



ADDNODE GROUP

Q4 2021

PRESENTATION OF ADDNODE GROUP'S

Year-end Report January – December 2021



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AGENDA

Q4 2021

1. Addnode Group
2. Q4 2021
 - Group
 - Divisions
 - Cash flow and Financial position
3. Acquisitions, Sustainability focus areas, Investment case
4. Q&A

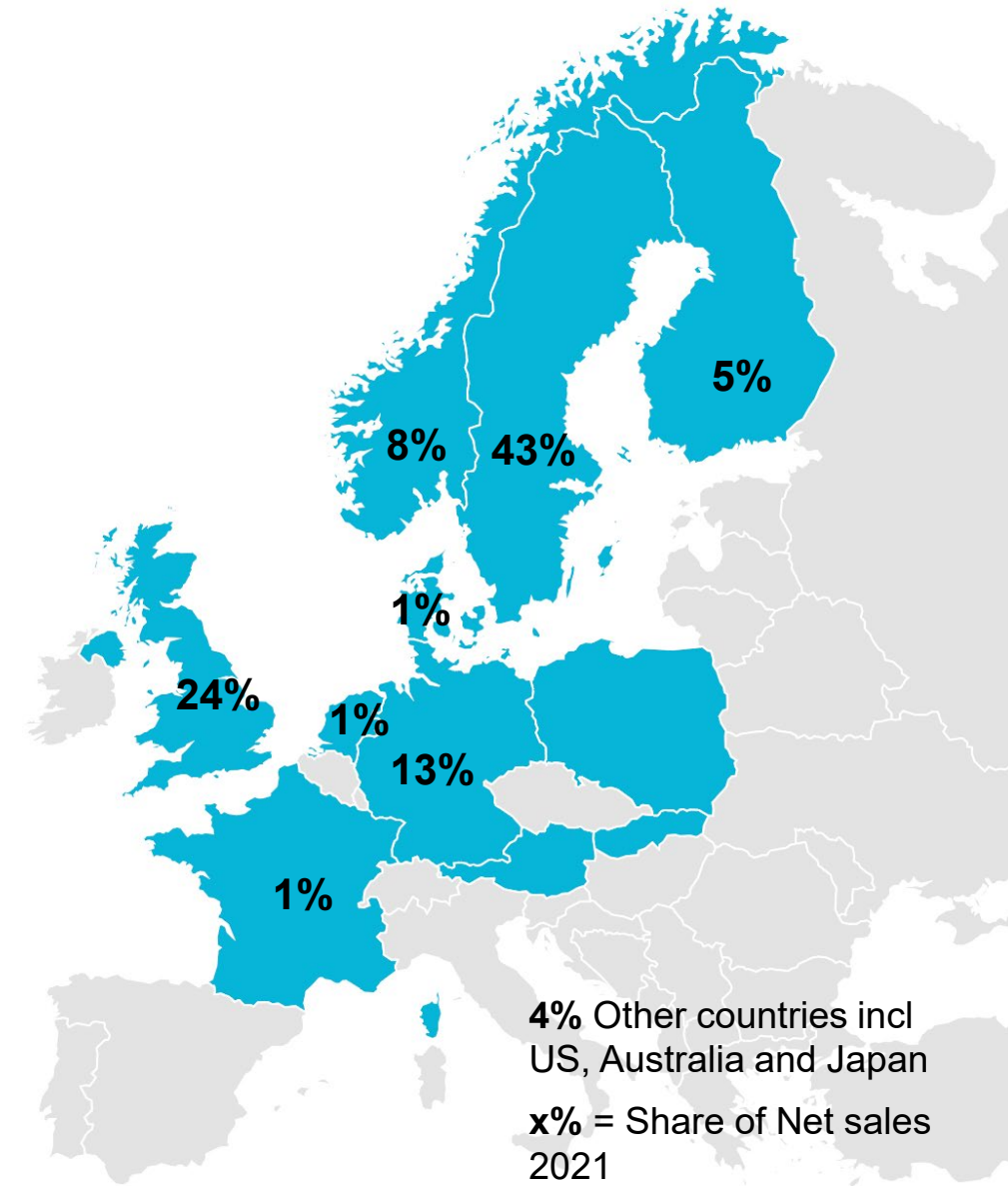
ADDNODE GROUP

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.

