

Interim report January – March 2021

Stable revenues and increased profit

January – March 2021

- Net sales amounted to SEK 214.0 million (221.7), equivalent to a 3 percent decrease. Net sales increased by 4 percent in fixed currency rates.
- Operating profit amounted to SEK 44.7 million (22.6), corresponding to an operating margin of 20.9 percent (10.2). Operating profit excluding non-recurring items amounted to SEK 44.7 million (40.5), equivalent to an operating margin of 20.9 percent (18.3).
- Net profit after tax amounted to SEK 43.5 million (17.0).
- Earnings per share amounted to SEK 2.02 (0.80).

Key figures	Jan-Mar		Full year
	2021	2020	2020
Total revenue, SEK m	216.8	226.8	929.1
Net sales, SEK m	214.0	221.7	915.1
Net sales growth, %	-3	-8	-8
Net sales growth currency adjusted, %	4	-10	-7
Operating profit excluding non-recurring items, SEK m	44.7	40.5	221.5
Operating profit, SEK m	44.7	22.6	188.6
Operating margin excluding non-recurring items, %	20.9	18.3	24.2
Operating margin, %	20.9	10.2	20.6
Net profit after tax, SEK m	43.5	17.0	142.3
Earnings per share, SEK	2.02	0.80	6.63
Net debt/EBITDA (12 months)	0.62	0.58	0.81
Cash flow from operating activities, SEK m	68.8	62.2	274.2
Cash, cash equivalents and financial investments, SEK m	236.9	170.3	195.1

Increased network traffic generating stable revenues

Net sales were SEK 214 million in the first quarter of 2021, a 4 percent increase on the corresponding period of the previous year, currency adjusted. Our sales vary between quarters, depending on the number of larger deals and associated license revenue. Most of our revenue in the first quarter 2021 was sourced from current business accounts upgrading their mobile systems to address increasing capacity and quality constraints, and from partners using our software in systems and products for telecom and enterprise networks. Our acquisition of Aptilo, completed in October 2020, was another contributor to net sales in the first quarter of this year. Our operating profit for the quarter was SEK 44.7 million, equivalent to an operating margin of 20.9 percent. Operating profit increased by 21 percent on the corresponding period of the previous year (currency adjusted, excluding non-recurring items) largely due to rationalizations previously executed in development and administration. In addition, less travel and the cancellation of trade events were contributors to reduced selling expenses. Cash flow before changes in working capital was SEK 79.9 million. We have a stable financial position, which gives us the potential to keep investing in growth segments. The Corona pandemic has drastically altered people's everyday lives worldwide, involving increased remote working, more virtual meetings, and greater consumption of video and networked games. We think the demand for secure and reliable communication will keep increasing, even after the pandemic, and we are well positioned for customers' investments that will result.

The IoT creating growth opportunities

The base of connected devices is forecast to grow through coming years, and operators have started to address the market for the Internet of Things (IoT). Northern European telco Telia is a leader in this segment and has recently launched a new enterprise offering for global IoT connectivity. Our Aptilo IoT Connectivity Control Service (CCS) is part of this solution, which enables companies to connect devices on a large scale securely, easily manage their connectivity, and ensure routing of data traffic to the right locations. Our ambition is to keep building on this success, win more market shares and increase our sales in the IoT.

5G for private networks

Private networks have become an attractive application segment for 5G standalone technology. Our 5G Core software has been created for state-of-the-art cloud platforms, so it has the openness and scalability that are also necessary for private enterprise networks. We have launched a solution called 5G MicroCore, which we integrate and sell through collaborative partners and sales channels. We expect this market to expand through the coming years as commercial installations are deployed.

Market leader in traffic intelligence

Our packet inspection software, Qosmos ixEngine, is the market's leading solution for identifying network traffic and optimizing connectivity to Internet-native services. NetQPro is one of the latest in a series of customers to deploy our product, which is based on sophisticated solutions to assure quality of service in mobile networks. We recently launched an innovation called First



Packet Advantage, which enables customers to identify and classify traffic streams faster. This technology, which is unique on the market, improves service quality to end-users more effectively, and offers enhanced protection against malicious and unwanted traffic. This new technology will further sharpen our competitiveness in traffic intelligence for telecom and cybersecurity.

A broader-based virtualization proposition

Function virtualization at network edges is becoming more significant to enterprise networks based on SD-WAN technology. Our virtualization platform, currently in evaluation by several customers, can be installed on hardware platforms from different vendors, with applications from a variety of software developers. Nexcom has recently joined this list of hardware platforms, and we have jointly demonstrated how SD-WAN applications based on open source can be used to create a highly competitive and cost-efficient complete solution. We are currently expanding our channel strategy and proposition under the Enea Edge banner to address more markets and applications, such as video analysis, public Wi-Fi systems, and private 4G/5G networks. Even if the Corona pandemic has caused market lag, we expect that in time, this technology will prevail over supplier-specific systems, because it enables greater flexibility and cost benefits for customers.

Outlook

The market for data management in 5G, virtualization, and advanced cybersecurity is entering an exciting phase, where we can challenge established competitors and win market shares with innovative products and new business models. Our ambition is to increase revenue robustly through organic growth in Network Solutions plus complementary strategic acquisitions that advance our market positioning.

However, due to the corona pandemic, the short and medium-term uncertainties remain substantial. Its consequences will probably cause further delays in customer projects, and other negative effects on our businesses, risking impacting earnings through coming quarters. Despite these uncertainties, our target for 2021 is to create sales growth year over year, and an operating margin of over 20 percent.

Jan Häglund
President and CEO

Revenue

Enea's revenue in the first quarter amounted to SEK 216.8 million (226.8), consisting of Net Sales of SEK 214.0 million (221.7) and Other operating revenue of SEK 2.8 million (5.0). Net sales decreased by 3 percent; currency adjusted an increase by 4 percent.

Some of the acquisitions Enea has executed in recent years have a higher share of new business, where individual contracts may be large in absolute terms, and with varying levels of recurring revenues. This means variations between individual quarters can occur.

Enea's offering is divided into three product groups: Network Solutions, Operating System Solutions, and Software development services.

