

INTERIM REPORT 1 JANUARY – 30 JUNE 2022

This is a translation of the Swedish original of Addnode Group's Interim Report for the period 1 January–30 June 2022. In the event of inconsistency between the two, the original Swedish version shall apply.

SECOND QUARTER SUMMARY, APRIL–JUNE 2022

- Net sales increased by 49 per cent to SEK 1,489 m (1,002), of which 14 per cent was organic. Currency-adjusted organic growth was 11 per cent.
- EBITA increased to SEK 154 m (98), and the EBITA margin increased to 10.3 per cent (9.8).
- Operating profit rose to SEK 101 m (59), and the operating margin widened to 6.8 per cent (5.9).
- Profit for the period increased to SEK 70 m (40).
- Earnings per share increased to SEK 0.52 (0.30²⁾).
- Cash flow from operating activities increased to SEK 122 m (51).
- 4:1 share split executed in May 2022.
- Acquisition of Decisive AS of Norway with net sales of some SEK 57 m.
- SEK 1,600 m revolving credit facility extended by one year to June 2025.
- Supported by AGM authorisation, the Board of Directors decided to repurchase a maximum of 230,000 class B treasury shares.

SUMMARY OF SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- No significant events have occurred since the end of the period.

49%

Net sales growth Q2 2022
compared with Q2 2021

10.3%

EBITA margin
Q2 2022

68%

Share of recurring
revenue Q2 2022

KEY FIGURES

	Second quarter		6 months		Rolling 12 m	Full year
	2022 Apr–Jun	2021 Apr–Jun	2022 Jan–Jun	2021 Jan–Jun	Jul 2021 – Jun 2022	2021
Net sales, SEK m	1,489	1,002	2,815	2,038	4,854	4,077
EBITA, SEK m	154	98	334 ³⁾	205	590	461
EBITA margin, %	10.3	9.8	11.9 ³⁾	10.1	12.2	11.3
Operating profit, SEK m	101	59	235	132	408	305
Operating margin, %	6.8	5.9	8.3	6.5	8.4	7.5
Profit for the period, SEK m	70	40	176	94	305	223
Earnings per share ²⁾ , SEK	0.52	0.30	1.32	0.70	2.26	1.66
Cash flow from operating activities, SEK m	122	51	364	201	600	437
Return on shareholders' equity ¹⁾ , %	17.9	12.2	17.9	12.2	17.9	13.9
Return on capital employed ¹⁾ , %	15.4	11.1	15.4	11.1	15.4	13.0
Shareholders' equity per share ²⁾ , SEK	13.41	11.95	13.41	11.95	13.41	12.66

¹⁾ Key financial ratios have been restated to reflect annualised returns.

²⁾ Due to the 4:1 share split executed in May 2022, historical key financial ratios based on the number of shares have been restated.

³⁾ EBITA adjusted for an SEK 24 m capital gain from property divestments was SEK 310 m (205), an adjusted EBITA margin of 11.0 per cent (10.1).

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

“All three divisions experienced good demand, won new business and improved earnings. The Design Management division achieved the biggest improvement in Q2 2022, doubling EBITA from SEK 40 to 80 m.”

Johan Andersson
President and CEO



STRONG PROGRESS IN ALL DIVISIONS

GROWTH AND SHARPLY IMPROVED EARNINGS

The second quarter was another record quarter for Addnode Group, with good demand, high organic growth and improved EBITA. Net sales increased by 49 per cent, of which 11 per cent currency adjusted organic, to SEK 1,489 m. EBITA was up by 57 per cent to SEK 154 m. Earnings per share rose by 73 per cent to SEK 0.52 (0.30) per share.

All three divisions experienced good demand, won new business and improved earnings. The Design Management division achieved the biggest improvement, doubling EBITA from SEK 40 to 80 m. Primarily, the Design Management division's growth and earnings gains were driven by strong sales by Symetri and Microdesk, which was acquired in March 2022.

ACQUISITIONS CREATING VALUE

Addnode Group is continuously creating value by acquiring enterprises that complement its current businesses. We bring industry expertise and structural capital to accelerate sales, product development and the supply of competence development. Together, we create synergies and even more value for our customers.

Jointly with Symetri, our acquisition of Microdesk of the USA creates a global market leader delivering Autodesk solutions for BIM, product design and lifecycle management to over 20,000 European and US customers. Demand on the US market was positive in the second quarter, and initially, Microdesk's sales were better than expected. By sharing product portfolios, skills and resources between geographies, over time, we intend to attain a stable profitability level in our new US business.

In total, we've completed four acquisitions in 2022. We acquired Decisive, the Process Management division's first acquisition in Norway, in the second quarter. We make a strong offering to Sweden's public sector, and also see high growth potential in Norway.

DIGITALISATION DRIVING OUR GROWTH

Addnode Group is well positioned to benefit from continued digitalisation. Demand from private and public sector customers is driven by urbanisation, more stringent sustainability standards, altered working methods and the need for rationalisation. We deliver digital solutions to our customers to automate and streamline business-critical processes. Our business segments are design, production and managing of products, real estate and infrastructure, document and case management, as well as the creation and management of digital twins.

LONG-TERM CUSTOMER RELATIONSHIPS AND RECURRING REVENUE

Long-term customer relationships and a business model with a high share of recurring revenue aid stability over time. Investing in a digital solution for a business-critical process is an undertaking for our customers, and ourselves as a provider. Customer relationships extending over 20 years back in time are not unusual. Recurring revenue increased by 56 per cent to SEK 1,019 m (653) and its share of net sales increased to 68 (65) per cent.

GOOD FINANCIAL POSITION

While I'm proud of Addnode Group's positive progress, we're attentive to how an uncertain business environment, with the conflict in Ukraine, supply chain disruptions, rising interest rates and inflation, may impact demand. A strong financial position with a low debt/equity ratio, an extended credit facility and a business model with a high share of recurring revenue, offer us the freedom to keep executing on our strategy for profitable and sustainable growth.

Johan Andersson
President and CEO

ABOUT ADDNODE GROUP

STRATEGY

Addnode Group acquires, operates and develops cutting edge enterprises that digitalise society. We create sustainable value growth over time by continuously acquiring new enterprises and actively supporting our subsidiaries to drive organic earnings growth.

THREE DIVISIONS

Addnode Group’s subsidiaries are organised into three divisions: Design Management, Product Lifecycle Management and Process Management. A decentralised business model means that business-critical decisions are made close to customers and markets.

FINANCIAL TARGETS

- Annual net sales growth of at least 10%.
- Operating margin before amortisation and impairment of intangible assets (EBITA margin) shall be at least 10%.
- At least 50% of the Group’s profit after tax to be distributed to shareholders, providing the net cash position is sufficient to operate and develop the business.

