



ADDNODE GROUP

Q3 2021

PRESENTATION OF ADDNODE GROUP'S

Interim report January – September 2021



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AGENDA

Q3 2021

1. Addnode Group
2. Divisions
 - a. Design Management
 - b. Product Lifecycle Management
 - c. Process Management
3. Cash flow and Financial position
4. Acquisitions
5. Sustainability focus areas
6. Investment case
7. Shareholders
8. Q&A

ADDNODE GROUP

Digital Solutions for a Sustainable Future

We create sustainable growth in value by acquiring and developing cutting edge enterprises that digitalise society.

- **Design Management** - smarter design, construction, and management of products, buildings, assets and infrastructure.
- **Product Lifecycle Management** - simulation, design and product lifecycle management, from research, development and design to production, sales, aftermarket and recycling.
- **Process Management** - business processes for central and local government.

R12 Oct20 - Sep21 (Full year 2020)

Employees
Sep 30 2021

1,911

(1,833)

Net Sales

3,884

(3,807)
SEK M

EBITA

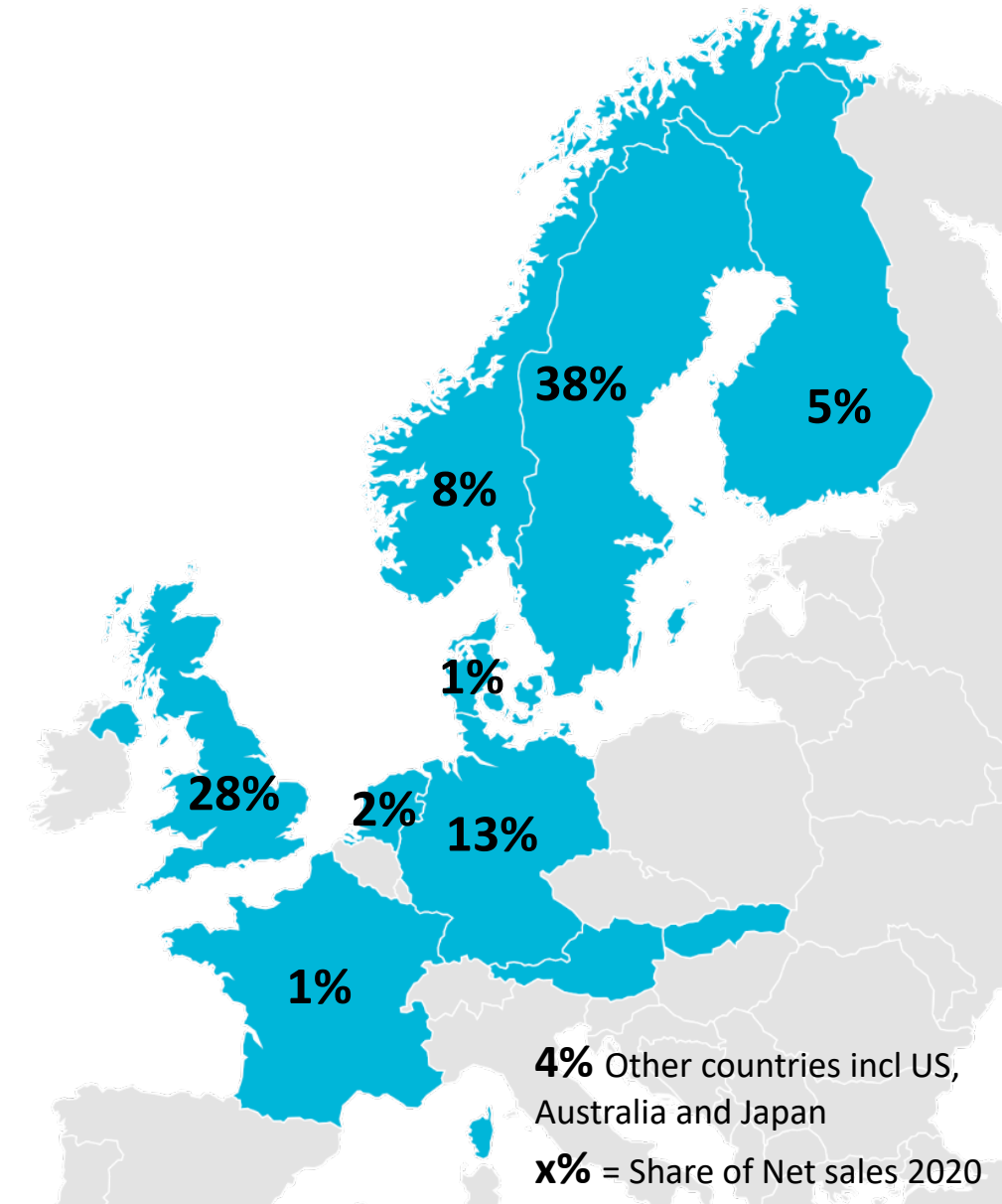
421

(356)
SEK M

Recurring revenue

66%

(67%)



4% Other countries incl US, Australia and Japan

x% = Share of Net sales 2020

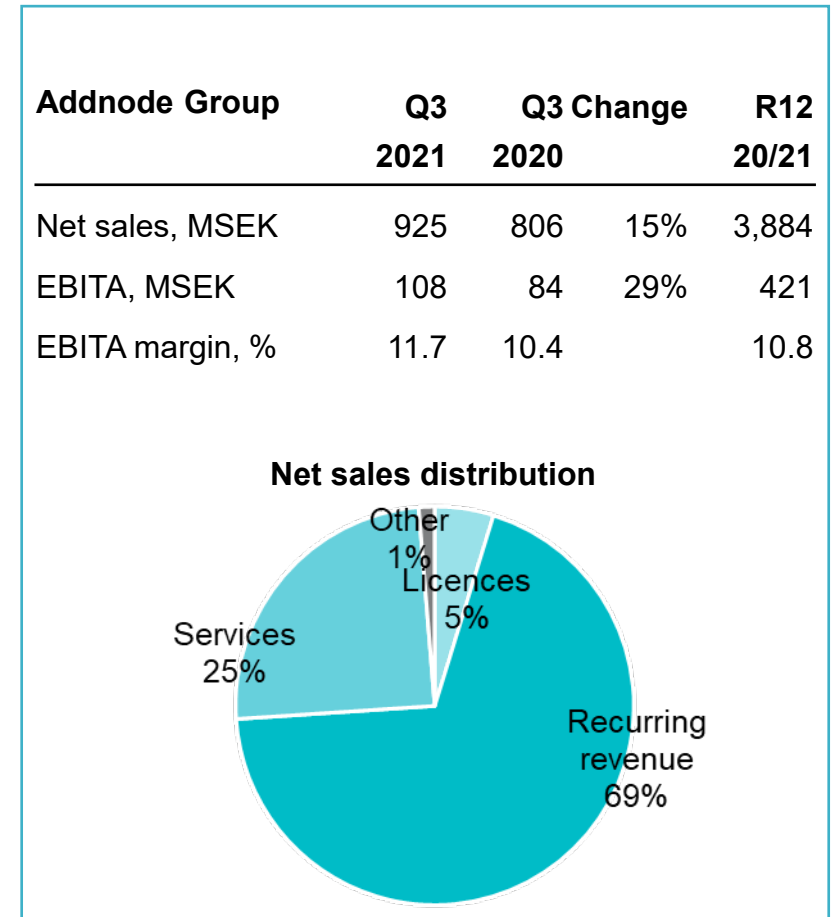
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Continued strong growth and improved EBITA-margin

