

## INTERIM REPORT 1 JANUARY – 30 JUNE 2023

*This is a translation of the Swedish original of Addnode Group's Interim Report for the period 1 January–30 June 2023. In the event of inconsistency between the two, the original Swedish version shall apply.*

### SECOND QUARTER SUMMARY, APRIL–JUNE 2023

- Net sales increased by 4 per cent to SEK 1,554 m (1,489), of which 1 per cent was organic. Currency-adjusted organic growth was -3 per cent.
- EBITA decreased to SEK 110 m (154), and the EBITA margin was 7.1 per cent (10.3). EBITA has been charged with restructuring costs of SEK 10 m (-). EBITA adjusted for restructuring costs amounted to SEK 120 m (154), and the adjusted EBITA margin was 7.7 per cent (10.3).
- Operating profit decreased to SEK 56 m (101), and the operating margin was 3.6 per cent (6.8).
- Profit for the period amounted to SEK 34 m (70).
- Earnings per share amounted to SEK 0.25 (0.52).
- Cash flow from operating activities amounted to SEK 127 m (122).
- In June 2023, Addnode Group signed an agreement to acquire Team D3 of the USA, with net sales of approx. SEK 1,300 m. The acquisition was completed in early July 2023.
- Credit line increased by SEK 1,000 m to a total of SEK 2,600 m. SEK 1,600 m revolving credit facility extended by one year to June 2026.
- Supported by AGM authorisation, the Board of Directors decided to repurchase a maximum of 180,000 class B shares.
- Petra Ålund was elected as a new Director by the AGM on 4 May 2023.

### SUMMARY OF SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

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

# 4%

Net sales growth Q2 2023 compared with Q2 2022

# 7.7%

Adjusted EBITA margin Q2 2023

# 65%

Share of recurring revenue Q2 2023

### KEY FIGURES

	Second quarter		6 months		Rolling 12 m	Full year
	2023 Apr–Jun	2022 Apr–Jun	2023 Jan–Jun	2022 Jan–Jun	Jul 2022 – Jun 2023	2022
Net sales, SEK m	1,554	1,489	3,526	2,815	6,936	6,225
EBITA, SEK m	110 <sup>2</sup>	154	312 <sup>2</sup>	334 <sup>1</sup>	706	728 <sup>1</sup>
EBITA margin, %	7.1 <sup>2</sup>	10.3	8.8 <sup>2</sup>	11.9 <sup>1</sup>	10.2	11.7 <sup>1</sup>
Operating profit, SEK m	56 <sup>2</sup>	101	205 <sup>2</sup>	235 <sup>1</sup>	497	527 <sup>1</sup>
Operating margin, %	3.6 <sup>2</sup>	6.8	5.8 <sup>2</sup>	8.3 <sup>1</sup>	7.2	8.5 <sup>1</sup>
Profit for the period, SEK m	34 <sup>2</sup>	70	138 <sup>2</sup>	176 <sup>1</sup>	344	382 <sup>1</sup>
Earnings per share, SEK	0.25 <sup>2</sup>	0.52	1.03 <sup>2</sup>	1.32 <sup>1</sup>	2.58	2.86 <sup>1</sup>
Cash flow from operating activities, SEK m	127	122	396	364	746	714
Return on capital employed <sup>3</sup> , %	15.4	15.4	15.4	15.4	15.7	19.6
Return on shareholders' equity <sup>3</sup> , %	17.9	17.9	17.9	17.9	17.9	20.7
Equity/assets ratio, %	32	32	32	32	32	32
Debt/equity ratio, %	24	34	24	34	24	23

<sup>1</sup> Earnings in 2022 included a SEK 24 m capital gain relating to the sale of an office property.

<sup>2</sup> EBITA has been charged with restructuring costs of SEK 10 m (-). The adjusted EBITA margin amounted to 7.7 per cent (10.3).

<sup>3</sup> Key financial ratios have been adjusted to reflect annualised returns.

For more information, please contact:

**Johan Andersson**, President and CEO, johan.andersson@addnodegroup.com +46 (0)70 420 5831

**Lotta Jarleryd**, CFO, lotta.jarleryd@addnodegroup.com +46 (0)72 247 9201

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.

“In the second quarter, 2023, EBITA amounted to SEK 110 m (154). The weaker earnings were primarily due to lower net sales in Design Management division and restructuring measures to increase the profitability of Product Lifecycle Management division. The Process Management division reported somewhat better earnings than the previous year.”



## WEAKER EARNINGS THAN THE PREVIOUS YEAR. ACQUISITION STRENGTHENING THE POSITION IN THE USA.

### SECOND QUARTER 2023

In the second quarter, 2023, EBITA amounted to SEK 110 m (154). EBITA adjusted for restructuring costs in the Product Lifecycle Management division was SEK 120 m (154). The weaker earnings were primarily due to lower net sales in Design Management division and expenses for a restructuring program in Product Lifecycle Management division. In Design Management, lower net sales were primarily due to weaker demand from customers in the construction industry, longer sales cycles, and a significantly lower share of multi-year agreements relating to third-party products. Design Management also had a tough comparative quarter. The Product Lifecycle Management division achieved organic growth, but as previously reported, work to increase profitability is ongoing. We estimate the restructuring costs for implementation of approximately SEK 20 m, of which SEK 10 m were recognised in the second quarter of 2023. The estimated yearly cost saving is around SEK 40 m, with full effect from first quarter 2024. The Process Management division reported somewhat better earnings than the previous year.

### ACQUISITION OF TEAM D3

Through organic growth and acquisitions, Addnode Group's company Symetri has grown to become the world's largest Autodesk partner with a strong portfolio of complementary proprietary software and related services. The acquisition of Team D3, with net sales of USD 120 m, was a natural next step after our acquisition of Microdesk in 2022. Microdesk established Symetri in the USA, especially in the AEC segment, and on the East and West Coasts. The acquisition of Team D3 has consolidated Symetri's positioning in the manufacturing and process industry segment, and geographically, in central USA. Symetri's proprietary software, such as Naviate and Sovelia are now an attractive offering to Microdesk's and Team D3's customers on the US market. Symetri now has a total of over 400,000 daily users, 25,000 customers and 900 employees in Europe and the USA. We expect the acquisition of Team D3 to have a positive impact on Addnode Group's earnings per share from the third quarter of 2023.

### INVESTMENTS SUPPORT OUR SUSTAINABILITY AGENDA

The foundation of Addnode Group's sustainability agenda is delivering digital solutions for customers, enabling them to design, produce and manage sustainable buildings, facilities, infrastructure, products, and services for their customers, and for citizens. Major acquisitions like Team D3 support our sustainability agenda, but we can also make early investments in areas where we can get a pay-off on our market presence like Bimify, an AI solution for large-scale digitalisation of existing buildings and infrastructure.

### CYCLICAL PHASE, STRATEGY AND FINANCIAL POSITION

The general business cycle features uncertainty. Demand from the construction industry and architects is lower, while demand from manufacturing is stable, albeit with longer sales cycles. Demand from customers in facility management and the public sector is stable.

Addnode Group provides solutions that digitalise society. We see great business opportunities in the wake of global trends such as digitalisation, sustainability, urbanisation and automation. Addnode Group's strategy is to, with a sound risk-taking, capitalize on these trends by continuously acquiring new businesses and actively supporting our subsidiaries to generate sustainable value growth and drive organic earnings growth. EBITA can vary between quarters and years, but Addnode Group's yearly average EBITA growth has been 20 to 40 per cent historically, whether measured over the past three, five or ten years.