Network Solutions

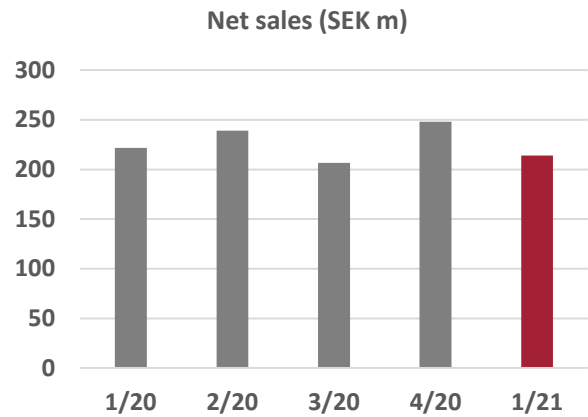
Network Solutions includes products for mobile and fixed telecommunication and enterprise networks. These products are part of solutions for system vendors and are sold directly to network operators. The software enables the analysis, optimization, and monetization of data traffic and services for users and connected devices. The segment includes products for the following applications:

- Policy and access control - authentication of subscribers, and traffic management based on subscription terms, i.e. authorization and access to various types of service.
- Deep packet inspection – identification and classification of data traffic for the optimal use of available resources and enhanced network security.
- Mobile data traffic management – ensuring high and consistent quality of various types of service based on data traffic, with a specific focus on video traffic.
- Management of operators' Wi-Fi services for enterprises and consumers with automatic and secure login based on SIM cards.
- Cloud data management – large-scale processing of subscriber information, such as subscription terms, contract period and service usage.
- Network function virtualization – products that enable new ways to build networks, where applications and software become hardware independent.

Network Solutions' sales amounted to SEK 145.9 million (134.9) and increased by 8 percent in the quarter and by 12 percent currency adjusted. The increase is mainly due to the acquisition of Aptilo, which contributed with SEK 17.8 million. The organic growth was, adjusted for currency, an increase by 4 percent. This product group represented 68 percent (61) of total net sales in the quarter and has growing strategic significance to Enea.

Operating System Solutions

Operating System Solutions ("OS Solutions") includes software for real-time applications and network function virtualization. The former category is operating systems, i.e. software that enables the installation of applications on different computers



and platforms. Enea's offering in this segment enables solutions that can be defined as follows:

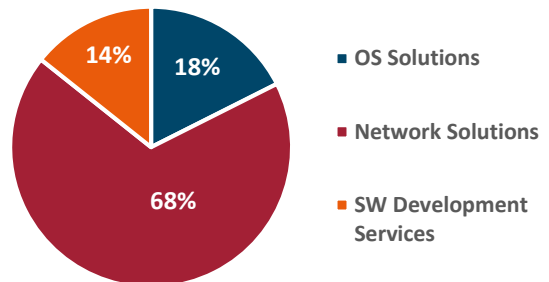
- Operating systems – products that are used in systems where reliability, performance, and real-time operation are critical, for example mobile network infrastructure. The tools used for developing applications for Enea's operating systems are often part of this business.

Sales in Operating System Solutions amounted to SEK 37.6 million (49.9) and were down by 25 percent in the quarter. The decrease is mainly driven by lower sales from key accounts, where sales decreased by 25 percent and was 82 percent (88) of sales for the product group. The decrease is expected and relates to key customers increasing the share of open source technology in their system solutions. The Operating Systems Solution product group represented 18 percent (22) of net sales in the quarter.

Software development services

Software Development Services (SW Development Services) provides consulting services and expertise for developing integrated systems and other high-end system solutions. Sales in Software development services amounted to SEK 30.6 million (36.9) and decreased by 17 percent in the quarter. The decrease is mainly due to lower revenues from customers negatively affected by the corona pandemic. This product group represented 14 percent (17) of total net sales in the quarter.

Net sales/product group Jan-Mar



Net sales per region and market segment

Enea reports sales by region: EMEA, the Americas, and Asia. Enea has sales offices in Sweden, Germany, France, Austria, Romania, the US, Singapore, China, Malaysia and Japan.

EMEA

The EMEA region includes sales of both software and services. Sale of software mainly consists of telecom operators as well as key customers Ericsson and Nokia. Sale of software development services is primarily in the markets of cybersecurity, telecom and consumer industry. Sale takes place from offices in Sweden, Germany, France, Austria and Romania.

Net sales in EMEA decreased by 10 percent in the quarter year over year.

Americas

The Americas region includes software and services sales. Software sales are mainly towards customers within the telecom industry, such as AT&T and Cisco, from offices in the US. Service sales are to customers in several sectors, including the medical and aerospace industries.

Net sales increased by 9 percent in the quarter year over year.

Asia

The Asia region includes customers such as Fujitsu, and is mainly managed from offices in China, Japan, Malaysia and Singapore.

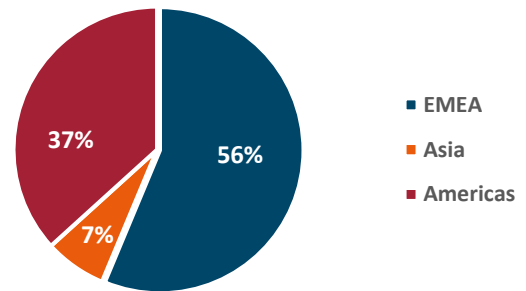
Net sales decreased by 3 percent year over year in the quarter.

Enea reports sales by market segment: Telecom equipment manufacturers, Telecom operators, Enterprises, and Other.

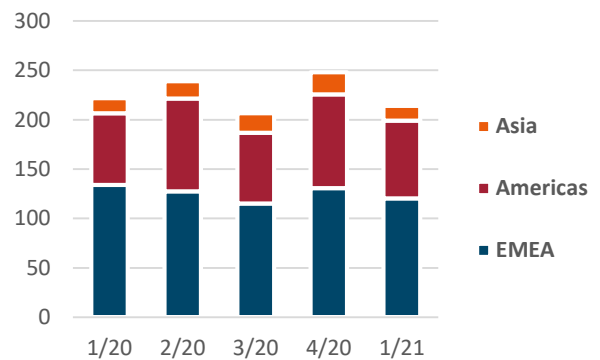
Net sales by market segment is illustrated to the right. Sales for the Telecom/OEMs segment was 40 percent (46) of total net sales. Sales for the segment Telecom/operators was 30 percent (9) of total net sales and increased mainly due to the acquisition of Aptilo and a couple of larger contracts.

