

# Interim report 1 January – 30 September 2022

## Growth in a changing market

### 1 JULY – 30 SEPTEMBER 2022 (3 MONTHS)

- Net sales increased by 14 percent to SEK 2,100m (1,850), of which acquired growth amounted to 16 percent. The COVID-19 related net sales decreased by 50 percent. The organic growth, excluding net sales related to COVID-19, was 2 percent.
- EBITA increased by 1 percent to SEK 288m (286), corresponding to an EBITA-margin of 13.7 percent (15.5). EBITA includes a reversed contingent consideration of SEK 85m, excluding this, EBITA margin amounted to 9.7 percent.
- Profit after tax decreased by 13 percent to SEK 120m (139).
- Earnings per share amounted to SEK 0.99 (1.13).
- Cash flow from operating activities amounted to SEK 20m (233) due to expected and temporarily higher inventory.
- During the quarter AddLife renegotiated credit facilities corresponding to SEK 2.2 billion, which now are due in three years with an extension option of up to 24 additional months.
- During the quarter, one acquisition, JK Lab Nordic AB, was completed. The acquisition is estimated to contribute with annual net sales of approximately SEK 25m.

**14 %**  
GROWTH  
NET SALES  
Q3 2022

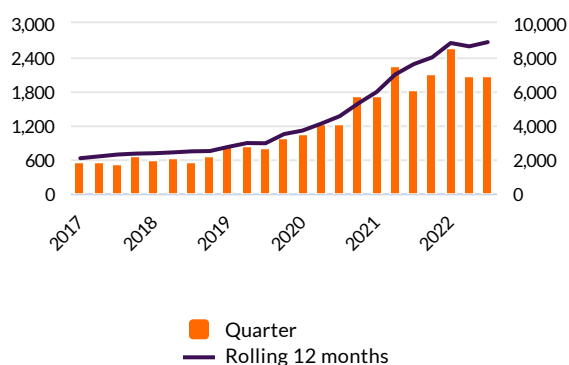
### 1 JANUARY – 30 SEPTEMBER 2022 (9 MONTHS)

- Net sales increased by 15 percent to SEK 6,758m (5,862), of which acquired growth amounted to 25 percent. The COVID-19 related net sales decreased by 57 percent. The organic growth, excluding net sales related to COVID-19, was 3 percent.
- EBITA increased by 2 percent to SEK 963m (944), corresponding to an EBITA-margin of 14.3 percent (16.1). EBITA includes a reversed contingent consideration of SEK 85m, excluding this, EBITA margin amounted to 13.0 percent.
- Profit after tax decreased by 22 percent to SEK 421m (543).
- Earnings per share amounted to SEK 3.46 (4.58). Earnings per share for the last 12 months amounted to SEK 4.92 (6.03).
- Cash flow from operating activities amounted to SEK 558m (617).
- The equity ratio was 37 percent (40).
- Return on working capital (P/WC) amounted to 69 percent (95).
- During the interim period, five acquisitions were completed. The acquisitions are expected to contribute with annual net sales of approximately SEK 850m.

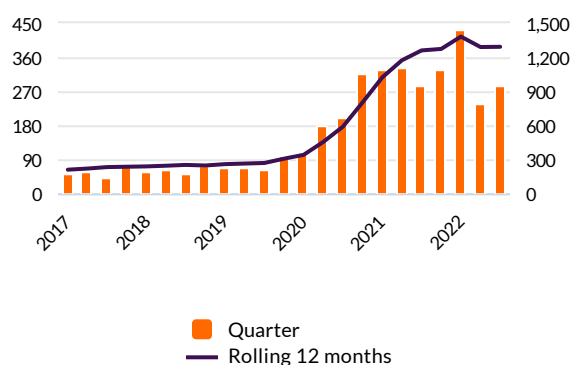
**15 %**  
GROWTH  
NET SALES  
9m 2022

SEKm	3 months ending			9 months ending			12 months ending	
	30 Sep 22	30 Sep 21	change	30 Sep 22	30 Sep 21	change	30 Sep 22	31 Dec 21
Net sales	2,100	1,850	14%	6,758	5,862	15%	8,889	7,993
EBITA	288	286	1%	963	944	2%	1,292	1,273
EBITA-margin, %	13.7%	15.5%		14.3%	16.1%		14.5%	15.9%
Profit before tax	142	180	-21%	525	704	-25%	748	927
Profit for the period	120	139	-13%	421	543	-22%	599	721
Earnings per share before dilution, SEK	0.99	1.13	-12%	3.46	4.58	-24%	4.92	6.03
Earnings per share after dilution, SEK	0.98	1.13	-13%	3.45	4.56	-24%	4.90	6.01

## NET SALES (SEKM)



## EBITA (SEKM)



### 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.

### CONFERENCE CALL

Investors, analysts and the media are invited to a conference call 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. If this is your first time using Teams, you will be asked to download an app.

### The teleconference will be at 10:00 a.m. on October 27th, 2022

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

Or call in (only sound) +46 8 505 376 58 Conferens-ID: 427 903 522#

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

# Comments by the CEO

## Long-term positive trend in demand

The effects of COVID-19 in Europe have been declining during the quarter and the healthcare systems are adapting to start reducing the lists of patients waiting for postponed elective surgeries that has accumulated during the pandemic. However, the transition takes time and the increase in the number of procedures performed has been slow due to shortage of doctors, nurses and other healthcare professionals. The reduction of this backlog is expected to take place gradually over a longer period of time with an increased number of operations performed.

Demand for AddLife's products and services, which are mainly provided to tax- and insurance-funded healthcare systems, as well as to research and pharmaceutical development, have not been significantly affected by the uncertainty in the market. Health services remain a priority also in times of economic uncertainty and activity in research and pharmaceutical development continues in a positive trend. The majority of AddLife's revenues are related to long-term customer contracts or to ongoing sales of disposables and services linked to an installed base of instruments. This provides good stability and predictability in the business, but also requires active efforts to negotiate prices, since we are seeing price increases from suppliers.

The dialogue with customers on this topic is productive, and proactive work to improve margins through efficiency, pricing, product mix and service offering is a strength of AddLife's companies.



## Acquisition-driven and organic growth

AddLife's sales in the third quarter increased by 14 percent year-on-year. Organic growth excluding COVID-19 was 2 percent. As expected, COVID-related sales in the Labtech business area continued to decline, but organic growth, excluding COVID-19, was 5 percent. The decrease in COVID-related sales has been fully offset by revenue from acquired businesses in the Medtech business area. During the summer months of July and August, demand in Medtech was slow, but in September we saw a clear improvement and order intake also developed in a positive way.

The operating margin, which excluding the reversed contingent consideration was 9.7 percent, was negatively impacted mainly by lower COVID-19 sales in the Labtech business area and by both unusually low volume of elective surgical procedures during the summer months as well as supply disruptions with certain suppliers within Medtech.

After a long period of supply chain disruptions, delayed deliveries reached our warehouses to an increased extent at the end of the quarter. This is a positive development that will enable increased deliveries to waiting customers, but in the short term it means increased inventory levels and thus an increase in working capital that will be addressed.

In summary, the underlying business developed well in Labtech but weaker in Medtech, including both organic growth and profitability. Improvement efforts with high priority are ongoing in these areas.

## Strengthened position creates new opportunities

In recent years, AddLife has completed a number of acquisitions in line with the strategy to establish a strong position in selected product segments in the European market outside the Nordic region. Key objectives have included strengthening the Medtech business area in preparation for an expected recovery in elective surgery and to offset the expected sales decline in Labtech as the effects of the pandemic subside. We can now see the effects of this strategy and AddLife is now a leading European player with over 60 percent of sales outside the Nordics and revenues continue to grow despite the downturn in COVID-related demand. Today, AddLife is a significantly larger group with a good balance between the Medtech and Labtech business areas.

A strategic planning process is ongoing within the group to define how AddLife can best take advantage of this new and strengthened position. The group now has more opportunities to grow in current and adjacent geographic regions and segments and with a strong position in most European markets, AddLife will be an even more attractive partner for customers and suppliers. The strengthened position also provides greater opportunities to market AddLife's own products,

with potential for higher margins. AddLife will also continue to have a clear focus on niches where the companies have leading positions based on a strong product offering combined with value-adding services and, increasingly, digital solutions. Current prioritised areas include leveraging all the organic growth opportunities created by recent acquisitions as well as activities within the companies to increase profitability and cash flow. The profit growth target (EBITA) remains 15 percent per year over the long term and will be achieved through a combination of organic and acquired growth.

The short-term ambition is to reduce debt while working proactively to develop our pipeline of acquisition candidates within strategically selected segments. The focus is mainly on small or medium-sized acquisitions, which can often be added to existing businesses and newly acquired platforms. We see significant opportunities for continued value-creating acquisitions in the future, in particular as valuations are generally expected to come down due to the current market situation.

