



Invitation to subscribe for shares with
preferential rights in AddLife AB (publ)

IMPORTANT INFORMATION

Information to investors

This document is a translation of a Swedish prospectus. The prospectus in Swedish (the "**Prospectus**") and this English translation thereof have been prepared in connection with the invitation to subscribe for shares in AddLife (the "**Offering**"). For definitions of certain terms used in this translation, please see "*Certain definitions and terms*" below and "*Glossary*".

Preparation and registration of the Prospectus

The Prospectus has been prepared in accordance with the Swedish Financial Instruments Trading Act (1991:980) and Commission Regulation (EC) No. 809/2004 of 29 April 2004 on the implementation of European Parliament and Council Directive 2003/71/EC (the "**Prospectus Regulation**"). The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") pursuant to the provisions of Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (1991:980). Approval and registration does not imply that the SFSA guarantees that the various factual information provided in the Prospectus is accurate or complete. This English translation of the Prospectus has not been approved by or registered with any regulatory authority. The Prospectus is available on the Company's website www.add.life, Handelsbanken's website, www.handelsbanken.se/investeringserbjudande, and at the SFSA website, www.fi.se. The Prospectus has been prepared in a Swedish version and an English translation. In the event of any inconsistency between this English translation and the Prospectus (in Swedish), the Prospectus (in Swedish) shall prevail.

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. Neither the subscription rights in the Offering nor paid subscribed shares (Sw. *betald tecknad aktie*) ("**BTA**") or new shares that has been subscribed in the Offering has been or will be registered in accordance with the United States Securities Act of 1933 in the current wording (the "**Securities Act**"). Securities may not be offered or sold, directly or indirectly, in or to the USA or to persons domiciled there, except in accordance with an applicable exemption from the registration requirements in the Securities Act. Furthermore, the offer is not directed at persons with domicile in 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 this Prospectus may not be distributed in or to any country or jurisdiction where distribution or the Offering requires such actions or contravenes the rules of such jurisdiction. Subscription of shares in contravention with the above may be deemed null and void. Persons that receive the Prospectus must inform themselves and adhere to such restrictions. Actions in contravention of the restrictions may represent a breach of the applicable securities legislation.

An investment in securities is associated with certain risks (see the section "*Risk factors*"). When investors make an investment decision, they must rely on their own judgement of AddLife and the Offering, including all circumstances and risks. Before an investment decision, potential investors should engage their own professional advisers and carefully evaluate and consider the investment decision. Investors may only rely on information in this Prospectus and any supplements to this Prospectus. No person is authorised to provide any other information or make any other statement than what is found in this Prospectus. If so should occur, such information or such statements must not be considered to have been approved by AddLife and AddLife will not be responsible for such information or statements. Neither the publication and distribution of this Prospectus nor any transactions performed in relation to the Offering may be considered, under any circumstances, to mean that the information in this Prospectus is correct and valid at any time other than the date of publication of this Prospectus or that no changes have occurred in AddLife's activities after the date in question. Should material changes to the information in this Prospectus occur, such changes will be disclosed in accordance with the rules regarding prospectus supplements in the Swedish Financial Instruments Trading Act (1991:980).

Notice to investors in the USA

No securities have or will be registered in accordance with the Securities Act or any other corresponding regulation in any state in the USA and may as a result not be offered or sold, directly or indirectly, in or to the USA, except in accordance with an applicable exemption from the registration requirements in the Securities Act and in accordance with the applicable securities regulation in the relevant state in the USA. Securities will only be offered in "offshore transactions" as defined in and pursuant to Regulation S under the Securities Act or, in limited exceptions and at the discretion of AddLife, in private placement transactions, that are exempt from the registration requirements set out under the Securities Act, to a limited number of "qualified institutional buyers", as defined in Rule 144A under the Securities Act, which have executed and delivered a US investor representation letter to AddLife.

Future-oriented information

The Prospectus and this English translation contains future-orientated statements and assumptions regarding future market conditions, business and results. These statements can be found in several sections and include statements regarding the Company's current intentions, assessments and expectations. Words such as "consider", "intend", "assess", "expect", "forecast", "plan" or similar expressions are indicative of some of these future-orientated statements. Other such statements are identified based on their current context. Actual events and financial outcomes may differ materially from those set forth in such statements due to risks and other factors that affect the Company's business. Such factors are compiled under the section "*Risk Factors*".

Industry and market information

The Prospectus and this English translation contains industry and market information attributable to AddLife's business and the markets on which AddLife is active. Unless otherwise indicated, such information is based on the Company's analysis of multiple sources. Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information cannot be guaranteed. The Company has not independently verified, and therefore cannot guarantee the accuracy of, the industry and market information contained in the Prospectus and this English translation that were obtained or derived from these industry publications or reports. Industry and market information are inherently predictive and speculative, subject to uncertainty, and are not necessarily reflective on actual market conditions. Such information are based on market research, which itself is based on selection and subjective assessments by both the researchers and the respondents, which include assessments about what types of products and transactions should be included in the relevant market. The Company assumes no responsibility for the accuracy of any industry or market information included in the Prospectus or this English translation. Information that derived from third parties has been accurately reproduced and, as far as the Company is aware of and assured by comparison with other information published by third parties concerned, no information has been omitted in a manner that would render the information reproduced incorrect or misleading.

Presentation of financial information

Certain financial information in the Prospectus and this English translation has been rounded off and consequently, some tables do not add up correctly. No information in this English translation of the Prospectus has been reviewed or audited by the Company's auditor.

Certain definitions and terms

"**AddLife**", "**the Company**" or "**the Group**" refer to AddLife AB (publ), corporate identity no. 556995-8126, the group which AddLife AB (publ) is the parent company, or a subsidiary in the group, depending on the context. "**Handelsbanken**" refers to Handelsbanken Capital Markets, a part of Svenska Handelsbanken AB (publ), or Svenska Handelsbanken AB (publ), corporate identity no. 502007-7862, per se, depending on the context. "**Euroclear**" refers to Euroclear Sweden AB, corporate identity no. 556112-8074. "**SEK**" refers to Swedish kronor. "**EUR**" refers to euros and "**USD**" refers to United States dollars. The "**Offering**" refers to the offering to subscribe for shares in the Company as described in the Prospectus and this English translation, and the "**Issue**" refers to the issuance of shares in the Company pursuant to the Offering. The "**Prospectus**" refers to the Swedish prospectus and for avoidance of doubt not this English translation. "**EBITA**" is the acronym for earnings before interest, taxes and amortisation, and refers to operating profit before amortisation of intangible assets and property from acquisitions.

Financial advisor

Handelsbanken is the financial advisor to the Company and issuing agent for the Offering. Since all information in the Prospectus and this English translation is derived from the Company, Handelsbanken accepts no liability in relation to existing or prospective shareholders of the Company and relating to other direct or indirect economic consequences as a result of investment or other decisions that is, in whole or in part, based on the information in the Prospectus or this English translation.

Disputes

Disputes relating to the Offering, the contents of the Prospectus, the content of this English translation and related legal matters shall be settled by a Swedish court. The Prospectus, this English translation and the Offering are exclusively subject to Swedish substantive law.

Summary

Prospectus summaries consists of disclosure requirements as listed in the items. The items are numbered in sections A – E (A.1 – E.7). The summary within this Prospectus contains all of the items required in a summary for this type of security and issuer. Since certain items do not apply to all types of prospectuses, there may be gaps in the numbering of items. Even if it is required for an item to be included in the summary for this type of security and issuer, it is possible that no relevant information can be provided regarding the item. The information has, in such case, been replaced with a short explanation of the item preceded by the words “Not applicable”.

This Prospectus has been prepared because of the Offering. The shareholders in AddLife will be offered the opportunity to subscribe for shares in AddLife through the Offering.

Section A – Introductions and warnings

A.1	<i>Introduction and warnings</i>	This summary should be considered as an introduction to the Prospectus. Any decision to invest in the securities should be based on an assessment of the Prospectus as a whole by the investor. If claims relating to information contained in the Prospectus are brought before a court, the plaintiff investor may, in accordance with member states' national legislation, be forced to pay the costs of translating the Prospectus before legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	<i>Consent to use of the Prospectus</i>	Not applicable. Financial intermediaries are not entitled to use the Prospectus for subsequent resale or final placement of securities.

Section B – Issuer and guarantor

B.1	<i>Legal and trade name</i>	The Company's name (and trade name) is AddLife AB (publ) corporate identity no. 556995-8126.
B.2	<i>Domicile and legal form</i>	The board of directors has its registered office in Stockholm Municipality. The Company was founded in Sweden on 1 November 2014 and registered with the Swedish Companies Registration Office on 15 December 2014. The Company is a Swedish public limited company governed by the Swedish Companies Act (2005:551).
B.3	<i>Principal activities</i>	<p>AddLife is an independent player within Life Science that offers high-quality products, services and advice to both the private and public sector, mainly in the Nordic region. The Group comprises, prior to the Biomedica-acquisition, of 32 operating subsidiaries that provide equipment, instruments, and reagents, as well as medical technology solutions, advice and technical support to customers primarily in the healthcare sector, laboratory research and academia, along with the food and pharmaceutical industries. AddLife enter 13 new markets through the Biomedica-acquisition by the indirect acquisition of 13 operating subsidiaries. The Company operates in the European countries.</p> <p>AddLife's subsidiaries are organised in two (2) business areas; Labtech and Medtech. The Labtech business area consists, prior to the Biomedica-acquisition, of around 18 operating companies active in the market areas diagnostics and biomedical research and laboratorial equipment. The Medtech business area consists, prior to the Biomedica-acquisition, of about 14 operating companies that provide medical device products within the medtech market. The Labtech and Medtech business areas are expanded by 13 new operating subsidiaries through the Biomedica-acquisition.</p>

B.4a	Trends	<p>The following trends prevail in the industry in which the Company operates;</p> <ul style="list-style-type: none">growing and aging population increases the need for healthcare and social services¹⁾;changing markets and needs require an altered value proposition;growing application area for diagnostics;digitalisation enables new application and business opportunities²⁾; andconsolidation and centralisation of public procurement on the Nordic market. <p>1) Eurostat 2017 and World Health Organization. 2) Report Buyer estimates in the report Digital Health Market Global Industry Analysis, Trends, Market Size and Forecasts up to 2024 (https://www.reportbuyer.com/product/5566848) estimates that the global market for eHealth increase with approximately 14 percent during the period 2018–2024; Grand View Research (https://www.grandviewresearch.com/industry-analysis/e-health-market) estimates that the global market for eHealth increase with approximately 15 percent annually during the period 2015–2022; and the Report E Health Market By Type (eHealth Solutions, eHealth Services); By End User (Healthcare Providers, Payers, Healthcare Consumers, Pharmacies) and by Regional Analysis - Global Forecast by 2018 – 2024 (https://www.marketresearchengine.com/e-health-market) estimates that the global market for eHealth increase with 22 percent annually during the period 2018–2024.</p>																																			
B.5	Group	The Group comprises the parent company AddLife AB (publ) and 58 directly and indirectly owned subsidiaries, of which around 45 subsidiaries are operational.																																			
B.6	Major shareholders	<p>Below is a list of all shareholders with holdings exceeding five (5) percent of shares in the Company, or five (5) percent of votes for all shares as of 31 December 2018 including changes known thereafter.</p> <table><tr><th>Shareholders</th><th>A-shares</th><th>B-shares</th><th>% of total number of shares</th><th>% of votes</th></tr><tr><td>RoosGruppen AB</td><td>469,923</td><td>2,552,494</td><td>12.1</td><td>21.2</td></tr><tr><td>Tom Hedelius</td><td>451,800</td><td>5,062</td><td>1.8</td><td>13.2</td></tr><tr><td>Swedbank Robur</td><td>0</td><td>1,805,986</td><td>7.2</td><td>5.3</td></tr><tr><td>Verdipapirfonde Odin Sverige</td><td>0</td><td>1,414,564</td><td>5.6</td><td>4.2</td></tr><tr><td>Other</td><td>90,043</td><td>18,307,942</td><td>73.3</td><td>56.1</td></tr><tr><td>Total</td><td>1,011,766</td><td>24,086,048</td><td>100</td><td>100</td></tr></table>	Shareholders	A-shares	B-shares	% of total number of shares	% of votes	RoosGruppen AB	469,923	2,552,494	12.1	21.2	Tom Hedelius	451,800	5,062	1.8	13.2	Swedbank Robur	0	1,805,986	7.2	5.3	Verdipapirfonde Odin Sverige	0	1,414,564	5.6	4.2	Other	90,043	18,307,942	73.3	56.1	Total	1,011,766	24,086,048	100	100
Shareholders	A-shares	B-shares	% of total number of shares	% of votes																																	
RoosGruppen AB	469,923	2,552,494	12.1	21.2																																	
Tom Hedelius	451,800	5,062	1.8	13.2																																	
Swedbank Robur	0	1,805,986	7.2	5.3																																	
Verdipapirfonde Odin Sverige	0	1,414,564	5.6	4.2																																	
Other	90,043	18,307,942	73.3	56.1																																	
Total	1,011,766	24,086,048	100	100																																	
B.7	Selected historical financial information	<p>The financial information summarized in this section has been taken from the following sources:</p> <p>a) 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>b) Financial information for the interim period 1 January – 30 September 2018 and the comparative figures for the corresponding period in 2017 are taken from the interim report for the period 1 January – 30 September 2018.</p> <p>c) 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 15 March 2016.</p> <p>The financial statements for 2014/2015, 2015/2016, 2016 and 2017 have been audited by AddLife’s auditors. The interim report for 1 January – 30 September 2018 was cursory 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 this Prospectus 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>																																			

B.7

Selected historical financial information (cont.)

Condensed income statement

	Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017	Apr-Dec 2016	Apr 2015 – Mar 2016	Apr 2014 – Mar 2015
SEK million	Unaudited	Unaudited	Audited	Audited	Audited	Audited
Net sales	1,797	1,665	2,333	1,485	1,563	1,057
Cost of goods sold	-1,152	-1,069	-1,492	-975	-1,015	-661
Gross profit	645	596	841	510	548	396
Selling expenses	-411	-381	-524	-316	-345	-227
Administrative expenses	-118	-105	-143	-79	-103	-60
Research and development	-14	-13	-18	-2	-	-
Other operating income and expenses	11	9	10	9	6	-1
Operating profit	113	106	166	122	106	108
Financial income and expenses	-8	-5	-8	-4	-6	-3
Profit after financial items	105	101	158	118	100	105
Income tax expense	-20	-21	-38	-25	-22	-25
PROFIT FOR THE PERIOD	85	80	120	93	78	80
Attributable to:						
Shareholders of the parent company	85	80	120	93	78	80
Non-controlling interests	-	-	-	-	-	0

Condensed balance sheet

	30 Sep 2018	30 Sep 2017	31 Dec 2017	31 Dec 2016	31 Mar 2016	31 Mar 2015
SEK million	Unaudited	Unaudited	Audited	Audited	Audited	Audited
ASSETS						
NON-CURRENT ASSETS						
Goodwill	673	646	646	524	479	124
Other intangible non-current assets	520	520	507	346	256	69
Tangible assets	78	78	75	68	59	31
Financial assets	12	15	13	11	11	8
Total non-current assets	1,283	1,259	1,241	949	805	232
CURRENT ASSETS						
Inventories	314	295	271	252	213	83
Current receivables	371	312	368	361	247	245
Cash equivalents	16	17	11	15	12	83
Total current assets	701	624	650	628	472	411
TOTAL ASSETS	1,984	1,883	1,891	1,577	1,277	643
EQUITY AND LIABILITIES						
EQUITY	784	712	748	717	347	263
Total equity	784	712	748	717	347	263
LIABILITIES						
Interest-bearing provisions	67	60	67	60	63	73
Non-interest-bearing provisions	79	78	76	40	53	13
Non-current interest-bearing liabilities	1	7	4	10	301	0
Non-interest-bearing long-term liabilities	0	1	0	1	-	-
Total non-current liabilities	147	146	147	111	417	86
Non-interest-bearing provisions	3	4	3	6	5	1
Current interest-bearing liabilities	625	616	529	310	185	28
Current non-interest-bearing liabilities	425	405	464	433	323	265
Total current liabilities	1,053	1,025	996	749	513	294
TOTAL EQUITY AND LIABILITIES	1,984	1,883	1,891	1,577	1,277	643

B.7	Selected historical financial information (cont.)	Condensed statement of cash flows						
			Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017	Apr-Dec 2016	Apr 2015– Mar 2016	Apr 2014– Mar 2015
		SEK million	Unaudited	Unaudited	Audited	Audited	Audited	Audited
		Profit after financial items	105	101	158	118	100	105
		Adjustment for items not included in cash flow	74	62	78	37	48	23
		Income tax paid	–52	–24	–42	–17	–36	–15
		Changes in working capital	–42	–28	14	–20	6	7
		Cash flow from operating activities	85	111	208	118	118	120
		Net investments in non-current assets	–28	–27	–42	–19	–41	–15
		Acquisitions and disposals	–76	–296	–296	–150	–231	–
		Cash flow from investing activities	–104	–323	–338	–169	–272	–15
		Dividend paid to shareholders of the parent company	–53	–37	–37	–	–295	–80
		Other financing activities	70	253	162	49	381	–20
		Cash flow from financing activities	17	216	125	49	86	–100
		Cash flow for the period	–2	4	–5	–2	–68	5
		Cash and cash equivalents at beginning of period	11	15	15	12	83	77
		Exchange differences on cash and cash equivalents	7	–2	1	5	–3	1
		Cash and cash equivalents at end of the period	16	17	11	15	12	83
		Key indicators						
			Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017	Apr-Dec 2016	Apr 2015– Mar 2016	Apr 2014– Mar 2015
		Net sales, SEK million ¹⁾	1,797	1,665	2,333	1,485	1,562	1,057
		EBITA, SEK million ²⁾	171	155	234	154	135	120
		EBITA-margin, % ³⁾	9.5	9.3	10.0	10.3	8.7	11.3
		Earnings growth EBITA, % ⁴⁾	10	37	24	54	13	4
		Return on working capital (PA/VC), % ⁵⁾	66	65	63	62	64	94
		Profit for the period, SEK million ⁶⁾	85	80	120	93	78	80
		Return on equity, % ⁷⁾	16	18	17	21	26	30
		Financial net liabilities, SEK million ⁸⁾	676	666	588	366	538	19
		Financial net liabilities/EBITDA, times ⁹⁾	2.5	2.7	2.3	1.8	3.6	0.1
		Net debt/equity ratio, times ¹⁰⁾	0.9	0.9	0.8	0.5	1.6	0.1
		Equity ratio, % ¹¹⁾	40	38	40	45	27	41
		Average number of employees ¹²⁾	598	576	579	459	370	284
		Number of employees at end of period ¹³⁾	602	589	592	545	427	286
		1) IFRS key indicators. 2) Not IFRS key indicators. 3) Not IFRS key indicators. 4) Not IFRS key indicators. 5) Not IFRS key indicators. The key indicator is calculated on a rolling twelve-month basis. 6) IFRS key indicators. 7) Not IFRS key indicators. 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 indicators 9) Not IFRS key indicators. The key indicator is calculated on a rolling twelve-month basis. 10) Not IFRS key indicators. The key indicator is calculated based on equity that included non-controlling interests. 11) Not IFRS key indicators. The key indicator is calculated based on equity that included non-controlling interests. 12) Not IFRS key indicators. 13) Not IFRS key indicators.						

B.7	<i>Selected historical financial information (cont.)</i>	Definitions	
		Return on equity	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>
		Return on working capital (P/WC)	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>
		EBITDA	Operating profit before depreciation. <i>EBITDA is used to analyse the profitability generated from the operational activities.</i>
		EBITA	Operating profit before amortisation of intangible assets. <i>EBITA is used to analyse the profitability generated from the operational activities.</i>
		EBITA-margin	EBITA in percentage of net sales. <i>EBITA-margin is used to analyse the asset-creating generated from the operational activities.</i>
		Adjusted EBITA	Operating profit before amortisation of intangible assets and listing expenses. <i>EBITDA is used to analyse the profitability generated from the operational activities.</i>
		Profit growth EBITA	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>
		Financial net liabilities	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>
		Financial net liabilities/EBITDA	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>
		Net debt/equity ratio	Financial net liabilities in relation to shareholders' equity. <i>Net debt/equity ratio is used to analyse financial risk.</i>
		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). <i>Working capital is used to analyse how much working capital is tied in the business.</i>
		Equity ratio	Equity as a percentage of total assets. <i>Equity ratio is used to analyse financial risk and shows how much of the assets are financial with equity.</i>
		Organic growth	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>

B.7	<i>Selected historical financial information (cont.)</i>	<p>Material changes since 30 September 2018</p> <p>On 21 December 2018 AddLife acquired all shares in Biomedica including its subsidiaries. The purchase consideration was paid in cash and through newly issued shares in AddLife. Sellers through direct and indirect holdings were Herbert Kejda, Dr. Stefan Marenzi, Douglas Marenzi, Mag. Philipp Marenzi, PUKA Privatstiftung and HADRIAN Privatstiftung. The share purchase agreement contains customary warranties from the sellers as well as liability limitations for the sellers.</p> <p>On 19 December 2018, AddLife signed an agreement with Wellspect HealthCare to acquire their business in the product areas of surgery and respiration. The total purchase price for the business, which primarily comprises product rights, inventories and existing customer and supplier contracts, amounts to EUR 18 million. Eight (8) of Wellspect HealthCare's markets in Europe and Australia account for more than 90 percent of sales. The business will mainly be integrated into the subsidiaries Medioplast and Biomedica. The acquisition is expected to be completed during the first quarter of 2019.</p> <p>In December 2018 AddLife entered into a credit agreement with Handelsbanken of SEK 550 million relating to a three (3) months bridge loan. The credit agreement runs until 20 March 2019. In January 2019, AddLife increased the overdraft facility with Handelsbanken to SEK 700 million and extended the period to the 28 February 2020. At the same time AddLife redeemed SEK 250 million of the bridge loan which after the amortisation amount to SEK 300 million.</p>
B.8	<i>Selected pro forma financial information</i>	<p>Purpose of pro forma financial statements</p> <p>The purpose of the pro forma financial statements is to present a general overview of how the acquisition of Biomedica, and the debt financing associated with the acquisition, would have affected:</p> <ul style="list-style-type: none"> i) AddLife's condensed consolidated income statement in summary for the period 1 January – 31 December 2017 under the assumption that the acquisition was completed and finalised on 1 January 2017; ii) AddLife's condensed consolidated income statement in summary for the period 1 April – 30 September 2018 under the assumption that the acquisition was completed and finalised on 1 April 2018; and iii) AddLife's condensed consolidated balance sheet in summary as of 30 September 2018 under the assumption that the acquisition was completed and finalised on that date. <p>The financial information presented in the pro forma financial statements describes a hypothetical situation and has been produced solely for illustrative purposes to provide information, and is therefore not intended to show the financial position or performance for the period as though the above event had occurred on the specified dates. Moreover, the pro forma financial statements do not show the financial position or performance of the Group for a future period, either. This should be taken into account with respect to potential investment decisions. No pro forma adjustments have been made for integration costs or synergies in the pro forma financial statements.</p> <p>Basis of preparation of pro forma financial statements</p> <p><i>Pro forma income statement 1 January – 31 December 2017</i></p> <p>The pro forma income statement for the period 1 January – 31 December 2017 is based on the AddLife's reviewed financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU for the period 1 January – 31 December 2017 taken from the Company's annual report for the financial year 2017. Biomedica has historically had financial years ending on 31 March. For practical reasons financial information for Biomedica therefore comprises reviewed financial statements prepared according to IFRS for the financial period 1 April 2017 – 31 March 2018.</p>

B.8

Selected pro forma financial information (cont.)

Pro forma income statement 1 Jan – 31 Dec 2017

	AddLife	Biomedica	Adjustments	Notes	Pro forma		
	1 Jan –	1 Apr 2017 –					
SEK million	31 Dec 2017	31 Mar 2018					
Net sales	2,333	635			2,968		
Cost of goods sold	-1,492	-399			-1,891		
Gross profit	841	236	0		1,077		
Selling expenses	-524	-170	-20	1.3	-714		
Administrative expenses	-143	-54			-197		
Research and development	-18	-5			-23		
Other operating income and expenses	10	38			48		
Operating profit	166	45	-20		191		
Financial income and expenses	-8	1	-2	2	-9		
Profit/loss before taxes	158	46	-22		182		
Tax	-38	-3	4	4	-37		
PROFIT/LOSS FOR THE YEAR	120	43	-18		145		
Profit/loss for the period attributable to:							
Shareholders of the parent company	120	41	-18		143		
Non-controlling interests	-	2	-		2		
Pro forma income statement 1 Apr – 30 Sep 2018							
	AddLife	AddLife	AddLife	Biomedica	Adjustments	Notes	Pro forma
	1 Jan –	1 Jan –	1 Apr –	1 Apr –	1 Apr –		1 Apr –
SEK million	30 Sep 2018	31 Mar 2018	30 Sep 2018	30 Sep 2018	30 Sep 2018		30 Sep 2018
Net sales	1,797	597	1,200	358			1,558
Cost of goods sold	-1,152	-381	-771	-226			-997
Gross profit	645	216	429	132	0		561
Selling expenses	-411	-136	-275	-100	-13	1.3	-388
Administrative expenses	-118	-39	-79	-36			-115
Research and development	-14	-4	-10	-1			-11
Other operating income and expenses	11	2	9	14			23
Operating profit	113	39	74	9	-13		70
Financial income and expenses	-8	-5	-3	23	-1	2	19
Profit/loss before taxes	105	34	71	32	-14		89
Income tax expense	-20	-8	-12	-3	2	4	-13
PROFIT/LOSS FOR THE YEAR	85	26	59	29	-12		76
Profit/loss for the period attributable to:							
Equity holders of the parent company	85	26	59	29	-12		76
Non-controlling interests	-	-	-	0	-		0

B.8	Selected pro forma financial information (cont.)	Pro forma balance sheet 30 Sep 2018							
		SEK million	AddLife 30 Sep 2018	Biomedica 30 Sep 2018	Adjustments 30 Sep 2018	Notes	Pro forma 30 Sep 2018		
		Goodwill	673	15	158	1	846		
		Other intangible non-current assets	520	8	143	2	671		
		Tangible assets	78	31			109		
		Financial assets	12	15	6	4	33		
		Total non-current assets	1,283	69	307		1,659		
		Inventories	314	94			408		
		Current receivables	371	208			579		
		Cash equivalents	16	56	-6	6	66		
		Total current assets	701	358	-6		1,053		
		Total assets	1,984	427	301		2,712		
		Total equity	784	130	-36	7	878		
		Interest-bearing provisions	67	7			74		
		Non-interest-bearing provisions	79	35	36	3	150		
		Non-current interest-bearing liabilities	1	9			10		
		Non-interest-bearing long-term liabilities	0	-			0		
		Total non-current liabilities	147	51	36		234		
		Non-interest-bearing provisions	3	6			9		
		Current interest-bearing liabilities	625	-	301	5	926		
		Current non-interest-bearing liabilities	425	240			665		
		Total current liabilities	1,053	246	301		1,600		
		Total equity and liabilities	1,984	427	301		2,712		
		B.9	Profit forecasts	Not applicable. The Prospectus does not contain any profit forecast or profit estimate.					
		B.10	Auditor's remarks	Not applicable. There are no remarks from the auditor.					
		B.11	Insufficient working capital	Not applicable. AddLife estimates that the working capital is sufficient to meet current needs for the next twelve (12) months.					

Section C – Securities

C.1	<i>Securities admitted to trading and offered</i>	A-shares in AddLife (ISIN code SE0007982806) and B-shares in AddLife (ISIN code SE0007982814). Only B-shares will be admitted for trading.
C.2	<i>Denomination</i>	The shares are denominated in SEK.
C.3	<i>Number of shares in the issuer</i>	As of the date of this Prospectus, the Company's registered share capital amounts to SEK 51,125,197.9 divided into 25,097,814 shares, of which 1,011,766 are A-shares and 24,086,048 are B-shares. All shares are fully paid. Each share has a quota value of SEK 2.037. The planned issue will affect the number of shares of the Company and the Company's registered share capital.
C.4	<i>Rights attached to the securities</i>	<p>At general meetings, each B-share entitles its holder to one (1) vote and each A-share entitles its holder to ten (10) votes. If the Company issues new A- and B-shares through a cash or set-off issue, owners of A- and B-shares have preferential rights to subscribe for new shares of the same class in proportion to their existing shareholdings. The shares carry equal rights to dividends.</p> <p>All shares in AddLife carry equal rights to AddLife's assets and any surplus in the event of liquidation. A-shares are subject to a conversion provision in AddLife's articles of association. Resolutions on dividends are passed by the general meeting and dividends are paid by Euroclear. The right to dividends is conferred upon shareholders who, on the record date for dividends established by the general meeting, are registered as shareholders in the share register kept by Euroclear.</p>
C.5	<i>Restrictions on free transferability</i>	Not applicable. The shares are not subject to restrictions on free transferability.
C.6	<i>Admission to trading</i>	The B-share in AddLife is admitted to trading on the regulated marketplace Nasdaq Stockholm. After the Swedish Companies Registration Office has registered the new B-shares that will be issued in the Issue they will also be admitted to trading on Nasdaq Stockholm.
C.7	<i>Dividend policy</i>	The board of directors of AddLife has resolved that the goal is to propose a dividend corresponding to 30 to 50 percent of the profit after tax. When determining dividends, the Company's board considers investment needs and other factors that it deems relevant.

Section D – Risks

D.1	Main risks relating to the issuer or the industry	<p><i>AddLife's business and market are subject to a number of risks that are wholly or partly outside the Company's control and which affect or may affect the Company's business, financial condition and results of business. Described below, in no particular order and without claiming to be complete, are the risks factors considered to be of importance for AddLife's future development.</i></p> <p>Main risks relating to the Group and it's industry include</p> <p>Sensitivity to economic fluctuations and market trends Demand for AddLife's services is greatly influenced by macroeconomic factors beyond the control of the Company, such as conditions in the global capital market, the state of the economy in general and public finances. Demand among the Company's customers is influenced by factors such as their willingness to invest and access to financing. Factors such as consumption, business investments, public sector investment, the volatility and strength of the capital market and inflation affect the business and economic climate. A weakening of these conditions on some or all of the markets in which AddLife operates could have material adverse effects on the Company's business, financial condition and results of business. A significant share of the Company's sales are made to publicly funded activities in medical care, laboratories and research. Weakened public finances could have a negative impact on AddLife's business and results of business. The cost of medical care, laboratories and research in relation to GDP is rising and there is a risk that this would reduce demand from the public sector and increase pressure on prices, which could adversely affect AddLife's business, financial condition and results of business.</p> <p>Suppliers In order to deliver products, AddLife depends on external suppliers who must meet the terms of the agreements regarding matters such as volume, quality and delivery date. Incorrect, delayed or missing deliveries could in turn cause AddLife's deliveries to be delayed or incorrect. This may result in reduced distribution of the Company's products, and potentially increased costs. Moreover, AddLife could be adversely affected if the Company's suppliers develop financial, legal or operational problems, such as price increases or the inability to deliver products of the agreed quality. These factors could result in reduced sales of AddLife's products or affect AddLife's potential to purchase the necessary products on time and at the right price in order to deliver them to customers. AddLife has agreements with a large number of suppliers, both in Sweden and abroad, over which the Company cannot exercise control nor can it have full insight into their business. Consequently, AddLife is exposed to the risk that suppliers could act in a way that could harm AddLife. In the event of disputes with a supplier there is a risk that AddLife cannot obtain compensation for full liability, regardless of whether AddLife wins the dispute in court or through arbitration. In some supplier relationships there are no written supplier agreements, which could result in legal uncertainty regarding the content of the agreement. Taken together, these factors could have a negative impact on AddLife's business, financial condition and results of business.</p> <p>Acquisitions and divestments AddLife has historically completed several acquisitions. Strategic acquisitions will continue to be an important component of AddLife's growth strategy. However, there is a risk that AddLife will not be able to identify acquisition targets or to carry out strategic acquisitions because of, for example, competition with other acquirers or lack of financing. This could result in reduced or declining growth for AddLife and AddLife might not achieve its financial targets.</p> <p>Ability to recruit and retain staff AddLife's continued success depends on experienced employees with specific skills. There are key personnel both among senior executives and among the Group's employees in general. There is a risk that one or several senior executives or other key personnel could leave the Group on short notice. In the event that AddLife fails to recruit suitable replacements for them or new skilled key personnel in the future, this could have a negative impact on AddLife's business, financial condition and results of business.</p> <p>Public procurement and political decisions Political decisions in the European countries have led to a decline in the number of contracting customers because of the consolidation of regions and county councils into larger entities. As a result public procurements are now larger and contract periods have often been extended. This change has resulted in an increase in both pressure on prices and competition, while making it difficult for smaller operators in the market to participate in public procurements. Furthermore, because the industry is consolidating on the supply side and larger merged suppliers have a broader offering, at the same time that purchase contracts are becoming broader in scope, there is a risk that niche operators like the Company may be unable to participate in public procurements.</p>
-----	---	--

D.1	<i>Main risks relating to the issuer or the industry (cont.)</i>	<p>Competition</p> <p>The majority of subsidiaries in the Group operate in sectors that are vulnerable to competition and price pressure. In some cases subsidiaries compete with operators that can offer a more complete range of goods or have better access to financing, as well as large financial, technical, marketing and personnel resources. Furthermore, because the industry is consolidating on the supply side and larger merged suppliers have a broader offering, at the same time that purchase contracts are becoming broader in scope, there is a risk that niche operators like the Company may be unable to participate in public procurements. Future competitive opportunities for the subsidiaries depend on the ability to be on the leading edge of technology, and react quickly to new market needs.</p> <p>There is a risk that subsidiaries will not successfully develop or deliver new business deals, or that costly investments, restructuring and/or price cuts must be implemented to adapt the business to a new competitive situation. Increased competition from current or new operators, or deterioration of the ability of a subsidiary to meet new market needs, could have a negative impact on the business, financial condition and results of business of both the subsidiary and AddLife.</p> <p>Technological development</p> <p>AddLife is exposed to the risk that the various subsidiaries in the Group may not be able to implement new technology or adapt the product range and business model in time to be able to take advantage of the new benefits of new or existing technology. Each such failure could have a material adverse effect on AddLife's business, financial condition and results of business. The costs associated with keeping up with product and technological advances may be high and influenced by factors that are fully or partially outside of AddLife's control. Moreover, the level and timing of future operating expenses and capital requirements could significantly differ from current estimates. Inability or unwillingness to finance these expenses could have a material adverse effect on AddLife's business, financial condition and results of business.</p> <p><i>The risks described above are not the only risks that the Company and its shareholders can be exposed to. There are other risks related to the markets that AddLife operates on or to the Company's business which as of the date of this Prospectus are unknown to the Company or which the Company as of the date of this Prospectus does not consider to be significant but which also could have an adverse effect on AddLife's business, financial condition or results of business.</i></p>
D.3	<i>Main risks associated with the securities</i>	<p><i>All investment in securities is associated with risks. Such risks could lead to the price on the Company's B-share decrease substantially in value and the shareholders risk to lose all or part of their investment.</i></p> <p>Main risks related to the Issue and the Company's B-shares include</p> <p>Share ownership</p> <p>Investing in shares always entails risk-taking. Since an investment in shares may increase or decrease in value, there is a risk that investors will not be able to regain all of the capital invested. The performance of a listed share depends on company-specific factors, as well as factors related to the capital market as a whole. It is impossible for an individual company to control all of the factors that may affect the price of its share. For this reason every investment decision must be preceded by a thorough analysis.</p> <p>Major sales</p> <p>The price of the shares in AddLife may drop if extensive sales of shares in the Company occur, or can be expected to occur, in particular major sales from the Company's major shareholders, directors or senior management.</p> <p>In conjunction with the Biomedica-acquisition the sellers received B-shares in the Company. The sellers have undertaken, for a given period of 24 months from the takeover date, not to sell their shares or otherwise enter into transactions with similar effect without prior written consent from the Company. After the lock-up period has expired, however, these sellers will be free to sell their shares in AddLife. The sale of large quantities of shares by the sellers after the expiration of the lock-up period, or expectations that such a sale will occur, could cause the price of the shares in AddLife to drop. Sales of large blocks of shares by other shareholders could also have a negative impact on the market price of the shares and could make it difficult for other shareholders to sell shares in AddLife at a specific time and at a price they deem appropriate.</p> <p>Change of Control</p> <p>Acquired companies may be parties to agreements that include change of control clauses. A change of control clause usually means that the acquired company's counterparty has the right to terminate the agreement in the event that a change in ownership corresponding to 50 percent of votes or capital in the company occurs, or if the controlling influence over the company changes. A number of the agreements to which AddLife is a party contain change of control clauses and there is a risk that counterparties to such agreements will not approve the change in ownership and will exercise their contractual right to terminate the agreement, which could also occur in future acquisitions. Failure to identify such obligations and commitments prior to the acquisition, or to adequately protect the Company contractually for such cases, or counterparties exercising their right to terminate agreements as a result of change of control clauses, could have a material adverse effect on the Group's business, financial condition and results of business.</p>

D.3	<i>Main risks associated with the securities (cont.)</i>	<p>Share performance There is a risk that there will not be sufficient liquidity in the share. The share price will vary for a variety of reasons, including fluctuations in the Company's financial performance and position, changes in the equity market's expectations of future profits, supply and demand for the shares, developments within the Company's market segment and economic trends in general.</p> <p>Future dividends are dependent on several factors The newly issued shares carry the right to a dividend commencing on the first record date for dividends occurring after the shares have been entered in AddLife's share register. The amount of any future dividends depends on the Company's future earnings, financial condition, cash flows, working capital requirements, planned and potential acquisitions and other factors.</p> <p>Trading in subscription rights There is a risk that active trading in subscription rights for B-shares will not develop on Nasdaq Stockholm, or that adequate liquidity will not be available during the subscription period at the time such securities are traded.</p> <p>Preferential rights for shareholders in certain jurisdictions If the Company increases share capital, existing shareholders normally have preferential rights to subscribe for new shares, unless shareholders resolve to approve deviation from preferential rights at the general meeting. Shareholders in the United States, Canada, Australia, Japan, Hong Kong, New Zealand, Switzerland, Singapore and South Africa or in any other jurisdictions where participation would require additional prospectuses, registration or other measures than those required by Swedish law, are usually excluded from the opportunity to exercise their rights to subscribe for new shares if the shares or subscription rights are not registered under the U.S. Securities Act or equivalent regulations in other concerned jurisdictions and if no exemption from the registration requirements is applicable. In the United States, securities will only be offered pursuant to an applicable exemption from, or in a transaction not subject to the registration requirements of the Securities Act, to a limited number of existing shareholders who: (i) are deemed to be qualified institutional buyers as defined by Rule 144A under the Securities Act and (ii) have signed and sent an investor letter of intent to AddLife.</p> <p>Dilution of shareholding The Issue AddLife is planning will result in a dilution of the shareholdings of shareholders who choose not to exercise their right to subscribe for shares in the Offering or who for some reason cannot participate in the Offering. Shareholders who do not participate in the Issue may sell subscription rights allocated to the shareholder and thereby obtain some compensation. If a shareholder chooses to sell his or her unexercised subscription rights, there is a risk that the compensation the shareholder will receive for the subscription rights on the market does not correspond to the economic dilution of the shareholder's ownership in AddLife after completion of the share issue. Any future share issues may also result in dilution of the holdings of shareholders, for example if an issue is made without preferential rights for existing shareholders. Since the timing and conditions for any future share issues will depend on AddLife's situation and the general market conditions at that time, the Company cannot predict or estimate amounts, timing and other terms and conditions for such share issues. Thus AddLife's shareholders bear the risk of any future share issues that may lower the price of the AddLife share and/or dilute the shareholders holdings in the Company.</p>
------------	--	--

Section E – Offering

E.1	<i>Issue amount and issue expenses</i>	At full subscription, the Issue is expected to raise about SEK 500 million for AddLife. AddLife's total costs for the Offering are estimated at about SEK ten (10) million. Such costs are primarily attributable to the costs of financial advice, auditors, lawyers, translation, the printing of the Prospectus, etcetera.
E.2	<i>Reasons for the Offering and use of the issue proceeds</i>	At full subscription, the Issue is expected to raise about SEK 500 million for AddLife. The Issue is aimed to create an economic base for continued profitable growth through the acquisition of Life Science companies in Europe that can strengthen the Company's existing business or contribute with new product or market segments where there are precondition to take leading niche positions.

