



Supplement to prospectus regarding invitation to subscribe for shares with preferential rights in AddLife AB (publ)

## IMPORTANT INFORMATION

This document is a translation of a Swedish prospectus supplement. Distribution of the Prospectus (defined below), the Prospectus Supplement (defined below), and this English translation thereof, as well as participation in the Offering (defined below), are subject to restrictions under law and other regulations in certain jurisdictions. No action has been taken or will be taken by AddLife to permit an offer to the general public in any country other than Sweden. The Offering is not made to persons resident in the United States (including its territories and provinces, every state in the United States and the District of Columbia ("USA")), Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore or South Africa, or at any other person where participation would require a further prospectus, registration or other measures than those that follow by Swedish law. Consequently the Prospectus, the Prospectus Supplement, this English translation and other documents relating to the Offering may not be distributed in or into the aforementioned countries or any other country or any other jurisdiction in which such distribution or the Offering require such measures or would otherwise be in conflict with applicable rules. Subscription for shares in violation of the above restrictions may be void. Persons who assimilate the Prospectus Supplement and this English translation must inform themselves about and comply with such restrictions. Actions in violation of these restrictions may constitute a violation of applicable securities laws.

Existing and newly issued shares in AddLife have not been and will not be registered under the currently applicable United States Securities Act of 1933 ("U.S. Securities Act") or the securities laws of any state or other jurisdiction in the United States and may not be offered, sold or otherwise transferred, in the United States. Existing and newly issued shares have neither been approved nor rejected by the United States Securities and Exchange Commission, any state securities authority or other authority in the United States. Moreover, no such authority has evaluated or expressed an opinion on the accuracy or reliability of the Prospectus, the Prospectus Supplement, or this English translation. To assert the contrary is a criminal offense in the United States

## SUPPLEMENT TO THE PROSPECTUS

This document (the "Prospectus Supplement") has been prepared by AddLife AB (publ), reg.no. 556995-8126 ("AddLife" or the "Company") as a supplement to the prospectus regarding an invitation to subscribe for shares with preferential rights in AddLife (the "Offering"), which was approved by and registered with the Swedish Financial Supervisory Authority (the "SFSA") on January 28 2019 (with the SFSA's journal number 19-97) and published the same day (the "Prospectus"). This Prospectus Supplement constitutes a part of, and shall be read together with, the Prospectus. All definitions in the Prospectus also apply to this Prospectus Supplement.

The Prospectus Supplement has been prepared in accordance with Chapter 2, Section 34 of the Swedish Financial Instruments Trading Act (1991:980) and has been approved by and registered with the SFSA on 12 February 2019 (with the SFSA's journal number 19-2776). The Prospectus Supplement was published on 12 February 2019. The Prospectus Supplement and the Prospectus are available electronically at the Company's website [www.add.life](http://www.add.life), Handelsbanken's website, [www.handelsbanken.se/investeringserbjudande](http://www.handelsbanken.se/investeringserbjudande), and at the SFSA website, [www.fi.se](http://www.fi.se). The Prospectus Supplement has been prepared in a Swedish version and an English translation. In the event of any inconsistency between this English translation and the Prospectus Supplement (in Swedish), the Prospectus Supplement (in Swedish) shall prevail.

The Prospectus Supplement has been prepared in connection with the Company's Year-end Report for 2018, which was published on 12 February 2019 ("Year-end Report").

The press releases by which such information has been made public were published on 12 February 2019 on the Company's website [www.add.life](http://www.add.life).

Investors who, prior to the publication of this Prospectus Supplement, have submitted an application, or otherwise consented, to purchase shares in the Offering have the right to withdraw their application or consent within two (2) business days of the publication of the Prospectus Supplement (i.e. no later than 14 February 2019), pursuant to Chapter 2, Section 34 of the Swedish Financial Instruments Trading Act (1991:980). Withdrawal must be made in writing to Handelsbanken Capital Markets, Emission, SE-106 70 Stockholm, Sweden. Investors who have applied for shares through a nominee must contact the nominee regarding withdrawal. Applications that are not withdrawn will remain binding. Investors who wish to remain purchasers of shares need not take any action.

For complete terms and conditions and other information about the Offering (including certain selling and transfer restrictions), reference is made to the Prospectus, which is available along with the Prospectus Supplement at the above mentioned websites. All conditions for completion of the Offering described in this Prospectus continue to apply and the Offering may therefore be subject to revocation.

Through the Prospectus Supplement, the Prospectus is updated as follows.

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# Summary

The information in this Prospectus Supplement causes the Prospectus section "Summary" to be updated as below. "Selected historical financial information" in section B.7 is supplemented with information for the period January – December 2018 and where the information for the period January – December 2018 replaces previously stated information for the period January – September 2017 and January – September 2018, and the section "Material changes as of 31 December 2018" replaces the previous section "Material changes as of 30 September 2018".

