

YEAR-END REPORT 1 JANUARY – 31 DECEMBER 2018

”Acquisition-intensive quarter”

1 OCTOBER – 31 DECEMBER 2018 (3 MONTHS)

- Net sales increased by 3 percent to SEK 685 million (668).
- EBITA amounted to SEK 74 million (79), corresponding to an EBITA-margin of 10.8 percent (11.7).
- Profit after tax increased by 9 percent and amounted to SEK 44 million (40).
- Earnings per share amounted to SEK 1.83 (1.67).
- Cash flow from operating activities amounted to SEK 92 million (97).

1 JANUARY – 31 DECEMBER 2018 (12 MONTHS)

- Net sales increased by 6 percent to SEK 2,482 million (2,333).
- EBITA amounted to SEK 245 million (234), corresponding to an EBITA-margin of 9.9 percent (10.0).
- Profit after tax increased by 7 percent and amounted to SEK 129 million (120).
- Earnings per share amounted to SEK 5.36 (4.95).
- Cash flow from operating activities amounted to SEK 177 million (208).
- The equity ratio amounted to 35 percent (40).
- Return on working capital (P/WC) amounted to 62 percent (63).
- During the financial year five acquisitions have been completed, with a combined annual sale of about SEK 750 million.
- The Board of Directors proposes a dividend of SEK 2.20 per share.

SEKm	3 months ending			12 months ending		
	31 Dec 18	31 Dec 17	change	31 Dec 18	31 Dec 17	change
Net sales	685	668	3%	2,482	2,333	6%
EBITA	74	79	-6%	245	234	5%
<i>EBITA-margin, %</i>	<i>10.8</i>	<i>11.7</i>		<i>9.9</i>	<i>10.0</i>	
Profit before tax	53	57	-8%	158	158	0%
Profit for the period	44	40	9%	129	120	7%
Earnings per share before dilution, SEK	1.83	1.67	10%	5.36	4.95	8%
Earnings per share after dilution, SEK	1.83	1.67	10%	5.36	4.94	8%

AddLife in brief

AddLife is an independent provider in Life Science that offers high-quality products, services and advice to both the private and public sector, mainly in the Nordic region. The Group is divided into two business areas: Labtech and Medtech. The Group comprises 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 shown steady growth both organically and through acquisitions since it was listed in 2016. Sales in the fourth quarter increased by SEK 3 percent to SEK 685 million and for the full year 2018 our sales increased by a total of 6 percent to SEK 2,482 million.

At the end of December we completed our largest acquisition to date, Biomedica in Austria, with an expected annual sales equivalent to about SEK 635 million. Acquisition-related costs of more than SEK 6 million had a negative impact on EBITA for the quarter of SEK 74 million, though this figure does not include either sales or profit from the acquired business. EBITA for the full year increased by 5 percent to SEK 245 million and our EBITA margin is on a par with the previous year.

Sales growth for both the quarter and the full year is attributable to the acquisitions of the year. Some of our companies fell short of their sales from the previous year. For the quarter, instrument sales to academic research facilities and the Danish pharmaceutical companies were weak because of customers' savings requirements.

In Norway, demand in home care was high for the full year, but our customers made fewer purchases in December. We see an increased underlying demand in home care in the Nordic countries for products in welfare technology and the bathroom segment to various institutions and senior housing facilities.

Stable growth continued in both Sweden and Norway, with a favourable market situation in both health services and research. Sweden's ambition to be a leader in research in the Life Science will further benefit the research market moving forward. The Norwegian government is continuing to invest in both research and new hospitals. Our Finnish companies are performing well, especially in diagnostics, and despite some delayed projects due to the comprehensive health care reform, demand in Medtech has stabilised over the past two quarters.

Businesses outside the Nordic region that mainly sell our own products have performed well during the year as well as during the last quarter.

Overall, demand is good in the majority of our market and product areas, and with the major strategic acquisitions we have completed, I look forward to the 2019 financial year.

Acquisitions

In 2018 we completed a total of five acquisitions: Food Diagnostics, Ossano Scandinavia, Väinö Korpinen, Laboren and Biomedica Medizinprodukte, which together contribute about SEK 750 million to annual sales, with about 300 new employees. We also signed an agreement with Wellspect HealthCare for the acquisition of its business in the product areas surgery and respiration during the first quarter of 2019, which is expected to add annual sales of about SEK 170 million.

