

## INTERIM REPORT 1 JANUARY–30 JUNE 2021

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

### SECOND QUARTER SUMMARY, APRIL–JUNE 2021

- Net sales increased by 18 per cent to SEK 1,002 m (846), of which 13 per cent was organic. Currency-adjusted organic growth was 14 per cent.
- EBITA increased to SEK 98 m (56), and the EBITA margin increased to 9.8 per cent (6.6). EBITA in the preceding year was charged with restructuring costs of SEK 20 m. EBITA adjusted for restructuring costs would have amounted to SEK 98 m (76), for an adjusted EBITA margin of 9.8 per cent (9.0).
- Operating profit increased to SEK 59 m (24), for an operating margin of 5.9 per cent (2.8).
- Profit for the period increased to SEK 40 m (14).
- Earnings per share increased to SEK 1.19 (0.42).
- Cash flow from operating activities decreased to SEK 51 m (188).
- Issue of 204,802 Class B shares in connection with acquisition of S-GROUP Solutions AB.
- Acquisition of Elpool i Umeå AB, with net sales of approximately SEK 6 m in 2019/2020.
- Acquisition of Irish company Procad Limited, with net sales of approximately SEK 50 m in 2020.
- Expansion of revolving credit facility by SEK 500 m to SEK 1,600 m.

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

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

# 18%

Net sales growth Q2 2021 compared with Q2 2020

# 9.8%

EBITA margin Q2 2021

# 65%

Share of recurring revenue Q2 2021

### KEY FIGURES

	Second quarter		6 months		Rolling 12 m	Full year
	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	Jul 2020- Jun 2021	2020
Net sales, SEK m	1,002	846	2,038	2,080	3,765	3,807
EBITA, SEK m	98	56	205	164	397	356
EBITA margin, %	9.8	6.6	10.1	7.9	10.5	9.4
Operating profit, SEK m	59	24	132	101	260	229
Operating margin, %	5.9	2.8	6.5	4.9	6.9	6.0
Profit for the period, SEK m	40	14	94	71	186	163
Earnings per share, SEK	1.19	0.42	2.80	2.12	5.56	4.88
Cash flow from operating activities, SEK m	51	188	201	464	316	579
Return on shareholders' equity*, %	12.2	10.9	12.2	10.9	12.2	11.2
Return on capital employed*, %	11.1	10.6	11.1	10.6	11.1	10.6
Shareholders' equity per share, SEK	47.78	43.29	47.78	43.29	47.78	45.23

\*Key figures are adjusted to reflect returns on a yearly basis.

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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 the summing of figures. In cases where an underlying figure is SEK 0 m when rounded, it is presented as 0.*



“The second quarter was characterised by continued growing demand in both the public and private sectors. We delivered strong organic growth, strongly improved earnings, and at the same time accelerated our pace of acquisitions.”

## GROWTH, STRONGLY IMPROVED EARNINGS AND MORE FAVOURABLE MARKET CONDITIONS

### STRONG ORGANIC GROWTH

Net sales increased by 18 per cent, of which 14 was organic adjusted for currency movements. Our subsidiaries are continuing their successful work on generating business. Organic growth shows that customers appreciate our digital solutions and that industrial customers have regained a willingness to invest.

### STRONGLY IMPROVED EARNINGS

EBITA increased by 75 per cent to SEK 98 m, and we strengthened the EBITA margin to 9.8 per cent. Recurring revenue is providing a stable foundation for earnings and accounted for 65 per cent of net sales. The earnings improvement is mainly attributable to the Product Lifecycle Management division, but the Process Management and Design Management divisions also had good earnings improvement.

### ALL DIVISIONS CONTRIBUTING

Design Management’s organic growth was 16 per cent, and the EBITA margin was stable during the second quarter. We have won new business for design and BIM systems in both the Nordic countries and the UK, and demand for digital facility management systems has improved.

Product Lifecycle Management achieved organic growth of 13 per cent and strongly improved its earnings. The level of activity and customers’ willingness to invest are generally better – this is clear especially in the manufacturing industry in Germany and the UK, where companies are once again investing in new licences. The cost-cutting programme that was initiated a year ago has been carried out according to plan.

Process Management had organic growth of 13 per cent and a stable, high EBITA margin. Demand from the public

sector remains strong for our overall product portfolio for case management, communication and administration. One example is an order from Apoteket that stretches over five years for delivery of system support for prescription processing of drugs for retail pharmacies and dose dispensing.

### ACQUISITIONS AND EXPANDED CREDIT FACILITY

Addnode Group’s strategy is to create sustained growth in value by acquiring and developing cutting edge enterprises that digitalise society. To date in 2021 we have carried out three acquisitions. Together these companies add annual sales of approximately SEK 200 m, most of which is recurring revenue. Our good cash flow and strong balance sheet, combined with the credit facility that was expanded by SEK 500 m during the quarter, allows us to continue executing our acquisition strategy.

### SUSTAINABILITY INCREASING DEMAND

There is a great need for digital solutions in a number of areas as sustainability demands are rising in businesses and society in general. Our digital solutions make it possible for city planners, architects and product developers to design more sustainable products, properties and infrastructure. Digital twins of a machine or a vehicle, but also of a building, a tunnel, a bridge or an entire city, enable more structured lifecycle planning. Our case management systems for public administration support the provision of services that meet citizens’ sustainability expectations while also complying with legal requirements. It is with pride and responsibility that Addnode Group is contributing to the creation and administration of a more sustainable society.

