Interim Report 1 January – 30 June 2021

Strong growth both organic and through acquisitions

1 APRIL – 30 JUNE 2021 (3 MONTHS)

83 %
EBITA GROWTH
Q2 2021

- Net sales increased by 82 percent to SEK 2,276m (1,248), of which organic growth amounted to 22 percent and acquired growth amounted to 63 percent.
- EBITA increased by 83 percent to SEK 332m (181), corresponding to an EBITA-margin of 14.6 percent (14.5). Transaction costs and stamp duty of SEK 53m has been charged to the result.
- Profit after tax increased by 49 percent to SEK 178m (120).
- Earnings per share amounted to SEK 1.47 (1.07).
- Cash flow from operating activities amounted to SEK 200m (128).
- Two acquisitions were completed during the quarter, Vision Ophthalmology Group and Helathcare 21. The acquisitions are expected to add annual net sales of SEK 2,400m and EBITA of approximately SEK 310m. The acquisitions have been financed through new credits, new share issue of Class B shares and existing shares held in treasury.

1 JANUARY – 30 JUNE 2021 (6 MONTHS)

658 SEKm
EBITA 6m
(+129%)

115 %
P/WC

- Net sales increased by 74 percent to SEK 4,012m (2,301), of which organic growth amounted to 37 percent and acquired growth amounted to 42 percent.
- EBITA increased by 129 percent to SEK 658m (287), corresponding to an EBITA-margin of 16.4 percent (12.5).
- Profit after tax increased by 133 percent to SEK 404m (174).
- Earnings per share amounted to SEK 3.46 (1.55). Earnings per share for the last 12 months amounted to SEK 6.55 (4.63).
- Cash flow from operating activities amounted to SEK 384m (208).
- The equity ratio was 38 percent (46).
- Return on working capital (P/WC) amounted to 115 percent (122).

	3 months ending			6 months ending			12 months ending	
SEKm	**30 Jun 21**	**30 Jun 20**	**change**	**30 Jun 21**	**30 Jun 20**	**change**	**30 Jun 21**	**31 Dec 20**
Net sales	2,276	1,248	82%	4,012	2,301	74%	6,984	5,273
EBITA	332	181	83%	658	287	129%	1,173	802
EBITA-margin, %	14.6%	14.5%		16.4%	12.5%		16.8%	15.2%
Profit before tax	237	149	61%	524	218	141%	965	659
Profit for the period	178	120	49%	404	174	133%	750	520
Earnings per share before dilution, SEK	1.47	1.07	37%	3.46	1.55	123%	6.55	4.63
Earnings per share after dilution, SEK	1.46	1.06	38%	3.44	1.55	122%	6.51	4.61

ADDLIFE IN BRIEF

AddLife is an independent provider in Life Science that offers high-quality products, services and advice to both the private and public sector in Europe. The Group is divided into two business areas: Labtech and Medtech. The Group comprises some 70 operating subsidiaries that provide equipment, instruments, medical devices and reagents, as well as advice and technical support to customers primarily in healthcare, research and academia, along with the food and pharmaceutical industries.

CONFERENCE CALL

Investors, analysts and the media are invited to a conference call where CEO Kristina Willgård and CFO Martin Almgren will present the interim report. The presentation will be held in English and takes about 20 minutes, after which there will be an opportunity to ask questions. It will be recorded and made available online. If this is your first time using Teams, you will be asked to download an app.

The teleconference will be at 10:00 a.m. on 15 July 2021
If you wish to participate via teleconference, **please follow this link>>**
Or call in (only sound) +46 8 505 376 58 Conferens-ID: 321 695 644#

The presentation is also available on **AddLife YouTube >>**

Comments by the CEO



The COVID-19 pandemic has not yet released its grip on the way we live, work and socialise. Shutdowns and various restrictions are still a reality. The virus continues to spread and new mutations are detected, though during the quarter the proportion of severely ill people decreased while vaccination rates increased. We probably all have high hopes of returning to a more normal life soon. At AddLife, we continue our work to contribute to health services and improve people's lives in various ways.

Net sales in the second quarter increased by 82 percent to SEK 2,276 million. Growth through acquisitions was 63 percent and organic growth was 22 percent. COVID-19 related sales accounted for SEK 710 million and organic growth excluding COVID-19 amounted to 7 percent. COVID-19 related sales have followed the trend of the spread of the disease and were high in April, but then gradually declined in May and June. EBITA increased by 83 percent to SEK 332 million and EBITA margin amounted to 14.6 percent. Transaction costs, including stamp duty related to acquired shares, of SEK 53 million, has been charged to the result in the quarter. EBITA excluding transaction costs amounted to SEK 385 million with an EBITA margin of 16.9 percent. Accumulated for the entire interim period, sales increased by 74 percent to SEK 4,012 million and EBITA earnings increased by 129 percent to SEK 658 million.

In April, we completed our largest acquisitions to date: Healthcare 21 and Vision Ophthalmology Group. The acquisitions are expected to increase our annual sales by approximately SEK 2.4 billion. The acquired companies belong to the Medtech business area and form separate subgroups with existing management. Extensive efforts are underway to integrate the companies and in June we held the first Vision and Corporate Philosophy courses. The acquisitions entail opportunities to broaden AddLife's network, strengthen our supplier relationships and increase opportunities to sell our own products in new markets.

The acquisitions make AddLife a true European player with more than half of net sales in markets outside the Nordic region. In June, we also set up a subsidiary in Spain to sell our own Medtech products. We will now have access to larger markets, more customers and more segments. All together, our new European base provides enhanced opportunities for continued organic and acquisition-driven growth as a niche Life Science company in Europe. In order to increase our focus on acquisitions, we have strengthened our group management with Ulrika Hellman as Head of M&A.

The acquisitions make AddLife a true European player with more than half of net sales in markets outside the Nordic region. We will now have access to larger markets, more customers and more segments.

The business situation and demand from customers in the second quarter continued to be strongly influenced by the pandemic. Shutdowns in several countries have been eased step by step, thanks to to fewer critically ill COVID-19 patients, the pressure on hospital intensive care units has decreased during the quarter. Queues for surgical procedures are long and the resumption of elective surgery is relatively slow in many countries. We expect health services to further increase their activities after the summer to take care of the patients still waiting for various surgeries.

Demand remained strong in Labtech. Sales of COVID-19 tests in our diagnostics companies for use with previously installed instruments were high. Future volumes will depend on the development of the pandemic and changed testing requirements to gradually restart society. Our research companies also had a strong quarter in terms of sales, since activity related to virus research was high. Demand from pharmaceutical customers not focusing on COVID-19 was stable and sales of our own advanced analytical instruments made good progress during the quarter.