MARKET POSITION

Addnode Group consists of approximately 20 companies, active in 19 countries across four continents. The employee headcount is approximately 2,300.

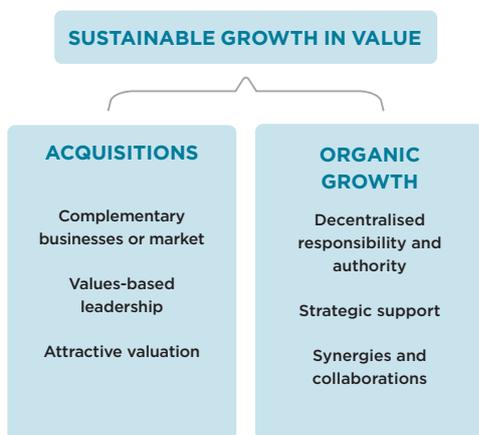
The Group is one of Europe’s market-leading providers of software and services for design and construction, product data information, project collaboration and facility management. The group is also a leading provider of digital solutions for design and construction in the USA. Addnode Group is also a leading provider of document and case management systems for Sweden’s public authorities.

SUSTAINABILITY AGENDA

Addnode Group contributes to sustainable development in several fields. The digital solutions we develop in close partnership with our customers help create a more sustainable society. Our solutions are used for sustainable and resource-efficient design and product lifecycle management, simulations that benefit the environment and health, and better engagement and dialogue with the public.

Addnode Group’s sustainability work proceeds from its Sustainability Agenda. This Agenda defines five focus areas that are the foundation of the Group’s collective commitment to sustainability. We have defined key indicators for each focus area designed to drive our work on the Sustainability Agenda forward. Our performance is presented each year in our Sustainability Report, which is part of Addnode Group’s Annual Report.

STRATEGY FOR PROFITABLE AND SUSTAINABLE GROWTH



SUSTAINABILITY AGENDA



UN Sustainable Development Goals (SDGs) with the clearest connection to Addnode Group’s sustainability agenda:



SIGNIFICANT EVENTS

IN THE SECOND QUARTER OF 2022

Acquisition of Decisive

In June 2022, Addnode Group acquired Decisive AS of Norway, with net sales of approximately SEK 57 m, and 25 employees. The company is a leading provider of rule-based decision support systems for the Norwegian public sector. The company was consolidated effective June 2022, into the Process Management division.

4:1 share split

Addnode Group's AGM on 4 May 2022 approved the Board of Directors' proposal for a 4:1 share split. The number of shares increased to 134.5 million, and the number of votes increased to 170.1 million. The first day of trading in the company's share after the share split was 17 May 2022.

Extended credit facility

In June 2022, Addnode Group exercised its option to extend its SEK 1,600 m revolving credit facility by one year, with other terms & conditions unchanged. Accordingly, the new maturity date of the credit facility is June 2025.

Repurchase of treasury shares

Supported by an authorisation from the AGM 2022, Addnode Group's Board of Directors decided on the repurchase of class B treasury shares in June 2022. The main purpose of utilising this authorisation is to enable the delivery of shares associated with executing Addnode Group's share-based incentive programme. A maximum of 230,000 class B shares may be repurchased, and this will be on Nasdaq Stockholm.

AFTER THE END OF THE REPORTING PERIOD

No significant events have occurred since the end of the period.

FINANCIAL CALENDAR



CONSOLIDATED NET SALES, EARNINGS AND CASH FLOW

SECOND QUARTER, APRIL-JUNE 2022

The positive start to the year was followed by another strong quarter of good net sales growth and increased earnings.

Net sales increased to SEK 1,489 m (1,002), growth of 49 per cent. Organic growth was 14 per cent, while currency-adjusted organic growth was 11 per cent.

Demand for Design Management's digital solutions and services remained positive in the Nordics and demonstrated particular strength in the UK. Design Management's new business operation in the USA, Microdesk, performed above expectations thanks to greater willingness to invest by US customers. Product Lifecycle Management continued its positive progress, experiencing especially positive demand on the UK market. Once again, Process Management's high organic growth corroborated the leadership status of the division's offering to Sweden's public sector, as well as the division winning market shares in several segments. There is intense competition over talent on the labour market in several of the Group's areas of competence. To be able to grow, we must continue to be able to attract the right staff with high skills levels.

Licence revenue increased to SEK 67 m (62), recurring revenue increased to SEK 1,019 m (653), service revenue increased to SEK 386 m (271), and other revenue increased to SEK 17 m (16). The share of recurring revenue was 68 per cent (65).

EBITA increased by 57 per cent to SEK 154 m (98), and the EBITA margin widened to 10.3 per cent (9.8).

Net financial items were SEK -11 m (-7). Profit for the period increased to SEK 70 m (40). Earnings per share rose to SEK 0.52 (0.30).

Cash flow from operating activities was SEK 122 m (51), a SEK 71 m increase. The strong cash flow is mainly attributable to increased operating profit.

FIRST HALF-YEAR, JANUARY-JUNE 2022

Net sales amounted to SEK 2,815 m (2,038), growth of 38 per cent, 12 per cent being organic. Currency-adjusted organic growth was 9 per cent.

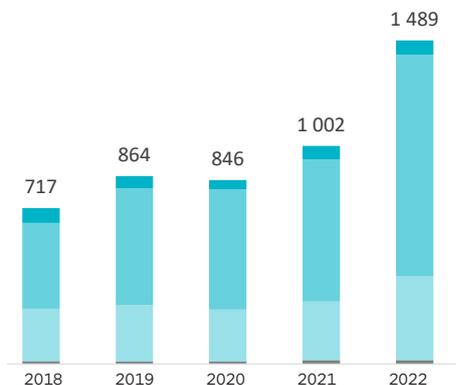
Licence revenue increased to SEK 136 m (119), recurring revenue rose to SEK 1,929 m (1,365), service revenue was up to SEK 713 million (522), and other revenue was SEK 37 m (32).

EBITA increased to SEK 334 m (205), an EBITA margin of 11.9 per cent (10.1). EBITA included a capital gain of SEK 24 m from the sale of an office property in Enfield, UK, which was included in the acquisition of Excitech in 2020 and intended for sale at the time of acquisition. EBITA adjusted for this capital gain was SEK 310 m (205), corresponding to an adjusted EBITA margin of 11.0 per cent (10.1). EBITA was charged with acquisition expenses of SEK 13 m (3). The capital gain and acquisition costs are accounted in segment reporting under Elimination/Central costs.

Net financial items amounted to SEK -12 m (-10). Reported tax on profit for the period was SEK -47 m (-28). Profit for the period increased to SEK 176 m (94). Earnings per share increased to SEK 1.32 (0.70).

