth has partly offset this decline and enabled us to maintain margins at a solid level.

In Medtech, the strong volume development has been a positive contributing factor to the margin trend, along with high demand for products in high-margin segments such as orthopaedic surgery. In most situations, cost increases from suppliers have been compensated by price increases and changes in the product mix.



In eye surgery, sales volumes are increasing, while an unfavourable product mix continues to have a negative impact on profitability. The operating margin in this area is expected to increase over time, driven by an improved product mix consisting of a larger share of both new and established products with high profitability that are expected to return to the product range as problems with suppliers are resolved.

Growth in high-margin segments, which often tie up more inventory, as well as already initiated and upcoming new product launches have increased the amount of capital tied up in the quarter. The ongoing efforts to streamline inventory management, reduce working capital and improve margins continue with unchanged strength.

Companies well-positioned to meet increased demand

The effects of the pandemic have been behind us now for some time, both operationally and in our interaction with customers, and from the next quarter also in our comparative figures. Strong organic growth of 12 percent this quarter reflects high demand for our products and services. We are well-positioned for the recovery that is now taking place in health care and is expected to continue for a long time to come. During the quarter, the companies in the AddLife Group were able to meet the growing demand from health care and had a great start to the year.

In 2023, we will continue to support our hospital, home care, diagnostics, research and biomedical customers under more normal market conditions. With our unique European market presence and strong position in product segments that benefit from long-term trends, we see many opportunities to develop the business through organic growth, profitability improvements and acquisitions.



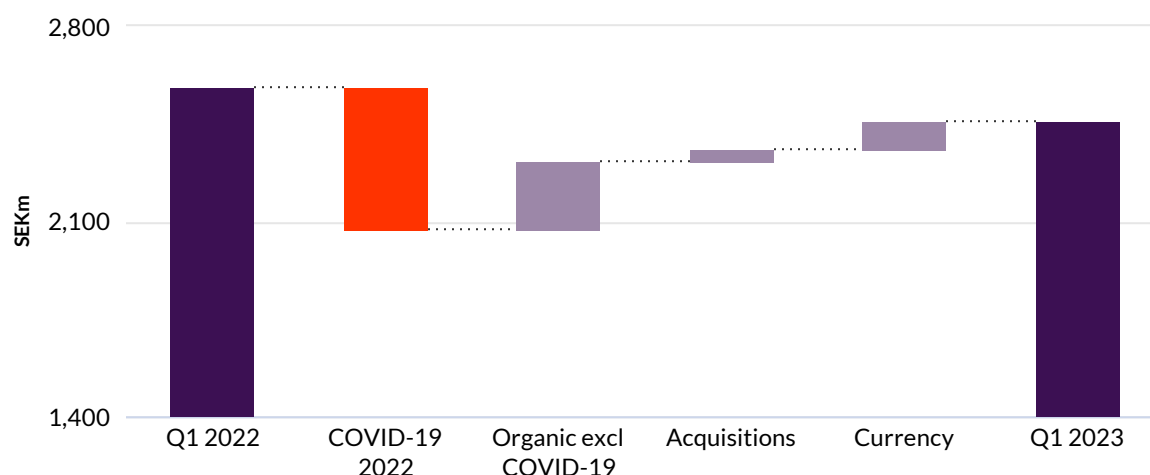
Fredrik Dalborg

President and CEO

Group development in the quarter

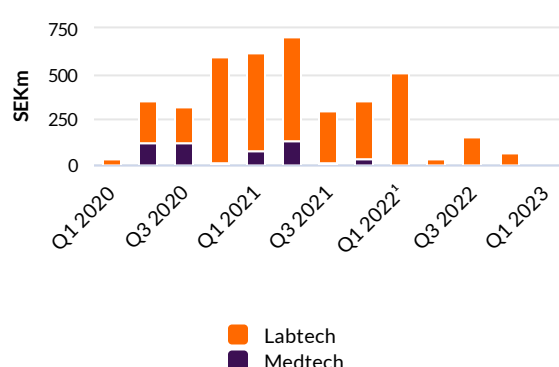
Net sales in the quarter decreased by 5 percent to SEK 2,457m (2,579). The acquired growth totalled 2 percent and organic growth, excluding COVID-19 amounted to 12 percent. Net sales related to COVID-19 has now ceased and is reported as SEK 0m (510). Exchange rate changes had a positive impact of 4 percent on net sales in the quarter, corresponding to SEK 101m.

NET SALES 3 MONTHS



EBITA decreased by 16 percent to SEK 366m (435) and EBITA-margin amounted to 14.9 percent (16.9). Reversal of previously allowance for contingent consideration has had a positive impact on the operating profit of SEK 83m. Exchange rate changes had a positive effect on EBITA, corresponding to SEK 13m.

COVID-19 RELATED SALES



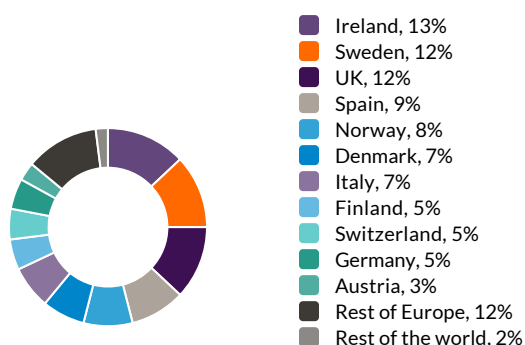
Throughout the COVID-19 pandemic, AddLife has supplied large volumes of products to the healthcare sector. Sales since the first quarter of 2020 have varied based on the spread of infection and restrictions in the society.

The volume of covid-19 specific tests has now decreased to the point where separate reporting is no longer relevant going forward.

