

Interim report 1 January – 30 June 2023

Continued strong growth

"Increased commercial activity and new development initiatives create growth and we see many opportunities to develop the business further."
Fredrik Dalborg, President and CEO

1 APRIL – 30 JUNE 2023 (3 MONTHS)

- Net sales increased by 14% to SEK 2,365 m (2,079). The COVID-19 related sales decreased to 0 m (36) and the organic growth excluding, COVID-19 related sales and exchange rate changes, was 8%.
- EBITA increased by 3% to SEK 247 m (240), corresponding to an EBITA-margin of 10.4% (11.6).
- Profit after tax amounted to SEK 33 m (76).
- Earnings per share amounted to SEK 0.27 (0.63).
- Cash flow from operating activities amounted to SEK 82 m (206). Capital tied up increased as a result of strong growth.

8 %
ORGANIC
GROWTH
Q2 2023

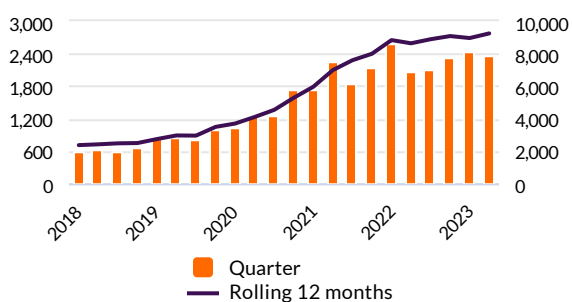
1 JANUARY – 30 JUNE 2023 (6 MONTHS)

- Net sales increased by 4% to SEK 4,822 m (4,658), whereof the acquired growth amounted to 1%. The COVID-19 related sales decreased to 0 m (546) and the organic growth excluding, COVID-19 related sales, was 10%.
- EBITA decreased by 9% to SEK 613 m (675), corresponding to an EBITA-margin of 12.7% (14.5). EBITA includes a reversed contingent consideration amounting to 83 m, adjusted for this the EBITA-margin amounts to 11.0%.
- Profit after tax amounted to SEK 207 m (301).
- Earnings per share amounted to SEK 1.70 (2.47). Earnings per share for the last 12 months amounted to SEK 3.19 (5.07).
- Cash flow from operating activities amounted to SEK 187 m (538).
- The equity ratio was 38% (38).
- Return on working capital (P/WC) amounted to 53% (61).

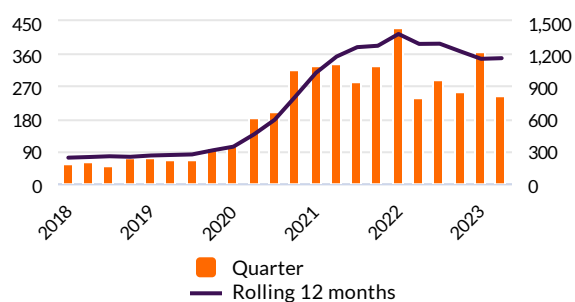
10 %
ORGANIC
GROWTH
6 m 2023

SEKm	3 months ending			6 months ending			12 months ending	
	30 Jun 23	30 Jun 22	change	30 Jun 23	30 Jun 22	change	30 Jun 23	31 Dec 22
Net sales	2,365	2,079	14%	4,822	4,658	4%	9,248	9,084
EBIT	136	138	-1%	394	476	-17%	726	808
EBITA	247	240	3%	613	675	-9%	1,158	1,221
EBITA-margin, %	10.4%	11.6%		12.7%	14.5%		12.5%	13.4%
Profit before tax	70	94	-26%	276	383	-28%	495	602
Profit for the period	33	76	-56%	207	301	-32%	389	483
Earnings per share before dilution, SEK	0.27	0.63	-57%	1.70	2.47	-31%	3.19	3.96
Earnings per share after dilution, SEK	0.27	0.62	-56%	1.70	2.46	-31%	3.18	3.95

NET SALES (SEKM)



EBITA (SEKM)



Comments by the CEO

Sales are developing positively across all areas

AddLife's subsidiaries have strong market positions in growing niches, which is clearly reflected in the group's organic growth of 8% and total sales growth 14% during the quarter.

Our business is positively affected by the fact that the activity in elective surgery remains high, driven by the long waiting lists that persist throughout Europe. The number of surgeries performed is still lower than pre-pandemic, and waiting lists have not decreased significantly this quarter. In the UK, waiting lists have continued to grow, while some hospitals, for example in Spain and Scandinavia, have successfully improved efficiency and increased the number of surgeries performed reaching 2019 levels. Even in cases where the number of surgical procedures has substantially increased, significant waiting lists persist and in many cases, more complex surgeries remain once the waiting lists for standard procedures have been addressed. All in all, this means that we can expect high demand for a long time. All our companies within the hospital area developed very strongly during the quarter.

Homecare is becoming an increasingly important requirement for society to manage care for an ageing population and AddLife's business in this area has developed well during the quarter.

Sales are also growing in diagnostics, driven by higher activity in healthcare, along with a well-positioned product portfolio that is continuously developing.

Growth is also strong in biomedical and research. Uncertainty regarding research funding in some countries is offset by research efforts in other European territories, along with strong demand for the development of new therapies in both the pharmaceutical industry and biomedicine.



AddLife's companies have strong market positions in well-selected niches where the conditions for continued profitable growth are good.

Organic growth initiatives

Sales and marketing activities are back to full scale, which is a significant difference compared with the previous year. Customer visits, product demonstrations and training are now being accomplished with full force and in some areas the sales organisations have also been strengthened. The companies have also participated in many of the trade fairs that have resumed post pandemic, which are normally organised during the first six months of the year.

During the quarter, we continued to develop and establish business development plans across the organisation. The company management team met to align on the direction and prioritisation of business development initiatives, as well as to share experiences.

Additional growth potential has been created through new collaborations and experience sharing that has been established between subsidiaries, using their combined skills and resources. These interactions have been characterised by great enthusiasm and a positive spirit, resulting in a number of concrete initiatives, including agreements with several new suppliers.

Focus on profitability and cash flow

Operating profit (EBITA) increased by 3% compared with the previous year, mainly driven by higher growth. The EBITA margin was 10.4% (11.6%) in the second quarter.

The number of new price increases from suppliers has decreased significantly during the quarter, and the previous price

increases in late 2022 and in early 2023 have been largely offset by price increases to customers. Efforts to negotiate prices and optimise the product mix continue in parallel with preparations for new tenders, which are now expected to resume post pandemic.

The ongoing efforts to streamline inventory, reduce working capital and improve margins continue unabated.

In summary, I can conclude that AddLife's companies have strong market positions in well-selected niches where the conditions for continued profitable growth are favorable. The decentralised business model ensures efficient and customer-focused decision-making, while allowing companies to benefit from the network and geographical coverage of being part of AddLife. We are well positioned and growth is strong. The main focus is on improving the margin and reducing working capital.

We have had a great start to the year and I would like to thank all employees for their valuable contributions and wish you a happy summer.



