

# Interim Report

## January 1–March 31, 2024

This is a translation of the Swedish original of Addnode Group's Interim Report for the period 1 January–31 March 2024. In the event of inconsistency between the two, the original Swedish version shall apply.

### Summary of the first quarter, January–March 2024

- Net sales increased by 22 percent to SEK 2,409 m (1,972), of which 1 percent was organic. Currency-adjusted organic growth was 0 percent.
- Gross profit increased to SEK 1,101 m (941), and the gross margin was 45.7 percent (47.7).
- EBITA rose to SEK 253 m (202), and the EBITA margin was 10.5 percent (10.2).
- Operating profit increased to SEK 187 m (149), and the operating margin was 7.8 percent (7.6).
- Net profit for the period rose to SEK 120 m (104).
- Earnings per share increased to SEK 0.90 (0.78).
- Cash flow from operating activities increased to SEK 381 m (269).
- Merger of sister companies Sokigo and S-GROUP Solutions.
- Acquisition of Efficture by the newly established company Icebound.
- Acquisition of Jetas Quality Systems.
- Acquisition of Optimec.

### Events after the end of the reporting period

- Jonas Gejer, VP Business Development, steps down from his position

# 22%      76%      10.5%

Net sales growth Q1 2024 compared with Q1 2023

Share of recurring revenue Q1 2024

EBITA margin Q1 2024

### Key figures

	First quarter		Rolling 12 mos	Full year
	2024 Jan–Mar	2023 Jan–Mar	Apr 2023 –Mar 2024	2023
Net sales, SEK m	2,409	1,972	7,849	7,412
Gross profit, SEK m	1,101	941	3,863	3,703
Gross margin, %	45.7	47.7	49.2	50.0
EBITA, SEK m	253	202	691 <sup>1)</sup>	640 <sup>1)</sup>
EBITA margin, %	10.5	10.2	8.8 <sup>1)</sup>	8.6 <sup>1)</sup>
Operating profit, SEK m	187	149	448 <sup>1)</sup>	410 <sup>1)</sup>
Operating margin, %	7.8	7.6	5.7 <sup>1)</sup>	5.5 <sup>1)</sup>
Net profit for the period, SEK m	120	104	295 <sup>1)</sup>	279 <sup>1)</sup>
Earnings per share, SEK	0.90	0.78	2.21 <sup>1)</sup>	2.09 <sup>1)</sup>
Cash flow from operating activities, SEK m	381	269	597	485
Return on capital employed <sup>2)</sup>	14.3	18.0	14.3	13.8
Return on equity <sup>2)</sup>	13.5	19.4	13.5	13.5
Equity/assets ratio, %	28	35	28	29
Debt/equity ratio, %	36	18	36	47

1) EBITA was impacted by restructuring costs of SEK – m (20).

2) Key financial ratios have been adjusted to reflect annualized return.

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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.

# GROWTH, EARNINGS IMPROVEMENT AND STRONG CASH FLOW



*"We started 2024 with 22 percent growth. A stronger market in the USA, the acquisition of Team D3 and cost efficiency measures contributed to a 15 percent increase in earnings per share. We will continue to pursue daily improvements, while also investing in new digital solutions and acquisitions."*

## First quarter 2024

Addnode Group started 2024 with strong growth. Net sales increased by 22 percent to SEK 2,409 m, and the EBITA margin improved to 10.5 percent (10.2). Earnings per share increased by 15 percent. The acquisition of Team D3 and cost efficiency measures had a positive impact on earnings. Cash flow from operating activities increased to SEK 381 m (269). The first quarter is traditionally our strongest in terms of cash flow as a large share of our support and administration contracts are invoiced in advance.

Growth in the Design Management division amounted to 34 percent, and currency-adjusted organic growth was -1 percent. Demand for Symetri's offering to the engineering industry remained stable in both Europe and the USA. While demand from architects and technical consultants is on the rise in the USA, we are seeing a certain slowdown in Europe. Cost efficiency measures and a positive performance by the acquired company Team D3 contributed to the division's significantly improved EBITA.

In the Product Lifecycle Management division, growth amounted to 5 percent, of which currency-adjusted organic growth accounted for 2 percent. Demand for design and simulation solutions remained stable, and the cost reductions implemented in 2023 strengthened our EBITA margin.

In the Process Management division, growth amounted to 2 percent. Demand for case management and geographic information systems in the public sector remained stable.

## Digitalization for a Better Society

Through innovation and continuous development in close collaboration with our customers, we create digital solutions for specific needs. At a time when digitalization is becoming increasingly integrated into our lives and society, we offer our customers a range of software and digital solutions that promote sustainable design and efficient product lifecycle management. Our software and digital solutions also help to streamline property and facility management and to optimize public administration. To clarify what we mean by "Digitalization for a Better Society," we have updated our brand identity, which is reflected in our new visual identity, logo, website and the interim report you are now reading.

## Growth platform for entrepreneurs

Addnode Group acquires and supports entrepreneurial companies in their efforts to become even better. 2024 is an anniversary year for several companies in the Group.

Decerno and Ida Infront are celebrating their 40th anniversary, and Technia and SWG their 30th. Technia is a clear example of the value that is created in the Addnode Group. Since its acquisition in 2004, the company has experienced impressive growth and grown almost 20 times its size, with revenue of approximately SEK 1,900 m. This growth has been achieved both through organic expansion and through acquisitions. We support our companies in their growth journey by providing not only capital for product development and acquisitions, but also valuable knowledge and an extensive international network of experienced leaders. In 2024, we have already completed three acquisitions, and we see good opportunities to carry out further acquisitions during the rest of the year.

## Future outlook

The economic situation remains uncertain, but demand in most of Addnode Group's markets is stable. Efforts to strengthen our customers' competitiveness and Addnode Group's profitability remain a priority. We will continue to pursue daily improvements, while also investing in new digital solutions and acquisitions. The strength and capability of our companies, our healthy financial position and our acquisition capacity provide a solid foundation for continued value creation.

Johan Andersson  
President and CEO

# Significant events

## In the first quarter of 2024

### Merger of sustainable urban development companies

During the quarter, the Group companies Sokigo and S-GROUP Solutions merged under the name Sokigo. The merger will enable Sokigo to offer Swedish municipalities an uninterrupted digital urban development process and better conditions for sustainable urban development.

### Acquisition of Efficture

In January 2024, the software company Efficture was acquired, a complementary acquisition within Icebound that delivers digital solutions to the forest sector and other primary industries.

### Acquisition of Jetas Quality Systems.

In February 2024, the software company Jetas Quality Systems was acquired. The company is a supplier of case management systems for fault reports and work orders within public transport and property management, and has collaborated with the Group company Forsler & Stjerna for several years.

### Acquisition of Optimec in Canada

In February 2024, Optimec Consultants (Optimec) was acquired. The company is a reputable Dassault Systèmes Partner based in Québec, Canada. Optimec provides digital solutions for computer-aided engineering (CAE). Optimec is part of the Product Lifecycle Management division, and the new geographic presence will add strategic expertise and further reach for Technia's international customer base.

### Launch of new brand identity

Addnode Group launched a new brand identity and related visual identity during the quarter. The new identity highlights the Group's position as a growth accelerator for companies that deliver systems and technologies for a sustainable future. The new brand identity will support Addnode Group's continued growth and geographic expansion "Digitalization for a Better Society".