In the fourth quarter, we built the foundation for the next step for AddLife through our acquisition of Biomedica and the agreement we signed with Wellspect Healthcare. We have taken the step out of the Nordic region, added interesting new markets and expanded the share of own products in Medtech. AddLife's market has expanded from the Nordic region to also include Central and Eastern Europe, thereby creating favourable conditions for long-term profitable organic and acquisition-driven growth in new markets.

During the quarter we decided to raise about SEK 500 million through a rights issue to continue our expansion and to acquire more interesting companies for our Group, with the aim of achieving our long-term goal of annual profit growth of 15 percent. The issue is currently underway and the outcome will be announced on 21 February.

Ever since AddLife was listed almost three years ago, our aim has been to build a strong position in the Nordic countries in our selected segments. We have now taken the first step out into Europe. The focus is on exercising active corporate governance to develop our existing companies and to expand the business with acquisitions. AddLife's decentralised organisation with independent entrepreneur-driven subsidiaries places great demands on the drive, attitude, expertise and dedication of our employees. I would like to warmly thank all of you who do your best every single day!

Kristina Willgård,
President and CEO

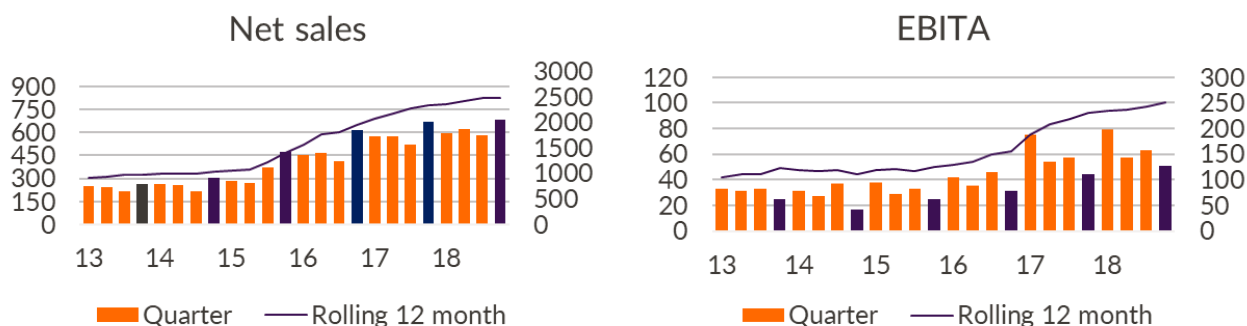


Group development in the quarter

Net sales in the fourth quarter increased by 3 percent to SEK 685 million (668). Organic sales decreased by 3 percent and acquired growth totalled 3 percent. Exchange rate changes had a positive effect on net sales of 3 percent, corresponding to SEK 19 million. Sales of instruments to academic research laboratories and the Danish pharmaceutical companies were weak for the quarter and purchases from our Norwegian home care customers were lower in December. EBITA amounted to SEK 74 million (79) and includes acquisition costs of about SEK 6 million, relating to the acquisition of Biomedica. EBITA-margin amounted to 10.8 percent (11.7). Exchange rate changes had a positive effect on EBITA of 2 percent, corresponding to SEK 2 million. Net financial items amounted to SEK -2 million (-3) and profit after financial items reached SEK 53 million (57). Profit after tax for the quarter increased by 9 percent to SEK 44 million (40) and the effective tax rate was 16 percent (29). During the quarter, deferred tax in Sweden was revalued as a result of previously non-capitalised tax loss carry forwards, which resulted in a positive tax effect of about SEK 4 million.

Group development in the financial year.

During the financial year, net sales increased by 6 percent to SEK 2,482 million (2,333). Acquired growth increased by 3 percent and exchange rate changes had a positive effect on net sales of 3 percent, corresponding to SEK 72 million. EBITA increased by 5 percent to SEK 245 million (234) and EBITA-margin amounted to 9.9 percent (10.0). EBITA includes acquisition costs of about SEK 8 million (2). Exchange rate changes had a positive effect on EBITA of 3 percent, corresponding to SEK 7 million. Net financial items amounted to SEK -10 million (-8). Profit after financial items amounted SEK 158 million (158). Profit after tax increased by 7 percent to SEK 129 million (120) and the effective tax rate was 18 percent (24). The lower effective tax is attributable to the revaluation of deferred tax in Norway and Sweden, which had a positive tax effect of about SEK 6 million.



