

# INTERIM REPORT 1 JANUARY – 31 MARCH 2019

” *The step out into Europe* ”

## 1 JANUARY – 31 MARCH 2019 (3 MONTHS)

- Net sales increased by 41 percent to SEK 845 million (597), of which organic growth amounted to 4 percent and acquired growth amounted to 35 percent.
- EBITA increased by 22 percent to SEK 70 million (57), corresponding to an EBITA-margin of 8.3 percent (9.6).
- Profit after tax increased by 33 percent and amounted to SEK 35 million (26).
- Cash flow from operating activities amounted to SEK 99 million (39).
- Earnings per share amounted to SEK 1.34 (1.09). For the 12-month period, earnings per share amounted to SEK 5.61 (4.86).
- The equity ratio amounted to 52 percent (42).
- Return on working capital (P/WC) amounted to 58 percent (64).
- During the quarter the company raised SEK 501 million in a rights issue with preferential rights for the company’s shareholders. The rights issue was oversubscribed by 68 percent.
- After the end of the quarter the acquisition of Wellspect HealthCare’s business in surgery and respiratory medicine was completed. The acquisition is expected to contribute about SEK 170 million to annual sales.

SEKm	3 months ending			12 months ending	
	31 Mar 19	31 Mar 18	change	31 Mar 19	31 Dec 18
Net sales	845	597	41%	2,730	2,482
EBITA	70	57	22%	257	245
EBITA-margin, %	8.3	9.6		9.4	9.9
Profit before tax	43	34	29%	167	158
Profit for the period	35	26	33%	138	129
Earnings per share before dilution, SEK	1.34	1.09	23%	5.61	5.36
Earnings per share after dilution, SEK	1.34	1.08	24%	5.61	5.36

## 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 and the rest of Europe. The Group is divided into two business areas: Labtech and Medtech. The Group comprises some 40 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.

## Comments by the CEO

Ever since AddLife was listed three years ago, our ambition has been to build a strong position in the Nordic countries in our selected segments. At the end of 2018 we announced our first inroad into the European market. Sales increased by 41 percent during the quarter to SEK 845 million. The sales growth is largely attributable to the acquisition of Biomedica, which was completed in December last year. Organic growth in the quarter was 4 percent. EBITA increased by 22 percent to SEK 70 million, corresponding to an EBITA margin of 8.3 percent (9.6). The EBITA margin is generally lower in the markets in Central and Eastern Europe. Our focus on efficient management of working capital paid off together with the increased profit for the quarter entailed a strong cash flow.

The business situation in the Nordic markets is essentially stable with an increase in underlying demand in health care and for products used by researchers in Life Science. The Swedish market is good with increased sales in our business areas both to health services and laboratories. In Denmark we saw a turnaround in the quarter, including among pharmaceutical companies, many of which have announced increased initiatives at both production units and research centres. This has created optimism in the local market. In Finland, the controversial health care reform that had been under discussion for many years has been put on hold following a parliamentary election. The uncertainty that had affected the market prior to the election returned following this decision to scrap the reform. We see delays in various projects and our Finnish businesses had a weaker first quarter than the previous year. The business situation in the Norwegian market is perceived as favourable in many areas. The weaker business situation in home care in the Norwegian market in December has reversed to positive growth in the first quarter, primarily regarding various solutions in welfare technology to institutional facilities and senior housing.



Our new markets in Central and Eastern Europe have reported stable growth in line with our expectations. The business situation in Poland and Hungary in particular has been favourable in the quarter, while other large markets increased on a par with general growth in this market. As was previously reported, 60 percent of sales and profit related to Labtech and 40 percent to Medtech for operations at Biomedica.

The business situation in other markets where we mainly sell our own products, including China and the Benelux countries, has been favourable with growth exceeding the level on the Nordic markets.

During the quarter the Group dedicated considerable effort to integrating our new businesses in order to capitalise on business-related and geographic growth as quickly as possible. Employees from Biomedica completed several internal courses that we held as part of AddLife Academy during the quarter.

We also raised SEK 501 million in a rights issue with preferential rights for the company's current shareholders during the quarter. The issuance was oversubscribed by 68 percent.