### New transaction model in the Design Management division

The transition to Autodesk's new transaction model, announced in the fourth quarter of 2023, during the first quarter 2024, Autodesk has communicated that this will be implemented in the USA at the beginning of June and in Europe at a later date. The transition is expected to be completed in 2025.

Under the new transaction model, Autodesk will transition from its current reseller model to an agent model. Our company Symetri will continue to work with customers to identify the solution that best suits their business and will continue to provide quotes, implement the solution and provide support. Autodesk will invoice customers directly for its own software and pay us commission for the work we perform. Already today, half of Symetri's gross profit comes from own software and services. With the new transaction model, net sales and purchases of goods and services will decrease, while gross profit and EBITA are expected to remain unchanged. This means that the EBITA margin (%) will increase. Cash flow is expected to remain unchanged compared with the current reseller model.

### Dividend proposal

The Board of Directors proposes that the 2024 AGM resolves on a dividend of SEK 1.00 (1.00) per share for the 2023 financial year.

## After the end of the reporting period

### Jonas Gejer, VP of Business Development, steps down from his position

Jonas Gejer, VP of Business Development, has decided to step down from his position as of June 30, 2024. Jonas is one of the founders and former CEO of Technia. Jonas will continue to contribute to Addnode Group's business development projects and remains a long-term principal owner of Addnode Group together with Staffan Hanstorp.

## Financial calendar



# About Addnode Group

## Strategy

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

## Three divisions

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

## Financial targets

- Annual net sales growth of at least 10 percent.
- Operating margin before amortization and impairment of intangible assets (EBITA margin) shall be at least 10 percent.
- 30-50 percent of the Group's profit after tax to be distributed to shareholders, providing its liquidity and financial 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 2,700.

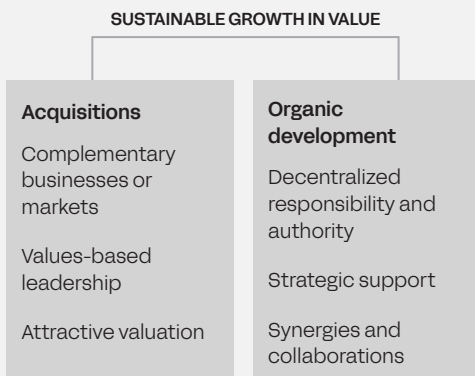
The Group has a market-leading position in Europe and the USA as a provider of software and services for design, construction and manufacturing. In Europe, the Group also has a strong market position in digital solutions for product data, project collaboration and facility management. In Swedish public administration, Addnode Group is a leading provider of document and case management systems.

## Sustainability agenda

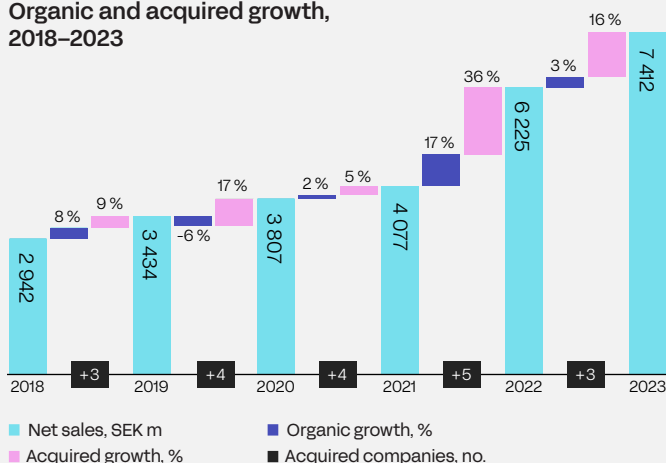
The digital solutions we develop in close partnership with our customers help create a more sustainable society. Our solutions are used for sustainable and resource-efficient design and product lifecycle management, simulations that benefit the environment and health, and better engagement and dialogue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



## Organic and acquired growth, 2018–2023



## Sustainability agenda with five focus areas



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





# Digital solutions that contribute to sustainable development

## Digital tools to visualize and reduce carbon footprint of buildings

Addnode Group's subsidiary Symetri, in the Design Management division, is collaborating with Bernheimer Architecture (BA) to reduce and visualize carbon emissions when designing new buildings.

BA was looking for digital tools that could visualize embodied carbon in the materials chosen for River Commons, an affordable housing project in New York. BA also wanted to offer a lifecycle assessment that reports global warming parameters and identifies the parts of a building with the largest carbon footprint. The collaboration with Symetri also enabled BA to produce a comprehensive lifecycle assessment with a good overview of the building's total carbon footprint. Key components of the digital solution for visualization and lifecycle assessment include software such as Autodesk Revit, BIM Collaborate Pro and Navisworks.

By focusing on reducing the high level of carbon emissions in the early phase of a construction project, it is possible to influence the total carbon footprint of a building throughout its lifetime early in the design phase.



## Improved R&D and production efficiency

Addnode Group's subsidiary Technia, in the Product Lifecycle Management division, is supporting Aeristech with improvements in the transition from R&D to prototype and mass production. Aeristech is a manufacturer of electric motors with a focus on producing the world's fastest accelerating motors with high power density. These motors can also be used with hydrogen fuel cells, which are a more sustainable option than traditional fuels as they do not produce carbon emissions during operation.

The challenges experienced by Aeristech were mainly related to the lack of an accurate control system. To solve these challenges, Aeristech partnered with Technia, which provides Dassault Systèmes' 3DEXPERIENCE platform and SOLIDWORKS software. Once these tools were implemented, efficiency increased and collaboration within the product development organization improved. Aeristech can now transition more quickly from R&D to prototyping new products.

The new digital tools will help enable Aeristech's products to reach the market sooner, thereby allow Aeristech to contribute to reducing GHG emissions and advancing global net-zero goals.



## Voice-based booking system optimizes ferry traffic

Addnode Group's subsidiary Voice Provider, in the Process Management division, has developed a voice-based booking system for the Swedish Transport Administration's ferry operations (Trafikverket Färjerederiet), which operate cable ferries across Sweden. The system allows passengers to easily book a ferry by phone as needed, making ferry operations more efficient as they only depart when there is demand. Sweden's cable ferries transport some 12 million vehicles per year and are particularly important for traffic in sparsely populated areas.

Trafikverket Färjerederiet's goal is to be climate neutral by 2045, which meant that ferry journeys needed to be optimized to reduce their carbon emissions. The solution came in the form of a new booking system that was simple and easily accessible and did not reduce the availability of ferries. Voice Provider's advanced voice-recognition technology now enables on-demand booking of ferries by phone, thereby reducing the number of trips without compromising on service.

In addition to reducing environmental impact, Voice Provider's technology also provides the ferry company with data to identify where the ferries are needed most. This in turn leads to other attractive operational improvements, such as reduced workload, fewer interruptions and improved working conditions for the crew.



# Consolidated net sales, earnings and cash flow

## First quarter, January–March 2024

Addnode Group started 2024 with solid growth in net sales, EBITA and cash flow. Net sales increased 22 per cent to SEK 2,409 m (1,972), mainly acquisition-related. Organic growth was 1 percent, while currency-adjusted organic growth was 0 percent.

The Design Management division reported higher net sales due to the acquisition of Team D3. Currency-adjusted organic growth was -1 percent and continued to be impacted by a weak construction cycle and longer sales cycles. Net sales has also been positively effected by a higher volume of three-year contracts compared to the same quarter last year.

The currency-adjusted organic growth in Product Lifecycle Management division amounted to 2 percent

Organic growth in the Process Management division was 2 percent. Demand remained stable, although some restraint and delayed procurements and investments were noted among municipalities and public authorities.