2021 (2020)			
Employees Dec 31, 2021 1,897 (1,833)	Net Sales 4,077 (3,807) SEK M	EBITA 461 (356) SEK M	Recurring revenue 66% (67%)



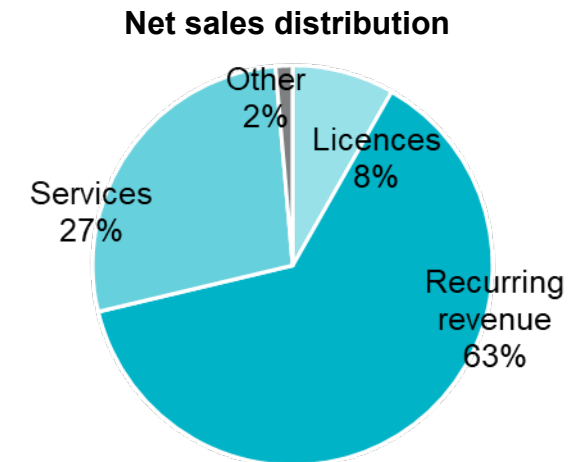
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Q4 – hard work and investments pay off

Highlights

- Net sales increased by 21%, currency adjusted organic growth 12%
- EBITA increased by 37%, supported by organic growth, acquisitions and cost control
- All three divisions growing and improving sales and EBITA
 - Strongest contribution from Design and Process
 - Strong demand in all main markets in Sweden, Nordics, UK and Germany
- All acquisitions in 2021 develop well
- January 11, acquisition of Claytex, UK (PLM)
- The Board's proposal to AGM 2022
 - Dividend of SEK 3.00 (2.50) per share
 - Split of shares 4:1

	Q4 2021	Q4 2020	Change	Full year 2021
Net sales, SEK M	1,114	921	21%	4,077
EBITA, SEK M	148	108	37%	461
EBITA margin, %	13.3	11.7		11.3

