

# Interim Report January 1–September 30, 2024

This is a translation of the Swedish original of Addnode Group's Interim Report for the period 1 January–September 2024. In the event of inconsistency between the two, the original Swedish version shall apply.

## Third quarter July 1–September 30, 2024

- Net sales increased by 3 percent to SEK 1,859 m (1,808), of which 2 percent was organic. Currency-adjusted organic growth was 3 percent.
- New transaction model for Autodesk software (agent model with commission revenue) was implemented in Europe. It is estimated that the Group's currency-adjusted organic growth would have amounted to approximately 16 percent under the previous reseller model.
- Gross profit increased by 9 percent to SEK 971 m (893), and the gross margin was 52.2 percent (49.4).
- EBITA increased by 52 percent to SEK 200 m (132), and the EBITA margin was 10.8 percent (7.3).
- The recurring revenue share was 74 percent (71).

- Operating profit increased by 96 percent to SEK 137 m (70), and the operating margin was 7.4 percent (3.9).
- Net profit for the period increased by 177 percent to SEK 97 m (35).
- Earnings per share increased by 181 percent to SEK 0.73 (0.26).
- Cash flow from operating activities amounted to SEK -133 m (-139).
- Acquisition of Addoceo AB in Sweden.
- Acquisition of Prime Aerostructures GmbH in Austria.

## Events after the end of the reporting period

- No significant events have occurred since the end of the period.

# 3%

Net sales growth Q3 2024 compared with Q3 2023

# 9%

Gross profit growth Q3 2024 compared with Q3 2023

# 10.8%

EBITA margin Q3 2024

## Key figures

	Third quarter		9 months		Rolling 12 mos	Full year
	2024 Jul–Sep	2023 Jul–Sep	2024 Jan–Sep	2023 Jan–Sep	Oct 2023 –Sep 2024	2023
Net sales, SEK m	1,859	1,808	6,273	5,334	8,351	7,412
Gross profit, SEK m	971	893	3,075	2,692	4,086	3,703
Gross margin, %	52.2	49.4	49.0	50.5	48.9	50.0
EBITA, SEK m	200	132 <sup>1)</sup>	615	444 <sup>2)</sup>	811	640 <sup>3)</sup>
EBITA margin, %	10.8	7.3 <sup>1)</sup>	9.8	8.3 <sup>2)</sup>	9.7	8.6 <sup>3)</sup>
Operating profit, SEK m	137	70 <sup>1)</sup>	420	275 <sup>2)</sup>	555	410 <sup>3)</sup>
Operating margin, %	7.4	3.9 <sup>1)</sup>	6.7	5.2 <sup>2)</sup>	6.6	5.5 <sup>3)</sup>
Net profit for the period, SEK m	97	35 <sup>1)</sup>	271	173 <sup>2)</sup>	377	279 <sup>3)</sup>
Earnings per share, SEK	0.73	0.26 <sup>1)</sup>	2.03	1.30 <sup>2)</sup>	2.83	2.09 <sup>3)</sup>
Cash flow from operating activities, SEK m	-133	-139	426	257	654	485
Return on capital employed <sup>4)</sup>	17.6	13.4	17.6	13.4	17.6	13.8
Return on equity <sup>4)</sup>	17.4	14.0	17.4	14.0	17.4	13.5
Equity/assets ratio, %	29	31	29	31	29	29
Debt/equity ratio, %	48	54	48	54	48	47

1) EBITA was impacted by restructuring costs of SEK -5 m.

2) EBITA was impacted by restructuring costs of SEK -15 m.

3) EBITA was impacted by restructuring costs of SEK -20 m.

4) Key figures have been adjusted to reflect annualized return.

All amounts are presented in millions of Swedish kronor (SEK m) unless indicated otherwise. Rounding differences of SEK +/-1 m may occur in totals. In cases where an underlying figure is SEK 0 m when rounded, it is presented as 0.

# UNDERLYING ORGANIC GROWTH AND ROBUST EARNINGS IMPROVEMENT



“The third quarter of 2024 was a strong quarter for Addnode Group, with underlying organic growth. EBITA improved by 52 percent to SEK 200 m and earnings per share increased by 181 percent to SEK 0.73. Although the economic situation was characterized by uncertainty, our strong positions in segments with structural underlying growth provide good prospects for upselling to existing customers.”

## Third quarter 2024

The third quarter of 2024 was strong for Addnode Group, with underlying organic growth and a robust earnings improvement. EBITA improved by 52 percent to SEK 200 m, earnings per share increased by 181 percent to SEK 0.73. Two new companies were added to the Group. This was the first quarter that was significantly impacted by the transition to the new transaction model for Symetri's sales of Autodesk software. Our estimate is that the Group's currency-adjusted organic growth would have amounted to approximately 16 percent under the old transaction model.

I am proud of our employees' ability to land new customers, conduct acquisitions, develop the business, and deliver a robust earnings improvement in the current market.

Currency-adjusted organic growth in the Design Management division was 7 percent. Stable demand in both the USA and Europe with a product mix of higher share of three-year Autodesk agreements sold, contributed to the division's growth. Our estimate is that the division's currency-adjusted organic growth would have amounted to approximately 27 percent under the old transaction model for Autodesk software. The transition to the new transaction model has highlighted the value of Symetri's services and proprietary complementary products as a competitive advantage when customers select their Autodesk partner. Organic growth and effective cost control contributed to that the division's EBITA more than doubled.

The Product Lifecycle Management division delivered a stable performance in a tough market. Net sales were negatively affected by weaker demand from the automotive industry in Germany and the UK, while demand from the defense industry increased.

The Process Management division grew in line with the market and its EBITA margin improved. Demand for case management and geographic information systems remained stable. The public sector continues to offer many opportunities for upselling digital solutions to existing customers.

## Acquisitions

We have completed six acquisitions so far in 2024 and I continue to see continued opportunities for further acquisitions. As part of our relationship-based process, we are working actively to fill our pipeline with attractive acquisition candidates. Good cash generation and a strong financial position with low debt means that we can continue to execute on our acquisition strategy with a healthy risk appetite.

## Outlook

The economic climate is uncertain, and customers remain cautious of major investments in new projects. However, our strong positions in segments with structural underlying growth provide good prospects for upselling to existing customers. With a diversified business in terms of geography and customers, a continuous focus on improvements, and a business model with a high share of recurring revenue, we have good prospects for continued profitable and sustainable growth.

**Johan Andersson**  
President and CEO

# Significant events

## In the third quarter of 2024

### New transaction model in the Design Management division

Autodesk's transition to a new transaction model was announced in the fourth quarter of 2023. The new transaction model was introduced in the USA on June 10, 2024 and in Europe on September 16, 2024. The transition is expected to be completed in 2025.

Under the new transaction model, Autodesk will transition from a reseller model to an agent model. Addnode Group's company Symetri will continue to work with customers to identify the best solution, implement it and offer support. Autodesk is responsible for pricing, invoicing, and processing customer payments for its own software and pays a commission fee to Symetri for the work Symetri performs.

With the new transaction model, both net sales and purchases of goods and services will decrease, while gross profit and EBITA are expected to remain unchanged. This means that the EBITA margin (%) will increase. Cash flow is expected to remain unchanged compared with the reseller model.

### Acquisition of Prime Aerostructures in Austria

In July 2024, Technia, part of the Product Lifecycle Management division, acquired Prime Aerostructures GmbH (Prime). The company is a leading Dassault Systèmes Partner based in Austria and a simulation leader in the aerospace engineering industry. The company also has a strong presence as a partner to many aerospace companies. Prime's technologies and services are used to design lightweight, high-performance components and structures, thereby improving aircraft efficiency and safety. Its services cover the entire product lifecycle, from concept to production and certification. The company has net sales of approximately SEK 45 m.

### Acquisition of Addoceo in Sweden

In July 2024, Addoceo AB was acquired in the Process Management division. The company supplies case management systems for transportation services and IT solutions for retail businesses and manufacturing industries. The case management system is used, for example, by numerous Swedish municipalities and regions. The company has net sales of approximately SEK 15 m.

### After the end of the reporting period

No significant events have occurred since the end of the period.



# About Addnode Group

## Strategy

Addnode Group acquires, operates and develops cutting-edge businesses that digitalize society. We create sustainable value growth over time by continuously acquiring new businesses and actively supporting our subsidiaries to drive organic earnings growth.

## Three divisions

Addnode Group's subsidiaries are organized into three divisions: Design Management, Product Lifecycle Management and Process Management. A decentralized governance model means that business-critical decisions are made close to customers and markets.

## Financial targets

- Annual net sales growth of at least 10 percent.
- Operating margin before amortization and impairment of intangible assets (EBITA margin) shall be at least 10 percent.
- 30-50 percent of the Group's profit after tax to be distributed to shareholders, providing its liquidity and financial position are sufficient to operate and develop the business.

## Market position

Addnode Group consists of approximately 20 companies, active in 19 countries across four continents. The employee headcount is approximately 2,700.

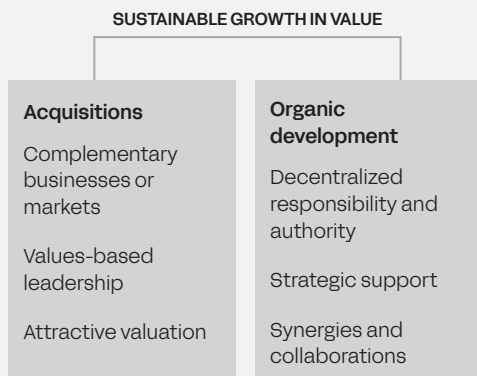
The Group has a market-leading position in Europe and the USA as a provider of software and services for design, construction and manufacturing. In Europe, the Group also has a strong market position in digital solutions for product data, project collaboration and facility management. In Swedish public administration, Addnode Group is a leading provider of document and case management systems.

