

Quarterly Report

April - June 2024

Profitable growth in a restrained market

13 %

Growth

21 %

Adjusted
EBITA %

162 MSEK

Recurring net
revenue from
software LTM

Financial overview

Summary April - June

- Net sales MSEK 211 (186)
- Growth 13 % (of which organic growth 5 %)
- Adjusted EBITA MSEK 44 (34)
- Average number of employees 542 (508)
- Earnings per share 1.96 (1.30)

Summary January - June

- Net sales MSEK 423 (387)
- Growth 9 % (of which organic growth 2 %)
- Adjusted EBITA MSEK 84 (77)
- Average number of employees 550 (516)
- Earnings per share 3.74 (3.05)

Significant Events

Report from the Annual General Meeting of Exsitec Holding AB.

The Board of Exsitec Holding AB has decided on new financial targets.

There have been no significant event after the period.

Key figures

Amounts in MSEK	Apr-Jun 2024	Apr-Jun 2023	change	Jan-Jun 2024	Jan-Jun 2023	change	LTM	Jan-Dec 2023
Net sales	211	186	13%	423	387	9%	788	751
Recurring net revenue from software	44	32	39%	85	63	35%	162	140
EBITA	42	30	40%	80	68	19%	132	119
Adjusted EBITA*	44	34	30%	84	77	10%	141	133
EBITA %	20.1%	16.3%		19.0%	17.5%		16.7%	15.9%
Adjusted EBITA %*	20.9%	18.2%		19.9%	19.8%		17.9%	17.8%
Operating profit	37	26	44%	70	58	20%	113	101
Profit or loss for the period	26	17	51%	50	41	22%	80	71
Basic earnings per share, SEK	1.96	1.35	45%	3.74	3.18	18%	6.04	5.48
Diluted earnings per share, SEK	1.96	1.30	51%	3.74	3.05	23%	5.97	5.28
Average number of employees	542	508	7%	550	516	7%	556	522
Cash flow from operating activities	42	29	44%	70	58	19%	117	106

* In adjusted EBITA, acquisition-related personnel costs have been excluded.

A few words from our CEO

Profitable growth in a restrained market

Exsitec works with digital solutions that improve our customers' businesses. We combine selected systems and services into a functioning whole to help our customers digitalise their operations. Many businesses prioritise streamlining with digital tools, even in the face of a harsher economic reality. Our customers are found in many different industries, and no single customer accounts for more than a few percent of our total net sales.

Having a large customer base and comprehensive offering ensures that we are resilient to individual situations that may arise outside of our control at a customer's site. It also allows us to move our staff between areas over time to even out workloads and meet changes in demand.

The second quarter has been characterised by some normalisation of both operations and demand, where we generally feel less uncertainty about the future. However, we are still experiencing a relatively restrained customer market where some customers have made savings and cut back on things that are not necessary in the short term. These actions can impact us, for example, when customers choose to refrain from non-mandatory upgrades of older software versions. However, this tends to catch up eventually as upgrades become necessary over time for security or regulatory reasons.

The restrained market, which brings a low underlying growth, is nothing new but something we have become accustomed to and adapted to over the past 5-6 quarters. Therefore, we have largely maintained a reasonable balance between capacity and demand. We have a well-tuned business model with a high proportion of recurring revenue, giving us strong margins and stability that allow both customers and staff to feel long-term security with us as a partner.

Net sales for the quarter of MSEK 211 (MSEK 186) correspond to a growth of 13% compared to the same period in 2023. Organic growth was around 5%. Our adjusted EBITA of MSEK 44 (MSEK 34) means that our margin is about 3 percentage points higher than last year. Easter arrived early this year, giving the quarter two extra working days—for us, this means a 2% positive impact on revenue, resulting in a similarly significant positive effect on the margin compared to the same quarter last year.

The largest growth has been in our recurring revenue from software, up by almost 40% in the quarter. Just over half of the growth comes from our acquisition of IntegrasjonsPartner in Norway, which has performed very well and consistently throughout the year. The organic growth in recurring revenue refers to both software, support and infrastructure, all of which grew faster than consulting revenue. This is a good indication that we have been able to retain and develop our customers even in a challenging market for consulting services.

In the first quarter of 2024, we had one-time project costs in Norway related to capacity building and, in some cases, pure miscalculations linked to our new Business NXT offering from Visma. During the second quarter, I feel that we have overcome the most difficult obstacles and at the end of the quarter we are back with both good sales and quality in deliveries. However, we have implemented a reduction in staff to decrease our overhead. Costs for final salaries linked to this have amounted to approximately MSEK 3, which in its entirety has been charged to the result in the quarter. Although profitability in Norway is not yet satisfactory, we feel that we are taking steps in the right direction quarter by quarter.