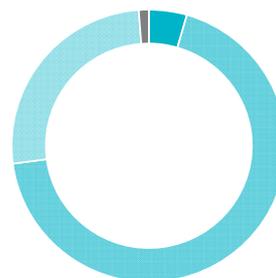
Cash flow from operating activities amounted to SEK 364 m (201). The SEK 163 m increase related mainly to improved operating profit, but also to favourable progress of working capital.

REVENUE BREAKDOWN, Q2 2018-2022, SEK m



- Licences
- Recurring revenue
- Services
- Other

REVENUE BREAKDOWN, Q2 2022



- Licences, 5%
- Recurring revenue, 68%
- Services, 26%
- Other, 1%

PERFORMANCE BY DIVISION

NET SALES AND EBITA, Q2

SEK m	Net sales			EBITA		
	2022 Q2	2021 Q2	Change %	2022 Q2	2021 Q2	Change %
Design Management	806	439	84	80	40	100
Product Lifecycle Management	394	299	32	35	27	30
Process Management	297	268	11	56	48	17
Eliminations/central costs	-8	-4		-17	-17	
Addnode Group	1,489	1,002	49	154	98	57

NET SALES AND EBITA, YTD

MSEK	Net sales			EBITA		
	2022 Jan-Jun	2021 Jan-Jun	Change %	2022 Jan-Jun	2021 Jan-Jun	Change %
Design Management	1,513	972	56	169	101	67
Product Lifecycle Management	732	582	26	69	45	53
Process Management	585	493	19	116	87	33
Eliminations/central costs	-15	-9		-20 ¹⁾	-28	
Addnode Group	2,815	2,038	38	334²⁾	205	63

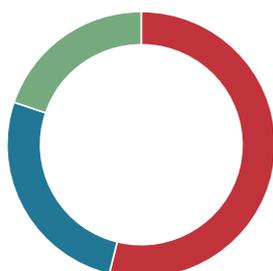
¹⁾ Includes a SEK 24 m capital gain from the sale of an office property in the UK, and acquisition costs of SEK -13 m (-3).

²⁾ EBITA adjusted for a SEK 24 m capital gain from the sale of an office property was SEK 310 m, corresponding to an adjusted EBITA margin of 11.0 per cent.

Addnode Group operates through three divisions: Design Management, Product Lifecycle Management and Process Management. Each subsidiary manages and develops its operations in compliance with strategies, guidelines and Group-wide values.

The decentralised governance model means business-critical decisions are made close to customers and markets. The divisions constitute the operating segments that Addnode Group uses to monitor business performance.

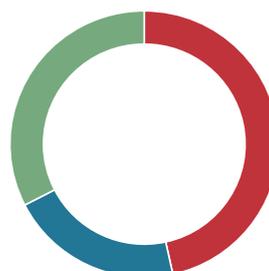
NET SALES¹⁾ Q2 2022



¹⁾ Before eliminations

- Design Management 54%
- Product Lifecycle Management 26%
- Process Management 20%

EBITA¹⁾ Q2 2022



¹⁾ Before eliminations/central costs

- Design Management 47%
- Product Lifecycle Management 20%
- Process Management 33%

DIVISION

DESIGN MANAGEMENT

Design Management is a leading global provider of digital solutions and services 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 UK.

PROGRESS IN THE QUARTER

Net sales increased to SEK 806 m (439) in the second quarter of 2022, growth of 84 per cent. Organic growth was 19 per cent, and 15 per cent currency adjusted. The demand for Symetri's digital solutions and services remained good, as reflected in the division's growth and earnings development. Demand in the Nordics remained positive from the AEC segment, and from manufacturing. The demand increase was especially positive in the UK, and our customers value an Autodesk partner with proprietary related products and services. Symetri's new operation in the USA, Microdesk, performed above expectations thanks to increased demand in the AEC segment on the US market. Additionally, new business sales and renewals of three-year agreements, as for the rest of Symetri, performed above expectations. Operations providing collaborative portals for construction and infrastructure, and operations providing facility management, made good progress, especially in the Nordics.

EBITA increased to SEK 80 m (40), and the EBITA margin widened to 9.9 per cent (9.1).

ACQUISITIONS

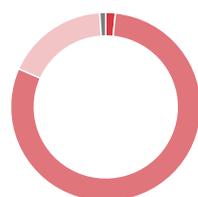
Over time, through a series of acquisitions, Symetri has created a strong and profitable northern European actor. The acquisition of Microdesk in March 2022 brought a presence in the USA, making Symetri one of the world's largest Autodesk partners, with global reach. Work on adding proprietary products to Microdesk's current offerings, sharing know-how and resources cross-border and realising cost rationalisations, continues. The company was consolidated effective 1 March 2022.

MARKET

The division operates through the companies Symetri, Service Works Global and Tribia. Customers' willingness to invest is driven by urbanisation and the need to build and manage efficiently and sustainably. To improve efficiency, customers are digitalising their processes and adopting new working methods. Regulatory authorities are demanding more adoption of digital working methods based on BIM.



Microdesk assisted in the design of a maternity clinic at Koidu Government Hospital in Sierra Leone. The design provided savings in materials, energy, time and expenditure, while simultaneously achieving high-quality care, resulting in improved health outcomes.

NET SALES Q2 2022,
BY REVENUE TYPE

- Licences, 2%
- Recurring revenue, 80%
- Services, 17%
- Other, 1%

NET SALES GROWTH Q2 2022
COMPARED TO Q2 2021

+84%

EBITA Q2 2022
COMPARED TO Q2 2021

+100%

KEY FIGURES

SEK m	Q2 2022	Q2 2021	Change %
Net sales	806	439	84
EBITA	80	40	100
EBITA margin, %	9.9	9.1	
Operating profit	58	26	123
Operating margin, %	7.2	5.9	
Average no. employees	837	562	49

DIVISION

PRODUCT LIFECYCLE MANAGEMENT

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

PROGRESS IN THE QUARTER

Net sales increased to SEK 394 m (299) in the second quarter 2022, growth of 32 per cent. Organic growth was 13 per cent, and currency adjusted 9 per cent. Operations in the UK and USA made especially positive progress also in the second quarter, with good demand for PLM systems and related services. Demand remained good in the Nordics and Germany. Initiatives in simulation solutions and solutions for customers in Life Sciences progressed well. EBITA increased to SEK 35 m (27), and the EBITA margin was 8.9 per cent (9.0).

ACQUISITIONS

In the first quarter of the year, the division enhanced its advanced simulation offerings through the acquisition of Claytex of the UK, which specialises in simulation and testing in the automotive industry. It also made a complementary acquisition for the German operation, DESYS. The acquired enterprises are partners of Dassault Systèmes, and also have proprietary, unique peripheral products and services. Claytex was consolidated effective 1 January 2022, and DESYS effective 1 March 2022. Both these operations performed as planned.

