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Addnode Group AB (ANOD.B.SE)

Capital Markets Day

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MANAGEMENT DISCUSSION SECTION

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Hello, everyone, and welcome to Addnode Group's First-Ever Capital Markets Day. We've been doing it for plus-23 years now, but this is our first opportunity to invite you and tell you more about Addnode Group. And a special welcome to you are listening to us from the webcast as well, and you here in the audience in Stockholm. And just to start off, there's going to be a Q&A by the end of the day for you as listening on the webcast. You have the opportunity to already now submit your question. Look in the upper right corner to the right, you will find little bar to ask your questions. It's open now and it will be open during the whole day. And as I told you, we will finalize with a Q&A.

Having said that, welcome, everyone. So, I'm the CEO of Addnode Group, Johan Andersson. I'm being fortunate to be part of these groups already since 2006. I think I've made one of my best decision ever in 2006 when I decided to answer an advertisement in the Swedish newspaper [indiscernible] (00:01:07) industry that said they were looking for someone who can handle both M&A and investor relations, and that will start for my journey in Addnode Group in 2006. So, I've been part of the group since then. I've been CEO since 2017. I have a previous history also in corporate finance in another listed company. But my main journey has been with Addnode Group all the way since 2006. Later today, I'm going to tell you a little bit about the history of Addnode Group as well.

But what can you expect today? You can expect four things at least. We're going to give you a strategy update. We're going to talk about our priorities ahead. You're going to get an opportunity to [indiscernible] (00:01:45) introduction to our divisions. And we're also going to introduce our new financial targets that we published today.

And as you know, no one can move this by himself. So, I have a great team with me today, our executive management team, sitting here to the right. [indiscernible] (00:02:02) you can't see then before you are in the audience sitting here. And they're going to form the agenda with me today.

I'm going to start out with strategy and priorities. Jens Kollserud is going to introduce Design Management. Magnus Falkman is going to introduce PLM division. Andreas is going to introduce Process division. Kristina is going to talk about financials. And with us, we also have our Head of M&A, Elisabeth Forslin. So we're going to end up with a Q&A.

Just one thing that I want to say to you is we published a pro forma today with our net result – net sales for the last 10 years. And that has to do with in 2024, there were some changes in the way the buy-sell model from Autodesk software that we provide in our division design management that moved from the buy sell model to an ageism model practically meant that our net sales went down, but our profit was on the same level.

Just to make sure that you have comparable figures, we have made a pro forma for the last 10 years. So every figure presented today is according to the pro forma. So you get comparability between the different tiers. Just want to point that out. So it basically means that net sales is down; EBITA, the same; margin goes up; and we report in Swedish SEK as a currency.

So with that [indiscernible] (00:03:26), let's move on to the strategy.

[Video Presentation] (00:03:34-00:04:41)

So, what is Addnode Group's mission? We operate, acquire, and develop entrepreneurial companies that provide digital solutions. I'm going to explain more above that, what we mean by that. And I'm going to do it. And we're going to talk first about set the foundation of Addnode Group, talk about our mission, culture and governance and end up with this strategy.

So if you look at, we are predominantly operating our business in two areas. For us this is central to the focus on a few vertical where we can provide value to our customers, but also we as a group can provide value to the different companies in a decentralized organization. So focus is important in that sense. And it means that, if you look to the left in the presentation, you see what we call design and PLM; software, digital solutions for anyone who want to design something, simulate data, and also take care of the data going forward. So that means that a customer can be an architect, designing houses and infrastructure; can also be an R&D department in one of the OEM sort of manufacturing companies, when they are, for example, are designing a new car or the new trucks, they're going to be develop and maintain to the market.

And then if you look at what we call the process side, you'll find digital solutions for central, local government. Meaning that we started out sort of in an engineering perspective moving out to the – what's happening in the public world, then we are in local municipalities, technical departments, building permits, environmental permits, but also maintaining the infrastructure that the local municipalities are responsible for. That means that we do a lot of geographical information solution. Andreas is going to talk more about it later and the guys are going to explain it. So that's an area where we are.

And what sort of connects these two areas that usually end up being some kind of digital twin. All this data is going to be visualized for a digital twin. And in the building world, design and PLM, it might be called a BIM model, or we call it a virtual twin. And in the center – when you go to their local and central government, it could be the

way you plan a city. Then, you also end up in a virtual twin. So these are the area where we are. I think that's important to understand our strategy going forward.

But a good thing is that we can see – we truly believe that there are global trends driving the structural growth in these areas; and we're talking about digitization, AI, smart cities, and sustainability. I'm going to walk you through what we mean by one by one. Everything we do is to make sure that our customers are getting the benefit of becoming more and more digitalized. It means that we provide a digital solution so they can become more efficient, both internally, but also in the way they create new solutions for their customers to create value. So that's the growth driver and that's something we have sort of been driving our growth for the last 20 years and we truly believe it's going to continue to drive the growth.

What's new and what's everybody's thinking about is AI, but for us it's just prolonging how can we become more efficient and how can we also help our customers to become more efficient by infusing AI in the different solutions that we provide to the customer. But it's also what our partners – and we're going to talk something about Autodesk [indiscernible] (00:08:02), for example today, they are also investing a lot in this area as well. So, we think it's something that's going to help us drive growth, but it's also something that's going to help us be more efficient going forward.

And one of the things that's very important for Addnode Group is the growth of the cities. What do we mean that? Because that's sort of the core of where we end up. Someone needs to plan the cities, you need to design it and everything within it and you need to maintain it, and then refurbishment to start over. It means, for example, we provide this software for anyone who is going to handle a building permit and also the planning of the city, the building of [indiscernible] (00:08:36) design software for that, and also creating the digital twin virtual model office; also maintain it and also all the things that's going to be built that goes into the cities [indiscernible] (00:08:47).

So, every time I see a construction crane working around in the city, I'm extremely happy because that means that Addnode Group is making money in some sense. Because everything is the growth in the building. That's very important for us. Talking about AI, IoT as well is also part of that as well.

And then sustainability, why is that important? Of course, it's something that we want to improve and help with, but it's also something that drives our business. For example, an architect making decisions about design, cost, but also what type of materials are you using. And we can help with that software. When you make all these choices, you try to optimize, that's a support of how we think about sustainability driving it. It also helps with the local municipalities, how we can be more sustainable in all that area. So, for us sustainability is how can the customers create more sustainable products, become more sustainable with the digital solutions that we drive. So, that's something that drives innovation for us. Very important.

And if you then look at how we are organized, we are organized in three divisions and you're going to get introduced to them in more details later today; we call them Design Management, Product Lifecycle Management, and Process Management. And you can see that Design Management is the biggest with SEK 2.5 billion in net sales; Product Lifecycle Management, SEK 1.8 billion; and Process Management, SEK 1.3 billion. And this adds up to Addnode Group the SEK 5.6 billion that we are. And I would like to take the opportunity to highlight what are the digital solutions that we provide to our customers and what are sort of the essence of them.

The software that we provide, they are mission critical for our customers. It means that they need them to do their everyday task. I gave some specific examples, but also if you look at the public sector, if you're working in the public sector, you handle cases. And you handle them by the case management system provided by our people in the Process Management division. If you work in an R&D department, making sure that you are bringing new

products to the market, you're using the software from TECHNIA in the PLM division. If you're an architect or if you are working to maintain the buildings and infrastructure, you're using the software from our team in the Design division.

So, it's mission critical for the people that we work with. It's also high customer retention because it's not that easy to change this to another type of software, because it's heavily embedded in the different processes that you actually are using for everyday work. So, both mission critical and a high customer retention. And as you can see on the bar here, from 2015 to 2025 when we're gone from almost SEK 2 billion up to the SEK 6 billion that we're close to now, you can see that we kept the – how that sales is divided. For us, it's important that we deliver a combination of own software, third-party software, and the services that we provide.

That means that we provide digital solution [indiscernible] (00:11:57) you will find a software. We integrate that with other softwares because in this software have a lot of data has been created and it needs to be moved to other systems as well. And we need to import the data from other systems to make this more valuable for our customers. So that means that we will have integration and implementation on that side.

So if you look at the circle diagram here, you will find that almost 42% of our net sales is the third-party software that we represent, 23% is our own software, and 35% is the services, the implementation and integration. But usually we provide this to the customer as a bundled solution. It's not a separate selling third-party, own software, and services. It's a bundle that creates the offering of a digital solutions to our customers. And this is some new information the way we're disclosing the distribution of net sales today.

Another thing that is important in our business model is that we believe that we have the high degree of recurring revenue. And that provides predictability because in the beginning of the year, you're basically, – you know a lot about how much in net sales is going to be distributed over a year. It makes it easier to plan. It makes it more predictable. But it is also a commitment for our customers that are willing to use the software over and over again.

And most of this is also prepaid, so it has a good impact on the cash flow as well. And as you can see from the bar from 2015 to 2025, we've been able to increase the recurring revenue from roughly 53% to 63% we are today. And that has been done both organically by developing a different offering we have to our customer, but also through acquisitions that – of acquired company with a higher degree of recurring revenue.

So I think looking at where we are at the 63%, we can increase that a little bit; but this is a fair assessment of probably where we are going forward. Because you have to realize recurring revenue for us, that's the contract for the right to use the software. The services and the implementation are the mostly of a recurring nature, because we work with our customer is not included in these 63%, but we have a lot of services that could be argued to be of a recurring nature.

So where are we in the world? We are starting more and more to call ourselves a global group. That means that we started out the Nordics almost 20 years ago. Then we moved our operation into Northern Europe, US. And lately our latest addition is Brazil. So, that means that we are active in 20 countries on 5 continents. The majority of our business is in the Nordics, Northern Europe, and in the US.

And to understand where we are today, it makes sense to start where we are coming from as well? So Addnode Group, the inception of Addnode Group was in 2003 when – it was our first day at the stock market. The last three years – the first three years, sorry about that, Addnode Group started out and during that journey it's important that TECHNIA and Cad-Q that later became Symetri came in in Addnode Group. That's the foundation for our two divisions, Design and PLM. And during that time, [indiscernible] (00:15:33) came in. At that time, Addnode

Group's cash flow was not as good as it is today. So at that time, Addnode also paid with shares. So that was also the time when Staffan Hanstorp [indiscernible] (00:15:42) Jonas Gejer became the majority owners of Addnode Group. So them being part of Addnode Group since then and are still the majority shareholder from Aretro Capital.

And in 2007, Staffan Hanstorp became the CEO and he was a CEO for 10 years. And then in 2017 we changed over, so to speak, that I became the CEO and Staffan Hanstorp is the Chairman of the Group. I think that's important to tell you, not that I want to tell you how long I've been the CEO, but look at how long people stay in this group. I think that's important for us.

And we can also see that in 2014, 2015, we started to move outside the Nordics with acquisition in Germany and the UK, and that we built upon that with our acquisition in the UK. And in 2022, we were ready for our next step moving over to the pond at the Atlantic and over into the US. And then, as I said, the latest sort of step we see in Brazil and Latin America and let's see how that's going to play out. That's some of the important milestones in Addnode Group.

And what has this led up to? Yes, this has led to a fantastic growth over the years. If you look at the compounded annual growth rate since the inception of Addnode Group, there's 17% year-over-year, means that the linear growth through this couple of years. Then we have some years with much better growth and some with less, but on average 17%. So I think for us it's been an amazing journey.

But if you look at culture, values, and organization and governance, how we are, Addnode, we perceive ourselves to be an add-on growth accelerator for companies providing technologies for sustainable future. And this has two different meanings. We are an add-on growth accelerator for companies, our customers. But we are also an add-on growth accelerator to the companies within the group Addnode. So we are creating values in two ways, both for our customers, but we also make sure that we, from a group perspective, are helping our companies to grow as well. And together we are providing technologies for a sustainable future. So that's sort of our position and that's what we are trying to be and achieve.

And how are we organized? And how do we do governance? And how does this work in decentralized organization? We are getting close to 3,000 people in the organization and you will find that the bulk of that is in the different companies within the group. So if you look at the slide behind me, you will see that we are organized in three divisions. We're almost 20 different companies in those divisions and then we are 25 people in the parent company in the different divisions supporting the different companies to grow, develop, and make more business.

