

INTERIM REPORT 1 JANUARY – 30 JUNE 2019

“A European AddLife!”

1 APRIL – 30 JUNE 2019 (3 MONTHS)

- Net sales increased by 36 percent to SEK 844 million (622), of which organic growth amounted to 2 percent and acquired growth amounted to 32 percent.
- EBITA increased by 8 percent to SEK 68 million (63), corresponding to an EBITA-margin of 8.1 percent (10.1).
- Profit after tax amounted to SEK 31 million (35).
- Cash flow from operating activities amounted to SEK 65 million (29).

1 JANUARY – 30 JUNE 2019 (6 MONTHS)

- Net sales increased by 39 percent to SEK 1,689 million (1,219), of which organic growth amounted to 3 percent and acquired growth amounted to 34 percent.
- EBITA increased by 15 percent to SEK 138 million (120), corresponding to an EBITA-margin of 8.2 percent (9.9).
- Profit after tax increased by 8 percent and amounted to SEK 66 million (61).
- Earnings per share amounted to SEK 2.44 (2.54). For the 12-month period, earnings per share amounted to SEK 5.24 (5.09).
- Cash flow from operating activities amounted to SEK 164 million (68).
- During the interim period, the company raised SEK 501 million in a rights issue.
- The equity ratio amounted to 47 percent (42).
- Return on working capital (P/WC) amounted to 53 percent (65).
- During the interim period, the acquisition of Wellspect HealthCare’s business in surgery and respiration was completed. The acquisition is expected to contribute about SEK 170 million to annual sales.

SEKm	3 months ending			6 months ending			12 months ending	
	30 Jun 19	30 Jun 18	change	30 Jun 19	30 Jun 18	change	30 Jun 19	31 Dec 18
Net sales	844	622	36%	1,689	1,219	39%	2,952	2,482
EBITA	68	63	8%	138	120	15%	262	245
<i>EBITA-margin, %</i>	<i>8.1</i>	<i>10.1</i>		<i>8.2</i>	<i>9.9</i>		<i>8.9</i>	<i>9.9</i>
Profit before tax	38	42	-12%	81	76	6%	164	158
Profit for the period	31	35	-11%	66	61	8%	135	129
Earnings per share before dilution, SEK	1.11	1.45	-23%	2.44	2.54	-4%	5.24	5.36
Earnings per share after dilution, SEK	1.11	1.45	-23%	2.44	2.53	-4%	5.24	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

AddLife has experienced a major change in the first six months of 2019 as we entered new markets in Europe. Through acquisitions we have created a completely new European platform with an increased proportion of own products. This enables us to further develop our businesses while increasing local market awareness, which in the long term can open opportunities to acquire additional businesses. Sales increased by 36 percent during the second quarter to SEK 844 million and organic growth totalled 2 percent. The sales growth is largely attributable to the acquisition of Biomedica, which was completed in December last year. The main reason for weaker organic growth in the quarter is that April was a weaker sales month in several companies because of the timing of the Easter holiday. EBITA increased by 8 percent during the quarter to SEK 68 million, corresponding to an EBITA margin of 8.1 percent (10.1). As was previously reported, the EBITA margin is generally lower in the markets in Central and Eastern Europe compared with the Nordic region. Accumulated for the entire interim period, sales increased by 39 percent to SEK 1,689 million and EBITA increased by 15 percent to SEK 138 million.



Growth in the Nordic markets is stable with an increase in underlying demand in health care and home care, as well as for products used by researchers in the entire Life Science industry. In Sweden the business climate is robust. The Swedish government has analysed future welfare needs for groups such as the elderly and estimated the necessary expansion of health care and social services over the next few years. The Group's sales on the Swedish market are increasing in our business areas in both health services and laboratories. The improved situation we saw in Denmark the last quarter continued in the second quarter and the sales trend was stable for our Danish companies in several segments. The Finnish market continues to be cautious and the new government has now announced a somewhat modified healthcare reform initiative. As a consequent of the uncertainty related to the new reform, our Finnish companies have had a weaker trend once again in the second quarter. In Norway, the business climate has been more varied with somewhat weaker instrument sales to laboratories, while the trend for sales to both health services and home care was favourable, especially regarding welfare technology, a field in which the Group's Norwegian companies are on the leading edge.

