

# INTERIM REPORT 1 APRIL - 30 SEPTEMBER 2022

## SECOND QUARTER (1 JULY - 30 SEPTEMBER 2022)

- **Net sales** increased by 36 percent and amounted to SEK 4,418 million (3,257).
- **Operating profit before amortisation of intangible non-current assets (EBITA)** increased by 37 percent and amounted to SEK 582 million (425) corresponding to an EBITA margin of 13.2 percent (13.1).
- **Operating profit** increased by 39 percent and amounted to SEK 489 million (351) corresponding to an operating margin of 11.1 percent (10.8).
- **Profit after tax** increased by 38 percent and amounted to SEK 362 million (263) and **earnings per share before/after dilution** amounted to SEK 1.30 (0.95).

## PERIOD (1 APRIL - 30 SEPTEMBER 2022)

- **Net sales** increased by 35 percent and amounted to SEK 8,794 million (6,536).
- **Operating profit before amortisation of intangible non-current assets (EBITA)** increased by 39 percent and amounted to SEK 1,152 million (827) corresponding to an EBITA margin of 13.1 percent (12.7).
- **Operating profit** increased by 42 percent and amounted to SEK 971 million (683) corresponding to an operating margin of 11.0 percent (10.4).
- **Profit after tax** increased by 38 percent and amounted to SEK 706 million (513) and **earnings per share before/after dilution** amounted to SEK 2.50 (1.85). For the latest twelve month period earnings per share before dilution amounted to SEK 4.65 (3.15) and after dilution to SEK 4.60 (3.15).
- **Return on working capital (P/WC)** amounted to 66 percent (61).
- **Return on equity** amounted to 31 percent (26) and the **equity ratio** amounted to 32 percent (32).
- **Cash flow from operating activities** amounted to SEK 524 million (435). For the latest twelve month period, **cash flow per share from operating activities** amounted to SEK 4.50 (5.10).
- **Since the start of the financial year seven acquisitions have been completed**, with total annual sales of about SEK 600 million.

Group Summary	3 months			6 months			Rolling 12 months	
	30 Sep 2022	30 Sep 2021	Δ	30 Sep 2022	30 Sep 2021	Δ	30 Sep 2022	31 Mar 2022
SEKm								
Net sales	4,418	3,257	36%	8,794	6,536	35%	16,296	14,038
EBITA	582	425	37%	1,152	827	39%	2,128	1,803
EBITA-margin %	13.2	13.1		13.1	12.7		13.1	12.8
Profit after financial items	464	337	38%	902	655	38%	1,680	1,433
Profit for the period	362	263	38%	706	513	38%	1,310	1,117
Earnings per share before dilution, SEK	1.30	0.95	37%	2.50	1.85	35%	4.65	4.00
Earnings per share after dilution, SEK	1.30	0.95	37%	2.50	1.85	35%	4.60	3.95
Cash flow from operating activities per share, SEK	-	-		-	-		4.50	4.15
Return on equity, %	31	26		31	26		31	30
Equity ratio, %	32	32		32	32		32	34

Comparisons in parentheses refer to the corresponding period of the previous year, unless stated otherwise.

# CEO'S COMMENTS

## SECOND QUARTER – CUSTOMER ACTIVITY STILL AT A HIGH LEVEL

The second quarter can be summed up as another strong quarter with high levels of customer activity in all business areas. Total sales increased by 36 percent, of which 19 percent was organic growth. Despite continued disruptions in the value chains and increased prices for input goods, our entrepreneurial companies succeeded in meeting their customer commitments and, through active dialogues with customers and suppliers, defended their operating margins in a highly satisfactory manner. EBITA increased by 37 percent with a historically high margin of 13.2 percent.

## MARKET TREND

Over the second quarter, the business situation generally remained strong in most segments and geographies. The demand of infrastructure products for national and regional power grids was very good. Over the quarter, we saw demand for energy-efficient solutions increase and the trend among products for the defence industry also remained strong. The market situation for input components for manufacturers of special vehicles, as well as companies in the medical technology and mechanical industries remained favourable, while we experienced decreased demand from high levels on new projects in the forest industry. From a geographical perspective, the market situation was favourable in all of the Nordic countries, with our units in Norway experiencing the strongest development. For our companies operating outside the Nordic region, the market trend during the quarter was generally positive.

Driven by the strong profit growth, cash flow from operating activities strengthened over the quarter compared with last year and P/WC remained at high levels.

## ACQUISITIONS

We continue to make acquisitions as planned. To date, seven acquisitions have been completed during the financial year, adding total sales of about SEK 600 million and 197 new employees. Two carefully selected acquisitions were completed in the second quarter: Gotapack International AB, with a strong offering in processing and packaging machines in medical technology, and Allied Insulators Ltd, which complements and strengthens our offering in electrical transmission outside the Nordic region. On the whole, we take a positive view of the acquisitions market and our pipeline in all business areas is well-filled with attractive acquisition candidates that would clearly strengthen the areas we have selected strategically for future growth.

## OUTLOOK

Demand remained strong during the quarter and we currently see no clear signs of a general slowdown in customer activity. As expected, the total order backlog decreased slightly in volume over the quarter as disruptions in the value chains subsided. However, the order backlog remains at a high level and is of good quality.

We face a highly uncertain global situation and are humbled by the development. At the same time, we are well prepared and have strong positions in segments experiencing underlying structural growth, such as industrial automation, power transmission, society's electrification and solutions for reducing emissions. This, combined with our well-proven business model with entrepreneurial and strictly decentralised companies used to quickly adapting to challenges while capturing opportunities, will continue to serve us well in the future. I am convinced that regardless of how the market develops in the future, we enjoy favourable conditions for continued sustainable and profitable growth.

In conclusion, I would like to take this opportunity to thank all of the committed and skilled employees in our companies for their amazing efforts over the quarter.

Niklas Stenberg  
President and CEO



# GROUP DEVELOPMENT

## Sales development

Net sales in the Addtech Group increased in the second quarter by 36 percent to SEK 4,418 million (3,257). The organic growth amounted to 19 percent and acquired growth amounted to 13 percent. Exchange rate changes affect net sales positively with 4 percent, corresponding to SEK 134 million.

Net sales in the Addtech Group during the period increased by 35 percent to SEK 8,794 million (6,536). The organic growth amounted to 18 percent and acquired growth amounted to 13 percent. Exchange rate changes affect net sales positively with 4 percent, corresponding to SEK 233 million.

