

AddLife Group – UK Tax strategy

SECTION 1: INTRODUCTION

1.1 Background

AddLife is a listed Swedish company and 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 80 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.

The headquarter for AddLife is in Stockholm and the group is ultimately owned and controlled by AddLife AB.

The UK market is among the five largest within AddLife's European activities.

The UK group companies are held under different parents, as it is different subsidiaries acting on the UK market. For the Irish based Healthcare 21 (HC21) group, who is the largest group in the UK-market, the parent are 2 different Irish companies, Primacy Healthcare 21 (International) Ltd and Healthcare Acquisition Ltd. The parent company of these companies is Primacy Healthcare 21 Ltd in Ireland. For the AddVision group the parent is Vision Ophthalmology Group GmbH in Germany. Within the AddLife group there is also a small sales representative company Biolin Scientific Ltd, with the Swedish parent company, Biolin Scientific AB.

This document sets out the strategic tax objectives for all UK subsidiaries within AddLife and satisfies the UK Group's requirement to publish its tax strategy under paragraph 19(2) and 22(2), Schedule 19 of the Finance Act 2016.

1.2 Ownership and approval

The Tax Strategy is approved by the Board of Directors of Primacy Healthcare 21 (International) Ltd, Healthcare Acquisition Ltd, Vision Ophthalmology Group GmbH and Biolin Scientific AB.

The CFO of AddLife is responsible for the Tax Strategy within the Group, assisted by the finance team in Primacy Healthcare 21 Ltd in Ireland and by the finance directors and managers in the UK companies when needed.

The Tax Strategy will be periodically reviewed, and any amendments will be approved by the Board of Directors of HC21 group, AddVision group and Biolin Scientific Ltd.

The UK Tax Strategy was approved on 30/11/2023 and applies to the year ended 31 December 2022. The Tax Strategy covers all taxes and applies from the date of publication until it is superseded.

1.3 Scope

The UK Group is exposed to a wide range of taxes, including corporation tax, VAT, insurance premium tax and national insurance contributions. In addition, the UK Group has around 200 employees, generating a substantial further tax contribution to the economy through PAYE and NIC.

The Tax Strategy applies to all companies within the UK Group in terms of tax compliance and tax financial reporting.

SECTION 2: TAX STRATEGY

2.1 Summary

The UK Group is committed to paying the correct amount of tax required under the laws and regulations of UK tax legislation and practice. The UK Group takes a conservative approach to tax planning and does not pursue aggressive tax planning arrangements.

The UK Group uses third party advisors to provide advice and guidance to help assess the tax risks and ensure its compliance with applicable laws, rules, regulations and disclosure requirements.

2.2 Risk Management

It is the policy of the UK Group to ensure that all tax positions taken are consistent with the core values of the group, which notably include respect for the environment and respect for people and communities. The policy ensures that the UK Group pays the appropriate amount of tax in relation to its commercial activities.

The main tax risks for the UK Group are identified as:

2.2.1 Tax compliance and reporting risks.

These risks are associated with the failure to comply with the tax regulations of the appropriate authorities within each market the UK Group operates. The risk is reduced by using external professional advisers to prepare, advise and review tax computations and submissions, together with an in-house team of qualified accountants.

2.2.2 Transactional risks.

The UK Group primarily has commercial activities in the United Kingdom and the Republic of Ireland but does source raw materials and finished goods internationally from third-party organisations and the wider AddLife group respectively. With the complex tax issues that cover international business, advice is always taken from

professional advisers when new channels are established, or current transactions amended, in order to ensure adherence to the correct rates and treatment of tax.

2.2.3 Reputational risks.

The UK Group ensures they are open and transparent with every governing entity in every market, although it will be primarily with the HMRC in the UK. The UK Group has a conservative approach to tax planning and aims to have open communications with all tax authorities.

2.3 Documented Policies and Procedures.

The UK Group will comply with documented policies and procedures in relation to tax risk management and will conduct risk assessments before entering any new initiatives. Where appropriate, this will include obtaining external professional opinions to verify and support the UK Group tax management team's conclusions.

2.4 Tax Planning

The UK Group strives to maintain a low risk rating with HMRC.

Whilst seeking to be efficient in the tax affairs and reduce the tax liability through taking of reliefs and incentives where applicable, the UK Group ensures that any tax planning is based on sound commercial principles but will show respect at all times for the intention and spirit of the law, as well as the letter of the law.

2.5 Relationship with HMRC and other tax authorities

The UK Group seeks to build and sustain honest, transparent relationships with HMRC and other tax authorities that are constructive and based on mutual respect, avoiding unnecessary delays and disputes wherever possible.

Where there is a difference in opinion or legal interpretation between HMRC and the UK Group, the UK Group seek to engage in proactive discussions in order to resolve any disputes, and come to a conclusion as soon as possible.

SECTION 3: GOVERNANCE

3.1 Internal ownership and structure

On Group level, the Board of Directors within AddLife is ultimately accountable for the Group's approach to tax. The CFO of AddLife is responsible for implementing the world-wide group tax strategy, which includes the UK tax strategy. Within the UK group, the CFO of AddLife is assisted by the UK Finance Director and the UK Finance Manager from each company. The Tax Strategy is approved by the Board of Directors for each company.

3.2 External Consultants

For matters where the CFO of AddLife and UK Finance team consider they have insufficient skill or experience, external expert consultants who have suitable knowledge of the AddLife Group, the industry and tax law are engaged to provide advice and guidance.