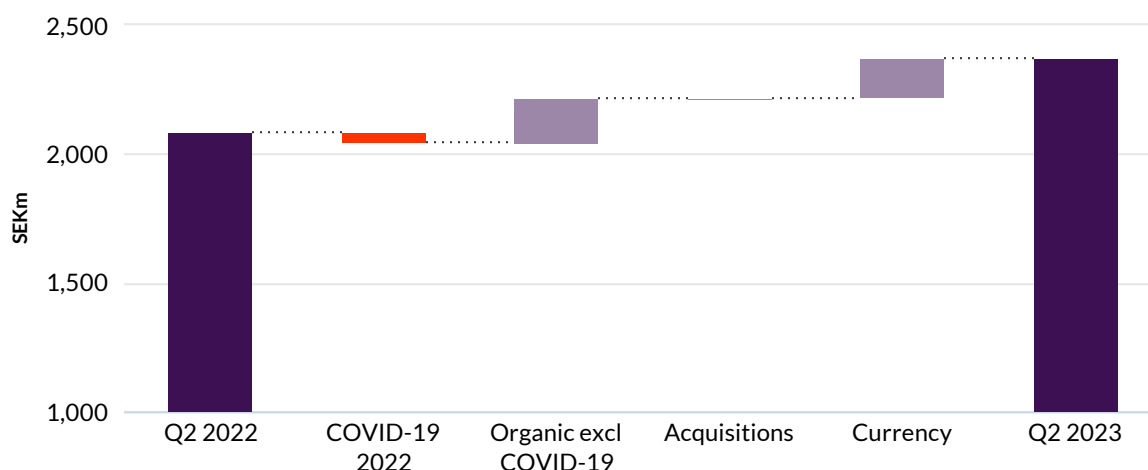
Fredrik Dalborg

President and CEO

Group Performance in the quarter

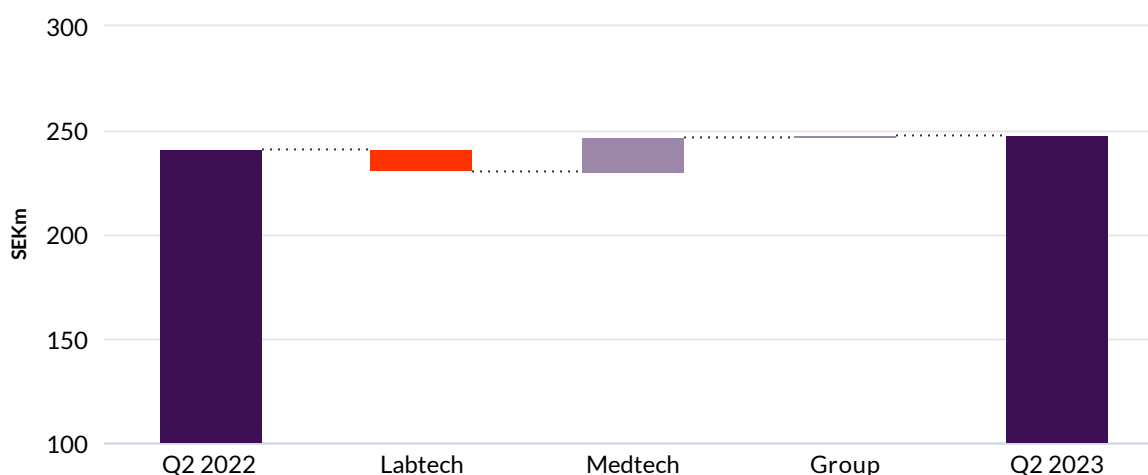
Net sales in the quarter increased by 14 percent to SEK 2,365 m (2,079). Organic growth, excluding COVID-19 amounted to 8 percent. Net sales related to COVID-19 has now ceased and is reported as SEK 0 m (36). Exchange rate changes had a positive impact of 7 percent on net sales in the quarter, corresponding to SEK 150 m.

NET SALES 3 MONTHS



Increased commercial activity and strengthened sales organisation have increased sales costs, which has driven sales growth and strengthens the growth potential going forward. EBITA increased by 3 percent to SEK 247 m (240) and EBITA-margin amounted to 10.4 percent (11.6). Exchange rate changes had a positive effect on EBITA, corresponding to SEK 17 m.

EBITA 3 MONTHS

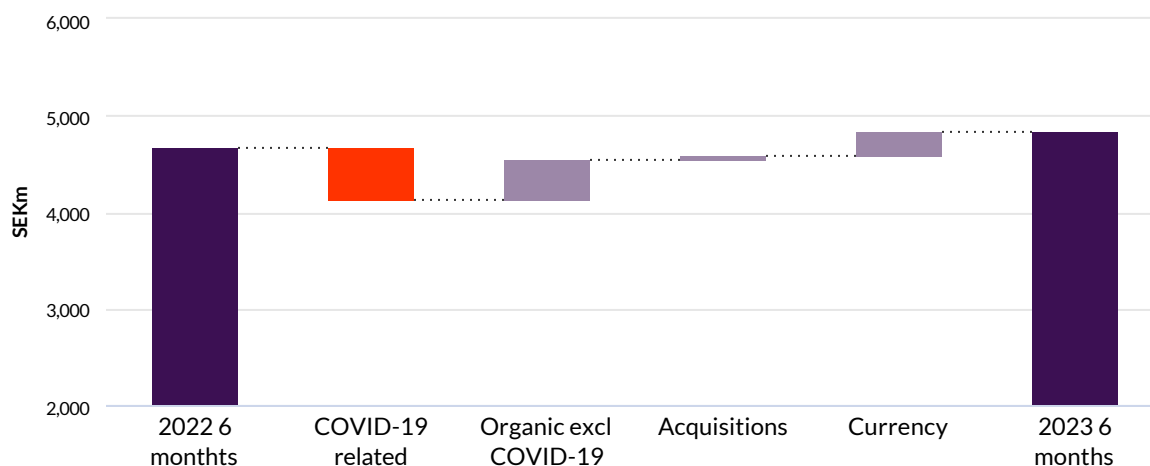


Net financial items amounted to SEK -66 m (-44) and profit after financial items amounted to SEK 70 m (94). Net financial items include interest costs related to financing of previous acquisitions and exchange rate fluctuations. Interest expenses amounted to SEK 73 m (22) and exchange rate gains to SEK 2 m (-27). Exchange rate changes are related to recalculation of loans and contingent considerations in foreign currencies. Profit after tax for the quarter decreased by 56 percent to SEK 33 m (76) and the effective tax rate was 53 percent (19). The higher effective tax rate is attributable to the effect of the general interest deduction rule, which means that deductions for a company's negative net interest income are limited to 30 percent of EBITDA and is a correction from the previous year.