Development in the business areas

Labtech

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

SEKm	3 months ending			12 months ending		
	31 Dec 18	31 Dec 17	change	31 Dec 18	31 Dec 17	change
Net sales	410	415	-1%	1,451	1,393	4%
EBITA	52	52	0%	165	151	10%
EBITA-margin, %	12.8	12.3		11.4	10.8	

Labtech's net sales amounted in the fourth quarter to SEK 410 million (415), of which organic growth amounted to -4 percent and exchange rate changes totalled 3 percent. EBITA amounted to SEK 52 million (52), corresponding to an EBITA-margin of 12.8 percent (12.3). Net sales increased during the financial year by 4 percent to SEK 1,451 million (1,393), which organic growth amounted to 1 percent and exchange rate changes totalled 3 percent. EBITA increased by 10 percent to SEK 165 million (151), corresponding to an EBITA-margin of 11.4 percent (10.8).

Sales declined somewhat in the fourth quarter. In general, the business area reported slightly lower sales growth throughout 2018 compared with previous years. Several of the companies focused on strengthening their margins and profit increased in the business area both for the quarter and the full year.

Sales to diagnostics laboratories continue to grow and we can offer our customers interesting technology from several different suppliers. More traditional diagnostics technology continued to perform well. The niche segment blood gas analysis had a strong performance in all countries during the year with several installed instruments and increased consumption. As a result, our companies captured additional market share. The initiatives in molecular biology and microbiology continue and we have also had good growth in the foods and veterinary diagnostics segments. Our Finnish companies report outstanding performances with strong growth both for the quarter and the full year, including several instrument sales, increased consumables for previously installed instruments and increased service revenue compared with previous years. The trend in companies in the other Nordic countries has been more stable. Our first year in the Baltic region has had a strong start with robust sales and earnings.

All of the Nordic countries are focusing on strengthening Life Science research in various ways. We have had robust sales to research during the first three quarters of the year. In the fourth quarter, however, instrument sales to academic research facilities and the Danish pharmaceutical companies were weak because of customers' savings requirements and staff cutbacks. The sales trend for our own advanced instruments outside the Nordic countries has been developing, especially in China, and our new distributor in the US has had a strong start over the first six months.

Medtech

Companies in the Medtech business provides medical device products within the medtech market, with a focus on surgery, thoracic medicine, neurology, wound care, anaesthesia, intensive care, ear, nose and throat, ostomies, and home healthcare.

SEKm	3 months ending			12 months ending		
	31 Dec 18	31 Dec 17	change	31 Dec 18	31 Dec 17	change
Net sales	275	253	8%	1,031	940	10%
EBITA	29	29	0%	94	93	2%
EBITA-margin, %	10.5	11.6		9.2	9.9	

In the quarter Medtech's net sales increased by 8 percent to SEK 275 million (253), of which organic growth amounted -1 percent, acquired growth totalled 7 percent and exchange rate changes totalled 2 percent. EBITA amounted to SEK 29 million (29), corresponding to an EBITA-margin of 10.5 percent (11.6). Net sales during the financial year increased by 10 percent to SEK 1,031 million (940), the organic growth decreased by -1 percent, acquired growth totalled 9 percent and exchange rate changes affected positively by 2 percent. EBITA increased by 2 percent to SEK 94 million (93), corresponding to an EBITA-margin of 9.2 percent (9.9).

Growth in Medtech has increased both for the quarter and the full year, driven by acquisitions carried out during the year. Activity in health services and home care is good, though December was generally weaker. The business situation is stable, but growth during the year has not been sufficient to compensate for the weak first quarter. Sales to health services were strong in Norway and the Benelux countries, and stable in Sweden, for both the year and the last quarter.

We have been successful in the various procurement processes in which we have participated. Sales in Denmark and Finland were on a par with last year during the last two quarters. Our Finnish business focused its market offering in the last quarter to further strengthen margins and increase earnings moving forward.

The home care market is steadily growing with respect to various assistive devices, enabling many elderly people to live at home longer. In December, sales to home care were temporarily weaker in Norway due to lower activities from the customers, but growth was good for the full year. We see an increased underlying demand in home care in the Nordic countries for products in welfare technology and the bathroom segment to various institutions and senior housing facilities. There are several common business opportunities with our product offering from the various companies relating to assistive devices in the bathroom.

Financial position and cash flow

The balance sheet increased in December through the acquisition of Biomedica. At the end of the financial year the equity ratio stood at 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). Return on working capital, P/WC (EBITA in relation to working capital) amounted to 62 percent (63).

The Group's interest-bearing net increased due to acquisitions during the year and at the end of the financial year stood at SEK 882 million (588), including pension liabilities of SEK 77 million (67). The net debt/equity ratio, calculated on the basis of net debt including provisions for pensions, totalled 0.9, compared to 0.8 at the beginning of the financial year.