The Enterprises market segment was 26 percent (41) of total net sales. Other, which includes government and similar, was 4 percent (4) of total net sales.

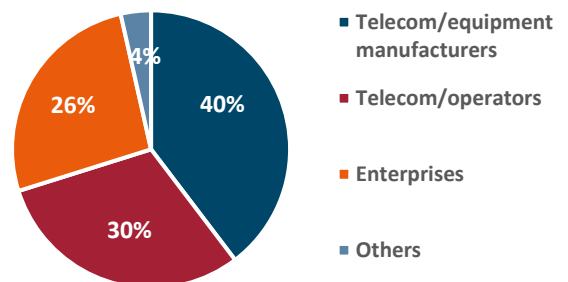
Net sales per region Jan-Mar



Net sales per region



Net sales/market segment Jan-Mar



Cost of goods and services sold

Cost of goods and services sold are costs that relate directly to delivery of the company's production licenses, development licenses including support and maintenance, product-related services, and software development services. These costs also include expenses associated with third-party products, and direct personnel costs related to the delivery of consulting services. Direct costs related to license sales normally represent less than 10 percent of net sales, while costs for product-related and Software Development Services normally account for 60 to 80 percent of revenues. Enea also reports amortization of intellectual property rights, including acquired product rights and customer contracts, as well as capitalized product development expenses, as cost of goods and services sold.

In the first quarter of 2021, Enea's cost of goods and services sold was SEK 71.1 million (79.2), equivalent to a gross margin of 68.1 percent (66.6). Adjusted for non-recurring items, cost of goods and services sold in the first quarter previous year, amounted to SEK 73.9 million, equivalent to a gross margin of 68.9 percent. The gross margin was negatively affected by an increase in depreciation and amortization, and currency effects on working capital. Depreciation and amortization increased by SEK 6.9 million to SEK 23.5 million (16.6), an effect of acquisitions in recent years. The negative currency effect on working capital decreased by SEK 0.9 million to SEK 0.4 million (1.3). The gross margin was positively affected by the revenue mix, where the share of Software Development Services (with a lower gross margin) was 14 percent (17) of net sales. Restructuring costs amounted to SEK 0 (5.2) million for the quarter.

Operating costs

Operating costs are sales and marketing costs as well as product development costs and administration costs. The operating costs amounted to SEK 101.1 million (125.0) in the quarter. Aptilo's operating costs were SEK 9.3 million in the quarter. Adjusted for restructuring costs of SEK 12.7 million, previous year's operating costs were SEK 112.3 million. Costs for share-based incentive programs amounted to SEK 6.7 million (2.0). The decrease in

operating costs relates mainly to previous year's restructuring and a currency effect of SEK 6.3 million.

Sales and marketing costs

Sales and marketing costs include fixed and performance-related salary for the company's sales staff, and costs associated with the company's marketing activities, such as participation at trade fairs, seminars, advertising, and the Internet. Sales and marketing costs were SEK 44.6 million (55.2) in the first quarter, or 20.8 percent (24.9) of net sales in the quarter. The decrease is mainly related to lower staff costs due to previous year's restructuring and less costs for travel and fairs.

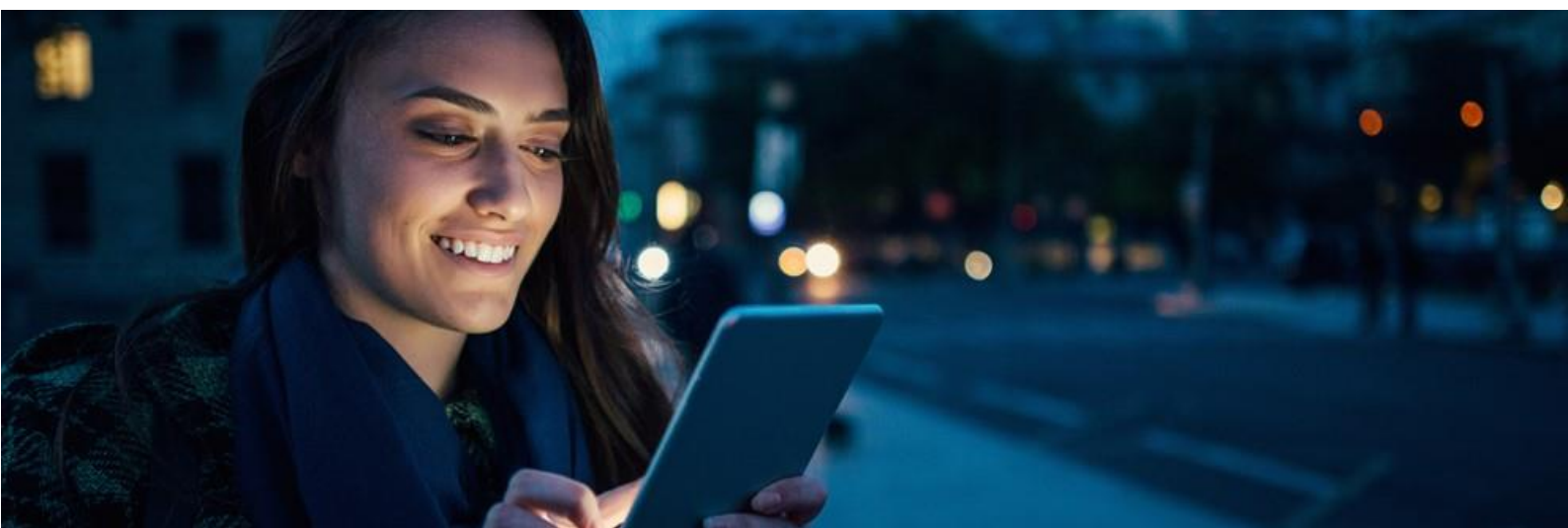
Product development costs

Product development costs consist of direct and indirect costs associated with management, development and testing of the company's software products, such as personnel costs and costs for development tools and IT environments. A proportion of the company's costs for new software product development is capitalized in the Balance Sheet and is normally amortized over 36 to 60 months.

Total R&D investments in the first quarter 2021 were SEK 61.1 million (73.0), of which product development costs recognized in the Income Statement were SEK 30.3 million (44.8), corresponding to 14.2 percent (20.2) of net sales in the quarter. The decrease is mainly related to lower staff costs due to previous year's restructuring programs. SEK 30.8 million (28.2) of product development costs were capitalized in the first quarter and restructuring costs amounted to SEK 0 million (10.4).