## Section B

<p><b>B.7</b></p>	<p><i>Selected historical financial information</i></p>	<p>The financial information summarised in this section has been taken from the following sources:</p> <p>a) Financial information for the period 1 April 2014 – 31 March 2015 was taken from AddLife's "Prospectus for admission of shares to trading on Nasdaq Stockholm and invitation to subscribe for shares in AddLife AB (publ)", pages 109–113, published on 15 March 2016.</p> <p>b) Financial information from the financial years 1 April 2015 – 31 March 2016, 1 April 2016 – 31 December 2016 and 1 January 2017 – 31 December 2017 are taken from the annual report for each financial year.</p> <p>c) Financial information from the financial year 1 January 2018 – 31 December 2018 are taken from AddLife's Year-end Report for 2018.</p> <p>The financial statements for 2014/2015, 2015/2016, 2016 and 2017 have been audited by AddLife's auditors. The Year-end Report for 1 January - 31 December 2018 has not been reviewed by AddLife's auditors. The accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU and interpretation statements from the International Financial Reporting Interpretations Committee (IFRIC).</p> <p>The extraordinary general meeting held on 13 January 2016 resolved to change the Company's financial year from a split financial year to the calendar year at year-end 2016/2017. Consequently, financial information presents figures from the following financial years: April 2014 – March 2015 (split financial year), April 2015 – March 2016 (split financial year), April – December 2016 (shortened financial year) and January – December 2017 (calendar year as financial year). Readers of the Prospectus and this Prospectus Supplement should note this change in the financial year, since comparisons between financial years become more difficult.</p> <p>AddLife uses certain key financial indicators in its analysis of operating income that are not calculated under IFRS, including EBITA and EBITDA. The Company believes that these key financial indicators provide useful information to investors because they allow for an evaluation of current trends in a better way in combination with other ratios calculated under IFRS. Since listed companies do not always calculate these key financial indicators in the same way, it is not certain that the information below is comparable with other companies' key financial indicators with the same names.</p>
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B.7	Selected historical financial information (cont.)	Condensed income statement					
		Jan - Dec 2018 Unaudited	Jan - Dec 2017 Audited	Apr - Dec 2016 Audited	Apr 2015 - Mar 2016 Audited	Apr 2014 - Mar 2015 Audited	
		<b>SEK million</b>					
		Net sales	2,482	2,333	1,485	1,563	1,057
		Cost of goods sold	-1,592	-1,492	-975	-1,015	-661
		<b>Gross profit</b>	<b>890</b>	<b>841</b>	<b>510</b>	<b>548</b>	<b>396</b>
		Selling expenses	-557	-524	-316	-345	-227
		Administrative expenses	-157	-143	-79	-103	-60
		Research and development	-19	-18	-2	-	-
		Other operating income and expenses	11	10	9	6	-1
		<b>Operating profit</b>	<b>168</b>	<b>166</b>	<b>122</b>	<b>106</b>	<b>108</b>
		Financial income and expenses	-10	-8	-4	-6	-3
		<b>Profit after financial items</b>	<b>158</b>	<b>158</b>	<b>118</b>	<b>100</b>	<b>105</b>
		Income tax expense	-29	-38	-25	-22	-25
		<b>PROFIT FOR THE PERIOD</b>	<b>129</b>	<b>120</b>	<b>93</b>	<b>78</b>	<b>80</b>
		Attributable to:					
		Shareholders of the parent company	129	120	93	78	80
		Non-controlling interests	-	-	-	-	0
		<b>Condensed balance sheet</b>					
			31 Dec 2018 Unaudited	31 Dec 2017 Audited	31 Dec 2016 Audited	31 Mar 2016 Audited	31 Mar 2015 Audited
		<b>SEK million</b>					
		ASSETS					
		NON-CURRENT ASSETS					
		Goodwill	823	646	524	479	124
		Other intangible non-current assets	642	507	346	256	69
		Tangible assets	111	75	68	59	31
		Financial assets	48	13	11	11	8
		<b>Total non-current assets</b>	<b>1,624</b>	<b>1,241</b>	<b>949</b>	<b>805</b>	<b>232</b>
		CURRENT ASSETS					
		Inventories	408	271	252	213	83
		Current receivables	575	368	361	247	245
		Cash equivalents	61	11	15	12	83
		<b>Total current assets</b>	<b>1,044</b>	<b>650</b>	<b>628</b>	<b>472</b>	<b>411</b>
		<b>TOTAL ASSETS</b>	<b>2,668</b>	<b>1,891</b>	<b>1,577</b>	<b>1,277</b>	<b>643</b>
		EQUITY AND LIABILITIES					
		EQUITY					
		<b>Total equity</b>	<b>932</b>	<b>748</b>	<b>717</b>	<b>347</b>	<b>263</b>
		LIABILITIES					
		Interest-bearing provisions	97	67	60	63	73
		Non-interest-bearing provisions	108	76	40	53	13
		Non-current interest-bearing liabilities	13	4	10	301	0
		Non-interest-bearing long-term liabilities	0	0	1	-	-
		<b>Total non-current liabilities</b>	<b>218</b>	<b>147</b>	<b>111</b>	<b>417</b>	<b>86</b>
		Non-interest-bearing provisions	3	3	6	5	1
		Current interest-bearing liabilities	833	529	310	185	28
		Current non-interest-bearing liabilities	682	464	433	323	265
		<b>Total current liabilities</b>	<b>1,518</b>	<b>996</b>	<b>749</b>	<b>513</b>	<b>294</b>
		<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,668</b>	<b>1,891</b>	<b>1,577</b>	<b>1,277</b>	<b>643</b>