Group Performance in the interim period

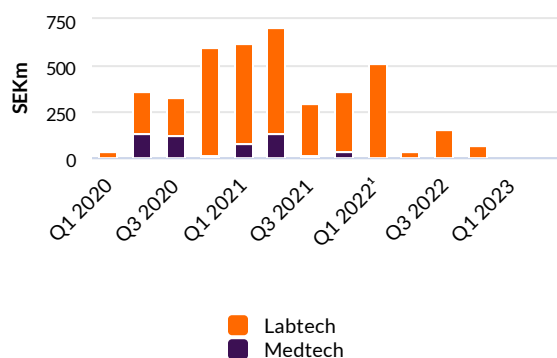
Net sales in the interim period increased by 4 percent to SEK 4,822 m (4,658). Acquired growth totalled 1 percent and organic growth, excluding COVID-19 amounted to 10 percent. Net sales related to COVID-19 has now ceased and reported as SEK 0m (546). Exchange rate changes had a positive impact on net sales of 5 percent, corresponding to SEK 254 m.

NET SALES 6 MONTHS



Increased commercial activity and strengthened sales organisation have increased sales costs. EBITA decreased by 9 percent to SEK 613 m (675) and EBITA-margin amounted to 12.7 percent (14.5). 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 with 4 percent, corresponding to SEK 30 m

COVID-19 RELATED SALES

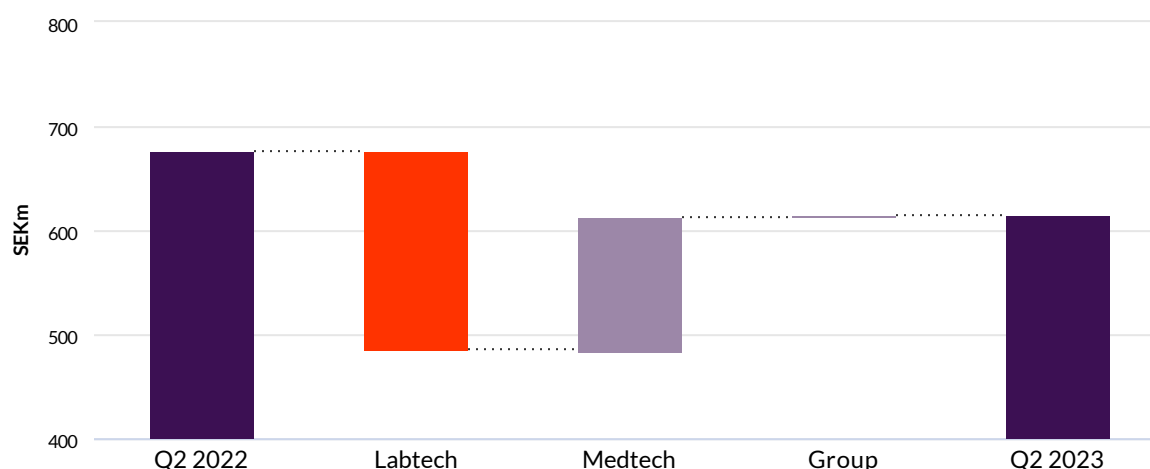


Throughout the COVID-19 pandemic, AddLife has supplied large volumes of products to the healthcare sector. Sales since the first quarter of 2020 have varied based on the spread of infection and restrictions in the society.

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

EBITA 6 MONTHS



Net financial items amounted to SEK -118 m (-93) and profit after financial items amounted to SEK 276 m (383). The net financial items is due to interest costs related to the acquisitions as well as exchange rate changes. Interest expenses amounted to SEK 128 m (43) and exchange rate gains to SEK 9 m (-52). Exchange rate changes are related to recalculation of loans and contingent considerations in foreign currencies. Profit after tax decreased with 32 percent amounting to SEK 207 m (301) and the effective tax rate was 25 percent (21).

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, component costs, shipping costs and energy costs and greater uncertainty about interest rate developments.

Financial position and cash flow

At the end of the interim period, the equity ratio stood at 38 percent (38). Equity per share totalled SEK 43.42 (40.76) and the return on equity at the end of the interim period was 8 percent (10). Return on working capital, P/WC (EBITA in relation to working capital) amounted to 53 percent (61). The lower yield 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 interim period totalled SEK 5,817 m (5,410), including pension liabilities of SEK 60 m (60), leasing liabilities of SEK 377 m (351) and contingent considerations corresponding to SEK 164 m (266). Outstanding bank loans at the end of the interim period amounted to SEK 5,363 m (4,968), whereof short-term bank loans amounted to SEK 2,696 m (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 1.1 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 595 m (890) on June 30, 2023.

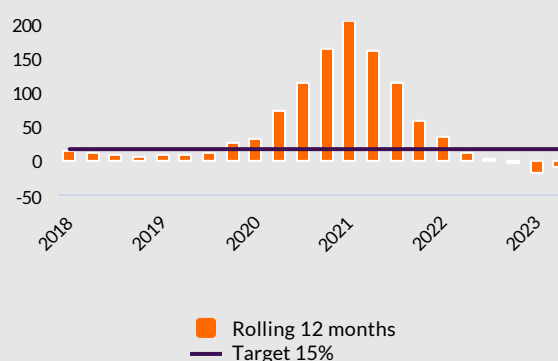
Cash flow from operating activities reached SEK 187 m (538) during the quarter. The change is mainly due to increased capital tie-up in stock and accounts receivables, above all driven by increased net sales and broadening of the product portfolio which temporarily increased the inventory. Paid out contingent consideration related to acquisitions of companies in previous years amounted to SEK 16 m (796). Net investments in non-current assets during the interim period amounted to SEK 131 m (128) and is mainly attributable to investments in instruments for rental to customers. Repurchase of treasury shares amounted to SEK 0 m (49). Exercised, issued and repurchased call options amounted to SEK -17 m (5). A dividend of SEK 146 m (243) has been paid to the parent company's shareholders.

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 interim period, the number of employees was 2,296, compared to 2,219 at the beginning of the financial year. The average number of employees for the last 12-month period was 2,242 (1,943).

Labtech

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

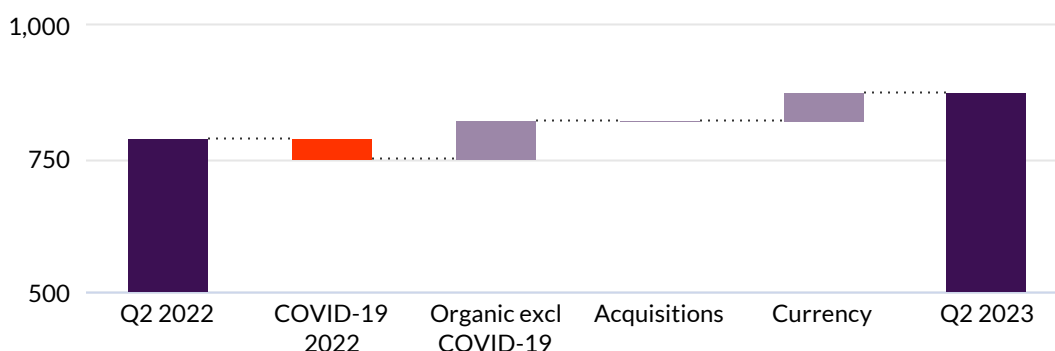


MSEK	3 months ending			6 months ending			12 months ending	
	30 Jun 23	30 Jun 22	change	30 Jun 23	30 Jun 22	change	30 Jun 23	31 Dec 22
Net sales	872	786	11%	1,777	2,066	-14%	3,592	3,880
Organic growth, % *	9%	12%		10%	6%			
EBITA	107	117	-9%	222	413	-46%	476	667
EBITA-margin, %	12.2%	14.9%		12.5%	20.0%		13.2%	17.2%

*Excluding COVID-19 related sales

For the quarter, Labtech's net sales increased by 11 percent to SEK 872 m (786). The organic sales growth, excluding COVID-19 related sales, amounted to 9 percent. Net sales related to COVID-19 has now ceased and is reported as SEK 0 m (36). Exchange rate changes had positive impact of 7 percent on net sales. EBITA amounted to SEK 107 m (117), corresponding to an EBITA-margin of 12.2 percent (14.9).