E.3	Terms and conditions of the Offering	<p>Shares The Issue is executed through issuance of a total of 144,538 A-shares (ISIN-code SE0007982806) and 3,385,864 B-shares (ISIN-code SE0007982814).</p> <p>Subscription with preferential rights Those who are registered as shareholders in AddLife on the record date, 30 January 2019, will receive one (1) subscription right for each share held in AddLife. Subscription rights entitle the holders, with primary preferential rights, to subscribe for new shares of the same class. Preferential rights apply, in accordance with AddLife's articles of association, to owners of each class of share in proportion to their existing shareholdings (primary preferential right). Shares which are not subscribed for by those shareholders entitled to subscribe pursuant to primary preferential right will be offered to all shareholders (subsidiary preferential rights). If the number of shares offered in this manner is insufficient for subscription based on subsidiary preferential rights, the shares shall be distributed in relation to the number of exercised subscription rights and, to the extent that this is not possible, by lot. In addition, shareholders and the public will be invited to submit their interest in subscribing for new shares without primary or subsidiary preferential rights.</p> <p>Subscription rights Each A-share in AddLife will entitle the holder to one (1) subscription right for subscription of A-shares. Seven (7) subscription rights for subscription of A-shares entitle the holder to subscription of one (1) new A-share. Each B-share in AddLife will entitle the holder to one (1) subscription right for subscription of B-shares. Seven (7) subscription rights for subscription of B-shares entitle the holder to subscription of one (1) new B-share. With the sale of subscription rights, both the primary and the subsidiary preferential rights are transferred to the new holder of the subscription right.</p> <p>Subscription on the basis of subsidiary preferential rights and without preferential rights Application of interest to subscribe for new shares on the basis of subsidiary preferential rights and without preferential rights in the Issue is done by using the application form "Subscription for shares with subsidiary preferential rights and without subscription rights".</p> <p>Subscription price The new shares will be issued at a price of SEK 142 per new share. No commission will be charged.</p> <p>Record date The record date at Euroclear for determining who is entitled to receive subscription rights is 30 January 2019. B-shares in AddLife will be traded excluding the right to receive subscription rights effective from 29 January 2019 and the last day of trading in the share including the right to receive subscription rights is thus 28 January 2019.</p> <p>Trading in subscription rights Trading in subscription rights for B-shares in AddLife takes place on Nasdaq Stockholm. Trading in subscription rights shall take place during the period from 1 February 2019 through 13 February 2019 under the ticker ALIF TR B. Securities institutes with the required licenses will assist with brokering of the purchase and sale of subscription rights. Unexercised subscription rights must be sold in order not to lapse without value. There will not be any organized trading of subscription rights for A-shares. The ISIN code for subscription rights of B-shares is SE0012230498.</p> <p>Issue statement Directly-registered holdings Shareholders who on the record date are registered in the share register kept by Euroclear on behalf of AddLife will receive the Prospectus and pre-printed issue statement with an accompanying bankgiro form. The pre-printed issue statement will show, inter alia, the number of subscription rights received and the entire number of new shares that may be subscribed for by means of subscription rights. Those who are included in the special list of pledge holders and trustees which is maintained in connection with the share register will not receive an issue statement but will be informed separately. A securities notice (Sw. <i>VP-avi</i>) referring to the registration of subscription rights in the shareholder's securities account (Sw. <i>VP-konto</i>) will not be dispatched.</p> <p>Nominee-registered holdings Shareholders in AddLife whose holdings are nominee-registered at a bank or other nominee on the record date will not receive an issue statement from Euroclear. Subscription and payment related to nominee-registered shareholders will take place in accordance with the instructions from the respective bank or nominee, or if the holding is registered with multiple nominees, from each one of these.</p>
-----	--------------------------------------	---

E.3	Terms and conditions of the Offering (cont.)	<p>Shareholders resident in certain ineligible jurisdictions</p> <p>Please note that due to restrictions imposed by securities legislation the Offering is not aimed at investors who reside or have a registered address in the United States except pursuant to an available exemption from the registration requirements of the Securities Act. Furthermore, the Offer is not directed at persons with domicile in 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.</p> <p>In view of this, shareholders whose shares are registered directly in the securities account (Sw. <i>VP-konto</i>) with registered addresses in the United States, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore or South Africa or any other jurisdiction where participation would require additional prospectuses, registration or other administrative authorisation will not receive this Prospectus. Nor will they receive any subscription rights in their respective securities accounts (Sw. <i>VP-konto</i>). The subscription rights that would otherwise have been allocated to these shareholders will be sold and the proceeds of the sale, less costs, will be paid to such shareholders. However, amounts of less than SEK 100 will not be paid.</p> <p>Banks or other nominees that hold shares for shareholders in AddLife whose holdings on the record date are nominee-registered may not send this Prospectus or the pre-printed issue statement to shareholders with addresses in, or who are located or resident in, the United States, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore or South Africa, or any other jurisdiction, in which participation would require additional prospectuses, registration or other regulatory approval, without advance approval from AddLife.</p> <p>Shareholders with directly-registered holdings resident in Sweden</p> <p>Application for subscription of new shares on the basis of primary preferential rights shall be made by simultaneous cash payment and is binding. Subscription and payment shall be made either using the pre-printed bankgiro form or the application form intended for this purpose with simultaneous payment during the period from 1 February 2019 through 15 February 2019 according to one of the following options:</p> <ul style="list-style-type: none"> – Bankgiro form: in cases in which all subscription rights received as of the record date that can be exercised for subscription of shares will be exercised, the pre-printed bankgiro form from Euroclear should be used for application for subscription by means of payment. The special application form should therefore not be used. No additions or changes may be made to the text printed on the bankgiro form. – Application form: in the case that subscription rights have been acquired or sold, or for some other reason a different number of subscription rights than that shown on the pre-printed issue statement are being exercised to subscribe for shares, a special application form shall be used for subscription by means of payment. Payment shall be made at the same time as the application is made in accordance with the instructions on the application form. Such an application form is available from any branch office of Handelsbanken in Sweden or through Handelsbanken Capital Markets, Emission, e-mail: emissionsavdelningen@handelsbanken.se. The pre-printed bankgiro form should not be used. <p>Information to shareholders with directly-registered holdings resident in abroad</p> <p>Shareholders in AddLife who are resident outside Sweden and who are not subject to restrictions and who wish to participate in the Issue shall use the application form sent out for subscription. Upon submission of the application form to the following address, payment shall be made in SEK to the bank account specified below. Please note that shareholders with directly-registered holdings who are resident abroad and have access to a Swedish internet bank may use the pre-printed bankgiro form for subscription and payment.</p> <p>Bank: Handelsbanken Capital Markets, Emission SE-106 70 Stockholm, Sweden Bank account: 6028 318 926 091 IBAN number: SE74 6000 0000 0003 1892 6091 SWIFT: HANDSESS</p> <p>When making payment subscribers must provide their name and address, along with the subscriber's securities account (Sw. <i>VP-konto</i>) number or payment ID as stated in the issue statement. The application form and payment must be received by Handelsbanken Capital Markets no later than 15 February 2019 at 5:00 pm CET. Application forms for shareholders residing abroad can be obtained from Handelsbanken's website, www.handelsbanken.se/investeringserbjudande, as well as from AddLife's website, www.add.life.</p> <p>By sending in the application form and completing payment, or by approving delivery of the subscription rights or the new shares, each such subscriber is deemed to have declared, ensured and given consent that the subscriber is not, and will not be at the time when the subscriber receives or exercises the subscription right or the new shares, located or resident in the United States, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore or South Africa, or any other jurisdiction in which participation requires an additional prospectus, registration or other administrative approval, and that the subscriber is not acting on a non-discretionary basis on behalf of, or to the benefit of, any such person.</p>
-----	--	---

E.3	Terms and conditions of the Offering (cont.)	<p>Subscription and payment of shares with primary preferential right</p> <p>Subscription of shares with primary preferential right</p> <p>Application for subscription of new shares by exercising subscription rights is made through simultaneous cash payment during the period 1 February 2019 through 15 February 2019 at 5:00 pm CET. Subscription rights not exercised prior to the expiration of the subscription period will become void and lapse without value. Unexercised subscription rights will be deregistered from the respective shareholders' securities accounts (Sw. <i>VP-konto</i>) without notification from Euroclear. In order for the value of the subscription rights to not be forfeited the holder must either:</p> <ul style="list-style-type: none"> – exercise the subscription rights received and subscribe for new shares no later than 15 February 2019, which is the last day of the subscription period; or – sell the subscription rights received that have not been exercised for subscription of new shares no later than 13 February 2019, which is the last day for trading in subscription rights for B-shares on Nasdaq Stockholm. <p>The board of directors for AddLife reserves the right to extend the subscription period and the time for payment. Such extension, if any, will be announced by the Company no later than 15 February 2019. Subscription of new shares on the basis of subscription rights is irrevocable and the shareholder cannot cancel or modify a subscription of new shares.</p> <p>Shareholders with nominee-registered holdings</p> <p>Shareholders in AddLife whose holdings are nominee-registered at a bank or other nominee on the record date will not receive an issue statement from Euroclear. For such shareholders subscription and payment of new shares with preferential rights shall be made to the respective nominee and pursuant to the instructions provided by the nominee(s).</p> <p>Paid subscribed shares (BTA)</p> <p>Shares subscribed and paid for on the basis of subscription rights will be registered with Euroclear as soon as possible, which usually means up to two (2) banking days after payment. The subscriber will then receive a securities notice confirming that the paid subscribed shares have been registered to the subscriber's securities account (Sw. <i>VP-konto</i>). Custody account customers with nominees will receive paid subscribed shares and information in accordance with the respective nominee's procedures.</p> <p>Trading in paid subscribed shares (BTA)</p> <p>Paid subscribed shares will be traded on Nasdaq Stockholm as from 1 February 2019 through 20 February 2019 under the ticker ALIF BTA B. The ISIN code for paid subscribed B-shares is SE0012230506. Securities institutes with the required licences will assist with brokering and sale of subscription paid subscribed shares.</p> <p>Delivery of shares</p> <p>After the Issue is registered with the Swedish Companies Registration Office, which is expected to occur around 22 February 2019, paid subscribed shares will be converted to new shares, without any notification by Euroclear. The new shares are expected to be available in the subscriber's securities account (Sw. <i>VP-konto</i>) on 26 February 2019.</p> <p>Subscription for new shares on the basis of subsidiary preferential rights and without preferential rights</p> <p>Application for subscription of shares on the basis of subsidiary preferential rights and without preferential rights will take place during the same period as application for subscription of shares on the basis of primary preferential rights, that is between 1 February and 15 February 2019. Application to subscribe for shares on the basis of subsidiary preferential rights and without preferential rights is to be done on application form "Subscription for shares with subsidiary preferential right and without preferential right", which is to be completed, signed and then sent or delivered to Handelsbanken Capital Markets, at the address on the application form. Application forms can be obtained at any Handelsbanken branch or downloaded from Handelsbanken's website: www.handelsbanken.se/investeringserbjudande and AddLife's website, www.add.life. The original application form must be received by Handelsbanken Capital Markets, no later than 15 February 2019 at 5:00 pm CET.</p> <p>The application form may be sent by mail to the address on the application form, or turned in at any Handelsbanken branch office. Only one application form per person or signatory will be considered. In cases where more than one application form is submitted, only the last one received will be considered. Incomplete or incorrectly completed application forms may be disregarded.</p> <p>Allotment of shares not subscribed for on the basis of primary preferential rights</p> <p>Shares not subscribed for on the basis of primary preferential rights will be allotted according to a decision by the board of directors. Shares not subscribed for on the basis of primary preferential rights shall be allotted to shareholders who subscribe for shares on the basis of subsidiary preferential right. If an insufficient number of shares is available for subscription by subsidiary preferential right, the shares shall be distributed among the subscribers in proportion to the exercised primary preferential right and, insofar as this cannot be done, by the drawing of lots. As regards to shares not subscribed for pursuant to primary or subsidiary preferential rights, shares will be allotted to others who have registered to subscribe for shares in the Issue and, in the event that they cannot obtain full allotment, allotment shall be made in proportion to the number of shares which each of the subscribers have applied to subscribe for, and to the extent that this cannot be done, by drawing of lots.</p>
-----	--	--

E.3	<i>Terms and conditions of the Offering (cont.)</i>	<p>As confirmation of the allotment of shares (if any), a settlement note will be sent out around 21 February 2019, which must be paid in accordance with the instructions provided. Notice will only be sent to those shareholders to whom shares have been allotted. The estimated payment date for shares subscribed for on the basis of subsidiary preferential rights and without preferential rights is around 26 February 2019. If payment is not made on time, the shares may be transferred to others. In the event that the selling price is lower than the subscription price in connection with such a transfer, the party that was first allocated the shares shall be liable to pay all or part of the difference. Once payment has been made for subscribed and allotted shares and the shares have been registered with the Swedish Companies Registration Office, a securities notice will be sent by Euroclear as confirmation that the subscribed and allotted shares have been entered in the subscriber's securities account (Sw. <i>VP-konto</i>).</p> <p>Shareholders with nominee-registered holdings For shareholders whose holdings are nominee-registered to a bank or other nominee, any new shares subscribed for without preferential rights must be subscribed for through the nominee(s).</p> <p>General terms and instructions Listing of the new shares The B-share in AddLife is admitted to trading on Nasdaq Stockholm. After the Swedish Companies Registration Office has registered the new B-shares they will also be admitted to trading on Nasdaq Stockholm. Registration of the new shares subscribed for with primary preferential rights at the Swedish Companies Registration Office is expected to occur on 22 February 2019. Trading in the new B-shares will begin around 26 February 2019, on condition that registration has occurred. The new shares that were subscribed for with subsidiary preferential rights and without preferential rights are expected to be registered with the Swedish Companies Registration Office around 1 March 2019 and the shares are expected to be entered in the respective securities account (Sw. <i>VP-konto</i>) around 5 March 2019, and be subject to trading around 5 March 2019, on condition that registration has occurred. The new A-shares will not be listed or admitted to trading on Nasdaq Stockholm.</p> <p>Right to dividend The newly issued shares will entitle to dividends for the first time on the first record date for distribution of dividends that will follow after the shares have been entered into the share register kept by Euroclear and the Issue has been registered with the Swedish Companies Registration Office.</p> <p>Terms and conditions for completion of the Offering The board of directors of AddLife does not have the right to suspend, revoke or temporarily withdraw the Offer to subscribe for shares in AddLife in accordance with the terms and conditions of this Prospectus. The board of directors of AddLife is entitled to extend, one or several times, the period during which application for subscription and payment can be made. Notification of an extension of the subscription period, if any, will be published through a press release.</p> <p>Announcement of outcome of the Issue The outcome of the Issue will be announced in a press release from AddLife, which is expected to occur around 21 February 2019.</p>
E.4	<i>Interests that are material to the Offering</i>	<p>Handelsbanken is the financial advisor to AddLife and issuing agent for the Offering. Handelsbanken is also a lender to the Company. Handelsbanken (and companies affiliated to Handelsbanken) has provided, and may in the future provide services within the context of regular business and in connection with other transactions for AddLife for which they have received, and may receive, compensation. Advokatfirman Delphi KB is legal advisor in connection with the Issue and the drawing up of the Prospectus.</p> <p>Certain members of the board of directors and senior management have financial interests due to their shareholding in the Company.</p> <p>AddLife's two (2) largest shareholders by votes Tom Hedelius and RoosGruppen AB, along with Swedbank Robur, Odín Fonder, Skandia and Lannebo Fonder, which together hold shares representing¹⁾ about 50 percent of votes and about 35 percent of share capital have expressed their intention to subscribe for their pro rata share of the Issue. In addition, the principal shareholders in Biomedica have also expressed their support for the planned Issue and their intention to subscribe for their pro rata share of the Issue.</p> <p>The Company deem that there are no conflicts of interests.</p> <p>1) As of 31 December 2018 including changes known thereafter.</p>
E.5	<i>Seller of the securities and lock-up agreement</i>	<p>Seller of securities is not applicable.</p> <p>The sellers of Biomedica have through the share purchase agreement undertaken, for a given period of 24 months from the accession date of Biomedica, not to sell their shares or otherwise enter into transactions with similar effect without prior written consent from the Company. After the lock-up period has expired, however, these sellers will be free to sell their shares in AddLife.</p>
E.6	<i>Dilution</i>	<p>As a result of the planned Issue, if fully subscribed, the number of shares in the Company will increase from 25,097,814 shares to 28,628,216 shares, which corresponds to an increase of about 14.3 percent. For shareholders who choose not to subscribe for new shares in the Issue, a dilutive effect will arise corresponding with a maximum of about 13 percent of the total shares in the Company and 13 percent of the votes in AddLife after the Issue. The dilutive effect have been calculated as the maximum number of shares and votes which can be issued divided with the maximum number of total shares and votes in the Company after the Issue.</p>
E.7	<i>Costs imposed on investors</i>	<p>Not applicable. The Company will not impose any fees or taxes on investors.</p>

Risk factors

An investment in securities is always associated with risk. A number of factors outside AddLife's control, as well as a number of factors whose effects the Company can influence by its actions, may have a negative impact on the Company's business, financial condition and results of business, which may reduce the value of the Company's securities and shareholders could lose all or part of their invested capital. When assessing the future development of AddLife it is therefore important to consider not only the opportunities for positive development, but also the various risks in the Company's business. Naturally, not all risk factors can be described in this section, for which reason an overall assessment must also include other information in the Prospectus, as well as a general assessment of external circumstances. Described below, and in no particular order and without claiming to be complete, are the risks and uncertainties considered to be of importance for AddLife's future development. Additional risks and uncertainties that AddLife is not aware of at this time may also develop into important factors that affect the Company's business and future development.

Risks related to the market and the industry

Economy and market trends

Demand for AddLife's services is greatly influenced by macro-economic factors beyond the control of the Company, such as conditions in the global capital market, the state of the economy in general and public finances. Demand among the Company's customers is influenced by factors such as their willingness to invest and access to financing. Factors such as consumption, business investments, public sector investment, the volatility and strength of the capital market and inflation affect the business and economic climate. A weakening of these conditions on some or all of the markets in which AddLife operates could have material adverse effects on the Company's business, financial condition and results of business. A significant share of the Company's sales are made to publicly funded activities in medical care, laboratories and research. Weakened public finances could have a negative impact on AddLife's business and results of business. The cost of medical care, laboratories and research in relation to GDP is rising and there is a risk that this would reduce demand from the public sector and increase pressure on prices, which could adversely affect AddLife's business, financial condition and results of business.

Public procurement and political decisions

Political decisions in the European countries have led to a decline in the number of contracting customers because of the consolidation of regions and county councils into larger entities. As a result public procurements are now larger and contract periods have often been extended. This change has resulted in an increase in both pressure on prices and competition, while making it difficult for smaller operators in the market to participate in public procurements. Furthermore, because the industry is consolidating

on the supply side and larger merged suppliers have a broader offering, at the same time that purchase contracts are becoming broader in scope, there is a risk that niche operators like the Company may be unable to participate in public procurements.

Competition

The majority of subsidiaries in the Group operate in sectors that are vulnerable to competition and price pressure. In some cases subsidiaries compete with operators that can offer a more complete range of goods or have better access to financing, as well as large financial, technical, marketing and personnel resources. Furthermore, because the industry is consolidating on the supply side and larger merged suppliers have a broader offering, at the same time that procurements are becoming broader in scope, there is a risk that niche operators like the Company may be unable to participate in public procurements. Future competitive opportunities for the subsidiaries depend on the ability to be on the leading edge of technology, and react quickly to new market needs.

There is a risk that subsidiaries will not successfully develop or deliver new business deals, or that costly investments, restructuring and/or price cuts must be implemented to adapt the business to a new competitive situation. Increased competition from current or new operators, or deterioration of the ability of a subsidiary to meet new market needs, could have a negative impact on the business, financial condition and results of business of both the subsidiary and AddLife.

There is a risk that AddLife fails to retain, adapt to or become established in niches in which price is not the sole determining factor, or fails to be sufficiently innovative and quick enough to adapt to market trends and needs, or large operators may offer a broader offering, which could have a negative impact on the Company's business, financial condition and results of business.

Risks related to the Company

Technological development

AddLife is exposed to the risk that the various subsidiaries in the Group may not be able to implement new technology or adapt the product range and business model in time to be able to take advantage of the new benefits of new or existing technology. Each such failure could have a material adverse effect on AddLife's business, financial condition and results of business. The costs associated with keeping up with product and technological advances may be high and influenced by factors that are fully or partially outside of AddLife's control. Moreover, the level and timing of future operating expenses and capital requirements could significantly differ from current estimates. Inability or unwillingness to finance these expenses could have a material adverse effect on AddLife's business, financial condition and results of business.

Customers

AddLife has a large number of customers of varying sizes, some of whom are from the public sector and some from the private sector. Because of the number of customers and the Group structure, agreements with customers vary in character with regard to factors such as contract length, warranties, liability limitations and scope, which may cause difficulties in centrally forecasting the business and development of the different subsidiaries. In some customer relationships there are no written customer agreements, which could result in legal uncertainty regarding the content of the agreement. Moreover, there is a risk that such variation could result in unforeseen liability exposure for AddLife, especially in cases where no standard terms and conditions are applicable for the agreements, or in cases where no specific limitations of liability have been incorporated into the agreements. Agreements subject to public procurement are regulated by the customer's agreement, which are frequently customer friendly. The agreements usually have a term of two (2) to four (4) years with the option to renew for one (1) or two (2) years. At the end of the term of public procurement contracts, they are subject to renewed public procurement proceedings, resulting in uncertainty and thus risk regarding the continued customer relationship or revised contractual terms, including prices. These risks, if they materialise, could have a negative impact on AddLife's business, financial condition and results of business.

Suppliers

In order to deliver products, AddLife depends on external suppliers who must meet the terms of the agreements regarding matters such as volume, quality and delivery date. Incorrect, delayed or missing deliveries could in turn cause AddLife's deliveries to be delayed or incorrect. This may result in reduced distribution of the Company's products, and potentially increased costs. Moreover, AddLife could be adversely affected if the Company's suppliers develop financial, legal or operational problems, such as price increases or the inability to deliver products of the agreed quality. These factors could result in reduced sales of AddLife's products or affect AddLife's potential to purchase the necessary products on time and at the right price in order to deliver them to customers.

If AddLife is forced to purchase products from other suppliers because of these factors, this could result in increased expenses, such as for increased quality controls.

AddLife has agreements with a large number of suppliers, both in Sweden and abroad, over which the Company cannot exercise control nor can it have full insight into their business. Consequently, AddLife is exposed to the risk that suppliers could act in a way that could harm AddLife. In the event of disputes with a supplier there is a risk that AddLife cannot obtain compensation for full liability, regardless of whether AddLife wins the dispute in court or through arbitration. In some supplier relationships there are no written supplier agreements, which could result in legal uncertainty regarding the content of the agreement. Taken together, these factors could have a negative impact on AddLife's business, financial condition and results of business.

The majority of the Group's supplier agreements have been entered into in accordance with the supplier's terms of agreement and are thus often supplier-friendly. Some supplier agreements include undertakings regarding minimum sales volumes for AddLife and if such volumes are not achieved, the supplier has the option to terminate the supplier agreement. Many supplier agreements are also governed by foreign law and dispute forums outside of Sweden and the other Nordic countries, which could result in a dispute becoming particularly burdensome financially and include limitations of liability for the supplier, which could mean that AddLife lacks the ability to hold the supplier to account if AddLife is liable in relation to a customer or third party. Furthermore, these agreements include exclusivity commitments for AddLife.

In a longer perspective, AddLife does not depend on any individual supplier to conduct business, but AddLife may depend on a single supplier in the short term. The Company's largest supplier amounts to about nine (9) percent of net sales, calculated based on net sales according to the income statement for 2017. There is a risk that incorrect or delayed deliveries, or the loss of one or several suppliers, could have negative consequences for the business, financial condition and results of business of the relevant subsidiary, which in turn could have a negative impact on AddLife's business, financial condition and results of business. Moreover, the industry is undergoing consolidation in this market and the number of suppliers is decreasing, at the same time that the remaining suppliers are becoming larger and the volume is increasing in the market. This could mean that several suppliers choose to focus directly on the end customer without a distributor as the middleman. Thus there is a risk that AddLife will lose suppliers that are important for the Company, which could have a negative impact on AddLife's business, financial condition and results of business.

Reputation

AddLife and its subsidiaries are dependent on their reputation in the exercise of their business. The reputation of these companies depends on factors such as quality, communication to the market, customers and suppliers and marketing as well as the Company's general corporate profile. The Company's reputation is especially important in relation to current and new customers. Problems related to quality, product liability and safety, as well as operational and logistical problems, could have a negative impact on the reputations of both AddLife and the subsidiary in question.

Consequently, it may become more difficult to retain existing customers or to gain new customers. Damage to the reputation of the subsidiary or AddLife could result in reduced sales and also have a negative impact on the potential for the subsidiary and AddLife to grow, which could have a negative impact on the business, financial condition and results of business of both the subsidiary and AddLife.

Acquisitions and divestments

AddLife has historically completed several acquisitions. Strategic acquisitions will continue to be an important component of AddLife's growth strategy. However, there is a risk that AddLife will not be able to identify acquisition targets or to carry out strategic acquisitions because of, for example, competition with other acquirers or lack of financing. This could result in reduced or declining growth for AddLife and AddLife might not achieve its financial targets.

Acquisitions generally entail integration risks. In addition to company-specific risks, the acquired company's relationships with important customers, key personnel and suppliers could be adversely affected. Integration involves risks relating to the ability to retain skills and to the possibility of creating a common culture. There is also a risk that the integration process may take longer than expected and that unforeseen costs associated with the consolidation of business may arise. Moreover, expected synergies may totally or partially fail to arise. If any of these risks materialise in conjunction with future acquisitions, it could have a negative impact on AddLife's business, financial condition and results of business.

Moreover, acquisitions could expose AddLife to unknown obligations. Acquisitions usually involve not only the assumption of all of the assets of the acquired company, but also its obligations. Even if the acquired company's business are reviewed prior to the acquisition and efforts are made to obtain the necessary warranties in the acquisition agreement, there is a risk that not all potential obligations or commitments have been identified prior to the acquisition, or that the seller lacks the financial ability to compensate AddLife in the event of a breach of warranty. In the event that AddLife fails to obtain the required contractual protection for such obligations or commitments it could have a negative impact on AddLife's business, financial condition and results of business.

Past and future divestments of businesses could further expose AddLife to risks such as those pertaining to the terms and conditions for the divestment of the relevant business, such as warranties, indemnities and commitments in favour of the purchaser with regard to the divested business. If any of these risks related to past or future divestments should materialise, it could have a negative impact on AddLife's business, financial condition and results of business.

Acquisition-related risks associated with the Biomedica-acquisition

AddLife recently acquired Biomedica. The acquisition will enable AddLife to become established in new geographic markets. The expansion is associated with various types of risk, such as less favourable synergies due to cultural, regional, financial and legal differences. There is also a risk that the Company misjudged the market basis or the maturity of these markets, for which reason the

establishment could generate lower-than-expected earnings. There is also a risk that the Company may have misjudged the value of Biomedica. The realisation of risks associated with establishment in new markets may have a negative impact on the Company's business, financial condition and results of business.

There is also a risk that AddLife's management may not succeed in managing the expanded business. The integration process may be more expensive than expected. Furthermore, the integration process may require more attention and time from the Company's management and other key individuals in the Company than expected, to the detriment of their focus on day-to-day business. Integration of acquisitions may also involve organisational changes which, in the short-term, may entail a delay in the fulfilment of plans and targets. Biomedica's relationships with key individuals, customers and suppliers may be adversely affected by the acquisition. Additionally, there is a risk that the expected synergies may not be fully realised. All of these risks could have a negative impact on AddLife's business, financial condition and results of business.

Goodwill

Goodwill arises when business are acquired above their carrying amount. Goodwill risk arises when a business under-performs in relation to the assumptions that applied at the time of the goodwill valuation. If AddLife's valuation of the acquired business should prove to be incorrect the Company would be required to recognise an impairment loss relating to the value of goodwill, which could have a negative impact on AddLife's financial condition and results of business. Goodwill is assessed annually, and if goodwill is not deemed to have been correctly valued in such an assessment, this may result in an impairment loss being recognised.

Organisational risk

AddLife applies a decentralised organisational model, which means that subsidiaries in the Group are largely responsible for and conduct business independently.

Group management controls, checks and monitors the business in the subsidiaries, primarily by having an executive at AddLife AB as chairman of the board of the company and by continually monitoring developments. Corporate governance in a decentralised organisation like the type at AddLife places high demands on financial reporting and monitoring and deficiencies in reporting and monitoring entail a risk of inadequate operational control. Currency exposure is handled at the subsidiary level through forward exchange contracts, currency clauses or similar, and must comply with the Group's internal guidelines. If a subsidiary fails to have adequate procedures to handle such currency exposure, for example by deviating from the Group's guidelines, it could have a negative impact on the financial condition and results of business of the subsidiary and AddLife. The decentralised organisational model has historically been an advantage for the Group.

However, there is a risk that the organisational model will prove to be less suitable for meeting any future market challenges that should arise. AddLife's market position and competitiveness could weaken as a result. Moreover, the lack of specialist expertise in the various subsidiaries, such as regarding financial knowledge, could result in incorrect business decisions and slow decision

making. Taken together, these factors could have a negative impact on AddLife's business, financial condition and results of business.

Ability to recruit and retain staff

AddLife's continued success depends on experienced employees with specific skills. There are key personnel both among senior executives and among the Group's employees in general. There is a risk that one or several senior executives or other key personnel could leave the Group on short notice. In the event that AddLife fails to recruit suitable replacements for them or new skilled key personnel in the future, this could have a negative impact on AddLife's business, financial condition and results of business.

Own production

The business segment Medtech includes a smaller business of own production of medical device consumables. In the Labtech business segment AddLife has a small in-house production business, as well as a portion that assembles products, primarily involving assistive devices for home care and analytical instruments to analyse materials in nanotechnology. The risks associated with own production are limited for the Group, but this production is associated with risks related to product liability (see the subsection "*Product liability*" for more details on product liability), interruptions or disruptions in production and environmental risks (see the subsection "*Environmental risks*" for details on environmental risks), which could have a negative impact on the Company's business, financial condition and results of business.

Financing risk

AddLife's ability to meet future capital requirements is largely dependent on the successful sale of the Company's products. In order to facilitate financing of business acquisitions and other measures deemed necessary to achieve strategic goals, AddLife's business may also require additional financial resources. AddLife is exposed to the risk of being unable to raise loans, refinance loans or meet its payment and other obligations under existing loans due to insufficient liquidity. Even if AddLife's board of directors deems that the Company has access to the necessary financing for the business as it is conducted on the day of this Prospectus, in the future AddLife may violate financial terms and conditions and other obligations in credit and loan agreements due to general economic conditions and disruptions in the capital and credit markets, which could have a negative impact on AddLife's business, financial condition and results of business. The ability to raise additional financing is influenced by a number of factors, such as market conditions, general access to loan financing and AddLife's credit rating and credit capacity. Disruptions and uncertainty in the capital and credit markets could also limit opportunities for AddLife to gain access to the capital necessary for AddLife to engage in business.

Interest rate risk

Interest rate risk is the risk that changes in general interest rates negatively impact AddLife's net profit. Financial income and expenses and the value of financial instruments may fluctuate due to changes in market rates. This interest rate risk could cause changes in market values and cash flows as well as fluctuations in

AddLife's net profit. AddLife's interest rate risk primarily arises from long-term borrowings. Changed financing structure and changes in interest rates could have a negative impact on AddLife's business, financial condition and results of business.

Price risk

The Group has limited own production and thus limited price risk as a producer. Group margins are dependent on the purchase price from suppliers, and price increases for products acquired from suppliers could negatively impact AddLife's margins and competitiveness. Moreover, AddLife's shipping costs are influenced by energy prices, which in turn are dependent on global crude oil prices.

Counterparty and credit risk

AddLife is exposed to the risk that counterparties are unable to pay their debts to the Company, and thus cause losses for AddLife. Moreover, AddLife is exposed to the risk that financial counterparties with which AddLife has deposited cash, cash equivalents and other financial assets are unable to perform their obligations. If the measures that AddLife takes to minimise credit risk should prove to be insufficient, this could have a negative impact on AddLife's financial condition and results of business.

Currency risk

Currency risk is the risk of exchange rate fluctuations having a negative impact on AddLife's financial condition. Currency risk can be divided into transaction exposure and translation exposure. Transaction exposure arises as a result of subsidiaries within the Group carrying out transactions in a different currency than the local currency, for example, by importing products for sale on the domestic market or by selling products denominated in foreign currency. Translation exposure arises as a result of net investments in foreign currencies that AddLife has through its foreign subsidiaries. The translation of net income and net assets in such foreign subsidiaries into the Group currency, SEK, could adversely affect AddLife. Thus, exchange rate fluctuations could have a negative impact on AddLife's business, financial condition and results of business.

Regulatory actions

As of the date of this Prospectus, as far as the board of directors is aware, AddLife conducts business in accordance with applicable laws, regulations and administrative requirements. If AddLife's interpretation and understanding of current regulations proves to be incorrect, or if the Company violates current regulations due to defects in the business, conducts business without the necessary permits, or because of regulatory changes, the Company could be subject to fines or other administrative sanctions and negative publicity. These factors could in turn have a negative impact on AddLife's business, financial condition and results of business.

AddLife engages in business in a number of jurisdictions, primarily in the European countries, and the Group imports products from several countries outside Europe, including the United States and Japan. AddLife is therefore subject to the local laws and regulations applicable in the respective jurisdiction, as well as over-all international rules. If regulatory changes occur, especially with

regard to customs and export control, other trade barriers such as price and currency controls, as well as other public guidelines in the countries where the Group conducts business, or if it is deemed that the subsidiaries in the Group do not comply with the applicable requirements of such regulations, it could have a negative impact on AddLife's business, financial condition and results of business.

Moreover, like other entities in the Life Science industry, AddLife is dependent on and subject to other regulatory measures. Such measures may include changes in regulations regarding pricing and discounts or restrictions. If AddLife's products or business should be subject to additional or changed measures or restrictions from authorities, this could have negative commercial and financial effects for AddLife.

Product liability

AddLife could be subject to product liability claims or other claims that the products produced or purchased are, or are alleged to be, defective, or cause, or are alleged to have caused, personal injury or property damage. Personal injury or property damage caused by defective, poorly designed, or poorly constructed products that do not meet acceptable quality standards could have a negative impact on AddLife's reputation, financial condition and results of business. If a product is defective, AddLife may be forced to recall it. In such a situation there is a risk that AddLife cannot make corresponding claims against its own suppliers to receive compensation for the costs incurred by AddLife due to the defective product. Moreover, there is a risk that product liability claims and other product-related costs are not fully covered by AddLife's insurance policy. Product liability claims, warranty claims and product recalls could have a negative impact on AddLife's business, financial condition and results of business.

New medical device regulations

On 26 May 2017, two new Medical Devices Regulations were adopted in the EU. Medical Device Regulation 2017/745 ("MDR") and In Vitro Diagnostic Medical Devices Regulation 2017/746 ("IVDR"). MDR and IVDR will enter into force as a law within EU as of 26 May 2020 respectively 26 May 2022. The regulations partly apply extended definitions of which products are covered by each regulation. In addition, the responsibility for distributors to ensure that delivered products hold CE-certificate and that a declaration of conformity has been drawn up, that the information from the manufacturer is included with the product and the importer meets the requirements set out. If AddLife's interpretation and understanding of the new medical device regulations prove to be incorrect, or if the Company violates the new regulations due to failure to comply with the new commitments and the extended responsibility, could result in the Company imposes a fine or other administrative sanctions and negative publicity. This could have a negative impact on AddLife's business, financial condition and results of business.

Insurances

The Group's insurance coverage is in the Company's opinion adequate in relation to the cost of the coverage and the risks that exist in the various industries in which the Group operate.

However, there is a risk that AddLife's existing insurance coverage is not sufficient for possible future needs and that in the future AddLife will be unable to maintain its existing insurance coverage at a reasonable cost, or at all.

Furthermore, the insurance coverage that AddLife obtains may be limited because of, for example, maximum amount limits or requirements on deductibles or the entire lost amount might not be reimbursed by the insurance company. Regarding losses covered by AddLife's insurance, it may be difficult and time-consuming to obtain compensation from the respective insurance company. Thus there is a risk that AddLife's insurance will not cover all potential losses, regardless of cause, or that the relevant insurance coverage may not be available at an acceptable cost, which could adversely affect AddLife's financial condition and results of business.

Intellectual property rights

AddLife owns a number of trademarks and other intellectual property, and may acquire as well as develop its own and common products and technical solutions that may be patented or otherwise protected. If necessary, AddLife defends its intellectual property rights through legal processes.

There is a risk that AddLife will not be able to maintain the approved trademarks and other intellectual property rights or that registration applications are not granted. If AddLife fails to protect and maintain its intellectual property rights, it could have a negative impact on AddLife's business, financial condition and results of business. Moreover, AddLife is dependent on know-how in its business. It cannot be ruled out that competitors will develop equivalent know-how or that AddLife fails to effectively protect its know-how, which could have a negative impact on AddLife's business and profitability.

Furthermore, there is a risk that AddLife could be guilty of, or alleged to have committed, infringement of the intellectual property rights of others, which could entail costs for either defense or to reconcile a dispute concerning infringement. In the event that AddLife has infringed on the intellectual property of others, there may be a demand for AddLife to develop alternative products or to purchase licenses. This could have a negative impact on AddLife's business, financial condition and results of business.

Disputes

Within the context of normal business, AddLife could become involved in disputes and be subject to civil claims in legal proceedings concerning agreements, product liability and deficiencies regarding delivery of goods and services. In addition, subsidiaries within the Group (or officers, directors, employees or related parties in such companies) could be subject to criminal and regulatory investigations, as well as proceedings.

Such disputes, claims, investigations and proceedings can be time-consuming, disrupt normal business, involve large sums, adversely affect customer relationships and result in both administrative and/or legal sanctions and measures, as well as significant costs. If such disputes, claims, investigations and proceedings occur and companies in the Group are held liable, there is a risk that AddLife's insurance policy will not fully cover the claims. Future disputes, claims, investigations and proceedings could have

a negative impact on AddLife's business, financial condition and results of business. Exposure to litigation, fines and other obligations issued by relevant authorities, even if the financial impact is not significant, may have a negative impact on AddLife's reputation.

Tax risks

AddLife operates in a number of countries and primarily in the European countries. The business and any intra-group transactions are conducted and performed in accordance with the Company's interpretation and understanding of applicable tax laws, tax agreements and other relevant regulations and requirements from the relevant tax authorities. Meanwhile, AddLife's interpretation and understanding of these laws, agreements and other provisions may prove not to be accurate in all respects. Moreover, the tax authorities in the countries where AddLife operates may make judgments or decisions that differ from AddLife's understanding and interpretation of relevant laws and regulations.

AddLife's tax position, both for prior and current years, may change as a result of decisions taken by relevant tax authorities, or as a result of changes in legislation, tax agreements and other regulations. Such decisions or changes, which potentially could apply retroactively, could have a material adverse effect on AddLife's financial condition and results of business.

Environmental risk

AddLife's subsidiaries are primarily engaged in commerce and businesses that have a limited direct environmental impact. The Group engages in limited production. In manufacturing, there is a risk associated with environmental impact and responsibility, which could have a negative impact on AddLife's business, financial condition and results of business. The Group does not engage in any business that require notification or that require a permit under the Environmental Code or equivalent legislation outside Sweden. If the business should change to include business that require a permit, or a business is acquired that is required to have a permit, or if regulations should change so that the current business requires a permit, this could have a negative impact on AddLife's business, financial condition and results of business.

In connection with the acquisition of companies, AddLife conducts a review to determine whether there is any historical responsibility under the Environmental Code. Even if the acquired company's business are reviewed prior to the acquisition and efforts are made to obtain the necessary warranties in the acquisition agreement, there is a risk that not all potential obligations or commitments have been identified prior to the acquisition. In the event that AddLife fails to obtain the required contractual protection for such obligations or commitments it could have a negative impact on AddLife's business, financial condition and results of business.

AddLife owns a few properties and may as a property owner be held liable for environmental damage caused by previous operators. Environmental damage may be difficult to detect, for example, in connection with the acquisition of a company. Guarantees provided by a seller do not always, in terms of the monetary amount or time, cover a subsequent breach of an environmental guarantee. If environmental damage should be discovered or arise

in the properties owned by AddLife and the damage is not covered by the guarantees provided, it cannot be precluded that AddLife will be held liable, which would have a negative impact on the Company's reputation, business, financial condition and results of business.

Risks relating to the Offering

Share ownership

Investing in shares always entails risk-taking. Since an investment in shares may increase or decrease in value, there is a risk that investors will not be able to regain all of the capital invested. The performance of a listed share depends on company-specific factors, as well as factors related to the capital market as a whole. It is impossible for an individual company to control all of the factors that may affect the price of its share. For this reason every investment decision must be preceded by a thorough analysis.

Major sales

The price of the shares in AddLife may drop if extensive sales of shares in the Company occur, or can be expected to occur, in particular sales from the Company's major shareholders, directors or senior management.

In conjunction with the Biomedica-acquisition the sellers received shares in the Company. The sellers have undertaken, for a given period of 24 months from the takeover date, not to sell their shares or otherwise enter into transactions with similar effect without prior written consent from the Company. After the lock-up period has expired, however, these sellers will be free to sell their shares in AddLife. The sale of large quantities of shares by the sellers after the expiration of the lock-up period, or expectations that such a sale will occur, could cause the price of the shares in AddLife to drop. Sales of large blocks of shares by other shareholders could also have a negative impact on the market price of the shares and could make it difficult for other shareholders to sell shares in AddLife at a specific time and at a price they deem appropriate.

Change of control

Acquired companies may be parties to agreements that include change of control clauses. A change of control clause usually means that the acquired company's counterparty has the right to terminate the agreement in the event that a change in ownership corresponding to 50 percent of votes or capital in the company occurs, or if the controlling influence over the company changes. A number of the agreements to which AddLife is a party contain change of control clauses and there is a risk that counterparties to such agreements will not approve the change in ownership and will exercise their contractual right to terminate the agreement, which could also occur in future acquisitions. Failure to identify such obligations and commitments prior to the acquisition, or to adequately protect the Company contractually for such cases, or counterparties exercising their right to terminate agreements as a result of change of control clauses, could have a material adverse effect on the Group's business, financial condition and results of business.

Share performance

There is a risk that there will not be sufficient liquidity in the share. The share price will vary for a variety of reasons, including fluctuations in the Company's financial performance and position, changes in the equity market's expectations of future profits, supply and demand for the shares, developments within the Company's market segment and economic trends in general.

No trading in the Company's A-share

The new B-shares will be traded on Nasdaq Stockholm. However, both A- and B-shares will be issued in the Issue. Since only B-shares will be traded on Nasdaq Stockholm, neither new nor existing A-shares will be admitted for trading on Nasdaq Stockholm or subject to any other organised trading. This means that holders of A-shares will have no, or only limited, opportunity to divest their A-shares as long as they are not converted to B-shares under the conversion clause in the articles of association and are then subject to organised trading.

Future dividends are dependent on several factors

The newly issued shares carry the right to a dividend commencing on the first record date for dividends occurring after the shares have been entered in AddLife's share register. The amount of any future dividends depends on the Company's future earnings, financial condition, cash flows, working capital requirements, planned and potential acquisitions and other factors.

Trading in subscription rights

There is a risk that active trading in subscription rights for B-shares will not develop on Nasdaq Stockholm, or that adequate liquidity will not be available during the subscription period at the time such securities are traded.

Preferential rights for shareholders in certain jurisdictions

If the Company increases share capital, existing shareholders normally have preferential rights to subscribe for new shares, unless shareholders resolve to approve deviation from preferential rights at the general meeting. Shareholders in the United States, Canada, Australia, Japan, Hong Kong, New Zealand, Switzerland, Singapore and South Africa or in any other jurisdictions where participation would require additional prospectuses, registration or other measures than those required by Swedish law, are usually excluded from the opportunity to exercise their rights to subscribe for new shares if the shares or subscription rights are not registered under the U.S. Securities Act or equivalent regulations in other concerned jurisdictions and if no exemption from the registration requirements is applicable. In the United States, securities will only be offered pursuant to an applicable exemption from, or in a transaction not subject to the registration requirements of the Securities Act, to a limited number of existing shareholders who: (i) are deemed to be qualified institutional buyers as defined by Rule 144A under the Securities Act and (ii) have signed and sent an investor letter of intent to AddLife.

Dilution of shareholding

The Issue AddLife is planning will result in a dilution of the shareholdings of shareholders who choose not to exercise their right to subscribe for shares in the Offering or who for some reason cannot participate in the Offering. Shareholders who do not participate in the Issue may sell subscription rights allocated to the shareholder and thereby obtain some compensation. If a shareholder chooses to sell his or her unexercised subscription rights, there is a risk that the compensation the shareholder will receive for the subscription rights on the market does not correspond to the economic dilution of the shareholder's ownership in AddLife after completion of the share issue.

Any future share issues may also result in dilution of the holdings of shareholders, for example if an issue is made without preferential rights for existing shareholders. Since the timing and conditions for any future share issues will depend on AddLife's situation and the general market conditions at that time, the Company cannot predict or estimate amounts, timing and other terms and conditions for such share issues. Thus AddLife's shareholders bear the risk of any future share issues that may lower the price of the AddLife share and/or dilute the shareholders holdings in the Company.

Currency effects for shareholders outside Sweden

Shares in AddLife will only be listed in SEK and any future dividends paid will be denominated in SEK. In the event that the value of the SEK decreases in relation to foreign currencies it could result in negative consequences for the valuation of foreign investors' holdings in AddLife, as well as any dividends received. Moreover, foreign investors may also incur transaction fees when converting SEK to a different currency.



Invitation to subscribe for shares in AddLife AB (publ)

AddLife's board of directors resolved on 26 November 2018, subject to the subsequent approval from the extraordinary general meeting on 20 December 2018, to increase the Company's share capital through the issue of new shares with preferential rights for AddLife's shareholders. The extraordinary general meeting on 20 December 2018 approved the board of director's resolution.

The Issue resolution entails that AddLife's share capital will be increased by at most SEK 7,191,562.62 through the issuance of not more than 144,538 new A-shares and not more than 3,385,864 new B-shares. The Company's shareholders have preferential rights to subscribe for the new shares in proportion to the number of shares they previously own. The record date for the right to participate in the Issue is 30 January 2019. For each existing A-share and B-share held on the record date shareholders will receive one (1) subscription right for subscription of shares of the corresponding share class. Seven (7) subscription rights for subscription of A-shares entitles the holder to subscription of one (1) new A-share. Seven (7) subscription rights for subscription of B-shares entitles the holder to subscription of one (1) new B-share. To the extent shares are not subscribed for with preferential rights, these shall be allocated to shareholders and other investors who have notified interest in subscribing for shares pursuant to what is stated in the section "*Terms and instructions*". Such allocation shall primarily be made to those who also subscribed for shares on the basis of subscription rights. Subscription of shares shall take place during the period from 1 February 2019 through 15 February 2019, or such later date as decided by the board of directors, and is otherwise in accordance with the section "*Terms and Instructions*".

The subscription price has been set at SEK 142 per share, which means that the Issue, if fully subscribed, will raise a total of about SEK 500 million for AddLife prior to issue expenses.

Shareholders who choose not to participate in the Issue will have their shareholding diluted by about 13 percent, but they will have the opportunity to compensate for the dilutive effect by selling their subscription rights.

AddLife's two (2) largest shareholders by votes Tom Hedelius and RoosGruppen AB, along with Swedbank Robur, Odin Fonder, Skandia and Lannebo Fonder, which together control¹⁾ shares representing about 50 percent of votes and about 35 percent of share capital have expressed their support for the Issue and have intention to subscribe for their pro rata share of the Issue. In addition, the sellers of Biomedica have also expressed their support for the planned Issue and their intention to subscribe for their pro rata share of the Issue.

For additional information, please refer to this Prospectus, which has been prepared by the board of directors of AddLife for the submitted Offering.

