

YEAR-END REPORT 1 JANUARY – 31 DECEMBER 2017

“Continued growth”

1 OCTOBER – 31 DECEMBER 2017 (3 MONTHS)

- Net sales rose by 9 percent to SEK 668 million (611), which is acquired growth.
- EBITA rose by 4 percent to SEK 79 million (76), corresponding to an EBITA-margin of 11.7 percent (12.4).
- Profit after tax amounted to SEK 40 million (49).
- Cash flow from operating activities amounted to SEK 97 million (96).

1 JANUARY – 31 DECEMBER 2017 (12 MONTHS)

- Net sales rose by 20 percent to SEK 2,333 million (1,938), of which organic growth totalled 5 percent and acquired growth totalled 14 percent.
- EBITA rose by 24 percent to SEK 234 million (189), corresponding to an EBITA-margin of 10.0 percent (9.7).
- Profit after tax rose by 8 percent and amounted to SEK 120 million (112).
- Earnings per share amounted to SEK 4.95 (4.87).
- Cash flow from operating activities amounted to SEK 208 million (133).
- The equity ratio amounted to 40 percent (45).
- Return on working capital (P/WC) amounted to 63 percent (62).
- Three acquisitions have been carried out during the financial year, TM Techno Medica AB, Hepro AS and Krabat AS, with a combined annual sale of about SEK 225 million.
- The Board of Directors proposes a dividend of SEK 2.20 per share.

SEKm	3 months ending			12 months ending		
	31 Dec 17	31 Dec 16	change	31 Dec 17	31 Dec 16	change
Net sales	668	611	9 %	2,333	1,938	20 %
EBITA	79	76	4 %	234	189	24 %
EBITA-margin, %	11.7	12.4		10.0	9.7	
Profit before tax	57	61	-7 %	158	142	11 %
Profit for the period	40	49	-18 %	120	112	8 %
Earnings per share SEK	1.67	2.01	-17 %	4.95	4.87	2 %
Earnings per share after dilution, SEK	1.67	2.01	-17 %	4.94	4.87	1 %

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, mainly in the Nordic region. The Group is divided into two business areas: Labtech and Medtech. The Group comprises 32 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. The Company is mainly active in the Nordic countries and is also represented by smaller businesses in Germany, the Benelux countries, Estonia, Italy, UK, China and USA. AddLife is the market leader in the Nordic region in several well-defined niches in the market areas of diagnostics, medical devices, biomedical research and laboratory analysis.

Comments by the CEO

Continued growth

Sales in the last quarter rose 9 percent, driven completely by our acquisitions. EBITA-profit rose 4 percent during the quarter, compared to a very strong quarter last year, which also had a positive non-recurring item. We summarise 2017 as a strong year for AddLife with sales growth of 20 percent to SEK 2,333 million, while EBITA-profit improved by 24 percent to SEK 234 million. We also exceeded our target of 15 percent earnings growth!

Cash flow during the year was strong, providing us with opportunities for continued investments in our business. During the first three quarters we completed three acquisitions. During the latter part of the year we focused more on streamlining our Group and integrate completed acquisitions to strengthen our foundation for future growth. In the fourth quarter we also completed the coordination of our warehouse and logistics function within Medtech.

We are capturing market share

AddLife's companies are primarily active in the Nordic Life Science market, which has an estimated growth rate of about 2 - 3 percent. AddLife's organic growth in 2017 was approximately twice that rate at 5 percent. Our companies are doing an excellent job of navigating the market and continue to steadily capture market share. Our business model, where we primarily serve as an independent provider in the Nordics, makes it possible for us to deliver competitive products, solutions and service to health care, laboratories and research.

The business situation in the Nordic markets continues to be favourable. The trend in society with a growing and aging population suffering from chronic diseases that require lengthy treatment is clear. In order for society to meet its future obligations, structural changes will be needed in health care to make it more efficient and patient friendly. Through our business we can make a difference by offering new treatment options, diagnostics and technical aids that contribute to both patient and social benefit.

We increase sales in Sweden in both our business areas. We see increased national initiatives, grants and investments in Life Science from both private and public sources. The Swedish Government's aspiration to make Sweden a leading nation in Life Science entails increased research grants and a focus on health issues. Our ever-growing range of healthcare products has enabled us to participate in an increasing number of public tenders.

In Denmark, demand has developed well from both health care and research. Investments continue in new large hospitals, but also in advanced research, including the regional initiative for a national sequencing program for the citizens of Denmark. The pharmaceutical industry continues to be somewhat cautious.