The strong growth in Medtech is driven by our acquisitions and our newly acquired companies delivered fully in line with expectations. The lower activity in all markets regarding various treatments, and especially in terms of elective surgery, was offset in the quarter by sales of other medical devices. Our home care companies reported delays in testing and installing products at customers's site at the beginning of the quarter, but these opportunities have grown with every passing month.

In conclusion, we sum up another successful quarter for AddLife. Our dedicated employees are doing a fantastic job every day. We continue our growth journey through a strong commitment to the vision of improving people's lives!



Kristina Willgård

President and CEO

Group development in the quarter

Net sales in the quarter increased by 82 percent to SEK 2,276m (1,248). Organic growth was 22 percent and acquired growth totalled 63 percent. Exchange rate changes had a negative impact on net sales of 3 percent, corresponding to SEK 37m. Net sales related to COVID-19 accounted for SEK 710m (355) and organic growth, excluding COVID-19 amounted to 7 percent. EBITA increased by 83 percent to SEK 332m (181) and EBITA-margin amounted to 14.6 percent (14.5). Transaction costs amounting to SEK 29m and stamp duty of SEK 24m related to acquired shares is included in the result. EBITA excluding acquisition-related costs amounted to SEK 385m with an EBITA margin of 16.9 percent. The higher margin is due increased volumes and continued restrained costs. Exchange rate changes had a negative effect on EBITA, corresponding to SEK 5m.

Net financial items amounted to SEK -16m (-2) and profit after financial items amounted to SEK 237m (149). The increased negative net financial items is due to interest costs related to the acquisitions in the quarter. Profit after tax for the quarter increased with 49 percent amounting to SEK 178m (120) and the effective tax rate was 25 percent (21). The tax increase is due to non-deductible transaction related costs.

Group development in the interim period

Net sales in the interim period increased by 74 percent to SEK 4,012m (2,301). Organic growth was 37 percent and acquired growth totalled 42 percent. Exchange rate changes had a negative impact on net sales of 5 percent, corresponding to SEK 109m. Net sales related to COVID-19 accounted for SEK 1,330m (385) and organic growth, excluding COVID-19 amounted to 6 percent. EBITA increased by 129 percent to SEK 658m (287) and EBITA-margin amounted to 16.4 percent (12.5). The higher margin is due increased volumes and continued restrained costs. Exchange rate changes had a negative effect on EBITA, corresponding to SEK 20m.

Net financial items amounted to SEK -20m (-7) and profit after financial items amounted to SEK 524m (218). The increased negative net financial items is due to interest costs related to the acquisitions in the quarter. Profit after tax increased with 133 percent amounting to SEK 404m (174) and the effective tax rate was 23 percent (20). The tax increase is due to non-deductible transaction related costs.

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Financial position and cash flow

At the end of the interim period, the equity ratio stood at 38 percent (46). Equity per share totalled SEK 32.10 (16.73) and the return on equity at the end of the interim period was 33 percent (31). Return on working capital, P/WC (EBITA in relation to working capital) amounted to 115 percent (103). The increase is mainly due to the increased EBITA result but is but counteracted by the increased working capital, mainly trade receivables.

The Group's interest-bearing net debt at the end of the interim period totalled SEK 4,012m (700), including pension liabilities of SEK 77m (80) and leasing liabilities of SEK 350m (215). The net debt/equity ratio, calculated on the basis of net debt including provisions for pensions and leasing liability, totalled 1.0 compared to 0.4 at the beginning of the financial period.

Cash and cash equivalents, consisting of cash and bank balances, together with approved but non-utilised credit facilities, totalled SEK 534m (1,006) on 30 June 2021. The decrease is due to the financing of the acquisitions in the quarter.

Cash flow from operating activities reached SEK 384m (208) during the interim period. The increase is due to the strong result but is counteracted by increased tied-up working capital, especially trade receivables. Acquisitions of companies amounted to SEK 2,514m (66). Investments in non-current assets during the interim period amounted to SEK 64m (39). Disposals of non-current assets amounted to SEK 3m (4). Repurchase of treasury shares amounted to SEK 0m (31). Exercised, issued and repurchased call options amounted to SEK -5m (32). Dividend paid amounted to SEK 183m (0).

Long term financial goals

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Acquisitions

Acquisitions completed from the 2020 financial year are distributed among the Group's business areas as follows:

Acquisitions	Time	Net Sales, SEKm*	Number of employees*	Business area
EuroClone S.p.A, Italy	January 2020	280	58	Labtech
TechniPro PulvoMed Pty Ltd, Australia	September, 2020	13	5	Medtech
Ropox A/S, Denmark	October, 2020	95	73	Medtech
Dach Medical Group Holding AG, Austria	October, 2020	145	23	Medtech
Zafe Care Systems AB, Sweden	October, 2020	35	21	Medtech
Biomedica Italia s.r.l (SIAD Healthcare), Italy	December, 2020	80	17	Medtech
Vision Ophthalmology Group GmbH, Germany	April, 2021	700	190	Medtech
Healthcare 21 Group, Ireland	April, 2021	1,700	450	Medtech
		3,048	**837**	

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

Two acquisitions were completed during the interim period:

On April 7, 2021, all shares was acquired in Vision Ophthalmology Group GmbH (VOG), a leading European distributor and manufacturer of ophthalmology and eye surgery products, with operations in Switzerland, Germany, the United Kingdom and Poland. The deal closed on April 8, 2021 and VOG is consolidated into AddLife from this date. The initial purchase price was EUR 165m, 50 percent of which was paid in cash and 50 percent was paid via existing repurchased and newly issued class B shares. The number of shares issued totalled 5,362,216 class B shares, of which 3,862,216 shares were newly issued class B shares and 1,500,000 class B shares were existing shares held in treasury. An additional cash purchase price of a maximum of EUR 18m may become payable by 2024 at the latest, based on financial results achieved by the business through 2023.

On April 12, 2021, another acquisition, Healthcare 21 Group, a leading independent life science distributor with operations in Ireland and the UK, was completed. Access to the shares took place on the same day as the acquisition date and HC21 is consolidated from this date. The initial purchase price was EUR 240m, 74 percent of which was paid in cash, financed through existing and expanded credit facilities, and approximately 26 percent was paid for using 4,089,742 newly issued class B shares in AddLife. An additional cash consideration of a maximum of EUR 5m may become payable to the management by 2024 at the latest, based on the financial results achieved by the business through 2023.