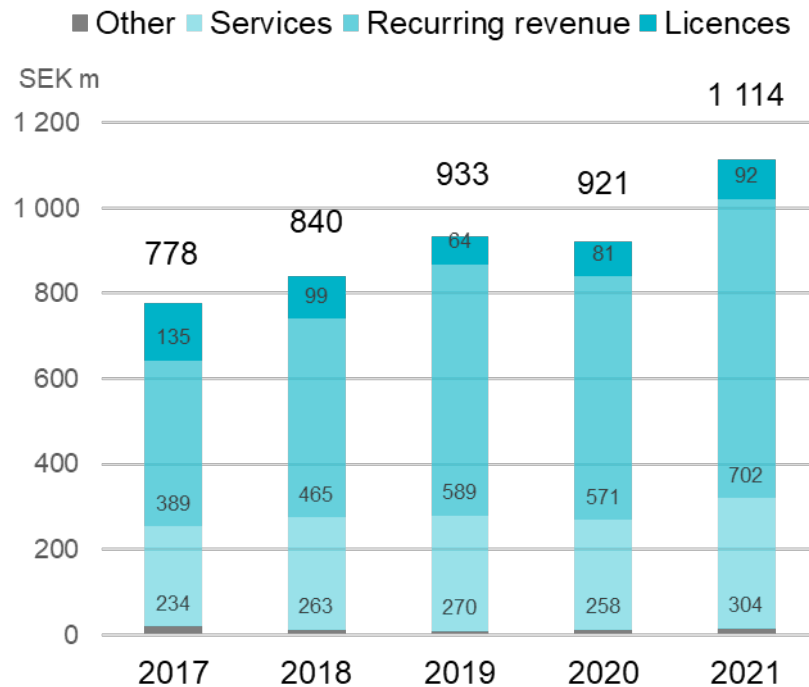


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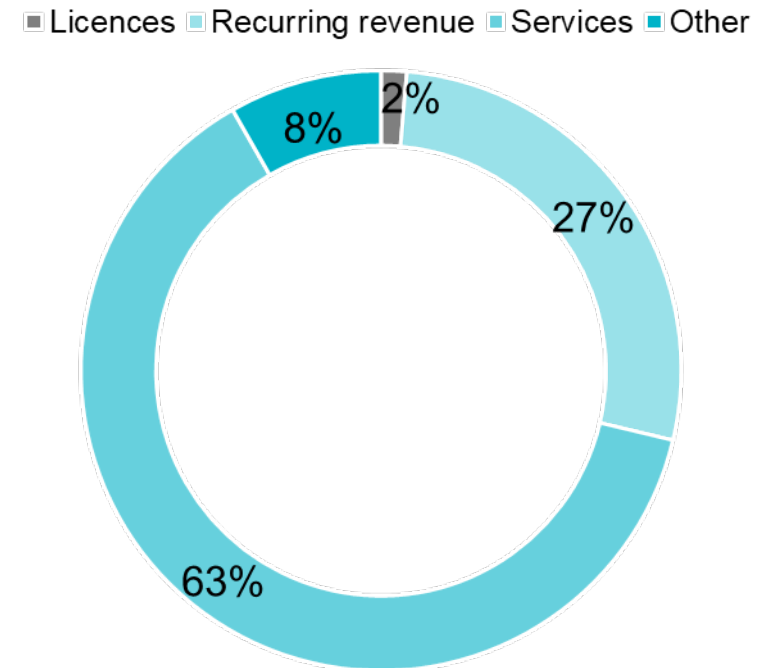
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Continued growth in recurring revenue, +23% in Q4 (YoY)

Breakdown of net sales, Q4 2017 - 2021



Breakdown of net sales, Q4 2021



ACQUISITION OF CLAYTEX



Claytex Strengthens TECHNIA in Advanced System and Autonomous Vehicle Simulations



TECHNIA, the #1 knowledge leaders in PLM and Simulation, announced today that they have acquired Claytex Services Limited, a UK and US leader in advanced simulation with more than 20 years of experience in Automotive, Motor Sports, Aerospace & Defense, Industrial Equipment, and Energy, Process & Utility.

What are you interested in simulating?



Automotive



Drones



Motorsport



Buildings



Industrial Equipment

or something else?

Simulation solutions for Systems Engineering and Virtual Testing

Claytex specialises in modelling and simulation of complex systems and we provide consulting services, training and software solutions. We focus on simulation for systems engineering and understanding the interactions of systems with their environment.

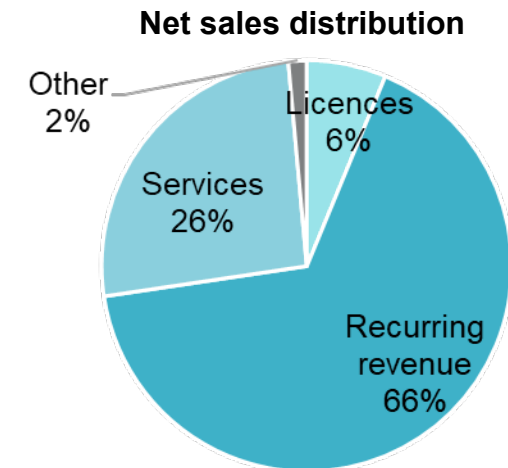
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2021 – Sustainable earnings growth by executing on strategy

Highlights

- Net sales increased by 7%, currency adjusted organic growth 3%
- EBITA increased by 29%
- Addnode Group is getting stronger in our focus segments: digital solutions for design and engineering, construction and facility management, and public administration
 - Expansion of our product and service offerings
 - Complementary acquisitions
 - Expansion into new geographical markets
- Acquisitions of S-Group Solutions, Elpool, Procad and Budsoft
- Extended credit facility (SEK 1,600 m)