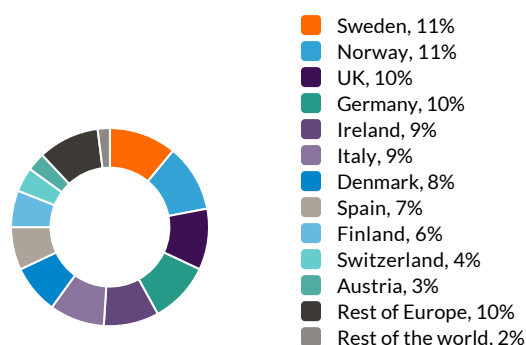
¹Correction of accrual between Q1 and Q2 2022

Net financial items amounted to SEK -52m (-49) and profit after financial items amounted to SEK 206m (289). Net financial items include interest costs related to financing of previous acquisitions and exchange rate fluctuations. Interest expenses amounted to SEK 55m (21) and exchange rate gains to SEK 6m (-28). Exchange rate changes are related to recalculation of loans and contingent considerations in foreign currencies. Profit after tax for the quarter decreased by 23 percent to SEK 174m (225) and the effective tax rate was 16 percent (22). The large difference in effective tax is due to the reversal of the contingent consideration made in the quarter.

NET SALES PER MARKET 2023



NET SALES PER MARKET 2022



The war in Ukraine has not had a significant economic impact on the financial reports, but it can not be ruled out that this will happen in the future. We follow market developments closely, where we notice rising inflation, higher raw material, shipping costs and energy costs and greater uncertainty about interest rate developments.

Financial position and cash flow

At the end of the quarter, the equity ratio stood at 39 percent (38). Equity per share totalled SEK 42,40 (40.76) and the return on equity at the end of the quarter was 9 percent (10). Return on working capital, P/WC (EBITA in relation to working capital) amounted to 55 percent (61). The slight decrease is partly due to a slightly lower result and relatively higher working capital.

The group's interest-bearing net debt at the end of the quarter totalled SEK 5,402m (5,410), including pension liabilities of SEK 60m (60), leasing liabilities of SEK 359m (351) and contingent considerations corresponding to SEK 156m (266). Outstanding bank loans at the end of the quarter amounted to SEK 5,029m (4,968), whereof short-term bank loans amounted to SEK 2,469m (2,432). The group has a good margin in the covenants applicable under the banking agreements, which stipulate an interest coverage ratio of at least 4.0 times and an equity ratio exceeding 25 percent.

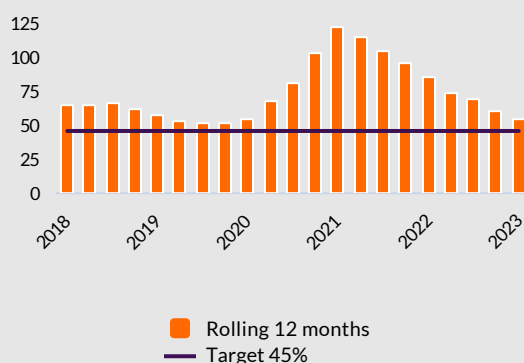
The net debt/equity ratio totalled 1,0 compared to 1.1 at the beginning of the interim period. The intention is to reduce indebtedness through self-generated cash flow.

Cash and cash equivalents, consisting of cash and bank balances, together with approved but non-utilised credit facilities, totalled SEK 833m (890) on March 31, 2023.

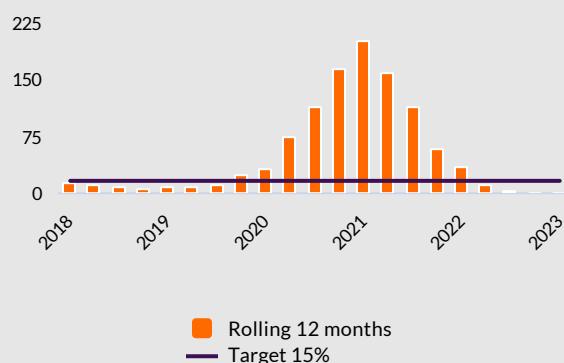
Cash flow from operating activities reached SEK 105m (332) during the quarter. The change is mainly due to a lower profit after financial items. Paid out contingent consideration related to acquisitions of companies in previous years amounted to SEK 16m (501). Net investments in non-current assets during the quarter amounted to SEK 65m (57) and is mainly attributable to investments in instruments for rental to customers. Repurchase of treasury shares amounted to SEK 0m (49). Exercised, issued and repurchased call options amounted to SEK -17m (0).

Long term financial goals

PROFITABILITY P/WC (%)



PROFIT GROWTH (%)



Acquisitions

Acquisitions completed from the 2022 financial year are distributed among the group's business areas as follows:

Acquisitions	Time	Net Sales, SEKm*	Number of employees*	Business area
MBA Incorporado S.L, Spain	January, 2022	670	285	Medtech
Business from Telia Health Monitoring, Sweden	March, 2022	4	8	Medtech
O'Flynn Medical Ltd, Ireland	April, 2022	64	36	Medtech
BioCat GmbH, Germany	April, 2022	90	20	Labtech
JK Lab Nordic AB, Sweden	July, 2022	24	6	Labtech
		852	355	

* Refers to conditions at the time of acquisition on a full-year basis.

Revaluation of liabilities for contingent considerations regarding previous acquisitions has resulted in income of SEK 83m of which 82m relates to the acquisition of AddVision. During the interim period, this has been reversed and reported in other operating income. Contingent considerations amounted to 16m have been paid during the interim period regarding Ropox, which was acquired in 2020.

Employees

At the end of the quarter, the number of employees was 2,277, compared to 2,219 at the beginning of the financial year. The average number of employees for the last 12-month period was 2,214 (2,157).

Labtech

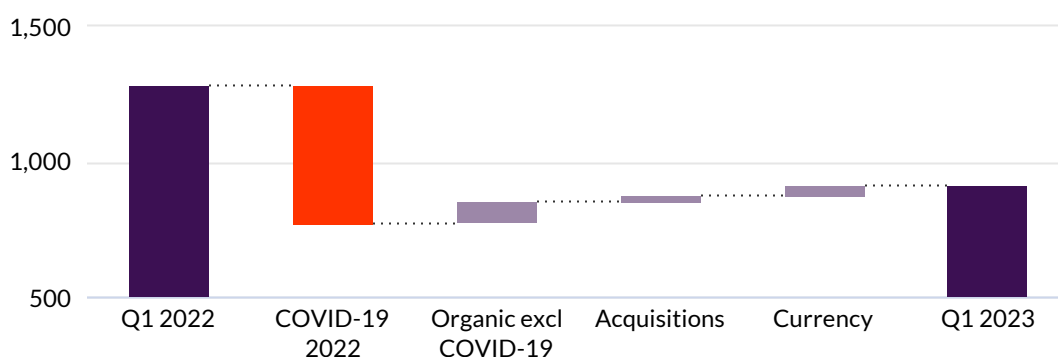
Companies in the Labtech business are active in the market areas diagnostics, biomedical research and laboratory equipment.