The effect of the acquisitions on the AddLife Group's net sales was SEK 587m, on EBITA SEK 69m, on operating profit SEK 25m and on profit after tax for the interim period SEK 13m. Had the acquistions, been completed on January 1, 2021, their impact would have been aproximately SEK 1,223m on net sales, on EBITA SEK 166m and on operating profit SEK 80m and SEK 49m on profit after tax.

The fair value of not yet paid contingent consideration for acquisitions made during the interim period is calculated to SEK 213m, which is approximately 98 percent of the maximum outcome. The outcome depends on the results achieved in the companies and has a set maximum level. An additional contingent consideration of SEK 6m has been paid during the interim period regarding the acquisition of Euroclone during year 2020.

According to the preliminary acquisition analyses, the assets and liabilities included in the acquisitions carried out during the interim period 2021 were as follows:

Fair value	Vision Ophthalmology Group	Healthcare 21 Group	Total
Intangible non-current assets	821	890	1,711
Other non-current assets	54	163	217
Inventories	139	405	544
Other current assets	204	266	470
Deferred tax liability/tax asset	-163	-157	-320
Other liabilities	-268	-923	-1,191
Acquired net assets	787	644	1,431
Goodwill	1,232	2,002	3,234
Consideration[1]	2,019	2,646	4,665
Less: cash and cash equivalents in acquired businesses	-67	-47	-114
Less: Consideration paid with shares	-1,004	-802	-1,806
Contingent consideration not yet paid	-187	-46	-233
Effect on the Group's cash and cash equivalents	**761**	**1,751**	**2,512**

[1] The consideration is stated excluding acquisition expenses.

Transaction costs for the acquisitions totalled SEK 53m and are recognised as selling expenses. Revaluation of liabilities for contingent consideration added costs of SEK 2m during the interim period, which is recognised as other operating costs.

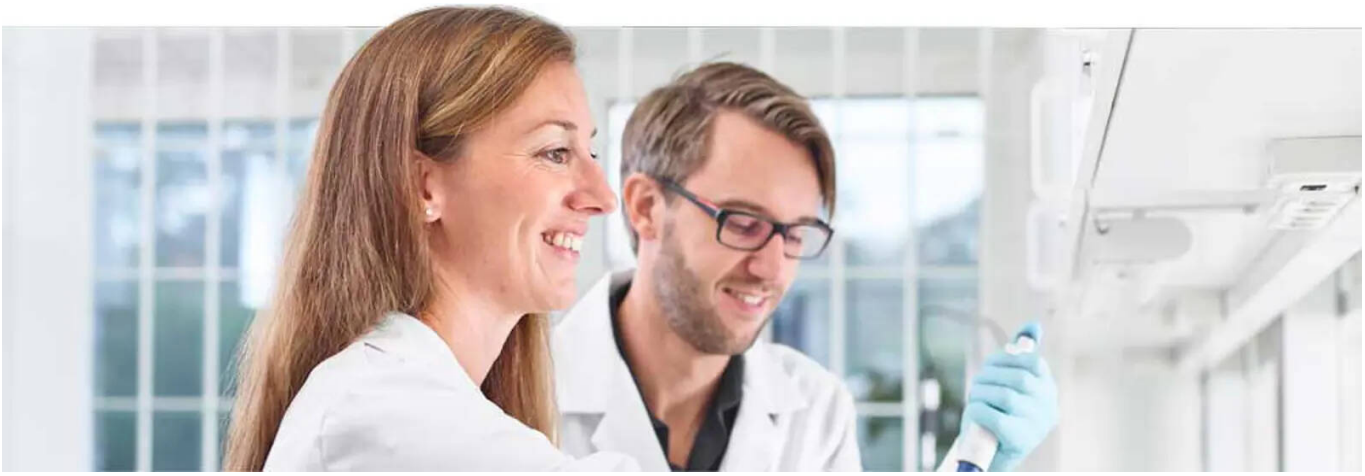
Employees

At the end of the interim period, the number of employees was 1,744, compared to 1,112 at the beginning of the financial year. During the interim period, the acquisitions have led to an increase of 640 employees. The average number of employees for the last 12–month period was 1,191 (949).

Labtech

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

As of April 1, 2021, the Biomedica companies are included as a whole in the business area Labtech. The aim is that such an allocation is more consistent with how the companies are monitored internally and will better capture the growth opportunities in the companies. All key financial indicators have been recalculated in accordance with the new breakdown. Previously, the Biomedica companies were distributed with 60 percent in Labtech and 40 percent in Medtech.



	3 months ending			6 months ending			12 months ending	
MSEK	**30 Jun 21**	**30 Jun 20**	**change**	**30 Jun 21**	**30 Jun 20**	**change**	**30 Jun 21**	**31 Dec 20**
Net sales	1,169	821	43%	2,394	1,509	59%	4,504	3,619
EBITA	280	125	123%	556	203	174%	975	622
EBITA-margin, %	23.9%	15.3%		23.2%	13.4%		21.6%	17.2%

Labtech's net sales increased by 43 percent in the second quarter to SEK 1,169m (821), which is entirely organic growth, however exchange rate changes had a negative impact of 3 percent. Net sales related to COVID-19 accounted for SEK 570m and organic growth, excluding COVID-19 amounted to 10 percent. EBITA increased by 123 percent to SEK 280m (125), corresponding to an EBITA-margin of 23.9 percent (15.3).

Labtech's net sales increased by 59 percent in the interim period to SEK 2,394m (1,509), which is entirely organic growth, however exchange rate changes had a negative impact of 6 percent. Net sales related to COVID-19 accounted for SEK 1,110m and organic growth, excluding COVID-19 amounted to 9 percent. EBITA increased by 174 percent to SEK 556m (203), corresponding to an EBITA-margin of 23.2 percent (13.4).

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The Labtech business area reports a very strong second quarter, driven by continued high demand related to COVID-19. The spread of the third wave of the disease fell sharply throughout Europe in the middle of the quarter, and sales of COVID-19 related products therefore gradually declined in May and June. As the number of new cases drops, the opportunities to meet with customers and provide service and training are increasing.