## Acquisitions

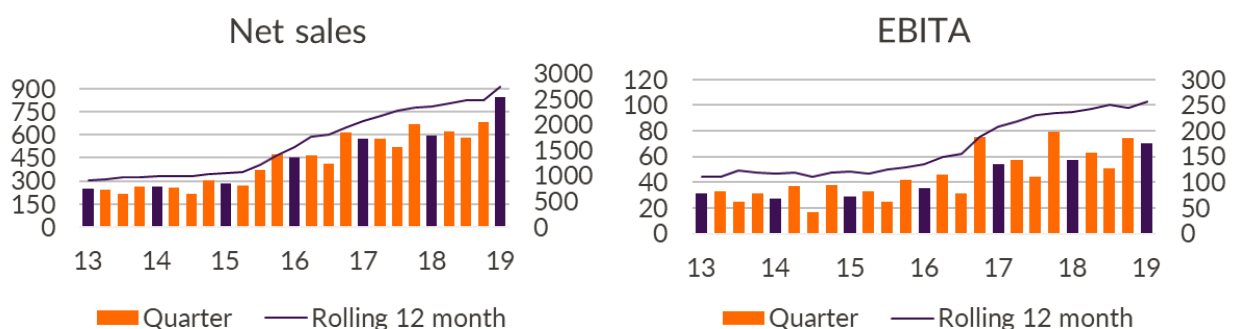
AddLife is constantly searching for new acquisition candidates and suppliers with Nordic and European potential, companies that drive the market in our areas Labtech and Medtech. No new acquisitions were conducted during the quarter, as we have focused on integrating our most recent European acquisition, Biomedica.

As of 30 April, we completed the acquisition of Wellspect HealthCare's business in the product areas surgery and respiration. The business, which is expected to contribute about SEK 170 million to annual sales beginning on 1 May 2019, will be integrated in most markets into the companies Medioplast and Biomedica.

Kristina Willgård,  
President and CEO

## Group development in the quarter

Net sales in the first quarter increased by 41 percent to SEK 845 million (597). Organic sales was 4 percent and acquired growth totalled 35 percent. Exchange rate changes had a positive effect on net sales of 2 percent, corresponding to SEK 15 million. EBITA increased by 22 percent to SEK 70 million (57) and EBITA-margin amounted to 8.3 percent (9.6). The EBITA-margin is generally lower in the markets in Central and Eastern Europe. Exchange rate changes had a positive effect on EBITA of 2 percent, corresponding to SEK 1 million. The implementation of IFRS 16 Leases had a positive effect on EBITA of SEK 1 million. Net financial items amounted to SEK -2 million (-5) and profit after financial items increased by 29 percent to SEK 43 million (34). Profit after tax for the quarter increased by 33 percent to SEK 35 million (26) and the effective tax rate was 19 percent (22). The lower effective tax is attributable to the revaluation of deferred tax in Norway, which had a positive tax effect of about SEK 2 million.



## Development in the business areas

### Labtech

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

SEKm	3 months ending			12 months ending	
	31 Mar 19	31 Mar 18	change	31 Mar 19	31 Dec 18
Net sales	504	352	43%	1,603	1,451
EBITA	52	39	32%	178	165
EBITA-margin, %	10.3	11.2		11.1	11.4

Labtech's net sales increased by 43 percent in the first quarter to SEK 504 million (352), of which organic growth amounted to 7 percent, acquired growth totalled 33 percent and exchange rate changes totalled 3 percent. EBITA increased by 32 percent to SEK 52 million (39), corresponding to an EBITA-margin of 10.3 percent (11.2).

The increase in sales in the first quarter largely relates to the acquisition of Biomedica. In all, 60 percent of Biomedica's sales and profit were included in Labtech for the quarter. Organic growth during the period was strong and totalled 7 percent in both diagnostics and research, even though the winter flu season was weak.

Sales growth continues in diagnostic laboratories and our market offering is strong in several niches in both traditional diagnostics and molecular biology and microbiology. We also see an increased number of users and increased consumption for previously installed instruments. Our diagnostics companies in both Sweden and Norway performed well during the quarter, reporting strong sales and improved profit, while the Finnish companies had a weaker quarter with lower instrument and reagent sales. The Finnish market is perceived as more uncertain since efforts to reform the healthcare system have now been put on hold. Sales in our new markets in Central and Eastern Europe for the quarter have been in line with expectations.

The business situation in the research market improved during the period for most of the companies. In Denmark, sales to both academic research and the pharmaceutical industry increased once again after several pharma companies announced new initiatives. Our company that sells its own advanced instruments outside the Nordic region continues to perform well regarding sales and profit as a result of high demand in China in particular, as well as changed distribution in the US last year.