MSEK	3 months ending			12 months ending	
	31 Mar 23	31 Mar 22	change	31 Mar 23	31 Dec 22
Net sales	905	1,280	-29%	3,505	3,880
EBITA	115	296	-61%	486	667
EBITA-margin	12.7%	23.2%		13.9%	17.2%

Labtech's net sales in the quarter amounted to SEK 905m (1,280). The organic sales growth, excluding COVID-19 related sales, amounted to 10 percent and acquired growth was 2 percent. Net sales related to COVID-19 has now ceased and is reported as SEK 0m (510). Exchange rate changes had positive impact of 3 percent on net sales. EBITA amounted to SEK 115m (296), corresponding to an EBITA-margin of 12.7 percent (23.2).

NET SALES 3 MONTHS



As expected, sales decreased in the first quarter compared with the corresponding quarter the previous year, which was the last quarter with significant COVID-19-related sales. Testing is now mainly performed in conjunction with tests for other respiratory diseases and we have therefore decided not to continue to report COVID-19 related sales separately moving forward. However, the underlying business developed strongly, with organic growth of 10 percent for the quarter.

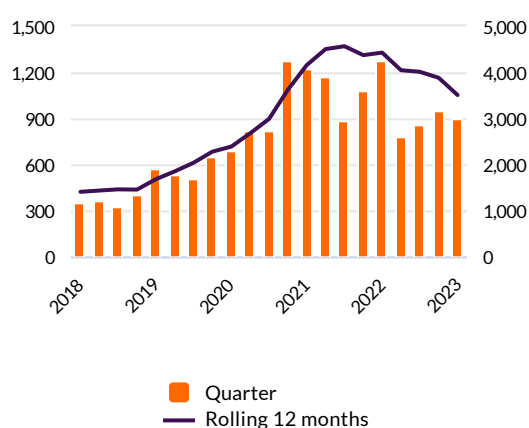
The gross margin for COVID-19 related sales, which have now ended, was roughly in line with other Labtech products and as expected, this reduced volume resulted in a lower operating margin. Nevertheless, as a result of robust organic growth, good cost controls, a favourable product mix and active price management, the operating margin for the first quarter was 12.7 percent, which is higher than the 10-12 percent level that prevailed before COVID-19.

In diagnostics, operations have normalised and sample volumes are stable. The healthcare staff shortage also impacts the diagnostics business and is driving a transition to more efficient processes and a stronger need for service, which benefits AddLife's companies that have a strong service offering. At the same time, in some cases staff shortages have led to delays in procurement processes.

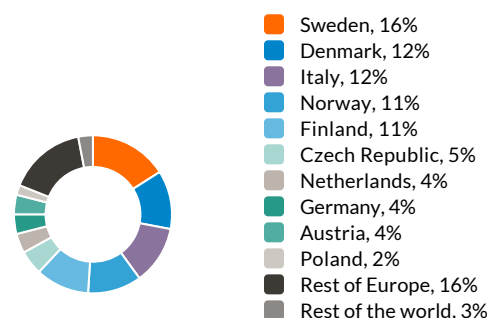
Efforts to manage price increases from suppliers continue, and in general the companies have been successful in defending gross margins through price increases and changes in product mix.

The macroeconomic situation has caused some markets to experience increased uncertainty regarding government-funded and academic research budgets. We see a continued positive and strong trend in demand for products and services related to biomedicine and drug discovery and development. In this area there is also increasing demand for new technologies such as Next Generation Sequencing (NGS), cell therapies and cancer immunology, which is positive for both margins and growth. The quarter also saw the launch of a new proprietary product in the area of advanced surface analysis.

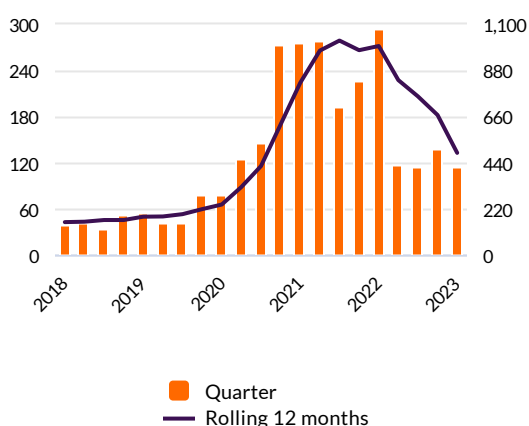
NET SALES (SEKM)



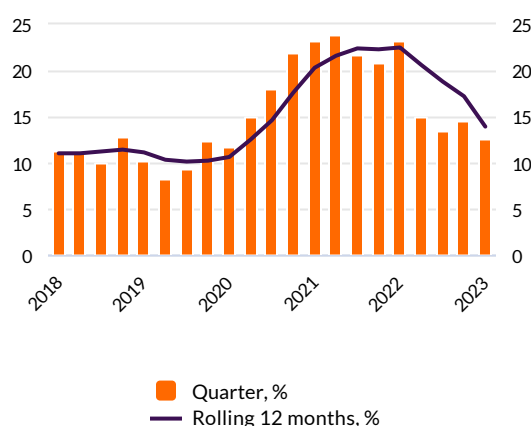
NET SALES PER MARKET 2023



EBITA (SEKM)



EBITA MARGIN (%)