MARKET

The division's operations are conducted through the company TECHNIA, one of Europe's leading providers of PLM software and consulting services. Customers' willingness to invest is driven by a need to develop and design products, maintain product information through complete lifecycles and comply with regulatory standards.



TECHNIA is supporting CoorsTek, a global manufacturer of technical ceramics, with a PLM system from Dassault Systèmes, supplemented by TECHNIA Value Components (TVC). The solution brings teams together, while also cutting product development lead-times and improving information integrity, quality and monitoring.

NET SALES Q2 2022, BY REVENUE TYPE



- Licences, 11%
- Recurring revenue, 62%
- Services, 26%
- Other, 1%

NET SALES GROWTH Q2 2022 COMPARED TO Q2 2021

+ 32%

EBITA Q2 2022 COMPARED TO Q2 2021

+ 30%

KEY FIGURES

SEK m	Q2 2022	Q2 2021	Change %
Net sales	394	299	32
EBITA	35	27	30
EBITA margin, %	8.9	9.0	
Operating profit	18	15	20
Operating margin, %	4.6	5.0	
Average no. employees	685	612	12

DIVISION

DIVISION PROCESS MANAGEMENT

Process Management is a leading provider of digital solutions to the public sector in Sweden. Its solutions streamline case management, simplify administration and quality-assure processes in contacts between the authorities and the public.

PROGRESS IN THE QUARTER

Net sales increased to SEK 297 m (268) in the second quarter 2022, growth of 11 per cent. Organic growth was 9 per cent, in line with recent quarters. The division is outgrowing the market in those operations providing solutions and services in document and case management, public services and municipal engineering information systems for public authorities and municipalities. The division's businesses are well positioned for public sector tendering owing to their attractive digital solutions, in-depth experience and good references. Competition over people on the labour market in the division's areas of competence is intense.

The division executed its first acquisition outside Sweden in the quarter. Decisive of Norway was consolidated effective 1 June 2022.

EBITA increased to SEK 56 m (48), and the EBITA margin widened to 18.9 per cent (17.9).

ACQUISITIONS

Decisive AS, acquired in June 2022, is a leading provider of rule-based digital decision support systems for the Norwegian public sector. The company's sales are approximately SEK 57 m, and it has long-term relationships with customers including Helsedirektoratet (the Norwegian public health agency), NAV (an authority responsible for public services including social security and pensions) and the Norwegian Tax Agency.

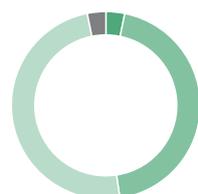
MARKET

The division is a leading provider of software and digital solutions for the public sector. The division has operations in Sweden and Norway. Customers' willingness to invest is driven by automation, simplified administration and more effective communication with the public. A growing base of public authorities and municipalities are seeking to partner for the long term in their efforts to develop innovative operations compliant with statute.



Ida Infront's iipax solution is used by the Swedish Energy Agency to process contributions to projects in energy and climate transition, by the Swedish National Board of Housing, Building & Planning to collate climate assessments from developers and building contractors, and by the Swedish Environmental Protection Agency to process contributions to a range of environmental projects.

NET SALES Q2 2022, BY REVENUE TYPE



- Licences, 4%
- Recurring revenue, 44%
- Services, 50%
- Other, 2%

NET SALES GROWTH Q2 2022 COMPARED TO Q2 2021

+11%

EBITA Q2 2022 COMPARED TO Q2 2021

+17%

KEY FIGURES

SEK m	Q2 2022	Q2 2021	Change %
Net sales	297	268	11
EBITA	56	48	17
EBITA margin,%	18.9	17.9	
Operating profit	42	33	27
Operating margin,%	14.1	12.3	
Average no. employees	637	612	4

DISCLOSURES ON ACQUISITIONS

ACQUISITIONS COMPLETED IN 2022

In 2022, Addnode Group has acquired all the shares of four operations; Claytex Services Limited (“Claytex”), DESYS GmbH (“DESYS”), Microdesk LLC and M2 Technologies LLC (“Microdesk”), as well as Decisive AS (“Decisive”). In the period January-June 2022, these acquisitions contributed net sales of SEK 445 m and EBITA of SEK 22 m. SEK 13 m (3) of costs for completing the acquisitions are included in the Group’s other external costs, and mainly relate to the acquisition of Microdesk. If the acquisitions had been conducted as of 1 January 2022, the group’s net sales in January-June 2022 would have been approximately SEK 3,052 m and EBITA approximately SEK 347 m.

Microdesk, acquired on 1 March 2022, is a Platinum Partner of Autodesk, and has about 300 employees in the USA and UK. This acquisition means the Design Management division is securing a strong position on the US market, and with the division’s existing operations, Addnode Group will be the leading global provider of Autodesk solutions. The company has net sales of some USD 110 m (approx. SEK 1,000 m). The purchase consideration for all shares could be a maximum of some USD 50 m, of which USD 26 m is fixed, and up to USD 24 m depends on future financial performance. The company is being consolidated into the Design Management division effective March 2022.

Claytex, acquired in January 2022, is a UK partner of Dassault Systèmes. The company specialises in advanced simulation and testing for the automotive industry and consolidates Addnode Group’s offering in the segment. The company also offers complementary proprietary software. Claytex has sales of approximately SEK 25 m and 15 employees. Operations were consolidated effective January 2022 as part of Addnode Group’s company TECHNIA in the Product Lifecycle Management division.

On 1 March 2022, Addnode Group acquired DESYS GmbH (DESYS), a leading partner of Dassault Systèmes in Germany, which also offers proprietary complementary software solutions. DESYS has 45 employees, and net sales of some SEK 170 m. DESYS was consolidated into Addnode Group company TECHNIA effective March 2022, as part of the Product Lifecycle Management division.

Decisive, acquired on 1 June 2022, is a leading provider of rule-based decision support systems for the Norwegian public sector. Decisive has 25 employees, and net sales of approximately SEK 57 m. This operation was consolidated effective June 2022 into the Process Management division.

The following acquisition analyses were prepared for the acquisitions. The calculations are preliminary and include the companies Microdesk, Claytex, DESYS and Decisive.

ACQUISITION ANALYSIS—MICRODESK (SEK M)

Acquired companies' net assets at acquisition date	Carrying amount in companies	Fair value adjustment	Fair value, Group
Intangible non-current assets	2	201	203
Other non-current assets	9	52	61
Current assets	193		193
Cash and cash equivalents	12		12
Other liabilities	-224	-55	-279
Net identifiable assets/liabilities¹⁾	-8	198	190
Goodwill			312
Calculated purchase price¹⁾			502

¹⁾ The acquisition of Microdesk includes estimated discounted non-current contingent considerations of USD 24 m entered as a liability, which may be paid in the period 2023-2025, and a current non-interest-bearing liability of USD 4 m.