The activity in Norway has been high during the year with good demand in health care, especially within primary care and home care. The research side in Norway is expanding as a result of government initiatives, which has also resulted in greater demand for our wide product range.

The Finnish market has improved throughout the year with respect to research and diagnostics. The postponement of the comprehensive healthcare reform until 2020, however, has led to some uncertainty and caution regarding investments in health care.

Exports of our own products outside the Nordic region in health care and home care have developed well during the year. However, demand for our own advanced instruments has been weaker than expected in the US. In the fourth quarter we started a new diagnostics company in the Baltic region to initiate sales efforts in a new market.

Acquisitions

We are constantly looking for and evaluating new acquisition candidates and suppliers with Nordic potential, companies that drive the Life Science market. During the year we completed a total of three acquisitions – Techno Medica, the Hepro Group and Krabat – which together are expected to add about SEK 225 million in annual sales. All acquisitions have performed well during the year.

Our vision to improve people's lives by being a leading, value adding provider in Life Science can only become reality through all of our fabulous employees. You do your utmost every day to ensure that we succeed. I would like to extend a warm thank you to all of you!

Kristina Willgård
President and CEO



Group development in the quarter

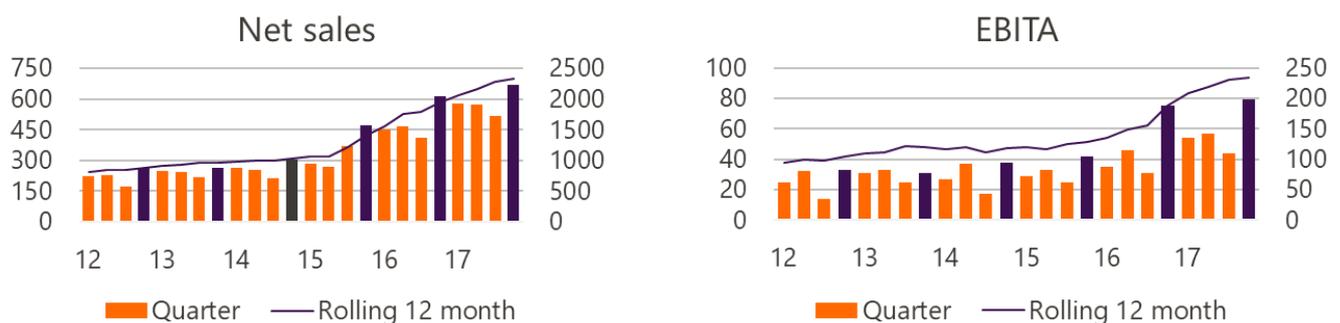
Net sales in the fourth quarter increased by 9 percent to SEK 668 million (611). Organic growth increased marginally and acquired growth totalled 10 percent. Exchange rate changes had a negative effect on net sales of 1 percent, corresponding to SEK 8 million.

EBITA increased by 4 percent to SEK 79 million (76) and EBITA-margin amounted to 11.7 percent (12.4). The increase in profit comes from acquired companies. Last year, the fourth quarter was very strong and included a positive effect of SEK 7 million, due to transition from defined benefit plan to a defined contribution pension plan in Norway. Exchange rate changes had a negative effect on EBITA of 1 percent, corresponding to SEK 1 million. Net financial items amounted to SEK -3 million (-3) and profit after financial items reached SEK 57 million (61). Profit after tax for the quarter amounted to SEK 40 million (49).

Group development during the financial year

During the financial year, net sales increased by 20 percent to SEK 2,333 million (1,938). Organic growth totalled 5 percent and acquired growth totalled 14 percent. Exchange rate changes had a positive effect on net sales of 1 percent, corresponding to SEK 12 million.

EBITA increased by 24 percent to SEK 234 million (189) and EBITA-margin amounted to 10.0 percent (9.7). The increase in profit is related to organic growth and acquisitions. The profit also includes other operating income of SEK 12 million (5) due to estimated contingent considerations and costs amounting to SEK 8 million for coordination of warehousing and logistics. Exchange rate changes had a positive effect on EBITA of 1 percent corresponding to SEK 1 million. Net financial items amounted to SEK -8 million (-6) and profit after financial items reached SEK 158 million (142). Profit after tax increased by 8 percent to SEK 120 million (112) and the effective tax rate was 24 percent (21).



Development in the business areas

Labtech

The Labtech business area consists of 18 companies active in the market areas diagnostics, biomedical research and laboratory equipment.