Administration costs

Administration costs comprise costs of management, the Board of Directors and Accounting function, including internal and external legal expenses and audit fees. In the first quarter, administration costs were SEK 26.1 million (25.0), or 12.2 percent (11.3) of net sales for the quarter. The costs for share-based incentive programs increased by SEK 2.1 million and restructuring costs were SEK 0 million (1.7) in the quarter.



Results of operations, cash flow, investments, and financial position

Results of operations

The group's operating profit excluding non-recurring items amounted to SEK 44.7 million (40.5) in the first quarter, which corresponds to an operating margin excluding non-recurring items of 20.9 percent (18.3) for the quarter. The group's operating profit was SEK 44.7 million (22.6) in the first quarter with a currency effect of -9 percent (-1). The operating margin was 20.9 percent (10.2).

Net financial income/expense was SEK 4.3 million (1.0) for the quarter and included interest costs of SEK -2.3 million (-2.0), currency effects on financial items of SEK 6.3 million (2.6), and interest income of SEK 0.3 million (0.3) for the quarter. Profit after tax amounted to SEK 43.3 million (17.0) for the quarter. Earnings per share were SEK 2.02 (0.80) for the quarter.

Cash flow

Cash flow from operating activities was SEK 68.8 million (62.2) for the first quarter. Total cash flow was SEK 36.0 million (14.6) for the first quarter.

Investments

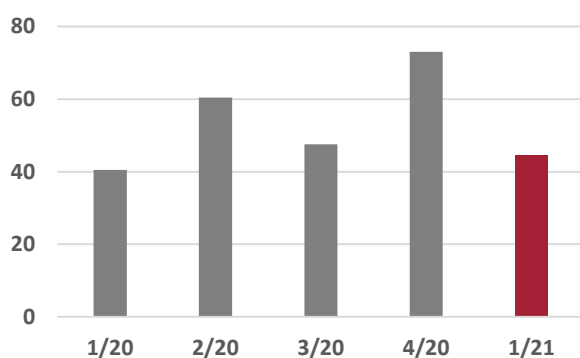
The group's investments amounted to SEK 33.6 million (30.4) in the first quarter. Depreciation and amortization amounted to SEK 26.0 million (19.0) for the first quarter. Enea capitalized SEK 30.8 million (28.2) of product development expenses in the quarter. Amortization of capitalized product development expenses was SEK 15.5 million (9.8) for the first quarter. Depreciation of leased assets was SEK 4.4 million (5.1) in the quarter.

Financial position

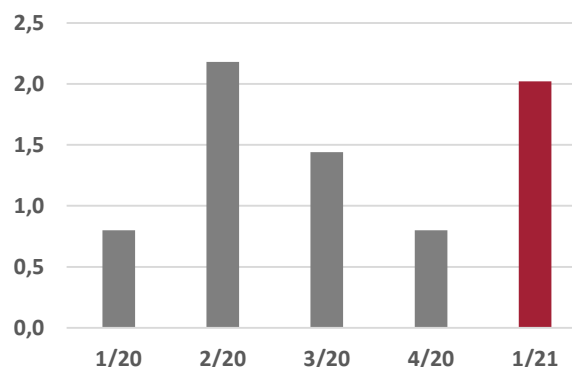
Net debt was SEK 201.1 million (179.6) at period end, with cash and cash equivalents of SEK 236.9 million (170.3) and interest-bearing bank and bond liabilities of SEK 438.1 million (349.9). Interest-bearing liabilities were divided between long term of SEK 291.7 million (263.0), and current of SEK 146.4 million (86.9).

The equity ratio was 65.2 percent (67.9), and total assets amounted to SEK 2,462.5 million (2,375.1) at period end. Net debt/EBITDA (12 months) was 0.62 (0.58).

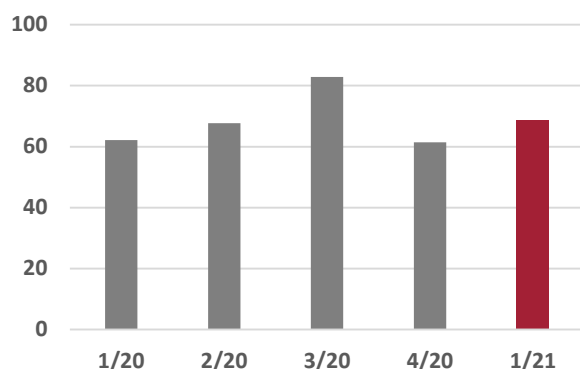
Operating profit excluding NRI (SEK m)



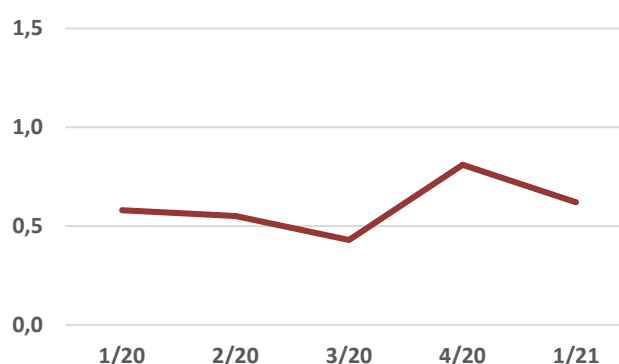
Earnings per share (SEK)



Cash flow from operations (SEK m)



Net debt/EBITDA (ratio)



Parent company

The parent company's revenue for January-March amounted to SEK 13.6 million (11.8) and loss before appropriations and tax amounted to SEK -10.9 million (-8.7). The parent company's net financial income/expense was SEK -0.5 million (-1.0), and cash equivalents were SEK 0 million (0.8) at period end. The parent company's investments in the quarter were SEK 1.4 million (0.1). The parent company had 16 (15) employees at the end of the period. The parent company does not conduct its own operations and its risks primarily relate to the operations of subsidiaries.

Employees

At the end of the quarter, the group had 660 (653) employees.

Repurchase of treasury shares

Enea repurchased no shares in the first quarter. Enea held 86,688 treasury shares at the end of the period, or 0.4 percent of the total number of shares.

Annual General Meeting

Enea's Annual General Meeting (AGM) 2021 will be held Thursday May 6. The AGM will be held exclusively by advanced voting (postal votes).

