

INTERIM REPORT 1 JANUARY–30 SEPTEMBER 2021

This is a translation of the Swedish original of Addnode Group's interim report for the period 1 January–30 September 2021. In the event of any discrepancies between the two versions, the original Swedish version shall apply.

THIRD QUARTER SUMMARY, JULY–SEPTEMBER 2021

- Net sales increased by 15 per cent to SEK 925 m (806), of which 8 per cent was organic. Currency-adjusted organic growth was 7 per cent.
- EBITA increased to SEK 108 m (84), and the EBITA margin increased to 11.7 per cent (10.4). EBITA in the preceding year was charged with restructuring costs of SEK 8 m.
- Operating profit increased to SEK 67 m (52), and the operating margin grew to 7.2 per cent (6.5).
- Profit for the period increased to SEK 49 m (37).
- Earnings per share increased to SEK 1.46 (1.11).
- Cash flow from operating activities was SEK -21 m (-66).
- Acquisition of the Polish company Budsoft Sp. z o.o., with net sales of SEK 20 m.
- The Board of Directors decided, through support of an AGM authorisation, to repurchase Class B shares.

SUMMARY OF SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- No significant events have taken place after the end of the reporting period.

15%

Net sales growth Q3 2021 compared with Q3 2020

11.7%

EBITA margin Q3 2021

69%

Share of recurring revenue Q3 2021

KEY FIGURES

	Third quarter		9 months		Rolling 12 m	Full year
	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	Oct 2020- Sep 2021	2020
Net sales, SEK m	925	806	2,963	2,886	3,884	3,807
EBITA ¹ , SEK m	108	84	313	248	421	356
EBITA margin, %	11.7	10.4	10.6	8.6	10.8	9.4
Operating profit, SEK m	67	52	199	153	275	229
Operating margin, %	7.2	6.5	6.7	5.3	7.1	6.0
Profit for the period, SEK m	49	37	143	108	198	163
Earnings per share, SEK	1.46	1.11	4.26	3.23	5.91	4.88
Cash flow from operating activities, SEK m	-21	-66	180	398	361	579
Return on shareholders' equity ² , %	12.6	11.1	12.6	11.1	12.6	11.2
Return on capital employed ² , %	11.7	10.6	11.7	10.6	11.7	10.6
Shareholders' equity per share, SEK	49.36	44.39	49.36	44.39	49.36	45.23

¹ EBITA in the preceding year was charged with restructuring costs totalling SEK 28 m (SEK 20 m in Q2 2020 and SEK 8 m in Q3 2020) in connection with an adaptation of the organisation and cost structure in the Product Lifecycle Management division.

² Key ratios have been adjusted to reflect returns on a yearly basis.

For more information, please contact:

Johan Andersson, President and CEO, johan.andersson@addnodegroup.com +46 (0)70 420 58 31

Lotta Jarleryd, CFO, lotta.jarleryd@addnodegroup.com +46 (0)72 247 92 01

All amounts are presented in millions of Swedish kronor (SEK m) unless indicated otherwise. Rounding differences of SEK +/- 1 m may occur in the summing of figures. In cases where an underlying figure is SEK 0 m when rounded, it is presented as 0.



“Addnode Group continued to develop well during the third quarter. Net sales increased by 15 per cent, of which 7 per cent was currency-adjusted organic growth. EBITA increased by 29 per cent to SEK 108 m, and the EBITA margin strengthened to 11.7%. The earnings improvement can be credited to good organic growth, acquisitions and cost control.”

CONTINUED STRONG GROWTH AND STRONGER EBITA MARGIN

ORGANIC GROWTH AND ACQUISITIONS

Addnode Group continued to develop well during the third quarter. We execute our strategy to acquire and develop cutting edge companies that provide digital solutions for a sustainable society. Net sales increased by 15 per cent during the third quarter, of which 7 per cent was currency-adjusted organic growth. All three divisions showed organic growth, with the PLM and Process Management divisions serving as the locomotives with 10 per cent each in currency-adjusted organic growth. Recurring revenue provides a stable earnings foundation and amounted to 69 per cent of net sales.

GOOD DEMAND

Organic growth during the third quarter was an effect of both a pent-up investment need and underlying good demand among our customers. We won business for design and BIM solutions in both the Nordic countries and the UK, and demand for digital facility management systems has been good. Customers' willingness to invest in PLM systems is stable in the Nordic countries and growing in Germany and the UK. Demand from the public sector in Sweden remains strong for our overall product portfolio for case management, communication and administration.

STRONGER EBITA MARGIN

EBITA increased by 29 per cent during the third quarter to SEK 108 m, and the EBITA margin strengthened to 11.7 per cent. The earnings improvement can be credited to good organic growth, acquisitions and cost control. The Process Management division reached a milestone with an EBITA margin above 20 per cent, and the cost-cutting programme in the PLM division has taken hold.

REMOTE WORK AND CLIMATE-SMARTER TRAVEL

The Covid-19 pandemic has resulted in the home being the workplace for the majority of our employees. We have not been able to meet in person, but we have become more efficient and have managed to reach even more customers when we have replaced business travel, trade shows and kick-off events with digital meetings and webinars. As countries open up we will begin travelling again to meet customers, employees and business partners, but we will not travel to the same extent as before the pandemic, and we will choose climate-smarter alternatives when we do travel. We are headed back to our offices, but there will be a balance between time spent at the office and remote working.

ACQUISITIONS

During 2021 we have carried out four acquisitions. In the third quarter TECHNIA acquired the Polish company Budsoft, entailing a further expansion of our geographic presence. Our good cash flow and strong balance sheet give us the opportunity to continue executing our acquisition strategy.

Johan Andersson
President and CEO

SIGNIFICANT EVENTS

DURING THE THIRD QUARTER OF 2021

Acquisition of Budsoft

On 1 September 2021 Addnode Group acquired the Polish company Budsoft Sp. z o.o. (Budsoft), a leading Dassault Systèmes partner that offers advanced simulation solutions as well as consulting, training and support. Budsoft had sales of approximately SEK 20 m in 2020 and will be part of TECHNIA in the Product Lifecycle Management division.

Share repurchase

In September 2021 the Board of Directors of Addnode Group, through support of an authorisation by the 2021 Annual General Meeting, decided to carry out a repurchase of Class B shares in Addnode. The aim of exercising this mandate is mainly to enable delivery of shares related to implementation of Addnode Group's share-based incentive programme. Repurchases may be made of a maximum of 200,000 Class B shares, and the repurchases will be done on Nasdaq Stockholm.

AFTER THE END OF THE REPORTING PERIOD

No significant events have taken place after the end of the reporting period.

ADDNODE GROUP IN BRIEF

WHAT WE DO

Addnode Group is a listed group that acquires, operates and develops cutting edge enterprises that digitalise society. The Group had sales of approximately SEK 3.8 bn in 2020.