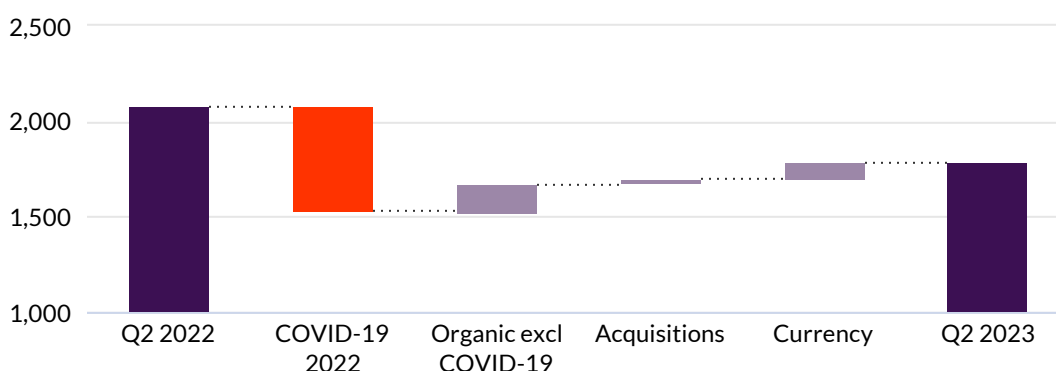
NET SALES 3 MONTHS



Labtech's net sales decreased by 14 percent in the interim period to SEK 1,777 m (2,066), where of organic sales, excluding COVID-19 related sales, increased to 10 percent and acquired growth was 1 percent. Net sales related to COVID-19 has now ceased and is reported as SEK 0 m (546). Exchange rate changes had positive impact of 4 percent on net sales. EBITA

decreased by 46 percent to SEK 222 m (413), corresponding to an EBITA-margin of 12.5 percent (20.0).

NET SALES 6 MONTHS

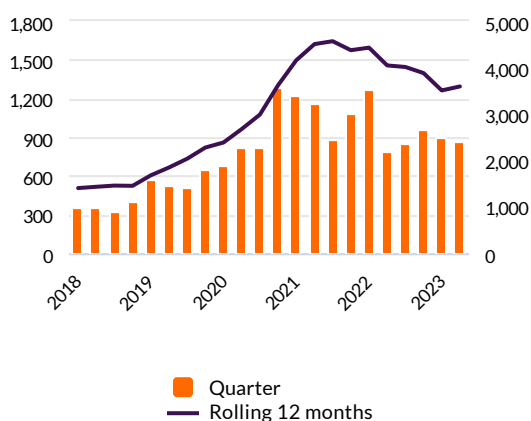


Labtech showed solid growth and thanks to ongoing work with prices, product mix and costs, the margin is above the 10-12% level that prevailed before the pandemic.

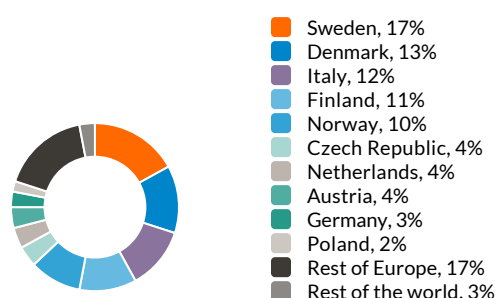
Diagnostics continues to grow, driven by increased hospital activity in general, along with new tenders and product launches. The teams are continuously working on price negotiations and preparations for expected new tenders. The product portfolio is constantly growing and evolving and during the second quarter new products for Next Generation Sequencing (NGS) have been added. NGS is one of the prioritised growth areas in Labtech and the technology is increasingly used in areas such as cancer diagnostics.

In the biomedicine and research market segment, growth in the quarter was strong. In some countries, slightly more cautious purchasing behaviour from academic research customers has been noted. In particular, we can see a slowdown in major capital investments, while sales of consumables continue with unabated strength. In other countries, research initiatives have been launched, while promises to maintain and increase research funding have been communicated. However, for industrial customers (mainly pharmaceuticals, biotechnology, chemicals and metals), activity is increasing, thereby offsetting the caution in academic research.

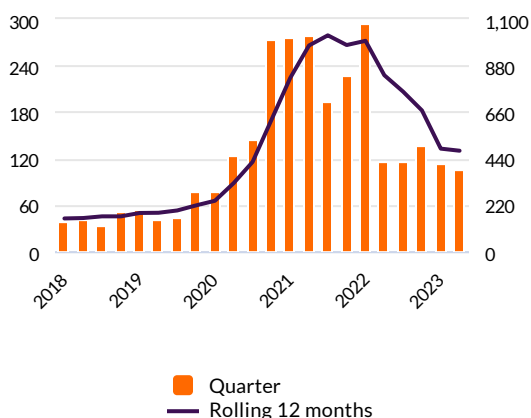
NET SALES (SEKM)



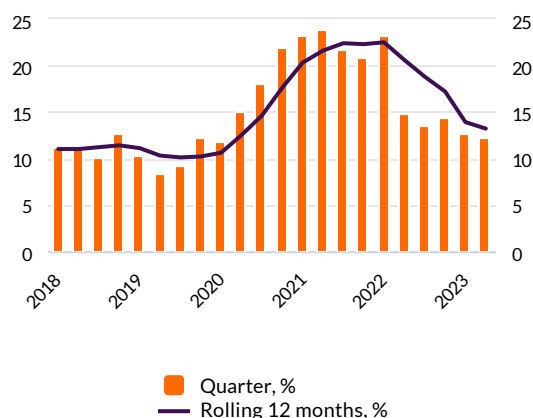
NET SALES PER MARKET 2023



EBITA (SEKM)



EBITA MARGIN (%)