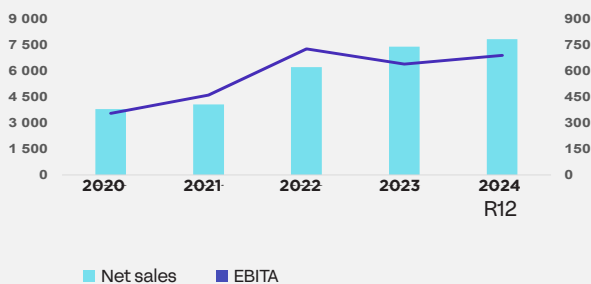
License revenue amounted to SEK 73 m (80), recurring revenue increased to SEK 1,833 m (1,428), service revenue increased to SEK 480 m (433) and other revenue amounted to SEK 23 m (31). The recurring revenue share increased to 76 percent (72).

EBITA amounted to SEK 253 m (202), and the EBITA margin amounted to 10.5 percent (10.2). The restructuring measures implemented in the Product Lifecycle Management division in 2023 have had the intended effect, with a positive impact on earnings. The cost reduction implemented in the US operations in the fourth quarter of 2023 (Design Management division) also continued to have an impact on earnings.

Net financial items were SEK -31 m (-13). Revaluation of contingent considerations amounted to SEK 0 m (-). Net profit for the period rose by 15 percent to SEK 120 m (104). Earnings per share increased to SEK 0.90 (0.78).

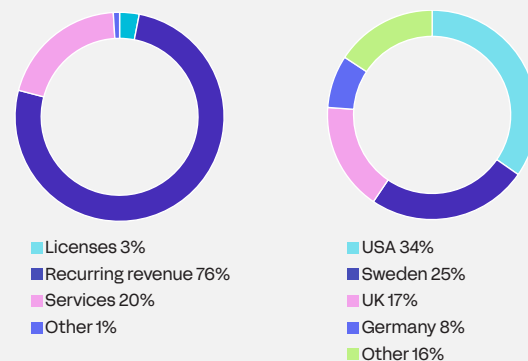
Cash flow from operating activities amounted to SEK 381 m (269) and was impacted by higher operating profit and changes in working capital.

Trend in net sales and EBITA 2020–2024, SEK m



Revenue breakdown Q1 2024

(geography based on subsidiary domicile)

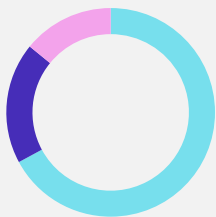


# Performance by division

## Net sales, Gross profit and EBITA, Q1

SEK m	Net sales			Gross profit			EBITA		
	2024 Q1	2023 Q1	Change %	2024 Q1	2023 Q1	Change %	2024 Q1	2023 Q1	Change %
Design Management	1,624	1,213	34	609	474	28	168	131	28
Product Lifecycle Management	454	433	5	224	208	8	41	26	58
Process Management	342	335	2	274	264	4	65	64	2
Eliminations/central costs	-11	-9		-6	-5		-21	-19	
<b>Addnode Group</b>	<b>2,409</b>	<b>1,972</b>	<b>22</b>	<b>1,101</b>	<b>941</b>	<b>17</b>	<b>253</b>	<b>202</b>	<b>25</b>

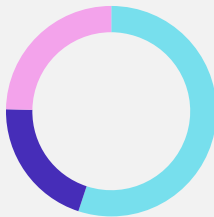
Net sales<sup>1)</sup>, Q1 2024



■ Design Management 67%  
 ■ Product Lifecycle Management 19%  
 ■ Process Management 14%

1) Before eliminations

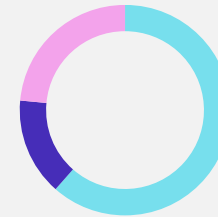
Gross profit<sup>2)</sup> Q1 2024



■ Design Management 55%  
 ■ Product Lifecycle Management 20%  
 ■ Process Management 25%

2) Before eliminations/central costs

EBITA<sup>3)</sup>, Q1 2024



■ Design Management 61%  
 ■ Product Lifecycle Management 15%  
 ■ Process Management 24%

3) Before eliminations/central costs

# Design Management division

Design Management is a leading global provider of digital solutions and services for design, building information modeling (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 increased to SEK 1,624 m (1,213) in the first quarter, representing growth of 34 percent, which was acquisition-related. Organic growth and currency-adjusted organic growth amounted to -1 percent.

The division's operations in digital solutions for design, BIM and product data, which are conducted under the company Symetri, noted a slight improvement in demand, which was reflected in the division's growth and earnings performance. Symetri has a seasonal pattern with a strong first quarter, as a significant portion of Autodesk contracts are up for renewal during that period. Net sales has also been positively effected by a higher volume of three-year contracts compared to the same quarter last year.

In terms of regions, demand was stable in the Nordic countries. The UK saw slightly weaker demand from a previous high level. In the USA, we are seeing improved demand from architects and technical consultants. Our customers value a global Autodesk partner with its own complementary products and broad, in-depth expertise in design and BIM.

The cost reductions implemented in the US operations in 2023 continued to contribute to earnings this quarter. In addition, the acquisition of Team D3, which was completed in July 2023, contributed positively to net sales and earnings for the quarter.

Service Works Global, which provides digital solutions for facility management, and Tribia, which provides collaborative solutions for the construction and infrastructure sector, displayed stable growth.

EBITA rose to SEK 168 m (131), and the EBITA margin was 10.3 percent (10.8).

## Acquisitions

No acquisitions were conducted during the quarter, and SWG Nordic Housing AB, acquired in January 2023, is now included in the division's organic growth.

In June 2023, Addnode Group signed an agreement to acquire all the shares of D3 Technical Services LLC (Team D3) in the USA. The acquisition was completed in early July 2023, and the company is now part of Symetri. At the time of acquisition, Team D3 had annual net sales of USD 120 m (approximately SEK 1,300 m) and 200 employees. Team D3 is an Autodesk Platinum Partner and has a strong position in the manufacturing and process industry segments as well as the AEC segment. The company is mainly active in central USA.

## Market

Operations in the division are conducted through the companies Symetri, Team D3, Service Works Global and Tribia. The companies in the division offer digital solutions and services for design, BIM and product data for architects and engineers in the manufacturing and construction industries. The division also has a strong digital offering for project collaboration and facility management in the Nordic countries and the UK. Customers' willingness to invest in digital solutions is driven by urbanization and the need to build and manage efficiently and sustainably. Regulatory authorities are also demanding digital solutions based on BIM.

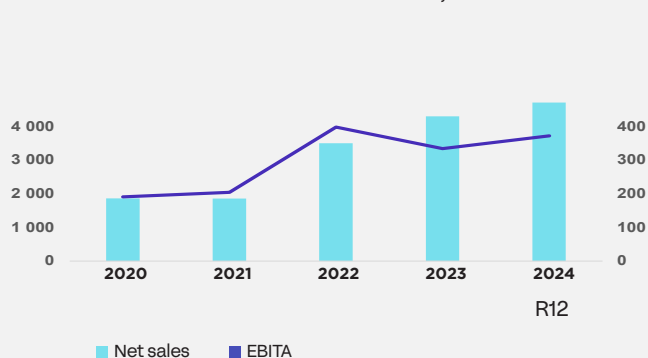
**+34%**

Net sales growth Q1 2024 compared with Q1 2023

**+28%**

EBITA growth Q1 2024 compared with Q1 2023

Trend in net sales and EBITA 2020–2024, SEK m



Key figures

SEK m	Q1 2024	Q1 2023	Change %
Net sales	1,624	1,213	34
Gross profit	609	474	28
Gross margin, %	37.5	39.1	
EBITA	168	131	28
EBITA margin, %	10.3	10.8	
Operating profit	135	107	26
Operating margin, %	8.3	8.8	
Average number of employees	1,091	916	19



# Product Lifecycle Management division

Product Lifecycle Management is a global provider of solutions for digitalizing 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 first quarter, net sales increased by 5 percent to SEK 454 m (433). Organic growth was 3 percent, and currency-adjusted organic growth amounted to 2 percent.