Existing shareholders in AddLife are hereby invited to subscribe for new shares in AddLife with preferential rights in accordance with the terms and conditions of this Prospectus.

Stockholm 28 January 2019

AddLife AB (publ)

1) As of 31 December 2018 including changes known thereafter.

Background and reasons

On 26 November 2018 AddLife announced that it had entered into an agreement to acquire Biomedica. The acquisition was completed on 21 December 2018 and the total purchase consideration was about EUR 39 million (SEK 401 million)¹⁾. The Biomedica-acquisition is in line with AddLife's previously announced internationalisation strategy. Through the Biomedica-acquisition, AddLife takes a significant step outside the Nordic region and establish a strong presence in Central and Eastern Europe. The Company is expanding its geographic domestic market from including a population of about 32 million to about 164 million people, thereby creating good prospects for long-term organic and acquisition-driven growth in new markets. Biomedica and its subsidiaries continue to be active in their existing corporate structures and domestic markets, for which reason no significant integration costs arise over time.

Biomedica has a business model and a product and service offering that shares substantial similarities with AddLife's existing business. Biomedica delivers products and services within laboratory technology and medical technology primarily to publicly funded healthcare services in Central and Eastern Europe, where the main markets are Austria, Czech Republic, Poland, Hungary, Slovakia and Switzerland.

The Biomedica-acquisition creates several new opportunities for AddLife, primarily in Central and Eastern Europe as a result of the expanded geographic market presence and the complementary supplier portfolios. As AddLife now reaches a larger population that includes Biomedica's geographic markets, AddLife becomes an even more attractive partner for existing suppliers in the Nordic region. Biomedica also has distribution rights in Central and Eastern Europe for some of AddLife's already existing suppliers in the Nordic region within the Labtech business area and the acquisition is expected to strengthen AddLife's position in relation to the suppliers that the Group will have in common. Within the Medtech business area, which is an area with a significant growth potential for the Group, Biomedica and AddLife have complementary product lines that strengthen the offering to customers and creates opportunities for cross-selling and revenue synergies, both in the new geographic markets and in the Nordic region. Moreover, the Biomedica-acquisition creates a robust platform in Central and Eastern Europe to implement value-generating add-on acquisitions of small distributors to already existing suppliers, thereby further strengthening AddLife's presence outside the Nordic region.

About 75 percent of the total purchase consideration for the acquisition of about EUR 39 million (SEK 401 million)²⁾ was funded through a bridge loan and about 25 percent by newly issued B-shares in AddLife. The current Issue is aimed at raising capital to enable AddLife to continue to pursue its growth strategy and to carry out more strategic acquisitions. Provided that the Issue is fully subscribed, the total issue proceeds will be about SEK 500 million before issue expenses.

This Prospectus has been prepared by the board of directors of AddLife for the forthcoming Issue. The board of directors of AddLife is responsible for the information in the Prospectus and hereby offers its assurance that all reasonable caution has been exercised to ensure that the information in the Prospectus, to the best of AddLife's board of directors' knowledge, accurately reflects actual conditions and that nothing has been omitted that could affect its meaning.

Stockholm 28 January 2019

AddLife AB (publ)

The board of directors

1) Based on an exchange rate on 30 September 2018 of SEK/EUR 10.2945.

2) Based on an exchange rate on 30 September 2018 of SEK/EUR 10.2945.

Terms and instructions

This section contains the terms and instructions for participation in the Issue. For additional information about the new shares that are issued, see the section “*The share, share capital and shareholder structure*”.

Overview

Subscription with preferential rights

Those who are registered as shareholders in AddLife on the record date, 30 January 2019, will receive one (1) subscription right for each share held in AddLife. Subscription rights entitle the holders, with primary preferential rights, to subscribe for new shares of the same class. Preferential rights apply, in accordance with AddLife’s articles of association, to owners of each class of share in proportion to their existing shareholdings (primary preferential right). Shares which are not subscribed for by those shareholders entitled to subscribe pursuant to primary preferential right will be offered to all shareholders (subsidiary preferential rights). If the number of shares offered in this manner is insufficient for subscription based on subsidiary preferential rights, the shares shall be distributed in relation to the number of exercised subscription rights and, to the extent that this is not possible, by lot. In addition, shareholders and the public will be invited to submit their interest in subscribing for new shares without primary or subsidiary preferential rights.

Subscription Rights

Each A-share in AddLife will entitle the holder to one (1) subscription right for subscription of A-shares. Seven (7) subscription rights for subscription of A-shares entitle the holder to subscription of one (1) new A-share in AddLife. Each B-share in AddLife will entitle the holder to one (1) subscription right for subscription of B-shares. Seven (7) subscription rights for subscription of B-shares entitle the holder to subscription of one (1) new B-share in AddLife. With the sale of subscription rights, both the primary and the subsidiary preferential rights are transferred to the new holder of the subscription right.

Subscription on the basis of subsidiary preferential rights and without preferential rights

Application of interest to subscribe for new shares on the basis of subsidiary preferential rights and without preferential rights in the Issue is done by using the application form “Subscription for shares with subsidiary preferential rights and without subscription rights”. For more information, see the section “*Subscription for new shares on the basis of subsidiary preferential rights and without preferential rights*”.

Subscription price

The new shares will be issued at a price of SEK 142 per new share. No commission will be charged.

Record date

The record date at Euroclear for determining who is entitled to receive subscription rights is 30 January 2019. B-shares in AddLife will be traded excluding the right to receive subscription rights effective from 29 January 2019 and the last day of trading in the share including the right to receive subscription rights is thus 28 January 2019.

Trading in subscription rights

Trading in subscription rights for B-shares in AddLife takes place on Nasdaq Stockholm. Trading in subscription rights shall take place during the period from 1 February 2019 through 13 February 2019 under the ticker ALIF TR B. Securities institutes with the required licences will assist with brokering of the purchase and sale of subscription rights. Unexercised subscription rights must be sold in order not to lapse without value. The ISIN code for subscription rights of B-shares is SE0012230498. There will not be any organised trading of subscription rights for A-shares.

Issue statement

Directly-registered holdings

Shareholders who on the record date are registered in the share register kept by Euroclear on behalf of AddLife will receive the Prospectus and pre-printed issue statement with an accompanying bankgiro form. The pre-printed issue statement will show, inter alia, the number of subscription rights received and the entire number of new shares that may be subscribed for by means of subscription rights. Those who are included in the special list of pledge holders and trustees which is maintained in connection with the share register will not receive an issue statement but will be informed separately. A securities notice (Sw. *VP-avi*) referring to the registration of subscription rights in the shareholder’s securities account (Sw. *VP-konto*) will not be dispatched.

Nominee-registered holdings

Shareholders in AddLife whose holdings are nominee-registered at a bank or other nominee on the record date will not receive an issue statement from Euroclear. Subscription and payment related to nominee-registered shareholders will take place in accordance with the instructions from the respective bank or nominee, or if the holding is registered with multiple nominees, from each one of these.

Shareholders resident in certain ineligible jurisdictions

Please note that due to restrictions imposed by securities legislation the Offering is not aimed at investors who reside or have a registered address in the United States (except pursuant to an available exemption from the registration requirements of the Securities

Act), Australia, Japan, Canada, Hong Kong, New Zealand, Switzerland, Singapore, South Africa or other countries where participation would require additional prospectuses, registration or any other measures in addition to those required by Swedish law.

In view of this, shareholders whose shares are registered directly in the securities account (Sw. *VP-konto*) with registered addresses in the United States, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore or South Africa or any other jurisdiction where participation would require additional prospectuses, registration or other administrative authorisation will not receive this prospectus. Nor will they receive any subscription rights in their respective securities accounts (Sw. *VP-konto*). The subscription rights that would otherwise have been allocated to these shareholders will be sold and the proceeds of the sale, less costs, will be paid to such shareholders. However, amounts of less than SEK 100 will not be paid.

Banks or other nominees that hold shares for shareholders in AddLife whose holdings on the record date are nominee-registered may not send this Prospectus or the pre-printed issue statement to shareholders with addresses in, or who are located or resident in, the United States, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore or South Africa, or any other jurisdiction, in which participation would require additional prospectuses, registration or other regulatory approval, without advance approval from AddLife.

Subscription and payment of shares with primary preferential right

Subscription of shares with primary preferential right

Application for subscription of new shares by exercising subscription rights is made through simultaneous cash payment during the period 1 February 2019 through 15 February 2019 at 5:00 pm CET. Subscription rights not exercised prior to the expiration of the subscription period will become void and lapse without value. Unexercised subscription rights will be deregistered from the respective shareholders' securities accounts (Sw. *VP-konto*) without notification from Euroclear. In order for the value of the subscription rights to not be forfeited the holder must either:

- exercise the subscription rights received and subscribe for new shares no later than 15 February 2019, which is the last day of the subscription period; or
- sell the subscription rights received that have not been exercised for subscription of new shares no later than 13 February 2019, which is the last day for trading in subscription rights for B-shares on Nasdaq Stockholm.

The board of directors for AddLife reserves the right to extend the subscription period and the time for payment. Such extension, if any, will be announced by the Company no later than 15 February 2019. Subscription of new shares on the basis of subscription rights is irrevocable and the shareholder cannot cancel or modify a subscription of new shares.

Shareholders with directly-registered holdings resident in Sweden

Application for subscription of new shares on the basis of primary preferential rights shall be made by simultaneous cash payment and is binding. Subscription and payment shall be made either using the pre-printed bankgiro form or the application form intended for this purpose with simultaneous payment during the period from 1 February 2019 through 15 February 2019 according to one of the following options:

Bankgiro form: in cases in which all subscription rights received as of the record date that can be exercised for subscription of shares will be exercised, the pre-printed bankgiro form from Euroclear should be used for application for subscription by means of payment. The special application form should therefore not be used. No additions or changes may be made to the text printed on the bankgiro form.

Application form: in the case that subscription rights have been acquired or sold, or for some other reason a different number of subscription rights than that shown on the pre-printed issue statement are being exercised to subscribe for shares, a special application form shall be used for subscription by means of payment. Payment shall be made at the same time as the application is made in accordance with the instructions on the application form. Such an application form is available from any branch office of Handelsbanken in Sweden or through Handelsbanken Capital Markets, Emission, e-mail: emissionsavdelningen@handelsbanken.se. The pre-printed bankgiro form should not be used.

Information to shareholders with directly-registered holdings resident in abroad

Shareholders in AddLife who are resident outside Sweden and who are not subject to the restrictions described in the section “*Important information*” and who wish to participate in the Issue shall use the application form sent out for subscription. Upon submission of the application form to the following address, payment shall be made in SEK to the bank account specified below: Please note that shareholders with directly-registered holdings who are resident abroad and have access to a Swedish internet bank may use the pre-printed bankgiro form for subscription and payment.

Bank: Handelsbanken Capital Markets, Emission
SE-106 70 Stockholm, Sweden
Bank account: 6028 318 926 091
IBAN number: SE74 6000 0000 0003 1892 6091
SWIFT: HANDSESS

When making payment subscribers must provide their name and address, along with the subscriber's securities account (Sw. *VP-konto*) number or payment ID as stated in the issue statement. The application form and payment must be received by Handelsbanken Capital Markets no later than 15 February 2019 at 5:00 pm CET. Application forms for shareholders residing abroad can be obtained from Handelsbanken's website www.handelsbanken.se/investeringserbjudande, as well as from AddLife's website, www.add.life.

By sending in the application form and completing payment, or by approving delivery of the subscription rights or the new shares, each such subscriber is deemed to have declared, ensured and given consent that the subscriber is not, and will not be at the time when the subscriber receives or exercises the subscription right or the new shares, located or resident in the United States, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore or South Africa, or any other jurisdiction in which participation requires an additional prospectus, registration or other administrative approval, and that the subscriber is not acting on a non-discretionary basis on behalf of, or to the benefit of, any such person.

Shareholders with nominee-registered holdings

Shareholders in AddLife whose holdings are nominee-registered at a bank or other nominee on the record date will not receive an issue statement from Euroclear. For such shareholders subscription and payment of new shares with preferential rights shall be made to the respective nominee and pursuant to the instructions provided by the nominee(s).

Paid subscribed shares (BTA)

Shares subscribed and paid for (Sw. *betalda tecknade aktier* ("BTAs")) on the basis of subscription rights will be registered with Euroclear as soon as possible, which usually means up to two (2) banking days after payment. The subscriber will then receive a securities notice (Sw. *VP-avi*) confirming that the BTAs have been registered to the subscriber's securities account (Sw. *VP-konto*). Custody account customers with nominees will receive BTAs and information in accordance with the respective nominee's procedures.

Trading in paid subscribed shares (BTA)

BTAs will be traded on Nasdaq Stockholm as from 1 February 2019 through 20 February 2019 under the ticker ALIF BTA B. The ISIN code for BTAs of series B is SE0012230506. Securities institutes with the required licenses will assist with brokering and sale of BTAs.

Delivery of shares

After the Issue is registered with the Swedish Companies Registration Office, which is expected to occur around 22 February 2019, paid subscribed shares will be converted to new shares, without any notification by Euroclear. The new shares are expected to be available in the subscriber's securities account (Sw. *VP-konto*) on 26 February 2019.

Subscription for new shares on the basis of subsidiary preferential rights and without preferential rights

Application for subscription of shares on the basis of subsidiary preferential rights and without preferential rights will take place during the same period as application for subscription of shares on the basis of primary preferential rights, that is between 1 February and 15 February 2019. Application to subscribe for shares on the basis of subsidiary preferential rights and without preferential rights is to be done on application form "Subscription for shares

with subsidiary preferential right and without preferential right", which is to be completed, signed and then sent or delivered to Handelsbanken Capital Markets, at the address on the application form. Application forms can be obtained at any Handelsbanken branch or downloaded from Handelsbanken's website: www.handelsbanken.se/investeringserbjudande and AddLife's website, www.add.life. The original application form must be received by Handelsbanken Capital Markets, no later than 15 February 2019 at 5:00 pm CET.

The application form may be sent by mail to the address on the application form, or turned in at any Handelsbanken branch office. Only one (1) application form per person or signatory will be considered. In cases where more than one (1) application form is submitted, only the last one received will be considered. Incomplete or incorrectly completed application forms may be disregarded.

Allotment of shares not subscribed for on the basis of primary preferential rights

Shares not subscribed for on the basis of primary preferential rights will be allotted according to a decision by the board of directors. Shares not subscribed for on the basis of primary preferential rights shall be allotted to shareholders who subscribe for shares on the basis of subsidiary preferential right. If an insufficient number of shares is available for subscription by subsidiary preferential right, the shares shall be distributed among the subscribers in proportion to the exercised primary preferential right and, insofar as this cannot be done, by the drawing of lots. As regards to shares not subscribed for pursuant to primary or subsidiary preferential rights, shares will be allotted to others who have registered to subscribe for shares in the Issue and, in the event that they cannot obtain full allotment, allotment shall be made in proportion to the number of shares which each of the subscribers have applied to subscribe for, and to the extent that this cannot be done, by drawing of lots.

As confirmation of the allotment of shares (if any), a settlement note will be sent out around 21 February 2019, which must be paid in accordance with the instructions provided. Notice will only be sent to those shareholders to whom shares have been allotted. The estimated payment date for shares subscribed for on the basis of subsidiary preferential rights and without preferential rights is around 26 February 2019. If payment is not made on time, the shares may be transferred to others. In the event that the selling price is lower than the subscription price in connection with such a transfer, the party that was first allocated the shares shall be liable to pay all or part of the difference. Once payment has been made for subscribed and allotted shares and the shares have been registered with the Swedish Companies Registration Office, a securities notice (Sw. *VP-avi*) will be sent by Euroclear as confirmation that the subscribed and allotted shares have been entered in the subscriber's securities account (Sw. *VP-konto*).

Shareholders with nominee-registered holdings

For shareholders whose holdings are nominee-registered to a bank or other nominee, any new shares subscribed for pursuant to subsidiary preferential rights and without preferential rights must be subscribed for through the nominee(s). Banks and other nominees must read and comply with the restrictions described in the section "Important information".

General terms and instructions

Listing of the new shares

The B-share in AddLife is admitted to trading on Nasdaq Stockholm. After the Swedish Companies Registration Office has registered the new B-shares they will also be admitted to trading on Nasdaq Stockholm. Registration of the new shares subscribed for with primary preferential rights at the Companies Registration Office is expected to occur on 22 February 2019. Trading in the new B-shares will begin around 26 February 2019, on condition that registration has occurred. The new shares that were subscribed for with subsidiary preferential rights and without preferential rights are expected to be registered with the Companies Registration Office around 1 March 2019 and the shares are expected to be entered in the respective securities account (Sw. *VP-konto*) around 5 March 2019, and be subject to trading around 5 March 2019, on condition that registration has occurred. The new A-shares will not be listed or admitted to trading on Nasdaq Stockholm.

Right to dividend

The newly issued shares will entitle to dividends for the first time on the first record date for distribution of dividends that will follow after the shares have been entered into the share register kept by Euroclear and the Issue has been registered with the Swedish Companies Registration Office.

Terms and conditions for completion of the Offering

The board of directors of AddLife does not have the right to suspend, revoke or temporarily withdraw the offer to subscribe for shares in AddLife in accordance with the terms and conditions of this Prospectus. The board of directors of AddLife is entitled to extend, one or several times, the period during which application for subscription and payment can be made. Notification of an extension of the subscription period, if any, will be published through a press release.

Announcement of outcome of the Issue

The outcome of the Issue will be announced in a press release from AddLife, which is expected to occur around 21 February 2019.

Other information

In the event that a subscriber pays too much for the shares issued, Handelsbanken will arrange for the excess amount to be refunded. Subscription of shares is irrevocable and the subscriber cannot cancel or modify a subscription of shares. Incomplete or incorrectly completed application forms may be disregarded. If the subscription payment is made too late, insufficient or made incorrectly, the subscription may be disregarded or subscription may be made at a lower amount. Subscription payments not used will in such case be refunded. Only one (1) application form may be submitted. If several application forms of the same category are submitted, only the most recent application form that Handelsbanken received will be considered. Payment received late in

amounts less than SEK 100 will only be refunded on request. Handelsbanken receives and handles application forms and subscription payments in the Issue on behalf of AddLife. This means that no customer relationship arises between the subscriber and Handelsbanken solely because Handelsbanken receives and handles application forms and subscription payments.

Important information regarding NID and LEI

According to Directive 2011/61/EU (MiFID II) of the European Parliament and of the Council, commencing on 3 January 2018 all investors must have a global legal entity identifier in order to carry out a securities transaction. As a result of these requirements, legal persons need to apply for registration of a Legal Entity Identifier (LEI) code and natural persons need to find out their National ID (NID) number or National Client Identifier to be able to subscribe for shares in the Offering. Note that it is the legal status of the share signatory that determines whether an LEI code or NID number is needed and that Handelsbanken may be prevented from executing the transaction for the person in question if the LEI or NID (as applicable) is not provided. Legal persons who need to obtain an LEI may turn to one of the providers in the market. Instructions for the global LEI system can be found on the following website: www.gleif.org/en/about-lei/how-to-get-an-lei-find-lei-issuing-organizations. For natural persons who only have Swedish citizenship, the NID number consists of the designation "SE" followed by the person's personal identity number. If the person in question has dual citizenship, or anything other than Swedish citizenship, the NID number may be any other type of number.

Those who intend to subscribe for shares in the Offering are encouraged to apply for registration of an LEI code (legal persons) or find out their NID number (natural persons) in good time as this information is required on the application form at the time of submission.

Taxation

For information concerning taxation, see the section "*Certain tax issues in Sweden*".

Information about processing of personal data

Those who subscribe for shares in the Issue will provide personal data to Handelsbanken. Personal data provided to Handelsbanken will be processed in computer systems to the extent necessary to provide services and administer commitments in Handelsbanken. Personal data obtained from parties other than the customer to which the processing relates may also be processed. Personal data may also be processed in computer systems of companies and organisations with which Handelsbanken cooperates. Information regarding processing of personal data is provided by Handelsbanken's branch offices, which also accepts requests for correction of personal data. Address information may be obtained by Handelsbanken through an automatic data run at Euroclear.

How to subscribe

Terms	Each share in AddLife entitles you to one (1) subscription right. Seven (7) subscription rights entitles to subscription for one (1) new share in AddLife of the same class.
Subscription price	SEK 142 per share
Record date for participation in the Issue	30 January 2019
Subscription period	1 February 2019 through 15 February 2019
Trading in subscription rights	1 February 2019 through 13 February 2019

Subscription of shares on the basis of subscription rights

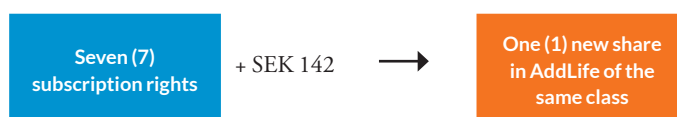
1. You receive subscription rights

For each share held in AddLife on 30 January 2019 you will receive one (1) subscription right



2. To exercise your subscription rights

Seven (7) subscription rights + SEK 142 entitles to one (1) new share in AddLife



3. Are you a directly-registered shareholder, or are your shares held by a nominee?

You have a securities account (Sw. *VP-konto*) (i.e. directly registered) and live in Sweden

- If you exercise all subscription rights, use the pre-printed bankgiro form from Euroclear that was sent to you.
- If you have purchased, sold or transferred subscription rights to/from your securities account (Sw. *VP-konto*), a separate application form is used. Such application forms can be obtained at any Handelsbanken branch. Payment is to be made according to the instructions on the application form. The pre-printed bankgiro form cannot be used in such cases.

You have a securities account (Sw. *VP-konto*) (i.e. directly registered) and live abroad

- See the section “*Information to shareholders with directly-registered holdings resident abroad*” above.

You have a custody account (i.e. you have a nominee)

- If your shares in AddLife are held in one or more custody accounts or securities institutions, you will receive information from your nominee(s) about the number of subscription rights you will receive. Follow the instructions given by your nominee(s).



Comments by the CEO

Dear shareholders and future shareholders,

Welcome to AddLife! We always strive to improve people's lives by being a leading, value-creating partner in the Life Sciences.

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 in Labtech and Medtech. We have focused on developing our business through organic growth and by expanding through acquisitions. Several of the acquisitions were intended to build up our offering in various niches in Medtech. For example, we have built up the new segment home care, a market segment in which growth is driven by the demographic changes that we see in the world around us, with an expanding aging population with growing care needs.

I think we can all agree that we have now shown that our approach is effective. When AddLife was listed our annual sales were about SEK 1.5 billion and after the acquisition of Biomedica, sales in 2017 proforma sum up to about SEK 3 billion. We have transitioned from being a relatively unknown company into a well-known operator in the Nordic countries, the Baltic region and now also Central and Eastern Europe.

Over the past three years we have demonstrated our strength by acquiring and developing companies through active ownership. It is obvious that our offering is attractive. We have shown that we can take good care of companies and that we offer development opportunities. In our decentralised and entrepreneur-driven model, each subsidiary is responsible for its own business activities within the context of the requirements for growth, profitability and sustainable development set by the Group. This creates leverage by enabling us to benefit from AddLife's combined resources, networks and industrial expertise, along with the flexibility, commitment and business acumen of a small company.

The acquisition of Biomedica in December is key to our continued growth journey and expands our geographic home market with 13 countries in Central and Eastern Europe. We now reach out to 164 million people, five times more than the number of people we reached previously. The acquisition is completely in line with our aim to expand geographically, and the business-related similarities between AddLife and Biomedica are great. The acquisition opens up opportunities to jointly develop the business and enter more markets with products and services in segments that are well known to us, where we have proven experience and established relationships with the main suppliers. We also see great opportunities to incorporate our own products in the Medtech business area into Biomedica's offering.

In December 2018 AddLife signed an agreement with Wellspect HealthCare on the acquisition of its business in surgery and respiration. We are acquiring a number of niche products and customer agreements in several geographic markets. The business will primarily be integrated into the subsidiaries Mediplast and Biomedica. The acquisition is expected to be completed during the first quarter of 2019 and is expected to bring annual sales about SEK 170 million.

One of our financial targets is for long-term earnings growth to be at least 15 percent annually. In practice, this means that we will double earnings in five years, and we will do so through both organic and acquired growth.

To date, we have completed the acquisitions based on our own strength and with loan financing. In order to be able to continue to grow moving forward, we are now strengthening the balance sheet to facilitate future business through a rights issue. We have several interesting companies on our list of acquisitions and see excellent opportunities to continue our journey with a strengthened focus on selected profitable niches. AddLife is well-positioned to benefit from growth in the Life Science market.

AddLife's decentralised organisation with independent, entrepreneur-driven subsidiaries entails a large responsibility for the employees in our organisation. To succeed, we need people with the right attitude, drive, entrepreneurship and expertise. Consequently, we attach great importance to actively working with our corporate culture. AddLife's success is firmly rooted in the dedication and business acumen of our employees! That is why I can confidently say that an investment in AddLife is also an investment in the future.

Stockholm 28 January 2019

Kristina Willgård

President and CEO AddLife AB (publ)

Market overview

This Prospectus contains statistics, data and other information on markets, market size, market share, market position and other industry data for AddLife's business and industries. Unless otherwise stated, such information is based on an analysis of several sources, including a market and business report on the Nordic Life Science market that AddLife commissioned from the independent consultancy firm Arthur D. Little in conjunction with AddLife's listing on Nasdaq Stockholm in 2016 ("Market Report") and information obtained in other ways and/or prepared by the Company based on internal information, the Company's own assessments and information in third-party reports. Such information has been accurately reproduced and as far as AddLife is aware, no information has been omitted which would render the reproduced information inaccurate or misleading.

Industry publications generally state that their information comes from sources which they consider reliable, but that its accuracy and completeness cannot be guaranteed and that forward-looking information is based on a number of material assumptions. In cases where third party information is included in this Prospectus, the source has been stated. Such third-party information has been accurately reproduced with relevant references to sources and as far as AddLife is aware and can ascertain through comparison with other information published by such sources, no information has been omitted which would render the reproduced information inaccurate or misleading.

The Prospectus contains certain information about AddLife's competitive situation and market position. AddLife believes that such information, based on market data and industry statistics, is correct, but the information has not been independently verified. AddLife cannot guarantee that a third party using other methods to gather, analyse and calculate market data, or on the basis of information published by competitors, would reach the same conclusion. Moreover, AddLife's competitors may define their respective markets and market position in a different way than AddLife, and also define components of business and profit measures in a way that means that such data is not comparable with AddLife's.

The Life Science market in which AddLife operates includes products within diagnostics, products for research and laboratory analysis, and medical technology products. The respective estimated market sizes include the value of the product areas, as well as directly related product areas, that the companies within AddLife cover with their current product portfolio.

The market analysis for the Nordic market includes the above segments, but excludes the market for diagnostic imaging (e.g. X-ray and ultrasound equipment), the market for glucose monitoring and insulin delivery, cosmetics and dermatology, dental-related equipment, prostheses, IVF equipment, contraception products, hearing aids, patient lifts, basic wound care, veterinary products, the endoscopy market, sterilisation and dialysis. The Company's assessment of the European market for Poland, Switzerland, Slovakia, Czech Republic, Hungary and Austria relates to the addressable market; i.e., the same definition as for the Nordic market above.

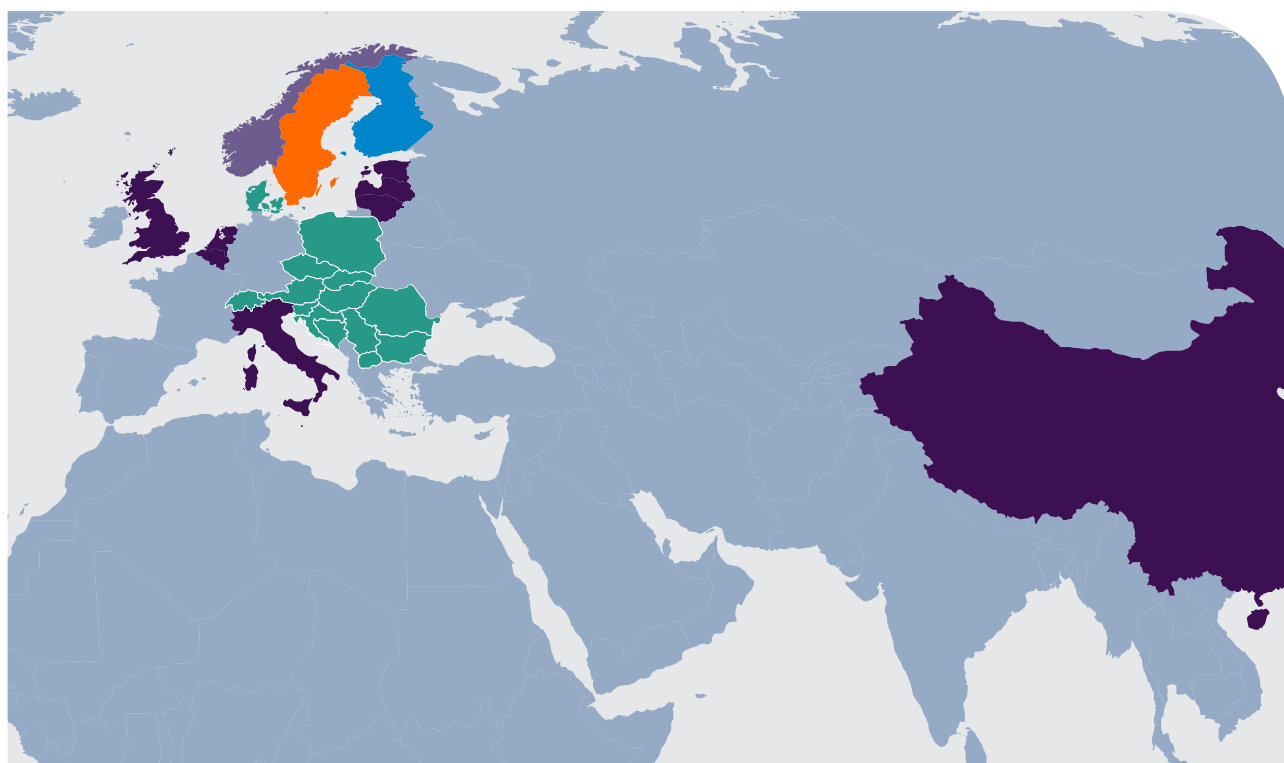
Overview

AddLife is an independent player in the Life Sciences that offers high-quality products, services and advice to both the private and public sectors. The Company is active in selected niches in the market segments of diagnostics, medical technology, biomedical research and laboratory analysis.¹⁾ In 2017 Sweden, Norway, Denmark and Finland accounted for about 91 percent of AddLife's acquisitions.

The Biomedica-acquisition in December 2018 added a geographic presence in 13 countries in Central and Eastern Europe, of which the six (6) most important markets are Austria, Czech Republic, Poland, Slovakia, Hungary and Switzerland. These six (6) countries represent more than 80 percent of Biomedica's sales in 2017.

After the Biomedica-acquisition, the Group comprises 45 operating subsidiaries that provide equipment, instruments, medical devices and reagents, as well as advice and technical support to customers primarily in medicine, home care, research and academia, along with the food and pharmaceutical industries and veterinary care.

AddLife's geographic presence before and after the Biomedica-acquisition



Source: AddLife. Green illustrates the additional geographic market after the Biomedica-acquisition.

1) Market Report and the Company's estimates.

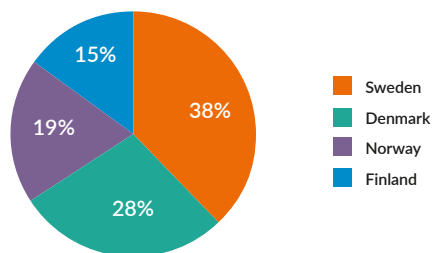
AddLife's markets

The European Life Science market in which AddLife operates is significant and was estimated at about SEK 1,155 billion in 2016.¹⁾ Europe is the second largest Life Science market in the world with about 29 percent of the world market, after the US, which is largest at about 43 percent. In Europe, on average the healthcare sector accounts for about ten (10) percent of GDP. Life Science, in turn, accounts for about seven (7) percent of the healthcare sector in Europe (i.e. less than one (1) percent of GDP), though with large variations among the various countries.²⁾

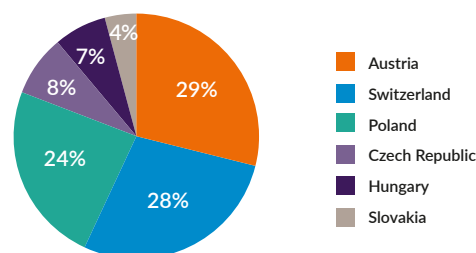
AddLife estimates the Nordic Life Science market at about SEK 50 billion in 2018. Sweden is the largest market in the Nordic region and according to the Company, accounts for about 38 percent of the market, followed by Denmark at 28 percent, Norway at 19 percent and Finland at 15 percent of the market. AddLife estimates that the Company's six (6) most important markets in Central and Eastern Europe amounts to about SEK 57 billion in 2018, broken down as follows: Austria 29 percent, Switzerland 28 percent, Poland 24 percent, Czech Republic eight (8) percent, Hungary seven (7) percent and Slovakia four (4) percent.

Between 2010 and 2016 the European Life Science market grew an average of two (2) to four (4) percent annually and the Company expects that it will continue to grow at an equivalent rate over the next few years.³⁾

The Nordic Life Science market 2018 (about SEK billion 50)⁴⁾



The European Life Science market on AddLife's six (6) main markets 2018 (about SEK 57 billion)⁵⁾

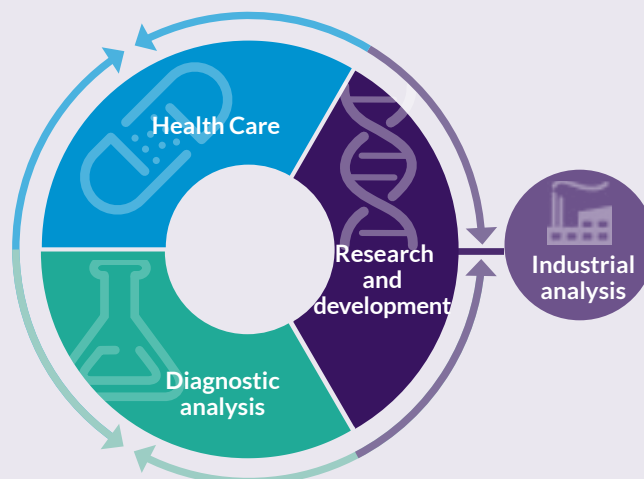


Addressable market

The Life Science market in which AddLife operates can be divided into two (2) market segments: Labtech and Medtech. The Labtech market segment includes products and services within diagnostics, as well as in biomedical research and laboratory analysis, while the Medtech market segment includes products within medical technology and home care. AddLife operates in selected niches in both market segments.

The Life Science markets ecosystem

- Health Care**
The products in AddLife's Medtech portfolio are used to provide care and treatment. Medtech business area.
- Diagnostic analysis**
AddLife's diagnostics portfolio provides solutions for diagnostic analysis of patient samples. Labtech business area.
- Research and development + Industrial analysis**
AddLife's products cover needs in research and development, as well as industrial analysis. Labtech business area.



The Life Science market serves as an ecosystem in which the various market segments affect one another and are dependent on each other for growth. AddLife's product portfolio meets the needs of the market and AddLife are active in selected niches throughout the ecosystem.

Source: AddLife.

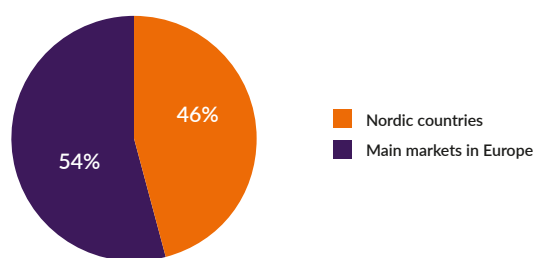
- 1) MedTech Europe; The European Medical Technology Industry in figures 2018 (based on producer prices 2016), and the European IVD Market Statistics Report 2016. The European Life Science market is defined here in part as medical devices intended to carry out therapeutic or diagnostic treatment on humans, and in part relates to in vitro diagnostic medical devices, intended to provide medically useful diagnostic information by studying a sample from the human body.
- 2) MedTech Europe; The European Medical Technology Industry in figures 2018. The report uses the World Health Organizations definition of the healthcare sector.
- 3) Market Report and the Company's estimates.
- 4) Market Report and the Company's estimates.
- 5) Market Report and the Company's estimates.

Labtech

The Labtech business area within AddLife focuses on sales of products and services such as technical service and support, expert advice and training to the two (2) product segments diagnostics and biomedical research and laboratory analysis. The Company's sales in the Labtech market primarily consist of sales of instruments and equipment, as well as associated services, combined with reagents, which are used to diagnose diseases or to conduct biomedical research and laboratory analysis.

AddLife estimates the size of the Nordic Labtech market at about SEK 21 billion in 2018. AddLife estimates that the Labtech market in the six (6) most important markets in Central and Eastern Europe amounted to about SEK 25 billion in 2018. The Company estimates that the Labtech market in the Nordic countries and the six (6) main markets in Central and Eastern Europe during the period 2010-2016 has grown an average of two (2) to four (4) percent annually and that it will continue to grow at the same rate over the next few years.¹⁾

Size of Labtech market 2018 (about SEK 46 billion)²⁾



Main markets in Europe are Austria, Switzerland, Poland, Czech Republic, Hungary and Slovakia.

Diagnostics market

Overview

AddLife's addressable diagnostics market relates to vitro diagnostics, used to diagnose, monitor and evaluate clinical samples taken from the body to assess physical or pathological conditions in the patient. The market covers everything from point-of-care diagnostics with immediate answers, to advanced testing in laboratories. The market is segmented into several different product segments. The two (2) largest are clinical chemistry, which includes analysis of blood lipids, renal function, proteins, blood cells, blood gas, coagulation and immunology, which includes analysis of infections caused by bacteria or viruses, as well as pathology.

Products in the diagnostics market mainly comprise analytical instruments and reagents. Analytical instruments are defined as equipment and instruments that clinical laboratories use to

measure various processes in which reagents are combined with patient samples. Reagents are solutions of high specific biological and chemical activity that can react with target substances, such as a blood sample, and that results in a reaction or a change that can be measured or analysed. Examples of products are blood gas analysis instruments, coagulation analysis instruments and various active reagents used in the analyses, as well as associated services such as advisory services, training, technical service and support.

Customers

Customers in the diagnostics market are mainly the publicly funded healthcare system and healthcare laboratories. The majority of sales in the Nordic countries, as in Central and Eastern Europe, take place through public procurement according to the regulations on public procurement, which are regulated through legislation within the EU. For more information on public procurement, please see "*The public procurement process*" section.

Market size and development

AddLife estimates that the Nordic diagnostics market was about SEK 6.3 billion in 2018, with Sweden and Norway as the largest markets.³⁾

The diagnostics market in Europe totalled about SEK 103 billion in 2016 according to MedTech Europe. AddLife's six (6) main markets in Central and Eastern Europe accounted for about SEK 13 billion, where Switzerland was largest with about 34 percent of the market, Poland about 25 percent and Austria about 19 percent.⁴⁾

According to AddLife, the Nordic diagnostics market grew by about 1.5 percent between 2015 and 2016. AddLife believes that the diagnostics market during the same period experienced stronger positive growth in the six (6) main markets in Central and Eastern Europe than in the Nordic countries.⁵⁾

The markets in the Nordic countries and Central and Eastern Europe demonstrate similar trends. The market for large centralised laboratories and clinical chemistry is declining as a result of increased automation and strong pressure on prices. This market is primarily dominated by major global actors. Instead, AddLife focuses on specialised tests and point-of-care services and instruments. AddLife expects the diagnostics market in the Nordic countries, as well as in Central and Eastern Europe, to increase by about two (2) to four (4) percent annually within the segments in which the Company operates. Growth in these segments is primarily driven by new applications made possible by technological advances in fields such as molecular biology and microbiology, along with increased understanding of the link between genetics and the clinical picture which can lead to new applications in Next Generation Sequencing (NGS).⁶⁾

1) Market Report and the Company's estimates.

2) Market Report and the Company's estimates.

3) MedTech Europe; European IVD Market Statistics Report 2016 and the Company's estimates. The source for the Nordic market is not the same as the source used in the prospectus published in conjunction with AddLife's listing on Nasdaq Stockholm in 2016 (Market Report), for which reason market definitions, the data on which the analysis is based, and the assumptions may differ. MedTech Europe is officially the organ for the IVD market in Europe and the statistics for the majority of the countries are based on reported data. Regarding the Nordic countries, Denmark reports data to MedTech Europe, while Sweden, Norway and Finland are based on estimates.

4) MedTech Europe; European IVD Market Statistics Report 2016 and the Company's estimates.

5) MedTech Europe; European IVD Market Statistics Report 2016 and the Company's estimates. The source for the Nordic market is not the same as the source used in the prospectus published in conjunction with AddLife's listing on Nasdaq Stockholm in 2016 (Market Report), for which reason market definitions, the data on which the analysis is based, and the assumptions may differ. MedTech Europe is officially the organ for the IVD market in Europe and the statistics for the majority of the countries are based on reported data. Regarding the Nordic countries, Denmark reports data to MedTech Europe, while Sweden, Norway and Finland are based on estimates.

6) Market Report and the Company's estimates.

Biomedical research and laboratory analysis market

Overview

The biomedical research and laboratory analysis market is segmented and in turn comprises several different product segments, the largest of which are advanced laboratory instruments and other laboratory equipment. The market includes all products used in a research laboratory, such as analytical instruments, microscopes, reagents, laboratory fittings and various types of supplies, as well as services such as expert advice and support.

Customers

Customers in the biomedical research and laboratory analysis market mainly include research laboratories and researchers within universities and colleges, the pharmaceutical and foods industries, veterinary laboratories and other laboratories in industrial settings, such as the forestry industry. Sales are made both to the private sector through direct sales, and to the public sector through public procurement. The Nordic biomedical research and laboratory analysis market is about half publicly and half privately financed, but this varies to some extent between the Nordic countries.¹⁾ AddLife's main markets in Central and Eastern Europe demonstrate a similar picture according to the Company, though Switzerland has a relatively higher proportion of private financing.

Market size and development

AddLife estimates that the Nordic market for products for biomedical research and laboratory analysis amounted to about SEK twelve (12) billion in 2018, of which the Swedish market accounted for about 36 percent, the Danish market 35 percent, the Norwegian market 16 percent and the Finnish market 13 percent. Between 2010 and 2016 the Nordic biomedical research and laboratory analysis market grew an average of two (2) to four (4) percent annually and the Company expects that it will continue to grow at an equivalent rate over the next few years.²⁾ AddLife estimates that the six (6) most important markets in biomedical research and laboratory analysis in Central and Eastern Europe amounted to about SEK 23 billion in 2018. AddLife estimates that between 2010 and 2016 the biomedical research and laboratory analysis market in Central and Eastern Europe grew an average of one (1) to two (2) percent annually and the Company expects that it will continue to grow at an equivalent rate over the next few years.

Research at universities and colleges accounts for a large part of the market, and growth is to a large extent driven by the availability of research grants. Historically, research grants in the European countries, as a share of GDP, have remained stable over time. The portion of the market aimed at industry is mainly driven by industrial growth and the economic situation. In recent years, an upturn has been noted in industry's demand for laboratory services, while new niches in areas such as materials and food analysis have led to increased demand for analytical instruments and reagents.



1) Market Report.

2) Market Report and the Company's estimates.

Medtech

Overview

The Medtech business area within AddLife focuses on the product segments surgery, thoracic medicine, neurology, wound care, anesthesia, ear-nose-and-throat, intensive care, ostomies and home care. The broad product offering ranges from advanced products for thoracic surgery, such as heart valves, to basic disposable items in dressings, such as compresses.

The Medtech market primarily consists of the sale of medical technology products to the publicly funded healthcare system and home care.

The products can range from simple consumables and non-invasive products with low risk for the patient, to various types of active and passive implants. Examples of products for health care include protective clothing for surgical staff, wound care products, catheters, ear-nose-throat suction tubing, oxygen masks, ostomy products and heart valves. Home care is a growing field with point-of-care solutions in modern medical technology for the home environment. The products are used in fields such as housing adaptation, especially products for the bathroom environment, treatment, monitoring and eHealth, as well as various assistive devices such as electric scooters, work chairs, lifting aids and diagnostics.