**Johan Andersson**  
President and CEO

## SIGNIFICANT EVENTS

### DURING THE SECOND QUARTER OF 2021

#### Issue in kind in connection with acquisition of S-GROUP Solutions

In connection with the closing of the acquisition of S-GROUP Solutions AB on 1 April 2021, Addnode Group's board decided to issue 204,802 new Class B shares as part of the total consideration for the acquisition. The issue in kind was conducted with support of a previous authorisation granted by Addnode Group's Annual General Meeting. See also page 10.

#### Acquisition of Elpool

In May 2021 Addnode Group acquired the software company Elpool i Umeå AB. The company had sales of SEK 6 m for the 2019/2020 financial year. The acquisition strengthens Addnode Group's offering of digital solutions for sustainable infrastructure and is consolidated in the Process Management division.

#### Acquisition of Procad

On 1 June 2021 Addnode Group acquired the Irish company Procad Limited (Procad). Procad is a leading Autodesk partner in the Irish market, providing digital solutions for design, BIM and product data for architects and engineers in the construction and manufacturing industries.

tries. Procad, which has become part of Symetri in the Design Management division, has 18 employees and had sales of approximately SEK 50 m in 2020.

#### Expanded credit facility

In June 2021 Addnode Group entered into a revolving credit facility agreement of SEK 1,600 m with Nordea and SEB. The credit facility can be used for financing existing debt, acquisitions and general corporate purposes. The new facility runs for three years with an extension option of 1+1 years. It replaces the previous acquisition and credit overdraft facilities in Nordea of SEK 1,100 m in total. The expanded credit facility strengthens the Group's capacity to acquire and develop businesses in accordance with its strategy.

#### AFTER THE END OF THE REPORTING PERIOD

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

### ADDNODE GROUP IN BRIEF

#### WHAT WE DO

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

#### FOR WHOM

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

#### TO WHAT BENEFIT

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

#### WHERE WE ARE ACTIVE

Addnode Group has 1,800 employees in 18 countries. The company's shares are listed on Nasdaq Stockholm.

#### FINANCIAL TARGETS

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

### FINANCIAL CALENDAR



## CONSOLIDATED NET SALES, EARNINGS AND CASH FLOW

### SECOND QUARTER, APRIL–JUNE 2021

The Group’s operations performed well during the second quarter of 2021 and noted higher demand in several areas. Customers in the manufacturing and automotive industries once again showed a greater willingness to invest. The British market is showing signs of recovery, which is favourable for the businesses in Design Management and Product Lifecycle Management. Demand for the Process Management division’s solutions and services for the public sector remained good.

Net sales increased to SEK 1,002 m (846), representing growth of 18 per cent. Organic growth was 13 per cent, and currency-adjusted organic growth was 14 per cent.

Licence revenue increased to SEK 62 m (43), recurring revenue increased to SEK 653 m (553), service revenue increased to SEK 271 m (239), and other revenue increased to SEK 16 m (11). The share of recurring revenue was 65 per cent (66).

EBITA increased to SEK 98 m (56), and the EBITA margin strengthened to 9.8 per cent (6.6). During the corresponding quarter in 2020, restructuring costs of SEK 20 m were recognised for adaptation of the organisation and cost structure in the Product Lifecycle Management division. EBITA adjusted for restructuring costs amounted to SEK 98 m (76), for an EBITA margin of 9.8 per cent (9.0). During the second quarter of 2020, the Group’s personnel costs were temporarily reduced by SEK 29 m through government support measures, such as short-term furloughs and reduced social security taxes.

Net financial items amounted to SEK -7 m (-7). Profit for the period increased to SEK 40 m (14). Earnings per share increased to SEK 1.19 (0.42).

Cash flow from operating activities amounted to SEK 51 m (188). The decrease is attributable to a lower contribution from the change in working capital than during the corresponding quarter in 2020. In the preceding year, cash flow was positively affected by, among other things, temporarily improved terms of payment from vendors and customers.

### FIRST HALF OF THE YEAR, JANUARY–JUNE 2021

Net sales amounted to SEK 2,038 m (2,080), representing negative growth of 2 per cent, of which -5 per cent was organic. Currency-adjusted organic growth was -2 per cent. During the first quarter of 2021 the Group reported negative growth of 16 per cent. Drawing a comparison is challenging, since the first quarter of 2020 was a record quarter in terms of net sales and EBITA at the same time during the first quarter of 2021 the Design Management and Product Lifecycle Management divisions continued to be affected by lower demand from industrial customers and challenging market conditions in the UK. During the second quarter of 2021 the Group reported total growth of 18 per cent, of which 13 per cent was organic.

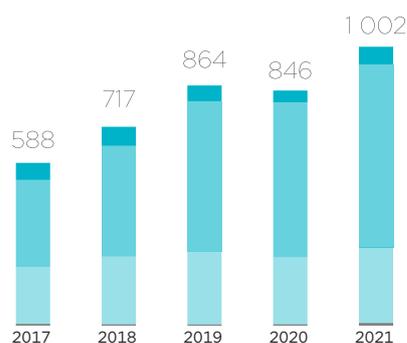
Licence revenue increased to SEK 119 m (103), recurring revenue decreased to SEK 1,365 m (1,435), service revenue increased to SEK 522 m (512), and other revenue amounted to SEK 32 m (30).

EBITA increased to SEK 205 m (164), for an EBITA margin of 10.1 per cent (7.9).