So that means that if you are a CEO in an Addnode Group company, you have the full P&L responsibility for the group and for the company that you are responsible for, in agreement with the budget that we had discussed within the strategy, and when then we support you to make that happen. So that means that you have a lot of organization freedom, but we empower financial control. So that means that you have to deliver a full P&L every month, a full balance sheet. You need to make up analysis on the cash flow because that is centralized, because we want to make sure that we invest the money in the right way. And then we try to help you within the group as well in the different divisions but different initiatives, forum, and et cetera, and some things on a group level.

For example, we have some executive trainee programs, we'll handle AI talking about that, cybersecurity, but we are very much a too decentralized organization. And why is that important? Because that means that decisions are being made close to the customers and close to the people. So we are ready to act when it [indiscernible] (00:19:43). Because we want to continue to grow this business as we would like to do. As you've seen on the financial targets, we don't want to spend time on too much governance. We need to have governance where it

matters, like a manager. We like financial control, but you're free to run your business, but you have to report what you're doing. And if things don't go as expected, then we probably have a discussion around it.

So that's sort of [indiscernible] (00:20:07) for you who are able to see us, well, you can see that – you might ask why so many logos in one division and a fewer in the left. It has to do with, there's a great opportunity for us to grow by integrating and acquiring channel partners in Autodesk [indiscernible] (00:20:25) so that means – that's the why – and then you get to need to get the full benefit of that. So TECHNIA is running that in the PLM division and in Design division, you can find it in Symetri. And then if you look at Process Management, it's more of a portfolio of software companies providing value to the public sector in Sweden and Norway. So there are two different governance model one. One, we try to integrate to get the full value of that and one when we are integrating, when it makes sense but we are not in a hurry.

There are some things that we also ask of the people in organization. We ask them to have an entrepreneurial spirit. We need to keep that growth because that's our heritage. And that's also why we attract so many entrepreneurs who want to sell their company to Addnode Group. We're trying to keep simple focus on growth and don't build too much bureaucracy.

We have a long-term view. I mentioned that we basically have had the same mean over all over time. Many of our owners are with us over a long time that people are going to come up and present. The after me has been with the group for 10-plus years as well. We have a long customer relation. Some of the customers have been with us for 40 years, 30 years, 20 years. And you can calculate if you know our recurring revenue, we have that much recurring revenue, and people and the companies are staying with us. It means that they have to be with us for a long year to make that happen, and that's important for us.

Importance also simplicity. Try to keep it simple. Don't overdo it. Always try to provide the best solution for the customers. Make sure that you do it for the organization and the people and keep that in mind because that's important for efficiency as well.

I just want to give you an example of how we can support these values and at the same time support our companies, and that's Addnode innovation. Imagine idle. I think you've all seen that in some sense. This is [indiscernible] (00:22:24). You get the chance to submit your proposal for a new idea that probably is not covered in your own company. So you submit that from a jury. And the jury consists of people in the organization, head of division. We have people from our board of directors. And they select some that goes through with them.

So then during a six-month period, you have pitching stages and then you end up in a final where you hopefully get to be the selected one, and the selected one is selected by your peers. So every people in the Addnode Group organization votes on who's going to win that in the finals. And you get SEK 500,000 to promote your idea, make that happen. You don't get SEK 500,000 cash in the bank, but you get SEK 500,000 worths of hours and capability to make that happen. So that's one of the ways that we can help from a group perspective to drive innovation and make sure that we create the values that we would like to do. So culture, innovation, very important for us in governance model, keeping a decentralized model to enable the future growth.

So if you look at the strategy, we usually call it 2x strategy. It means that every fifth year we double the business that we have. That's our history and that's also what our financial targets implicates. And to sort of dig into that, I will explain this very busy slides. But I think it explains a lot about our strategy and what we have done and what we would like to do. A few of you might have seen it before, but if you look at the light blue bars, you will find that in 2015, net sales was almost SEK 3 billion. 2024, we're reaching SEK 5.6 billion. And in between the different year, you will find how much our organic growth has been and how much we have grown through acquisitions. So

if you look, for example, between the year 2015 and 2016, you will find that organic growth was 4%; and acquisition, 14%.

Just to take another example, if you look at between 2021 and 2022, we moved from SEK 3.1 billion in 2021 to SEK 4.3 billion in 2022. And that was achieved for organic growth of 12%; and acquisition, 26%. But as you see the different here, we are not the kind of company that grows linearly, but we have a consistent growth over time. And probably that's one of the messages that I would like to relay as well. And then if you look at the boxes in the middle between there that has a number, the green one, that's the number of acquisitions we have done each year. So that means that we have been growing roughly by acquiring three to seven companies each year. And this year, we have done seven acquisitions so far. So this is journey we have been on and this is journey we're going to continue.

But I think what's very important in the business that we are is that we create the cash flow for our growth going forward to make this happen. So I'm going to spend a few minutes talking about how do we think about creating value and helping our customers and what that generate and how that ensures that we can continue our growth. We talked about we have two opportunities how to grow, both for acquisition and organic growth. When a company becomes part of our Addnode Group, we start with installing financial controls.

It means that these entrepreneurs have been very good at driving their business, but not so very much focus on monthly, quarterly, yearly results. There might be a period where they said, okay, we can't deliver a monthly report in four days, it's not going to happen. Never. And then it happens and then we start to deliver it. And then they are happy that they're able to see how much the company is generating every month and every year. [indiscernible] (00:26:19). It creates a lot of value for them. We'll look at the cost structure. How can it be more efficient? We talk a lot about go-to market strategy for the software and the services that you provide because there are different way of doing that.

Let's see if we can add some technology and products to the customer that you – group you're already attracting. Can we look at the service offering? What type of services are you delivering? How are you delivering it and where are you delivering it? And what are the business model for that as well. All this adds up to growth in net sales and that we're able to expand our margins. And why is that good? Because – and of course, I talked about how we can help the different companies as well. So I'm not going to spend more time on that, [indiscernible] (00:27:07). But it adds are a possibility to reinvest in our business, acquire more companies and pay dividends to our shareholders. So that's how we distribute our capital. And then we start all over again. I think that's been very important for our journey.

Talked a lot about acquisitions, done 90 acquisitions over this period of time. I'm not going to go in the details of every one of them, but I just want to show you where we're coming from and what we have done. And this is something that is sort of in our DNA in the organization, all the way from the board down to the people who are in the organization or actually the best scouts from the new acquisitions to be made.

So we support our different companies to grow. But there are certain criteria's that we can see go across the whole organization as important when we look at acquisitions. And that is we're trying to find new nodes that add nodes to add node to create value. If you see my point, that's where we are. We try to go and add more value.

And if you look at what we are looking for, either we can add new geographies, we can consolidate the markets that we are, or expansion. And we're looking for new customer segments as well that can drive the business and technology. But what's more important is probably the people and the offering that [indiscernible] (00:28:33). For us, so we are focused on mission critical software. That's where we are. We're not a consultancy company. We

do provide a lot of services, but that's not a separate offering for our services, something and sort of necessary, not the right word, but something that we do to connect our software with other software.

We do believe that needs to be have a strong customers retention high switching costs. We want the customer to stay with us. And it's also important that the company has a strong brand in their customer market and also the people where people want to work. And we encourage the founders of the companies to stay on. And that's very important for us. That means that we have to look at the cultural fit because we going to work with these people for 20 years, 30 years, 40 years, hopefully. And then we're going need to make sure that we are aligned in how we look upon the world.

And we are good at making profitable companies even more profitable. We are not sort of the turnaround candidates. We are more good at making sound companies even sounder and even better. So that sort of where we are. And then you might want to – how much you're going to pay for this? So for us, we tend to look at EBITA multiples, meaning operating profitable multiples. And it means that these companies doesn't have that much assets. So EBITA could be EBITDA or AEBIT or whatever, it's operating profit. And we tend to have a discussion on that.

We do like standalone valuation. That means that we identify synergies, but we tend try not to pay for it because that should be our benefit. And if you look at what we are paying historically, we are paying somewhere between [ph] 4 to 10 (00:30:16) times EBITA multiple for the cash flow being generated in these companies, 7 sort of average. It means that when do we pay more; higher margins, more IP, higher growth. Then we tend to pay up to 10 times.

But so far, we haven't paid more than 10 times. It could have been that sort of the base case was a little bit less so it ended up being 12 times the next year, but then we'll had to work another year to make it come back to 10 times. But on the basis never more than 10 times. That means that sometimes we have paid 4 times, but again, it's more of acquiring our customer base that could be integrated into the business. And we do use earn-outs. That's usually to bridge valuation gaps. Of course, it has the benefits that entrepreneurs is keen to stay on a couple of more years and have some more incentives as well.

So that means that we are been able to [indiscernible] (00:31:13) over time. And the very important part of this I talked about is to make sure that we can attract entrepreneurs, because these are the guys that we want to acquire [indiscernible] (00:31:22). Looking at the 90 acquisitions that we have done, I think 4 or 5 of them has been through an intermediary, a broker, a corporate finance firm; the rest is bilateral. Meaning that they know that we are active in the niches that I talked about, and they see the possibility and they see us as a good acquirer. Or we go out to them and also why shouldn't you be part of us? So that means that all the 20 different CEOs in the group, their management team, their group executive team and even the board of directors, everybody's constantly looking for new acquisition candidates. And we do spend a lot of time with them trying to make sure that they want to be part of Addnode Group.

So that means that, we look at hundreds of different companies every year and we have that discussion with them. So, it's a little bit like you imagine a FBI 10 Most Wanted in three divisions, that's sort of how we operate. But the difference is that those 10 gets filled – we fill up every month and then some goes out and then it comes back. So, it's a constant sort of dating evolving [indiscernible] (00:32:30). So, that means that we might be a little bit lumpy over time with doing acquisitions because we need to be ready when the different entrepreneurs are ready to sell their companies.

I usually say that we are not opportunistic what we want to buy, but we need to be a little bit opportunistic when we can buy. So, that means that usually we end up with a 5 to 10 acquisitions every year. Could be a couple of quarters where we are not doing an acquisition. It doesn't mean that we are not working on acquisitions because remember we are buying from entrepreneurs who want to be part of Addnode Group.

Having said that, I would like to introduce you to two of our entrepreneurs who are part of Addnode Group and what are they thinking about and their experience of being part of Addnode Group. We have Simonette Rahmberg who is CEO and Founder of Canella working in the pharma industry; and then you have Kevin Schlack, the Founder of Team D3 and is now the CEO of Symetri US. So let's listen to them.

[Video Presentation] (00:33:33-00:36:37)

Thank you, Simo and Kevin, for sharing that. I'd just like to end up with the summary and I think one of the questions you are probably asking yourself why invest in Addnode Group. So let me help you with that. I think there are three things to consider. We are offering digital solutions, that's important. We have a proven 2x strategy. We are able to double our business every 50 year and that is giving you a consistent return on capital employed. And yes, to give you a – okay, and why is that important? Why do I think it makes sense, just to sum it up, we are providing mission critical software, have a high customer retention and switching costs. We can see there is a growing end user market as well in the software that we provide.

And if you look at the strategy, we have a proven business model with recurring revenue. We've shown that we can grow both organically and through acquisitions. And on that journey, we have also been able to improve the margins as well. And you're going to see more of that on Kristina's presentation later. And look at the – so the risk, there is also risk side with the capital as well. I do believe that we have a balance and the risk profile get great support from the board of directors on that subject.

You can also see that we have a diversification in the business and we are operational resilient. We have never lost money. We are always made money irrespective of the different – what's happening in the world. And we do have a focus on cash flow and Kristina is going to talk more about that later. Capital allocation is very important to us. I told you about the three ways that we spend capital; investing in our own IP software and the people, acquisition, and distribution to our shareholders. And I think we do have a solid balance sheet as Kristina is going to show you later as well.

So with that, I'm going to end my part of the presentation. I'm going to be back later today. But I would like to hand over to Jens Kollserud for Symetri and Design Management.

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

Thank you, Mr. Anderson and hi, everyone. Jens, the CEO for Symetri as Johan said. I've had a pleasure to be part of this company group since 2009 and the absolute honor to be the CEO since 2016. My focus personally is and has always been to build high-performing teams with a very, very high customer value creation focus. That's been everything we have been trying to do over all these years. And I hope I can share some information about how we have come to the place where we are today based on that strong focus on building teams and always being super keen on differentiation.