Medtech

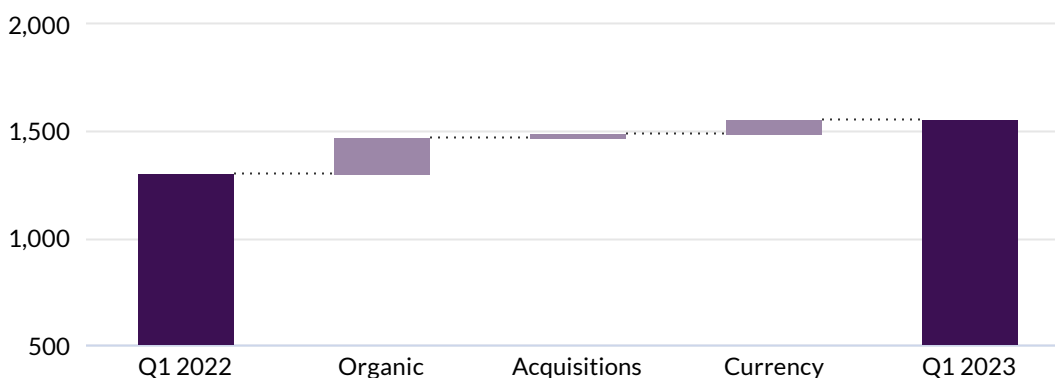
Companies in the Medtech business provides medical device products within the medtech market and assistive equipment within home healthcare.



MSEK	3 months ending			12 months ending	
	31 Mar 23	31 Mar 22	change	31 Mar 23	31 Dec 22
Net sales	1,554	1,301	19%	5,463	5,210
EBITA	256	144	78%	685	573
EBITA-margin	16.5%	11.1%		12.6%	11.0%

For the quarter, Medtech's net sales increased by 19 percent to SEK 1,554m (1,301), of which organic growth was 13 percent and acquired growth was 2 percent. Exchange rate fluctuations had a positive impact of 5 percent on net sales. EBITA increased to SEK 256m (144) and EBITA margin amounted to 16.5 percent (11.1). The reversal of the contingent consideration, primarily linked to the acquisition of Addvision, has had a positive impact on the result of SEK 83m and adjusted for this EBITA amounted to 11.1 percent. The investment in digital solutions for remote patient monitoring and healthcare solutions has had a negative impact on the result of SEK 15m.

NET SALES 3 MONTHS



In recent years, Medtech companies have positioned themselves for the recovery in planned (elective) surgery that is expected after the pandemic. During the first quarter we saw a clear recovery and a noticeable increase in the number of surgical procedures performed in all markets where AddLife's companies are active. Demand has increased in product areas such as orthopaedic surgery, anaesthesia, laparoscopy and general surgery, which has led to strong organic growth of 13 percent during the quarter.

While staff shortages remain a challenge in health care, partly holding back the number of operations performed, this challenge also creates opportunities for productivity-enhancing products, solutions and services.

The significant increase in volume has also positively impacted margin development. Efforts to manage price increases from suppliers continue, and in general the companies are able to defend gross margins through price increases and changes in product mix.

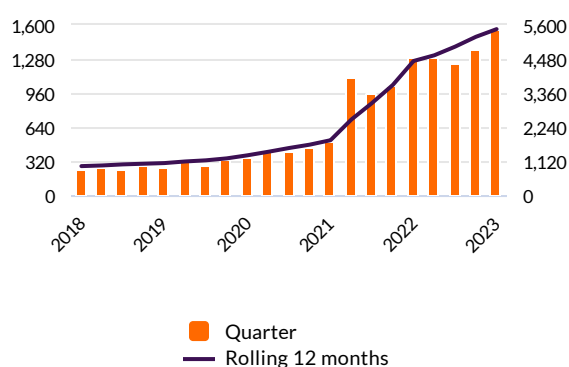
In eye surgery, sales developed positively, while margins remained low mainly due to an unfavourable product mix. The launch of new products with higher margins has started, but has not yet had an impact. At the same time, some high-margin products have been replaced by lower margin products as a temporary measure to deal with supply problems at suppliers. These lower margin products will gradually be replaced by products from other suppliers and a return to existing suppliers once the supply problems have been resolved.

In home care, demand is developing well for products that enable care at home. This includes home adaptation products, as well as mobility solutions and the recently launched digital security alarm solutions.

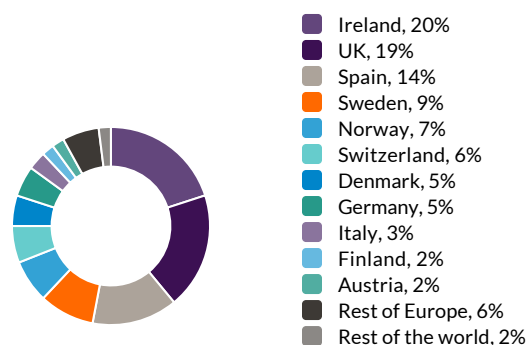
Preparations for the new Medical Device Regulation (MDR) are ongoing for our own products. This is a major undertaking and the companies are generally well prepared. The deadline has now been postponed out by a number of years after the European Commission adopted a proposal to extend the transition period.

The portfolio is being expanded with new and supplementary products and there is also increased intra-company cooperation to identify suitable products and suppliers.

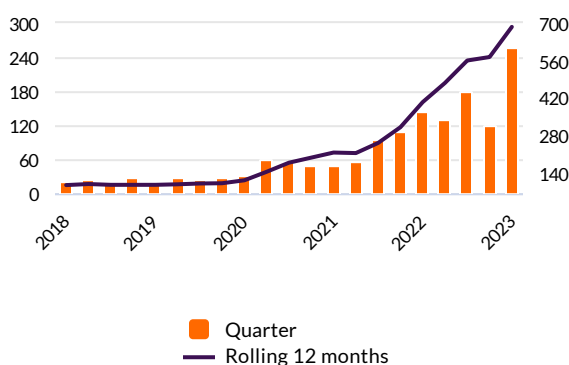
NET SALES (SEKM)