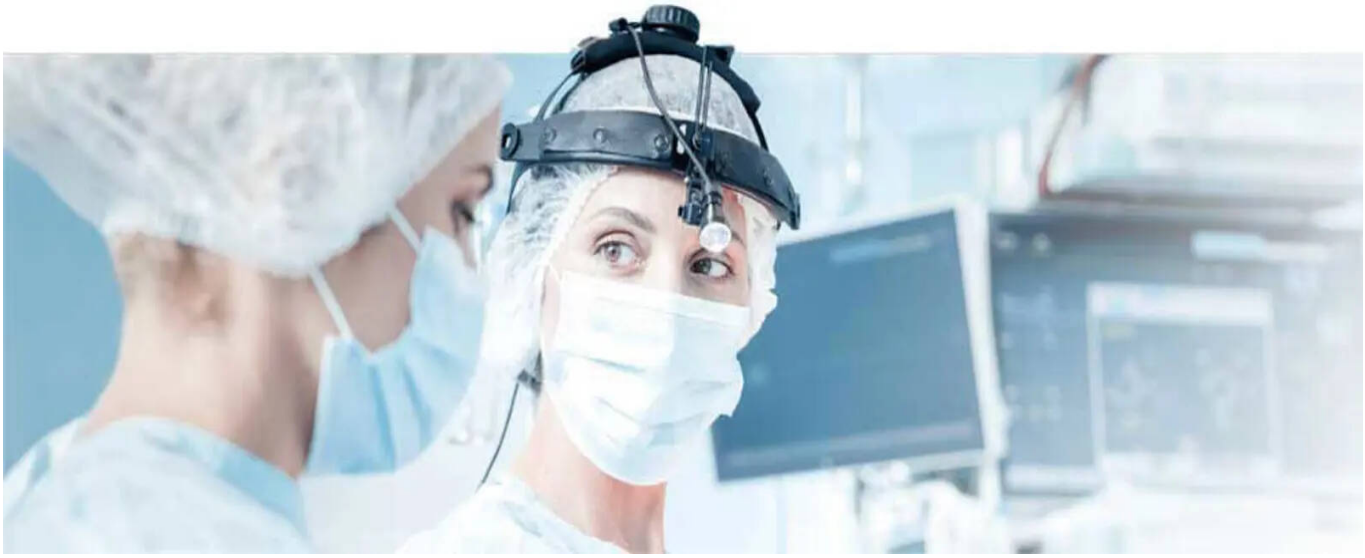
Overall, sales in our diagnostics companies have been very high for COVID-19 PCR tests on previously installed instruments, especially in our companies in Sweden and Norway. Gradually, however, both volumes and prices of tests have declined in the quarter, which is most evident in Central and Eastern Europe. Future sales of COVID-19 tests are entirely dependent on the development of the pandemic, new mutations and changing requirements for testing in order to gradually restart society. What is clear, however, is that testing will continue for a long time and become more and more of a "routine test" for health services. Growth in the quarter excluding COVID-19 related sales was also strong. Sales of blood gas analysis reagents were at a high level overall in the quarter. As healthcare resources are reprioritised, demand has increased for tests in other areas, such as Alzheimer's, genetics and oncology.

Our research companies also had a strong quarter in terms of sales, since virus research activity is high with strong demand for products for gene sequencing of new COVID-19 mutations. Demand from our pharmaceutical customers who do not focus on COVID-19 is more normal and sales are stable. In general, many customers have postponed their investment decisions because of the pandemic. We do not consider such business to be lost, but rather it has been delayed. A very positive trend in the quarter is that sales of our own advanced instruments started up again and were high, especially in the US, Europe and Asia outside China.

Medtech

Companies in the Medtech business provides medical device products within the medtech market and assistive equipment within home healthcare.

As of April 1, 2021, the Biomedica companies are included as a whole in the business area Labtech. The aim is that such an allocation is more consistent with how the companies are monitored internally and will better capture the growth opportunities in the companies. All key financial indicators have been recalculated in accordance with the new breakdown. Previously, the Biomedica companies were distributed with 60 percent in Labtech and 40 percent in Medtech.



	3 months ending			6 months ending			12 months ending	
MSEK	**30 Jun 21**	**30 Jun 20**	**change**	**30 Jun 21**	**30 Jun 20**	**change**	**30 Jun 21**	**31 Dec 20**
Net sales	1,108	428	159%	1,620	795	104%	2,484	1,659
EBITA	57	59	-3%	107	90	19%	213	196
EBITA-margin, %	5.1%	13.8%		6.6%	11.3%		8.6%	11.8%

For the quarter, Medtech's net sales increased by 159 percent to SEK 1,108m (428), including organic growth of -24 percent and acquired growth of 185 percent, while exchange rate fluctuations had a negative impact of 2 percent. Net sales related to COVID-19 accounted for SEK 140m and organic growth, excluding COVID-19 increased with 1 percent. EBITA decreased by 3 percent to SEK 57m (59) and EBITA margin amounted to 5.1 percent (13.8). Transaction costs of SEK 29m and stamp duty of SEK 24m related to the acquisitions of shares have been charged to the result. EBITA excluding acquisition-related costs amounted to SEK 110m, corresponding to an EBITA margin of 9.9 percent.

For the interim period, Medtech's net sales increased by 104 percent to SEK 1,620m (795), including organic growth of -16 percent and acquired growth of 123 percent, while exchange rate fluctuations had a negative impact of 3 percent. Net sales related to COVID-19 accounted for SEK 220m and organic growth, excluding COVID-19 decreased with 2 percent. EBITA rose 19 percent to SEK 107m (90) and EBITA margin amounted to 6.6 percent (11.3).

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The Medtech business reported very strong sales growth, driven primarily by the acquisitions of Healthcare21 and Vision Ophthalmology Group. Reported EBITA is slightly lower than last year and includes SEK 53 million in acquisition costs.

The strong growth in Medtech is driven by the acquisitions we made in the quarter, as well as in the autumn of 2020. The pandemic has had a strong impact on the development of the companies. Sales of COVID-19 related products have continued in Central Europe, but not in the Nordics, and is on par with the corresponding quarter last year. The pandemic has generally posed challenges for our companies in terms of increased freight costs, raw material shortages resulting in higher prices and supply chain disruptions, especially from Asia.

Restrictions have gradually been lifted in several countries this quarter and hospital intensive care units have fewer and fewer critically ill COVID-19 patients. Hospitals are reallocating their resources to surgery again, but the resumption of elective surgery is relatively slow in many countries. For example, there are 860,000 people in Ireland and 2.3 million people in the UK in queue right now. The huge surgical backlog is challenging in all countries. We do not expect activities to really get started until after the summer. Consequently, sales of elective surgery products have remained at a lower level, but our companies have been able to compensate with sales of other medical devices for both critical care and general health services during the quarter.

For our home care companies, the opportunity to act in the market has increased as the spread of infection has decreased and senior housing facilities have opened up. The opportunity to carry out testing and installations has improved with every passing month. Overall, growth in the quarter has been strong compared with the corresponding quarter last year. We are seeing an increased investment willingness and more tenders have come out at the end of the quarter.