SEKm	3 months ending			12 months ending		
	31 Dec 17	31 Dec 16	change	31 Dec 17	31 Dec 16	change
Net sales	415	402	3 %	1,393	1,218	14 %
EBITA	52	62	-19 %	151	150	0 %
EBITA-margin, %	12.3	15.6		10.8	12.3	

Labtechs net sales increased in the fourth quarter by 3 percent to SEK 415 million (402), of which organic growth totalled 1 percent and acquired growth totalled 4 percent. EBITA amounted to SEK 52 million (62), corresponding to an EBITA-margin of 12.3 percent (15.6). Net sales increased during the financial year by 14 percent to SEK 1,393 million (1,218), of which organic

growth totalled 7 percent and acquired growth totalled 7 percent. EBITA amounted to SEK 151 million (150), corresponding to an EBITA-margin of 10.8 percent (12.3).

Although sales growth was lower in the fourth quarter than in previous quarters, the total for the entire financial year shows strong growth for Labtech. Profit in the fourth quarter did not reach the same high level as in 2016. The main reason was the weaker influenza season in 2017 compared with 2016, along with weaker sales of instruments in the US. Profit for 2016 also included a positive effect of approximately SEK 7 million due to changed pension plan in Norway. For the full year, however, we achieved the same profit as the previous year.

Our diagnostics companies performed well for the full year. We had high growth in several product segments, especially in molecular biology and microbiology. We can meet customer demand with interesting new technology from several different suppliers in all of the Nordic countries. Our traditional areas such as blood gas analysis also continue to develop well. In the last quarter we won again the contract for blood gas analysis at Karolinska University Laboratory, with an order worth about SEK 100 million during the term of the contract of five years. In the fourth quarter we also started a diagnostics company in the Baltic region, where we will now also represent several of the existing pan-Nordic diagnostics suppliers.

The strong interest in strengthening Life Science research in several of the Nordic countries benefits the market at large. Demand is good in advanced research reagents, instruments and microscopes for our Nordic companies. In Denmark activity is lower within the pharmaceutical industry and somewhat cautious with respect to instrument investments. In the US sales of our own instruments has been weaker than expected during the year.

Medtech

The Medtech business area consists of 14 companies that provide medical device products within the medtech market, with a focus on surgery, thoracic medicine, neurology, wound care, anaesthesia, intensive care, ear, nose and throat, ostomies, and home healthcare.

SEKm	3 months ending			12 months ending		
	31 Dec 17	31 Dec 16	change	31 Dec 17	31 Dec 16	change
Net sales	253	209	21 %	940	720	31 %
EBITA	29	19	56 %	93	57	64 %
EBITA-margin, %	11.6	9.0		9.9	7.9	

In the fourth quarter Medtech's net sales increased by 21 percent to SEK 253 million (209), of which organic growth totalled -1 percent and acquired growth totalled 23 percent. EBITA increased by 56 percent and reached SEK 29 million (19), corresponding to an EBITA-margin of 11.6 percent (9.0). The increased result and EBITA-margin in the quarter is related to the acquisitions made within the business area. Net sales increased during the financial year by 31 percent to SEK 940 million (720) of which organic growth totalled 3 percent and acquired growth totalled 27 percent. EBITA increased by 64 percent to SEK 93 million (57), corresponding to an EBITA-margin of 9.9 percent (7.9). The profit includes other operating income of SEK 12 million (5) due to estimated contingent considerations and costs amounting to SEK 8 million for coordination of warehousing and logistics.

Sales growth during the quarter mainly comes from our acquisitions in the home care segment. Demand for, and interest in, our value propositions in home care is growing in pace with demand for assistive devices in the home. We are investing in sales resources and product development in order to further expand our offering. The home care market is interesting. The right assistive devices in the home make it possible for people to remain at home longer, resulting not only in patient benefit, but also in savings for society.

The negative organic growth in the quarter can mainly be attributed to lower sales to health care in Finland. Throughout the year the financial performance in Finland has been weaker than in the other Nordic countries. Growth in the business area has been strongest in Sweden and Norway. For the full year, the product mix developed well with good growth in our own products. However, the market continues to be challenging, with strong competition for large contracts. Our methodological approach to building our pan-Nordic product portfolio, with both its own products and products from strong suppliers, enables us to participate in the large calls for tender in the market. In the fourth quarter we also completed a coordination of our warehouse and logistics function in Malmö, which will enable us to more optimally handle our growth.

