AddLife reiterates its financial targets and identifies prioritized growth segments

Today from 8:30 am CEST AddLife is hosting a Capital Markets Day.

The event can be followed using the following link: http://tv.streamfabriken.com/addlife-capital-markets-day-2023

During the Capital Markets Day today AddLife will be presenting an overview of it's business model, the current state and priorities of the business. A review of financials and balance sheet will be provided, including ambition and action for debt reduction. There will also be presentations from two companies within the Group as well as an overview of the strategy. The strategy is built on AddLife's established business model, culture and strategic direction, with new strategic initiatives based on current market trends and the increased size and strengthened position of the Group.

Based on the current position of the business, the market development and outlook, AddLife is reiterating its financial targets:

- Profit growth (measured in EBITA) for the long-term will be 15 percent per year
- Profitability will be at least 45 per cent, measured as the ratio between EBITA and working capital (P/WC)
- Dividend policy: The target is a dividend corresponding to 30-50 percent of profit after tax. Consideration is taken to investment needs and other factors of importance

AddLife has a decentralized business model with an approach of delegated responsibility, empowering the companies and their management teams. Reflecting this, there will be presentations from two companies within the Group:

- Karin Fischer and Mattias Bengtsson will be presenting Biolin Scientific, a company within AddLife since 2016, providing advanced surface science products and solutions.
- Carlos Pinto will be presenting MBA, a company within AddLife since 2022, and a provider of a broad range of products in surgery, anaesthesia and other related products, as well as a market leader in advanced services.

For AddLife, with its legacy of a proven business model and a strong culture, the foundation of the strategy direction, “Lead the market”, “Be agile and mobile”, and “Grow through acquisitions” remains intact. By further evolving the strategy and introducing six specific strategic initiatives, the AddLife companies will be able to leverage the increased size and capture market opportunities. The strategic initiatives are: European coverage, Digital solutions, Value and productivity selling, Service offering, Own products and Acquisitions in selected segments.

- European coverage: AddLife aims to further strengthen the business and extend the product portfolio by leveraging its unique and recently expanded European coverage, making the AddLife companies even more attractive to its partners.
- Digital solutions: AddLife aims to increase its offering of digital solutions that are or can be combined with other products and services in the portfolio, as well as using digital solutions to improve the efficiency of the business operation.
- Value and productivity selling: AddLife aims to identify an increasing amount of product and service offerings that support health providers to adopt more efficient processes and perform more procedures with available staffing and thereby also help reducing decreasing patient waiting lists.
- Service offering: AddLife aims to increase the service offering to strengthen customer relationships, differentiation and pricing power.
- Own products: AddLife aims to leverage potential for current and new own products to be sold and marketed through internal market channels.

- Acquisitions in selected segments: The Group continues to actively look for acquisition candidates in selected segments and geographies, preferable smaller and mid-sized add-on or standalone acquisitions with attractive margins.

For the period 2021 to 2025, the Medtech market is expected to have a compound annual growth rate (CAGR) of 5 percent, according to statistics from Medtech Europe and analysis from AddLife. The corresponding figure for Labtech, where the market for in-vitro diagnostics can be a guide, is 2-3 percent.

The Group has also identified and will present prioritised growth segments in all of our business units. The segments include among others, Microbiology in Business Unit Diagnostics, Advanced instruments for laboratory analysis in Business Unit Biomedical & Research, Orthopedic surgery in Business Unit Hospital and Welfare Technology in Business Unit Homecare. The prioritized segments have a higher growth than the average market, and an attractive profitability profile.

Referring to its strategy, AddLife's CEO Fredrik Dalborg says:
"The starting point of our strategy is our established and proven vision, business model and strategic direction. Our increased size and strengthened European presence provide additional opportunities to expand our business. We are addressing these opportunities with our new strategic initiatives. We have also identified prioritized segments that will drive accelerated growth and further improve our profitability."

Fredrik Dalborg continues: *"AddLife's growth plan is working. Covid growth has been followed by significant acquired growth and now strong organic growth is following based on well selected market positions benefiting from market trends. Simultaneously we are taking actions to improve our performance according to our priorities: protecting and improving profit, organic growth, cash flow and acquisitions. This will support our ambition to reduce debt."*

Overview of the agenda of the Capital Markets Day

- AddLife Business Model – Fredrik Dalborg, CEO AddLife
- Financials – Christina Rubenhag, CFO AddLife
- Performance Management – Peter Simonsbacka, Chief Commercial Officer AddLife
- Case study: Biolin Scientific – Karin Fischer CEO Biolin Scientific, Mattias Bengtsson Business Unit Leader Biomedical & Research, AddLife
- Panel Discussion: AddLife as an owner
- Case Study: MBA - Carlos Pinto, CEO MBA
- Future strategy & summary – Fredrik Dalborg, CEO AddLife

In addition, there will be Q&A sessions as well as opportunities to look at products and interact with AddLife team members.

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AddLife is an independent European provider in life science that offers high quality products, services and consulting to both the private and public sectors. AddLife has about 2,300 employees in around 85 operating subsidiaries, which operate under their own brands. The Group has annual sales of approximately SEK 9 billion. AddLife shares are listed on Nasdaq Stockholm.