## Medtech

Companies in the Medtech business provides 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 Mar 19	31 Mar 18	change	31 Mar 19	31 Dec 18
Net sales	341	245	39%	1,127	1,031
EBITA	22	21	8%	95	94
EBITA-margin, %	6.5	8.4		8.4	9.2

In the quarter Medtech's net sales increased by 39 percent to SEK 341 million (245), of which organic growth amounted -2 percent, acquired growth totalled 39 percent and exchange rate changes totalled 2 percent. EBITA increased by 8 percent to SEK 22 million (21), corresponding to an EBITA-margin of 6.5 percent (8.4).

Sales growth in the quarter mainly comes from the previous year's acquisitions and Biomedica. In all, 40 percent of Biomedica's sales and profit were included in Medtech for the quarter.

The business situation is stable in health services and sales growth was favourable in all Nordic markets except Finland, where we started an initiative last quarter to further restructure our market offering in order to strengthen the company in the long term. As was previously mentioned, we feel that the Finnish market is more uncertain once again since the health care reform has been put on hold. In the Nordic markets, public procurement requirements are constantly increasing regarding issues such as delivery precision, sustainability and prices, which result in both opportunities and challenges for our companies. The growth trend has been favourable outside the Nordic region, especially in the Benelux countries. Sales in our new markets in Central and Eastern Europe for the quarter have been somewhat better than expected. During the quarter we initiated sales campaigns for our own products in the new markets.

The temporary decrease in demand within home care in Norway last December has reversed in the quarter and once again we see increased sales of products, especially in welfare technology, to various institutional facilities and senior housing.

## Financial position and cash flow

At the end of the interim period the equity ratio stood at 52 percent (42). The rights issue of SEK 491 million, including issue costs, had a positive impact on the improved equity ratio, while implementation of IFRS 16 Leases had a negative impact and increased the balance sheet total by SEK 242 million. Equity per share totalled SEK 52.87 (33.30) and the return on equity at the end of the interim period was 14 percent (16). Return on working capital, P/WC (EBITA in relation to working capital) amounted to 58 percent (64). The change in the return on working capital between the years relates to the companies within Biomedica, which have more working capital tied up in accounts receivable.

The Group's interest-bearing net debt at the end of the interim period stood at SEK 627 million (562), including pension liabilities of SEK 77 million (67) and leasing liabilities from the implementation of IFRS 16 Leases of SEK 242 million. The net debt/equity ratio, calculated on the basis of net debt including provisions for pensions and leasing liability according to IFRS 16 Leases, totalled 0.4, compared to 0.9 at the beginning of the financial year. The decrease in the debt/equity ratio is due to the completed rights issue.

Cash and cash equivalents, consisting of cash and bank balances, together with approved but non-utilised credit facilities, totalled SEK 726 million on 31 March 2019.

Cash flow from operating activities reached SEK 99 million (39) during the interim period. The improved cash flow relates to the improved financial performance, lower taxes paid and more efficient management of working capital.

The implementation of IFRS 16 Leases has increased cash flow from operating activities by SEK 20 million and decreased cash flow from financing activities by SEK 20 million, on account of the fact that the amortization portion of lease payments is recognized as payments in the financing activities. Acquisitions of companies amounted to SEK 0 million (19). Investments in non-current assets during the interim period amounted to SEK 17 million (10); the increase is attributable to investments in equipment for rentals within Biomedica. Disposals of non-current assets amounted SEK 1 million (3). Exercised call options amounted to SEK 8 million (0).

## Employees

At the end of the interim period, the number of employees was 888, compared to 873 at the beginning of the financial year. The average number of employees for the 12-months period was 686 (591).

## Acquisitions

Acquisitions completed from the 2018 financial year are distributed among the Group's business areas as follows:

Acquisitions	Time	Net sales, SEKm*	Number of employees*	Business area
Ossano Scandinavia AB, Sweden	February, 2018	20	5	Medtech
Food Diagnostics FDAB AB, Sweden	March, 2018	10	3	Labtech
Väinö Korpinen Oy, Finland	July, 2018	80	15	Medtech
Laboren ApS, Denmark	December, 2018	10	2	Labtech
Biomedica Medizinprodukte GmbH, Austria	December, 2018	635	280	Medtech/Labtech
Wellspect HealthCare, Sweden	April, 2019	170	16	Medtech

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

On 19 December 2018 AddLife signed an agreement on the acquisition of Wellspect HealthCare's business in the surgery and respiration product areas. The acquisition was completed and became effective as of 30 April 2019. The business has net sales of around EUR 17 million, with eight markets in Europe and Australia accounting for more than 90 percent of sales. The business will primarily be integrated into AddLife's subsidiaries Mediplast and Biomedica.