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

Cash flow from operating activities reached SEK 177 million (208) during the financial year. The change in tax paid of SEK 27 million is mainly attributable to the payment of tax for 2017 in Norway as well as increased preliminary tax payments in all the Nordic countries. Acquisitions of companies amounted to SEK 334 million (296). Investments in non-current assets during the financial year amounted to SEK 49 million (43). Disposals of non-current assets amounted SEK 4 million (1). Repurchase of treasury shares amounted to SEK 35 million (37). Exercised and issued call options amounted to SEK 24 million (3). Dividends paid to the shareholders of the Parent Company amounted to SEK 53 million (37).

Employees

At the end of the financial year, the number of employees was 873, compared to 592 at the beginning of the financial year. During the financial year, implemented acquisitions led to an increase of 305 in the number of employees. The average number of employees during the financial year was 620 (579).

Acquisitions

Acquisitions completed from the 2017 financial year are distributed among the Group's business areas as follows:

Acquisitions	Time	Net sales, SEKm*	Number of employees*	Business area
TM Techno Medica AB, Sweden	January, 2017	30	5	Medtech
Hepro AS, Norway	March, 2017	165	40	Medtech
Krabat AS, Norway	July, 2017	30	13	Medtech
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	Labtech/Medtech

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

During the financial year, five company acquisitions have been completed;

On 23 February 2018, all shares in Ossano Scandinavia AB were acquired to the business area Medtech. The company has five employees and net sales of approximately SEK 22 million. The acquisition represents an expansion in the area of orthopaedics. After the takeover, the business has been integrated in Medioplast AB.

On 2 March 2018, all shares in Food Diagnostics FDAB AB were acquired to the Labtech business area. The company has three employees and net sales of around SEK 8 million. The acquisition entails an entry into the field of food diagnostics. After the takeover, the business has been integrated into the diagnostics company Triolab AB.

On 2 July 2018, all shares in Väinö Korpinen Oy were acquired to the business area Medtech. The company has 15 employees and net sales of approximately EUR 8 million. The acquisition represents a continued expansion in the home care sector.

On 3 December 2018, all shares in Laboren ApS were acquired to the Labtech business area. The company has two employees and sales of about DKK 8 million. The acquisition complements AddLife's existing product offering in laboratory equipment. The company will be integrated into Holm & Halby A/S.

On 21 December 2018, all shares were acquired in Biomedica Medizinprodukte GmbH to the Labtech and Medtech business areas. The company has 280 employees, is active in 13 markets in Central and Eastern Europe and has sales of about EUR 65 million. Biomedica has a similar business model, structure and market offering as AddLife.

The combined effect of the acquisitions on the AddLife Group's net sales was SEK 48 million, on EBITA SEK 5 million, on operating profit SEK 3 million and on profit after tax for the financial year SEK 2 million. Had the acquisitions, excluding Biomedica, been completed on 1 January 2018, their impact would have been approximately SEK 114 million on consolidated net sales, on EBITA about SEK 11 million and on operating profit about SEK 7 million and SEK 5 million on profit after tax for the financial year.

The fair value of not yet paid contingent consideration for acquisitions made during the financial year is calculated to SEK 9 million, which is approximately 57 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 2018 were as follows:

	Fair value
Intangible non-current assets	190
Other non-current assets	64
Inventories	129
Other current assets	275
Deferred tax liability/tax asset	-47
Other liabilities	-284
Acquired net assets	327
Goodwill	172
Consideration 1)	499
Less: cash and cash equivalents in acquired businesses	-62
Less: Consideration via Issue in kind	-102
Contingent consideration not yet paid	-1
Effect on the Group's cash and cash equivalents	334

1) The consideration is stated excluding acquisition expenses.

Transaction costs for the year, for the acquisitions totalled SEK 8 million and are recognized as selling expenses.

During the financial year, 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 7 million during the financial year, which is recognized as other operating income.

In addition to the acquisitions cited above, on 19 December 2018 AddLife signed an agreement with Wellspect HealthCare on the acquisition of its business in the product areas surgery and respiration. The business has sales of EUR 17 million and the acquisition is expected to be completed during the first quarter of 2019. The business will primarily be integrated into the subsidiaries Mediplast and Biomedica.

Shares structure

The share capital at the end of the financial year stood at SEK 51 million.