## Profit development

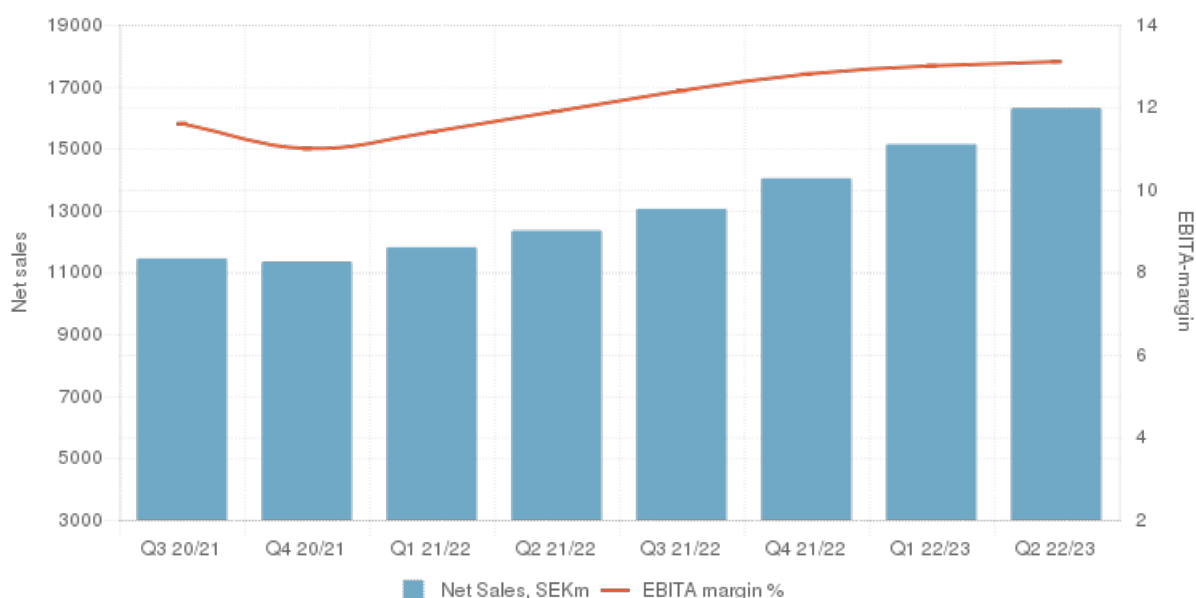
EBITA in the second quarter amounted to SEK 582 million (425), representing an increase of 37 percent. Operating profit increased during the quarter by 39 percent to SEK 489 million (351) and the operating margin amounted to 11.1 percent (10.8). Net financial items amounted to SEK -25 million (-14) and profit after financial items increased by 38 percent to SEK 464 million (337).

Profit after tax increased by 38 percent to SEK 362 million (263) corresponding to earnings per share before/after dilution of SEK 1.30 (0.95).

EBITA for the period amounted to SEK 1,152 million (827), representing an increase of 39 percent. Operating profit increased during the period by 42 percent to SEK 971 million (683) and the operating margin amounted to 11.0 percent (10.4). Net financial items were SEK -69 million (-28) and profit after financial items increased by 38 percent to SEK 902 million (655).

Profit after tax for the period increased by 38 percent to SEK 706 million (513) and the effective tax rate amounted to 22 percent (22). Earnings per share before/after dilution for the period amounted to SEK 2.50 (1.85). For the latest twelve month period, earnings per share before dilution amounted to SEK 4.65 (3.15) and after dilution to SEK 4.60 (3.15).

## Net sales and EBITA margin, rolling 12 months



# DEVELOPMENT IN THE BUSINESS AREAS

## AUTOMATION

Net sales in Automation increased in the second quarter by 34 percent to SEK 810 million (604) and EBITA increased by 44 percent to SEK 105 million (73). Net sales during the period increased by 31 percent to SEK 1,571 million (1,197) and EBITA increased by 52 percent to SEK 196 million (129).

### Market

The business situation was highly favourable for the Automation business area as a whole in the second quarter and demand was stable. The sales trend was favourable in all segments of importance for the business area, such as the process industry, mechanical industry and medical technology, and demand increased for the companies operating in the defence industry. The challenges involving shortages of components and materials eased somewhat, which had positive effects on sales with good incremental margins.

## ELECTRIFICATION

Net sales in Electrification increased in the second quarter by 55 percent to SEK 958 million (618) and EBITA increased by 51 percent to SEK 126 million (83). Net sales during the period increased by 55 percent to SEK 1,887 million (1,220) and EBITA increased by 54 percent to SEK 240 million (156).

### Market

The Electrification business area had a strong second quarter with a favourable business position for input components and solutions in the largest segments, such as electronics, energy, special vehicles, medical technology and telecom as well as for specially adapted battery modules. Overall, demand was stable and increased in the defence industry. Good margins on organic growth generated a positive operating margin for the business area as a whole.

## ENERGY

Net sales in Energy increased in the second quarter by 40 percent to SEK 1,256 million (895) and EBITA increased by 42 percent to SEK 159 million (112). Net sales during the period increased by 37 percent to SEK 2,507 million (1,832) and EBITA increased by 38 percent to SEK 315 million (228).

### Market

The Energy business area experienced a good second quarter with a positive business situation and stable demand at a high level. Sales of infrastructure products for the conversion and expansion of national and regional grids increased from already high levels. Sales also developed positively for the units active in niche products for electric power distribution, the manufacturing industry, the expansion of fiber optic networks, as well as for building and installation, while the market situation in wind power was somewhat weaker.

## INDUSTRIAL SOLUTIONS

Net sales in Industrial Solutions increased in the second quarter by 18 percent to SEK 709 million (602) and EBITA increased by 12 percent to SEK 115 million (102). Net sales during the period increased by 22 percent to SEK 1,497 million (1,227) and EBITA increased by 27 percent to SEK 247 million (194).

### Market

For companies in the Industrial Solutions business area exposed to the forestry and sawmill industry, the business situation remained strong although demand for new projects decreased over the quarter. The order backlog remains at a favourable level, however, with projects scheduled for delivery over the next two years. The market situation was stable for companies with own-developed control and ergonomics products, as well as for hydraulics solutions for special vehicles and for components for the mechanical industry, while it developed positively in waste and recycling. The business area was affected negatively by an unrealised exchange rate loss of approximately SEK 6 million for the quarter.

## PROCESS TECHNOLOGY

Net sales in Process Technology increased in the second quarter by 27 percent to SEK 690 million (545) and EBITA increased by 41 percent to SEK 91 million (64). Net sales during the period increased by 25 percent to SEK 1,344 million (1,072) and EBITA increased by 26 percent to SEK 178 million (141).

### Market

For the Process Technology business area, the business situation was generally very strong in the second quarter. The companies active in the forest and processing industry and in medical technology experienced particularly positive development. Demand for after-market components and service, as well as for projects in the energy segment, the mechanical industry and special vehicles was stable, while it increased somewhat in the marine segment.

# OTHER FINANCIAL INFORMATION

## Profitability, financial position and cash flow

The return on equity at the end of the period was 31 percent (26), and return on capital employed was 21 percent (17). Return on working capital P/WC (EBITA in relation to working capital) amounted to 66 percent (61).

At the end of the period the equity ratio amounted to 32 percent (32). Equity per share, excluding non-controlling interest, totalled SEK 15.95 (12.30). The Group's net debt at the end of the period amounted to SEK 5,011 million (3,480), excluding pension liabilities of SEK 224 million (336). The net debt/equity ratio, calculated on the basis of net debt excluding provisions for pensions amounted to 1.1 (1.0).

Cash and cash equivalents consisting of cash and bank equivalents and approved but non-utilised credit facilities amounted to SEK 1,277 million (1,450) at 30 September 2022.

Cash flow from operating activities amounted to SEK 524 million (435) during the period. Company acquisitions and disposals including settlement of contingent consideration regarding acquisitions implemented in previous years amounted to SEK 982 million (592). Investments in non-current assets totalled SEK 65 million (36) and disposal of non-current assets amounted to SEK 3 million (6). Repurchase of treasury shares amounted to SEK 31 million (0) and repurchase of call options amounted to SEK 58 million (36). Exercised and issued call options totalled SEK 11 million (7). During the second quarter, dividend of SEK 1.80 (1.20) per share was paid, totalling SEK 485 million (323).

## Employees

At the end of the period, the number of employees was 3,805 compared to 3,556 at the beginning of the financial year. During the period, completed acquisitions resulted in an increase of the number of employees by 197. The average number of employees in the latest twelve month period was 3,553.

## Ownership structure

At the end of the period the share capital amounted to SEK 51.1 million.