For some time now, we have been launching a couple of new initiatives to strengthen our offering and provide the conditions for long-term organic growth while increasing our acquisition efforts. Fortunately, we have made progress in several areas.

Investments in automation, especially those that are easy to calculate, are a clear priority for our customers. A good example of this is our comprehensive Spend Management offering, which is made up of components from Medius, Logiq and Visma, together with proprietary integrations to the most prevalent financial systems among our customers. Our customers save

time and increase security by allowing purchases and invoice flows to be handled automatically with only a few manual steps.



We have built a base of satisfied and loyal customers in the area and have so far this year grown by over 30% in an offering that consists of 50% recurring revenue.

After the quarter, we have established ourselves on the Finnish market through the acquisition of M-Flow Finland Oy, which means that we will be Medius's sole sales and delivery partner in the Finnish market. M-Flow has built up a base of over 30 customers in four years, including several of Finland's most well-known companies. They have not had their own delivery organisation but only driven software sales. Therefore, their revenue is about 90% recurring revenue from software. We will complement M-Flow with our existing delivery organisation and other offerings and expect to be able to grow the business significantly in the coming years.

We have also made a small investment in our CRM offering in Sweden through the acquisition of a majority stake in BizBeat. We are working in parallel with several other processes, but with patience and accuracy. In general, we find the acquisition market a little calmer and that we get the time we need to make informed decisions.

To sum up the first half of 2024, I am pleased with how we have handled both internal and market challenges and built on the foundation for continued growth, at the same time as we have maintained and strengthened our healthy margins. Our low debt and strong profitability provide plenty of room for future investments.

There is much to fine-tune both in terms of sales and internal efficiency, but overall, I am satisfied with our performance and have a positive outlook for the rest of the year.

*Johan
Kallblad*

Significant Events

7 May 2024

Report from the Annual General Meeting of Exsitec Holding AB

Emil Hjalmarsson was elected as a new board member.

For more detailed information regarding the contents of the resolutions, please refer to the notice to the AGM and the complete proposals, which have previously been published and are available on the Company's website, www.exsitec.se.

14 May 2024

The Board of Exsitec Holding AB (publ) has decided on new financial targets

The new goals are not time-limited and replace the previous goals presented in 2021.

Growth goals - Exsitec's objective is to increase net sales by at least 15% per year over time.

Performance target - Exsitec's objective is to increase adjusted EBITA per share by at least 15% per year over time.

Stability measures - Exsitec's objective is that net debt must not exceed 2 times EBITDA.

Dividend policy - Exsitec's objective is to distribute 20–40 percent of profit after tax, taking into account the Company's financial position, capital structure, and future growth prospects.

Comments on the reporting period

Items affecting comparability

There are no items affecting comparability for the reporting period.

The Group

All comparative figures refer to the Group. The Parent Company's operations are focused on group-wide management, and operations are conducted in the wholly owned subsidiary Exsitec AB and in turn its subsidiaries.

Liquidity and financial position

As of 30 June 2024, the Group's cash and cash equivalents amounted to MSEK 37 (30), undrawn overdraft facilities to MSEK 75 (50), and borrowings from credit institutions to MSEK 118 (112), an unused revolving credit facility amounting to 125 MSEK, as well as a conditional option to extend the facility up to 200 MSEK (a so-called accordion option). Estimated contingent considerations for business acquisitions carried out amounted to MSEK 24 (17). Equity amounted to MSEK 444 (379) at the end of the period.

Option and incentive programme

Following a resolution by Exsitec Holding's AGM in 2023, a long-term incentive programme for key individuals in the Group was launched in Q3 2023. The incentive programme runs until Q2 2026 and can provide a maximum of 43 900 shares, corresponding to a dilution of approximately 0.33% of the total number of shares in the Company.

At the 2024 Annual General Meeting, it was decided to implement an additional long-term incentive programme for key individuals in the group. The incentive programme is expected to be launched during Q3 2024 and will run until the end of Q2

2027, potentially providing up to 60 000 shares, corresponding to a dilution of approximately 0.45% of the total number of shares in the Company.

The stock

Exsitec Holding's share has been listed on Nasdaq First North since 16 September 2020. For companies affiliated with Nasdaq First North, a Certified Advisor is required who, among other things, shall exercise certain supervision. Exsitec Holdings Certified Advisor is Erik Penser Bank AB. The share is traded under the ticker EXS and has ISIN code: SE0014035762.