So who are we in this division? We are a group of people who get out of bed every morning to challenge people to work smarter for a better future. And so far, that has taken us to a position where we are doing this SEK 2.5 billion net sales. We're doing more than SEK 500 million EBITA. And that gives you guys who can count in this

room, you can count to more than 20% profit margin so far. We're also having these two-thirds recurring revenues, as Johan said that we have also in the larger group, we have that as well. And we have operations, per now, in 11 countries. And we operate underneath three different company brands; Symetri, Service Works Global, and Tribia. Those are the three company routes.

And the largest company in this division is Symetri who has been a global partner to Autodesk. I will get back to that later. But what we do in this division is maybe more importantly. We enable people to design, make, and operate things smarter and more sustainably. And we do that through partnering with the right third-party technology providers who creates value for these companies, who have open API so that we can build our own IP to fill the gaps that our customers and we see in the marketplace. And then we ensure we have the right expertise to have the right type of advisory and delivery services with only one purpose. And that one purpose is to realize the outcomes and the promises of technology for our customers. Those are the types of services that we have.

And the way we think about this is that we build up our expertise. So we need industrial domain expertise for the clients that we're trying to serve; and we need the technological expertise, both of them. If we have both of them, we are pretty sure we can build leading-edge technology and services value propositions. And if we do that well, we can enable our customers to work smarter. And if we do that, and only if we do that, we earn the right to be a trusted partner to our customers over a long period of time. And that goes back to the long-term commitment that Johan said. We have that with every single client. If we then split our net sales per now in this division, it's 21% is own IP sales, 34% is services, and the remaining 45% is partner software. That's where we are here now, or at least last year.

Okay. So let's talk about the most significant, the long-term third-party partnership that we have in this division is with a company called Autodesk. Autodesk has been the platform for Symetri to grow since we were founded in 1989, in the land far away in the forest in Borlänge, Sweden. And from that journey, we have grown together with this partnership. And who is Autodesk? For those of you who don't know them, it's an American software company with \$6 billion revenues and net sales. They have 200 million users globally. They have more than 100 different type of software products.

And they deliver these software products to three industries: architecture, engineering, construction is one of them, we call that AEC; product, design and manufacturing is the second one; and the third one is media and entertainment. And for us, we are concentrating our partnerships primarily on the first two. Basically, the building and infrastructure industries; and the manufacturing and process and plant industries. Sometimes we use, of course, the technology from the third division to craft solutions for our customers, but primarily we are doing that for customers inside those two market sectors.

And I know there are a few of you who might have had a few questions about the model – some business models and partnering models over the years. Autodesk has changed business models and partnering models more than once over the last 10, 15 years. One huge change they did was in 2016, when they moved from a perpetual license model into the world of subscriptions. So, in 2016, you could buy a piece of software, own that, and pay a small piece of maintenance. And after that, you bought into a subscription, so you bought into the ability to use the software for a specific period of time. We did that during 2016, that transition, and we've operated with that model ever since.

Now, last year, in 2024, Autodesk announced another change, which they called a new buying experience. This change basically meant that the customers who are used to get to quote from partners like Symetri and an invoice from partners like Symetri now got a quote from Symetri still but not the invoice, because invoice goes directly to the customer from the software vendor. That means it's an agency-based model. That was the change. And with

that change, it's fair to say that Symetri still have our customer relationships, because remember that we are selling other third-party software, we are selling our own IP, and we are selling our services. So these customers, they are getting an invoice from us still, but not for the whole solution.

Okay. So, the changes in this model also meant that the price are now similar irrespective of which partner you choose out there in the marketplace. For us, we strongly believe and have seen evidence of that many customers now prioritize those have who have more to offer; those with more own IP, those with more services, and those who also might have other types of technologies to bring to bear. So we feel that our competitive advantage and ability to acquire customers has strengthened through this change so far.

It also opens up further market consolidation, because not every single partner out there in the world have had the financial power or create the capability to invest in own IP, and we have done that for more than 20 years. So we feel we have a strong position going forward and we feel we are pretty attractive for many other Autodesk partners who might not have that kind of portfolio of offerings to bring to customers.

Finally, of course, also this transaction model changed that the credit risk for the software piece moved from the partner directly to the vendor – in this case, Autodesk – because they sent the invoice to the customer for these types of software. That's all I want to say about the partnering models. I'm sure there will be something in the Q&A, and I look forward to the opportunity to answer more questions. But before we go there, let's talk a bit about our customers and what we bring to the customers.

As I said, the way we look at the sectors and the industries that we serve with leading-edge technology and services, we see that we serve the building industry, the infrastructure industry, the manufacturing industry, and the process and plant industry. Those are the four segments that we serve. For each and every one of these, we have our own leading-edge technology and services specifically tailored to fit the purpose of these four sectors.

But what we wanted to do now was to zoom into one of the product lines that we have that brings value for companies in the building and infrastructure industry. Those two industries are generating 70% approximately of the net sales that we do in this division, meaning the other two are the remaining 30%. And this particular software that we wanted to zoom in on is a brand from Symetri, which has the purpose to announce that Autodesk technology platform. It's called Naviate, and it's for the building and infrastructure industry, and it helps them to work smarter, better, and faster. So let's have a look at that.

[Video Presentation] (00:48:58-00:50:26)

So that, I hope, gave you some insights to what Naviate is and what Naviate does. And for those of you who are in this room and curious for more, you can go out in the exhibition hall and learn much more about this later. But now, for all of you digitally and in the room, I would like to share some more examples of what we do for our customers, just to show you a little bit of the breadth of things we deliver to them, not just based on Naviate or any particular product line.

One example I want to talk to you about is we have lots of customers who are large engineering service providers out there in the world who are clients to us that they might be in the process industry, the manufacturing industry, or in the building and infra industries. But they have one thing in common, they have a lot of engineers and designers out there, and they all want to reduce the downtime, of course, for all those engineers and improve the standardization and quality of how they're going to get things done.

And one thing that they want to do is to deploy software upgrades, new Web versions, new pieces of software into their huge engineering communities. In this example of AFRY, they have 19,000 engineers employees in their organization, and we are building out the infrastructure to configure, package, deploy standardized solutions out there. And this particular implementation that we talked about, we were saving more than 15,000 hours for that organization in reduced engineering downtime by using technologies to make this so much faster, more efficient, and with greater quality. So that's just one example of what we do, and that's just giving them access to the tools.

Other things we do and as you've read about in the newspapers and maybe even experience is that most companies they want to digitize to be able to connect to data, to be able to drive automation insights with capabilities from AI and other type of technologies. One example that we have here from our clients is the Gillette Stadium in the US, which is the home for New England Patriots, for those of you who are NFL fans, if there is certainly one home sweet home, maybe one or two. Either way, they have a pretty cool stadium called Gillette Stadium.

And they partnered with us because we were one of very, very few globally who could do both [ph] CAD, BIM, GAS (00:53:00), and figuring out ways of how do we digitize things, how do we bring the physical reality into a digital world. And once we have done that, how do we connect all this data to create the digital twin from where we can drive automation and insights to sell more things to the people who come through to the stadium, to manage construction projects, and operations in a more efficient way. So creating digital twins is one thing that drives digitization, connected data, automation and insights.

Another example is the company called Bernheimer Architecture, where we helped with lifecycle analytics tools, embed that in a workflow, and the outcome is that they can now do common wall elements with a 50% less carbon footprint than they did before. And this is supplying tools and methods for them to make smarter, better choices and more informed choices. And they are now winning more and more business based on their ability to kind of drive the sustainability actions going forward.

So, those are three companies we're very proud to partner with, 3 out of the 25,000 that we have for now. So over the years we have in this division grown from being a Swedish company to becoming a Nordic company. And that was a huge milestone that we achieved in 2009. Super happy about that. From there, we said, now we need to expand our value proposition further, meaning we need to build more own IP, we need to expand the capabilities and services we can provide, increase our differentiation.

With that as a strategy, we acquired the company Tribia and Service Works Global to expand the value proposition and we also started to build product lines like Naviate but just you heard about. So that was the mission we went on in 2009 in order for us to be able to grow geographically. And with that, we also moved into the UK and Ireland. Through the acquisition of Service Works Global, we got access to the Canadian market and Australian market in addition. But the majority of the business was still done in the UK and Ireland.

As we went into that, we compounded a few partners into one Symetri in the UK. That took us a couple of years, but we did it. And the team did it so well, so well that we started to think about what's really stopping us to be the global number one. Is that even possible. And if so, how on earth could we take the next step towards that goal? With that said, we concluded that the natural next step was to enter the big US market. So, we did that on the 1st of March 2022 by the acquisition of a large company, Autodesk partner who were delivering value to the building and infrastructure industry, it's called Microdesk.

So we entered the US market then, and then we continued to expand our expertise with Kevin Schlack, as you heard, speaking earlier. And then we acquired a couple of own IP companies to strengthen our value proposition

who came into the Naviate portfolio products. And whilst we have done that and started to gain market share in the US, we gained the confidence enough to move forward to the next territory. That's when we entered the Latin America market with the acquisition of FF Solutions in Brazil this summer.

So this journey has taken us to a position where we now have operations in four continents in Design Management; Europe, North America, Latin America, and Australia. And we see great opportunities for continued growth. And the question is, what has this led to then? Personally, I am incredibly proud of the team that we have and what we have done for all our customers over all these years. And what you can see, it has also enable us to drive consistent growth over these 10 years. We have what you guys call, I think, a compounded annual growth rate of 26%. And we've also managed to double the margins. And how do you double the margins in this world of business? Of course, the strong focus on own IP has clearly helped us to differentiate, to drive value creation, to drive growth. But of course, also being more operationally efficient is also part of that game.

So the large move that you can see here in these graphs from 2021 to 2022 marked the entry of the US market with a positive growth rate. Then you need to know that the customer in our world can choose to buy a one-year subscription, or they can choose to buy a three-year subscription on their Autodesk contracts. That's their choice, one or three. That means that if a customer buys a three-year contract for their specific assets with annual payments today, we would recognize that whole revenue at the first transaction for that whole three-year contract.

That means that in the following two years we do not recognize any net sales from that particular contract. And this, of course, can lead to some annual seasonalities were might be higher or lower or multi-year or three-year contract sales or the renewal base comes and goes a bit with annual seasonalities. 2023 for us as you can see on this image was a year where we had a lower portion of three-year contract renewals, but also we saw a weaker market that year in the US especially, and that led to the drop in 2023. But as you also can see in 2024 and 2025, we're back on that growth trajectory as we were onto earlier.

And going forward from here, from here towards the future, we expect low-digit organic growth for Symetri in 2026 due to this renewable cycle that I was trying to explain or multi-year subscriptions or three-year subscription contracts. But for the coming years of 2027 and 2028, we expect organic net sales growth to be supported by this renewable cycle of three-year contracts.

Four ways to summarize the success factors that we felt we have done to achieve this 26% of CAGR. Number one is that we feel we have built a very, very strong culture brand that attracts the right people. We are meeting lots of companies out there and not everyone is a good fit for us. We are defining the Symetri way very, very clearly. What we mean by our values, attitudes, belief, systems, what it really means being an ideal team player, and why that's crucial for our future success. And we know that has attracted a lot of great people to our organization that we're really proud of, and it also had the impact that some people might not want to come into this organization, but we made that very clear. So, it's an option and everyone else know what they're stepping into. That's important.

We also know that if we go into a new market or market sector, it's crucial for us to know this is the way we're going to get to number one in that particular market sector, because that's when we see that the margins can grow, and we can afford to invest to make sure the differentiation grows over time. So we only go into markets, geographies, and/or sectors where we have a strong idea of what are the steps that are going to take us to the number one position. That might take us one year, it could take us three or four years, but no longer than five years.

Own IP offerings, I talked a lot about. It does increase the differentiation. It makes us more attractive not just to customers, of course, to our clients, because that's the important value for our clients; but it also drives the right people to us who want to have a bigger impact. If you deliver a service to one client and can't package that and provide that to someone else, your impact is probably less. But in this culture, you have an opportunity to take your expertise and have a bigger impact with that expertise and that attracts people to us. It attracts acquisition candidates, future employees, and it attracts partners who wants to work with us.