Net sales by business area

		2021				2020
Quarterly data, SEKm	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Labtech	1,169	1,225	1,283	827	821	688
Medtech	1,108	512	449	415	428	367
Group items	-1	-1	-1	-1	-1	-2
AddLife Group	**2,276**	**1,736**	**1,731**	**1,241**	**1,248**	**1,053**

EBITA by business area

		2021				2020
Quarterly data, SEKm	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Labtech	280	276	273	146	125	78
Medtech	57	50	49	57	59	31
Parent Company and Group items	-5	0	-6	-4	-3	-3
EBITA	**332**	**326**	**316**	**199**	**181**	**106**
Depreciation intangible assets	-79	-35	-38	-30	-30	-32
Operating profit	**253**	**291**	**278**	**169**	**151**	**74**
Finance income and expenses	-16	-4	-2	-4	-2	-5
Profit after financial items	**237**	**287**	**276**	**165**	**149**	**69**

As of April 1, 2021, the Biomedica companies are included as a whole in the business area Labtech. Previously, the Biomedica companies were distributed with 60 percent in Labtech and 40 percent in Medtech. All key financial indicators have been recalculated in accordance with the new breakdown.

Net sales by business area

	3 months ending			6 months ending			12 months ending	
SEKm	**30 Jun 21**	**%**	**30 Jun 20**	**30 Jun 21**	**%**	**30 Jun 20**	**30 Jun 21**	**31 Dec 20**
Labtech	1,169	43	821	2,394	59	1,509	4,504	3,619
Medtech	1,108	159	428	1,620	159	795	2,484	1,659
Group items	-1		-1	-2		-3	-4	-5
AddLife Group	**2,276**		**1,248**	**4,012**		**2,301**	**6,984**	**5,273**

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

	3 months ending				6 months ending				12 months ending			
SEKm	**30 Jun 21**	**%**	**30 Jun 20**	**%**	**30 Jun 21**	**%**	**30 Jun 20**	**%**	**30 Jun 21**	**%**	**31 Dec 20**	**%**
Labtech	280	23.9	125	15.3	556	23.2	203	13.4	975	21.6	622	17.2
Medtech	57	5.1	59	13.8	107	6.6	90	11.3	213	8.6	196	11.8
Parent Company and Group items	-5		-3		-5		-6		-15		-16	
EBITA	**332**	**14.6**	**181**	**14.5**	**658**	**16.4**	**287**	**12.5**	**1,173**	**16.8**	**802**	**15.2**
Depreciation intangible assets	-79		-30		-114		-62		-182		-130	
Operating profit	**253**	**11.1**	**151**	**12.1**	**544**	**13.6**	**225**	**9.8**	**991**	**14.2**	**672**	**12.8**
Finance income and expenses	-16		-2		-20		-7		-26		-13	
Profit after financial items	**237**		**149**		**524**		**218**		**965**		**659**	

Net sales by revenue type

	3 months ending		6 months ending		12 months ending	
SEKm	**30 Jun 21**	**30 Jun 20**	**30 Jun 21**	**30 Jun 20**	**30 Jun 21**	**31 Dec 20**
Products						
Labtech	986	613	1,991	1,131	3,522	2,662
Medtech	947	377	1,421	707	2,191	1,477
Group items	-1	-1	-2	-3	-4	-5
The Group	**1,932**	**989**	**3,410**	**1,835**	**5,709**	**4,134**
Instruments						
Labtech	140	164	312	277	791	756
Medtech	84	51	122	88	214	180
The Group	**224**	**215**	**434**	**365**	**1,005**	**936**
Service						
Labtech	44	44	91	101	191	201
Medtech	76	0	77	0	79	2
The Group	**120**	**44**	**168**	**101**	**270**	**203**
Total	**2,276**	**1,248**	**4,012**	**2,301**	**6,984**	**5,273**

As of April 1, 2021, the Biomedica companies are included as a whole in the business area Labtech. Previously, the Biomedica companies were distributed with 60 percent in Labtech and 40 percent in Medtech. All key financial indicators have been recalculated in accordance with the new breakdown.

Consolidated income statement, condensed

Income statement	3 months ending		6 months ending		12 months ending	
SEKm	**30 Jun 21**	**30 Jun 20**	**30 Jun 21**	**30 Jun 20**	**30 Jun 21**	**31 Dec 20**
Net sales	2,276	1,248	4,012	2,301	6,984	5,273
Cost of sales	-1,482	-836	-2,595	-1,520	-4,530	-3,455
Gross profit	**794**	**412**	**1,417**	**781**	**2,454**	**1,818**
Selling expenses	-438	-209	-701	-437	-1,138	-874
Administrative expenses	-102	-60	-171	-120	-324	-273
Research and Development	-10	-5	-18	-11	-31	-24
Other operating income and expenses	9	13	17	12	30	25
Operating profit	**253**	**151**	**544**	**225**	**991**	**672**
Financial income and expenses	-16	-2	-20	-7	-26	-13
Profit after financial items	**237**	**149**	**524**	**218**	**965**	**659**
Tax	-59	-29	-120	-44	-215	-139
Profit for the period	**178**	**120**	**404**	**174**	**750**	**520**
Attributable to:						
Equity holders of the Parent Company	*177*	*119*	*403*	*173*	*748*	*518*
Non-controlling interests	*1*	*1*	*1*	*1*	*2*	*2*
Earnings per share (EPS) before dilution, SEK	1.47	1.07	3.46	1.55	6.55	4.63
Earnings per share (EPS) after dilution, SEK	1.46	1.06	3.44	1.55	6.51	4.61
Average number of shares after repurchases, '000s	121,154	111,765	116,846	111,965	114,548	112,127
Number of shares at end of the period, '000	121,943	112,124	121,943	112,124	121,943	112,487
EBITA	332	181	658	287	1,173	802
Depreciations included in operating expenses						
- property, plant and equipment	-53	-36	-91	-71	-164	-144
- intangible non-current assets from acquisitions	-71	-27	-101	-54	-157	-110
- other intangible non-current assets	-8	-3	-13	-8	-25	-20

Statement of comprehensive income

	3 months ending		6 months ending		12 months ending	
SEKm	**30 Jun 21**	**30 Jun 20**	**30 Jun 21**	**30 Jun 20**	**30 Jun 21**	**31 Dec 20**
Profit for the period	**178**	**120**	**404**	**174**	**750**	**520**
Components that may be reclassified to profit for the period						
Foreign currency translation differences for the period	-44	-40	7	-30	-45	-82
Components that will not be reclassified to profit for the period						
Revaluations of defined benefit pension plans	6	–	6	–	1	-5
Tax attributable to items not to be reversed in profit or loss	-1	–	-1	–	0	1
Other comprehensive income	**-39**	**-40**	**12**	**-30**	**-44**	**-86**
Total comprehensive income	**139**	**80**	**416**	**144**	**706**	**434**
Attributable to:						
Equity holders of the Parent Company	*139*	*80*	*415*	*143*	*704*	*432*
Non-controlling interests	*0*	*0*	*1*	*1*	*2*	*2*