## Sustainability agenda

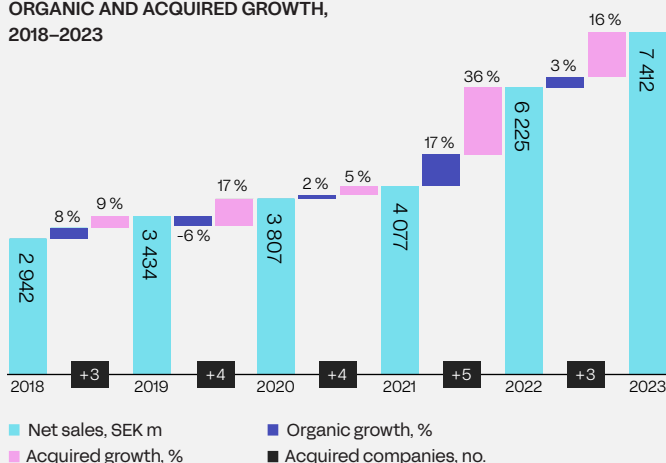
The digital solutions we develop in close partnership with our customers help create a more sustainable society. Our solutions are used for sustainable and resource-efficient design and product lifecycle management, simulations that benefit the environment and health, and better engagement and dialogue with citizens.

Addnode Group's sustainability agenda defines five focus areas that are the foundation of the Group's collective commitment to sustainability. We have defined key indicators for each focus area that we monitor and report each year in Addnode Group's Annual Report.

### STRATEGY FOR PROFITABLE AND SUSTAINABLE GROWTH



### ORGANIC AND ACQUIRED GROWTH, 2018–2023



### SUSTAINABILITY AGENDA WITH FIVE FOCUS AREAS



### UN SUSTAINABLE DEVELOPMENT GOALS (SDGs) WITH THE CLEAREST CONNECTION TO ADDNODE GROUP'S SUSTAINABILITY AGENDA:





# Digitalization for a Better Society

## Sustainable rehabilitation of water systems

In collaboration with the landscape architects at Sasaki, Addnode Group's subsidiary Symetri, in the Design Management division, has played a crucial role in the rehabilitation of University Lakes in Louisiana, USA. The project will create a more viable and resilient urban environment by building a more sustainable aquatic system, increasing flood protection, improving the natural habitat, and enhancing the recreational environment of a lake system that dates back to the 1920s.

The focus is on reusing nearly 460,000 m<sup>3</sup> of dredged material to reshape the shorelines and improve the water flow around the six lakes. Having faced difficulties with its water flow modelling and analysis, Sasaki initiated a collaboration with Symetri. By implementing Autodesk's InfoDrainage solution and providing support through training and advisory services, Symetri has helped Sasaki to develop the project's water flow design processes and improve the project's work processes.

The collaboration between Symetri and Sasaki has resulted in significant technical and environmental efficiencies, which in turn has made it possible to create a long-term sustainable urban environment for future generations. The project has promoted several important EU Sustainable Development Goals (SDGs), including life below water, sustainable cities and communities, and clean water and sanitation.



## Efficiency improvements in the glass industry

Addnode Group's subsidiary Technia, in the Product Lifecycle Management division, has entered a partnership with Glaston. By providing technologies that enable the processing of glass into safe and energy-efficient glass, Glaston offers solutions for the architectural, mobility, display and solar industries.

Glaston faced the challenge of managing extensive operations in multiple countries, while also needing to optimize resource usage and maintain high quality standards. Technia's solution included a system for optimized design processes and product data management, as well as introducing a global license pool that enabled more efficient software management. This license pool ensured access to up-to-date product models, reduced excess external software licenses, and led to significant cost savings. Through these changes, Glaston improved its operational efficiency and maintained a more sustainable global operation.

The collaboration has not only enabled Glaston to deliver high-quality, innovative products but has also had a broader positive impact for more efficient work methods. Glaston focuses on developing and delivering sustainable, upgradable and energy-efficient products, thereby contributing to more environmentally sustainable production processes. This in turn supports global sustainability goals such as better energy efficiency and reduced emissions.



## Digital tool streamlines hazardous waste management

In collaboration with the City of Stockholm's Environmental Administration, Addnode Group's subsidiary Sokigo, in the Process Management division, has developed Avfallskollen, a digital solution that simplifies and improves hazardous waste management. Municipalities use the tool in their environmental inspections to ensure compliance with EU requirements on sustainable waste management and traceability of hazardous waste.

Under EU law, hazardous waste must be traceable and reported to the Swedish Environmental Protection Agency (EPA) to ensure it is managed in an environmentally sound manner. Previously, this was a time-consuming process, with inspectors manually requesting information from the EPA's Waste Registry before each inspection. Using Avfallskollen, which is integrated with the Waste Registry, inspectors can now quickly and easily access all necessary information concerning the composition, weight and origin of waste prior to hazardous waste inspections.

The digital solution saves resources and streamlines supervision, allowing municipalities and authorities to instead spend more time on improving waste management. Digitalization also helps to reduce the risk of spreading hazardous substances and creates more recycling opportunities, helping to build a more circular and environmentally friendly society.



# Consolidated net sales, earnings and cash flow

## Third quarter, July–September 2024

Net sales for the third quarter of 2024 increased by 3 percent to SEK 1,859 m (1,808). Organic growth was 2 percent, and currency-adjusted organic growth was 3 percent. Last year's comparative figures were impacted by weak sales in the Design Management division, mainly in the USA. Earnings for the preceding year were also affected by restructuring costs in the Product Lifecycle Management division.

The Design Management division's reported net sales were impacted by the transition to Autodesk's new transaction model, which was implemented in June 2024 in the USA and in September in Europe. Currency-adjusted organic growth was 7 percent, and net sales increased due to a higher share of three-year agreements compared with the same period last year. Accordingly, the quarter includes net sales both from the sell-through of Autodesk agreements and from commission revenue under the new transaction model. Our estimate is that the division's currency-adjusted organic growth would have amounted to approximately 27 percent if the previous reseller model had still applied in the third quarter.

Currency-adjusted organic growth in the Product Lifecycle Management division was negative at -5 percent. Demand for PLM systems and associated services was good in the Nordic countries. Sales were weaker in Germany, the UK and the USA, with postponed investments and a decline in license sales in the automotive industry.

Currency-adjusted organic growth in the Process Management division amounted to 2 percent. Demand from municipalities was stable. Continued restraint and postponed tenders and investments were noted among public authorities.

License revenue amounted to SEK 31 m (97), recurring revenue increased to SEK 1,381 m (1,283), service revenue increased to SEK 420 m (408) and other revenue amounted to SEK 26 m (20). The recurring revenue share was 74 percent (71).

Gross profit improved by 9 percent to SEK 971 m (893), and the gross margin was 52.2 percent (49.4).

EBITA increased to SEK 200 m (132), and the EBITA margin was 10.8 percent (7.3). Restructuring measures were carried out last year in the Product Lifecycle Management division in order to adapt the organization and cost structure. Restructuring costs amounted to approximately SEK 5 m in the third quarter of 2023.

Net financial items amounted to SEK -11 m (-23), and net profit for the period increased by 180 percent to SEK 97 m (35). Earnings per share increased by 181 percent to SEK 0.73 (0.26).

Cash flow from operating activities amounted to SEK -133 m (-139) and was impacted by higher operating profit and changes in working capital.

## Nine-month period, January–September 2024

Net sales amounted to SEK 6,273 m (5,334), representing growth of 18 percent, of which 4 percent was organic. Currency-adjusted organic growth was 4 percent.

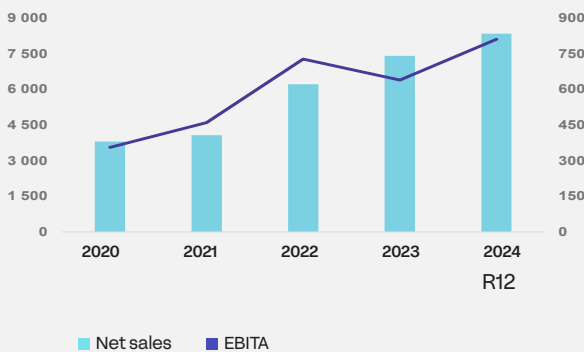
License revenue decreased to SEK 145 m (271), recurring revenue increased to SEK 4,657 m (3,715), service revenue increased to SEK 1,398 m (1,273), and revenue from other decreased to SEK 73 m (75).

EBITA increased to SEK 615 m (444), and the EBITA margin was 9.8 percent (8.3). Restructuring measures were carried out last year in the Product Lifecycle Management division in order to adapt the organization and cost structure. Restructuring costs amounted to SEK -15 m and were charged to EBITA. EBITA was also charged with acquisition costs of SEK -7 m (-9).

Net financial items amounted to SEK -66 m (-48), mainly related to higher interest discounts on contingent considerations, increased borrowing and higher interest rates. The reported tax on profit for the period was SEK -83 m (-54). Net profit for the period rose to SEK 271 m (173). Earnings per share increased to SEK 2.03 (1.30).