Net financial items amounted to SEK -10 m (-9). Reported tax on profit for the period was SEK -28 m (-21). Profit for the period increased to SEK 94 m (71). Earnings per share increased to SEK 2.80 (2.12).

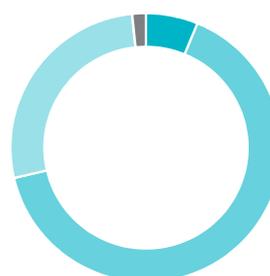
Cash flow from operating activities amounted to SEK 201 m (464). The decrease was essentially attributable to a lower contribution from the change in working capital than during the corresponding period a year ago. In the preceding year, cash flow was positively affected by temporarily improved terms of payment from vendors and customers, combined with a temporary decrease in tied-up capital owing to a decline in business activity associated with the Covid-19 pandemic. Working capital continued to be negative at the end of the period.

BREAKDOWN OF REVENUE, Q2 2017–2021



- Licences
- Recurring revenue
- Services
- Other

BREAKDOWN OF REVENUE, Q2 2021



- Licences, 6%
- Recurring revenue, 65%
- Services, 27%
- Other, 2%

## DEVELOPMENT PER DIVISION

### NET SALES AND EBITA, Q2

SEK m	Net sales			EBITA		
	2021 Q2	2020 Q2	Change %	2021 Q2	2020 Q2	Change %
Design Management	439	379	16	40	36	11
Product Lifecycle Management	299	267	12	27	-9	n/a
Process Management	268	205	31	48	37	30
Eliminations/central costs	-4	-5		-17	-8	
<b>Addnode Group</b>	<b>1,002</b>	<b>846</b>	<b>18</b>	<b>98</b>	<b>56</b>	<b>75</b>

### NET SALES AND EBITA, YTD

SEK m	Net sales			EBITA		
	2021 Jan-Jun	2020 Jan-Jun	Change %	2021 Jan-Jun	2020 Jan-Jun	Change %
Design Management	972	1,101	-12	101	112	-10
Product Lifecycle Management	582	571	2	45	1	4,400
Process Management	493	419	18	87	73	19
Eliminations/central costs	-9	-11		-28	-22	
<b>Addnode Group</b>	<b>2,038</b>	<b>2,080</b>	<b>-2</b>	<b>205</b>	<b>164</b>	<b>25</b>

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

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

## DESIGN MANAGEMENT DIVISION

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

### QUARTERLY DEVELOPMENT

Net sales increased during the second quarter of 2021 to SEK 439 m (379), representing growth of 16 per cent. Organic growth was 15 per cent, and currency-adjusted growth was 16 per cent.

Demand for the division's digital solutions for design and BIM systems showed continued favourable development in the Nordic countries. In the UK, signs could be noted that indicate that the market is beginning to recover. The acquisition of the Irish company Procad in June 2021 further expands the Group's geographic presence. In addition, businesses that provide proprietary digital solutions for facility management noted good demand in the Nordic countries and higher activity in the British market.

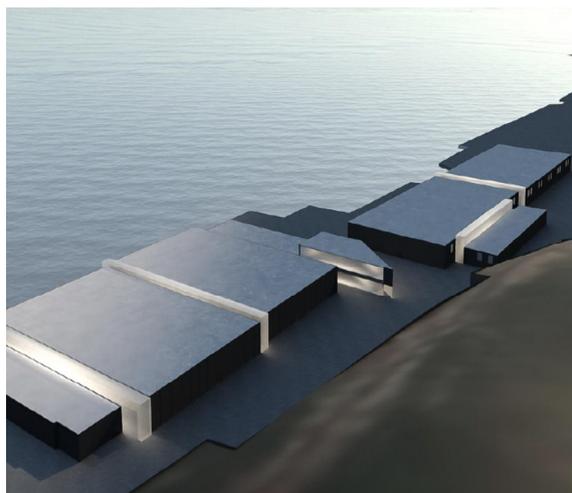
EBITA increased to SEK 40 m (36), corresponding to an EBITA margin of 9.1 per cent (9.5). During the second quarter of 2020, personnel costs were temporarily reduced through short-term furloughs, reduced social security taxes and voluntary salary abstentions.

### NEW BUSINESS

During the quarter the division secured agreements with customers such as Geoscience Australia, Honeywell, Jaguar Land Rover, Mosanada, SSAB, tp bennett, Trollhättan Energi and Tyréns.

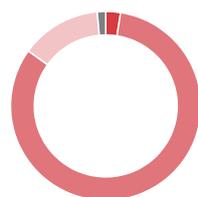
### MARKET

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



The Addnode Group company Tribia's industry-leading collaboration tool for the construction industry, Interaxo, has more than 50,000 daily users in the Nordic countries. An example of Interaxo in use can be seen as the company Sande Aqua is now building Norway's largest land-based fish farm, an investment worth approximately NOK 5-6 bn.

### NET SALES Q2 2021 BY TYPE OF REVENUE



- Licences, 3%
- Recurring revenue, 82%
- Services, 14%
- Other, 1%

### NET SALES GROWTH Q2 2021 COMPARED WITH Q2 2020

+16%

### EBITA Q2 2021 COMPARED WITH Q2 2020

+11%

### KEY FIGURES

SEK m	Q2 2021	Q2 2020	Change %
Net sales	439	379	16
EBITA	40	36	11
EBITA margin, %	9.1	9.5	
Operating profit	26	22	18
Operating margin, %	5.9	5.8	
Average no. employees	562	569	-1

## PRODUCT LIFECYCLE MANAGEMENT DIVISION

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

### QUARTERLY DEVELOPMENT

Net sales increased to SEK 299 m (267) during the second quarter of 2021, representing growth of 12 per cent. Organic growth was 9 per cent, and currency-adjusted growth was 13 per cent.