Highlights

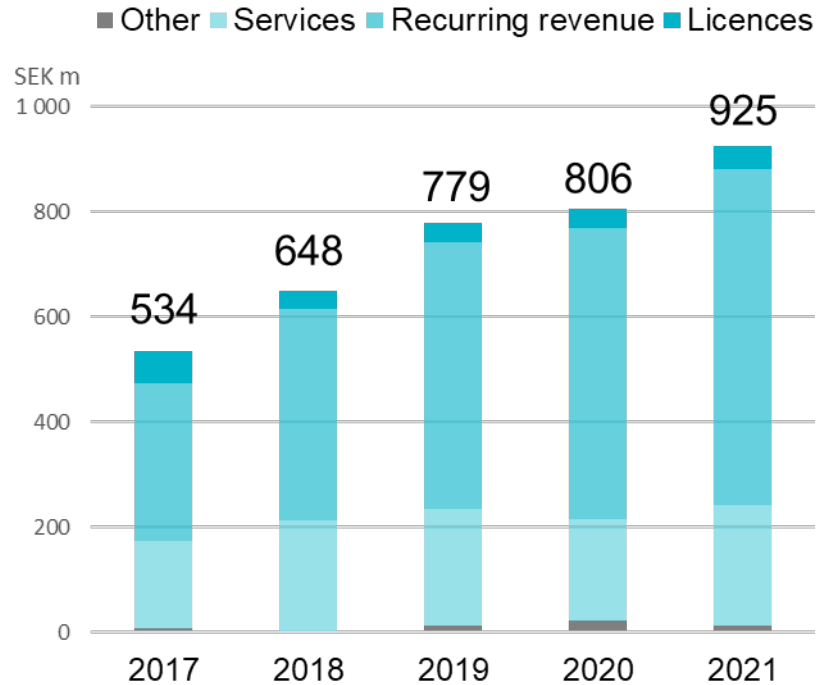
- Net sales increased by 15%, currency adjusted organic growth 7%
- EBITA increased by 29%, supported by organic growth, acquisitions and cost control
- Good demand
 - Pent-up investment needs
 - Good underlying demand from existing customers
- All three divisions growing and improving sales and EBITA
 - PLM and Process locomotives this quarter
- Acquisition of Budsoft in Poland (PLM)



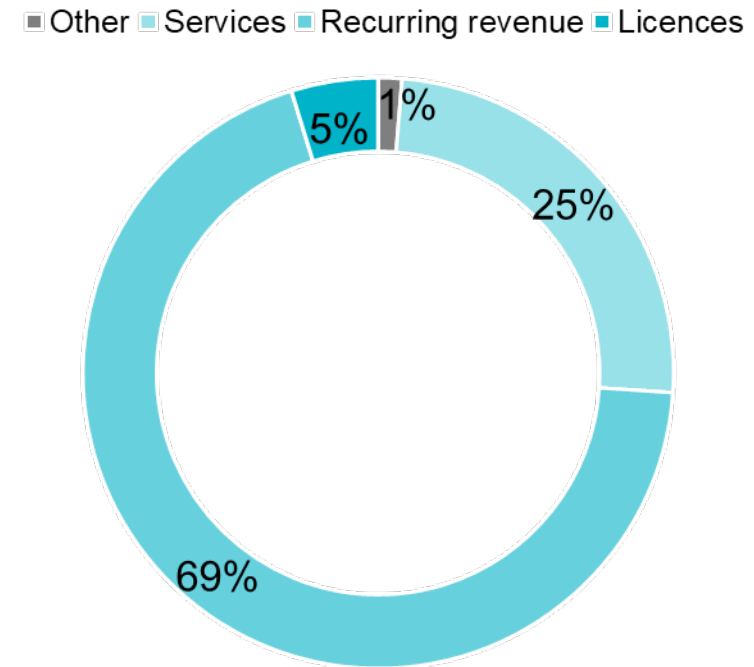
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Continued growth in recurring revenue