Share class	Number of shares
Class A shares	1,011,766
Class B shares	24,086,048
Total number of shares before repurchases	25,097,814
Of which repurchased class B shares	-468,450
Total number of shares after repurchases	24,629,364

The total number of shares in AddLife increased by 480,721 Class B shares as a result of a targeted non-cash issue at the time of the acquisition of Biomedica. The own holding of 468,450 Class B shares corresponds to 1.9 percent of the total number of shares and 1.4 percent of the votes. The average purchase price for shares held in treasury amounts to SEK 179.30 per share. The average number of treasury shares held during the year was 513,129 (295,996). The share price at 28 December 2018 was SEK 194.20 and the most recent price paid for the AddLife share on 11 February 2019 was SEK 208.00.

AddLife has three outstanding call option programmes totalling 468,450 Class B shares. During the period 17 September until 31 December 2018 inclusive, 146,550 options of a total 230,000 options were exercised. 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 (0.1) during the financial year. The treasury shares cover the company's undertaking in outstanding call options program.

Outstanding programme	Number of options	Corresponding number of shares	Proportion of total shares	Initial exercise price	Expiration period
2018/2022	170,000	170,000	0.7%	234.40	16 Jun 2021 – 28 Feb 2022
2017/2021	215,000	215,000	0.9%	222.50	16 Jun 2020 – 28 Feb 2021
2016/2019	83,450	83,450	0.3%	148.10	17 Sep 2018 – 28 Feb 2019
Total	468,450	468,450			

Parent company

The Parent Company's net sales for the financial year amounted to SEK 38 million (31) and profit after financial items amounted to SEK -1 million (-14). At the end of the financial year, the Parent Company's net financial debt amounted to SEK 831 million (891). The share capital at the end of the financial year was SEK 51 million (50).

Accounting policies

This year-end report was prepared as per IFRSs and IAS 34 Interim Financial Reporting. Information in accordance with IAS 34. 16A exist, except in the financial statements and the related notes also in other parts of the year-end report. The year-end report for the parent company was prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Securities Market Act (2007:528) in compliance with recommendation RFR 2 Accounting for Legal Entites, of the Swedish Financial Reporting Board. The accounting policies and basis for calculations applied in the 2017 annual report for AddLife AB were also used here except for the revised accounting policies described below.

IFRS 9 entered into force on 1 January 2018. In 2017 AddLife analysed possible effects of the introduction of IFRS 9. The conclusion of the analysis is that the introduction of IFRS 9 and a forward-looking impairment model based on expected future losses has not any effect on the Group's financial reports.

IFRS 15 entered into force on 1 January 2018. An analysis of the impact of IFRS 15 on the Group was carried out in 2017. The conclusion of the analysis is that IFRS 15 has not any effect on the accrual of the Group's revenues. IFRS 15 results in increased disclosures, see table net sales by revenue type.

At the end of the financial year, the Group determined that there are no changes in the analysis regarding IFRS 9 and IFRS 15, as disclosed in the Group's Annual Report for 2017.

Under IFRS 16, which entered into force on 1 January 2019, assets and liabilities attributable to leases must be reported on the balance sheet. AddLife has chosen to apply the modified retroactive transition method. As of 1 January 2019, a lease liability is recognised that represents the present value of the remaining payments for all leases. The Group has formulated a marginal loan rate with which the payments are discounted. The Group believes that introduction of the new standard entails the following effects on the balance sheet: Assets and liabilities are expected to increase with SEK 210 – 240 million. The analysis of the effect on the Group's financial targets following the implementation of IFRS 16 is not finalised.

Alternative performance measures

AddLife presents certain financial measures in the year-end report that are not defined according to IFRS. The Company believes that these measures provide valuable supplemental information to investors and the Company's management as they allow for evaluation of trends and the Company's performance. Since all companies do not calculate financial measures in the same way these are not always comparable to measures used by other companies. These financial measures should therefore not be considered to be a replacement for measurements as defined under IFRS. This report provides information in greater detail regarding definitions of financial performance measures.

Nomination committee

The 2018 AGM authorised the Board Chairman to establish a nomination committee for upcoming elections to the Board, by appointing members from among representatives of the five shareholders who controlled the largest number of votes in the Company at 30 September 2018, to serve with the Chairman on the nomination committee. In accordance with the above, the Committee comprises these appointed members: Johan Sjö, (Chairman of the Board), Tom Hedelius, Håkan Roos (appointed by RoosGruppen AB), Maria Nordqvist (appointed by Lannebo Fonder), Monica Åsmyr (appointed by Swedbank Robur Fonder) and Johan Strandberg (appointed by SEB Investment Management). Information on how to contact the Nomination Committee is available on the AddLife website, www.add.life/en/investors/.

