



*N.B. The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

### **The board of directors' in AddLife AB (publ), reg. no 556995-8126, report referred to in Chapter 13 Section 7 of the Companies Act on capital contributed in kind**

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The board of directors in AddLife AB (publ), reg. no 556995-8126 (the "**Company**") submits, with reference to the proposal of an issue in kind of B-shares in the Company, the following report referred to in Chapter 13 Section 7 of the Companies Act.

The Company entered into, on 26 November 2018, an agreement with the direct and indirect owners of the Austrian company Biomedica Medizinprodukte GmbH, reg. no FN 33709 y ("**Biomedica**") that the Company will acquire, directly and indirectly, all shares in Biomedica. Biomedica is to 70.00 percent owned by StDuPhHe Beteiligungs GmbH, reg. no FN 499840 i ("**StDuPhHe**"), which in turn is owned by Herbert Kejda (indirect shareholding in Biomedica of 14.00 percent), Stefan Marenzi (indirect shareholding in Biomedica of 35.70 percent), Douglas Marenzi (indirect shareholding in Biomedica of 10.15 percent) and Philipp Marenzi (indirect shareholding in Biomedica of 10.15 percent) (the "**Shareholders**"). The remaining 30.00 percent of the shares in Biomedica is to 10.00 percent owned by PUKA Privatstiftung, reg. no FN 142309 d and to 20.00 percent owned by HADRIAN Privatstiftung, reg. no FN 177964 m (the "**Foundations**"). The acquisition of Biomedica is made by the Company through (i) acquisition of 100.00 percent of the shares in StDuPhHe from the Shareholders and thus indirectly 70.00 percent of the shares in Biomedica, and (ii) direct acquisition of 30.00 percent of the shares in Biomedica from the Foundations. The Shareholders and the Foundations together constitute all sellers of the shares in Biomedica (the "**Sellers**"). The acquired shares are referred to below as "**Shares**". According to the agreement above the Sellers give certain customary warranties and the Company and Sellers make certain customary covenants.

The agreed purchase price for the transferred shares (the "**Capital Contributed In Kind**") shall be executed by means of the Sellers (i) receiving a cash payment equivalent to EUR 29,225,562, and (ii) subscribing to and receiving new B-shares in the Company equivalent to EUR 9,741,854.

The highest number of B-shares that the Sellers have the right to subscribe is equivalent to, in accordance with an agreement with the Sellers, EUR 9,741,854 and is calculated by dividing EUR 9,741,854 with the volume-weighted average share price (according to the official price list on Nasdaq Stockholm where the Company's B-shares is traded) for B-shares in the Company from 29 November 2018 until 12 December 2018 (the "**Average Price**"). The Average Price will be converted from SEK to EUR based on the European Central Bank's average SEK-EUR exchange reference rate for the period 29 November 2018 to 12 December 2018.

The Company's share capital may be increased by not more than SEK 1,125,278 through a rights issue of not more than 552,409 B-shares. The above limit for the increase in share capital and number of shares is decided with the consideration that fluctuations in the share price of the Company's B-shares and currency fluctuations may occur, as well as on the assumption that EUR 9,741,854 will be paid through a rights issue of B-shares. Assuming that the subscription price per share that the Sellers are entitled to subscribe (as calculated above) amounts to SEK 214

(the price paid for the Company's B-share on Nasdaq Stockholm on 21 November 2018) and that the exchange rate of SEK 1 amounts to about EUR 0.1 (the European Central Bank's SEK-EUR exchange reference rate on 21 November 2018), and taking into account the provision of IFRS 3 which may change the value of the Capital Contributed In Kind, the estimated value of the Capital Contributed In Kind will be reported in the Company's balance sheet at a value of 401 MSEK, of which 301 MSEK refers to the cash consideration and 100 MSEK refers to the portion of the compensation consisting of newly issued B-shares in the Company.

The board of directors' has determined the value of the Capital Contributed In Kind based on the board of directors' own valuation and negotiations with the Sellers. The board of directors' has made the valuation, inter alia, based on an analysis of Biomedica's intellectual property rights and future cash flows. The board of directors' valuation has included the results of a so-called due diligence review of Biomedica, which includes legal, financial, tax, intellectual property rights and commercial issues.

The board of directors' is of the opinion that the valuation of Biomedica implemented is a reliable measure of the fair value of the Capital Contributed In Kind. On the basis of these analyzes, the board of directors' considers that the value of the Capital Contributed In Kind at least correspond to the value of the consideration to be paid to the Sellers and that the Capital Contributed In Kind may be deemed to be useful for the Company's business.

The final value at which the Capital Contributed In Kind will be reported in the Company's balance sheet will however, in accordance with the applicable accounting rules, be determined based on the share price of the Company's B-share at the so-called transaction date and the, at the transaction date, current exchange rate of SEK 1 and may therefore deviate from the calculated subscription price as well as the estimated value of the Capital Contributed In Kind stated above.

Documents in accordance with Chapter 2 Section 9 of the Swedish Companies Act is kept available at the Company's address.

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*Signatures on the following page*

Stockholm, 26 November 2018

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Johan Sjö

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Håkan Roos

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Stefan Hedelius

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Andreas Göthberg

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Birgit Stattin Norinder

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Eva Nilsagård