FOR WHOM

Our subsidiaries develop and provide digital solutions to customers in industries such as construction and real estate, manufacturing, automotive and life sciences as well as in the public sector.

TO WHAT BENEFIT

The solutions that Addnode Group provides make it possible for our customers by digital means to improve the efficiency of their operations, quality-assure their production and communicate better with customers and citizens.

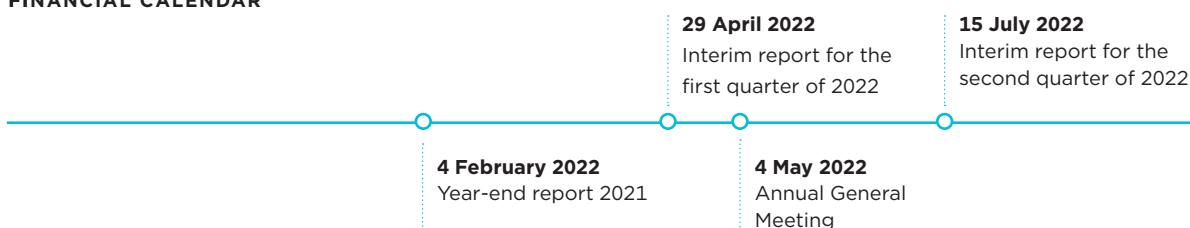
WHERE WE ARE ACTIVE

Addnode Group has 1,900 employees in 19 countries. The company's shares are listed on Nasdaq Stockholm.

FINANCIAL TARGETS

We aim to achieve annual growth in net sales of at least 10 per cent. The operating margin before amortisation and impairment of intangible assets (EBITA margin) shall be at least 10 per cent. At least 50 per cent of consolidated profit after tax is to be distributed to the shareholders, provided that net cash is sufficient to operate and develop the business.

FINANCIAL CALENDAR



CONSOLIDATED NET SALES, EARNINGS AND CASH FLOW

THIRD QUARTER, JULY–SEPTEMBER 2021

The Group's operations continued to perform well during the third quarter of 2021. Net sales increased to SEK 925 m (806), representing growth of 15 per cent. Organic growth was 8 per cent, and currency-adjusted organic growth was 7 per cent.

All three divisions contributed to the organic growth. Demand for Design Management's and Product Lifecycle Management's digital solutions in the Nordic countries remained favourable, and in the UK, customers' willingness to invest increased further. The Process Management division once again confirmed that its offering is strongly positioned in the Swedish public sector.

Licence revenue increased to SEK 44 m (37), recurring revenue increased to SEK 640 m (554), service revenue increased to SEK 229 m (193), and other revenue decreased to SEK 12 m (22). The share of recurring revenue was 69 per cent (69).

EBITA increased to SEK 108 m (84), and the EBITA margin strengthened to 11.7 per cent (10.4). During the corresponding quarter in 2020, restructuring costs of SEK 8 m were recognised for adaptation of the organisation and cost structure in the Product Lifecycle Management division. It should also be noted that the Group's personnel costs in the third quarter of 2020 were temporarily reduced by SEK 10 m through government support measures mainly pertaining to short-term furloughs.

Net financial items amounted to SEK -4 m (-3). Profit for the period increased to SEK 49 m (37). Earnings per share increased to SEK 1.46 (1.11).

Cash flow from operating activities amounted to SEK -21 m (-66). The positive earnings development and a slightly higher contribution from the change in working capital than a year ago contributed to a slight improvement in cash flow.

NINE MONTH PERIOD, JANUARY–SEPTEMBER 2021

Net sales increased to SEK 2,963 m (2,886), representing growth of 3 per cent, of which -1 per cent was organic. Currency-adjusted organic growth was 0 per cent. Growth was negative during the first quarter of 2021, measured against challenging comparison figures as the first quarter of 2020 was a record quarter in terms of net sales at the same time that Design Management and Product Lifecycle Management noted lower demand from industrial customers and challenging market conditions in the UK. Owing to favourable demand in the Nordic countries and a growing willingness to invest among customers in other markets, the Group reported organic growth of 13 per cent during the second quarter and 8 per cent during the third quarter of 2021.

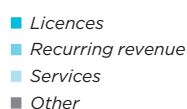
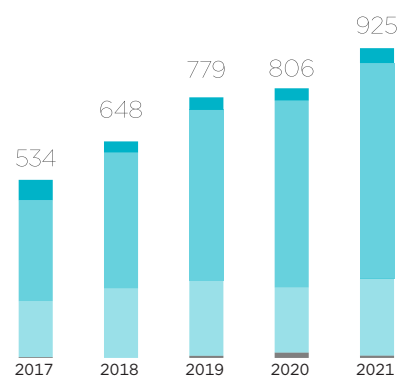
Licence revenue increased to SEK 163 m (140), recurring revenue increased to SEK 2,005 m (1,989), service revenue increased to SEK 751 m (705), and other revenue amounted to SEK 44 m (52).

EBITA increased to SEK 313 m (248), for an EBITA margin of 10.6 per cent (8.6). During 2021, personnel costs were temporarily reduced by SEK 3 m (39) through government support measures mainly pertaining to short-term furloughs. EBITA in 2020 was charged with restructuring costs of SEK 28 m.

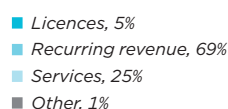
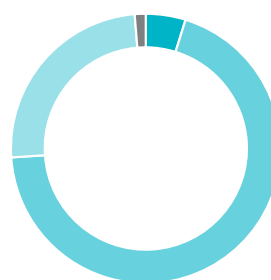
Net financial items amounted to SEK -14 m (-12). Reported tax on profit for the period was SEK -42 m (-33). Profit for the period increased to SEK 143 m (108). Earnings per share increased to SEK 4.26 (3.23).

Cash flow from operating activities decreased to SEK 180 m (398). The lower cash flow in 2021 is mainly attributable to the Group's resumed growth, both organic and through acquisitions, in pace with higher demand and activity in the market. Increased sales of more projects are tying up more working capital in trade receivables and accrued project revenue, among other things. Moreover, in 2020 cash flow was positively affected by temporarily improved terms of payment from vendors and customers, and government support measures.