While market conditions remain stable, customers’ decision-making processes related to new and larger system projects are more protracted. However, the division’s positive and well-established customer relationships frequently present opportunities for upselling of software and expanding current assignments. Customers are continuing to demand time-finite leasing of licenses instead of license purchases with perpetual right of use.

The restructuring measures implemented in 2023 have had the planned impact. The cost level has been reduced and the delivery organization’s utilization rate has improved.

EBITA increased to SEK 41 m (26), and the EBITA margin rose to 9.0 percent (6.0).

## Acquisitions

In February 2024, Optimec Consultants (Optimec), Canada, was acquired. The company is a reputable Dassault Systèmes Partner based in Québec. Optimec has about 20 employees and net sales of approximately SEK 40 m. The company provides digital solutions for Computer Aided Engineering (CAE). Optimec will add strategic expertise and further reach for the division’s international customer base.

## Market

The operations of the Product Lifecycle Management division are conducted in the subsidiary Technia, a global provider of solutions for digitalizing 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. Customers’ willingness to invest is driven by the need to develop and design products, to maintain product information through complete lifecycles and to comply with regulatory standards.

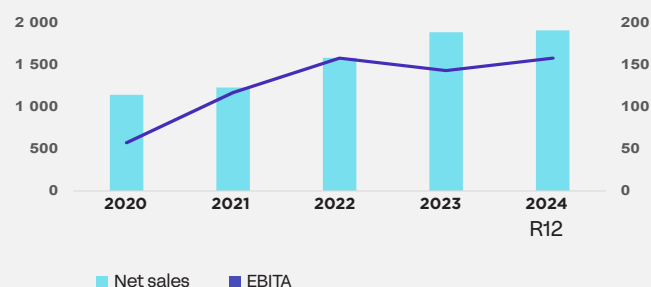
**+5%**

Net sales growth Q1 2024 compared with Q1 2023

**+58%**

EBITA growth Q1 2024 compared with Q1 2023

Trend in net sales and EBITA 2020–2024, SEK m



## Key figures

SEK m	Q1 2024	Q1 2023	Change %
Net sales	454	433	5
Gross profit	224	208	8
Gross margin, %	49.3	48.0	
EBITA	41	26	58
EBITA margin, %	9.0	6.0	
Operating profit	24	11	118
Operating margin, %	5.3	2.5	
Average number of employees	724	736	-2

# Process Management division

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

## Progress in the quarter

During the first quarter, net sales increased by 2 percent to SEK 342 m (335). The organic currency-adjusted growth amounted to 2 percent.

Demand remained stable, with some restraint continuing among municipalities and public authorities with respect to new investments in large projects. 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. The service businesses noted slightly fewer working days in the quarter compared to the same period last year.

The division is continuing to invest in future products and solutions and is enhancing its customer offerings. The division's businesses are well positioned in public sector tenders owing to their attractive digital solutions, in-depth experience and good references.

During the quarter, Sokigo and S-GROUP Solutions merged under the name Sokigo. The merger will enable Sokigo to offer Swedish municipalities an uninterrupted digital urban development process and better conditions for sustainable urban development.

EBITA increased to SEK 65 m (64), and the EBITA margin was 19.0 percent (19.1).

## Acquisitions

In January 2024, Efficture was acquired by the newly established company Icebound. Efficture has proprietary software for forest and timber management. Efficture has net sales of approximately SEK 2 m. With this acquisition, Icebound strengthened its offering and market position as a player in digital solutions for the forest sector and other primary industries.

In February 2024, all the shares of Jetas Quality Systems were acquired. The company is a supplier of case management systems for fault reports and work orders within public transport and property management, and has collaborated with the Group company Forsler & Stjerna for several years. Jetas has net sales of approximately SEK 6 m.

## Market

Process Management, whose operations are conducted by 13 subsidiaries, is a leading provider of digital solutions for the public sector. The division has operations in Sweden and Norway. These solutions help to streamline case management, simplify administration and quality-assure processes in contacts between authorities and citizens.

Our 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.

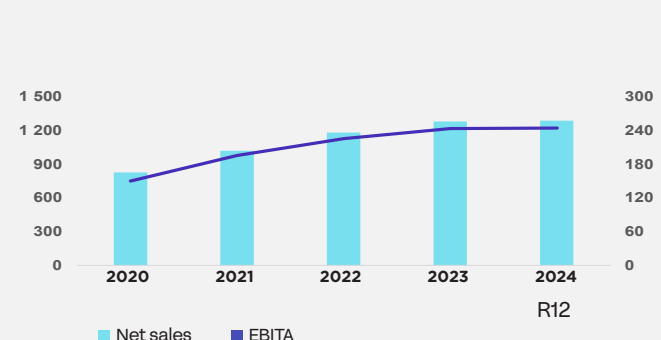
+2%

Net sales growth Q1 2024 compared with Q1 2023

+2%

EBITA growth Q1 2024 compared with Q1 2023

Trend in net sales and EBITA 2020–2024, SEK m



Key figures

SEK m	Q1 2024	Q1 2023	Change %
Net sales	342	335	2
Gross profit	274	264	4
Gross margin, %	80.1	78.8	
EBITA	65	64	2
EBITA margin, %	19.0	19.1	
Operating profit	49	50	-2
Operating margin, %	14.3	14.9	
Average number of employees	720	671	7

# Disclosures on acquisitions

## Acquisitions completed in 2024

During the first quarter of 2024, Addnode Group acquired all the shares of three businesses: Efficture AB, Jetas Quality Systems AB (Jetas) and Optimec Consultants Inc. (Optimec). In the first quarter of 2024, these acquisitions contributed net sales of SEK 7 m, while their impact on EBITA was marginal. If the acquisitions had been completed as of January 1, 2024, the Group's net sales in 2024 would have been approximately SEK 2,413 m and EBITA approximately SEK 253 m. Expenses of SEK -3 m (-1) for completing the acquisitions are included in the Group's other external costs.

Efficture, which was acquired in January 2024, is a complementary acquisition within Icebound that delivers digital solutions to the forest sector and other primary industries. Efficture was consolidated into the Process Management division effective January 2024.

The acquisition of Jetas was completed in February 2024. The company is a supplier of case management systems for fault reports and work orders within public transport and property management, and has collaborated with the Group company Forsler & Stjerna for several years. The operations were consolidated into the Process Management division effective February 2024.

## Acquisition analysis Efficture, Jetas and Optimec (SEK m)

Acquired companies' net assets at acquisition date	Carrying amount in companies	Fair value adjustment	Fair value, Group
Intangible non-current assets <sup>1)</sup>		35	35
Other non-current assets	2		2
Current assets	31		31
Cash and cash equivalents	5		5
Other liabilities	-25	-8	-34
Net identifiable assets/liabilities <sup>1)</sup>	13	27	40
Goodwill			68
<b>Calculated purchase consideration<sup>2)</sup></b>			<b>108</b>

1) Intangible assets refer to technology and customer relationships.