On the Group's new markets in Europe growth continued to be stable with sales on a par with our expectations. The trend for demand has been favourable in Romania and the Czech Republic in the second quarter, while it has been somewhat weaker in Austria because of delays in project sales of clinical IT solutions. As was previously reported, 60 percent of sales and profit are related to the Labtech business area and 40 percent to the Medtech business area for operations at Biomedica. Considerable effort continued to be dedicated during the period to the integration of Biomedica into the Group in order to ensure operational and geographic growth.

Demand for our own products in other markets, including the US, China and the Benelux countries, has been favourable with growth exceeding the level in our other markets.

Acquisitions

As of 30 April, we completed the acquisition of Wellspect Healthcare's business in the product areas surgery and respiration, which is expected to add SEK 170 million to annual sales. The acquisition has been integrated into the companies Mediplast and Biomedica in the Medtech business area. In addition to the expanded product portfolio with own brands and several sales channels, the integration has entailed that we have transitioned from Nordic to European distribution.

AddLife is constantly searching for interesting new acquisition candidates and suppliers with Nordic and European potential, companies that drive the market in our areas Labtech and Medtech.

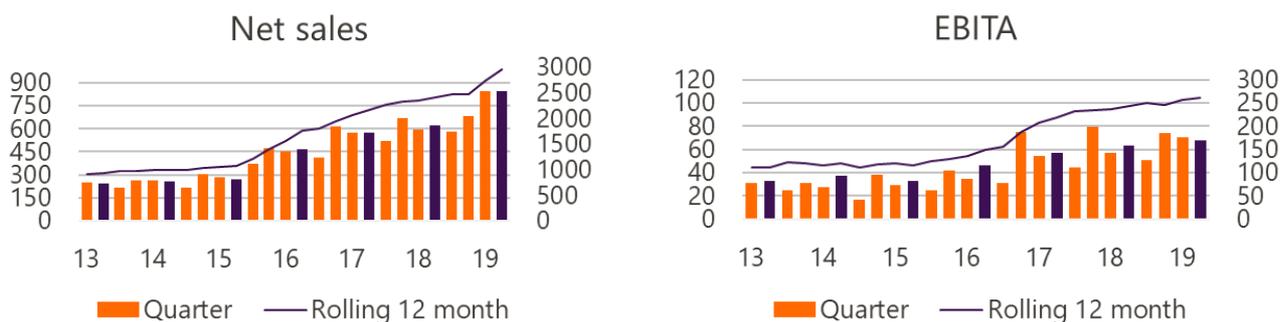
Kristina Willgård,
President and CEO

Group development in the quarter

Net sales in the quarter increased by 36 percent to SEK 844 million (622). Organic sales was 2 percent and acquired growth totalled 32 percent. Exchange rate changes had a positive effect on net sales of 2 percent, corresponding to SEK 8 million. EBITA increased by 8 percent to SEK 68 million (63) and EBITA-margin amounted to 8.1 percent (10.1). Exchange rate changes had a positive effect on EBITA of 1 percent, corresponding to SEK 1 million. Net financial items amounted to SEK -4 million (-1), the change is attributable to exchange rate changes. Profit after financial items amounted to SEK 38 million (42) and profit after tax for the quarter amounted to SEK 31 million (35). The effective tax rate was 16 percent (17), the lower effective tax is attributable to non-taxable income.