BREAKDOWN OF REVENUE, Q3 2017–2021



BREAKDOWN OF REVENUE, Q3 2021



DEVELOPMENT PER DIVISION

NET SALES AND EBITA, Q3

SEK m	Net sales			EBITA		
	2021 Q3	2020 Q3	Change %	2021 Q3	2020 Q3	Change %
Design Management	409	375	9	44	42	5
Product Lifecycle Management	293	258	13	28	17	65
Process Management	230	177	30	49	33	48
Eliminations/central costs	-7	-4		-13	-8	
Addnode Group	925	806	15	108	84	29

NET SALES AND EBITA, YTD

SEK m	Net sales			EBITA		
	2021 Jan-Sep	2020 Jan-Sep	Change %	2021 Jan-Sep	2020 Jan-Sep	Change %
Design Management	1,381	1,476	-6	145	154	-6
Product Lifecycle Management	875	829	6	73	18	306
Process Management	723	596	21	136	106	28
Eliminations/central costs	-16	-15		-41	-30	
Addnode Group	2,963	2,886	3	313	248	26

Addnode Group conducts business in three divisions: Design Management, Product Lifecycle Management and Process Management. Every subsidiary conducts and develops its business activities in accordance with strategies, guidelines and joint-Group values.

The decentralised governance model entails that business-critical decisions are made close to the customers and markets. The divisions make up the Group's operating segments, according to which Addnode Group monitors business development.

DESIGN MANAGEMENT DIVISION

Design Management is one of Europe's leading providers of digital solutions for design, BIM and product data for architects and engineers in the construction and manufacturing industries. The division also has a strong offering in project collaboration and facility management in the Nordic countries and the UK.

QUARTERLY DEVELOPMENT

Net sales increased during the third quarter of 2021 to SEK 409 m (375), representing growth of 9 per cent. Organic growth was 6 per cent, and currency-adjusted growth was 4 per cent.

Demand for the division's digital solutions and services for design and BIM systems showed continued favourable development in the Nordic countries. In the UK, the division saw a greater willingness to invest among customers. Favourable demand for proprietary digital solutions for facility management was noted both in the Nordic countries and in the British market.

EBITA increased to SEK 44 m (42), corresponding to an EBITA margin of 10.8 per cent (11.2). Operations of the British Autodesk partner Excitech, which was acquired in January 2020, are now integrated in Symetri's operations. During the third quarter of 2020, personnel costs were temporarily reduced through short-term furloughs and voluntary salary abstinctions.

NEW BUSINESS

During the quarter the division secured agreements with customers such as Einar Mattsson, Heathrow Airport, the Nordic Museum, NormetGroup, Skanska, Uponor, Vistry Homes and Vår Energi.

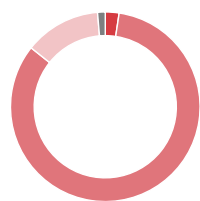
MARKET

Customers' willingness to invest is driven by urbanisation and the need to build efficiently and sustainably. To improve efficiency, customers are digitalising their processes and adopting new ways of working. Regulatory authorities are requiring greater use of digital work processes based on BIM, i.e., digital models of a building or infrastructure along with the accompanying assets during the entire lifecycle.



Symetri is providing Naviate Nexus software to the new Odense University Hospital (OUH), one of Denmark's largest construction projects. Naviate Nexus simplifies the flow of data and ensures that all contractors have access to the same information, which is a prerequisite for being able to set demands from a sustainability perspective and at the same time be able to monitor what materials are being used in a simple and economical way.

NET SALES Q3 2021 BY TYPE OF REVENUE



- Licences, 2%
- Recurring revenue, 84%
- Services, 13%
- Other, 1%

NET SALES GROWTH Q3 2021 COMPARED WITH Q3 2020

+9%

EBITA Q3 2021 COMPARED WITH Q3 2020

+5%

KEY FIGURES

SEK m	Q3 2021	Q3 2020	Change %
Net sales	409	375	9
EBITA	44	42	5
EBITA margin, %	10.8	11.2	
Operating profit	29	28	4
Operating margin, %	7.1	7.5	
Average no. employees	563	580	-3

PRODUCT LIFECYCLE MANAGEMENT DIVISION

Product Lifecycle Management is a global provider of solutions for digitalising a product's or facility's entire lifecycle – from idea, design, simulation and construction to sale, after-market and recycling. For our customers this entails shorter lead times, greater innovation, and increased efficiency and traceability.

QUARTERLY DEVELOPMENT

Net sales increased to SEK 293 m (258) during the third quarter of 2021, representing growth of 13 per cent. Organic growth was 9 per cent, and currency-adjusted growth was 10 per cent.

In the Nordic countries and Benelux, demand remained favourable for the division's PLM systems and related services. Operations in the UK and Germany noted that customers' willingness to invest is rising again. The acquisition of the Polish company Budsoft in September 2021 has increased the division's simulation expertise and expands its geographic presence.

EBITA increased to SEK 28 m (17), and the EBITA margin strengthened to 9.6 per cent (6.6). In the preceding year, restructuring costs of SEK 28 m were recognised, including SEK 8 m in the third quarter, for adaptation of the organisation and cost structure. The restructuring programme has yielded the intended cost savings. The short-term furloughs initiated in 2020 have essentially been discontinued in 2021.

NEW BUSINESS

During the quarter the division secured agreements with customers such as Daihatsu Indonesia, Deltamarin, Ericsson, Heart Aerospace, Karolinska Institutet, Light Mobility Solutions, Mahindra and Mahindra, NXP and Rimac.

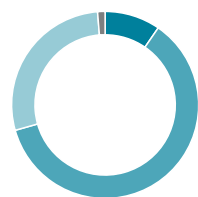
MARKET

The division's operations are conducted through the company TECHNIA, one of Europe's leading suppliers of PLM software and consulting services. Customers' willingness to invest is driven by a need to develop and design products, maintain product information during an entire lifecycle and comply with authorities' requirements.



The TECHNIA Simulation Centre of Excellence has worked together with Loopwheels on development of vibration-reducing wheels, which offer significantly improved wheelchair performance. Compared with a traditional spoked wheel, vibrations are reduced by up to 70 per cent, giving users of Loopwheels' wheelchairs better comfort and a softer ride.

NET SALES Q3 2021 BY TYPE OF REVENUE



- Licences, 10%
- Recurring revenue, 61%
- Services, 28%
- Other, 1%

NET SALES GROWTH Q3 2021 COMPARED WITH Q3 2020

+13%

EBITA Q3 2021 COMPARED WITH Q3 2020

+65%

KEY FIGURES

SEK m	Q3 2021	Q3 2020	Change %
Net sales	293	258	13
EBITA ¹	28	17	65
EBITA margin, %	9.6	6.6	
Operating profit	17	8	113
Operating margin, %	5.8	3.1	
Average no. employees	616	646	-5

¹EBITA for Q3 2020 was charged with one-off costs of SEK 8 m associated with adaptation of the organisation and cost structure.

PROCESS MANAGEMENT DIVISION

Process Management is a leading provider of digital solutions to the public sector in Sweden. The solutions contribute to smoother case management, simplified administration and quality-assured processes in contacts between authorities and citizens.