Class of shares	Number of shares	Number of votes	Percentage of capital	Percentage of votes
Class A shares, 10 votes per share	12,885,744	128,857,440	4.7%	33.1%
Class B shares, 1 vote per share	259,908,240	259,908,240	95.3%	66.9%
<b>Total number of shares before repurchases</b>	<b>272,793,984</b>	<b>388,765,680</b>	<b>100.0%</b>	<b>100.0%</b>
Repurchased class B shares	-3,368,272		1.2%	0.9%
<b>Total number of shares after repurchases</b>	<b>269,425,712</b>			

In accordance with a resolution of the August 2022 AGM, 100 members of management were offered the opportunity to acquire 1,000,000 call options on repurchased Class B shares. In total, 825,910 options were subscribed for. Addtech has four outstanding call option programmes for a total of 2,749,980 shares. Call options issued on repurchased shares entail a dilution effect of about 0.1 percent during the latest twelve month period. During the quarter, 200,000 treasury shares were repurchased. Addtech's own shareholdings fully meet the needs of the outstanding call option programmes.

Outstanding programme	Number of options	Corresponding number of shares	Proportion of total shares	Exercise price per option	Exercise price per share	Expiration period
2022/2026	825,910	825,910	0.3%	180.10	180.10	8 Sep 2025 - 10 Jun 2026
2021/2025	768,070	768,070	0.3%	214.40	214.40	9 Sep 2024 - 11 Jun 2025
2020/2024	250,000	1,000,000	0.4%	538.10	134.53	4 Sep 2023 - 5 Jun 2024
2019/2023	39,000	156,000	0.1%	321.80	80.45	5 Sep 2022 - 2 Jun 2023
<b>Total</b>	<b>1,882,980</b>	<b>2,749,980</b>				

## Acquisitions and disposals

During the period, 1 April to 30 June 2022 the following acquisitions were completed; Intertrafo Oy, Finland, and Arruti Group, Spain, was acquired to become part of the Energy business area. Electric Control Systems Automation AS, Norway, and C.K. Environment A/S, Denmark, was acquired to become part of the Process Technology business area. Impulseradar Sweden AB, Sweden, was acquired to become part of the Industrial Solutions business area.

On 1 July, Gotapack International AB, Sweden, was acquired to become part of the Process Technology business area. Gotapack has strong industry expertise in equipment, spare parts and service to the pharmaceutical industry. The main products include processing and packaging machinery. The company has 5 employees and sales of around SEK 25 million.

On 1 August, Allied Insulators Ltd., Great Britain, was acquired to become part of the Energy business area. Allied Insulators is a leading supplier of equipment and components for electrical distribution- and transmission lines and substations in the UK. The company has 15 employees and sales of around GBP 6 million.

The purchase price allocation calculations for the acquisitions completed during the period 1 April - 30 September 2021 have now been finalised. No significant adjustments have been made to the calculations. Acquisitions completed as of the 2021/2022 financial year are distributed among the Group's business areas as follows:

<b>Acquisitions 2021/2022</b>	<b>Closing</b>	<b>Acquired share, %</b>	<b>Net sales, SEKm*</b>	<b>Number of employees*</b>	<b>Business Area</b>
ESi Controls Ltd., Great Britain	April, 2021	100	95	15	Energy
Hydro-Material Oy, Finland	April, 2021	100	50	5	Industrial Solutions
IETV Elektroteknik AB, Sweden	May, 2021	100	80	38	Energy
AVT Industriteknik AB, Sweden	May, 2021	100	70	42	Automation
EK Power Solutions AB, Sweden	July, 2021	100	40	25	Electrification
KZ moder AB, Sweden	July, 2021	100	100	29	Process Technology
Finnchain Oy, Finland	July, 2021	90	70	20	Process Technology
Tritech Solutions AB, Sweden	August, 2021	100	60	8	Automation
Systema Computer GmbH, Germany	September, 2021	100	95	16	Automation
ABH Stromschiene GmbH, Germany	October, 2021	100	100	22	Electrification
Ko Hartog Verkeerstechniek B.V., Netherlands	October, 2021	100	80	18	Energy
Jolex AB, Sweden	November, 2021	100	20	1	Electrification
Fey Elektronik GmbH, Germany	March, 2022	90	570	160	Electrification

<b>Acquisitions 2022/2023</b>	<b>Closing</b>	<b>Acquired share, %</b>	<b>Net sales, SEKm*</b>	<b>Number of employees*</b>	<b>Business Area</b>
Intertrafo Oy, Finland	April, 2022	100	30	15	Energy
Electric Control Systems Automation AS, Norway	April, 2022	100	75	31	Process Technology
Impulseradar Sweden AB, Sweden	April, 2022	88	80	27	Industrial Solutions
C.K. Environment A/S, Denmark	May, 2022	100	40	14	Process Technology
Arruti Group, Spain	June, 2022	100	280	90	Energy
Gotapack International AB, Sweden	July, 2022	100	25	5	Process Technology
Allied Insulators Ltd., Great Britain	August, 2022	100	75	15	Energy

\* Refers to assessed condition at the time of acquisition on a full-year basis.

If all acquisitions which have taken effect during the period had been completed on 1 April 2022, their impact would have been an estimated SEK 344 million on Group net sales, about SEK 43 million on operating profit and about SEK 32 million on profit after tax for the period.

Addtech normally employs an acquisition structure comprising basic purchase consideration and contingent consideration. The outcome of contingent purchase considerations is determined by the future earnings reached by the companies and is subject to a fixed maximum level. Of considerations not yet paid for acquisitions during the period, the discounted value amounts to SEK 110 million. The contingent purchase considerations fall due for payment within three years and the outcome is subject to a maximum of SEK 147 million.

Transaction costs for acquisitions that resulted in an ownership transfer during the period, amounted to SEK 6 million (6) and are reported under Selling expenses.

Revaluation of contingent consideration had a positive net effect of SEK 4 million (-4) during the period. The impact on profits are reported under Other operating income and Other operating expenses, respectively.

According to the preliminary acquisitions analyses, the assets and liabilities included in the acquisitions were as follows, during the period:

<b>Fair value SEKm</b>	<b>30 Sep 2022</b>	<b>30 Sep 2021</b>
Intangible non-current assets	433	295
Other non-current assets	34	16
Inventories	141	101
Other current assets	303	257
Deferred tax liability/tax asset	-100	-66
Other liabilities	-126	-148
<b>Acquired net assets</b>	<b>685</b>	<b>455</b>
Goodwill <sup>1)</sup>	425	293
Non-controlling interests <sup>2)</sup>	-28	-10
<b>Consideration <sup>3)</sup></b>	<b>1,082</b>	<b>738</b>
Less: cash and cash equivalents in acquired businesses	-113	-125
Less: consideration not yet paid	-130	-111
<b>Effect on the Group's cash and cash equivalents</b>	<b>839</b>	<b>502</b>

*1) Goodwill is justified by expected future sales trend and profitability as well as the personnel included in the acquired companies.*

*2) Non-controlling interests have been measured at fair value, which entails that goodwill is also reported for non-controlling interests.*

*3) The consideration is stated excluding transaction costs for the acquisitions.*

## Parent Company

Parent Company net sales amounted to SEK 41 million (32) and profit after financial items was SEK -50 million (-11). Net investments in non-current assets were SEK 0 million (0). The Parent Company's financial net debt was SEK 591 million (315) at the end of the period.

# OTHER DISCLOSURES

## **Accounting policies**

The interim report has been prepared in accordance with IFRS as adopted by the EU, with IAS 34 Interim Financial Reporting being applied. Apart from in the financial statements and their accompanying notes, disclosures in accordance with IAS 34.16A also appear in other parts of the interim report. The interim report for the Parent Company has been prepared in accordance with the Annual Accounts Act and the Securities Market Act, which is in accordance with the provisions of RFR 2 Accounting for Legal Entities.