ACQUISITION ANALYSIS—CLAYTEX, DESYS AND DECISIVE (SEK M)

Acquired companies' net assets at acquisition date	Carrying amount in companies	Fair value adjustment	Fair value, Group
Intangible non-current assets		106	106
Current assets	43		43
Cash and cash equivalents	80		80
Other liabilities	-87	-26	-113
Net identifiable assets/liabilities¹⁾	36	80	116
Goodwill			160
Calculated purchase price¹⁾			276

¹⁾ The acquisition of Claytex includes non-current contingent considerations of GBP 2 m entered as a liability, and a current non-interest-bearing liability of GBP 0.5 m. The acquisition of DESYS includes a non-current, non-interest-bearing liability of EUR 0.1 m, and a current non-interest-bearing liability of EUR 0.5 m entered as liabilities. A non-current contingent consideration of a maximum of NOK 35 m may be payable for the acquisition of Decisive, of which NOK 19 m has been entered as a liability, as well as a current, non-interest-bearing liability of NOK 5 m.

CONSOLIDATED BALANCE SHEET AND CASH FLOW

LIQUIDITY AND FINANCIAL POSITION

Cash and cash equivalents held by the Group amounted to SEK 597 m (475) as of 30 June 2022.

Addnode Group's SEK 1,600 m credit facility arranged in June 2021 had a three-year term with 1+1 year extension. In June 2022, Addnode Group exercised its option to extend the credit facility by one year to June 2025, with other terms & conditions unchanged.

SEK 1,008 m (761) of the credit facility had been utilised as of 30 June 2022, which meant available credit of SEK 592 m (839). The used portion of the credit facility has been classified under non-current liabilities.

SEK 190 m (108) of the interest-bearing liabilities in addition to the utilised portion of the credit facility of SEK 1,008 m (761) related to leases. There were no interest-bearing liabilities related to completed acquisitions (SEK 3 m). Consequently, the Group's total interest-bearing liabilities were SEK 1,198 m (872), and the Group's net debt was SEK 601 million (396). The equity/assets ratio was 32 per cent (39).

Non-interest-bearing liabilities related to completed acquisitions were SEK 99 m (7), and estimated contingent considerations for completed acquisitions were SEK 362 m (119). A total of SEK 57 m of provisions and liabilities for acquisitions completed in 2021 or earlier are included in the Consolidated Balance Sheet.

CASH FLOW

Cash flow from operating activities in the period January-June 2022 was SEK 364 m (201). The SEK 163 m increase related mainly to improved operating profit, but also to the favourable progress of working capital. Cash flow from investing activities include payments for proprietary software of SEK 52 m (40), and received consideration for the office property in Enfield, UK. Investments in subsidiaries and operations meant a negative cash flow of SEK 358 m (251), of which SEK 44 m was final settlement of the purchase consideration to the sellers of the shares of Excitech. Financing activities were negatively impacted by SEK 44 m (35) of amortisation of the lease liability, and a share dividend payment of SEK 100 m (84) to shareholders in May 2022, pursuant to AGM resolution. Bank loans of SEK 304 m (-) were arranged in tandem with acquisitions.

INVESTMENTS AND DIVESTMENTS

SEK 113 m (70) of investments were made in intangible assets and property, plant and equipment, of which SEK 52 m (40) was proprietary software.

In January 2022, Addnode Group sold the office property in Enfield UK, which was included in the acquisition of Excitech in 2020 and intended for sale at the time of acquisition. Addnode Group's capital gain was SEK 24 m.

GOODWILL AND OTHER INTANGIBLE ASSETS

The Group's carrying amount of goodwill was SEK 2,630 m (2,068) on 30 June 2022. Other intangible assets amounted to SEK 755 m (493), mainly customer contracts, trademarks and software.

DEFERRED TAX ASSETS

Deferred tax assets were SEK 79 m (20) as of 30 June 2022, of which SEK 10 m (10) were tax-loss carry-forwards. As of 30 June 2022, the group's total loss carry-forwards were approximately SEK 85 m (75).

SHAREHOLDERS' EQUITY

Equity as of 30 June 2022 was SEK 1,793 m (1,607), equivalent to SEK 13.41 (11.95) per outstanding share.

SHARE CAPITAL AND INCENTIVE PROGRAMMES

Share capital was SEK 403 m at the end of the period. The quotient value per share was SEK 3.00. The division by share class as of 30 June 2022 was as follows:

Share class	No. of outstanding shares
Class A shares	3,948,696
Class B shares	130,579,536
Repurchased class B shares	-800,000
Total	133,728,232

Addnode Group AB's holdings of treasury shares as of 30 June 2022 were 800,000 class B shares, corresponding to 0.6 per cent of the number of shares, and 0.5 per cent of the number of votes. The Board of Directors has decided to repurchase another 230,000 class B shares, utilising its mandate from the AGM 2022.

After a resolution by Addnode Group's AGM of 2022, a long-term incentive programme was launched for managers and senior executives. 56,950 call options of class B shares were issued to some 40 participants in June 2022. The market-valued call option premium of SEK 49.70 generated a total purchase consideration of approximately SEK 3 m. These options can be exercised for class B shares in the period 25 October 2025 to 10 June 2026, in specific periods stated in the agreement.

At the end of the period, there were two outstanding call option programmes, as follows:

Option programme	No. of outstanding options	Exercise price
LTIP 2021	195,800 ¹⁾	93.73
LTIP 2022	56,950 ¹⁾	115.80
Total	252,750	

¹⁾ Each option carries entitlement to purchase four shares.

EMPLOYEES

The average number of employees of the Group increased to 2,048 (1,759). The number of employees as of 30 June 2022 was 2,298 (1,897 as of 31 Dec. 2021). Essentially, this increase is from acquired operations.

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

During 2022 and via a company, Chairman of the Board Staffan Hanstorp invoiced the Parent Company SEK 1.3 m (1.4) in fees for consulting services associated with the Group's acquisition opportunities, financing matters, strategic partnerships and overarching strategic issues.

SEASONALITY

Historically, the fourth quarter has the highest revenue and EBITA, but as the share of recurring revenue increases, the Group's seasonality is reducing.

PARENT COMPANY

Net sales were SEK 12 m (5) in January-June 2022, mainly consisting of invoicing to subsidiaries for premises rent and services rendered. The loss after financial items was SEK -20 m (-10) including SEK 60 m (66) of dividends from subsidiaries, and SEK -45 m (-) of impairment of shares in subsidiaries. Cash and cash equivalents amounted to SEK 371 m (351) as of 30 June 2022. Investments in shares in subsidiaries were SEK 180 m (342). There were no significant investments in intangible assets or property, plant and equipment.

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 2022 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 Annual Report for 2021.

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

Estimated contingent considerations on the acquisition of Microdesk have been discounted. 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 of 30 June 2022.