And we as a leadership team have learned that we have to have the courage to do things slightly bigger from the beginning, to reduce the timeframes than we did in the past. Where we maybe took three years to figure out if something is going to work or not; now we do bigger investments to get the outcome faster, even if the outcome is that – the idea didn't work.

And my final note is about the future. So, we feel we have proven to ourselves and to 25,000 customers so far that we have built a global, scalable portfolio that differentiates us from our competitors in the marketplace. We have a strong team, a great team with a lot of industrial expertise. We have a large network that we build over all these years, lots of companies and people that we collectively know in our industry. And we do have practiced M&A integrations, processes acquisitions over the years. So going forward, we are seeing both organic opportunities to grow customer acquisition in Europe and Americas, and also further consolidation opportunities in our industry.

And we also really, really think that this is also a good time to continue to expand the value proposition. And we're looking for companies that are having IP to offer to the customers that we already serve. So, those are kind of the two main opportunities that we'll be looking for from an M&A agenda. And, of course, we have proven that we can drive profitable growth in the history, and we will continue to do that in the future.

Thank you so much for your attention. And I'm going to hand over to my dear friend and colleague, Mr. Magnus Falkman, who heads up the PLM Division. Magnus?

Magnus Gustav Falkman

Division President-Product Lifecycle Management, Addnode Group AB

Thank you, Jens. Great job.

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

Thanks.

Magnus Gustav Falkman

Division President-Product Lifecycle Management, Addnode Group AB

All right. Good afternoon, everyone. Thank you for the time. I know I'm between you and coffee break. So, I'll do what I can to make this as engaging as possible. Also great to have you all online. Thank you for joining. I'm Magnus Falkman. I'm the division leader for Addnode PLM. I'm also the CEO of TECHNIA.

Going forward, I would refer to us as TECHNIA because we are basically running a single brand operation. My ambition is for the next 25 minutes to give you an overview of our financial profile, the strategic partnership we have with Dassault Systèmes, the industries we serve, how we bring value to those clients we have around the world, and also what is the transformation we are currently undergoing, and what will we do going forward.

But first, a few words about myself. So, I've spent more than 20 years in TECHNIA across multiple roles and different geographies. I've been fortunate to be part of this journey and for the last roughly five years I've been leading this company. My focus is sustainable growth. It's also operational excellence and familiar disciplines every day I need to constantly challenge my team and the customers to drive the necessary transformations.

Now, let me give you an overview of TECHNIA. In 2024, we had roughly SEK 1.8 billion in net sales and EBITA of SEK 170 million. We are roughly 750 employees worldwide where the roughly 200 – plus 200 out of this team based in India. We have a recurring revenue of a little bit less than 70% and we are operational in a little bit more than 15 countries.

We do this through four divisions, as we call them. We are structured with full P&L responsibilities. So, it's the Nordic, the Benelux, it's what we call Euro Central, Germany, Austria, Switzerland, Poland, Slovak, UK and North America. And finally, for us rest of the world and global partnerships, where we basically take our IP to the market in countries where we are not operational through other resellers. It's also worth mentioning that we support these four divisions by the strong team out of India, as well as our global team developing our own IP.

So, let's have a look at the pillars of our business and how we interact with our customers. ROI statement is helping our customers develop smarter products faster. For us, this means that more efficient ways of developing future products, it's also more sustainable ways and creating more sustainable products. Today, we help roughly 6,000 customers around the world, innovate, develop and manufacture with greater speed, better quality and compliance to local and global regulations.

We do this through three pillars. So, 60% of our revenue is based on Dassault Systèmes offers. For us this means design offers namely CATIA and SOLIDWORKS. Simulation-related offers with SIMULIA and governance offers in the form of 3DEXPERIENCE. We are one of the largest partners to Dassault in the world. 30% of our business is services. What is it that we do? We are purely focusing on services around the Dassault Systèmes offer, which makes us focused on this topic. We deliver training, business process reengineering, integration, design support, as well as data loading, etcetera. Services is critical for us. It's also how we create more value to our customers, making sure that what we deliver gets used and gets into and providing value to the customer over the lifetime.

The third pillar of what we do is own software. So, we have a portfolio of own IP that accelerates the deployment of the Dassault software. It goes from products with standardized integrations to UI and user adoption softwares. And finally, different type of compliance softwares for 3D models primarily. So, for us, TECHNIA software drives stickiness. It also increases our recurring revenue and it improves our margin, margin mix, basically. What's the effect of this? Well, it's higher recurring revenue base with long-time customer relationships.

Let me show you a little bit more about what are our industries and what type of offers and problems that we help these industries with. So, if we start from the left, transportation and mobility for us this is automotive, rail, heavy vehicles but also racing. So, we are serving many of the terms on the F1 grid as well as race teams in the US in NASCAR. What has been the trend here, I think for us in automotive, we have seen some global headwinds, I would say, our both OEMs and suppliers are challenged from electrification, software design vehicles, but also, of course, supply chains and tariffs.

I think for us, we see a huge potential and a need for especially the European industry to continue to digitalize. However, looking forward, I think the other industries will grow more for us and may become more important than automotive.

If we look at industrial equipment, the second core industry, for us, it's been an important industry for us all the time. Here, we see a continued need and here we help our customers develop more efficient with better quality.

Aerospace and defense has been a core industry for us that has developed into more of a growth industry based on natural development over the last couple of years. We are helping streamlining operations, improving efficiency, taking new defense systems to the market for our customers. We see this accelerated demand in this industry in all our regions, basically.

Life science has been a growth industry for us for several years as well. It's typically driven by complexity in regulations and also a need to improve efficiency within this industry, we will continue to grow with this potential.

Finally, infrastructure, energy and materials. For us, we have seen some sub-segments going down and sub-segments in this industry going up. I think what's very exciting now is, for example, all the initiatives around new nuclear, where we are helping customers in most of our industry, in most of our regions, actually expanding here, benefiting from the technology we deliver.

Right. To exemplify this a little bit, I'd like to show you a quick video.

[Video Presentation] (01:13:46-01:15:05)

Right. So, just to summarize, what was that. That was a quick overview of how an implementation can look at as a customer, where you see a platform for collaboration. You see 3D geometry being developed. You see a product being configured to a customer need. You also see a simulation of how this will behave. And then finally, simulation of the actual manufacturing of this product, powered by some of the TECHNIA components. And there will be opportunities to get more details if you're curious at the stand in the break.

Now, I want to exemplify this by three customer cases from different regions and also different industries and different sizes. If we start with Sora, it's a UK-based start-up, building electrical vertical takeoff and landing personal transportation plane, you can say. They came to us, they needed to rapidly design and verify designs for this new product. We helped them deploy 3DEXPERIENCE cloud with design tools and simulation tools plus with our processes. And by this, they were able to drastically reduce the development cycle and improve the traceability.

The second example here is Austrian-based industrial scale-up called automation.eXpress. They came to us with a need to have a platform for design and also interacting with their customers, designing basically factories. And we helped them with the with a design PLM-based platform where they now design, verify design and also plan their manufacturing in collaboration with our customers, leading to better configuration control and seamless handover to manufacturing.

The third case here is more of an enterprise customer, a long-term customer of us Kongsberg Defence & Aerospace, where we are currently working with them to design and develop the processes to accelerate speed of creation of new offers into this, to meet the demand from the customer base, which is really high, which is super exciting.

I think what's common for these three cases is that that's it's similar technology, even if it's adapted to the different industries helping these customers to develop its speed and quality and adapt the platforms for the future. I think we are we are really inspired by demanding customers that want to help their clients and we want to help our clients achieve breakthroughs.

And so, let's then look a little better at our prime partnership with the Dassault Systèmes. So, Dassault Systèmes is the leading global leader in 3D design, engineering, simulation and product lifecycle management. I've mentioned that they have flagship brands such as CATIA, SOLIDWORKS, SIMULIA, 3DEXPERIENCE, but also DELMIA. Today, we carry the majority of the big brands they have and we focus on these five industries even if Dassault Systèmes has a broader focus of up to 12 industries.

I think their core value position is connecting real and virtual. And this is really interesting and there is a great potential here. I think they have a great technology where the different disciplines are connected in one platform. Now, with adding AI capabilities in this platform, the potential to accelerate our customer's journey and improve the speed to market is huge and I'm very excited about this. Our partnership with Dassault has lasted for more than 30 years. We are a go-to-market partner. We are an implementation partner. We are an education partner. And we are also an R&D partner.

So, what is the role in our transformation and our customers' transformation together with the Dassault Systèmes? So, we have a great potential to guide our customers to benefit from all the new technology that is there. And there will be even more AI features coming both in our products and in Dassault products. Then, okay, what brought us to this situation and how did this journey for TECHNIA start and what was it like? What happened?

I think this story starts in 1994. There's two guys in this room that actually was part of the inception of the story. So, we have the Chairman back there, Staffan and also one member of the board, Jonas, founded a company called TECHNIA in Sweden. During this early phase, TECHNIA expanded in the Nordics. Some of our own first IP was created, and the relationship with MatrixOne that later became Dassault Systèmes was formed.

Then in 2004, there was a strategic and transformative shift where TECHNIA became part of Addnode Group. It was a catalyst for growth and expansion outside Nordics. In the period that followed, TECHNIA entered the US, created our operations in India. We were really early there, creating the foundation for delivering a project at scale, with a muscle with our great team in India.

After that, a phase of expansion in Europe followed where we had two transformational acquisitions. First, Transcat, which was basically almost three times the size of TECHNIA that time in 2015, putting us in the position of being the biggest partner also in Germany. Followed in 2017 by the acquisition of Intrinsys, putting us in the number one position in the UK.

From basically 2019 and forward, we have consolidated a number of expert companies in the area of model-based systems engineering and simulation, broadening our expertise and making us well-positioned to be able to accelerate on the new combined offer from Dassault. So, today we are a global actor with really deep knowledge in core domains and with a global delivery capacity.

What has this meant when it comes to numbers? So, our growth rate has been roughly 10% CAGR. However, the last two years, we have seen a downward trend. This is partly driven by some of the headwinds in the industry being very exposed to automotive. We have acted very diligently on this. In Q1, we communicated the transformation program, reducing costs and taking out some colleagues, creating a more streamlined organization.

Following that, we are now working on three topics. So, one is to streamline our offer, basically, scaling down some parts in our offers that doesn't strategically work with what we do and doesn't contribute to the global

ambition of TECHNIA. We are continuously improving the efficiency of the organization. So, it's something we will continue to do. And thirdly, we are focusing on reducing our OpEx, all in order to strengthen our margins.

So, then let's have a look at the success factors taking us to where we are. The first one, market leadership, which I share this with Jens actually. So, our learning is and our mission is very clear. When we are number one in a market, it's a really favorable, favorable position. We are that in many parts in our organization and we have plans for the areas where we are not. It also guides us when it look – when it comes to where are we going next. So, if we don't see a path to leadership in a market, we will not enter that market.

The second success factor is culture is really a competitive advantage. We are a people company. It's our employees that meet our customer on a daily basis. We have to make sure that we have the right attitude and the right spirit in all parts of our organization. This is, of course, an ongoing task when it comes to our own existing terms. It's also really a key to the topic when we look at M&A situations.

The third success factor is own IP. For us, own IP is more than technology. It's our identity. It provides opportunities for employees, it provides – it generates a uniqueness to us, and it also creates a stickiness in our custom situations. So, this is something we will, of course, continue focusing on. My third success factor is simplicity in global execution. This is something we have been working on, but it's also something we honestly are working on. So, this is a never-ending story, but I have a lot of potential to continue to drive simplicity in how we operate.

But then let's have a look at the priorities going forward. So, I touched on that. For me, key priority is to drive efficiency and profitability in the organization. We have taken action. We are continuing to do this, making sure that we can run with a higher profitability than today. And I'm convinced we can. Second thing is simplifying and strengthening in our offer. So, harmonize our global offer. We are selling more or less the same things in all markets in order to bring more scalable and efficient.

The third thing is to leverage our leadership position with Dassault. So, there's a – we have a really strong position. My focus is to continue to do that, of course, but also expand further our services and owner IP into our customer base. And then, we are doing all of this to be ready to be agile and scalable, to take potential next step in our journey.