Customers

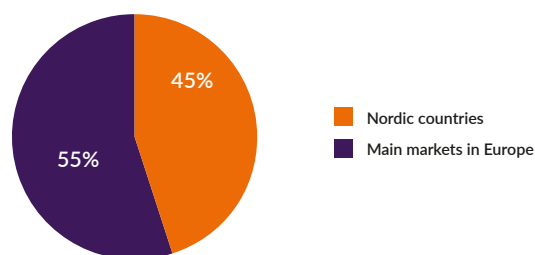
Customers in the Medtech market are primarily found within publicly funded health services, where sales are based on public procurements in accordance with public procurement regulations.

Customers in home care are mainly various public institutions. Even when products and services are provided directly to the user, such as housing adaptation, the measures are publicly funded. The Group currently offers home care products in three (3) countries in the Nordic countries. In Norway sales take place through central “NAV” procurement processes that are called locally by municipalities and occupational therapists. In Sweden and Finland, sales take place directly through occupational therapists who prescribe assistive devices for the home environment. In the home care segment sales also take place to construction companies that build specially adapted housing.

Market size and development

AddLife estimates that the Nordic Medtech market amounted to about SEK 26 billion in 2018, which makes it one of the largest in the world per capita. The Swedish market is the largest in the Nordic region and according to the Company's estimate, it accounted for about 38 percent of the market, followed by the Danish, Norwegian and Finnish markets, which accounted for 26 percent, 21 percent, and 16 percent, respectively. AddLife estimates that the Medtech market in the six (6) most important markets in Central and Eastern Europe amounted to about SEK 32 billion in 2018. The largest markets are Austria and Switzerland with about 28 percent each, followed by Poland, with about 25 percent of the market. Czech Republic, Hungary and Slovakia are estimated to account for about eight (8) percent, seven (7) percent and three (3) percent of the market, respectively. Between 2010 and 2016 the European Medtech market grew an average of two (2) to four (4) percent annually and the Company expects that it will continue to grow at an equivalent rate over the next few years.¹⁾

Size of Medtech markets 2018 (about SEK billion 58)²⁾



Main markets in Europe are Austria, Switzerland, Poland, Czech Republic, Hungary and Slovakia.

1) Market Report and the Company's estimates.

2) Market Report and the Company's estimates.

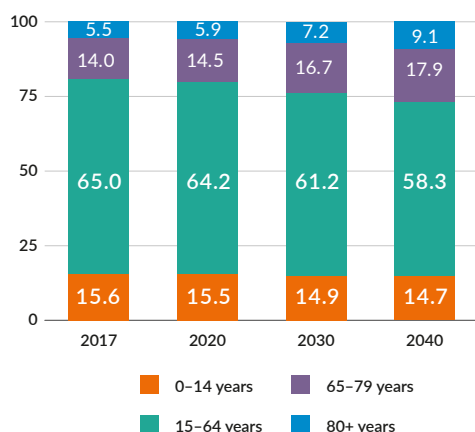
Trends in AddLife's markets

Growing and aging population increases the need for healthcare and social services

Continued population growth, combined with longer life expectancy, means that there will be more of us and that the proportion of older people will increase. Looking at Europe as a whole, the population is estimated to increase by just over three (3) percent by 2040. In the Nordic countries, population growth is expected to reach 15 percent by 2040. Meanwhile, the proportion of people in Europe over the age of 65 is increasing, and the age group is expected to reach 27 percent in 2040, compared with the current 19.5 percent of the population.¹⁾

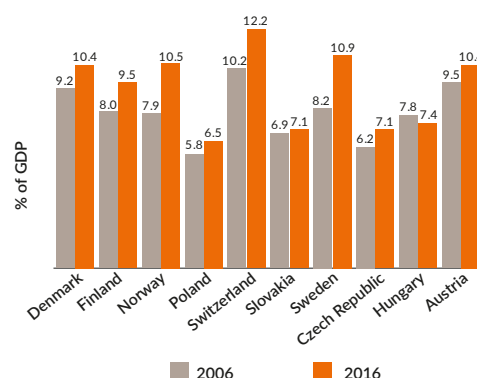
Many factors suggest that increased life expectancy also entails more people remaining healthy longer, especially in countries that work proactively with wellness for the elderly and that actively promote health, for example through programmes to reduce smoking and alcohol consumption. Meanwhile, however, the proportion of multi- and chronically ill patients is increasing. All factors considered, a larger and older population is expected to increase the need for health care and social services.

Population growth in the European countries (EU-28) by age category year 2017–2040²⁾

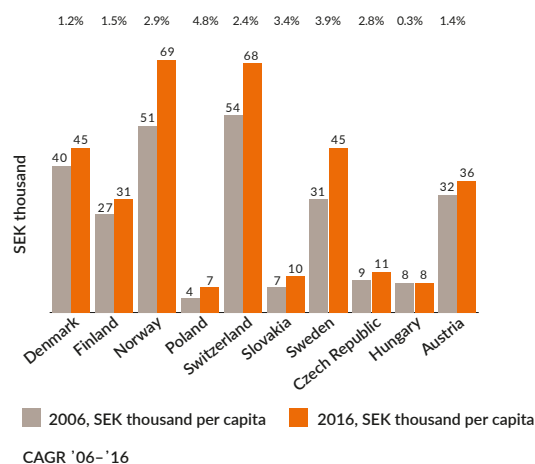


As a result of the increased need for care of the elderly, demand for home care is growing, as a method for care providers to streamline care and keep costs down. The Company estimates that the cost of home care is about one third of institutionalised care. Home care involves care using technical aids and in addition to healthcare, diagnostics and home treatment can also include assistive devices, housing adaptation and monitoring. Home care enables the patient to remain at home longer, thereby enhancing quality of life.

Total healthcare expenses as percent of GDP in AddLife's main markets (year 2006 and year 2016, respectively)³⁾



Total healthcare expenses per capita in AddLife's main markets (year 2006 and year 2016, respectively)⁴⁾



Changing markets and needs require an altered value proposition

Rapid technological development, with increased competition and lower production costs have contributed to a changed market situation. New players have established themselves and compete with lower prices and increased standardisation of products within established and mature product segments.

At the same time, the healthcare system has been subject to intensified cost pressure, due to increased demand for care, quality of care and greater use of capital-intensive diagnostic methods and treatments.

Laboratories in industry and the private laboratory sector have been experiencing significant demands for increased cost control for a long time. Businesses are becoming increasingly focused on

1) Eurostat 2017.

2) Eurostat 2017.

3) World Health Organization.

4) World Health Organization, based on a fixed exchange rate for USD, as well as the Swedish National Bank's median exchange rate USD/SEK as of 2010 (7.205).

core activities, while purchasing other services such as support, validation and maintenance. Increased automation has resulted in a shrinking workforce, which in turn has driven a trend for greater mobility among employees. Historically, laboratories have been staffed with niche specialists, but now employees must “know a little about a lot”, for which reason specialist skills are increasingly in demand from suppliers, and the need for training services is growing.

For market participants, these trends have entailed a need to revise strategies for the product and value proposition offering. The need to find niche areas is increasing at the same time as it is becoming more important to adapt to rapid technological and price developments to meet market demand.

Growing application area for diagnostics

A growing application area for diagnostics is within so-called personalised treatment, where diagnostic tests, known as “companion diagnostics”, are used to predict whether a patient is most likely to respond to a specific treatment, for example by identifying a specific genetic marker. Today genetic diagnostic tests are largely used in cancer treatment and a large percentage of drugs under development are combined with a diagnostic test.

The diagnostics market is also driven by increasingly widespread bacterial resistance, and the associated risks with hospital infections, which increase the need for rapid analysis and identification of pathogenic bacteria and viruses. New testing methods are being developed and routines for rapid analysis are being implemented to accelerate the identification of resistant bacteria and thus limit their spread.

Rapid technological advances in electronics, chemistry and IT have enabled significant technological progress in advanced DNA analysis, so-called Next Generation Sequencing (NGS), which is now increasingly becoming adopted as a routine diagnostic method. As prices decrease, new areas of application become possible that in the long term can presumably replace a variety of established tests and techniques. In the near future advanced DNA analysis is expected to be used as routine procedure on a large scale for applications such as analysis and prediction of various types of cancer, which will open new business opportunities for established market participants.

In clinical chemistry, laboratories have been undergoing consolidation and centralisation for a long time. This is expected to accelerate as major care providers such as county councils and regions merge and to an increasing extent send their samples to central laboratories. Parallel to this centralisation, a decentralisation is taking place, where some types of analyses can be done directly at the wards or in primary care centres, and sometimes even provide immediate answers. This development is primarily driven by technological advances that have made test methods less expensive and easier to use. This decentralisation is expected to continue within an array of niche areas, especially where the need for rapid test results is crucial.

Digitalisation enables new applications and business opportunities

The World Health Organization has identified eHealth as an area that may have great significance for improving global health, and adopted a resolution in 2018 to encourage member states to prioritise development and increased use of digital technology in health to promote health and the global sustainable development goals.¹⁾ The eHealth market is expected to increase globally by between 14 and 22 percent annually during the next five (5) year period.²⁾ The trend is slowed by factors such as high costs for implementation and maintenance of eHealth solutions, a shortage of IT expertise, licensing issues and inadequate compensation systems.

In AddLife's markets there is a clear digitalisation trend with, for example, connected patient monitoring, connected laboratory instruments, web-based analysis services and development of new digital measurement methods that are replacing manual methods. Digitalisation also provides new ways to gather, spread and analyse data, driven by developments in information and communication technology, as well as availability of smart phones, tablets and laptops. This means that patients can also be provided with the opportunity to personally play a role in their own treatment, thereby gaining a better understanding of their condition and how they can effectively treat it.

Digitalisation also affects procedures for purchasing and implementing services. Product information will be available and it will be possible to place orders online. Purchase-related service and related services such as training, user support and product maintenance will therefore become increasingly important.

Consolidation and centralisation of public procurement in the Nordic market

In recent years, major consolidation initiatives and structural reforms have been implemented at the county council and regional levels in all of the Nordic countries. In Denmark, 13 county administrative units were replaced by five (5) regional administrative units, and in Norway 19 municipalities were reorganised into four (4) regional health authorities according to a corporate enterprise model with the state as owner.

In Sweden, there is a process of increasingly shifting coordination of decisions and procurement from the operational level to the county council or regional level. Several Nordic countries are trending towards national procurement for certain products.

Combined with increased centralisation of purchases and greater use of professional purchasing organisations, the consolidation process has had a major impact, where procurements today are both larger in scope and contract times have often become longer.

Consolidated purchasing and new approaches to health economic aspects in general have increased at the hospitals. Overall, these trends have entailed an increase in the number of “complete solution” public procurements. Products and services

1) World Health Organization; <http://www.who.int/ehealth/en/>.

2) Report Buyer estimates in the report Digital Health Market: Global Industry Analysis, Trends, Market Size and Forecasts up to 2024 (<https://www.reportbuyer.com/product/5566848>) estimates that the global market for eHealth increase with approximately 14 percent during the period 2018–2024; Grand View Research (<https://www.grandviewresearch.com/industry-analysis/e-health-market>) estimates that the global market for eHealth increase with approximately 15 percent annually during the period 2015–2022; and the report E Health Market By Type (eHealth Solutions, eHealth Services); By End User (Healthcare Providers, Payers, Healthcare Consumers, Pharmacies) and by Regional Analysis – Global Forecast by 2018 – 2024 (<https://www.marketresearchengine.com/e-health-market>) estimates that the global market for eHealth increase with 22 percent annually during the period 2018–2024.

for multiple analyses, larger business areas, or even the operation of entire businesses are being advertised and procured at the same time. This could pose a threat for smaller players, but at the same time, new opportunities are emerging in which large suppliers collaborate with subcontractors to ensure that all customer needs are covered.

In the past, procurements were mainly evaluated based on price. Today, there is instead a trend towards evaluation models where quality of service, support and aftermarket services is becoming increasingly important. In laboratory diagnostics, a trend can also be seen towards payment models linked to payment per patient analysis response, rather than per product, where service and support are assuming an increasingly significant role.

Entry barriers

There are a number of entry barriers in AddLife's markets, which benefits previously established participants of adequate size.

Size and expertise: high product security is fundamental for the Life Science market, with requirements for compliance and monitoring from regulatory authorities and monitoring bodies. National regulations in Europe are based on common safety and functional requirements set by EU directives and regulations that regulate medical devices. Any medical device released on the market must comply with the requirements of the regulations, regardless of how and by whom the product is to be used and regardless of the risks associated with use. Products must be CE-certified to confirm that they comply with regulatory requirements. A product that is assessed and CE-certified in one country has access to the entire EES market.

Two (2) new EU regulations in the field entered into force in 2017. One is the regulation on medical devices (MDR) and the other is the regulation on medical devices for in vitro diagnostics. These regulations apply in parallel with previous legislation for a period of three (3) years (MDR) and five (5) years (in vitro diagnostics), respectively. The new regulations contain a number of rules to tighten regulations, as well as reclassifications of products, along with clarification of several manufacturer obligations, such as clinical evaluation and reporting of accidents and incidents. One significant change is that medical device legislation now no longer applies solely to manufacturers, but also to other stakeholders, such as distributors, importers and authorised representatives. As a result of the new regulations, products may have to undergo a reassessment of previous CE certification, which could be difficult for small operators with limited capacity and resources to go through testing, while larger global actors may reconsider working in what they consider to be much too small local markets.

Increased demand for total solutions: requirements on efficiency of health services, combined with cost-cutting measures, have increased customer demand for total solutions. This benefits established providers and independent distributors that, like AddLife, have a broad offering of products and services. An increasing

consolidation has been seen on the supplier side, in which large enterprises have merged and offer so-called "one stop shop" solutions.

Local presence: Conditions for sales and marketing vary on Europe's different markets with various mixes of direct sales, resellers, authorities and purchasing organizations. This benefits operators with local roots and knowledge of the local language, established customer relationships and understanding of their different needs and circumstances. This is particularly clear in the relatively small European markets in which AddLife operates.

Market participants and competitors

The European Life Science market is fragmented and consists of several large international players, as well as smaller companies. The large international players generally offer products under their own brands and monitor everything from manufacturing to distribution through global sales offices. Smaller companies also generally offer their own products, but often focus on a specific product, product segment or geographic region. Of Europe's 27,000 medical device companies, 95 percent are small and medium enterprises (SMEs), and the majority of them have fewer than 50 employees.¹⁾

In addition to these operators there are independent distributors who, like AddLife, can offer customers products from a variety of different market participants and thereby package customised offerings. Independent distributors also serve as a sales channel for large international players, as well as small companies that lack their own sales channels in the European market.

As a result of the rapid technological developments in the Life Sciences, new specialised players often appear who do not have a local presence in the European markets. This is particularly clear in the relatively small European markets in the Nordic countries as well as Central and Eastern Europe where AddLife operates. This provides an opportunity for independent distributors to sell these companies' products and solutions in the European market.

Within the European diagnostics market there are several large international suppliers, such as Becton Dickinson, Beckman Coulter, Siemens, Roche and Abbott. There are also several niche suppliers such as Thermo Fisher Scientific, Ortho Clinical, and bioMérieux.

There are several large international players in biomedical research and laboratory analysis, such as Thermo Fisher Scientific, VWR and Merck Millipore. There are also several niche suppliers such as Mettler Toledo, Waters, Agilent and BioRad.

In the Medtech market there are several large international players such as Medtronic, 3M, B Braun, Mölnlycke, Getinge, Mediq, LivaNova and Johnson & Johnson. In the Nordic market, there are primarily three (3) major competitors with a similar product portfolio: OneMed, Mediq and Vingmed.²⁾ In Central and Eastern Europe the scene is more fragmented. Alongside the major international companies are several smaller operators with more limited offerings and business in only one or a few countries.

1) MedTech Europe; The European Medical Technology Industry in figures 2018. SME: a medium-sized company have fewer than 250 employees and sales less than EUR 50 million, a small company has fewer than 50 employees and sales less than EUR 10 million.

2) Market Report and the Company's estimates.

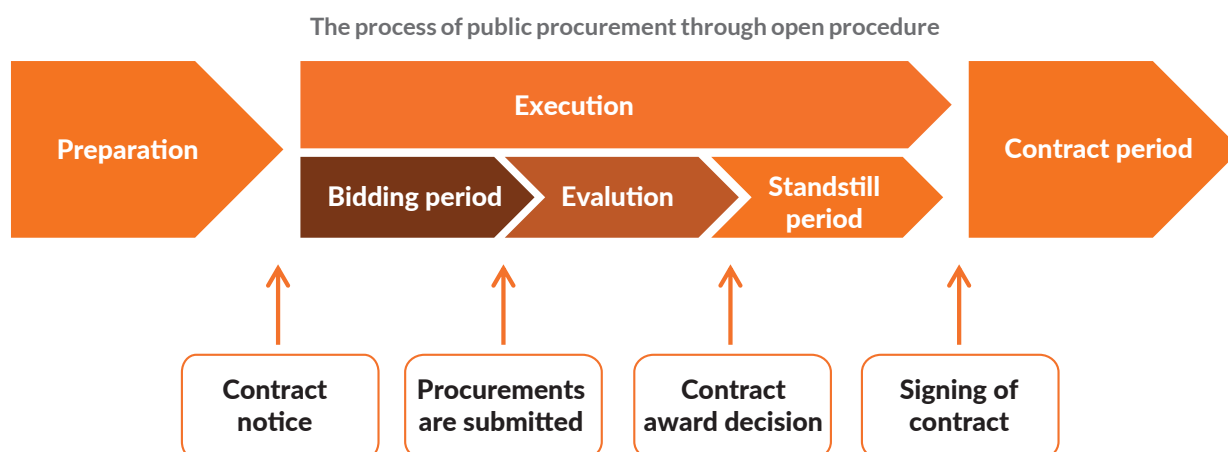
The public procurement process

Although there are clear national differences, public sector customers account for the majority of the market in which AddLife operates. Public sector care providers often have the main responsibility for care and can choose to provide it directly or by purchasing the service from private sector operators.

The public procurement regulations govern how contracting public services, such as government agencies, municipalities, county councils and regions financed with public funds may act when they purchase goods, services and construction services. The regulations are based on EU directives incorporated by countries in the EU and the EEA. All European countries have therefore introduced rules on public procurement. The regulations aim to make use of public funds by public services more effective by seeking out and taking advantage of market competition. At the same time the regulations aim to enable suppliers to compete on equal terms in all procurements.

The contractual agreements procured are usually framework agreements, which govern the products covered, quality, price, delivery time, penalties, etcetera. The term of such framework agreements in the Nordic Life Science market is usually two (2) plus two (2) years or three (3) plus one (1) year. The regulations provide that the total contract period for framework agreements may not exceed four (4) years, including an extension, except if special reasons apply. Special reasons may be present in large contracts where, for example, extensive investments may be required from the supplier. In such cases, the term of the agreement may be longer than four (4) years. AddLife's markets in Central and Eastern Europe also use framework agreements for procurement purposes, though the term tends to be shorter than in the Nordic countries, usually one (1) to three (3) years, but with major variations between countries.

The Company assesses that there is a certain lock-in effect in the market, where the existing supplier wins the procurement also for the following contract period, due to the complexity of changing suppliers for advanced products and services.



Source: AddLife.

Business overview

This section addresses AddLife's business prior to the Biomedica-acquisition which was announced on 26 November 2018. Through the acquisition the Group broaden its geographic presence and business, see section "*Description of AddLife after the Biomedica-acquisition*".

Overview¹⁾

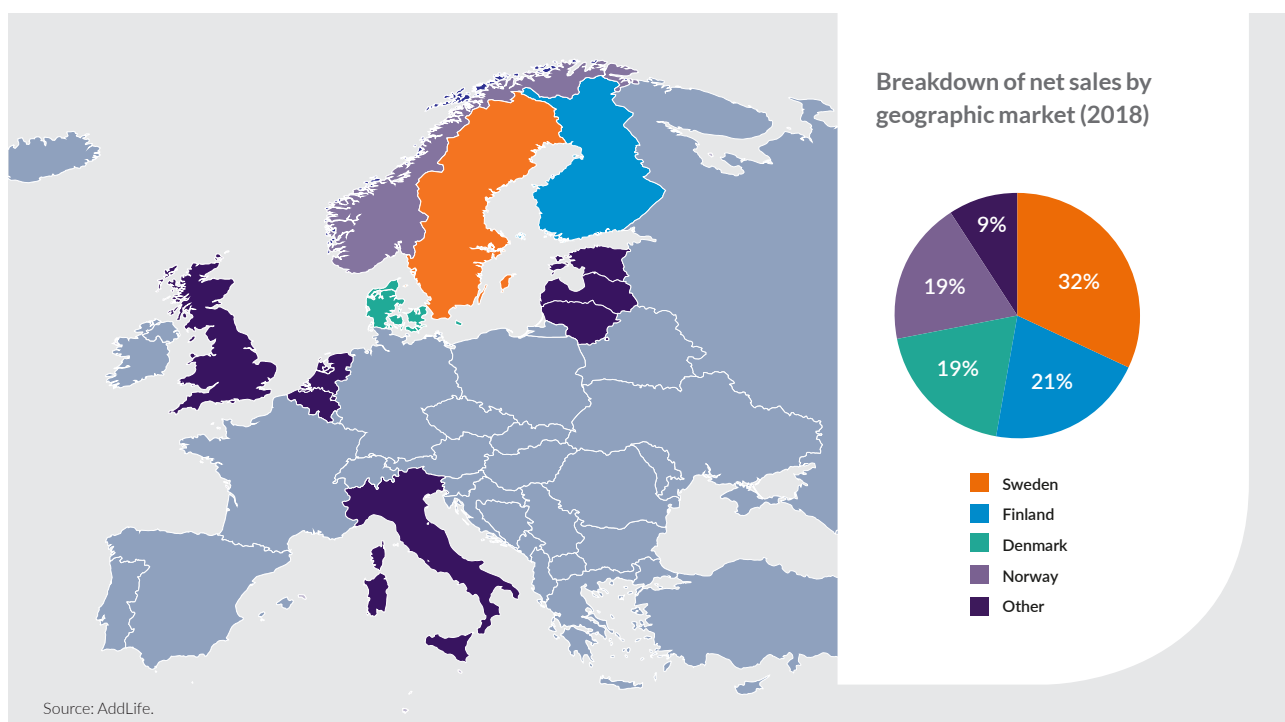
AddLife is an independent player that offers high-quality Life Science products and services to both the private and public sector, mainly in healthcare services, research, universities and colleges, as well as the food and pharmaceutical industries. The Group develops and acquires profitable companies in selected niche areas in the segments diagnostics, biomedical research laboratory analysis and medtech. AddLife's 32 operating subsidiaries deliver equipment, instruments, reagents, consumables and assistive devices, as well as advisory services, training and technical support. The main markets are the Nordic countries, complemented by smaller business in Europe as well as some exports to the US and China.

AddLife applies decentralised corporate governance based on active board work and financial governance. The organisation is decentralised and entrepreneurial, each subsidiary is responsible

for its own business activities within the context of the requirements for growth, profitability and sustainable development set by the Group. The model combines the strength of the large company with the dedication and business acumen of the entrepreneur, in other words, it benefits from AddLife's collective resources, network and industrial expertise, as well as from the advantages of a small enterprise, such as flexibility, a personal touch and efficiency.

AddLife's subsidiaries are organised in two (2) business areas; Labtech and Medtech. The Labtech business area consists of 18 operating companies that are active in the diagnostics, biomedical research and laboratory analysis market segments. The Medtech business area consists of about 14 operating companies that provide medical technology products within the Medtech market segment, with a focus on the product segments surgery, thoracic medicine, neurology, wound care, anaesthesia, intensive care, IVA,

AddLife's geographic markets before the Biomedica-acquisition (2018)



1) AddLife uses certain key financial indicators in its analysis of operating income that are not calculated under IFRS, including EBITA. 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 ratios in the same way, it is not certain that the information is comparable with other companies' ratios with the same names.

ear-nose-throat, ostomies, and home care products.

The Company holds the perception that AddLife has a good platform from which to further strengthen its market positions and competitive advantages through both organic development and growth as well as through acquisitions.¹⁾ The Company was formed in 2015 from the previous Life Science business area within Addtech and builds on a proven and tested model, which through the heritage from Bergman & Beving and Addtech has a history that dates back more than 100 years. AddLife has been listed on Nasdaq Stockholm since 16 March 2016.

Vision, business concept, core values and strategy

Vision

AddLife always strives to improve people's lives by being a leading, value-creating player in Life Science.

Business concept

AddLife provides added value to customers in health care, laboratories and research by offering high-quality, cost-effective solutions and products, as well as expert advice to both the private and public healthcare sector.

Within the framework of the overarching business concept are an array of business concepts that describe the business and circumstances of each subsidiary. The subsidiaries all share a common business concept, they create value for their customers, serve as a link between customers and suppliers, and offer high-quality products, cost-effective solutions and expert advice, and they all work in selected niches within Life Science.

AddLife's core values

AddLife's decentralised and entrepreneurial organisation rests on a strong corporate culture and common values that guide activities in the daily work. Four (4) core values summarise these fundamental values: simplicity, engagement, accountability and innovation.

Overarching strategies

Market leader in selected niches

Being a market leader is important for AddLife to achieve stable earnings growth and sustainable profitability. To achieve this the subsidiaries must generate value and build positions in selected niches by:

- offering high-quality, cost-effective solutions;
- being expert advisors and distributors; and
- building sales on close relationships with customers, manufacturers and suppliers.

The Company mainly focuses on niches with rapid technological developments where customers demand products and solutions with high knowledge and technology content.

Operational mobility

Operational mobility is an agile approach to work in which AddLife improves conditions for business and profitability growth.

- The subsidiaries should be flexible and agile so that they can seize new business opportunities.
- AddLife develops the business through active ownership and board work.

Acquisitions

Acquisitions are important for AddLife to achieve its financial target for long-term earnings growth. AddLife continually searches for companies to acquire in order to maintain and further develop them in the long term. The new companies should be profitable, have a history of delivering good products and services, and fit well in the corporate culture and with AddLife's focus on an entrepreneurial approach.

The acquisitions should complement and strengthen existing business, which means:

- the subsidiaries can make smaller add-on acquisitions to strengthen existing business within their niche;
- the business areas can expand and build market and/or product positions in selected market segments; and
- the business areas can be complemented with new market and product segments in the niche areas in which AddLife sees opportunities for market leadership.

Acquisition process and integration

Over the years AddLife has acquired and integrated many companies and has a clear, successful process for integration and development of acquired companies. An acquisition process is often initiated by the Company identifying suitable acquisition candidates, either through its own network or after being contacted by an external source. In some cases, AddLife is contacted directly by the seller, often a founder and entrepreneur who wants to divest the company or who needs a partner to create better prospects for further development of the business. For many founders who want to sell their company, AddLife offers an attractive alternative since the Company's decentralised organisation means that the companies continue to operate independently within the framework of AddLife's decentralised corporate governance model. In this way AddLife can also differentiate itself as a buyer on grounds other than by acquisition price.

AddLife conducts an analysis of the acquisition candidate to evaluate the company's products, offerings and profitability. The next step is to establish contact, build trust and get to know senior management and the seller to ensure that the business skills and corporate culture are a good fit with AddLife. In the next phase various due diligence processes are carried out regarding matters such as financial, commercial and legal issues.

1) Market Report and the Company's estimates.

AddLife's acquisitions since the listing on Nasdaq Stockholm in 2016*

Acquisition	Country	Date	Net sales, SEK million	Number of employees	Business market
Biomedica Medzinprodukte GmbH	Austria	December, 2018	635	280	Medtech and Labtech
Väinö Korpinen Oy	Finland	July, 2018	8	15	Medtech
Ossano Scandinavia AB	Sweden	February, 2018	22	5	Medtech
Krabat AS	Norway	July, 2017	30	13	Medtech
Hepro AS	Norway	March, 2017	165	40	Medtech
TM Techno Medica AB	Sweden	January, 2017	30	5	Medtech
Biolin Scientific AB	Sweden	December, 2016	100	68	Labtech
Svan Care AB	Sweden	October, 2016	35	13	Medtech
V-Tech AB och Esthe-Tech AB	Sweden	April, 2016	50	11	Medtech

*) Refers to completed acquisitions at the date of this Prospectus.

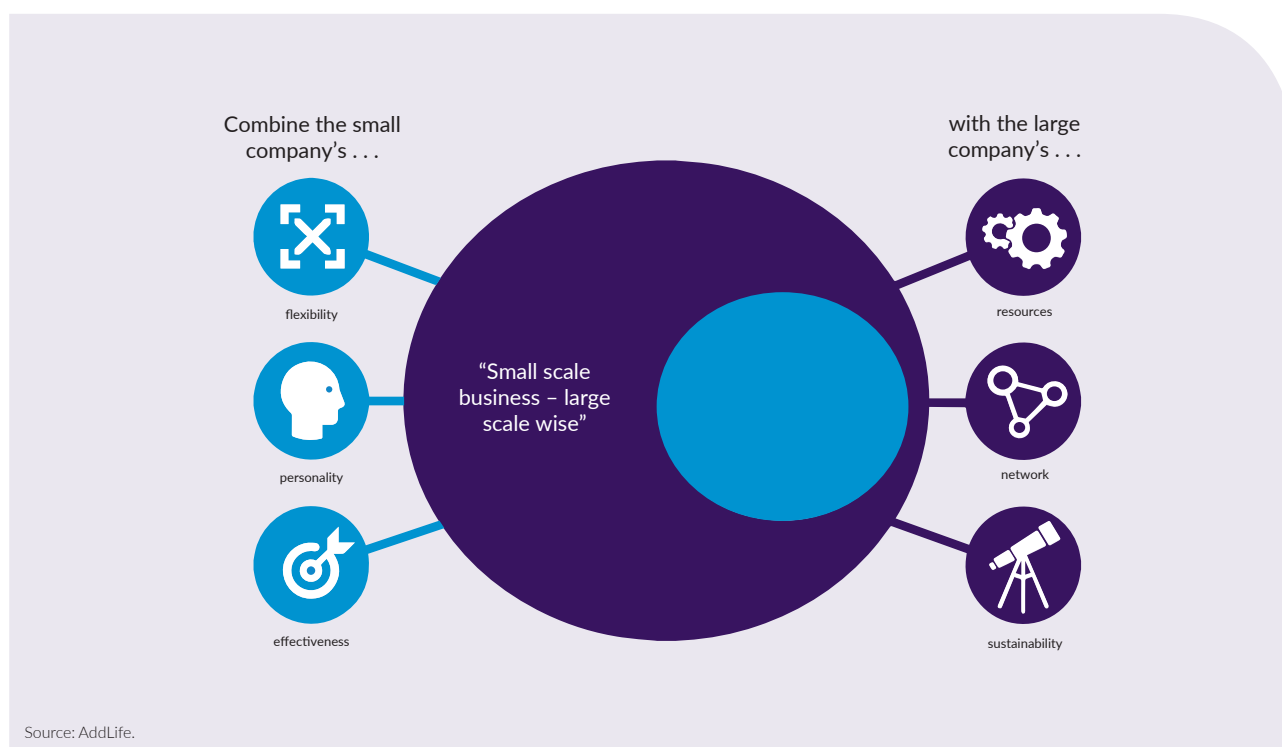
The road to a successful acquisition for both buyers and sellers may well take several years, which minimises risk and improves the prospects of further development within AddLife, as well as a satisfactory outcome for the parties and the key employees. Subsidiaries, which as a rule are wholly-owned, usually continue business under their own brand, but are integrated into AddLife's corporate culture and financial governance model.

AddLife's corporate governance model

AddLife will attain long-term profitable growth by continually developing its business and organisation. The Company acquires and develops profitable niche companies in Life Sciences. Each subsidiary is responsible for its own strategy, which is decided by the board of directors of the respective subsidiary. Each subsidiary formulates annual targets with a business plan, an overview of the organisation and a comprehensive analysis of profitability

expressed as P/WC (relationships between operating profit or loss and working capital), as well as earnings and profitability targets.

AddLife combines the strength of a large company with the dedication and business acumen of the entrepreneur, thereby benefiting from the Group's collective resources, network and industrial expertise, as well as from the advantages of a small enterprise, such as flexibility, a personal touch and efficiency. The parent company contributes with financial stability, resources and tools, and serves as an active owner with a focus on each subsidiary to promote growth and improve profitability. The subsidiaries are responsible for their own business activities within the context of the requirements that the Group sets for growth, profitability and sustainable development. AddLife's decentralised structure also entails less dependence on individual customers and suppliers.

Run small-scale business at a large-scale "Freedom with responsibility"

Business areas

Labtech

Progress 2014–2017

	1 Jan – 31 Dec	1 Apr – 31 Dec	1 Apr – 31 Mar	
SEK million	2017	2016	2015/2016	2014/2015
Net sales	1,393	930	1,070	1,032
EBITA	151	118.7	117	117
EBITA-margin, %	10.8	12.8	10.9	11.3
Number of employees	357	353	275	280

The figures for net sales, EBITA and EBITA-margin in the table above are taken from the annual reports for 2017, 2016 and 2015/2016. Number of employee is calculated based on AddLife's internal reports for the periods 2017, 2016, 2015/2016 and 2014/2015.

2017

Net sales: **SEK 1,393 million**

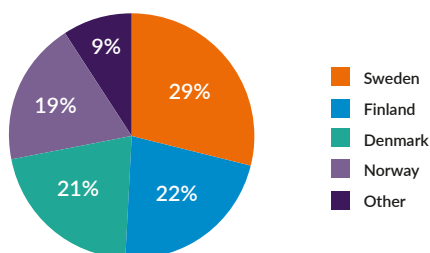
EBITA: **SEK 151 million**

Subsidiaries: **18**

Employees: **357**

Percentage of net sales: **60%**

Net sales by country



Labtech's product segments

- Hematology
- Pathology
- POC
- Cellular biology
- Analysis instruments
- Consumables
- Advanced instruments
- Microbiology
- Molecular biology
- Clinical chemistry
- Immunology

The Labtech business area offers products and services in diagnostics, biomedical research and laboratory analysis. Labtech's 18 companies are mainly active in selected niches within microbiology, clinical chemistry, coagulation, molecular biology, research, immunology, point-of-care analyses, veterinary diagnostics and in the food industry. About 85 percent of net sales are subject to public procurement procedures. Customers primarily include

laboratories in health services, research, universities and colleges, as well as the food and pharmaceutical industries. The offering includes analytical instruments, equipment, microscopes, consumables, reagents, software support and technical service, as well as advisory services.

Labtech companies also offer training within several product areas to ensure that customers can assimilate and maximise the user benefit of the products. Training programs and other advisory services help to maintain continuous contact with customers, which increases knowledge of customer needs and in turn can strengthen the Company's potential to be successful in future procurements.

Changing supplier of instruments and other advanced equipment can be complicated and lead to additional costs for the customer. The agreement with the customer usually also includes advanced service and technical support for the application, while the customer relationship may have a long history, which can represent an additional barrier for changing suppliers.

Business models within Labtech

The diagnostics, biomedical research and laboratory analysis segments have different business models:

Diagnostik

AddLife is active within in vitro diagnostics which is used to diagnose, monitor and evaluate clinical samples taken from the body. The analysis itself is carried out in an artificial environment, usually in a laboratory. Common examples of the use of in vitro diagnostics include blood cultures to detect potential infections in the blood (sepsis), tests to detect viruses in the blood caused by infection (such as HIV and hepatitis) and urine tests.

AddLife's sales in diagnostics primarily target the public sector, through public procurement procedures. Customers are mainly in publicly funded health services. The most common term of agreement for public contracts is usually two (2) years plus two (2) years or three (3) plus one (1) year. For larger and more complex contracts, the contract terms may be a few years longer.

Within diagnostics, about 80 percent of the Company's revenue during the term of a contract derives from sales of various reagents and consumables for analytical instruments, while the remaining 20 percent derives from instrument sales, as well as software support, technical service and ongoing maintenance. In addition, the Company offers various forms of expert advice and

training that can guide customers when choosing products, where upgrades also streamline day-to-day care. For example, optimisation of processes and procedures relating to diagnostic tests creates substantial value for patients and cost-savings for health services, resulting in increased social benefit.

AddLife competes with different players in this market. There are several major international suppliers, such as Beckton Dickinson, Beckman Coulter, Siemens, Roche and Abbott. In addition, there are also several niche suppliers, both international and domestic, such as Thermo Fisher Scientific, Ortho Clinical and bioMérieux.¹⁾

Biomedical research and laboratory analysis

In biomedical research and laboratory analysis, sales are made directly to customers in the private sector as well as through public procurement procedures to customers in the public sector. About 70 percent of AddLife's sales in biomedical research and laboratory analysis are made to the public sector. Customers include research laboratories or researchers at universities and colleges, such as Karolinska Institutet, as well as veterinary diagnostics and the food and pharmaceutical industries, such as AstraZeneca, Eurofins and Novo Nordisk, or other industry-related laboratories.

The majority of revenue in biomedical research and laboratory analysis, comes from laboratory equipment sales, while the remainder is attributable to ongoing sales of reagents, service and

consumables. The service offering includes software support and technical service, ongoing maintenance and training for customers in various product areas.

In biomedical research and laboratory analysis, AddLife's companies compete with several major international players such as Thermo Fisher Scientific, VWR and Merck Millipore. There are also several niche suppliers such as Mettler Toledo, Waters and Agilent.

Example of selected niches

Labtech has business within point-of-care diagnostic analysis, molecular diagnostics and genetic research. Below are a few examples of products within selected niches within these segments.

Labtech delivers reagents and equipment used for coagulation and blood gas analysis. Coagulation measurements are performed to monitor medication of blood thinners, while blood gas measurements measure oxygen uptake in the blood. Both of these analyses are performed in large volumes in hospitals and primary care centres. AddLife offers solutions for both large-scale laboratory-based analyses and point-of-care analysis and can therefore comprehensively meet market needs.²⁾

In biomedical research and laboratory analysis Labtech is operating within the niche for reagents for cloning (genetic modification) at the laboratory level.



1) Market Report and the Company's estimates.

2) The Market Report, information on contracts won in public procurement procedures and the Company's assessment. Based on sales.

Brief introduction to AddLife's companies in the Labtech business area

The number of employees is stated as at 30 September 2018.

BergmanLabora

Products: laboratory equipment and service to research, industry, colleges and universities.

Geographic market: Sweden.

Segment: laboratory instruments and products for microscopy.

Customers include: AstraZeneca, Lund University and Karolinska institutet.

Number of employees: 25.

Biolin Scientific

Products: analytical instruments and services in surface science for industry and academia.

Geographic market: global.

Segment: advanced materials development within academia and industry.

Customers include: P&G, IBM, Apple, BASF, Stanford University, Harvard University and Peking University.

Number of employees: 47.

BioNordika

Products: laboratory equipment and reagents mainly for research.

Geographic market: Sweden, Denmark, Norway, Finland and Estonia.

Segment: cell & molecular biology, as well as immunology for academic research and the pharmaceutical industry, and laboratory equipment.

Customers include: AstraZeneca, Karolinska Institutet, Novo Nordisk, Novozymes and Institute for Molecular Medicine Finland.

Number of employees: 42.

Holm & Halby

Products: laboratory equipment and service to research, industry and universities.

Geographic market: Denmark.

Segment: wide range of analysis instruments and equipment for laboratories.

Customers include: Novo Nordisk, Novozymes, LeoPharma and Copenhagen University.

Number of employees: 50.

Immuno Diagnostic

Products: instruments and reagents.

Geographic market: Finland.

Segment: molecular diagnostics, microbiology, pathology, genetics, cell biology, laboratory microscopes and microscopes for surgery.

Customers include: HUSLAB, Helsinki and Uusimaa Hospital District and Oulu University Hospital.

Number of employees: 30.

LabRobot

Products: equipment for microbiological analyses.

Geographic market: primarily Europe and North America.

Segment: food microbiology.

Customers include: Eurofins och Synlab.

Number of employees: eight (8).

Triolab

Products: diagnostic instruments and reagents.

Geographic market: Sweden, Denmark, Finland, Norway and Estonia.

Segment: blood gas, clinical chemistry, microbiology, molecular biology, immunology, pathology, hematology, POC and veterinary diagnostics.

Customers include: Karolinska University Hospital, Sahlgrenska University Hospital, Odense University Hospital, Novo Nordisk, HUSLAB, Helsinki and Uusimaa Hospital District, Norwegian Health Care System, Oslo University Hospital, Haukeland University Hospital and St. Olavs Hospital. Customers in public and private health care and pharmaceutical industry.

Number of employees: 154.

Medtech

Progress 2014–2017

	1 Jan – 31 Dec	1 Apr – 31 Dec	1 Apr – 31 Mar	
SEK million	2017	2016	2015/2016	2014/2015
Net sales	940	556	492	25
EBITA	93	44	32	4
EBITA-margin, %	9.9	8.0	6.6	15.7
Number of employees	224	179	147	6

The figures for net sales, EBITA and EBITA-margin in the table above are taken from the annual reports for 2017, 2016 and 2015/2016. Number of employee is calculated based on AddLife's internal reports for the periods 2017, 2016, 2015/2016 and 2014/2015.

2017

Net sales: **SEK 940 million**

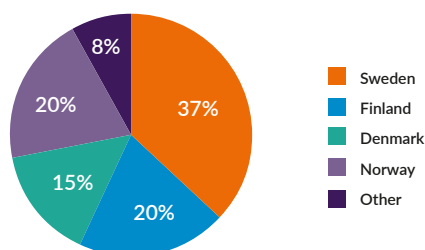
EBITA: **SEK 93 million**

Subsidiaries: **14**

Employees: **224**

Percentage of net sales: **40%**

Net sales by country



Medtech's product segments

- Ear-nose-throat
- Intensive care
- Intervention
- Neurosurgery
- Surgery
- Surgical equipment
- Thoracic surgery
- Wound care
- Ostomy
- Home care

The Medtech business area consists of about 14 companies that provide medical technology products within the medtech market segment, with a focus on the product segments surgery, thoracic medicine, neurology, wound care, anaesthesia, ear-nose-throat, intensive care, ostomies and home healthcare. Nine (9) of the 14 companies in the business area are part of the subsidiary group Medioplast.

The broad product offering ranges from basic disposable items in dressings, such as compresses, to advanced products for thoracic surgery, such as heart valves. Medioplast has several pan Nordic agreements with medical technology equipment suppliers.

About 90 percent of sales take place through public procurement procedures for public health services in the Nordic countries. The most common term of agreement for public contracts is two (2) plus one (1) plus one (1) year. In order to be a competitive supplier in the Medtech market in the Nordic countries a broad product portfolio is required, as customers have become larger through consolidation, which in turn has expanded the size of calls for procurement. Customers are mainly found in the publicly funded healthcare systems in the Nordic region, with the addition of exports of some of the Company's own products to Europe, primarily to Germany and the Benelux countries.

Home care is a growing product segment with point-of-care solutions in modern medical technology for the home environment. Initiatives are underway in all Nordic markets to move care and treatment from the hospital to the home. During the period 2016–2018 AddLife has established itself as a major participant in the segment through acquisitions of several Nordic players. Products currently offered include accessibility-adapted bathroom solutions, technical aids for children and young people with special needs, fall prevention and stairway assistance. Some sales in home care are made directly to the end consumer. AddLife's assessment is that demand will continue to grow in home care over the next few years, which makes it an interesting segment with future potential.

About 30 percent of the business area's products are sold under the Company's own brand, while the other 70 percent consists of Nordic distribution of products from some of the world's manufacturers. About two-thirds of production of own products is outsourced to external manufacturing partners in Asia. For example, ear-nose-throat products are produced by a production partner in Japan, after which they are packaged in China. Own production takes place at assembly and production facilities in Denmark (Maribo), Finland (Pori) and Italy (Roncanova).

In the Medtech market, there are several large international players with which AddLife's companies compete to some extent, such as Medtronic, 3M, B Braun, Mölnlycke, Getinge, Mediq, LivaNova and Johnson & Johnson. In the Nordic market, there are primarily three (3) major competitors with a similar product portfolio, OneMed, Mediq and Vingmed.¹⁾

Example of selected niches

Medtech has business within specific consumable medical supplies for the healthcare industry, which are used in high volumes in both inpatient and outpatient care. Example of niche areas include disposable products for examinations in the ear-nose-throat segment.

1) Market Report and the Company's estimates.