Consolidated Balance sheet, Condensed

SEKm	**30 Jun 21**	**31 Dec 20**	**30 Jun 20**
Goodwill	4,317	1,100	1,007
Other intangible non-current assets	2,518	903	800
Property, plant and equipment	627	434	370
Financial non-current assets	26	20	24
Total non-current assets	**7,488**	**2,457**	**2,201**
Inventories	1,175	640	563
Current receivables	1,310	837	779
Cash and cash equivalents	224	216	54
Total current assets	**2,709**	**1,693**	**1,396**
Total assets	**10,197**	**4,150**	**3,597**
Total equity	**3,919**	**1,890**	**1,619**
Interest-bearing provisions	107	110	106
Non-interest-bearing provisions	452	161	123
Non-current interest-bearing liabilities	813	242	188
Non-current non-interest-bearing liabilities	2	1	1
Total non-current liabilities	**1,374**	**514**	**418**
Non-interest-bearing provisions	12	9	7
Current interest-bearing liabilities	3,316	564	723
Current non-interest-bearing liabilities	1,576	1,173	830
Total current liabilities	**4,904**	**1,746**	**1,560**
Total equity and liabilities	**10,197**	**4,150**	**3,597**

Statement of change in Group equity

Statement of change in Group equity, SEKm	1 Jan 21 – 30 Jun 21 Equity excl. non-controlling interests	Non-controlling interests	Total equity	1 Jan 20 – 31 Dec 20 Equity excl. non-controlling interests	Non-controlling interests	Total equity
Amount at beginning of period	1,882	8	1,890	1,467	9	1,476
Non-cash issue	1,524	–	1,524	–	–	–
Exercised and issued call options	-5	–	-5	58	–	58
Repurchase of treasury shares	–	–	–	-31	–	-31
Disposal of treasury shares	281		281	12	–	12
Dividend	-183	-4	-187	-56	-3	-59
Non-controlling interests	–	0	0	–	0	0
Total comprehensive income	415	1	416	432	2	434
Amount at the end of the period	**3,914**	**5**	**3,919**	**1,882**	**8**	**1,890**

Cash flow statement, condensed

Cash flow statement, condensed	3 months ending		6 months ending		12 months ending	
SEKm	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20	30 Jun 21	31 Dec 20
Profit after financial items	238	149	525	218	966	659
Adjustment for items not included in cash flow	134	80	237	148	369	280
Income tax paid	-71	-12	-107	-32	-172	-97
Changes in working capital	-101	-89	-271	-126	-37	108
Cash flow from operating activities	**200**	**128**	**384**	**208**	**1,126**	**950**
Net investments in non-current assets	-37	-14	-64	-35	-113	-84
Acquisitions and disposals	-2,508	0	-2,514	-66	-2,781	-333
Cash flow from investing activities	**-2,545**	**-14**	**-2,578**	**-101**	**-2,894**	**-417**
Dividend paid to shareholders	-183	–	-183	–	-240	-57
Exercised and issued call options	-	32	-5	32	21	58
Repurchase of treasury shares	-	–	-	-31	0	-31
Other financing activities	2,398	-173	2,381	-147	2,174	-354
Cash flow from financing activities	**2,215**	**-141**	**2,193**	**-146**	**1,955**	**-384**
Cash flow for the period	-130	-27	-1	-39	187	149
Cash and cash equivalents at beginning of period	**364**	**90**	**216**	**99**	**54**	**99**
Exchange differences on cash and cash equivalents	-10	-9	9	-6	-17	-32
Cash and cash equivalents at end of the period	**224**	**54**	**224**	**54**	**224**	**216**

Key financial indicators

	30 Jun 21	31 Dec 20	30 Jun 20	31 Dec 19	31 Dec 18
	12 months up until				
Net sales, SEKm	6,984	5,273	4,091	3,479	2,482
EBITA, SEKm	1,173	802	454	305	245
EBITA margin, %	16.8%	15.2%	11.1%	8.8%	9.9%
Profit growth, EBITA, %	158%	163%	73%	25%	5%
Return on working capital (P/WC), %	115%	103%	67%	51%	62%
Profit for the period, SEKm	750	520	250	142	129
Return on equity, %	33%	31%	17%	10%	16%
Financial net liabilities, SEKm	4,012	700	963	902	882
Financial net liabilities/EBITDA, multiple	3.0	0.7	1.6	2.1	3.3
Net debt/equity ratio, multiple	1.0	0.4	0.6	0.6	0.9
Equity ratio, %	38%	46%	45%	45%	35%
Average number of employees	1,191	1,004	949	903	620
Number of employees at end of the period	1,744	1,112	985	932	873

Key indicators include IFRS 16 from 2019, previous comparative figures have not been restated.

Key ratio definitions can be found **here**.

Key financial indicators per share

	30 Jun 21	31 Dec 20	30 Jun 20	31 Dec 19	31 Dec 18
	12 months up until				
Earnings per share (EPS), SEK	6.55	4.63	2.23	1.28	1.29
Diluted EPS, SEK	6.51	4.61	2.22	1.28	1.29
Cash flow per share from operating activities, SEK	9.84	8.47	3.96	3.61	1.76
Shareholders' equity per share, SEK	32.10	16.73	14.34	13.07	9.08
Average number of shares after repurchases, '000s	114,548	112,127	112,154	111,083	100,458
Average number of shares adjusted for repurchases and dilution, '000s	115,305	112,652	112,441	111,297	100,458
Number of shares outstanding at end of the period, '000s	121,943	112,487	112,124	112,237	102,586

The number of shares from a historical perspective has been restated to take the bonus issue into account (i.e. the value of the subscription right) in the completed new share issue in 2019, as well as the share split (1:4) completed in May 2020 and has been used in all calculations of metrics for SEK per share. The conversion factor is 4.041.

Parent company

The Parent Company's net sales for the interim period amounted to SEK 26m (21) and profit after financial items amounted to SEK 8m (-1). At the end of the interim period, the Parent Company's net financial debt amounted to SEK 3,094m (575). The share capital at the end of the interim period was SEK 62m (58).