During the quarter, the acquisition of JK Lab was completed, strengthening the research products portfolio and adding value to the Labtech business. During the interim period, five acquisitions have been completed, which are expected to add annual net sales of approximately SEK 850 million.

### **Progress in Homecare**

In the Homecare area, AddLife is building a unique portfolio of products and services to enable the growing proportion of elderly people to remain at home, with reduced dependence on hospital care and home care services, while maintaining a good quality of life and safety. The offering includes home adaptation products, as well as mobility aids, sensors and a digital platform for connecting sensors and home safety alarms, all under the umbrella of Camanio Care. Also included are solutions for remote patient monitoring related to specific health conditions within Camanio Health.

The Camanio Care digital platform entered a commercial phase during the quarter. The launch of the service is underway and contracts have already been signed with six municipalities in Sweden. Camanio Health is also increasing its commercial activity and entered into an expanded collaboration with a leading region in Sweden during the quarter. Further development of the digital solutions continue and these future-focused investments had a SEK 12 million negative impact on profits in the quarter.

### **Tangible steps in sustainability efforts**

During the quarter, AddLife adopted a new sustainability strategy that will be introduced in the fourth quarter. The strategy focuses on sustainable solutions, sustainable culture and sustainable growth. We have also continued to strengthen areas of governance and compliance and implemented a new sustainability management system.

A concrete example of the shift to more sustainable products is the launch of an innovative new type of bandage by subsidiary Medioplast, which replaces cotton with bamboo fibre. The new material is not only environmentally friendly, but also have patient benefits such as antibacterial properties and increased comfort. Interest from customers is strong and in October a significant multi-year procurement contract was secured with a leading region in Sweden.

### **Summary**

It is with great enthusiasm that I am taking over the position of CEO at AddLife as of September 1st. AddLife has developed in a very strong way under Kristina Willgård's leadership and I would like to thank Kristina for her support during the transition. During my first weeks at AddLife, I have made it a priority to visit our companies and have had very positive meetings with employees and customers. I have been impressed with the high level of commitment and competence of the team members. I see a strong corporate culture characterized by entrepreneurship and business acumen, with a clear link to our vision of improving people's lives. In a business environment with many uncertainties, the demand for AddLife's products is steadily growing. With our strengthened market position, deep understanding of products and customers and our decentralised business model, we will be able to benefit from the many opportunities that the market situation offers. Now we start the work to take the business to the next level!



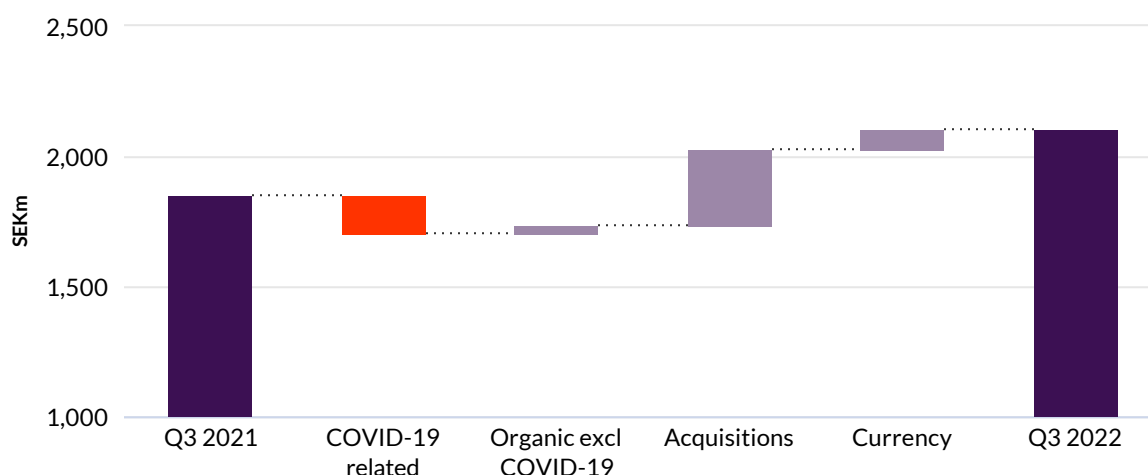
*Fredrik Dalborg*

President and CEO

## Group development in the quarter

Net sales in the quarter increased by 14 percent to SEK 2,100m (1,850). The acquired growth totalled 16 percent and organic growth, excluding COVID-19 amounted to 2 percent. Net sales related to COVID-19 decreased significantly to SEK 151m (300). Exchange rate changes had a positive impact of 4 percent on net sales in the quarter, corresponding to SEK 76m.

### NET SALES 3 MONTHS



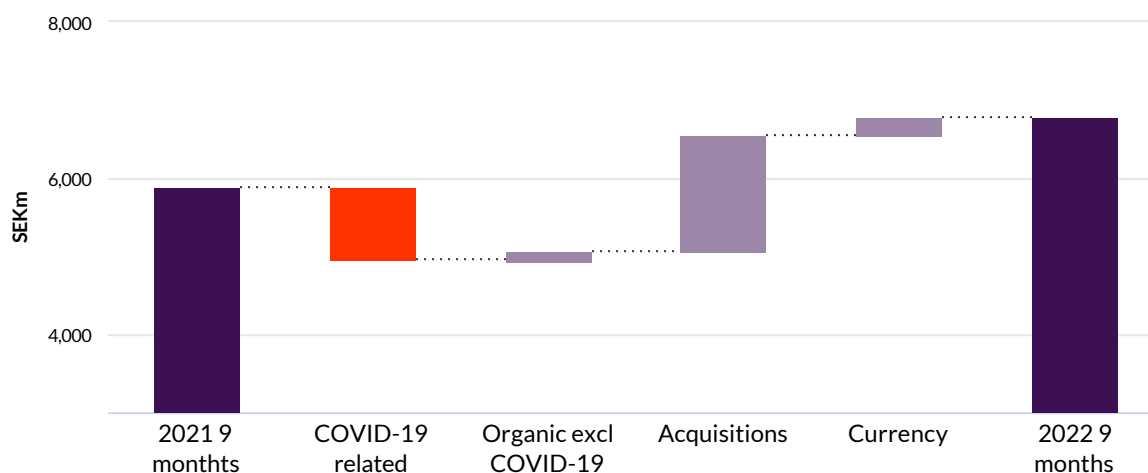
EBITA increased by 1 percent to SEK 288m (286) and EBITA-margin amounted to 13.7 percent (15.5). Reversal of previously allowance for contingent consideration has had a positive impact on the operating profit of SEK 85m in the quarter. The investment in digital solutions for self-monitoring has had a negative impact on the result of SEK 12m. Exchange rate changes had a positive effect on EBITA, corresponding to SEK 8m.

Net financial items amounted to SEK -41m (-27) and profit after financial items amounted to SEK 142m (180). The increased negative net financial items is due to interest costs related to the acquisitions and exchange rate fluctuations. Interest expenses amounted to SEK 22m (17) and exchange rate losses to SEK 17m (-7). Exchange rate losses are related to recalculation of loans and contingent considerations in foreign currencies. Profit after tax for the quarter decreased by 21 percent to SEK 120m (139) and the effective tax rate was 15 percent (23). The lower effective tax rate is due to the reversal of contingent consideration made in the quarter.

## Group development in the interim period

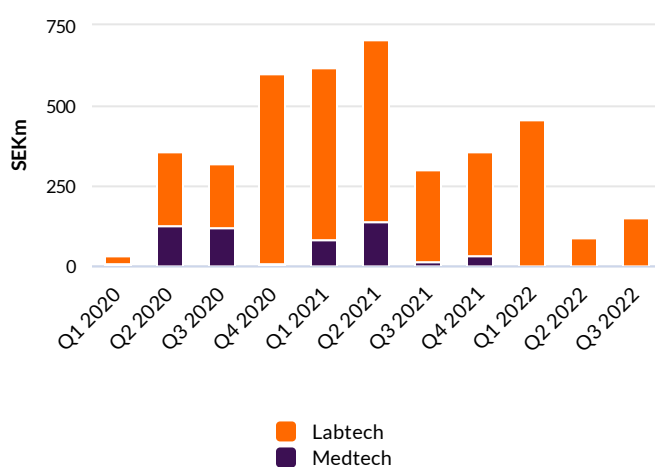
Net sales in the interim period increased by 15 percent to SEK 6,758m (5,862). Acquired growth totalled 25 percent and organic growth, excluding COVID-19 amounted to 3 percent. Net sales related to COVID-19 decreased significantly to SEK 696m (1,626). Exchange rate changes had a positive effect on net sales of 4 percent, corresponding to SEK 228m.