Brief introduction to AddLife's companies in the Medtech business area

The number of employees is stated as at 30 September 2018.

Hepro

Products: assistive equipment in home care.

Geographic market: Sweden and Norway.

Segment: home care products, bathroom products and welfare technology.

Customers include: NAV, public sector and private care providers. Some sales to the end consumer.

Number of employees: 40.

Krabat

Products: high quality technical aids for children and young people.

Geographic market: Europe.

Segment: children and young people with special needs.

Customers include: NAV.

Number of employees: 13.

Korpinen

Products: the Gaius bathroom concept for people with special needs.

Geographic market: Finland, Sweden, Norway, Japan and Russia.

Segment: specialised in bathroom products for hospitals, nursing homes, public spaces and home care.

Customers include: the construction sector in connection with housing adaptation, private and public activities that run care homes.

Number of employees: 15.

Medioplast

Products: medical equipment and supplies.

Geographic market: primarily the Nordic countries and the Netherlands.

Segment: surgery, thoracic medicine, neurology, intervention, dressings/wound care, anaesthesia/ICU, ear-nose-throat, urology, gastrostomy, ostomies and hygiene. Customers in public and private healthcare services.

Customers include: public as well as private healthcare services.

Number of employees: 156.

Svan Care

Products: assistive equipment in home care.

Geographic market: Sweden and Norway.

Segment: bathroom products for people with special needs.

Customers include: municipal home care and county councils.

Number of employees: twelve (12).

Suppliers

AddLife has developed long-lasting relations and partnerships with several different strategic suppliers and strives to have agreements and close collaborations with global suppliers within its niches. Most supplier agreements give exclusive rights to distribute the suppliers' products in the markets in which AddLife operates.

As an independent player, the Company can offer customised solutions that can be a combination of products from multiple suppliers.

The Company regularly participates in trade fairs and other forums to network with potential new suppliers and to keep abreast of product and technology development, which ensures that the range of products and services offered to customers is relevant and competitive. AddLife's companies have agreements with, and offer products from, more than 1,400 suppliers.

The figure below shows a selection of the suppliers with which AddLife collaborates on the Nordic market within both Labtech and Medtech.

Suppliers in Labtech

Supplier	Since	Markets	Description
Radiometer (Denmark)	75 years	Sweden, Finland, Norway	Business within blood gas
Stago (France)	20 years	Sweden, Finland, Norway, Denmark	Business within coagulation
New England BioLabs (USA)	20 years	Sweden, Finland, Norway, Denmark	Business within recombinant and natural enzymes for genomic research

Suppliers in Medtech

Supplier	Since	Markets	Description
Integra (USA)	25 years	Sweden, Finland, Norway, Denmark	AddLife markets Integra's products in neurosurgery and instruments
Serres (Finland)	25 years	Sweden, Denmark	Supplier of suction system
Medline (USA)	2 years	Sweden, Finland, Norway, Denmark	Business within for example, surgery, sterile and personal protection

Logistics

AddLife's subsidiaries are responsible for their own logistics and warehousing. All companies operate in the local market and adapt their logistics and warehouse business based on what is most effective for the individual company. The companies that sell reagents require handling of chilled and frozen goods, which means that proximity and rapid delivery capability are a competitive advantage. All transportation is outsourced and the companies cooperate by signing Group-wide framework agreements with various logistics partners.

The companies in the Mediplast group have coordinated the majority of their warehouse and logistics needs at a central warehouse in Malmö from which all deliveries are made directly to end customers.

Employees

AddLife offers advanced technical equipment and knowledge-intensive services. Consequently, expertise and advisory services are key components for which reason AddLife and the subsidiaries apply a long-term approach to attract, retain and develop talented employees with a high level of expertise in their respective product areas. Our product specialists and sales representatives usually have a background in biomedicine or nursing. Application specialists usually have a longer and more extensive education in biomedicine, such as a doctorate or master's degree, while service technicians have a technical background and are often engineers.

The Company strives to achieve an inclusive corporate culture that results in job satisfaction, low sickness absence, good relationships and low staff turnover. Along with the core values simplicity, accountability, engagement and innovation, AddLife's code of conduct is the foundation for how AddLife's employees should behave in their daily work. Since 2017 an annual employee survey has been conducted to identify and follow up on AddLife's strengths and weaknesses as an employer.

AddLife Academy is AddLife's own business school that provides a growth opportunity for employees and ensures the supply of leaders. All employees participate in the business school, which is crucial for raising the level of professionalism among employees and building sustainable development for the Group. In conjunction with acquisitions and when new employees are hired, a course is held in AddLife's "Vision and corporate philosophy" to ensure that everyone learns about the common core values, which AddLife views as a key to success. The business school also arranges courses in sales, business skills, public procurement procedures and leadership, as well as customised courses in marketing, service and finance.

Employee	1 Jan – 31 Dec	1 Apr – 31 Dec	1 Apr – 31 Dec	
	2017	2016	2015/2016	2014/2015
Average number of employees	579	459	370	284
Number of employees at year-end	592	545	427	286
Number of employees in the business area Labtech at year-end	358	359	270	279
Number of employees in the business area Medtech at year-end	224	178	150	7
Number of employees within group functions and the Company's logistics operation at year-end	10	8	7	–

Sustainability

For AddLife, sustainability is a natural component of business value; sustainability ensures the Group's long-term earnings capacity and competitiveness. Today, many customers demand sustainability, especially in public procurement, where there is a high demand for being at the forefront on sustainability issues.

Business is conducted in accordance with guidelines for long-term and healthy development, based on the view that growth, profitability and sustainable development are all interdependent. In addition to financial requirements, goals and guidelines, business is also conducted with high standards regarding ethics and integrity. The business is based on close long-term relationships with customers, suppliers and other business partners, and the Company emphasises the importance of acting professionally, honestly and ethically. Sustainability is covered by the Group's core value "responsibility"; in AddLife's corporate culture, it is a given to act ethically in business, respect the environment and accept social responsibility.

AddLife supports the UN's Global Compact (www.globalcompact.org), the ILO's core conventions (www.ilo.org), and the OECD's guidelines for multinational companies (www.oecd.org).

The Company's code of conduct is based on these principles. The code of conduct applies both in the Company's own businesses and in relation to suppliers of products and services. The Company works with the suppliers to gradually achieve positive changes, with the long-term goal that all suppliers to subsidiaries must live up to the code of conduct. In 2018, a supplier evaluation was conducted to analyse sustainability risks in AddLife's supplier chain. In addition, a whistleblower function has been implemented to ensure that employees and other stakeholders have the opportunity to provide information about any serious irregularities that might occur within the Group.

AddLife strives to have a long-term and transparent dialogue with the Company's most important stakeholders, groups that directly or indirectly affect or are affected by the business. In 2017 AddLife carried out a stakeholder dialogue with subsequent materiality analysis to investigate what aspects related to sustainability are most important and where the Company's impact is greatest. It also provided answers to what sustainability issues the Company's stakeholders consider to be most significant and which are therefore prioritised in sustainability initiatives. The work resulted in a number of sustainability targets, which are presented below.

Sustainability targets and outcomes 2017

	OUTCOMES	TARGETS
Work environment – Safety, health, well-being <ul style="list-style-type: none"> Employee index from employee survey (maximum outcome is 5.0) 	4.02	4.30
Discrimination and harassment <ul style="list-style-type: none"> Number of employees who experienced discrimination at work over the past year 	15	0
Product safety <ul style="list-style-type: none"> Number of notices (FSN and FSCA) from suppliers that resulted in corrective measures regarding products 	38	0
Production and supply chain management <ul style="list-style-type: none"> Percentage of new suppliers assessed by supplier assessment 	61%	100%
Code of conduct initiatives <ul style="list-style-type: none"> Percentage of employees who are aware of AddLife's code of conduct 	77%	100%
Anti-corruption and bribes <ul style="list-style-type: none"> Total number of and nature of confirmed incidents of corruption 	0	0

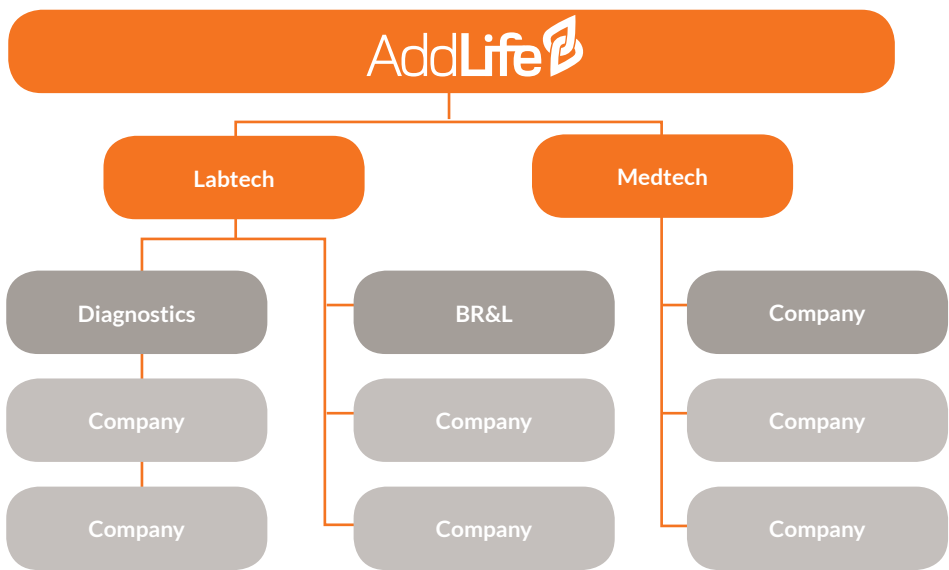
Organisation

The Group prior to the Biomedica-acquisition comprised the parent company AddLife AB and 39 subsidiaries, of which around 30 are operational. AddLife AB is headquartered in Stockholm.

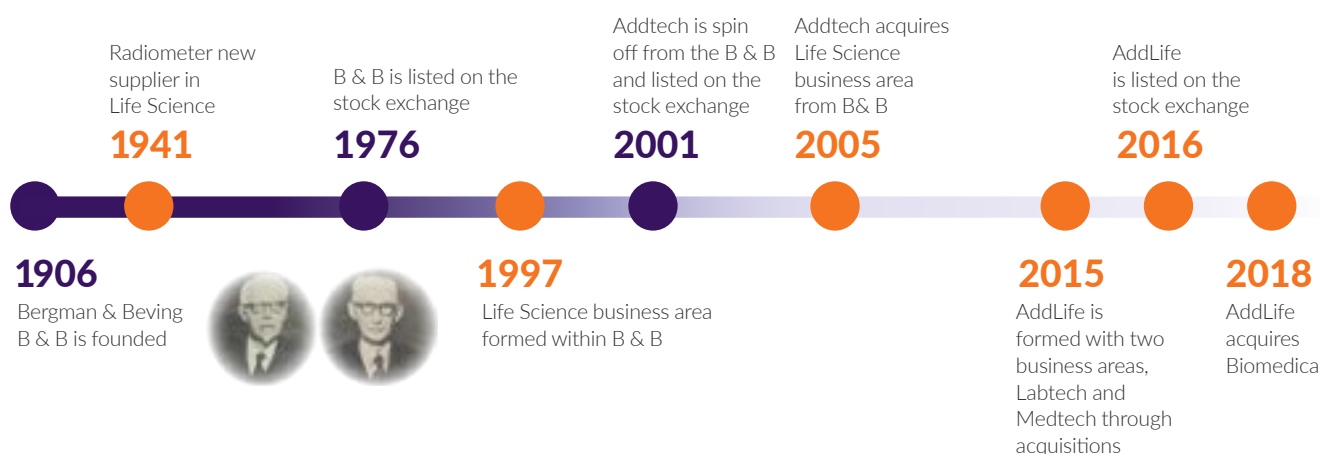
The operational organisation at AddLife is divided into two (2) business areas, Labtech and Medtech. The parent company contributes by providing financial stability, resources and tools designed to facilitate businesses for the subsidiaries. The parent company consists of about ten (10) employees, who constitute the

management of the Group and business areas, as well as the Group's finance and accounting function. The parent company engages in common initiatives, such as the business school AddLife Academy, framework agreements for purchasing and procurement of banking and audit services, as well as insurance. The decentralised organisation is divided into several subsidiaries, each of which has its own CEO and CFO, who are fully responsible for the Company's business within the specified limits and requirements that the Group imposes on the businesses. The delegation of duties and responsibilities at AddLife can be described as presented below.

AddLife's overall operational organisation



AddLife's history



AddLife was founded in 2015 and since then continued its growth journey through both organic growth and acquisitions. Through its heritage from Addtech, and before that Bergman & Beving, AddLife has a history that dates back more than 100 years.

1940s The step into Life Science

The technology trading group Bergman & Beving was founded in 1906 with the business concept of importing technical products for the rapidly growing Swedish industrial sector. In the early 1940s the company signed an agreement with Danish Radiometer, which became the first step in to the Life Science market.

1990s Bergman & Beving gathered the Life Science business into a single business area

In the early 1990s Bergman & Beving had business specialising in laboratory and process equipment, as well as dental products. When the Triolab companies were acquired in 1997 the businesses were streamlined and divided into the market segments Lab and Diagnostics within the MediTech business area.

2005–2015 AddLife was formed from Addtech's Life Science business area

The Life Science business area was formed within Addtech in 2005 after the acquisition of parts of the MediTech business area from Bergman & Beving. In June 2015 Medioplast was acquired and in conjunction with this event the Group was formed.

2016 Listing on Nasdaq Stockholm

AddLife was listed on Nasdaq Stockholm on 16 March 2016. Since then the Group has continued to generate profitable growth, both organically and through acquisitions. During the year four (4) corporate acquisitions were made; Este-Tech and V-Tech - both active in surgery, Svan Care – the first foothold in the strongly emerging area of home care and Biolin Scientific, with global sales of analytical instruments to analyse materials in nanotechnology, as well as support service in surface science.

2017 Increased focus on home care

Two (2) additional acquisitions were made in home care, a growing niche deemed to have great potential; Krabat, which developed technical aids for children and young people with special needs and Hepro, which also included sales to end consumers.

In addition, Techno Medica, a Swedish supplier in enteral nutrition, was acquired and integrated into Medioplast.

2018 From Nordic to European market coverage

The Austrian company Biomedica was acquired. Biomedica had a geographic presence in 13 countries in Central and Eastern Europe, and like AddLife, had business in both Labtech and Medtech. AddLife's geographic presence was thereby expanded with 13 countries in Central and Eastern Europe, adding about SEK 635 million in annual sales, based on sales for business in 2017/2018. For more information about the Biomedica-acquisition see the sections "*Description of AddLife after the Biomedica-acquisition*" and "*Pro forma financial statements*".

The offering in home care was expanded through the acquisition of Väinö Korpinen, which offered accessible bathroom solutions. The product offering was complemented with the acquisition of Ossano Scandinavia with products primarily in back and hip surgery and the offering in food diagnostics was expanded with the acquisition of Food Diagnostics. Both Ossano Scandinavia and Food Diagnostics were integrated into existing companies within the Group.

Description of AddLife after the Biomedica-acquisition

This section focuses on the acquired company Biomedica Medizinprodukte GmbH (“Biomedica”) and AddLife after the acquisition. Through the Biomedica-acquisition, AddLife takes an essential step beyond the Nordic region, which is in line with the previously announced internationalisation strategy. For more detailed information about AddLife before the acquisition, please see the “*Business overview*” section.

Description of Biomedica

On 26 November 2018 AddLife announced that it had entered into an agreement to acquire Biomedica. The acquisition was completed on 21 December 2018 after the Company received approval from the extraordinary general meeting. The total purchase price for the Biomedica-acquisition was about EUR 39 million (SEK 401 million)¹⁾.

Introduction

Biomedica was founded in 1978 in Austria and like AddLife, the company is primarily active in laboratory technology and medical technology. Biomedica has a similar business model, structure and market offering as AddLife and has grown both organically and through acquisitions since it was founded. Biomedica’s offering largely consists of providing products and services to publicly funded health care through public procurement locally and in the various countries in which the company is active.

Of Biomedica’s 13 geographic markets, six (6) countries account for more than 80 percent of sales: Austria, Czech Republic, Poland, Hungary, Slovakia and Switzerland. Other markets within Biomedica can be found in Eastern Europe. Biomedica’s geographic scope has been an approach to attract suppliers by being able to offer a larger geographic distribution network and population base.

During the 2017/2018 financial year Biomedica’s sales amounted to about EUR 65 million (SEK 635 million) with operating profit of about EUR 4.7 million. (SEK 45 million)²⁾. Biomedica has about 280 employees and its headquarters are located in Vienna, Austria, where its common business, marketing and logistics and inventory management functions are located. Biomedica has a decentralised organisation run by its own subsidiaries in 13 geographic markets with a CEO who reports directly to management.

Offering and areas of business

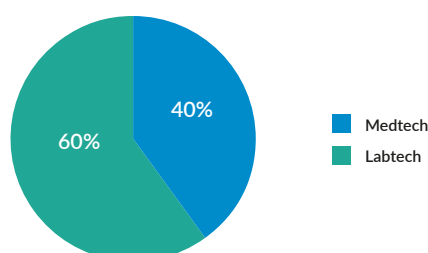
Biomedica’s offering is largely equivalent to AddLife’s offering. Of Biomedica’s sales in 2017/2018, Labtech accounted for about 60 percent³⁾, while Medtech accounted for about 40 percent⁴⁾, though the breakdown varies among different markets. In Labtech, Biomedica offers *in vitro* diagnostics, as well as diagnostics for veterinarians and the food industry, laboratory instruments and research reagents. Biomedica also has a small proportion of proprietary production of immunochemical tests within Labtech. In Medtech, Biomedica offers medical equipment in several product segments, including surgery and urology. The company also offers clinical IT and other products in the Life Sciences.

Suppliers and customers

Biomedica has several large and small suppliers in Labtech and Medtech. Like AddLife, Biomedica has developed long-term relationships with several strategic suppliers of equipment and materials for the Central and East European healthcare market, offering extensive expertise about their products. Biomedica and AddLife have many suppliers in common, especially in Labtech.

The majority of Biomedica’s customers are in publicly funded health care, but the proportion varies depending on geographic market. In publicly funded health care contracts are awarded following public procurement or through public price agreements in the local markets. These customer contracts are generally somewhat shorter than in the Nordic region, with a term of about one (1) to three (3) years.

Breakdown of net sales by business area for Biomedica (2017/2018)



1) Based on an exchange rate as of 30 September 2018 of SEK/EUR 10.2945.

2) Based on an average exchange rate of SEK/EUR 9.7484.

3) Biomedica’s financial year extends from 1 April – 31 March.

4) Biomedica’s financial year extends from 1 April – 31 March.

Reasons for the Biomedica-acquisition

Growth through geographic expansion

The commercial similarities between AddLife and Biomedica are significant and the Biomedica-acquisition is a good fit in AddLife's internationalisation strategy. The Biomedica-acquisition is strategic for AddLife, which in addition to its focus on attractive niche areas on the Nordic market, establishes a strong presence on several European markets, especially Austria, Czech Republic, Poland, Hungary, Slovakia and Switzerland.

Through the Biomedica-acquisition, AddLife is expanding its geographic domestic market from covering a population of about 32 million (Nordic countries and the Baltic region) to about 164 million people, thereby creating good prospects for long-term organic and acquisition-driven growth. Meanwhile, through AddLife, Biomedica will gain good prospects to continue to develop within the framework of the existing corporate structure and brands as a separate company within AddLife.

The Biomedica-acquisition also serves as a robust platform in Central and Eastern Europe to implement value-generating add-on acquisitions of small distributors to already existing suppliers, thereby further strengthening AddLife's presence outside the Nordic region.

Strengthened market position and offering

The Biomedica-acquisition creates several new opportunities for AddLife as a result of the expanded geographic market presence and the complementary supplier portfolios.

Since AddLife now reach a larger population that includes Biomedica's geographic markets, AddLife becomes a more attractive partner for existing suppliers. Moreover, Biomedica holds distribution rights in Central and Eastern Europe for some of AddLife's current suppliers in the Nordic countries within the Labtech business area and the acquisition is expected to strengthen AddLife's position in relation to the suppliers that the Group will continue to have in common. In the Medtech business area, Biomedica and AddLife have a complementary range of products that strengthens the offering to customers and creates opportunities for cross-selling and revenue synergies, both in the new geographic markets and in the Nordic countries.

One area within Medtech with significant growth potential is home care, where AddLife has developed products and services in the Nordic market. AddLife believes there is increasing demand for these products within Biomedica's geographic markets.

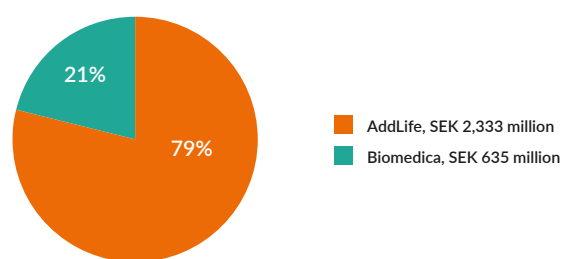
AddLife after the Biomedica-acquisition

After the Biomedica-acquisition, AddLife is an independent player in the Life Sciences that offers high-quality products, services and advice to both private and public participants in the healthcare sector in selected markets in Europe. Through the Biomedica-acquisition, AddLife strengthens and expands its position to become a European participant with focus on several attractive niche areas. The Company's geographic position goes from primarily being active in the Nordic countries to also being active primarily in Austria, Czech Republic, Poland, Hungary, Slovakia and Switzerland. Other geographic markets in which AddLife has businesses after the Biomedica-acquisition are the Baltic region, the Benelux countries, Italy, China and several countries in Central and Eastern Europe. In addition, AddLife is strengthening its product offering to customers, as well as its position in relation to various suppliers.

Through the acquisition AddLife is increasing its net sales and operating profit. For 2017, net sales increased from SEK 2,333 million to about SEK 2,968 million on a pro forma basis, corresponding to an increase of about 27 percent. Operating profit for 2017, increased from SEK 166 million to about SEK 191 million on a pro forma basis, corresponding to an increase of about 15 percent.¹⁾

Biomedica will remain as a separate subsidiary group, but future earnings will be reported proportionally in AddLife's two (2) business areas, Labtech and Medtech. Today the distribution within Biomedica is about 60 percent Labtech and 40 percent Medtech based on net sales during the 2017/2018 financial year.

Breakdown of net sales between AddLife before the acquisition and Biomedica²⁾



1) Figures for AddLife relate to the 2017 financial year and figures for Biomedica relate to the 2017/2018 financial year based on an average exchange rate of SEK/EUR 9,7484. The presented financial information is based on the section pro forma accounts, "Pro forma financial statement" below.

2) Figures for AddLife relate to the 2017 financial year and figures for Biomedica relate to the 2017/2018 financial year based on an average exchange rate of SEK/EUR 9,7484. The presented financial information is based on the section pro forma accounts, "Pro forma financial statement" below.

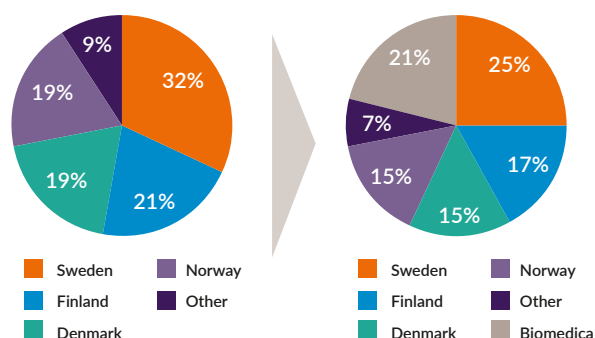
Offering and areas of business

AddLife will continue to run its business through the two (2) business areas Labtech and Medtech. The total product offering will be strengthened by combining new and old suppliers in the various geographic markets. Moreover, clinical IT is added through the acquisition, along with a small portion of in-house production of immunoassays in Slovakia in the Labtech business area. Biomedica will continue to work based on a decentralised organisation and gain good prospects for further development within the framework of the existing corporate structure and brands as a separate company within AddLife.

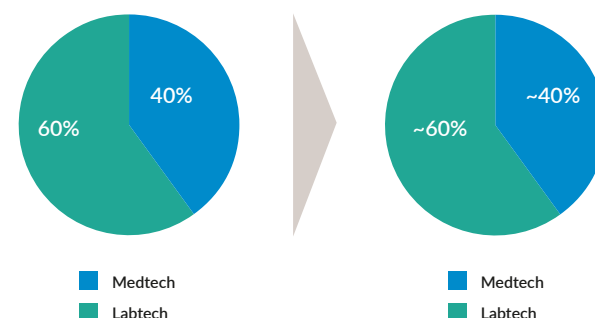
Suppliers and customers

AddLife and Biomedica have several common suppliers, especially in Labtech. Some of AddLife's most significant Labtech suppliers can also be found in Biomedica's supplier portfolio, including Stago, Cepheid, DiaSorin, Luminex, Beckman Coulter, Teco Medical Group and Thermo Fischer Scientific. In Medtech there are great opportunities for cooperation through existing suppliers in existing markets. Some of Biomedica's suppliers, such as Terumo, Integra LifeSciences, Conmed, ITC, Cardia Innovation and Geister, are also suppliers to Medioplast.

Net sales by geographic market for AddLife before and after the Biomedica-acquisition¹⁾



Net sales by business area for AddLife before and after the Biomedica-acquisition²⁾



Financial targets

AddLife's board of directors has adopted the financial targets below. The Biomedica-acquisition will not entail any change in the financial targets.

AddLife's long-term financial targets are:

Profit growth – Earnings growth (EBITA) for the long term shall be 15 percent per year.

Profitability – Profitability shall exceed 45 percent, measured as the ratio between operating profit and working capital (P/WC).

Dividend policy – The board of directors of AddLife aims to propose a dividend equivalent to 30–50 percent of profit after tax. When determining dividends, the Company's board considers investment needs and other factors that it deems relevant.

1) Figures for AddLife relate to the 2017 financial year and figures for Biomedica relate to the 2017/2018 financial year, based on an average exchange rate of SEK/EUR 9.7484 . The presented financial information is solely for illustrative purposes and should not be viewed as pro forma accounts.

2) Figures for AddLife relate to the 2017 financial year and figures for Biomedica relate to the 2017/2018 financial year. The presented financial information is solely for illustrative purposes and should not be viewed as pro forma accounts.

Strengths and competitive advantages

AddLife believes that its most important strengths and competitive advantages are:

- well-positioned to capitalise from growth in the Life Science market
- independent player
- attractive business model
- decentralised organisation
- experience from acquisitions
- clear focus on earnings growth and cash flow generation
- talented and dedicated employees

Well-positioned to capitalise from growth in the Life Science market

AddLife is well-positioned to benefit from growth in the Life Science market, which is largely driven by a growing and aging population, as well as implementation of new technology and new tests in healthcare.¹⁾ The Life Science market in the Nordic countries and the rest of Europe is largely publicly funded and is generally characterised by stable demand, irrespective of the economy.

AddLife has historically, including acquisitions, increased net sales by about 30 percent per year over the past three (3) financial years²⁾ and is operating within several attractive niche areas within diagnostics, biomedical research and laboratory analysis, as well as medical technology on the Nordic market. Through the Biomedica-acquisition, AddLife has broadened its geographic market presence and strengthened its product and service offering to customers.

Through the Biomedica-acquisition, AddLife is expanding its geographic domestic market from covering a population of about 32 million (Nordic countries and the Baltic region) to about 164 million people, thereby creating good prospects for long-term organic and acquisition-driven growth. After the Biomedica-acquisition, AddLife will continue to be a participant with a strong focus on prioritised niche areas both in existing and new geographic markets.

Independent player

AddLife is a leading independent player in the Life Sciences in the European market, with focus on several selected niche areas. As an independent player, AddLife can represent several different suppliers, which provides an important competitive advantage since the Company can offer products and solutions that are better tailored to the customer's specific needs compared to what competitors who are limited to their own products are able to offer.

The Company has identified attractive niche areas in which it has established stable and growing sales. AddLife is operating within several niche areas in the Nordic region within diagnostics, biomedical research and laboratory analysis, as well as medical technology, such as POC diagnostics, molecular biology, clinical chemistry and specific consumables for health services. The Biomedica-acquisition complements and strengthens AddLife's offering in various market segments, while adding the offering in clinical IT.

Long-term supplier relationships

The Group has a long history in Life Science and has developed long-term relationships and partnerships with established suppliers of equipment and consumables. As an independent player on the European market, AddLife is an important partner for the Company's suppliers. Because of these long-term relationships, AddLife has developed extensive expertise in the products of these suppliers, which enhances the common value offering to the customer, through sophisticated instrument, reagent and applications support, as well as joint training initiatives. Like AddLife, Biomedica has the same type of long-term supplier relationships and the acquisition is expected to strengthen AddLife's position in relation to the common suppliers that AddLife and Biomedica share.

Strong local presence and own service organisation

Through its local presence on various geographic markets, AddLife can offer customers and suppliers a dedicated sales and service organisation. A large portion of the products AddLife offers contain a high knowledge content. The customer's employees need a supplier who can advise them, in their local language, when selecting equipment and related products and after delivery help the customer with, for example, being available to answer questions, providing training and providing technical support and service to ensure that the customer's processes always work. As an increasing share of the customer's expertise at laboratories is subcontracted to external third-party suppliers, a strong local presence and service organisation that is readily available to the customer has become an increasingly important competitive advantage. The Company's collaboration with customers continues throughout the entire product life cycle, from product sales to the provision of consumables, ongoing maintenance and support, which helps to create long-term customer relationships and low customer turnover, as well as stable and recurring revenue.

AddLife's reach through a local presence in several geographic markets in the Nordic region and Europe is also a competitive advantage for attracting and creating long-term relationships with global suppliers. AddLife is also an important partner for small local suppliers who lack the size and skills required to participate in large public procurements. The Biomedica-acquisition entails opportunities to transfer existing knowledge and experience from the Nordic countries to new market segments and geographic regions to drive sales and to benefit from Biomedica's strong local presence.

Critical size and expertise

In recent years, several consolidations and structural reforms have been carried out at the county council and regional levels in all of the Nordic countries, which means that it is becoming increasingly common for coordination of decisions and purchasing to move from the operational level to the county council and regional level, or the equivalent body in other European countries. In conjunction with this consolidation, the public procurement processes have also become larger and better defined, which places greater demands on suppliers in terms of size, expertise and product range in order to participate and compete for the contracts. AddLife

1) Market Report and the Company's estimates.

2) Calculated based on the period between the 2014/2015 and 2017 financial years.

believes that through its size and market position, as well as the expertise and experience of its organisation, the Company is well-positioned to successfully compete in increasingly large procurements moving forward.

Attractive business model

AddLife has an attractive business and contractual model with a high proportion of recurring revenue mainly via public procurement in the healthcare sector. In the diagnostics market area within Labtech, where the contract period typically runs for four (4) years, ongoing sales of reagents for diagnostic instruments account for about 80 percent of sales. AddLife has a large installed base of instruments placed in laboratories in many different countries that the Company can leverage as a driver for the sale of reagents. Moreover, AddLife's large installed base of instruments serves as a significant barrier to entry for competitors since switching instruments and other complex products, in addition to the initial investment, can be complicated and often means that the laboratory staff needs to undergo special training to learn about the new products.

Biomedica's business model is designed in the same way as AddLife's, though the terms of customer agreements are generally shorter. Biomedica primarily sells products and services to publicly funded health care. Sales are predominantly through public procurement processes or public price agreements.

Decentralised organisation

AddLife's operating subsidiaries have considerable freedom in a well-established common corporate culture. Each subsidiary is responsible for its own business activities within the context of the requirements for growth, profitability and sustainable development set by the Group. The model combines the strength of the large company with the dedication and business acumen of the entrepreneur; in other words, it benefits from AddLife's collective resources, network and industrial expertise, as well as from the advantages of a small enterprise, such as flexibility, a personal touch and efficiency. This has contributed to entrepreneurial business acumen combined with individual accountability. The business acumen permeates the business, from the employees' contacts with customers and suppliers, to a sense of responsibility for the subsidiaries' long-term profitability and growth. The decentralised organisation and the entrepreneurial culture comprise an important competitive advantage that can improve prospects for recruiting and retaining talented employees, as well as for purposes such as acquiring companies managed by entrepreneurs who wish to continue to run their businesses, but who recognise the business opportunities associated with belonging to a larger company like AddLife. Like AddLife, Biomedica has a decentralised organisation that is responsible for both Labtech and Medtech in their respective geographic markets.

Experience from acquisitions

In addition to growing organically, AddLife has a long track record of growth through acquisitions. The Group has an established procedure for identifying and implementing acquisitions in already established product areas, as well as for strategic acquisitions of complementary businesses in Life Science. The Company actively looks for profitable companies with a strong entrepreneurial culture and business ideas with potential. AddLife strives to combine the flexibility, personality and efficiency of a small company with AddLife's resources, network and long-term approach.

The Biomedica-acquisition also serves as a robust platform in Central and Eastern Europe to implement value-generating add-on acquisitions of small distributors to already existing suppliers, thereby further strengthening AddLife's presence outside the Nordic region. The Biomedica-acquisition is the (9) ninth corporate acquisition AddLife has carried out since it was listed on Nasdaq Stockholm in 2016 and the first that can be considered to be significant in relation to the Company's business.

Clear focus on earnings growth and cash flow generation

AddLife has a clear focus on earnings growth and cash flow generation that permeates the AddLife's financial governance model for the subsidiaries and is reflected in the Company's financial targets. AddLife has a long track record of growth with good profitability. In addition, AddLife's business model and focus on the ratio for profitability, P/WC (EBITA/working capital), entails a low level of tied-up capital, which when combined with earnings growth contributes to good cash flow generation. A strong cash flow generation is essential for self-financed growth, both organic and acquisition-driven.

Talented and dedicated employees

AddLife strives to achieve long-term relationships in which everyone shall experience freedom under responsibility in order to contribute to the development of the Group. A healthy corporate culture creates conditions for well-being, personal development, commitment and satisfied employees. The common denominator for all of the Group's employees is a very high level of expertise and a strong sense of commitment. AddLife focuses on the customer, working together to improve AddLife's business and its organisation. AddLife's own business school, "AddLife Academy", provides a growth opportunity for the employees, builds a shared value system and ensures the supply of leaders.

Summary of financial information

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

- a) 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.
- b) Financial information for the interim period 1 January – 30 September 2018 and the comparative figures for the corresponding period in 2017 are taken from the interim report for the period 1 January – 30 September 2018.
- c) 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 15 March 2016.

The financial statements for 2014/2015, 2015/2016, 2016 and 2017 have been audited by AddLife's auditors. The interim report for 1 January – 30 September 2018 was cursory 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).

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 in this section 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.

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 finan-

cial indicators provide useful information to investors since they allow for an evaluation of current trends in a better way in combination with other key financial indicators 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.

The Group was formed on 22 June 2015 when AddLife acquired the 20 companies that were then part of Addtech's Life Science segment from Addtech Nordic AB at the carrying amount. For a specification of the 20 companies, see note 30 to the consolidated financial statement for the period 1 April 2014 – 31 March 2015 which has been incorporated in AddLife's "*Prospectus for admission of shares to trading on Nasdaq Stockholm and invitation to subscribe for shares in AddLife AB (publ)*" which are incorporated in this Prospectus by reference. Since the businesses did not historically comprise a Group under IFRS definitions, there are no consolidated financial statements for the period prior to 22 June 2015. The historical financial information for the period prior to 22 June 2015 has therefore been prepared as financial statements for the reporting entity comprising AddLife and the 20 subsidiaries. The 20 acquired companies were at the time of acquisition and during the periods covered by the financial statements, wholly-owned or in three (3) cases majority-owned subsidiaries of Addtech Nordic AB and therefore were, together with AddLife, within the common control of Addtech. For more information on the basis of preparation for the financial statements, please see note 2 to the financial statements which appears in "*Prospectus for admission of shares to trading on Nasdaq Stockholm and invitation to subscribe for shares in AddLife AB (publ)*", pages 114–119, published 15 March 2016.

The information below should be read in conjunction with the section "*Comments on financial information*", the Company's audited financial statements for the years 2014/2015, 2015/2016, 2016 and 2017, and the Company's cursory reviewed interim report for the period 1 January – 30 September 2018, which is incorporated by reference.

Condensed income statement

SEK million	Jan-Sep 2018 <i>Unaudited</i>	Jan-Sep 2017 <i>Unaudited</i>	Jan-Dec 2017 <i>Audited</i>	Apr-Dec 2016 <i>Audited</i>	Apr 2015- Mar 2016 <i>Audited</i>	Apr 2014- Mar 2015 <i>Audited</i>
Net sales	1,797	1,665	2,333	1,485	1,563	1,057
Cost of goods sold	-1,152	-1,069	-1,492	-975	-1,015	-661
Gross profit	645	596	841	510	548	396
Selling expenses	-411	-381	-524	-316	-345	-227
Administrative expenses	-118	-105	-143	-79	-103	-60
Research and development	-14	-13	-18	-2	-	-
Other operating income and expenses	11	9	10	9	6	-1
Operating profit	113	106	166	122	106	108
Financial income and expenses	-8	-5	-8	-4	-6	-3
Profit after financial items	105	101	158	118	100	105
Tax	-20	-21	-38	-25	-22	-25
PROFIT FOR THE PERIOD	85	80	120	93	78	80
Attributable to:						
Shareholders of the parent company	85	80	120	93	78	80
Non-controlling interests	-	-	-	-	-	0

Condensed balance sheet

SEK million	30 Sep 2018 <i>Unaudited</i>	30 Sep 2017 <i>Unaudited</i>	31 Dec 2017 <i>Audited</i>	31 Dec 2016 <i>Audited</i>	31 Mar 2016 <i>Audited</i>	31 Mar 2015 <i>Audited</i>
ASSETS						
NON-CURRENT ASSETS						
Goodwill	673	646	646	524	479	124
Other intangible non-current assets	520	520	507	346	256	69
Tangible assets	78	78	75	68	59	31
Financial assets	12	15	13	11	11	8
Total non-current assets	1,283	1,259	1,241	949	805	232
CURRENT ASSETS						
Inventories	314	295	271	252	213	83
Current receivables	371	312	368	361	247	245
Cash equivalents	16	17	11	15	12	83
Total current assets	701	624	650	628	472	411
TOTAL ASSETS	1,984	1,883	1,891	1,577	1,277	643
EQUITY AND LIABILITIES						
Equity	784	712	748	717	347	263
Total equity	784	712	748	717	347	263
LIABILITIES						
Interest-bearing provisions	67	60	67	60	63	73
Non-interest-bearing provisions	79	78	76	40	53	13
Non-current interest-bearing liabilities	1	7	4	10	301	0
Non-interest-bearing long-term liabilities	0	1	0	1	-	-
Total non-current liabilities	147	146	147	111	417	86
Non-interest-bearing provisions	3	4	3	6	5	1
Current interest-bearing liabilities	625	616	529	310	185	28
Current non-interest-bearing liabilities	425	405	464	433	323	265
Total current liabilities	1,053	1,025	996	749	513	294
TOTAL EQUITY AND LIABILITIES	1,984	1,883	1,891	1,577	1,277	643

Condensed statement of cash flows

SEK million	Jan-Sep 2018 <i>Unaudited</i>	Jan-Sep 2017 <i>Unaudited</i>	Jan-Dec 2017 <i>Audited</i>	Apr-Dec 2016 <i>Audited</i>	Apr 2015- Mar 2016 <i>Audited</i>	Apr 2014- Mar 2015 <i>Audited</i>
Profit after financial items	105	101	158	118	100	105
Adjustment for items not included in cash flow	74	62	78	37	48	23
Income tax paid	-52	-24	-42	-17	-36	-15
Changes in working capital	-42	-28	14	-20	6	7
Cash flow from operating activities	85	111	208	118	118	120
Net investments in non-current assets	-28	-27	-42	-19	-41	-15
Acquisitions and disposals	-76	-296	-296	-150	-231	-
Cash flow from investing activities	-104	-323	-338	-169	-272	-15
Dividend paid to shareholders of the parent company	-53	-37	-37	-	-295	-80
Other financing activities	70	253	162	49	381	-20
Cash flow from financing activities	17	216	125	49	86	-100
Cash flow for the period	-2	4	-5	-2	-68	5
Cash and cash equivalents at beginning of period	11	15	15	12	83	77
Exchange differences on cash and cash equivalents	7	-2	1	5	-3	1
Cash and cash equivalents at end of the period	16	17	11	15	12	83

Key indicators

	Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017	Apr-Dec 2016	Apr 2015- Mar 2016	Apr 2014- Mar 2015
Net sales, SEK million ¹⁾	1,797	1,665	2,333	1,485	1,562	1,057
EBITA, SEK million ²⁾	171	155	234	154	135	120
EBITA margin, % ³⁾	9.5	9.3	10.0	10.3	8.7	11.3
Earnings growth EBITA, % ⁴⁾	10	37	24	54	13	4
Return on working capital (PA/VC), % ⁵⁾	66	65	63	62	64	94
Profit for the period, SEK million ⁶⁾	85	80	120	93	78	80
Return on equity, % ⁷⁾	16	18	17	21	26	30
Financial net liabilities, SEK million ⁸⁾	676	666	588	366	538	19
Financial net liabilities/EBITDA, times ⁹⁾	2.5	2.7	2.3	1.8	3.6	0.1
Net debt/equity ratio, times ¹⁰⁾	0.9	0.9	0.8	0.5	1.6	0.1
Equity ratio, % ¹¹⁾	40	38	40	45	27	41
Average number of employees ¹²⁾	598	576	579	459	370	284
Number of employees at end of period ¹³⁾	602	589	592	545	427	286

1) IFRS key indicators.

2) Not IFRS key indicators.

3) Not IFRS key indicators.

4) Not IFRS key indicators.

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

6) IFRS key indicators.

7) Not IFRS key indicators. 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 indicators.

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

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

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

12) Not IFRS key indicators.

13) Not IFRS key indicators.

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	30-09-2018	30-09-2017	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Profit/loss for the period, SEK million	125	129	120	112	78	80
Average equity, SEK million	770	711	728	545	305	267
Return on equity (%)	125/770 = 16	129/711 = 18	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	30-09-2018	30-09-2017	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit before depreciation of intangible assets, EBITA, SEK million	250	231	234	189	135	120
Average working capital (WC), SEK million	379	356	369	304	211	127
P/WC (%)	250/379 = 66	231/356 = 65	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	30-09-2018	30-09-2017	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit, SEK million	113	106	166	122	106	108
Depreciation of property, plant and equipment (+), SEK million	16	15	19	13	15	10
Amortisation of intangible assets (+), SEK million	58	49	68	32	29	12
Operating profit before depreciation and amortisation, EBITDA, SEK million	183	170	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	30-09-2018	30-09-2017	30-09-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit, SEK million	113	106	166	122	106	108
Amortisation of intangible assets (+), SEK million	58	49	68	32	29	12
Operating profit before amortisation of intangible assets, EBITA, SEK million	171	155	234	154	135	120

Labtech	30-09-2018	30-09-2017	30-09-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit, SEK million	98	86	133	109	105	106
Amortisation of intangible assets (+), SEK million	15	13	18	10	12	11
Operating profit before amortisation of intangible assets, EBITA, SEK million	113	99	151	119	117	117

Medtech	30-09-2018	30-09-2017	30-09-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit, SEK million	24	30	46	24	16	3
Amortisation of intangible assets (+), SEK million	41	34	47	20	16	1
Operating profit before amortisation of intangible assets, EBITA, SEK million	65	64	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.

The Group	30-09-2018	30-09-2017	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit before amortisation of intangible assets, EBITA, SEK million	171	155	234	154	135	120
Net sale, SEK million	1,797	1,665	2,333	1,485	1,562	1,057
EBITA margin (%)	171/1,797 = 9.5	155/1,665 = 9.3	234/2,333 = 10.0	154/1,485 = 10.3	135/1,562 = 8.7	120/1,057 = 11.3

Labtech	30-09-2018	30-09-2017	30-09-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit before amortisation of intangible assets, EBITA, SEK million	113	99	151	119	117	117
Net sale, SEK million	1,041	978	1,393	930	1,070	1,032
EBITA margin (%)	113/1,041 = 10.8	99/978 = 10.2	151/1,393 = 10.8	119/930 = 12.8	117/1,070 = 10.8	117/1,032 = 11.3

Medtech	30-09-2018	30-09-2017	30-09-2017	31-12-2016	31-03-2016	31-03-2015
Operating profit before amortisation of intangible assets, EBITA, SEK million	65	64	93	44	32	4
Net sale, SEK million	756	687	940	556	492	25
EBITA margin (%)	65/756 = 8.7	64/687 = 9.3	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.