2) Non-current contingent considerations of a maximum of SEK 9 m and CAD 2.25 m (approx. SEK 18 m) may be payable for the acquisitions of Efficture, Jetas and Optimec, of which approximately SEK 9 m and CAD 2.2 m (approx. SEK 18 m) has been entered as a liability. The acquisition of Optimec includes current contingent consideration liabilities of CAD 0.75 m (approx. SEK 6 m).

Optimec, acquired in February 2024, is a Dassault Systèmes Partner specializing in CAE. Optimec has operations in Canada, about 20 employees and net sales of approximately SEK 40 m. The operations were consolidated with Technia in the Product Lifecycle Management division effective February 2024.

## Acquisition analyses

The following acquisition analyses were prepared for the acquisitions. The calculations are preliminary as the companies are recently acquired, and include the companies Efficture, Jetas and Optimec.

# Consolidated balance sheet and cash flow

## Liquidity and financial position

Cash and cash equivalents held by the Group amounted to SEK 968 m (746) as of March 31, 2024.

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 utilized to refinance existing loans in different currencies and for general corporate purposes. The term 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 the term loan, which created available scope in the revolving credit facility.

SEK 506 m (943) of the credit facility had been utilized as of March 31, 2024, which meant that available credit amounted to SEK 1,094 m (657). The utilized portion of the credit facility is classified under non-current liabilities.

SEK 294 m (187) of the interest-bearing liabilities in addition to the utilized portion of the credit facility of SEK 506 m (943) related to leases. There were no interest-bearing liabilities related to completed acquisitions. Consequently, the Group's total interest-bearing liabilities were SEK 1,784 m (1,130), and the Group's net debt was SEK 816 m (381). The equity/assets ratio was 28 percent (35). The Group's total liabilities related to completed acquisitions amounted to SEK 596 m (386), of which non-interest-bearing liabilities amounted to SEK 44 m (11) and estimated contingent considerations amounted to SEK 552 m (375).

## Cash flow

Cash flow from operating activities for the first quarter of 2024 increased to SEK 381 m (269). The increase was mainly attributable to stronger operating profit and changes in working capital. Cash flow from investing activities includes payments for proprietary software of SEK 41 m (34). Investments in subsidiaries and operations generated a negative cash flow of SEK 94 m (113). Financing activities were negatively affected by repayments of lease liabilities of SEK 26 m (26). In connection with the settlement of debt for acquisitions, bank loans of SEK 45 m (64) were raised. No bank loans (SEK 8 m) were repaid in the first quarter of 2024.

## Investments and divestments

Investments of SEK 63 m (59) were made in intangible assets and property, plant and equipment, of which SEK 41 m (34) related to proprietary software.

## Goodwill and other intangible assets

The carrying amount of the Group's goodwill was SEK 3,142 m (2,716) on March 31, 2024. Other intangible assets amounted to SEK 1,017 m (749), and mainly comprised customer contracts, trademarks and software.

## Deferred tax assets

Deferred tax assets were SEK 35 m (19) as of March 31, 2024, of which SEK 6 m (6) were tax loss carry-forwards. As of March 31, 2024, the Group's total loss carry-forwards were approximately SEK 68 m (65).

## Equity

Equity as of March 31, 2024 was SEK 2,284 m (2,099), equivalent to SEK 1713 (15.72) per share outstanding.

## Share capital and incentive programs

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 March 31, 2024 was as follows:

Share class	No. of shares outstanding
Class A shares	3,948,696
Class B shares	130,579,536
Repurchased class B shares	-1,210,000
<b>Total</b>	<b>133,318,232</b>

Addnode Group AB's holding of treasury shares as of March 31, 2024 amounted to 1,210,000 class B shares, corresponding to 0.9 per cent of the number of shares, and 0.7 per cent of the number of votes.

As of March 31, 2024, there were three call option programs outstanding, as follows:

Stock option program	No. of options outstanding	Corresponds to no. of shares	Exercise price
LTIP 2021	195,800 <sup>1)</sup>	783,200	93.73
LTIP 2022	56,950 <sup>1)</sup>	227,800	115.80
LTIP 2023	201,000	201,000	157.50
<b>Total</b>	<b>453,750</b>	<b>1,212,000</b>	

1) Each option carries entitlement to purchase four class B shares. For more information on the Group's stock option programs, see note 4 on pages 96–97 of the Annual Report for 2023.



# Other disclosures

## Employees

The average number of employees of the Group increased to 2,549 (2,334). As of March 31, 2024, there were 2,667 employees (2,654 as of December 31, 2023). Essentially, this increase was from acquired operations.

## Related party transactions

In the first quarter of 2024, Chairman Staffan Hanstorp invoiced the Parent Company SEK 0.8 m (0.7) in fees for consulting services related to acquisition opportunities, financing matters and other strategic issues via a company.

## Seasonality

The first and fourth quarters are today the strongest in terms of net sales, as a significant portion of contract renewals occurs during these quarters.

## Parent Company

Net sales were SEK 5 m (3) in the first quarter of 2024, and mainly comprised invoicing to subsidiaries for premises rent and services rendered. The Parent Company's loss after financial items amounted to SEK -41 m (-35). Cash and cash equivalents were SEK 606 m (543) as of March 31, 2024. Investments in shares in subsidiaries were SEK 36 m (63). 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 2024 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 2023.

### Deferred tax assets

Deferred tax assets attributable to 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 for the acquisitions of Team D3 and Microdesk have been discounted. Measurement of financial assets and liabilities shows no significant difference between carrying amounts and fair value. The Group had no currency forward contracts outstanding on March 31, 2024.

## Stock option program

The Group's incentive program 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 recognized in equity as transactions with owners.

## Significant risks and uncertainties

Addnode Group's significant risks and uncertainties are stated on pages 30–32 and 38 of the Annual Report for 2023, under "Risks and uncertainties" on pages 74–75, as well as notes 36 and 37 on pages 115–118. These risks and uncertainties are unchanged.

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 Fourth-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 rates and turmoil in global stock markets. The outbreak of war in the Gaza Strip, which followed Hamas' terrorist attack on Israel, has also contributed to growing turmoil. Because it is not possible to predict the duration or scope of this unrest or its impact on the global economy and general security, the Board of Directors notes a risk that Addnode Group may be impacted financially in 2024.

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

## Dividend proposal

The Board of Directors proposes that the AGM resolves on a dividend of SEK 1.00 (1.00) per share for the 2023 financial year, corresponding to a total dividend of SEK 133 m (133). The Board's opinion is that after the proposed dividend, the company will have sufficient funds to be able to achieve its financial targets. The proposed record date for dividends is May 10, 2024. If the AGM approves this proposal, dividends will be scheduled for disbursement on May 15, 2024.

## 2024 Annual General Meeting

The ordinary AGM will be held on 7 May 2024.