The fair value of not yet paid contingent consideration for acquisitions made during the interim period is calculated to SEK 8 million, which is approximately 48 percent of the maximum outcome. The outcome depends on the results achieved in the companies and has a set maximum level.

During the interim period, SEK 1 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 1 million during the interim period, which is recognized as other operating income.

## Shares structure

The share capital at the end of the interim period stood at SEK 58 million.

Share class	Number of shares
Class A shares	1,156,304
Class B shares	27,468,269
<b>Total number of shares before repurchases</b>	<b>28,624,573</b>
Of which repurchased class B shares	-405,250
<b>Total number of shares after repurchases</b>	<b>28,219,323</b>

The total number of shares in AddLife increased by 144,538 Class A shares and 3,382,221 Class B shares as a result of the rights issue. The own holding of 405,250 Class B shares corresponds to 1.4 percent of the total number of shares and 1.0 percent of the votes. The average purchase price for shares held in treasury amounts to SEK 171.86 per share. The average number of treasury shares held during the interim period was 417,432 (445,000). The share price at 29 March 2019 was SEK 235.00 and the most recent price paid for the AddLife share on 8 May 2019 was SEK 247.00.

AddLife has two outstanding call option programmes totalling 404,250 Class B shares. Issued call options for treasury shares have resulted in a calculated dilution effect based on average share price for the year of approximately 0.03 percent (0.14) during the interim period. The treasury shares cover the company's undertaking in outstanding call options program.

Outstanding programme	Number of options	Corresponding number of shares	Proportion of total shares	Initial exercise price	Adjusted exercise period	Expiration period
2018/2022	170,000	178,500	0.6%	234.40	224.10	16 Jun 2021 – 28 Feb 2022
2017/2021	215,000	225,750	0.8%	222.50	212.70	16 Jun 2020 – 28 Feb 2021
<b>Total</b>	<b>385,000</b>	<b>404,250</b>				

## Parent company

The Parent Company's net sales for the interim period amounted to SEK 8 million (8) and profit after financial items amounted to SEK -2 million (-3). At the end of the interim period, the Parent Company's net financial debt amounted to SEK 336 million (510). The share capital at the end of the interim period was SEK 58 million (50).

## Accounting policies

This interim 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 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 2018 annual report for AddLife AB were also used here except for the revised accounting policies described below.

Under IFRS 16 Leases, which entered into force on 1 January 2019, assets and liabilities attributable to previous operational leases must be reported on the balance sheet. AddLife has chosen to apply the modified retroactive transition method. The asset has been valued at the amount corresponding to the leasing liability as of 1 January 2019. AddLife's leases primarily consist of leases for premises. The standard has been assessed to have the following effects on the balance sheet as at 1 January 2019: assets recognised under property, plant and equipment increased by SEK 230 million. Lease liability increased by SEK 230 million, of which short-term liability amounted to SEK 78 million and long-term liability amounted to SEK 152 million. Lease liabilities are recognised under current and non-current interest-bearing liabilities.

As a result of IFRS 16 Leases, impairment charges for property, plant and equipment increased during the first quarter of 2019 by about SEK 20 million and interest expenses increased by about SEK 1 million. Previously these items were recognised as external operating expenses. In cases where the interest rate is not determined in the lease, a marginal rate has been set at the Group level with which payments are discounted.

The figures for rolling 12 months exclude the effect of IFRS 16 Leases in order to provide a fair picture in relation to the comparative period.

## 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. 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.

## Transactions with related parties

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

## Events after the end of the interim period

No other events of significance to the Group occurred after the end of the reporting 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 (page 48-52), in AddLife's annual report 2018. The Parent Company is indirectly affected by the above risks and uncertainties through its function in the Group.