Nomination Committee

In consultation with the largest shareholders, the Chairman of the Board of Enea AB has established a Nomination Committee for the AGM 2021. The members of the Nomination Committee are: Per Lindberg, Jan Dworsky (Swedbank Robur Fonder), Niklas Johansson (Handelsbanken Fonder), Henrik Söderberg (C WorldWide Asset Management), and Anders Lidbeck (Chairman of Enea AB). The Nomination Committee has appointed Per Lindberg as Chairman. The duty of the Nomination Committee is to submit proposals for the Chairman and other members of the Board, and fees and other compensation for work on the Board to each of the Board members, to the AGM. The Nomination Committee should also submit proposals on the election and remuneration of auditors. The Nomination Committee should also submit proposals on the process for appointing a nomination committee for the AGM 2022.

The Annual Report and other documentation are available at Enea's website, www.enea.com



Financial assets and liabilities

The group applies IFRS 13. This Standard requires disclosures regarding uncertainty in valuations based on the three levels used for financial instruments.

Level 1: Fair value of financial instruments traded on an active market is based on listed market prices on the reporting date. A market is regarded as active if listed prices from a stock exchange, broker, industry group, pricing service or surveillance agency are readily and regularly available and if these prices represent actual and regularly occurring arm's length market transactions. The listed market price used for the group's financial assets is the current purchase price for corporate bonds. These are level 1 instruments.

Level 2: Fair value of financial instruments not traded on an active market (e.g. OTC derivatives are measured with the aid of valuation techniques). The group has currency derivatives, which are used for hedging purposes. Currency hedges are measured at market value by conducting an early allocation of the currency hedge to determine what the forward price would be if the maturity were at the reporting date. As of 31 March 2021, the group's currency hedged amounted to a receivable of SEK 2.8 million, which is the total of level 2.

Level 3: The group does not report any financial instruments at level 3 as of 31 March 2021.

For other financial assets and liabilities, carrying amount is consistent with fair value.

Allocation by level in fair value measurement, 31 March, SEK million	Level 1	Level 2	Level 3	Total
<i>Derivative instruments used for hedging purposes:</i>				
Currency derivatives	-	2.8	-	2.8
Total	-	2.8	-	2.8

Accounting policies

This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting, which is consistent with Swedish legislation by applying RFR's (the Swedish Financial Reporting Board) recommendation RFR 1, Supplementary Accounting Rules for Groups, and RFR 2, Accounting for Legal Entities, for the parent company. The same accounting policies, definitions of key figures and computation methods have been applied as in the most recent annual accounts of the group and the parent company, unless otherwise stated below.



5G

Financing, risks, long-term ambition & outlook

Financing

Enea has a SEK 70 million overdraft facility, of which SEK 40.1 million had been utilized at the end of the quarter. The terms and conditions of the overdraft facility include covenants regarding net debt/EBITDA, all of which were satisfied as of 31 March 2021.

Enea has three bank loans of SEK 80 million (raised January 2019), SEK 250 million (raised October 2019) and SEK 130 million (raised October 2020). The loans are to be repaid after three years. Interest accrues at Stibor 3M (with a floor) plus a market yield. The agreement stipulates covenants regarding the group's net debt/EBITDA and EBITDA/financial expenses. These covenants were satisfied as of 31 March 2021. The remaining liability as of 31 March amounted to SEK 393 million.

Material risks and uncertainty factors

Dependency on Key Accounts is decreasing but remains high. These customers represented approximately 20 percent of the group's revenues in the quarter and the trend for these revenues is declining.

Enea is mainly active in cybersecurity and telecommunication, the latter being its largest market. The corona pandemic has a major negative impact on the global economy, which affect some customers' risk appetites and willingness to invest. For Enea, this may mean some projects being delayed, or not being executed. Meanwhile, the underlying drivers of telecommunication, involving a continued focus on virtualization, 5G and increased network capacity, remain. One effect of the corona pandemic has been traffic volumes in networks increasing, as many students and business employees work from home. This effect is likely to be partly transient, even if more widespread usage of digital tools and remote working do become a permanent change.

Enea's people in many countries are affected by being unable to get to their usual workplaces. Essentially, Enea's business can operate from people's homes for a period. Enea has the tools to enable this with state-of-the-art communication solutions. Efficiency remains high but will, to some extent, be affected if restrictions on physical meetings continue. Contact with customers now also mainly takes place via different communication solutions, instead of physical meetings. Since the business has continued without significant interruptions, Enea has not received any major government support.

Because there were no other significant changes to material risks and uncertainties in the quarter, the reader is referred to the review on pages 26-29 of the most recent Annual Report.

Long-term ambition

Our mission is to be a world-leading supplier of software components for telecommunication and cybersecurity. The market for data management in 5G, virtualization and advanced cybersecurity is entering an exciting phase, where we can challenge established competitors and win market shares with innovative products and new business models. Overall, our ambition is to increase revenue robustly through the coming years, with an operating margin exceeding 20 percent, through organic growth in Network solution, plus complementary strategic acquisitions that advance our market position. This

ambition means us passing yearly net sales of SEK 1.5 billion by 2023. The operating margin will vary between quarters, tracking growth. Growth and earnings performance will vary during years and between quarters, primarily due to how individual transactions occur, and the progress of royalty streams.

Outlook for 2021

Due to the corona pandemic, the short and medium-term uncertainties are substantial. Its consequences will probably cause further delays in customer projects, and other negative effects on our businesses, risking impacting earnings through coming quarters. Despite these uncertainties, our target for 2021 is to create sales growth year over year, and an operating margin of over 20 percent.