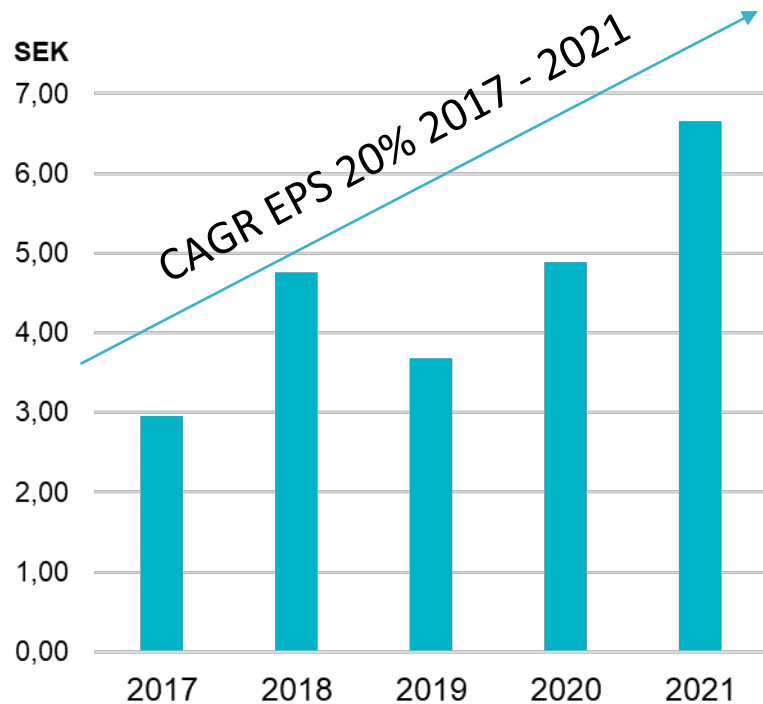
	2021	2020	Change
Net sales, SEK M	4,077	3,807	7%
EBITA, SEK M	461	356	29%
EBITA margin, %	11.3	9.4	



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EARNINGS PER SHARE

+36%, 2021



"In 2021, Addnode Group achieved its best-ever earnings.

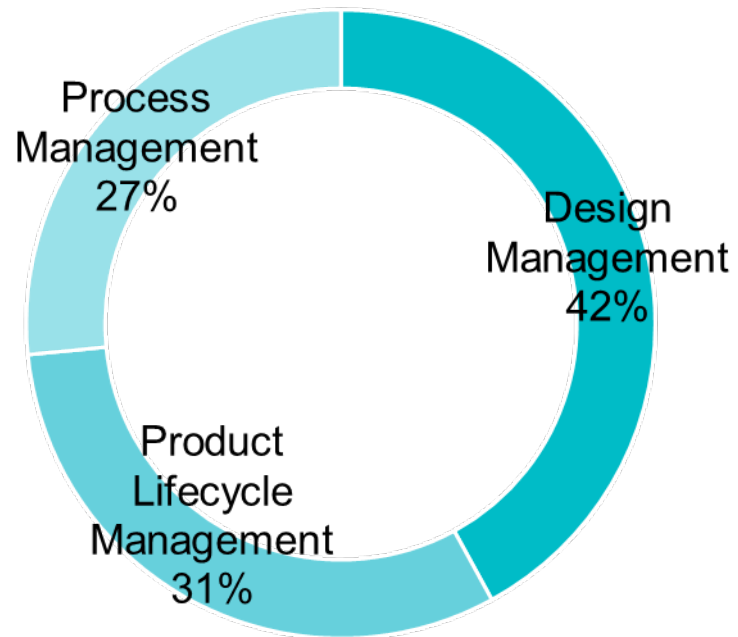
The value creation we are currently generating is the result of hard work, investments in expertise and products, acquisitions and wellfounded strategic decisions.

In the five-year period 2017-2021 our average yearly EPS growth was 20 per cent."