QUARTERLY DEVELOPMENT

Net sales increased to SEK 230 m (177) during the third quarter of 2021, representing growth of 30 per cent. Organic growth was 10 per cent. Demand for the division's solutions for document and case management, citizen services and municipal engineering information systems and peripheral services remained favourable during the quarter. The division's businesses are well positioned for public sector tenders owing to attractive digital solutions, solid experience and good references. The acquisitions of S-GROUP Solutions and Elpool have added complementary digital solutions and a high share of recurring revenue.

EBITA increased to SEK 49 m (33), and the EBITA margin strengthened to 21.3 per cent (18.6).

NEW BUSINESS

During the quarter the division secured agreements with customers such as Afa Insurance, Hallstahammars Municipality, Nynäshamns Municipality, the Greater Gothenburg Rescue Service, the City of Stockholm City Planning Office, Södra Wood Mönsterås and Ystad Municipality.

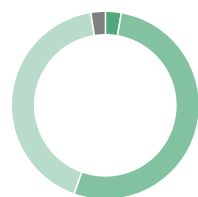
MARKET

The division is a leading provider of software and digital solutions to the public sector in Sweden. Customers' willingness to invest is driven by automation, simplification of administration and more effective communication with citizens. More and more authorities and municipalities are looking for a long-term partner in their work on developing innovative operations that are in conformity with the rule of law.



Kungsbacka is one of many Swedish municipalities that has chosen Sokigo's school transportation system. The solution encompasses e-services, geocoding services and route planning services. The school transportation system makes it possible to reduce fuel consumption and distances driven while at the same time saving costs and streamlining administration.

NET SALES Q3 2021 BY TYPE OF REVENUE



- Licences, 3%
- Recurring revenue, 53%
- Services, 42%
- Other, 2%

NET SALES GROWTH Q3 2021 COMPARED WITH Q3 2020

+30%

EBITA Q3 2021 COMPARED WITH Q3 2020

+48%

KEY FIGURES

SEK m	Q3 2021	Q3 2020	Change %
Net sales	230	177	30
EBITA	49	33	48
EBITA margin, %	21.3	18.6	
Operating profit	35	23	52
Operating margin, %	15.2	13.0	
Average no. employees	610	523	17

CONSOLIDATED BALANCE SHEET AND CASH FLOW

LIQUIDITY AND FINANCIAL POSITION

Cash and cash equivalents held by the Group amounted to SEK 281 m (563) as per 30 September 2021.

In June 2021 Addnode Group entered into a multi-currency revolving credit facility agreement of SEK 1,600 m with Nordea and SEB. The credit facility can be used for financing existing debt, acquisitions and general corporate purposes. The new facility runs for three years with an extension option of 1+1 years. It replaces the prior acquisition and credit overdraft facilities in Nordea of SEK 1,100 m in total. The credit facility is conditional upon the fulfilment of certain financial covenants, including certain financial key ratios, such as net debt/EBITDA and the interest coverage ratio, which may not deviate negatively from levels stipulated in the agreement.

Of the total credit facility, SEK 663 m (722) was utilised as per 30 September 2021, entailing an available, remaining credit scope of SEK 937 m. The utilised portion of the new credit facility has been classified under non-current liabilities. The previous credit facility was classified under current liabilities, as its maturity date was 30 June 2021.

Interest-bearing liabilities pertaining to the utilised portion of the credit facility amounted to SEK 663 m (722). In addition to this were interest-bearing liabilities of SEK 100 m (113) coupled to leases and interest-bearing liabilities of SEK 3 m (-) pertaining to completed acquisitions. This entails that the Group's interest-bearing liabilities amounted to a total of SEK 766 m (835). The Group's net debt thereby amounted to SEK 484 m (271), and the equity/assets ratio was 43 per cent (41).

Non-interest bearing liabilities pertaining to completed acquisitions amounted to SEK 3 m (5), and estimated contingent consideration for completed company acquisitions amounted to SEK 96 m (123).

CASH FLOW

Cash flow from operating activities decreased to SEK 180 m (398). The lower cash flow in 2021 is mainly attributable to the Group's resumed growth, both organic and through acquisitions, in pace with higher demand and activity in the market. Increased sales of more projects are tying up more working capital in trade receivables and accrued project revenue, among other things. Moreover, in 2020 cash flow was positively affected by temporarily improved terms of payment from vendors and customers, and government support measures.

Investments in subsidiaries and businesses resulted in a negative cash flow of SEK 284 m (239), of which SEK 30 m pertains to company acquisitions carried out in previous years. Cash flow from investing activities also includes outgoing payments of SEK 60 m (58) for proprietary software.

In connection with the dissolution of the previous credit facility agreement and the securing of a new credit facility agreement in June 2021, bank loans of SEK 744 m (0) were repaid and bank borrowing of SEK 770 m (263) was taken out. An additional SEK 101 m was subsequently repaid during the third quarter. Cash flow from financing activities was negatively affected by SEK 52 m (51) regarding amortisation of the lease liability. In May 2021 a share dividend

of SEK 84 m (-) was paid out to the shareholders in accordance with a resolution by the Annual General Meeting.

INVESTMENTS

Investments in intangible non-current assets and in property, plant and equipment amounted to SEK 105 m (118), of which SEK 60 m (58) pertained to proprietary software.

GOODWILL AND OTHER INTANGIBLE ASSETS

The Group's carrying amount of goodwill on 30 September 2021 was SEK 2,084 m (1,765). Other intangible assets amounted to SEK 479 m (375) and pertain mainly to customer contracts, trademarks and software.

DEFERRED TAX ASSETS

Deferred tax assets amounted to SEK 20 m (31) on 30 September 2021, of which SEK 10 m (6) pertains to tax loss carry-forwards. As per 30 September 2021 the Group's accumulated tax loss carry-forwards amounted to approximately SEK 75 m (75).

SHAREHOLDERS' EQUITY

Shareholders' equity on 30 September 2021 amounted to SEK 1,660 m (1,484), corresponding to SEK 49.36 (44.39) per share outstanding.

In connection with closing of the acquisition of S-GROUP Solutions AB on 1 April 2021, Addnode Group issued 204,802 new Class B shares as part of the total purchase price. The remainder was paid in cash. The issue in kind was made with the support of a previous authorisation from Addnode Group's Annual General Meeting. The issue corresponded to dilution of the share capital in Addnode Group by 0.61 per cent and of the number of votes by 0.48 per cent. The number of shares in Addnode Group increased from a total of 33,427,256 to 33,632,058.

Pursuant to a resolution by Addnode Group's 2021 Annual General Meeting, a long-term incentive plan for managers and senior executives has been launched. In June 2021, 195,800 call options for Class B shares were issued to some 60 participants. The market-valued call option premium of SEK 29.80 resulted in a total purchase price of approximately SEK 6 m, which has been applied to the Group's shareholders' equity. The options can be exercised for Class B shares during the period 25 October 2024 to 10 June 2025 during specific periods indicated by the agreement. Since the call options' exercise price, SEK 374.90, exceeded Addnode Group's share price of SEK 347.50 on 30 September 2021, there was no dilutive effect in earnings per share for the period.