Risks and uncertainties

Exsitec Group is exposed in its operations to general business and financial risks. These risks have been described at depth in the company's 2023 Annual Report. Beyond what is described in these documents, no additional material risks have emerged.

Publication of the report

This report was published on 12 July 2024, at 08:00. The report was published simultaneously on the company's website.

This quarterly report has not been reviewed by the company's auditors.

The report has been published in both English and Swedish. This is an unaudited translation of the Swedish interim report. Should there be any disparities between the Swedish and the English version, the Swedish version shall prevail.

About Exsitec & our market

We deliver digital solutions that improve our customers' businesses and make a real difference. By combining selected systems and services into a performing whole, we create the conditions for each customer to achieve their ambitions.

Our goal is to be a secure and long-term partner in relation to business support IT systems, allowing the customer to focus on their own customers and their core business.

We have a comprehensive range of business support software and services that companies in our target group need - such as business systems, decision support, CRM, invoice management, e-commerce, warehousing systems, budget, forecasting and tailor-made applications.

Exsitec's head office is located in Linköping, and today around 550 employees work at our 20 offices in Sweden, Norway, Denmark and Finland.

We live in a world where companies and organisations have to adopt digital tools in order to survive and be successful as part of a global competition, and our assessment is that the need for IT-based business systems is continuing to increase in our markets.

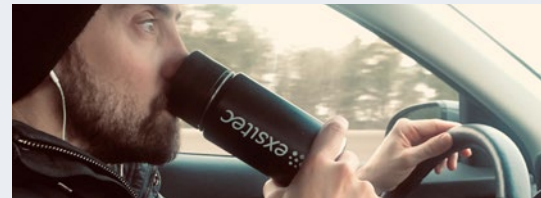
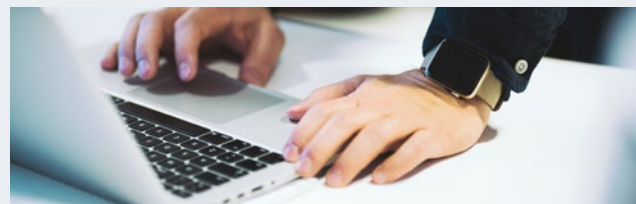
With what we offer and our way of working, we are well placed to continue to gain market share and have the opportunity to help new customers, while there is also great potential for existing customers to streamline increasing parts of their businesses through our wide range.

Customers

Our more than 4 000 customers can be found in many industries. The fact we can be of service to customers with widely differing businesses is due to our range being modular, meaning we can assemble combinations of software and services to suit many different industries.

It is a modularised structure based on general components, rather than customer-specific system development, which means the implementations are adapted to the customer's businesses. The purpose here is to achieve a high degree of customer-focused customisation at a reasonable cost.

Based on the fact we strive for a high degree of reuse, we offer ready-made integrations between the software we sell, as well as a support service that helps the customer with the use of the software.



Our sources of revenue

Just over two-thirds of our revenue comes from consultancy services, where around 25% relates to projects with new customers and 75% relates to existing customers.

One-third of our revenue comes from resold software, support, and proprietary integrations between the software. These revenues are predominantly from recurring contracts (SaaS pricing model), where the exception is when a customer obtains additional licensing on an existing installation.

Software revenue represents a secure and profitable base in our business. The value for software suppliers in working with us is not only that we market and sell their software, but that we also account for "customer success" by configuring, integrating, training and supporting customers so that they become successful in their use of the systems, and as such continue to be customers for a long time.

Financial reports, The Group

Condensed consolidated statement of comprehensive income

Amounts in KSEK	Note	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023
Operating income					
Net sales	2	210 735	186 253	423 379	386 795
Other operating income		2 499	1 541	3 504	4 000
Total operating income		213 234	187 794	426 883	390 795
Operating expenses					
Costs of external subcontractors and direct costs		-10 898	-10 343	-22 873	-21 565
Merchandise		-1 260	-1 636	-2 870	-3 260
Other external expenses		-18 832	-16 741	-36 655	-35 234
Personnel expenses		-129 418	-117 601	-263 723	-239 765
Acquisition-related personnel expenses	5	-1 797	-3 654	-3 935	-8 935
Other operating expenses		-389	-341	-627	-1 114
Depreciation of tangible fixed assets		-8 327	-7 173	-15 705	-13 205
Amortization of intangible assets		-5 228	-4 543	-10 463	-9 478
Total operating expenses		-176 149	-162 032	-356 851	-332 555
Operating profit		37 085	25 762	70 032	58 240
Financial income		213	2	321	195
Financial costs		-3 375	-2 664	-5 944	-4 329
Profit or loss after financial items		-3 162	-2 662	-5 623	-4 134
Profit before tax		33 923	23 101	64 409	54 107
Income tax		-7 645	-5 668	-14 280	-13 174
Profit or loss for the period		26 278	17 433	50 129	40 933