Our strong financial position offers us the potential to keep delivering in line with our profitable growth strategy. Over the past quarter, we increased our credit line by a further SEK 1,000 m to SEK 2,600 m and extended our existing credit facility.

**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 per cent.
- Operating margin before amortisation and impairment of intangible assets (EBITA margin) shall be at least 10 per cent.
- 30-50 per cent of the Group’s profit after tax to be distributed to shareholders, providing liquidity and the net cash position are 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 2,500.

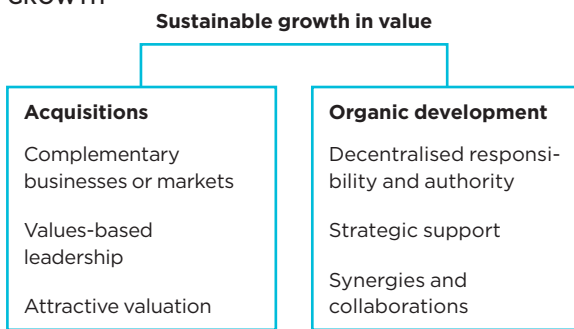
The Group is one of Europe’s market-leading providers of software and services for design and construction, product data information, project collaboration and facility management. The Group is also a leading provider of digital solutions for design and construction in the USA. Addnode Group is also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

## SUSTAINABILITY AGENDA

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 citizens.

Addnode Group’s Sustainability 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 that we monitor and report each year in Addnode Group’s Annual Report.

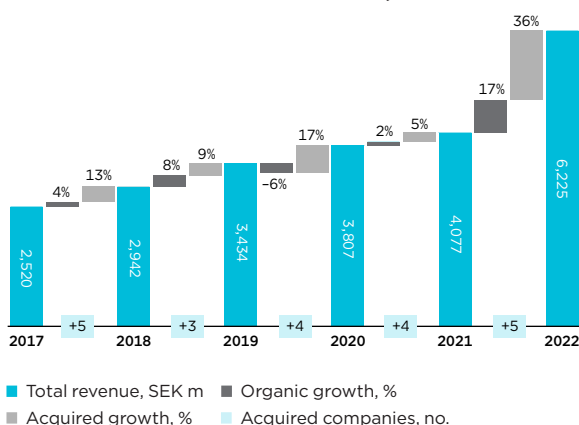
## STRATEGY FOR PROFITABLE AND SUSTAINABLE GROWTH



## SUSTAINABILITY AGENDA WITH FIVE FOCUS AREAS



## ORGANIC AND ACQUIRED GROWTH, 2017-2022



## UN SUSTAINABLE DEVELOPMENT GOALS (SDGS) WITH THE CLEAREST CONNECTION TO ADDNODE GROUP’S SUSTAINABILITY AGENDA:



## DIGITAL SOLUTIONS THAT CONTRIBUTE TO SUSTAINABLE DEVELOPMENT

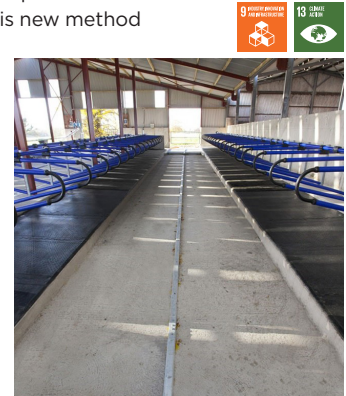
### DIGITALISED PRODUCT DEVELOPMENT WITH REDUCED CARBON FOOTPRINT

Addnode Group's subsidiary Symetri, in its Design Management division, has been supporting EASYFIX Rubber Products on a digitalisation project to improve the utilisation of technology and structural capital to promote business and sustainability targets. EASYFIX Rubber Products operates in the agriculture sector, specialising in animal care and welfare products, critical segments for good health and high productivity in professional animal husbandry. These digitalisation investments now underway, facilitate innovative product development and consolidate the company's market position.

EASYFIX Rubber Products' expenses and carbon footprint during product development were high, especially in outsourced prototyping, which is resource and material intensive, and involves long-distance transportation. To streamline and reduce its carbon footprint, Symetri has

been supporting EASYFIX Rubber Products on implementing Autodesk Inventor, so it can produce designs for production moulds and 3D print mould prototypes in-house. This new method

has reduced costs and increased efficiency, while reducing carbon footprint. This working method has also involved the integration of additive production processes, helping reduce waste and transportation requirements, while also enabling designs optimised for low weight.



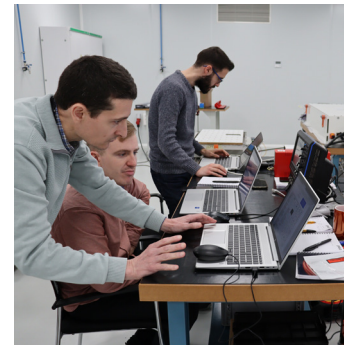
### ELECTRIFICATION WITH SHORTER DEVELOPMENT LEAD-TIMES AND LOWER COST

Addnode Group's subsidiary TECHNIA, in its Product Lifecycle Management division, has delivered the cloud-native version of Dassault Systèmes' 3DEXPERIENCE platform to Bold Valuable Technology (Bold). Bold specialises in design, testing, manufacturing and delivery of batteries to customers in motorsport, aviation and the marine industry. Bold's battery cell technology solutions are developed with a focus on high energy density, light weight and safety.

Bold wanted a powerful design tool and robust PLM platform to reach the market with its battery solutions more effectively. Bold also needed effective data flow from concept to production, capable of simultaneously supporting internal collaboration. 3DEXPERIENCE, alongside the applications CATIA and ENOVIA, were the tools Bold needed. With 3DEXPERIENCE, product development pro-

cesses have become more efficient and component design is more precise. The collaboration between different specialist functions has also been enhanced, from early product development

phases to final shipment to customers. Overall, battery solutions have become more available and cost-efficient, which is especially positive because this benefits electrification in the aviation and maritime industries.



### DIGITAL TRAFFIC PLANNING FOR BETTER PUBLIC TRANSPORT

Addnode Group's subsidiary Forsler & Stjerna, in its Process Management division, is supporting public transport provider Skånetrafiken with innovative digital solutions. Skånetrafiken is the principal for public transport in the county of Skåne, providing a yearly total of over 170 million train, tram and bus journeys.

The digitalisation of society and growing environmental awareness mean the demand for advanced and effective public transport is growing. To satisfy these expectations, Skånetrafiken needs state-of-the-art and highly functional digital solutions in its business to plan public transport.

Rebus is a planning tool that Forsler & Stjerna has developed for public transport. The tool includes a comprehensive traffic database for transmitting planned traffic data to other databases and systems. Rebus is also used to plan and produce timetables and provide passengers with information. Rebus can also be applied to compute vehicle run lengths, load ticket machines and vehicle computers,

and to test new scenarios to optimise traffic routes. Greater efficiency and reliability of public transport mean more people choose these alternatives above their own cars. Each journey by public transport instead of cars cuts climate emissions by an estimated 90 per cent.

Rebus is used by public transport sector players in most regions across Sweden.



## SIGNIFICANT EVENTS

### IN THE SECOND QUARTER OF 2023

#### Acquisition of Team D3

In June 2023, Addnode Group signed an agreement to acquire all the shares of D3 Technical Services LLC (Team D3) of the USA, with net sales of USD 120 m (approx. SEK 1,300 m) and 200 employees. The company is an Autodesk Platinum Partner, specialising in manufacturing, the AEC segment and process industry. The company is mainly active in central USA. The acquisition was completed on 3 July 2023. Team D3 is now part of Symetri, and consolidated effective July 2023 in the Design Management division.