SHARE REPURCHASE

In September 2021 the Board of Directors of Addnode Group, through support of an authorisation by the 2021 Annual General Meeting, decided to carry out a repurchase of Class B shares in Addnode. The aim of exercising this mandate is mainly to enable delivery of shares related to implementation of Addnode Group's share-based incentive programme. Repurchases may be made of a maximum of 200,000 Class B shares, and the repurchases will be done

on Nasdaq Stockholm. As per 30 September 2021, no repurchases had been carried out, and thus there were no holdings of treasury shares.

EMPLOYEES

The average number of employees in the Group decreased to 1,756 (1,803) during the nine-month period. The number of employees as per 30 September 2021 was 1,911 (1,833 as per 31 December 2020).

DISCLOSURES OF ACQUISITIONS

During 2021 Addnode Group has acquired all of the shares in four businesses: S-GROUP Solutions AB ("S-GROUP"), Elpool i Umeå AB ("Elpool"), Procad Ltd ("Procad"), and Budsoft Sp. z o.o. ("Budsoft"). The acquisitions, carried out during the second and third quarters of 2021, contributed SEK 85 m to net sales and SEK 13 m to EBITA. Costs for carrying out the acquisitions are included in the Group's other external costs in the amount of SEK 1 m (0) for the third quarter and SEK 4 m (3) for the nine-month period. If the acquisitions had been completed as per 1 January 2021, consolidated net sales for the period January–September 2021 would have amounted to approximately SEK 3,039 m and EBITA would have amounted to approximately SEK 327 m.

S-GROUP, acquired on 1 April 2021, specialises in spatial information and geographical information systems (GIS) for municipalities, water and sewage networks, and land surveying operations, and strengthens Addnode Group's offering in this area. S-GROUP had net sales of SEK 144 m in 2020 and has slightly more than 70 employees. Consideration for the acquisition consisted in part of a cash payment and in part of new Class B shares issued to the seller. See also "Shareholders' equity" on page 9. The business is consolidated as from April 2021 as part of Addnode Group's Process Management division.

Elpool, acquired on 3 May 2021, adds expertise in digital solutions for expansion and maintenance of electricity networks. The company had sales of SEK 6 m for the split financial year 2019/2020. The business is consolidated as from May 2021 as part of Addnode Group's Process Management division.

Procad, acquired on 1 June 2021, is a leading Autodesk partner in the Irish market and will help consolidate Addnode Group's position as the leading Autodesk partner in northern Europe. The company has 18 employees and had sales of approximately SEK 50 m in 2020. The business is consolidated as from June 2021 as part of the Addnode Group's Design Management division.

Budsoft, acquired on 1 September 2021, is a leading Polish partner to Dassault Systèmes and offers advanced simulation services including consulting services, training and support. Budsoft had sales of approximately SEK 20 m in 2020. The business is consolidated as from September 2021 as part of Addnode Group's Product Lifecycle Management division.

A sales process is in progress for the property that was included in the acquisition of Excitech and which at the time of acquisition was intended to be divested.

In connection with the acquisitions, the following purchase price allocation analysis has been prepared. The calculation is preliminary and pertains to the companies S-GROUP, Elpool, Procad and Budsoft.

Purchase price allocation analysis

Acquired net assets in the companies at the acquisition date	Carrying amount in the companies	Fair value adjustment	Fair value in the Group
Intangible non-current assets	-	130	130
Other non-current assets	3	-	3
Current assets	63	-	63
Cash and cash equivalents	71	-	71
Other liabilities	-110	-26	-136
Net identifiable assets/liabilities¹	27	104	131
Goodwill			281
Calculated purchase price¹			412

¹ The acquisition of Procad includes a liability for contingent consideration of SEK 12 m, which constitutes 100 per cent of the maximum outcome, and a current non-interest bearing liability of SEK 3 m.

RELATED PARTY TRANSACTIONS

During 2021 the Chairman of the Board, Staffan Hanstorp, via a company, invoiced the Parent Company SEK 2 m (2) in fees for consulting services associated with the Group's acquisition opportunities, financing matters, strategic partnerships and overarching strategic matters.

PARENT COMPANY

Net sales in 2021 amounted to SEK 16 m (12) and pertained mainly to invoicing to subsidiaries for rents of premises and performed services. Profit after financial items totalled SEK -21 m (-92) including dividends from subsidiaries totalling SEK 66 m (30) and impairment of shares in subsidiaries totalling SEK - m (85). Cash and cash equivalents amounted to SEK 172 m (411) on 30 September 2021. Investments pertaining to shares in subsidiaries amounted to SEK 416 m (412). No significant investments have been made in intangible non-current assets or in property, plant and equipment.

SEASONAL VARIATIONS

The fourth quarter historically has the highest level of revenue and EBITA, but in pace with growth in the share of recurring revenue, the Group's seasonal variations are levelling out.

ACCOUNTING POLICIES

General

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU and the Swedish Annual Accounts Act. The Parent Company's accounts have been prepared in accordance with the Annual Accounts Act and recommendation RFR 2 Accounting for Legal Entities. Amendments and interpretations of existing standards that became effective in 2021 have not had any impact on the Group's financial position or the financial statements. The accounting policies and calculation methods are unchanged compared with the description in the 2020 Annual Report.

Deferred tax assets

Deferred tax assets attributable to tax loss carry-forwards are reported as assets to the extent it is likely that the loss carry-forwards can be offset against surpluses in future taxation.

Disclosures of financial instruments

Measurement of financial assets and liabilities shows that there is no significant difference between their carrying amounts and fair value. The Group had no outstanding currency forward contracts as per 30 September 2021.

Option programme

The Group's incentive programme enables managers and senior executives to acquire Class B shares in the company via investments in call options. Call option premiums received, measured at market value at the time of acquisition, are recognised in shareholders' equity as transactions with owners.

Government assistance

During 2020 the Group accepted government assistance as part of the measures taken by the authorities in response to the Covid-19 pandemic in several countries in Europe in which the Group's companies are active. The government assistance pertained to short-term furloughs, reductions in social security taxes and compensation for sick pay. The use of government assistance measures decreased successively during the second half of 2020, and in 2021 only limited government assistance has been accepted, related to short-term furloughs in companies outside of Sweden. Approximately 15 employees (corresponding to approximately 8 full-time equivalents) were covered by short-term furloughs during the period January–September 2021. In accordance with IAS 20, the effects of the government assistance measures, totalling SEK 3 m, are reported net in the Group's personnel costs.