The Group	31-03-2016
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.

The Group	30-09-2018	30-09-2017	31-12-2017	31-12-2016	31-03-2016	31-03-2015
This year's operating profit before amortisation of intangible assets, EBITA (+), SEK million	171	155	234	154	135	120
Previous year's operating profit before amortisation of intangible assets, EBITA (-), SEK million	-155	-113	-189	100	120	116
Profit growth EBITA, SEK million	16	42	45	54	15	4
Profit growth EBITA (%)	16/155 = 10	42/113 = 37	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.

The Group	30-09-2018	30-09-2017	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Long-term interest-bearing liabilities, SEK million	1	7	4	11	301	0
Pension provisions, SEK million	67	60	67	60	63	73
Short-term interest-bearing liabilities, SEK million	625	616	528	310	185	28
Interest-bearing liabilities and interest-bearing provisions, SEK million	693	683	599	381	549	101
Cash and cash equivalents (-), SEK million	-16	-17	-11	-15	-11	-82
Financial net liabilities, SEK million	677	666	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	30-09-2018	30-09-2017	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Financial net liabilities, SEK million	677	666	588	366	538	19
Operating profit before depreciation and amortisation, EBITDA, SEK million	271	252	253	207	150	130
Net debt/EBITDA, %	677/271 = 2.5	666/252 = 2.7	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	30-09-2018	30-09-2017	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Net Debt, SEK million	677	666	588	366	538	19
Equity, SEK million	784	712	748	717	347	263
Net Debt/Equity ratio, %	677/784 = 0.9	666/712 = 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	30-09-2018	30-09-2017	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Inventories yearly average (+), SEK million	292	272	279	235	169	87
Accounts receivable yearly average (+), SEK million	287	267	279	231	160	118
Accounts payable yearly average (-), SEK million	-200	-183	-190	-162	-118	-78
Working capital, SEK million	379	356	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	30-09-2018	30-09-2017	31-12-2017	31-12-2016	31-03-2016	31-03-2015
Equity, SEK million	784	712	748	717	347	263
Total assets, SEK million	1,984	1,883	1,891	1,577	1,277	643
Equity ratio, %	784/1,984 = 40	712/1,883 = 38	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	30-09-2018	30-09-2017	31-12-2017	31-12-2016	31-03-2016	32-03-2015
Organic growth, SEK million	14 (1%)	105 (8%)	105 (5%)	144 (13%)	47 (5%)	48 (5%)
Acquisitions/divestments, SEK million	65 (4%)	213 (16%)	278 (14%)	224 (20%)	468 (44%)	–
Currency effects, SEK million	53 (3%)	20 (1%)	12 (1%)	8 (1%)	–9 (–1%)	25 (2%)
Total growth, SEK million	132 (8%)	338 (25%)	395 (20%)	376 (34%)	506 (48%)	73 (7%)

Labtech**30-09-2018**

Organic growth, SEK million	26 (3%)
Acquisitions/divestments, SEK million	1 (0%)
Currency effects, SEK million	35 (3%)
Total growth, SEK million	62 (6%)

Medtech**30-09-2018**

Organic growth, SEK million	–12 (–2%)
Acquisitions/divestments, SEK million	64 (9%)
Currency effects, SEK million	18 (3%)
Total growth, SEK million	70 (10%)

Comments on the financial information

Interim period 1 January – 31 September 2018 compared with interim period 1 January – 30 September 2017

Revenue and operating profit

During the interim period net sales increased by 8 percent to SEK 1,797 million (1,665). Organic sales grew by 1 percent and acquired growth totalled 4 percent. Exchange rate fluctuations had a favourable impact on net sales of 3 percent, corresponding with SEK 53 million. EBITA increased by 10 percent to SEK 171 million (155) and EBITA margin amounted to 9.5 percent (9.3). Exchange rate fluctuations had a favourable impact on EBITA of 3 percent, corresponding to SEK 5 million.

Labtech

Net sales during the interim period increased by 6 percent to SEK 1,041 million (978), including organic growth of 3 percent and exchange rate changes of 3 percent. EBITA rose by 13 percent to SEK 113 million (99), equivalent of an EBITA margin of 10.8 percent (10.2).

Medtech

Net sales during the interim period increased by 10 percent to SEK 756 million (687), organic sales declined by 2 percent, acquired growth was 9 percent and exchange rate changes had a positive impact of 3 percent. EBITA rose by 3 percent to SEK 65 million (64) equivalent to an EBITA margin of 8.7 percent (9.3).

Net financial items and taxes

Net financial items amounted to SEK –8 million (–5), with the change attributable to exchange rate changes during the first quarter. Profit after financial items was SEK 105 million (101). Profit after tax for the quarter increased by 6 percent to SEK 85 million (80) and the effective tax rate was 19 percent (21). 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 2 million.

Cash flow

During the interim period cash flow from the operating activities reached SEK 85 million (111). The change in tax paid is mainly attributable to the payment of tax for 2017 in Norway, as well as increased preliminary tax payments in all of the Nordic countries. The change in working capital is attributable to increased accounts receivable due to implementation of a new system in one of AddLife's subsidiaries in Finland which entailed temporarily longer payment periods. Acquisitions of companies amounted to SEK 76 million (296). Investments in non-current assets during the interim period amounted to SEK 33 million (28). Disposals of non-current assets totalled SEK 5 million (1). Repurchase of treasury shares amounted to SEK 35 million (37). Issued and exercised call options totalled SEK 3 million (3). Dividend of SEK 53 million (37) was paid.

Financial position

At the end of the period the equity ratio amounted to 40 percent (38) and equity per share totalled SEK 32.66 (29.47). Return on equity at the end of the period was 16 percent (18). Return on working capital, P/WC (EBITA in relation to working capital) amounted to 66 percent (65).

The Group's interest-bearing net debt at the end of the period stood at SEK 676 million (666), including pension liabilities of SEK 67 million (60). 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 142 million on 30 September 2018.

Acquisitions and divestments

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

	Time	Net sales, SEK million ¹⁾	Number of employees ²⁾	Business area
Biomedica	December, 2018	635 ³⁾	280 ⁴⁾	Labtech/Medtech

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

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

3) Net sales in SEK million are calculated based on the Company's internal reports.

4) The number of employees is calculated based on the Company's internal reports.

Factors affecting comparability of financial information

Changed financial year

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, the financial information in the "*Summary of financial information*" section above 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.

Financial year 2017 compared with financial year 2016

Revenue and operating profit

The Group's net sales totalled SEK 2,333 million (1,485). Organic growth was 5 percent and acquired growth was 14 percent. Exchange rate fluctuations had a favourable impact on net sales of 1 percent, corresponding to SEK 12 million, EBITA totalled SEK 234 million (154) during the financial year and the EBITA margin was 10 percent (10.3). The improvement in EBITA is due to a combination of both organic growth and completed acquisitions. The amount includes other revenue of SEK 12 million (5) relating to reversed additional purchase considerations, as well as expenses of SEK 8 million relating to the warehouse and logistics coordination initiative within Medtech. Exchange rate fluctuations had a favourable impact on EBITA of 1 percent, corresponding to SEK 1 million.

Net financial items and taxes

Net financial items were SEK –8 million (–4) and profit after financial items was SEK 158 million (118). Profit after tax for the financial year was SEK 120 million (93) and the effective tax rate was 24 percent (21). The lower tax rate the previous year is attributable to the tax loss carry forwards in acquired subsidiaries that were utilised during the comparison year. Earnings per share for the financial year amounted to SEK 4.95 (3.87).

Cash flow

Cash flow from operating activities reached SEK 208 million (118) during the financial year. The improved cash flow relates to the improved financial performance as well as more efficient management of working capital. Acquisitions of companies amounted to SEK 296 million (150). Investments in non-current assets reached SEK 43 million (21) during the financial year. Divestments of non-current assets totalled SEK 1 million (2).

Financial position

Return on equity at the end of the financial year was 17 percent (16). Return on capital employed totalled 13 percent (12). The equity ratio at the end of the financial year was 40 percent (45). Equity per share, excluding non-controlling interests, totalled SEK 30.95 (29.40). The Group's interest-bearing net debt at the end of the financial year stood at SEK 588 million (366), including pension liabilities of SEK 67 million (60). The net debt/equity

ratio, calculated on the basis of interest-bearing net debt including provisions for pensions, totalled 0.8 (0.5). The increase in interest-bearing net debt and the net debt/equity ratio is attributable to the financing of the completed acquisitions. Cash and cash equivalents, consisting of cash and bank balances together with approved but non-utilised credit facilities, totalled SEK 244 million (308) on 31 December 2017. The Group's available credit facilities stood at SEK 762 million (615) as of 31 December 2017.

Financial year 2016 compared with financial year 2015/2016

Revenue and operating profit

The Group's net sales during the shortened financial year amounted SEK 1,485 million (1,562). Organic growth was 13 percent and acquired growth was 20 percent. Exchange rate changes had a positive effect of 1 percent on net sales, corresponding to SEK 8 million, and a positive effect on EBITA of 1 percent, corresponding to SEK 1 million. EBITA reached SEK 154 million (135) during the financial year and EBITA-margin was 10.3 percent (8.7). The improvement in EBITA is due to a combination of organic growth, acquired sales and cost efficiency improvements within AddLife. EBITA includes a positive effect of SEK 6.7 million due to the transfer from benefit-based to premium-based pension solution in Norway.

Net financial items and taxes

Net financial items were SEK –4 million (–6) and profit after financial items reached SEK 118 million (100). Profit after tax for the financial year reached SEK 93 million (78) and the effective tax rate was 21 percent (22). Taxes were lower due to tax loss carry forwards that have been utilised in subsidiaries acquired during the year. Earnings per share for the financial year amounted to SEK 3.87 (4.15).

Cash flow

Cash flow from operating activities reached SEK 118 million (118) during the financial year. Company acquisitions amounted to SEK 150 million (233) and sales of companies reached SEK 0 million (2). Investments in non-current assets reached SEK 21 million (42) during the financial year. Disposals of non-current assets totalled SEK 2 million (1).

Financial position

Return on equity at the end of the financial year was 26 percent (26). The lower return is mainly due to the rights issue of SEK 300 million that was realized during the first quarter. Return on capital employed totalled 12 percent (14). The equity ratio at the end of the financial year was 45 percent (27). Equity per share, excluding non-controlling interests, totalled SEK 29.40 (17.60). The Group's interest-bearing net debt at the close of the financial year stood at SEK 366 million (538), including pension liabilities of SEK 60 million (63). The net debt/equity ratio, calculated on the basis of interest-bearing net debt including provisions for pensions, totalled 0.5 (1.6). The decrease in the net debt/equity ratio relates to amortisation of the noncurrent loans of SEK 150 million that AddLife carried out in June 2016. Cash and cash equivalents, consisting of

cash and bank balances, together with approved but non-utilised credit facilities totalled SEK 308 million (133) as of 31 December 2016. The Group's available credit facilities amounted to SEK 615 million (612) as of 31 December 2016.

Financial year 2015/2016 compared with financial year 2014/2015

Revenue and operating profit

The Group's net sales during the financial year rose by 48 percent to SEK 1,562 million (1,057). Organic growth was 5 percent and acquired growth was 44 percent. Exchange rate changes had a negative effect of 1 percent on net sales, corresponding to SEK 9 million, and a negative effect on EBITA of six (6) percent, corresponding to SEK 6 million. During the financial year, EBITA increased by 13 percent to SEK 135 million (120) and the EBITA margin reached 8.7 percent (11.3). During the financial year expenses for listing on the stock exchange totalled SEK 10 million. Adjusted EBITA excluding listing expenses totalled SEK 145 million, corresponding to an EBITA margin of 9.3 percent. The lower underlying EBITA margin compared with the previous year is mainly attributable to lower margins in general within the Medtech business area, as well as increased pressure on margins in larger public procurements in which AddLife have participated within Labtech.

Net financial items and taxes

Net financial items were SEK –6 million (–2) and the change is due to increased interest expense related to the financing of acquisitions during the year. Profit after financial items decreased 5 percent and reached SEK 100 million (105). Profit after tax for the financial year decreased 3 percent and reached SEK 78 million (80) and the effective tax rate was 22 percent (24). Taxes were lower due to tax-exempt capital gains on the disposal of a property company, as well as a lower tax rate in Denmark and Norway. Earnings per share for the financial year amounted to SEK 4.15 (5.06).

Cash flow

Cash flow from operating activities reached SEK 118 million (120) during the financial year. Cash flow was lower because of an increase in taxes paid. Company acquisitions amounted to SEK 233 million and sales of companies reached SEK 2 million. Investments in non-current assets reached SEK 42 million (16) during the financial year; the increase mainly relates to investments in an ERP system acquired from Addtech. Disposals of non-current assets totalled SEK 1 million (1). A dividend of SEK 295 million (80) was paid to the Group during the financial year, of which SEK 280 million relates to payment for subsidiaries acquired from Addtech.

Financial position

Return on equity at the end of the period was 26 percent (30) and return on capital employed totalled 14 percent (28). The equity ratio at the close of the financial year was 27 percent (41). Equity per share, excluding non-controlling interests, totalled SEK 17.6 (16.55). The Group's interest-bearing net debt at the end of the financial year stood at SEK 538 million (19), including pension liabilities of SEK 63 million (73). The net debt/equity ratio, calculated on the basis of interest-bearing net debt including provisions for pensions, totalled 1.6 (0.1). The increase in the net debt/equity ratio relates to noncurrent loans raised to finance the acquisition of Medioplast and Fenno in July 2015, as well as to the 20 companies included in Addtech AB's Life Science segment that AddLife acquired from Addtech Nordic AB in June 2015 at carrying amount. In connection with the listing of AddLife, all dealings with the Group were settled.

Cash and cash equivalents, consisting of cash and bank balances, together with approved but unutilised credit totalled SEK million 133 as of 31 March 2016. The Group's available credit facilities amounted to SEK million 612 as of 31 March 2016.

Events after the reporting period

On 21 December 2018 AddLife acquired all shares in Biomedica, including its subsidiaries. The purchase consideration was paid in cash and through newly issued shares in AddLife. Sellers through direct and indirect holdings were Herbert Kejda, Dr. Stefan Marenzi, Douglas Marenzi, Mag. Philipp Marenzi, PUKA Privatstiftung and HADRIAN Privatstiftung. The share purchase agreement contains customary warranties from the seller as well as liability limitations for the seller.

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 total purchase consideration for the business, which primarily includes product rights, inventories and existing customer and supplier contracts, is EUR 18 million. Eight (8) of Wellspect Healthcare's markets in Europe and Australia account for more than 90 percent of sales. The business will primarily be integrated into the subsidiaries Medioplast and Biomedica. The acquisition is expected to be completed during the first quarter of 2019.

In December 2018 AddLife entered into a credit agreement with Handelsbanken of SEK 550 million relating to a three (3) months bridge loan. The credit agreement runs until 20 March 2019. In January 2019, AddLife increased the overdraft facility with Handelsbanken to SEK 700 million and extended the period to the 28 February 2020. At the same time AddLife redeemed SEK 250 million of the bridge loan which after the amortisation amount to SEK 300 million.

No further events significant for AddLife's financial or market position have occurred since 30 September 2018.

Sensitivity analysis

AddLife's translation exposure is not hedged at this time. AddLife's net assets are distributed among foreign currencies as shown below.

Net investments	2017		2016		2015/2016		2014/2015	
	SEK million	Sensitivity analysis ¹⁾	SEK million	Sensitivity analysis ¹⁾	SEK million	Sensitivity analysis ¹⁾	SEK million	Sensitivity analysis ¹⁾
NOK	125	6	42	2	48	2	17	1
EUR	109	5	155	8	160	8	54	3
DKK	82	4	71	4	114	6	41	2
USD	8	0	8	0	8	0	–	–

1) +/- Five (5) percent in the exchange rate has the following effect on Group equity.

When converting the income statement of units with a functional currency other than SEK, a conversion effect arises when exchange rates vary. With the current distribution of Group companies' different functional currencies, a change of one (1) percentage point in the exchange rates would have an effect on net sales and on EBITA as follows.

Net investments	2017	2016	2015/2016	2014/2015
Net sales	15	10	11	7
EBITA	2	1	1	1

The exchange rates used in the financial statements are shown in the table below.

Exchange rate	Average rate				Closing day rate			
	2017	2016	2015/2016	2014/2015	2017	2016	2015/2016	2014/2015
CNY 1	1.2631	1.2864	–	–	1.2642	1.3050	–	–
DKK 1	1.2949	1.2789	1.2518	1.2383	1.3229	1.2849	1.2380	1.2437
EUR 1	9.6326	9.5153	9.3398	9.2278	9.8497	9.5525	9.2250	9.2901
GBP 1	10.9896	11.4075	–	–	11.1045	11.1571	–	–
NOK 1	1.0330	1.0332	1.0233	1.0929	1.0011	1.0513	0.9800	1.0674
USD 1	8.5380	8.5939	–	–	8.2322	9.0622	–	–

Capitalisation, financial leverage and other financial information

Capitalisation and financial leverage

The tables in this section present AddLife's capitalisation and finance leverage at the Group level as of 30 November 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 this 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 30 November 2018 the Group had interest-bearing non-current liabilities of SEK 67 million, of which pension provisions amounted to SEK 67 million, and interest-bearing short-term liabilities of SEK 569 million. Of the total liabilities of SEK 1,166 million, SEK 636 million were interest-bearing. The non-interest-bearing liabilities amounted to SEK 530 million consisting of deferred taxes, provisions, trade payables, current tax payables, other current liabilities and interim liabilities. Equity as of 30 November 2018 amounted to SEK 807 million.¹⁾

The table below presents AddLife's total liabilities and equity as of 30 November 2018.

SEK million	30 Nov 2018
Current liabilities	
As guarantee	–
As security	–
Unsecured credit	1,024
Total current liabilities	1,024
Non-current liabilities	
As guarantee	–
As security	–
Unsecured credit	142
Total non-current liabilities	142
Total equity²⁾	
Share capital	50
Other contributed capital	551
Other reserves	30
Retained earnings including profit for the year	176
Total equity	807

As at 30 November 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 30 November 2018.

SEK million	30 Nov 2018
A Cash	–
B Cash equivalents	20
C Current investments	–
D Liquidity (A)+(B)+(C)	20
E Current receivables	–
F Current bank loans	568
G Current part of non-current liabilities	–
H Other current liabilities	1
I Current liabilities (F)+(G)+(H)	569
J Net current liabilities (I)-(E)-(D)	549
K Non-current bank loans	0
L Issued bonds	–
M Other non-current liabilities	67
N Non-current liabilities (K)+(L)+(M)	67
O Net debt (J)+(N)	616

In the commitments described above, the Company has made provisions for conditional considerations related to the acquisitions totalling of SEK 1 million, for which the outcomes is related to the acquired company's performance since the acquisition. Based on the Company's current performance, AddLife deems that the provision is sufficient. In connection with the renegotiation of the overdraft facility in Handelsbanken in January 2019, the maturity of the overdraft facility is longer than 12 months and is therefore classified as non-current bank loans at the time of the Prospectus.

Information about working capital

Working capital requirements are mainly attributable to inventory and receivables that usually vary with sales. Neither sales nor working capital demonstrate any seasonal variations. The Group has historically been run with low levels of working capital, defined as accounts receivable and inventories, less trade payables. Working capital requirements are financed with cash flows generated by the Group itself.

1) The item "equity" relates to the situation as at 30 November 2018, excluding the item "retained earnings including profit and loss", which relates to the situation as of 30 September 2018; in other words, excluding the effect on profit and loss for October and November 2018.

2) The item "equity" relates to the situation as at 30 November 2018, excluding the item "retained earnings including profit and loss", which relates to the situation as of 30 September 2018; in other words, excluding the effect on profit and loss for October and November 2018.

Future financing

In December 2018, AddLife extended the existing credit agreement with Handelsbanken through an overdraft facility of SEK 450 million which runs until 31 December 2019. In December 2018 AddLife entered into a credit agreement with Handelsbanken of SEK 550 million relating to a three (3) months bridge loan. The credit agreement runs until 20 March 2019. In January 2019, AddLife increased the overdraft facility with Handelsbanken to SEK 700 million and extended the period to the 28 February 2020. At the same time AddLife redeemed SEK 250 million of the bridge loan which after the amortisation amount to SEK 300 million. At the time of the Prospectus, the utilised overdraft facility amounts to about SEK 385 million.

In addition, in March 2017 AddLife entered into an agreement with Danske Bank of a credit commitment of SEK 300 million in the form of a two (2) year credit facility with the option of extension for an additional two (2) years (up to and including March 2021). At the time of the Prospectus, the utilised credit amounts to SEK 100 million. The credit facilities with Handelsbanken and Danske Bank include customary financial covenants relating to the Group's equity ratio and interest coverage ratio. No collateral has been pledged. In addition to existing credit agreements and available money, the Company is expected to generate a continued positive cash flow.

Statement on working capital

The board of directors of AddLife believes that the existing working capital is sufficient for the Group's current needs for the next twelve-month period.

Investments

The table below summarises AddLife's total investments for the financial years 2017, 2016, 2015/2016 and 2014/2015, as well as for the first three (3) quarters of 2018 and 2017. The investments primarily comprise investments in equipment and business acquisitions.

In addition to the investments already made during the period January – September 2018, AddLife has approved additional investments for the period 1 October 2018 – 28 January 2019 amounting to about SEK 401 million related to the acquisition of Biomedica (of which about SEK 301 million consisted of cash payment and about SEK 100 million consisted of newly issued B-shares in AddLife) and about EUR 18 million related to the acquisition of Wellspect HealthCare. The payment related to the Biomedica-acquisition was made at the admission on 21 December 2018 and was financed through a bridge loan which runs until 20 March 2019. AddLife intends to repay the bridge loan through utilisation of existing credits in Handelsbanken and Danske Bank. The acquisition of Wellspect HealthCare is intended to be financed within the framework of existing credits.

SEK million	Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017	Apr-Dec 2016	Apr 2015– Mar 2016	Apr 2014– Mar 2015
Acquisition of tangible assets	20	18	26	19	24	15
Acquisition of intangible assets	13	9	17	2	18	1
Company acquisitions, net liquidity effect	76	296	296	150	231	–
Total investments	109	323	339	171	273	16

Non-current assets

AddLife's tangible assets amounted to SEK 75 million as of 31 December 2017. Of total tangible assets accounted for SEK seven (7) million, investments in property belonging to third parties accounted for SEK three (3) million, machinery SEK 15 million, equipment SEK 50 million and construction in progress SEK zero (0) million.

AddLife's intangible non-current assets amounted to SEK 1,152 million as of 31 December 2017. Of total intangible assets, goodwill accounted for SEK 646 million, supplier relationships and technology for SEK 435 million, research and development for SEK 51 million and software for SEK 20 million.

Financial policy

AddLife AB's board of directors have adopted the Group's financial policy which overall governs how the Group's financial business shall be conducted. The financial business are not conducted as a separate line of business, instead they are merely intended to constitute support for the business and reduce risks in the financial business.

The objectives of AddLife's financial business are to:

- support the operating activities of the subsidiaries in financial matters;
- optimise the use of capital and cash flows;
- ensure short and long-term financing for the Group;
- ensure that financing is arranged at the lowest cost possible within the framework of established risk limits; and
- minimise and control the financial risks to which AddLife is exposed.

The Group's primary financial activities concern the management of the following risks:

- currency risk;
- interest rate risk;
- liquidity; and
- issuer/borrower risk and credit risk.

General

AddLife is responsible for coordinating the Group's financial activities and delivering financial services to the subsidiaries. The Group applies decentralised responsibility for financial activities, which means that its subsidiaries are responsible for managing their own currency risks, liquidity and financing within the guidelines of AddLife's financial policy.

Currency risk

The Group conducts extensive trading in foreign countries and as such the Group has a material currency exposure, which shall be managed in a way which minimises impact on profit from exchange rate fluctuations. The Group practices a decentralised responsibility for currency risk management, which among other things means that risk identification and risk hedging either through matching of currency flows, via currency accounts, or via forward exchange contracts is conducted at the subsidiary level.

The following currency exposures exist:

Transaction exposure: transaction exposure comprises contracted and forecasted receipts and payments denominated in foreign currency. Such currency flows usually pertain to flows in foreign currency from purchases, sales and dividends. Transaction exposure also comprises financial transactions and balances.

Translation exposure: this exposure can be found among accounting entries which do not result in actual monetary transactions. Examples include shares in a subsidiary and profits from subsidiaries which are consolidated in the Group's consolidated financial statements.

The companies are responsible for choosing the most appropriate hedging measure from a commercial and risk point of view. To minimise currency risks, matching of inflows and outflows in the same currency shall be prioritised. Currency clauses may be used if the Company finds it to be advantageous from a risk and commercial point of view. The main principle for the currency clause is 80 percent compensation for an exchange rate fluctuation of +/- two (2) percent. If the Company determines that currency risk could have a significant impact on profits after the exposure has been reduced through matching and/or currency clauses, the Company shall hedge its commercial net flows with forward exchange contracts on a monthly basis.

Translation exposure shall not usually be hedged. AddLife estimated that the Group's translation exposure at the end of the financial year 2016 meant that a +/- five (5) percent change in the value of SEK against other currencies would result in an effect on equity of +/- SEK 16 million. As of 31 December 2017 AddLife estimated that the Group's translation exposure meant that a +/- five (5) percent change in the value of SEK against other currencies would result in an effect on equity of +/- SEK 16 million. This effect is estimated to remain largely unchanged at the time of publication of the Prospectus.

Interest rate risk

Interest rate risk refers to the risk of interest rate changes negatively affecting AddLife's net financial items through increased borrowing costs.

The CFO of the Company has the mandate to regulate interest rate risk by varying the average fixed interest term of the debt portfolio varies between zero (0) and three (3) years. The debt portfolio consists of bank overdraft facilities and outstanding external loans, as well as potential interest rate derivatives.

AddLife's financial net debt as of 31 December 2017 was SEK 588 million. Based on the Company's net financial debt as of 31 December 2017, the impact on AddLife's net financial items is about SEK +/- six (6) million if interest rates change by one (1) percentage points.

Liquidity

Satisfactory payment capacity shall be achieved through contractual credit facilities. Any excess liquidity will primarily be used to pay down outstanding loans.

The Group has established a common cash pool for the countries in which the Group has significant business. Subsidiaries in these countries will be connected to the cash pool and manage all liquidity within the framework of the cash pool accounts. In cases where there is no cash pool in the country where the subsidiary operates its business, or if an individual foreign currency account does not exist within the cash pool, the subsidiary shall deposit any excess liquidity with AddLife AB.

Temporary excess liquidity in the Company may be invested in accordance with the following guideline:

- the investment's fixed interest term and the period during which capital is tied up may not exceed six (6) months.

The following investments are permitted:

- i) interest-bearing account at a bank with the right to immediate withdrawal, minimum credit rating of A;
- ii) deposit in Swedish banks with a minimum credit rating of A; and
- iii) money market instruments (<1 year) such as treasury bills and commercial paper with credit ratings corresponding to A1, K-1 and P-1 (i.e. very high creditworthiness).

Financing

The overall objective of AddLife's financing and debt management is to secure both long term and short term financing for the business, and to minimise borrowing costs. Capital requirements shall be secured through an active and professional borrowing procedure of overdraft and credit facilities. Raising of external financing is centralised to AddLife. The board of directors shall approve all long-term financing. Short-term financing may be approved by the CEO and by the CEO jointly with the chairman of the board in accordance with AddLife's payment authorisation rules. The subsidiaries are not permitted to raise external financing or pledge collateral above the amount approved in the financing agreement between AddLife and the lender.

Refinancing risk is the risk of AddLife not having access to sufficient financing at any given time. The refinancing risk increases if AddLife's credit rating deteriorates or if AddLife becomes too dependent on one source of financing.

In order to limit refinancing risk, the CFO shall initiate procurement of long-term credit facilities (>1 year) no later than nine (9) months before the credit facility matures.

Issuer/borrower risk and credit risk

Issuer/borrower risk and credit risk are defined as the risk of AddLife's counterparties failing to fulfil their contractual obligations.

AddLife is exposed to credit risk in its financial transactions that is in investing its surplus liquidity and executing forward foreign exchange transactions, and in its commercial business in connection with accounts receivable and advance payments to suppliers. Credit risk exposure consists of the carrying amount of the financial assets.

To utilise the Groups' detailed knowledge of AddLife's customers and suppliers, each subsidiary assesses the credit risk in its commercial transactions. New customers are assessed before credit is granted, and credit limits set are strictly enforced. Short credit periods are pursued and the absence of excessive concentration of business with individual customers and specific sectors contributes to minimising the risks. No individual customer accounts for more than five (5) percent of total credit exposure over a one-year period. The equivalent figure for the ten largest customers is about 22 percent (19).

Credit losses amounted to SEK 0.1 million (0.1) during the year, equal to 0 percent of net sales (0).

Significant changes as of 30 September 2018

In December 2018 AddLife entered into a credit agreement with Handelsbanken of SEK 550 million relating to a three (3) months bridge loan. The credit agreement runs until 20 March 2019. In January 2019, AddLife increased the overdraft facility with Handelsbanken to SEK 700 million and extended the period to the 28 February 2020. At the same time AddLife redeemed SEK 250 million of the bridge loan which after the amortisation amount to SEK 300 million.

On 21 December 2018, AddLife acquired all shares in Biomedica, including its subsidiaries. The acquisition was financed to about 75 percent through available money and to about 25 percent through newly issued B-shares in AddLife. The sellers through direct and indirect holding was Herbert Kejda, Dr. Stefan Marenzi, Douglas Marenzi, Mag. Philipp Marenzi, PUKA Privatstiftung and HADRIAN Privatstiftung. The share purchase agreement contains customary guarantees from the seller and limitation of liability for the seller.

On 19 December 2018, AddLife signed an agreement with Wellspect HealthCare to acquire their business in the product areas of surgery and respiration. The total purchase price for the business, which primarily comprises product rights, inventories and existing customer and supplier contracts, amounts to EUR 18 million. The purchase price will be executed by the Company's current available money. Eight (8) of Wellspect HealthCare's markets in Europe and Australia account for more than 90 percent of sales. The business will mainly be integrated into the subsidiaries Medioplast and Biomedica. The acquisition is expected to be completed during the first quarter of 2019.

No further events significant for AddLife's financial position or market position have occurred since 30 September 2018.

Pro forma financial statements

Background

On 21 December 2018 AddLife entered ownership of all shares in Biomedica Holding GmbH, which in turn holds 70 percent of shares in Biomedica Medizinprodukte GmbH ("Biomedica"), and the remaining 30 percent of shares in Biomedica. The purchase price for Biomedica consisted of a cash payment and 480,721 newly issued B-shares in AddLife following approval of the board of directors' decision of 26 November 2018 at the subsequent extraordinary general meeting on 20 December 2018. The acquisition of Biomedica has a direct and significant effect on the Group's future earnings and financial position and a pro forma income statement has therefore been prepared for the periods 1 January – 31 December 2017 and 1 April – 30 September 2018, as well as a pro forma balance sheet as at 30 September 2018.

Purpose of pro forma financial statements

The purpose of the pro forma financial statements is to present a general overview of how the acquisition of Biomedica, and the debt financing associated with the acquisition, would have affected:

- i) AddLife's condensed consolidated income statement for the period 1 January – 31 December 2017 under the assumption that the acquisition was completed and finalised on 1 January 2017;
- ii) AddLife's condensed consolidated income statement for the period 1 April – 30 September 2018 under the assumption that the acquisition was completed and finalised on 1 April 2018; and
- iii) AddLife's condensed consolidated balance sheet as of 30 September 2018 under the assumption that the acquisition was completed and finalised on that date.

The financial information presented in the pro forma financial statements describes a hypothetical situation and has been produced solely for illustrative purposes to provide information, and is therefore not intended to show the financial position or performance for the period as though the above event had occurred on the specified dates. Moreover, the pro forma financial statements do not show the financial position or performance of the Group for a future period, either. This should be taken into account with respect to potential investment decisions. No pro forma adjustments have been made for integration costs or synergies in the pro forma financial statements.

Basis of preparation of pro forma financial statements

Pro forma income statement 1 January – 31 December 2017

The pro forma income statement for the period 1 January – 31 December, 2017 is based on AddLife's reviewed financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU for the period 1 January – 31 December 2017 taken from the Company's annual report for the financial year 2017. Biomedica has historically had financial years ending on 31 March. For practical reasons financial information for Biomedica therefore comprises reviewed financial statements prepared according to IFRS for the financial period 1 April 2017 – 31 March 2018. Biomedica's financial statements are denominated in EUR and have therefore been translated to SEK at an average exchange rate of SEK/EUR 9.7484 for the period.

Pro forma income statement 1 April – 30 September 2018

The pro forma income statement for the period 1 April – 30 September 2018 is based on AddLife's cursory reviewed interim report for the period 1 January – 30 September 2018, as well as AddLife's unreviewed interim report for the period 1 January – 31 March 2018. The income statement for Biomedica is based on reviewed financial statements prepared according to IFRS for the period 1 April – 30 September 2018. Biomedica's income statement is denominated in EUR and has therefore been translated to SEK at an average exchange rate of SEK/EUR 10.3712 for the period.

Pro forma balance sheet 30 September 2018

The starting point for the pro forma balance sheet as of 30 September 2018 is AddLife's reviewed interim report for the period 1 January – 30 September. The balance sheet for Biomedica is based on reviewed financial statements prepared according to IFRS as of 30 September 2018. Biomedica's balance sheet is denominated in EUR and has therefore been translated to SEK at an average exchange rate of SEK/EUR 10.2945 for the period.

Accounting policies

The pro forma financial statements are prepared in accordance with AddLife's accounting policies as described in the annual report for the financial year 2017.

Pro forma adjustments

The pro forma adjustments are described in greater detail below. Additional information can be found in the notes to the pro forma

income statement and balance sheet.

Acquisition of Biomedica

The consideration for all shares in Biomedica consisted of a cash payment of EUR 29.2 million, corresponding to SEK 301 million based on an exchange rate as of 30 September 2018, as well as 480,721 newly issued B-shares corresponding to a total value of SEK 100 million, for a total consideration of SEK 401 million. The cash portion of the purchase price was financed using a bridge loan.

In accordance with IFRS 3 *Business combinations*, in a preliminary acquisition analysis AddLife has performed an allocation of the purchase price in which fair values were allocated to Biomedica's identifiable assets and liabilities, whereby corresponding adjustments were made to the carrying amounts in Biomedica's financial statements. In the acquisition analysis, values have been allocated to intangible assets consisting of technology and supplier relationships. The intangible assets referred to above are estimated to have a useful life of ten (10) years, resulting in depreciation and amortisation expenses being added to the pro forma income statement, while the deferred tax liability is derecognised by a proportionate amount. In the pro forma balance sheet, adjustments have been made for the intangible assets and deferred tax liability attributable to them. Adjustments for fair value have been translated from EUR to SEK in the pro forma income statements based on the average exchange rate for each period, and in the pro forma balance sheet with an exchange rate as of 30 September 2018.

Costs directly linked to the transaction are estimated at SEK six (6) million which have adjusted the pro forma income statement for the period 1 January – 31 December 2017 and 1 April – 30 September 2018, respectively. The transaction costs affect cash and cash equivalents and shareholders' equity in the pro forma balance sheet.

Differences in accounting policies

The pro forma financial statements have been prepared in accordance with AddLife's accounting policies as described in the annual report for the 2017 financial year. None of the new standards and interpretations that AddLife applies as of 1 January 2018 have entailed any material effect on the Group's financial statements.

In its analyses of Biomedica, AddLife has assessed that no

further significant differences exist between the accounting policies AddLife applies under IFRS and those that Biomedica applied under IFRS.

Financing of acquisitions

Pro forma adjustments have been made to reflect the impact of debt financing directly related to the acquisition of Biomedica. The cash portion of the purchase price of EUR 29.2 million, corresponding to SEK 301 million based on an exchange rate as of 30 September 2018 for Biomedica was financed using a bridge loan with a maturity of three (3) months. AddLife intends to repay the bridge loan after completion of the rights issue and replacing it with financing within the framework of an overdraft facility. No issue proceeds from the planned rights issue have been taken into account in the pro forma financial statements. The pro forma financial statements have therefore assumed the same utilisation of the bridge loan throughout the entire pro forma periods. The bridge loan is based on one-month STIBOR plus a margin of 0.65 percent, though no lower than the interest margin. Since one-month STIBOR is negative, this gives an interest rate of 0.65 percent for the bridging loan. The bridging loan has an origination fee of 0.075 percent that is recognised as a financial expense in the pro forma income statement. Pro forma adjustments attributable to financial expenses affect the pro forma income statement for the period 1 January – 31 December 2017 and the period 1 April – 30 September 2018.

Taxes

As a result of pro forma adjustments for amortisation of intangible assets, and interest expenses, the tax cost has been reduced in the pro forma income statement for the periods 1 January – 31 December 2017 and 1 April – 30 September 2018. No tax effect has been taken into account in the pro forma adjustment related to transaction costs directly attributable to the acquisition of Biomedica since such transaction costs are not considered to be tax deductible.

Pro forma financial statements

Pro forma income statement 1 Jan – 31 Dec 2017

	AddLife	Biomedica	Adjustments	Notes	Pro forma
SEK million	1 Jan–31 Dec 2017	1 Apr 2017–31 Mar 2018			
Net sales	2,333	635			2,968
Cost of goods sold	–1,492	–399			–1,891
Gross profit	841	236	0		1,077
Selling expenses	–524	–170	–20	1,3	–714
Administrative expenses	–143	–54			–197
Research and development	–18	–5			–23
Other operating income and expenses	10	38			48
Operating profit	166	45	–20		191
Financial income and expenses	–8	1	–2	2	–9
Profit/loss before taxes	158	46	–22		182
Income tax expense	–38	–3	4	4	–37
Profit/loss for the year	120	43	–18		145
Profit/loss for the period attributable to:					
Shareholders of the parent company	120	41	–18		143
Non-controlling interests	–	2	–		2

Notes

- 1) In conjunction with the acquisition of Biomedica, intangible assets in the form of supplier- and customer relationships and technology amounting to EUR 13.9 million, translated to SEK 143 million based on the exchange rate on 30 September 2018, were identified. The assets are amortised on a straight-line basis over the estimated useful life of ten (10) years. This entails amortisation of EUR 1.4 million for the full year, which when translated using the average exchange rate of SEK/EUR of 9.7484 used in the pro forma income statement, corresponds to SEK 14 million. Adjustments attributable to amortisation are expected to have a permanent effect on AddLife.
- 2) The cash portion of the purchase price of SEK 301 million based on an exchange rate as of 30 September 2018 for Biomedica was financed using a bridge loan with a maturity of three (3) months. The pro forma financial statements have assumed the same utilisation of the bridge loan at the same amount throughout the entire pro forma period. The bridge loan is based on one-month STIBOR plus a margin with an addition of 0.65 percent, though no lower than the interest margin. Since one-month STIBOR is negative, this gives an interest rate of 0.65 percent for the bridge loan. The bridge loan has an origination fee of 0.075 percent that is recognised under financial expenses in the pro forma income statement. Financial expenses total SEK two (2) million for the twelve-month period. Adjustments attributable to interest expenses are expected to have a permanent effect on AddLife.
- 3) Acquisition-related risks associated with the acquisition of Biomedica are estimated at SEK six (6) million. The adjustment does not affect the tax expense for the period since such transaction costs are not considered to be tax deductible. Adjustments attributable to transaction expenses are not expected to have a permanent effect on AddLife.
- 4) Taxes pertaining to amortisation of immaterial assets identified in the acquisition analysis have been estimated at SEK four (4) million for the period. Taxes were calculated at a local tax rate of 25 percent. Taxes pertaining to financing of the acquisition total SEK zero (0) million (rounded off), calculated based on a Swedish tax rate of 22 percent.

Pro forma income statement 1 April – 30 Sep 2018

	AddLife	AddLife	AddLife	Biomedica	Adjustments	Notes	Pro forma
SEK million	1 Jan–30 Sep 2018	1 Jan–31 Mar 2018	1 Apr–30 Sep 2018	1 Apr–30 Sep 2018	1 Apr–30 Sep 2018		1 Apr–30 Sep 2018
Net sales	1,797	597	1,200	358			1,558
Cost of goods sold	-1,152	-381	-771	-226			-997
Gross profit	645	216	429	132	0		561
Selling expenses	-411	-136	-275	-100	-13	1,3	-388
Administrative expenses	-118	-39	-79	-36			-115
Research and development	-14	-4	-10	-1			-11
Other operating income and expenses	11	2	9	14			23
Operating profit	113	39	74	9	-13		70
Financial income and expenses	-8	-5	-3	23	-1	2	19
Profit/loss before taxes	105	34	71	32	-14		89
Income tax expense	-20	-8	-12	-3	2	4	-13
Profit/loss for the year	85	26	59	29	-12		76
Profit/loss for the period attributable to:							
Shareholders of the parent company	85	26	59	29	-12		76
Non-controlling interests	-	-	-	0	-		0

Notes

- 1) In conjunction with the acquisition of Biomedica, intangible assets in the form of supplier- and customer relationships and technology amounting to EUR 13.9 million, translated to SEK 143 million based on the exchange rate on 30 September 2018, were identified. The assets are amortised on a straight-line basis over the estimated useful life of ten (10) years. This entails amortisation of EUR 0.7 million for the six-month period, which when translated using the average exchange rate of SEK/EUR of 10.3712 used in the pro forma income statement, corresponds to SEK seven (7) million. Adjustments attributable to amortisation are expected to have a permanent effect on AddLife.
- 2) The cash portion of the purchase price of SEK 301 million based on an exchange rate as of 30 September 2018 for Biomedica was financed using a bridge loan with a maturity of three (3) months. The pro forma financial statements have assumed the same utilisation of the bridge loan at the same amount throughout the entire pro forma period. The bridge loan is based on one-month STIBOR plus a margin with an addition of 0.65 percent, though no lower than the interest margin. Since one-month STIBOR is negative, this gives an interest rate of 0.65 percent for the bridge loan. The bridge loan has an origination fee of 0.075 percent that is recognised under financial expenses in the pro forma income statement. Financial expenses total SEK one (1) million for the six-month period. Adjustments attributable to interest expenses are expected to have a permanent effect on AddLife.
- 3) Acquisition-related risks associated with the acquisition of Biomedica are estimated at SEK six (6) million. The adjustment does not affect the tax expense for the period since such transaction costs are not considered to be tax deductible. Adjustments attributable to transaction expenses are not expected to have a permanent effect on AddLife.
- 4) Taxes pertaining to amortisation of immaterial assets identified in the acquisition analysis have been estimated at SEK two (2) million for the period. Taxes were calculated at a local tax rate of 25 percent. Taxes pertaining to financing of the acquisition total SEK zero (0) million (rounded off), calculated based on a Swedish tax rate of 22 percent.