Transactions with related parties

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

Events after the end of the financial year

In January 2019 AddLife increased its overdraft facility with Handelsbanken to SEK 700 million, while simultaneously extending its term to 28 February 2020. At the same time AddLife amortised SEK 250 million of the bridge loan, which after the payment of principal now amounts to SEK 300 million with a due date of 20 March 2019.

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 44-48), in AddLife's annual report 2017. The Parent Company is indirectly affected by the above risks and uncertainties through its function in the Group.

Stockholm, 12 February 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 February 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

Capital Markets Day 18 February 2019

AddLife invites analysts, professional investors and media to Capital Markets Day Monday on 18 February 2019 10:00 a.m. at Scandic Anglais, Humlegårdsgatan 23, Stockholm. The presentation will be webcast on AddLifes Youtube channel.

Proposals to the Annual General Meeting to be held 9 May 2019

The Annual General Meeting (AGM) of AddLife AB (publ.) will be held at 4.00 p.m on 9 May 2019 at cinema Saga, Kungsgatan 24, Stockholm.

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

The Board also decided to propose the following:

- Long-term incentive scheme aimed at senior executives.
- Board mandate to decide on new share issue up to 10 percent of the total of B shares as payment for acquisitions.
- Board mandate to buy back its own shares corresponding to a maximum of 10 percent of all shares in the Company.

Financial calendar

The Group's annual report for the financial year 1 January – 31 December 2018, will be published as a PDF version on AddLife's website, www.add.life, in the end of March 2019. A printed version will be sent to shareholders who have ordered one separately.

The interim report for the period 1 January – 31 March 2019 will be published on 9 May 2019.

The Annual General Meeting (AGM) of AddLife AB (publ.) will be held on 9 May 2019, Stockholm.

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

Business areas

Net sales by business area				2018				2017				
Quarterly data, SEKm	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Labtech	410	325	364	352	415	299	336	343				
Medtech	275	253	258	245	253	218	236	233				
Parent Company and Group items	-	-	-	-	-	-	-	-				
AddLife Group	685	578	622	597	668	517	572	576				

EBITA by business area				2018				2017				
Quarterly data, SEKm	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Labtech	52	33	41	39	52	25	39	35				
Medtech	29	19	25	21	29	22	21	21				
Parent Company and Group items	-7	-1	-3	-3	-2	-3	-3	-2				
EBITA	74	51	63	57	79	44	57	54				
Depreciation intangible assets	-19	-20	-20	-18	-19	-18	-17	-14				
Operating profit	55	31	43	39	60	26	40	40				
Finance income and expenses	-2	-2	-1	-5	-3	-1	-2	-2				
Profit after financial items	53	29	42	34	57	25	38	38				

Net sales by revenue type		12 months ending			12 months ending		
SEKm		31 Dec 18			31 Dec 17		
		Labtech	Medtech	The Group	Labtech	Medtech	The Group
Products		944	916	1,860	908	841	1,749
Instruments		381	115	496	379	99	478
Service		126	-	126	106	0	106
Net Sales		1,451	1,031	2,482	1,393	940	2,333

Net sales by business area		3 months ending		12 months ending	
SEKm		31 Dec 18	31 Dec 17	31 Dec 18	31 Dec 17
Labtech		410	415	1,451	1,393
Medtech		275	253	1,031	940
Parent Company and Group items		-	-	-	-
AddLife Group		685	668	2,482	2,333

EBITA and EBITA-margin by business area and operating profit for the Group								
SEKm	3 months ending				12 months ending			
	31 Dec 18	%	31 Dec 17	%	31 Dec 18	%	31 Dec 17	%
Labtech	52	12.8	52	12.3	165	11.4	151	10.8
Medtech	29	10.5	29	11.6	94	9.2	93	9.9
Parent Company and Group items	-7		-2		-14		-10	
EBITA	74	10.8	79	11.7	245	9.9	234	10.0
Depreciations of intangible non-current assets	-19		-19		-77		-68	
Operating profit	55	7.9	60	9.0	168	6.8	166	7.1
Financial income and expenses	-2		-3		-10		-8	
Profit after financial items	53		57		158		158	