#### Increased credit line and extended credit facility

In June 2023, Addnode Group agreed to increase its existing credit line with a term loan of SEK 1,000 m with Nordea and SEB. This loan can be utilised to refinance existing loans and general corporate purposes. The new loan has a three-year term, with a 1+1 year extension option. This improves the group's capacity to acquire and develop businesses in accordance with its strategy.

In June 2023, Addnode Group also exercised its option to extend its existing SEK 1,600 m revolving credit facility by one year to June 2026 with other terms & conditions unchanged.

#### Repurchase of treasury shares

In June 2023, supported by authorisation from the AGM 2023, Addnode Group's Board of Directors decided on the repurchase of class B treasury shares. The main purpose of utilising this authorisation is to enable the delivery of shares associated with Addnode Group's share-based incentive programme. A maximum of 180,000 class B shares may be repurchased, and this will be on Nasdaq Stockholm.

#### New Director appointed

Petra Ålund was elected as a new Director by the AGM on 4 May 2023. Sigrun Hjelmquist declined re-election.

### AFTER THE END OF THE REPORTING PERIOD

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

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### FINANCIAL CALENDAR





## CONSOLIDATED NET SALES, EARNINGS AND CASH FLOW

### SECOND QUARTER, APRIL–JUNE 2023

Net sales for the second quarter 2023 increased to SEK 1,554 m (1,489), growth of 4 per cent. Organic growth was 1 per cent, while currency-adjusted organic growth was negative, at -3 per cent.

Design Management division reported lower net sales than the previous year, mainly due to lower sales on Autodesk agreements, due to a slower construction cycle and longer sales cycles. Product Lifecycle Management still reported stable demand for PLM systems and associated services in Germany, the UK and USA, while the Nordic market was somewhat slower. Organic growth in Process Management remained good, although some restraint from municipalities and public authorities was noted on investments.

License revenue increased to SEK 94 m (67), recurring revenue was SEK 1,004 m (1,019), service revenue increased to SEK 432 m (386) and other revenue increased to SEK 24 m (17). The recurring revenue share was 65 per cent (68).

EBITA decreased to SEK 110 m (154), and the EBITA margin narrowed to 7.1 per cent (10.3). As previously communicated, restructuring measures are ongoing within the division Product Lifecycle Management in order to adapt the organisation and cost structure. The restructuring costs are estimated at around SEK 20 m, of which SEK 10 m was recognised in the second quarter of 2023, and SEK 10 m will be recognised in the third quarter 2023. EBITA adjusted for restructuring costs was SEK 120 m (154), and the adjusted EBITA margin was 7.7 per cent (10.3).

Net financial items were SEK -12 m (-11). Profit for the period was SEK 34 m (70). Earnings per share amounted to SEK 0.25 (0.52).

Cash flow from operating activities was SEK 127 m (122). In late-March 2023, Symetri's and Microdesk's partner Autodesk implemented new invoicing and payment procedures for three-year agreements. This change meant that

payments, both from customers and to Autodesk, are yearly, even if customers sign up for three-year deals. The impact of the new payment model on cash flow was limited in the second quarter of 2023. A portion of the three-year agreements reported in the second quarter were sold before implementation of the new invoicing and payment model. Additionally, several customers decided to pay for the full three-year deals on a one-off basis, despite having the option to spread payments over three years under the new model.

### FIRST HALF-YEAR, JANUARY–JUNE 2023

Net sales were SEK 3,526 m (2,815), growth of 25 per cent, of which 11 per cent was organic. Currency-adjusted organic growth amounted to 7 per cent.

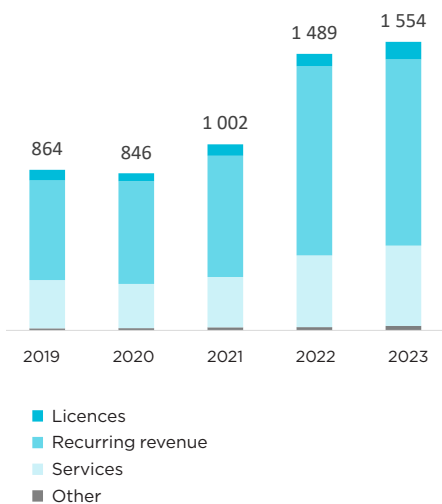
License revenue increased to SEK 174 m (136), recurring revenue rose to SEK 2,432 m (1,929), service revenue increased to SEK 865 m (713), and revenue from other was SEK 55 m (37).

EBITA decreased to SEK 312 m (334), and the EBITA margin was 8.8 per cent (11.9). EBITA included restructuring costs of SEK 10 m in the Product Lifecycle Management division. EBITA has been charged with acquisition costs of SEK -1 m (-13). The previous year included a SEK 24 m capital gain from the sale of a property. Excluding restructuring costs in the current year and capital gain from the property sale in 2022, EBITA would have been SEK 322 m (310), and the adjusted EBITA margin would have been 9.1 per cent (11.0).

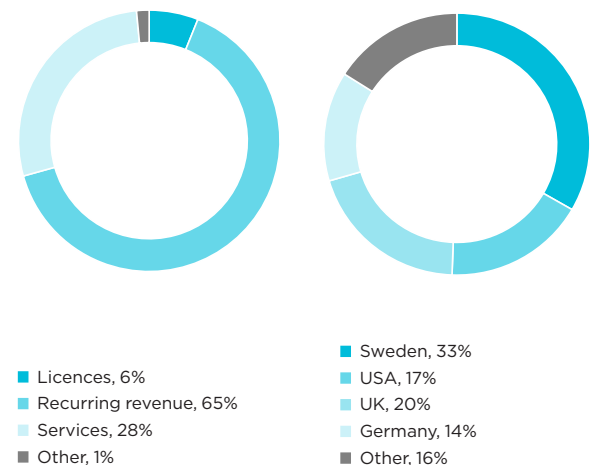
Net financial items amounted to SEK -25 m (-12), mainly related to higher interest rate levels. The reported tax on profit for the period was SEK -42 m (-47). Profit for the period decreased to SEK 138 m (176). Earnings per share reduced to SEK 1.03 (1.32).

Cash flow from operating activities increased to SEK 396 m (364).

REVENUE BREAKDOWN, Q2 2019–2023, SEK m



REVENUE BREAKDOWN, Q2 2023  
(Geography based on company domicile)



## PERFORMANCE BY DIVISION

### NET SALES AND EBITA, Q2

SEK m	Net sales			EBITA		
	2023 Q2	2022 Q2	Change %	2023 Q2	2022 Q2	Change %
Design Management	778	806	-3	48	80	-40
Product Lifecycle Management	468	394	19	20 <sup>1</sup>	35	-43
Process Management	320	297	8	60	56	7
Eliminations/central costs	-12	-8		-18	-17	
<b>Addnode Group</b>	<b>1,554</b>	<b>1,489</b>	<b>4</b>	<b>110<sup>1</sup></b>	<b>154</b>	<b>-29</b>

<sup>1</sup> EBITA has been charged with restructuring costs of SEK 10 m (-). Addnode Group's EBITA adjusted for restructuring costs was SEK 120 m (154), and the adjusted EBITA margin amounted to 7.7 per cent (10.3).

