Year-end Report January 1–December 31, 2024

This is a translation of the Swedish original of Addnode Group's Year-end Report for the period January 1–December 31, 2024. In the event of inconsistency between the two, the original Swedish version shall apply.

Fourth quarter October 1–December 31, 2024

- In the quarter, the reported net sales was effected by the new Autodesk transaction model by SEK -464 m as well as the reclassification of third-party sales by SEK -396 m.
- Net sales decreased by 29 percent to SEK 1,484 m (2,078). Under the previous Autodesk reseller model, and before reclassifications of third-party agreements, net sales would have amounted to SEK 2,344 m and the Group's currency-adjusted organic growth would have been approximately 11 percent.
- Reported organic net sales growth amounted to -30 percent, and reported currency-adjusted organic growth was -30 percent.
- Gross profit increased by 11 percent to SEK 1,123 m (1,010), and the gross margin was 75.7 percent (48.6).
- EBITA increased by 27 percent to SEK 248 m (196), and the EBITA margin was 16.7 percent (9.4).
- Operating profit increased by 32 percent to SEK 178 m (135), and the operating margin was 12.0 percent (6.5).
- Net profit for the period increased by 24 percent to SEK 131 m (106).
- Earnings per share increased by 23 percent to SEK 0.98 (0.80).
- Cash flow from operating activities amounted to SEK 275 m (228).
- Acquisition of CTC Software Inc. in the USA.
- The Board proposes a dividend of SEK 1.15 (1.00) per share.

Events after the end of the reporting period

- Acquisition of Congere AB in Sweden.

23%

Growth in earnings per share Q4 2024 compared with Q4 2023

11%

Gross profit growth Q4 2024 compared with Q4 2023

16.7%

EBITA margin Q4 2024

Key figures

	Fourth quarter		Full year	Full year
	Oct–Dec 2024	Oct–Dec 2023	2024	2023
Net sales, SEK m	1,484	2,078	7,757	7,412
Gross profit, SEK m	1,123	1,010	4,198	3,703
Gross margin, %	75.7	48.6	54.1	50.0
EBITA, SEK m	248	196[1]	863	640[2]
EBITA margin, %	16.7	9.4[1]	11.1	8.6[2]
Operating profit, SEK m	178	135[1]	598	410[2]
Operating margin, %	12.0	6.5[1]	7.7	5.5[2]
Net profit for the period, SEK m	131	106[1]	402	279[2]
Earnings per share, SEK	0.98	0.80[1]	3.02	2.09[2]
Cash flow from operating activities, SEK m	275	228	701	485
Return on capital employed[3]	18.6	13.8	18.6	13.8
Return on equity[3]	17.6	13.5	17.6	13.5
Equity/assets ratio, %	29	29	29	29
Debt/equity ratio, %	43	47	43	47

1) EBITA was impacted by restructuring costs of SEK -5 m.
2) EBITA was impacted by restructuring costs of SEK -20 m.
3) 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.

Transformative year with improved earnings

» In 2024, all three divisions delivered their best earnings to date. Addnode Group continued to invest in product development, launched new digital solutions, attracted new customers and carried out acquisitions. We are ready to continue executing on our value-creating strategy.«

Full year 2024

2024 was a transformative year for Addnode Group. I'm proud of our employees' efforts over the year – a year in which Addnode Group continued to invest in product development, launched new digital solutions, attracted new customers and carried out acquisitions, resulting in increased earnings.

We also successfully navigated the transition of the business model for the Autodesk business. This change – from a reseller to an agent model – has more clearly demonstrated the value of our proprietary products and services to our customers. At the same time, the gross margin and EBITA margin improved.

2024 was also a breakthrough year in terms of how we implemented AI support in our operations and customer solutions. Some 50 AI projects were conducted, focusing on product development and internal efficiency. We will continue to invest in product development and in the opportunities that AI is creating for us and our customers.

Net sales increased by 5 percent to SEK 7,757 m. Under the previous Autodesk reseller model, and before reclassifications of third-party agreements, the Group's net sales would have amounted to SEK 8,822 m and the Group's currency-adjusted organic growth would have been 9 percent.

As a result of organic growth, improved efficiency and complementary acquisitions, EBITA increased by 35 percent to SEK 863 m for the full year 2024. At the same time, the EBITA margin improved to 11.1 percent (8.6) and earnings per share has increased by 44 percent.

Fourth quarter 2024

The positive earnings trend continued in the fourth quarter, EBITA increased to SEK 248 m (196), and the EBITA margin improved to 16.7 percent (9.4). This substantial improvement in EBITA was attributable to the Design Management division.

Compared with the corresponding period last year, reported net sales decreased by SEK 594 m to SEK 1,484 m. Under the previous Autodesk reseller model, and before reclassifications of third-party agreements, the Group's net sales would have amounted to an estimated SEK 2,344 m and the Group's currency-adjusted organic growth would have been approximately 11 percent.

The improvement in EBITA in the Design Management division was attributable to stable demand in both the USA and Europe, a product mix with a higher share of proprietary products and a higher share of three-year Autodesk agreements sold. During the quarter, Symetri also secured its largest deal to date for its proprietary product Naviate in the USA.

While the Product Lifecycle Management division's sales remained stable overall, sales in Germany were impacted by lower demand from the automotive industry. At the same time, sales to customers in the defense industry increased.

The Process Management division delivered a stable performance in the quarter and an improved EBITA margin. Demand for case management and geographic information systems from the public sector remained stable. While the number of tenders has decreased, our assessment is that we are gaining market share in terms of the number of tenders won.

Acquisitions

During 2024 six acquisitions have been made. The acquisition of the US company CTC Software in the fourth quarter strengthened Symetri's portfolio of proprietary add-ins for Autodesk's software. CTC Software has more than 40,000 users, including architects, engineers and construction professionals.

In the first quarter of 2025, Congere – a provider of digital solutions to the Swedish defense industry – was acquired. Congere has revenue of approximately SEK 25 m and already has a successful partnership with a company in the Process Management division.

Acquisitions are an important part of Addnode Group's growth strategy. Thanks to its strong financial position with low debt, Addnode Group can continue executing on its value-creating acquisition strategy, with a healthy risk appetite.

Future outlook

Our customers' ambitions to increase their sales and operate more efficiently using digital solutions remains strong. However, the economic and geopolitical situation remains uncertain.

Germany, which accounted for 10 percent of the Group's net sales in 2024, is expected to remain a challenging market in 2025. However, we are seeing indications that the architect market in both the USA and Europe is bottoming out, as layoffs among architects have slowed.

Demand from the public sector remains stable. The public sector continues to offer many opportunities for upselling digital solutions to existing customers.

Addnode Group's diversified operations, with strong positions in segments with structural underlying growth, provide a solid foundation for continued sustainable value creation.

Finally, I would like to thank all our dedicated employees for your efforts in a transformative 2024.

Johan Andersson
President and CEO

Significant events

In the fourth 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.

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 and implement the best solution. 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 CTC Software in USA

In November, Symetri, part of the Design Management division, acquired CAD Technology Center Inc (CTC Software). The company's offering comprises proprietary software, such as add-ins for Autodesk Revit and Civil 3D users. Its tools have more than 40,000 users, consisting of architects, engineers and construction (AEC) professionals. CTC Software has 18 employees and net sales amounted to approximately SEK 40 m.