In the interim report, the same accounting principles and bases of calculation have been applied as in the most recent annual report. There are no new IFRS or IFRIC pronouncements endorsed by the EU that are applicable for Addtech or that have a significant impact on the Group's result of operations and position in 2022/2023.

## **Alternative performance measures**

The Company presents certain financial measures in the interim report that are not defined according to IFRS. The Company believes that these measures provide valuable supplemental information to investors and the Company's management as they allow for evaluation of trends and the Company's performance. Since all companies do not calculate financial measures in the same way, they are not always comparable to measures used by other companies. These financial measures should therefore not be considered to be a replacement for measurements as defined under IFRS. For definitions and reconciliation tables of the performance measures that Addtech uses, please see page 18-21.

## **Risks and factors of uncertainty**

Addtech's profit and financial position, as well as its strategic position, are affected by a number of internal factors under Addtech's control and by a number of external factors over which Addtech has limited influence. The most important risk factors for Addtech are the state of the economy, combined with structural change and the competitive situation.

Addtech has limited direct exposure to the countries involved in the conflict in Ukraine. One of our subsidiaries has a minor business in Russia where work is currently underway according to an orderly decommissioning plan. Addtech assess also the indirect effects as limited for the time being. Addtech is closely monitoring developments in the conflict and currently finds it difficult to assess the future effect of sanctions against Russia and the implications that the conflict could have on the economic situation in Europe.

Please see section Risks and uncertainties (page 56-58) in the annual report for 2021/2022 for further details.

The Parent Company is indirectly affected by the above risks and uncertainty factors due to its role in the organisation.

## **Transactions with related parties**

No transactions between Addtech and related parties that have significantly affected the Group's or the parent company's position and its earnings have taken place during the period.

## **Seasonal effects**

Addtech's sales of high-tech products and solutions in the manufacturing industry and infrastructure are not subject to major seasonal variations. The number of production days and customers' demand and willingness to invest can vary over the quarters.



### Events after the end of the period

No events requiring reporting have occurred after the end of the period.

### Affirmation

The Board of Directors and the President deem that the interim report on the first six months gives a true and fair picture of the Company's and the Group's operations, position and earnings, and describes the significant risks and uncertainty factors to which the Company and the Group are exposed.

**Stockholm October 27, 2022**

Kent Eriksson  
Chairman of the Board

Henrik Hedelius  
Director

Ulf Mattsson  
Director

Malin Nordesjö  
Director

Annikki Schaeferdiek  
Director

Niklas Stenberg  
Director and President

This report has not been subject to review by the company's auditor.

### FURTHER INFORMATION

#### Publication

This information is information that Addtech AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out below, at 8.15 a.m CET on 27 October 2022.

#### Future information

2023-02-02 Interim report 1 April - 31 December 2022

2023-05-17 Year-end report 1 April 2022 - 31 March 2023

2023-07-14 Interim report 1 April - 30 June 2023

#### For further information, please contact:

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## BUSINESS AREA

Net sales by business area	2022/2023			2021/2022		
	Q2	Q1	Q4	Q3	Q2	Q1
<b>Quarterly data, SEKm</b>						
Automation	810	761	828	691	604	593
Electrification	958	929	732	677	618	602
Energy	1,256	1,251	992	918	895	937
Industrial Solutions	709	788	720	722	602	625
Process Technology	690	654	649	585	545	527
Group items	-5	-7	-5	-7	-7	-5
<b>Addtech Group</b>	<b>4,418</b>	<b>4,376</b>	<b>3,916</b>	<b>3,586</b>	<b>3,257</b>	<b>3,279</b>

EBITA by business area	2022/2023			2021/2022		
	Q2	Q1	Q4	Q3	Q2	Q1
<b>Quarterly data, SEKm</b>						
Automation	105	91	103	76	73	56
Electrification	126	114	89	73	83	73
Energy	159	156	125	114	112	116
Industrial Solutions	115	132	125	133	102	92
Process Technology	91	87	84	74	64	77
Group items	-14	-10	-9	-11	-9	-12
<b>EBITA</b>	<b>582</b>	<b>570</b>	<b>517</b>	<b>459</b>	<b>425</b>	<b>402</b>
Depr. of intangible non-current assets	-93	-88	-81	-77	-74	-70
– of which acquisitions	-87	-84	-74	-73	-70	-67
<b>Operating profit</b>	<b>489</b>	<b>482</b>	<b>436</b>	<b>382</b>	<b>351</b>	<b>332</b>

Net sales	3 months		6 months		Rolling 12 months	
	30 Sep 2022	30 Sep 2021	30 Sep 2022	30 Sep 2021	30 Sep 2022	31 Mar 2022
<b>SEKm</b>						
Automation	810	604	1,571	1,197	3,090	2,716
Electrification	958	618	1,887	1,220	3,296	2,629
Energy	1,256	895	2,507	1,832	4,417	3,742
Industrial Solutions	709	602	1,497	1,227	2,939	2,669
Process Technology	690	545	1,344	1,072	2,578	2,306
Group items	-5	-7	-12	-12	-24	-24
<b>Addtech Group</b>	<b>4,418</b>	<b>3,257</b>	<b>8,794</b>	<b>6,536</b>	<b>16,296</b>	<b>14,038</b>

EBITA and EBITA-margin	3 months				6 months				Rolling 12 months			
	30 Sep 2022		30 Sep 2021		30 Sep 2022		30 Sep 2021		30 Sep 2022		31 Mar 2022	
	SEKm	%	SEKm	%	SEKm	%	SEKm	%	SEKm	%	SEKm	%
Automation	105	12.9	73	12.0	196	12.5	129	10.8	375	12.2	308	11.4
Electrification	126	13.2	83	13.6	240	12.7	156	12.8	402	12.2	318	12.1
Energy	159	12.6	112	12.5	315	12.6	228	12.4	554	12.5	467	12.5
Industrial Solutions	115	16.2	102	17.0	247	16.5	194	15.8	505	17.2	452	16.9
Process Technology	91	13.1	64	11.8	178	13.2	141	13.2	336	13.0	299	12.9
Group items	-14		-9		-24		-21		-44		-41	
<b>EBITA</b>	<b>582</b>	<b>13.2</b>	<b>425</b>	<b>13.1</b>	<b>1,152</b>	<b>13.1</b>	<b>827</b>	<b>12.7</b>	<b>2,128</b>	<b>13.1</b>	<b>1,803</b>	<b>12.8</b>
Depr. of intangible non-current assets	-93		-74		-181		-144		-339		-302	
– of which acquisitions	-87		-70		-171		-137		-318		-284	
<b>Operating profit</b>	<b>489</b>	<b>11.1</b>	<b>351</b>	<b>10.8</b>	<b>971</b>	<b>11.0</b>	<b>683</b>	<b>10.4</b>	<b>1,789</b>	<b>11.0</b>	<b>1,501</b>	<b>10.7</b>

## DISAGGREGATION OF REVENUE

### Net sales by the customers geographical location

SEKm	3 months						
	30 Sep 2022						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	184	257	330	250	157	-	1,178
Denmark	159	81	284	8	116	1	649
Finland	141	103	95	124	95	0	558
Norway	48	87	220	29	107	-	491
Other Europe	240	376	257	167	145	-	1,185
Other countries	36	53	70	130	68	-	357
Group items	2	1	0	1	2	-6	-
<b>Total</b>	<b>810</b>	<b>958</b>	<b>1,256</b>	<b>709</b>	<b>690</b>	<b>-5</b>	<b>4,418</b>