### NET SALES AND EBITA, YTD

SEK m	Net sales			EBITA		
	2023 Jan-Jun	2022 Jan-Jun	Change %	2023 Jan-Jun	2022 Jan-Jun	Change %
Design Management	1,991	1,513	32	179	169	6
Product Lifecycle Management	901	732	23	46 <sup>2</sup>	69	-33
Process Management	655	585	12	124	116	7
Eliminations/central costs	-21	-15		-37	-20 <sup>3</sup>	
<b>Addnode Group</b>	<b>3,526</b>	<b>2,815</b>	<b>25</b>	<b>312<sup>2</sup></b>	<b>334<sup>4</sup></b>	<b>-7</b>

<sup>2</sup> EBITA has been charged with restructuring costs of SEK 10 m (-).

<sup>3</sup> Includes a SEK 24 m capital gain from the sale of an office property in the UK, and acquisition costs of SEK -13 m.

<sup>4</sup> 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.

### NET SALES<sup>1</sup> Q2 2023



<sup>1</sup> Before eliminations

- Design Management 50%
- Product Lifecycle Management 30%
- Process Management 20%

### EBITA<sup>1</sup> Q2 2023



<sup>1</sup> Before eliminations/central costs

- Design Management 38%
- Product Lifecycle Management 15%
- Process Management 47%

## 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 digital offering for project collaboration and facility management in the Nordic countries and the UK.

### PROGRESS IN THE QUARTER

Net sales decreased by 3 per cent to SEK 778 m (806) in the second quarter of 2023. Organic growth was negative, amounting to -6 per cent. Adjusted for currency effects, organic growth was -9 per cent. EBITA decreased to SEK 48 m (80), and the EBITA margin reduced to 6.2 per cent (9.9).

Lower net sales and weaker EBITA compared to the previous year were mainly due to lower sales of Autodesk agreements because of a slower construction cycle and longer sales cycles. Due to an uncertain cyclical phase, investments in construction and civil engineering projects are now increasingly being deferred. This means that although most customers are renewing their agreements, some are deciding to downscale volumes. The share of three-year agreements sold was lower than previously, which may also be a result of greater caution, impacted by economic conditions. We also perceive that Autodesk's change to its payment model for three-year agreements at the end of March 2023 had a negative impact on sales in the transition to the new terms.

Tribia, providing collaborative solutions for construction and civil engineering, and Service Works Global, providing digital solutions for facility management, made stable progress.

### ACQUISITIONS

In June 2023, Addnode Group signed an agreement to acquire all the shares of Team D3 of the USA. The acquisition was completed in early July 2023. The company has net sales of USD 120 m (approx. SEK 1,300 m) and 200 employees. Team D3 is an Autodesk Platinum Partner, specialising in manufacturing, the AEC segment and process industry. The company is mainly active in central USA.

In June 2023, Addnode Group made a minority investment of SEK 5 m in Bimify, an enterprise that has developed an AI solution for large-scale digitalisation of existing buildings and infrastructure. Addnode Group has exclusivity to sell these solutions in northern Europe and the USA.

### MARKET

Operations in the division are conducted through the companies Symetri (including Microdesk), Service Works Global and Tribia. Customers' willingness to invest in digital solutions is driven by urbanisation and the need to build and manage efficiently and sustainably. Regulatory authorities are demanding adoption of digital working methods based on BIM.

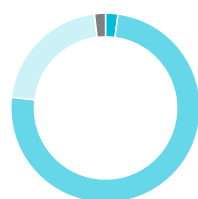
### NET SALES GROWTH Q2 2023 COMPARED TO Q2 2022

-3%

### EBITA Q2 2023 COMPARED TO Q2 2022

-40%

### NET SALES Q2 2023, BY REVENUE TYPE



- Licences, 2%
- Recurring revenue, 75%
- Services, 21%
- Other, 2%

### KEY FIGURES

SEK m	Q2 2023	Q2 2022	Change %
Net sales	778	806	-3
EBITA	48	80	-40
EBITA margin, %	6.2	9.9	
Operating profit	25	58	-57
Operating margin, %	3.2	7.2	
Average no. employees	933	837	11



## 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, aftermarket and recycling. For our customers this means shorter lead-times, more innovation, increased efficiency, and traceability.

### PROGRESS IN THE QUARTER

In the second quarter of 2023, net sales increased to SEK 468 m (394), growth of 19 per cent. Organic growth was 13 per cent, and currency adjusted, 6 per cent. Market conditions in Germany, the UK and USA were stable in the quarter. Demand in the Nordics was weaker. The division saw continued demand for PLM systems from customer, both established companies and start-ups, managing electrification investments in the vehicle and transportation industries. The trend of customers increasingly demanding time-finite leasing of licenses instead of the previous license purchases with perpetual right of use continued. Service revenue was somewhat higher than the previous year.

As previously reported, restructuring measures are ongoing in the division to increase profitability by adapting the organisation and cost structure. The restructuring costs for implementation are estimated at approx. SEK 20 m, of which SEK 10 m was recognised in the second quarter of 2023 and SEK 10 m will be recognised in the third quarter 2023. The estimated yearly cost saving is around SEK 40 m, with full effect from first quarter 2024.

EBITA decreased to SEK 20 m (35), and the EBITA margin narrowed to 4.3 per cent (8.9). EBITA adjusted for restructuring costs was SEK 30 m (35), corresponding to an adjusted EBITA margin of 6.4 per cent (8.9).

### ACQUISITIONS

The division added the acquisition of Key Performance, with operations in the USA and Sweden, to its digital twin offering in the first quarter of the year. This company has sales of SEK 25 m, and specialises in consulting services, software and training in model based design for the public and private sectors.

### MARKET

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

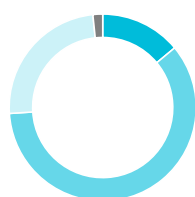
### NET SALES GROWTH Q2 2023 COMPARED TO Q2 2022

+19%

### EBITA Q2 2023 COMPARED TO Q2 2022

-43%

### NET SALES Q2 2023, BY REVENUE TYPE



- Licences, 14%
- Recurring revenue, 60%
- Services, 24%
- Other, 2%

### KEY FIGURES

SEK m	Q2 2023	Q2 2022	Change %
Net sales	468	394	19
EBITA	20	35	-43
EBITA margin, %	4.3	8.9	
Operating profit	3	18	-83
Operating margin, %	0.6	4.6	
Average no. employees	744	685	9

## 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 citizens.

### PROGRESS IN THE QUARTER

Net sales increased to SEK 320 m (297) in the second quarter of 2023, growth of 8 per cent. Organic growth was 5 per cent. Municipalities and public authorities showed some restraint in terms of investment, and there were fewer tenders than in the previous year. The division's good and well-established relationships with a large public sector customer base, frequently present opportunities for recurring sales, or the expansion of current assignments. Additionally, the division's businesses are well positioned in public sector tenders owing to their attractive digital solutions, in-depth experience and good references. The division is continuing to invest in enhancing its customer offerings.

EBITA increased to SEK 60 m (56), and the EBITA margin was 18.8 per cent (18.9).

### 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 citizens. 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 regulatory requirements.