Earnings per share calculated based on profit or loss for the period attributable to the parent company's shareholders	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023
Weighted average number of shares before dilution	13 400 896	12 888 396	13 400 896	12 888 396
Weighted average number of shares after dilution	13 400 896	13 400 896	13 400 896	13 400 896
Basic earnings per share, SEK	1.96	1.35	3.74	3.18
Diluted earnings per share, SEK	1.96	1.30	3.74	3.05

Other comprehensive income	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023
Profit or loss for the period	26 278	17 433	50 129	40 933
<i>Items that can be reclassified to profit for the year</i>				
Exchange rate differences	1 241	3 721	1 753	-3 079
Other comprehensive income for the period	1 241	3 721	1 753	-3 079
Comprehensive income for the period	27 519	21 154	51 882	37 854

The period's result and total comprehensive income are entirely attributable to the parent company's shareholders

Condensed consolidated balance sheet

Amounts in KSEK	Note	2024-06-30	2023-06-30	2023-12-31
ASSETS				
Fixed assets				
Goodwill	4	399 063	340 237	338 379
Other intangible assets		150 103	146 807	139 785
Tangible fixed assets		14 825	13 403	12 412
Right-of-use assets		76 096	48 833	59 832
Other long-term receivables		1 759	1 986	1 513
Deferred tax assets		757	875	763
Total fixed assets		642 603	552 141	552 685
Current assets				
Finished goods and merchandise		1 801	2 038	635
Accounts receivable		124 366	109 419	142 265
Other receivables		4 804	8 738	10 628
Prepayments and accrued income		44 672	47 522	47 677
Cash and cash equivalents		36 979	30 023	51 351
Total current assets		212 622	197 740	252 556
TOTAL ASSETS		855 225	749 881	805 241
EQUITY AND LIABILITIES				
Total equity		444 470	379 114	415 015
LIABILITIES				
Long-term liabilities				
Liabilities to credit institutions		109 777	78 045	60 962
Lease liabilities		45 962	27 763	35 548
Other long-term liabilities		20 709	12 685	11 068
Deferred tax liabilities		29 309	28 812	26 810
Total long-term liabilities		205 757	147 305	134 388
Short-term liabilities				
Liabilities to credit institutions		8 659	34 167	34 167
Lease liabilities		24 529	16 471	19 958
Accounts payable		32 127	29 621	54 209
Current tax liabilities		11 960	19 333	24 328
Other short-term liabilities		44 234	45 278	52 227
Accruals and deferred income		83 489	78 592	70 949
Total short-term liabilities		204 998	223 462	255 838
TOTAL LIABILITIES		410 755	370 767	390 226
TOTAL EQUITY AND LIABILITIES		855 225	749 881	805 241

Condensed consolidated statement of changes in equity

Amounts in KSEK	Share capital	Other contributed capital	Reserves	Retained earnings including net profit for the year	Total equity
Opening balance on 1 January 2023	644	343 610	5 834	13 727	363 816
Profit or loss for the period	-	-	-	40 933	40 933
Other comprehensive income	-	-	-3 079	-	-3 079
Total comprehensive income	-	-	-3 079	40 933	37 854
Transactions with shareholders in their capacity as owners					
Dividend	-	-	-	-22 555	-22 555
Total shareholder transactions	-	-	-	-22 555	-22 555
Closing balance on 30 June 2023	644	343 610	2 755	32 105	379 114

Amounts in KSEK	Share capital	Other contributed capital	Reserves	Retained earnings including net profit for the year	Total equity
Opening balance on 1 January 2023	670	352 759	-408	61 994	415 015
Profit or loss for the period	-	-	-	50 129	50 129
Other comprehensive income	-	-	1 753	-	1 753
Total comprehensive income	-	-	1 753	50 129	51 882
Transactions with shareholders in their capacity as owners					
Share-related incentive program	-	-	1 024	-	1 024
Dividend	-	-	-	-23 452	-23 452
Total shareholder transactions	-	-	1 024	-23 452	-22 427
Closing balance on 30 June 2024	670	352 759	2 370	88 671	444 470

