

ADDNODE GROUP

Q3 2020

ADDNODE GROUP



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WE PROVIDE DIGITAL SOLUTIONS

STRATEGY

Addnode Group is a group of companies that provides digital solutions. We create sustainable growth in value over time by continuously acquiring new companies and actively supporting our subsidiaries to drive organic profit growth.

SUSTAINABLE GROWTH IN VALUE

ACQUISITIONS

Complementary
businesses or markets
Values-based leadership
Attractive valuation

ORGANIC GROWTH

Decentralised responsibility
and authority
Strategic support
Synergies and
collaborations

OPERATIONS IN THREE DIVISIONS

Design Management

Design, BIM and Product data solutions for engineers and architects, and software for project collaborations, property management and facility management.

Product Lifecycle Management

Developing and managing products during their entire lifecycles, from idea, design, simulation and construction to sale, aftermarket and recycling.

Process Management

Document and case management, e-archives, information management and citizen dialogues for the public sector and private customers.

SYMETRI EXCITECH
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SERVICE WORKS GLOBAL
ADDNODE GROUP

TRIBIA
ADDNODE GROUP

TECHNIA
ADDNODE GROUP

FORSLER STJERNA ADDTOLLO
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IDA INFRONT ARKIVA
ADDNODE GROUP ADDNODE GROUP

INPORT CANELLA
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INTRAPHONE DECERNO
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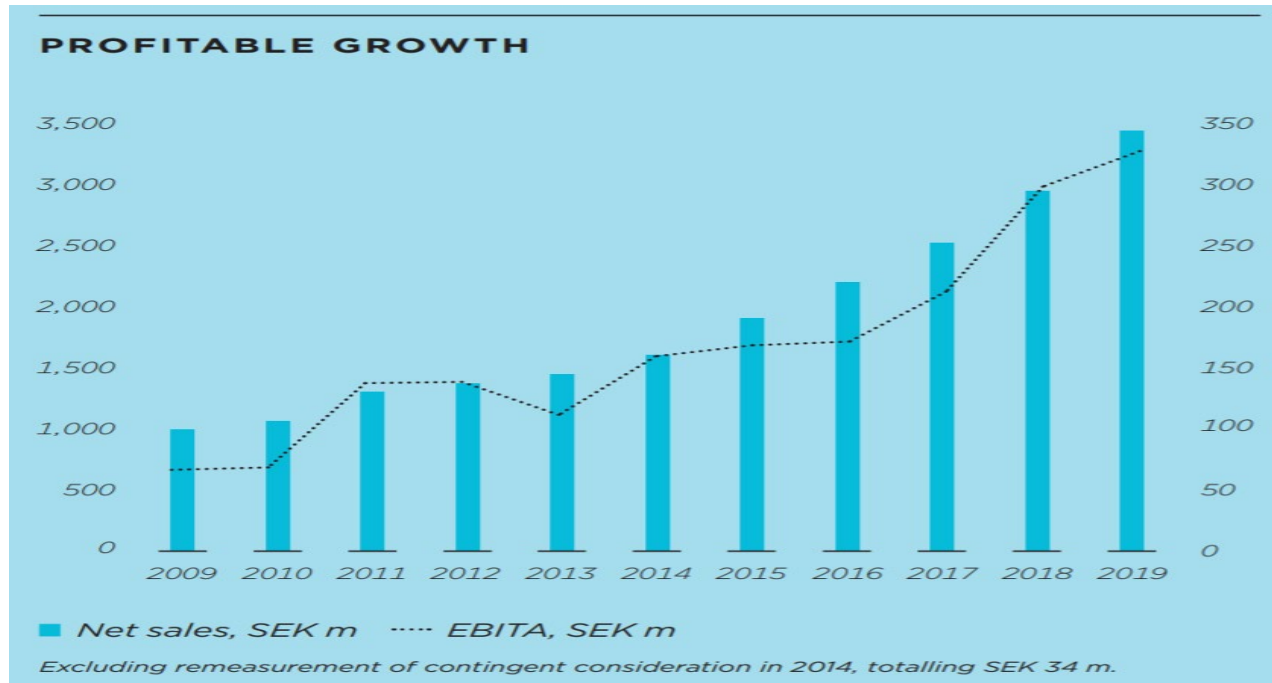
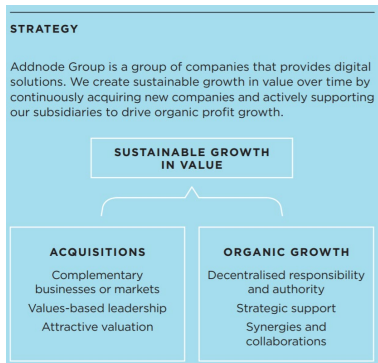
KOMPANION EVITBE
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MITTBYGGE SOKIGO
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NETPUBLICATOR STAMFORD
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VOICE PROVIDER
ADDNODE GROUP