Group development in the interim period

Net sales in the interim period increased by 39 percent to SEK 1,689 million (1,219). Organic sales increased by 3 percent and acquired growth totalled 34 percent. Exchange rate changes had a positive effect on net sales of 2 percent, corresponding to SEK 24 million. EBITA increased by 15 percent to SEK 138 million (120) and EBITA-margin amounted to 8.2 percent (9.9). 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 2 million. The implementation of IFRS 16 Leases had a positive effect on EBITA of SEK 1 million. Net financial items amounted to SEK -6 million (-6) and profit after financial items increased by 6 percent to SEK 81 million (76). Profit after tax for the period increased by 8 percent to SEK 66 million (61) and the effective tax rate was 18 percent (20). The lower effective tax is attributable to the revaluation of deferred tax in Norway and increased non-taxable income.



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			6 months ending			12 months ending	
	30 Jun 19	30 Jun 18	change	30 Jun 19	30 Jun 18	change	30 Jun 19	31 Dec 18
Net sales	464	364	28%	968	716	35%	1,703	1,451
EBITA	39	41	-5%	91	80	13%	176	165
EBITA-margin, %	8.3	11.2		9.4	11.2		10.3	11.4

Labtech's net sales increased by 28 percent in the second quarter to SEK 464 million (364), of which organic growth decreased by 1 percent, acquired growth totalled 28 percent and exchange rate changes had a positive effect of 1 percent. EBITA amounted to SEK 39 million (41), corresponding to an EBITA-margin of 8.3 percent (11.2). Labtech's net sales increased by 35 percent in the interim period to SEK 968 million (716), of which organic growth amounted to 3 percent, acquired growth totalled 30 percent and exchange rate changes totalled 2 percent. EBITA increased by 13 percent to SEK 91 million (80), corresponding to an EBITA-margin of 9.4 percent (11.2).

The sales increase in both the interim period and the second quarter are largely the result of the Biomedica acquisition. During the period, 60 percent of Biomedica's sales and profit were included in Labtech business area. After strong organic growth in the business area in the first quarter, the second quarter was weaker with negative organic growth of 1 percent. The main reason is that April was a weaker sales month in several companies because of the timing of lower customer activity around the Easter holiday.

Sales to the Nordic diagnostic laboratories increased once again in the second quarter. We continue to develop our market offering and we have robust growth in several niche areas. The Group's Danish diagnostics business has had a high level of activity in the quarter with strong turnover growth. Sales of diagnostic instruments in both Sweden and Denmark have been high compared with the previous year. These sales initially entail lower margins and profit, but higher growth in the long-term. We continue to experience a weaker Finnish market with a cautious approach to new investments in instruments and our Finnish companies report a weaker quarter. Sales in our new markets in Central and Eastern Europe for the quarter have been in line with expectations.

The business climate in the research market is experienced as generally favourable and the level of activity in our companies is high. The Danish market is once again more stable both in academia and the pharmaceutical industry. Instrument sales to research are generally highly varied and often completely dependent on when, and to what extent, research grants are obtained. Instrument sales during the quarter in both Sweden and Norway were lower than the previous year. In both Denmark and Sweden, we have invested in expanded sales resources in some of our research companies to be able to take advantage of growth opportunities in the markets moving forward. The Group's company that sells its own advanced instruments outside the Nordic region continues to perform well regarding sales and profit both in the period and the quarter. Growth continues to be high to various research laboratories in both China and the US.

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			6 months ending			12 months ending	
	30 Jun 19	30 Jun 18	change	30 Jun 19	30 Jun 18	change	30 Jun 19	31 Dec 18
Net sales	380	258	47%	721	503	43%	1,249	1,031
EBITA	31	25	22%	53	46	16%	102	94
EBITA-margin, %	8.1	9.7		7.4	9.1		8.1	9.2

In the quarter Medtech's net sales increased by 47 percent to SEK 380 million (258), of which organic growth amounted to 7 percent, acquired growth totalled 38 percent and exchange rate changes totalled 2 percent. EBITA increased by 22 percent to SEK 31 million (25), corresponding to an EBITA-margin of 8.1 percent (9.7). During the interim period Medtech's net sales increased by 43 percent to SEK 721 million (503), of which organic growth amounted to 3 percent, acquired growth totalled 39 percent and exchange rate changes totalled 1 percent. EBITA increased by 16 percent to SEK 53 million (46), corresponding to an EBITA-margin of 7.4 percent (9.1).