Condensed consolidated cash flow statement

Amounts in KSEK	Note	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023
Cash flow from operating activities					
Profit or loss after financial items		33 923	23 101	64 409	54 107
Adjustment for items not included in cash flow		15 475	15 223	31 314	31 617
Income tax paid		-5 711	-2 483	-30 061	-12 669
Cash flow from operating activities before change in working capital		43 687	35 841	65 663	73 055
Change in working capital		-1 444	-6 479	4 045	-14 622
Cash flow from operating activities		42 243	29 362	69 707	58 433
Cash flow from investing activities					
Acquisition of subsidiaries, net of cash and cash equivalents	3, 4	-	-1 565	-63 032	-6 337
Change in long-term receivables		206	-4	-209	-105
Investment in intangible assets		-	-	-2 677	-4 000
Investment in tangible assets		-1 733	-1 422	-3 124	-2 910
Cash flow from investing activities		-1 527	-2 990	-69 042	-13 351
Cash flow from financing activities					
Borrowings		-	-	34 605	-
Amortization of loans		-2 795	-13 575	-11 462	-27 150
Amortisation of lease liabilities		-7 326	-6 160	-15 343	-11 495
Dividend to shareholders		-23 452	-22 555	-23 452	-22 555
Cash flow from financing activities		-33 572	-42 290	-15 651	-61 200
Cash flow for the period		7 145	-15 918	-14 986	-16 118
Cash and cash equivalents at the beginning of the period		29 579	44 686	51 351	46 259
Exchange rate difference on cash and cash equivalents		255	1 255	614	-118
Cash and cash equivalents at the end of the period		36 979	30 023	36 979	30 023
<i>Cash flow disclosures</i>					
Interest paid		-2 117	-2 352	-4 070	-4 017

Financial reports, Parent Company

Parent Company's condensed income statement

Amounts in KSEK	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023
Operating income				
Net sales	5 840	5 550	11 856	11 400
Other operating income	13	-	13	-
Total operating income	5 853	5 550	11 869	11 400
Operating expenses				
Other external expenses	-1 418	-1 476	-2 543	-3 157
Personnel costs	-4 527	-3 887	-8 893	-7 296
Total operating expenses	-5 946	-5 363	-11 437	-10 453
Operating profit	-92	187	433	948
Other interest income and similar profit/loss items	1 438	900	3 254	1 835
Interest expenses and similar profit/loss items	-236	0	-299	0
Total profit from financial items	1 201	900	2 954	1 835
Appropriations	-	-	-	-
Profit or loss before tax	1 109	1 088	3 387	2 783
Income tax	-226	-231	-701	-584
Profit or loss for the period	883	857	2 686	2 199

There are no items recognised in other comprehensive income in the Parent Company. Total comprehensive income thus equals profit or loss for the period.

Parent Company's condensed balance sheet

Amounts in KSEK	2024-06-30	2023-06-30	2023-12-31
ASSETS			
Fixed assets			
Participations in group companies	111 331	111 331	111 331
Receivables from group companies	90 000	90 000	90 000
Total fixed assets	201 331	201 331	201 331
Current assets			
Receivables from group companies	–	10 488	–
Other receivables	63	4	292
Prepayments and accrued income	1 602	341	263
Cash and bank balances	27 515	1 633	26 775
Total current assets	29 180	12 466	27 330
TOTAL ASSETS	230 511	213 797	228 661
EQUITY AND LIABILITIES			
Equity			
Restricted equity	2 389	644	1 385
Non-restricted equity	196 463	207 838	217 209
Total equity	198 852	208 482	218 594
LIABILITIES			
Total long-term liabilities	–	–	–
Short-term liabilities			
Liabilities to group companies	27 670	–	4 925
Accounts payable	344	660	505
Current tax liabilities	549	953	1 160
Other short-term liabilities	1 181	1 161	1 199
Accruals and deferred income	1 915	2 541	2 278
Total short-term liabilities	31 659	5 315	10 067
TOTAL LIABILITIES	31 659	5 315	10 067
TOTAL EQUITY AND LIABILITIES	230 511	213 797	228 661

Notes

Note 1. Accounting policies

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of the IFRS Interpretations Committee (IFRS IC) as endorsed by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities.

The accounting policies applied are consistent with those applied in the preparation of the 2023 Annual Report.

Note 2. Segment reporting and information on net sales

The Group's highest operating decision maker is the CEO, who uses adjusted EBITA to assess the performance of the operating segments.

The Group's operations are managed and reported through the three operating segments Sweden, Norway, and Denmark. The activities in all operating segments offer IT business support to medium-sized companies.