Income statement

	3 months ending		6 months ending		12 months ending	
SEKm	**30 Jun 21**	**30 Jun 20**	**30 Jun 21**	**30 Jun 20**	**30 Jun 21**	**31 Dec 20**
Net sales	12	10	26	21	46	41
Administrative expenses	-17	-15	-32	-28	-65	-61
Operating profit/loss	**-5**	**-5**	**-6**	**-7**	**-19**	**-20**
Interest income/expenses and similar items	12	5	14	6	17	9
Profit/loss after financial items	**7**	**0**	**8**	**-1**	**-2**	**-11**
Appropriations	–	–	–	–	135	135
Profit/loss before taxes	**7**	**0**	**8**	**-1**	**133**	**124**
Income tax expense	-1	0	-1	0	-27	-26
Profit/loss for the period	**6**	**0**	**7**	**-1**	**106**	**98**

Balance sheet

Balance sheet, SEKm	**30 Jun 21**	**31 Dec 20**	**30 Jun 20**
Intangible non-current assets	0	0	0
Tangible non-current assets	0	0	0
Non-current financial assets	6,693	2,100	2,026
Total non-current assets	**6,693**	**2,100**	**2,026**
Current receivables	184	343	134
Total current assets	**184**	**343**	**134**
Total assets	**6,877**	**2,443**	**2,160**
Equity	2,857	1,233	1,144
Untaxed reserves	96	96	56
Interest-bearing long-term liabilities	115	76	65
Non-interest-bearing long-term liabilities	1	1	4
Total long-term liabilities	**116**	**77**	**69**
Interest-bearing short-term liabilities	3,774	987	874
Non-interest-bearing short-term liabilities	34	50	17
Total short-term liabilities	**3,808**	**1,037**	**891**
Total equity and liabilities	**6,877**	**2,443**	**2,160**

Fair values on financial instruments

	30 Jun 21			31 Dec 20		
SEKm	**Carrying amount**	**Level 2**	**Level 3**	**Carrying amount**	**Level 2**	**Level 3**
Derivatives measured at fair value through profit or loss	0	0	–	0	0	–
Total financial assets at fair value per level	**0**	**0**	**–**	**0**	**0**	**–**
Derivatives measured at fair value through profit or loss	0	0	–	2	2	–
Contingent considerations	297	–	297	86	–	86
Total financial liabilities at fair value per level	**297**	**0**	**297**	**88**	**2**	**86**

The fair value and carrying amount are recognized in the balance sheet as shown in the table above.

For quoted securities, the fair value is determined on the basis of the asset's quoted price in an active market, level 1. As at the reporting date the Group had no items in this category. For currency contracts and embedded derivatives, the fair value is determined on the basis of observable market data, level 2. For contingent considerations, a cash-flow-based valuation is performed, which is not based on observable market data, level 3. For the Group's other financial assets and liabilities, fair value is estimated to be the same as the carrying amount.

Contingent considerations

	3 months ending		6 months ending		12 months ending	
SEKm	**30 Jun 21**	**30 jun 20**	**30 Jun 21**	**30 Jun 20**	**30 Jun 21**	**31 dec 20**
Carrying amount, opening balance	**83**	**18**	**86**	**18**	**31**	**18**
Acquisitions during the period	213	14	213	14	271	72
Consideration paid	–	–	-6	–	-6	–
Revaluation through profit or loss	2	–	2	–	3	1
Reversed through profit or loss	–	–	–	–	0	0
Interest expenses	2	–	3	–	3	0
Exchange differences	-3	-1	-1	-1	-5	-5
Carrying amount, closing balance	**297**	**31**	**297**	**31**	**297**	**86**

Pledged assets and contingent liabilities in the Group

SEKm	**30 Jun 21**	**31 Dec 20**	**30 Jun 20**
Contingent liabilities	41	41	43

Reconciliation key ratios

Return on equity	**Profit/loss after tax attributable to shareholders, as a percentage of shareholders' proportion of average equity.**		
	30 Jun 21	**31 Dec 20**	**30 Jun 20**
Profit/loss for the period (roll 12 months)	750	520	250
Average equity	2,261	1,683	1,547
Return on equity	**750/2,261=33%**	**520/1,683=31%**	**250/1,547=17%**
Return on working capital (P/WC)	**EBITA in relation to average working capital.**		
	30 Jun 21	**31 Dec 20**	**30 Jun 20**
EBITA	1,173	802	454
Average working capital (WC)	1,023	781	680
P/WC	**1,173/1,023=115%**	**802/781=103%**	**454/680=67%**
EBITA	**Operating profit before amortization of intangible assets.**		
	30 Jun 21	**31 Dec 20**	**30 Jun 20**
Operating profit (12 months rolling)	991	672	334
Amortization of intangible assets	182	130	120
EBITA	**1,173**	**802**	**454**
EBITA margin	**Operating profit before amortization of intangible assets.**		
	30 Jun 21	**31 Dec 20**	**30 Jun 20**
EBITA	1,173	802	454
Net sales	6,984	5,273	4,091
EBITA margin	**1,173/6,984=16.8%**	**802/5,273=15.2%**	**454/4,091=11.1%**

Definitions	
EBITA	Operating profit before amortization of intangible assets.
EBITDA	Operating profit before depreciation and amortization
Equity per share	Shareholders' proportion of equity divided by the number of shares outstanding at the end of the reporting period
Cash flow per share	Cash flow from operating activities, divided by the average number of shares.
Net debt/equity ratio	Financial net liabilities in relation to shareholders' equity
Earnings per share (EPS)	Shareholders' proportion of profit/loss for the year in relation to the average number of shares outstanding
Profit growth EBITA	This year's EBITA decreased by last year's EBITA divided by last year's EBITA.
Financial net liabilities	Interest-bearing liabilities and interest-bearing provisions, less cash and cash equivalents.
Equity ratio	Equity as a percentage of total assets.

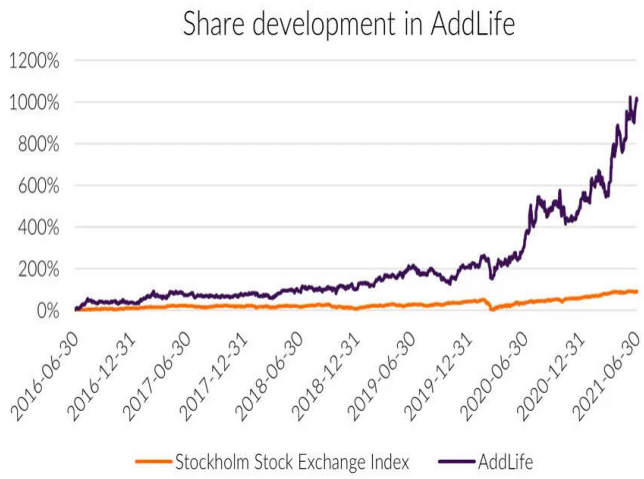
The key figures presented above are central in order to understand and evaluate AddLifes business and financial position. The key figures are presented in the **"Key financial indicators" table** and they are commented on in other parts of interim report.
The comparison figures for income and expense items relate to values for the period January–June 2020 and for balance sheet items as at 31 December 2020 if nothing else is stated.