Sales growth in both the interim period and the second quarter is largely the result of the Group's most recently completed acquisition. In all, 40 percent of Biomedica's sales and profit were included in Medtech for the period. The part of the business from Wellspect Healthcare, which was integrated into the companies Medioplast and Biomedica in the second quarter, is included in organic growth. Both the expanded product portfolio, as well as more and new sales channels have entailed changes in distribution and logistics. The Integration entail increased extra costs during a transition period of six months, since the previous owners of the operation continue to have product responsibility for the acquired product portfolio until registrations have been completed with the concerned supervisory authorities.

The business climate in the Nordic markets is stable in the business area, with an increase in underlying demand in health care and home care. Future welfare needs are associated with challenges for society. At the same time, suppliers face changing new requirements regarding areas such as sustainability. This quarter we participated for the first time in a sustainability audit required by Region Stockholm for one of our subcontractors in Asia.

Sales growth remained stable in the second quarter on all Nordic markets, except in Finland, which we continue to experience as cautious. In the Group's Finnish company efforts continue to adapt to new market conditions. The trend

for sales of our own products has been favourable on several markets, especially in the Benelux countries. In the quarter, several joint projects have been conducted on our new markets in Central and Eastern Europe to educate staff and initiate sales of our own products on the Group's new markets.

The business climate for various assistive devices intended for the home care market has been favourable both in the quarter and the period, with growing sales. In Norway demand continues to increase for welfare technology used in home care and several municipalities are calling for proposals for innovative new solutions to ensure that housing is safe for the elderly. Our Finnish home care company experiences a cautious approach to new investments in bathroom-related assistive devices for both senior housing and institutions. The Group's home care companies are working together to strengthen each other's product portfolios in the different Nordic countries.

Financial position and cash flow

At the end of the interim period the equity ratio stood at 47 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 230 million. Equity per share totalled SEK 52.24 (33.12) and the return on equity at the end of the interim period was 12 percent (16). Return on working capital, P/WC (EBITA in relation to working capital) amounted to 53 percent (65). 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 844 million (594), including pension liabilities of SEK 77 million (67) and leasing liabilities from the implementation of IFRS 16 Leases of SEK 230 million (0). 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 0.6, 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 694 million on 30 June 2019.

Cash flow from operating activities reached SEK 164 million (68) during the interim period. The improved cash flow relates mainly from 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 42 million and decreased cash flow from financing activities by SEK 42 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 167 million (19). Investments in non-current assets during the interim period amounted to SEK 35 million (24); the increase is attributable to investments in equipment for rentals within Biomedica. Disposals of non-current assets amounted SEK 2 million (4). Exercised call options amounted to SEK 8 million (0) and dividends paid to the shareholder of the Parent Company amounted to SEK 62 million (53).

Employees

At the end of the interim period, the number of employees was 908, compared to 873 at the beginning of the financial year. During the interim period, implemented acquisitions led to an increase of 14 employees. The average number of employees for the 12-months period was 754 (593).

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
Business from Wellspect HealthCare, Sweden	April, 2019	170	14	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 has primarily been integrated into AddLife's subsidiaries Medioplast 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.

According to the preliminary acquisition analyses, the assets and liabilities included in the acquisitions carried out during the financial year 2019 were as follows:

	Fair value
Intangible non-current assets	113
Other non-current assets	3
Inventories	17
Other current assets	18
Deferred tax liability/tax asset	-24
Other liabilities	-27
Acquired net assets	100
Goodwill	75
Consideration 1)	175
Less: cash and cash equivalents in acquired businesses	-9
Less: Consideration via Issue in kind	-
Contingent consideration not yet paid	-
Effect on the Group's cash and cash equivalents	166

1) The consideration is stated excluding acquisition expenses.

Transaction costs for the acquisitions totalled SEK 3 million and are recognized as selling expenses.