Continued favourable demand was noted in the Nordic countries, Benelux and Germany. A number of large licence agreements were secured during the quarter along with an increase in service revenue. Business in the UK noted a recovery in demand in pace with the opening up of society again following the previous shutdowns. In the USA the market conditions remain challenging.

EBITA increased to SEK 27 m (-9), and the EBITA margin strengthened to 9.0 per cent (-3.4). In the corresponding period in 2020, restructuring costs of SEK 20 m were recognised for adaptation of the organisation and cost structure. The restructuring programme has yielded the intended cost savings. The short-term furloughs initiated during the second quarter of 2020 have essentially been discontinued in 2021.

### NEW BUSINESS

During the quarter the division secured agreements with customers such as Artemis Technologies, B. Braun, Butterfly Seating, Coorstek, DLR, Einride AB, Koenigsegg Automotive AB, Metso Outotec, MyeongShin, Safran Aircraft, Scherdel, Sono Motors, Togg, Veryan and VINFAST.

### MARKET

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



*Minesto, which develops technology for offshore electricity generation, has chosen TECHNIA as its global provider and partner for Dassault Systèmes' ENOVIA solution for the 3DEXPERIENCE platform. The partnership exemplifies TECHNIA's strengths as a provider of sustainable, innovative solutions in design and product development.*

### NET SALES Q2 2021 BY TYPE OF REVENUE



- Licences, 12%
- Recurring revenue, 58%
- Services, 29%
- Other, 1%

### NET SALES GROWTH Q2 2021 COMPARED WITH Q2 2020

# +12%

### EBITA Q2 2021

# 27 SEK m

### KEY FIGURES

SEK m	Q2 2021	Q2 2020	Change %
Net sales	299	267	12
EBITA	27	-9*	n/a
EBITA margin, %	9.0	-3.4*	
Operating profit	15	-17	n/a
Operating margin, %	5.0	-6.4	
Average no. employees	612	682	-10

\* EBITA for Q2 2020 was charged with one-off costs of SEK 20 m associated with adaptation of the organisation and cost structure. Excluding these restructuring costs, EBITA would have amounted to SEK 11 m, for an EBITA margin of 4.1 per cent.

## PROCESS MANAGEMENT DIVISION

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

### QUARTERLY DEVELOPMENT

Net sales increased to SEK 268 m (205) during the second quarter of 2021, representing growth of 31 per cent. Organic growth was 13 per cent. Demand for the division's solutions for document and case management, citizen services and municipal technical systems and peripheral services remained good during the quarter. The division's businesses are well positioned for public sector tenders owing to attractive digital solutions, solid experience and good references. The acquisitions of S-GROUP Solutions and Elpool added complementary digital solutions and a high share of recurring revenue.

EBITA increased to SEK 48 m (37), corresponding to an EBITA margin of 17.9 per cent (18.0). During the second quarter of 2020, personnel costs were temporarily reduced through government support measures, mainly reduced social security taxes.

### NEW BUSINESS

During the quarter the division secured agreements with customers such as Apoteket, the Swedish Energy Agency, the Swedish Post and Telecom Authority, Region Dalarna, Region Stockholm, Södertörn Municipality and Östersund Municipality.

### MARKET

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



S-GROUP Solutions' proprietary IT solution, GEOSECMA for ArcGIS, and the world-leading GIS platform ArcGIS, are used by 85 per cent of Sweden's municipalities for sustainable community planning. The systems make it possible to offer high-quality, smart municipal technical service to municipal residents.

### NET SALES Q2 2021 BY TYPE OF REVENUE



- Licences, 5%
- Recurring revenue, 44%
- Services, 48%
- Other, 3%

### NET SALES GROWTH Q2 2021 COMPARED WITH Q2 2020

+31%

### EBITA Q2 2021 COMPARED WITH Q2 2020

+30%

### KEY FIGURES

SEK m	Q2 2021	Q2 2020	Change %
Net sales	268	205	31
EBITA	48	37	30
EBITA margin, %	17.9	18.0	
Operating profit	33	29	14
Operating margin, %	12.3	14.1	
Average no. employees	612	531	15

## CONSOLIDATED BALANCE SHEET AND CASH FLOW

### LIQUIDITY AND FINANCIAL POSITION

Cash and cash equivalents held by the Group amounted to SEK 475 m (675) as per 30 June 2021.

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

Of the total credit facility, SEK 761 m (676) was utilised as per 30 June 2021, entailing an available, remaining credit scope of SEK 839 m. The utilised portion of the new credit facility has been classified under non-current liabilities. The previous credit facility was classified under current liabilities, as its maturity date was 30 June 2021.

In addition to the utilised portion of the credit facility of SEK 761 m (676) were additional interest-bearing liabilities of SEK 111 m (117), including leases of SEK 108 m (117). Interest-bearing liabilities pertaining to completed acquisitions amounted to SEK 3 m (-). This entails that the Group's interest-bearing liabilities amounted to a total of SEK 872 m (793). The Group's net debt thereby amounted to SEK 396 m (117), and the equity/assets ratio was 39 per cent (40).