Medtech

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

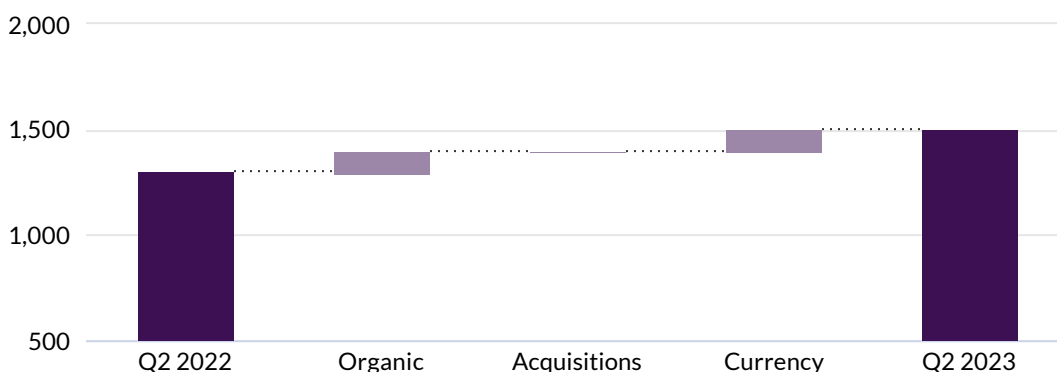


MSEK	3 months ending			6 months ending			12 months ending	
	30 Jun 23	30 Jun 22	change	30 Jun 23	30 Jun 22	change	30 Jun 23	31 Dec 22
Net sales	1,496	1,296	15%	3,050	2,597	17%	5,663	5,210
Organic growth, % *	8%	5%		10%	1%			
EBITA	145	129	12%	401	273	47%	701	573
EBITA-margin, %	9.7%	10.0%		13.2%	10.5%		12.4%	11.0%

*Excluding COVID-19 related sales

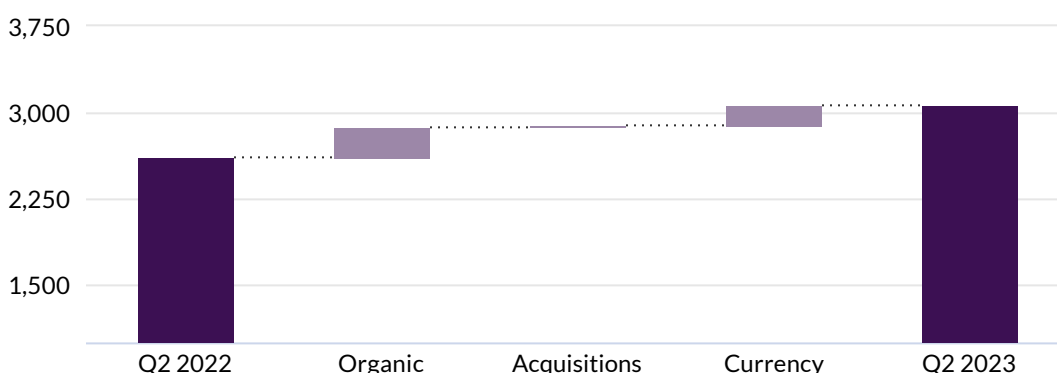
For the quarter, Medtech's net sales increased by 15 percent to SEK 1,496 m (1,296), of which organic growth was 8 percent and exchange rate fluctuations had a positive impact of 8 percent on net sales. EBITA increased by 12 percent and amounted to SEK 145 m (129) and EBITA margin amounted to 9.7 percent (10.0). The investment in digital solutions for remote patient monitoring and healthcare solutions has had a negative impact on the result of SEK 15 m.

NET SALES 3 MONTHS



For the interim period, Medtech's net sales increased by 17 percent to SEK 3,050 m (2,597), of which organic growth amounted to 10 percent and acquired growth was 1 percent. Exchange rate fluctuations had a positive impact of 6 percent on net sales. EBITA increased by 47 percent to SEK 401 m (273) and EBITA margin amounted to 13.2 percent (10.5). 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 10.4 percent. The investment in digital solutions for remote patient monitoring and healthcare solutions has had a negative impact on the result of SEK 30 m.

NET SALES 6 MONTHS



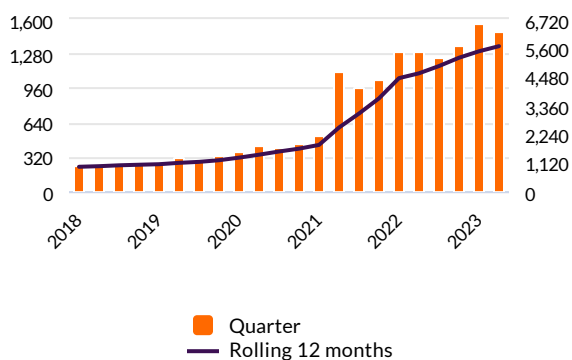
Medtech demonstrated solid growth for the quarter, with the margin at the upper end of the historical range of 8-10%, despite the negative impact from our eye surgery business.

In eye surgery, growth continues, but margins remain low. The sales organisation has been strengthened in key markets to adapt to an updated and more advanced product portfolio. Those products that were previously cancelled because of delivery problems and terminated supplier contracts are now being replaced by new products. The suppliers who have encountered issues in their internal processes are now launching updated versions of their products to address this. A training program for sales combined with development of applied sales methods have been implemented during the quarter.

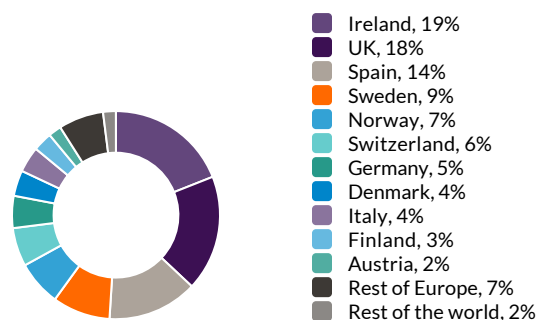
High activity in planned surgery continues across Europe, driving growth for high margin products in specialised orthopaedic surgery and laparoscopy, as well as for general surgery products. The companies are developing well and are actively working to develop the portfolio, both individually and in co-operation with other companies within AddLife. During the quarter, a new collaboration entered into force that includes a portfolio of products in areas such as cancer therapy and covers several countries in Europe.

In the home care market segment, there is a great demand for products that enable health care and social services at home, and we see a positive sales trend in this area.