Stockholm, 9 May 2019

Kristina Willgård  
*President and CEO*

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

## Teleconference

Investors, analysts and the media are invited to a teleconference at which CFO Martin Almgren will present the interim report. The presentation will be given in English 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 10 May 2019.

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

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

## Financial calendar

The interim report for the period 1 January – 30 June 2019 will be published on 12 July 2019.

The interim report for the period 1 January – 30 September 2019 will be published on 7 November 2019.

The Year-end report for the period 1 January – 31 December 2019 will be published on 6 February 2020.



## Business areas

Net sales by business area	2019				2018
Quarterly data, SEKm	Q1	Q4	Q3	Q2	Q1
Labtech	504	410	325	364	352
Medtech	341	275	253	258	245
Parent Company and Group items	-	-	-	-	-
<b>AddLife Group</b>	<b>845</b>	<b>685</b>	<b>578</b>	<b>622</b>	<b>597</b>

EBITA by business area	2019				2018
Quarterly data, SEKm	Q1	Q4	Q3	Q2	Q1
Labtech	52	52	33	41	39
Medtech	22	29	19	25	21
Parent Company and Group items	-4	-7	-1	-3	-3
<b>EBITA</b>	<b>70</b>	<b>74</b>	<b>51</b>	<b>63</b>	<b>57</b>
Depreciation intangible assets	-25	-19	-20	-20	-18
<b>Operating profit</b>	<b>45</b>	<b>55</b>	<b>31</b>	<b>43</b>	<b>39</b>
Finance income and expenses	-2	-2	-2	-1	-5
<b>Profit after financial items</b>	<b>43</b>	<b>53</b>	<b>29</b>	<b>42</b>	<b>34</b>

Net sales by revenue type	3 months ending			3 months ending		
	31 Mar 19			31 Mar 18		
SEKm	Labtech	Medtech	The Group	Labtech	Medtech	The Group
Products	363	300	663	229	221	450
Instruments	96	35	131	95	24	119
Service	45	6	51	28	0	28
<b>Net Sales</b>	<b>504</b>	<b>341</b>	<b>845</b>	<b>352</b>	<b>245</b>	<b>597</b>

Net sales by business area	3 months ending		12 months ending	
SEKm	31 Mar 19	31 Mar 18	31 Mar 19	31 Dec 18
Labtech	504	352	1,603	1,451
Medtech	341	245	1,127	1,031
Parent Company and Group items	-	-	-	-
<b>AddLife Group</b>	<b>845</b>	<b>597</b>	<b>2,730</b>	<b>2,482</b>

EBITA and EBITA-margin by business area and operating profit for the Group									
SEKm	3 months ending				12 months ending				
	31 Mar 19	%	31 Mar 18	%	31 Mar 19	%	31 Dec 18	%	
Labtech	52	10.3	39	11.2	178	11.1	165	11.4	
Medtech	22	6.5	21	8.4	95	8.4	94	9.2	
Parent Company and Group items	-4		-3		-16		-14		
<b>EBITA</b>	<b>70</b>	<b>8.3</b>	<b>57</b>	<b>9.6</b>	<b>257</b>	<b>9.4</b>	<b>245</b>	<b>9.9</b>	
Depreciations of intangible non-current assets	-25		-18		-84		-77		
<b>Operating profit</b>	<b>45</b>	<b>5.4</b>	<b>39</b>	<b>6.4</b>	<b>173</b>	<b>6.4</b>	<b>168</b>	<b>6.8</b>	
Financial income and expenses	-2		-5		-6		-10		
<b>Profit after financial items</b>	<b>43</b>		<b>34</b>		<b>167</b>		<b>158</b>		



## Group summary

Income statement	3 months ending		12 months ending	
	31 Mar 19	31 Mar 18	31 Mar 19	31 Dec 18
SEKm				
Net sales	845	597	2,730	2,482
Cost of sales	-557	-381	-1,768	-1,592
<b>Gross profit</b>	<b>288</b>	<b>216</b>	<b>962</b>	<b>890</b>
Selling expenses	-189	-136	-611	-557
Administrative expenses	-56	-39	-174	-157
Research and Development	-6	-4	-21	-19
Other operating income and expenses	8	2	17	11
<b>Operating profit</b>	<b>45</b>	<b>39</b>	<b>173</b>	<b>168</b>
Financial income and expenses	-2	-5	-6	-10
<b>Profit after financial items</b>	<b>43</b>	<b>34</b>	<b>167</b>	<b>158</b>
Tax	-8	-8	-29	-29
<b>Profit for the period</b>	<b>35</b>	<b>26</b>	<b>138</b>	<b>129</b>
<i>Attributable to:</i>				
Equity holders of the Parent Company	35	26	138	129
Non-controlling interests	0	-	0	-
Earnings per share (EPS), SEK	1.34	1.09	5.61	5.36
Diluted EPS, SEK	1.34	1.08	5.61	5.36
Average number of shares '000s	26,051	24,172	24,582	24,118
Number of shares at end of the period, '000	28,219	24,172	28,219	24,629