Financial position and cash flow

At the end of the financial year the equity ratio stood at 40 percent (45) and equity per share totalled SEK 30.95 (29.40). The return on equity at the end of the financial year was 17 percent (21). Return on working capital, P/WC (EBITA in relation to working capital) amounted to 63 percent (62).

The Group's interest-bearing net debt at the end of the year stood at SEK 588 million (366), including pension liabilities of SEK 67 million (60). The net debt/equity ratio, calculated on the basis of net debt including provisions for pensions, totalled 0.8,

compared to 0.5 at the beginning of the financial year. The increase in interest bearing net debt and net debt/equity ratio, is due to financing of acquisitions.

Cash and cash equivalents, consisting of cash and bank balances, together with approved but non-utilised credit facilities, totalled SEK 244 million on 31 December 2017.

Cash flow from operating activities reached SEK 208 million (133) during the financial year. The improved cash flow is related to improved profit after financial items as well as a more efficient working capital management. Acquisitions of companies amounted to SEK 296 million (154). Investments in non-current assets during the financial year amounted to SEK 43 million (44). Disposals of non-current assets totalled SEK 1 million (0). Repurchase of treasury shares amounted SEK 37 million (33) and call options issued on repurchased shares amounted to SEK 3 million (2). Dividends paid to the shareholders of the Parent Company totalled SEK 37 million (277). Last year's dividend of SEK 277 million is related to acquisition of subsidiaries from Addtech.

Employees

At the end of the financial year, the number of employees was 592, compared to 545 at the beginning of the financial year. During the financial year, implemented acquisitions led to an increase of 58 in the number of employees. The average number of employees during the latest 12-month period was 579 (452).

Acquisitions

Acquisitions completed from the 2016 financial year are distributed among the Group's business areas as follows:

Acquisitions	Time	Net sales, SEKm*	Number of employees*	Business area
V-Tech AB and Esthe-Tech AB, Sweden	April, 2016	50	11	Medtech
Svan Care AB, Sweden	October, 2016	35	13	Medtech
Biolin Scientific AB, Sweden	December, 2016	100	68	Labtech
TM Techno Medica AB, Sweden	January, 2017	30	5	Medtech
Hepro AS, Norway	March, 2017	165	40	Medtech
Krabat AS, Norway	July, 2017	30	13	Medtech

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

During the financial year, three company acquisitions have been completed:

On 12 January 2017, all shares in TM Techno Medica AB were acquired to the business area Medtech. The company has 5 employees and net sales of approximately SEK 30 million. The acquisition represents an expansion in the areas of enteral nutrition, patient hygiene and incontinence.

On 1 March 2017, all shares in Hepro AS, Mektron AS and Hepro Sverige AB were acquired to the business area Medtech. The companies have 40 employees and combined sales of approximately SEK 165 million. The acquisition represents an expansion into the field of home care and welfare technology.

On July 13 2017, Krabat AS was acquired to the business area Medtech. The company has 13 employees and annual net sales totals about SEK 30 million. Krabat develops, manufactures and markets high quality aids for children and youths with special needs.

The combined effect of the acquisitions on the AddLife Group's net sales was SEK 158 million, on EBITA SEK 32 million, on operating profit SEK 17 million and on profit after tax for the period SEK 16 million. Had the acquisitions been completed on 1 January 2017, their impact would have been approximately SEK 196 million on consolidated net sales, on EBITA about SEK 38 million and on operating profit about SEK 22 million and SEK 20 million on profit after tax for the financial year.

The fair value of not yet paid contingent consideration for acquisitions made during the financial year is calculated to SEK 11 million, which is approximately 38 percent of the maximum outcome. The outcome depends on the results achieved in the companies and has a set maximum level.

According to the preliminary acquisition analyses, the assets and liabilities included in the acquisitions carried out during the financial year 2017 were as follows:

	Fair value
Intangible non-current assets	210
Other non-current assets	2
Inventories	32
Other current assets	51
Deferred tax liability/tax asset	-46
Other liabilities	-54
Acquired net assets	195
Goodwill	115
Consideration 1)	310
Less: cash and cash equivalents in acquired businesses	-8
Less: acquired debt to acquired companies	-5
Contingent consideration not yet paid	-13
Effect on the Group's cash and cash equivalents	284

1) 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 2 million and are recognized as selling expenses.

During the financial year, SEK 3 million has been recognized as other operating income due to estimated contingent considerations, relating to previous acquisitions, deviated from the actual outcome. Revaluation of liabilities for contingent consideration added income of SEK 9 million during the financial year, which is recognized as other operating income.

Shares structure

The share capital at the end of the year stood at SEK 50.1 million.