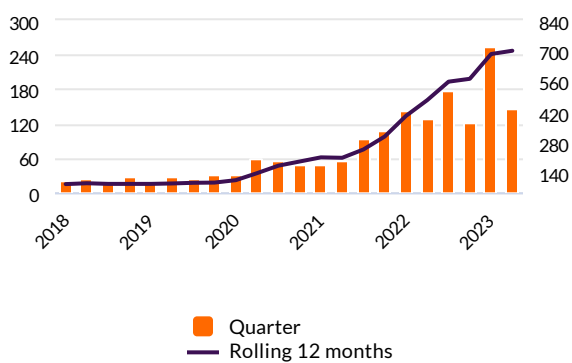
NET SALES (SEKM)



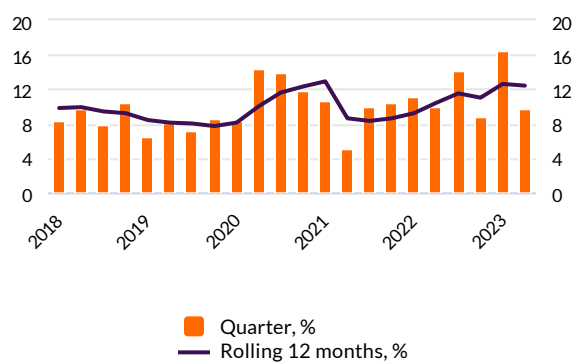
NET SALES PER MARKET 2023



EBITA (SEKM)



EBITA MARGIN (%)



Net sales by business area

Quarterly data, SEKm	2023				2022	
	Q2	Q1	Q4	Q3	Q2	Q1
Labtech	872	905	958	856	786	1,280
Medtech	1,496	1,554	1,367	1,246	1,296	1,301
Group items	-3	-2	1	-2	-3	-2
AddLife Group	2,365	2,457	2,326	2,100	2,079	2,579

EBITA by business area

Quarterly data, SEKm	2023				2022	
	Q2	Q1	Q4	Q3	Q2	Q1
Labtech	107	115	138	116	117	296
Medtech	145	256	121	179	129	144
Parent Company and Group items	-5	-5	-1	-7	-6	-5
EBITA	247	366	258	288	240	435
Depreciation intangible assets	-111	-108	-109	-105	-102	-97
Operating profit	136	258	149	183	138	338
Finance income and expenses	-66	-52	-72	-41	-44	-49
Profit after financial items	70	206	77	142	94	289

Net sales by business area

SEKm	3 months ending			6 months ending			12 months ending	
	30 Jun 23	%	30 Jun 22	30 Jun 23	%	30 Jun 22	30 Jun 23	31 Dec 22
Labtech	872	11	786	1,777	-14	2,066	3,592	3,880
Medtech	1,496	15	1,296	3,050	17	2,597	5,663	5,210
Group items	-3		-3	-5		-5	-7	-6
AddLife Group	2,365	14	2,079	4,822	4	4,658	9,248	9,084

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

SEKm	3 months ending				6 months ending				12 months ending			
	30 Jun 23	%	30 Jun 22	%	30 Jun 23	%	30 Jun 22	%	30 Jun 23	%	31 Dec 22	%
Labtech	107	12.2	117	14.9	222	12.5	413	20.0	476	13.2	667	17.2
Medtech	145	9.7	129	10.0	401	13.2	273	10.5	701	12.4	573	11.0
Parent Company and Group items	-5		-6		-10		-11		-19		-19	
EBITA	247	10.4	240	11.6	613	12.7	675	14.5	1,158	12.5	1,221	13.4
Depreciation intangible assets	-111		-102		-219		-199		-432		-413	
Operating profit	136	5.8	138	6.7	394	8.2	476	10.2	726	7.9	808	8.9
Finance income and expenses	-66		-44		-118		-93		-231		-206	
Profit after financial items	70		94		276		383		495		602	

Net sales by revenue type

SEKm	3 months ending		6 months ending		12 months ending	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22	30 Jun 23	31 Dec 22
Products	625	503	1,278	1,548	2,685	2,954
Instruments	184	211	365	367	690	692
Service	63	72	134	151	217	234
Labtech	872	786	1,777	2,066	3,592	3,880
Products	1,232	1,022	2,497	2,107	4,576	4,186
Instruments	126	172	283	285	527	529
Service	138	102	270	205	560	495
Medtech	1,496	1,296	3,050	2,597	5,663	5,210
Group items	-3	-3	-5	-5	-7	-6
Total	2,365	2,079	4,822	4,658	9,248	9,084

Sales per country

	3 months ending		6 months ending		12 months ending	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22	30 Jun 23	31 Dec 22
Ireland	287	217	592	448	1,036	892
UK	272	246	570	495	1,055	980
Sweden	270	252	568	548	1,120	1,100
Spain	220	181	433	351	807	725
Norway	190	200	398	483	791	876
Denmark	181	140	354	343	967	956
Italy	168	146	325	368	607	650
Finland	141	121	286	279	589	582
Rest of Europe	564	494	1,152	1,203	2,015	2,066
Rest of the world	72	82	144	140	261	257
Total	2,365	2,079	4,822	4,658	9,248	9,084

Consolidated income statement, condensed

Income statement SEKm	3 months ending		6 months ending		12 months ending	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22	30 Jun 23	31 Dec 22
Net sales	2,365	2,079	4,822	4,658	9,248	9,084
Cost of sales	-1,470	-1,268	-3,001	-2,846	-5,812	-5,657
Gross profit	895	811	1,821	1,812	3,436	3,427
Selling expenses	-614	-522	-1,211	-1,034	-2,302	-2,125
Administrative expenses	-141	-140	-286	-272	-556	-542
Research and Development	-25	-22	-49	-39	-91	-81
Other operating income and expenses	21	11	119	9	239	129
Operating profit	136	138	394	476	726	808
Financial income and expenses	-66	-44	-118	-93	-231	-206
Profit after financial items	70	94	276	383	495	602
Tax	-37	-18	-69	-82	-106	-119
Profit for the period	33	76	207	301	389	483
<i>Attributable to:</i>						
<i>Equity holders of the Parent Company</i>	33	74	206	299	387	480
<i>Non-controlling interests</i>	1	2	1	2	2	3
Earnings per share (EPS) before dilution, SEK	0.27	0.63	1.70	2.47	3.19	3.96
Earnings per share (EPS) after dilution, SEK	0.27	0.62	1.70	2.46	3.18	3.95
Average number of shares after repurchases '000s	121,857	121,704	121,856	121,753	121,830	121,779
Number of shares at end of the period, '000	121,857	121,740	121,857	121,740	121,857	121,836
EBITA	247	240	613	675	1,158	1,221
Depreciations included in operating expenses						
- property, plant and equipment	-95	-75	-177	-149	-337	-309
- intangible non-current assets from acquisitions	-100	-93	-199	-182	-392	-375
- other intangible non-current assets	-11	-9	-20	-17	-41	-38

Statement of comprehensive income

SEKm	3 months ending		6 months ending		12 months ending	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22	30 Jun 23	31 Dec 22
Profit for the period	33	76	207	301	389	483
Components that may be reclassified to profit for the period						
Foreign currency translation differences for the period	236	149	280	233	502	455
Components that can not be reclassified to profit for the period						
Revaluations of defined benefit pension plans	–	14	–	14	9	23
Tax attributable to items not to be reversed in profit or loss	–	-3	–	-3	-2	-5
Other comprehensive income	236	160	280	244	509	473
Total comprehensive income	269	236	487	545	898	956
<i>Attributable to:</i>						
<i>Equity holders of the Parent Company</i>	<i>268</i>	<i>234</i>	<i>486</i>	<i>543</i>	<i>896</i>	<i>953</i>
<i>Non-controlling interests</i>	<i>1</i>	<i>2</i>	<i>1</i>	<i>2</i>	<i>2</i>	<i>3</i>