THREE DIVISIONS

Q4 2021

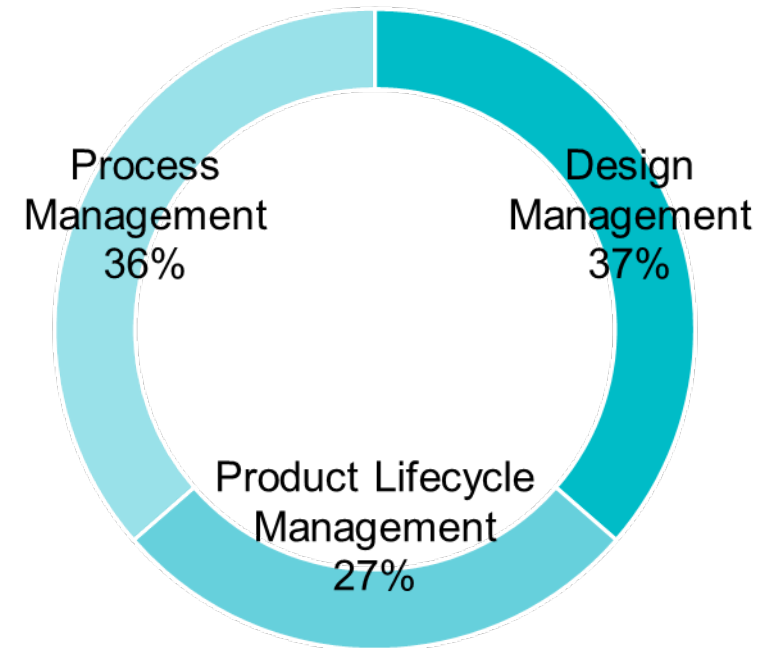
Share of net sales*



Addnode Group Net sales Q4 2021: SEK 1,114 m

* Before eliminations / central costs

Share of EBITA*



Addnode Group EBITA Q4 2021: SEK 148 m

* Before eliminations / central costs

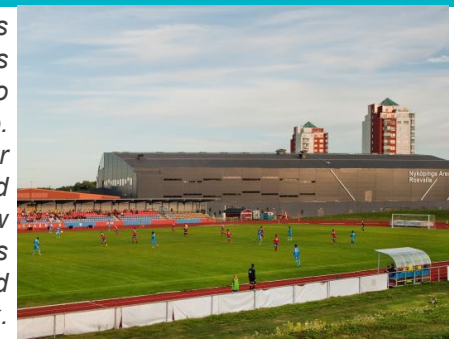
DESIGN MANAGEMENT

Strong offer, favourable market conditions

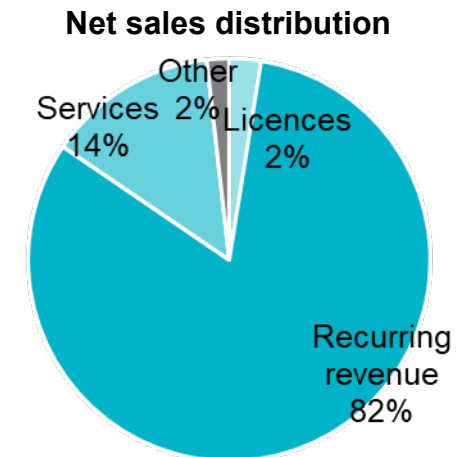
Highlights

- Net sales increased by 23%, currency adjusted organic growth 15%
- Symetri performing well
 - Good growth and earnings
 - Favourable demand in the Nordics and UK
 - Strong position as Autodesk-partner, based on complementary IP offering and deep industrial knowledge
- Continued strong demand for proprietary software for facility management
- Examples of new business:
 - Akademiska Hus, Dellner Couplers, Einar Mattson, Jernhusen, Keller Group, Morgan Sindall Group, Region Östergötland and Sitowise

Service Works Global is supporting Nyköping's municipality in its work to digitize its property portfolio. As a result, among other things, drawings and operating instructions are now available via mobile devices in the field, saving travel and streamlining work.