Share class	Number of shares
Class A shares	1,011,766
Class B shares	23,605,327
Total number of shares before repurchases	24,617,093
Of which repurchased class B shares	-445,000
Total number of shares after repurchases	24,172,093

The own holding of 445,000 Class B shares corresponds to 1.8 percent of the total number of shares and 1.3 percent of the votes. The treasury shares cover the company's undertaking in outstanding call options program from 2016 and 2017. The average purchase price for shares held in treasury amounts to SEK 158.53 per share. The average number of treasury shares held during the year was 295,996 (65,356). The share price at 29 December 2017 was SEK 170.50 and the most recent price paid for the AddLife share on 12 February 2018 was SEK 177.50.

In accordance with a resolution of the May 2017 AGM, 27 members of management were offered the opportunity to acquire 215,000 call options on repurchased shares. The programme was fully subscribed. If fully exercised, the number of B shares outstanding will increase by 215,000, equivalent to about 0.9 percent of the total number of shares and about 0.6 percent of the votes in the Company. The call options were transferred at a price of SEK 13.70 per option, equivalent to the market value of the options based on an independent valuation conducted in accordance with the Black-Scholes model. The redemption price of the call options is SEK 222.50, corresponding to 120 percent of the average share price during the measurement period 30 May – 12 June 2017. Expiration period is from 16 June 2020 through 28 February 2021.

Issued call options for treasury shares have resulted in a calculated dilution effect based on average share price for the period of approximately 0.1 percent (-) during the financial year.

Parent company

The Parent Company's net sales for the financial year amounted to SEK 31 million (23) and profit after financial items for the financial year amounted to SEK -14 million (60). At the end of the financial year the Parent Company's net financial debt stood at SEK 891 million (577). The share capital at the end of the financial year was SEK 50.1 million (50.1).

Accounting policies

This year-end report was prepared as per IFRSs 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 year-end report. The year-end 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 Entites, of the Swedish Financial Reporting Board. The accounting policies and basis for calculations applied in the 2016 annual report for AddLife AB were also used here. The new and revised IFRS standards and IFRIC interpretations effective from financial year 2017 have not had any material effect on the consolidated financial statements. Preparations for the new standards, IFRS 9 Financial instruments and IFRS 15 Revenue from contracts with customers, have been completed. The conclusion is that these standards will not have any significant effects on the balance sheet and income statement.

Alternative performance measures

AddLife presents certain financial measures in the year-end 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. 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 to be a replacement for measurements as defined under IFRS. This report provides information in greater detail regarding definitions of financial performance measures.

Nomination committee

The 2017 AGM 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 2017, 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), Tom Hedelius, Håkan Roos (appointed by RoosGruppen AB), Martin Wallin (appointed by Lannebo Fonder), Monica Åsmyr (appointed by Swedbank Robur Fonder) and Johan Strandberg (appointed by SEB Investment Management). Information on how to contact the Nomination Committee is available on the AddLife website, www.add.life/en/investors/.

Transactions with related parties

No transactions with related parties that materially affected the Group's position and earnings took place during the financial year.

Events after the end of the financial year

No other events of significance to the Group occurred after the end of the financial year.

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 (page 37-40), in AddLife's annual report 2016. The Parent Company is indirectly affected by the above risks and uncertainties through its function in the Group.

Stockholm, 13 February 2018

Kristina Willgård
President and CEO

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

Proposals to the Annual General Meeting to be held 31 May 2018

The Annual General Meeting (AGM) of AddLife AB (publ.) will be held at 4.00 p.m on 31 May 2018 at Näringslivets Hus, Storgatan 19, Stockholm.

AddLife's dividend policy involves an objective for a dividend corresponding to 30-50 percent of the Group's average profit after tax over a business cycle. The Board proposes that the Company should pay a dividend of SEK 2.20 per share.

The Board of Directors resolved to propose to the Annual General Meeting a long-term incentive scheme aimed at senior executives. The Board also resolved to propose to the Annual General Meeting a mandate to buy back its own shares corresponding to a maximum of 10 percent of all shares in the Company.

Financial calendar

The Group's annual report for the financial year 1 January – 31 December 2017, will be published as a PDF version on AddLife's website, www.add.life, in the end of March 2018. A printed version will be sent to shareholders who have ordered one separately.

The interim report for the period 1 January - 31 March 2018 will be published on 27 April 2018.

The interim report for the period 1 January - 30 June 2018 will be published on 13 July 2018.