Kista, Sweden, 27 April 2021

The Board of Directors

This Interim Report was not examined by the company's auditors

Consolidated Statement of Comprehensive Income

SEK m	Jan-Mar		12 months	Full year
	2021	2020	Apr-Mar	2020
Net sales	214.0	221.7	907.4	915.1
Other operating revenue	2.8	5.0	11.7	14.0
Total revenue	216.8	226.8	919.1	929.1
Cost of goods and service sold	-71.1	-79.2	-284.9	-293.1
Gross profit	145.7	147.6	634.2	636.0
Sales and marketing costs	-44.6	-55.2	-191.8	-202.5
R&D costs	-30.3	-44.8	-126.1	-140.5
General and administration costs	-26.1	-25.0	-105.6	-104.4
Operating profit 1) 2) 3) 4)	44.7	22.6	210.7	188.6
Net financial income/expense	4.3	1.0	-21.2	-24.5
Profit before tax	48.9	23.5	189.5	164.2
Tax	-5.4	-6.5	-20.7	-21.9
Net profit for the period	43.5	17.0	168.8	142.3
OTHER COMPREHENSIVE INCOME				
<i>Items that may be reclassified to profit or loss</i>				
Change in hedging reserve, after tax	-1.8	-5.8	6.3	2.4
Exchange rate differences	72.8	113.0	-189.6	-149.4
<i>Items that will not be reclassified to profit or loss</i>				
Pension obligations	0.3	1.0	-1.8	-1.1
Total comprehensive income for the period, net of tax	114.9	125.2	-16.2	-5.9
Profit for the period attributable to equity holders of the parent company	43.5	17.0	168.8	142.3
Comprehensive income for the period attributable to equity holders of the parent company	114.9	125.2	-16.2	-5.9
1) including depreciation of tangible assets	2.5	2.4	11.3	11.2
2) Including amortization of intangible assets	23.6	16.7	83.0	76.1
3) Including amortization of right-to-use assets	4.4	5.1	19.6	20.3
4) Non-recurring items included in operating profit				
Operating profit including non-recurring items	44.7	22.6	210.7	188.6
Restructuring costs	-	17.9	10.7	28.7
Transaction costs related to acquisitions	-	-	4.3	4.3
Operating profit excluding non-recurring items	44.7	40.5	225.7	221.5

Key figures – Income Statement

SEK m	Jan-Mar		12 months	Full year
	2021	2020	Apr-Mar	2020
Earnings per share (SEK)	2.02	0.80	7.87	6.63
Earnings per share after full dilution (SEK)	2.02	0.80	7.87	6.63
Average number of shares before dilution (million)	21.5	21.3	21.5	21.5
Average number of shares after dilution (million)	21.5	21.3	21.5	21.5
Net sales growth (%)	-3	-8	-7	-8
Gross margin (%)	68.1	66.6	69.9	69.5
EBITDA (SEK m)			324.5	296.1
Operating costs as % of revenue				
- Sales and marketing costs	20.8	24.9	21.1	22.1
- R&D costs	14.2	20.2	13.9	15.4
- G&A costs	12.2	11.3	11.6	11.4
Operating margin excl. non-recurring items (%)	20.9	18.3	24.9	24.2
Operating margin (%)	20.9	10.2	23.2	20.6

Consolidated Statement of Financial Position

<i>SEK m</i>	31 Mar 2021	31 Mar 2020	31 dec 2020
ASSETS			
Intangible assets	1,801.9	1,784.7	1,734.5
- goodwill	1,278.7	1,350.7	1,227.7
- capitalized development	238.3	176.9	216.0
- product rights	56.6	63.4	57.4
- customer contracts	163.6	130.2	167.0
- trademarks	24.3	24.4	23.5
- right-to-use assets	39.5	37.7	42.0
- other intangible assets	0.9	1.3	1.0
Inventories, tools and installations	22.3	17.7	21.3
Deferred tax assets	16.8	10.0	19.4
Other fixed assets	5.0	3.4	6.1
Total fixed assets	1,846.0	1,815.8	1,781.4
Current receivables	379.5	388.9	357.5
Cash and cash equivalents	236.9	170.3	195.1
Total current assets	616.5	559.2	552.6
Total assets	2,462.5	2,375.1	2,334.0
EQUITY and LIABILITIES			
Equity	1,606.0	1,611.5	1,487.5
Provisions	2.1	5.3	3.1
Long-term liabilities			
Deferred tax liabilities	98.6	85.3	96.0
Long-term liabilities, interest-bearing	291.7	263.0	291.7
Long-term liabilities, non-interest-bearing	15.4	12.5	15.8
Long-term liabilities, leasing	23.8	20.6	26.1
Total long-term liabilities	429.4	381.4	429.6
Current liabilities			
Current liabilities, interest-bearing	146.4	86.9	142.2
Current liabilities, non-interest-bearing	262.0	271.7	254.9
Current liabilities, leasing	16.6	18.3	16.8
Total current liabilities	425.0	376.8	413.9
Total equity and liabilities	2,462.5	2,375.1	2,334.0

Consolidated Statement of Changes in Equity

<i>SEK m</i>	31 Mar 2021	31 Mar 2020	31 dec 2020
At beginning of period	1,487.5	1,481.3	1,481.3
Total comprehensive income for the period	114.9	125.2	-5.9
Share saving program	3.7	5.0	13.8
Repurchasing of own shares	-	-	-1.7
At end of period	1,606.0	1,611.5	1,487.5

Consolidated Statement of Cash Flow

<i>SEK m</i>	Jan-Mar		Full year
	2021	2020	2020
Operating cash flow before changes in working capital	79.9	43.9	279.9
Cash flow from changes in working capital	-11.1	18.3	-5.7
Cash flow from operating activities	68.8	62.2	274.2
Cash flow from investing activities	-32.3	-30.2	-130.9
Cash flow from acquisition of operations, net	-	-	-90.5
Cash flow from financing activities, raising of loans	3.9	-	139.4
Cash flow from financing activities, amortization of loans	-	-12.2	-108.3
Cash flow from financing activities, amortization of lease liability	-4.4	-5.2	-20.5
Cash flow from financing activities, settlement of share savings program	-	-	-1.7
Cash flow for the period	36.0	14.6	61.6
Cash and cash equivalents at the beginning of period	195.0	146.1	146.1
Exchange rate difference in cash and cash equivalents	5.9	9.6	-12.7
Cash and cash equivalents at the end of period	236.9	170.3	195.0

Key figures – Balance Sheet and Cash Flow Statement

<i>SEK m</i>	Jan-Mar		12 months	Full year
	2021	2020	Apr-Mar	2020
Cash and cash equivalents (SEK m)	236.9	170.3	236.9	195.1
Equity ratio (%)	65.2	67.9	65.2	63.7
Equity per share (SEK)	74.60	75.66	74.60	69.09
Cash flow from operating activities per share (SEK)	3.19	2.92	13.09	12.78
Net debt (SEK m)	201.1	179.6	201.1	238.8
Number of employees at end of period	660	653	660	659
Return on equity (%)			10.5	9.6
Return on capital employed (%)			11.8	11.2
Return on assets (%)			10.0	9.5