Breakdown of net sales, Q3 2017 - 2021



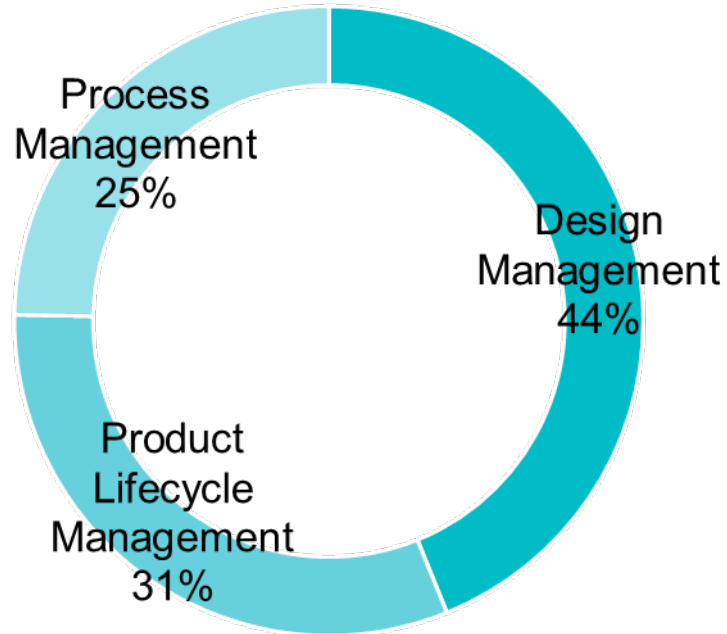
Breakdown of net sales, Q3 2021



THREE DIVISIONS

Q3 2021

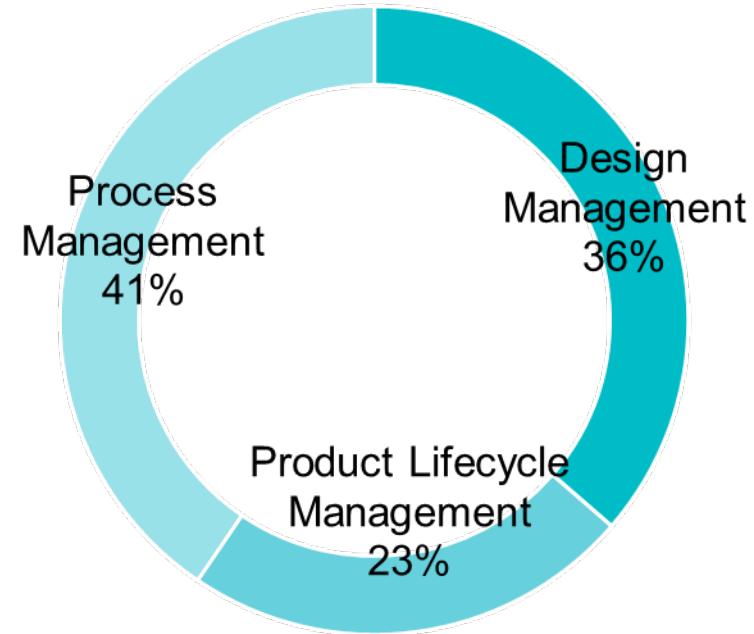
Share of net sales*



Addnode Group Net sales Q3 2021: SEK 925 m

* Before eliminations / central costs

Share of EBITA*



Addnode Group EBITA Q3 2021: SEK 108 m

* Before eliminations / central costs

DESIGN MANAGEMENT

Another good quarter

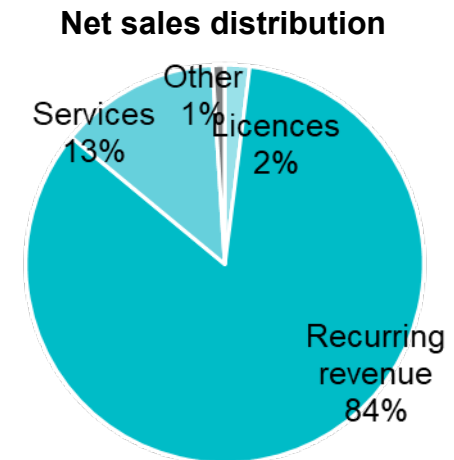
Highlights

- Net sales increased by 9%, currency adjusted organic growth 4%
- Integration according to plan of Excitech, acquired in Q1 2020, now completed
- Good demand for design and BIM systems in the Nordics. Customers in UK showing increasing willingness to invest. Good demand for proprietary FM solutions in the Nordics and UK
- Examples of new business:
 - Einar Mattsson, Heathrow Airport, Nordiska Museet, NormetGroup, Skanska, Uponor, Vistry Homes and Vår Energi

Symetri provides its BIM-solution Naviate Nexus to OUH. The system simplifies the flow of data and ensures that all different contractors have access to the same information, which is a prerequisite for being able to set requirements from a sustainability perspective in building project of this kind.