Stockholm, April 25, 2024

The Board of Directors

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

# Condensed consolidated financial statements

## Consolidated Income Statement

SEK m	Jan–Mar 2024	Jan–Mar 2023	Rolling 12 mos Apr–Mar 2023/2024	Full year 2023
Net sales	2,409	1,972	7,849	7,412
Purchases of goods and services	-1,308	-1,031	-3,986	-3,709
<b>Gross profit</b>	<b>1,101</b>	<b>941</b>	<b>3,863</b>	<b>3,703</b>
Other external costs	-136	-126	-546	-536
Personnel costs	-721	-618	-2,662	-2,559
Capitalized work performed by the company for its own use	41	34	159	152
Depreciation/amortisation and impairment of				
– property, plant and equipment	-32	-29	-123	-120
– intangible non-current assets	-66	-53	-243	-230
<b>Operating profit</b>	<b>187</b>	<b>149</b>	<b>448</b>	<b>410</b>
Financial income	17	4	59	46
Financial expenses	-48	-17	-141	-110
Revaluation of contingent considerations	0	-	16	16
<b>Profit before tax</b>	<b>156</b>	<b>136</b>	<b>382</b>	<b>362</b>
Current tax	-41	-37	-121	-117
Deferred tax	5	5	34	34
<b>Net profit for the period</b>	<b>120</b>	<b>104</b>	<b>295</b>	<b>279</b>
<i>Attributable to:</i>				
Owners of the Parent Company	120	104	295	279
<b>Share data</b>				
Earnings per share before and after dilution, SEK	0.90	0.78	2.21	2.09
Average number of shares outstanding:				
Before dilution	133,318,232	133,498,232	133,388,183	133,433,183
After dilution	133,370,799	133,639,250	133,388,183	133,454,966

## Consolidated Statement of Comprehensive Income

SEK m	Jan–Mar 2024	Jan–Mar 2023	Rolling 12 mos Apr–Mar 2023/2024	Full year 2023
Net profit for the period	120	104	295	279
<i>Other comprehensive income, items that will not be reclassified to profit or loss:</i>				
Actuarial gains and losses on pension obligations	0	0	0	0
<i>Other comprehensive income, items that may be reclassified to profit or loss:</i>				
Exchange rate difference on translation of foreign operations	82	0	66	-16
Hedge of net investments in foreign operations	-34	-10	-33	-9
<b>Total other comprehensive income after tax for the period</b>	<b>48</b>	<b>-10</b>	<b>33</b>	<b>-25</b>
<b>Comprehensive income for the period</b>	<b>168</b>	<b>94</b>	<b>328</b>	<b>254</b>
<i>Attributable to:</i>				
Owners of the Parent Company	168	94	328	254

## Consolidated Balance Sheet

SEK m	2024 Mar 31	2023 Mar 31	2023 Dec 31
<b>Assets</b>			
Goodwill	3,142	2,716	2,977
Other intangible non-current assets	1,017	749	972
Property, plant and equipment	347	228	346
Financial assets	78	50	73
<b>Total non-current assets</b>	<b>4,584</b>	<b>3,743</b>	<b>4,368</b>
Inventories	1	1	1
Other current assets	2,487	1,527	2,161
Cash and cash equivalents	968	746	667
<b>Total current assets</b>	<b>3,456</b>	<b>2,274</b>	<b>2,829</b>
<b>Total assets</b>	<b>8,040</b>	<b>6,017</b>	<b>7,197</b>
<b>Equity and liabilities</b>			
Equity	2,284	2,099	2,116
Non-current liabilities	2,309	1,478	2,212
Current liabilities	3,447	2,440	2,869
<b>Total equity and liabilities</b>	<b>8,040</b>	<b>6,017</b>	<b>7,197</b>
Interest-bearing receivables amount to	–	3	3
Interest-bearing liabilities amount to	1,784	1,130	1,669
Pledged assets	16	11	9
Contingent liabilities	23	23	55

## Equity and number of shares

Specification of changes in equity, SEK m	2024 Mar 31	2023 Mar 31	2023 Dec 31
<b>Equity, opening balance</b>	<b>2,116</b>	<b>2,005</b>	<b>2,005</b>
Dividend	–	–	-133
Call options issued	–	–	4
Repurchase of the company's shares	–	–	-14
Comprehensive income for the period	168	94	254
<b>Equity, closing balance</b>	<b>2,284</b>	<b>2,099</b>	<b>2,116</b>
<b>Equity attributable to:</b>			
Owners of the Parent Company	2,284	2,099	2,116
Number of shares outstanding, opening balance	<b>133,318,232</b>	<b>133,498,232</b>	<b>133,498,232</b>
Repurchase of the company's shares	–	–	-180,000
Number of shares outstanding, closing balance	<b>133,318,232</b>	<b>133,498,232</b>	<b>133,318,232</b>

Addnode Group held 1,210,000 (1,030,000) class B treasury shares on March 31, 2024.



## Consolidated Statement of Cash Flows

SEK m	Jan–Mar 2024	Jan–Mar 2023	Rolling 12 mos Apr–Mar 2023/2024	Full year 2023
<b>Operating activities</b>				
Operating profit	187	149	448	410
Adjustment for non-cash items	93	80	374	361
<b>Total</b>	<b>280</b>	<b>229</b>	<b>822</b>	<b>771</b>
Net financial items	-12	-13	-62	-63
Tax paid	-43	-25	-153	-135
<b>Cash flow from operating activities before changes in working capital</b>	<b>225</b>	<b>191</b>	<b>607</b>	<b>573</b>
Total change in working capital	156	78	-10	-88
<b>Cash flow from operating activities</b>	<b>381</b>	<b>269</b>	<b>597</b>	<b>485</b>
<b>Investing activities</b>				
Purchases and sales of intangible assets and property, plant and equipment	-48	-42	-208	-202
Acquisitions of financial assets	0	0	-6	-6
Acquisitions of subsidiaries and operations	-99	-118	-510	-529
Cash and cash equivalents in acquired subsidiaries	5	5	65	65
<b>Cash flow from investing activities</b>	<b>-142</b>	<b>-155</b>	<b>-659</b>	<b>-672</b>
<b>Financing activities</b>				
Dividend paid	-	-	-133	-133
Call options issued	-	-	4	4
Repurchase of the company's shares	-	-	-14	-14
Borrowings	45	64	550	569
Repayment of loans	-26	-34	-142	-150
<b>Cash flow from financing activities</b>	<b>19</b>	<b>30</b>	<b>265</b>	<b>276</b>
Change in cash and cash equivalents	258	144	203	89
Cash and cash equivalents at start of period	667	600	746	600
Exchange rate difference in cash and cash equivalents	43	2	19	-22
<b>Cash and cash equivalents at end of period</b>	<b>968</b>	<b>746</b>	<b>968</b>	<b>667</b>

# Parent Company financial statements

## Parent Company Income Statement

SEK m	Jan–Mar 2024	Jan–Mar 2023	Rolling 12 mos Apr–Mar 2023/2024	Full year 2023
Net sales	5	3	34	32
Operating expenses	-27	-26	-106	-105
<b>Operating loss</b>	<b>-22</b>	<b>-23</b>	<b>-72</b>	<b>-73</b>
Profit from participations in Group companies	-	-	348	348
Other financial income	11	5	47	41
Financial expenses	-30	-17	-125	-112
<b>Profit after financial items</b>	<b>-41</b>	<b>-35</b>	<b>198</b>	<b>204</b>
Change in tax allocation reserve	-	-	1	1
<b>Profit/loss before tax</b>	<b>-41</b>	<b>-35</b>	<b>199</b>	<b>205</b>
Tax	-	-	-13	-13
<b>Net profit for the period</b>	<b>-41</b>	<b>-35</b>	<b>186</b>	<b>192</b>

## Parent Company Balance Sheet

SEK m	2024 Mar 31	2023 Mar 31	2023 Dec 31
<b>Assets</b>			
Property, plant and equipment	10	-	9
Financial assets	2,992	2,994	2,949
Current receivables	52	52	85
Cash and cash equivalents	606	543	404
<b>Total assets</b>	<b>3,660</b>	<b>3,589</b>	<b>3,447</b>
<b>Equity and liabilities</b>			
Equity	1,440	1,397	1,481
Untaxed reserves	162	163	162
Provisions	62	105	58
Non-current liabilities	671	639	670
Current liabilities	1,325	1,285	1,076
<b>Total equity and liabilities</b>	<b>3,660</b>	<b>3,589</b>	<b>3,447</b>

# Operating segments

The following figures are for Q1.