Non-interest bearing liabilities pertaining to completed acquisitions amounted to SEK 7 m (5), and estimated contingent consideration for completed company acquisitions amounted to SEK 119 m (67).

### CASH FLOW

Cash flow from operating activities amounted to SEK 201 m (464). The decrease was essentially attributable to a lower contribution from the change in working capital than during the corresponding period a year ago. In the preceding year, cash flow was positively affected by temporarily improved terms of payment from vendors and customers, combined with a temporary decrease in tied-up capital owing to a decline in business activity associated with the Covid-19 pandemic. Working capital continued to be negative at the end of the period.

Investments in subsidiaries and businesses resulted in a negative cash flow of SEK 251 m (195), of which SEK 6 m pertains to company acquisitions carried out in previous years. Cash flow from investing activities also includes outgoing payments of SEK 40 m (40) for proprietary software.

In connection with the dissolution of the previous credit facility agreement and securing of a new credit facility agreement, bank loans of SEK 744 m (0) were repaid and bank borrowing of SEK 770 m (220) was raised during the period. Cash flow from financing activities was negatively affected by SEK 35 m (34) regarding amortisation of the lease liability. In May 2021 a share dividend of SEK 84 m (-)

was paid out to the shareholders in accordance with a resolution by the Annual General Meeting.

### INVESTMENTS

Investments in intangible non-current assets and in property, plant and equipment amounted to SEK 70 m (77), of which SEK 40 m (40) pertained to proprietary software.

### GOODWILL AND OTHER INTANGIBLE ASSETS

The Group's carrying amount of goodwill on 30 June 2021 was SEK 2,068 m (1,694). Other intangible assets amounted to SEK 493 m (346) and pertain mainly to customer contracts, trademarks and software.

### DEFERRED TAX ASSETS

Deferred tax assets amounted to SEK 20 m (28) on 30 June 2021, of which SEK 10 m (6) pertains to tax loss carryforwards. As per 30 June 2021 the Group's accumulated tax loss carryforwards amounted to approximately SEK 75 m (75).

### SHAREHOLDERS' EQUITY

Shareholders' equity on 30 June 2021 amounted to SEK 1,607 m (1,447), corresponding to SEK 47.78 (43.29) per share outstanding.

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

Following a resolution by Addnode Group's 2021 Annual General Meeting, a long-term incentive plan for managers and senior executives has been launched. In June 2021, 195,800 call options for Class B shares were issued to some 60 participants. The market-valued call option premium of SEK 29.80 resulted in a total purchase price of approximately SEK 6 m, which has been applied to the Group's shareholders' equity. The options can be exercised for Class B shares during the period 25 October 2024 to 10 June 2025 during specific periods indicated by the agreement. Since the call options' exercise price, SEK 374.90, exceeded Addnode Group's share price of SEK 315 on 30 June 2021, there was no dilutive effect in earnings per share for the period. See also "Long-term incentive programme" on page 10.

### EMPLOYEES

The average number of employees in the Group decreased to 1,759 (1,838). The number of employees at the end of the period was 1,930 (1,833 as per 31 December 2020).

### DISCLOSURES OF ACQUISITIONS

During the second quarter of 2021 Addnode Group acquired all of the shares in three businesses: S-GROUP Solutions AB ("S-GROUP"), Elpool i Umeå AB ("Elpool"),

and Procad Ltd ("Procad"). The acquisitions carried out during the second quarter of 2021 contributed SEK 37 m in net sales for the quarter and first half of the year and SEK 4 m to EBITA. Costs for carrying out the acquisitions are included in the Group's other external costs in the amount of SEK 3 m (-) for the second quarter and SEK 3 m (3) for the first half of the year. If the acquisitions had been completed as per 1 January 2021, consolidated net sales for the period January-June 2021 would have amounted to approximately SEK 2,100 m and EBITA would have amounted to approximately SEK 215 m.

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

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

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

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

#### Purchase price allocation analysis

Acquired net assets in the companies at the acquisition date	Carrying amount in the companies	Fair value adjustment	Fair value in the Group
Intangible non-current assets	-	128	128
Other non-current assets	2	-	2
Current assets	57	-	57
Cash and cash equivalents	68	-	68
Other liabilities	-103	-26	-129
<b>Net identifiable assets/liabilities*</b>	<b>24</b>	<b>102</b>	<b>126</b>
Goodwill	-	-	<b>266</b>
<b>Calculated purchase price*</b>	<b>-</b>	<b>-</b>	<b>392</b>

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

#### RELATED PARTY TRANSACTIONS

During 2021 the Chairman of the Board, Staffan Hanstorp, via a company, invoiced the Parent Company SEK 1.4 m (1.4) in fees for consulting services associated with the Group's acquisition opportunities, financing matters, strategic partnerships and overarching strategic matters.

#### PARENT COMPANY

Net sales in 2021 amounted to SEK 5 m (3) and pertained mainly to invoicing to subsidiaries for rents of premises and performed services. Profit after financial items totalled SEK -10 m (-99) including dividends from subsidiaries totalling 66 m (17) and impairment of shares in subsidiaries totalling SEK - m (85). Cash and cash equivalents amounted to SEK 351 m (533) on 30 June 2021. Investments pertaining to shares in subsidiaries amounted to SEK 342 m (312). No significant investments have been made in intangible non-current assets or in property, plant and equipment.