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
Total number of shares before repurchases	28,624,573
Of which repurchased class B shares	-405,250
Total number of shares after repurchases	28,219,323

The total number of shares in AddLife during the interim period 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 411,307 (445,000). The share price at 28 June 2019 was SEK 290.00 and the most recent price paid for the AddLife share on 11 July 2019 was SEK 289.00.

AddLife has three outstanding call option programmes totalling 619,250 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 0.1 percent (0.2) during the interim period.

Outstanding programme	Number of options	Corresponding number of shares	Proportion of total shares	Exercise price	Initial exercise price	Expiration period
2019/2023	215,000	215,000	0.8%	306.20	-	20 Jun 2022 – 28 Feb 2023
2018/2022	170,000	178,500	0.6%	224.10	234.40	16 Jun 2021 – 28 Feb 2022
2017/2021	215,000	225,750	0.8%	212.70	222.50	16 Jun 2020 – 28 Feb 2021
Total	600,000	619,250				

Parent company

The Parent Company's net sales for the interim period amounted to SEK 18 million (16) and profit after financial items amounted to SEK -3 million (-5). At the end of the interim period, the Parent Company's net financial debt amounted to SEK 571 million (533). 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 interim period of 2019 by about SEK 42 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

On 1 July organisational management changes were implemented in Group Management and Lars-Erik Rydell entered a new position as Business Development Manager for Medtech. Ove Sandin, Business Unit Manager for Diagnostics, will be included as an additional member of Group Management during a period and will also be responsible for part of the Medtech business area. The purpose is to capitalise on the opportunities in our most recent large acquisitions and increase profitability and efficiency within the Group, as well as to prepare for succession in the Group Management.

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, 12 July 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 CEO Kristina Willgård and 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 12 July 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 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.

Affirmation

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

Stockholm 12 July 2019

Johan Sjö
Chairman of the Board

Birgit Stattin Norinder
Director

Håkan Roos
Director

Eva Nilsagård
Director

Andreas Göthberg
Director

Stefan Hedelius
Director

Kristina Willgård
President and CEO

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Business areas

Net sales by business area	2019						2018
	Quarterly data, SEKm	Q2	Q1	Q4	Q3	Q2	Q1
Labtech	464	504	410	325	364	352	
Medtech	380	341	275	253	258	245	
Parent Company and Group items	-	-	-	-	-	-	
AddLife Group	844	845	685	578	622	597	

EBITA by business area	2019						2018
	Quarterly data, SEKm	Q2	Q1	Q4	Q3	Q2	Q1
Labtech	39	52	52	33	41	39	
Medtech	31	22	29	19	25	21	
Parent Company and Group items	-2	-4	-7	-1	-3	-3	
EBITA	68	70	74	51	63	57	
Depreciation intangible assets	-26	-25	-19	-20	-20	-18	
Operating profit	42	45	55	31	43	39	
Finance income and expenses	-4	-2	-2	-2	-1	-5	
Profit after financial items	38	43	53	29	42	34	

Net sales by revenue type	6 months ending 30 Jun 19			6 months ending 30 Jun 18			
	SEKm	Labtech	Medtech	Koncern	Labtech	Medtech	Koncern
Products		703	634	1,337	499	451	950
Instruments		189	76	265	158	52	210
Service		76	11	87	59	0	59
Net Sales		968	721	1,689	716	503	1,219

Net sales by business area	3 months ending		6 months ending		12 months ending		
	SEKm	30 Jun 19	30 Jun 18	30 Jun 19	30 Jun 18	30 Jun 19	31 Dec 18
Labtech		464	364	968	716	1,703	1,451
Medtech		380	258	721	503	1,249	1,031
Parent Company and Group items		-	-	-	-	-	-
AddLife Group		844	622	1,689	1,219	2,952	2,482