Stock option programme

The Group's incentive programme enables managers and senior executives to acquire Class B shares of the company by investing 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.

ANNUAL GENERAL MEETING

Board of Directors and dividend

The AGM on 4 May 2022 re-elected Jan Andersson, Kristofer Arwin, Johanna Frelin, Staffan Hanstorp, Sigrun Hjelmquist, Thord Wilkne and Kristina Willgård as Directors. Staffan Hanstorp was re-elected as Chairman of the Board.

The Meeting approved a dividend of SEK 3.00 per share, an increase of SEK 0.50 per share on the previous year. The dividend was disbursed to shareholders on 11 May 2022.

Authorisations

The Meeting authorised the Board of Directors to decide on a new issue of class B shares on one or more occasions in the period until the following AGM, with or without departing from shareholders' preferential rights. Through a decision supported by this authorisation, the number of class B shares may increase by an aggregate maximum of 10 per cent based on the number of outstanding class B shares of the company at the time of the first exercise of the authorisation. The authorisation should also include entitlement to decide on a new issue of class B shares with provisions on payment in kind, or shares to be subscribed through right of offset, or other terms & conditions as stated in chap. 13 §7 of the Swedish Companies Act.

The AGM also decided to authorise the Board of Directors to decide on the purchase and transfer of treasury shares on one or more occasions in the period until the following AGM. The company may purchase a maximum of as many class B treasury shares so that at any time after purchase, the company holds an aggregate maximum of 10 per cent of the total number of shares of the company. In June 2022, the Board of Directors decided to utilise this mandate to repurchase a maximum of 230,000 class B shares, mainly to enable delivery of shares in Addnode Group's LTIP 2022 incentive programme.

Long-term incentive programme

The AGM decided to adopt a long-term share-related incentive programme ("LTIP 2022"), for executives of Addnode Group, which means that participants gain the opportunity to purchase call options on class B shares of the company repurchased by Addnode Group, at market price. The number of call options to be issued may be a maximum of 110,000, corresponding to approximately 0.33 per cent of the total number of shares, and approximately 0.26 per cent of the total number of votes of Addnode Group. Each call option carries entitlement to purchase four (4) repurchased class B shares of the company in specific stipulated periods from the day after publication of the Interim Report for July-September 2025, the Year-end Report for 2025, and the Interim Report for January-March 2026, albeit no later than 10 June 2026 inclusive.

OTHER DISCLOSURES CONT.

4:1 share split

The AGM approved the Board of Directors' proposal on dividing the number of shares of the company 4:1 (share split). Through the share split, the number of shares of the company increased from 33,632,058 to 134,528,232 shares, of which 3,948,696 class A shares, and 130,579,536 class B shares. The number of votes increased from 42,516,624, to 170,066,496. After the split, the quotient value of the share is SEK 3.00.

SIGNIFICANT RISKS AND UNCERTAINTIES

Addnode Group's significant risks and uncertainties are described in the Annual Report for 2021 on pages 29-31 and 37, in the "Risks and uncertainties" section on page 69, as well as notes 36 and 37 on pages 112-116.

The Group's operations are diversified in terms of offerings, customer segments and geography, which inherently implies risk diversification. This is a proven strength in challenging times, as for example, during the Covid-19 pandemic.

FUTURE OUTLOOK

The Board of Directors has not altered its assessment of Addnode Group's long-term future outlook compared to the preceding quarter. In the Interim Report for the First Quarter of 2022, the Board of Directors stated the following outlook: In the long-term, Addnode Group regards the segments where it is active to have strong underlying potential. Addnode Group's growth strategy is to grow organically and by acquiring new businesses in the aim of adding new, complementary offerings and additional expertise.

The Russian invasion of Ukraine has had impacts on the global economy including increased oil and energy prices, supply chain delays and turmoil on global stock markets. Addnode Group has no operations in Russia, Belarus or the Ukraine. The Group has only a small number of customers in the region, so its exposure is very limited. Because it is not possible to predict the duration or scope of the conflict and its impact on the global economy and general security, the Board of Directors notes a significant risk that Addnode Group may be impacted financially in 2022.

Addnode Group is retaining its decision not to issue a forecast.

CERTIFICATION

The Board of Directors and President certify that this Half-year Interim Report gives a true and fair view of the Parent Company's and Group's operations, financial position and results of operations, and describes significant risks and uncertainties facing the Parent Company and the companies in the Group.

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

Stockholm, Sweden, 15 July 2022

This Half-year Interim Report has not been reviewed by the company's auditors.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Full year
Net sales	1,489	1,002	2,815	2,038	4,077
Purchases of goods and services	-692	-414	-1,305	-890	-1,768
Other external costs	-104	-77	-197	-141	-285
Personnel costs	-537	-412	-1,006	-799	-1,558
Capitalised work performed by the company for its own use	25	20	52	40	80
Depreciation/amortisation and impairment of					
- tangible non-current assets	-27	-22	-49	-44	-86
- intangible non-current assets	-53	-39	-99	-73	-156
Profit/loss on sale of property/business	-	1	24	1	1
Operating profit	101	59	235	132	305
Financial income	2	0	8	1	2
Financial expenses	-13	-7	-20	-11	-27
Restatement of contingent considerations	-	-	-	-	5
Profit before taxes	90	52	223	122	285
Current tax	-27	-17	-59	-36	-71
Deferred tax	7	5	12	8	9
Net profit for the period	70	40	176	94	223
<i>Attributable to:</i>					
Owners of the Parent Company	70	40	176	94	223
Share data					
Earnings per share before and after dilution, SEK ¹⁾	0.52	0.30	1.32	0.70	1.66
Average number of shares outstanding:					
Before dilution ¹⁾	133,728,232	134,519,128	133,728,232	134,114,076	134,192,320
After dilution ¹⁾	133,742,718	134,519,128	133,737,019	134,114,076	134,192,320

1) Due to the 4:1 share split executed in May 2022, historical key financial ratios based on the number of shares, and the number of shares, have been restated.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Full year
Net profit for the period	70	40	176	94	223
<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	24	-29	41	63	106
Hedge of net investments in foreign operations	-16	15	-20	-38	-52
Total other comprehensive income after tax for the period	8	-14	21	25	54
Comprehensive income for the period	78	26	197	119	277
<i>Attributable to:</i>					
Owners of the Parent Company	78	26	197	119	277