### Net sales by the customers geographical location

SEKm	6 months						
	30 Sep 2022						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	357	507	658	529	305	-	2,356
Denmark	309	159	566	16	226	1	1,277
Finland	272	203	191	262	184	0	1,112
Norway	94	170	439	62	208	-	973
Other Europe	465	741	513	352	283	-	2,354
Other countries	71	104	139	275	133	-	722
Group items	3	3	1	1	5	-13	-
<b>Total</b>	<b>1,571</b>	<b>1,887</b>	<b>2,507</b>	<b>1,497</b>	<b>1,344</b>	<b>-12</b>	<b>8,794</b>

### Net sales by the customers geographical location

SEKm	3 months						
	30 Sep 2021						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	144	214	238	227	114	0	937
Denmark	128	67	200	10	94	1	500
Finland	110	88	63	125	87	-	473
Norway	51	64	185	46	88	-	434
Other Europe	145	138	139	115	114	0	651
Other countries	24	45	70	79	44	0	262
Group items	2	2	0	0	4	-8	-
<b>Total</b>	<b>604</b>	<b>618</b>	<b>895</b>	<b>602</b>	<b>545</b>	<b>-7</b>	<b>3,257</b>

### Net sales by the customers geographical location

SEKm	6 months						
	30 Sep 2021						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	286	423	487	462	224	0	1,882
Denmark	253	132	409	20	186	1	1,001
Finland	218	175	128	255	173	-	949
Norway	101	126	379	93	173	-	872
Other Europe	289	272	284	235	223	0	1,303
Other countries	48	89	144	161	87	0	529
Group items	2	3	1	1	6	-13	-
<b>Total</b>	<b>1,197</b>	<b>1,220</b>	<b>1,832</b>	<b>1,227</b>	<b>1,072</b>	<b>-12</b>	<b>6,536</b>

SEKm	Net sales per customers segment						
	3 months						
	30 Sep 2022						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Vehicle	49	148	14	258	44	-	513
Mechanical industry	235	83	74	72	105	-	569
Data & telecommunication	37	49	109	0	0	-	195
Medical technology	133	165	14	4	49	-	365
Electronics	60	186	59	3	7	1	316
Energy	58	141	589	5	88	-	881
Forest & Process	85	11	37	221	220	-	574
Building & installation	24	55	231	18	12	-	340
Transportation	33	17	103	54	115	-	322
Other	94	102	26	73	48	0	343
Group items	2	1	0	1	2	-6	-
<b>Total</b>	<b>810</b>	<b>958</b>	<b>1,256</b>	<b>709</b>	<b>690</b>	<b>-5</b>	<b>4,418</b>

SEKm	Net sales per customers segment						
	6 months						
	30 Sep 2022						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Vehicle	95	290	27	544	85	-	1,041
Mechanical industry	454	162	148	152	205	-	1,121
Data & telecommunication	72	97	216	1	0	-	386
Medical technology	260	324	28	9	95	-	716
Electronics	117	367	118	6	14	1	623
Energy	112	278	1,177	11	172	-	1,750
Forest & Process	165	23	73	467	429	-	1,157
Building & installation	47	108	462	38	23	-	678
Transportation	64	34	205	113	224	-	640
Other	182	201	52	155	92	0	682
Group items	3	3	1	1	5	-13	-
<b>Total</b>	<b>1,571</b>	<b>1,887</b>	<b>2,507</b>	<b>1,497</b>	<b>1,344</b>	<b>-12</b>	<b>8,794</b>

SEKm	Net sales per customers segment						
	3 months						
	30 Sep 2021						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Vehicle	26	78	12	203	25	0	344
Mechanical industry	137	67	65	71	94	-	434
Data & telecommunication	48	47	82	0	0	-	177
Medical technology	138	71	11	4	33	-	257
Electronics	23	126	43	2	6	0	200
Energy	25	92	402	13	78	0	610
Forest & Process	80	3	19	199	154	-	455
Building & installation	24	42	166	21	16	-	269
Transportation	34	11	52	50	114	-	261
Other	67	79	43	39	21	1	250
Group items	2	2	0	0	4	-8	-
<b>Total</b>	<b>604</b>	<b>618</b>	<b>895</b>	<b>602</b>	<b>545</b>	<b>-7</b>	<b>3,257</b>

SEKm	Net sales per customers segment						
	6 months						
	30 Sep 2021						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Vehicle	52	155	25	414	49	0	695
Mechanical industry	272	132	133	145	185	-	867
Data & telecommunication	95	93	167	0	0	-	355
Medical technology	274	140	21	8	66	-	509
Electronics	46	250	88	4	13	0	401
Energy	50	181	823	25	153	0	1,232
Forest & Process	158	6	39	406	302	-	911
Building & installation	49	82	340	44	32	-	547
Transportation	66	21	107	101	225	-	520
Other	133	157	88	79	41	1	499
Group items	2	3	1	1	6	-13	-
<b>Total</b>	<b>1,197</b>	<b>1,220</b>	<b>1,832</b>	<b>1,227</b>	<b>1,072</b>	<b>-12</b>	<b>6,536</b>

## CONSOLIDATED INCOME STATEMENT, CONDENSED

SEKm	3 months		6 months		Rolling 12 months	
	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	31 Mar
	2022	2021	2022	2021	2022	2022
Net sales	4,418	3,257	8,794	6,536	16,296	14,038
Cost of sales	-3,112	-2,238	-6,188	-4,513	-11,392	-9,717
<b>Gross profit</b>	<b>1,306</b>	<b>1,019</b>	<b>2,606</b>	<b>2,023</b>	<b>4,904</b>	<b>4,321</b>
Selling expenses	-607	-489	-1,220	-990	-2,354	-2,124
Administrative expenses	-204	-188	-419	-363	-809	-753
Other operating income and expenses	-6	9	4	13	48	57
<b>Operating profit</b>	<b>489</b>	<b>351</b>	<b>971</b>	<b>683</b>	<b>1,789</b>	<b>1,501</b>
- as % of net sales	11.1	10.8	11.0	10.4	11.0	10.7
Financial income and expenses	-25	-14	-69	-28	-109	-68
<b>Profit after financial items</b>	<b>464</b>	<b>337</b>	<b>902</b>	<b>655</b>	<b>1,680</b>	<b>1,433</b>
- as % of net sales	10.5	10.3	10.3	10.0	10.3	10.2
Income tax expense	-102	-74	-196	-142	-370	-316
<b>Profit for the period</b>	<b>362</b>	<b>263</b>	<b>706</b>	<b>513</b>	<b>1,310</b>	<b>1,117</b>
<b>Profit for the period attributable to:</b>						
Equity holders of the Parent Company	350	253	679	496	1,257	1,074
Non-controlling interests	12	10	27	17	53	43
Earnings per share before dilution, SEK	1.30	0.95	2.50	1.85	4.65	4.00
Earnings per share after dilution, SEK	1.30	0.95	2.50	1.85	4.60	3.95
Average number of shares after repurchases, '000s	269,590	269,343	269,571	269,317	269,527	269,400
Number of shares at end of the period, '000s	269,426	269,343	269,426	269,343	269,426	269,528

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONDENSED

SEKm	3 months		6 months		Rolling 12 months	
	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	31 Mar
	2022	2021	2022	2021	2022	2022
<b>Profit for the period</b>	<b>362</b>	<b>263</b>	<b>706</b>	<b>513</b>	<b>1,310</b>	<b>1,117</b>
<i>Components that will be reclassified to profit for the year</i>						
Cash flow hedges	-12	3	-11	1	-10	2
Foreign currency translation differences for the period	51	24	197	-50	346	99
<i>Components that will not be reclassified to profit for the year</i>						
Actuarial effects of the net pension obligation	21	-	76	-	94	18
<b>Other comprehensive income</b>	<b>60</b>	<b>27</b>	<b>262</b>	<b>-49</b>	<b>430</b>	<b>119</b>
<b>Total comprehensive income</b>	<b>422</b>	<b>290</b>	<b>968</b>	<b>464</b>	<b>1,740</b>	<b>1,236</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Parent Company	409	280	937	448	1,679	1,190
Non-controlling interests	13	10	31	16	61	46