Design Management	Q3 2021	Q3 2020	Q3 Change	R12 20/21
Net sales, MSEK	409	375	9%	1,765
EBITA, MSEK	44	42	5%	181
EBITA margin, %	10.8	11.2		10.3



PRODUCT LIFECYCLE MANAGEMENT

Restructuring measures support strong quarter

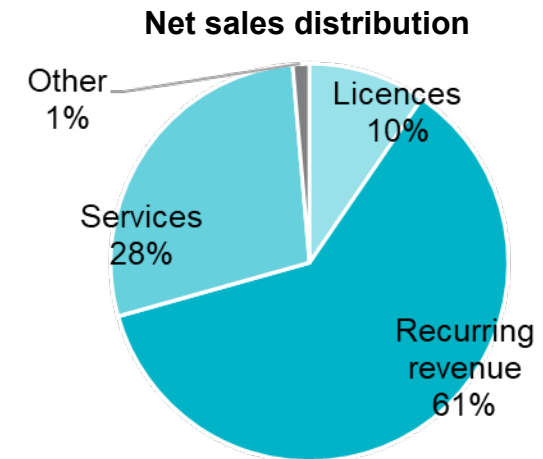
Technia has supported Loopwheels in its development of vibration-reducing wheels which have made a significant difference in the performance of wheelchairs.



Highlights

- Net sales increased by 13%, currency adjusted organic growth 10%
- Net sales, EBITA and EBITA-margin improving
 - Restructuring measures have had effect
 - Improved license and service revenues
- Continued stable demand in the Nordics and Benelux, improving in Germany and UK
- Examples of new business:
 - Daihatsu Indonesia, Deltamarin, Ericsson, Heart Aerospace, Karolinska Institutet, Light Mobility Solutions, Mahindra and Mahindra, NXP and Rimac
- Acquisition of Budsoft adds new market, interesting customer relationships and strong simulation expertise

Product Lifecycle Management	Q3 2021	Q3 2020	Q3 Change	R12 20/21
Net sales, MSEK	293	258	13%	1,187
EBITA, MSEK	28	17	65%	112
EBITA margin, %	9.6	6.6		9.4



PROCESS MANAGEMENT

Best quarter ever

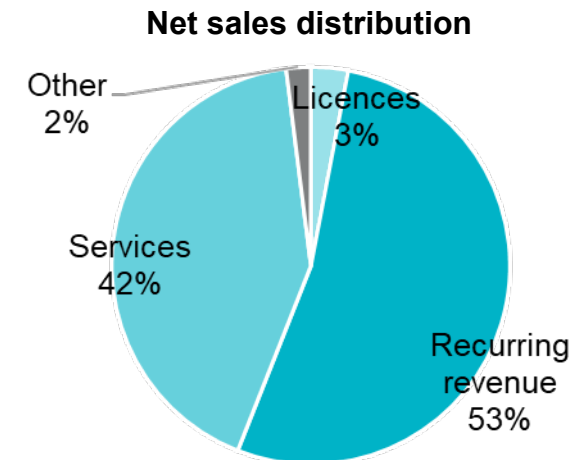
Highlights

- Net sales increased by 30%, organic growth 10%
- Strong growth and profitability trend continues
 - The acquisitions of S-Group Solutions and Elpool previously this year continue to support sales and earnings
- Continued good demand for digital solutions from public sector, local and central governments
- Examples of new business:
 - Afa Försäkring, Hallstahammars kommun, Nynäshamns kommun, Räddningstjänsten Storgöteborg, Stockholms stad stadsbyggnadskontoret, Södra Wood Mönsterås and Ystad kommun

Kungsbacka is one of many Swedish municipalities using Sokigo's solution for school transport management. The solution makes it possible to limit fuel consumption and the number of kilometres driven, while saving costs and streamlining administration.