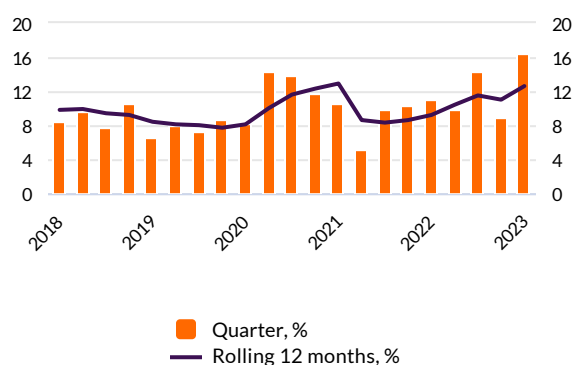
NET SALES PER MARKET 2023



EBITA (SEKM)



EBITA MARGINAL (%)



Net sales by business area

Quarterly data, SEKm	2023				2022
	Q1	Q4	Q3	Q2	Q1
Labtech	905	958	856	786	1,280
Medtech	1,554	1,367	1,246	1,296	1,301
Group items	-2	1	-2	-3	-2
AddLife Group	2,457	2,326	2,100	2,079	2,579

EBITA by business area

Quarterly data, SEKm	2023				2022
	Q1	Q4	Q3	Q2	Q1
Labtech	115	138	116	117	296
Medtech	256	121	179	129	144
Parent Company and Group items	-5	-1	-7	-6	-5
EBITA	366	258	288	240	435
Depreciation intangible assets	-108	-109	-105	-102	-97
Operating profit	258	149	183	138	338
Finance income and expenses	-52	-72	-41	-44	-49
Profit after financial items	206	77	142	94	289

Net sales by business area

SEKm	3 months ending			12 months ending	
	31 Mar 23	%	31 Mar 22	31 Mar 23	31 Dec 22
Labtech	905	-29	1,280	3,505	3,880
Medtech	1,554	19	1,301	5,463	5,210
Group items	-2		-2	-6	-6
AddLife Group	2,457	-5	2,579	8,962	9,084

EBITA and EBITA-margin by business area and operating profit for the group

SEKm	3 months ending				12 months ending			
	31 Mar 23	%	31 Mar 22	%	31 Mar 23	%	31 Dec 22	%
Labtech	115	12.7	296	23.2	486	13.9	667	17.2
Medtech	256	16.5	144	11.1	685	12.6	573	11.0
Parent Company and Group items	-5		-5		-19		-19	
EBITA	366	14.9	435	16.9	1,152	12.9	1,221	13.4
Depreciation intangible assets	-108		-97		-424		-413	
Operating profit	258	10.5	338	13.1	728	8.1	808	8.9
Finance income and expenses	-52		-49		-209		-206	
Profit after financial items	206		289		519		602	

Net sales by revenue type

SEKm	3 months ending		12 months ending	
	31 Mar 23	31 Mar 22	31 Mar 23	31 Dec 22
<i>Products</i>				
Labtech	653	1,045	2,562	2,954
Medtech	1,265	1,085	4,366	4,186
Group items	-2	-2	-6	-6
The Group	1,916	2,128	6,922	7,134
<i>Instruments</i>				
Labtech	181	156	717	692
Medtech	157	113	573	529
The Group	338	269	1,290	1,221
<i>Service</i>				
Labtech	71	79	226	234
Medtech	132	103	524	495
The Group	203	182	750	729
Total	2,457	2,579	8,962	9,084

Consolidated income statement, condensed

Income statement SEKm	3 months ending		12 months ending	
	31 Mar 23	31 Mar 22	31 Mar 23	31 Dec 22
Net sales	2,457	2,579	8,962	9,084
Cost of sales	-1,531	-1,578	-5,610	-5,657
Gross profit	926	1,001	3,352	3,427
Selling expenses	-597	-512	-2,210	-2,125
Administrative expenses	-145	-132	-555	-542
Research and Development	-24	-17	-88	-81
Other operating income and expenses	98	-2	229	129
Operating profit	258	338	728	808
Financial income and expenses	-52	-49	-209	-206
Profit after financial items	206	289	519	602
Tax	-32	-64	-87	-119
Profit for the period	174	225	432	483
<i>Attributable to:</i>				
<i>Equity holders of the Parent Company</i>	174	225	429	480
<i>Non-controlling interests</i>	0	0	3	3
Earnings per share (EPS) before dilution, SEK	1.43	1.85	3.54	3.96
Earnings per share (EPS) after dilution, SEK	1.42	1.84	3.54	3.95
Average number of shares after repurchases '000s	121,855	121,803	121,792	121,779
Number of shares at end of the period, '000	121,857	121,703	121,857	121,836
EBITA	366	435	1,152	1,221
Depreciations included in operating expenses				
- property, plant and equipment	-82	-74	-317	-309
- intangible non-current assets from acquisitions	-99	-89	-385	-375
- other intangible non-current assets	-9	-8	-39	-38

Statement of comprehensive income

SEKm	3 months ending		12 months ending	
	31 Mar 23	31 Mar 22	31 Mar 23	31 Dec 22
Profit for the period	174	225	432	483
<i>Components that may be reclassified to profit for the period</i>				
Foreign currency translation differences for the period	44	84	415	455
<i>Components that can not be reclassified to profit for the period</i>				
Revaluations of defined benefit pension plans	-	-	23	23
Tax attributable to items not to be reversed in profit or loss	-	-	-5	-5
Other comprehensive income	44	84	433	473
Total comprehensive income	218	309	865	956
<i>Attributable to:</i>				
Equity holders of the Parent Company	218	309	862	953
Non-controlling interests	0	0	3	3