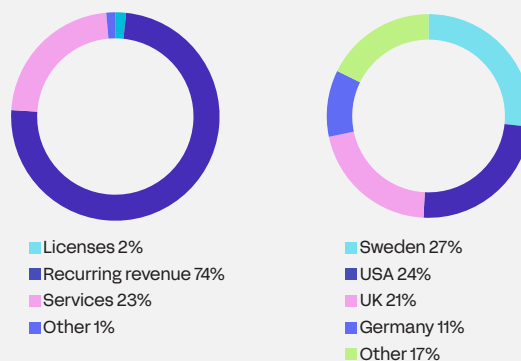
Cash flow from operating activities increased to SEK 426 m (257).

TREND IN NET SALES AND EBITA 2020–2024, SEK M



REVENUE BREAKDOWN, Q3 2024

(Geography based on subsidiary domicile)



# Performance by division

## Net sales, Gross profit and EBITA, July–September 2024

SEK m	Net sales			Gross profit			EBITA		
	2024 Q3	2023 Q3	Change %	2024 Q3	2023 Q3	Change %	2024 Q3	2023 Q3	Change %
Design Management	1,111	1,055	5	517	448	15	118	57	107
Product Lifecycle Management	469	484	-3	221	226	-2	39	43 <sup>1)</sup>	-9
Process Management	289	280	3	237	224	6	58	53	9
Eliminations/central costs	-10	-11		-4	-5		-15	-21	
<b>Addnode Group</b>	<b>1,859</b>	<b>1,808</b>	<b>3</b>	<b>971</b>	<b>893</b>	<b>9</b>	<b>200</b>	<b>132<sup>1)</sup></b>	<b>52</b>

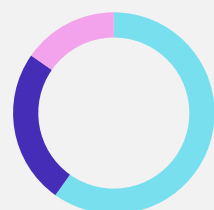
1) EBITA was impacted by restructuring costs of SEK - m (-5).

## Net sales, Gross profit and EBITA, January–September 2024

SEK m	Net sales			Gross profit			EBITA		
	2024 Jan–Sep	2023 Jan–Sep	Change %	2024 Jan–Sep	2023 Jan–Sep	Change %	2024 Jan–Sep	2023 Jan–Sep	Change %
Design Management	3,949	3,046	30	1,633	1,310	25	372	236	58
Product Lifecycle Management	1,391	1,385	0	675	651	4	117	89 <sup>2)</sup>	31
Process Management	966	935	3	783	748	5	182	177	3
Eliminations/central costs	-33	-32		-16	-17		-56	-58	
<b>Addnode Group</b>	<b>6,273</b>	<b>5,334</b>	<b>18</b>	<b>3,075</b>	<b>2,692</b>	<b>14</b>	<b>615</b>	<b>444<sup>2)</sup></b>	<b>39</b>

2) EBITA was impacted by restructuring costs of SEK - m (-15).

NET SALES<sup>1)</sup> Q3 2024



■ Design Management 60%  
 ■ Product Lifecycle Management 25%  
 ■ Process Management 15%

1) Before eliminations

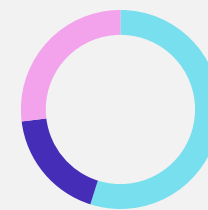
GROSS PROFIT<sup>2)</sup> Q3 2024



■ Design Management 53%  
 ■ Product Lifecycle Management 23%  
 ■ Process Management 24%

2) Before eliminations/central costs

EBITA<sup>3)</sup> Q3 2024



■ Design Management 55%  
 ■ Product Lifecycle Management 18%  
 ■ Process Management 27%

3) Before eliminations/central costs

# Design Management division

Design Management is a leading global provider of digital solutions and services for design, building information modeling (BIM) and product data for architects and engineers in the construction and manufacturing industries. The division also has a strong digital offering for project collaboration and facility management in the Nordic countries and the UK.

## Progress in the quarter

Net sales increased by 5 percent to SEK 1,111 m (1,055) in the third quarter. Organic growth was 5 percent. Adjusted for currency effects, organic growth was 7 percent. Last year's comparative figures were impacted by weak sales in the USA. EBITA increased to SEK 118 m (57), and the EBITA margin increased to 10.6 percent (5.4).

The division's operation within digital solutions for design, BIM and product data, which are conducted by Symetri, experienced stable demand and strong sales during the quarter. In both Europe and the USA, the product mix had a higher share of three-year Autodesk agreements compared with the year-earlier period. Sales in the UK were strong to both the construction and the manufacturing industries, with a higher share of three-year agreements. The result development in Team D3 was positive in the quarter.

Autodesk's new transaction model was implemented in the USA on June 10, 2024 and in Europe on September 16, 2024. Commission-based net sales under the new agent model were limited in Europe during the third quarter, amounting to approximately SEK 3 m, but had a more significant impact in the USA where the agent model was introduced in June 2024.

Our estimate is that the division's net sales would have increased by approximately 25 percent if the previous reseller model had still applied in the third quarter. Adjusted for currency effects, net sales would have amounted to approximately 27 percent under the previous reseller model.

Service Works Global, which provides digital solutions for facility management, and Tribia, which provides collaborative solutions for the construction and infrastructure sector, did not reach the previous year's results.

## Acquisitions

No acquisitions were carried out during the quarter. As of the third quarter of 2024, organic growth includes Team D3 in the USA, which was acquired in early July 2023.

## Market

Operations in the division are conducted by the companies Symetri, Team D3, Service Works Global and Tribia. These companies offer digital solutions and services for design, BIM and product data for architects and engineers in the manufacturing and construction industries. The division also has a strong digital offering for project collaboration and facility management in the Nordic countries and the UK. Customers' willingness to invest in digital solutions is driven by urbanization and the need to build and manage efficiently and sustainably. Regulatory authorities are also demanding digital solutions based on BIM.

**+5 %**

Net sales growth Q3 2024 compared with Q3 2023

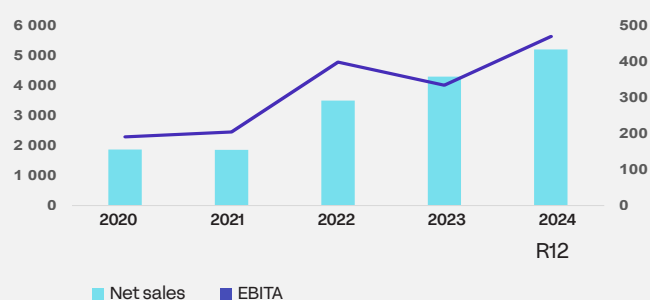
**+15 %**

Gross profit growth Q3 2024 compared with Q3 2023

**+107 %**

EBITA growth Q3 2024 compared with Q3 2023

TREND IN NET SALES AND EBITA 2020–2024, SEK M



Key figures

SEK m	Q3 2024	Q3 2023	Change %
Net sales	1,111	1,055	5
Gross profit	517	448	15
Gross margin, %	46.5	42.5	
EBITA	118	57	107
EBITA margin, %	10.6	5.4	
Operating profit	89	26	242
Operating margin, %	8.0	2.5	
Average number of employees	1,110	1,115	0



# Product Lifecycle Management division

Product Lifecycle Management is a global provider of solutions for digitalizing a product’s or facility’s complete lifecycle - from idea, design, simulation and construction - to sale, aftermarket and recycling. For our customers, this means shorter lead-times, more innovation, increased efficiency, and traceability.

## Progress in the quarter

Net sales decreased by 3 percent to SEK 469 m (484) in the third quarter of 2024. Organic growth was negative and amounted to -7 percent. Adjusted for currency effects, organic growth was -5 percent. EBITA decreased by 9 percent to SEK 39 m (43), and the EBITA margin declined to 8.3 percent (8.9). Earnings for the corresponding quarter last year were affected by restructuring costs of SEK 5 m.

Demand for PLM systems and related services was stable in the Nordic countries, where customer segments are more diversified, spanning manufacturing, defense and life sciences, compared with the rest of Europe which is dominated by the automotive industry.

Sales remained weak in the UK, Germany and the USA, mainly due to a decline in license sales in the automotive industry. The economic situation and interest rates have affected customers’ decision-making processes concerning new and larger system projects and investments, which has led to these being postponed more often. Service revenue was somewhat higher than in the previous year.

The trend of customers increasingly preferring to rent licenses on a fixed-term basis, rather than purchasing licenses with perpetual right of use continued as before.

## Acquisitions

In July 2024, Technia acquired the company Prime Aerostructures GmbH (Prime). The company is a leading Dassault Systèmes Partner based in Austria and a simulation leader in the aerospace engineering industry. Prime’s technologies and services are used to design lightweight, high-performance components and structures, thereby improving aircraft efficiency and safety. Its services cover the entire

product lifecycle, from concept to production and certification. The company has about ten employees and net sales of approximately SEK 45 m.

In February 2024, Optimec Consultants Inc. (Optimec), Canada, was acquired. The company is a reputable Dassault Systèmes Partner based in Québec. Optimec has about 20 employees and net sales of approximately SEK 40 m. The company provides digital solutions for Computer Aided Engineering (CAE). Optimec will add strategic expertise and further reach for the division’s international customer base.

## Market

The operations of the Product Lifecycle Management division are conducted by the subsidiary Technia, a global provider of solutions for digitalizing a product’s or facility’s complete lifecycle - from idea, design, simulation and construction - to sale, aftermarket and recycling. For our customers, this means shorter lead-times, more innovation, increased efficiency, and traceability. Customers’ willingness to invest is driven by the need to develop and design products, to maintain product information throughout complete lifecycles and to comply with regulatory standards.