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

SEKm	3 months ending				6 months ending				12 months ending			
	30 Jun 19	%	30 Jun 18	%	30 Jun 19	%	30 Jun 18	%	30 Jun 19	%	31 Dec 18	%
Labtech	39	8.3	41	11.2	91	9.4	80	11.2	176	10.3	165	11.4
Medtech	31	8.1	25	9.7	53	7.4	46	9.1	102	8.1	94	9.2
Parent Company and Group items	-2		-3		-6		-6		-14		-14	
EBITA	68	8.1	63	10.1	138	8.2	120	9.9	262	8.9	245	9.9
Depreciations of intangible non-current assets	-26		-20		-51		-38		-90		-77	
Operating profit	42	4.9	43	7.1	87	5.2	82	6.8	172	5.8	168	6.8
Financial income and expenses	-4		-1		-6		-6		-8		-10	
Profit after financial items	38		42		81		76		164		158	

Group summary

Income statement SEKm	3 months ending		6 months ending		12 months ending	
	30 Jun 19	30 Jun 18	30 Jun 19	30 Jun 18	30 Jun 19	31 Dec 18
Net sales	844	622	1,689	1,219	2,952	2,482
Cost of sales	-553	-395	-1,110	-776	-1,926	-1,592
Gross profit	291	227	579	443	1,026	890
Selling expenses	-193	-142	-382	-278	-662	-557
Administrative expenses	-60	-42	-116	-81	-192	-157
Research and Development	-6	-5	-12	-9	-22	-19
Other operating income and expenses	10	5	18	7	22	11
Operating profit	42	43	87	82	172	168
Financial income and expenses	-4	-1	-6	-6	-8	-10
Profit after financial items	38	42	81	76	164	158
Tax	-7	-7	-15	-15	-29	-29
Profit for the period	31	35	66	61	135	129
<i>Attributable to:</i>						
<i>Equity holders of the Parent Company</i>	31	35	66	61	135	129
<i>Non-controlling interests</i>	0	-	0	-	0	-
Earnings per share (EPS), SEK	1.11	1.45	2.44	2.54	5.24	5.36
Diluted EPS, SEK	1.11	1.45	2.44	2.53	5.24	5.36
Average number of shares '000s	28,219	24,172	27,141	24,172	25,591	24,118
Number of shares at end of the period, '000	28,219	24,172	28,219	24,172	28,219	24,629
EBITA	68	63	138	120	262	245
Depreciations included in operating expenses						
– property, plant and equipment	-31	-5	-60	-10	-29	-22
– intangible non-current assets from acquisitions	-22	-16	-42	-31	-74	-63
– other intangible non-current assets	-4	-4	-9	-7	-16	-14
Statement of comprehensive income SEKm	3 months ending		6 months ending		12 months ending	
	30 Jun 19	30 Jun 18	30 Jun 19	30 Jun 18	30 Jun 19	31 Dec 18
Profit for the period	31	35	66	61	135	129
<i>Components that will be reclassified to profit for the year</i>						
Foreign currency translation differences for the period	14	14	40	45	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
Other comprehensive income	14	14	40	45	11	16
Total comprehensive income	45	49	106	106	146	145
<i>Attributable to:</i>						
<i>Equity holders of the Parent Company</i>	45	49	106	106	146	145
<i>Non-controlling interests</i>	0	-	0	-	0	-

Balance sheet, SEKm	30 Jun 19	31 Dec 18	30 Jun 18
Goodwill	910	823	657
Other intangible non-current assets	726	642	512
Property, plant and equipment	354	111	79
Financial non-current assets	34	48	15
Total non-current assets	2,024	1,624	1,263
Inventories	440	408	292
Current receivables	576	575	345
Cash and cash equivalents	69	61	11
Total current assets	1,085	1,044	648
Total assets	3,109	2,668	1,911
Total equity	1,475	932	801
Interest-bearing provisions	98	97	67
Non-interest-bearing provisions	108	108	80
Non-current interest-bearing liabilities	151	13	-
Non-current non-interest-bearing liabilities	1	0	0
Total non-current liabilities	358	218	147
Non-interest-bearing provisions	2	3	3
Current interest-bearing liabilities	664	833	539
Current non-interest-bearing liabilities	610	682	421
Total current liabilities	1,276	1,518	963
Total equity and liabilities	3,109	2,668	1,911