SIGNIFICANT RISKS AND UNCERTAINTIES

Addnode Group's significant risks and uncertainties are described in the 2020 Annual Report on pages 28, 44–45 and in the section "Risks and uncertainties" on pages 58–59, as well as in notes 36 and 37 on pages 109–113.

Uncertainty remains regarding the extent of the Covid-19 pandemic's impact on society in general and on the global economy. It is also hard to estimate how long the pandemic will last. However, the Group's operations are diversified with respect to the offerings, customer segments and geographies, which by themselves entail a diversification of risk. These have proved to be a strength in challenging times, as they have also during the Covid-19 pandemic.

FUTURE OUTLOOK

The Board has not changed its assessment of the long-term future outlook compared with the preceding quarter. In the interim report for the second quarter of 2021 the Board communicated the following outlook: In the long-term, the areas in which Addnode Group is active are deemed to have strong underlying potential. Addnode Group's growth strategy is to grow organically and through acquisitions of new businesses in the aim of adding new, complementary offerings and additional expertise.

As uncertainty remains regarding how extensive and enduring the ongoing Covid-19 pandemic will be, the Board of Directors notes that there may be a risk of a financial impact for Addnode Group also in coming quarters.

The decision to not issue a forecast stands firm.

CERTIFICATION

The Board of Directors and the CEO certify that the interim report gives a fair overview of the Parent Company's and Group's operations, position and earnings, and describes significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, 29 October 2021

Staffan Hanstorp
Chairman of the Board

Jan Andersson
Director

Kristofer Arwin
Director

Johanna Frelin
Director

Sigrun Hjelmquist
Director

Thord Wilkne
Director

Kristina Willgård
Director

Johan Andersson
President and CEO

AUDITOR'S REVIEW REPORT

Addnode Group AB (publ) corporate identity number 556291-3185

INTRODUCTION

We have reviewed the condensed interim financial information (interim report) of Addnode Group AB (publ) as of 30 September 2021 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 29 October 2021

PricewaterhouseCoopers AB

Anna Rosendal

Authorised Public Accountant

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENTS

SEK m	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Full year
Net sales	925	806	2,963	2,886	3,807
Purchases of goods and services	-400	-346	-1,290	-1,335	-1,715
Other external costs	-67	-55	-208	-197	-270
Personnel costs	-349	-316	-1,148	-1,100	-1,461
Capitalised work performed by the company for its own use	20	18	60	58	80
Depreciation/amortisation and impairment of					
- tangible non-current assets	-21	-23	-65	-67	-88
- intangible non-current assets	-41	-32	-114	-95	-127
Profit/loss on sale of business	-	-	1	3	3
Operating profit	67	52	199	153	229
Financial income	1	0	2	3	3
Financial expenses	-5	-3	-16	-15	-21
Profit before taxes	63	49	185	141	211
Current tax	-19	-16	-55	-45	-47
Deferred tax	5	4	13	12	-1
Net profit for the period	49	37	143	108	163
<i>Attributable to:</i>					
Owners of the Parent Company	49	37	143	108	163
Share data					
Earnings per share before and after dilution, SEK	1.46	1.11	4.26	3.23	4.88
Average number of shares outstanding:					
Before and after dilution	33,632,058	33,427,256	33,563,032	33,427,256	33,427,256

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Full year
Net profit for the period	49	37	143	108	163
<i>Other comprehensive income, items that will not be reclassified to profit or loss:</i>					
Actuarial gains and losses on pension obligations	-	-	-	-	0
<i>Other comprehensive income, items that may be reclassified to profit or loss:</i>					
Exchange rate difference upon translation of foreign operations	9	2	72	-73	-124
Hedge of net investments in foreign operations	-5	-2	-43	39	63
Total other comprehensive income after tax for the period	4	0	29	-34	-61
Comprehensive income for the period	53	37	172	74	102
<i>Attributable to:</i>					
Owners of the Parent Company	53	37	172	74	102

CONSOLIDATED BALANCE SHEETS

SEK m	2021 30 Sep	2020 30 Sep	2020 31 Dec
Assets			
Goodwill	2,084	1,765	1,763
Other intangible non-current assets	479	375	380
Property, plant and equipment	155	195	187
Financial assets	42	54	40
Total non-current assets	2,760	2,389	2,370
Inventories	0	1	1
Current receivables	842	666	803
Cash and cash equivalents	281	563	644
Total current assets	1,123	1,230	1,448
Total assets	3,883	3,619	3,818
Shareholders' equity and liabilities			
Shareholders' equity	1,660	1,484	1,512
Non-current liabilities	879	233	235
Current liabilities	1,344	1,902	2,071
Total shareholders' equity and liabilities	3,883	3,619	3,818
Interest-bearing receivables amount to	1	1	1
Interest-bearing liabilities amount to	766	835	827
Pledged assets	8	8	8
Contingent liabilities	39	11	18

SHAREHOLDERS' EQUITY AND NUMBER OF SHARES

Specification of changes in shareholders' equity, SEK m	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Full year
Shareholders' equity, opening balance	1,607	1,447	1,512	1,410	1,410
Dividend	-	-	-84	-	-
New issue	-	-	54	-	-
Call options issued	-	-	6	-	-
Comprehensive income for the period	53	37	172	74	102
Shareholders' equity, closing balance	1,660	1,484	1,660	1,484	1,512
Shareholders' equity attributable to:					
Owners of the Parent Company	1,660	1,484	1,660	1,484	1,512
Number of shares outstanding, opening balance	33,632,058	33,427,256	33,427,256	33,427,256	33,427,256
New issue	-	-	204,802	-	-
Number of shares outstanding, closing balance	33,632,058	33,427,256	33,632,058	33,427,256	33,427,256

Addnode Group had no holdings of treasury shares on 30 September 2021 nor 31 December 2020.