Repurchase of call options against payment in shares

In accordance with a resolution at the 2024 Annual General Meeting (AGM), option holders in the incentive program LTIP 2021 were offered an opportunity to transfer call options at a price corresponding to the net value of the call options in connection with the first exercise period. Within the framework of this offer, 159,500 call options have now been repurchased and 93,418 class B shares held in treasury by Addnode Group have been transferred to option holders. The number of call options outstanding in LTIP 2021 now amounts to 36,300, entitling the holders to 145,200 class B shares, after recalculation for the share split carried out in May 2022.

After the end of the reporting period

Dividend proposal

The Board of Directors proposes that the 2025 AGM resolves on a dividend of SEK 1.15 (1.00) per share for the 2024 financial year.

Acquisition of Congere in Sweden

In January 2025, Addnode Group signed an agreement to acquire Congere IT-konsult AB (Congere). The company has over 25 years of experience in developing, modernizing and improving systems and applications for the Swedish defense industry. Stamford, part of the Process Management division, already has an established partnership with Congere. Congere, based in Västerås, Sweden, has 22 employees and revenue of SEK 25 m. The company will be part of the Process Management division. The acquisition is expected to be completed in February.

FINANCIAL CALENDAR

April 25, 2025
Interim Report for the first quarter of 2025

May 7, 2025
Annual General Meeting

July 14, 2025
Interim Report for the second quarter of 2025

October 24, 2025
Interim Report for the third quarter of 2025

January 30, 2026
Year-end Report for 2025

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.

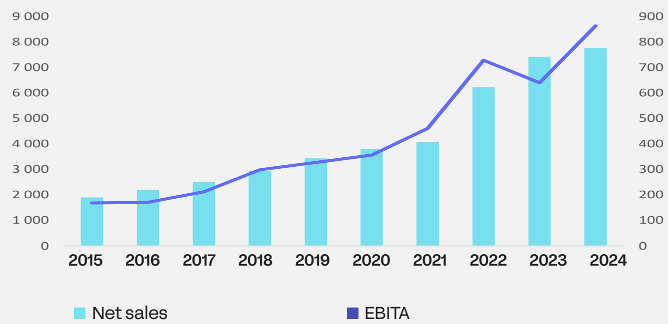
Addnode Group's sustainability agenda defines five focus areas that are the foundation of the Group's collective commitment to sustainability. We have defined key indicators for each focus area that we monitor and report each year in Addnode Group's Annual Report.

STRATEGY FOR PROFITABLE AND SUSTAINABLE GROWTH

SUSTAINABLE GROWTH IN VALUE

Acquisitions	**Organic development**
Complementary businesses or markets	Decentralized responsibility and authority
Values-based leadership	Strategic support
Attractive valuation	Synergies and collaborations

TREND IN NET SALES AND EBITA
2015–2024, SEK M



SUSTAINABILITY AGENDA WITH FIVE FOCUS AREAS

1 Digital solutions that contribute to sustainable development

2 Care for people and the planet in our own operations

3 Our work with partners and suppliers

4 Long-term financial viability

5 Sustainability management and governance

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

Digitalization for a Better Society

Solutions for carbon-neutral water and wastewater management

Symetri, part of the Design Management division, has partnered with Severn Trent Water to develop more efficient designs and help achieve sustainability targets in the water and wastewater industry. Severn Trent Water, one of the UK's largest water and wastewater companies, operates in a strictly regulated industry. The company has a strong commitment to sustainability and aims to be carbon-neutral by 2030. To this end, the company is investing in infrastructure improvements to ensure that delivering clean water is compatible with strong environmental protection.

A key component of this involves implementing several digital solutions in partnership with Symetri. These tools have made it possible for Severn Trent Water to improve its project planning, optimize its water and wastewater systems, and increase its overall operational efficiency. Building information modeling (BIM) has played a key role in designing water treatment plants that are efficient but also promote sustainability. Tools for predicting and managing floods have further strengthened the company's environmental initiatives.

Symetri's tailored solutions and support have improved Severn Trent Water's internal project coordination, reduced its environmental impact and created a competent and digitally equipped organization. The partnership with Symetri has positioned the company as a leader in sustainable water management, setting new industry standards for innovation, efficiency and environmental responsibility, and preparing it for the future.

Improving efficiency and scalability of machinery industry

Technia, part of the Product Lifecycle Management division, has partnered with Automation.Express, which integrates design, project management and 3D modeling to deliver customized machinery. The company needed to improve collaboration between its design and engineering teams, streamline its internal communications, process complex financial data and create the conditions for scalable growth.

To address these needs, Technia implemented the 3DEXPERIENCE platform, allowing Automation.Express to centralize its communication and documentation, while scalability also was improved through a cloud-based solution. Technia also assisted with the integration of SAP with 3DEXPERIENCE, helping to streamline the processing of financial data, improve real-time decision-making and make project coordination more efficient.

The new systems have resulted in streamlined project management, and more uniform design strategies, while also improving the quality and efficiency of Automation.Express's machine designs. The partnership also promotes sustainability by contributing to more resource-efficient and scalable green solutions in the machinery industry.

Digital tool for monitoring packaging management

Ida Infront, part of the Process Management division, has helped the Swedish Environmental Protection Agency to digitize and improve its monitoring of producer responsibility in packaging management. The initiative is in line with a new regulation requiring companies to take responsibility for collection, recycling and overall lifecycle management of packaging materials. The regulation aims to reduce litter, minimize waste and ensure that materials are recycled and reused in new products.

To handle the increase in producer fees and reimbursements to municipalities stipulated in the new regulation, the Agency needed a more efficient method for managing its administrative processes. Ida Infront adapted its iipax case management system for this purpose. Key processes such as fee calculations, invoicing, decision-making and payment processing were automated, making it possible to streamline the follow-up of producer fees and simplify payments to municipalities. Automation also reduced the need for manual work, thereby increasing the accuracy and efficiency of the Agency's case management.

By motivating producers to prioritize reusable and recyclable packaging materials, the solution contributes to sustainability by making it easier for producers to assume their responsibility. By automating the supervision process, the system improves the efficiency of recycling and reuse, reduces waste, minimizes environmental impact and actively supports the transition to a circular economy.

Consolidated net sales, earnings and cash flow

Fourth quarter, October–December 2024

Net sales for the fourth quarter of 2024 decreased by 29 percent to SEK 1,484 m (2,078). Under the previous Autodesk reseller model, and before reclassifications of third-party agreements, the Group's net sales would have amounted to an estimated SEK 2,344 m and the Group's currency-adjusted organic growth would have been approximately 11 percent. Reported organic growth amounted to -30 percent, and reported currency-adjusted organic growth was -30 percent. With the exception of Germany, sales were healthy in both Europe and the USA.

The Design Management division's reported net sales were impacted by the transition to Autodesk's new transaction model and reclassifications of other third-party agreements. Currency-adjusted organic growth was negative and amounted to -47 percent, mainly due to reclassifications of third-party agreements. Under the previous Autodesk reseller model, and before reclassifications of third-party agreements, the division's currency-adjusted organic growth would have amounted to approximately 18 percent.

