

Addnode Group provides update on corona pandemic impact, withdraws dividend proposal and announces cost savings measures

March 30, 2020, Stockholm

Although Addnode Group believes that the direct financial effects during the first quarter of 2020 will be limited, Addnode Group has identified a need to manage future effects on our operations as a result of the corona pandemic. At present, it is not possible to determine how large or long-lasting the corona pandemic effect is.

Revoked dividend proposal

Addnode Group has a strong financial position, but as a consequence of the uncertainty due to the corona pandemic, the Board of Addnode Group AB (publ) has decided to withdraw the previously announced proposal for a dividend of SEK 2.50 per share. The Board's new proposal is that no dividend be paid.

Cost saving measures

Addnode Group has initiated measures to adapt its capacity to existing conditions, among other things by evaluating the state support measures offered in different countries. The measures will mainly affect certain companies in the Design and PLM divisions, focusing on shortening of working hours, fewer sub-consultants and general cost savings. In order to adapt the operations to changing market conditions, staff reductions will also be implemented. Locally, discussions with authorities and trade union representatives have been initiated to find flexible solutions to maintain the competence of our employees.

Reduction in working hours will mean a temporary reduction in wages for many employees. The members of Addnode Group's group management have therefore decided to temporarily reduce their salaries by 10 percent. A corresponding reduction in consultancy fees to the Chairman of the Board is also made.

- The situation with the corona pandemic affects us and our customers. We must adapt to this change in global market conditions, especially the Design and PLM divisions. The Process Management Division with the customer base in the Swedish public sector is not expected to be affected to the same extent. We are taking steps to secure our long-term market-leading positions and protect our operations," says Addnode Group's President and CEO Johan Andersson.

ADDNODE GROUP

This information is such that Addnode Group AB (publ) is required to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication, through the contact person below, 14.30 CET on March 30, 2020.

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About Addnode Group

Addnode Group acquires, operates and develops entrepreneur-driven companies that supply software and digital services to markets in which the group have or can achieve a leading position. We are one of Europe's leading suppliers of software and services for design, construction and product data information, and a leading supplier of document and case management systems to public sector clients in Sweden and Norway.

We are 1 850 employees in Sweden, Germany, UK, Australia, Austria, Canada, Denmark, Finland, France, India, Japan, Netherlands, Norway, Serbia, Slovakia, South Africa and USA. Net sales in 2019 amounted to SEK 3 434 million. Addnode Group's Series B share is listed on Nasdaq Stockholm. For more information, please visit: www.addnodegroup.com