CONSOLIDATED STATEMENTS OF CASH FLOWS

SEK m	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Full year
Operating activities					
Operating profit	67	52	199	153	229
Adjustment for non-cash items	64	60	161	186	242
Total	131	112	360	339	471
Net financial items	-5	-9	-16	-12	-18
Tax paid	-22	-19	-49	-44	-38
Cash flow from operating activities before changes in working capital	104	84	295	283	415
Total change in working capital	-125	-150	-115	115	164
Cash flow from operating activities	-21	-66	180	398	579
Investing activities					
Purchases and sales of intangible assets and property, plant and equipment	-26	-28	-76	-75	-104
Acquisitions of financial assets	-3	-	-3	-	-
Acquisitions of subsidiaries and operations	-36	-47	-355	-296	-343
Cash and cash equivalents in acquired companies	3	3	71	57	72
Cash flow from investing activities	-62	-72	-363	-314	-375
Financing activities					
Paid dividend	-	-	-84	-	-
Issued call options	-	-	6	-	-
Borrowings	-	43	770	263	263
Repayment of loans	-118	-17	-897	-51	-70
Cash flow from financing activities	-118	26	-205	212	193
Change in cash and cash equivalents	-201	-112	-388	296	397
Cash and cash equivalents at start of period	475	675	644	294	294
Exchange rate difference in cash and cash equivalents	7	0	25	-27	-47
Cash and cash equivalents at end of period	281	563	281	563	644

PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY INCOME STATEMENTS

SEK m	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Full year
Net sales	11	9	16	12	18
Operating expenses	-19	-13	-55	-41	-59
Operating profit	-8	-4	-39	-29	-41
Profit/loss from participations in Group companies	-	13	66	-55	97
Other financial income	1	1	4	5	5
Financial expenses	-4	-3	-52	-13	-17
Profit after financial items	-11	7	-21	-92	44
Provision to tax allocation reserve	-	-	-	-	-25
Profit before taxes	-11	7	-21	-92	19
Tax	0	-	0	-	-16
Net profit for the period	-11	7	-21	-92	3

PARENT COMPANY BALANCE SHEETS

SEK m	2021 30 Sep	2020 30 Sep	2020 31 Dec
Assets			
Intangible non-current assets	0	0	0
Financial assets	2,848	2,397	2,438
Current receivables	63	39	50
Cash and cash equivalents	172	411	518
Total assets	3,083	2,847	3,006
Shareholders' equity and liabilities			
Shareholders' equity	1,236	1,186	1,281
Untaxed reserves	96	72	96
Provisions	103	125	117
Non-current liabilities	668	-	-
Current liabilities	980	1,464	1,512
Total shareholders' equity and liabilities	3,083	2,847	3,006

OPERATING SEGMENTS

The figures below refer to January–September of the respective years.

REVENUE AND PROFIT

SEK m	Design		PLM		Process		Central		Eliminations		Addnode Group	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue												
External sales	1,378	1,472	868	825	716	588	1	1	-	-	2,963	2,886
Transactions between segments	3	4	7	4	7	8	9	9	-26	-25	0	0
Total revenue	1,381	1,476	875	829	723	596	10	10	-26	-25	2,963	2,886
EBITA	145	154	73	18	136	106	-41	-30	-	-	313	248
EBITA margin, %	10,5	10,4	8,3	2,2	18,8	17,8	-	-	-	-	10,6	8,6
Operating profit	102	111	41	-7	97	80	-41	-31	-	-	199	153
Operating margin, %	7,4	7,5	4,7	-0,8	13,4	13,4	-	-	-	-	6,7	5,3
Average number of employees	554	588	610	685	584	523	8	7	-	-	1,756	1,803

REVENUE DISTRIBUTION

SEK m	Design		PLM		Process		Central		Eliminations		Addnode Group	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Licences	34	50	100	71	29	19	-	-	0	0	163	140
Recurring revenue	1,164	1,217	512	510	330	264	-	-	-1	-2	2,005	1,989
Services	166	172	251	241	341	297	-	-	-7	-5	751	705
Other	17	37	12	7	23	16	10	10	-18	-18	44	52
Total revenue	1,381	1,476	875	829	723	596	10	10	-26	-25	2,963	2,886

Addnode Group's operations are organised and governed based on the Design Management, Product Lifecycle Management (PLM) and Process Management divisions, which make up the Group's operating segments. Within Addnode Group's three divisions the subsidiaries deliver software and digital solutions to customers in sectors such as construction and real estate, manufacturing, the auto industry, life sciences and the public sector. The solutions that Addnode Group provides make it possible for our customers, with the help of digital work methods, to improve the efficiency of their operations, quality-assure their production and communicate more effectively with customers and citizens. The segment breakdown is based on the Group's products and services.

No changes have been made in the segment breakdown since the most recently published annual report. The difference between the sum of the segments' operat-

ing profits and consolidated profit before tax pertains to financial income of SEK 2 m (3) and financial expenses of SEK -16 m (-15).

As a result of completed acquisitions, as per 30 September 2021 operating capital has increased by SEK 24 m in the Design Management division, by SEK 17 m in the Product Lifecycle Management division, and by SEK 340 m in the Process Management division compared with information provided in the most recent annual report. Operating capital is defined as the sum of goodwill and other intangible non-current assets, property, plant and equipment excluding leases, financial assets, trade receivables and other operating assets less trade payables and other operating liabilities.

KEY FIGURES – QUARTERLY

SEK m	2021			2020				2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net sales, SEK m	925	1,002	1,036	921	806	846	1,234	933	779
Design Management	409	439	533	384	375	379	722	382	299
Product Lifecycle Management	293	299	283	312	258	267	304	334	311
Process Management	230	268	225	231	177	205	214	223	174
EBITA, SEK m	108	98	107	108	84 ¹	56 ¹	108	100	71
Design Management	44	40	61	36	42	36	76	38	30
Product Lifecycle Management	28	27	18	39	17 ¹	-9 ¹	10	33	23
Process Management	49	48	39	45	33	37	36	38	25
EBITA margin, %	11.7	9.8	10.3	11.7	10.4 ¹	6.6 ¹	8.8	10.7	9.1
Design Management	10.8	9.1	11.4	9.4	11.2	9.5	10.5	9.9	10.0
Product Lifecycle Management	9.6	9.0	6.4	12.5	6.6 ¹	-3.4 ¹	3.3	9.9	7.4
Process Management	21.3	17.9	17.3	19.5	18.6	18.0	16.9	17.0	14.4
Average number of employees	1,797	1,794	1,723	1,740	1,756	1,789	1,788	1,629	1,607
Design Management	563	562	570	566	580	569	562	405	406
Product Lifecycle Management	616	612	607	628	646	682	685	680	662
Process Management	610	612	539	539	523	531	534	539	533
Net sales per employee, SEK 000s	515	559	601	529	459	473	690	573	485
Change in net sales, %	15	18	-16	-1	3	-2	44	11	20
Operating margin, %	7.2	5.9	7.0	8.3	6.5	2.8	6.2	7.8	5.5
Equity, SEK m	1,660	1,607	1,605	1,512	1,484	1,447	1,471	1,410	1,372
Return on shareholders' equity, % ²	12.6	12.2	10.4	11.2	11.1	10.9	12.0	9.4	11.0
Equity/assets ratio, %	43	39	39	40	41	40	38	44	46
Return on capital employed, % ²	11.7	11.1	9.7	10.6	10.6	10.6	11.2	10.0	11.2
Net debt, SEK m	484	396	88	182	271	117	175	321	427
Investments in equipment, SEK m	4	5	3	4	3	2	5	8	7

¹ In Q2 and Q3 2020, EBITA was charged with one-off costs of SEK 20 m and SEK 8 m, respectively, attributable to adaptation of the organisation and cost structure in the Product Lifecycle Management division. Excluding these restructuring costs, consolidated EBITA would have amounted to SEK 76 m and SEK 92 m, respectively, for an EBITA margin of 9.0 per cent and 11.4 per cent, respectively. EBITA for the Product Lifecycle Management division in Q2 and Q3 2020 would have amounted to SEK 11 m and SEK 25 m, respectively, for an EBITA margin of 4.1 per cent and 9.7 per cent, respectively.