Sales to industrial customers were strong during the quarter. The AEC market in the Nordic countries showed signs of a cautious recovery. In the USA, demand for our proprietary software increased, with the largest order to date for the division's Naviate software finalized in the quarter.

In the Product Lifecycle Management division, sales of PLM systems and related services were favorable in the UK, France and the Nordic countries. Sales remained weaker in Germany, primarily as a result of the automotive industry. Currency-adjusted organic growth was negative and amounted to -6 percent, mainly due to reclassifications of third-party agreements. If the reclassifications of third-party agreements had not taken place as described below, it is estimated that currency-adjusted organic growth would have amounted to approximately 3 percent.

In the Process Management Division, demand from municipalities remained stable, while slightly weaker demand was noted from other large public authorities. Currency-adjusted organic growth was -2 percent.

License revenue, meaning revenue from perpetual licenses, decreased to SEK 41 m (97) and recurring revenue declined to SEK 924 m (1,458), mainly due to the change in business model and reclassification as described below. Service revenue amounted to SEK 504 m (500) and other revenue to SEK 16 m (23). The recurring revenue share was 62 percent (70).

Gross profit increased by 11 percent to SEK 1,123 m (1,010), and the gross margin increased to 75.7 percent (48.6).

EBITA increased by 27 percent to SEK 248 m (196), and the EBITA margin was 16.7 percent (9.4). Restructuring measures were carried out in the previous 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 fourth quarter of 2023.

Net financial items amounted to SEK 4 m (0) and were impacted by revaluations of contingent considerations of SEK 40 m (16). Net profit for the period increased by 24 percent to SEK 131 m (106). Earnings per share increased by 23 percent to SEK 0.98 (0.80).

Cash flow from operating activities amounted to SEK 275 m (228), mainly impacted by higher operating profit.

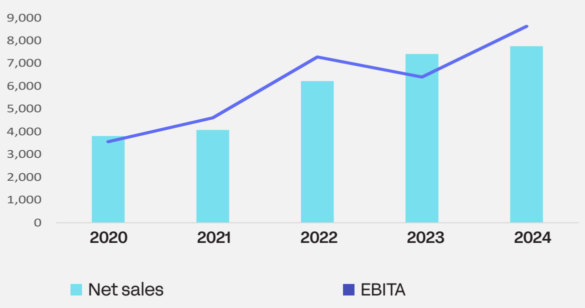
Reclassifications of third-party agreements

In connection with the transition to Autodesk's agent model, other third-party agreements in the Group were also reassessed. The assessment was carried out together with external specialists. The results of the reassessment indicated that sales of certain other third-party agreements are not deemed to meet the criteria for Addnode Group to be considered to have control over the products. Accordingly, Addnode Group is also considered to be an agent for other third-party agreements. As an agent, revenue is recognized in an amount corresponding to the gross profit to which Addnode Group is entitled in exchange for arranging for the third party to provide the specified products. Therefore share of recurring revenue in relation to total revenue has reduced

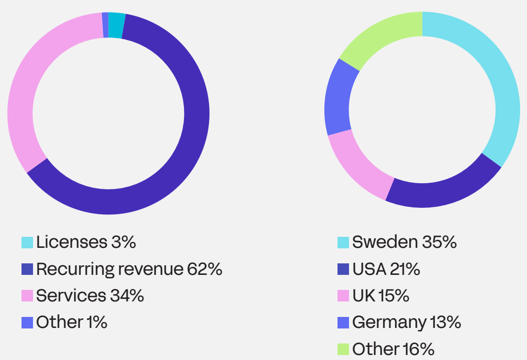
Net sales for these third-party agreements have been reclassified in the accounts as of October 1, 2024, which meant that net sales decreased by SEK 396 m, of which SEK 359 m is attributable to the Design Management division and SEK 37 m to the Product Lifecycle Management division.

An analysis of the historical impact of the reclassification was carried out. The company concluded that the historical effects are not material. Accordingly, historical figures have not been restated. Gross profit and EBITA remain unchanged following the reclassification.

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



REVENUE BREAKDOWN, Q4 2024
(Geography based on subsidiary domicile)



Consolidated net sales, earnings and cash flow, cont.

January–December 2024

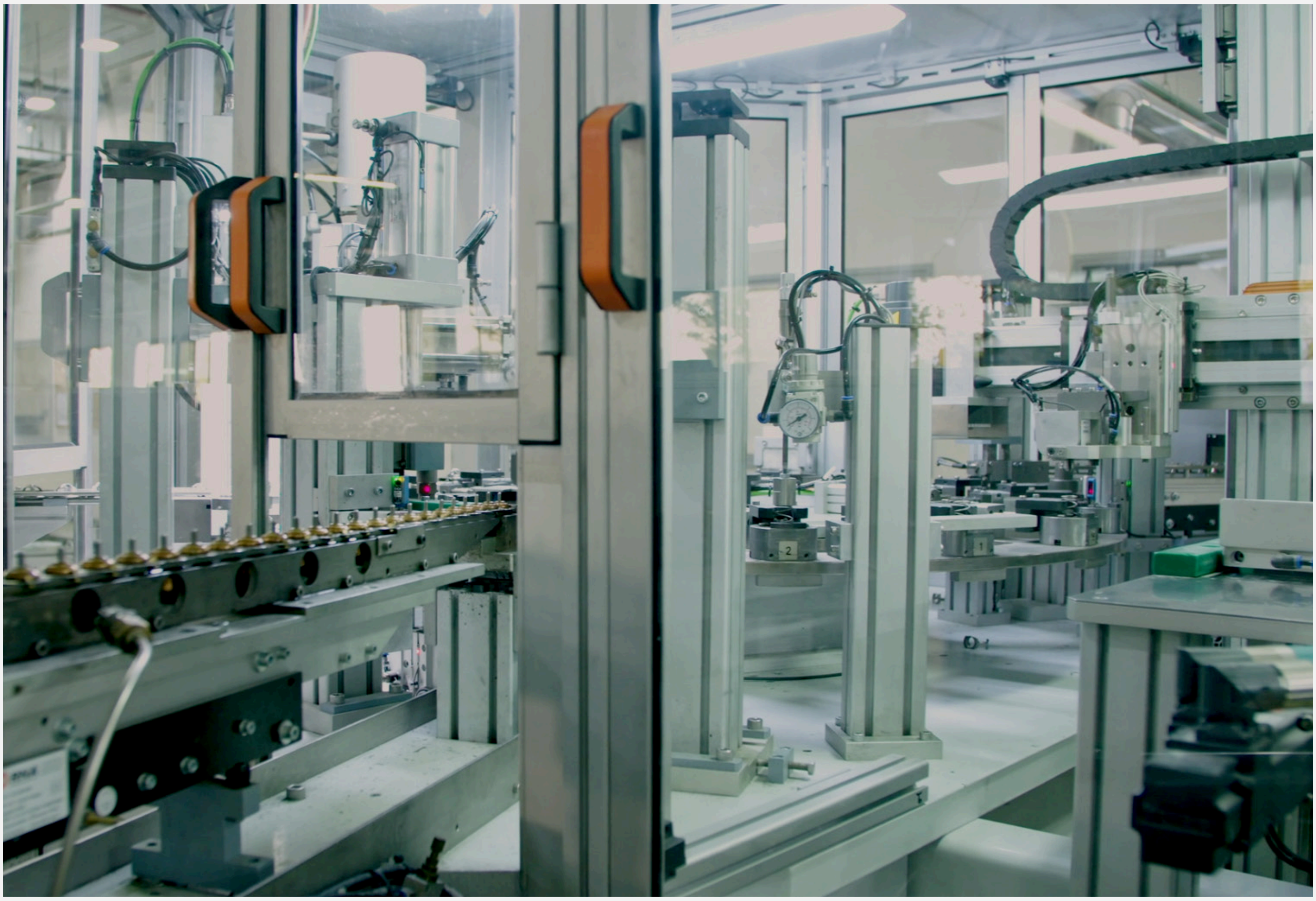
Net sales amounted to SEK 7,757 m (7,412), representing growth of 5 percent. Under the previous Autodesk reseller model, and before reclassifications of third-party agreements, the Group's net sales would have amounted to an estimated SEK 8,822 m and the Group's currency-adjusted organic growth would have been approximately 9 percent.