EBITA	70	57	257	245
Depreciations included in operating expenses				
- property, plant and equipment	-29	-5	-26	-22
- intangible non-current assets from acquisitions	-20	-15	-68	-63
- other intangible non-current assets	-5	-3	-16	-14

Statement of comprehensive income	3 months ending		12 months ending	
	31 Mar 19	31 Mar 18	31 Mar 19	31 Dec 18
SEKm				
<b>Profit for the period</b>	<b>35</b>	<b>26</b>	<b>138</b>	<b>129</b>
<i>Components that will be reclassified to profit for the year</i>				
Foreign currency translation differences for the period	26	31	12	17
<i>Components that will not be reclassified to profit for the year</i>				
Revaluations of defined benefit pension plans	-	-	-2	-2
Tax attributable to items not to be reversed in profit or loss	-	-	1	1
<b>Other comprehensive income</b>	<b>26</b>	<b>31</b>	<b>11</b>	<b>16</b>
<b>Total comprehensive income</b>	<b>61</b>	<b>57</b>	<b>149</b>	<b>145</b>
<i>Attributable to:</i>				
Equity holders of the Parent Company	61	57	149	145
Non-controlling interests	0	-	0	-

Balance sheet, SEKm	31 Mar 19	31 Dec 18	31 Mar 18
Goodwill	831	823	653
Other intangible non-current assets	631	642	519
Property, plant and equipment	359	111	77
Financial non-current assets	31	48	13
<b>Total non-current assets</b>	<b>1,852</b>	<b>1,624</b>	<b>1,262</b>
Inventories	401	408	284
Current receivables	545	575	337
Cash and cash equivalents	62	61	23
<b>Total current assets</b>	<b>1,008</b>	<b>1,044</b>	<b>644</b>
<b>Total assets</b>	<b>2,860</b>	<b>2,668</b>	<b>1,906</b>
<b>Total equity</b>	<b>1,492</b>	<b>932</b>	<b>805</b>
Interest-bearing provisions	97	97	67
Non-interest-bearing provisions	90	108	81
Non-current interest-bearing liabilities	165	13	0
Non-current non-interest-bearing liabilities	4	0	0
<b>Total non-current liabilities</b>	<b>356</b>	<b>218</b>	<b>148</b>
Non-interest-bearing provisions	4	3	3
Current interest-bearing liabilities	427	833	518
Current non-interest-bearing liabilities	581	682	432
<b>Total current liabilities</b>	<b>1,012</b>	<b>1,518</b>	<b>953</b>
<b>Total equity and liabilities</b>	<b>2,860</b>	<b>2,668</b>	<b>1,906</b>

Statement of change in Group equity,	1 Jan 19 – 31 Mar 19			1 Jan 18 – 31 Dec 18			1 Jan 18 – 31 Mar 18		
SEKm	Equity excl. non-controlling interests	Non-controlling interests	Total equity	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	931	1	932	748	-	748	748	-	748
Issue in kind	-	-	-	102	-	102	-	-	-
Right Issue	491	-	491	-	-	-	-	-	-
Exercised call options	8	-	8	24	-	24	-	-	-
Repurchase of treasury shares	-	-	-	-35	-	-35	-	-	-
Dividend	-	-	-	-53	-	-53	-	-	-
Non-controlling interests	-	0	0	-	1	1	-	-	-
Total comprehensive income	61	0	61	145	-	145	57	-	57
<b>Amount at the end of the period</b>	<b>1,491</b>	<b>1</b>	<b>1,492</b>	<b>931</b>	<b>1</b>	<b>932</b>	<b>805</b>	<b>-</b>	<b>805</b>