Consolidated balance sheet, condensed

SEKm	31 Mar 23	31 Dec 22	31 Mar 22
Goodwill	5,366	5,313	4,852
Other intangible non-current assets	3,064	3,127	3,062
Property, plant and equipment	909	899	843
Financial non-current assets	159	146	148
Total non-current assets	9,498	9,485	8,905
Inventories	1,724	1,646	1,487
Current receivables	1,675	1,550	1,505
Cash and cash equivalents	346	376	475
Total current assets	3,745	3,572	3,467
Total assets	13,243	13,057	12,372
Total equity	5,172	4,971	4,551
Interest-bearing provisions	202	194	207
Non-interest-bearing provisions	443	459	487
Non-current interest-bearing liabilities	2,841	2,969	810
Non-current non-interest-bearing liabilities	8	8	10
Total non-current liabilities	3,494	3,630	1,514
Non-interest-bearing provisions	49	52	12
Current interest-bearing liabilities	2,705	2,622	4,441
Current non-interest-bearing liabilities	1,823	1,782	1,854
Total current liabilities	4,577	4,456	6,307
Total equity and liabilities	13,243	13,057	12,372

Statement of change in Group equity

Statement of change in Group equity, SEKm	1 Jan 23 – 31 Mar 23			1 Jan 22 – 31 Dec 22		
	Equity excl. non-controlling interests	Non-controlling interests	Total equity	Equity excl. non-controlling interests	Non-controlling interests	Total equity
Amount at beginning of period	4,968	3	4,971	4,285	6	4,291
Exercised and issued call options	-17	–	-17	33	–	33
Repurchase of treasury shares	–	–	–	-60	–	-60
Dividend	–	–	–	-243	-6	-249
Total comprehensive income	218	0	218	953	3	956
Amount at the end of the period	5,169	3	5,172	4,968	3	4,971

Cash flow statement, condensed

Cash flow statement, condensed SEKm	3 months ending		12 months ending	
	31 Mar 23	31 Mar 22	31 Mar 23	31 Dec 22
Profit after financial items	206	289	519	602
Adjustment for items not included in cash flow	102	215	571	684
Income tax paid	-52	-71	-237	-256
Changes in working capital	-151	-101	-171	-121
Cash flow from operating activities	105	332	682	909
Net investments in non-current assets	-65	-57	-276	-268
Acquisitions and disposals	-16	-501	-333	-818
Cash flow from investing activities	-81	-558	-609	-1,086
Dividend paid to shareholders	–	–	-243	-243
Exercised and issued call options	-17	–	16	33
Repurchase of treasury shares	–	-49	-11	-60
Borrowings	23	982	457	1,416
Repayments on loans	-21	-562	-305	-846
Other financing activities	-39	-37	-168	-166
Cash flow from financing activities	-54	334	-254	134
Cash flow for the period	-30	108	-181	-43
Cash and cash equivalents at beginning of period	376	345	475	345
Exchange differences on cash and cash equivalents	0	22	52	74
Cash and cash equivalents at end of the period	346	475	346	376

Key financial indicators

		12 months up until			
	31 Mar 23	31 Dec 22	31 Mar 22	31 Dec 21	31 Dec 20
Net sales, SEKm	8,962	9,084	8,836	7,993	5,273
EBITDA, SEKm	1,469	1,530	1,619	1,474	946
EBITA, SEKm	1,152	1,221	1,382	1,273	802
EBITA margin, %	12.9%	13.4%	15.7%	15.9%	15.2%
Profit growth, EBITA, %	-17%	-4%	35%	59%	163%
Return on working capital (P/WC), %	55%	61%	86%	95%	103%
Profit for the period, SEKm	432	483	720	721	520
Return on equity, %	9%	10%	19%	22%	31%
Financial net liabilities, SEKm	5,402	5,410	4,983	3,870	700
Financial net liabilities/EBITDA, multiple	3.7	3.5	3.2	2.6	0.7
Net debt/equity ratio, multiple	1.0	1.1	1.0	0.9	0.4
Equity ratio, %	39%	38%	37%	40%	46%
Average number of employees	2,214	2,157	1,772	1,548	1,004
Number of employees at end of the period	2,277	2,219	2,119	1,802	1,112

Key ratio definitions can be found [here](#).

Key financial indicators per share

		12 months up until			
	31 Mar 23	31 Dec 22	31 Mar 22	31 Dec 21	31 Dec 20
Earnings per share (EPS), SEK	3.54	3.96	5.91	6.03	4.63
Diluted EPS, SEK	3.54	3.95	5.88	6.01	4.61
Cash flow per share from operating activities, SEK	5.60	7.46	9.51	8.46	8.47
Shareholders' equity per share, SEK	42.40	40.76	37.35	35.14	16.73
Average number of shares after repurchases, '000s	121,792	121,779	121,714	119,418	112,127
Average number of shares adjusted for repurchases and dilution, '000s	122,086	122,254	122,282	119,966	112,652
Number of shares outstanding at end of the period, '000s	121,857	121,836	121,703	121,953	112,487
Number of shares outstanding at end of the period after dilution, '000s	122,151	122,312	122,270	122,501	113,012

The number of shares from a historical perspective has been restated to take the bonus issue into account (i.e. the value of the subscription right) in the completed new share issue in 2019, as well as the share split (1:4) completed in May 2020 and has been used in all calculations of metrics for SEK per share. The conversion factor is 4.041.

Parent company

The Parent Company's net sales for the interim period amounted to SEK 15 m (16) and profit after financial items amounted to SEK -20 m (-37). At the end of the interim period the Parent Company's net financial debt amounted to SEK 4,917 m (4,842). The share capital at the end of the interim period was SEK 62m (62).

Income statement

SEKm	3 months ending		12 months ending	
	31 Mar 23	31 Mar 22	31 Mar 23	31 Dec 22
Net sales	15	16	63	64
Administrative expenses	-19	-21	-81	-83
Operating profit/loss	-4	-5	-18	-19
Interest income/expenses and similar items	-16	-32	-189	-205
Profit/loss after financial items	-20	-37	-207	-224
Appropriations	-1	-	193	194
Profit/loss before taxes	-21	-37	-14	-30
Income tax expense	4	7	9	12
Profit/loss for the period	-17	-30	-5	-18