Reported organic growth amounted to -5 percent, and reported currency-adjusted organic growth was -5 percent.

License revenue decreased to SEK 186 m (368), recurring revenue increased to SEK 5,580 m (5,173), service revenue increased to SEK 1,902 m (1,773), and revenue from other decreased to SEK 89 m (98).
EBITA increased to SEK 863 m (640), and the EBITA margin was 11.1 percent (8.6). Restructuring measures were carried out last year in the Product Lifecycle Management division in order to adapt the organization and cost structure. Restructuring costs in 2023 amounted to SEK -20 m and were charged to EBITA. EBITA was also charged with acquisition costs of SEK -10 m (-14).

Net financial items amounted to SEK -62 m (-48) and were impacted by revaluations of contingent considerations of SEK 57 m (16) as well as increased borrowings and higher interest rates. The reported tax on profit for the period was SEK -134 m (-83), corresponding to an effective tax rate of 25.0 percent (22.9). Net profit for the period increased to SEK 402 m (279). Earnings per share increased to SEK 3.02 (2.09).

Cash flow from operating activities increased to SEK 701 m (485), mainly impacted by higher operating profit.



Performance by division

Net sales, Gross profit and EBITA, October–December 2024

	Net sales			Gross profit			EBITA		
SEK m	Q4 2024	Q4 2023	Change %	Q4 2024	2023 Q4	Change %	Q4 2024	Q4 2023	Change %
Design Management	660	1,246	-47	594	512	16	146	98	49
Product Lifecycle Management	492	499	-1	255	232	10	53	54[1)]	-2
Process Management	344	346	-1	283	273	4	70	67	4
Eliminations/central costs	-12	-13		-9	-7		-21	-23	
Addnode Group	**1,484**	**2,078**	**-29**	**1,123**	**1,010**	**11**	**248**	**196[2)]**	**27**

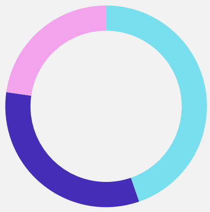
1) EBITA has been charged with restructuring costs of SEK 5 m.
2) Addnode Group's EBITA adjusted for restructuring costs was SEK 201 m, and the adjusted EBITA margin amounted to 9.7 percent.

Net sales, Gross profit and EBITA, January–December 2024

	Net sales			Gross profit			EBITA		
SEK m	Full year 2024	Full year 2023	Change %	Full year 2024	Full year 2023	Change %	Full year 2024	Full year 2023	Change %
Design Management	4,609	4,292	7	2,227	1,821	22	518	334	55
Product Lifecycle Management	1,883	1,884	0	930	883	5	170	143[1)]	19
Process Management	1,310	1,281	2	1,066	1,021	4	252	244	3
Eliminations/central costs	-45	-45		-25	-22		-77	-81	
Addnode Group	**7,757**	**7,412**	**5**	**4,198**	**3,703**	**13**	**863**	**640[2)]**	**35**

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

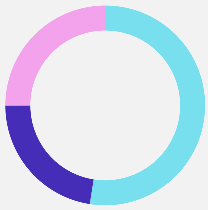
NET SALES[1)] Q4 2024



- Design Management 44%
- Product Lifecycle Management 33%
- Process Management 23%

1) Before eliminations

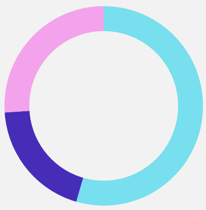
GROSS PROFIT[2)] Q4 2024



- Design Management 52%
- Product Lifecycle Management 23%
- Process Management 25%

2) Before eliminations/central costs

EBITA[3)] Q4 2024



- Design Management 55%
- Product Lifecycle Management 19%
- Process Management 26%

3) Before eliminations/central costs

Design Management division

Design Management is a leading global provider of digital solutions and services for design, 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

In the fourth quarter, net sales decreased by 47 percent to SEK 660 m (1,246). Reported net sales were impacted by the transition to Autodesk's new transaction model and reclassifications of other third-party agreements. Autodesk's new transaction model was implemented in the USA on June 10, 2024 and in Europe on September 16, 2024.

Under the previous Autodesk reseller model, and before reclassifications of third-party agreements, the division's currency-adjusted organic growth would have amounted to approximately 18 percent. Reported organic growth amounted to -47 percent, or -47 percent adjusted for currency effects. Gross profit increased by 16 percent to SEK 594 m (512). The gross margin increased to 90.0 percent (41.1), mainly due to Autodesk's new transaction model and reclassifications of third-party agreements.

The division's operation within digital solutions for design, BIM and product data, which are conducted by Symetri, experienced stable demand during the quarter. Sales to the construction and manufacturing industries were strong, particularly in northern Europe. In Europe, the product mix had a higher share of three-year Autodesk agreements compared with the year-earlier period. The AEC market in the Nordic countries is showing signs of a cautious recovery. In the USA, the manufacturing industry contributed to a positive earnings trend in the quarter. Demand for Symetri's proprietary software also increased in the USA, with the largest order to date for the division's Naviate software finalized in the quarter.

Service Works Global, which provides digital solutions for facility management, displayed a positive earnings performance in the quarter. Tribia, which provides collaboration platforms to the construction and infrastructure sector, delivered earnings in line with the preceding year.

EBITA increased by 49 percent to SEK 146 m (98), and the EBITA margin increased to 22.1 percent (7.9).

Acquisitions

Symetri acquired CTC Software in USA in November. The company's offering comprises proprietary software, such as add-ins for Autodesk Revit and Civil 3D users. Its tools have more than 40,000 users, such as architects, engineers and construction (AEC) professionals. CTC Software has 18 employees and net sales of approximately SEK 40 m.

Market

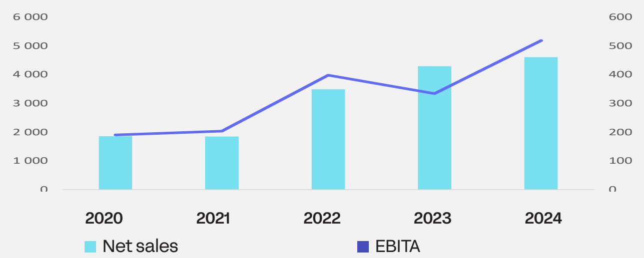
Operations in the division are conducted by the companies Symetri, Team D3, Service Works Global and Tribia. These companies offer digital solutions and services for design, BIM and product data for architects and engineers in the manufacturing and construction industries. The division also has a strong 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.