Process Management	Q3 2021	Q3 2020	Q3 Change	R12 20/21
Net sales, MSEK	230	177	30%	954
EBITA, MSEK	49	33	48%	181
EBITA margin, %	21.3	18.6		19.0



CONSOLIDATED CASH FLOW

Q3 2021

Cash flow, SEK m	Q3 2021	Q3 2020	Change	YTD Sep 2021	YTD Sep 2020	Change
Operating profit	67	52	15	199	153	46
Adjustments for non-cash items	64	60	4	161	186	-25
Other	-27	-28	1	-65	-56	-9
Cash flow from operations before working capital changes	104	84	20	295	283	12
Changes in working capital	-125	-150	25	-115	115	-230
Cash flow from operating activities	-21	-66	45	180	398	-218
Cash flow from investing activities	-62	-72	10	-363	-314	-49
Cash flow from financing activities	-118	26	-144	-205	212	-417
Total cash flow	-201	-112	-89	-388	296	-684

CONSOLIDATED FINANCIAL POSITION

September 30, 2021

Balance sheet, SEK m	Sep 30, 2021	Sep 30, 2020	Change	Dec 31, 2020	Change
Intangible non-current assets	2 563	2 140	423	2 143	420
Other non-current assets	197	249	-52	227	-30
Current receivables	842	667	175	804	38
Cash and cash equivalents	281	563	-282	644	-363
Total assets	3 883	3 619	264	3 818	65
Equity	1 660	1 484	176	1 512	148
Non-current liabilities	879	233	646	235	644
Current liabilities	1 344	1 902	-558	2 071	-727
Total equity & liabilities	3 883	3 619	264	3 818	65
Equity ratio	43%	41%	2%	40%	3%
Net debt	484	271	213	182	302
Revolving credit facility	1 600	1 000	600	1 000	600
Overdraft facility	0	100	-100	100	-100
Total credit facilities	1 600	1 100	500	1 100	500
<i>Whereof unutilized</i>	937	378	559	402	535

ACQUISITIONS 2021 YTD

S-Group Solutions 

Specialised in business-related GIS solutions for municipalities, water and sewage organizations and land surveying operations.

Division
Process Management

New employees
66

Annual sales
144 SEK M

Elpool 

Develops digital solutions that offers many features that is used by players active in expansion and maintenance of electricity networks.

Division
Process Management

New employees
2

Annual sales
6 SEK M

Procad 

Autodesk partner and a trusted advisor to many of Ireland's largest design, construction and manufacturing organisations.

Division
Design Management

New employees
18

Annual sales
50 SEK M

Budsoft 

Budsoft is a Poland based, Dassault Systèmes partner, providing advanced simulation solutions.

Division
Product Lifecycle Management

New employees
7

Annual sales
20 SEK M

ACQUISITIONS 2020

Excitech 

Largest Autodesk partner in UK market and leading provider of design software and consulting services for the construction and manufacturing industries.

Division
Design Management

New employees
150

Annual sales
550 SEK M

Unizite 

Norwegian developer of a mobile field tool that makes 3D models and other digital information available to everyone at a construction site.

Division
Design Management

New employees
10

Annual sales
7 SEK M

Netpublicator 

Develops digital services for efficient document and meeting management in conjunction with public administration meetings in Sweden.

Division
Process Management

New employees
6

Annual sales
20 SEK M

Scanscot Technology 

Develops digital services for efficient document and meeting management in conjunction with public administration meetings in Sweden.