Think by that, you all deserve a bit of a coffee break. And so, what will happen is that there is an exhibition outside. There would be coffee. After the break, where I really want you to be back here at 3:00 latest, preferably a couple of minutes before. So that's half an hour, Mr. Wikholm, will take you through what's course and ins and outs of the Process division. Thank you.

Andreas Wikholm

Division President-Process Management, Addnode Group AB

Welcome back. Hope you all had a nice coffee break with some Swedish fika and perhaps had a chance to have a look at our software that was out there. And for you, following us a line, hope, at least you had a nice cup of coffee. So, welcome back.

It's time for the final division, the Process Management, le grand finale. Sometimes you save the most exciting and thrilling part for the end, right? But I don't think the words thrilling and exciting describes the Process division that good. With our recurring revenue, long customer contracts, and prepayment, I think that predictable is a better word. So, I can't give you a thrilling grand final, but I hope to give you a predictable grand final.

My name is Andreas Wikholm and I've been Addnode Group for 10 years now. I've been running the Process Management division the whole time. I have 25 years' experience from the IT sector. I've been working mostly on the supplier side with the public sector and the modernization and IT there. Before Addnode, I was quite a long time at Nordic IT group and serial acquirer Visma. And ahead of that, while in the beginning of my career, long time ago, I worked at the Nordic IT giant, Tieto. I'm born up in the Luleå, but I moved now to Stockholm long time ago. So I lived in, well, actually living here for a long time, so I consider myself as a city boy.

But enough about me, and let's talk about the division. Let's start with some basic facts. Last year, we ended on net sales at SEK 1.3 million (sic) [SEK 1.3 billion] (01:29:30). I'm the little guy compared to those giants over there. We own the majority of the IP in our products, and that actually helps us to keep up the profit margin to, well, almost at 20% level.

We have two main offering, one is GIS-centric or less geographic IT and other is around case management. And I will come back to that. Almost all our customers are in the Scandinavian public sector. We do have a footprint in some private market segment as well, typically segments that through minds public sector, insurance companies, pharmacies, electric utilities. We like rules and regulations. The majority of our employees are based in Sweden and Norway, but we do have additional software centers in Lithuania, Serbia and India.

As you can see, we work with multiple brands and companies within our division. I know it might look a little bit fragmented at first glance, but don't worry, this structure actually helps us to keep focus on the decentralize governance model that we have. This is small and midsize companies. And the best thing about a decentralized model, Johan said it, but I will say it again, I will probably repeat it one more before I leave the stage here, the best business decisions are taking but those who knows the customers and employees best.

And the brands you see up there, they are very well-known among their customers. So, we are careful when it comes to consolidations and mergers. But over the years, we have been able to established lots of programs and initiatives, where these companies actually cooperates so they can, well, they're not in nirvana, but I would say that they can combine the strength of being a small and mid-sized business, with the benefits of belonging to a big solid group.

But how can they all perform so predictable and stably then? Well, I think that the main answer to that question lies in the nature of the customer base and the smartness of our products. So, let's start to take a look at the customer base.

Public sector in Sweden and Norway. First of all, all Scandinavian countries have had high ambitions and budgets when it comes to IT modernization, for a long time. This is a customer segment with money. It doesn't matter how the stock exchange develops. And selling and delivering to public sector is a special sport. It's like cricket. The procurement processes are rigorous and complex. A single sale cycle can take years. So if you went in, you have to be very patient. And we have been there with our companies for 40 years.

This is also a customer group that is very risk avert. The fear of doing wrong or even doing something different is very high. You don't want to be that guy that bought an unknown system that didn't work. Then you might end up in the local newspaper or on TV, Keller Factor. The contract lengths are normally eight years, sometimes even longer. And all together, this creates high entry barriers for newcomers and a quite small fish pond of suppliers. For instance, can you guess how many competitors we are up against in an average public procurement? Anyone?

.....

Unverified Participant

10.

Unverified Participant

6.

Andreas Wikholm

Division President-Process Management, Addnode Group AB

10, 6? Well, fairly good, I would say, definitely less than three. Said something about the customer group, right? But if you move on to the smartest of our products, well, the very best thing, our customers can't live without them, we deliver truly mission critical solutions. You can't run a modern city today if you don't know where the pipes underground are and you need a system for that and you need a building permit solution, otherwise, my whole time leading it would be over flooded by installations that is totally crazy, buildings, castles, paddle tennis courts and more importantly, the customer, the city hall, would be breaking the natural law.

Of course, there are other options that the customer could switch to. But even though there are other options limited, but other, the cost of switching all the standardized building permits solutions might be SEK 5 million to SEK 10 million just for a normal Swedish municipality, and that's quite a lot for them. And if you run a central government agency, perhaps, and you want to switch your own case management solution, well, then you better have a thick wallet. And why is that? Well, the businesses in the cases at central government's agency, are very unique and special.

So, even though we provide a platform for case management, you always have to tailor made it. And that is actually why you see quite a lot of services in our division as well. But remember, as Johan said before, the services we provide are connected to software and the software that we provide.

We don't sell Java developers to the guy next door. This is services connected to our software. And more importantly, a lot of these software services, sorry, is actually a recurring nature. So, customers commit to buy, well, for maintenance or development hours, a number of hours every year. So, it is a recurring in nature.

If you look, for instance, at what IDA in France is delivering to the Swedish Environmental Protection Agency, Naturvårdsverket, a customer that we have been working with for 15 years. We provide our case management platform, iipax, and on top of that we are building support for them to handle tens of thousand different environmental cases every year, covering permits, supervision, taxes, grants and all types of stuff.

And you can imagine if you work with a central government agency for 15 years doing that, that solution will be very hard to replace. But more importantly, IDA in front and iipax is helping Naturvårdsverket to focus on the core business and spend less time on administration, protecting Swedish environment and promoting sustainable development.

If we then move from central government to local government and we take a look at Sokigo, they have a product called Gaida. Perhaps someone had a look at it outside. But this is a more standardized product designed to fit the needs of 290 Swedish municipalities. But instead of me talking further, let's have a look at the short video.

[Video Presentation] (01:37:39-01:38:55)

Looking been great, right? Soon to be installed at all Swedish municipalities, at least I hope so. So, if we leave the products and customers for a while and focus on what the Addnode Group can deliver to the entrepreneurs selling their companies to us. I like to see this as a small board, a set of initiatives and programs that could help the companies becoming the supplier, number one, and, of course, also an attractive workplace.

Johan already mentioned our innovation program. I think that is one way, of course, to fostering entrepreneurship within our group. Lots of engagement from all our employees, but we also arrange annual leadership programs and that is sounds quite easy. But if you are a stand-alone company with 100 or 200 employees, it's hard to do that every year. And we have a group-wide trainee program, executive trainee program that helps our companies attracting the very best top talents from top schools like the Royal Institute of Technology or the Stockton School of Economics.

Another highly appreciated initiative is the Addnode Women!, a strong network promoting skills development, collaboration and networking among women in tech. We arrange hackathons for our software developers from across the globe, engage together with the customers, and solve almost impossible challenges.

On the security side, we have a comprehensive cybersecurity program, ensuring that our companies take the necessary actions to avoid leaks and hacks. Do you want to know exactly what we do? That's a secret. I can't tell you. But perhaps the most appreciated of all is all the professional networks that we have in the group, role-based professional networks is key.

If you're a CTO today, you can discuss with other CTOs on how to use modern AI tools to speed up the R&D development. Or if you're a sales guy, you could collaborate to do cross-sells with your other colleagues in the group. Or if you work as a HR director, perhaps you need to share some best practices with others on how to implement the trick in working-from-home policy. Having those kind of role-based networks, I would say that it's really key for success in our fast-moving business climate that we have today.

So, how has the division developed over the years? Of course, you can take a look at it from many perspective. One way is to look at the acquisitions we made. Most of them bolt-on acquisitions, strengthening our value proposition and customer offering. But we also made a couple of strategic partnerships along the road, like the one that we have with the Esri today. Esri is the global frontrunner when it comes to GIS technology, quite similar to Autodesk and Dassault Systèmes, but within the GIS community.

Today, we are the only one providing Esri technology to Swedish municipalities. That is a business setup we would like to, well, expand further, perhaps to other market segments or other customer segments. We have also done a couple of mergers and consolidations, even though we are careful with that. The company Sokigo, that I mentioned before, it's actually built on eight different companies.

If you take a look at the development from a more financial perspective, it looks like this, quite solid development almost every year. The CAGR 14%, I thought that was quite good, at least until this morning, but we released or at least someone raised the bar a little bit. But well, if you haven't read the press release, you can see that as a teaser for Kristina's presentation later on. But I think it's a quite solid development.

And some of you might wonder what happened in 2020. You could see that our profit margin took a jump up. Part of it was due to SaaS-driven acquisitions, Netpublicator and IntraPhone. But the major part was actually COVID effect. During COVID, the customers kept on buying our solutions, but at the same time, we managed to cut costs

in travel and office space. Savings will be able to maintain even after the pandemic. Someone clever here, or many people clever here, might think, is it possible to take another jump in the future? Perhaps with the help of AI? I think that's a good question for the Q&A later on.

But if you reflect a bit on the key success factors that have helped us during this development over the years, also things that we should bear in mind walking farther. I would definitely highlight the decentralized governance model, here it comes again, I love to repeat it. The best business decisions are taken by those who knows our customers and employees best. That's key in Addnode DNA.

Big fish in a small lake. What's that all about? Well, it's about being supplier number one. If you are to supply number one, if you are the thought leader within a product segment or market segment, you have a unique possibility to deliver value, because the customers really listen to you and you have also the possibility to get paid in a good way definitely.

Our focus on public sector has also been core for our success. Yes, we work with other segments, as you heard but understanding public sector and the customer so deeply as we do or have done long to do over the years, that has enabled us to build the solutions they simply cannot live without.

Finally, culture a winning team. While this is a tricky thing that's sometimes hard to put words on, but I would say that we have managed to create a culture where you mix psychological safety with a healthy dose of competitiveness. And this mix has been crucial for us to create success and constantly take market share from competitors.

So, what lies ahead of us? Well, we will definitely continue to grow in Sweden and Norway, both organically and through acquisitions. There's still a lot to do here. But we do see a compelling potential outside the Nordics as well. We know that our knowhow and solutions all relevant for customers in the US and UK, in Germany. Will we go with everything everywhere? No, of course not. And if we go at the geographical expansion, they will for sure support that with acquisitions. But let me put it this way, I would be very disappointed if we three years from now haven't put down the Process Management flag in a country outside the Nordics.

Anything else that you should watch out for on the road ahead? Well, you heard about AI. AI is making everyone more efficient. It's probably about 90% of my speech, but perhaps the most affected ones in our organizations are the software developers. We are already accelerating our software development through the help of modern AI agents.

But who's the winner of this? Better margin in my decisions – in my division? Yeah, maybe. You want to hope for that. I hope for that. And a couple of more guys in the room hope for that. But maybe it will only be the customer getting more for less money, or maybe they could both be winners. Or maybe the competitive landscape will shift if some players are betting using AI than others.

One thing is for sure, AI is here, that's all good, but it will be crucial for success in the future. But I'm confident that we will handle this new spice with steady hands just as we had handled other emerging trends in the last 40 years, like the Internet, like the cell phone. And if you do that and continue to deliver mission-critical solutions to public sector, I'm 100% sure that we'll still be around 40 years from now. Hopefully, a lot bigger. So, nothing dramatic, nothing thrilling in this final presentation, just solid and predictable business.

Thank you for listening. And with those words, I would like to hand over – well, this is the moment you all be waiting for, right. I will hand over to the queen with the keys to our treasure chest. So, please give a warm hand for our CFO, Kristina Mackintosh.

Kristina Elfström Mackintosh

Chief Financial Officer, Addnode Group AB

Thank you, Andreas, and thank you all for listening in, both the audience here in the room and also you, the audience online. I'm going to take you through the financial targets that we just published this morning. I would just like to ask you, who read the press release? That's 99%. That's great. So, now you know what you have in front of you.