Statement of change in Group equity,	1 Jan 19 – 30 Jun 19			1 Jan 18 – 31 Dec 18			1 Jan 18 – 30 Jun 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	-62	-	-62	-53	-	-53	-53	-	-53
Non-controlling interests	-	0	0	-	1	1	-	-	-
Total comprehensive income	106	0	106	145	-	145	106	-	106
Amount at the end of the period	1,474	1	1,475	931	1	932	801	-	801

Cash flow statement SEKm	3 months ending		6 months ending		12 months ending	
	30 Jun 19	30 Jun 18	30 Jun 19	30 Jun 18	30 Jun 19	31 Dec 18
Profit after financial items	38	42	81	76	164	158
Adjustment for items not included in cash flow	58	23	107	45	114	94
Income tax paid	-18	-17	-29	-40	-58	-69
Changes in working capital	-13	-19	5	-13	12	-6
Cash flow from operating activities	65	29	164	68	232	177
Net investments in non-current assets	-17	-13	-33	-20	-58	-45
Acquisitions and disposals	-167	-	-167	-19	-484	-336
Cash flow from investing activities	-184	-13	-200	-39	-542	-381
Dividend paid to shareholders	-62	-53	-62	-53	-62	-53
Exercised call options	-	-	8	-	32	24
Right Issue	-	-	491	-	491	-
Repurchase of treasury shares	-	-	-	-	-35	-35
Other financing activities	186	24	-399	16	-61	313
Cash flow from financing activities	124	-29	38	-37	365	249
Cash flow for the period	5	-13	2	-8	55	45
Cash and cash equivalents at beginning of period	62	23	61	11	11	11
Exchange differences on cash and cash equivalents	2	1	6	8	3	5
Cash and cash equivalents at end of the period	69	11	69	11	69	61

Fair values on financial instruments SEKm	30 Jun 2019			31 Dec 2018		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives measured at fair value through profit or loss	1	1	-	1	1	-
Total financial assets at fair value per level	1	1	-	1	1	-
Derivatives measured at fair value through profit or loss	0	0	-	0	0	-
Contingent considerations	8	-	8	9	-	9
Total financial liabilities at fair value per level	8	0	8	9	0	9

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 SEKm	3 months ending		6 months ending		12 months ending	
	30 Jun 19	30 Jun 18	30 Jun 19	30 Jun 18	30 Jun 19	31 Dec 18
Carrying amount, opening balance	8	8	9	14	5	14
Acquisitions during the year	-	-	-	1	8	9
Consideration paid	-	-	-	-6	-	-6
Reversed through profit or loss	-	-3	-2	-4	-6	-8
Interest expenses	-	0	0	0	0	0
Exchange differences	-	0	1	0	1	0
Carrying amount, closing balance	8	5	8	5	8	9

Key financial indicators	12 months ending				
	30 Jun 19	31 Dec 18	30 Jun 18	31 Dec 17	31 Dec 16
Net sales, SEKm	2,952	2,482	2,404	2,333	1,938
EBITA, SEKm ²⁾	262	245	243	234	189
EBITA margin, % ²⁾	8.9	9.9	10.1	10.0	9.7
Profit growth, EBITA, % ²⁾	8	5	11	24	47
Return on working capital (P/WC), % ²⁾	53	62	65	63	62
Profit for the period, SEKm	135	129	123	120	112
Return on equity, %	12	16	16	17	21
Financial net liabilities, SEKm ¹⁾	844	882	594	588	366
Financial net liabilities/EBITDA, multiple ^{1) 2)}	2.9	3.3	2.3	2.3	1.8
Net debt/equity ratio, multiple ¹⁾	0.6	0.9	0.7	0.8	0.5
Equity ratio, % ¹⁾	47	35	42	40	45
Average number of employees	754	620	593	579	452
Number of employees at end of the period	908	873	593	592	545

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

²⁾ Performance-based key ratios exclude IFRS 16.