#### ANNUAL GENERAL MEETING

##### Board of Directors and dividend

At the Annual General Meeting (AGM) on 6 May 2021, Jan Andersson, Kristofer Arwin, Johanna Frelin, Staffan Hanstorp, Sigrun Hjelmquist, Thord Wilkne and Kristina Willgård were re-elected as board members. Staffan Hanstorp was re-elected as Chairman of the Board.

The AGM resolved in favour of a dividend of SEK 2.50 per share, which was paid to the shareholders in May 2021.

##### Authorisations

The AGM resolved to authorise the Board, on one or more occasions during the time up until the next AGM and with or without deviation from the shareholders' preferential rights, to decide on new issues of Class B shares. Based on this resolution and with the support of the authorisation, it shall be possible to increase the number of Class B shares by not more than 10 per cent based on the number of outstanding Class B shares in the company at the time of the first exercise of the authorisation. The authorisation shall also encompass the right to decide on a new issue of Class B shares stipulating payment in kind or that the shares shall be subscribed for with right of set-off or otherwise with conditions stipulated in Chapter 13, Section 7 of the Swedish Companies Act.

The AGM also resolved to authorise the Board of Directors, on one or more occasions during the time up until the next AGM, to decide on acquisitions and transfers of own shares. The company may acquire a maximum number of Class B shares so that the company's combined holding following the acquisition does not exceed 10 per cent of the total number of shares in the company.

##### Long-term incentive programme

The AGM resolved to introduce a long-term share-based incentive programme ("LTIP 2021") for senior executives of Addnode Group, under which the participants are given the opportunity to acquire, at market price, call options for Class B shares in Addnode Group that have been repurchased by the company. The number of call options to be issued shall not exceed 225,000, corresponding to approximately 0.67 per cent of the total number of shares and approximately 0.53 per cent of the total number of votes in the Addnode Group. Each call option entitles the holder to acquire one (1) repurchased Class B share in the

company during certain specified periods starting on the day after publication of the interim report for the period July–September 2024, the year-end report for 2024, and the interim report for the period January–March 2025, however not after 10 June 2025.

### SEASONAL VARIATIONS

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

### ACCOUNTING POLICIES

#### General

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

#### Deferred tax assets

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

#### Disclosures of financial instruments

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

#### Option programme

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

#### Government assistance

During 2020 the Group accepted government assistance as part of the measures taken by the authorities in response to the Covid-19 pandemic in several countries in Europe in which the Group's companies are active. The government assistance pertains to short-term furloughs, reductions in social security taxes and compensation for sick pay. The use of government assistance measures decreased successively during the second half of 2020, and during 2021 only limited government assistance was accepted, related to short-term furloughs in companies outside of Sweden. Approximately 20 employees (corresponding to approximately 15 full-time equivalents) were covered by short-term furloughs during the first half of 2021. In accordance with IAS 20, the effects of the government assistance measures, totalling SEK 2 m, are reported net in the Group's personnel costs.

### SIGNIFICANT RISKS AND UNCERTAINTIES

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

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

### FUTURE OUTLOOK

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

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

The decision to not issue a forecast stands firm.

## CERTIFICATION

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

Stockholm, 21 July 2021

**Staffan Hanstorp**  
Chairman of the Board

**Jan Andersson**  
Director

**Kristofer Arwin**  
Director

**Johanna Frelin**  
Director

**Sigrun Hjelmquist**  
Director

**Thord Wilkne**  
Director

**Kristina Willgård**  
Director

**Johan Andersson**  
President and CEO

*This half-year report has not been reviewed by the company's auditors.*

## CONSOLIDATED FINANCIAL STATEMENTS

### CONSOLIDATED INCOME STATEMENTS

SEK m	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Full year
Net sales	1,002	846	2,038	2,080	3,807
Purchases of goods and services	-414	-358	-890	-989	-1,715
Other external costs	-77	-61	-141	-142	-270
Personnel costs	-412	-373	-799	-784	-1,461
Capitalised work performed by the company for its own use	20	21	40	40	80
Depreciation/amortisation and impairment of					
- tangible non-current assets	-22	-22	-44	-44	-88
- intangible non-current assets	-39	-32	-73	-63	-127
Profit/loss on sale of business	1	3	1	3	3
<b>Operating profit</b>	<b>59</b>	<b>24</b>	<b>132</b>	<b>101</b>	<b>229</b>
Financial income	0	0	1	3	3
Financial expenses	-7	-7	-11	-12	-21
<b>Profit before taxes</b>	<b>52</b>	<b>17</b>	<b>122</b>	<b>92</b>	<b>211</b>
Current tax	-17	-8	-36	-29	-47
Deferred tax	5	5	8	8	-1
<b>Net profit for the period</b>	<b>40</b>	<b>14</b>	<b>94</b>	<b>71</b>	<b>163</b>
<i>Attributable to:</i>					
Owners of the Parent Company	40	14	94	71	163
<b>Share data</b>					
Earnings per share before and after dilution, SEK	1.19	0.42	2.80	2.12	4.88
Average number of shares outstanding:					
Before and after dilution	33,629,782	33,427,256	33,528,519	33,427,256	33,427,256