## Revenue, gross profit and profit

SEK m	Design		PLM		Process		Central		Eliminations		Addnode Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Revenue</b>												
External sales	1,623	1,212	447	428	339	332	–	–	–	–	2,409	1,972
Transactions between segments	1	1	7	5	3	3	5	4	-16	-13	0	0
<b>Total revenue</b>	<b>1,624</b>	<b>1,213</b>	<b>454</b>	<b>433</b>	<b>342</b>	<b>335</b>	<b>5</b>	<b>4</b>	<b>-16</b>	<b>-13</b>	<b>2,409</b>	<b>1,972</b>
Gross profit	609	474	224	208	274	264	5	4	-11	-9	1,101	941
Gross margin, %	37.5	39.1	49.3	48.0	80.1	78.8					45.7	47.7
EBITA	168	131	41	26	65	64	-21	-19	–	–	253	202
EBITA margin, %	10.3	10.8	9.0	6.0	19.0	19.1					10.5	10.2
Operating profit/loss	135	107	24	11	49	50	-21	-19	–	–	187	149
Operating margin, %	8.3	8.8	5.3	2.5	14.3	14.9					7.8	7.6
Total net operating assets	2,008	1,490	799	671	993	894	72	13	–	–	3,872	3,068
Average number of employees	1,091	916	724	736	720	671	14	11	–	–	2,549	2,334

## Revenue breakdown

SEK m	Design		PLM		Process		Central		Eliminations		Addnode Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Licenses	23	19	41	49	9	12	–	–	0	0	73	80
Recurring revenue	1,393	1,023	287	264	153	141	–	–	0	0	1,833	1,428
Services	198	159	120	114	167	165	–	–	-5	-5	480	433
Other	10	12	6	6	13	17	5	4	-11	-8	23	31
<b>Total revenue</b>	<b>1,624</b>	<b>1,213</b>	<b>454</b>	<b>433</b>	<b>342</b>	<b>335</b>	<b>5</b>	<b>4</b>	<b>-16</b>	<b>-13</b>	<b>2,409</b>	<b>1,972</b>

Addnode Group operates through three divisions: Design Management, Product Lifecycle Management and Process Management. The Group's decentralized governance 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 17 m (4) and financial expenses of SEK -48 m (-17).

Acquisitions completed in the first quarter of 2024 meant that net operating assets in segments increased to only a limited extent compared with the disclosures in the Annual Report for 2023: PLM by SEK 82 m and Process Management by SEK 19 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

	Jan–Mar		Rolling 12 mos	Full year			
	2024	2023	Apr–Mar 2023/2024	2023	2022	2021	2020
Net sales, SEK m	2,409	1,972	7,849	7,412	6,225	4,077	3,807
<i>Design Management</i>	1,624	1,213	4,703	4,292	3,494	1,852	1,860
<i>Product Lifecycle Management</i>	454	433	1,905	1,884	1,580	1,227	1,141
<i>Process Management</i>	342	335	1,288	1,281	1,182	1,020	827
Gross profit, SEK m	1,101	941	3,858	3,703	3,234	2,309	2,092
<i>Design Management</i>	609	474	1,957	1,821	1,517	858	821
<i>Product Lifecycle Management</i>	224	208	899	883	788	636	589
<i>Process Management</i>	274	264	1,031	1,021	942	826	694
Gross margin, %	45.7	47.7	49.2	50.0	51.9	56.6	55.0
<i>Design Management</i>	37.5	39.1	41.6	42.4	43.4	46.3	44.1
<i>Product Lifecycle Management</i>	49.3	48.0	47.2	46.9	49.9	51.8	51.6
<i>Process Management</i>	80.1	78.8	80.1	79.7	79.7	81.0	83.9
EBITA, SEK m	253	202	691	640	728	461	356
<i>Design Management</i>	168	131	371	334	398	204	190
<i>Product Lifecycle Management</i>	41	26	158	143	158	117	57
<i>Process Management</i>	65	64	245	244	226	195	151
EBITA margin, %	10.5	10.2	8.8	8.6	11.7	11.3	9.4
<i>Design Management</i>	10.3	10.8	7.9	7.8	11.4	11.0	10.3
<i>Product Lifecycle Management</i>	9.0	6.0	8.3	7.6	10.0	9.5	5.0
<i>Process Management</i>	19.0	19.1	19.0	19.0	19.1	19.1	18.3
Average number of employees	2,549	2,334	N/A	2,455	2,137	1,776	1,758
<i>Design Management</i>	1,091	916	N/A	1,016	793	560	565
<i>Product Lifecycle Management</i>	724	736	N/A	740	687	613	654
<i>Process Management</i>	720	671	N/A	686	648	595	532



**Key figures, cont.**

	Jan–Mar		Rolling 12 mos	Full year			
	2024	2023	Apr–Mar 2023/2024	2023	2022	2021	2020
	Cash flow from operating activities, SEK m	383	269	601	487	714	437
Change in net sales, %	22	49	N/A	19	53	7	11
Operating margin, %	7.8	7.6	5.7	5.5	8.5	7.5	6.0
Return on capital employed, % <sup>1)</sup>	14.3	18.0	14.3	13.8	19.6	13.0	10.6
Return on equity, % <sup>1)</sup>	13.5	19.4	13.5	13.5	20.7	13.9	11.2
Equity/assets ratio, %	28	35	28	29	32.3	39.2	39.6
Equity, SEK m	2,284	2,099	2,284	2,116	2,005	1,693	1,512
Net debt, SEK m	816	381	816	999	463	368	182
Debt/equity ratio, %	36	18	36	47	23	22	12
Investments in equipment, SEK m	9	7	41	39	26	15	14

1) Key figures have been adjusted to reflect annualized return.

**Share data<sup>1)</sup>**

	Jan–Mar		Rolling 12 mos	Full year			
	2024	2023	Apr–Mar 2023/2024	2023	2022	2021	2020
	Average number of shares outstanding before and after dilution, m	133.3	133.5	133.4	133.4	133.6	134.2
Total number of shares outstanding, m	133.3	133.5	133.3	133.3	133.5	133.7	133.7
Earnings per share before and after dilution, SEK	0.90	0.78	2.21	2.09	2.86	1.66	1.22
Cash flow from operating activities per share, SEK	2.87	2.02	4.48	3.63	5.34	3.27	4.33
Equity per share, SEK	17.13	15.72	17.13	15.9	15.0	12.7	11.3
Share price at end of period, SEK	114.40	124.70	114.40	85.3	98.4	107.3	71.5
Share price/equity	6.68	7.93	6.68	5.37	6.55	8.47	6.32