Pro forma balance sheet 30 Sep 2018

SEK million	AddLife 30 Sep 2018	Biomedica 30 Sep 2018	Adjustments 30 Sep 2018	Notes	Pro forma 30 Sep 2018
Goodwill	673	15	158	1	846
Other intangible non-current assets	520	8	143	2	671
Tangible assets	78	31			109
Financial assets	12	15	6	4	33
Total non-current assets	1,283	69	307		1,659
Inventories	314	94			408
Current receivables	371	208			579
Cash equivalents	16	56	-6	6	66
Total current assets	701	358	-6		1,053
Total assets	1,984	427	301		2,712
Total equity	784	130	-36	7	878
Interest-bearing provisions	67	7			74
Non-interest-bearing provisions	79	35	36	3	150
Non-current interest-bearing liabilities	1	9			10
Non-interest-bearing long-term liabilities	0	-			0
Total non-current liabilities	147	51	36		234
Non-interest-bearing provisions	3	6			9
Current interest-bearing liabilities	625	-	301	5	926
Current non-interest-bearing liabilities	425	240			665
Total current liabilities	1,053	246	301		1,600
TOTAL EQUITY AND LIABILITIES	1,984	427	301		2,712

Notes

Preliminary acquisition analysis

Consideration	401	
Carrying amount of net assets	130	
Identified intangible assets	143	2)
Deferred tax on intangible assets	-36	3)
Reversal of locally recognised goodwill	-15	1)
Identified deferred tax assets	6	4)
Fair value on identified net assets	228	
Consolidated goodwill	173	1)

- 1) Consolidated goodwill amounts to the equivalent of SEK 173 million. Pro forma adjustment is made with a net amount of SEK 158 million, as there is a corresponding SEK 15 million in goodwill recognised in Biomedica from previously.
- 2) In conjunction with the acquisition of Biomedica, intangible assets in the form of technology and supplier relationships amounting to EUR 13.9 million, translated to SEK 143 million based on the exchange rate on 30 September 2018, were identified.
- 3) Deferred tax liability pertaining to immaterial assets identified in the acquisition analysis has been estimated at EUR 3.5 million, translated to SEK 36 million based on the exchange rate on 30 September 2018. Taxes were calculated at a local tax rate of 25 percent.
- 4) Biomedica has tax loss carryforwards that can be used against future taxable surpluses. These tax loss carryforwards have not been recognised at any value in Biomedica's financial statements. AddLife considers it to be likely that it will be possible to use the tax loss carryforwards against future taxable surpluses and therefore recognises a pro forma adjustment relating to deferred tax assets of EUR 0.6 million, corresponding to SEK six (6) million.
- 5) A pro forma adjustment was made to reflect the impact of the increased borrowing in the form of a bridge loan of SEK 301 million.
- 6) Expenses directly associated with the Biomedica-acquisition are estimated at SEK six (6) million. The transaction costs affect cash and cash equivalents and shareholders' equity in the pro forma balance sheet.
- 7) In addition to cash payment the consideration consisted of 480,721 newly issued B-shares at a total value of SEK 100 million, which affects equity.

The table below shows the sum of the pro forma adjustments that affect equity.

Acquisition elimination carrying amounts of net assets	-130
Issue in kind	100
Transaction costs	-6
Pro forma adjustment equity	-36

Auditor's report on the pro forma financial statement

To the board of directors in AddLife AB (publ), corporate identity number 556995-8126

We have audited the pro forma financial statement set out on pages 76–80 of AddLife AB's (publ) prospectus dated 28 January 2019.

The pro forma financial statement has been prepared for illustrative purposes only to provide information about how the acquisition of all of the shares in Biomedica Holding GbmH, which in turn possesses 70 percent of the shares in Biomedica Medizinprodukte GmbH ("Biomedica"), and the remaining 30 percent of the shares in Biomedica, might have affected the consolidated income statement for AddLife AB (publ) for the period 1 January - 31 December 2017 if the acquisition of all of the shares in Biomedica had taken place on 1 January 2017, the consolidated income statement for AddLife AB (publ) for the period 1 April - 30 September 2018 if the acquisition of all of the shares in Biomedica had taken place on 1 April 2018 and the consolidated balance sheet for AddLife AB (publ) as at 30 September 2018 if the acquisition of all of the shares in Biomedica had taken place on 30 September 2018.

The board of directors' responsibility

It is the board of directors' responsibility to prepare the pro forma financial statement in accordance with the requirements of the Prospectus Regulation (EC) 809/2004/EC.

The auditor's responsibility

It is our responsibility to provide an opinion required by Annex II item 7 of Prospectus Regulation 809/2004/EC. We are not responsible for expressing any other opinion on the pro forma financial statement or of any of its constituent elements. In particular, we do not accept any responsibility we have for auditor's reports regarding historical financial information issued in the past.

Work performed

We have performed our work in accordance with FAR's recommendation RevR 5 *Examination of financial information in prospectuses*. This recommendation requires that we comply with FAR's ethical requirements and have planned and performed the audit to obtain reasonable assurance that the financial statements are free from material misstatements. The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of AddLife AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the historical information, assessing the evidence supporting the pro forma adjustments and discussing the pro forma financial information with the management of the company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to obtain reasonable assurance that the pro forma financial information has been compiled on the basis stated on page 76, and in accordance with the accounting principles applied by the company.

Opinion

In our opinion the pro forma financial statement has been properly compiled in accordance with the basis stated on page 76 and in accordance with the accounting principles applied by the company.

Stockholm 28 January 2019
KPMG AB

Håkan Olsson Reising
Authorised Public Accountant

The share, share capital and shareholder structure

Share information

As of the date of this Prospectus, the Company's registered share capital amounts to SEK 51,125,197.9, divided into 25,097,814 shares, including 1,011,766 A-shares and 24,086,048 B-shares. All issued shares have been fully paid and are freely transferable. Each share has a quota value of SEK 2.037. The shares are registered by person, have been issued in accordance with Swedish law and are denominated in SEK. No share certificates are issued with respect to the shares in the Company. A-shares are subject to a conversion provision in AddLife's articles of association (§ 7). The ISIN code for A-shares is SE0007982806 and the ISIN code for B-shares is SE0007982814. Under the articles of association adopted at the extraordinary general meeting held on 13 January 2016, the Company's share capital must not be less than SEK 30,000,000 and not more than SEK 120,000,000, divided into no fewer than 15,000,000 shares and not more than 60,000,000 shares.

As a result of the planned Issue, if fully subscribed, the number of shares in the Company will increase from 25,097,814 shares to 28,628,216 shares, which corresponds to an increase of about 14.3 percent. For shareholders who choose not to subscribe for new shares in the current Issue, a dilutive effect will arise corresponding with a maximum of about 13 percent of share capital and about 13 percent of votes in AddLife after the Issue. The dilutive effect has been calculated as the maximum number of shares and votes that can be issued divided by the maximum total number of shares and votes in the Company after the Issue. The Issue is estimated to be registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) around 22 February 2019.

The Company currently holds 410,500 treasury B-shares in AddLife. As of the date of this Prospectus, AddLife has three (3) call option schemes with a total of 410,500 outstanding call options. Upon exercise of options the call option holder receives B-shares from AddLife's treasury B-shares and thus entails no new issue of shares in the Company. Furthermore, there is no dilution for existing shareholders due to the exercise of call options. For more information about each call option scheme, see below under the heading "*Share-related incentive programmes*". Other than the above call option scheme, as of the date of this Prospectus, AddLife has no other outstanding warrants, convertibles or other share-related financial instruments. The shares in AddLife are not subject of an offer made as a result of a mandatory bid, redemption right or right of sell-out. No public takeover offer has been made for AddLife's share during either the current or previous financial year.

Certain rights associated with the shares

General meetings and voting rights

Notice to attend a general meeting must be given through an announcement in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*) and on AddLife's website. Announcement to the effect that a notice to general meeting has been issued shall at the same time be made in Svenska Dagbladet. Shareholders who are entered in AddLife's share register five (5) weekdays prior to the general meeting and have notified AddLife of their participation no later than the date stated in the notice of the general meeting shall be entitled to participate at the general meeting. At general meetings, each A-share carries ten (10) votes and each B-share carries one (1) vote. Each shareholder is entitled without limitations to vote for the full number of shares such shareholder holds.

Preferential rights to new shares

In the event that the Company decides to issue new A-shares and B-shares through a cash issue or a set-off issue, holders of A- and B-shares shall have preferential rights to subscribe for new shares of the same class in proportion to the number of shares already held (primary preferential rights). Shares not subscribed for on the basis of primary preferential rights shall be offered for subscription to all shareholders (subsidiary preferential rights). If the number of shares offered in this manner is insufficient for subscription based on subsidiary preferential rights, the shares shall be distributed in relation to the number of shares already held and, to the extent that this is not possible, by lot.

In the event that the Company decides that only A-shares or B-shares shall be issued through a cash issue or set-off issue, all shareholders, irrespective of whether they own A- and B-shares, shall have preferential rights to subscribe for new shares in proportion to the number of shares already held.

If the share capital is increased through a stock dividend, new shares of each class shall be issued in relation to the number of shares of the same class already held. In such cases, shares of a specific class carry entitlement to new shares of the same class.

Nothing in AddLife's articles of association restricts the possibility to issue new shares through a cash issue or set-off issue with deviation from the shareholders' preferential rights.

Rights to dividend and liquidation proceeds

All shares carry equal rights to dividends and potential surplus in the event of liquidation.

Share capital development

The table below shows the historic developments in AddLife's share capital since the incorporation of the Company.

Date	Event	Change in number of shares		Total number of shares		Change in share capital (SEK)	Total share capital (SEK)	Quota value (SEK)	Price (SEK)	Terms
		A-shares	B-shares	A-shares	B-shares					
20141215	Incorporation	500,000	–	500,000	–	500,000	500,000	1	–	–
20150731	Introduction of different share classes*	500,000	–	500,000	–	0	500,000	1	–	–
20150731	Share issue	1,120,852	32,478,396	1,620,852	32,478,396	33,599,248	34,099,248	1	2	Cash
20150731	Reversed split (2:1)	–810,426	–16,239,198	810,426	16,239,198	0	34,099,248	2	–	–
20150731	Share issue	–	3,008,757	810,426	19,247,955	6,017,514	40,116,762	2	77.87	Contribution in kind
20160120	Reversed split (1:0.981817781)	–14,735	–349,971	795,691	18,897,984	0	40,116,762	2.037	–	–
20160120	Redemption of shares**	–	–13,727	795,691	18,884,257	–27,962.419	40,088,799.581	2.037	2.037	Cash
20160120	Share issue	13,727	–	809,418	18,884,257	27,962.419	40,116,762	2.037	2.037	Cash
20160429	Share issue	199,360	4,667,229	1,008,778	23,551,486	9,913,426.15	50,030,188.15	2.037	61	Cash
20160506	Share issue***	2,993	53,836	1,011,766	23,605,327	115,762.82	50,145,950.97	2.037	61	Cash
20190103	Share issue****	–	480,721	1,011,766	24,086,048	979,246.887	51,125,197.86	2.037	208	Contribution in kind
201902	Share issue*****	144,538	3,385,864	1,156,304	27,471,912	7,191,562.62	58,316,760.48	2.037	142	Cash

* Introduction of A- and B-shares. At general meetings, each A-share carries ten (10) votes and each B-share carries one (1) vote.

** Reduction of share capital through redemption of B-shares for repayment to the shareholders to the quota value as way of adjusting the capital structure prior to the distribution of shares from Addtech AB (publ).

*** According to AddLife's articles of association, owners of A-shares are entitled to request conversion of A-shares to B-shares. By conversion, the total number of votes in the Company decreases. In March 2016, shareholders called for the conversion of five (5) A-shares to five (5) B-shares. No registration with the Swedish Companies Registration Office was carried out. However, an adjustment was made by the Swedish Companies Registration Office in connection with the registration of the new issue with the Swedish Companies Registration Office and the updated number of shares. The above table thus does not summarize correctly, but the reported total number of shares corresponds to the registered number at the Swedish Companies Registration Office.

**** Issue in kind to the sellers of Biomedica as a partial payment in connection with the Biomedica-acquisition. The price per share was EUR 20.27 equivalent to about SEK 208 based on a EUR/SEK exchange rate of 10.2768 (the European Central Bank's average EUR/SEK reference exchange rate for the period 29 November – 12 December 2018).

***** The Issue described in the Prospectus under the assumption that the Offering is fully subscribed for.

Authorisations

The extraordinary general meeting held on 31 May 2018 authorised the board of directors to acquire, prior to the 2019 annual general meeting, a maximum number of B-shares so that the Company's own holdings of shares in AddLife does not exceed ten (10) percent of all shares in the Company at any time. Acquisitions shall be made on Nasdaq Stockholm in accordance with the stock exchange regulations at a price within the price range recorded at any given time, which means the interval between the highest bid price and the lowest selling price. Acquisitions must be made in cash and may occur on one or more occasions.

At the same annual general meeting the board of directors was authorised for the period prior to the next annual general meeting to sell treasury B-shares in other ways than on Nasdaq Stockholm.

This authorisation may be exercised on one or more occasions and encompasses all treasury shares that the Company holds at the time of the board of directors' decision. The authorisation includes the right to decide on deviation from shareholder's preferential rights and to allow payment to take place using a method other than cash.

Ownership structure

Below is a list of all shareholders with holdings exceeding five (5) percent of shares in the Company, or five (5) percent of votes for all shares.¹⁾

Shareholders	A-shares	B-shares	% of shares	% of votes
RoosGruppen AB	469,923	2,552,494	12.1	21.2
Tom Hedelius	451,800	5,062	1.8	13.2
Swedbank Robur	0	1,805,986	7.2	5.3
Verdipapirfonde Odin Sverige	0	1,414,564	5.6	4.2
Other	90,043	18,307,942	73.3	56.1
Total	1,011,766	24,086,048	100	100

1) As of 31 December 2018 including changes known thereafter.

Share-related incentive programmes

At present, AddLife has three (3) share-related incentive programmes.

In the 2016 programme, 25,500 call options are outstanding, which entitle the holders to acquire 25,500 B-shares in the Company. The exercise price of these call options is set at SEK 148.10 per share and the exercise period extends from 17 September 2018 until and included 28 February 2019.

In the 2017 programme, 215,000 call options are outstanding, which entitle the holders to acquire 215,000 B-shares in the Company. The exercise price of these call options is set at SEK 222.50 per share and the exercise period extends from 16 June 2020 until and included 28 February 2021.

In the 2018 programme, 170,000 call options are outstanding, which entitle the holders to acquire 170,000 B-shares in the Company. The exercise price of these call options is set at SEK 234.40 per share and the exercise period extends from 16 June 2021 until and included 28 February 2022.

Shareholders' agreement

As far as the Company's board of directors is aware, there are no shareholder agreements or other agreements between the Company's shareholders which aim to jointly influence the Company. Nor is the Company's board of directors aware of any agreements of similar that could lead to a change of control in the Company.

Lock-up arrangements, etc.

In conjunction with the Biomedica-acquisition, each seller has entered into an agreement with the Company, whereby each seller undertakes to refrain from selling, lending, pledging, or in some other way transferring shares or other securities that entitle the holder to subscription or exchange for shares in the Company, during a period of 24 months as of the day of admission of shares in the Company, without the written consent of the Company. The Company determines when such consent may be granted in light of the purpose of the lock-up undertaking.

Central securities depository

The Company and its shares are registered with the electronic securities system with Euroclear as the central securities depository and clearing organisation (Euroclear Sweden AB, Box 191, SE-101 23 Stockholm).

Dividend and dividend policy

General

The newly issued shares will entitle to dividends for the first time on the first record date for distribution of dividends that will follow after the shares have been entered into the share register kept by Euroclear and the Issue has been registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) and for any subsequent period, provided that dividends are resolved.

Dividend policy

Under the dividend policy adopted by the board of directors, the Company intends to distribute dividends that reflect a payout ratio of about 30 to 50 percent of the earnings after tax, allowing for a significant reinvestment in the business. When determining the dividend, investment needs and other factors that the Company's board of directors considers relevant are taken into account. There can be no assurance that a dividend will be proposed or declared in any given year.

Dividends under Swedish law

The declaration of dividends by Swedish companies is decided upon by the general meeting. Dividends may only be resolved on to the extent that there will be full coverage for the Company's restricted equity after distribution of dividends and only to the extent that such distribution is prudent with respect to what the nature of the business, scope and risks requires of the Company's equity as well as the need to strengthen the Company's balance sheet, liquidity and financial position. The shareholders may, as a general rule, not declare dividends at an amount higher than the board of directors proposed or approved.

Under the Swedish Companies Act, minority shareholders that together represent at least ten (10) percent of all outstanding shares have the right to request a payment of dividends (to all shareholders) from the Company's profits. Following such a request, the annual general meeting is required to resolve to distribute 50 percent of the remaining profit for the relevant year as reported on the balance sheet adopted at the general meeting, after deductions made for losses carried forward that exceed unrestricted reserves, amounts which, by law or the Company's articles of association, must be transferred to restricted equity and amounts which, pursuant to the articles of association, are to be used for any purpose other than distribution to the shareholders. The general meeting is however not obliged to declare dividends in excess of five (5) percent of the Company's equity. Moreover, the general meeting may not declare dividends to the extent that there will not be full coverage of the Company's restricted equity or in violation of the prudence rule described above.

Payment of dividends

Dividends will normally be paid to shareholders in cash on a per share basis through Euroclear, but may also be paid in kind (dividend in kind). Shareholders recorded as owners of shares in the register of shareholders maintained by Euroclear on the record date established by the general meeting will be entitled to receive dividends. This record date shall not be later than the day prior to the subsequent annual general meeting. If the shareholder cannot be reached via Euroclear, the shareholder shall retain a claim on AddLife for the dividend amount and this shall be limited only by rules of prescription. In the event of prescription, the amount of the dividend shall accrue to AddLife.

There are no restrictions or special procedures in the Swedish Companies Act or in AddLife's articles of association concerning dividends to shareholders resident outside Sweden. Subject to any restrictions imposed by the banking and clearing system, payment is made in the same way as to shareholders resident in Sweden. Shareholders with limited tax liability in Sweden are however normally subject to Swedish withholding tax; refer also to the section "*Certain tax issues in Sweden*".

Dividend paid for the period from 1 April 2015 to 31 December 2017

Financial year	Dividend per share (A- and B-shares) in SEK	Total dividend in SEK million
1 April 2015 – 31 March 2016	–	–
1 April 2016 – 31 December 2016	1.5	36.6
1 January 2017 – 31 December 2017	2.20	53.2

Board of directors, senior management and auditor

Board of directors and senior management

According to AddLife's articles of association, the board of directors must consist of four (4) to six (6) members elected by the shareholders at the general meeting. Swedish law entitles employee organisations to appoint two (2) ordinary members and an equivalent number of deputy members. The board of directors currently

consists of six (6) members elected by the general meeting until the close of the 2019 annual general meeting. The board of directors of AddLife has appointed an external CEO.

The members of the board of directors, their year of birth, the year of their initial election to the board of directors and their shareholdings in AddLife are set forth in the table below.

Name	Year of birth	Elected	Independent in relation to the Company and Company management	Independent in relation to the Company's major shareholders	Shareholdings A-shares	Shareholdings B-shares
Johan Sjö	1967	2015	Yes.	Yes.	3,150	45,000
Håkan Roos	1955	2015	Yes.	No.	469,923	2,552,494
Stefan Hedelius	1969	2015	Yes.	No.	–	1,000
Andreas Göthberg	1967	2018	Yes.	Yes.	–	–
Birgit Stattin Norinder	1948	2015	Yes.	Yes.	–	2,000
Eva Nilsagård	1964	2015	Yes.	Yes.	–	1,000



From left: Stefan Hedelius, Birgit Stattin Norinder, Håkan Roos, Johan Sjö, Eva Nilsagård and Andreas Göthberg.

The board of directors

JOHAN SJÖ

Chairman of the board since 2015.

Born in: 1967.

Education: Master of Science in Business and Economics.

Professional experience: CEO in Addtech AB, senior management at Bergman & Beving AB, prior to that Alfred Berg ABN AMRO.

Other appointments: chairman of the board of Bergman & Beving AB and OptiGroup AB. Director for Addtech AB, M2 Asset Management AB, Joh Sjö AB and COJU AB. Deputy director for Henrik Sjö AB.

Previous appointments (last five years): CEO of Addtech AB. Director for Bult Finnveden Aktiebolag (BUFAB), Bufab AB, Bergman & Beving Holding AB and Momentum Group AB. Deputy Director for Joh. Sjö Industri Aktiebolag and Joh Sjö Holding AB.

Independent in relation to AddLife and its senior management: yes.

Independent in relation to major shareholders: yes.

Holdings of shares in AddLife: 3,150 A-shares and 45,000 B-shares.

HÅKAN ROOS

Board member since 2015.

Born in: 1955.

Education: Master of Science in Business and Economics.

Professional experience: previously CEO of Hallbergs Guld AB and Procurator AB.

Other appointments: chairman of the board and CEO of Malmö Stenhus AB. Chairman of the board of RoosGruppen AB, Antpac Production AB, Sandå Sverige AB and Design House Stockholm AB. Director for Byggkultur Sverige AB, Arbetarskyddsmaterial Aktiebolag, FB Invest Vellinge Park AB, Barsco AB, OptiGroup AB, Exportaktiebolaget Svanen, Intellithing AB, Scandy Garden Aktiebolag, Malmö Stenhus Intressenter AB, Gatt IT AB, Nordic Kitchen Group AB, Antpac AB, Östhus Bostad AB, Singtrix AB, Hemmesta Utsikten AB, Hemmesta Gläntan AB, Hemmesta Allé AB, Hemmesta Äng AB, Hemmesta Vy AB and Hemmesta Daläng AB.

Previous appointments (last five years): chairman of the board of Procurator AB, Fondamentor & Roosgruppen 5 Umeå AB, Fondamentor & Roosgruppen 6 Umeå AB, Fondamentor & Roosgruppen 7 Umeå AB, Fondamentor Umeå Batteriet AB, SHF Fröhuset 12 AB, Termino C 2276 AB, Termino C 3102 AB, Rexo AB, Cross Sportwear International AB, Fondamentor Umeå Fastigheter AB, and RYNKAN AB. Director of Kimano Group AB, Fastighetsbolaget Guldfabriken i Malmö AB, Kneippen Syd Hyresbostäder AB, MBA Portik etapp 2 i Åkersberga Holding AB, Grundin & Co Allt i Skydd Aktiebolag, Mediplast AB, Ergo Nordic Aktiebolag, WTF Revision AB, Ronofred byggnads AB, N.C Nielsen AB, Enkelknappen Aktiebolag, R & R Partners AB, Polygiene AB, and Kungsleden Knappen AB. Deputy director for Per Ove Nimér Design AB, Gandalf Distribution AB and RYNKAN AB.

Independent in relation to AddLife and its senior management: yes.

Independent in relation to major shareholders: no.

Holdings of shares in AddLife: 469,923 A-shares and 2,552,494 B-shares.

STEFAN HEDELIUS

Board member since 2015.

Born in: 1969.

Education: university studies in finance, various international executive education programmes.

Professional experience: previously Vice President, Brand and Marketing, Scandinavian Airlines (SAS) as well as positions at Ericsson, including Vice President Marketing and Communications, Head of Strategy and Marketing and Vice President Ericsson Austria.

Other appointments: CEO of Human Care HC AB (publ). Chairman of the board of Alhanko & Johnson AB. Director for Momentum Group AB, Chatflights International AB and Stefan Hedelius AB. Deputy Director for Say hello to all of our friends AB and Illemaan Konsult AB.

Previous appointments (last five years): CEO of NOTE AB (publ).

Director for Handbolls- EM 2016 Sverige AB.

Independent in relation to AddLife and its senior management: yes.

Independent in relation to major shareholders: no.

Holdings of shares in AddLife: 1,000 B-shares.

ANDREAS GÖTHBERG

Board member since 2018.

Born in: 1967.

Education: Master of Science in Business and Economics.

Professional experience: CEO of Akademikliniken, and previously CEO for Memira Holding AB, Menigo Foodservice AB, Onemed Lab Sweden AB and SATS Group.

Other appointments: CEO of Akademikliniken HJ Aktiebolag, Akademikliniken HJ Holding AB and Akademikliniken Group Holding AB. Director for L&R Intressenter AB, LL Intressenter AB and Rocky Ground AB.

Previous appointments (last five years): director and CEO of Memira Holding AB. CEO of Menigo Foodservice AB. Chairman of the board of Isakssons Frukt & Grönt AB, Fruktservice i Malmö Aktiebolag, Fruktservice i Helsingborg Aktiebolag, Memira AB, Servicestryckarna i Johanneshov AB, Fastighetsaktiebolaget Guldfrukten i Lund AB, Menigo Invest 2 AB, Menigo Invest 1 AB. Director for Malte Månson Holding AB and Bostadsrättsföreningen Lönner 10.

Independent in relation to AddLife and its senior management: yes.

Independent in relation to major shareholders: yes.

Holdings of shares in AddLife: –

BIRGIT STATTIN NORINDER

Board member since 2015.

Born in: 1948.

Education: MPharm.

Professional experience: CEO of Prolifix Ltd, senior vice president Worldwide Product Development at Pharmacia & Upjohn AB.

Other appointments: director for Hansa Medical AB and Jettesta AB.

Previous appointments (last five years): chairman of the board of Hansa Medical AB. Director for Nicox SA, Exini Diagnostics Aktiebolag, Wntresearch AB and NeoDynamics AB (publ).

Independent in relation to AddLife and its senior management: yes.

Independent in relation to major shareholders: yes.

Holdings of shares in AddLife: 2,000 B-shares (including related party holdings).

EVA NILSAGÅRD

Board member since 2015.

Born in: 1964.

Education: Master of Science in Business and Economics.

Professional experience: CFO Plastal, Director Strategy & Business development Volvo Lastvagnar (EMEA), CFO Vitrolife (publ), VP Finance & IT Volvo Penta and senior positions within finance and business development in Volvo, AstraZeneca Group and SKF.

Other appointments: CEO for and director of Nilsagård consulting AB. Director for Bufab AB (publ), Irras AB (publ) and Aktiebolaget Svensk Exportkredit.

Previous appointments (last five years): director for Plastal Sverige AB and Imatech Marin & Industri AB. Deputy Director for Plastal Industri AB and APP Europe AB.

Independent in relation to AddLife and its senior management: yes.

Independent in relation to major shareholders: yes.

Holdings of shares in AddLife: 1,000 B-shares.



From left: Lars-Erik Rydell, Kristina Willgård, Martin Almgren and Peter Simonsbacka.

Senior management

KRISTINA WILLGÅRD

CEO since 2015. Member of senior management since 2015.

Born in: 1965.

Education: Master of Science in Business and Economics.

Professional experience: CFO of Addtech AB (publ), finance director at Ericsson AB.

Other appointments: chairman of the board of AddLife Development AB. Director for Nordic Waterproofing Holding A/S (publ), Medioplast AB, Biolin Scientific AB and Will gård AB.

Previous appointments (last five years): chairman of the board of Medioplast AB. Director for AddLife AB, Addtech Nordic AB and SERNEKE Group AB (publ). External authorized signatory for Addtech AB.

Holdings of shares in AddLife: 1,008 A-shares and 79,431 B-shares (including related party holdings) and call options equivalent to 65,000 B-shares.

MARTIN ALMGREN

CFO since 2015. Member of senior management since 2015.

Born in: 1976.

Education: Master of Science in Business and Economics.

Professional experience: group Financial Controller for Addtech AB (publ), Group Accounting Manager at Nefab AB.

Other appointments: director and CEO of AddLife Development AB. Director for Medioplast AB. Deputy Director for BIAL AB and Bosse Borrdoktorn AB. External authorised signatory for AddLife AB.

Previous appointments (last five years): director for Kajkanten 2018 2 AB and Hepro Sverige AB.

Holdings of shares in AddLife: 39,275 B-shares and call options equivalent to 44,950 B-shares.

PETER SIMONSBACKA

Business Area Manager Labtech since 2015. Member of senior management since 2017.

Born in: 1960.

Education: engineer.

Professional experience: business division manager for Addtech Nordic AB, CEO of BergmanLabora AB and Business division manager for Mettler-Toledo AB.

Other appointments: chairman of the board of Biolin Scientific AB, Holm & Halby A/S, BioNordika (Denmark) A/S and Swedish Labtech. Director for BergmanLabora AB, LabRobot Products AB, Medioplast AB, Food Diagnostics FDAB Aktiebolag, Triolab AB, Immuno Diagnostic Oy and AddLife Development AB.

Previous appointments (last five years): chairman of the board of Electra-Box Diagnostica Aktiebolag, BergmanLabora AB, Omni-Process AB, BioNordika (Sweden) AB, BioNordika (Norway) AS, BioNordika (Finland) Oy, Triolab AB, Triolab A/S, Triolab Oy, Bergman Diagnostika A/S, LabRobot Products AB and AddLife Development AB. CEO of BergmanLabora AB and Biolin Scientific AB.

Holdings of shares in AddLife: 16,507 B-shares and call options equivalent to 44,950 B-shares.

LARS-ERIK RYDELL

Business Area Manager Medtech since 2017. Member of senior management since 2017.

Born in: 1955.

Education: –

Professional experience: CEO of Medioplast AB, Sales Manager of Althin Medical AB and Area Manager of Gambro AB.

Other appointments: chairman of the board of Medioplast AB, Herpro AS, Väino Korpinen Oy and Svan Care AB.

Previous appointments (last five years): CEO of Medioplast AB.

Holdings of shares in AddLife: 83,153 B-shares and call options equivalent to 44,950 B-shares.

Auditor

The most recent election of auditor in AddLife occurred at the annual general meeting on 31 May 2018 when the registered firm KPMG AB (Box 382, SE-101 27 Stockholm) with Håkan Olsson Reising (authorised public accountant and member of FAR – trade association for accounting consultants, auditors and advisors) as principal auditor, was reappointed until the end of the 2019 annual general meeting. KPMG AB has been AddLife's auditor since March 2015, George Pettersson (authorised public accountant and member of FAR – trade association for accounting consultants, auditors and advisors) as principal auditor for the period March 2015 – January 2017 and Håkan Olsson Reising has been the principal auditor for AddLife since January 2017. KPMG AB has been the appointed auditor in the Company during the whole period covered by the historic financial information included in this Prospectus.

Other information regarding the board of directors and senior management

All members of AddLife's board of directors and senior management may be contacted at the Company's address Birger Jarlsgatan 43 in Stockholm.

AddLife's board of directors has been appointed based on a proposal from AddLife's nomination committee. At the annual general meeting on 31 May 2018 Johan Sjö, Håkan Roos, Stefan Hedelius, Birgit Stattin Norinder and Eva Nilsagård up until the end of the 2019 annual general meeting, were reappointed and Andreas Göthberg was appointed to serve as a member of the board of directors up until the end of the 2019 annual general meeting. At the annual general meeting Johan Sjö was reappointed to serve as the chairman of the board.

There are no family ties between the aforementioned board members or senior management in the Company. No member of the board of directors or senior management has been convicted in any case relating to fraud in the past five (5) years.

No member of the board of directors or senior management has in the past five (5) years been accused and/or had any sanctions imposed by any authority, or other body authorised by law or regulation (including any organisations). Nor has any member of the board of directors or senior management, in the past five (5) years, been banned by any court from membership of a company's administrative, management or control bodies, or from holding management or general positions within a company. Furthermore, no member of the board of directors or senior management has been involved in any bankruptcy, liquidation or receivership in the past five (5) years.

No member of the board of directors or senior management has any private interest that might conflict with the Company's interests. However, as indicated above, certain members of the board of directors and senior management have financial interests in AddLife due to their shareholding in the Company.

As far as the board of directors is aware, no specific agreements have been entered into with major shareholders, customers, suppliers or other parties under which members of the board of directors and senior management or auditor have been appointed or employed.

Pursuant to the Swedish Code of Corporate Governance (the "Code"), more than half of the members of the board of directors elected by the general meeting must be independent of the Company and the Group management. This requirement does not apply to employee representatives. There is no defined standard as to what is meant by "independent", but the independence of a member of the board of directors may be questioned, for example, in cases where the member of the board of directors, directly or indirectly, has extensive business contacts or other extensive financial dealings with the Company. An overall assessment of a board member's relationship to the Company must be made in each individual case. Further, all members of the board of directors have been deemed independent in relation to the Company and the Group management.

The Code further requires that at least two (2) of the board members elected by the general meeting that are deemed independent in relation to the Company and the Group management also are independent in relation to the Company's major shareholders. Major shareholders, as defined in the Code, are shareholders who directly or indirectly control ten (10) percent or more of the shares or votes in the Company. A board member is not deemed independent of major shareholders if he or she is employed by or serves as a board member of a company that is a principal shareholder. When determining whether a board member is independent of a major shareholder or not, the extent of the board member's direct and indirect relations with the major shareholder are taken into consideration. Håkan Roos and Stefan Hedelius have been deemed to be dependent in relation to the Company's major shareholders. Johan Sjö, Andreas Göthberg, Birgit Stattin Norinder and Eva Nilsagård have been deemed independent of both the Company's major shareholders and in relation to the Company and the Group management. Four (4) members of the board of directors elected by the general meeting who are independent in relation to AddLife and the Group management are also independent in relation to AddLife's major shareholders. Thus, the Company meets the requirements of the Code regarding the independence of the board of directors in relation to the Company, the Group management and the Company's major shareholders.

Remuneration and compensation to members of the board of directors and the senior management

Remuneration to the board of directors

Remuneration to the chairman and directors are decided upon by the general meeting. Compensation to AddLife's current board of directors was decided upon at the annual general meeting on 31 May 2018. It was resolved that, on an annual basis, a remuneration of SEK 500,000 would be paid to the chairman and a remuneration of SEK 250,000 to each board member. In addition to the remuneration for the board of directors of SEK 250,000 Eva Nilsagård receives SEK 50,000 for her work as chairman of the audit committee. The members of the board of directors are appointed for the period up until the end of the 2019 annual general meeting and the remuneration refer to this period. The table below shows the remuneration paid and the distribution among the board members.

Board member	Ordinary compensation for the period from 31 May 2018 up until the annual general meeting 2019
Johan Sjö, chairman of the board	500,000
Håkan Roos	250,000
Stefan Hedelius	250,000
Andreas Göthberg	250,000
Birgit Stattin Norinder	250,000
Eva Nilsagård	300,000

For paid compensation and other compensation for the period 1 January 2017 to 31 December 2017, see section “*Remuneration and other compensation paid during the period 1 January 2017 to 31 December 2017*” below.

General principles for remuneration of the senior management in AddLife

Resolution on guidelines for remuneration and other remunerations for the CEO and other senior managers shall be made by the annual general meeting following a proposal by the board of directors. It was resolved at the annual general meeting on 31 May 2018 to adopt the current guidelines in accordance with the proposal of the board of directors. Remuneration paid to the CEO and senior management consists of fixed salary, variable salary and pensions and insurance benefits. Other benefits may be provided to individual members or the entire senior management and must be formulated in relation to accepted practices in the market. The variable remuneration is primarily based on the Group's financial performance, earnings growth, profitability and cash flow and is determined individually for each manager. For the CEO and the other senior managers, the variable salary is capped at 40 percent of the fixed salary.

The CEO is entitled to any contribution pension plan equivalent to 30 percent of the fixed salary. The Company's CFO is entitled to pension benefits in the form of an optional ITP plan, in accordance with the benefits plan specified in AddLife's pension policy. The Company's Business Area Manager of Labtech has an occupational pension insurance with an annual provision equivalent to 20 percent of fixed gross salary. The Company's Business Area Manager of Medtech has a 25 percent of pensionable salary in pension costs and risk insurance (for example, health insurance at Alecta).

Members of senior management who give notice must observe a period of notice of six (6) months upon termination by the individual senior manager and they are entitled to a notice period of a maximum of twelve (12) months upon termination by the Company. Upon termination by the Company, that is not based on a gross breach of contract, in addition to salary and other employment benefits during the period of notice, members of senior management are entitled to severance pay for a maximum of twelve (12) months. Employees who give notice to terminate employment are not entitled to severance pay.

Members of senior management are bound by non-competition clauses for 24 months following the termination of their employments. The CEO and CFO are entitled to customary

compensation for the restriction of competition, equivalent to the difference between the fixed salary at the time of the employment's termination and the lower income which the employee may receive following the termination, but no more than 60 percent of the monthly salary at the time of the employment's termination. No such compensation is paid if a senior manager simultaneously receives severance payment. However, in cases where the non-competition clause extends beyond the period during which severance payments are paid, the senior manager is entitled to such compensation for the exceeding period. Compensation for the restriction of competition is paid if the employment agreement is terminated by a senior manager, as long as the non-competition clause is applied and complied with.

Agreements regarding remuneration upon termination of assignment

Except as stated above, the Company has not signed any agreement with any member of the Company's administrative, management or supervisory bodies that entitles such member to pensions or similar benefits following the completion of his or her employment. There is, at the time of this Prospectus, no amounts set aside or accrued expenses for pensions or similar benefits after completion of employment.

Incentive programmes

At present, AddLife has three (3) share-related incentive programmes.

In the 2016 programme, 25,500 call options are outstanding, which entitle the holders to acquire 25,500 shares in the Company. The exercise price of these call options is set at SEK 148.10 per share and the exercise period extends from 17 September 2018 until and included 28 February 2019.

In the 2017 programme, 215,000 call options are outstanding, which entitle the holders to acquire 215,000 shares in the Company. The exercise price of these call options is set at SEK 222.50 per share and the exercise period extends from 16 June 2020 until and included 28 February 2021.

In the 2018 programme, 170,000 call options are outstanding, which entitle the holders to acquire 170,000 shares in the Company. The exercise price of these call options is set at SEK 234.4 per share and the exercise period extends from 16 June 2021 until and included 28 February 2022.

In the table below, senior management's holdings of outstanding call options are reported.

Senior management	Program 2016 (KO1 B)	Program 2017 (KO2 B)	Program 2018 (KO3 B)	Total number of outstanding call options
Kristina Willgård	Utalised	34,000	31,000	65,000
Martin Almgren	Utalised	24,000	20,950	44,950
Peter Simonsbacka	Utalised	24,000	20,950	44,950
Lars-Erik Rydell	Utalised	24,000	20,950	44,950

Remuneration and other compensation paid during the period 1 January 2017 to 31 December 2017

The below table report for compensations and other benefits to the board of directors for the financial year 2017 that amounted to SEK 1,575 thousand. The below table also report for compensations and other benefits to the Company's CEO and other senior management for the financial year 2017 that the Company or its subsidiaries have granted.

Compensations and other benefits – Board of director

2017 SEK thousand	Position	Professional remuneration	Other remuneration	Sum
Johan Sjö	Chairman of the board	450	0	450
Håkan Roos	Board member	225	0	225
Stefan Hedelius	Board member	225	0	225
Fredrik Börjesson ^{*)}	Board member	225	0	225
Birgit Stattin Norinder	Board member	225	0	225
Eva Nilsagård	Board member	225	0	225

^{*)} Fredrik Börjesson left the board of directors in connection to the annual general meeting 2018.

Compensations and other benefits – Senior management

2017 SEK thousand	Position	Basic salary	Variable compensation	Other benefits*	Pension costs	Share related compensation	Other compensation**	Sum
Kristina Willgård	CEO	2,421	966	153	865	–	309	4,714
Artur Aira ^{***)}	Executive CEO	1,803	412	63	426	–	–43	2,661
Martin Almgren	CFO	1,383	504	172	419	–	269	2,747
Peter Simonsbacka	Business Area Manager Labtech	1,339	650	74	374	–	178	2,615
Lars-Erik Rydell	Business Area Manager Medtech	1,957	416	89	354	–	26	2,842

^{*)} Other benefits consists of home cleaning and the opportunity to use a company car.

^{**)} Other compensation consists of subsidisation of call options.

^{***)} Artur Aira left his employment as executive CEO the 21 August 2017. A new executive CEO has not been employed.

Corporate Governance

Legislation, the Swedish Code of Corporate Governance and articles of association

AddLife is a Swedish public limited company governed by Swedish law, primarily by the Swedish Companies Act (2005:551). The Company's shares are traded on Nasdaq Stockholm, for which reason the Company also complies with Nasdaq Stockholm's Rule Book for Issuers. The Company also applies the Swedish Code of Corporate Governance ("the Code"). The Code applies to all Swedish companies whose shares are listed on a regulated market in Sweden. The Code is part of self-regulation by the Swedish business community and is based on the principle of "comply or explain". This means that companies are not obliged to apply every rule in the Code, but are allowed the freedom to choose alternative solutions provided that the reasons for any deviation is explained.

In addition to legislation, regulations and recommendations, the basis for the governance of the Company's business are the articles of association. The articles of association state, inter alia, the seat of the board of directors, the business orientation, limits for share capital and number of shares, as well as the conditions for participation at general meetings. The currently registered articles of association were adopted at the extraordinary general meeting on 13 January 2016. The articles of association are presented in their entirety in this Prospectus under section "*Articles of association*".

General meetings

The general meeting is AddLife's highest decision-making body. The annual general meeting resolves on the annual report, dividends, appointments to the board of directors, election of auditor, compensation to the board of directors and remuneration to the auditor, as well as other issues in accordance with the Swedish Companies Act and the articles of association. Further information about the annual general meeting and minutes from the annual general meetings are available on the Company's website. The Company does not apply any special arrangement in relation to the functions of the general meeting due to any article in the articles of association, or as far as the Company is aware of, any shareholders' agreement.

There are no limits in the articles of association on the number of votes each shareholder may hold at a general meeting of the Company, nor are there any provisions on the appointment or dismissal of directors of the Company, or changes to the Company's articles of association. The Company's A-shares carry ten (10) votes and the Company's B-shares carry one (1) vote at general meetings for the Company.

Pursuant to AddLife's articles of association, notices convening general meetings must be issued through announcement in the Swedish National Gazette (Sw. *Post- och Inrikes Tidningar*), as well as on AddLife's website. An announcement to the effect that a notice convening a general meeting has been issued must be made in Svenska Dagbladet. A press release is published in Swedish and English with the notice posted in its entirety on AddLife's website ahead of each general meeting.

Right to attend general meetings and shareholder initiatives

All shareholders who are directly recorded in the share register maintained by Euroclear Sweden five (5) weekdays prior to the general meeting and who have notified the Company of their intention to participate in the general meeting, are entitled to attend the general meeting and vote for the number of shares they hold. Shareholders may attend general meetings in person or by proxy and may be accompanied by a maximum of two (2) assistants. Shareholders' assistants may accompany them at a general meeting if the shareholders provide notification thereof in accordance with the procedure for shareholder registration.

In addition to notifying AddLife, shareholders whose shares are nominee registered at a bank or other nominee must request that their shares be temporarily registered under their own names in the share register maintained by Euroclear to be eligible to participate in the general meeting. Shareholders should inform their nominees in good time before the record date. Shareholders who wish to have an issue brought before the general meeting must submit a request in writing to the board of directors. The request must normally be received by the board of directors not later than one (1) week prior to the required date of announcement of the general meeting pursuant to the Swedish Companies Act. Every shareholder that submits a request within the required time has the right to have the issue brought before the general meeting.

Nomination committee

Pursuant to the Code, listed Companies must have a nomination committee. The nomination committee is the general meeting's body for drafting the general meeting's decisions with regard to election and remuneration issues.

On 1 September 2016 the annual general meeting adopted the following principles for appointing the nomination committee. The nomination committee consists of representatives of the five (5) largest known shareholders by vote as of 30 September, as well as the chairman of the board of directors, who is also tasked with convening the first meeting of the nomination committee. The nomination committee appoints a Chairman from among its members. The mandate period of the nomination committee extends until a new nomination committee is appointed. The assignment of the nomination committee shall include evaluating the composition and work of the board of directors and providing proposals to the annual general meeting in respect of the chairman to preside over the annual general meeting, board members and chairman of the board of directors, fees to board members not employed by the Company, election of a registered audit firm and audit fees; and changed principles, if any, for how members of the nomination committee are to be appointed. In the event that a member of the nomination committee resigns or is prevented from fulfilling the assignment, the remaining members shall, among the shareholders of the Company, be able to appoint a suitable replacement to the nomination committee for the remainder of the mandate period.

The nomination committee's proposals to the annual general meeting will be presented in the notice to attend the annual general meeting and on the Company's website. Nomination committee members receive no compensation from the Company for the work of the committee. The Company shall pay any necessary expenses that the nomination committee may incur in its work.

The nomination committee charged with preparing agenda items prior to the 2019 annual general meeting consists of Johan Sjö (chairman of the board of directors), 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).

The board of directors

According to AddLife's articles of association, the board of directors must consist of four (4) to six (6) members. Members are elected annually at the annual general meeting for the period extending until the end of the next annual general meeting. There is no limitation on how long a member may serve on the board of directors. AddLife's current board of directors consists of the members Johan Sjö (chairman of the board of directors), Håkan Roos, Stefan Hedelius, Andreas Göthberg, Birgit Stattin Norinder and Eva Nilsagård, who were all appointed at the 2018 annual general meeting. Information about the board members is found in the section "*Board of directors, senior management and auditor*".

The board of directors' responsibilities and work

The duties of the board of directors are set forth in the Swedish Companies Act, AddLife's articles of association and the Code. In addition to this, the work of the board of directors is guided by the rules of procedure for the board of directors, which is adopted by the board of directors. The board of directors shall every year adopt written rules of procedures, which govern the division of work and responsibilities among the board of directors, including the board committees, and the chairman, as well as procedures for the board's decision making and the board's meetings. The board of directors shall also adopt an instruction for the CEO and specify financial reporting procedures to the board for the CEO. Moreover, the board of directors shall adopt a number of policies for the Group's business, inter alia finance policy, communication policy and code of conduct.