Consolidated balance sheet, condensed

SEKm	30 Jun 23	31 Dec 22	30 Jun 22
Goodwill	5,582	5,313	5,067
Other intangible non-current assets	3,090	3,127	3,170
Property, plant and equipment	954	899	886
Financial non-current assets	133	146	149
Total non-current assets	9,759	9,485	9,272
Inventories	1,894	1,646	1,565
Current receivables	1,908	1,550	1,505
Cash and cash equivalents	267	376	351
Total current assets	4,069	3,572	3,421
Total assets	13,828	13,057	12,693
Total equity	5,291	4,971	4,541
Interest-bearing provisions	180	194	197
Non-interest-bearing provisions	469	459	520
Non-current interest-bearing liabilities	2,960	2,969	793
Non-current non-interest-bearing liabilities	8	8	10
Total non-current liabilities	3,617	3,630	1,520
Non-interest-bearing provisions	54	52	13
Current interest-bearing liabilities	2,944	2,622	4,917
Current non-interest-bearing liabilities	1,922	1,782	1,702
Total current liabilities	4,920	4,456	6,632
Total equity and liabilities	13,828	13,057	12,693

Statement of change in Group equity

Statement of change in Group equity, SEKm	1 Jan 23 – 30 Jun 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	-146	-4	-150	-243	-6	-249
Total comprehensive income	486	1	487	953	3	956
Amount at the end of the period	5,291	0	5,291	4,968	3	4,971

Cash flow statement, condensed

Cash flow statement, condensed SEKm	3 months ending		6 months ending		12 months ending	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22	30 Jun 23	31 Dec 22
Profit after financial items	70	94	276	383	495	602
Adjustment for items not included in cash flow	197	185	299	400	583	684
Income tax paid	-55	-52	-107	-124	-239	-256
Changes in working capital	-130	-21	-281	-121	-281	-121
Cash flow from operating activities	82	206	187	538	558	909
Net investments in non-current assets	-66	-71	-131	-128	-271	-268
Acquisitions and disposals	0	-295	-16	-796	-38	-818
Cash flow from investing activities	-66	-366	-147	-924	-309	-1,086
Dividend paid to shareholders	-146	-243	-146	-243	-146	-243
Dividend paid to non-controlling interests	-4	-6	-4	-6	-4	-6
Exercised and issued call options	0	5	-17	5	11	33
Repurchase of treasury shares	–	–	0	-49	-11	-60
Borrowings	143	337	166	1,319	263	1,416
Repayments on loans	-11	-23	-32	-585	-293	-846
Other financing activities	-110	-45	-149	-82	-227	-160
Cash flow from financing activities	-128	25	-182	359	-407	134
Cash flow for the period	-112	-135	-142	-27	-158	-43
Cash and cash equivalents at beginning of period	346	475	376	345	351	345
Exchange differences on cash and cash equivalents	33	11	33	33	74	74
Cash and cash equivalents at end of the period	267	351	267	351	267	376

Key financial indicators

	12 months up until				
	30 Jun 23	31 Dec 22	30 Jun 22	31 Dec 21	31 Dec 20
Net sales, SEKm	9,248	9,084	8,639	7,993	5,273
EBITDA, SEKm	1,495	1,530	1,549	1,474	946
EBITA, SEKm	1,158	1,221	1,290	1,273	802
EBITA margin, %	12.5%	13.4%	14.9%	15.9%	15.2%
Profit growth, EBITA, %	-10%	-4%	10%	59%	163%
Return on working capital (P/WC), %	53%	61%	74%	95%	103%
Profit for the period, SEKm	389	483	618	721	520
Return on equity, %	8%	10%	14%	22%	31%
Financial net liabilities, SEKm	5,817	5,410	5,557	3,870	700
Financial net liabilities/EBITDA, multiple	3.9	3.5	3.6	2.6	0.7
Net debt/equity ratio, multiple	1.1	1.1	1.2	0.9	0.4
Equity ratio, %	38%	38%	36%	40%	46%
Average number of employees	2,242	2,157	1,943	1,548	1,004
Number of employees at end of the period	2,296	2,219	2,194	1,802	1,112

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

Key financial indicators per share

	12 months up until				
	30 Jun 23	31 Dec 22	30 Jun 22	31 Dec 21	31 Dec 20
Earnings per share (EPS), SEK	3.19	3.96	5.07	6.03	4.63
Diluted EPS, SEK	3.18	3.95	5.04	6.01	4.61
Cash flow per share from operating activities, SEK	4.58	7.46	9.55	8.46	8.47
Shareholders' equity per share, SEK	43.42	40.76	37.30	35.14	16.73
Average number of shares after repurchases, '000s	121,830	121,779	121,851	119,418	112,127
Average number of shares adjusted for repurchases and dilution, '000s	122,033	122,254	122,435	119,966	112,652
Number of shares outstanding at end of the period, '000s	121,857	121,836	121,740	121,953	112,487
Number of shares outstanding at end of the period after dilution, '000s	122,060	122,312	122,323	122,501	113,012

The number of shares from a historical perspective has been restated to take the share split (1:4) completed in May 2020 into account and has been used in all calculations of metrics for SEK per share. The conversion factor is 4.

Parent company

The Parent Company's net sales for the interim period amounted to SEK 31 m (31) and profit after financial items amounted to SEK -152 m (-125). At the end of the interim period the Parent Company's net financial debt amounted to SEK 5,238 m (4,605). The share capital at the end of the interim period was SEK 62 m (62).

Income statement

SEKm	3 months ending		6 months ending		12 months ending	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22	30 Jun 23	31 Dec 22
Net sales	16	15	31	31	64	64
Administrative expenses	-24	-22	-43	-43	-83	-83
Operating profit/loss	-7	-7	-12	-12	-19	-19
Interest income/expenses and similar items	-124	-81	-140	-113	-232	-205
Profit/loss after financial items	-131	-88	-152	-125	-251	-224
Appropriations		-	-	-	194	194
Profit/loss before taxes	-131	-88	-152	-125	-57	-30
Income tax expense	27	19	31	26	17	12
Profit/loss for the period	-104	-69	-121	-99	-40	-18

Balance sheet

Balance sheet, SEKm	30 Jun 23	31 Dec 22	30 Jun 22
Intangible non-current assets	0	0	0
Tangible non-current assets	0	0	0
Non-current financial assets	7,853	8,002	7,854
Total non-current assets	7,853	8,002	7,854
Current receivables	415	670	284
Total current assets	415	670	284
Total assets	8,268	8,672	8,138
Restricted equity	62	62	62
Unrestricted equity	2,277	2,562	2,463
Total equity	2,339	2,624	2,525
Untaxed reserves		-	120
Interest-bearing long-term liabilities	2,706	2,600	119
Non-interest-bearing long-term liabilities	2	2	1
Total long-term liabilities	2,708	2,602	120
Interest-bearing short-term liabilities	3,195	3,301	5,341
Non-interest-bearing short-term liabilities	26	145	32
Total short-term liabilities	3,221	3,446	5,373
Total equity and liabilities	8,268	8,672	8,138