	Q4 2021	Q4 2020	Change	Full year 2021
Net sales, SEK M	471	384	23%	1,852
EBITA, SEK M	59	36	64%	204
EBITA margin, %	12.5	9.4		11.0



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PRODUCT LIFECYCLE MANAGEMENT

Strategic priorities pay off

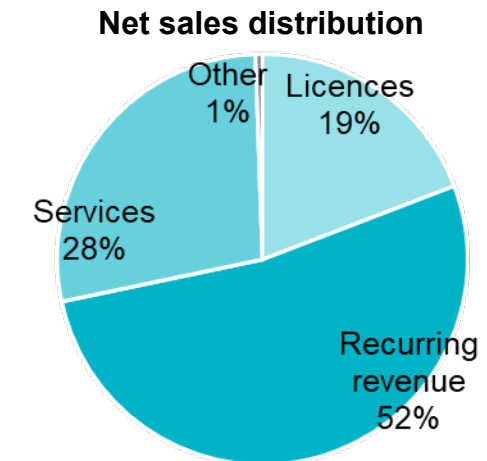
B.Braun works with TECHNIA to meet increased demands from regulatory authorities as well as the market and customers.



Highlights

- Net sales increased by 13%, currency adjusted organic growth 11%
- Continued favourable demand for PLM-systems and related services in the Nordics and Benelux
- Increasing willingness to invest among industrial customers in the important German market
- The divisions increased focus on advanced simulation solutions continues and is well received by the market
 - Acquisition of Claytex in January further strengthens the divisions simulation capacity, adds interesting IP and a strong position within autonomous vehicles
- Examples of new business:
 - Fisker, Geely, Jidu Auto, Koenigsegg, Scitegrity Ltd, Stadler Rail, Vanderlande and Volta Trucks Ltd

	Q4 2021	Q4 2020	Change	Full year 2021
Net sales, SEK M	352	312	13%	1,227
EBITA, SEK M	44	39	13%	117
EBITA margin, %	12.5	12.5		9.5



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PROCESS MANAGEMENT

Strong market position

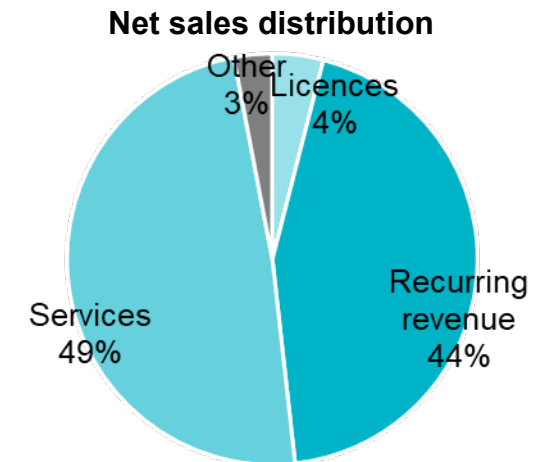
Highlights

- Net sales increased by 29%, organic growth 8%
- Favourable demand continues for document and case management systems, citizen service, and municipal engineering information systems and peripheral services
- The division is well positioned in public sector procurements thanks to attractive digital solutions, solid experience and good references
- Acquired companies in 2021 has developed well
- Examples of new business:
 - Allmänna reklamationsnämnden, Borås Municipality, DNB Norge, Klippan's Municipality, Nacka Municipality, Region Halland and VafabMiljö

S-GROUP Solutions has been partnering with Karlskrona Municipality to develop a real-time digital twin model (CIM), enabling the monitoring of environmental, social and economic sustainability factors for urban planning.



	Q4 2021	Q4 2020	Change	Full year 2021
Net sales, SEK M	297	231	29%	1,020
EBITA, SEK M	59	45	31%	195
EBITA margin, %	19.9	19.5		19.1



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CONSOLIDATED CASH FLOW

Q4 2021

Cash flow, SEK m	Q4 2021	Q4 2020	Change	2021	2020	Change
Operating profit	106	76	30	305	229	76
Adjustments for non-cash items	61	56	5	222	242	-20
Other	-15	0	-15	-80	-56	-24
Cash flow from operations before working capital changes	152	132	20	447	415	32
Changes in working capital	105	49	56	-10	164	-174
Cash flow from operating activities	257	181	76	437	579	-142
Cash flow from investing activities	-35	-61	26	-398	-375	-23
Cash flow from financing activities	-100	-19	-81	-305	193	-498
Total cash flow	122	101	21	-266	397	-663