The board of directors will oversee the work of the CEO through ongoing monitoring of business during the year and is responsible for the organisation, as well as the internal control and adequate structure of the management and guidelines for the administration of the Company's affairs, and that effective systems are in place to monitor and control the Company's business, as well as ensure the compliance of laws and regulations that apply to the Company's business.

The board of directors is also responsible for the establishment, development and monitoring of the Company's objectives and strategies, decisions on major acquisitions and divestments of businesses, as well as appointments and compensations to the senior management. The board of directors and the CEO presents the annual accounts for the annual general meeting.

An annual evaluation of the work of the board of directors shall be performed under the leadership of the chairman of the board and the nomination committee shall be informed of the outcome of the evaluation. The board of directors shall continuously evaluate the work of the CEO. This matter shall be addressed individually each year with no member of Company management being in attendance. Moreover, the board of directors shall evaluate and assess any significant appointments which the CEO may have outside of the Company.

The rules of procedure for the board of directors

The rules of procedure for the board of directors shall annually be evaluated, updated and adopted. If the board establishes any internal committees, the board's rules of procedure shall specify the duties and decision-making powers delegated to committees by the board and how the committees are to report to the board.

The board of directors shall hold regular meetings in accordance with a program specified in the rules of procedures and such program shall include predetermined decision points and other points if necessary. During the 2018 financial year, the board of directors held 13 minuted meetings. During the 2019 financial year, the board of directors held two (2) minuted meetings. The board of directors shall at the regular meetings address the fixed points that are present at each meeting in accordance with the rules of procedure for the board of directors (such as the CEO's report on business, financial reporting, investments and projects).

Audit committee and remuneration committee

The Swedish Companies Act and the Code contain provisions for the establishment of an audit committee. The Code furthermore contains provisions for the establishment of a remuneration committee. The provisions of the Swedish Companies Act in this respect only apply to those companies whose shares are admitted to trading on a regulated market. Since AddLife's B-shares are traded on Nasdaq Stockholm, the provisions of the Swedish Companies Act apply to AddLife. The Company furthermore applies the Code. Consequently, AddLife's board of directors has established an audit committee and remuneration committee.

The board of directors has appointed a remuneration committee consisting of Johan Sjö (chairman) and Håkan Roos. The task of the remuneration committee is to prepare a proposal for guidelines for remuneration to senior management. The proposal shall be addressed by the board of directors and subsequently presented to the annual general meeting. On the basis of the decision made by the annual general meeting, the board of directors resolves on the remuneration of the CEO. The CEO shall not participate in the board of directors' decision on his or her own remuneration. Following the proposal of the CEO, the remuneration committee shall decide upon the remuneration of the other members of the senior management. The board of directors shall be informed of the remuneration committee's decision. The task of the remuneration committee is then to monitor and evaluate the compliance of the guidelines on remuneration to senior management resolved on by the annual general meeting. Moreover, the remuneration committee shall monitor and evaluate ongoing and during the year terminated schemes for variable remunerations to the members of the Company management. The remunerations committee held

one (1) meeting during the 2018 financial year. So far in the 2019 financial year, the remunerations committee have not held any minuted meeting.

The board of directors has appointed an audit committee consisting of all members of the board of directors. The work of the audit committee shall be conducted as an integral part of the board of directors' regular meetings. Eva Nilsagård is the appointed chairman of the audit committee. Birgit Stattin Norinder and Eva Nilsagård are independent in relation to the Company and the senior management, as well as in relation to the Company's major shareholders, and Birgit Stattin Norinder and Eva Nilsagård have accounting and/or auditing experience. The audit committee shall, without prejudice to the board of directors' responsibilities and tasks in general, monitor the Company's financial reports, monitor the effectiveness of the Company's internal control and risk management with respect to the financial reporting, to be kept informed on the audit of the annual report and financial statements of the Group, review and monitor the impartiality and independence of the auditor and pay particular attention to whether the auditor provides the Company with any services other than auditing services, and assist with the preparation of the proposal of auditor to the general meeting.

The board of directors shall, in connection to the board meeting at which the board adopts the annual financial statements, have a briefing with and receive reports from the Company's external auditors. The board of directors shall on such occasion also have a briefing with the auditors without the presence of the CEO or any other member of the management. A corresponding meeting shall be held every year prior to the annual general meeting.

Remuneration of SEK 50,000 is paid to the chairman of the audit committee. No fee is paid for committee work to the other members of the audit committee and the remuneration committee.

Remuneration to the board of directors

Fees to the chairman and board of directors shall be resolved on by the general meeting. In accordance with a decision by the annual general meeting on 31 May 2018, the full-year fees to each of the elected board members amounts to SEK 250,000, and SEK 500,000 to the chairman. In accordance with the decision, the total full-year fees payable amount to SEK 1,750,000.

CEO

Kristina Willgård is the CEO of the Company. A presentation of Kristina Willgård is found under the section "*Board of directors, senior management and auditor*" and on the Company's website. The CEO shall manage the business in accordance with the Swedish Companies Act and the instructions adopted by the board of directors. The duties and role of the CEO and the division of work and responsibilities between the board of directors and the CEO shall be stated in a written instruction (a so-called "CEO instruction") resolved on by the board of directors. The board of directors shall continuously evaluate the work of the CEO.

The CEO shall in consultation with the chairman of the board of directors prepare the necessary information and supporting documentation prior to the board meetings, brief issues and present proposals for decisions. The CEO shall lead the work of the senior management and make decisions in consultation with the other members of the senior management. In addition to Kristina Willgård, senior management also includes Martin Almgren (CFO), Peter Simonsbacka (Business Area Manager Labtech), and Lars-Erik Rydell (Business Area Manager Medtech). The senior management shall have regular reviews of the Company's business under direction of the CEO. A detailed presentation of the senior management is found under the section "*Board of directors, senior management and auditor*" and on the Company's website.

Financial reporting procedures

The board of directors shall adopt rules of procedure with instructions relating to internal financial reporting procedures. All interim reports and press releases are published on AddLife's website, www.add.life, directly adjacent to the announcement.

Internal control and auditing

Internal control

The board of directors' and the CEO's responsibility for internal control is regulated by the Swedish Companies Act. The board of directors' responsibilities are also regulated in the Code and the Annual Accounts Act. The board of directors has overall responsibility for ensuring that the Group has an effective system for management and internal control. This responsibility includes annually evaluating the financial reporting the board receives and stipulating the content and format of these reports to ensure their quality. Pursuant to this requirement, the financial reporting shall be adequate and comply with applicable accounting standards and other requirements applicable to listed companies. The CFO shall annually report to the board of directors on the Group's work with internal control.

Control environment

AddLife builds and organises its business on the basis of decentralised responsibility for profitability and earnings. In decentralised business, the basis for internal control consists of a well-established process aimed at defining targets and strategies for each business. Internal guidelines and board-approved policies communicate defined decision-making channels, powers of authority and responsibilities. The Group's foremost financial control documents include its financial policy, financial manual and instructions for each financial closing. For the Group's accounting process, a Group-wide reporting system is utilised with related tools for analyses. On a more general level, all activities of the Group shall be conducted in accordance with the adopted code of conduct.

Risk assessment

AddLife will establish procedures to manage risks which the board of directors and the Company management consider significant for the internal control of the financial reporting. The board holds the opinion that the Group's exposure to a variety of market and customer segments, and the fact that the business are conducted in 45 operating companies, entail significant risk diversification. The risk assessment shall be based on the Group's income statement and balance sheet to identify the risk of significant errors. For the Group as a whole, the greatest risks are linked to inventories and the reported value of intangible assets in relation to acquisitions.

Control activities

Examples of control activities are transaction-related controls such as rules governing authorisation and investments as well as clear payment procedures, but also analytical controls performed by the Group's controllers and central accounting function. Controllers and financial managers on every level within the Group have key roles to create the necessary environment to achieve transparent and fair financial reporting. The key roles place high demands on integrity, competence and abilities of individuals. In order to ensure an efficient exchange of knowledge and experience between the financial functions, regular financial conferences will be held where current issues will be discussed. An important overarching control activity is the monthly follow up of performances which shall be carried out via the internal reporting system and which will be analysed and commented on in the internal work of the board of directors. The follow up on performances shall include comparisons against set targets, previous performance and monitoring of a number of key indicators.

A so-called "self-evaluation" will be made annually by all of the Group's companies with regard to issues concerning internal control. During the self-evaluations, the companies will comment on how important issues have been handled, such as terms and conditions in customer contracts, customer credit ratings, valuation and documentation of inventories, payment procedures, documentation and analysis of financial statements and the compliance with internal policies and procedures. Accepted minimum standards will be adopted for critical issues and procedures, which all companies are expected to meet. Each company's response should be validated and commented on by the relevant company's external auditor in connection with the regular audit. The responses should subsequently be compiled and analysed, after which they are presented to the business area and senior management teams.

The result of the self-evaluations will be taken into account in the planning of the following year's self-evaluations and external auditing.

In addition to the self-evaluations, an in-depth analysis of the internal control of about five (5) operative companies will be carried out every year. This work is called "internal audit" and will be carried out at the premises of the companies by business area controllers and employees from the parent company's central accounting function. Key processes of the companies, and control points of these, will be identified and tested. The external auditors will receive the records from the internal audits in conjunction

with their audit of the companies. The process is expected to provide a good basis to identify and assess the internal controls within the Group. KPMG will also annually undertake a review and assessment of the Group's processes for internal control.

Review, information and communication

The Company's board of directors will receive monthly comments from the CEO on status and development of the Group's businesses. The board of directors will review all quarterly reports and the annual report before publication. The board of directors will be briefed annually on the work on internal control and results from such work. The board of directors will also review KPMG's assessments of the Group's processes for internal control.

The outcome of the internal control will be analysed annually by the Group's CFO together with the business controller. An assessment will be made of what improvements the different companies may implement. The board of directors of the different Group companies will be informed of the outcomes of the internal control in each company and what improvements to implement. The business controller will then continuously follow up the work during the following year together with the boards of directors of the Group companies.

Governing guidelines, policies and instructions are available on the Group's intranet. The documents are continuously updated when necessary. Changes will be communicated separately via e-mail and at meetings for controllers and financial managers.

The accessibility to the documents for internal information on the intranet is controlled by the use of permissions. The Group's employees are divided into different groups and the different groups have different access to information. All financial guidelines, policies and instructions are available for each company's CEO, CFO, business manager, business controller and central accounting function. The financial data for the Group is also centrally controlled by the use of permissions.

Internal audit

In light of the risk assessment described above and the structure of control activities, including, inter alia, the "self-evaluation" and the in-depth analysis of the internal control, the board of directors has chosen to not have a dedicated internal audit unit.

Auditor

In accordance with the articles of association, a registered auditing firm shall be elected as auditor. KPMG was re-elected as the Company's auditor at the annual general meeting on 31 May 2018 for the period until the 2019 annual general meeting. The auditor in charge for AddLife is Håkan Olsson Reising. KPMG audits AddLife and all of its Swedish subsidiaries. The Company's auditor works according to an audit plan, in which comments from the board of directors are included, and reports its findings to the senior management of the companies, the senior management and to AddLife's board of directors, both during the audit and also in conjunction with the adoption of the annual accounts. The Company's auditor also participates at the annual general meetings, where the audit work is briefed and commented on by the auditor.

The independence of the external auditor is regulated by a special instruction adopted by the board of directors that states the areas in which the external auditor may be engaged, aside from the auditor's regular auditing. KPMG regularly assesses its independence in relation to the Company and delivers annual written statements to the board of directors that the audit firm is independent of AddLife.

During the 2018 financial year and the current financial year, KPMG has provided advisory services primarily concerning accounting issues, as well as issues related to the Issue. The total fee for KPMG's services in addition to auditing for the 2018 financial year was about SEK two (2) million.

Changes of the rights of shareholders

The general meeting may decide on amendments to the articles of association, which may result in changes to the rights of the shareholders. The Swedish Companies Act sets out certain majority requirements for the validity of such amendments.

The approval by all shareholders present at an general meeting, where more than nine-tenths of all shares in the Company is represented, is required for an amendment of the articles of association that reduces the shareholders' right to the Company's profits or other assets by a change of the Company's objective to wholly or partially be something other than to provide profits to the shareholders, or if the right to transfer or acquire shares in the Company is restricted by an article of first refusal, pre-emption rights or other shareholders' consent, or otherwise dislodges the ratio of the shares.

The approval of at least two-thirds of the votes cast and nine-tenths of all shares represented at the general meeting, is required to make changes to the articles of association which restricts the number of shares for which shareholders may vote, to partially allocate net profit (after deductions of balanced losses) to a restricted reserve, and to limit the disposition of the Company's profits or its remaining assets at its liquidation in any other way than by amending the Company's objective to wholly or partially be something other than to provide profits to the shareholders.

However, the aforementioned majority requirements do not apply if a resolution is supported by shareholders representing at least two-thirds of the votes cast and two-thirds of the shares represented at the general meeting, if the amendment only impairs the rights of certain shares, and consent is given by all the present holders of such shares at the general meeting, and such holders together represent at least nine-tenths of all such impaired shares, or if the amendment only impairs the rights of a certain class of shares and shareholders representing half of all shares of this class and nine-tenths of such shares represented at the general meeting consent to the amendment.

Legal considerations and other information

Legal Group structure

The Company is a Swedish public limited liability company established and registered under Swedish law with the company name AddLife AB (publ) (as well as trade name) and domiciled in Stockholm. The Company's legal form is regulated by, and its shares have been issued in accordance with, the Swedish Companies Act (2005:551). The Company was incorporated in Sweden on 1 November 2014 and registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on 15 December 2014. The current name of the Company was registered on 1 October 2015. The Company's corporate identity number is 556995-8126. According to section 2 of the Company's articles of association, the object of the Company's business is to engage, by itself or through wholly or partly owned subsidiaries, in trading and in production of mainly medical equipment and products, and to conduct other business compatible therewith, see the section "*Articles of association*". The Company was registered with Euroclear on 15 February 2016.

As of the date of this Prospectus, the Company is the parent company of 58 subsidiaries, of which 45 are operative.

	Country	Ownership	Business area
AddLife AB	SE		
AddLife Development AB	SE	100%	
Mediplast AB	SE	100%	Medtech
Mediplast Innova AS	NO	100%	Medtech
Mediplast Sataside Oy	FI	100%	Medtech
Mediplast S.r.l.	IT	100%	Medtech
Mediplast Benelux B.V.	NL	100%	Medtech
Mediplast GmbH	DE	100%	Medtech
Mediplast Holding Aps	DK	100%	Medtech
Mediplast Kendan A/S	DK	100%	Medtech
Hospidana A/S	DK	100%	Medtech
Fenno Medical Oy	FI	100%	Medtech
Svan Care AB	SE	100%	Medtech
Hepro AS	NO	100%	Medtech
Krabat AS	NO	100%	Medtech
Ossano Scandinavia AB	SE	100%	Medtech
Esthe-Tech AB	SE	100%	Medtech
V-Tech AB	SE	100%	Medtech
Väinö Korpinen Oy	FI	100%	Medtech
Triolab A/S	DK	100%	Labtech
Triolab Oy	FI	100%	Labtech
Triolab AB	SE	100%	Labtech
Triolab (Baltics) OU	EE	100%	Labtech
LabRobot Products AB	SE	100%	Labtech
Bergman Labora AB	SE	100%	Labtech
Food Diagnostics FDAB AB	SE	100%	Labtech
Biolin Scientific AB	SE	100%	Labtech
Biolin Scientific China	CN	100%	Labtech
Biolin Scientific Oy	FI	100%	Labtech
Biolin Scientific LTD	GB	100%	Labtech
Biolin Inc.	US	100%	Labtech
Elektra-Box Diagnostica AS	NO	100%	Labtech
Elektra-Box Diag Oy	FI	100%	Labtech
Holm & Halby A/S	DK	100%	Labtech
Immuno Diagnostics Oy	FI	100%	Labtech
Bergman Diagnostika AS	NO	100%	Labtech
BioNordika (Denmark) A/S	DK	100%	Labtech
BioNordika Bergman AS	NO	100%	Labtech
BioNordika (Sweden) AB	SE	100%	Labtech
BioNordika (Finland) Oy	FI	100%	Labtech

	Country	Ownership	Business area
AddLife AB	SE		
Biomedica Holding G.m.b.H	AT	100%	Labtech/Medtech
Biomedica Medizinprodukte G.m.b.H.	AT	100%	Labtech/Medtech
Biomedica Services AG	SW	100%	Labtech/Medtech
Biomedica Medizintechnik AG	SW	100%	Labtech/Medtech
Euromed Swiss AG	SW	80%	Labtech/Medtech
Biomedis d.o.o.	SL	100%	Labtech/Medtech
Biomedica MP d.o.o.	SER	100%	Labtech/Medtech
Biomedica Dijagnostika doo	CR	100%	Labtech/Medtech
Biomedica d.o.o.	BO/HE	100%	Labtech/Medtech
Biomedica Bulgaria ood	BU	100%	Labtech/Medtech
CYBER s.r.o.	RO	100%	Labtech/Medtech
Biomedica Medizinprodukte Romania SRL	RO	100%	Labtech/Medtech
Biomedica Hungaria Kft.	HU	100%	Labtech/Medtech
Biomedica CS s.r.o.	CZ	100%	Labtech/Medtech
Biomedica Poland Sp. Zo.o.	PL	100%	Labtech/Medtech
Biomedica Dijagnostika d.o.o.el	MA	100%	Labtech/Medtech
Bionet Inc. Corporat.	US	50%	Labtech/Medtech
Biomedica Slovaki s.r.o.	SL	80%	Labtech/Medtech
Hepa Was GmbH	GR	1.566%	Labtech/Medtech

Material acquisitions

Acquisition agreement for Biomedica

On 21 December 2018 AddLife acquired all shares in Biomedica Medizinprodukte GmbH (“Biomedica”), including its subsidiaries. The purchase consideration was paid to about 75 percent through available money and to about 25 percent through newly issued shares in AddLife. Sellers through direct and indirect holdings were Herbert Kejda, Dr. Stefan Marenzi, Douglas Marenzi, Mag. Philipp Marenzi, PUKA Privatstiftung and HADRIAN Privatstiftung. The share purchase agreement contains customary warranties from the sellers as well as liability limitations for the sellers.

Biomedica delivers products and services within laboratory technology and medical technology primarily to publicly funded healthcare services. During the financial year 2017/2018 Biomedica’s sales amounted to about EUR 65 million (SEK 635 million) with an operating profit of about EUR 4.7 million (SEK 45 million)¹⁾. The company has about 280 employees and its headquarters are located in Vienna, Austria. Biomedica is driven on a decentralised basis through its own subsidiaries by a responsible CEO who reports directly to management. Biomedica’s current CEO, along with its current major owner and executive CEO will continue their involvement in the Group for a minimum of five (5) years and at the same time will become a major shareholder in AddLife. Through the Biomedica-acquisition AddLife has established a strong base in Central and Eastern Europe and expanded its geographic domestic market from including a population of about 32 million to about 164 million people. For more information on the Biomedica-acquisition see the sections “*Description of AddLife after the Biomedica-acquisition*” and “*Pro forma financial statement*”.

In addition to the above acquisition, AddLife acquired a number of companies over the course of 2016 to 2018 that individually were considered to have only a marginal impact on the value of the AddLife share, including:

Acquisition agreement for business in Wellspect HealthCare

On 19 December 2018, Addlife signed an agreement with Wellspect HealthCare to acquire their business in the product areas of surgery and respiration. The total purchase price for the business, which primarily comprises product rights, inventories and existing customer and supplier contracts, amounts to EUR 18 million. The purchase consideration will be paid to 100 percent through available money. Eight (8) of Wellspect HealthCare’s markets in Europe and Australia account for more than 90 percent of sales. The business will mainly be integrated into the subsidiaries Medioplast and Biomedica.

The acquisition is expected to be completed during the first quarter of 2019.

Acquisition agreement for Krabat AS

On 13 July 2017, AddLife signed an acquisition agreement for all shares in Krabat AS.

Acquisition agreement for the Hepro Group

On 22 February 2017, AddLife signed an acquisition agreement for all shares in the three (3) companies in the Hepro Group: Hepro AS, Mektron AS and Hepro Sverige AB.

1) Based on an average exchange rate of SEK/EUR 9.7484.

Acquisition agreement for TM Techno Medica AB

On 12 January 2017, AddLife signed an acquisition agreement for all shares in TM Techno Medica AB.

Acquisition agreement for Biolin Scientific AB

On 7 December 2016, AddLife signed an acquisition agreement for all shares in Biolin Scientific AB.

Acquisition agreement for Svan Care AB

On 3 October 2016, AddLife signed an acquisition agreement for all shares in Svan Care AB.

Acquisition agreement for V-Tech AB and Esthe-Tech AB

On 17 March 2016, AddLife signed an acquisition agreement for all shares in V-Tech AB and Esthe-Tech AB.

Material contracts**Customers, distributors and suppliers**

The Group's customer agreements, distribution agreements and supply agreements are related to the day-to-day business. No individual customer or supplier is essential for the conduction of the Group's business.

Shareholders' agreement

As far as the Company's board of directors is aware, there are no shareholder agreements or other agreements between the Company's shareholders which aim to jointly influence the Company. Nor is the Company aware of any agreements of similar that could lead to a change in control over the Company.

Financial agreements

On 8 February 2016, AddLife signed a credit agreement with Handelsbanken. In January 2017 AddLife extended the credit agreement for an overdraft facility of SEK 450 million which runs until 31 December 2017. The credit agreement with Handelsbanken was extended once again in January 2018 which runs until 31 December 2018. The agreement was subsequently extended once again in January 2019. In connection with the latest extension the overdraft facility with Handelsbanken was increased with SEK 250 million to a total of SEK 700 million that runs to the 28 February 2020. At the time of the Prospectus, the utilised overdraft facility amounts to about SEK 385 million.

In addition, in March 2017 AddLife entered into an agreement with Danske Bank for a two (2)-year credit facility of SEK 300 million with an option to extend it for a maximum of two (2) more years (up to and including March 2021). At the time of the Prospectus, the utilised credit amounts to SEK 100 million.

Both of these facilities include customary financial covenants relating to the Group's equity ratio and interest coverage ratio. No collateral has been pledged.

In addition to the two (2) credit facilities mentioned above, on 20 December 2018 AddLife signed one (1) other credit agreement with Handelsbanken of bridge loan equivalent to SEK 550 million that runs until 20 March 2019. In January 2019 AddLife redeemed SEK 250 million of the bridge loan which was financed

through utilisation of the overdraft facility. Redemption of the last SEK 300 million was financed through utilisation of existing credits in Handelsbanken and Danske Bank.

Handelsbanken has the right to, inter alia, terminate the loan prematurely if the Company's shares are delisted from Nasdaq Stockholm or if someone, through a public offer, attains a holding of at least 50 percent of the shares in the Company or controls at least 50 percent of the votes of the Company. As of the date of this Prospectus, the Company has not violated and is compliant with the prescribed conditions in the credit agreement. No assets have been pledged for the credit.

Danske Bank has the right to, inter alia, terminate the loan prematurely if the Company's shares are delisted from Nasdaq Stockholm or if someone, through a public offer, attains a holding of at least 30 percent of the shares in the Company or controls at least 30 percent of the votes of the Company. As of the date of this Prospectus, the Company has not violated and is compliant with the prescribed conditions in the credit agreement. No assets have been pledged for the credit.

Intellectual property rights

AddLife aims to actively protect its intellectual property rights in the jurisdictions in which the Group operates. This is done through, inter alia, the registration of intellectual property rights, through the continuous monitoring and through the fact that the Group may take legal action if deemed necessary. The Company believes that the Group has the essential intellectual property rights required for the business. AddLife has no knowledge of any violation, restriction or any similar circumstances that could risk affecting any significant intellectual property right.

Environmental issues

AddLife actively works to continually reduce the Group's direct and indirect environmental impact and environmental issues are covered by the Company's code of conduct. The Eco cycle focus and the conservation of natural resources is an important starting point for the Company's business and the environmental perspective shall be taken into consideration when making key decisions in order to create long-term value for the Company's customers, employees, shareholders as well as the community at large. The environmental work shall be conducted within the framework of the Company's business and be an integral part of the operational work. Ultimately, this includes taking into consideration the entire life cycle of the goods and services offered by the Company.

The Company aims for a comprehensive overall approach to environmental issues by, inter alia, developing the internal knowledge of the business' environmental effects. The Company further aims to take environmental measures as far as it is technically possible, economically reasonable and environmentally justified. AddLife's suppliers shall be encouraged to operate in line with AddLife's code of conduct and must be aware of and comply with national legislation, regulations and industry standards.

The business conducted by the Group is currently not carried out at an extent or in a way that it, according to the Swedish Environmental Code (1998:808) or similar legislation in other jurisdictions where the Company operates, requires a permit for the

conduction of environmentally hazardous activities. The Group's business is conducted in a way that it does not involve the risk of significant pollutions or other significant harm to human health or the environment.

Disputes

The Group is not, nor has it been, a party in any legal proceedings or arbitration procedures over the past twelve (12) months that have had or could be deemed to have a material effect on the AddLife's financial position or profitability.

Permits

AddLife has made the assessment that the Group has all major permits required to conduct its business.

Insurances

The Company is of the opinion that their insurances are in line with other companies within the same industry and that their insurances are sufficient with regards to the risks which normally are associated with the Company's business. There is however no guarantee that the Company will not suffer losses that are not covered by their insurances.

Transactions with related parties

No director, senior manager or any other person that is considered to be a related party under the applicable rules has, as of today or during the period covered by the historical financial information, that is 1 April 2015 up to and including 30 September 2018, had any direct or indirect participation in any business transaction with the Company that is, or was, unusual in its character or its conditions. AddLife has during this period not granted any loans or issued any guarantees to, or on the behalf of, any of these individuals or companies.

AddLife's two (2) largest shareholders by votes, Tom Hedelius and RoosGruppen AB, together with Swedbank Robur, Odin fonder, Skandia and Lannebo Fonder, which together hold shares representing¹⁾ about 50 percent of the votes and about 35 percent of the share capital have expressed their support for the planned Issue and intends to subscribe for their pro rata share of the Issue. In addition, the principal shareholders in Biomedica have also expressed their support for the planned Issue and their intention to subscribe for their pro rata share of the Issue.

In conjunction with the Biomedica-acquisition the sellers received shares in the Company. Some of the sellers are also employees in the Group who have undertaken for a period of 24 months from the takeover date not to sell their shares or otherwise enter into transactions with similar effect without prior written consent from the Company.

Costs

AddLife's total costs for the Offering are expected to amount to about SEK ten (10) million. The costs are primarily attributable to the costs of financial advice, accountants, lawyers, printing of the Prospectus, etc.

Auditor review

Except for the Company's financial reports 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, as well as the interim report for the third quarter of 2018 and the pro forma financial statement, no information in the Prospectus has been reviewed or audited by the Company's auditor.

Interests of the advisors

Handelsbanken is the financial advisor to the Company in relation to the Issue. Handelsbanken receives an agreed compensation for services rendered in connection to the Issue. Besides this, Handelsbanken has no financial or other interests in the Issue.

Handelsbanken is also a lender to the Company; see the section "*Financial agreements*" above. Handelsbanken (and companies related to Handelsbanken) have provided and may in the future provide services within the framework of the regular business and in connection with other transactions to AddLife for which they have received, and may receive, compensation.

Declaration of intent

AddLife's two (2) largest shareholders by votes Tom Hedelius and RoosGruppen AB, along with Swedbank Robur, Odin Fonder, Skandia and Lannebo Fonder, which together hold shares representing²⁾ about 50 percent of votes and about 35 percent of share capital have expressed their intention to subscribe for their pro rata share of the Issue. In addition, the principal shareholders in Biomedica have also expressed their support for the planned Issue and their intention to subscribe for their pro rata share of the Issue.

Interests and conflicts of interest

A number of AddLife's shareholders have expressed their intention to subscribe for their pro rata shares in the Issue. No compensation will be paid to the shareholders for this commitment in the case they subscribe for shares in the Issue. In addition to these parties' interest that the Issue will be successfully conducted, there are no financial or other interests connected to the Issue.

No conflicts of interests are deemed to exist between the parties who, in accordance with the above, have financial or other interests in the Issue.

Market and industry information

The Prospectus contains specific market and industry information provided by third parties. Although the information has been accurately reproduced and the Company believes that the sources are reliable, the Company has not independently verified the information and thus its accuracy and completeness cannot be guaranteed. As far as AddLife is aware and can ascertain by comparing other information published by the sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. In some sections of the Prospectus AddLife's market position is described. This information is based on the Company's turnover in relation to the Company's evaluation of the current size of the market and competitors' turnover.

1) As of 31 December 2018 including changes known thereafter.

2) As of 31 December 2018 including changes known thereafter.

Potential official decisions with a negative impact

In addition to what is stated in the Prospectus, AddLife is not aware of any public, economical, fiscal, monetary or other political measures that, directly or indirectly, has materially affected or materially would affect the business of the Company.

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 reports and audit reports 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;
- financial report for the third quarter of 2018; and
- the Prospectus.

Articles of association, historical financial information, this Prospectus and other published information are available in electronic form on the Company's website, 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 51–53 published on 15 March 2016.

AddLife's financial report for the third quarter of 2018 also forms part of this Prospectus and should be read as part of it. The interim financial report for the period January – September 2018 (including comparative figures from the corresponding period 2017) is taken from AddLife's interim financial report for the third quarter of 2018. AddLife's interim financial report for the third quarter of 2018 has been cursory 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 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/>

Interim financial report for the third quarter of 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. 58–64), accounting policies (p. 58–59) 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), accounting policies (p. 7) and review report (p. 9).

Articles of Association

These Articles of Association were adopted at an extraordinary general meeting in AddLife AB (publ) held on 13 January 2016.

§1

The registered name of the company is AddLife AB. The company is a public company (publ).

§2

The object of the company's operations is to engage, by itself or through wholly or partly owned subsidiaries, in trading and in production of mainly medical equipment and products, and to conduct other operations compatible therewith.

§3

The registered office of the Board of Directors shall be in Stockholm.

§4

The company's share capital shall amount to not less than SEK 30,000,000 and not more than SEK 120,000,000.

§5

The company shall have not less than 15,000,000 shares and not more than 60,000,000 shares.

§6

The shares may be issued in two classes; designated Class A and Class B. Class A shares may be issued in a number corresponding to a maximum of 100 percent of company shares. Class B shares may be issued in a number corresponding to a maximum of 100 percent of company shares.

Each Class A share carries ten votes and each Class B share carries one vote at General Meetings.

All shares carry equal entitlement to participation in the company's assets and profit.

If the company decides to issue new Class A or B shares through a cash issue or a set-off issue, owners of Class A and Class B shares shall have preferential rights to the subscription of new shares of the same type in relation to the number of shares already held (primary preferential right). Shares not subscribed for on the basis of primary preferential rights shall be offered for subscription to all shareholders (subsidiary preferential right). If the number of shares offered in this manner is insufficient for subscription based on subsidiary preferential rights, the shares shall be distributed in relation to the number of shares already held and, to the extent that this is not possible, by lot.

If the company decides that new shares of either Class A or Class B alone shall be issued through a cash issue or a set-off issue, all shareholders, irrespective of whether they own Class A and Class B shares, shall have preferential rights to the subscription of new shares in relation to the number of shares already held.

In the event that the company issues warrants or convertibles through a cash issue or set-off issue, the shareholders have a preferential right to subscribe for warrants as if the issue was for shares that may come to be subscribed for due to the warrant, or due to the preferential right to subscribe for convertibles, as if the issue were for the shares that the convertibles may be exchanged for.

The aforementioned stipulation shall not constitute any infringement on the possibility to make a decision regarding a cash issue or a set-off issue in which the preferential rights of shareholders are waived.

If the share capital is increased through a stock dividend, new shares of each class shall be issued in relation to the number of shares of the same class already held. In such cases, shares of a specific class carry entitlement to new shares of the same class.

§7

At the request of owners of Class A shares, it shall be possible for Class A shares to be converted into Class B shares. A written request regarding conversion shall be submitted to the company's Board of Directors. The request shall stipulate the number of shares to be converted. The Board of Directors is obliged to address the matter of conversion of Class A into Class B shares within four months of receipt of such a request from an owner of Class A shares.

§8

The Board of Directors shall consist of not less than four (4) members and not more than six (6) members.

§9

For the purpose of examining the company's annual report and financial accounts, as well as the management of the Board of Directors and the Managing Director, a registered audit firm is to be elected.

§10

The company's financial year shall be 1 January to 31 December.

§11

The annual general meeting shall be held not later than during the month of June. The following items of business shall be addressed at the annual general meeting:

1. Election of a Chairman of the Meeting.
2. Preparation and approval of the list of shareholders entitled to vote at the Meeting.
3. Approval of the agenda proposed by the Board of Directors.
4. Election of one or two persons to approve the minutes.
5. Determination of whether the Meeting has been duly convened.
6. Presentation of the annual report and the auditors' report and, where applicable, of the consolidated financial accounts and the auditors' report on the consolidated financial accounts.
7. Motions regarding
 - a) adoption of the income statement and the balance sheet and, where applicable, the consolidated income statement and consolidated balance sheet;
 - b) allocation of the company's profit or loss as shown in the balance sheet adopted by the Meeting;
 - c) discharge of the members of the Board of Directors and of the President from personal liability for the financial year.
8. Determination of the number of Directors.
9. Determination of fees to be paid to the Board of Directors and to the auditor.
10. Election of Directors, and, where applicable, election of auditor.
11. Other business to be addressed by the Meeting in accordance with the Swedish Companies Act and the Articles of Association.

§12

Notice convening General Meetings shall be issued through announcement in the Swedish National Gazette (Sw. *Post- och Inrikes Tidningar*) as well as on the company's website. Announcement to the effect that a notice convening a General Meeting has been issued shall at the same time be made in Svenska Dagbladet.

§13

The Board of Directors may solicit proxies at the company's expense in accordance with the procedure set out in Chapter 7, Section 4, Paragraph 2 in the Swedish Companies Act (2005:551). Shareholders wishing to attend the Meeting must notify the company of their, as well as a maximum of two assistants, participation no later than the date stated in the notice of the General Meeting. This day may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and not occur earlier than the fifth weekday prior to the General Meeting.

§14

The company's shares shall be registered in a central securities depository register pursuant to the Swedish Financial Instruments Accounts Act (1998:1479).

Certain tax issues in Sweden

Below is a summary of certain tax consequences that may arise for individuals and limited liability companies in relation to the offer to subscribe for shares in the Company. The summary is based on current legislation and is intended only as general information for shareholders who are subject to unlimited tax liability in Sweden, unless otherwise stated. The summary is based on the fact that the shares in the Company are considered to be listed on the market for tax purposes, which is the case if the shares are admitted to trading on a regulated market. Nasdaq Stockholm is a regulated market. The summary does not cover securities held by partnerships or held as stock assets in business activities. Moreover, it does not cover the special rules regarding tax-free capital gains (including non-deductible capital loss) and dividends in the corporate sector that may be applicable when a shareholder holds securities of AddLife that are considered to be shares held for business purposes (participation exemption). Nor does it cover the special rules that may apply to holdings in companies that are or have been so-called closely held companies or securities acquired on the basis of so-called qualified shares in closely held companies. The summary also does not cover shares or other shareholder rights held in a so-called investment savings account (Sw. *ISK*) and subject to special rules on flat rate taxation. Special tax rules apply to certain types of taxpayers, such as investment funds, investment companies and insurance companies. The tax treatment of individual shareholders depends on their particular circumstances. It is therefore recommended that owners and holders of shares consult a tax advisor for information on the specific implications that may arise in the individual case, including the applicability and effect of foreign rules and tax treaties.

Shareholders who have unlimited tax liability in Sweden

In this case, “unlimited tax liability” refers to holders of shares or other securities who are (i) a natural person who is resident or is permanently living in Sweden or who has an essential connection with Sweden, or (ii) any legal entity registered in Sweden or whose board of directors is domiciled in Sweden if registration has not taken place.

Taxation of shares

Taxation on the divestment of shares

Natural persons

Natural persons who have unlimited tax liability in Sweden are taxed on the sale of shares in the Company for any profit as income from capital at a rate of 30 percent. Capital gains or capital loss is calculated as the difference between the sales proceeds, after deduction of any sales expenses, and the tax base value of the divested shares.

The average method is generally used when calculating the capital gains. According to this method, the tax base value of one share comprises the average tax base value of all shares of the same class and type. Upon the sale of listed shares, such as B-shares in the Company, the tax base value may alternatively be determined according to the standard method at a rate of 20 percent of the sales proceeds after deducting sales costs.

Capital losses on listed shares are fully deductible against taxable capital gains that arise during the same tax year on shares and other listed shareholder rights, except shares in unit trusts or special funds that only include Swedish receivables (fixed income funds). Capital losses on shares that cannot be offset in this way are 70 percent deductible against other income in the form of capital. To the extent a capital loss cannot be offset against capital gains, a tax reduction is allowed against municipal and state income tax, as well as property tax and municipal property tax. A tax reduction is allowed at a rate of 30 percent of the portion of the loss that is not greater than SEK 100,000 and 21 percent of the remaining portion. Such a loss cannot be carried forward to future tax years.

Legal persons

For limited liability companies and other legal entities other than estates, taxable capital gains are taxed as income from business operations at a tax rate of 21.4 percent for tax year 2019. Capital gains and losses are calculated in essentially the same manner as described above with respect to natural persons. A deduction for capital losses on shares or other shareholder rights is allowed only against taxable capital gains on such securities. If certain conditions are fulfilled, such capital losses may also be offset against capital gains in companies within the same group. Capital losses that cannot be utilised in a given year may be carried forward and deducted against taxable capital gains on shares and shareholder rights in subsequent years without limitation in time.

Taxation of dividends

Dividends on shares are usually taxable. Natural persons who have unlimited tax liability in Sweden are taxed as income from capital at a rate of 30 percent. Preliminary tax on dividends is usually withheld at a rate of 30 percent by Euroclear Sweden or by the trustee in the case of nominee-registered shares. AddLife is not responsible for any withholding tax being withheld. For limited liability companies and other legal persons dividends are taxed as income from business operations at 21.4 percent for the tax year 2019.

Taxation of subscription rights

Exercise of subscription rights

Exercise of subscription rights to subscribe for new shares does not trigger any taxation on capital gains. The cost of one new share is the issue price. Upon the sale of shares acquired through the exercise of subscription rights, the shareholder's tax base value for all shares of the same class and type shall be consolidated and calculated applying the average method. Any sums paid for subscription rights which are exercised in order to subscribe for new shares may be included when calculating the tax base value of the new shares.

Sale of received subscription rights

A capital gain on the sale of subscription rights acquired due to shareholdings in the Company shall be subject to capital gains tax. The standard method may not be used for such subscription rights. For calculation of the tax base value, the subscription rights shall be deemed to be purchased for SEK zero (0). The entire sales proceeds after deduction of sales costs are subject to taxation. The tax base value of the original shares is not affected.

If the received subscription rights constitute share-based securities held for business purposes, special rules apply.

Disposal of acquired subscription rights

A capital gain on the sale of acquired subscription rights acquired shall be subject to capital gains tax. If the sold subscription rights were purchased or otherwise acquired in exchange for consideration, the consideration constitutes the acquisition expense for these subscription rights. The tax base value of the subscription rights is generally calculated according to the average method. The standard method may be used for calculation of the tax base value for listed subscription rights acquired in this manner.

Regarding the right to make deductions for capital losses on listed subscription rights, corresponding rules apply as for capital losses on listed shares.

Expiration of subscription rights

A subscription right that is not exercised or sold, but rather expires, is deemed to be disposed for SEK zero (0).

Shareholders who have limited tax liability in Sweden

Shareholders subject to limited tax liability in Sweden and who do not engage in business from a permanent establishment in Sweden to which shares in Swedish companies can be allocated, may in some cases be subject to dividend withholding tax on dividends from Swedish limited liability companies. The tax rate is 30 percent but is generally reduced by tax treaties for the avoidance of double taxation between Sweden and certain other countries. Many of Sweden's tax treaties allow for a reduction of the Swedish withholding tax to the treaty rate directly at the time of distribution, as long as the required information about the shareholder who is entitled to receive dividends is available. In Sweden, the deduction of dividend withholding tax is usually effected by Euroclear Sweden or, for nominee-registered shares, by the nominee. If a 30 percent dividend withholding tax is withheld at the time of distribution to a person who has the right to be taxed at a lower rate or if dividend withholding tax has otherwise been withheld in an excessive amount, a refund may be requested from the Swedish Tax Agency (Sw. *Skatteverket*) before the end of the fifth calendar year following the distribution.

Shareholders with a limited tax liability in Sweden and whose holdings are not attributable to a permanent establishment in Sweden are usually not taxed in Sweden for capital gains on the disposal of shares or subscription rights. However, shareholders may be subject to taxation in their country of residence. According to a special rule, however, natural persons with limited tax liability in Sweden may be subject to Swedish taxation upon the sale of certain Swedish securities (such as shares and subscription rights) if at any time during the year of sale, or any of the ten (10) previous calendar years, the shareholder has been resident or lived permanently in Sweden. Applicability of this rule may be limited by tax treaties between Sweden and other countries.

Glossary

AddLife, the Company or the Group

AddLife AB (publ), the Group within which AddLife AB (publ) is the parent company, or a subsidiary in the Group, depending on the context.

Addtech

Addtech AB (publ) or the Group within which Addtech AB (publ) is the parent company.

Biomedica

Biomedica Medizinprodukte GmbH, reg. no FN 33709 y.

Biomedica-acquisition

Refers to the Company's acquisition of Biomedica as of 21 December 2018.

Biomedical research and laboratory analysis

Market segment within the Labtech business area.

Business area

AddLife's business are divided into the two business areas Labtech and Medtech.

Diagnostics

Market segment within the Labtech business area.

EBITA

Operating profit before amortisation of intangible assets.

EUR

Euro.

Euroclear

Euroclear Sweden AB.

Handelsbanken

Handelsbanken Capital Markets, part of Svenska Handelsbanken AB (publ), or Svenska Handelsbanken AB (publ) itself, depending on the context.

IFRS

International Financial Reporting Standards.

Issue

Issuance of shares in AddLife AB (publ) pursuant to this Offering.

Labtech

Business area including the market segments biomedical and research, laboratorial equipment as well as diagnostics.

Market Report

Market and business report on the Nordic Life Science market that AddLife commissioned from the independent consultancy firm Arthur D. Little in conjunction with AddLife's listing on Nasdaq Stockholm in 2016.

Market segment

AddLife's business areas are divided into different market segments (for example, diagnostics is a market segment in the Labtech business area).

Medtech

Business area including the medical technology market segment.

Nasdaq Stockholm

The regulated market operated by Nasdaq Stockholm AB.

NAV-procurements

Procurement with Norwegian Labor and Welfare Administration.

Offering

Offer to subscribe for shares in AddLife AB (publ) in accordance with this Prospectus.

Prospectus

The Prospectus (in Swedish).

Paid subscribed shares (BTA)

After subscription the subscription rights are removed from the subscriber's custody account/securities account (Sw. *VP-konto*) and replaced by paid subscribed shares (BTA). When the Issue is completed the paid subscribed shares are removed, and the real shares are entered in the custody account/securities account (Sw. *VP-konto*).

Securities Act

The currently applicable U.S. Securities Act from 1933.

SEK

Swedish kronor.

Subscription period

The period during which applications for subscription of shares can be made.

Subscription rights

Financial instruments that entitle the holder to preferential rights regarding the subscription of shares in AddLife in the Offering.

Swedish Companies Act

Swedish Companies Act (2005:551).

The Code

Swedish Corporate Governance Code.

USD

US dollars.

Addresses

The Company

AddLife AB
+46 (0)8-420 038 30
Birger Jarlgatan 43
Box 3145
SE-103 62 Stockholm
Sweden

Financial advisor

Handelsbanken Capital Markets
Blasieholmstorg 11
SE-106 70 Stockholm
Sweden

Auditor

KPMG AB
Box 382
SE-101 27 Stockholm
Sweden

Legal advisor

Advokatfirman Delphi
Box 1432
SE-111 84 Stockholm
Sweden

This page is intentionally left blank.