**-3 %**

Net sales growth Q3 2024 compared with Q3 2023

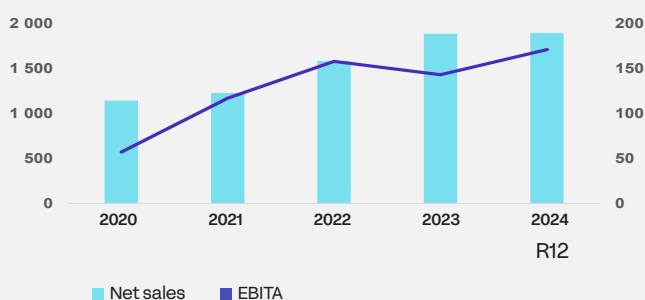
**-2 %**

Gross profit growth Q3 2024 compared with Q3 2023

**-9 %**

EBITA growth Q3 2024 compared with Q3 2023

TREND IN NET SALES AND EBITA 2020–2024, SEK M



## Key figures

SEK m	Q3 2024	Q3 2023	Change %
Net sales	469	484	-3
Gross profit	221	226	-2
Gross margin, %	47.1	46.7	
EBITA	39	43	-9
EBITA margin, %	8.3	8.9	
Operating profit	22	26	-15
Operating margin, %	4.7	5.4	
Average number of employees	722	734	-2

# Process Management division

Process Management is a leading provider of digital solutions to the public sector in Sweden. These solutions help to streamline case management, simplify administration and quality-assure processes in contacts between authorities and citizens.

## Progress in the quarter

Net sales increased by 3 percent to SEK 289 m (280) in the third quarter of 2024. Adjusted for currency effects, organic growth was 2 percent. EBITA increased to SEK 58 m (53), and the EBITA margin was 20.1 percent (18.9).

Sales remained stable, and the division's good and well-established relationships with a large public sector customer base frequently present opportunities for recurring sales, or the expansion of current assignments.

The division won several municipal tenders during the quarter, while large public authorities showed continued restraint in terms of investments in major projects. The number of tenders was lower than in the preceding year.

The division is continuing to invest in new products and solutions and in enhancing its existing customer offerings. The division's businesses are well positioned in public sector tenders owing to their attractive digital solutions, in-depth experience and good references.

## Acquisitions

Addoceo AB (Addoceo), a supplier of case management systems for transportation services and IT solutions for retail businesses and manufacturing industries, was acquired in July 2024. The company has revenue of approximately SEK 15 m and about ten employees.

In May 2024, Icebound acquired the remaining 50 percent share of the GPS Timber software. GPS Timber is a product that was previously owned at 50 percent. The company has net sales of SEK 8 m.

In February 2024, all the shares of Jetas Quality Systems AB were acquired. The company is a supplier of case management systems

for fault reports and work orders within public transport and property management, and has collaborated with the Group company Forsler & Stjerna for several years. The company has net sales of approximately SEK 6 m.

In January 2024, Effcture AB was acquired by the newly established company Icebound. Effcture has proprietary software for forest and timber management. The company has net sales of approximately SEK 2 m. With this acquisition, Icebound strengthened its offering and market position as a player in digital solutions for the forest sector and other primary industries.

## Market

Process Management, whose operations are conducted by 13 subsidiaries, is a leading provider of digital solutions for the public sector. The division has operations in Sweden and Norway. These solutions help to streamline case management, simplify administration and quality-assure processes in contacts between authorities and citizens.

Our customers' willingness to invest is driven by automation, simplified administration and more effective communication with citizens. A growing base of public authorities and municipalities are seeking to partner for the long term in their efforts to develop innovative operations compliant with regulatory requirements.

+3 %

Net sales growth Q3 2024 compared with Q3 2023

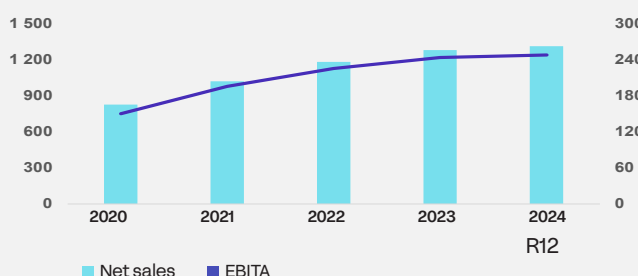
+6 %

Gross profit growth Q3 2024 compared with Q3 2023

+9 %

EBITA growth Q3 2024 compared with Q3 2023

TREND IN NET SALES AND EBITA 2020–2024, SEK M



## Key

SEK m	Q3 2024	Q3 2023	Change %
Net sales	289	280	3
Gross profit	237	224	6
Gross margin, %	82.0	80.1	
EBITA	58	53	9
EBITA margin, %	20.1	18.9	
Operating profit	41	39	5
Operating margin, %	14.2	13.9	
Average number of employees	740	690	7

# Disclosures on acquisitions

## Acquisitions completed in 2024

During the January–September 2024 period, Addnode Group acquired all the shares of five businesses: Efficture AB (Efficture), Jetas Quality Systems AB (Jetas), Optimec Consultants Inc. (Optimec), Prime Aerostructures GmbH (Prime) and Addoceo AB (Addoceo). During the period, these acquisitions contributed net sales of SEK 40 m and EBITA of SEK 1 m. If the acquisitions had been completed as of January 1, 2024, the Group's net sales in 2024 would have been approximately SEK 6,309 m and EBITA approximately SEK 619 m. Expenses of SEK -7 m (-9) for completing the acquisitions are included in the Group's other external costs.

Efficture, which was acquired in January, is a complementary acquisition within Icebound that delivers digital solutions to the forest sector and other primary industries. Efficture was consolidated into the Process Management division effective January 2024.

The acquisition of Jetas was completed in February 2024. The company is a supplier of case management systems for fault reports and work orders within public transport and property management, and has collaborated with the Group company Forsler & Stjerna for several years. The operations were consolidated into the Process Management division effective February 2024.

Optimec, acquired in February 2024, is a Dassault Systèmes Partner specializing in CAE. Optimec has operations in Canada, about 20 employees and net sales of approximately SEK 40 m. The operations were consolidated with Technia in the Product Lifecycle Management division effective February 2024.

Addoceo, which was acquired in July 2024, supplies case management systems for transportation services and IT solutions for retail businesses and manufacturing industries. The operations were consolidated into the Process Management division from July 2024.

The company has about ten employees and sales of approximately SEK 15 m.

Prime Aerostructures, which was acquired in July 2024, is a leading Dassault Systèmes Partner and a simulation leader in the aerospace engineering industry. Prime Aerostructures has operations in Austria, about ten employees and net sales of approximately SEK 45 m. The operations were consolidated with Technia in the Product Lifecycle Management division effective July 2024.

## Acquisition analyses

The following acquisition analyses were prepared for the acquisitions. The calculations are preliminary as the companies are recently acquired, and include the companies Efficture, Optimec, Jetas, Addoceo and Prime.

### Acquisition analysis Efficture, Optimec, Jetas, Addoceo and Prime (SEK m)

Acquired companies' net assets at acquisition date	Carrying amount in companies	Fair value adjustment	Fair value, Group
Intangible non-current assets <sup>1)</sup>	–	65	65
Other non-current assets	4	–	4
Current assets	52	–	52
Cash and cash equivalents	9	–	9
Other liabilities	-55	-14	-69
<b>Net identifiable assets/liabilities</b>	<b>10</b>	<b>51</b>	<b>61</b>
Goodwill	–	–	82 <sup>2)</sup>
<b>Calculated purchase consideration<sup>2)</sup></b>			<b>143</b>

1) Intangible non-current assets refer to technology and customer relationships.

2) Non-current contingent considerations of a maximum of SEK 22 m and CAD 3.0 m (approx. SEK 18 m) may be payable for the acquisitions of Efficture, Optimec, Jetas, Prime and Addoceo, of which approximately SEK 7 m and CAD 1.3 m (approx. SEK 10 m) has been entered as a liability. Goodwill has been corrected by SEK 20 m.

# Consolidated balance sheet and cash flow

## Liquidity and financial position

Cash and cash equivalents held by the Group amounted to SEK 441 m (565) as of September 30, 2024.

In June 2023, Addnode Group agreed to increase its existing credit line with a term loan of SEK 1,000 m with Nordea and SEB. This loan was utilized to refinance existing loans in different currencies and for general corporate purposes. The term loan has a three-year term, with a 1+1 year extension option. Most of the loans drawn from the revolving credit facility were transferred to this loan, which created available scope in the revolving credit facility.

In June 2024, Addnode Group exercised its option to extend the term loan by one year to June 2027, with other terms and conditions unchanged.

SEK 443 m (468) of the credit facility had been utilized as of September 30, 2024, which meant that available credit amounted to SEK 1,157 m (1,133). The utilized portion of the credit facility is classified under non-current liabilities.

In addition to the utilized portion of the credit facility of SEK 443 m (468), interest-bearing liabilities included leases of SEK 254 m (222) and a term loan of SEK 846 m (941). There were no interest-bearing liabilities related to completed acquisitions. Consequently, the Group's total interest-bearing liabilities were SEK 1,543 m (1,671), and the Group's net debt was SEK 1,102 m (1,103). The equity/assets ratio was 29 percent (31). The Group's total liabilities related to completed acquisitions amounted to SEK 485 m (533). Estimated contingent considerations amounted to SEK 450 m (480).