The interim report for the period 1 January - 30 September 2018 will be published on 7 November 2018.

The year-end report for 1 January – 31 December 2018 will be published on 5 February 2019

Teleconference

Investors, analysts and the media are invited to a teleconference at which CEO Kristina Willgård and CFO Martin Almgren will present the year-end report. The presentation will be given in Swedish and takes about 20 minutes, after which there will be an opportunity to ask questions.

The teleconference will be at 10:00 a.m. on 13 February 2018.

The presentation will be available via the following link: <https://5569958126.globalmeet.com/MartinAlmgren>

Please call on: +46 8 22 90 90 code: 113242

For further information, please contact:

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Business areas

Net sales by business area					2017				2016
Quarterly data, SEKm	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Labtech	415	299	336	343	402	246	282	288	
Medtech	253	218	236	233	209	163	183	165	
Parent Company and Group items	-	-	-	-	-	-	-	-	
AddLife Group	668	517	572	576	611	409	465	453	

EBITA by business area					2017				2016
Quarterly data, SEKm	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Labtech	52	25	39	35	62	21	35	32	
Medtech	29	22	21	21	19	12	14	12	
Parent Company and Group items	-2	-3	-3	-2	-5	-2	-2	-9	
EBITA	79	44	57	54	76	31	47	35	
Depreciation intangible assets	-19	-18	-17	-14	-12	-10	-10	-9	
Operating profit	60	26	40	40	64	21	37	26	
Finance income and expenses	-3	-1	-2	-2	-3	1	-2	-2	
Profit after financial items	57	25	38	38	61	22	35	24	

Net sales by business area		3 months ending		12 months ending	
SEKm		31 Dec 17	31 Dec 16	31 Dec 17	31 Dec 16
Labtech		415	402	1,393	1,218
Medtech		253	209	940	720
Parent Company and Group items		-	-	-	-
AddLife Group		668	611	2,333	1,938

EBITA and EBITA-margin by business area and operating profit for the Group									
SEKm	3 months ending				12 months ending				
	31 Dec 17	%	31 Dec 16	%	31 Dec 17	%	31 Dec 16	%	
Labtech	52	12.3	62	15.6	151	10.8	150	12.3	
Medtech	29	11.6	19	9.0	93	9.9	57	7.9	
Parent Company and Group items	-2		-5		-10		-18		
EBITA	79	11.7	76	12.4	234	10.0	189	9.7	
Depreciations of intangible non-current assets	-19		-12		-68		-41		
Operating profit	60	9.0	64	10.5	166	7.1	148	7.6	
Financial income and expenses	-3		-3		-8		-6		
Profit after financial items	57		61		158		142		

Group summary

Income statement	3 months ending		12 months ending	
	31 Dec 17	31 Dec 16	31 Dec 17	31 Dec 16
SEKm				
Net sales	668	611	2,333	1,938
Cost of sales	-423	-402	-1,492	-1,268
Gross profit	245	209	841	670
Selling expenses	-143	-120	-524	-415
Administrative expenses	-38	-29	-143	-113
Research and Development	-5	-2	-18	-2
Other operating income and expenses	1	6	10	8
Operating profit	60	64	166	148
Financial income and expenses	-3	-3	-8	-6
Profit after financial items	57	61	158	142
Tax	-17	-12	-38	-30
Profit for the period	40	49	120	112
<i>Attributable to:</i>				
Equity holders of the Parent Company	40	49	120	112
Non-controlling interest	-	-	-	-
Earnings per share (EPS), SEK*	1.67	2.01	4.95	4.87
Diluted EPS, SEK*	1.67	2.01	4.94	4.87
Average number of shares '000s	24,199	24,387	24,347	22,950
Number of shares at end of the period, '000	24,172	24,387	24,172	24,387

* Calculated based on equity holders' portion of profit for the period

EBITA	79	76	234	189
Depreciations included in operating expenses				
- property, plant and equipment	-5	-5	-20	-18
- intangible non-current assets from acquisitions	-16	-10	-57	-35
- other intangible non-current assets	-3	-2	-11	-6

Statement of comprehensive income	3 months ending		12 months ending	
	31 Dec 17	31 Dec 16	31 Dec 17	31 Dec 16
SEKm				
Profit for the period	40	49	120	112
<i>Components that will be reclassified to profit for the year</i>				
Foreign currency translation differences for the period	2	0	-12	15
<i>Components that will not be reclassified to profit for the year</i>				
Revaluations of defined benefit pension plans	-7	4	-7	8
Tax attributable to items not to be reversed in profit or loss	1	-1	1	-2
Other comprehensive income	-4	3	-18	21
Total comprehensive income	36	52	102	133
<i>Attributable to:</i>				
Equity holders of the Parent Company	36	52	102	133
Non-controlling interests	-	-	-	-