## NET SALES 9 MONTHS



EBITA increased by 2 percent to SEK 963m (944) and EBITA-margin amounted to 14.3 percent (16.1). Reversal of previously allowance for contingent consideration has had a positive impact on the operating profit of SEK 85m. The investment in digital solutions for self-monitoring has had a negative impact on the result of SEK 37m. Exchange rate changes had a positive effect on EBITA, corresponding to SEK 29m.

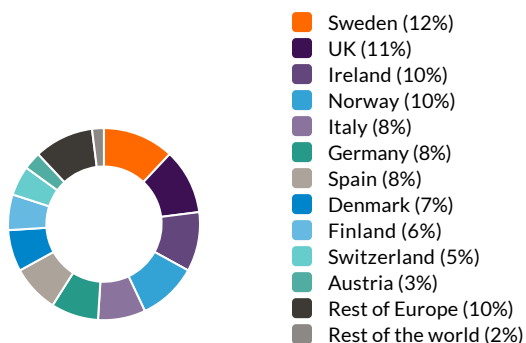
## COVID-19 RELATED SALES



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.

Net financial items amounted to SEK -134m (-47) and profit after financial items amounted to SEK 525m (704). The increased negative net financial items is due to interest costs related to the acquisitions as well as exchange rate losses. Interest expenses amounted to SEK 65m (36) and exchange rate losses to SEK 69m (-6). Exchange rate losses are related to recalculation of loans and contingent considerations in foreign currencies. Profit after tax decreased with 22 percent amounting to SEK 421m (543) and the effective tax rate was 20 percent (23).

## NET SALES PER MARKET 2022



Sales in the Nordic markets amounted to 35 percent of total net sales compared to 49 percent last year (full year 2021). The change in geographical markets is due to the acquisitions in Europe during 2021-2022.

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 interim period, the equity ratio stood at 37 percent (40). Equity per share totalled SEK 39.39 (35.14) and the return on equity at the end of the interim period was 14 percent (22). Return on working capital, P/WC (EBITA in relation to working capital) amounted to 69 percent (95). The slight decrease is mainly due to a relatively higher working capital, due to acquisitions and logistics chain disruptions where entities increased inventory volume to ensure deliveries to costumers.

The group's interest-bearing net debt at the end of the interim period totalled SEK 5,590m (3,870), including pension liabilities of SEK 67m (82), leasing liabilities of SEK 347m (339) and contingent considerations corresponding to SEK 274m (349). Outstanding bank loans at the end of the interim period amount to SEK 5,052 million (3,408). The short-term bank loans amount to SEK 2,351m (3,147), of which EUR 98.5m is due in the first quarter of 2023, with an option for an extension of up to another 24 months. During the quarter, AddLife renegotiated credit facilities of EUR 225m, which run for three years with an extension option of up to 24 additional months. 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.

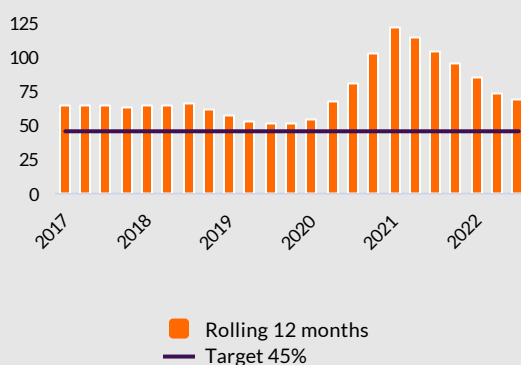
The net debt/equity ratio totalled 1.2 compared to 0.9 at the beginning of the interim period. The intention is to reduce indebtedness through self-generated cash flow.

Cash and cash equivalents, consisting of cash and bank balances, together with approved but non-utilised credit facilities, totalled SEK 806m (674) on September 30, 2022.

Cash flow from operating activities reached SEK 558m (617) during the interim period. The change is mainly due to a lower profit after financial items. Acquisitions of companies amounted to SEK 818m (2,660). Net investments in non-current assets during the interim period amounted to SEK 186m (93). The increase is attributable to investments in instruments for rental to customers. Repurchase of treasury shares amounted to SEK 49m (0). Exercised, issued and repurchased call options amounted to SEK 23m (-12). Dividend paid to the parent company's shareholders amounted to SEK 243m (183).

### Long term financial goals

PROFITABILITY P/WC (%)



PROFIT GROWTH (%)





# Acquisitions

Acquisitions completed from the 2021 financial year are distributed among the Group's business areas as follows:

Acquisitions	Time	Net Sales, SEKm*	Number of employees*	Business area
AddVision, Germany	April, 2021	700	190	Medtech
Healthcare 21 Group, Ireland	April, 2021	1,700	450	Medtech
Bio-Connect Group, Netherlands	September, 2021	140	31	Labtech
Fischer Medical ApS, Denmark	November, 2021	60	12	Medtech
Camanio AB, Sweden	December, 2021	13	18	Medtech
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
		<b>3,465</b>	<b>1,056</b>	

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

Five acquisitions have been completed during the interim period:

On December 20, 2021, an agreement was signed to acquire the operations from Telia Health Monitoring to the Medtech business area. Telia Health Monitoring develop and provides a digital platform solution that enables self-monitoring by patients with chronic diseases. Access took place on March 1, 2022 and the business, with sales of SEK 4m, and its eight employees, have been integrated into Camanio.

On December 22, 2021, an agreement was signed to acquire all the shares in MBA Incorporate S.L, a leading Spanish orthopaedic and trauma surgery business. MBA is acquired from Atlanta Private Equity, which owns approximately 75 percent, and a number of minority shareholders, which own 25 percent. The final purchase price amounts to a total of EUR 59m after debt settlement and is financed through extended credit facilities. MBA will operate as a separate subgroup and will be part of the Medtech business area. The acquisition was completed and the shares accessed on January 20, 2022. MBA has annual net sales of approximately SEK 670m and 285 employees.

On 1 April 2022, AddLife acquired all shares in the Irish company O'Flynn Medical Ltd. O'Flynn Medical is an independent distributor offering product sales, rental and technical services to the hospital sector, private customers and nursing homes in Ireland. The company will become part of the Healthcare 21 Group, which AddLife acquired to the business area Medtech in 2021. O'Flynn has sales of approximately EUR 6.4m and 36 employees.

On 1 April 2022, AddLife acquired all shares in the German company BioCat GmbH to the Labtech business area. BioCat is a specialized distributor of products and services to the life science research market with annual revenues of EUR 9m and has 20 employees. The company is located in Germany but also has sales in Austria and Switzerland.

On July 1, 2022, AddLife acquired all shares in the company JK Lab Nordic AB to the Labtech business area. JK Lab is a specialized distributor of instruments and services in material sampling and has sales of approximately SEK 25m and 6 employees. The Company has been integrated into Bergman Labora.

The effect of the acquired companies completed during the interim period on the AddLife Group's net sales was SEK 692m, on EBITA SEK 112m, on operating profit SEK 77m and on profit after tax for the interim period SEK 42m. Had the acquisitions, been completed on January 1, 2022, their impact would have been approximately SEK 750m on net sales, on EBITA SEK 123m and on operating profit SEK 85m and SEK 48m on profit after tax.

According to the preliminary acquisition analyses, the assets and liabilities included in the acquisitions carried out during the financial year 2022 were as follows:

<b>Fair value</b>	<b>Total</b>
Intangible non-current assets	582
Other non-current assets	428
Inventories	274
Other current assets	457
Deferred tax liability/tax asset	-133
Other liabilities	-1,027
Acquired net assets	581
Goodwill	408
Consideration <sup>1</sup>	989
Less: cash and cash equivalents in acquired businesses	-200
Contingent consideration not yet paid	-18
<b>Effect on the Group's cash and cash equivalents</b>	<b>771</b>

<sup>1</sup> The consideration is stated excluding acquisition expenses.

The goodwill resulting from the acquisitions is attributable to expectations that the Group's position in the market in question for each acquisition will grow stronger and to the knowledge accumulated in the companies acquired. Transaction costs for the acquisitions totalled SEK 12m and are recognised as selling expenses. Revaluation of liabilities for contingent consideration added costs of SEK 4m during the interim period, which is recognised as other operating costs. A contingent consideration of SEK 31m has been paid during the interim period regarding the acquisition of Euroclone and Ropox during year 2020. The first contingent consideration, out of two, of SEK 85m, linked to the acquisition of AddVision, which was based on an optimistic sales trend without the impact of COVID-19, has been reversed during the interim period and recognised as other operating income. The reversal of the contingent consideration has had no impact on the valuation of goodwill linked to the acquisition.