For definitions of key financial indicators, see page 17.

Key financial indicators per share	12 months ending				
	30 Jun 19	31 Dec 18	30 Jun 18	31 Dec 17	31 Dec 16
Earnings per share (EPS), SEK	5.24	5.36	5.09	4.95	4.87
Diluted EPS, SEK	5.24	5.36	5.08	4.94	4.87
Cash flow per share, SEK	9.07	7.34	7.93	8.55	5.79
Shareholders' equity per share, SEK	52.24	37.80	33.12	30.95	29.40
Average number of shares after repurchases, '000s	25,591	24,118	24,214	24,321	22,950
Average number of shares adjusted for repurchases and dilution, '000s	25,595	24,138	24,249	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

Income statement SEKm	3 months ending		6 months ending		12 months ending	
	30 Jun 19	30 Jun 18	30 Jun 19	30 Jun 18	30 Jun 19	31 Dec 18
Net sales	10	8	18	16	40	38
Administrative expenses	-13	-11	-25	-23	-45	-43
Operating profit/loss	-3	-3	-7	-7	-5	-5
Interest income/expenses and similar items	2	1	4	2	6	4
Profit/loss after financial items	-1	-2	-3	-5	1	-1
Appropriations	-	-	-	-	52	52
Profit/loss before taxes	-1	-2	-3	-5	53	51
Income tax expense	1	0	1	1	-11	-11
Profit/loss for the period	0	-2	-2	-4	42	40

Balance sheet, SEKm	30 Jun 19	31 Dec 18	30 Jun 18
Intangible non-current assets	0	0	0
Tangible non-current assets	0	0	0
Non-current financial assets	1,963	1,828	1,440
Total non-current assets	1,963	1,828	1,440
Current receivables	36	98	9
Total current assets	36	98	9
Total assets	1,999	1,926	1,449
Equity	1,152	719	584
Untaxed reserves	47	47	30
Interest-bearing long-term liabilities	49	76	66
Non-interest-bearing long-term liabilities	2	2	2
Total long-term liabilities	51	78	68
Interest-bearing short-term liabilities	734	1,039	749
Non-interest-bearing short-term liabilities	15	43	18
Total short-term liabilities	749	1,082	767
Total equity and liabilities	1,999	1,926	1,449

Note. Pledged assets and contingent liabilities in the Group

SEKm	30 Jun 19	31 Dec 18	30 Jun 18
Pledged assets	-	-	-
Contingent liabilities	42	42	41

Definitions

Return on equity

Profit/loss after tax attributable to shareholders, as a percentage of shareholders' proportion of average equity.

	2019-06-30	2018-12-31	2018-06-30
Profit/loss for the period	135	129	123
Average equity	1,096	814	758
Return on equity	135/1,096 = 12%	129/814 = 16%	123/758 = 16%

Return on working capital (P/WC)

EBITA in relation to average working capital.

	2019-06-30	2018-12-31	2018-06-30
Operating profit before amortization of intangible assets EBITA (P)	262	245	243
Average working capital (WC)	495	397	371
P/WC	262/495 = 53%	245/397 = 62%	243/371 = 65%

EBITA

Operating profit before amortization of intangible assets.

	2019-06-30	2018-12-31	2018-06-30
Operating profit	172	168	168
Depreciation of intangible assets	90	77	75
Operating profit before amortization of intangible assets	262	245	243

EBITA margin

EBITA in percentage of net sales.

	2019-06-30	2018-12-31	2018-06-30
Operating profit before amortization of intangible assets	262	245	243
Net sales	2,952	2,482	2,404
EBITA margin	262/2,952 = 8.9%	245/2,482 = 9.9%	243/2,404 = 10.1%

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 15 and they are commented on pages 1-5.

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 8:00 a.m. CET on July 12, 2019.



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