–47%
Net sales growth Q4 2024 compared with Q4 2023

+16%
Gross profit growth Q4 2024 compared with Q4 2023

+49%
EBITA growth Q4 2024 compared with Q4 2023

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



Key figures

SEK m	Q4 2024	Q4 2023	Change %
Net sales	660	1,246	*-47*
Gross profit	594	512	*16*
Gross margin, %	90.0	41.1	
EBITA	146	98	*49*
EBITA margin, %	22.1	7.9	
Operating profit	114	68	*68*
Operating margin, %	17.3	5.5	
Average number of employees	1,117	1,098	*2*

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 1 percent to SEK 492 m (499) in the fourth quarter of 2024. Reported net sales were impacted by reclassifications of third-party agreements. If the reclassifications of third-party agreements had not taken place, it is estimated that currency-adjusted organic growth would have amounted to approximately 3 percent. Reported organic growth was negative and amounted to -5 percent, or -6 percent adjusted for currency effects. EBITA decreased by 2 percent to SEK 53 m (54), and the EBITA margin was 10.8 percent (10.8). Earnings for the corresponding quarter last year were affected by restructuring costs of SEK 5 m.

Sales for PLM systems and related services were stable in the Nordic countries, the UK and the USA, where customer segments are more diversified, spanning manufacturing, defense and life sciences. Sales remained weak in Germany, 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. 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, is continuing.

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.

–1%

Net sales growth Q4 2024 compared with Q4 2023

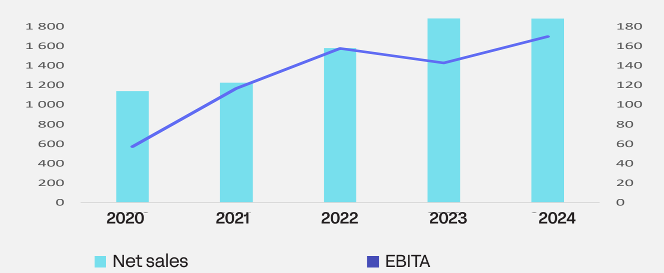
+10%

Gross profit growth Q4 2024 compared with Q4 2023

–2%

EBITA growth Q4 2024 compared with Q4 2023

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



Key figures

SEK m	Q4 2024	Q4 2023	Change %
Net sales	492	499	*-1*
Gross profit	255	232	*10*
Gross margin, %	51.8	46.5	
EBITA	53	54	*-2*
EBITA margin, %	10.8	10.8	
Operating profit	32	37	*-14*
Operating margin, %	6.5	7.4	
Average number of employees	731	728	*0*

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 decreased by 1 percent to SEK 344 m (346) in the fourth quarter of 2024. Adjusted for currency effects, organic growth was -2 percent. EBITA increased by 4 percent to SEK 70 m (67), and the EBITA margin was 20.3 percent (19.4).

Sales to municipalities remained stable 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, Efficture AB was acquired by the newly established company Icebound. Efficture 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.

After the end of the reporting period

After the end of the quarter, an agreement was signed to acquire Congere IT-konsult AB (Congere). Congere develops, renews and improves systems and applications for the Swedish defense industry. The company has revenue of approximately SEK 25 m and about 22 employees.

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.

–1%

Net sales growth Q4 2024 compared with Q4 2023

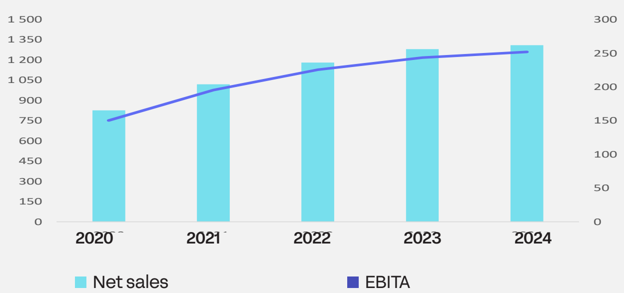
+4%

Gross profit growth Q4 2024 compared with Q4 2023

+4%

EBITA growth Q4 2024 compared with Q4 2023

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



Key figures

SEK m	Q4 2024	Q4 2023	*Change %*
Net sales	344	346	*-1*
Gross profit	283	273	*4*
Gross margin, %	82.3	78.9	
EBITA	70	67	*4*
EBITA margin, %	20.3	19.4	
Operating profit	52	53	*-2*
Operating margin, %	15.1	15.3	
Average number of employees	748	712	*5*

Disclosures on acquisitions

Acquisitions completed in 2024

During the January–December 2024 period, Addnode Group acquired all the shares of six businesses: Efficture AB (Efficture), Jetas Quality Systems AB (Jetas), Optimec Consultants Inc. (Optimec), Prime Aerostructures GmbH, (Prime) Addoceo AB (Addoceo) and CAD Technology Center, Inc. (CTC Software). During the period, these acquisitions contributed net sales of SEK 73 m and EBITA of SEK 6 m. If the acquisitions had been completed as of January 1, 2024, the Group's net sales in 2024 would have been approximately SEK 7,806 m and EBITA approximately SEK 847 m. Expenses of SEK -10 m (-14) 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 company has about ten employees and sales of approximately SEK 15 m. The operations were consolidated into the Process Management division from July 2024.

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.

CAD Technology Center Inc (CTC Software), which was acquired in November 2024, is part of the Design Management division. The company's offering comprises proprietary software, such as add-ins for Autodesk Revit and Civil 3D users. Its tools have more than 40,000 users, such as architects, engineers and construction (AEC) professionals. CTC Software has 18 employees and net sales of approximately SEK 40 m. The operations were consolidated into the Design Management division effective November 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, Prime and CTC Software.

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

Acquired companies' net assets at acquisition date	Carrying amount in companies	Fair value adjustment	Fair value, Group
Intangible non-current assets[1]	-	101	101
Other non-current assets	4	-	4
Current assets	56	-	56
Cash and cash equivalents	11	-	11
Other liabilities	-79	-14	-93
Net identifiable assets/liabilities	**-8**	**87**	**79**
Goodwill	-	-	181[2]
Calculated purchase consideration[2]			**260**

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

2) Non-current contingent considerations of a maximum of SEK 22 m, CAD 3.0 m (approx. SEK 18 m) and USD 3.9 m (approx. SEK 40 m) may be payable for the acquisitions of Efficture, Optimec, Jetas, Prime, Addoceo,and CTC Software of which approximately SEK 4 m, CAD 0 m and USD 1,7 m (approx. SEK 18 m) has been entered as a liability.

Consolidated balance sheet and cash flow

Liquidity and financial position

Cash and cash equivalents held by the Group amounted to SEK 674 m (667) as of December 31, 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 603 m (434) of the credit facility had been utilized as of December 31, 2024, which meant that available credit amounted to SEK 997 m (1,166). 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 603 m (434), interest-bearing liabilities included leases of SEK 243 m (297) and a term loan of SEK 879 m (938). There were no interest-bearing liabilities related to completed acquisitions. Consequently, the Group's total interest-bearing liabilities were SEK 1,726 m (1,669), and the Group's net debt was SEK 1,052 m (999). The equity/assets ratio was 29 percent (29). The Group's total liabilities related to completed acquisitions amounted to SEK 518 m (481), of which estimated contingent considerations amounted to SEK 474 m (481).