## Employees

At the end of the interim period, the number of employees was 2,200, compared to 1,802 at the beginning of the financial year. During the interim period, the completed acquisitions have led to an increase of 355 employees. The average number of employees for the last 12-month period was 2,048 (1,365).

## Labtech

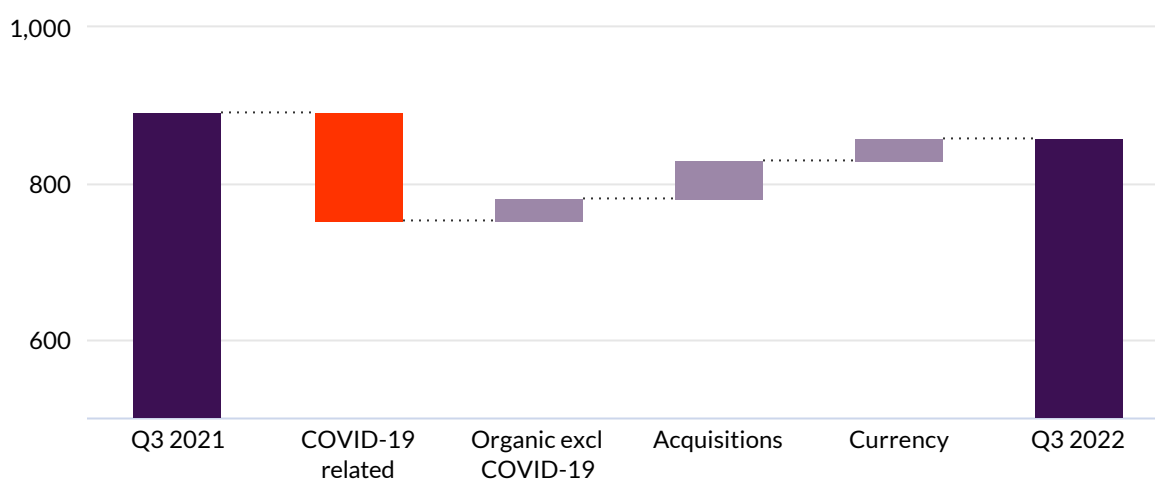
Companies in the Labtech business are active in the market areas diagnostics, biomedical research and laboratory equipment.



MSEK	3 months ending			9 months ending			12 months ending	
	30 Sep 22	30 Sep 21	change	30 Sep 22	30 Sep 21	change	30 Sep 22	31 Dec 21
Net sales	856	890	-4%	2,922	3,284	-11%	4,011	4,373
EBITA	116	194	-41%	529	750	-30%	756	977
EBITA-margin, %	13.5%	21.8%		18.1%	22.8%		18.8%	22.3%

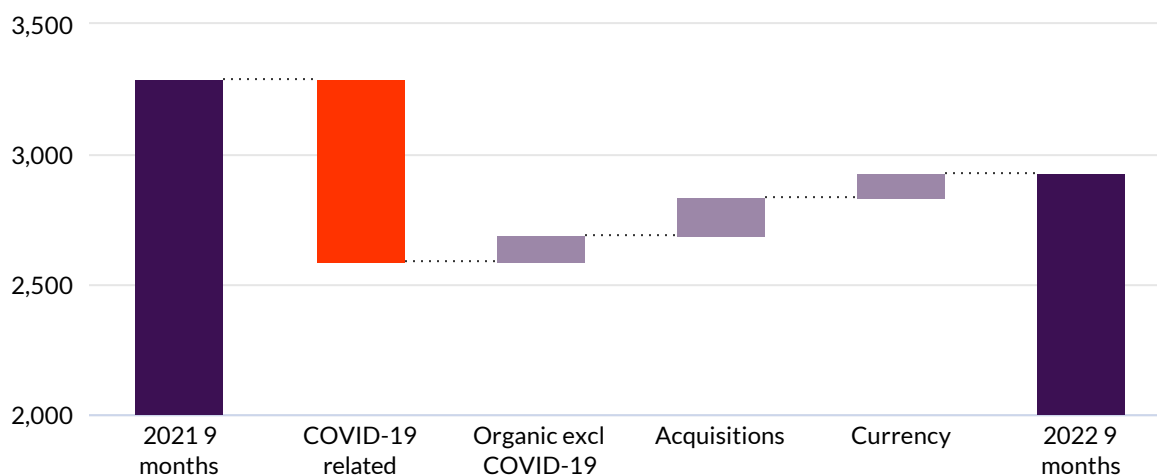
Labtech's net sales decreased by 4 percent in the quarter to SEK 856m (890), where of organic sales, excluding COVID-19 related sales, amounted to 5 percent and acquired growth was 6 percent. Net sales related to COVID-19 decreased by 48 percent and accounted for SEK 151m (290). Exchange rate changes had positive impact of 3 percent on net sales. EBITA decreased by 41 percent to SEK 116m (194), corresponding to an EBITA-margin of 13.5 percent (21.8).

### NET SALES 3 MONTHS



Labtech's net sales decreased by 11 percent in the interim period to SEK 2,922m (3,284), where of organic sales, excluding COVID-19 related sales, increased by 6 percent and acquired growth was 4 percent. Net sales related to COVID-19 decreased by 49 percent and accounted for SEK 696m (1,396). Exchange rate changes had positive impact of 3 percent on net sales. EBITA decreased by 30 percent to SEK 529m (750), corresponding to an EBITA-margin of 18.1 percent (22.8).

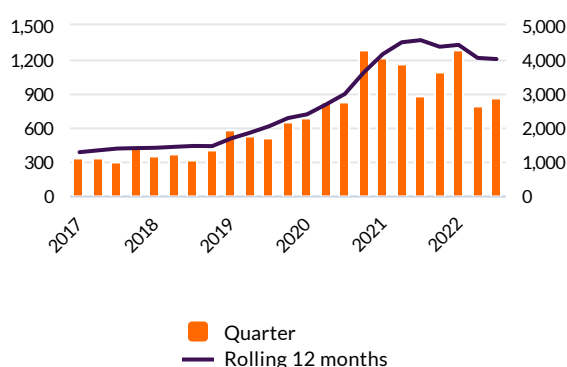
## NET SALES 9 MONTHS



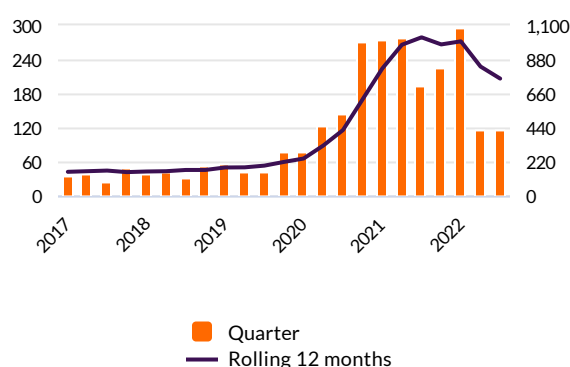
As expected, COVID-related sales continued to decline in the quarter, while organic growth excluding COVID-19, was 5 percent. COVID-19 testing is currently done exclusively using PCR technology and mainly for patients about to undergo surgery and for healthcare workers. An important initiative for the diagnostics companies will be to establish the use of more types of tests on the PCR instruments that have been installed in various healthcare facilities during the pandemic. The influenza season normally starts during winter in Europe and may lead to increased demand for combination tests (influenza, COVID-19 and RSV). Sales development in the diagnostics companies was stable in traditional segments such as blood gas, pathology and microbiology.

Sales to research customers developed well, partly due to the launch of new products. The companies are continuously working to bring new products into the portfolio, especially in advanced and growing segments such as NGS (Next Generation Sequencing), cell therapies, bioprocessing and cancer immunology. In academic research there may be risk of reduced research grants in the future due to the economic environment. In pharmaceutical development and drug discovery, which is a large and important segment for the companies, the positive trend is strong and expected to continue.