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

## Key figures (quarter information)

	2024	2023				2022		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Net sales, SEK m	2,409	2,078	1,808	1,554	1,972	1,786	1,624	1,489
<i>Design Management</i>	1,624	1,246	1,055	778	1,213	1,004	977	806
<i>Product Lifecycle Management</i>	454	499	484	468	433	455	393	394
<i>Process Management</i>	342	346	280	320	335	335	262	297
Gross profit, SEK m	1,101	1,010	893	859	940	902	822	797
<i>Design Management</i>	609	512	448	388	474	425	418	367
<i>Product Lifecycle Management</i>	224	232	226	217	208	219	198	194
<i>Process Management</i>	274	273	224	260	264	262	209	239
Gross margin, %	45.7	48.6	49.4	55.3	47.7	50.5	50.6	53.5
<i>Design Management</i>	37.5	41.1	42.5	49.8	39.0	42.3	42.8	45.5
<i>Product Lifecycle Management</i>	49.3	46.5	46.7	46.4	48.0	48.1	50.5	49.2
<i>Process Management</i>	80.1	78.9	80.1	81.2	78.8	78.3	79.8	80.6
EBITA, SEK m	253	196 <sup>1)</sup>	132 <sup>2)</sup>	110 <sup>3)</sup>	202	200	194	154
<i>Design Management</i>	168	98	57	48	131	111	118	80
<i>Product Lifecycle Management</i>	41	54 <sup>1)</sup>	43 <sup>2)</sup>	20 <sup>3)</sup>	26	44	45	35
<i>Process Management</i>	65	67	53	60	64	60	50	56
EBITA margin, %	10.5	9.4 <sup>1)</sup>	7.3 <sup>2)</sup>	7.1 <sup>3)</sup>	10.2	11.2	11.9	10.3
<i>Design Management</i>	10.3	7.9	5.4	6.2	10.8	11.1	12.1	9.9
<i>Product Lifecycle Management</i>	9.0	10.8 <sup>1)</sup>	8.9 <sup>2)</sup>	4.3 <sup>3)</sup>	6.0	9.7	11.5	8.9
<i>Process Management</i>	19.0	19.4	18.9	18.8	19.1	17.9	19.1	18.9
Average number of employees	2,549	2,552	2,553	2,364	2,334	2,252	2,201	2,167
<i>Design Management</i>	1,091	1,098	1,115	933	916	857	840	837
<i>Product Lifecycle Management</i>	724	728	734	744	736	712	691	685
<i>Process Management</i>	720	712	690	675	671	673	661	637

1) EBITA has been charged with restructuring costs of SEK 5 m (-). Addnode Group's EBITA adjusted for restructuring costs was SEK 201 m (200), and the adjusted EBITA margin amounted to 9.7 percent (11.2).

2) EBITA has been charged with restructuring costs of SEK 5 m (-). Addnode Group's EBITA adjusted for restructuring costs was SEK 137 m (194), and the adjusted EBITA margin amounted to 7.6 percent (11.9).

3) 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 percent (10.3).

**Key figures, cont.**

	2024	2023				2022		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Cash flow from operating activities, SEK m	381	228	-139	127	269	261	89	122
Change in net sales, %	22	16	11	4	49	60	75	49
Operating margin, %	7.8	6.5	3.9	3.6	7.6	8.3	8.8	6.8
Return on capital employed, % <sup>1)</sup>	14.3	13.8	13.4	15.4	18.0	19.6	18.1	15.4
Return on equity, % <sup>1)</sup>	13.5	13.5	14.0	17.9	19.4	20.7	20.2	17.9
Equity/assets ratio, %	28	29	31	32	35	32	34	32
Equity, SEK m	2,284	2,116	2,056	2,060	2,099	2,005	1,890	1,793
Net debt, SEK m	816	999	1,103	488	381	463	659	601
Debt/equity ratio, %	36	47	54	24	18	23	35	34
Investments in equipment, SEK m	5	14	8	10	7	8	5	6

1) Key figures have been adjusted to reflect annualized return.

**Share data<sup>1)</sup>**

	2024	2023				2022		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Average number of shares outstanding before and after dilution, m	133.3	133.3	133.4	133.5	133.5	133.5	133.6	133.7
Total number of shares outstanding, m	133.3	133.3	133.3	133.5	133.5	133.5	133.5	133.7
Earnings per share before and after dilution, SEK	0.90	0.80	0.26	0.25	0.78	0.77	0.77	0.52
Cash flow from operating activities per share, SEK	2.87	1.71	-1.04	0.95	2.02	1.96	0.67	0.91
Equity per share, SEK	17.13	15.87	15.42	15.43	15.72	15.02	14.16	13.41
Share price at end of period, SEK	114.40	85.30	66.75	83.50	124.70	98.40	77.45	83.40
Share price/equity	6.68	5.37	4.33	5.41	7.93	6.55	5.47	6.22

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

# 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 25.

## 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 amortization and impairment of intangible non-current assets.

## Net debt

The Group considers this key figure 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 figure is an expression of the level of financial borrowing in absolute terms after deducting cash and cash equivalents.

### Reconciliation of EBITA

	Jan–Mar 2024	Jan–Mar 2023	Rolling 12 mos Apr–Mar 2023/2024	Full year 2023
Operating profit	187	149	448	410
Amortization and impairment of intangible non-current assets	66	53	243	230
<b>EBITA</b>	<b>253</b>	<b>202</b>	<b>691</b>	<b>640</b>

### Reconciliation of net debt

	2024 Mar 31	2023 Mar 31	2023 Dec 31
Non-current liabilities	2,309	1,478	2,212
Current liabilities	3,447	2,440	2,869
Non-interest-bearing non-current and current liabilities	-3,972	-2,788	-3,412
<b>Total interest-bearing liabilities</b>	<b>1,784</b>	<b>1,130</b>	<b>1,669</b>
Cash and cash equivalents	-968	-746	-667
Other interest-bearing receivables	–	-3	-3
<b>Net debt (+)/receivable (–)</b>	<b>816</b>	<b>381</b>	<b>999</b>

# Definitions

## Return on equity

Profit after tax as a percentage of average equity. Based on profit for the last 12 months and the average of the opening and closing balances of equity.

## 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.

## Share price/equity

Share price in relation to equity per share.

## Gross profit

Net sales less purchases of goods and services.

## Gross margin

Gross profit as a percentage of net sales.

## EBITA

Earnings before amortization and impairment of intangible assets.

## EBITA margin

EBITA as a percentage of net sales.

## Equity

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

## Equity per share

Equity divided by the total number of shares outstanding.

## Cash flow per share

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

## Average number of employees

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

## 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).

## Organic growth

Change in net sales excluding acquired entities in the most recent 12-month period.

## Earnings per share

Profit after tax divided by the average number of shares outstanding.

## Operating margin

Operating profit as a percentage of net sales.

## Debt/equity ratio

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

## Equity/assets ratio

Equity (including equity attributable

to non-controlling interests) as a percentage of total assets.

## Capital employed

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

## 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.

## Recurring revenue

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



#### Design Management division

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**SERVICE WORKS GLOBAL**

PART OF ADDNODE GROUP

**SYMETRI**

PART OF ADDNODE GROUP

**TEAM D3**

PART OF SYMETRI AND ADDNODE GROUP

**TRIBIA**

PART OF ADDNODE GROUP

#### Product Lifecycle Management division

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**TECHNIA**

PART OF ADDNODE GROUP

#### Process Management division

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**ADTOLLO**

PART OF ADDNODE GROUP

**INTRAPHONE**

PART OF ADDNODE GROUP

**CANELLA**

PART OF ADDNODE GROUP

**JETAS**

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**DECERNO**

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**NETPUBLICATOR**

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**DECISIVE**

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**ICEBOUND**

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