Group summary

Income statement	3 months ending		12 months ending	
	31 Dec 18	31 Dec 17	31 Dec 18	31 Dec 17
SEKm				
Net sales	685	668	2,482	2,333
Cost of sales	-440	-423	-1,592	-1,492
Gross profit	245	245	890	841
Selling expenses	-146	-143	-557	-524
Administrative expenses	-39	-38	-157	-143
Research and Development	-5	-5	-19	-18
Other operating income and expenses	0	1	11	10
Operating profit	55	60	168	166
Financial income and expenses	-2	-3	-10	-8
Profit after financial items	53	57	158	158
Tax	-9	-17	-29	-38
Profit for the period	44	40	129	120
<i>Attributable to:</i>				
Equity holders of the Parent Company	44	40	129	120
Non-controlling interests	-	-	-	-
Earnings per share (EPS), SEK*	1.83	1.67	5.36	4.95
Diluted EPS, SEK*	1.83	1.67	5.36	4.94
Average number of shares '000s	24,094	24,199	24,118	24,347
Number of shares at end of the period, '000	24,629	24,172	24,629	24,172
EBITA	74	79	245	234
Depreciations included in operating expenses				
- property, plant and equipment	-6	-5	-22	-20
- intangible non-current assets from acquisitions	-16	-16	-63	-57
- other intangible non-current assets	-3	-3	-14	-11
Statement of comprehensive income				
	3 months ending		12 months ending	
SEKm	31 Dec 18	31 Dec 17	31 Dec 18	31 Dec 17
Profit for the period	44	40	129	120
<i>Components that will be reclassified to profit for the year</i>				
Foreign currency translation differences for the period	-19	2	17	-12
<i>Components that will not be reclassified to profit for the year</i>				
Revaluations of defined benefit pension plans	-2	-7	-2	-7
Tax attributable to items not to be reversed in profit or loss	1	1	1	1
Other comprehensive income	-20	-4	16	-18
Total comprehensive income	24	36	145	102
<i>Attributable to:</i>				
Equity holders of the Parent Company	24	36	145	102
Non-controlling interests	-	-	-	-

Balance sheet, SEKm	31 Dec 18	31 Dec 17
Goodwill	823	646
Other intangible non-current assets	642	507
Property, plant and equipment	111	75
Financial non-current assets	48	13
Total non-current assets	1,624	1,241
Inventories	408	271
Current receivables	575	368
Cash and cash equivalents	61	11
Total current assets	1,044	650
Total assets	2,668	1,891
Total equity	932	748
Interest-bearing provisions	97	67
Non-interest-bearing provisions	108	76
Non-current interest-bearing liabilities	13	4
Non-current non-interest-bearing liabilities	0	0
Total non-current liabilities	218	147
Non-interest-bearing provisions	3	3
Current interest-bearing liabilities	833	529
Current non-interest-bearing liabilities	682	464
Total current liabilities	1,518	996
Total equity and liabilities	2,668	1,891

Statement of change in Group equity, SEKm	1 Jan 18 – 31 Dec 18			1 Jan 17 – 31 Dec 17		
	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	748	-	748	717	-	717
Issue in kind under registration	102	-	102	-	-	-
Exercised and issued call options	24	-	24	3	-	3
Repurchase of treasury shares	-35	-	-35	-37	-	-37
Dividend	-53	-	-53	-37	-	-37
Non-controlling interests	-	1	1	-	-	-
Total comprehensive income	145	-	145	102	-	102
Amount at the end of the period	931	1	932	748	-	748

Cash flow statement	3 months ending		12 months ending	
SEKm	31 Dec 18	31 Dec 17	31 Dec 18	31 Dec 17
Profit after financial items	53	57	158	158
Adjustment for items not included in cash flow	20	16	94	78
Income tax paid	-17	-18	-69	-42
Changes in working capital	36	42	-6	14
Cash flow from operating activities	92	97	177	208
Net investments in non-current assets	-17	-15	-45	-42
Acquisitions and disposals	-260	0	-336	-296
Cash flow from investing activities	-277	-15	-381	-338
Dividend paid to shareholders	-	-	-53	-37
Exercised and issued call options	21	-	24	3
Repurchase of treasury shares	-	-	-35	-37
Other financing activities	211	-91	313	196
Cash flow from financing activities	232	-91	249	125
Cash flow for the period	47	-9	45	-5
Cash and cash equivalents at beginning of period	16	17	11	15
Exchange differences on cash and cash equivalents	-2	3	5	1
Cash and cash equivalents at end of the period	61	11	61	11

Fair values on financial instruments SEKm	31 Dec 2018			31 Dec 2017		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives held for trading purposes	1	1	-	-	-	-
Total financial assets at fair value per level	1	1	-	-	-	-
Derivatives held for trading purposes	0	0	-	0	0	-
Contingent considerations	9	-	9	14	-	14
Total financial liabilities at fair value per level	9	0	9	14	0	14