Division
Product Lifecycle Management

New employees
15

Annual sales
40 SEK M

LONG-TERM SUSTAINABILITY FOCUS AREAS

1

Digital solutions that contribute to sustainable development

- Innovation for sustainability
- Ensuring privacy and integrity
- Designing for sustainable development and circular economy
- Simulations for environmental and health benefits
- Improved citizen involvement and dialogue

2

Care for people and the planet in our own operations

- Diversity and gender equality
- Employee well-being and safety
- Attracting and retaining talent
- Proactive and engaged employees committed to making a difference,
- Environmental initiatives to reduce travel and impacts from office space

3

The way we work with our partners and suppliers

- Long-term commitment
- Fair business principles and anti-corruption
- Ensuring that we respect human rights throughout the value chain, Supplier screening

4

Long-term financial viability

- Organic growth
- Acquisitions
- Decentralised business model
- Recurring revenue

5

Sustainability management and governance

Code of Conduct and Sustainability policy, Certifications, Communication, Reporting

The UN's Global Goals with the closest connection to Addnode Group's focus areas



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ADDNODE GROUP AS AN INVESTMENT

1 Acquisition driven growth

- Our strategy is to create growth by continuously acquiring new businesses and actively supporting our companies to drive organic growth.
- CAGR 2010–2020 : 14%

Profitable growth



2 Sustainable digital solutions

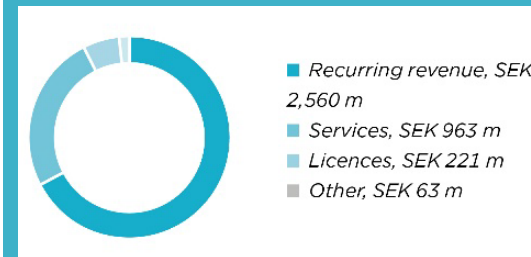
- We provide digital solutions for design, simulation, product data information and case management.
- Global trends such as digitalisation, urbanisation and sustainability are driving demand for our solutions.



3 Attractive business model

- High share of recurring revenues.
- Customers return for advice, development and integration.
- Strong cash flow generation owing to large share of advance payments at start of year.
- Low capex need other than product development.

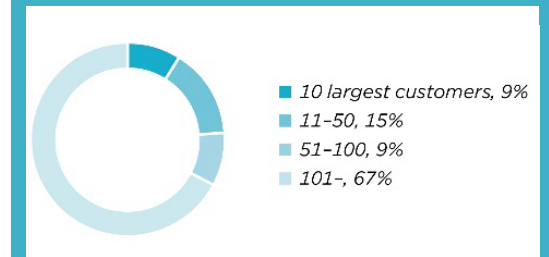
Revenue by type



4 Diversification spreads risk

- We are active in numerous geographic markets, private and public sectors and in many different industries.
- We are not dependent on individual customers, but we have many long-term customer relationships


Revenue by customer size



SHAREHOLDERS

September 30, 2021

	Shares class A	Shares class B	Share capital, %	Voting rights, %
Aretro Capital Group AB	510,332	1,299,624	5.4	15.1
Verg AB	361,667	0	1.1	8.5
Swedbank Robur Fonder	0	2,977,805	8.9	7.0
SEB Investment Management	0	2,759,974	8.2	6.5
Verdipapirfondet Odin Sverige	0	2,200,000	6.5	6.4
Aeternum Capital AS	115,000	994,000	3.3	5.0
Handelsbanken Fonder	0	1,874,542	5.6	4.4
Lannebo Fonder	0	1,579,834	4.7	3.7
Fjärde AP-Fonden	0	1,485,272	4.4	3.5
Andra AP-Fonden	0	1,464,152	4.4	3.4
Subtotal, 10 largest shareholders	986,999	16,635,203	52.5	63.5
Other	175	16,009,681	47.5	36.5
Total shareholders	987,174	32,644,884	100.00	100.00

A serene landscape featuring a clear blue sky with a single, fluffy white cloud in the upper center. Below the sky is a calm, blue ocean with a visible horizon line. The overall scene is peaceful and minimalist.

Q&A



Thank You!