## Cash flow

Cash flow from operating activities for the January–September 2024 period increased to SEK 426 m (257). The increase was mainly attributable to stronger operating profit and changes in working capital. Cash flow from investing activities includes payments for proprietary software of SEK 120 m (108). Investments in subsidiaries and operations generated a negative cash flow of SEK 213 m (465). Financing activities were negatively affected by a SEK 76 m (77) repayment of a lease liability and by a SEK 133 m (133) payment of share dividends in May 2024. In connection with the settlement of debt for acquisitions, bank loans of SEK 46 m (64) were raised. Bank loans of SEK 144 m (49) were repaid in the January–September 2024 period.

## Investments and divestments

Investments of SEK 209 m (206) were made in intangible assets and property, plant and equipment, of which SEK 120 m (108) related to proprietary software.

## Goodwill and other intangible assets

The carrying amount of the Group's goodwill was SEK 3,110 m (3,006) on September 30, 2024. This item includes a correction of SEK 20 m that was recognized against the contingent consideration in the balance sheet.

Other intangible assets amounted to SEK 997 m (1,032), and mainly comprised customer contracts, trademarks and software.

## Deferred tax assets

As of September 30, 2024, deferred tax assets amounted to SEK 34 m, unchanged compared with December 31, 2023. For the same period last year (September 30, 2023), deferred tax assets amounted to SEK 19 m. The increase of SEK 15 m was mainly due to changes in temporary differences.

## Equity

Equity as of September 30, 2024 was SEK 2,276 m (2,056), equivalent to SEK 17.07 (15.42) per share outstanding.

## Share capital and incentive programs

Share capital was SEK 404 m at the end of the period. The quotient value per share was SEK 3.00. The division by share class as of September 30, 2024 was as follows:

Share class	No. of shares outstanding
Class A shares	3,948,696
Class B shares	130,579,536
Repurchased class B shares	-1,210,000
<b>Total</b>	<b>133,318,232</b>

Addnode Group AB's holding of treasury shares as of September 30, 2024 amounted to 1,210,000 class B shares, corresponding to 0.9 percent of the number of shares and 0.7 percent of the number of votes.

After a resolution by Addnode Group's 2024 AGM, an additional long-term incentive programme was launched for managers and senior executives. The program comprises the allotment of 130,500 share rights for the same number of class B shares to around 120 participants. Provided that the terms and conditions are fulfilled, any allotment of class B shares in Addnode Group with the support of share rights will take place after the publication of Addnode Group's Interim Report for the January 1–March 31, 2027 period.

As of September 30, 2024, there were three call option programs and one share rights program outstanding, as follows:

Incentive program	No. of options/share rights outstanding	Corresponds to no. of shares	Exercise price
<i>Stock option program</i>			
LTIP 2021	195,800 <sup>1)</sup>	783,200	93.73
LTIP 2022	56,950 <sup>1)</sup>	227,800	115.80
LTIP 2023	201,000	201,000	157.50
Total stock option program	453,750	1,212,000	
<i>Share rights program</i>			
LTIP 2024	130,500	130,500	–
<b>Total</b>	<b>584,250</b>	<b>1,342,500</b>	

1) Each option carries entitlement to purchase four class B shares. For more information on LTIP 2021, LTIP 2022 and LTIP 2023, see note 4 on pages 96–97 of the Annual Report for 2023. For more information on LTIP 2024, see page 14.



# Other disclosures

## Employees

The average number of employees of the Group increased to 2,576 (2,420). As of September 30, 2024, there were 2,703 employees (2,654 as of December 31, 2023). Essentially, this increase was from acquired operations.

## Related party transactions

For the January–September 2024 period, Chairman Staffan Hanstorp invoiced the Parent Company SEK 2 m (2) in fees for consulting services related to acquisition opportunities, financing matters and other strategic issues via a company. Jonas Gejer, Chairman of the Nomination Committee and co-owner of the company, invoiced SEK 0.2 m (-) via his own company for business development activities during the January–September period.

## Seasonality

The first and fourth quarters are today the strongest in terms of net sales, as a significant portion of contract renewals occurs during these quarters.

## Parent Company

Net sales were SEK 29 m (23) in the January–September 2024 period, mainly invoicing to subsidiaries for premises rent and services rendered. Profit after financial items was SEK 42 m (66) including SEK 238 m (169) in dividends from subsidiaries and SEK -67 m (-) in impairment of shares in subsidiaries. Cash and cash equivalents were SEK 228 m (295) as of September 30, 2024. Investments in shares in subsidiaries were SEK 36 m (63). There were no significant investments in intangible assets or property, plant and equipment.

## 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 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 RFR 2 Accounting for Legal Entities. Amendments and interpretations of existing standards first effective in 2024 had no impact on the Group's financial position or financial statements.

Addnode sells both proprietary and third-party products. In cases where Addnode sells third-party products, Addnode determines whether it acts as the principal (reseller model) or as an agent (agent model) for the third party. The overall criterion for determining this is whether Addnode gains control of the products before transferring them to the end customer.

In connection with Autodesk's transition to a new transaction model, the assessment has been made that Addnode no longer acts as a principal and instead is an agent for Autodesk. As an agent, revenue is recognized in an amount corresponding to the commission to which Addnode is entitled in exchange for arranging for the third party to provide the specified products. In addition to the above, the accounting policies and calculation methods are unchanged since the Annual Report for 2023.

### Disclosures on financial instruments

Estimated contingent considerations for the acquisitions of Team D3 and Microdesk have been discounted. Measurement of financial assets and liabilities shows no significant difference between carrying amounts and fair value. The Group had no forward exchange contracts outstanding on September 30, 2024.

### Stock option programs and share rights

The Group has two different incentive programs.

The incentive programs from 2021, 2022 and 2023 enable senior executives to acquire class B shares by investing in call options. Call option premiums received, measured at market value at the acquisition date, are recognized in equity as transactions with owners.

The incentive program approved by the 2024 AGM pertains to performance-based share rights that may entitle the holder to class B shares. After the vesting period, shares are allotted to participants free of charge, provided that the performance condition is met and the total return on the company's shares during the period was positive.

## Other disclosures, cont.

### Long-term incentive program

The AGM resolved to adopt a long-term performance share-based incentive program (“LTIP 2024”) for managers of Addnode Group. The participants are allotted performance-based share rights that may entitle the holder to class B shares. After the vesting period, the participants will be allotted class B shares in Addnode Group free of charge, provided that the performance condition is met and the employee remains employed at the Group. The performance target that must be achieved or exceeded relates to average annual growth of the company’s earnings per share during the 2024–2026 financial years (the “measurement period”). The minimum level for allotment is average annual growth of the company’s earnings per share during the measurement period of 2 percent, and the maximum level for allotment is average annual growth during the Measurement Period of 12 percent. The allotment of class B shares also requires that the total return on the company’s class B share has been positive during the term of the program. The maximum number of class B shares in Addnode Group that can be allotted under LTIP 2024 is to be limited to 138,000, corresponding to approximately 0.1 percent of all shares outstanding in Addnode Group. Any allotment of class B shares in Addnode Group with the support of share rights is normally to take place within ten working days after the publication of Addnode Group’s Interim Report for the January 1–March 31, 2027 period. The vesting period commenced on May 30, 2024 and expires in conjunction with the publication of Addnode Group’s Interim Report for the January 1–March 31, 2027 period.

### Significant risks and uncertainties

Addnode Group’s significant risks and uncertainties are stated on pages 30–32 and 38 of the Annual Report for 2023, under “Risks and uncertainties” on pages 74–75, as well as notes 36 and 37 on pages 115–118. These risks and uncertainties are unchanged.

The Group’s operations are diversified over offerings, customer segments and geography, which implies risk diversification. This is a proven strength in challenging times.

### Future outlook

The Board of Directors has not altered its assessment of Addnode Group’s long-term outlook since the preceding quarter. In the Second-quarter Interim Report for 2024, the Board of Directors stated the following outlook: In the long-term, Addnode Group regards the segments where it is active to have strong underlying potential. Addnode Group’s growth strategy is to grow organically and by acquiring new businesses in the aim of adding new, complementary offerings and additional expertise.

The Russian invasion of Ukraine has had impacts on the global economy including increased oil and energy prices, higher interest rates and turmoil in global stock markets. The outbreak of war in the Gaza Strip, which followed Hamas’ terrorist attack on Israel, has also contributed to growing turmoil. Because it is not possible to predict the duration or scope of this unrest or its impact on the global economy and general security, the Board of Directors notes a risk that Addnode Group may be impacted financially in 2024. Addnode Group is retaining its decision not to issue a forecast.

# Certification

The Board of Directors and CEO certify that this Interim Report gives a true and fair view of the Parent Company's and Group's operations, financial position and results of operations, and describes significant risks and uncertainties facing the Parent Company and the companies in the Group.