Balance sheet

Balance sheet, SEKm	31 Mar 23	31 Dec 22	31 Mar 22
Intangible non-current assets	0	0	0
Tangible non-current assets	0	0	0
Non-current financial assets	7,981	8,002	7,813
Total non-current assets	7,981	8,002	7,813
Current receivables	495	670	245
Total current assets	495	670	245
Total assets	8,476	8,672	8,058
Restricted equity	62	62	62
Unrestricted equity	2,528	2,562	2,771
Total equity	2,590	2,624	2,833
Untaxed reserves	-	-	120
Interest-bearing long-term liabilities	2,589	2,600	86
Non-interest-bearing long-term liabilities	2	2	1
Total long-term liabilities	2,591	2,602	87
Interest-bearing short-term liabilities	3,264	3,301	4,983
Non-interest-bearing short-term liabilities	31	145	35
Total short-term liabilities	3,295	3,446	5,018
Total equity and liabilities	8,476	8,672	8,058

Fair values on financial instruments

SEKm	31 Mar 23			31 Dec 22		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives measured at fair value through profit or loss	1	1	–	1	1	–
Total financial assets at fair value per level	1	1	–	1	1	–
Derivatives measured at fair value through profit or loss	0	0	–	0	0	–
Contingent considerations	156	–	156	266	–	266
Total financial liabilities at fair value per level	156	0	156	266	0	266

The fair value and carrying amount are recognized in the balance sheet as shown in the table above.

For quoted securities, the fair value is determined on the basis of the asset's quoted price in an active market, level 1. As at the reporting date the Group had no items in this category. For currency contracts and embedded derivatives, the fair value is determined on the basis of observable market data, level 2. For contingent considerations, a cash-flow-based valuation is performed, which is not based on observable market data, level 3. For the Group's other financial assets and liabilities, fair value is estimated to essentially correspond to the carrying amount.

Contingent considerations

SEKm	3 months ending		12 months ending	
	31 Mar 23	31 Mar 22	31 Mar 23	31 Dec 22
Carrying amount, opening balance	266	349	328	349
Acquisitions during the period	–	–	21	21
Consideration paid	-16	-31	-16	-31
Revaluation through profit or loss	–	4	–	4
Reversed through profit or loss	-83	–	-184	-101
Interest expenses	-4	2	-1	5
Exchange differences	-7	4	8	19
Carrying amount, closing balance	156	328	156	266

Pledged assets and contingent liabilities in the group

SEKm	31 Mar 23	31 Dec 22	31 Mar 22
Contingent liabilities	52	47	47

Reconciliation key ratios

Return on equity	Profit/loss after tax attributable to shareholders, as a percentage of shareholders' proportion of average equity.		
	31 Mar 23	31 Dec 22	31 Mar 22
Profit/loss for the period (roll 12 months)	429	480	718
Average equity	4,803	4,627	3,795
Return on equity	429/4,803=9%	480/4,627=10%	718/3,795=19%
Return on working capital (P/WC)	EBITA in relation to average working capital.		
	31 Mar 23	31 Dec 22	31 Mar 22
EBITA	1,152	1,221	1,382
Average working capital (WC)	2,086	2,008	1,606
P/WC	1,152/2,086=55%	1,221/2,008=61%	1,382/1,606=86%
EBITDA	Operating profit before depreciation and amortization		
	31 Mar 23	31 Dec 22	31 Mar 22
Operating profit (12 months rolling)	728	808	1,043
Depreciation and amortization	741	722	576
EBITDA	1,469	1,530	1,619
EBITA	Operating profit before amortization of intangible assets.		
	31 Mar 23	31 Dec 22	31 Mar 22
Operating profit (12 months rolling)	728	808	1,043
Amortization of intangible assets	424	413	339
EBITA	1,152	1,221	1,382
EBITA margin	EBITA in relation to net sales		
	31 Mar 23	31 Dec 22	31 Mar 22
EBITA	1,152	1,221	1,382
Net sales (12 months rolling)	8,962	9,084	8,836
EBITA margin	1,152/8,962=12.9%	1,221/9,084=13.4%	1,382/8,836=15.7%

Definitions

EBITA

Operating profit before amortization of intangible assets.

EBITDA

Operating profit before depreciation and amortization.

Equity per share

Shareholders' proportion of equity divided by the number of shares outstanding at the end of the reporting period.

Cash flow per share

Cash flow from operating activities, divided by the average number of shares.

Net debt/equity ratio

Financial net liabilities in relation to shareholders' equity.

Earnings per share (EPS)

Shareholders' proportion of profit/loss for the year in relation to the average number of shares outstanding.

Profit growth EBITA

This year's EBITA decreased by last year's EBITA divided by last year's EBITA.

Financial net liabilities

Interest-bearing liabilities and interest-bearing provisions, less cash and cash equivalents.

Equity ratio

Equity as a percentage of total assets.

COVID-19 related sales

Big orders of PPE and COVID-19 tests.

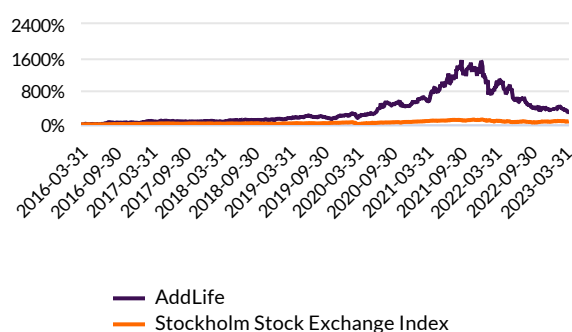
The key figures presented above are central in order to understand and evaluate AddLife's business and financial position. The key figures are presented in the "Key financial indicators" table and they are commented on in other parts of interim report. For additional information regarding chosen key ratios, please refer to AddLife's annual report 2022. The comparison figures for income and expense items relate to values for the period January–March 2022 and for balance sheet items as at 31 December 2022 if nothing else is stated.

The share

The share capital at the end of the quarter amounted to SEK 62m (62).

The number of repurchased own shares amounts to 593,189 Class B, corresponding to 0.5 percent of the total number of shares and 0.4 percent of the votes. The average purchase price for shares held in treasury amounts to SEK 100.56 per share. The average number of treasury shares held during the quarter was 595,500 (647,011). The share price at March 31, 2023 was SEK 93.80 and the most recent price paid for the AddLife share on April 25, 2023 was SEK 97.50.