CONSOLIDATED FINANCIAL POSITION

December 31, 2021

Balance sheet, SEK m	Dec 31, 2021	Dec 31, 2020	Change
Intangible non-current assets	2 574	2 143	431
Other non-current assets	210	227	-17
Net working capital	-479	-429	-50
Total assets	2 305	1 941	364
Equity	1 693	1 512	181
Provisions, taxes and other debt	244	247	-3
Net debt	368	182	186
Total equity & liabilities	2 305	1 941	364
<i>Revolving credit facility</i>	<i>1 600</i>	<i>1 000</i>	<i>600</i>
<i>Overdraft facility</i>	<i>0</i>	<i>100</i>	<i>-100</i>
Total credit facilities	1 600	1 100	500
<i>Whereof unutilized</i>	<i>931</i>	<i>402</i>	<i>529</i>

ACQUISITIONS 2022 YTD

Claytex



Claytex specializes in advanced simulation and virtual testing, with focus on systems engineering and autonomous vehicles in the automotive and motorsport space.

Division

**Product Lifecycle
Management**

New employees

15

Annual sales

25 SEK M

ACQUISITIONS 2021

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

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

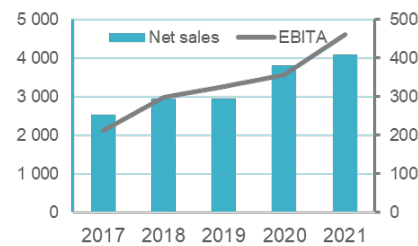


ADDNODE GROUP AS AN INVESTMENT

1 Acquisition driven growth

- Our strategy is to create value by continuously acquiring new businesses and actively supporting our companies to drive organic growth.
- Net Sales and EBITA CAGR 5yr: 13% and 22%, respectively

Profitable growth, 2017-2021, SEK M



2 Sustainable digital solutions

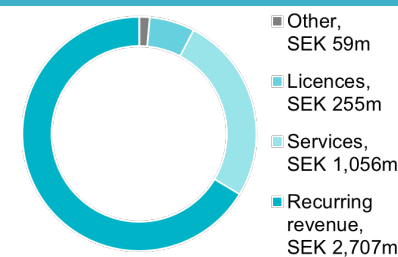
- We provide digital solutions for design, simulation, product data information and case management.
- Customers in construction and real estate sectors, manufacturing, the automotive industry, life sciences and the public sector.
- Global trends such as digitalisation, urbanisation and sustainability 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.

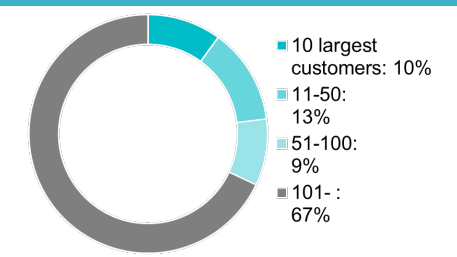
Revenue by type, 2021




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, 2021



A serene seascape with a white cloud in a blue sky. The sky is a gradient of light blue, and the sea is a gradient of dark blue. The text "Q&A" is centered in the middle of the image.