CONSOLIDATED BALANCE SHEET

SEK m	2022 30 Jun	2021 30 Jun	2021 31 Dec
Assets			
Goodwill	2,630	2,068	2,107
Other intangible non-current assets	755	493	467
Property, plant and equipment	227	167	162
Financial assets	108	39	48
Total non-current assets	3,720	2,767	2,784
Inventories	0	0	0
Current receivables	1,259	870	1,132
Cash and cash equivalents	597	475	406
Total current assets	1,856	1,345	1,538
Total assets	5,576	4,112	4,322
Shareholders' equity and liabilities			
Shareholders' equity	1,793	1,607	1,693
Non-current liabilities	1,653	1,005	892
Current liabilities	2,130	1,500	1,737
Total shareholders' equity and liabilities	5,576	4,112	4,322
Interest-bearing receivables amount to	-	1	-
Interest-bearing liabilities amount to	1,198	872	774
Pledged assets	9	8	11
Contingent liabilities	28	39	40

SHAREHOLDERS' EQUITY AND NUMBER OF SHARES

Specification of changes in shareholders' equity, SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Full year
Shareholders' equity, opening balance	1,812	1,605	1,693	1,512	1,512
Dividend	-100	-84	-100	-84	-84
New issue	-	54	-	54	54
Call options issued	3	6	3	6	6
Repurchase of treasury shares	-	-	-	-	-72
Comprehensive income for the period	78	26	197	119	277
Shareholders' equity, closing balance	1,793	1,607	1,793	1,607	1,693
Shareholders' equity attributable to:					
Owners of the Parent Company	1,793	1,607	1,793	1,607	1,693
Number of shares outstanding, opening balance	133,728,232	133,709,024	133,728,232	133,709,024	133,709,024
New issue	-	819,208	-	819,208	819,208
Repurchase of treasury shares	-	-	-	-	-800,000
Number of shares outstanding, closing balance	133,728,232	134,528,232	133,728,232	134,528,232	133,728,232

Addnode Group held 800,000 (-) class B treasury shares on 30 June 2022, and on 31 December 2021. Due to the 4:1 share split executed in May 2022, the historical number of shares has been restated.

CONSOLIDATED STATEMENT OF CASH FLOWS

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Full year
Operating activities					
Operating profit	101	59	235	132	305
Adjustment for non-cash items	79	53	124	97	222
Total	180	112	359	229	527
Net financial items	-7	-6	-9	-11	-21
Tax paid	-24	-16	-52	-27	-59
Cash flow from operating activities before changes in working capital	149	90	298	191	447
Total change in working capital	-27	-39	66	10	-10
Cash flow from operating activities	122	51	364	201	437
Investing activities					
Purchases and sales of intangible assets and property, plant and equipment	-31	-27	2	-50	-105
Acquisitions of financial assets	0	-	-5	-	-4
Acquisitions of subsidiaries and operations	-85	-313	-450	-319	-360
Cash and cash equivalents in acquired companies	23	68	92	68	71
Cash flow from investing activities	-93	-272	-361	-301	-398
Financing activities					
Paid dividend	-100	-84	-100	-84	-84
Issued call options	3	6	3	6	6
Repurchase of treasury shares	-	-	-	-	-72
Borrowings	-	770	304	770	770
Repayment of loans	-24	-761	-44	-779	-925
Cash flow from financing activities	-121	-69	163	-87	-305
Change in cash and cash equivalents	-92	-290	166	-187	-266
Cash and cash equivalents at start of period	668	779	406	644	644
Exchange rate difference in cash and cash equivalents	21	-14	25	18	28
Cash and cash equivalents at end of period	597	475	597	475	406

PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY INCOME STATEMENT

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Full year
Net sales	9	2	12	5	24
Operating expenses	-20	-18	-42	-36	-78
Operating profit	-11	-16	-30	-31	-54
Profit/loss from participations in Group companies	16	66	15	66	312
Other financial income	2	3	6	3	2
Financial expenses	-6	-45	-11	-48	-60
Profit after financial items	1	8	-20	-10	200
Provision to tax allocation reserve	-	-	-	-	-29
Profit before taxes	1	8	-20	-10	171
Tax	-	-	-	-	-18
Net profit for the period	1	8	-20	-10	153

PARENT COMPANY BALANCE SHEET

SEK m	2022 30 Jun	2021 30 Jun	2021 31 Dec
Assets			
Intangible non-current assets	-	0	0
Financial assets	2,922	2,828	2,715
Current receivables	44	67	34
Cash and cash equivalents	371	351	301
Total assets	3,337	3,246	3,050
Shareholders' equity and liabilities			
Shareholders' equity	1,221	1,247	1,339
Untaxed reserves	126	96	126
Provisions	103	122	93
Non-current liabilities	720	770	660
Current liabilities	1,167	1,011	832
Total shareholders' equity and liabilities	3,337	3,246	3,050

OPERATING SEGMENTS

The figures below refer to the first half-year of each year.

REVENUE AND PROFIT												
	Design		PLM		Process		Central		Eliminations		Addnode Group	
SEK m	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue												
External sales	1,511	970	725	578	579	489	-	1	-	-	2,815	2,038
Transactions between segments	2	2	7	4	6	4	6	5	-21	-15	0	0
Total revenue	1,513	972	732	582	585	493	6	6	-21	-15	2,815	2,038
EBITA	169	101	69	45	116	87	-20	-28			334	205
EBITA margin, %	11.2	10.4	9.4	7.7	19.8	17.6					11.9	10.1
Operating profit	131	72	37	24	88	63	-21	-27			235	132
Operating margin, %	8.7	7.4	5.1	4.1	15.0	12.8					8.3	6.5
Average number of employees	742	566	665	609	632	576	9	8			2,048	1,759

REVENUE BREAKDOWN												
	Design		PLM		Process		Central		Eliminations		Addnode Group	
SEK m	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Licences	38	24	77	72	21	23	-	-	-	-	136	119
Recurring revenue	1,232	823	439	333	259	209	-	-	-1	-	1,929	1,365
Services	226	113	206	169	289	244	-	-	-8	-4	713	522
Other	17	12	10	8	16	17	6	6	-12	-11	37	32
Total revenue	1,513	972	732	582	585	493	6	6	-21	-15	2,815	2,038

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 including construction and real estate, manufacturing, the auto industry, medical devices and the public sector. The solutions that Addnode Group delivers enable our customers to use digital working methods to rationalise their operations, quality-assure their production and communicate better with customers and members of the public. Segment division is based on the Group's products and services.

There has been no change to segment division since the most recent Annual Report.

The difference between the total of the segments' operating profit and consolidated profit before tax consists of financial income of SEK 8 m (1) and financial expenses of SEK -20 m (-11).

Acquisitions completed in the year mean that operating capital in segments has increased in 2022 compared to the disclosures in the Annual Report for 2021: Design Management by SEK 653 m, PLM by SEK 47 m and Process Management by 94 MSEK. Operating capital is defined as the total of goodwill and other intangible non-current assets, property, plant and equipment, financial assets, trade receivables and other operating assets, less trade payables and other operating liabilities.