Cash flow statement	3 months ending		12 months ending	
SEKm	31 Mar 19	31 Mar 18	31 Mar 19	31 Dec 18
Profit after financial items	43	34	168	158
Adjustment for items not included in cash flow	49	22	101	94
Income tax paid	-11	-23	-57	-69
Changes in working capital	18	6	5	-6
<b>Cash flow from operating activities</b>	<b>99</b>	<b>39</b>	<b>217</b>	<b>177</b>
Net investments in non-current assets	-16	-7	-54	-45
Acquisitions and disposals	-	-19	-317	-336
<b>Cash flow from investing activities</b>	<b>-16</b>	<b>-26</b>	<b>-371</b>	<b>-381</b>
Dividend paid to shareholders	-	-	-53	-53
Exercised call options	8	-	32	24
Right Issue	491	-	491	-
Repurchase of treasury shares	-	-	-35	-35
Other financing activities	-585	-8	-244	313
<b>Cash flow from financing activities</b>	<b>-86</b>	<b>-8</b>	<b>191</b>	<b>249</b>
Cash flow for the period	-3	5	37	45
<b>Cash and cash equivalents at beginning of period</b>	<b>61</b>	<b>11</b>	<b>23</b>	<b>11</b>
Exchange differences on cash and cash equivalents	4	7	2	5
<b>Cash and cash equivalents at end of the period</b>	<b>62</b>	<b>23</b>	<b>62</b>	<b>61</b>

Fair values on financial instruments	31 Mar 19			31 Dec 2018		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
SEKm						
Derivatives measured at fair value through profit or loss	2	2	-	1	1	-
<b>Total financial assets at fair value per level</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>
Derivatives measured at fair value through profit or loss	0	0	-	0	0	-
Contingent considerations	8	-	8	9	-	9
<b>Total financial liabilities at fair value per level</b>	<b>8</b>	<b>0</b>	<b>8</b>	<b>9</b>	<b>0</b>	<b>9</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 be the same as the carrying amount.

Contingent considerations	3 months ending		12 months ending	
	31 Mar 19	31 Mar 18	31 Mar 19	31 Dec 18
SEKm				
<b>Carrying amount, opening balance</b>	<b>9</b>	<b>14</b>	<b>8</b>	<b>14</b>
Acquisitions during the year	-	1	8	9
Consideration paid	-	-6	-	-6
Reversed through profit or loss	-2	-1	-9	-8
Interest expenses	0	0	0	0
Exchange differences	1	0	1	0
<b>Carrying amount, closing balance</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>9</b>

Key financial indicators	12 months ending				
	31 Mar 19	31 Dec 18	31 Mar 18	31 Dec 17	31 Dec 16
Net sales, SEKm	2,730	2,482	2,354	2,333	1,938
EBITA, SEKm <sup>2)</sup>	257	245	237	234	189
EBITA margin, % <sup>2)</sup>	9.4	9.9	10.1	10.0	9.7
Profit growth, EBITA, % <sup>2)</sup>	8	5	14	24	47
Return on working capital (P/WC), % <sup>2)</sup>	58	62	64	63	62
Profit for the period, SEKm	138	129	117	120	112
Return on equity, %	14	16	16	17	21
Financial net liabilities, SEKm <sup>1)</sup>	627	882	562	588	366
Financial net liabilities/EBITDA, multiple <sup>1) 2)</sup>	2.2	3.3	2.2	2.3	1.8
Net debt/equity ratio, multiple <sup>1)</sup>	0.4	0.9	0.7	0.8	0.5
Equity ratio, % <sup>1)</sup>	52	35	42	40	45
Average number of employees	686	620	591	579	452
Number of employees at end of the period	888	873	601	592	545

<sup>1)</sup> Key indicators include IFRS 16 from 2019, Comparative figures have not been restated.

<sup>2)</sup> Performance-based key ratios exclude IFRS 16.

For definitions of key financial indicators, see page 13.