² Key ratios have been adjusted to reflect returns on a yearly basis.

SHARE DATA

	2021			2020				2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Average number of shares outstanding before and after dilution, millions	33.6	33.6	33.4	33.4	33.4	33.4	33.4	33.4	33.4
Total number of shares outstanding, millions	33.6	33.6	33.4	33.4	33.4	33.4	33.4	33.4	33.4
Total number of registered shares, millions	33.6	33.6	33.4	33.4	33.4	33.4	33.4	33.4	33.4
Earnings per share before and after dilution, SEK	1.46	1.19	1.62	1.65	1.11	0.42	1.71	1.50	0.93
Cash flow from operating activities per share, SEK	-0.62	1.52	4.49	5.41	-1.97	5.62	8.26	5.18	0.96
Shareholders' equity per share, SEK	49.36	47.78	48.01	45.23	44.39	43.29	44.01	42.18	41.04
Share price at end of period, SEK	347.50	315.00	262.00	286.00	206.50	178.00	146.00	178.50	158.50
Share price/shareholders' equity	7.04	6.59	5.46	6.32	4.65	4.11	3.32	4.23	3.86

ALTERNATIVE PERFORMANCE MEASURES USE AND RECONCILIATION

Guidelines for information about Alternative Performance Measures (APMs) for companies with securities listed on a regulated market within EU have been issued by the European Securities and Markets Authority (ESMA) and are to be applied for Alternative Performance Measures in published compulsory information. Alternative Performance Measures refer to financial measures regarding historical or future development of earnings, financial position, financial results or cash flows that are not defined or stated in applicable rules for financial reporting. In the interim report, certain performance measures are used that are not defined in IFRS, with the purpose to give investors, analysts and other interested parties clear and relevant information about the company's operations and development. The use of these performance measures and reconciliation to the financial statements are presented below.

Definitions are provided on page 21.

EBITA

EBITA is a measure that the Group considers as relevant for investors, analysts and other interested parties in order to understand earnings generation before investments in intangible non-current assets. The measure is an expression of operating profit before amortisation and impairment of intangible non-current assets.

NET DEBT

The Group considers this key ratio as useful for the readers of the financial statements as a complement in order to evaluate the dividend potential, to execute strategic investments and to assess the Group's possibilities to meet financial obligations. The key ratio is an expression of the level of financial borrowing in absolute amount after deducting cash and cash equivalents.

RECONCILIATION OF EBITA

	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Full year
Operating profit	67	52	199	153	229
Amortisation and impairment of intangible non-current assets	41	32	114	95	127
EBITA	108	84	313	248	356

RECONCILIATION OF NET DEBT

	2021 30 Sep	2020 30 Sep	2020 31 Dec
Non-current liabilities	879	233	235
Current liabilities	1,344	1,902	2,071
Non interest-bearing non-current and current liabilities	-1,457	-1,300	-1,479
Total interest-bearing liabilities	766	835	827
Cash and cash equivalents	-281	-563	-644
Other interest-bearing receivables	-1	-1	-1
Net debt (+)/receivable (-)	484	271	182

DEFINITIONS

Average number of employees

Average number of employees during the period (full-time equivalents).

Capital employed

Total assets less noninterest-bearing liabilities and noninterest-bearing provisions including deferred tax liabilities.

Cash flow per share

Cash flow from operating activities divided by the average number of shares outstanding.

Currency-adjusted organic growth

Change in net sales, recalculated at the preceding year's exchange rate, excluding acquired entities during the last 12-month period.

Earnings per share

Net profit for the period divided by the average number of shares outstanding.

EBITA

Earnings before amortisation and impairment of intangible non-current assets.

EBITA margin

EBITA as a percentage of net sales.

Equity/assets ratio

Shareholders' equity (including shareholders' equity attributable to non-controlling interests) as a percentage of total assets.

Net debt

Interest-bearing liabilities less cash and cash equivalents and other interest-bearing receivables. According to this definition, a negative level of net debt means that cash and cash equivalents and other interest-bearing financial assets exceed interest-bearing liabilities.

Net sales per employee

Net sales divided by the average number of employees (full-time equivalents).

Operating margin

Operating profit as a percentage of net sales.

Organic growth

Change in net sales excluding acquired entities during the last 12-month period.

Recurring revenue

Revenue of an annually recurring character such as revenue from support and maintenance contracts and revenue from subscription agreements, rental contracts and SaaS solutions.

Return on capital employed

Profit before tax plus financial expenses as a percentage of average capital employed. It is based on profit for the last 12 months and the average of the opening and closing balance of capital employed.

Return on shareholders' equity

Net profit for the period as a percentage of average shareholders' equity. Based on profit for the last 12 months and the average of the opening and closing balance of shareholders' equity.

Share price/shareholders' equity

Share price in relation to shareholders' equity per share.

Shareholders' equity

Reported shareholders' equity plus untaxed reserves less deferred tax at the current tax rate.

Shareholders' equity per share

Shareholders' equity divided by the total number of shares outstanding.

ADTOLLO

ADDNODE GROUP

ARKIVA

ADDNODE GROUP

CANELLA

ADDNODE GROUP

DECERNO

ADDNODE GROUP

ELPOOL

ADDNODE GROUP

EVITBE

ADDNODE GROUP

FORSLER STJERNA

ADDNODE GROUP

IDA INFRONT

ADDNODE GROUP

INTRAPHONE

ADDNODE GROUP

KOMPANION

ADDNODE GROUP

MITTBYGGE

ADDNODE GROUP

NETPUBLICATOR

ADDNODE GROUP

S-GROUP SOLUTIONS

ADDNODE GROUP

SERVICE WORKS GLOBAL

ADDNODE GROUP

SOKIGO

ADDNODE GROUP

STAMFORD

ADDNODE GROUP

SYMETRI

ADDNODE GROUP

TECHNIA

ADDNODE GROUP

TRIBIA

ADDNODE GROUP

VOICE PROVIDER

ADDNODE GROUP

ADDNODE GROUP**ADDNODE GROUP AB (publ.)**

Hudiksvallsgatan 4B, SE-113 30 Stockholm

Corporate identity number: 556291-3185

+46 (0)8 630 70 70

info@addnodegroup.com

www.addnodegroup.com