The column Other/Eliminations includes unallocated costs for the Parent Company and Group eliminations. Common overhead costs are distributed between the segments.

Intersegment sales are made on market conditions and are eliminated on consolidation. The amounts provided to the CEO in respect of segment revenue are measured consistently with the financial statements.

Interest income and interest expenses are not allocated to the segments, as this type of activity is driven by the central financing function, which manages the liquidity of the Group.

Amounts in KSEK	Sweden		Norway		Denmark		Other/ Eliminations		Group	
	Apr-Jun		Apr-Jun		Apr-Jun		Apr-Jun		Apr-Jun	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net sales, external	143 720	136 034	53 244	36 339	13 771	13 880	-	-	210 735	186 253
Net sales, internal	1 458	509	765	-64	-13	82	-2 211	-527	0	0
Total net sales	145 178	136 543	54 009	36 275	13 758	13 962	-2 211	-527	210 735	186 253
Other income	2 382	1 368	104	173	0	0	13	-	2 499	1 541
Total income	147 560	137 911	54 114	36 448	13 758	13 962	-2 198	-527	213 234	187 794
Operating costs excluding depreciation, amortisation and impairment, external	-97 308	-101 115	-47 064	-31 835	-12 277	-12 004	-5 946	-5 363	-162 594	-150 316
Operating costs excluding depreciation, amortisation and impairment, internal	-5 654	-5 372	-2 079	-512	-377	-168	8 109	6 052	0	0
Depreciation and impairments of tangible fixed assets	-5 187	-5 320	-2 196	-1 023	-943	-847	-	18	-8 327	-7 173
Total costs	-108 149	-111 807	-51 338	-33 369	-13 597	-13 019	2 163	707	-170 921	-157 489
EBITA	39 411	26 104	2 776	3 079	161	943	-35	180	42 313	30 305
Depreciation and impairments of intangible assets									-5 228	-4 543
Operating profit									37 085	25 762
Other interest income and similar profit/loss items									213	2
Interest expenses and similar profit/loss items									-3 375	-2 664
Total profit from financial items									-3 162	-2 662
Profit or loss before tax									33 923	23 101
Income tax									-7 645	-5 668
Profit for the year									26 278	17 433
Amounts in KSEK	Sweden		Norway		Denmark		Other/ Eliminations		Group	
	Apr-Jun		Apr-Jun		Apr-Jun		Apr-Jun		Apr-Jun	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
EBITA	39 411	26 104	2 776	3 079	161	943	-35	180	42 313	30 305
Acquisitions-related personell costs	1 212	3 074	-	-	585	580	-	-	1 797	3 654
Other items affecting comparability	-	-	-	-	-	-	-	-	-	-
Adjusted EBITA	40 623	29 178	2 776	3 079	746	1 523	-35	180	44 110	33 959

Amounts in KSEK	Sweden		Norway		Denmark		Other/ Eliminations		Group	
	Jan-Jun		Jan-Jun		Jan-Jun		Jan-Jun		Jan-Jun	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net sales, external	288 014	277 863	107 379	80 752	27 986	28 180	-	-	423 379	386 795
Net sales, internal	2 188	1 602	1 034	-39	10	414	-3 233	-1 977	0	0
Total net sales	290 202	279 465	108 413	80 713	27 996	28 594	-3 233	-1 977	423 379	386 795
Other income	3 344	3 826	147	174	0	0	13	-	3 504	4 000
Total income	293 546	283 291	108 561	80 887	27 996	28 594	-3 220	-1 977	426 883	390 795
Operating costs excluding depreciation, amortisation and impairment, external	-200 934	-207 695	-93 272	-68 227	-25 041	-23 498	-11 437	-10 453	-330 683	-309 873
Operating costs excluding depreciation, amortisation and impairment, internal	-10 763	-10 683	-3 564	-2 300	-758	-412	15 084	13 395	0	0
Depreciation and impairments of tangible fixed assets	-10 292	-9 412	-3 613	-2 097	-1 799	-1 696	-	-	-15 705	-13 205
Total costs	-221 989	-227 790	-100 448	-72 624	-27 598	-25 606	3 647	2 942	-346 388	-323 078
EBITA	71 557	55 501	8 113	8 263	398	2 988	427	965	80 495	67 717
Depreciation and impairments of intangible assets									-10 463	-9 478
Operating profit									70 032	58 240
Other interest income and similar profit/loss items									321	195
Interest expenses and similar profit/loss items									-5 944	-4 329
Total profit from financial items									-5 623	-4 134
Profit or loss before tax									64 409	54 107
Income tax									-14 280	-13 174
Profit for the year									50 129	40 933