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		12 months ending	
	31 Dec 18	31 Dec 17	31 Dec 18	31 Dec 17
Carrying amount, opening balance	1	16	14	13
Acquisitions during the year	8	-	9	13
Consideration paid	-	-	-6	-
Reversed through profit or loss	-	-2	-8	-13
Interest expenses	0	0	0	1
Exchange differences	0	0	0	0
Carrying amount, closing balance	9	14	9	14

Key financial indicators	12 months ending			
	31 Dec 18	31 Dec 17	31 Dec 16	31 Mar 16
Net sales, SEKm	2,482	2,333	1,938	1,562
EBITA, SEKm	245	234	189	135
EBITA margin, %	9.9	10.0	9.7	8.7
Profit growth, EBITA, %	5	24	47	13
Return on working capital (P/WC), %	62	63	62	64
Profit for the period, SEKm	129	120	112	78
Return on equity, %	16	17	21	25
Financial net liabilities, SEKm	882	588	366	538
Financial net liabilities/EBITDA, multiple	3.3	2.3	1.8	3.6
Net debt/equity ratio, multiple	0.9	0.8	0.5	1.6
Equity ratio, %	35	40	45	27
Average number of employees	620	579	452	370
Number of employees at end of the period	873	592	545	427

For definitions of key financial indicators, see page 15.

Key financial indicators per share	12 months ending			
	31 Dec 18	31 Dec 17	31 Dec 16	31 Mar 16
Earnings per share (EPS), SEK	5.36	4.95	4.87	4.15
Diluted EPS, SEK	5.36	4.94	4.87	-
Cash flow per share, SEK	7.34	8.55	5.79	6.27
Shareholders' equity per share, SEK	37.80	30.95	29.40	17.60
Average number of shares after repurchases, '000s	24,118	24,321	22,950	18,749
Average number of shares adjusted for repurchases and dilution, '000s	24,138	24,347	22,950	-
Number of shares outstanding at end of the period, '000s	24,629	24,172	24,387	19,694

Parent company summary

Income statement	3 months ending		12 months ending	
SEKm	31 Dec 18	31 Dec 17	31 Dec 18	31 Dec 17
Net sales	14	10	38	31
Administrative expenses	-10	-10	-43	-48
Operating profit/loss	4	0	-5	-17
Interest income/expenses and similar items	1	0	4	3
Profit/loss after financial items	5	0	-1	-14
Appropriations	52	46	52	46
Profit/loss before taxes	57	46	51	32
Income tax expense	-12	-11	-11	-8
Profit/loss for the period	45	35	40	24

Balance sheet, SEKm	31 Dec 18	31 Dec 17
Intangible non-current assets	0	0
Tangible non-current assets	0	0
Non-current financial assets	1,828	1,521
Total non-current assets	1,828	1,521
Current receivables	98	89
Total current assets	98	89
Total assets	1,926	1,610
Equity	719	641
Untaxed reserves	47	30
Interest-bearing long-term liabilities	76	157
Non-interest-bearing long-term liabilities	2	1
Total long-term liabilities	78	158
Interest-bearing short-term liabilities	1,039	734
Non-interest-bearing short-term liabilities	43	47
Total short-term liabilities	1,082	781
Total equity and liabilities	1,926	1,610

Note. Pledged assets and contingent liabilities in the Group

SEKm	31 Dec 18	31 Dec 17
Pledged assets	-	-
Contingent liabilities	42	41

Definitions

Return on equity	Profit/loss after tax attributable to shareholders, as a percentage of shareholders' proportion of average equity.	
	2018-12-31	2017-12-31
Profit/loss for the period	129	120
Average equity	814	728
Return on equity	129/814 = 16%	120/728 = 17%
Return on working capital (P/WC)	EBITA in relation to average working capital.	
	2018-12-31	2017-12-31
Operating profit before amortization of intangible assets	245	234
EBITA, (P)		
Average working capital (WC)	397	369
P/WC	245/397 = 62%	234/369 = 63%
EBITA	Operating profit before amortization of intangible assets.	
	2018-12-31	2017-12-31
Operating profit	168	166
Depreciation of intangible assets	77	68
Operating profit before amortization of intangible assets	245	234
EBITA margin	EBITA in percentage of net sales.	
	2018-12-31	2017-12-31
Operating profit before amortization of intangible assets	245	234
Net sales	2,482	2,333
EBITA margin	245/2,481 = 9.9%	234/2,333 = 10.0%
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 13 and they are commented on pages 1-4.

This information is information that AddLife AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 a.m. CET on February 12, 2019.



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