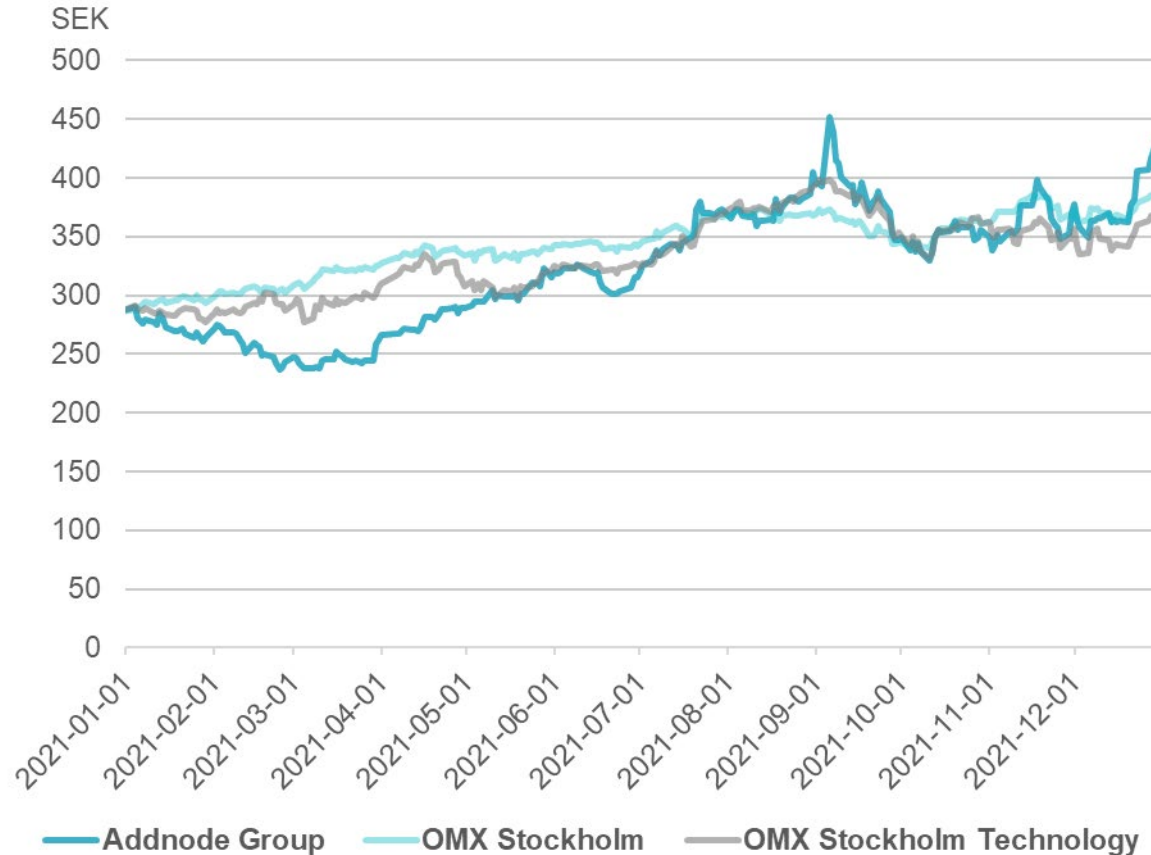
Q&A



Thank You!

ADDNODE GROUP SHARE

2021



Managements shareholdings

- Johan Andersson, CEO, 99 478 shares and 13,000 share options
- Other members of GMT, 49,721 shares and 39,200 share options
- About 60 senior executives in LTIP2021, holding approximately 200,000 share options

The Board's proposal to AGM 2022

- Dividend of SEK 3.00 per share
- Split of B-share 4:1

	2020-12-31	2021-12-31	Change, %
Addnode Group	286.0	429.0	50
Nasdaq Stockholm	768.4	1,037.1	28

SHAREHOLDERS

December 31, 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	2,810,622	8.4	6.6
SEB Investment Management	0	2,749,016	8.2	6.5
Verdipapirfondet Odin Sverige	0	2,200,000	6.5	5.2
Aeternum Capital AS	115,000	994,000	3.3	5.0
Handelsbanken Fonder	0	1,846,966	5.5	4.3
Lannebo Fonder	0	1,727,746	5.1	4.1
Fjärde AP-Fonden	0	1,485,272	4.4	3.5
Andra AP-Fonden	0	1,464,152	4.3	3.4
Subtotal, 10 largest shareholders	986,999	16,577,398	52.2	62.2
Other shareholders	175	16,067,486	47.8	37.8
Total	987,174	32,644,884	100.00	100.00

Total number of shareholders 2021-12-31: 7,145