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Full year
Net profit for the period	40	14	94	71	163
<i>Other comprehensive income, items that will not be reclassified to profit or loss:</i>					
Actuarial gains and losses on pension obligations	-	-	-	-	0
<i>Other comprehensive income, items that may be reclassified to profit or loss:</i>					
Exchange rate difference upon translation of foreign operations	-29	-84	63	-75	-124
Hedge of net investments in foreign operations	15	46	-38	41	63
<b>Total other comprehensive income after tax for the period</b>	<b>-14</b>	<b>-38</b>	<b>25</b>	<b>-34</b>	<b>-61</b>
<b>Comprehensive income for the period</b>	<b>26</b>	<b>-24</b>	<b>119</b>	<b>37</b>	<b>102</b>
<i>Attributable to:</i>					
Owners of the Parent Company	26	-24	119	37	102

## CONSOLIDATED BALANCE SHEETS

SEK m	2021 30 Jun	2020 30 Jun	2020 31 Dec
<b>Assets</b>			
Goodwill	2,068	1,694	1,763
Other intangible non-current assets	493	346	380
Property, plant and equipment	167	203	187
Financial assets	39	52	40
<b>Total non-current assets</b>	<b>2,767</b>	<b>2,295</b>	<b>2,370</b>
Inventories	0	2	1
Current receivables	870	652	803
Cash and cash equivalents	475	675	644
<b>Total current assets</b>	<b>1,345</b>	<b>1,329</b>	<b>1,448</b>
<b>Total assets</b>	<b>4,112</b>	<b>3,624</b>	<b>3,818</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	1,607	1,447	1,512
Non-current liabilities	1,005	187	235
Current liabilities	1,500	1,990	2,071
<b>Total shareholders' equity and liabilities</b>	<b>4,112</b>	<b>3,624</b>	<b>3,818</b>
Interest-bearing receivables amount to	1	1	1
Interest-bearing liabilities amount to	872	793	827
Pledged assets	8	9	8
Contingent liabilities	39	12	18

## SHAREHOLDERS' EQUITY AND NUMBER OF SHARES

Specification of changes in shareholders' equity, SEK m	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Full year
<b>Shareholders' equity, opening balance</b>	<b>1,605</b>	<b>1,471</b>	<b>1,512</b>	<b>1,410</b>	<b>1,410</b>
Dividend	-84	-	-84	-	-
New issue	54	-	54	-	-
Call options issued	6	-	6	-	-
Comprehensive income for the period	26	-24	119	37	102
<b>Shareholders' equity, closing balance</b>	<b>1,607</b>	<b>1,447</b>	<b>1,607</b>	<b>1,447</b>	<b>1,512</b>
<b>Shareholders' equity attributable to:</b>					
Owners of the Parent Company	1,607	1,447	1,607	1,447	1,512
<b>Number of shares outstanding, opening balance</b>	<b>33,427,256</b>	<b>33,427,256</b>	<b>33,427,256</b>	<b>33,427,256</b>	<b>33,427,256</b>
New issue	204,802	-	204,802	-	-
<b>Number of shares outstanding, closing balance</b>	<b>33,632,058</b>	<b>33,427,256</b>	<b>33,632,058</b>	<b>33,427,256</b>	<b>33,427,256</b>

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

## CONSOLIDATED STATEMENTS OF CASH FLOWS

SEK m	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Full year
<b>Operating activities</b>					
Operating profit	59	24	132	101	229
Adjustment for non-cash items	53	73	97	126	242
<b>Total</b>	<b>112</b>	<b>97</b>	<b>229</b>	<b>227</b>	<b>471</b>
Net financial items	-6	0	-11	-3	-18
Tax paid	-16	-12	-27	-25	-38
<b>Cash flow from operating activities before changes in working capital</b>	<b>90</b>	<b>85</b>	<b>191</b>	<b>199</b>	<b>415</b>
Total change in working capital	-39	103	10	265	164
<b>Cash flow from operating activities</b>	<b>51</b>	<b>188</b>	<b>201</b>	<b>464</b>	<b>579</b>
<b>Investing activities</b>					
Purchases and sales of intangible assets and property, plant and equipment	-27	-22	-50	-47	-104
Acquisitions of subsidiaries and operations	-313	-116	-319	-249	-343
Cash and cash equivalents in acquired companies	68	-	68	54	72
<b>Cash flow from investing activities</b>	<b>-272</b>	<b>-138</b>	<b>-301</b>	<b>-242</b>	<b>-375</b>
<b>Financing activities</b>					
Paid dividend	-84	-	-84	-	-
Issued call options	6	-	6	-	-
Borrowings	770	119	770	220	263
Repayment of loans	-761	-17	-779	-34	-70
<b>Cash flow from financing activities</b>	<b>-69</b>	<b>102</b>	<b>-87</b>	<b>186</b>	<b>193</b>
Change in cash and cash equivalents	-290	152	-187	408	397
Cash and cash equivalents at start of period	779	559	644	294	294
Exchange rate difference in cash and cash equivalents	-14	-36	18	-27	-47
<b>Cash and cash equivalents at end of period</b>	<b>475</b>	<b>675</b>	<b>475</b>	<b>675</b>	<b>644</b>

## PARENT COMPANY FINANCIAL STATEMENTS

### PARENT COMPANY INCOME STATEMENTS

SEK m	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Full year
Net sales	2	2	5	3	18
Operating expenses	-18	-13	-36	-28	-59
<b>Operating profit</b>	<b>-16</b>	<b>-11</b>	<b>-31</b>	<b>-25</b>	<b>-41</b>
Profit/loss from participations in Group companies	66	-68	66	-68	97
Other financial income	3	0	3	4	5
Financial expenses	-45	-5	-48	-10	-17
<b>Profit after financial items</b>	<b>8</b>	<b>-84</b>	<b>-10</b>	<b>-99</b>	<b>44</b>
Provision to tax allocation reserve	-	-	-	-	-25
<b>Profit before taxes</b>	<b>8</b>	<b>-84</b>	<b>-10</b>	<b>-99</b>	<b>19</b>
Tax	-	-	-	-	-16
<b>Net profit for the period</b>	<b>8</b>	<b>-84</b>	<b>-10</b>	<b>-99</b>	<b>3</b>