B.7	Selected historical financial information (cont.)	Condensed statement of cash flows					
		Jan-Dec 2018 Unaudited	Jan-Dec 2017 Audited	Apr-Dec 2016 Audited	Apr 2015- Mar 2016 Audited	Apr 2014- Mar 2015 Audited	
	SEK million						
	Profit after financial items	158	158	118	100	105	
	Adjustment for items not included in cash flow	94	78	37	48	23	
	Income tax paid	-69	-42	-17	-36	-15	
	Changes in working capital	-6	14	-20	6	7	
	<b>Cash flow from operating activities</b>	<b>177</b>	<b>208</b>	<b>118</b>	<b>118</b>	<b>120</b>	
	Net investments in non-current assets	-45	-42	-19	-41	-15	
	Acquisitions and disposals	-336	-296	-150	-231	-	
	<b>Cash flow from investing activities</b>	<b>-381</b>	<b>-338</b>	<b>-169</b>	<b>-272</b>	<b>-15</b>	
	Dividend paid to shareholders of the parent company	-53	-37	-	-295	-80	
	Other financing activities	302	162	49	381	-20	
	<b>Cash flow from financing activities</b>	<b>249</b>	<b>125</b>	<b>49</b>	<b>86</b>	<b>-100</b>	
	<b>Cash flow for the period</b>	<b>45</b>	<b>-5</b>	<b>-2</b>	<b>-68</b>	<b>5</b>	
	<b>Cash and cash equivalents at beginning of period</b>	<b>11</b>	<b>15</b>	<b>12</b>	<b>83</b>	<b>77</b>	
	Exchange differences on cash and cash equivalents	5	1	5	-3	1	
	<b>Cash and cash equivalents at end of the period</b>	<b>61</b>	<b>11</b>	<b>15</b>	<b>12</b>	<b>83</b>	
	<b>Key indicators</b>						
		Jan-Dec 2018 Unaudited	Jan-Dec 2017 Audited	Apr-Dec 2016 Audited	Apr 2015- Mar 2016 Audited	Apr 2014- Mar 2015 Audited	
	Net sales, SEK million <sup>1)</sup>	2,482	2,333	1,485	1,562	1,057	
	EBITA, SEK million <sup>2)</sup>	245	234	154	135	120	
	EBITA-margin, % <sup>3)</sup>	9.9	10.0	10.3	8.7	11.3	
	Earnings growth EBITA, % <sup>4)</sup>	5	24	54	13	4	
	Return on working capital (P/WC), % <sup>5)</sup>	62	63	62	64	94	
	Profit for the period, SEK million <sup>6)</sup>	129	120	93	78	80	
	Return on equity, % <sup>7)</sup>	16	17	21	26	30	
	Financial net liabilities, SEK million <sup>8)</sup>	882	588	366	538	19	
	Financial net liabilities/EBITDA, times <sup>9)</sup>	3.3	2.3	1.8	3.6	0.1	
	Net debt/equity ratio, times <sup>10)</sup>	0.9	0.8	0.5	1.6	0.1	
	Equity ratio, % <sup>11)</sup>	35	40	45	27	41	
	Average number of employees <sup>12)</sup>	620	579	459	370	284	
	Number of employees at end of period <sup>13)</sup>	873	592	545	427	286	
	<p>1) IFRS key indicator.  2) Not IFRS key indicator.  3) Not IFRS key indicator.  4) Not IFRS key indicator.  5) Not IFRS key indicator. The key indicator is calculated on a rolling twelve-month basis.  6) IFRS key indicator.  7) Not IFRS key indicator. The key indicator is calculated based on equity that included non-controlling interests. The key indicator is calculated on a rolling twelve-month basis.  8) Not IFRS key indicator.  9) Not IFRS key indicator. The key indicator is calculated on a rolling twelve-month basis.  10) Not IFRS key indicator. The key indicator is calculated based on equity that included non-controlling interests.  11) Not IFRS key indicator. The key indicator is calculated based on equity that included non-controlling interests.  12) Not IFRS key indicator.  13) Not IFRS key indicator.</p>						

<p><b>B.7</b></p> <p><i>Selected historical financial information (cont.)</i></p>	<p><b>Definitions</b></p> <p>Return on equity</p> <p>Return on working capital (P/WC)</p> <p>EBITDA</p> <p>EBITA</p> <p>EBITA-margin</p> <p>Adjusted EBITA</p> <p>Profit growth EBITA</p> <p>Financial net liabilities</p> <p>Financial net liabilities/EBITDA</p> <p>Net debt/equity ratio</p> <p>Working capital</p> <p>Equity ratio</p> <p>Organic growth</p> <p><b>Material changes since 31 December 2018</b></p> <p>In January 2019 AddLife increased the credit agreement with Handelsbanken to SEK 700 million and subsequently extended the agreement which runs until 28 February 2020. At the same time AddLife redeemed SEK 250 million of the bridge loan, that subsequently amounts SEK 300 million after the redemption and runs until 20 March 2019.</p> <p>No further events of material importance for AddLife's financial position or position on the market have occurred since 31 December 2018.</p>	<p>Profit/loss after tax attributable to shareholders, as a percentage of shareholders' proportion of average equity. <i>Return on equity measures from an ownership perspective the return that is given on the owners' invested capital.</i></p> <p>EBITA in relation to average working capital. <i>P/WC is used to analyse the profitability and encourages high EBITA result and low working capital.</i></p> <p>Operating profit before depreciation. <i>EBITDA is used to analyse the profitability generated from the operational activities.</i></p> <p>Operating profit before amortisation of intangible assets. <i>EBITA is used to analyse the profitability generated from the operational activities.</i></p> <p>EBITA in percentage of net sales. <i>EBITA-margin is used to analyse the asset-creating generated from the operational activities.</i></p> <p>Operating profit before amortisation of intangible assets and listing expenses. <i>Adjusted EBITA is used to analyse the profitability generated from the operational activities.</i></p> <p>This year's EBITA decreased by the previous year's EBITA divided by the previous year's EBITA. <i>Profit growth EBITA is used to analyse the asset-creating generated from the operational activities.</i></p> <p>Interest-bearing liabilities and interest-bearing provisions, less cash and cash equivalents. <i>Net liabilities is used to monitoring the liabilities development and analyse financial leverage and possible necessary refinancing.</i></p> <p>Financial net liabilities divided by EBITDA. <i>Financial net liabilities compared with EBITDA provides a key financial indicator for the financial net liabilities in relation to cash-generated results from the business, that is, an indication on the business ability to pay its liabilities. This measure is generally used by financial institutions to measure creditworthiness.</i></p> <p>Financial net liabilities in relation to shareholders' equity. <i>Net debt/equity ratio is used to analyse financial risk.</i></p> <p>Sum of inventories and accounts receivable, less accounts payable. Average working capital for the year, based on monthly value, is used to calculate return on working capital (P/WC). <i>Working capital is used to analyse how much working capital is tied in the business.</i></p> <p>Equity as a percentage of total assets. <i>Equity ratio is used to analyse financial risk and shows how much of the assets are financed with equity.</i></p> <p>Changes in net sales excluding currency effects, acquisitions and assignments compared with the same period last year. <i>Organic growth is used to analyse the underlying sales growth driven by changes in volume, product range and price for similar products between different periods.</i></p>
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# Summary of financial information

The information in AddLife's Year-end Report for the financial year 2018 causes parts of the Prospectus section "Summary of financial information" (p. 61–67 in the prospectus) to be replaced as below.