## NET SALES (SEKM)



## EBITA (SEKM)



## Medtech

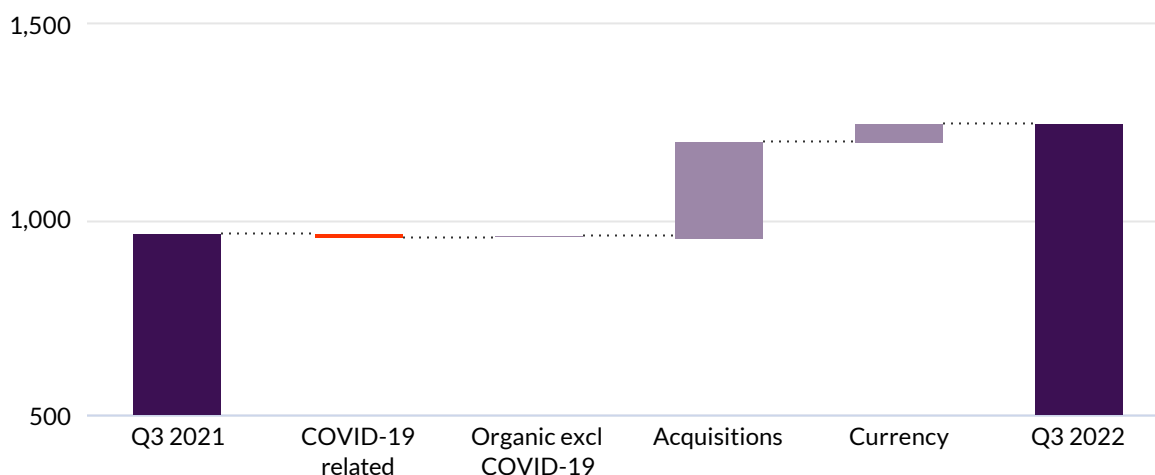
Companies in the Medtech business provides medical device products within the medtech market and assistive equipment within home healthcare.



MSEK	3 months ending			9 months ending			12 months ending	
	30 Sep 22	30 Sep 21	change	30 Sep 22	30 Sep 21	change	30 Sep 22	31 Dec 21
Net sales	1,246	962	30%	3,843	2,582	49%	4,886	3,625
EBITA	179	95	87%	452	202	123%	560	310
EBITA-margin, %	14.3%	9.9%		11.8%	7.8%		11.5%	8.6%

For the quarter, Medtech's net sales increased by 30 percent to SEK 1,246m (962), of which organic growth, excluding COVID-19 related sales, was unchanged and acquired growth was 25 percent. Net sales related to COVID-19 accounted for SEK 0m (10). Exchange rate fluctuations had a positive impact of 5 percent on net sales. EBITA increased by 87 percent to SEK 179m (95) and EBITA margin amounted to 14.3 percent (9.9). The reversal of the contingent consideration, linked to the acquisition of AddVision, has had a positive impact on operating profit of SEK 85 million. The additional purchase price was based on a high target that did not foresee the negative impact of COVID-19 on elective surgeries in 2022. Adjusted for this reversal, the EBITA margin is 7.5 percent. The investment in digital solutions for remote patient monitoring and healthcare solutions has had a negative impact on the result of SEK 12m.

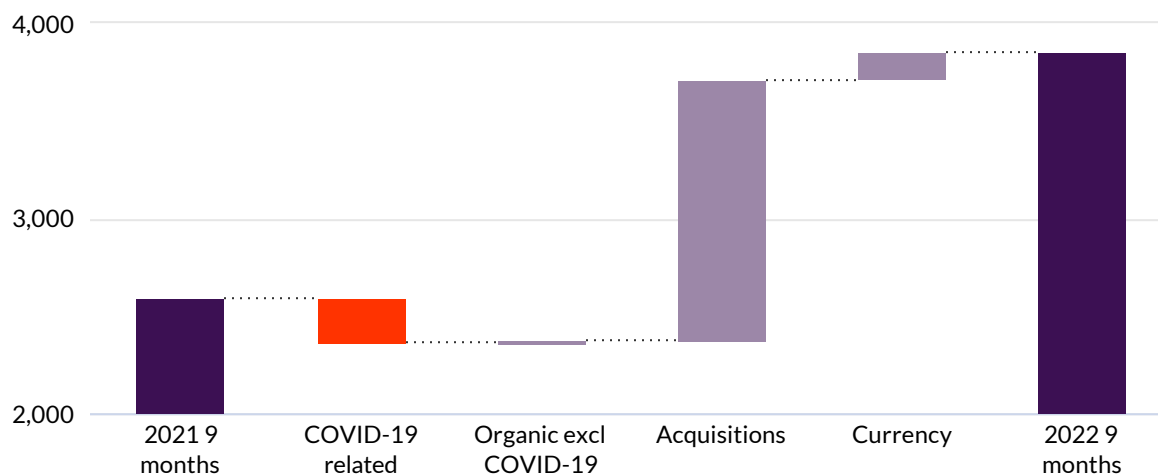
### NET SALES 3 MONTHS



For the interim period, Medtech's net sales increased by 49 percent to SEK 3,843m (2,582), of which organic growth excluding COVID-19 related sales, amounted to 1 percent and acquired growth was 52 percent. Net sales related to COVID-19 accounted for SEK 0m (226). Exchange rate fluctuations had a positive impact of 5 percent on net sales. EBITA increased by 123 percent to SEK 452m (202) and EBITA margin amounted to 11.8 percent (7.8). The reversal of the

contingent consideration has had a positive impact on operating profit of SEK 85 million. Adjusted for this reversal, the EBITA margin is 9.6 percent. The investment in digital solutions for self-monitoring and healthcare solutions has had a negative impact on the result of SEK 37m.

## NET SALES 9 MONTHS



Acquisitions within Medtech delivered strong growth during the quarter, while organic sales were flat. During the holiday months of July and August, demand was slow within Medtech, but during the month of September a clear improvement was noted and order intake also developed in a positive way.

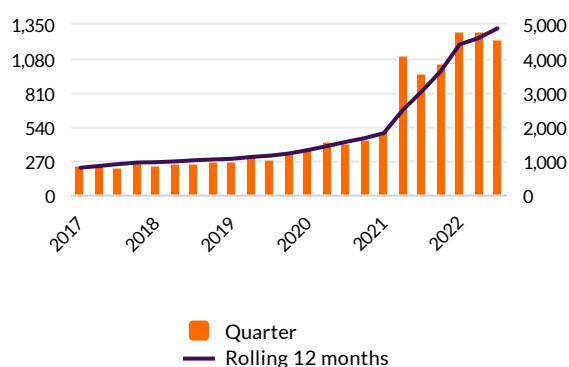
The weaker profitability in the quarter is partly due to fewer planned surgical procedures during the summer months, mainly in orthopaedics, as the healthcare systems gradually recovered after the pandemic.

In ophthalmology a small number of suppliers have suffered from supply disruptions and a few distribution agreements have expired, resulting in reduced sales and also a negative impact on profitability. Deliveries are expected to gradually resume and in some cases products will be phased out and gradually replaced by other products from existing and new suppliers. A focused improvement effort is ongoing in this area.

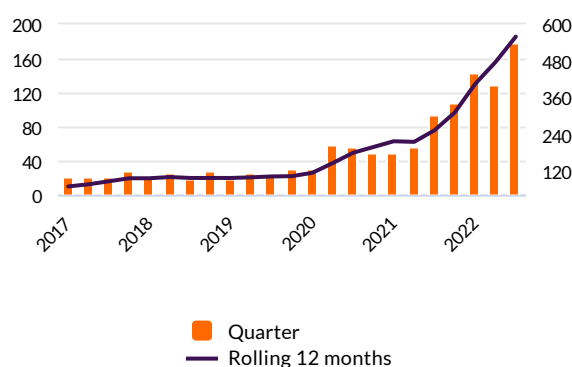
In advanced surgery, where the companies offer a very high level of service, a new product group in neurosurgery has been introduced. A significant instrument sale was completed during the quarter, which reduced average margins, but will generate higher margin service contract revenues going forward.

Profitability was also impacted by investments in the further development of the Homecare digital platforms, both of which are in an early commercial phase. We see great potential in these solutions and expect continued investments.

## NET SALES (SEKM)



## EBITA (SEKM)



## Net sales by business area

Quarterly data, SEKm	2022				2021		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Labtech	856	786	1,280	1,089	890	1,169	1,225
Medtech	1,246	1,296	1,301	1,043	962	1,108	512
Group items	-2	-3	-2	-1	-2	-1	-1
<b>AddLife Group</b>	<b>2,100</b>	<b>2,079</b>	<b>2,579</b>	<b>2,131</b>	<b>1,850</b>	<b>2,276</b>	<b>1,736</b>

## EBITA by business area

Quarterly data, SEKm	2022				2021		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Labtech	116	117	296	227	194	280	276
Medtech	179	129	144	108	95	57	50
Parent Company and Group items	-7	-6	-5	-6	-3	-5	0
<b>EBITA</b>	<b>288</b>	<b>240</b>	<b>435</b>	<b>329</b>	<b>286</b>	<b>332</b>	<b>326</b>
Depreciation intangible assets	-105	-102	-97	-84	-79	-79	-35
<b>Operating profit</b>	<b>183</b>	<b>138</b>	<b>338</b>	<b>245</b>	<b>207</b>	<b>253</b>	<b>291</b>
Finance income and expenses	-41	-44	-49	-22	-27	-16	-4
<b>Profit after financial items</b>	<b>142</b>	<b>94</b>	<b>289</b>	<b>223</b>	<b>180</b>	<b>237</b>	<b>287</b>

