Consolidated income statement, condensed

Income statement	3 months ending		9 months ending		12 months ending	
SEKm	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
Gross profit	**751**	**660**	**2,563**	**2,077**	**3,343**	**2,857**
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
Operating profit	**183**	**207**	**659**	**751**	**904**	**996**
Financial income and expenses	-41	-27	-134	-47	-156	-69
Profit after financial items	**142**	**180**	**525**	**704**	**748**	**927**
Tax	-22	-41	-104	-161	-149	-206
Profit for the period	**120**	**139**	**421**	**543**	**599**	**721**
Attributable to:						
Equity holders of the Parent Company	*120*	*138*	419	*541*	597	*719*
Non-controlling interests	*0*	*1*	2	*2*	2	*2*
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

	3 months ending		9 months ending		12 months ending	
SEKm	**30 Sep 22**	**30 Sep 21**	**30 Sep 22**	**30 Sep 21**	**30 Sep 22**	**31 Dec 21**
Profit for the period	**120**	**139**	**421**	**543**	**599**	**721**
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
Other comprehensive income	**120**	**34**	**364**	**46**	**390**	**72**
Total comprehensive income	**240**	**173**	**785**	**589**	**989**	**793**
Attributable to:						
Equity holders of the Parent Company	*240*	*172*	*783*	*587*	*986*	*790*
Non-controlling interests	*0*	*1*	*2*	*2*	*3*	*3*

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
Total non-current assets	**9,410**	**7,845**	**7,646**
Inventories	1,630	1,189	1,173
Current receivables	1,587	1,217	1,139
Cash and cash equivalents	286	345	237
Total current assets	**3,503**	**2,751**	**2,549**
Total assets	**12,913**	**10,596**	**10,195**
Total equity	**4,801**	**4,291**	**4,084**
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
Total non-current liabilities	**3,872**	**1,393**	**1,361**
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
Total current liabilities	**4,240**	**4,912**	**4,750**
Total equity and liabilities	**12,913**	**10,596**	**10,195**

Statement of change in Group equity

Statement of change in Group equity, SEKm	1 Jan 22 – 30 Sep 22 Equity excl. non-controlling interests	Non-controlling interests	Total equity	1 Jan 21 – 31 Dec 21 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
Amount at the end of the period	**4,799**	**2**	**4,801**	**4,285**	**6**	**4,291**

Cash flow statement, condensed

Cash flow statement, condensed	3 months ending		9 months ending		12 months ending	
SEKm	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
Cash flow from operating activities	**20**	**233**	**558**	**617**	**951**	**1,010**
Net investments in non-current assets	-58	-29	-186	-93	-227	-134
Acquisitions and disposals	-22	-146	-818	-2,660	-1,001	-2,843
Cash flow from investing activities	**-80**	**-175**	**-1,004**	**-2,753**	**-1,228**	**-2,977**
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
Cash flow from financing activities	**-22**	**-51**	**337**	**2,142**	**265**	**2,070**
Cash flow for the period	-82	7	-109	6	-12	103
Cash and cash equivalents at beginning of period	**351**	**224**	**345**	**216**	**237**	**216**
Exchange differences on cash and cash equivalents	17	6	50	15	61	26
Cash and cash equivalents at end of the period	**286**	**237**	**286**	**237**	**286**	**345**

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

	3 months ending		9 months ending		12 months ending	
SEKm	**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
Operating profit/loss	**-8**	**-4**	**-20**	**-10**	**-27**	**-17**
Interest income/expenses and similar items	-47	-15	-160	-1	-160	-1
Profit/loss after financial items	**-55**	**-19**	**-180**	**-11**	**-187**	**-18**
Appropriations	–	–	–	–	99	99
Profit/loss before taxes	**-55**	**-19**	**-180**	**-11**	**-88**	**81**
Income tax expense	9	3	35	2	18	-15
Profit/loss for the period	**-46**	**-16**	**-145**	**-9**	**-70**	**66**

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
Total non-current assets	**7,862**	**6,978**	**6,742**
Current receivables	369	407	213
Total current assets	**369**	**407**	**213**
Total assets	**8,231**	**7,385**	**6,955**
Restricted equity	62	62	62
Unrestricted equity	2,436	2,850	2,772
Total equity	**2,498**	**2,912**	**2,834**
Untaxed reserves	120	120	96
Interest-bearing long-term liabilities	2,541	235	165
Non-interest-bearing long-term liabilities	1	1	1
Total long-term liabilities	**2,542**	**236**	**166**
Interest-bearing short-term liabilities	3,041	3,946	3,831
Non-interest-bearing short-term liabilities	30	171	28
Total short-term liabilities	**3,071**	**4,117**	**3,859**
Total equity and liabilities	**8,231**	**7,385**	**6,955**

Fair values on financial instruments

	30 Sep 22			31 Dec 21		
SEKm	**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	–
Total financial assets at fair value per level	**1**	**1**	**–**	**0**	**0**	**–**
Derivatives measured at fair value through profit or loss	0	0	–	0	0	–
Contingent considerations	274	–	274	349	–	349
Total financial liabilities at fair value per level	**274**	**0**	**274**	**349**	**0**	**349**

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

	3 months ending		9 months ending		12 months ending	
SEKm	**30 Sep 22**	**30 Sep 21**	**30 Sep 22**	**30 Sep 21**	**30 Sep 22**	**31 dec 21**
Carrying amount, opening balance	**357**	**297**	**349**	**86**	**339**	**86**
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
Carrying amount, closing balance	**274**	**339**	**274**	**339**	**274**	**349**

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
Return on equity	**599/4,449=14%**	**721/3,263=22%**	**762/2,755=28%**

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
P/WC	**1,292/1,869=69%**	**1,273/1,347=95%**	**1,260/1,203=105%**

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
EBITA	**1,292**	**1,273**	**1,260**

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
EBITA margin	**1,292/8,889=14.5%**	**1,273/7,993=15.9%**	**1,260/7,593=16.6%**

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 AddLifes 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 choosen 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.

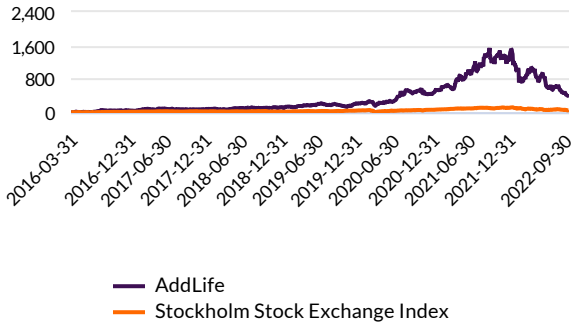
The share

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
Total	**837,650**	**2,150,600**			

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.

			Share in %	
Shareholders 2022-09-30	**Class A-shares**	**Class B-shares**	**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
Total the 10 biggest shareholders	**4,232,216**	**59,774,190**	**52.1**	**62.1**
Other shareholders	382,920	57,422,835	47.4	37.5
Total outstanding shares	**4,615,136**	**117,197,025**	**99.5**	**99.6**
Repurchased own shares Class B	-	638,089	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 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 choosen 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/

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.
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