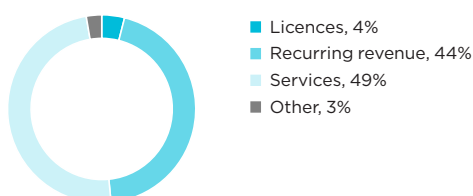
### NET SALES GROWTH Q2 2023 COMPARED TO Q2 2022

+8%

### EBITA Q2 2023 COMPARED TO Q2 2022

+7%

### NET SALES Q2 2023, BY REVENUE TYPE



### KEY FIGURES

SEK m	Q2 2023	Q2 2022	Change %
Net sales	320	297	8
EBITA	60	56	7
EBITA margin, %	18.8	18.9	
Operating profit	46	42	10
Operating margin, %	14.4	14.1	
Average no. employees	675	637	6

## DISCLOSURES ON ACQUISITIONS

### ACQUISITIONS COMPLETED IN JANUARY - JUNE 2023

In the period January-June 2023, Addnode Group acquired all the shares of two operations; FAST2 Affärssystem AB (now SWG Nordic Housing AB) and Key Performance LLC. In this period, these acquisitions contributed net sales of SEK 50 m, while their impact on EBITA was marginal. If the acquisitions were effective 1 January 2023, the Group's net sales in January-June 2023 would have been approx. SEK 3,531 m and EBITA approx. SEK 313 m. SEK -1 m (-13) of expenses for completing the acquisitions are included in the Group's other external costs. In the previous year, transaction expenses related mainly to the acquisition of Microdesk.

FAST2, acquired in January 2023, is one of Sweden's leading providers of ERP systems for technical and financial management for real estate companies. The company's systems are used by customers including Sweden's largest public housing corporations. The company has approx. 50 employees, and net sales of approx. SEK 80 m. FAST2 is part of Service Works Global, and was consolidated into the Design Management division effective January 2023.

Key Performance, acquired in March 2023, is a Dassault Systèmes Partner specialising in model-based design. Key Performance has operations in the USA and Sweden, and net sales of approx. SEK 25 m. This operation was consolidated effective March 2023 as part of TECHNIA in the Product Lifecycle Management division.

### Acquisition analyses (SEK M)

The following acquisition analyses were prepared for the acquisitions. The calculations are preliminary and include the companies FAST2 Affärssystem AB and Key Performance LLC.

Acquired companies' net assets at acquisition date	Carrying amount in companies	Fair value adjustment	Fair value, Group
Intangible non-current assets	9	30	39
Other non-current assets	2		2
Current assets	43		43
Cash and cash equivalents	5		5
Other liabilities	-42	-6	-48
<b>Net identifiable assets/liabilities<sup>1</sup></b>	<b>17</b>	<b>24</b>	<b>41</b>
Goodwill			35
<b>Calculated purchase price<sup>1</sup></b>			<b>76</b>

<sup>1</sup> Non-current contingent considerations of a maximum of SEK 25 m may be payable for the acquisition of FAST2, of which SEK 15 m has been entered as a liability. The acquisition of Key Performance includes a current non-interest-bearing liability of USD 0.15 m, which has been entered as a liability.

### ACQUISITIONS AFTER THE END OF THE PERIOD

In June 2023, Addnode Group signed an agreement to acquire all the shares of D3 Technical Services LLC (Team D3) of the USA, with net sales of USD 120 m (approx. SEK 1,300 m) and 200 employees. The company is an Autodesk Platinum Partner, specialising in manufacturing, the AEC segment and process industry. The company is mainly active in central USA. Based on enterprise value, the purchase consideration for 100 per cent of the company is a maximum of USD 59 m, of which USD 31 m is fixed and up to USD 28 m is contingent on future financial performance. Transaction costs are calculated to approx. SEK 10 m and will be recognised in the third quarter 2023. This acquisition has been financed through Addnode Group's existing credit facilities and was completed on 3 July 2023. Team D3 became part of Symetri and was consolidated effective July 2023 in the Design Management division. A preliminary acquisition analysis will be completed in the third quarter of 2023.

## CONSOLIDATED BALANCE SHEET AND CASH FLOW

### LIQUIDITY AND FINANCIAL POSITION

Cash and cash equivalents held by the Group amounted to SEK 1,188 m (597) as of 30 June 2023.

In June 2023, Addnode Group agreed to increase its existing credit line with a term loan of SEK 1,000 m with Nordea and SEB. This loan can be utilised to refinance existing loans in different currencies and general corporate purposes. The new loan has a three-year term, with a 1+1 year extension option. Most of the loans drawn from the revolving credit facility were transferred to this new loan, which created available scope in the revolving credit facility.

In June 2023, Addnode Group also exercised its option to extend its existing SEK 1,600 m revolving credit facility by one year to June 2026 with other terms & conditions unchanged.

Addnode Group signed an agreement to acquire Team D3 of the USA in June 2023. This acquisition was completed on the first working day of July 2023. The initial purchase consideration was financed with loans. To enable payment on time, this loan was drawn from the credit facility on 30 June 2023, thus increasing cash and cash equivalents by the corresponding amount. However, this has no effect on the group's net debt. Accordingly, SEK 504 m (1,008) of the SEK 1,600 m revolving credit facility had been utilised as of 30 June 2023, which meant available credit of SEK 1,096 m (592). The full utilised portion of the credit line has been classified under non-current liabilities.

SEK 173 m (190) of the interest-bearing liabilities in addition to the utilised portion of the credit facility of SEK 1,506 m (1,008) related to leases. There were no interest-bearing liabilities related to completed acquisitions. Consequently, the Group's total interest-bearing liabilities were SEK 1,679 m (1,198), and the Group's net debt was SEK 488 million (601). The equity/assets ratio was 32 per cent (32).

Non-interest-bearing liabilities related to completed acquisitions were SEK 7 m (99) and estimated contingent considerations for completed acquisitions were SEK 373 m (362). A total of SEK 364 m of provisions and liabilities for acquisitions completed in 2022 or earlier are included in the Consolidated Balance Sheet.

### CASH FLOW

Cash flow from operating activities for the period January-June 2023 increased to SEK 396 m (364). The increase related mainly to lower working capital tied up.

Cash flow from investing activities includes payments for proprietary software of SEK 72 m (52). Investments in subsidiaries and operations generated a negative cash flow of SEK 137 m (358), of which SEK 46 m was settlement of a promissory note to the sellers of the shares of Microdesk. In the previous year, cash flow from investing activities included proceeds from the sale of an office property in the UK. Financing activities included arranging loans to finance the initial purchase consideration for the acquisition of Team D3, and contingent consideration for Microdesk. Payment to the sellers was in early July 2023. SEK 50 m (44) of amortisation of a lease liability

and a SEK 133 m (100) payment of share dividends in May 2023 also affected financing activities.

### INVESTMENTS

SEK 118 m (113) of investments were made in intangible assets and property, plant and equipment, of which SEK 72 m (52) related to proprietary software.

### GOODWILL AND OTHER INTANGIBLE ASSETS

The Group's carrying amount of goodwill was SEK 2,800 m (2,630) on 30 June 2023. Other intangible assets amounted to SEK 758 m (755), mainly customer contracts, trademarks and software.

### DEFERRED TAX ASSETS

Deferred tax assets were SEK 20 m (79) as of 30 June 2023, of which SEK 6 m (10) were tax-loss carry-forwards. As of 30 June 2023, the Group's total loss carry-forwards were approximately SEK 70 m (85).

### SHAREHOLDERS' EQUITY

Equity as of 30 June 2023 was SEK 2,060 m (1,793), equivalent to SEK 15.43 (13.41) per outstanding share.

### SHARE CAPITAL AND INCENTIVE PROGRAMMES

Share capital was SEK 404 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 2023 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	-1,030,000
<b>Total</b>	<b>133,498,232</b>

Addnode Group AB's holdings of treasury shares as of 30 June 2023 were 1,030,000 class B shares, corresponding to 0.8 per cent of the number of shares, and 0.6 per cent of the number of votes.