Amounts in KSEK	Sweden		Norway		Denmark		Other/ Eliminations		Group	
	Jan-Jun		Jan-Jun		Jan-Jun		Jan-Jun		Jan-Jun	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
EBITA	71 557	55 501	8 113	8 263	398	2 988	427	965	80 495	67 717
Acquisitions-related personell costs	2 780	7 787	-	-	1 155	1 148	-	-	3 935	8 935
Other items affecting comparability	-	-	-	-	-	-	-	-	-	-
Adjusted EBITA	74 337	63 288	8 113	8 263	1 553	4 136	427	965	84 430	76 652

The Group has recognised the following amounts attributable to revenue in the statement of comprehensive income:

Amounts in KSEK	Apr-Jun 2024	Apr-Jun 2023
Revenue from customer contracts	210 735	186 253
Other revenue	2 499	1 541
Total revenue	213 234	187 974

Amounts in KSEK	Jan-Jun 2024	Jan-Jun 2023
Revenue from customer contracts	423 379	386 795
Other revenue	3 504	4 000
Total revenue	426 883	390 795

The Group's revenue from customer contracts is set out in the table below, broken down by category:

Amounts in KSEK	Sweden		Norway		Denmark		Group	
	Apr-Jun		Apr-Jun		Apr-Jun		Apr-Jun	
	2024	2023	2024	2023	2024	2023	2024	2023
Consultancy services	103 634	101 668	27 359	19 475	10 277	9 868	141 270	131 011
Revenue from software	22 388	18 460	19 917	11 239	1 960	2 108	44 265	31 806
Support and infrastructure services	15 040	13 123	5 671	5 308	-	-	20 711	18 431
Other	2 658	2 783	297	317	1 534	1 905	4 489	5 005
Total revenue	143 720	136 034	53 244	36 339	13 771	13 881	210 735	186 253

Amounts in KSEK	Sweden		Norway		Denmark		Group	
	Jan-Jun		Jan-Jun		Jan-Jun		Jan-Jun	
	2024	2023	2024	2023	2024	2023	2024	2023
Consultancy services	212 209	209 683	55 372	44 987	19 935	19 795	287 516	274 465
Revenue from software	40 702	36 123	39 600	22 137	4 642	4 628	84 944	62 888
Support and infrastructure services	29 449	26 021	11 183	11 011	-	-	40 632	37 032
Other	5 654	6 036	1 224	2 617	3 409	3 757	10 287	12 410
Total revenue	288 014	277 863	107 379	80 752	27 986	28 180	423 379	386 795

Note 3. Financial instruments

The table below shows the Group's financial instruments measured at fair value. For definitions of fair value hierarchies, see Note 3 Management of financial risk in the Annual Report 2022.

For assets and liabilities measured at amortised cost, the carrying amount is equal to the fair value. For short-term assets and liabilities, the discounting effect is not material, and for long-term liabilities the interest rate is floating, and the credit risk has not changed since the loan was taken out.

Amounts in KSEK	Conditional contingent consideration in connection with business combinations
Opening balance on 2023-04-01	18 934
Acquisition	-
Payment	-1 565
Change in fair value recognised in the statement of comprehensive income	-
Closing balance on 2023-06-30	17 369

Amounts in KSEK	Conditional contingent consideration in connection with business combinations
Opening balance on 2024-04-01	25 779
Acquisition	-
Payment	-
Change in fair value recognised in the statement of comprehensive income	-1 798
Exchange rate change	174
Closing balance on 2024-06-30	24 155

Amounts in KSEK	Conditional contingent consideration in connection with business combinations
Opening balance on 2023-01-01	24 310
Acquisition	-
Payment	-6 337
Change in fair value recognised in the statement of comprehensive income	-604
Closing balance on 2023-06-30	17 369

Amounts in KSEK	Conditional contingent consideration in connection with business combinations
Opening balance on 2024-01-01	15 752
Acquisition	14 891
Payment	-4 315
Change in fair value recognised in the statement of comprehensive income	-2 233
Exchange rate change	60
Closing balance on 2024-06-30	24 155

Note 4. Business combinations

Business combinations during the financial year 2024

Company	Included in operating segments	Share acquired	Purchase price	Goodwill
Integrasjons-Partner BITS AS	Norge	100 %	78 909	59 635

Acquisition IntegrasjonsPartner BITS AS

On 20 of December 2023, Exsitec signed an agreement and on 8 of January 2024 Exsitec acquired 100 % of the shares in IntegrasjonPartner Bits AS, a company operating in software. Identified surplus values are linked to customer relations and brands.