Key financial indicators per share	12 months ending				
	31 Mar 19	31 Dec 18	31 Mar 18	31 Dec 17	31 Dec 16
Earnings per share (EPS), SEK	5.61	5.36	4.86	4.95	4.87
Diluted EPS, SEK	5.61	5.36	4.84	4.94	4.87
Cash flow per share, SEK	8.83	7.34	8.24	8.55	5.79
Shareholders' equity per share, SEK	52.87	37.80	33.30	30.95	29.40
Average number of shares after repurchases, '000s	24,582	24,118	24,268	24,321	22,950
Average number of shares adjusted for repurchases and dilution, '000s	24,582	24,138	24,299	24,347	22,950
Number of shares outstanding at end of the period, '000s	28,219	24,629	24,172	24,172	24,387

## Parent company summary

<b>Income statement</b>	3 months ending		12 months ending	
SEKm	31 Mar 19	31 Mar 18	31 Mar 19	31 Dec 18
Net sales	8	8	38	38
Administrative expenses	-12	-12	-43	-43
<b>Operating profit/loss</b>	<b>-4</b>	<b>-4</b>	<b>-5</b>	<b>-5</b>
Interest income/expenses and similar items	2	1	5	4
<b>Profit/loss after financial items</b>	<b>-2</b>	<b>-3</b>	<b>0</b>	<b>-1</b>
Appropriations	-	-	52	52
<b>Profit/loss before taxes</b>	<b>-2</b>	<b>-3</b>	<b>52</b>	<b>51</b>
Income tax expense	0	1	-12	-11
<b>Profit/loss for the period</b>	<b>-2</b>	<b>-2</b>	<b>40</b>	<b>40</b>

<b>Balance sheet, SEKm</b>	31 Mar 19	31 Dec 18	31 Mar 18
Intangible non-current assets	0	0	0
Tangible non-current assets	0	0	0
Non-current financial assets	1,905	1,828	1,570
<b>Total non-current assets</b>	<b>1,905</b>	<b>1,828</b>	<b>1,570</b>
Current receivables	22	98	6
<b>Total current assets</b>	<b>22</b>	<b>98</b>	<b>6</b>
<b>Total assets</b>	<b>1,927</b>	<b>1,926</b>	<b>1,576</b>
<b>Equity</b>	<b>1,216</b>	<b>719</b>	<b>640</b>
Untaxed reserves	47	47	30
Interest-bearing long-term liabilities	56	76	155
Non-interest-bearing long-term liabilities	2	2	1
<b>Total long-term liabilities</b>	<b>58</b>	<b>78</b>	<b>156</b>
Interest-bearing short-term liabilities	586	1,039	725
Non-interest-bearing short-term liabilities	20	43	25
<b>Total short-term liabilities</b>	<b>606</b>	<b>1,082</b>	<b>750</b>
<b>Total equity and liabilities</b>	<b>1,927</b>	<b>1,926</b>	<b>1,576</b>

## Note. Pledged assets and contingent liabilities in the Group

SEKm	31 Mar 19	31 Dec 18	31 Mar 18
Pledged assets	-	-	-
Contingent liabilities	42	42	41

## Definitions

<b>Return on equity</b>	Profit/loss after tax attributable to shareholders, as a percentage of shareholders' proportion of average equity.		
	2019-03-31	2018-12-31	2018-03-31
Profit/loss for the period	138	129	117
Average equity	962	814	745
Return on equity	138/962 = 14%	129/814 = 16%	117/745 = 16%
<b>Return on working capital (P/WC)</b>	EBITA in relation to average working capital.		
	2019-03-31	2018-12-31	2018-03-31
Operating profit before amortization of intangible assets	257	245	237
EBITA, (P)			
Average working capital (WC)	443	397	373
P/WC	257/443 = 58%	245/397 = 62%	237/373 = 64%
<b>EBITA</b>	Operating profit before amortization of intangible assets.		
	2019-03-31	2018-12-31	2018-03-31
Operating profit	173	168	165
Depreciation of intangible assets	84	77	72
Operating profit before amortization of intangible assets	257	245	237
<b>EBITA margin</b>	EBITA in percentage of net sales.		
	2019-03-31	2018-12-31	2018-03-31
Operating profit before amortization of intangible assets	257	245	237
Net sales	2,730	2,482	2,354
EBITA margin	257/2,730 = 9.4%	245/2,482 = 9.9%	237/2,354 = 10.1%
<b>EBITDA</b>	Operating profit before depreciation and amortization of intangible assets and property, plant and equipment.		
<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 previous year's EBITA divided by previous year's EBITA.		
<b>Financial net liabilities</b>	Interest-bearing liabilities and interest-bearing provisions, less cash and cash equivalents.		
<b>Financial net liabilities/EBITDA</b>	Financial net liabilities divided by EBITDA.		
<b>Equity ratio</b>	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 11 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 14:00 p.m. CET on May 9, 2019.



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