After a resolution by Addnode Group's AGM of 2023, an additional long-term incentive programme was launched for managers and senior executives. 201,000 call options on class B shares were issued to some 40 participants in June 2023. The market-valued call option premium of SEK 19.45 generated a total purchase consideration of approximately SEK 4 m. These options can be exercised for class B shares in the period 25 October 2026 to 10 June 2027, in specific periods stated in the agreement.

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

Option programme	No. of outstanding options	Exercise price
LTIP 2021	195,800 <sup>1</sup>	93.73
LTIP 2022	56,950 <sup>1</sup>	115.80
LTIP 2023	201,000	157.50
<b>Total</b>	<b>453,750</b>	

<sup>1</sup> Each option carries entitlement to purchase four Class B shares. For more information on the Group's stock option programmes, see note 4 on page 92 of the Annual Report for 2022.

## OTHER DISCLOSURES

### EMPLOYEES

The average number of employees of the Group increased to 2,360 (2,048). As of 30 June 2023, there were 2,499 employees (2,370 as of 31 December 2022). Essentially, this increase was from acquired operations.

### RELATED PARTY TRANSACTIONS

In the period January-June 2023, Chairman Staffan Hanstorp invoiced the Parent Company SEK 1.4 m (1.3) in fees for consulting services related to acquisition opportunities, financing matters and other strategic issues via a company.

### SEASONALITY

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

### PARENT COMPANY

Net sales were SEK 16 m (12) in the period January - June 2023, mainly invoicing to subsidiaries for premises rent and services rendered. Profit after financial items was SEK -21 m (-20) including SEK 44 m (60) of dividends from subsidiaries, and SEK - m (-45) of impairment of shares in subsidiaries. Cash and cash equivalents were SEK 576 m (371) as of 30 June 2023. Investments in shares in subsidiaries were SEK 63 m (180). 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 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 RFR 2 Accounting for Legal Entities. Amendments and interpretations of existing standards first effective in 2023 had no impact on the Group's financial position or financial statements. The accounting policies and calculation methods are unchanged since the Annual Report for 2022.

#### Deferred tax assets

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

#### Disclosures on financial instruments

Estimated contingent considerations on the acquisition of Microdesk have been discounted. Measurement of financial assets and liabilities shows no significant difference between carrying amounts and fair value. The Group had no outstanding currency forward contracts on 30 June 2023.

#### Stock option programme

The Group's incentive programme enables senior executives to acquire Class B shares by investing in call options.

Call option premiums received, measured at market value at the acquisition date, are recognised in equity as transactions with owners.

### ANNUAL GENERAL MEETING 2023

#### Board of Directors and dividend

The AGM on 4 May 2023 re-elected Jan Andersson, Kristofer Arwin, Johanna Frelin, Staffan Hanstorp, Thord Wilkne and Kristina Willgård as Directors. Petra Ålund was elected as a new Director. Sigrun Hjelmquist declined re-election. Staffan Hanstorp was re-elected as Chairman of the Board.

The Meeting approved a dividend of SEK 1.00 per share (0.75), an increase of SEK 0.25 per share on the previous year. The dividend was disbursed to shareholders on 11 May 2023.

#### 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 also includes 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 number of 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 2023, the Board of Directors decided to utilise this mandate to repurchase a maximum of 180,000 class B shares, mainly to enable delivery of shares in Addnode Group's incentive programme.

#### Long-term incentive programme

The AGM decided to adopt a long-term share-related incentive programme ("LTIP 2023"), 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 440,000, 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 one (1) repurchased class B share of the company in specific stipulated periods from the day after publication of the Interim Report for July-September 2026, the Year-end Report for 2026, and the Interim Report for January-March 2027, albeit no later than 10 June 2027 inclusive.

## OTHER DISCLOSURES, CONT.

### SIGNIFICANT RISKS AND UNCERTAINTIES

Addnode Group's significant risks and uncertainties are stated on pp. 28-30 and 35 of the Annual Report for 2022, under "Risks and uncertainties" on p. 69-70, as well as notes 36 and 37 on pp. 109-112.

The Group's operations are diversified over offerings, customer segments and geography, which implies risk diversification. This is a proven strength in challenging times like the Covid-19 pandemic.

### FUTURE OUTLOOK

The Board of Directors has not altered its assessment of Addnode Group's long-term outlook since the preceding quarter. In the First-quarter Interim Report for 2023, 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, higher interest rate levels and turmoil on global stock markets. 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 2023.

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

**Thord Wilkne**  
Director

**Kristina Willgård**  
Director

**Petra Ålund**  
Director

**Johan Andersson**  
President and CEO

Stockholm, Sweden, 14 July 2023

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

## CONSOLIDATED FINANCIAL STATEMENTS

### CONSOLIDATED INCOME STATEMENT

SEK m	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Full year
Net sales	1,554	1,489	3,526	2,815	6,225
Purchases of goods and services	-696	-692	-1,727	-1,305	-2,991
Other external costs	-134	-104	-260	-197	-416
Personnel costs	-624	-537	-1,242	-1,006	-2,114
Capitalised work performed by the company for its own use	38	25	72	52	106
Depreciation/amortisation and impairment of					
- tangible non-current assets	-28	-27	-57	-49	-106
- intangible non-current assets	-54	-53	-107	-99	-201
Profit/loss on sale of property/business	-	-	-	24	24
<b>Operating profit</b>	<b>56</b>	<b>101</b>	<b>205</b>	<b>235</b>	<b>527</b>
Financial income	11	2	15	8	11
Financial expenses	-23	-13	-40	-20	-48
Revaluation of contingent considerations	-	-	-	-	5
<b>Profit before tax</b>	<b>44</b>	<b>90</b>	<b>180</b>	<b>223</b>	<b>495</b>
Current tax	-14	-27	-51	-59	-116
Deferred tax	4	7	9	12	3
<b>Net profit for the period</b>	<b>34</b>	<b>70</b>	<b>138</b>	<b>176</b>	<b>382</b>
<i>Attributable to:</i>					
Owners of the Parent Company	34	70	138	176	382
<b>Share data</b>					
Earnings per share before and after dilution, SEK	0.25	0.52	1.03	1.32	2.86
Average number of shares outstanding:					
Before dilution	133,498,232	133,728,232	133,498,232	133,728,232	133,633,040
After dilution	133,703,817	133,742,718	133,670,894	133,737,019	133,644,956

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Full year
Net profit for the period	34	70	138	176	382
<i>Other comprehensive income, items that will not be reclassified to profit or loss:</i>					
Actuarial gains and losses on pension obligations	-	-	-	-	4
<i>Other comprehensive income, items that may be reclassified to profit or loss:</i>					
Exchange rate difference on translation of foreign operations	100	24	100	41	83
Hedge of net investments in foreign operations	-44	-16	-54	-20	-37
<b>Total other comprehensive income after tax for the period</b>	<b>56</b>	<b>8</b>	<b>46</b>	<b>21</b>	<b>50</b>
<b>Comprehensive income for the period</b>	<b>90</b>	<b>78</b>	<b>184</b>	<b>197</b>	<b>432</b>
<i>Attributable to:</i>					
Owners of the Parent Company	90	78	184	197	432