## CONSOLIDATED BALANCE SHEET, CONDENSED

SEKm	30 Sep 2022	30 Sep 2021	31 Mar 2022
Goodwill	3,800	3,008	3,306
Other intangible non-current assets	2,381	1,915	2,062
Property, plant and equipment	1,151	978	1,057
Other non-current assets	77	64	65
<b>Total non-current assets</b>	<b>7,409</b>	<b>5,965</b>	<b>6,490</b>
Inventories	3,302	2,046	2,569
Current receivables	3,326	2,524	2,931
Cash and cash equivalents	572	479	437
<b>Total current assets</b>	<b>7,200</b>	<b>5,049</b>	<b>5,937</b>
<b>Total assets</b>	<b>14,609</b>	<b>11,014</b>	<b>12,427</b>
<b>Total equity</b>	<b>4,650</b>	<b>3,563</b>	<b>4,259</b>
Interest-bearing provisions	224	336	314
Non-interest-bearing provisions	588	421	500
Non-current interest-bearing liabilities	3,789	2,560	2,136
Non-current non-interest-bearing liabilities	9	9	9
<b>Total non-current liabilities</b>	<b>4,610</b>	<b>3,326</b>	<b>2,959</b>
Non-interest-bearing provisions	77	56	72
Current interest-bearing liabilities	1,794	1,399	2,048
Current non-interest-bearing liabilities	3,478	2,670	3,089
<b>Total current liabilities</b>	<b>5,349</b>	<b>4,125</b>	<b>5,209</b>
<b>Total equity and liabilities</b>	<b>14,609</b>	<b>11,014</b>	<b>12,427</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

SEKm	30 Sep 2022	30 Sep 2021	31 Mar 2022
<b>Opening balance</b>	<b>4,259</b>	<b>3,450</b>	<b>3,450</b>
Exercised, issued and repurchased options	-47	-29	10
Repurchase of treasury shares	-31	-	-
Dividend, ordinary	-485	-323	-323
Dividend, non-controlling interests	-29	-11	-15
Change, non-controlling interests	28	12	58
Option debt, acquisition	-13	-	-157
Total comprehensive income	968	464	1,236
<b>Closing balance</b>	<b>4,650</b>	<b>3,563</b>	<b>4,259</b>

## CONSOLIDATED CASH FLOW STATEMENT, CONDENSED

SEKm	3 months		6 months		Rolling 12 months	
	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	31 Mar
	2022	2021	2022	2021	2022	2022
Profit after financial items	464	337	902	655	1,680	1,433
Adjustment for items not included in cash flow	182	142	366	273	687	594
Income tax paid	-108	-88	-213	-165	-464	-416
Changes in working capital	-295	-164	-531	-328	-693	-490
<b>Cash flow from operating activities</b>	<b>243</b>	<b>227</b>	<b>524</b>	<b>435</b>	<b>1,210</b>	<b>1,121</b>
Net investments in non-current assets	-27	-19	-62	-30	-148	-116
Acquisitions and disposals	-204	-331	-982	-592	-1,529	-1,139
<b>Cash flow from investing activities</b>	<b>-231</b>	<b>-350</b>	<b>-1,044</b>	<b>-622</b>	<b>-1,677</b>	<b>-1,255</b>
Dividend paid to shareholders	-485	-323	-485	-323	-485	-323
Repurchase of own shares/change of options	-86	-33	-78	-29	-39	10
Other financing activities	597	435	1,208	613	1,055	460
<b>Cash flow from financing activities</b>	<b>26</b>	<b>79</b>	<b>645</b>	<b>261</b>	<b>531</b>	<b>147</b>
<b>Cash flow for the period</b>	<b>38</b>	<b>-44</b>	<b>125</b>	<b>74</b>	<b>64</b>	<b>13</b>
Cash and cash equivalents at beginning of period	540	524	437	420	479	420
Exchange differences on cash and cash equivalents	-6	-1	10	-15	29	4
<b>Cash and cash equivalents at end of period</b>	<b>572</b>	<b>479</b>	<b>572</b>	<b>479</b>	<b>572</b>	<b>437</b>

## FAIR VALUES ON FINANCIAL INSTRUMENTS

SEKm	30 Sep 2022			31 Mar 2022		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives - fair value, hedge instruments	6	6	-	6	6	-
Derivatives - fair value through profit	9	9	-	4	4	-
<b>Total financial assets at fair value per level</b>	<b>15</b>	<b>15</b>	<b>-</b>	<b>10</b>	<b>10</b>	<b>-</b>
Derivatives - fair value, hedge instruments	24	24	-	3	3	-
Derivatives - fair value through profit	36	36	-	12	12	-
Contingent considerations - fair value through profit	355	-	355	349	-	349
<b>Total financial liabilities at fair value per level</b>	<b>415</b>	<b>60</b>	<b>355</b>	<b>364</b>	<b>15</b>	<b>349</b>

The fair value and carrying amount are recognised in the balance sheet as shown in the table above.

For quoted securities, the fair value is determined on the basis of the asset's quoted price in an active market, level 1.

As at the reporting date the Group had no items in this category.

For currency contracts and embedded derivatives, the fair value is determined on the basis of observable market data, level 2.

For contingent considerations, a cash-flow-based valuation is performed, which is not based on observable market data, level 3.

For the Group's other financial assets and liabilities, fair value is estimated to be the same as the carrying amount.

Contingent considerations	30 Sep 2022	31 Mar 2022
<b>Opening balance</b>	<b>349</b>	<b>267</b>
Acquisitions during the year	113	170
Reversed through profit or loss	-4	-8
Consideration paid	-119	-96
Interest expenses	7	12
Exchange differences	9	4
<b>Closing balance</b>	<b>355</b>	<b>349</b>

## KEY FINANCIAL INDICATORS

	12 months ending				
	30 Sep 2022	31 Mar 2022	30 Sep 2021	31 Mar 2021	31 Mar 2020
Net sales, SEKm	16,296	14,038	12,344	11,336	11,735
EBITDA, SEKm	2,428	2,077	1,727	1,501	1,579
EBITA, SEKm	2,128	1,803	1,466	1,251	1,364
EBITA-margin, %	13.1	12.8	11.9	11.0	11.6
Operating profit, SEKm	1,789	1,501	1,187	989	1,161
Operating margin, %	11.0	10.7	9.6	8.7	9.9
Profit after financial items, SEKm	1,680	1,433	1,132	937	1,105
Profit for the period, SEKm	1,310	1,117	877	729	873
Working capital	3,213	2,618	2,415	2,416	2,415
Return on working capital (P/WC), %	66	69	61	52	56
Return on equity, %	31	30	26	23	32
Return on capital employed, %	21	20	17	15	21
Equity ratio, %	32	34	32	35	36
Financial debt, SEKm	5,235	4,061	3,816	3,134	2,585
Debt / equity ratio, multiple	1.1	1.0	1.1	0.9	0.8
Financial debt/ EBITDA, multiple	2.2	2.0	2.2	2.1	1.6
Net debt excl. pensions, SEKm	5,011	3,747	3,480	2,798	2,253
Net debt, excl pensions / equity ratio, multiple	1.1	0.9	1.0	0.8	0.7
Interest coverage ratio, multiple	18.5	22.4	18.5	15.8	20.5
Average number of employees	3,553	3,317	3,174	3,068	2,913
Number of employees at end of the period	3,805	3,556	3,319	3,133	2,981

## KEY FINANCIAL INDICATORS PER SHARE

SEK	12 months ending				
	30 Sep 2022	31 Mar 2022	30 Sep 2021	31 Mar 2021	31 Mar 2020
Earnings per share before dilution	4.65	4.00	3.15	2.60	3.20
Earnings per share after dilution	4.60	3.95	3.15	2.60	3.20
Cash flow from operating activities per share	4.50	4.15	5.10	5.60	4.15
Shareholders' equity per share	15.95	14.60	12.30	11.95	11.25
Share price at the end of the period	147.40	182.00	156.00	130.00	61.13
Average number of shares after repurchases, '000s	269,527	269,400	269,257	269,051	268,493
Average number of shares adjusted for repurchases and dilution, '000s	269,819	270,346	269,970	269,969	269,200
Number of shares outstanding at end of the period, '000s	269,426	269,528	269,343	269,275	268,594

For definitions of key financial indicators, see page 18-20.