## Net sales by business area

SEKm	3 months ending			9 months ending			12 months ending	
	30 Sep 22	%	30 Sep 21	30 Sep 22	%	30 Sep 21	30 Sep 22	31 Dec 21
Labtech	856	-4	890	2,922	-11	3,284	4,011	4,373
Medtech	1,246	30	962	3,843	49	2,582	4,886	3,625
Group items	-2		-2	-7		-4	-8	-5
<b>AddLife Group</b>	<b>2,100</b>	<b>14</b>	<b>1,850</b>	<b>6,758</b>	<b>15</b>	<b>5,862</b>	<b>8,889</b>	<b>7,993</b>

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

SEKm	3 months ending				9 months ending				12 months ending			
	30 Sep 22	%	30 Sep 21	%	30 Sep 22	%	30 Sep 21	%	30 Sep 22	%	31 Dec 21	%
Labtech	116	13.5	194	21.8	529	18.1	750	22.8	756	18.8	977	22.3
Medtech	179	14.3	95	9.9	452	11.8	202	7.8	560	11.5	310	8.6
Parent Company and Group items	-7		-3		-18		-8		-24		-14	
<b>EBITA</b>	<b>288</b>	<b>13.7</b>	<b>286</b>	<b>15.5</b>	<b>963</b>	<b>14.3</b>	<b>944</b>	<b>16.1</b>	<b>1,292</b>	<b>14.5</b>	<b>1,273</b>	<b>15.9</b>
Depreciation intangible assets	-105		-79		-304		-193		-388		-277	
<b>Operating profit</b>	<b>183</b>	<b>8.7</b>	<b>207</b>	<b>11.2</b>	<b>659</b>	<b>9.7</b>	<b>751</b>	<b>12.8</b>	<b>904</b>	<b>10.2</b>	<b>996</b>	<b>12.5</b>
Finance income and expenses	-41		-27		-134		-47		-156		-69	
<b>Profit after financial items</b>	<b>142</b>		<b>180</b>		<b>525</b>		<b>704</b>		<b>748</b>		<b>927</b>	

## Net sales by revenue type

SEKm	3 months ending		9 months ending		12 months ending	
	30 Sep 22	30 Sep 21	30 Sep 22	30 Sep 21	30 Sep 22	31 Dec 21
<i>Products</i>						
Labtech	726	687	2,274	2,678	3,114	3,518
Medtech	992	763	3,099	2,184	3,963	3,048
Group items	-2	-2	-7	-4	-8	-5
<b>The Group</b>	<b>1,716</b>	<b>1,448</b>	<b>5,366</b>	<b>4,858</b>	<b>7,069</b>	<b>6,561</b>
<i>Instruments</i>						
Labtech	93	161	460	473	660	673
Medtech	95	123	380	245	481	346
<b>The Group</b>	<b>188</b>	<b>284</b>	<b>840</b>	<b>718</b>	<b>1,141</b>	<b>1,019</b>
<i>Service</i>						
Labtech	37	42	188	133	237	182
Medtech	159	76	364	153	442	231
<b>The Group</b>	<b>196</b>	<b>118</b>	<b>552</b>	<b>286</b>	<b>679</b>	<b>413</b>
<b>Total</b>	<b>2,100</b>	<b>1,850</b>	<b>6,758</b>	<b>5,862</b>	<b>8,889</b>	<b>7,993</b>



# Consolidated income statement, condensed

Income statement SEKm	3 months ending		9 months ending		12 months ending	
	30 Sep 22	30 Sep 21	30 Sep 22	30 Sep 21	30 Sep 22	31 Dec 21
Net sales	2,100	1,850	6,758	5,862	8,889	7,993
Cost of sales	-1,349	-1,190	-4,195	-3,785	-5,546	-5,136
<b>Gross profit</b>	<b>751</b>	<b>660</b>	<b>2,563</b>	<b>2,077</b>	<b>3,343</b>	<b>2,857</b>
Selling expenses	-510	-359	-1,544	-1,060	-1,970	-1,486
Administrative expenses	-131	-94	-403	-265	-526	-388
Research and Development	-18	-7	-57	-25	-66	-34
Other operating income and expenses	91	7	100	24	123	47
<b>Operating profit</b>	<b>183</b>	<b>207</b>	<b>659</b>	<b>751</b>	<b>904</b>	<b>996</b>
Financial income and expenses	-41	-27	-134	-47	-156	-69
<b>Profit after financial items</b>	<b>142</b>	<b>180</b>	<b>525</b>	<b>704</b>	<b>748</b>	<b>927</b>
Tax	-22	-41	-104	-161	-149	-206
<b>Profit for the period</b>	<b>120</b>	<b>139</b>	<b>421</b>	<b>543</b>	<b>599</b>	<b>721</b>
<i>Attributable to:</i>						
<i>Equity holders of the Parent Company</i>	<i>120</i>	<i>138</i>	<i>419</i>	<i>541</i>	<i>597</i>	<i>719</i>
<i>Non-controlling interests</i>	<i>0</i>	<i>1</i>	<i>2</i>	<i>2</i>	<i>2</i>	<i>2</i>
Earnings per share (EPS) before dilution, SEK	0.99	1.13	3.46	4.58	4.92	6.03
Earnings per share (EPS) after dilution, SEK	0.98	1.13	3.45	4.56	4.90	6.01
Average number of shares after repurchases '000s	121,794	121,943	121,786	118,564	121,814	119,418
Number of shares at end of the period, '000	121,812	121,952	121,812	121,952	121,812	121,953
EBITA	288	286	963	944	1,292	1,273
Depreciations included in operating expenses						
- property, plant and equipment	-76	-51	-225	-142	-284	-201
- intangible non-current assets from acquisitions	-96	-73	-278	-174	-354	-250
- other intangible non-current assets	-9	-6	-26	-19	-34	-27

## Statement of comprehensive income

SEKm	3 months ending		9 months ending		12 months ending	
	30 Sep 22	30 Sep 21	30 Sep 22	30 Sep 21	30 Sep 22	31 Dec 21
<b>Profit for the period</b>	<b>120</b>	<b>139</b>	<b>421</b>	<b>543</b>	<b>599</b>	<b>721</b>
Components that may be reclassified to profit for the period						
Foreign currency translation differences for the period	120	34	353	41	384	72
Components that can not be reclassified to profit for the period						
Revaluations of defined benefit pension plans	–	–	14	6	8	0
Tax attributable to items not to be reversed in profit or loss	–	–	-3	-1	-2	0
<b>Other comprehensive income</b>	<b>120</b>	<b>34</b>	<b>364</b>	<b>46</b>	<b>390</b>	<b>72</b>
<b>Total comprehensive income</b>	<b>240</b>	<b>173</b>	<b>785</b>	<b>589</b>	<b>989</b>	<b>793</b>
<i>Attributable to:</i>						
<i>Equity holders of the Parent Company</i>	<i>240</i>	<i>172</i>	<i>783</i>	<i>587</i>	<i>986</i>	<i>790</i>
<i>Non-controlling interests</i>	<i>0</i>	<i>1</i>	<i>2</i>	<i>2</i>	<i>3</i>	<i>3</i>

## Consolidated balance sheet, condensed

SEKm	30 Sep 22	31 Dec 21	30 Sep 21
Goodwill	5,223	4,528	4,427
Other intangible non-current assets	3,162	2,663	2,583
Property, plant and equipment	869	627	610
Financial non-current assets	156	27	26
<b>Total non-current assets</b>	<b>9,410</b>	<b>7,845</b>	<b>7,646</b>
Inventories	1,630	1,189	1,173
Current receivables	1,587	1,217	1,139
Cash and cash equivalents	286	345	237
<b>Total current assets</b>	<b>3,503</b>	<b>2,751</b>	<b>2,549</b>
<b>Total assets</b>	<b>12,913</b>	<b>10,596</b>	<b>10,195</b>
<b>Total equity</b>	<b>4,801</b>	<b>4,291</b>	<b>4,084</b>
Interest-bearing provisions	201	114	108
Non-interest-bearing provisions	521	489	466
Non-current interest-bearing liabilities	3,140	788	785
Non-current non-interest-bearing liabilities	10	2	2
<b>Total non-current liabilities</b>	<b>3,872</b>	<b>1,393</b>	<b>1,361</b>
Non-interest-bearing provisions	49	10	13
Current interest-bearing liabilities	2,535	3,314	3,343
Current non-interest-bearing liabilities	1,656	1,588	1,394
<b>Total current liabilities</b>	<b>4,240</b>	<b>4,912</b>	<b>4,750</b>
<b>Total equity and liabilities</b>	<b>12,913</b>	<b>10,596</b>	<b>10,195</b>