## CONSOLIDATED BALANCE SHEET

SEK m	2023 30 Jun	2022 30 Jun	2022 31 Dec
<b>Assets</b>			
Goodwill	2,800	2,630	2,681
Other intangible non-current assets	758	755	728
Property, plant and equipment	219	227	229
Financial assets	57	108	53
<b>Total non-current assets</b>	<b>3,834</b>	<b>3,720</b>	<b>3,691</b>
Inventories	1	0	2
Current receivables	1,456	1,259	1,906
Cash and cash equivalents	1,188	597	600
<b>Total current assets</b>	<b>2,645</b>	<b>1,856</b>	<b>2,508</b>
<b>Total assets</b>	<b>6,479</b>	<b>5,576</b>	<b>6,199</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	2,060	1,793	2,005
Non-current liabilities	2,043	1,653	1,398
Current liabilities	2,376	2,130	2,796
<b>Total shareholders' equity and liabilities</b>	<b>6,479</b>	<b>5,576</b>	<b>6,199</b>
Interest-bearing receivables amount to	3	-	6
Interest-bearing liabilities amount to	1,679	1,198	1,069
Pledged assets	11	9	15
Contingent liabilities	23	28	23

## SHAREHOLDERS' EQUITY AND NUMBER OF SHARES

Specification of changes in shareholders' equity, SEK m	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Full year
Shareholders' equity, opening balance	2,099	1,812	2,005	1,693	1,693
Dividend	-133	-100	-133	-100	-100
Call options issued	4	3	4	3	3
Repurchase of treasury shares	-	-	-	-	-23
Comprehensive income for the period	90	78	184	197	432
<b>Shareholders' equity, closing balance</b>	<b>2,060</b>	<b>1,793</b>	<b>2,060</b>	<b>1,793</b>	<b>2,005</b>
<b>Shareholders' equity attributable to:</b>					
Owners of the Parent Company	2,060	1,793	2,060	1,793	2,005
<b>Number of shares outstanding, opening balance</b>	<b>133,498,232</b>	<b>133,728,232</b>	<b>133,498,232</b>	<b>133,728,232</b>	<b>133,728,232</b>
Repurchase of treasury shares	-	-	-	-	-230,000
<b>Number of shares outstanding, closing balance</b>	<b>133,498,232</b>	<b>133,728,232</b>	<b>133,498,232</b>	<b>133,728,232</b>	<b>133,498,232</b>

Addnode Group held 1,030,000 (800,000) class B treasury shares on 30 June 2023.

## CONSOLIDATED STATEMENT OF CASH FLOWS

SEK m	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Full year
<b>Operating activities</b>					
Operating profit	56	101	205	235	527
Adjustment for non-cash items	94	79	174	124	294
<b>Total</b>	<b>150</b>	<b>180</b>	<b>379</b>	<b>359</b>	<b>821</b>
Net financial items	-19	-7	-32	-9	-27
Tax paid	-29	-24	-54	-52	-117
<b>Cash flow from operating activities before changes in working capital</b>	<b>102</b>	<b>149</b>	<b>293</b>	<b>298</b>	<b>677</b>
Total change in working capital	25	-27	103	66	37
<b>Cash flow from operating activities</b>	<b>127</b>	<b>122</b>	<b>396</b>	<b>364</b>	<b>714</b>
<b>Investing activities</b>					
Purchases and sales of intangible assets and property, plant and equipment	-53	-31	-95	2	-64
Acquisitions of financial assets	-5	0	-5	-5	-5
Acquisitions of subsidiaries and operations	-24	-85	-142	-450	-513
Cash and cash equivalents in acquired companies	-	23	5	92	92
<b>Cash flow from investing activities</b>	<b>-82</b>	<b>-93</b>	<b>-237</b>	<b>-361</b>	<b>-490</b>
<b>Financing activities</b>					
Dividend paid	-133	-100	-133	-100	-100
Issued call options	4	3	4	3	3
Repurchase of treasury shares	-	-	-	-	-23
Borrowings	505	-	569	304	304
Repayment of loans	-24	-24	-58	-44	-247
<b>Cash flow from financing activities</b>	<b>352</b>	<b>-121</b>	<b>382</b>	<b>163</b>	<b>-63</b>
Change in cash and cash equivalents	397	-92	541	166	161
Cash and cash equivalents at start of period	746	668	600	406	406
Exchange rate difference in cash and cash equivalents	45	21	47	25	33
<b>Cash and cash equivalents at end of period</b>	<b>1,188</b>	<b>597</b>	<b>1,188</b>	<b>597</b>	<b>600</b>

## PARENT COMPANY FINANCIAL STATEMENTS

### PARENT COMPANY INCOME STATEMENT

SEK m	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Full year
Net sales	13	9	16	12	26
Operating expenses	-29	-20	-55	-42	-86
<b>Operating profit</b>	<b>-16</b>	<b>-11</b>	<b>-39</b>	<b>-30</b>	<b>-60</b>
Profit/loss from participations in Group companies	44	16	44	15	372
Other financial income	10	2	15	6	10
Financial expenses	-24	-6	-41	-11	-40
<b>Profit after financial items</b>	<b>14</b>	<b>1</b>	<b>-21</b>	<b>-20</b>	<b>282</b>
Change in tax allocation reserve	-	-	-	-	-38
<b>Profit before tax</b>	<b>14</b>	<b>1</b>	<b>-21</b>	<b>-20</b>	<b>244</b>
Tax	-	-	-	-	-29
<b>Net profit for the period</b>	<b>14</b>	<b>1</b>	<b>-21</b>	<b>-20</b>	<b>215</b>

### PARENT COMPANY BALANCE SHEET

SEK m	2023 30 Jun	2022 30 Jun	2022 31 Dec
<b>Assets</b>			
Tangible non-current assets	3	-	-
Financial assets	3,001	2,922	2,942
Current receivables	91	44	38
Cash and cash equivalents	576	371	350
<b>Total assets</b>	<b>3,671</b>	<b>3,337</b>	<b>3,330</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	1,282	1,221	1,432
Untaxed reserves	163	126	163
Provisions	85	103	90
Non-current liabilities	704	720	646
Current liabilities	1,437	1,167	999
<b>Total shareholders' equity and liabilities</b>	<b>3,671</b>	<b>3,337</b>	<b>3,330</b>

## OPERATING SEGMENTS

The following figures are for the first half-year of each year.

REVENUE AND PROFIT												
SEK m	Design		PLM		Process		Central		Eliminations		Addnode Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Revenue</b>												
External sales	1,988	1,511	889	725	649	579	-	-	-	-	3,526	2,815
Transactions between segments	3	2	12	7	6	6	9	6	-30	-21	0	0
<b>Total revenue</b>	<b>1,991</b>	<b>1,513</b>	<b>901</b>	<b>732</b>	<b>655</b>	<b>585</b>	<b>9</b>	<b>6</b>	<b>-30</b>	<b>-21</b>	<b>3,526</b>	<b>2,815</b>
EBITA	179	169	46	69	124	116	-37	-20			312	334
EBITA margin, %	9.0	11.2	5.1	9.4	18.9	19.8					8.8	11.9
Operating profit	132	131	14	37	96	88	-37	-21			205	235
Operating margin, %	6.6	8.7	1.6	5.1	14.7	15.0					5.8	8.3
Total net operating assets	1,480	1,461	681	656	926	983	29	0			3,116	3,100
Average number of employees	925	742	750	665	673	632	12	9			2,360	2,048

REVENUE BREAKDOWN												
SEK m	Design		PLM		Process		Central		Eliminations		Addnode Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Licences	35	38	114	77	25	21	-	-	-	-	174	136
Recurring revenue	1,604	1,232	545	439	283	259	-	-	-	-1	2,432	1,929
Services	325	226	228	206	322	289	-	-	-10	-8	865	713
Other	27	17	14	10	25	16	9	6	-20	-12	55	37
<b>Total revenue</b>	<b>1,991</b>	<b>1,513</b>	<b>901</b>	<b>732</b>	<b>655</b>	<b>585</b>	<b>9</b>	<b>6</b>	<b>-30</b>	<b>-21</b>	<b>3,526</b>	<b>2,815</b>

Addnode Group operates through three divisions: Design Management, Product Lifecycle Management and Process Management. The Group's decentralised business model means mission-critical decisions are taken close to the customer and market. Companies develop their businesses in accordance with strategies, guidelines and Group-wide values. The divisions are the operating segments that Addnode Group uses to monitor the performance and development of its business. There has been no change to the operating segments 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 15 m (8) and financial expenses of SEK -40 m (-20).