Stockholm, Sweden, October 24, 2024

**Staffan Hanstorp**  
Chairman of the Board

**Jan Andersson**  
Board member

**Kristofer Arwin**  
Board member

**Johanna Frelin**  
Board member

**Thord Wilkne**  
Board member

**Kristina Willgård**  
Board member

**Petra Ålund**  
Board member

**Johan Andersson**  
CEO

# Auditor's review report

Addnode Group AB (publ), corporate identity number 556291-3185

## Introduction

We have reviewed the condensed interim financial information (interim report) of Addnode Group AB (publ) as of September 30, 2024 and the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of the interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that

might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, Sweden, on the date stated in our digital signature  
Ernst & Young AB

Anna Svanberg  
Authorized Public Accountant



# Condensed consolidated financial statements

## Consolidated Income Statement

SEK m	2024 Jul–Sep	2023 Jul–Sep	2024 Jan–Sep	2023 Jan–Sep	Rolling 12 mos Oct–Sep 2023/2024	Full year 2023
Net sales	1,859	1,808	6,273	5,334	8,351	7,412
Purchases of goods and services	-888	-915	-3,198	-2,642	-4,265	-3,709
<b>Gross profit</b>	<b>971</b>	<b>893</b>	<b>3,075</b>	<b>2,692</b>	<b>4,086</b>	<b>3,703</b>
Other external costs	-134	-127	-411	-387	-560	-536
Personnel costs	-645	-638	-2,077	-1,880	-2,756	-2,559
Capitalized work performed by the company for its own use	37	36	120	108	164	152
<i>Depreciation/amortisation and impairment of</i>						
– property, plant and equipment	-29	-32	-92	-89	-123	-120
– intangible non-current assets	-63	-62	-195	-169	-256	-230
<b>Operating profit</b>	<b>137</b>	<b>70</b>	<b>420</b>	<b>275</b>	<b>555</b>	<b>410</b>
Financial income	17	15	59	30	75	46
Financial expenses	-45	-38	-142	-78	-174	-110
Revaluation of contingent considerations	17	–	17	–	33	16
<b>Profit before tax</b>	<b>126</b>	<b>47</b>	<b>354</b>	<b>227</b>	<b>489</b>	<b>362</b>
Current tax	-36	-15	-99	-66	-150	-117
Deferred tax	7	3	16	12	38	34
<b>Net profit for the period</b>	<b>97</b>	<b>35</b>	<b>271</b>	<b>173</b>	<b>377</b>	<b>279</b>
<i>Attributable to:</i>						
Owners of the Parent Company	97	35	271	173	377	279
<b>Share data</b>						
Earnings per share before and after dilution, SEK	0.73	0.26	2.03	1.30	2.83	2.09
Average number of shares outstanding:						
Before dilution	133,318,232	133,420,034	133,318,232	133,472,166	133,318,232	133,433,183
After dilution	133,561,581	133,420,034	133,486,288	133,550,558	133,411,695	133,454,966

## Consolidated Statement of Comprehensive Income

SEK m	2024 Jul–Sep	2023 Jul–Sep	2024 Jan–Sep	2023 Jan–Sep	Rolling 12 mos Oct–Sep 2023/2024	Full year 2023
Net profit for the period	97	35	271	173	377	279
<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 on translation of foreign operations	-18	-46	52	54	-18	-16
Hedge of net investments in foreign operations	-2	21	-30	-33	-7	-9
<b>Total other comprehensive income after tax for the period</b>	<b>-20</b>	<b>-25</b>	<b>22</b>	<b>21</b>	<b>-25</b>	<b>-25</b>
<b>Comprehensive income for the period</b>	<b>77</b>	<b>10</b>	<b>293</b>	<b>194</b>	<b>352</b>	<b>254</b>
<i>Attributable to:</i>						
Owners of the Parent Company	77	10	293	194	352	254

## Consolidated Balance Sheet

SEK m	2024 Sep 30	2023 Sep 30	2023 Dec 31
<i>Assets</i>			
Goodwill	3,110	3,006	2,977
Other intangible non-current assets	997	1,032	972
Property, plant and equipment	301	268	346
Financial assets	81	57	73
<b>Total non-current assets</b>	<b>4,489</b>	<b>4,363</b>	<b>4,368</b>
Inventories	1	2	1
Other current assets	2,874	1,624	2,161
Cash and cash equivalents	441	565	667
<b>Total current assets</b>	<b>3,316</b>	<b>2,191</b>	<b>2,829</b>
<b>Total assets</b>	<b>7,805</b>	<b>6,554</b>	<b>7,197</b>
<i>Equity and liabilities</i>			
Equity	2,276	2,056	2,116
Non-current liabilities	1,882	2,239	2,212
Current liabilities	3,647	2,259	2,869
<b>Total equity and liabilities</b>	<b>7,805</b>	<b>6,554</b>	<b>7,197</b>
Interest-bearing receivables amount to	–	3	3
Interest-bearing liabilities amount to	1,543	1,671	1,669
Pledged assets	15	9	9
Contingent liabilities	43	23	55

## Equity and number of shares

Specification of changes in equity, SEK m	2024 Jul–Sep	2023 Jul–Sep	2024 Jan–Sep	2023 Jan–Sep	Full year 2023
<b>Equity, opening balance</b>	<b>2,199</b>	2,060	<b>2,116</b>	2,005	<b>2,005</b>
Dividend	–	–	-133	-133	-133
Call options issued	–	–	–	4	4
Repurchase of the company's shares	–	-14	–	-14	-14
Comprehensive income for the period	77	10	293	194	254
<b>Equity, closing balance</b>	<b>2,276</b>	<b>2,056</b>	<b>2,276</b>	<b>2,056</b>	<b>2,116</b>
<b>Equity attributable to:</b>					
Owners of the Parent Company	2,276	2,056	2,276	2,056	2,116
Number of shares outstanding, opening balance	<b>133,318,232</b>	<b>133,498,232</b>	<b>133,318,232</b>	<b>133,498,232</b>	<b>133,498,232</b>
Repurchase of the company's shares	–	-180,000	–	-180,000	-180,000
Number of shares outstanding, closing balance	<b>133,318,232</b>	<b>133,318,232</b>	<b>133,318,232</b>	<b>133,318,232</b>	<b>133,318,232</b>

Addnode Group held 1,210,000 (1,030,000) class B treasury shares on September 30, 2024.

## Consolidated Statement of Cash Flows

SEK m	2024 Jul–Sep	2023 Jul–Sep	2024 Jan–Sep	2023 Jan–Sep	Rolling 12 mos Oct–Sep 2023/2024	Full year 2023
<b>Operating activities</b>						
Operating profit	137	70	420	275	555	410
Adjustment for non-cash items	90	90	267	264	364	361
<b>Total</b>	<b>227</b>	<b>160</b>	<b>687</b>	<b>539</b>	<b>919</b>	<b>771</b>
Net financial items	-15	-8	-71	-40	-94	-63
Tax paid	-31	-33	-109	-87	-157	-135
<b>Cash flow from operating activities before changes in working capital</b>	<b>181</b>	<b>119</b>	<b>507</b>	<b>412</b>	<b>668</b>	<b>573</b>
Total change in working capital	-314	-258	-81	-155	-14	-88
<b>Cash flow from operating activities</b>	<b>-133</b>	<b>-139</b>	<b>426</b>	<b>257</b>	<b>654</b>	<b>485</b>
<b>Investing activities</b>						
Purchases and sales of intangible assets and property, plant and equipment	-43	-44	-153	-139	-216	-202
Acquisitions of financial assets	-7	-1	-7	-6	-7	-6
Acquisitions of subsidiaries and operations	-122	-387	-223	-529	-223	-529
Cash and cash equivalents in acquired subsidiaries	5	59	10	64	11	65
<b>Cash flow from investing activities</b>	<b>-167</b>	<b>-373</b>	<b>-373</b>	<b>-610</b>	<b>-435</b>	<b>-672</b>
<b>Financing activities</b>						
Dividend paid	–	–	-133	-133	-133	-133
Call options issued	–	–	–	4	–	4
Repurchase of the company's shares	–	-14	–	-14	–	-14
Borrowings	0	–	46	569	46	569
Repayment of loans	-25	-68	-220	-126	-244	-150
<b>Cash flow from financing activities</b>	<b>-25</b>	<b>-82</b>	<b>-307</b>	<b>300</b>	<b>-331</b>	<b>276</b>
Change in cash and cash equivalents	-325	-594	-254	-53	-112	89
Cash and cash equivalents at start of period	770	1,188	667	600	565	600
Exchange rate difference in cash and cash equivalents	-4	-29	28	18	-12	-22
<b>Cash and cash equivalents at end of period</b>	<b>441</b>	<b>565</b>	<b>441</b>	<b>565</b>	<b>441</b>	<b>667</b>



# Parent Company financial statements

## Parent Company Income Statement

SEK m	2024 Jul–Sep	2023 Jul–Sep	2024 Jan–Sep	2023 Jan–Sep	Rolling 12 mos Oct–Sep 2023/2024	Full year 2023
Net sales	10	7	29	23	38	32
Operating expenses	-25	-21	-83	-76	-112	-105
<b>Operating loss</b>	<b>-15</b>	<b>-14</b>	<b>-54</b>	<b>-53</b>	<b>-74</b>	<b>-73</b>
Profit from participations in Group companies	54	125	171	169	350	348
Other financial income	3	14	29	29	41	41
Financial expenses	-24	-38	-104	-79	-137	-112
<b>Profit after financial items</b>	<b>18</b>	<b>87</b>	<b>42</b>	<b>66</b>	<b>180</b>	<b>204</b>
Change in tax allocation reserve	19	–	19	–	20	1
<b>Profit before tax</b>	<b>37</b>	<b>87</b>	<b>61</b>	<b>66</b>	<b>200</b>	<b>205</b>
Tax	21	–	21	–	8	-13
<b>Net profit for the period</b>	<b>58</b>	<b>87</b>	<b>82</b>	<b>66</b>	<b>208</b>	<b>192</b>

## Parent Company Balance Sheet

SEK m	2024 Sep 30	2023 Sep 30	2023 Dec 31
<b>Assets</b>			
Property, plant and equipment	9	4	9
Financial assets	2,901	2,968	2,949
Current receivables	96	103	85
Cash and cash equivalents	228	295	404
<b>Total assets</b>	<b>3,234</b>	<b>3,370</b>	<b>3,447</b>
<b>Equity and liabilities</b>			
Equity	1,429	1,355	1,481
Untaxed reserves	143	163	162
Provisions	35	74	58
Non-current liabilities	543	672	670
Current liabilities	1,084	1,106	1,076
<b>Total equity and liabilities</b>	<b>3,234</b>	<b>3,370</b>	<b>3,447</b>

# Operating segments

The following figures pertain to January–September of each year.