### PARENT COMPANY BALANCE SHEETS

SEK m	2021 30 Jun	2020 30 Jun	2020 31 Dec
<b>Assets</b>			
Intangible non-current assets	0	0	0
Financial assets	2,828	2,298	2,438
Current receivables	67	34	50
Cash and cash equivalents	351	533	518
<b>Total assets</b>	<b>3,246</b>	<b>2,865</b>	<b>3,006</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	1,247	1,178	1,281
Untaxed reserves	96	72	96
Provisions	122	72	117
Non-current liabilities	770	-	-
Current liabilities	1,011	1,543	1,512
<b>Total shareholders' equity and liabilities</b>	<b>3,246</b>	<b>2,865</b>	<b>3,006</b>

## OPERATING SEGMENTS

The figures below refer to the first half of the respective years.

### REVENUE AND PROFIT

SEK m	Design Management		PLM		Process Management		Central		Eliminations		Addnode Group	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Revenue</b>												
External sales	970	1,098	578	569	489	413	1	0	-	-	2,038	2,080
Transactions between segments	2	3	4	2	4	6	5	1	-15	-12	0	0
<b>Total revenue</b>	<b>972</b>	<b>1,101</b>	<b>582</b>	<b>571</b>	<b>493</b>	<b>419</b>	<b>6</b>	<b>1</b>	<b>-15</b>	<b>-12</b>	<b>2,038</b>	<b>2,080</b>
EBITA	101	112	45	1	87	73	-28	-22			205	164
EBITA margin, %	10.4	10.2	7.7	0.2	17.6	17.4					10.1	7.9
Operating profit	72	83	24	-15	63	56	-27	-23			132	101
Operating margin, %	7.4	7.5	4.1	-2.6	12.8	13.4					6.5	4.9
Average number of employees	566	600	609	709	576	522	8	7			1,759	1,838

### REVENUE DISTRIBUTION

SEK m	Design Management		PLM		Process Management		Central		Eliminations		Addnode Group	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Licences	24	37	72	52	23	14	-	-	-	-	119	103
Recurring revenue	823	917	333	345	209	175	-	-	-	-2	1,365	1,435
Services	113	128	169	169	244	219	-	-	-4	-4	522	512
Other	12	19	8	5	17	11	6	1	-11	-6	32	30
<b>Total revenue</b>	<b>972</b>	<b>1,101</b>	<b>582</b>	<b>571</b>	<b>493</b>	<b>419</b>	<b>6</b>	<b>1</b>	<b>-15</b>	<b>-12</b>	<b>2,038</b>	<b>2,080</b>

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

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

ing profits and consolidated profit before tax pertains to financial income of SEK 1 m (3) and financial expenses of SEK -11 m (-12).

As a result of completed acquisitions, operating capital has increased by SEK 24 m in the Design Management division and by SEK 324 m in the Process Management division compared with information provided in the most recent annual report. Operating capital is defined as the sum of goodwill and other intangible non-current assets, property, plant and equipment excluding leases, financial assets, trade receivables and other operating assets less trade payables and other operating liabilities.

## KEY FIGURES – QUARTERLY

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

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

<sup>2</sup> Key figures are adjusted to reflect returns on a yearly basis.

## SHARE DATA

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

## ALTERNATIVE PERFORMANCE MEASURES USE AND RECONCILIATION

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

*Definitions are provided on page 20.*

### EBITA

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

### NET DEBT

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

#### RECONCILIATION OF EBITA

	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Full year
Operating profit	59	24	132	101	229
Amortisation and impairment of intangible non-current assets	39	32	73	63	127
<b>EBITA</b>	<b>98</b>	<b>56</b>	<b>205</b>	<b>164</b>	<b>356</b>

#### RECONCILIATION OF NET DEBT

	2021 30 Jun	2020 30 Jun	2020 31 Dec
Non-current liabilities	1,005	187	235
Current liabilities	1,500	1,990	2,071
Noninterest-bearing non-current and current liabilities	-1,633	-1,384	-1,479
<b>Total interest-bearing liabilities</b>	<b>872</b>	<b>793</b>	<b>827</b>
Cash and cash equivalents	-475	-675	-644
Other interest-bearing receivables	-1	-1	-1
<b>Net debt (+)/receivable (-)</b>	<b>396</b>	<b>117</b>	<b>182</b>

## DEFINITIONS

### Average number of employees

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

### Capital employed

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

### Cash flow per share

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

### Currency-adjusted organic growth

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

### Earnings per share

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

### EBITA

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

### EBITA margin

EBITA as a percentage of net sales.

### Equity/assets ratio

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

### Net debt

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

### Net sales per employee

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

### Operating margin

Operating profit as a percentage of net sales.

### Organic growth

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

### Recurring revenue

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

### Return on capital employed

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

### Return on shareholders' equity

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

### Share price/shareholders' equity

Share price in relation to shareholders' equity per share.

### Shareholders' equity

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

### Shareholders' equity per share

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

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