STRATEGY FOR PROFITABLE GROWTH



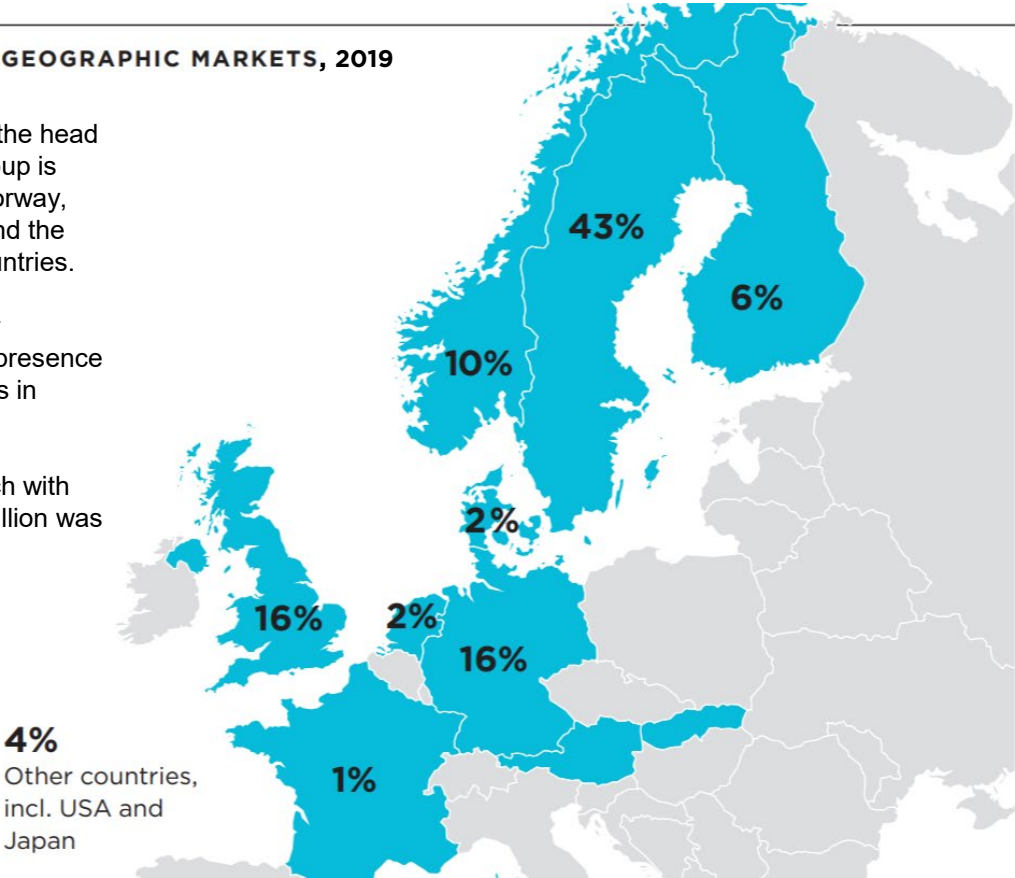
INTERNATIONAL GROUP

SHARE OF NET SALES BY GEOGRAPHIC MARKETS, 2019

Apart from in Sweden, where the head office is located, Addnode Group is active in Germany, the UK, Norway, Finland, the USA, Denmark and the Netherlands, among other countries.

During 2019 the Group further strengthened its international presence with acquisitions of businesses in France and Japan.

In Q1 2020, UK based Excitech with Net sales of appr. SEK 600 million was acquired.



ADDNODE GROUP

Net sales: SEK 3,8 billion
Employees: 1,800

AGENDA – **Q3 2020**

1. Summary Q3 2020
2. Acquisitions
3. Group performance Q3 2020
4. Three divisions
 - a. Design Management
 - b. Product Lifecycle Management
 - c. Process Management
5. Financial position

Q3 2020 – STRONG EARNINGS IN A PREVALING MARKET

- Amid the prevailing conditions we delivered strong earnings for the third quarter.
- Net sales increased by 3 per cent, of which minus 7 percentage points was organic adjusted for currency effects.
- Recurring revenue accounted for 69% (65%) of net sales
- Cost restraint, furloughs and execution of cost-cutting programmes have resulted in an improved EBITA margin.
- Acquisition of Netpublicator

Q3 2020 – ACQUISITIONS

- Acquisition of Netpublicator
 - SaaS services for digital document and meeting management in public administration.
 - The company's net sales amounted to approximately SEK 16 million with good profitability in 2019.
 - Part of the Process Management division.