## PARENT COMPANY INCOME STATEMENT, CONDENSED

SEKm	3 months		6 months		Rolling 12 months	
	30 Sep 2022	30 Sep 2021	30 Sep 2022	30 Sep 2021	30 Sep 2022	31 Mar 2022
Net sales	21	16	41	32	73	64
Administrative expenses	-28	-23	-56	-46	-106	-96
<b>Operating profit/loss</b>	<b>-7</b>	<b>-7</b>	<b>-15</b>	<b>-14</b>	<b>-33</b>	<b>-32</b>
Interest income and expenses and similar items	-5	1	-35	3	-37	1
<b>Profit after financial items</b>	<b>-12</b>	<b>-6</b>	<b>-50</b>	<b>-11</b>	<b>-70</b>	<b>-31</b>
Appropriations	-	-	-	-	295	295
<b>Profit before taxes</b>	<b>-12</b>	<b>-6</b>	<b>-50</b>	<b>-11</b>	<b>225</b>	<b>264</b>
Income tax expense	2	1	10	2	-47	-55
<b>Profit for the period</b>	<b>-10</b>	<b>-5</b>	<b>-40</b>	<b>-9</b>	<b>178</b>	<b>209</b>
<b>Total comprehensive income</b>	<b>-10</b>	<b>-5</b>	<b>-40</b>	<b>-9</b>	<b>178</b>	<b>209</b>

## PARENT COMPANY BALANCE SHEET, CONDENSED

SEKm	30 Sep 2022	30 Sep 2021	31 Mar 2022
Intangible non-current assets	1	1	1
Property, plant and equipment	0	0	0
Non-current financial assets	4,524	4,786	4,646
<b>Total non-current assets</b>	<b>4,525</b>	<b>4,787</b>	<b>4,647</b>
Current receivables	1,488	890	1,050
Cash and bank balances	0	9	-
<b>Total current assets</b>	<b>1,488</b>	<b>899</b>	<b>1,050</b>
<b>Total assets</b>	<b>6,013</b>	<b>5,686</b>	<b>5,697</b>
Restricted equity	69	69	69
Unrestricted equity	72	417	675
<b>Total equity</b>	<b>141</b>	<b>486</b>	<b>744</b>
Untaxed reserves	302	211	302
Provisions	13	13	13
Non-current liabilities	3,286	2,089	1,684
Current liabilities	2,271	2,887	2,954
<b>Total equity and liabilities</b>	<b>6,013</b>	<b>5,686</b>	<b>5,697</b>

# DEFINITIONS

## **Return on equity<sup>1 2</sup>**

Earnings after tax divided by equity. The components are calculated as the average of the last 12 months.

*Return on equity measures the return generated on owners' invested capital.*

## **Return on working capital (P/WC)<sup>1</sup>**

EBITA divided by working capital.

*P/WC is used to analyse profitability and is a measure that encourages high EBITA and low working capital requirements, see the reconciliation table on page 21.*

## **Return on capital employed<sup>1</sup>**

Profit after financial items plus financial expenses as a percentage of capital employed. The components are calculated as the average of the last 12 months.

*Return on capital employed shows the Group's profitability in relation to externally financed capital and equity, see the reconciliation table on page 21.*

## **EBITA<sup>1</sup>**

Operating profit before amortisation of intangible assets.

*EBITA is used to analyse the profitability generated by operating activities, see reconciliation table on page 21.*

## **EBITA-margin<sup>1</sup>**

EBITA as a percentage of net sales.

*EBITA-margin is used to show the degree of profitability in operating activities.*

## **EBITDA<sup>1</sup>**

Operating profit before depreciation and amortisation.

*EBITDA is used to analyse the profitability generated by operating activities, see reconciliation table on page 21.*

## **Equity per share<sup>1</sup>**

Equity divided by number of shares outstanding at the reporting period's end.

*This measures how much equity is attributable to each share and is published to make it easier for investors to conduct analyses and make decisions.*

## **Financial net debt<sup>1</sup>**

The net of interest-bearing debt and provisions minus cash and cash equivalents.

*Net debt is used to monitor changes in debt, analyse the Group indebtedness and its ability to repay its debts using liquid funds generated from the Group's operating activities if all debt fell due for repayment today and any necessary refinancing.*

## **Financial net debt/EBITDA<sup>1</sup>**

Net financial debt divided by EBITDA.

*Net financial debt compared with EBITDA provides a performance measure for net debt in relation to cash-generating earnings in the business, i.e. it gives an indication of the business' ability to repay its debts. This measure is generally used by financial institutions to measure creditworthiness.*

## **Financial items<sup>1</sup>**

Financial income minus financial costs.

*Used to describe changes in the Group's financial activities.*

## **Acquired growth<sup>1</sup>**

Changes in net sales attributable to business acquisitions compared with the same period last year.

*Acquired growth is used as a component to describe the change in consolidated net sales in which acquired growth is distinguished from organic growth, divestments and exchange rate effects, see reconciliation table on page 21.*

**Cash flow from operating activities per share<sup>1</sup>**

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

*This measure is used so investors can easily analyse the size of the surplus generated per share from operating activities.*

**Net investments in non-current assets<sup>1</sup>**

Investments in non-current assets minus sales of non-current assets.

*This measure is used to analyse the Group's investments in renewing and developing property, plant and equipment.*

**Net debt excluding pensions<sup>1</sup>**

The net of interest-bearing debt and provisions excluding pensions minus cash and cash equivalents.

*A measure used to analyse financial risk, see reconciliation table on page 21.*

**Net debt excluding pensions/ equity ratio<sup>1 2</sup>**

Net debt excluding pensions divided by shareholders' equity.

*A measure used to analyse financial risk, see reconciliation table on page 21.*

**Organic growth<sup>1</sup>**

Changes in net sales excluding currency effects, acquisitions and divestments compared with the same period last year.

*Organic growth is used to analyse underlying sales growth driven by change in volumes, product range and price for similar products between different periods, see reconciliation table on page 21.*

**Profit after financial items<sup>1</sup>**

Profit/loss for the period before tax.

*Used to analyse the business' profitability including financial activities.*

**Earnings per share (EPS)**

Shareholders' share of profit for the period after tax, divided by the weighted average number of shares during the period.

**Earnings per share (EPS), diluted**

Shareholders' share of profit for the period after tax, divided by the weighted average number of shares during the period, adjusted for the additional number of shares in the event of outstanding options being used.

**Interest coverage ratio<sup>1</sup>**

Earnings after net financial items plus interest expenses and bank charges divided by interest expenses and bank charges.