Balance sheet, SEKm	31 Dec 17	31 Dec 16
Goodwill	646	524
Other intangible non-current assets	507	346
Property, plant and equipment	75	68
Financial non-current assets	13	11
Total non-current assets	1,241	949
Inventories	271	252
Current receivables	368	361
Cash and cash equivalents	11	15
Total current assets	650	628
Total assets	1,891	1,577
Total equity	748	717
Interest-bearing provisions	67	60
Non-interest-bearing provisions	76	40
Non-current interest-bearing liabilities	4	11
Non-current non-interest-bearing liabilities	0	0
Total non-current liabilities	147	111
Non-interest-bearing provisions	3	6
Current interest-bearing liabilities	529	310
Current non-interest-bearing liabilities	464	433
Total current liabilities	996	749
Total equity and liabilities	1,891	1,577

Statement of change in Group equity, SEKm	1 Jan 17 – 31 Dec 17		1 Apr 16 – 31 Dec 16	
	Equity excl. non-controlling interests	Total equity	Equity excl. non-controlling interests	Total equity
Amount at beginning of period	717	717	347	347
Rights issue	-	-	300	300
Issue expenses	-	-	-1	-1
Call options issued	3	3	2	2
Repurchase of treasury shares	-37	-37	-33	-33
Dividend	-37	-37	-	-
Total comprehensive income	102	102	102	102
Amount at the end of the period	748	748	717	717

Cash flow statement	3 months ending		12 months ending	
SEKm	31 Dec 17	31 Dec 16	31 Dec 17	31 Dec 16
Profit after financial items	57	61	158	142
Adjustment for items not included in cash flow	16	1	78	55
Income tax paid	-18	-3	-42	-37
Changes in working capital	42	37	14	-27
Cash flow from operating activities	97	96	208	133
Net investments in non-current assets	-15	-6	-42	-44
Acquisitions and disposals	0	-111	-296	-154
Cash flow from investing activities	-15	-117	-338	-198
Dividend paid to shareholders	-	-	-37	-277
Rights issue	-	-	-	299
Call options issued	-	-	3	2
Repurchase of treasury shares	-	-	-37	-33
Other financing activities	-91	24	196	-46
Cash flow from financing activities	-91	24	125	-55
Cash flow for the period	-9	4	-5	-120
Cash and cash equivalents at beginning of period	17	11	15	130
Exchange differences on cash and cash equivalents	3	0	1	5
Cash and cash equivalents at end of the period	11	15	11	15

Fair values on financial instruments SEKm	31 Dec 2017			31 Dec 2016		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives held for trading purposes	-	-	-	0	0	-
Total financial assets at fair value per level	-	-	-	0	0	-
Derivatives held for trading purposes	0	0	-	-	-	-
Contingent considerations	14	-	14	13	-	13
Total financial liabilities at fair value per level	14	0	14	13	-	13

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.

For currency contracts and embedded derivatives, the fair value is determined on the basis of observable market data, level 2.

For the Group's other financial assets and liabilities, fair value is estimated to be the same as the carrying amount.

Contingent considerations SEKm	3 months ending		12 months ending	
	31 Dec 17	31 Dec 16	31 Dec 17	31 Dec 16
Carrying amount, opening balance	16	11	13	6
Acquisitions during the year	-	6	13	17
Consideration paid	-	-	-	-6
Reversed through profit or loss	-2	-4	-13	-5
Interest expenses	0	-	1	1
Exchange differences	0	-	0	0
Carrying amount, closing balance	14	13	14	13

Key financial indicators	12 months ending			
	31 Dec 17	31 Dec 16	31 Mar 16	31 Mar 15**
Net sales, SEKm	2,333	1,938	1,562	1,057
EBITA, SEKm	234	189	135	120
EBITA margin, %	10.0	9.7	8.7	11.3
Profit growth, EBITA, %	24	47	13	4
Return on working capital (P/WC), %	63	62	64	94
Profit for the period, SEKm	120	112	78	80
Return on equity, %*	17	21	25	30
Financial net liabilities, SEKm	588	366	538	19
Financial net liabilities/EBITDA, multiple	2.3	1.8	3.6	0.1
Net debt/equity ratio, multiple*	0.8	0.5	1.6	0.1
Equity ratio, %*	40	45	27	41
Average number of employees	579	452	370	284
Number of employees at end of the period	592	545	427	286

* Key financial indicators are calculated based on equity that includes non-controlling interests. For definitions of key financial indicators, see below.