Cash flow

Cash flow from operating activities for the January–December 2024 period increased to SEK 701 m (485). The increase related mainly to improved operating profit. Cash flow from investing activities includes payments for proprietary software of SEK 169 m (152). Investments in subsidiaries and operations generated a negative cash flow of SEK 314 m (464). Financing activities were negatively affected by a SEK 101 m (101) 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 182 m (569) were raised. Bank loans of SEK 159 m (49) were repaid in the January–December 2024 period.

Investments and divestments

Investments of SEK 288 m (373) were made in intangible assets and property, plant and equipment, of which SEK 169 m (152) related to proprietary software.

Goodwill and other intangible assets

The carrying amount of the Group's goodwill was SEK 3,289 m (2,977) on December 31, 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 1,050 m (972), and mainly comprised customer contracts, trademarks and software.

Deferred tax assets

As of December 31, 2024, deferred tax assets amounted to SEK 52 m (34). The increase of SEK 18 m was mainly due to changes in temporary differences.

Equity

Equity as of December 31, 2024 was SEK 2,458 m (2,116), equivalent to SEK 18.42 (15.87) 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 December 31, 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	-1,116,582
Total	**133,411,650**

Addnode Group AB's holding of treasury shares as of December 31, 2024 amounted to 1,116,582 class B shares, corresponding to 0.8 percent of the number of shares, and 0.7 percent of the number of votes.

In accordance with a resolution at the 2024 Annual General Meeting (AGM), option holders in the incentive program LTIP 2021 were offered an opportunity to transfer call options at a price corresponding to the net value of the call options in connection with the first exercise period. Within the framework of this offer, 159,500 call options were repurchased and 93,418 class B shares held in treasury by Addnode Group were transferred to option holders. The number of call options outstanding in LTIP 2021 as of December 31, 2024 amounted to 36,300, entitling the holders to 145,200 class B shares, after recalculation for the share split carried out in May 2022.

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 December 31, 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
Stock option program			
LTIP 2021	36,300[1]	145,200	93.73
LTIP 2022	56,950[1]	227,800	115.80
LTIP 2023	201,000	201,000	157.50
Total stock option program	294,250	574,000	
Share rights program			
LTIP 2024	130,500	130,500	–
Total	**424,750**	**704,500**	

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 2,586 (2,455). As of December 31, 2024, there were 2,698 employees (2,654 as of December 31, 2023). Essentially, this increase was from acquired operations.

Related party transactions

For the January–December 2024 period, Chairman Staffan Hanstorp invoiced the Parent Company SEK 2.6 m (2.5) 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 0.6 m (-) via his own company for business development activities during the January–December 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 40 m (32) in the period January–December 2024, and mainly comprised invoicing to subsidiaries for premises rent and services rendered. Profit after financial items was SEK 187 m (204) including SEK 239 m (174) of dividends from subsidiaries and SEK -84 m (-33) of impairment of shares in subsidiaries. Cash and cash equivalents were SEK 421 m (404) as of December 31, 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 Year-end 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, several terms have been changed, which means that Addnode is no longer considered to have control 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 connection with the transition to Autodesk's agent model, the company has also reassessed other third-party agreements in the Group. Together with external specialists, Addnode has determined that its sales of certain other third-party agreements do not meet the criteria to be considered to have control over the products. Addnode has therefore made the assessment that it acts as an agent in these other third-party agreements. The change to agent for certain other third-party agreements has been included in the accounts as of October 1, 2024. As an agent, revenue is recognized in an amount corresponding to the gross profit to which Addnode is entitled in exchange for arranging for the third party to provide the specified products. Addnode has conducted an impact analysis and concluded that the historical effects are not material. Accordingly, historical figures have not been restated. Following reclassification, gross profit and EBITA remain unchanged.

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, Microdesk and CTC Software were measured at fair value. 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 December 31, 2024.

Stock option programs and share rights

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 Third-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 2025. Addnode Group is retaining its decision not to issue a forecast.

Dividend proposal

The Board of Directors proposes that the AGM resolves on a dividend of SEK 1.15 (1.00) per share for the 2024 financial year, corresponding to a total dividend of SEK 153 m (133). The Board's opinion is that after the proposed dividend, the company will have sufficient funds to be able to achieve its financial targets. The proposed record date for dividends is May 9, 2025. If the AGM approves this proposal, dividends will be scheduled for disbursement on May 14, 2025.

2025 Annual General Meeting

The ordinary AGM will be held on May 7, 2025.

Annual Report

The Annual Report for 2024 will be published and available on www.addnodegroup.com in the first week of April 2025.

Stockholm, Sweden, January 31, 2025
The Board of Directors

This Year-end Report has not been reviewed by the company's auditors.

Condensed consolidated financial statements

Consolidated Income Statement

SEK m	2024 Oct–Dec	2023 Oct–Dec	Full year 2024	Full year 2023
Net sales	1,484	2,078	7,757	7,412
Purchases of goods and services	-361	-1,067	-3,559	-3,709
Gross profit	**1,123**	**1,010**	**4,198**	**3,703**
Other external costs	-167	-149	-578	-536
Personnel costs	-724	-679	-2,801	-2,559
Capitalized work performed by the company for its own use	49	44	169	152
Depreciation/amortisation and impairment of				
– property, plant and equipment	-33	-31	-125	-120
– intangible non-current assets	-70	-61	-265	-230
Operating profit	**178**	**135**	**598**	**410**
Financial income	27	16	86	46
Financial expenses	-63	-32	-205	-110
Revaluation of contingent considerations	40	16	57	16
Profit before tax	**182**	**135**	**536**	**362**
Current tax	-55	-51	-154	-117
Deferred tax	4	22	20	34
Net profit for the period	**131**	**106**	**402**	**279**
Attributable to:				
Owners of the Parent Company	131	106	402	279
Share data				
Earnings per share before and after dilution, SEK	0.98	0.80	3.02	2.09
Average number of shares outstanding:				
Before dilution	133,376,359	133,318,232	133,332,764	133,433,183
After dilution	133,391,629	133,318,232	133,351,938	133,454,966

Consolidated Statement of Comprehensive Income

SEK m	2024 Oct–Dec	2023 Oct–Dec	Full year 2024	Full year 2023
Net profit for the period	131	106	402	279
Other comprehensive income, items that will not be reclassified to profit or loss:				
Actuarial gains and losses on pension obligations	0	0	0	0
Other comprehensive income, items that may be reclassified to profit or loss:				
Exchange rate difference on translation of foreign operations	46	-70	98	-16
Hedge of net investments in foreign operations	-10	24	-41	-9
Tax attributable to items that may be reclassified	13	–	14	–
Total other comprehensive income after tax for the period	**49**	**-46**	**71**	**-25**
Comprehensive income for the period	**180**	**60**	**473**	**254**
Attributable to:				
Owners of the Parent Company	180	60	473	254

Consolidated Balance Sheet

SEK m	2024 Dec 31	2023 Dec 31
Assets		
Goodwill	3,289	2,977
Other intangible non-current assets	1,050	972
Property, plant and equipment	286	346
Financial assets	100	73
Long term recevables	745	181
Total non-current assets	**5,470**	**4,549**
Inventories	0	1
Other current assets	2,434	1,980
Cash and cash equivalents	674	667
Total current assets	**3,108**	**2,648**
Total assets	**8,578**	**7,197**
Equity and liabilities		
Equity	2,458	2,116
Non-current liabilities	2,726	2,395
Current liabilities	3,394	2,686
Total equity and liabilities	**8,578**	**7,197**
Interest-bearing receivables amount to	–	3
Interest-bearing liabilities amount to	1,726	1,669
Pledged assets	19	19
Contingent liabilities	19	23

1) In previous year reclassification of receivables and liabilities from three year agreements has been made. SEK 181 m has been reclassified from short term to long term receivables and SEK 183 m from short term to long term liabilities.