And I'm Kristina Elfström Mackintosh. I've been with Addnode Group for almost two years now, not as long as my colleagues, but I'm really committed, as committed as they are, in the future of Addnode Group. And historically, Addnode has presented three financial targets and now we're going to add the new and fourth target. And I'm going to start by going through them one by one and I'm going to start with the growth target and explain the reason for the new definition of the EBITA growth.

And Addnode has always been focusing on profitable growth and this is also forming a basis for the change in the growth target. We were going for from net sales 10%, to a target of 15% EBITA growth, focusing on profitability, efficiencies within the business.

And I'm now going to take you through the 10 years performance in the past in this metrics, also providing a guidance for the future. Over the past decade, Addnode has focused on profitable growth. And we have increased EBITA from around SEK 170 million in 2015, reaching over SEK 900 million SEK in 2025, an impressive CAGR of 19%. And you heard my colleagues talking about how that is possible? How we are growing? And recurring revenue is really an important part of that. Growing the business being predictable, profit being predictable and stable going forward. Also, our focus on our own products, new technology and services also form an important part in the growth journey.

And as we know, acquisitions, really important to Addnode. And we, during this time, have acquired more than 40 strategic and bolt-on acquisitions that have added to the growth in EBITA. And you can see the temporary drop in 2023, I think we have gone through that, but I'm just going to reiterate what Jens and my colleagues have said before, that's part when we had a temporary drop in customer demands, mainly in the construction industry. We also saw longer sales cycles in 2023, and also the swift to lesser three-year contracts in 2023, together with a restructuring measure in one of our divisions.

And Addnode will continue to drive EBITA growth. And we will do that with a balanced mix of organic growth as well as strategic acquisitions. And we remain confident and excited about the road ahead to deliver EBITA growth of 15%.

By that, I'm going to take you through the next financial target, which is the margin target. And Addnode's EBITA margin has shown an upward trend over the past decade. And by – it's been driven by organic efficiencies, also releasing new and advanced technology on products and services and also expanding margins and making good and profitable acquisitions.

Additionally, also the shift in the new transaction model has supported a higher margin level, aligning well with our strategic focus of profitability. And we have adjusted our margin target from 10% to 17% EBITA margin. And as Johan informed before that the margin has been adjusted in the past to make the years before 2024 like the new

transaction model. So, we have adjusted the figures and also for your benefit, we have posted a pro forma that you can have a look at in at our website.

And I will now share the historical performance of the EBITA margin with you. And since 2015, we have steadily improved our EBITA margin. From around 8% to 9% to now 15% to 16% in the last years, which has been a great improvement over time. Gross margin is strong and remains strong, which is a good foundation for the EBITA margin. And as you heard from my colleagues, since expansion and development of our own technology and products and services has also found a key role in driving the margins up.

And Addnode has even though challenges in the past, like the pandemic, the increasing interest rates, the geopolitical unrest and financial instability, we have made progress, which is quite impressive. And we heard lot of my colleagues talking about the decentralized organization where decisions are made closer to the customers and the markets. That has really proven very successful, actions can be made quickly, driving the margins up. And we are continuing making acquisitions with high margin, bringing us to new geographies, new markets and new customers. And that we are continuing to making acquisitions in that respect and we are combining the multiple geographies and customer markets and segments, bringing the concentration risks down, but also allowing for opportunities, growing the business in new areas. With this development, we are excited and confident to continue to drive the EBITA margin and improve the margin to 17%.

With these two targets in mind, I'm going to take you now moving over to the dividend. And the third financial targets is the dividend and Addnode's capital allocation strategy is focused on long-term value creation and disciplined financial management. And our capital allocation approach includes three components. Firstly, investing in our core operations. Focusing on high return projects to bring the organization – or to drive organic growth. Secondly, strengthening our positions with acquisitions that would strengthen our market position, our customer capabilities, improving our long term growth. And thirdly, the dividend to our shareholders. And the capital approach remain valid, and we are maintaining our dividend policy, underscoring our commitment to consistent and predictable shareholders returns.

And strong cash generation is an important part and we are driving cash flows and cash generation hard in Addnode. And I will take you through the cash generation for the past 10 years. Our business model is characterized by asset-light model with moderate working capital and R&D requirements, strong cash generation supported by upfront payments. And the graph that you're seeing behind me shows the cash conversion for the past 10 years, and the cash conversion is calculated as the free cash flow in relation to EBITA.

And you can see, the pink trend line, which show an average cash conversion of 17%. You can also see in 2023 something happened. And I think Jens explained that quite well that before that, when we sold a three-year contract, we would get the revenue for the three year at the time we sold the contract, but we were also getting payments for only three years. That changed in 2023. Now, when we sell the three-year contract, we will still get the revenue for the full three years, but we will only get one-third of the payment upfront. So, there, we have a temporary working capital drag that you can see in this graph.

And I would just like to point out, we're not losing any money. It's just this shift that makes – that we have a temporary working capital drag. And we are working hard with a lot of actions in bringing this level up. And we know that it's going to come up because that's the business that we're working in.

And cash flow is important to our dividend allocation and dividend payout. And I'm not going to go through the dividend for the past 10 years and also the EPS development. We can see a solid EPS growth over the last decade. From 2015 to 2024, EPS has grown by around 280% and approximately SEK 960 million has been

distributed to our shareholders. And we are confident in our long-term prospects and continue with our current dividend policy, 30% to 50% of our net profit being distributed to our shareholders. And Addnode benefit from long-term shareholders who remains strongly committed and provide consistent support for our strategic initiatives, our operational execution, and long-term success.

And I will now comment on our fourth and new financial targets, which is the net debt-to-EBITDA. We never had a target in this area, but we get a lot of inquiries about our leverage and our leverage position and our leverage targets. So, now Addnode is introducing that for the first time. And with this new target, we are reinforcing our commitment to maintaining a strong balance sheet. And strong capital structure that supports both organic and strategic acquisition. And the new target is a net debt-to-equity of no more than 2.5 times.

And this metrics provides transparency into our leverage position. It also ensures that we are disciplined when it comes to balancing growth initiatives with financial stability. And I will now go through the performance of this leverage metrics for the past 10 years. Addnode is operating with a resilient balance sheet WITH a low debt and leverage level, and you can see the leverage has been around 1.1 times to 1.3 times over the past three years. You can also note in this graph that in 2017 where were made a lot of acquisitions, the leverage came up to 2.0 times. Addnode then in 2018 made a new share issue and the leverage was brought down. And we are planning to maintain a controlled net debt position going forward, but we will also balance the level with strategic opportunities which may increase the leverage from the current levels.

We are also evaluating our performance in relation to capital employed, although we are not proposing new financial targets. However, I'm going to take you through the last 10 years performance of the return on capital employed. Addnode is a true compounder with consistent and increasing return on capital employed. In 2015, return on capital employed amounted to 13.5% and has been reaching 18% to 19% over the past three to four years, except in 2023 when the profit drops that we talked about just recently.

And we are currently focusing on improving return on capital employed by increasing our operating margin and profitability. We're also operating – optimizing our OpEx and working capital, trying to reduce tied up capital. We also manage our CapEx and reinvest profits to high return projects. And also, as we heard from time to time, we are restructuring our operations that are not performing according to plan. And this has really been successful and based on a proven track record.

And I will now finalize our financial targets. And I believe that repetition is the mother of knowledge, and I'm going to repeat the targets. We are now leaving our old targets, and we are working with our new targets, 15% EBITA growth, 17% EBITA margin, 30% to 50% dividend, and a net debt to EBITDA of no more than 2.5 times. And when you combine Addnode's track record with a clear path going forward, it shows that how consistent we have delivered margins and strong returns and how confident we are in our financial strength and our ability to reach these new targets.

Thank you very much for listening and I will now hand over to Johan.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Thank you, Kristina. I'm going to high five you as well. Thank you. Before we move on to Q&A, I just want to take the opportunity to say a few words and firstly thank the fantastic management team who has been able to present today. Thank you. And I think it's so much easier if you have a great management team because you know if you're by yourself, you're going to do everything by yourself, nothing gets done. So, first of all, I'm very proud to

have been able to introduce the management team to all of you today and also introduce the structure of the things that we would like to do as moving forward.

So, I want to take the opportunity just to take three minutes just to summarize. And going back, you have already seen this today. Why invest in Addnode Group? We are offering digital solutions. We have a proven strategy that is shown that we can give the return and we hope that's going to happen going forward as well. Mission critical software, that's what we provide for our customers. We do believe that with a high customer retention switching cost, that gives predictability in what we are doing. We can see that we have growing end user markets. And we have a proven business model, recurring revenue, and high cash flow even though we have a temporary drag on the cash flow.

We do like the combination of organic growth and M&A, and we do try to work consistently on improving the margins 1% per year. That's a good way of doing things. And we do like to have a balanced and disciplined way of looking at our financials, like Kristina told you. We do like the diversification and the resilience in the business, and we are going to continue to have a focus on strong cash flow, a resilient balance sheet, and be very effective on our capital allocation as we move forward.

So, what can I promise you and what can you expect? More of the same and a little bit of more? That's probably what we can hopefully do. That means that we're going to continue to do bolt-on acquisitions. We're going to do what we call bigger acquisitions, some of them that we have discussed today. We are not going to make bets. We are not that kind of company. But as we grow, we can handle bigger and bigger acquisitions. I think that's the way to look at it.

We're probably going to enter some geographies. We have discussed that a little bit today. We're active in 20 countries today in 5 continents. Probably some of the neighboring countries to where we are today. That's probably what to expect. We are going to look at new niches with market growth, but they're probably going to be quite close to where we are because, remember, we do believe that we need to be able to create value in what we're doing. And in order to do that, we need to support the companies and our customers. So, that means that we'll probably be adding nodes to the existing nodes. That's probably what to expect from us.

We're going to continue to invest in own IP, as we said, both sort of pure IP offering but also the IP that gives value to the platforms that we represent because both are important, both create high margins but also because it's the glue that connects people. And it also makes us more attractive to the entrepreneurs that we want to bring in to our organization. Of course, we're going to work with price increases. At least I know that my board of directors is going to ask me about it. Johan, what about the price increases? Are we doing enough? Could we do more? It's a constant work and we need to balance that with our customers as well.

We're going to work on internal efficiency. There's always more to do and we had had some presentation discussion around that today. It's a constant work and hopefully these things are going to bring us to an EBITA growth of 15% and remember, 15% year-over-year. That means that in five years we're going to double our business. That's what the target says. And on that journey, we're probably – we need to increase our margins as well. As Kristina said, we are trailing around 15%. We're saying or at least we're going to go on that journey up to 17% to make that happen. So, that's what we're having now.

So, with that, I want to open up for Q&A and questions. And with that, we're going to do it like this. You here the audience, you're going to be able to ask questions directly here. We're going to hand out mics. And when you get the mic, please put it close to your – to you so we will hear you. And for those of you who are listening, you're

hopefully been already putting out questions in the webcast. There's an ask-a-question function. If you haven't done it, you can still do that.

So, with that, I would like to open up for Q&A.

QUESTION AND ANSWER SECTION

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

A

So, do we have any questions from the audience to start with? Please state your name as well also for the rest of the group.

Daniel Thorsson

Analyst, ABG Sundal Collier AB

Q

Yes. Thank you very much. Daniel Thorsson from ABG. Two questions, one for Jens. How large share of your partner software in the revenues do you think are less connected to own software and services that could be kind of at risk when Autodesk is getting a bit closer to customers sending invoices directly? And then the second one to group management and also head of M&A. When you allocate capital between the three divisions, you see obviously different scenarios, different M&A alternatives with different returns. Which one or which segment do you find the most accretive potentials in today?

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

A

Jens, you want to start with the question?

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

A

I can try. Can you hear me now, yeah?

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

A

Yeah.

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

A

Question one then to repeat is kind of where do we see the risks in the 45% of the revenues that we have from partner revenues. I would say that's a very tricky question to answer in numbers, to be honest, but the majority of our – if I answer it on a different way that if we use the 80-20 rule and think about how much of the revenue is from the customers that generates about 80% of our total gross profit that doesn't buy any services or any own IP, it's very close to zero. So, I think we have a good protection if that's what you asked for. I don't know if that answers your question correctly. But we feel pretty confident that we have strong and good customer relationships and we don't really, how do you say, fear what you might fear with that question at the moment. So, I don't know if that answer, but that's the best answer I can give, I think.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

And if I understand correctly, in the different sort of division, different regions there, so where do we think we can get the most value out of investing in new M&A?