NETPUBLICATOR DOCS

A concept for digital distribution of documents to tablets, computers and telephones



Digital distribution



Instant update



Multiple platforms



Security/sign on

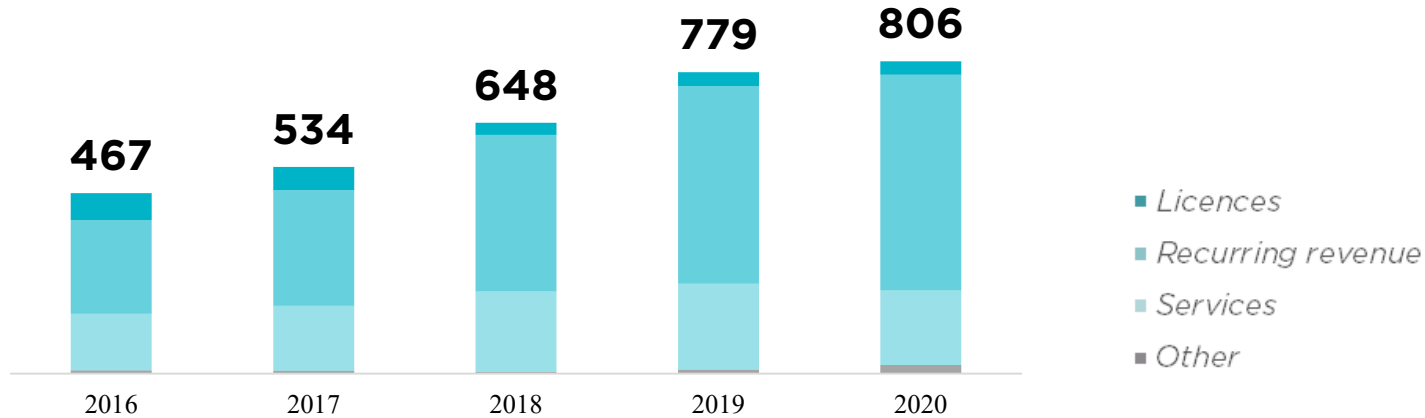
CONSOLIDATED PERFORMANCE

	Q3 2020	Q3 2019	Change, %	2020 LTM	2019	Change, %
Net sales, SEK m	806	779	3	3,819	3,434	11
EBITA, SEK m	84*	71	18	348	327	6
EBITA margin, %	10.4*	9.1		9.1	9.5	
Earnings per share SEK	1.11	0.93	19	4.73	3.86	22

*EBITA was charged with restructuring costs of SEK 8 m (-). EBITA adjusted for restructuring costs was SEK 92 m (71), for an adjusted EBITA margin of 11.4 per cent (9.1).

NET SALES DISTRIBUTION, Q3 2020

STABLE BASE OF RECURRING REVENUE

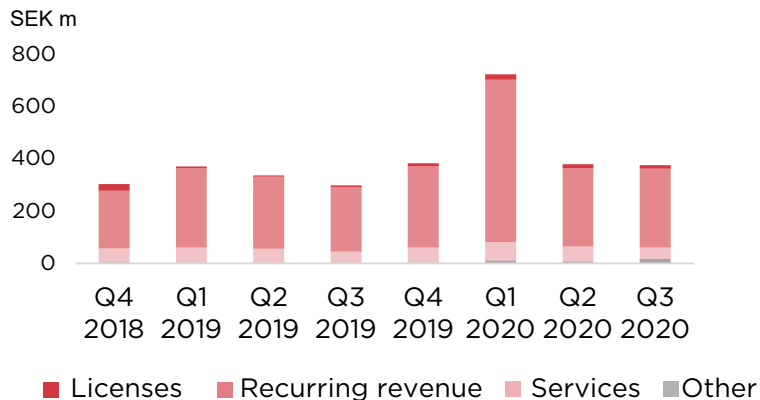


DIVISION **DESIGN MANAGEMENT**

Software and digital solutions for design and BIM for engineers and architects in the construction and property sectors, manufacturing industries and marine industry. The division also has a strong offering for project collaboration, and property and facility management.