## Statement of change in Group equity

Statement of change in Group equity, SEKm	1 Jan 22 – 30 Sep 22			1 Jan 21 – 31 Dec 21		
	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	4,285	6	4,291	1,882	8	1,890
Non-cash issue	–	–	–	1,524	–	1,524
Exercised and issued call options	23	–	23	-9	–	-9
Repurchase of treasury shares	-49	–	-49	–	–	–
Disposal of treasury shares	–	–	–	281	–	281
Dividend	-243	-6	-249	-183	-5	-188
Total comprehensive income	783	2	785	790	3	793
<b>Amount at the end of the period</b>	<b>4,799</b>	<b>2</b>	<b>4,801</b>	<b>4,285</b>	<b>6</b>	<b>4,291</b>

## Cash flow statement, condensed

Cash flow statement, condensed SEKm	3 months ending		9 months ending		12 months ending	
	30 Sep 22	30 Sep 21	30 Sep 22	30 Sep 21	30 Sep 22	31 Dec 21
Profit after financial items	142	179	525	704	748	927
Adjustment for items not included in cash flow	96	105	496	342	603	449
Income tax paid	-28	-40	-152	-147	-257	-252
Changes in working capital	-190	-11	-311	-282	-143	-114
<b>Cash flow from operating activities</b>	<b>20</b>	<b>233</b>	<b>558</b>	<b>617</b>	<b>951</b>	<b>1,010</b>
Net investments in non-current assets	-58	-29	-186	-93	-227	-134
Acquisitions and disposals	-22	-146	-818	-2,660	-1,001	-2,843
<b>Cash flow from investing activities</b>	<b>-80</b>	<b>-175</b>	<b>-1,004</b>	<b>-2,753</b>	<b>-1,228</b>	<b>-2,977</b>
Dividend paid to shareholders	–	–	-243	-183	-243	-183
Exercised and issued call options	18	-7	23	-12	26	-9
Förvärv av egna aktier	–	–	-49	–	-49	–
Borrowings	47	-9	1,366	2,669	1,346	2,649
Repayments on loans	-55	-1	-640	-237	-663	-260
Other financing activities	-32	-34	-120	-95	-152	-127
<b>Cash flow from financing activities</b>	<b>-22</b>	<b>-51</b>	<b>337</b>	<b>2,142</b>	<b>265</b>	<b>2,070</b>
Cash flow for the period	-82	7	-109	6	-12	103
<b>Cash and cash equivalents at beginning of period</b>	<b>351</b>	<b>224</b>	<b>345</b>	<b>216</b>	<b>237</b>	<b>216</b>
Exchange differences on cash and cash equivalents	17	6	50	15	61	26
<b>Cash and cash equivalents at end of the period</b>	<b>286</b>	<b>237</b>	<b>286</b>	<b>237</b>	<b>286</b>	<b>345</b>

## Key financial indicators

	12 months up until				
	30 Sep 22	31 Dec 21	30 Sep 21	31 Dec 20	31 Dec 19
Net sales, SEKm	8,889	7,993	7,593	5,273	3,479
EBITA, SEKm	1,292	1,273	1,260	802	305
EBITA margin, %	14.5%	15.9%	16.6%	15.2%	8.8%
Profit growth, EBITA, %	3%	59%	114%	163%	25%
Return on working capital (P/WC), %	69%	95%	105%	103%	51%
Profit for the period, SEKm	599	721	762	520	142
Return on equity, %	14%	22%	28%	31%	10%
Financial net liabilities, SEKm	5,590	3,870	3,998	700	902
Financial net liabilities/EBITDA, multiple	3.5	2.6	2.8	0.7	2.1
Net debt/equity ratio, multiple	1.2	0.9	1.0	0.4	0.6
Equity ratio, %	37%	40%	40%	46%	45%
Average number of employees	2,048	1,548	1,365	1,004	903
Number of employees at end of the period	2,200	1,802	1,778	1,112	932

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

## Key financial indicators per share

	12 months up until				
	30 Sep 22	31 Dec 21	30 Sep 21	31 Dec 20	31 Dec 19
Earnings per share (EPS), SEK	4.92	6.03	6.50	4.63	1.28
Diluted EPS, SEK	4.90	6.01	6.47	4.61	1.28
Cash flow per share from operating activities, SEK	7.81	8.46	10.05	8.47	3.61
Shareholders' equity per share, SEK	39.39	35.14	33.46	16.73	13.07
Average number of shares after repurchases, '000s	121,814	119,418	116,994	112,127	111,083
Average number of shares adjusted for repurchases and dilution, '000s	122,329	119,966	117,547	112,652	111,297
Number of shares outstanding at end of the period, '000s	121,812	121,953	121,952	112,487	112,237
Number of shares outstanding at end of the period after dilution, '000s	122,327	122,501	122,504	113,012	112,451

*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 46m (38) and profit after financial items amounted to SEK -180m (-11). At the end of the interim period, the Parent Company's net financial debt amounted to SEK 4,691m (3,122). The share capital at the end of the interim period was SEK 62m (62).

## Income statement

SEKm	3 months ending		9 months ending		12 months ending	
	30 Sep 22	30 Sep 21	30 Sep 22	30 Sep 21	30 Sep 22	31 Dec 21
Net sales	15	12	46	38	59	51
Administrative expenses	-23	-16	-66	-48	-86	-68
<b>Operating profit/loss</b>	<b>-8</b>	<b>-4</b>	<b>-20</b>	<b>-10</b>	<b>-27</b>	<b>-17</b>
Interest income/expenses and similar items	-47	-15	-160	-1	-160	-1
<b>Profit/loss after financial items</b>	<b>-55</b>	<b>-19</b>	<b>-180</b>	<b>-11</b>	<b>-187</b>	<b>-18</b>
Appropriations	-	-	-	-	99	99
<b>Profit/loss before taxes</b>	<b>-55</b>	<b>-19</b>	<b>-180</b>	<b>-11</b>	<b>-88</b>	<b>81</b>
Income tax expense	9	3	35	2	18	-15
<b>Profit/loss for the period</b>	<b>-46</b>	<b>-16</b>	<b>-145</b>	<b>-9</b>	<b>-70</b>	<b>66</b>

## Balance sheet

Balance sheet, SEKm	30 Sep 22	31 Dec 21	30 Sep 21
Intangible non-current assets	0	0	0
Tangible non-current assets	0	0	0
Non-current financial assets	7,862	6,978	6,742
<b>Total non-current assets</b>	<b>7,862</b>	<b>6,978</b>	<b>6,742</b>
Current receivables	369	407	213
<b>Total current assets</b>	<b>369</b>	<b>407</b>	<b>213</b>
<b>Total assets</b>	<b>8,231</b>	<b>7,385</b>	<b>6,955</b>
Restricted equity	62	62	62
Unrestricted equity	2,436	2,850	2,772
<b>Total equity</b>	<b>2,498</b>	<b>2,912</b>	<b>2,834</b>
Untaxed reserves	120	120	96
Interest-bearing long-term liabilities	2,541	235	165
Non-interest-bearing long-term liabilities	1	1	1
<b>Total long-term liabilities</b>	<b>2,542</b>	<b>236</b>	<b>166</b>
Interest-bearing short-term liabilities	3,041	3,946	3,831
Non-interest-bearing short-term liabilities	30	171	28
<b>Total short-term liabilities</b>	<b>3,071</b>	<b>4,117</b>	<b>3,859</b>
<b>Total equity and liabilities</b>	<b>8,231</b>	<b>7,385</b>	<b>6,955</b>

## Fair values on financial instruments

SEKm	30 Sep 22			31 Dec 21		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives measured at fair value through profit or loss	1	1	–	0	0	–
<b>Total financial assets at fair value per level</b>	<b>1</b>	<b>1</b>	<b>–</b>	<b>0</b>	<b>0</b>	<b>–</b>
Derivatives measured at fair value through profit or loss	0	0	–	0	0	–
Contingent considerations	274	–	274	349	–	349
<b>Total financial liabilities at fair value per level</b>	<b>274</b>	<b>0</b>	<b>274</b>	<b>349</b>	<b>0</b>	<b>349</b>

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		9 months ending		12 months ending	
	30 Sep 22	30 Sep 21	30 Sep 22	30 Sep 21	30 Sep 22	31 dec 21
<b>Carrying amount, opening balance</b>	<b>357</b>	<b>297</b>	<b>349</b>	<b>86</b>	<b>339</b>	<b>86</b>
Acquisitions during the period	2	34	18	247	22	251
Consideration paid	–	–	-31	-6	-31	-6
Revaluation through profit or loss	–	4	4	6	4	6
Reversed through profit or loss	-85	–	-85	–	-85	–
Interest expenses	-2	2	4	5	8	9
Exchange differences	2	2	15	1	17	3
<b>Carrying amount, closing balance</b>	<b>274</b>	<b>339</b>	<b>274</b>	<b>339</b>	<b>274</b>	<b>349</b>