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

Okay.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Yeah. And the correct answer is probably in all areas. But maybe you want to – within the different division, [indiscernible] (02:14:12) elaborate what are we looking for what type of acquisition that probably can give some value to that question?

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

Should I answer first and then pass over to the guys, yeah? All right, so I try to articulate that we're looking still to grow the customer base in Europe and across the Americas, North America and Latin America. But we're also looking more strongly now than maybe in the history to expand the value proposition with companies who have built technology that we think could add value for the customer base we already have. So, in our case, we will both continue to expand the customer base because we already believe we have an IP to – that has value. But we will also look even more in the future than we have in the past on companies that can provide technology to the clients we already have to provide more value. Handing over to you.

Magnus Gustav Falkman

Division President-Product Lifecycle Management, Addnode Group AB

If I want to – if I continue, so the position is similar for TECHNIA as it is for Symetri. Meaning can we strengthen our positions in existing markets by either acquiring customer bases, managing those bases with the same team we already have or grab positions that complements our position in an existing market? Or if there is sort of big bolt-on markets that make logical sense where we can get the clear number one position based on M&A. And thirdly, priority number one for me is can we find good candidates with own IP that we can upsell on our existing base. That's similar, I guess.

Andreas Wikholm

Division President-Process Management, Addnode Group AB

Yeah. From the Process Management perspective, I would say the bolt-on acquisitions in Sweden and Norway is strengthening our value proposition within GIS and case management is still 80% of our M&A pipeline. But we do have strengthened our efforts and we have more people now looking for acquisitions even outside the Nordics. And then, we are looking in areas we are particularly strong in within Sweden and areas that we know is relevant for other countries as well. Urban planning, urban development, building permits and also case management in certain areas. So – but still, of course, the bolt-on acquisitions in Scandinavia are the most part of the pipeline.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

And just to add to that question is that basically all the head of divisions have – there are a lot of things that we can invest in and then they get the opportunity to talk with Elisabeth on M&A, get any help. How do we make a case out of it? How do we value that? And then basically, Elisabeth and the division manager present it to me and then I ask a lot of question, and then we bring it to the board of directors.

And on that journey, the guy who are closest to the acquisition candidate probably want to pay a little bit more because he see the more value, and then they get to the head of M&A probably want to pay a little bit less. And then it goes to me, I want to pay a little bit less. And then I go to the board of directors and the chairman want to pay even less. So I think, we have sort of a journey to walk through on that. So, [indiscernible] (02:17:36) a little bit about valuation so.

Andreas Wikholm

Division President-Process Management, Addnode Group AB

So, better start high.

A

Elisabeth Forslin

Head-M&A, Addnode Group AB

We see through that.

A

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Yeah.

A

Magnus Gustav Falkman

Division President-Product Lifecycle Management, Addnode Group AB

You're exposing your secrets.

A

Andreas Wikholm

Division President-Process Management, Addnode Group AB

Yes. I am.

A

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Yeah. Should we take one question from the audience on the webcast as well? And I think this is for you, Magnus. It's from Jay Vleeschhouwer from Griffin Securities. And question relating to Dassault. He said, Dassault has identified infrastructure in cities, AEC as a strategic market, but it's not now a significant business for them. How do you foresee this changing or not?

A

Magnus Gustav Falkman

Division President-Product Lifecycle Management, Addnode Group AB

I want to be a bit careful with talking about my biggest partner. So, I – we have been following this initiative for the last five years. It's very exciting. Right now, we are not putting effort into this industry because our judgment is that the current offer is not mature enough for the channel. Let's see what happens.

A

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

A

So, it's an opportunity.

Magnus Gustav Falkman

Division President-Product Lifecycle Management, Addnode Group AB

It's an opportunity, but it's not one we currently are investing in.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Thank you, Magnus. Any more questions from the audience?

Daniel Djurberg

Analyst, Svenska Handelsbanken AB

Hello.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Hello.

Daniel Djurberg

Analyst, Svenska Handelsbanken AB

Yeah. Thank you for taking my question. My name is Daniel Djurberg from Handelsbanken. Thanks for great presentations. I'll start with a question to Kristina and that is on the net debt to EBITDA gearing target below 2.5x. Will this be a strict target or will you temporarily allow overshoots for a year or two?

Kristina Elfström Mackintosh

Chief Financial Officer, Addnode Group AB

Let me put it this way that we have published this target, 2.5x. But should there be acquisitions that require a temporary change in the debt level, we will go back to the board and revisit the number. But it's important, of course, if we have strategic targets that are making up our progress going forward, we can't deny that to happen. So, there will be discussions with the management and the board.

Daniel Djurberg

Analyst, Svenska Handelsbanken AB

Okay. Thanks. And another question to all the division heads, really. Cybersecurity is obviously super important. We've seen [indiscernible] (02:20:05) et cetera, getting hacked. Can you just comment on how you secure this? And perhaps mostly in Process Management, we have a lot of decentralized businesses. Thanks.

Andreas Wikholm

Division President-Process Management, Addnode Group AB

Yeah. Yeah. We have a comprehensive program on group level that – where all companies within the group engage and there's a set of activities that is sort of minimum required. Of course, we have some companies that has raised the bar even further dependent on what customers they're working with. So, I would say, of course, you have to be humble when it comes to cybersecurity. We have been under attack the last 10 years a couple of times. That's no secret. That's how it is in the market right now. But I would say that I sleep a lot better today compared to how I slept like three or four years ago. So, I would say this is an area where we have developed incredibly strong over the last two, four years. So, well, you're never sure, right, but it looks a lot better today.

Magnus Gustav Falkman

Division President-Product Lifecycle Management, Addnode Group AB

I share that with you for us. So, I think it's – there is a very big awareness in the entire company about the importance of this and how the risk associated with making the wrong decision, so to speak. And now we are 27,000 certified in all countries. And I think that has helped – that process has helped us a bit. It's not a guarantee, but...

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

Yeah. And I agree of course with the gentleman before. And from our side in addition to that because we have the – you don't want to speak too much about how exactly we do this, of course, but we do have some common systems and processes in certain areas and the common governance of the day to day activities, monitoring of things. And we've also hired a CISO from the fintech industry that brings expertise in our company that we think helps us globally. So, we're trying to take measures and have been taking a lot of measures to date. I'll pass it back to you if you want to say something more.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Yeah. Andreas want to add something.

Andreas Wikholm

Division President-Process Management, Addnode Group AB

Yeah. I can also add, I think one important change today is that if you were attacked like six, seven years ago, the market was quite forgiving. But today, you're actually in a blame position. If you're attacked and you leak, then you're in trouble. So, this is even more important now compared to 5 to 10 years ago.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

And I guess compared to 5, 10 years, we're investing a lot of more money and efforts.

Andreas Wikholm

Division President-Process Management, Addnode Group AB

Yeah.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

We do have two people working central and full time with cybersecurity. We didn't have that five years ago. We're definitely investing more in hardware and digital solutions that are deployed across the group to protect us as well. So, we're definitely investing more than we did five years ago. Does that mean that we are bulletproof? No one is. But we are trying as best as we can to make sure that we are getting in a better position as we go along. It has to do both, protecting ourselves [indiscernible] (02:23:22) but also with the software that we provide, making sure that it by itself is getting better from a cybersecurity perspective.

Andreas Wikholm

Division President-Process Management, Addnode Group AB

And it's also a huge part today of the due diligence process. 10 years ago, it was like 10 questions. Today, it's hundreds. Elisabeth, how many is it?

Elisabeth Forslin

Head-M&A, Addnode Group AB

It's a lot. And we also have an external partner always helping out in due diligence with the cybersecurity. And I will also add that cybersecurity is one of very few things that are mandatory for the targets that we acquire. So, after the acquisitions, they go directly in our cybersecurity program. Yeah.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Good, right. Thank you. Good question. Any more question from the audience here in the room?

Fredrik Nilsson

Analyst, Redeye AB

Fredrik Nilsson, Redeye. I want to start with the new margin target. It's above recent years also if looking at the pro forma figures. So, could you perhaps elaborate on the way to 17% and also the timeline?

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

I think probably for me to start on that. We are now roughly on a – trailing around 15%. I mean, at the same time, we're saying we're going to double our business in five years. So, you need to see those two in combination, I think. So, if we during that journey can double our business and at the same time move our underlying profit margin from 15% to 17%. And if we are in a position to do 1% each year, do that every year, I think that's probably to be expected and probably at least what the board of directors would expect us to deliver as well going forward, so. And it's going to be the usual things, work with operational efficiency, probably look at our offering. Let's see if we can work with our acquisitions even better and just keep on grinding and doing it. So, there's no magic in it. It's just keeping doing it but a little bit better every year.

Fredrik Nilsson

Analyst, Redeye AB

And one question for Andreas. You talked about going outside of the Nordics. And as far as I understand, at least for case management, it's usually challenging to sell a Swedish solution in Denmark, for example. So, what synergies can you bring into Europe if you're going there?

Andreas Wikholm

Division President-Process Management, Addnode Group AB

Yeah. I think one important thing is what you mentioned, some kind of case management or GIS related solutions are highly regulated to national or local laws, but not everything. Like if you look for the system for sewers and that stuff, it's actually quite similar between the countries. So, that is definitely something that we take into account when we're looking into new geographies. What kind of solutions do we have that is state-of-the-art? Perhaps for Sweden, it's at high digitalization level compared to other countries and see if that could be possible to, well, at least spread our knowhow and parts of the solutions so we have something to bring to the table.

But we would never greenfield, that's not the plan. So, we will probably buy a – I don't know, a provider of building permits in another country, and they will support that company with the knowhow and solutions we have. That

would be the classic Addnode way, I would say. And we will never go to unknown geography for us. I would probably piggyback on those guys and look where they have the flag put down in the market.

Fredrik Nilsson

Analyst, Redeye AB

Thanks.

Q

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

So, thank you. I see we have some more questions in the room.

A

Q

Thank you. [indiscernible] (02:27:11) so a question on the EBITA growth target. So, EBITA growth absolute terms, not per share, as I understand it.

Kristina Elfström Mackintosh

Chief Financial Officer, Addnode Group AB

That's right.

A

Q

Historically, you haven't used a lot of shares to acquire companies. But just to confirm, is that still the case or do you want to be able to use more shares to do acquisitions in the future?

Kristina Elfström Mackintosh

Chief Financial Officer, Addnode Group AB

Yeah, we have done in a few instances when we acquired companies. I think it was 2020 and also recently in 2025 when we acquired Genus, the employees had a large stake in that company that we acquired. So, we made a new share issue to replace those shares and with a dilution of less than 1.5%, so.

A

Q

Do you foresee...

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Just to add to that. The plan is not to print new shares to make sure that we reach our financial goals. We would be [indiscernible] (02:28:04) we believe that we will be able to generate the cash flow and we have some of our banks here as well to make sure that we are in a good position to have a discussion with them rather to finance our growth. That's sort of the primary target.

A

Q

Okay. Thank you.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

So, there were some more questions there.

Erik Larsson

Analyst, Skandinaviska Enskilda Banken AB

Yeah. Erik Larsson, SEB. So, I have a couple of questions on competition. First off, how do you see the competitive landscape in terms of consolidation? And then, how do you stand versus competition when it comes to combining your own software and partner software?

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Should we probably do that one by one, competition? Jens?

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

Yeah. Okay. Yeah. In the world where we operate in, you could say for Symetri and the Design Management division, there are a couple of – a couple. There are three other companies out there in the world who are aiming at building a global operation, similar to our aim you can say. And we feel today that we are in a position of strength when it comes to value proposition and what we can bring to bear for our clients. So, we feel we have a portfolio that is proven and that truly can compete with anyone else out there in the marketplace. That's our position here now.

Magnus Gustav Falkman

Division President-Product Lifecycle Management, Addnode Group AB

Then, if I take over, there is also, of course, a consolidation in a couple of global players in the Dassault ecosystem. My quite firm belief and understanding is that we have the strongest portfolio of own IP among those competitors. And I'm quite pleased with that situation.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Anything you want to add, Andreas?