	Q3 2020	Q3 2019	Change, %	LTM 2020	2019	Change, %
Net sales, SEK m	375	299	25	1,858	1,387	34
EBITA, SEK m	42	30	40	192	146	32
EBITA margin, %	11.2	10.0		10.3	10.5	

Net sales distribution, Q3 2020



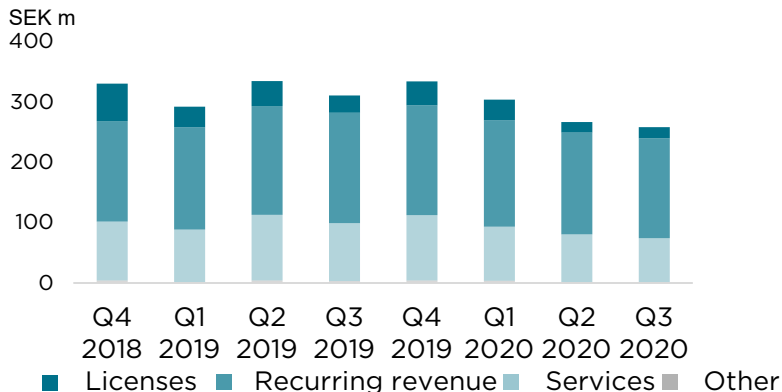
DIVISION **PRODUCT LIFECYCLE MANAGEMENT**

Software and digital solutions for developing and managing products throughout their lifecycles
 - from idea, design, simulation and construction to sale, aftermarket and recycling.

	Q3 2020	Q3 2019	Change, %	LTM 2020	2019	Change, %
Net sales, SEK m	258	311	-17	1,163	1,272	-9
EBITA, SEK m	17*	23	-26	51	104	-51
EBITA margin, %	6.6*	7.4		4.4	8.2	

*EBITA for Q3 2020 was charged with one-off costs of SEK 8 m associated with adaptation of the organisation and cost structure. Excluding these restructuring costs, EBITA would have amounted to SEK 25 m, for an EBITA margin of 9.7 per cent. The change in EBITA in a comparison between Q3 2020 and Q3 2019 would have amounted to +9 per cent.

Net sales distribution, Q3 2020

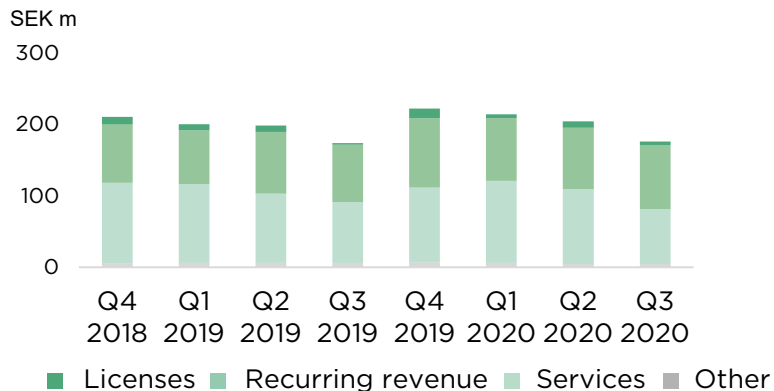


DIVISION **PROCESS MANAGEMENT**

Software and digital solutions for document and case management, e-archives, information management and citizen dialogue in the public sector and for private customers.

	Q3 2020	Q3 2019	Change, %	LTM 2020	2019	Change, %
Net sales, SEK m	177	174	2	819	797	3
EBITA, SEK m	33	25	32	144	115	25
EBITA margin, %	18.6	14.4		17.6	14.4	

Net sales distribution, Q3 2020



CONSOLIDATED CASH FLOW

Cash flow, SEK m	Q3 2020	Q3 2019	Change	YTD Sep 2020	YTD Sep 2019	Change
Operating profit	52	43	9	153	145	8
Adjustments for non-cash items	60	48	12	186	141	45
Other	-28	-17	-11	-56	-62	6
Cash flow from operations before working capital changes	84	74	10	283	224	59
Changes in working capital	-150	-42	-108	115	15	100
Cash flow from operating activities	-66	32	-98	398	239	159
Cash flow from investing activities	-72	-33	-39	-314	-286	-28
Cash flow from financing activities	26	20	6	212	-185	397
Total cash flow	-112	19	-131	296	-232	528

CONSOLIDATED FINANCIAL POSITION

Balance sheet, SEK m	Sep 30, 2020	Sep 30, 2019	<i>Change</i>
Intangible non-current assets	2 140	1 911	229
Other non-current assets	249	183	66
Current receivables	667	716	-49
Cash and cash equivalents	563	178	385
Total assets	3 619	2 988	631
Equity	1 484	1 372	112
Non-current liabilities	233	150	83
Current liabilities	1 902	1 466	436
Total equity & liabilities	3 619	2 988	631
Equity ratio	41%	46%	
Net debt	271	427	-156
Revolving credit facility	1 000	750	250
Overdraft facility	100	100	0
Total credit facilities	1 100	850	250
Whereof unutilized	378	371	7

Q3 2020 – TO SUM IT UP

- Net sales increased by 3 per cent, of which minus 7 percentage points was organic adjusted for currency effects.
- Recurring revenue accounted for 69% (65%) of net sales
- Cost restraint, furloughs and execution of cost-cutting programmes have resulted in an improved EBITA margin.
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Q&A

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