KEY FIGURES - QUARTERLY

SEK m	2022		2021				2020	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net sales, SEK m	1,489	1,326	1,114	925	1,002	1,036	921	806
<i>Design Management</i>	806	707	471	409	439	533	384	375
<i>Product Lifecycle Management</i>	394	338	352	293	299	283	312	258
<i>Process Management</i>	297	288	297	230	268	225	231	177
EBITA, SEK m	154	180 ²⁾	148	108	98	107	108	84 ²⁾
<i>Design Management</i>	80	89	59	44	40	61	36	42
<i>Product Lifecycle Management</i>	35	34	44	28	27	18	39	17 ²⁾
<i>Process Management</i>	56	60	59	49	48	39	45	33
EBITA margin, %	10.3	13.6 ²⁾	13.3	11.7	9.8	10.3	11.7	10.4 ²⁾
<i>Design Management</i>	9.9	12.6	12.5	10.8	9.1	11.4	9.4	11.2
<i>Product Lifecycle Management</i>	8.9	10.1	12.5	9.6	9.0	6.4	12.5	6.6 ²⁾
<i>Process Management</i>	18.9	20.8	19.9	21.3	17.9	17.3	19.5	18.6
Average number of employees	2,167	1,929	1,793	1,797	1,794	1,723	1,740	1,756
<i>Design Management</i>	837	646	548	563	562	570	566	580
<i>Product Lifecycle Management</i>	685	646	617	616	612	607	628	646
<i>Process Management</i>	637	628	619	610	612	539	539	523
Net sales per employee, SEK 000s	687	687	621	515	559	601	529	459
Change in net sales, %	49	28	21	15	18	-16	-1	3
Operating margin, %	6.8	10.1	9.5	7.2	5.9	7.0	8.3	6.5
Equity, SEK m	1,793	1,812	1,693	1,660	1,607	1,605	1,512	1,484
Return on shareholders' equity, % ³⁾	17.9	16.1	13.9	12.6	12.2	10.4	11.2	11.1
Equity/assets ratio, %	32	34	39	43	39	39	40	41
Return on capital employed, % ³⁾	15.4	13.9	13.0	11.7	11.1	9.7	10.6	10.6
Net debt, SEK m	601	481	368	484	396	88	182	271
Investments in equipment, SEK m	6	7	3	4	5	3	4	3

¹⁾ EBITA included a capital gain of SEK 24 m from the sale of an office property in the UK. EBITA adjusted for this capital gain was SEK 156 m, corresponding to an adjusted EBITA margin of 11.8 per cent.

²⁾ In Q3 2020, EBITA was charged with one-off costs of SEK 8 m for adapting the Product Lifecycle Management division's organisational structure and cost base. Excluding these restructuring costs, consolidated EBITA would have been SEK 92 m, and the EBITA margin would have been 11.4 per cent. The EBITA of the Product Lifecycle Management division in Q3 2020 would have been SEK 25 m, and the EBITA margin would have been 9.7 per cent.

³⁾ Key financial ratios have been restated to reflect annualised return.

SHARE DATA¹⁾

	2022		2021				2020	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Average number of shares outstanding before and after dilution, m	133.7	133.7	133.7	134.5	134.5	133.7	133.7	133.7
Total number of shares outstanding, m	133.7	133.7	133.7	134.5	134.5	133.7	133.7	133.7
Total number of registered shares, m	134.5	134.5	134.5	134.5	134.5	133.7	133.7	133.7
Earnings per share before and after dilution, SEK	0.52	0.79	0.60	0.36	0.30	0.40	0.41	0.28
Cash flow from operating activities per share, SEK	0.91	1.81	1.92	-0.16	0.38	1.13	1.35	-0.49
Shareholders' equity per share, SEK	13.41	13.55	12.66	12.34	11.95	12.00	11.31	11.10
Share price at end of period, SEK	83.40	96.38	107.25	86.88	78.75	65.50	71.50	51.63
Share price/shareholders' equity	6.22	7.11	8.47	7.04	6.59	5.46	6.32	4.65

¹⁾ Due to the 4:1 share split executed in May 2022, historical key financial ratios based on the number of shares have been restated.

ALTERNATIVE PERFORMANCE MEASURES USE AND RECONCILIATION

The European Securities and Markets Authority (ESMA) has issued information on Alternative Performance Measures (APMs) for companies with securities listed on a regulated market in the EU, which apply to Alternative Performance Measures in published mandatory information. Alternative Performance Measures are financial metrics on historical or future performance of earnings, financial position, financial results or cash flows that are not defined or stated in the applicable rules for financial reporting. Certain performance metrics are used in this Interim Report that are not defined in IFRS, with the intention of offering investors, financial analysts and other stakeholders clear and relevant information on the company's operations and performance. The use of these performance metrics and reconciliation with the financial statements are presented below.

Definitions on page 22.

EBITA

EBITA is a metric the Group considers relevant to investors, financial analysts and other stakeholders to understand earnings generation before investments in intangible non-current assets. This measure is an expression of operating profit before the amortisation and impairment of intangible non-current assets.

NET DEBT

The Group considers this key ratio useful to the readers of financial statements as a complement in evaluating dividend potential, making strategic investments and assessing the Group's potential to satisfy financial obligations. This key ratio is an expression of the level of financial borrowing in absolute terms after deducting cash and cash equivalents.

RECONCILIATION OF EBITA

	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	2021 Full year
Operating profit	101	59	235	132	305
Amortisation and impairment of intangible non-current assets	53	39	99	73	156
EBITA	154	98	334	205	461

RECONCILIATION OF NET DEBT

	2022 30 Jun	2021 30 Jun	2021 31 Dec
Non-current liabilities	1,653	1,005	892
Current liabilities	2,130	1,500	1,737
Non interest-bearing non-current and current liabilities	-2,585	-1,633	-1,855
Total interest-bearing liabilities	1,198	872	774
Cash and cash equivalents	-597	-475	-406
Other interest-bearing receivables	-	-1	-
Net debt (+)/receivable (-)	601	396	368

DEFINITIONS

Average number of employees

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

Capital employed

Total assets less non-interest-bearing liabilities and non-interest-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, restated using the preceding year's exchange rates, excluding acquired entities in the most recent 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, negative 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 in the most recent 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 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 balances 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.

DIVISION DESIGN MANAGEMENT

MICRODESK

ADDNODE GROUP

SERVICE WORKS GLOBAL

ADDNODE GROUP

SYMETRI

ADDNODE GROUP

TRIBIA

ADDNODE GROUP

DIVISION PRODUCT LIFECYCLE MANAGEMENT

TECHNIA

ADDNODE GROUP

DIVISION PROCESS MANAGEMENT

ADTOLLO

ADDNODE GROUP

ARKIVA

ADDNODE GROUP

CANELLA

ADDNODE GROUP

DECERNO

ADDNODE GROUP

DECISIVE

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

SOKIGO

ADDNODE GROUP

STAMFORD

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