SHARE DEVELOPMENT IN ADDLIFE



Turnover and trading	Jan-Mar 2023
Lowest price, SEK	89.45
Highest price, SEK	128.70
Average daily turnover, SEK	33,188,274
Number of traded shares, no	19,384,199
Number of transactions, no	72,293

AddLife has three outstanding call option programmes corresponding to a total of 1,400,000 Class B shares. Issued call options on repurchased shares have resulted in a calculated dilution effect based on average share price for the quarter of approximately 0.1 percent (0.5). During the quarter 5,200 options in the 2019/2023 program have been redeemed, corresponding to 20,800 B shares, the remaining 148,925 options that were outstanding have been repurchased at a price corresponding to market value.

Outstanding programmes	Number of warrants	Corresponding number of shares	Percentage of total number of shares	Exercise price	Exercise period
2022/2026	150,000	150,000	0.1%	250.07	9 Jun 2025 - 27 Feb 2026
2021/2025	250,000	250,000	0.2%	259.00	10 Jun 2024 - 28 Feb 2025
2020/2024	250,000	1,000,000	0.9%	98.40	19 Jun 2023 - 28 Feb 2024
Total	650,000	1,400,000			

On March 31 2023, the number of shareholders amounted to 12,974, where of 63 percent are Swedish owners with respect to capital share. The 10 biggest shareholders controlled 53 percent of number of capital and 63 percent of votes.

Shareholders 2023-03-31	Class A-shares	Class B-shares	Share in %	
			of capital	of votes
Roosgruppen AB	2,165,644	3,124,727	4.3	15.1
Tom Hedelius	2,066,572	23,140	1.7	12.6
SEB Fonder	0	11,716,170	9.5	7.2
AP-fonden	0	9,382,068	7.6	5.8
AMF - Försäkring och Fonder	0	9,098,097	7.4	5.5
State Street Bank & Trust Company	0	8,435,089	6.7	5.1
Verdipapirfond Odin	0	6,580,008	5.3	4.0
BNY Mellon NA (Former Mellon)	0	5,098,302	4.2	3.1
Handelsbanken fonder	0	3,742,893	3.1	2.3
Cliens Fonder	0	3,461,360	2.8	2.1
Total the 10 biggest shareholders	4,232,216	60,661,854	52.6	62.8
Other shareholders	382,920	56,580,071	46.9	36.8
Total outstanding shares	4,615,136	117,241,925	99.5	99.6
Repurchased own shares Class B	-	593,189	0.5	0.4
Total registered shares	4,615,136	117,835,114	100.0	100.0

Source: Euroclear

Accounting policies

This interim report was prepared in accordance with IFRS and IAS 34 Interim Financial Reporting. Information in accordance with IAS 34.16A exist, except in the financial statements and the related notes also in other parts of the interim report. The interim report for the parent company was prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Securities Market Act (2007:528) in compliance with recommendation RFR 2 Accounting for Legal Entities of the Swedish Financial Reporting Board. The accounting policies and basis for calculations applied in the annual report 2022 for AddLife AB were also used in the interim report. The amendments to IFRSs applicable from 1 January, 2023 have no effects to AddLife's financial reports for the interim period ended March 31, 2023.

Alternative performance measures

AddLife presents certain financial measures in the interim report that are not defined according to IFRS. The company believes that these measures provide valuable supplemental information to investors and the company's management as they allow for evaluation of trends and the company's performance. For additional information regarding chosen key ratios, please refer to AddLife's annual report 2022. Since all companies do not calculate financial measures in the same way these are not always comparable to measures used by other companies. These financial measures should therefore not be considered as a replacement for measurements as defined under IFRS. This report provides information in greater detail regarding definitions of financial performance measures.

Transactions with related parties

No transactions with related parties that materially affected the group's financial position and earnings took place during the interim period.

Events after the end of the interim period

No events of significance to the group occurred after the end of the interim period.

Risks and uncertainties

AddLife's earnings and financial position, as well as its strategic position, are affected by various internal factors within AddLife's control and various external factors over which AddLife has limited influence. AddLife's most significant external risks are the state of the economy and market trends combined with public sector contracts and policy decisions, as well as competition. The risks and uncertainties are the same as in previous periods. For more information, see the section "Risks and uncertainties" in the administration report, in AddLife's annual report 2022. The parent company is indirectly affected by the above risks and uncertainties through its function in the group.

The war in Ukraine has not had a significant economic impact on the financial reports, but it can not be ruled out that this will happen in the future. We follow market developments closely, where we notice rising inflation, higher raw material, shipping costs and energy costs and greater uncertainty about interest rate developments.

Stockholm April 26, 2023

Fredrik Dalborg
President and CEO

This interim report has not been subject to review by the company's auditor.

Video conference

Investors, analysts and the media are invited to a video conference where CEO Fredrik Dalborg and CFO Christina Rubenhag will present the interim report. The presentation will be held in English and takes about 20 minutes, after which there will be an opportunity to ask questions. It will be recorded and made available online.

The video conference will be held at 10:00 a.m. on April 26, 2023

If you wish to participate via video conference, [please follow this link>>](#)

The presentation is also available on [AddLife YouTube >>](#)

Financial calendar

- The Annual General Meeting (AGM) of AddLife AB (publ) will be held on 4 May 2023, 4 PM, World Trade Center, Stockholm
- The interim report for 1 January - 30 June 2023 will be published on 14 July 2023
- The interim report for 1 January - 30 September 2023 will be published on 26 October 2023
- The Year-end report for 1 January - 31 December 2023 will be published on 2 February 2024

For further information, please contact:

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ADDLIFE IN BRIEF

AddLife is an independent provider in Life Science that offers high-quality products, services and advice to both the private and public sector in Europe. The group is divided into two business areas: Labtech and Medtech. The group comprises some 85 operating subsidiaries that provide equipment, instruments, medical devices and reagents, as well as advice and technical support to customers primarily in healthcare, research and academia, along with the food and pharmaceutical industries.

This information is information that AddLife AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 7:45 a.m. CET on April 26, 2023.

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