*This performance indicator measures the Group's capacity through its business operations and financial income to generate a sufficiently large surplus to cover its financial costs, see reconciliation table on page 21.*

**Working capital<sup>1</sup>**

Working capital (WC) is measured through an annual average defined as inventories plus accounts receivable less accounts payable.

*Working capital is used to analyse how much working capital is tied up in the business, see reconciliation table on page 21.*

**Operating margin<sup>1</sup>**

Operating profit as a percentage of net sales.

*This measure is used to specify the percentage of sales that is left to cover interest and tax, and to provide a profit, after the company's costs have been paid.*

**Operating profit<sup>1</sup>**

Operating income minus operating expenses.

*Used to describe the Group's earnings before interest and tax.*

**Debt/equity ratio<sup>1 2</sup>**

Financial net liabilities divided by equity.

*A measure used to analyse financial risk.*

**Equity ratio<sup>1 2</sup>**

Equity as a percentage of total assets.

*The equity/assets ratio is used to analyse financial risk and show the percentage of assets that are funded with equity.*

**Capital employed<sup>1</sup>**

Total assets minus non-interest-bearing liabilities and provisions.

*Capital employed shows the size of the company's assets that have been lent out by the company's owners or that have been lent out by lenders, see reconciliation table on page 21.*

**Outstanding shares**

Total number of shares less treasury shares repurchased by the Company.

<sup>1</sup>The performance measure is an alternative performance measure according to ESMA's guidelines.

<sup>2</sup>Minority interest is included in equity when the performance measures are calculated.

## RECONCILIATION TABLES ALTERNATIVE PERFORMANCE MEASURES

EBITA and EBITDA	12 months ending				
	30 Sep 2022	31 Mar 2022	30 Sep 2021	31 Mar 2021	31 Mar 2020
<b>Addtech Group, SEKm</b>					
Operating profit according to Interim report	1,789	1,501	1,187	989	1,161
Amortization, intangible assets (+)	339	302	279	262	203
<b>EBITA</b>	<b>2,128</b>	<b>1,803</b>	<b>1,466</b>	<b>1,251</b>	<b>1,364</b>
Depreciation, tangible assets (+)	300	274	261	250	215
<b>EBITDA</b>	<b>2,428</b>	<b>2,077</b>	<b>1,727</b>	<b>1,501</b>	<b>1,579</b>

Working capital and return on working capital (P/WC)	12 months ending				
	30 Sep 2022	31 Mar 2022	30 Sep 2021	31 Mar 2021	31 Mar 2020
<b>Addtech Group, SEKm</b>					
EBITA (12 months rolling)	2,128	1,803	1,466	1,251	1,364
Inventory, yearly average (+)	2,613	2,058	1,797	1,722	1,594
Accounts receivables, yearly average (+)	2,479	2,078	1,843	1,756	1,854
Accounts payables, yearly average (-)	1,879	1,518	1,225	1,062	1,033
<b>Working capital (average)</b>	<b>3,213</b>	<b>2,618</b>	<b>2,415</b>	<b>2,416</b>	<b>2,415</b>
<b>Return on working capital (P/WC) (%)</b>	<b>66%</b>	<b>69%</b>	<b>61%</b>	<b>52%</b>	<b>56%</b>

Acquired- and organic growth	3 months		6 months		12 months	
	30 Sep 2022	30 Sep 2021	30 Sep 2022	30 Sep 2021	30 Sep 2022	31 Mar 2022
	<b>Addtech Group</b>					
Acquired growth (SEKm,%)	422 (13%)	264 (10%)	858 (13%)	489 (9%)	1,367 (11%)	998 (9%)
Organic growth (SEKm,%)	605 (19%)	284 (10%)	1,167 (18%)	597 (11%)	2,249 (18%)	1,679 (15%)
Divestments (SEKm,%)	- (-%)	-3 (0%)	- (-%)	-6 (0%)	-6 (0%)	-12 (0%)
Exchange rate effect (SEKm,%)	134 (4%)	-11 (0%)	233 (4%)	-72 (-2%)	342 (3%)	37 (0%)
<b>Total growth (SEKm,%)</b>	<b>1,161 (36%)</b>	<b>534 (20%)</b>	<b>2,258 (35%)</b>	<b>1,008 (18%)</b>	<b>3,952 (32%)</b>	<b>2,702 (24%)</b>

Interest coverage ratio	12 months ending				
	30 Sep 2022	31 Mar 2022	30 Sep 2021	31 Mar 2021	31 Mar 2020
<b>Addtech Group</b>					
Profit after financial items, SEKm	1,680	1,433	1,132	937	1,105
Interest expenses and bank charges, SEKm (+)	96	67	65	63	57
Total	1,776	1,500	1,197	1,000	1,162
<b>Interest coverage ratio, multiple</b>	<b>18.5</b>	<b>22.4</b>	<b>18.5</b>	<b>15.8</b>	<b>20.5</b>

Net debt excl. pensions and net debt excl. pensions/equity ratio	12 months ending				
	30 Sep 2022	31 Mar 2022	30 Sep 2021	31 Mar 2021	31 Mar 2020
<b>Addtech Group</b>					
Financial net debt, SEKm	5,235	4,061	3,816	3,134	2,585
Pensions, SEKm (-)	-224	-314	-336	-336	-332
<b>Net debt excluding pensions, SEKm</b>	<b>5,011</b>	<b>3,747</b>	<b>3,480</b>	<b>2,798</b>	<b>2,253</b>
Equity, SEKm	4,650	4,259	3,563	3,450	3,076
<b>Net debt to Equity ratio (excluding pensions), multiple</b>	<b>1.1</b>	<b>0.9</b>	<b>1.0</b>	<b>0.8</b>	<b>0.7</b>

Capital employed and return on capital employed	12 months ending				
	30 Sep 2022	31 Mar 2022	30 Sep 2021	31 Mar 2021	31 Mar 2020
<b>Addtech Group, SEKm</b>					
Profit after financial items	1,680	1,433	1,132	937	1,105
Financial expenses (+)	190	152	111	93	79
Profit after financial items plus financial expenses	1,870	1,585	1,243	1,030	1,184
Total assets, yearly average (+)	12,721	11,001	10,036	9,309	7,926
Non-interest-bearing liabilities, yearly average (-)	-3,137	-2,705	-2,362	-2,153	-1,947
Non-interest-bearing provisions, yearly average (-)	-571	-485	-448	-413	-379
<b>Capital employed</b>	<b>9,013</b>	<b>7,811</b>	<b>7,226</b>	<b>6,743</b>	<b>5,600</b>
<b>Return on capital employed, %</b>	<b>21%</b>	<b>20%</b>	<b>17%</b>	<b>15%</b>	<b>21%</b>



## This is Addtech

Addtech is a Swedish, listed technical solutions group that combines the flexibility and speed of a small company with the resources of a large company. We acquire, own and develop independent subsidiaries that sell various high-tech products and solutions to customers, primarily within industry and infrastructure. With in-depth expertise in a number of different niches, our subsidiaries generate added technical, financial and sustainable value for customers and suppliers alike, thus helping increase the efficiency and competitiveness of all involved. We currently own more than 140 companies in 20 countries, and have a long history of sustainable, profitable growth.

### Our vision

We are to be the leader in value-creating technical solutions for a sustainable tomorrow, perceived as the most skilled and long-term partner of our customers, suppliers and employees.

### Business concept in brief

Addtech offers high-tech products and solutions for companies in the manufacturing and infrastructure sectors. Addtech contributes added technical and financial value by being a skilled and professional partner for customers and manufacturers.

### We build shareholder value through:

- our 140 subsidiaries and their capacity to generate earnings growth
- corporate governance that ensures the companies achieve even better results and development
- acquisitions that bring in new employees, customers and suppliers

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