The Share

The share capital at the end of the interim period amounted to SEK 62 million (58).

The number of repurchased own shares amounts to 507,149 Class B, corresponding to 0.4 percent of the total number of shares and 0.3 percent of the votes. The average purchase price for shares held in treasury amounts to SEK 52.12 per share. The average number of treasury shares held during the interim period was 1,294,850 (2,332,428). The share price at 30 June 2021 was SEK 263.00 and the most recent price paid for the AddLife share on 14 July 2021 was SEK 300.00.

During the quarter, two new issues of class B shares were carried out, which have been used to pay for Healthcare 21 and Vision Ophthalmology Group, in accordance with the mandate given to the Board of Directors at the Annual General Meeting in May 2020. After the two new issues, the share capital amounts to SEK 62,358,949.47. The total number of shares amounts to 122,450,250, with the number of class A shares unchanged at 4,615,136, while the number of class B shares increased from 109,883,156 to 117,835,114. Shares held in treasury have decreased from 2,007,149 to 507,149 class B shares after 1,500,000 class B shares were used as part of the payment for the shares in Vision Ophthalmology Group.



Turnover and trading	Jan–Jun 2021
Lowest price, SEK	146.20
Highest price, SEK	267.00
Average daily turnover, SEK	40,701,812
Number of traded shares, no	26,365,857
Number of transactions, no	117,664

AddLife has four outstanding call option programmes totalling 2,824,000 Class B shares. Issued call options for treasury shares have resulted in a calculated dilution effect based on average share price for the interim period of approximately 0.7 percent (0.3). 880 options from the 2017/2021 program have been exercised during the interim period, corresponding to 3,696 B-shares. The remaining 55,323 options outstanding at the beginning of the interim period were repurchased at a price corresponding to market value.

Outstanding programmes	Number of warrants	Corresponding number of shares	Percentage of total number of shares	Exercise price	Exercise period
2021/2025	250,000	250,000	0.2%	259.0	10 Jun 2024 - 28 Feb 2025
2020/2024	250,000	1,000,000	0.9%	98.40	19 Jun 2023 - 28 Feb 2024
2019/2023	215,000	860,000	0.8%	76.60	20 Jun 2022 – 28 Feb 2023
2018/2022	170,000	714,000	0.6%	56.00	16 Jun 2021 – 28 Feb 2022
Total	**885,000**	**2,824,000**			

On 30 June 2021, the number of shareholders amounted to 11,625, where of 57 percent are Swedish owners with respect to capital share. The 10 biggest shareholders controlled 55 percent of number of capital and 65 percent of votes.

			Share in %	
Shareholders 2021-03-31	**Class A-shares**	**Class B-shares**	**of capital**	**of votes**
Roosgruppen AB	2,160,604	3,924,727	4.97	15.57
Tom Hedelius	2,066,572	23,140	1.71	12.62
SEB Fonder	0	11,733,975	9.59	7.16
State Street Bank & Trust Company	0	10,705,086	8.74	6.53
Verdipapirfond Odin	0	9,830,008	8.03	5.99
Swedbank Fonder	0	8,798,944	7.19	5.37
NTC Fidelity Funds Northern Trust	0	6,409,650	5.23	3.91
Handelsbanken fonder	0	5,626,254	4.59	3.43
CBNY-Fidelity over	0	3,640,072	2.97	2.22
Sandrew AB	0	2,800,000	2.29	1.71
Total the 10 biggest shareholders	**4,227,176**	**63,491,856**	**55.31**	**64.51**
Other shareholders	387,960	53,836,109	44.28	35.18
Total outstanding shares	**4,615,136**	**117,327,965**	**99.59**	**99.69**
Repurchased own shares Class B	-	507,149	0.41	0.31
Total registered shares	**4,615,136**	**117,835,114**	**100.00**	**100.00**

Source: Euroclear

Accounting policies

This interim report was prepared in accordance with IFRS and IAS 34 Interim Financial Reporting. Information in accordance with IAS 34.16A exist, except in the financial statements and the related notes also in other parts of the year end report. The interim report for the parent company was prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Securities Market Act (2007:528) in compliance with recommendation RFR 2 Accounting for Legal Entities of the Swedish Financial Reporting Board. The accounting policies and basis for calculations applied in the 2020 annual report for AddLife AB were also used in the interim report. The amendments to IFRSs applicable from 1 January, 2021 have no effects to AddLife's financial reports for the interim period ended 30 June, 2021.

Alternative performance measures

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

Transactions with related parties

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

Events after the end of the interim period

No other events of significance to the Group occurred after the end of the interim period.

Risks and uncertainties

AddLife's earnings and financial position, as well as its strategic position, are affected by various internal factors within AddLife's control and various external factors over which AddLife has limited influence. AddLife's most significant external risks are the state of the economy and market trends combined with public sector contracts and policy decisions, as well as competition. The risks and uncertainties are the same as in previous periods. For more information, see the section "Risks and uncertainties" in the administration report, in AddLife's annual report 2020. The Parent Company is indirectly affected by the above risks and uncertainties through its function in the Group.

Affirmation

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

Stockholm 15 July 2021

Johan Sjö *Chairman of the Board*	Birgit Stattin Norinder *Director*	Håkan Roos *Director*
Eva Nilsagård *Director*	Eva Elmstedt *Director*	Stefan Hedelius *Director*

Kristina Willgård
President and CEO

For further information, contact:
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Martin Almgren, CFO, +46 70 228 15 45

Conference call

Investors, analysts and the media are invited to a conference call where CEO Kristina Willgård and CFO Martin Almgren will present the interim report. The presentation will be held in English and takes about 20 minutes, after which there will be an opportunity to ask questions. It will be recorded and made available online. If this is your first time using Teams, you will be asked to download an app.

The teleconference will be at 10:00 a.m. on 15 July 2021
If you wish to participate via teleconference, **please follow this link>>**
Or call in (only sound) +46 8 505 376 58 Conferens-ID: 321 695 644#

The presentation is also available on **AddLife YouTube >>**

Financial calendar

- The interim report for 1 January - 30 September 2021 will be published on 22 October 2021
- The year-end report for 1 January - 31 December 2021 will be published on 4 February 2022

For further information, please contact:
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This information is information that AddLife AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 7:45 a.m. CET on 15 July, 2021.
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