Parent Company

Income Statement

<i>SEK m</i>	Jan-Mar		Full year
	2021	2020	2020
Revenue	13.6	11.8	43.3
Operating costs	-24.0	-19.4	-82.6
Operating profit	-10.4	-7.7	-39.3
Financial net	-0.5	-1.0	1.6
Profit/loss after financial net	-10.9	-8.7	-37.7
Appropriations	-	-	37.0
Profit/loss before tax	-10.9	-8.7	-0.7
Tax	2.2	1.8	-
Net profit/loss for the period	-8.7	-6.9	-0.7

Parent Company

Balance Sheet

<i>SEK m</i>	31 Mar		31 Dec
	2021	2020	2020
ASSETS			
Fixed assets	213.4	175.2	212.4
Current assets	1,118.7	1,046.3	1,116.5
Total assets	1,332.1	1,221.5	1,329.0
EQUITY AND LIABILITIES			
Equity	846.6	834.9	851.7
Untaxed reserves	3.7	4.1	3.7
Long-term liabilities, interest-bearing	291.7	263.0	291.7
Current liabilities, interest-bearing	141.4	86.9	137.5
Current liabilities, other	48.7	32.7	44.3
Total equity and liabilities	1,332.1	1,221.5	1,329.0

Quarterly data*

	2021		2020		2019				2018	
SEK m	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
INCOME STATEMENT										
Net sales	214.0	248.0	206.4	239.0	221.7	258.0	246.9	249.4	240.1	235.2
Other operating revenue	2.8	4.4	2.3	2.3	5.0	2.8	3.2	10.8	0.7	13.6
Cost of goods and services sold	-71.1	-75.9	-64.5	-73.5	-79.2	-74.5	-72.4	-68.4	-58.4	-62.1
Gross profit	145.7	176.4	144.3	167.7	147.6	186.4	177.8	191.8	182.5	186.7
Sales and marketing costs	-44.6	-48.0	-44.9	-54.3	-55.2	-53.8	-48.8	-51.1	-50.6	-51.4
R&D costs	-30.3	-38.7	-27.9	-29.1	-44.8	-44.0	-40.4	-44.5	-38.1	-38.8
General and administration costs	-26.1	-25.6	-28.7	-25.2	-25.0	-31.6	-25.0	-24.2	-31.6	-29.8
Operating profit	44.7	64.2	42.8	59.1	22.6	57.0	63.5	72.0	62.2	66.7
Net financial income/expense	4.3	-14.9	-6.3	-4.2	1.0	-26.0	-8.2	-10.1	-7.4	-7.1
Profit before tax	48.9	49.2	36.5	54.9	23.5	30.9	55.3	62.0	54.8	59.6
Tax	-5.4	-1.8	-5.4	-8.1	-6.5	-2.8	-7.7	-9.6	-13.4	-7.1
Net profit for the period	43.5	47.4	31.1	46.8	17.0	28.2	47.7	52.4	41.4	52.5
Other comprehensive income	71.3	-113.4	-34.2	-108.7	108.2	-62.5	63.4	2.1	42.8	9.1
Total comprehensive income	114.9	-66.0	-3.1	-61.9	125.2	-34.3	111.0	54.5	84.2	61.7
BALANCE SHEET										
Intangible assets	1,801.9	1,734.5	1,669.5	1,695.3	1,784.7	1,672.3	1,735.1	1,678.0	1,664.7	1,381.4
Other fixed assets	39.1	40.7	30.1	26.6	27.7	27.6	28.8	29.9	33.9	33.7
Other financial fixed assets	5.0	6.1	4.0	3.4	3.4	3.4	3.4	3.2	2.7	3.1
Current receivables	379.5	357.5	347.0	371.4	388.9	364.3	394.3	389.1	353.9	426.8
Cash and cash equivalents	236.9	195.1	180.0	184.5	170.3	146.1	395.7	150.5	142.7	74.7
Total assets	2,462.5	2,334.0	2,230.6	2,281.2	2,375.1	2,213.8	2,557.2	2,250.7	2,197.9	1,919.7
Shareholders' equity	1,606.0	1,487.5	1,553.1	1,552.2	1,611.5	1,481.3	1,507.9	1,126.8	1,070.9	985.8
Long-term liabilities, interest-bearing	315.5	317.7	245.7	246.4	283.6	283.6	105.9	604.4	603.8	539.8
Long-term liabilities, non-interest-bearing	116.1	115.0	105.1	102.5	103.1	99.0	93.0	90.0	87.4	86.8
Current liabilities, interest-bearing	163.0	159.0	87.2	134.5	105.1	117.0	515.5	88.3	82.3	94.3
bearing	262.0	254.9	239.5	245.7	271.7	232.9	334.9	341.3	353.4	212.9
Total equity and liabilities	2,462.5	2,334.0	2,230.6	2,281.2	2,375.1	2,213.8	2,557.2	2,250.7	2,197.9	1,919.7
CASH FLOW										
Cash flow from operating activities	68.8	61.5	82.8	67.7	62.2	48.6	69.5	33.7	93.3	42.3
Cash flow from investing activities	-32.3	-31.2	-34.6	-34.9	-30.2	-22.2	-21.4	-24.2	-23.0	-18.1
Cash flow from financing activities	-0.5	86.7	-52.3	-8.1	-17.4	-223.4	193.4	-1.4	-4.4	59.8
Cash flow for the period	36.0	116.9	-4.0	24.6	14.6	-197.0	241.5	8.1	65.8	84.1
Cash flow from acquisition of operation:										
Cash flow for the period, from acquisition of operation	-	-90.5				-47.1	-	-	-	-215.1
Total cash flow for the period	36.0	26.5	-4.0	24.6	14.6	-244.2	241.5	8.1	65.8	-131.0

* Figures for 2018 have not been restated for IFRS16.