Acquisitions completed in the first half-year 2023 meant that net operating assets in segments increased to only a limited extent compared to the disclosures in the Annual Report for 2022: Design Management by SEK 62 m and PLM by SEK 16 m. Net operating assets are 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	2023		2022				2021	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net sales, SEK m	1,554	1,972	1,786	1,624	1,489	1,326	1,114	925
<i>Design Management</i>	778	1,213	1,004	977	806	707	471	409
<i>Product Lifecycle Management</i>	468	433	455	393	394	338	352	293
<i>Process Management</i>	320	335	335	262	297	288	297	230
EBITA, SEK m	110 <sup>1</sup>	202	200	194	154	180 <sup>2</sup>	148	108
<i>Design Management</i>	48	131	111	118	80	89	59	44
<i>Product Lifecycle Management</i>	20 <sup>1</sup>	26	44	45	35	34	44	28
<i>Process Management</i>	60	64	60	50	56	60	59	49
EBITA margin, %	7.1 <sup>1</sup>	10.2	11.2	11.9	10.3	13.6 <sup>2</sup>	13.3	11.7
<i>Design Management</i>	6.2	10.8	11.1	12.1	9.9	12.6	12.5	10.8
<i>Product Lifecycle Management</i>	4.3 <sup>1</sup>	6.0	9.7	11.5	8.9	10.1	12.5	9.6
<i>Process Management</i>	18.8	19.1	17.9	19.1	18.9	20.8	19.9	21.3
Average number of employees	2,364	2,334	2,252	2,201	2,167	1,929	1,793	1,797
<i>Design Management</i>	933	916	857	840	837	646	548	563
<i>Product Lifecycle Management</i>	744	736	712	691	685	646	617	616
<i>Process Management</i>	675	671	673	661	637	628	619	610
Cash flow from operating activities, SEK m	127	269	261	89	122	242	257	-21
Change in net sales, %	4	49	60	75	49	28	21	15
Operating margin, %	3.6	7.6	8.3	8.8	6.8	10.1	9.5	7.2
Return on capital employed, % <sup>3</sup>	15.4	18.0	19.6	18.1	15.4	13.9	13.0	11.7
Return on equity, % <sup>3</sup>	17.9	19.4	20.7	20.2	17.9	16.1	13.9	12.6
Equity/assets ratio, %	32	35	32	34	32	34	39	43
Equity, SEK m	2,060	2,099	2,005	1,890	1,793	1,812	1,693	1,660
Net debt, SEK m	488	381	463	659	601	481	368	484
Debt/equity ratio, %	24	18	23	35	34	27	22	29
Investments in equipment, SEK m	10	7	8	5	6	7	3	4

<sup>1</sup> EBITA has been charged with restructuring costs of SEK 10 m (-). Addnode Group's EBITA adjusted for restructuring costs was SEK 120 m (154), and the adjusted EBITA margin amounted to 7.7 per cent (10.3).

<sup>2</sup> The profit 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.

<sup>3</sup> Key financial ratios have been adjusted to reflect annualised return.

SHARE DATA<sup>1</sup>

	2023		2022				2021	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Average number of shares outstanding before and after dilution, m	133.5	133.5	133.5	133.6	133.7	133.7	133.7	134.5
Total number of shares outstanding, m	133.5	133.5	133.5	133.5	133.7	133.7	133.7	134.5
Earnings per share before and after dilution, SEK	0.25	0.78	0.77	0.77	0.52	0.79 <sup>2</sup>	0.60	0.36
Cash flow from operating activities per share, SEK	0.95	2.02	1.96	0.67	0.91	1.81	1.92	-0.16
Shareholders' equity per share, SEK	15.43	15.72	15.02	14.16	13.41	13.55	12.66	12.34
Share price at end of period, SEK	83.50	124.70	98.40	77.45	83.40	96.38	107.25	86.88
Share price/shareholders' equity	5.41	7.93	6.55	5.47	6.22	7.11	8.47	7.04

<sup>1</sup> Due to the 4:1 share split executed in May 2022, historical key financial ratios based on the number of shares have been recalculated.

<sup>2</sup> The profit included a capital gain of SEK 24 m from the sale of an office property in the UK.

## ALTERNATIVE PERFORMANCE MEASURES USE AND RECONCILIATION

The European Securities and Markets Authority (ESMA) has issued guidelines for disclosures 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 23.*

### 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

	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Full year
Operating profit	56	101	205	235	527
Amortisation and impairment of intangible non-current assets	54	53	107	99	201
<b>EBITA</b>	<b>110</b>	<b>154</b>	<b>312</b>	<b>334</b>	<b>728</b>

#### RECONCILIATION OF NET DEBT

	2023 30 Jun	2022 30 Jun	2022 31 Dec
Non-current liabilities	2,043	1,653	1,398
Current liabilities	2,376	2,130	2,796
Non interest-bearing non-current and current liabilities	-2,740	-2,585	-3,125
<b>Total interest-bearing liabilities</b>	<b>1,679</b>	<b>1,198</b>	<b>1,069</b>
Cash and cash equivalents	-1,188	-597	-600
Other interest-bearing receivables	-3	-	-6
<b>Net debt (+)/receivable (-)</b>	<b>488</b>	<b>601</b>	<b>463</b>

## 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.

### Debt/equity ratio

Net debt in relation to shareholders' equity (including equity attributable to non-controlling interests).

### 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.

### 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.

# ADDNODE GROUP

## DIVISION DESIGN MANAGEMENT

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**MICRODESK**

ADDNODE GROUP

**SERVICE WORKS GLOBAL**

ADDNODE GROUP

**SYMETRI**

ADDNODE GROUP

**TRIBIA**

ADDNODE GROUP

## DIVISION PRODUCT LIFECYCLE MANAGEMENT

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**TECHNIA**

ADDNODE GROUP

## DIVISION PROCESS MANAGEMENT

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**ADTOLLO**

ADDNODE GROUP

**ARKIVA**

ADDNODE GROUP

**CANELLA**

ADDNODE GROUP

**DECERNO**

ADDNODE GROUP

**DECISIVE**

ADDNODE GROUP

**EVITBE**

ADDNODE GROUP

**FORSLER STJERNA**

ADDNODE GROUP

**IDA INFRONT**

ADDNODE GROUP

**INTRAPHONE**

ADDNODE GROUP

**KOMPANION**

ADDNODE GROUP

**NETPUBLICATOR**

ADDNODE GROUP

**S-GROUP SOLUTIONS**

ADDNODE GROUP

**SOKIGO**

ADDNODE GROUP

**STAMFORD**

ADDNODE GROUP

**VOICE PROVIDER**

ADDNODE GROUP

ADDNODE GROUP AB (publ)  
Hudiksvallsgatan 4B, SE-113 30 Stockholm

Corporate identity number: 556291-3185  
+46 (0)8 630 7070  
info@addnodegroup.com  
www.addnodegroup.com