The summary of financial information in this section has been taken from the following sources:

- Financial information for the period 1 April 2014 – 31 March 2015 was taken from AddLife's "Prospectus for admission of shares to trading on Nasdaq Stockholm and invitation to subscribe for shares in AddLife AB (publ)", pages 109–113, published on 15 March 2016.
- Financial information from the financial years 1 April 2015 – 31 March 2016, 1 April 2016 – 31 December 2016 and 1 January 2017 – 31 December 2017 are taken from the annual report for each financial year.
- Financial information from the financial year 1 January 2018 – 31 December 2018 are taken from AddLife's Year-end Report for the financial year 2018.

The extraordinary general meeting held on 13 January 2016 resolved to change the Company's financial year from a split financial year to the calendar year at year-end 2016/2017. Consequently, financial information presents figures from the following financial years: April 2014 – March 2015 (split financial year), April 2015 – March 2016 (split financial year), April – December 2016 (shortened financial year) and January – December 2017 (calendar year as financial year). Readers of this Prospectus should note this change in the financial year, since comparisons between financial years become more difficult.

The information below should be read together with the section "Comments on financial information", the Company's audited financial statements for 2014/2015, 2015/2016 and 2017, and the Company's unaudited Year-end Report for 1 January–31 December 2018, which is incorporated by reference.

The financial statements for 2014/2015, 2015/2016, 2016 and 2017 have been audited by AddLife's auditors. The Year-end Report for 1 January – 31 December 2018 has not been reviewed by AddLife's auditors.

## Condensed income statement

SEK million	Jan-Dec 2018 Unaudited	Jan-Dec 2017 Audited	Apr-Dec 2016 Audited	Apr 2015 – Mar 2016 Audited	Apr 2014 – Mar 2015 Audited
Net sales	2,482	2,333	1,485	1,563	1,057
Cost of goods sold	-1,592	-1,492	-975	-1,015	-661
<b>Gross profit</b>	<b>890</b>	<b>841</b>	<b>510</b>	<b>548</b>	<b>396</b>
Selling expenses	-557	-524	-316	-345	-227
Administrative expenses	-157	-143	-79	-103	-60
Research and development	-19	-18	-2	-	-
Other operating income and expenses	11	10	9	6	-1
<b>Operating profit</b>	<b>168</b>	<b>166</b>	<b>122</b>	<b>106</b>	<b>108</b>
Financial income and expenses	-10	-8	-4	-6	-3
<b>Profit after financial items</b>	<b>158</b>	<b>158</b>	<b>118</b>	<b>100</b>	<b>105</b>
Tax	-29	-38	-25	-22	-25
<b>PROFIT FOR THE PERIOD</b>	<b>129</b>	<b>120</b>	<b>93</b>	<b>78</b>	<b>80</b>
Attributable to:					
Shareholders of the parent company	129	120	93	78	80
Non-controlling interests	-	-	-	-	0

**Condensed balance sheet**

<b>SEK million</b>	<b>31 Dec 2018 <i>Unaudited</i></b>	<b>31 Dec 2017 <i>Audited</i></b>	<b>31 Dec 2016 <i>Audited</i></b>	<b>31 Mar 2016 <i>Audited</i></b>	<b>31 Mar 2015 <i>Audited</i></b>
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Goodwill	823	646	524	479	124
Other intangible non-current assets	642	507	346	256	69
Tangible assets	111	75	68	59	31
Financial assets	48	13	11	11	8
<b>Total non-current assets</b>	<b>1,624</b>	<b>1,241</b>	<b>949</b>	<b>805</b>	<b>232</b>
<b>CURRENT ASSETS</b>					
Inventories	408	271	252	213	83
Current receivables	575	368	361	247	245
Cash equivalents	61	11	15	12	83
<b>Total current assets</b>	<b>1,044</b>	<b>650</b>	<b>628</b>	<b>472</b>	<b>411</b>
<b>TOTAL ASSETS</b>	<b>2,668</b>	<b>1,891</b>	<b>1,577</b>	<b>1,277</b>	<b>643</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
<b>Total equity</b>	<b>932</b>	<b>748</b>	<b>717</b>	<b>347</b>	<b>263</b>
<b>LIABILITIES</b>					
Interest-bearing provisions	97	67	60	63	73
Non-interest-bearing provisions	108	76	40	53	13
Non-current interest-bearing liabilities	13	4	10	301	0
Non-interest-bearing long-term liabilities	0	0	1	-	-
<b>Total non-current liabilities</b>	<b>218</b>	<b>147</b>	<b>111</b>	<b>417</b>	<b>86</b>
Non-interest-bearing provisions	3	3	6	5	1
Current interest-bearing liabilities	833	529	310	185	28
Current non-interest-bearing liabilities	682	464	433	323	265
<b>Total current liabilities</b>	<b>1,518</b>	<b>996</b>	<b>749</b>	<b>513</b>	<b>294</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,668</b>	<b>1,891</b>	<b>1,577</b>	<b>1,277</b>	<b>643</b>