## Revenue, gross profit and profit

SEK m	Design		PLM		Process		Central		Eliminations		Addnode Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Revenue</b>												
External sales	3,944	3,041	1,371	1,366	958	927	–	–	–	–	6,273	5,334
Transactions between segments	5	5	20	19	8	8	19	12	-52	-44	0	0
<b>Total revenue</b>	<b>3,949</b>	<b>3,046</b>	<b>1,391</b>	<b>1,385</b>	<b>966</b>	<b>935</b>	<b>19</b>	<b>12</b>	<b>-52</b>	<b>-44</b>	<b>6,273</b>	<b>5,334</b>
Gross profit	1,633	1,310	675	651	783	748	20	12	-36	-28	3,075	2,693
Gross margin, %	41.4	43.0	48.5	47.0	81.1	80.0					49.0	50.5
EBITA	372	236	117	89	182	177	-56	-58	–	–	615	444
EBITA margin, %	9.4	7.7	8.4	6.4	18.8	18.9			–	–	9.8	8.3
Operating profit/loss	275	158	68	40	134	135	-57	-58	–	–	420	275
Operating margin, %	7.0	5.2	4.9	2.9	13.9	14.4			–	–	6.7	5.2
Total net operating assets	2,002	2,013	841	759	1,092	1,055	76	38	–	–	4,011	3,865
Average number of employees	1,099	988	726	743	737	677	14	12	–	–	2,576	2,420

## Revenue breakdown

SEK m	Design		PLM		Process		Central		Eliminations		Addnode Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Licenses	22	53	96	185	28	34	–	–	-1	-1	145	271
Recurring revenue	3,292	2,452	899	837	467	428	–	–	-1	-2	4,657	3,715
Services	597	504	372	341	442	441	–	–	-13	-13	1,398	1,273
Other	38	37	24	22	29	32	19	12	-37	-28	73	75
<b>Total revenue</b>	<b>3,949</b>	<b>3,046</b>	<b>1,391</b>	<b>1,385</b>	<b>966</b>	<b>935</b>	<b>19</b>	<b>12</b>	<b>-52</b>	<b>-44</b>	<b>6,273</b>	<b>5,334</b>

Addnode Group operates through three divisions: Design Management, Product Lifecycle Management and Process Management. The Group's decentralized governance model means mission-critical decisions are taken close to the customer and market. Companies develop their businesses in accordance with strategies, guidelines and Group-wide values. The divisions are the operating segments that Addnode Group uses to monitor the performance and development of its business. There has been no change to the operating segments since the most recent Annual Report.

The difference between the total of the segments' operating profit and consolidated profit before tax consists of financial income of SEK 59 m (30), financial expenses of SEK -142 m (-78), and revaluation of contingent considerations of SEK 17 m (-).

Acquisitions completed in the January–September 2024 period meant that net operating assets in segments increased to only a limited extent compared with the disclosures in the Annual Report for 2023; PLM by SEK 100 m and Process Management by SEK 38 m. Net operating assets are defined as the total of goodwill and other intangible non-current assets, property, plant and equipment, financial assets, trade receivables and other operating assets, less trade payables and other operating liabilities.

# Key figures

			Rolling 12 mos	Full year			
	2024 Jan–Sep	2023 Jan–Sep	2023/2024 Oct–Sep	2023	2022	2021	2020
Net sales, SEK m	6,273	5,334	8,350	7,412	6,225	4,077	3,807
<i>Design Management</i>	3,949	3,046	5,195	4,292	3,494	1,852	1,860
<i>Product Lifecycle Management</i>	1,391	1,385	1,890	1,884	1,580	1,227	1,141
<i>Process Management</i>	966	935	1,312	1,281	1,182	1,020	827
Gross profit, SEK m	3,075	2,692	4,086	3,703	3,234	2,309	2,092
<i>Design Management</i>	1,633	1,310	2,144	1,821	1,517	858	821
<i>Product Lifecycle Management</i>	675	651	907	883	788	636	589
<i>Process Management</i>	783	748	1,056	1,021	942	826	694
Gross margin, %	49.0	50.5	48.9	50.0	51.9	56.6	55.0
<i>Design Management</i>	41.4	43.0	41.3	42.4	43.4	46.3	44.1
<i>Product Lifecycle Management</i>	48.5	47.0	48.0	46.9	49.9	51.8	51.6
<i>Process Management</i>	81.1	80.0	80.5	79.7	79.7	81.0	83.9
EBITA, SEK m	615	444 <sup>1)</sup>	811	640 <sup>2)</sup>	728 <sup>3)</sup>	461	356
<i>Design Management</i>	372	236	470	334	398	204	190
<i>Product Lifecycle Management</i>	117	89 <sup>1)</sup>	171	143 <sup>2)</sup>	158 <sup>3)</sup>	117	57
<i>Process Management</i>	182	177	249	244	226	195	151
EBITA margin, %	9.8	8.3 <sup>1)</sup>	9.7	8.6 <sup>2)</sup>	11.7 <sup>3)</sup>	11.3	9.4
<i>Design Management</i>	9.4	7.7	9.0	7.8	11.4	11.0	10.3
<i>Product Lifecycle Management</i>	8.4	6.4 <sup>1)</sup>	9.0	7.6 <sup>2)</sup>	10.0 <sup>3)</sup>	9.5	5.0
<i>Process Management</i>	18.8	18.9	19.0	19.0	19.1	19.1	18.3
Average number of employees	2,576	2,420	–	2,455	2,137	1,776	1,758
<i>Design Management</i>	1,099	988	–	1,016	793	560	565
<i>Product Lifecycle Management</i>	726	743	–	740	687	613	654
<i>Process Management</i>	737	677	–	686	648	595	532

1) EBITA has been charged with restructuring costs of SEK 15 m. Addnode Group's EBITA adjusted for restructuring costs was SEK 459 m, and the adjusted EBITA margin amounted to 8.6 percent.

2) EBITA has been charged with restructuring costs of SEK 20 m. Addnode Group's EBITA adjusted for restructuring costs was SEK 660 m, and the adjusted EBITA margin amounted to 8.9 percent.

3) In the results, there was a capital gain of SEK 24 m from the disposal of an office property in the UK.

**Key figures, cont.**

			Rolling 12 mos	Full year			
	2024 Jan–Sep	2023 Jan–Sep	2023/2024 Oct–Sep	2023	2022	2021	2020
Cash flow from operating activities, SEK m	426	257	656	487	714	437	579
Change in net sales, %	18	20	N/A	19	53	7	11
Operating margin, %	6.7	5.2	6.6	5.5	8.5	7.5	6.0
Return on capital employed, % <sup>1)</sup>	17.6	13.4	17.6	13.8	19.6	13.0	10.6
Return on equity, % <sup>1)</sup>	17.4	14.0	17.4	13.5	20.7	13.9	11.2
Equity/assets ratio, %	29	31	29	29	32	39	40
Equity, SEK m	2,276	2,056	2,276	2,116	2,005	1,693	1,512
Net debt, SEK m	1,102	1,103	1,102	999	463	368	182
Debt/equity ratio, %	48	54	48	47	23	22	12

1) Key figures have been adjusted to reflect annualized return.

**Share data<sup>1)</sup>**

			Rolling 12 mos	Full year			
	2024 Jan–Sep	2023 Jan–Sep	2023/2024 Oct–Sep	2023	2022	2021	2020
Average number of shares outstanding before and after dilution, m	133.3	133.4	133.3	133.4	133.6	134.2	133.6
Total number of shares outstanding, m	133.3	133.3	133.3	133.3	133.5	133.7	133.7
Earnings per share before and after dilution, SEK	0.73	1.30	2.83	2.09	2.86	1.66	1.22
Cash flow from operating activities per share, SEK	3.20	1.93	4.91	3.63	5.34	3.27	4.33
Equity per share, SEK	17.07	15.42	17.07	15.9	15.0	12.7	11.3
Share price at end of period, SEK	110.90	66.75	110.90	85.3	98.4	107.3	71.5
Share price/equity	6.50	4.33	6.50	5.37	6.55	8.47	6.32

1) Due to the 4:1 share split executed in May 2022, historical key financial ratios based on the number of shares have been recalculated.