## Pledged assets and contingent liabilities in the Group

SEKm	30 Sep 22	31 Dec 21	30 Sep 21
Contingent liabilities	47	41	41

## Reconciliation key ratios

Return on equity	Profit/loss after tax attributable to shareholders, as a percentage of shareholders' proportion of average equity.		
	30 Sep 22	31 Dec 21	30 Sep 21
Profit/loss for the period (roll 12 months)	599	721	762
Average equity	4,449	3,263	2,755
<b>Return on equity</b>	<b>599/4,449=14%</b>	<b>721/3,263=22%</b>	<b>762/2,755=28%</b>
Return on working capital (P/WC)	EBITA in relation to average working capital.		
	30 Sep 22	31 Dec 21	30 Sep 21
EBITA	1,292	1,273	1,260
Average working capital (WC)	1,869	1,347	1,203
<b>P/WC</b>	<b>1,292/1,869=69%</b>	<b>1,273/1,347=95%</b>	<b>1,260/1,203=105%</b>
EBITA	Operating profit before amortization of intangible assets.		
	30 Sep 22	31 Dec 21	30 Sep 21
Operating profit (12 months rolling)	904	996	1,029
Amortization of intangible assets	388	277	231
<b>EBITA</b>	<b>1,292</b>	<b>1,273</b>	<b>1,260</b>
EBITA margin	EBITA in relation to net sales		
	30 Sep 22	31 Dec 21	30 Sep 21
EBITA	1,292	1,273	1,260
Net sales (12 months rolling)	8,889	7,993	7,593
<b>EBITA margin</b>	<b>1,292/8,889=14.5%</b>	<b>1,273/7,993=15.9%</b>	<b>1,260/7,593=16.6%</b>
<b>Definitions</b>			
<b>EBITA</b>	Operating profit before amortization of intangible assets.		
<b>EBITDA</b>	Operating profit before depreciation and amortization		
<b>Equity per share</b>	Shareholders' proportion of equity divided by the number of shares outstanding at the end of the reporting period		
<b>Cash flow per share</b>	Cash flow from operating activities, divided by the average number of shares.		
<b>Net debt/equity ratio</b>	Financial net liabilities in relation to shareholders' equity		
<b>Earnings per share (EPS)</b>	Shareholders' proportion of profit/loss for the year in relation to the average number of shares outstanding		
<b>Profit growth EBITA</b>	This year's EBITA decreased by last year's EBITA divided by last year's EBITA.		
<b>Financial net liabilities</b>	Interest-bearing liabilities and interest-bearing provisions, less cash and cash equivalents.		
<b>Equity ratio</b>	Equity as a percentage of total assets.		
<b>COVID-19 related sales</b>	Big orders of PPE and COVID-19 tests		

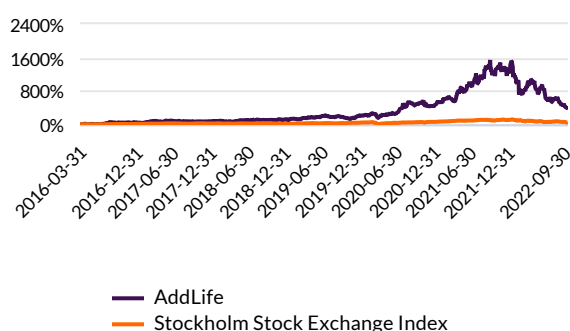
The key figures presented above are central in order to understand and evaluate AddLife's business and financial position. The key figures are presented in the "Key financial indicators" table and they are commented on in other parts of interim report. For additional information regarding chosen key ratios, please refer to AddLife's annual report 2021. The comparison figures for income and expense items relate to values for the period January–September 2021 and for balance sheet items as at 31 December 2021 if nothing else is stated.

## The share

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

The number of repurchased own shares amounts to 638,089 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 99.87 per share. The average number of treasury shares held during the interim period was 664,508 (1,029,367). The share price at September 30, 2022 was SEK 116.30 and the most recent price paid for the AddLife share on October 26, 2022 was SEK 130.20.

### SHARE DEVELOPMENT IN ADDLIFE



Turnover and trading	Jan-Sep 2022
Lowest price, SEK	111.80
Highest price, SEK	371.00
Average daily turnover, SEK	59,465,742
Number of traded shares, no	52,567,095
Number of transactions, no	326,572

AddLife has four outstanding call option programmes corresponding to a total of 2,150,600 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 0.4 percent (0.7). 27,350 share options from the 2019/2023 program have been exercised during the interim period corresponding to 109,400 B-shares.

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
2019/2023	187,650	750,600	0.6%	76.60	20 Jun 2022 - 28 Feb 2023
<b>Total</b>	<b>837,650</b>	<b>2,150,600</b>			

On 30 September 2022, the number of shareholders amounted to 12,712, where of 95 percent are Swedish owners with respect to capital share. The 10 biggest shareholders controlled 52 percent of number of capital and 62 percent of votes.



Shareholders 2022-09-30	Class A-shares	Class B-shares	Share in %	
			of capital	of votes
Roosgruppen AB	2,165,644	2,824,727	4.1	14.9
Tom Hedelius	2,066,572	23,140	1.7	12.6
SEB Fonder	0	12,056,942	9.8	7.3
State Street Bank & Trust Company	0	8,683,160	7.1	5.3
AMF - Försäkring och Fonder	0	8,542,841	7.0	5.2
Verdipapirfond Odin	0	6,580,008	5.3	4.0
AP-fonden	0	5,878,130	4.8	3.6
Swedbank Fonder	0	5,767,467	4.7	3.5
BNY Mellon NA (Former Mellon)	0	5,071,188	4.1	3.1
Handelsbanken fonder	0	4,346,587	3.5	2.6
<b>Total the 10 biggest shareholders</b>	<b>4,232,216</b>	<b>59,774,190</b>	<b>52.1</b>	<b>62.1</b>
Other shareholders	382,920	57,422,835	47.4	37.5
<b>Total outstanding shares</b>	<b>4,615,136</b>	<b>117,197,025</b>	<b>99.5</b>	<b>99.6</b>
Repurchased own shares Class B	-	638,089	0.5	0.4
<b>Total registered shares</b>	<b>4,615,136</b>	<b>117,835,114</b>	<b>100.0</b>	<b>100.0</b>

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 2021 annual report for AddLife AB were also used in the interim report. The amendments to IFRSs applicable from 1 January, 2022 have no effects to AddLife's financial reports for the interim period ended 30 September, 2022.

## 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 2021. 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.

## Nomination committee

The 2022 Annual General Meeting authorised the Board Chairman to establish a nomination committee for upcoming elections to the Board, by appointing members from among representatives of the five shareholders who controlled the largest number of votes in the Company at 30 September 2022, to serve with the Chairman on the nomination committee. In accordance with the above, the Committee comprises these appointed members: Johan Sjö, (Chairman of the Board), Stefan Hedelius (appointed by Tom Hedelius), Håkan Roos (appointed by RoosGruppen AB), Hans Christian Bratterud (appointed by Odin Fonder), Christoffer Geijer (appointed by SEB Investment Management) and Patricia Hedelius (appointed by AMF). Information on how to contact the Nomination Committee is available on the AddLife website, [www.add.life/en/investors/](http://www.add.life/en/investors/)

## Events after the end of the interim period

No other 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 2021. 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 October 27, 2022

Fredrik Dalborg  
CEO

# Review report

AddLife AB (publ)  
Corp. id 556996-8126

## Introduction

We have reviewed the condensed interim financial information (interim report) of AddLife AB (publ) as of 30 September 2022 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm October 27, 2022

KPMG AB

Håkan Olsson Reising  
Authorized Public Accountant  
Auditor in charge

KPMG AB

Jonas Eriksson  
Authorized Public Accountant

## Conference call

Investors, analysts and the media are invited to a conference call 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. If this is your first time using Teams, you will be asked to download an app.

**The teleconference will be at 10:00 a.m. on October 27th 2022**

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

Or call in (only sound) +46 8 505 376 58 Conferens-ID: 427 903 522#

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

## Financial calendar

- The year-end report for 1 January - 31 December 2022 will be published on 2 February 2023
- The interim report for 1 January - 31 March 2023 will be published on 26 April 2023
- The Annual General Meeting (AGM) of AddLife AB (publ) will be held on 4 May 2023, 4 PM, Stockholm
- The interim report for 1 January - 30 June 2023 will be published on 14 July 2023

For further information, please contact:

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

Christina Rubenhag, CFO, +46 70 546 72 22

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 October 27th, 2022.

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