## Condensed statement of cash flows

SEK million	Jan-Dec 2018 Unaudited	Jan-Dec 2017 Audited	Apr-Dec 2016 Audited	Apr 2015- Mar 2016 Audited	Apr 2014- Mar 2015 Audited
Profit after financial items	158	158	118	100	105
Adjustment for items not included in cash flow	94	78	37	48	23
Income tax paid	-69	-42	-17	-36	-15
Changes in working capital	-6	14	-20	6	7
<b>Cash flow from operating activities</b>	<b>177</b>	<b>208</b>	<b>118</b>	<b>118</b>	<b>120</b>
Net investments in non-current assets	-45	-42	-19	-41	-15
Acquisitions and disposals	-336	-296	-150	-231	-
<b>Cash flow from investing activities</b>	<b>-381</b>	<b>-338</b>	<b>-169</b>	<b>-272</b>	<b>-15</b>
Dividend paid to shareholders of the parent company	-53	-37	-	-295	-80
Other financing activities	302	162	49	381	-20
<b>Cash flow from financing activities</b>	<b>249</b>	<b>125</b>	<b>49</b>	<b>86</b>	<b>-100</b>
<b>Cash flow for the period</b>	<b>45</b>	<b>-5</b>	<b>-2</b>	<b>-68</b>	<b>5</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>11</b>	<b>15</b>	<b>12</b>	<b>83</b>	<b>77</b>
Exchange differences on cash and cash equivalents	5	1	5	-3	1
<b>Cash and cash equivalents at end of the period</b>	<b>61</b>	<b>11</b>	<b>15</b>	<b>12</b>	<b>83</b>

## Key indicators

	Jan-Dec 2018 Unaudited	Jan-Dec 2017 Audited	Apr-Dec 2016 Audited	Apr 2015- Mar 2016 Audited	Apr 2014- Mar 2015 Audited
Net sales, SEK million <sup>1)</sup>	2,482	2,333	1,485	1,562	1,057
EBITA, SEK million <sup>2)</sup>	245	234	154	135	120
EBITA-margin, % <sup>3)</sup>	9.9	10.0	10.3	8.7	11.3
Earnings growth EBITA, % <sup>4)</sup>	5	24	54	13	4
Return on working capital (P/WC), % <sup>5)</sup>	62	63	62	64	94
Profit for the period, SEK million <sup>6)</sup>	129	120	93	78	80
Return on equity, % <sup>7)</sup>	16	17	21	26	30
Financial net liabilities, SEK million <sup>8)</sup>	882	588	366	538	19
Financial net liabilities/EBITDA, times <sup>9)</sup>	3.3	2.3	1.8	3.6	0.1
Net debt/equity ratio, times <sup>10)</sup>	0.9	0.8	0.5	1.6	0.1
Equity ratio, % <sup>11)</sup>	35	40	45	27	41
Average number of employees <sup>12)</sup>	620	579	459	370	284
Number of employees at end of period <sup>13)</sup>	873	592	545	427	286

1) IFRS key indicator.

2) Not IFRS key indicator.

3) Not IFRS key indicator.

4) Not IFRS key indicator.

5) Not IFRS key indicator. The key indicator is calculated on a rolling twelve-month basis.

6) IFRS key indicator.

7) Not IFRS key indicator. The key indicator is calculated based on equity that included non-controlling interests. The key indicator is calculated on a rolling twelve-month basis.

8) Not IFRS key indicator.

9) Not IFRS key indicator. The key indicator is calculated on a rolling twelve-month basis.

10) Not IFRS key indicator. The key indicator is calculated based on equity that included non-controlling interests.

11) Not IFRS key indicator. The key indicator is calculated based on equity that included non-controlling interests.

12) Not IFRS key indicator.

13) Not IFRS key indicator.

## Definitions

### Return on equity

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

*Return on equity measures from an ownership perspective the return that is given on the owners' invested capital.*

The Group	31-12-2018	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Profit/loss for the period, SEK million	129	120	112	78	80
Average equity, SEK million	814	728	545	305	267
Return on equity (%)	129/814 = 16	120/728 = 17	112/545 = 21	78/305 = 26	80/267 = 30

### Return on working capital (P/WC)

EBITA in relation to average working capital.

*P/WC is used to analyse the profitability and encourages high EBITA result and low working capital required.*

The Group	31-12-2018	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit before depreciation of intangible assets, EBITA, SEK million	245	234	189	135	120
Average working capital (WC), SEK million	397	369	304	211	127
P/WC (%)	245/397 = 62	234/369 = 63	189/304 = 62	135/211 = 64	120/127 = 94

### EBITDA

Operating profit before depreciation.

*EBITDA is used to analyse the profitability generated from the operational activities.*

The Group	31-12-2018	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit, SEK million	168	166	122	106	108
Depreciation of property, plant and equipment (+), SEK million	22	19	13	15	10
Amortisation of intangible assets (+), SEK million	77	68	32	29	12
Operating profit before depreciation and amortisation, EBITDA, SEK million	267	253	167	150	130

### EBITA

Operating profit before amortisation of intangible assets.

*EBITA is used to analyse the profitability generated from the operational activities.*

The Group	31-12-2018	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit, SEK million	168	166	122	106	108
Amortisation of intangible assets (+), SEK million	77	68	32	29	12
Operating profit before amortisation of intangible assets, EBITA, SEK million	245	234	154	135	120

Labtech	31-12-2018	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit, SEK million	146	133	109	105	106
Amortisation of intangible assets (+), SEK million	19	18	10	12	11
Operating profit before amortisation of intangible assets, EBITA, SEK million	165	151	119	117	117

Medtech	31-12-2018	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit, SEK million	40	46	24	16	3
Amortisation of intangible assets (+), SEK million	54	47	20	16	1
Operating profit before amortisation of intangible assets, EBITA, SEK million	94	93	44	32	4

**EBITA-margin**

EBITA in percentage of net sales.