Fair values on financial instruments

SEKm	30 Jun 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	2	2	–	1	1	–
Total financial assets at fair value per level	2	2	–	1	1	–
Derivatives measured at fair value through profit or loss	0	0	–	0	0	–
Contingent considerations	164	–	164	266	–	266
Total financial liabilities at fair value per level	164	0	164	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		6 months ending		12 months ending	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22	30 Jun 23	31 dec 22
Carrying amount, opening balance	156	328	266	349	357	349
Acquisitions during the period	–	16	–	16	5	21
Consideration paid	–	–	-16	-31	-16	-31
Revaluation through profit or loss	–	–	–	4	0	4
Reversed through profit or loss	–	–	-83	–	-184	-101
Interest expenses	2	4	-2	6	-3	5
Exchange differences	6	9	-1	13	5	19
Carrying amount, closing balance	164	357	164	357	164	266

Pledged assets and contingent liabilities in the Group

SEKm	30 Jun 23	31 Dec 22	30 Jun 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.		
	30 Jun 23	31 Dec 22	30 Jun 22
Profit/loss for the period (roll 12 months)	387	480	615
Average equity	4,951	4,627	4,277
Return on equity	387/4,951=8%	480/4,627=10%	615/4,277=14%
Return on working capital (P/WC)	EBITA in relation to average working capital.		
	30 Jun 23	31 Dec 22	30 Jun 22
EBITA	1,158	1,221	1,290
Average working capital (WC)	2,170	2,008	1,752
P/WC	1,158/2,170=53%	1,221/2,008=61%	1,290/1,752=74%
EBITDA	Operating profit before depreciation and amortization		
	30 Jun 23	31 Dec 22	30 Jun 22
Operating profit (12 months rolling)	726	808	928
Depreciation and amortization	769	722	621
EBITDA	1,495	1,530	1,549
EBITA	Operating profit before amortization of intangible assets.		
	30 Jun 23	31 Dec 22	30 Jun 22
Operating profit (12 months rolling)	726	808	928
Amortization of intangible assets	432	413	362
EBITA	1,158	1,221	1,290
EBITA margin	EBITA in relation to net sales		
	30 Jun 23	31 Dec 22	30 Jun 22
EBITA	1,158	1,221	1,290
Net sales (12 months rolling)	9,248	9,084	8,639
EBITA margin	1,158/9,248=12.5%	1,221/9,084=13.4%	1,290/8,639=14.9%

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.

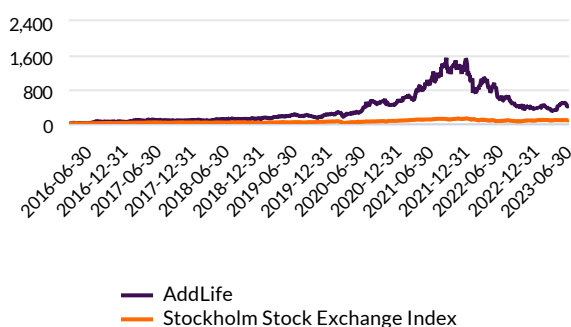
The key figures presented above are central in order to understand and evaluate AddLife's business and financial position. The key figures are presented in the "Key financial indicators" table and they are commented on in other parts of interim report. For additional information regarding chosen key ratios, please refer to AddLife's annual report 2022. The comparison figures for income and expense items relate to values for the period January– June 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 interim period was 594,338 (697,121). The share price at June 30, 2023 was SEK 121.70.

SHARE DEVELOPMENT IN ADDLIFE



Turnover and trading	Jan-Jun 2023
Lowest price, SEK	89.45
Highest price, SEK	140.60
Average daily turnover, SEK	36,360,695
Number of traded shares, no	39,360,511
Number of transactions, no	143,345

AddLife has four outstanding call option programmes corresponding to a total of 1,605,800 Class B shares. Issued call options on repurchased shares have resulted in a calculated dilution effect based on average share price for the interim period of approximately 0.1 percent (0.5). During the interim period 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
2023/2027	205,800	205,800	0.2%	155.99	1 Jun 2026 - 26 Feb 2027
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	855,800	1,605,800			

On June 30 2023, the number of shareholders amounted to 14,135, where of 61 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 2023-06-30	Class A-shares	Class B-shares	Share in %	
			of capital	of votes
Roosgruppen AB	2,165,644	3,224,727	4.4	15.1
Tom Hedelius	2,066,572	23,140	1.7	12.6
SEB Fonder	0	12,031,402	9.8	7.3
State Street Bank & Trust Company	0	9,452,637	7.7	5.8
AMF - Försäkring och Fonder	0	8,998,097	7.4	5.5
AP-fonden	0	6,882,068	5.8	4.3
Verdipapirfond Odin	0	6,580,008	5.8	4.3
Cliens Fonder	0	4,736,360	3.9	2.9
Handelsbanken fonder	0	4,312,835	3.5	2.6
JP Morgan Chase Bank	0	3,616,493	3.0	2.2
Total the 10 biggest shareholders	4,232,216	59,857,767	53.0	62.6
Other shareholders	382,920	57,384,158	46.5	37.0
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 June 30, 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 July 14, 2023

Fredrik Dalborg
President and CEO

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

Affirmation

The Board of Directors and the President deem that the interim report gives a true and fair picture of the Company's and the Group's operations, position and earnings, and describes the significant risks and uncertainty factors to which the Company and the Group are exposed.

Stockholm 14 July 2023

Johan Sjö
Chairman of the Board

Birgit Stattin Norinder
Director

Håkan Roos
Director

Eva Nilsagård
Director

Eva Elmstedt
Director

Stefan Hedelius
Director

Fredrik Dalborg
President and CEO

For further information, contact:
Fredrik Dalborg, President and CEO: +46 70 516 09 01
Christina Rubenhag, CFO, +46 70 546 72 22

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 11:00 a.m. on July 14, 2023

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

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

Financial calendar

- 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
- The interim report for 1 January - 31 March 2024 will be published on 24 April 2024
- The Annual General Meeting (AGM) of AddLife AB (publ) will be held on 8 May 2024, 4 PM, Stockholm

Capital Markets Day

AddLife invites analysts, professional investors and media to Capital Markets Day Friday 15 September 2023 08:30-12:00 a.m at Studio Puck, Kommendörsgatan 24, Stockholm. The presentation will be webcast live and be posted on AddLife's Youtube channel.

For further information, please contact:

Fredrik Dalborg, President and CEO, +46 70 516 09 01

Christina Rubenhag, CFO, +46 70 546 72 22

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 July 14, 2023.

AddLife AB (publ), Box 3145, Brunkebergstorg 5, SE-103 62 Stockholm. info@add.life, www.add.life, org.nr. 556995-8126