Equity and number of shares

Specification of changes in equity, SEK m	2024 Oct–Dec	2023 Oct–Dec	Full year 2024	Full year 2023
Equity, opening balance	**2,276**	2,056	**2,116**	**2,005**
Dividend	–	–	-133	-133
Call options issued	–	–	–	4
Repurchase of the company's shares	–	–	–	-14
Incentive program	2	–	2	–
Comprehensive income for the period	180	60	473	254
Equity, closing balance	**2,458**	**2,116**	**2,458**	**2,116**
Equity attributable to:				
Owners of the Parent Company	2,458	2,116	2,458	2,116
Number of shares outstanding, opening balance	**133,318,232**	**133,318,232**	**133,318,232**	**133,498,232**
Repurchase of the company's shares	–	–	–	-180,000
Transfer of the company's shares	93,418	–	93,418	–
Number of shares outstanding, closing balance	**133,411,650**	**133,318,232**	**133,411,650**	**133,318,232**

Addnode Group held 1,116,582 (1,210,000) class B treasury shares on December 31, 2024.

Consolidated Statement of Cash Flows

SEK m	2024 Oct–Dec	2023 Oct–Dec	Full year 2024	Full year 2023
Operating activities				
Operating profit	178	135	598	410
Adjustment for non-cash items	116	97	383	361
Total	**294**	**232**	**981**	**771**
Net financial items	-12	-23	-83	-63
Tax paid	-38	-48	-147	-135
Cash flow from operating activities before changes in working capital	**244**	**161**	**751**	**573**
Total change in working capital	31	67	-50	-88
Cash flow from operating activities	**275**	**228**	**701**	**485**
Investing activities				
Purchases and sales of intangible assets and property, plant and equipment	-57	-63	-210	-202
Acquisitions of financial assets	-1	–	-8	-6
Acquisitions of subsidiaries and operations	-102	–	-325	-529
Cash and cash equivalents in acquired subsidiaries	1	1	11	65
Cash flow from investing activities	**-159**	**-62**	**-532**	**-672**
Financing activities				
Dividend paid	–	–	-133	-133
Call options issued	–	–	–	4
Repurchase of the company's shares	–	–	–	-14
Borrowings	136	–	182	569
Repayment of loans	-40	-24	-260	-150
Cash flow from financing activities	**96**	**-24**	**-211**	**276**
Change in cash and cash equivalents	212	142	-42	89
Cash and cash equivalents at start of period	441	565	667	600
Exchange rate difference in cash and cash equivalents	21	-40	49	-22
Cash and cash equivalents at end of period	**674**	**667**	**674**	**667**

Parent Company financial statements

Parent Company Income Statement

SEK m	2024 Oct–Dec	2023 Oct–Dec	Full year 2024	Full year 2023
Net sales	11	10	40	32
Operating expenses	-32	-30	-114	-106
Operating loss	**-21**	**-20**	**-74**	**-73**
Profit from participations in Group companies	181	179	352	348
Other financial income	17	12	46	41
Financial expenses	-33	-33	-137	-112
Profit after financial items	**144**	**138**	**187**	**204**
Change in tax allocation reserve	-20	1	-1	1
Profit before tax	**124**	**139**	**186**	**205**
Tax	-38	-13	-18	-13
Net profit for the period	**86**	**126**	**168**	**192**

Parent Company Balance Sheet

SEK m	2024 Dec 31	2023 Dec 31
Assets		
Property, plant and equipment	9	9
Financial assets	2,870	2,949
Current receivables	85	85
Cash and cash equivalents	421	404
Total assets	**3,385**	**3,447**
Equity and liabilities		
Equity	1,517	1,481
Untaxed reserves	163	162
Provisions	21	58
Non-current liabilities	543	670
Current liabilities	1,141	1,076
Total equity and liabilities	**3,385**	**3,447**

Operating segments

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

Revenue, gross profit and profit

	Full year											
	Design		PLM		Process		Central		Eliminations		Addnode Group	
SEK m	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Revenue												
External sales	4,604	4,286	1,855	1,858	1,298	1,268	–	–	–	–	7,757	7,412
Transactions between segments	5	6	28	26	12	13	28	20	-73	-65	0	0
Total revenue	**4,609**	**4,292**	**1,883**	**1,884**	**1,310**	**1,281**	**28**	**20**	**-73**	**-65**	**7,757**	**7,412**
Gross profit	2,227	1,821	930	883	1,066	1,021	28	20	-53	-43	4,198	3,703
Gross margin, %	48.3	42.4	49.4	46.9	81.4	79.7	–	–	–	–	54.1	50.0
EBITA	518	334	170	143	252	244	-77	-81	–	–	863	640
EBITA margin, %	11.2	7.8	9.0	7.6	19.2	19.0	–	–	–	–	11.1	8.6
Operating profit	389	226	100	77	186	188	-77	-81	–	–	598	410
Operating margin, %	8.4	5.3	5.3	4.1	14.2	14.7	–	–	–	–	7.7	5.5
Total net operating assets	2,305	1,996	878	783	947	947	72	37	–	–	4,202	3,823
Average number of employees	1,104	1,016	730	740	738	686	14	13	–	–	2,586	2,455

Revenue breakdown

	Full year											
	Design		PLM		Process		Central		Eliminations		Addnode Group	
SEK m	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Licenses	28	61	119	261	40	48	–	–	-1	-2	186	368
Recurring revenue	3,732	3,469	1,217	1,127	634	579	–	–	-3	-2	5,580	5,173
Services	814	719	505	461	599	611	–	–	-16	-18	1,902	1,773
Other	35	43	42	35	37	43	28	20	-53	-43	89	98
Total revenue	**4,609**	**4,292**	**1,883**	**1,884**	**1,310**	**1,281**	**28**	**20**	**-73**	**-65**	**7,757**	**7,412**

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 86 m (46), financial expenses of SEK -205 m (-110), and revaluation of contingent considerations of SEK 57 m (16).