*EBITA-margin is used to analyse the asset-creating generated from the operational activities.*

<b>The Group</b>	<b>31-12-2018</b>	<b>31-12-2017</b>	<b>31-12-2016</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
Operating profit before amortisation of intangible assets, EBITA, SEK million	245	234	154	135	120
Net sale, SEK million	2,482	2,333	1,485	1,562	1,057
EBITA-margin, (%)	245/2,482 = 9.9	234/2,333 = 10.0	154/1,485 = 10.3	135/1,562 = 8.7	120/1,057 = 11.3

<b>Labtech</b>	<b>31-12-2018</b>	<b>31-12-2017</b>	<b>31-12-2016</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
Operating profit before amortisation of intangible assets, EBITA, SEK million	165	151	119	117	117
Net sale, SEK million	1,451	1,393	930	1,070	1,032
EBITA-margin, (%)	165/1,451 = 11.4	151/1,393 = 10.8	119/930 = 12.8	117/1,070 = 10.8	117/1,032 = 11.3

<b>Medtech</b>	<b>31-12-2018</b>	<b>31-12-2017</b>	<b>31-12-2016</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
Operating profit before amortisation of intangible assets, EBITA, SEK million	94	93	44	32	4
Net sale, SEK million	1,031	940	556	492	25
EBITA-margin, (%)	94/1,031 = 9.2	93/940 = 9.9	44/556 = 8.0	32/492 = 6.6	4/25 = 15.7

**Adjusted EBITA**

Operating profit before amortisation of intangible assets and listing expenses.

*Adjusted EBITA is used to analyse the profitability generated from the operational activities.*

<b>The Group</b>	<b>31-03-2016</b>
Operating profit, SEK million	106
Amortisation of intangible assets (+), SEK million	29
Listing expenses, SEK million	10
Operating profit before amortisation of intangible assets, EBITA, SEK million	145

**Profit growth EBITA**

This year's EBITA decreased by the previous year's EBITA divided by the previous year's EBITA.

*Profit growth EBITA is used to analyse the asset-creating generated from the operational activities.*

<b>The Group</b>	<b>31-12-2018</b>	<b>31-12-2017</b>	<b>31-12-2016</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
This year's operating profit before amortisation of intangible assets, EBITA (+), SEK million	245	234	154	135	120
Previous year's operating profit before amortisation of intangible assets, EBITA (-), SEK million	234	189	100	120	116
Profit growth EBITA, SEK million	11	45	54	15	4
Profit growth EBITA, (%)	11/234 = 5	45/189 = 24	54/100 = 54	15/120 = 13	4/116 = 4

**Financial net liabilities**

Interest-bearing liabilities and interest-bearing provisions, less cash and cash equivalents.

*Net liabilities is used to monitoring the liabilities development and analyse financial leverage and possible necessary refinancing.*

<b>The Group</b>	<b>31-12-2018</b>	<b>31-12-2017</b>	<b>31-12-2016</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
Long-term interest-bearing provisions, SEK million	13	4	11	301	0
Pension provisions, SEK million	97	67	60	63	73
Short-term interest-bearing liabilities, SEK million	833	528	310	185	28
Total interest-bearing liabilities and interest-bearing provisions, SEK million	943	599	381	549	101
Cash and cash equivalents (-), SEK million	-61	-11	-15	-11	-82
Financial net liabilities, SEK million	882	588	366	538	19

**Financial net liabilities/EBITDA**

Financial net liabilities divided by EBITDA

*Financial net liabilities compared with EBITDA provides a key financial indicator for the financial net liabilities in relation to cash-generated results from the business, that is, an indication on the business ability to pay its liabilities. This measure is generally used by financial institutions to measure creditworthiness.*

The Group	31-12-2018	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Financial net liabilities, SEK million	882	588	366	538	19
Operating profit before depreciation and amortisation, EBITDA, SEK million	267	253	207	150	130
Net debt/EBITDA, %	882/267 = 3.3	588/253 = 2.3	366/207 = 1.8	538/150 = 3.6	19/130 = 0.1

**Net debt/equity ratio**

Financial net liabilities in relation to shareholders' equity.

*Net debt/equity ratio is used to analyse financial risk.*

The Group	31-12-2018	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Net debt, SEK million	882	588	366	538	19
Equity, SEK million	932	748	717	347	263
Net debt/equity ratio, %	882/932 = 0.9	588/748 = 0.8	366/717 = 0.5	538/347 = 1.6	19/263 = 0.1

**Working capital**

Sum of inventories and accounts receivable, less accounts payable. Average working capital for the year, based on monthly value, is used to calculate return on working capital (P/WC).

*Working capital is used to analyse how much working capital is tied in the business.*

The Group	31-12-2018	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Inventories yearly average (+), SEK million	306	279	235	169	87
Accounts receivable yearly average (+), SEK million	308	279	231	160	118
Accounts payable yearly average (-), SEK million	217	190	162	118	78
Working capital, SEK million	397	368	304	211	127

**Equity ratio**

Equity as a percentage of total assets.

*Equity ratio is used to analyse financial risk and shows how much of the assets are financed with equity.*

The Group	31-12-2018	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Equity, SEK million	932	748	717	347	263
Total assets, SEK million	2,668	1,891	1,577	1,277	643
Equity ratio, %	932/2,668 = 35	748/1,891 = 40	717/1,577 = 45	347/1,277 = 27	263/643 = 41

**Organic growth**

Changes in net sales excluding currency effects, acquisitions and assignments compared with the same period last year.

*Organic growth is used to analyse the underlying sales growth driven by changes in volume, product range and price for similar products between different periods.*

The Group	31-12-2018	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Organic growth, SEK million	-6 (0%)	105 (5%)	144 (13%)	47 (5%)	48 (5%)
Acquisitions/assignments, SEK million	83 (3%)	278 (14%)	224 (20%)	468 (44%)	-
Currency effects, SEK million	72 (3%)	12 (1%)	8 (1%)	-9 (-1%)	25 (2%)
Total growth, SEK million	149 (6%)	395 (20%)	376 (34%)	506 (48%)	73 (7%)

**Labtech****31-12-2018**

Organic growth, SEK million	7 (1%)
Acquisitions/assignments, SEK million	2 (0%)
Currency effects, SEK million	49 (3%)
Total growth, SEK million	58 (4%)

**Medtech****31-12-2018**

Organic growth, SEK million	-14 (-1%)
Acquisitions/assignments, SEK million	81 (9%)
Currency effects, SEK million	24 (2%)
Total growth, SEK million	91 (10%)

**Material changes since 31 December 2018**

In January 2019 AddLife increased the credit agreement with Handelsbanken to SEK 700 million and subsequently extended the agreement which runs until 28 February 2020. At the same time AddLife redeemed SEK 250 million of the bridge loan, that subsequently amounts SEK 300 million after the redemption and runs until 20 March 2019.