** The comparative years have been prepared as combined financial statements. For accounting policies relating to combined financial statements, see AddLife's Annual Report 2015/2016.

Key financial indicators per share	12 months ending			
	31 Dec 17	31 Dec 16	31 Mar 16	31 Mar 15
Earnings per share (EPS), SEK	4.95	4.87	4.15	5.06
Diluted EPS, SEK	4.94	4.87	-	-
Cash flow per share, SEK	8.55	5.79	6.27	7.58
Shareholders' equity per share, SEK*	30.95	29.40	17.60	16.46
Average number of shares after repurchases, '000s	24,321	22,950	18,749	15,892
Average number of shares adjusted for repurchases and dilution, '000s	24,347	22,950	-	-
Number of shares outstanding at end of the period, '000s	24,172	24,387	19,694	15,892

* Calculations based on proportion of equity attributable to the equity holders.

In calculating the average number of shares outstanding it was assumed that the 500,000 shares at the time of AddLife AB's formation were present throughout the reporting periods. Subsequently, the bonus element of the bonus issue carried out in July 2015 was adjusted retroactively. Since there is no listed share price for AddLife during the historical financial years, the bonus issue element was calculated based on a value per share used in the time around the non-cash issue that occurred in connection with the acquisition of Medioplast. The non-cash issue itself, carried out after the three historical financial periods, is assumed in the calculation of earnings per share to have been made at fair value and therefore does not affect earnings per share for the three periods.

Parent company summary

Income statement	3 months ending		12 months ending	
	31 Dec 17	31 Dec 16	31 Dec 17	31 Dec 16
SEKm				
Net sales	10	6	31	23
Administrative expenses	-10	-10	-48	-39
Operating profit/loss	0	-4	-17	-16
Profit/loss from shares in group companies	-	75	-	75
Interest income/expenses and similar items	0	1	3	1
Profit/loss after financial items	0	72	-14	60
Appropriations	46	46	46	80
Profit/loss before taxes	46	118	32	140
Income tax expense	-11	-10	-8	-14
Profit/loss for the period	35	108	24	126

Balance sheet, SEKm	31 Dec 17	31 Dec 16
Intangible non-current assets	0	0
Tangible non-current assets	0	0
Non-current financial assets	1,521	1,165
Total non-current assets	1,521	1,165
Current receivables	89	151
Total current assets	89	151
Total assets	1,610	1,316
Equity	641	688
Untaxed reserves	30	19
Interest-bearing long-term liabilities	157	65
Non-interest-bearing long-term liabilities	1	0
Total long-term liabilities	158	65
Interest-bearing short-term liabilities	734	514
Non-interest-bearing short-term liabilities	47	30
Total short-term liabilities	781	544
Total equity and liabilities	1,610	1,316

Note. Pledged assets and contingent liabilities for parent company

SEKm	31 Dec 17	31 Dec 16
Pledged assets	-	-
Contingent liabilities	41	40

Definitions

Return on equity	Profit/loss after tax attributable to shareholders, as a percentage of shareholders' proportion of average equity.	
Return on working capital (P/WC)	EBITA in relation to average working capital.	
	2017-12-31	2016-12-31
Operating profit before amortization of intangible assets	234	189
EBITA, (P)		
Average working capital (WC)	369	304
P/WC	234/369 = 63%	189/304 = 62%
EBITA	Operating profit before amortization of intangible assets.	
	2017-12-31	2016-12-31
Operating profit	166	148
Depreciation of intangible assets	68	41
Operating profit before amortization of intangible assets	234	189
EBITA margin	EBITA in percentage of net sales.	
	2017-12-31	2016-12-31
Operating profit before amortization of intangible assets	234	189
Net sales	2,333	1,938
EBITA margin	234/2,333 = 10.0%	189/1,938 = 9.7%
EBITDA	Operating profit before depreciation and amortization of intangible assets and property, plant and equipment.	
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 previous year's EBITA divided by previous year's EBITA.	
Financial net liabilities	Interest-bearing liabilities and interest-bearing provisions, less cash and cash equivalents.	
Financial net liabilities/EBITDA	Financial net liabilities divided by EBITDA.	
Equity ratio	Equity as a percentage of total assets.	

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 on page 14 and they are commented on pages 1-4.

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 08:00 a.m. CET on February 13, 2018.



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