Acquisitions completed in the January–December 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: Design by SEK 115 m, PLM by SEK 96 m and Process Management by SEK 36 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

	Full year			
	2024	2023	2022	2021
Net sales, SEK m	7,757	7,412	6,225	4,077
Design Management	4,609	4,292	3,494	1,852
Product Lifecycle Management	1,883	1,884	1,580	1,227
Process Management	1,310	1,281	1,182	1,020
Gross profit, SEK m	4,198	3,703	3,234	2,309
Design Management	2,227	1,821	1,517	858
Product Lifecycle Management	930	883	788	636
Process Management	1,066	1,021	942	826
Gross margin, %	54.1	50.0	51.9	56.6
Design Management	48.3	42.4	43.4	46.3
Product Lifecycle Management	49.4	46.9	49.9	51.8
Process Management	81.4	79.7	79.7	81.0
EBITA, SEK m	863	640[1)]	728[2)]	461
Design Management	518	334	398	204
Product Lifecycle Management	170	143[1)]	158	117
Process Management	252	244	226	195
EBITA margin, %	11.1	8.6[1)]	11.7[2)]	11.3
Design Management	11.2	7.8	11.4	11.0
Product Lifecycle Management	9.0	7.6[1)]	10.0	9.5
Process Management	19.2	19.0	19.1	19.1
Average number of employees	2,586	2,455	2,137	1,776
Design Management	1,104	1,016	793	560
Product Lifecycle Management	730	740	687	613
Process Management	738	686	648	595

1) 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.

2) 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.

	Full year			
	2024	2023	2022	2021
Cash flow from operating activities, SEK m	701	485	714	437
Change in net sales, %	5	19	53	7
Operating margin, %	7.7	5.5	8.5	7.5
Return on capital employed, %	18.6	13.8	19.6	13.0
Return on equity, %	17.6	13.5	20.7	13.9
Equity/assets ratio, %	29	29	32	39
Equity, SEK m	2,458	2,116	2,005	1,693
Net debt, SEK m	1,052	999	463	368
Debt/equity ratio, %	43	47	23	22

Share data

	Full year			
	2024	2023	2022	2021
Average number of shares outstanding before and after dilution, m	133.4	133.4	133.6	134.2
Total number of shares outstanding, m	133.4	133.3	133.5	133.7
Earnings per share before and after dilution, SEK	3.02	2.09	2.86	1.66
Cash flow from operating activities per share, SEK	5.26	3.63	5.34	3.27
Equity per share, SEK	18.4	15.9	15.0	12.7
Share price at end of period, SEK	103.80	85.3	98.4	107.3
Share price/equity	5.63	5.37	6.55	8.47

Key figures (quarter information)

	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales, SEK m	1,484	1,859	2,005	2,409	2,078	1,808	1,554	1,972
Design Management	660	1,111	1,214	1,624	1,246	1,055	778	1,213
Product Lifecycle Management	492	469	468	454	499	484	468	433
Process Management	344	289	335	342	346	280	320	335
Gross profit, SEK m	1,123	971	1,003	1,101	1,010	893	859	940
Design Management	594	517	507	609	512	448	388	474
Product Lifecycle Management	255	221	230	224	232	226	217	208
Process Management	283	237	272	274	273	224	260	264
Gross margin, %	75.7	52.2	50.0	45.7	48.6	49.4	55.3	47.7
Design Management	90.0	46.5	41.8	37.5	41.1	42.5	49.8	39.0
Product Lifecycle Management	51.8	47.1	49.1	49.3	46.5	46.7	46.4	48.0
Process Management	82.3	82.0	81.2	80.1	78.9	80.1	81.2	78.8
EBITA, SEK m	248	200	162	253	196[1)]	132[2)]	110[3)]	202
Design Management	146	118	86	168	98	57	48	131
Product Lifecycle Management	53	39	37	41	54[1)]	43[2)]	20[3)]	26
Process Management	70	58	59	65	67	53	60	64
EBITA margin, %	16.7	10.8	8.1	10.5	9.4[1)]	7.3[2)]	7.1[3)]	10.2
Design Management	22.1	10.6	7.1	10.3	7.9	5.4	6.2	10.8
Product Lifecycle Management	10.8	8.3	7.9	9.0	10.8[1)]	8.9[2)]	4.3[3)]	6.0
Process Management	20.3	20.1	17.6	19.0	19.4	18.9	18.8	19.1
Average number of employees	2,610	2,587	2,566	2,549	2,552	2,553	2,364	2,334
Design Management	1,117	1,110	1,096	1,091	1,098	1,115	933	916
Product Lifecycle Management	731	722	725	724	728	734	744	736
Process Management	748	740	731	720	712	690	675	671

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

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

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

Key figures, cont.

	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash flow from operating activities, SEK m	275	-133	178	381	228	-139	127	269
Change in net sales, %	-29	20	2	22	16	11	4	49
Operating margin, %	12.0	7.4	4.8	7.8	6.5	3.9	3.6	7.6
Return on capital employed, %[1)]	18.6	17.6	15.3	14.3	13.8	13.4	15.4	18.0
Return on equity, %[1)]	17.6	17.4	14.8	13.5	13.5	14.0	17.9	19.4
Equity/assets ratio, %	29	29	27	28	29	31	32	35
Equity, SEK m	2,458	2,276	2,198	2,284	2,116	2,056	2,060	2,099
Net debt, SEK m	1,052	1,102	825	816	999	1,103	488	381
Debt/equity ratio, %	43	48	38	36	47	54	24	18

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

Share data

	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Average number of shares outstanding before and after dilution, m	133.4	133.3	133.3	133.3	133.3	133.4	133.5	133.5
Total number of shares outstanding, m	133.4	133.3	133.3	133.3	133.3	133.3	133.5	133.5
Earnings per share before and after dilution, SEK	0.98	0.73	0.41	0.90	0.80	0.26	0.25	0.78
Cash flow from operating activities per share, SEK	2.06	-1.00	1.34	2.87	1.71	-1.04	0.95	2.02
Equity per share, SEK	18.42	17.07	16.49	17.13	15.87	15.42	15.43	15.72
Share price at end of period, SEK	103.80	110.90	121.90	114.40	85.30	66.75	83.50	124.70
Share price/equity	5.63	6.50	7.39	6.68	5.37	4.33	5.41	7.93

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 27.

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 Oct–Dec	2023 Oct–Dec	Full year 2024	Full year 2023
Operating profit	178	135	598	410
Amortization and impairment of intangible non-current assets	70	61	265	230
EBITA	**248**	**196**	**863**	**640**

Reconciliation of net debt

	2024 Dec 31	2023 Dec 31
Non-current liabilities	2,726	2,395
Current liabilities	3,394	2,686
Non-interest-bearing non-current and current liabilities	-4,394	-3,412
Total interest-bearing liabilities	**1,726**	**1,669**
Cash and cash equivalents	-674	-667
Other interest-bearing receivables	–	-3
Net debt (+)/receivable (–)	**1,052**	**999**

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 lease contracts and subscriptions for support and maintenance agreements, including SaaS solutions.

Design Management division

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

Product Lifecycle Management division

TECHNIA
PART OF ADDNODE GROUP

Process Management division

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

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

ADDNODE GROUP AB (publ)
Norra Stationsgatan 93A,
SE-113 64 Stockholm

Corporate identity number: 556291–3185
+46 (0)8 630 70 70
info@addnodegroup.com
addnodegroup.com

For more information, please contact:
Johan Andersson, President and CEO,
johan.andersson@addnodegroup.com
+46 (0)70 420 58 31

Kristina Elfström Mackintosh, CFO,
kristina.mackintosh@addnodegroup.com
+46 (0)70 633 89 90