No further events of material importance for AddLife's financial position or position on the market have occurred since 31 December 2018.

# Comments on the financial information

The information in AddLife's Year-end Report for the financial year 2018 causes parts of the Prospectus section "Comments on the financial information" to be replaced. The sections "Interim period 1 January – 30 September 2018 compared with interim period 1 January – 30 September 2017 (p. 68-69 in the Prospectus) and "Events after the reporting period" (p. 70 in the Prospectus) are replaced as below.

## Financial year 2018 compared with financial year 2017

### Revenue and operating profit

During the financial year net sales increased by 6 percent, corresponding to SEK 2,482 million (2,333). The acquired growth was 3 percent and exchange rate fluctuations had a favourable impact on the net sales with 3 percent, corresponding to SEK 72 million. EBITA increased by 5 percent to SEK 245 million (234) and the EBITA-margin amounted 9.9 percent (10.0). EBITA includes costs for acquisitions of SEK 8 million (2). Exchange rate fluctuations had a favourable impact on EBITA of 3 percent, corresponding to SEK 7 million.

### Net financial items and taxes

Net financial items were SEK -10 million (-8) and profit after financial items was SEK 158 million (158). Profit after tax for the financial year increased with 7 percent to SEK 129 million (120) and the effective tax rate was 18 percent (24). The lower tax rate is attributable to revaluation of deferred tax in Norway and Sweden, which resulted in a positive tax effect of approximately SEK 6 million.

### Cash flow

Cash flow from operating activities reached SEK 177 million (208) during the financial year. The change in paid tax of SEK 27 million is mainly attributable to payment of the 2017 year's tax in Norway and increased preliminary tax payments in all the Nordic countries. Acquisitions of companies amounted to SEK 334 million (296). Investments in non-current assets reached SEK 49 million (43) during the financial year. Disposals of non-current assets totalled SEK 4 million (1). Repurchase of treasury B-shares amounted SEK 35 million (37). Issued and redeemed call options amounted to SEK 24 million (3). Dividends have been paid with SEK 53 million (37).

## Financial position

The balance sheet total increased in December 2018 through the acquisition of Biomedica Medizinprodukte GmbH ("Biomedica"). The equity ratio at the end of the financial year was 35 percent (40) and equity per share totalled SEK 37.80 (30.95). The return on equity at the end of the financial year was 16 percent (17). The return on working capital, P/WC (EBITA in relation to working capital), was 62 percent (63).

The Group's interest-bearing net debt increased due to the year's acquisitions and amounted to SEK 882 million (588) at the end of the period, including pension liability of SEK 77 million (67). The net debt/equity ratio, calculated on the basis of interest-bearing net debt including provisions for pension amounted to 0.9 (0.8).

Cash and cash equivalents, consisting of cash and bank balances together with approved but non-utilised credit facilities, totalled SEK 561 million as of 31 December 2018.

## Events after the reporting period

In January 2019 AddLife increased the credit agreement with Handelsbanken to SEK 700 million and subsequently extended the agreement which runs until 28 February 2020. At the same time AddLife redeemed SEK 250 million of the bridge loan, that subsequently amounts SEK 300 million after the redemption and runs until 20 March 2019.

No further events significant for AddLife's financial or market position have occurred since 31 December 2018.

# Capitalisation, financial leverage and other financial information

The information in AddLife's Year-end Report for the financial year 2018 causes parts of the Prospectus section "Capitalisation, financial leverage and other financial information" to be replaced as below. The sections "Capitalisation and financial leverage", "Equity and financial leverage" and "Net debt" (p. 72 in the Prospectus) and the sections "Investments" and "Significant changes as of 30 September 2018" (p. 73 and p. 75 in the Prospectus) are replaced as below.

## Capitalisation and financial leverage

The tables in this section present AddLife's capitalisation and finance leverage at the Group level as of 31 December 2018. For additional information about the Company's share capital and shares, please see the section entitled "The share, share capital and shareholder structure". The tables in this section should be read together with the section entitled "Comments on financial information" and AddLife's financial information, with associated notes, has been incorporated to the Prospectus by reference.

## Equity and financial leverage

AddLife is financed by equity and debt, where the majority of the debt consists of current liabilities. As of 31 December 2018 the Group had interest-bearing non-current liabilities of SEK 110 million, of which pension provisions amounted to SEK 77 million and interest-bearing short-term liabilities of SEK 833 million. Of the total liabilities of SEK 1,736 million, SEK 943 million were interest-bearing. The non-interest-bearing liabilities amounted to SEK 793 million consisting of deferred taxes, provisions, trade payables, current tax payables, other current liabilities and interim liabilities. Equity as of 31 December 2018 amounted to SEK 932 million.

The table below presents AddLife's total liabilities and equity as of 31 December 2018.

SEK million	31 Dec 2018
<b>Current liabilities</b>	
As guarantee	-
As security	-
Unsecured credit	1,518
<b>Total current liabilities</b>	<b>1,518</b>
<b>Non-current liabilities</b>	
As guarantee	-
As security	-
Unsecured credit	218
<b>Total non-current liabilities</b>	<b>218</b>
<b>Total equity</b>	
Share capital	51
Other contributed capital	651
Other reserves	24
Retained earnings including profit for the year	206
<b>Total equity</b>	<b>932</b>

As at 31 December 2018 AddLife did not have any contingent liabilities that were off balance sheet.