Andreas Wikholm

Division President-Process Management, Addnode Group AB

Well, I guess if you look at the competition, it's – we definitely work as a market leader where we send in our offerings we would never be outside the first three positions, and I cry every time we are number two. So – but I would say that within GIS and case management in Sweden, we are the number one. We're still an outsider in Norway, but we're getting there.

Erik Larsson

Analyst, Skandinaviska Enskilda Banken AB

Thanks.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

A

So probably one from the digital audience then. And someone said why are you not allocating a greater share of your cash flow towards reinvesting in the business [indiscernible] (02:30:45)? It's from [indiscernible] (02:30:47) and he's basically asking why don't we allocate more money to doing more acquisitions rather than shifting capital through dividends. And I think probably for me to give you some answer for that. I think this is an answer from our board of directors directly and also reflecting the shareholder structure and where we're coming from. We have been a company that has been paying dividends and that's been part of the DNA. But having said that, you can see – Kristina talked about our target for that historically was 50%. And then, a couple of years, the board of directors changed it to 40% or 50% of our [indiscernible] (02:31:24) to our shareholders, meaning that we'll probably have been going down from 50% to 30%. So, we can see a shift in that. But I still expect us to be a company that pays dividend going forward. [ph] I think that's the expectation we set (02:31:38). Any more questions from the room? In the back there.

Mikael Laséen

Analyst, DNB Carnegie Investment Bank AB

Q

Yeah, thanks. Mikael Laséen, DNB Carnegie. I'm just curious about the targets here. If you can sort of talk to us about the situation on the EBIT margins. Margins trending ahead, it's sort of 9%, and where you could be given the product offering and the revenue streams or...

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

A

I know the answer, but I'm going to let Magnus bring it.

Magnus Gustav Falkman

Division President-Product Lifecycle Management, Addnode Group AB

A

I think we are targeting to get back to last year's level to start with. And then, my ambition is and I think we can – the target is to improve by 1% a year. So, I think we should be able to do more than what you're indicating.

Mikael Laséen

Analyst, DNB Carnegie Investment Bank AB

Q

Okay. Sounds promising. And a follow-up, I was also curious about how we should think about the sort of cohort mix in terms of contract length, one-year versus three-year contracts. Where is the baseline? How can we sort of think about this in the coming five years? Should we expect significant changes from here and that three-year contracts continue to increase? Or is this the level where you sort of are comfortable and think that this is a good baseline to compare to?

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

A

Good question. Thanks again. Do you want to start, Jens, thinking about sort of development?

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

A

Thank you.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Really? Yeah? I will help you.

A

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

I think, yes, it's a good level to compare with. But what I was trying to say that the seasonality, the annual seasonality, if you look backwards, you could see that 2020, 2023 was a bit lower whilst the 2021, 2022 and 2024, 2025 was a bit higher. I think that's seasonality, as I tried to indicate by saying that we are expecting low digit organic growth next year and then we were expecting in 2027, 2028 to be supported by this three-year [ph] renewable (02:33:59) cycles of contracts. That's maybe the best guidance I could give before you give us something smarter, more clear than that.

A

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

What we're basically saying is that when – 20- like Jens said, next year we're going to see a lower portion of contracts that's going to be renewed to the totality. That's going to sort of – that means that the good thing is that we are not losing those contracts, it's just when they begin to renew. That means that – that what we mean by 2027, 2028 will be supported by that. And also looking at – like you said in the history, we talked a lot about it, why did we see the drop down in 2023. That means that the three-year contract that was renewed in 2023 are the one that's going to be renewed in 2026. So, that means there's going to be [ph] funnel (02:34:49).

A

We're not saying that it's not – we're not – please don't interpret that it is going to be as bad as it was in 2023. I just want to say that we have a seasonality that we need to be aware of. And through that, we probably have a job to be even clearer on this going forward. But 2026, we will not be supported by sort of a good renewal year. That will come in 2027 and 2028.

So, maybe one question from the digital world. We have one question here. Just to sum it up. Yeah. So, I think is from Jay here at Griffin Securities saying that he was at the Autodesk University last week and they presented a lot of good news with regards to their platform and et cetera, and spoke of enabling more options. Are there any sort of changes or takeaways that you can see there that might be of importance for you guys?

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

I think this year was a build on, of course, of last year that was a build on the year before. But what Autodesk announced is a couple of great things. When we think about the Forma value proposition, so in the history and up until today, most of the design software solutions are desktop based applications. Autodesk has a step by step started to build up something more cloud based to do the design processes as well. They invested in a company called SpaceIntel – sorry, not SpaceIntel. Anyway, a company in Norway for two, three years ago, the Spacemaker is the name of the company.

A

And that became the basis of what now is Forma and now they announce some further, call it, capabilities of detailed design in that framework, which is just another step ahead of the Forma framework. So, we are very, very much looking forward to expanding the capabilities of this Forma cloud-based, cloud native platform because it makes it almost easier for us to build value-adding capabilities on top of that platform.

And we're also, of course, very happy with all the announcements made last week about the AI capabilities that's going to come to all the users of Autodesk technologies, which we see great benefits of and opportunities around. So, that's kind of the big thing we saw from last week, I think, or heard that we're happy with. So, the Forma platform is going to be growing in the future and drive businesses for us and value creation for our customers.

Johan Fredrik Andersson*President & Chief Executive Officer, Addnode Group AB*

A

Thank you, Jens. Any more questions from the audience? One more over here.

Daniel Thorsson*Analyst, ABG Sundal Collier AB*

Q

Yes. Daniel Thorsson from ABG. Looking at your partner software revenues in the Design and PLM, how has the margin profile of those developed over the last 5 to 10 years? And what do you model into the next three years to five years?

Johan Fredrik Andersson*President & Chief Executive Officer, Addnode Group AB*

A

[indiscernible] (02:38:00) do you want to start or? I know the answers, but...

Jens Karl Robert Kollserud*Chief Executive Officer, Symetri AS*

A

You can start.

Johan Fredrik Andersson*President & Chief Executive Officer, Addnode Group AB*

A

Yeah. But the thing is that what happens is when you're working with partner, you – it's slowly diminishing. I think that's the way to describe the margins and that's sort of the name of the game. And that also benefits us being a little bit bigger, a little bit stronger. That means that the guys are able to do this on a bigger scale or still going to be able to sort of generate more money [indiscernible] (02:38:27) the margins are sort of slowly diminishing on that part of the offering.

Magnus Gustav Falkman*Division President-Product Lifecycle Management, Addnode Group AB*

A

Maybe diminishing is a strong word, Johan, but...

Johan Fredrik Andersson*President & Chief Executive Officer, Addnode Group AB*

A

No, no [indiscernible] (02:38:37) it's not growing. But having said that, I think that's a very good thing, Magnus, what you're saying is that bringing new products out to the markets usually have a higher margin and sort of the older products have a lower margin. That's the name of the game. So, there are other products that are increasing...

Magnus Gustav Falkman*Division President-Product Lifecycle Management, Addnode Group AB*

A

For us, the recurring business and the cloud-based business has similar margins as we had 10 years ago. Some of the older parts of the portfolio where we have lost some margin. So, there is incentives to sell new stuff.

Andreas Wikholm

Division President-Process Management, Addnode Group AB

Diminishing is a strong word. Not growing is probably better.

A

Magnus Gustav Falkman

Division President-Product Lifecycle Management, Addnode Group AB

Thank you.

A

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Another question in the back?

A

Q

Hi. [indiscernible] (02:39:26). A question on AI, of course. So, what are some AI game changers kind of broadly for each of the divisions? And if that's the case, if there are any game changers, are there any – can it be done in-house or does it require M&A or would it be kind of left to the third parties, the Autodesk or the Dassault to implement instead?

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Thank you. And I think, Andreas, probably you to start.

A

Andreas Wikholm

Division President-Process Management, Addnode Group AB

I can start.

A

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

[indiscernible] (02:40:00) for the Q&A.

A

Andreas Wikholm

Division President-Process Management, Addnode Group AB

Yeah. Yeah. If you look at game changers, I would start looking at our software development and AI agents. And I think today, even though we are accelerating R&D already today, we are at sort of a generous phase because I speak to lots of CTOs or IT managers with budgets responsibility and both in-house at Addnode but also at the customers or peers. And so far, I haven't heard anyone telling me it's so great with AI, now I need a smaller budget. So, everyone still ask for the same budget or even more. I would also like an additional budget to elaborate a bit with AI. That's the situation today. Even though we are getting more efficient, everybody's asking for more money. But I think that's okay. That's the generous face.

A

But what we will see in next years coming is actually the companies and customers are getting more efficient. I'm quite sure of that. And that's a game changer. In my division, half of the employees are software developers. Will it be like that in four years from now? No. How exactly will it be? Hard to tell. But I would say if you're looking for game changers, look at AI agents speeding up R&D and software development.

Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

A

And if I try to follow-up on the question about where we going to do it internally with our own R&D teams, if I got your question right or through M&As or through our partners. I think the answer is all of the above. So, for example, some of you who were out there in the exhibition, so one of the areas of investments we made in the start-up company called [indiscernible] (02:42:03), thank you, Alexander, for being here to exemplify that. It's one of the opportunities that we see with AI. There are lots of companies, of course, starting up to try to build interesting use cases. Some of them is still to be proven. Some of them are proven, but we are there and we're building our network.

Secondly, of course, partnering with these large companies who are investing much more than we have the opportunity to do short-term is, of course, helping us as well to learn and guide a lot of things. And internally we're doing both R&D measurements like creating assistance inside of all of our products to make it easier to ask queries or prompt things and get the design done for you, for example. But we're also working quite a lot with the go-to-market engine because that's where we invest most of our resources in sales, marketing, customer success, et cetera. And there, we are investing quite a lot and seeing quite a lot of good return on investments already. So, I think, all of the three is the answer and which one is going to be the best? Maybe come back in three years and we'll talk about it. Thank you. Magnus, anything to add?

Magnus Gustav Falkman

Division President-Product Lifecycle Management, Addnode Group AB

A

I think I'm not sure I have so much to add. I think it's the same. I mean, we have to follow the path of our strategic partners. They are providing a lot of new capabilities. We haven't fully seen it take off in all the dimension with our customers, which is a great potential. Transforming our customers, adopting these technologies. Then, of course, we are putting different type of GenAI capabilities in our own IP. Anders and my team has been showing this like your teams here, which is also exciting. We typically can be a bit faster moving, maybe done the big editors, bringing quicker wins to our customers. And then for us internally, I think three years from now, there is a lot of potential for improving efficiency internally with go-to-market, with operations, with software development, and also how we help our customers. Exciting times.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

A

Yeah. I mean, it's an important question. There's a lot of opportunities and a lot of things to happen. Once a year, we gather sort of the top 100 management in Addnode Group in the different teams. So, next week we're going to meet and we're going to spend 24 hours just discussing AI. What are we going to do? How are we going to do it? And what can we do? So, it's definitely a topic. I guess, last year we did an internal survey and saw that we had at least 50 identifiable AI product running in the different companies, in the different divisions. And if we would do the survey today, it will not be a less number. So – but like Andreas said, we haven't seen the effect yet. We are still trying to figure out how to move this thing forward.

Andreas Wikholm

Division President-Process Management, Addnode Group AB

A

I can add, Johan, also. I think that one thing I bring with me today is that we have to be better communicating with the customers what we're doing within AI because otherwise it's easy that you let someone other in into the market an AI specialist. So, I think that we have to be more transparent with all the initiatives we're doing because we're doing a lot. But we haven't perhaps been superb communicating to the market. So, that's also important yet.

Johan Fredrik Andersson

President & Chief Executive Officer, Addnode Group AB

Yeah. It's right. Great. Thank you. Great questions any more questions? We're available. Oh, I think it's time to close the Q&A and give a big thank you for all the viewers out there on the webcast and you've been here all day. Hope you had your value worth this afternoon, and it was great to see you and it was very great to introduce the management team as well. And hopefully we'll see each other in less than five years. Does that mean that we have doubled the business? So, looking forward to that. Thank you.

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Jens Karl Robert Kollserud

Chief Executive Officer, Symetri AS

Thank you.

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