## Key figures (quarter information)

	2024			2023			2022	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net sales, SEK m	1,859	2,005	2,409	2,078	1,808	1,554	1,972	1,786
<i>Design Management</i>	1,111	1,214	1,624	1,246	1,055	778	1,213	1,004
<i>Product Lifecycle Management</i>	469	468	454	499	484	468	433	455
<i>Process Management</i>	289	335	342	346	280	320	335	335
Gross profit, SEK m	971	1,003	1,101	1,010	893	859	940	902
<i>Design Management</i>	517	507	609	512	448	388	474	425
<i>Product Lifecycle Management</i>	221	230	224	232	226	217	208	219
<i>Process Management</i>	237	272	274	273	224	260	264	262
Gross margin, %	52.2	50.0	45.7	48.6	49.4	55.3	47.7	50.5
<i>Design Management</i>	46.5	41.8	37.5	41.1	42.5	49.8	39.0	42.3
<i>Product Lifecycle Management</i>	47.1	49.1	49.3	46.5	46.7	46.4	48.0	48.1
<i>Process Management</i>	82.0	81.2	80.1	78.9	80.1	81.2	78.8	78.3
EBITA, SEK m	200	162	253	196 <sup>1)</sup>	132 <sup>2)</sup>	110 <sup>3)</sup>	202	200
<i>Design Management</i>	118	86	168	98	57	48	131	111
<i>Product Lifecycle Management</i>	39	37	41	54 <sup>1)</sup>	43 <sup>2)</sup>	20 <sup>3)</sup>	26	44
<i>Process Management</i>	58	59	65	67	53	60	64	60
EBITA margin, %	10.8	8.1	10.5	9.4 <sup>1)</sup>	7.3 <sup>2)</sup>	7.1 <sup>3)</sup>	10.2	11.2
<i>Design Management</i>	10.6	7.1	10.3	7.9	5.4	6.2	10.8	11.1
<i>Product Lifecycle Management</i>	8.3	7.9	9.0	10.8 <sup>1)</sup>	8.9 <sup>2)</sup>	4.3 <sup>3)</sup>	6.0	9.7
<i>Process Management</i>	20.1	17.6	19.0	19.4	18.9	18.8	19.1	17.9
Average number of employees	2,587	2,566	2,549	2,552	2,553	2,364	2,334	2,252
<i>Design Management</i>	1,110	1,096	1,091	1,098	1,115	933	916	857
<i>Product Lifecycle Management</i>	722	725	724	728	734	744	736	712
<i>Process Management</i>	740	731	720	712	690	675	671	673

1) EBITA has been charged with restructuring costs of SEK 5 m (-). Addnode Group's EBITA adjusted for restructuring costs was SEK 201 m (200), and the adjusted EBITA margin amounted to 9.7 percent (11.2).

2) EBITA has been charged with restructuring costs of SEK 5 m (-). Addnode Group's EBITA adjusted for restructuring costs was SEK 137 m (194), and the adjusted EBITA margin amounted to 7.6 percent (11.9).

3) EBITA has been charged with restructuring costs of SEK 10 m (-). Addnode Group's EBITA adjusted for restructuring costs was SEK 120 m (154), and the adjusted EBITA margin amounted to 7.7 percent (10.3).

**Key figures, cont.**

	2024			2023			2022	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Cash flow from operating activities, SEK m	-133	178	381	228	-139	127	269	261
Change in net sales, %	20	2	22	16	11	4	49	60
Operating margin, %	7.4	4.8	7.8	6.5	3.9	3.6	7.6	8.3
Return on capital employed, % <sup>1)</sup>	17.6	15.3	14.3	13.8	13.4	15.4	18.0	19.6
Return on equity, % <sup>1)</sup>	17.4	14.8	13.5	13.5	14.0	17.9	19.4	20.7
Equity/assets ratio, %	29	27	28	29	31	32	35	32
Equity, SEK m	2,276	2,198	2,284	2,116	2,056	2,060	2,099	2,005
Net debt, SEK m	1,102	825	816	999	1,103	488	381	463
Debt/equity ratio, %	48	38	36	47	54	24	18	23

<sup>1)</sup> Key figures have been adjusted to reflect annualized return.

**Share data<sup>1)</sup>**

	2024			2023			2022	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Average number of shares outstanding before and after dilution, m	133.3	133.3	133.3	133.3	133.4	133.5	133.5	133.5
Total number of shares outstanding, m	133.3	133.3	133.3	133.3	133.3	133.5	133.5	133.5
Earnings per share before and after dilution, SEK	0.73	0.41	0.90	0.80	0.26	0.25	0.78	0.77
Cash flow from operating activities per share, SEK	-1.00	1.34	2.87	1.71	-1.04	0.95	2.02	1.96
Equity per share, SEK	17.07	16.49	17.13	15.87	15.42	15.43	15.72	15.02
Share price at end of period, SEK	110.90	121.90	114.40	85.30	66.75	83.50	124.70	98.40
Share price/equity	6.50	7.39	6.68	5.37	4.33	5.41	7.93	6.55

<sup>1)</sup> Due to the 4:1 share split executed in May 2022, historical key financial ratios based on the number of shares have been recalculated.



# Alternative performance measures, use and reconciliation

The European Securities and Markets Authority (ESMA) has issued guidelines for disclosures on Alternative Performance Measures (APMs) for companies with securities listed on a regulated market in the EU, which apply to Alternative Performance Measures in published mandatory information. Alternative Performance Measures are financial metrics on historical or future performance of earnings, financial position, financial results or cash flows that are not defined or stated in the applicable rules for financial reporting. Certain performance metrics are used in this Interim Report that are not defined in IFRS, with the intention of offering investors, financial analysts and other stakeholders clear and relevant information on the company's operations and performance. The use of these performance metrics and reconciliation with the financial statements are presented below.

Definitions on page 28.

## EBITA

EBITA is a metric the Group considers relevant to investors, financial analysts and other stakeholders to understand earnings generation before investments in intangible non-current assets. This measure is an expression of operating profit before the amortization and impairment of intangible non-current assets.

## Net debt

The Group considers this key figure useful to the readers of financial statements as a complement in evaluating dividend potential, making strategic investments and assessing the Group's potential to satisfy financial obligations. This key figure is an expression of the level of financial borrowing in absolute terms after deducting cash and cash equivalents.

### Reconciliation of EBITA

	2024 Jul–Sep	2023 Jul–Sep	2024 Jan–Sep	2023 Jan–Sep	Rolling 12 mos Oct–Sep 2023/2024	Full year 2023
Operating profit	137	70	420	275	555	410
Amortization and impairment of intangible non-current assets	63	62	195	169	256	230
<b>EBITA</b>	<b>200</b>	<b>132</b>	<b>615</b>	<b>444</b>	<b>811</b>	<b>640</b>

### Reconciliation of net debt

	2024 Sep 30	2023 Sep 30	2023 Dec 31
Non-current liabilities	1,882	2,239	2,212
Current liabilities	3,647	2,259	2,869
Non-interest-bearing non-current and current liabilities	-3,986	-2,827	-3,412
<b>Total interest-bearing liabilities</b>	<b>1,543</b>	<b>1,671</b>	<b>1,669</b>
Cash and cash equivalents	-441	-565	-667
Other interest-bearing receivables	–	-3	-3
<b>Net debt (+)/receivable (–)</b>	<b>1,102</b>	<b>1,103</b>	<b>999</b>

# Definitions

## Return on equity

Profit after tax as a percentage of average equity. Based on profit for the last 12 months and the average of the opening and closing balances of equity.

## 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.

## Share price/equity

Share price in relation to equity per share.

## Gross profit

Net sales less purchases of goods and services.

## Gross margin

Gross profit as a percentage of net sales.

## EBITA

Earnings before amortization and impairment of intangible assets.

## EBITA margin

EBITA as a percentage of net sales.

## Equity

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

## Equity per share

Equity divided by the total number of shares outstanding.

## Cash flow per share

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

## Average number of employees

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

## Net debt

Interest-bearing liabilities less cash and cash equivalents and other interest-bearing receivables. According to this definition, negative 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).

## Organic growth

Change in net sales excluding acquired entities in the most recent 12-month period.

## Earnings per share

Profit after tax divided by the average number of shares outstanding.

## Operating margin

Operating profit as a percentage of net sales.

## Debt/equity ratio

Net debt in relation to equity (including equity attributable to non-controlling interests).

## Equity/assets ratio

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

## Capital employed

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

## Currency-adjusted organic growth

Change in net sales, restated using the preceding year's exchange rates, excluding acquired entities in the most recent 12-month period.

## Recurring revenue

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



#### Design Management division

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**SERVICE WORKS GLOBAL**

PART OF ADDNODE GROUP

**SYMETRI**

PART OF ADDNODE GROUP

**TEAM D3**

PART OF SYMETRI AND ADDNODE GROUP

**TRIBIA**

PART OF ADDNODE GROUP

#### Process Management division

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**ADTOLLO**

PART OF ADDNODE GROUP

**CANELLA**

PART OF ADDNODE GROUP

**DECERNO**

PART OF ADDNODE GROUP

**DECISIVE**

PART OF ADDNODE GROUP

**FORSLER STJERNA**

PART OF ADDNODE GROUP

**IDA INFRONT**

PART OF ADDNODE GROUP

**ICEBOUND**

PART OF ADDNODE GROUP

#### Product Lifecycle Management division

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**TECHNIA**

PART OF ADDNODE GROUP

**INTRAPHONE**

PART OF ADDNODE GROUP

**JETAS**

PART OF ADDNODE GROUP

**NETPUBLICATOR**

PART OF ADDNODE GROUP

**SOKIGO**

PART OF ADDNODE GROUP

**STAMFORD**

PART OF ADDNODE GROUP

**VOICE PROVIDER**

PART OF ADDNODE GROUP

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