## Net debt

The table below presents AddLife's interest-bearing net debt as of 31 December 2018.

SEK million	31 Dec 2018
A Cash	-
B Cash equivalents	61
C Current investments	-
<b>D Liquidity (A)+(B)+(C)</b>	<b>61</b>
E Current receivables	-
F Current bank loans	832
G Current part of non-current liabilities	0
H Other current liabilities	1
<b>I Current liabilities (F)+(G)+(H)</b>	<b>833</b>
<b>J Net current liabilities (I)-(E)-(D)</b>	<b>772</b>
K Non-current bank loans	4
L Issued bonds	-
M Other non-current liabilities	106
<b>N Non-current liabilities (K)+(L)+(M)</b>	<b>110</b>
<b>O Net debt (J)+(N)</b>	<b>882</b>

## Investments

The table below summarises AddLife's total investments for the financial years 2018, 2017, 2016, 2016/2015 and 2015/2014. The investments primarily comprise investments in equipment and business acquisitions.

In addition to the investments that were made during January – December 2018, AddLife has decided on an additional investment during the first quarter 2019 about EUR 18 million for the business acquisition of Wellspect HealthCare. The acquisition of Wellspect HealthCare is intended to be financed within existing funds.

SEK million	Jan- Dec 2018	Jan- Dec 2017	Apr- Dec 2016	Apr 2015- Mar 2016	Apr 2014- Mar 2015
Acquisition of tangible assets	30	26	19	24	15
Acquisition of intangible assets	19	17	2	18	1
Company acquisitions, net liquidity effect	334	296	150	231	-
<b>Total investments</b>	<b>383</b>	<b>339</b>	<b>171</b>	<b>273</b>	<b>16</b>

### Significant changes as of 30 September 2018

In January 2019 AddLife increased the credit agreement with Handelsbanken to SEK 700 million and subsequently extended the agreement which runs until 28 February 2020. At the same time AddLife redeemed SEK 250 million of the bridge loan, that subsequently amounts SEK 300 million after the redemption and runs until 20 March 2019.

No further events of material importance for AddLife's financial position or position on the market have occurred since 31 December 2018.



# Legal considerations and other information

The information in this Prospectus Supplement causes the Prospectus section “*Legal considerations and other information*” (p. 102 in the Prospectus) to be replaced as below.

## Documents available for review

Copies of the following documents can be examined throughout the Prospectus validity period at the Company’s office on regular office hours during weekdays:

- articles of association of the Company;
- AddLife’s annual report and audit report for the financial years 1 April 2014 – 31 March 2015, 1 April 2015 – 31 March 2016, 1 April 2016 – 31 December 2016, 1 January 2017 – 31 December 2017;
- Year-end Report for the financial year 2018; and
- the Prospectus and the Prospectus Supplement.

Articles of association, historical financial information, the Prospectus, this Prospectus Supplement and other published information are available in electronic form on the Company’s website, [www.add.life](http://www.add.life).

## Documents incorporated by reference

The Company’s financial reports for the financial years 1 April 2015 – 31 March 2016, 1 April 2016 – 31 December 2016 and 1 January 2017 – 31 December 2017 constitute part of the Prospectus and shall be read as part of it. These financial reports can be found in AddLife’s annual reports for the financial years 1 April 2015 – 31 March 2016, 1 April 2016 – 31 December 2016 and 1 January 2017 – 31 December 2017. AddLife’s annual reports for the financial years 1 April 2015 – 31 March 2016, 1 April 2016 – 31 December 2016 and 1 January 2017 – 31 December 2017, have been audited by the Company’s auditor and the audit reports are attached to the annual report.

Financial information for the period 1 April 2014 – 31 March 2015 also forms part of this Prospectus and should be read as part of it. The financial information can be found in AddLife’s “*Prospectus for admission of shares to trading on Nasdaq Stockholm and invitation to subscribe for shares in AddLife AB (publ)*”, page 109–113 published on 15 March 2016.

AddLife’s Year-end Report for the financial year 2018 also forms part of this Prospectus and should be read as part of it. AddLife’s Year-end Report for 2018 has not been reviewed by the Company’s auditor.

Other than the information referred to above, with the exception of the pro forma financial statement, no information has been cursory reviewed or audited by the Company’s auditor.

## Source

### Consolidated financial report for 2014/2015

<https://www.add.life/en/investors/financial-reports-and-presentations/prospectus-and-supplement/>

### Financial report for 2015/2016

<https://www.add.life/en/investors/financial-reports-and-presentations/>

### Financial report for 2016

<https://www.add.life/en/investors/financial-reports-and-presentations/>

### Financial report for 2017

<https://www.add.life/en/investors/financial-reports-and-presentations/>

### Year-end Report for 2018

<https://www.add.life/en/investors/financial-reports-and-presentations/>

## Information

Income statement (p. 109), balance sheet (p. 110), changes in equity (p. 112), cash flow statement (p. 111), notes (p. 114–139), accounting policies (p. 114–119) and auditor’s report (p. 140).

Income statement (p. 46), balance sheet (p. 47), changes in equity (p. 48), cash flow statement (p. 49), notes (p. 54–87), accounting policies (p. 54–61) and auditor’s report (p. 89–90).

Income statement (p. 50), balance sheet (p. 51), changes in equity (p. 52), cash flow statement (p. 53), notes (p. 58–91), accounting policies (p. 58–64) and auditor’s report (p. 93–96).

Income statement (p. 58), balance sheet (p. 59), changes in equity (p. 60), cash flow statement (p. 61), notes (p. 66–92), accounting policies (p. 66–71) and auditor’s report (p. 94–97).

Income statement (p. 11), balance sheet (p. 12), changes in equity (p. 12), cash flow statement (p. 12–13), notes (p. 15) and accounting policies (p. 7).