The following table summarises the purchase price paid for IntegrasjonsPartner BITS AS and the fair value of assets acquired and liabilities assumed recognised on the acquisition date.

Adjustments may be made later in the year linked to conditional additional purchase price.

Amounts in KSEK	
PURCHASE PRICE	
Cash and cash equivalents	64 018
Contingent consideration	14 891
Total consideration paid	78 909
FAIR VALUE OF IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED	
Cash and cash equivalents	3 631
Intangible assets (customer relations and brands)	20 293
Tangible fixed assets	877
Other current assets	5 639
Deferred tax liabilities	-4 464
Accounts payable and other liabilities	-8 454
Total identifiable net assets	19 274
Goodwill	59 635

Goodwill

Goodwill is attributable to, among other things, synergies and staffing. No part of the goodwill recognised is expected to be tax deductible.

Revenues and performance of acquired business

The acquisition of IntegrasjonsPartner BITS AS contributed revenue of KSEK 14 692 to the Group for the period April to June 2024 and a result after tax of KSEK 2 633 for the same period. For the period January to June 2024 contributed revenue was KSEK 29 241 and a result after tax of KSEK 6 256.

Acquisition-related costs

Acquisition-related costs of KSEK 610 are included in other external expenses in the consolidated statement of comprehensive income and in operating activities in the cash flow statement.

Contingent consideration

The contingent consideration is determined by profitability and accrues based on IntegrasjonsPartners BITS AS EBITDA in 2024. The maximum amount of the contingent consideration is KSEK 14 891 and is paid no later than 2025-12-31.

Amounts in KSEK	2024
Cash flow used to acquire subsidiaries, less acquired cash and cash equivalents:	
Purchase price settled in cash	64 018
Less: Acquired cash and cash equivalents	-5 384
Exchange rate differences	83
Net cash outflow from investing activities	58 717

Business combinations during the financial year 2023

During 2023, no business combinations were carried out.

Note 5. Acquisition-related personnel expenses

In some of the acquisitions carried out, purchase prices have been conditional on sellers remaining with the Company. These are not recognised as a purchase price but as a separate transaction. As such, a personnel expense arises, and, in subsequent periods, accrued expenses. The table below shows how these items from acquisitions have affected/are expected to affect personnel expenses in the income statement.

	Jan-Mar	Apr-Jun	Jul-Sep	Okt-Dec
2023	5 281	3 654	2 849	2 300
2024	2 138	1 797	939	670
2025	417	139	-	-

Note 6. Related party transactions

There have been no transactions with related parties in the period.

Note 7. Events after the balance sheet date

There have been no significant event after the period.

Definitions

Recurring net revenue from software

Revenue from software, for example on SaaS solutions or subscriptions, with a recurring nature.

LTM

Latest twelve months.

EBITA

Operating profit before amortization and impairment of intangible assets.

EBITA %

Operating profit before amortization and impairment of intangible assets as a percentage of net sales.

Adjusted EBITA

Operating profit before amortization and impairment of intangible assets and less acquisition-related personnel expenses and other exceptional items affecting comparability. The purpose is to show EBITA exclusive of items that would affect the comparability with other periods.

Adjusted EBITA %

Operating profit before amortization and impairment of intangible assets and less acquisition-related personnel expenses and other exceptional items affecting comparability as a percentage of net sales.

Net sales

The undertaking's main income, invoiced costs, additional income and income adjustments.

Organic growth

Change in net sales less acquired entities during the past 12 months.

Operating margin (%)

Operating profit as percentage of net sales.

Return on equity (%)

Profit or loss after net financial items as a percentage of adjusted equity (equity and untaxed reserves less deferred tax).

Balance sheet total

The total assets of the company.

Equity ratio (%)

Adjusted equity (equity and untaxed reserves less deferred tax) as a percentage of the balance sheet total.

Upcoming reports

16 October 2024

Quarterly Report Q3 2024

4 February 2025

Year End Report 2024

Certified Advisor

Exsitec's Certified Advisor is **Carnegie Investment Bank AB (publ)**.

Apelbergsgatan 27, Box 7405

103 91 Stockholm, Sverige

www.carnegie.se



Digital solutions that make a difference

Hampus Strandqvist
Investor Relations Manager

Anna Gustafsson
Chief Financial Officer

Exsitec Holding AB
Org.nr. 559116-6532
+46 (0)10 - 333 33 00
www.exsitec.com
ir@exsitec.se