Five-year summary*

SEK m	2020	2019	2018	2017	2016
INCOME STATEMENT					
Net Sales	915.1	994.5	824.3	584.4	498.2
Other operating revenue	14.0	17.5	17.7	4.0	3.1
Operating expenses	-740.5	-757.3	-653.1	-485.6	-382.5
Operating profit	188.6	254.7	188.9	102.8	118.8
Net financial income/expense	-24.5	-51.7	-27.7	-5.2	5.2
Profit before tax	164.2	203.0	161.1	97.6	124.0
Profit for the period	142.3	169.7	141.7	82.5	94.6
Total	142.3	169.7	141.7	82.5	94.6
BALANCE SHEET					
Intangible assets	1,734.5	1,672.3	1,381.4	522.2	499.2
Other intangible assets	40.7	27.6	33.7	31.0	34.4
Other financial fixed assets	6.1	3.4	3.1	2.7	6.5
Financial assets held for sale, non-current	-	-	-	62.1	-
Current receivables	357.5	364.3	426.8	203.6	219.4
Financial assets held for sale, current	-	-	-	40.2	-
Cash and cash equivalents	195.1	146.1	74.7	312.0	223.5
Total assets	2,334.0	2,213.8	1,919.7	1,173.8	983.0
Shareholders' equity	1,487.5	1,481.3	985.8	754.2	422.9
Long-term liabilities, interest-bearing	291.7	263.0	539.8	82.0	116.0
Long-term liabilities, non-interest-bearing	141.0	119.6	86.8	161.8	161.9
Current liabilities, interest-bearing	142.2	99.1	94.3	34.0	34.0
Current liabilities, non-interest-bearing	271.7	250.8	212.9	141.8	248.2
Total equity and liabilities	2,334.0	2,213.8	1,919.7	1,173.8	983.0
CASH FLOW					
Cash flow from operating activities	274.2	245.2	168.6	116.6	128.1
Cash flow from investing activities	-130.9	-90.9	30.5	-139.7	49.6
Cash flow from investing activities-acquisition of operation	-90.5	-47.1	-954.4	-96.3	-139.6
Cash flow from financing activities	8.9	-35.9	514.2	206.6	56.2
Cash flow for the period	61.6	71.2	-241.1	87.2	94.3
KEY FIGURES					
Net sales growth, %	-8	21	41	17	5
Operating margin, %	20.6	25.6	22.9	17.6	23.8
Profit margin, %	17.9	20.4	19.5	16.7	24.9
Return on capital employed, %	11.2	15.6	17.0	16.3	27.8
Return on equity, %	9.6	13.8	16.3	14.0	23.0
Return on total capital, %	9.5	13.3	13.8	11.1	18.1
Interest coverage ration, multiple	4.1	3.8	4.1	5.4	10.2
Equity ratio, %	63.7	66.9	51.4	64.3	43.0
Liquidity, %	133.5	145.9	163.2	316.1	156.9
EBITDA	296.1	215.9	229.3	126.6	134.9
Net debt/EBITDA	0.81	0.63	2.44	-1.58	-0.55
Average number of employees	634	629	563	467	410
Net sales per employee, SEK m	1.4	1.6	1.5	1.3	1.2
Net asset value per share, SEK	69.09	69.54	46.28	39.00	26.61
Earnings per share, SEK	6.63	8.47	7.33	4.69	5.95
Dividend per share, SEK	-	-	-	-	2.00

* Figures for 2016 have not been restated for IFRS 15.

Financial definitions and alternative performance measures

Cash flow from operating activities per share: Cash flow from operating activities in relation to the average number of shares.

Capital employed: Total assets less non-interest-bearing liabilities including deferred tax liabilities. Average capital employed is computed as opening plus closing capital employed divided by two.

Debt service ratio: Cash flow from operating activities - ongoing investment + total financial expenses) in relation to the principal and total financial costs over a reference period of twelve (12) months.

Dividend per share: Dividend for the current financial year divided by the number of shares on the reporting date.

Earnings per share: Profit after tax in relation to the average number of shares.

EBITDA: Earnings before financial items plus depreciation. Equity per share: Equity in relation to the total number of shares outstanding. Equity ratio: Equity including minority interests in relation to total assets.

Equity per share: Equity in relation to the total number of shares outstanding.

Interest coverage ratio: Profit after financial items plus financial costs in relation to financial costs.²

Gross margin: Gross profit less reversed contingent consideration in relation to turnover.

Interest coverage ratio: Profit/loss after financial items plus financial expenses in relation to financial expenses.²

Liquidity: Cash and cash equivalents, including current investments and receivables, in relation to current liabilities.

Net asset value per share: Net asset value, equivalent to equity, in relation to the total number of shares outstanding.

Net debt: Interest-bearing liabilities and unconditional acquisition related liabilities less cash and cash equivalents and financial investments, i.e. negative net cash.

Non-recurring items: Items of a non-repeating nature in normal operating activities. Non-recurring items include restructuring expenses, expenses for legal consulting relating to major disputes and transaction and integration expenses for major acquisitions. Transaction expenses include costs for legal and financial consulting but exclude financing expenses. Reversed contingent consideration are also included in non-recurring items. The purpose of specifying these items is to clarify the progress of underlying operations.

Operating margin: Operating profit in relation to revenue.

Operating profit excl. non-recurring items: Profit from operations before financial items and tax, adjusted for non-recurring items.

Profit margin: Profit/loss after financial items in relation to revenue.

Return on capital employed: Operating profit plus financial income related to average capital employed.

Return on equity: Profit (loss) after tax in relation to average equity.

Return on total capital: Profit after financial items plus financial costs in relation to average total assets.

Revenue growth¹: Revenue in the period in relation to the previous period's revenue.

Revenue per employee: Revenue in relation to the average number of employees.

This Interim Report uses non-IFRS measures that Enea and other parties use to evaluate Enea's results of operations. These measures provide management and investors with significant information to analyze trends in the company's business operations. These non-IFRS measures are intended to complement, but not replace, financial measures presented in accordance with IFRS.

	Jan-Mar		Full year
	2021	2020	2020
1. Reconciliation of net sales growth			
Net sales, SEK million	214.0	221.7	915.1
Net sales growth, SEK million	-7.7	-18.4	-79.4
Net sales growth, %	-3	-8	-8
Currency effect, unchanged exchange rates compared to previous year, SEK m	-16.2	4.9	-13.6
Currency effect, unchanged exchange rates compared to previous year, %	-7	2	-1
Net sales growth, unchanged exchange rates compared to previous year, SEK m	8.5	-23.3	104.4
Net sales growth, unchanged exchange rates compared to previous year, %	4	-10	-7

	Jan-Mar		Full year
	2021	2020	2020
2. Reconciliation of financial income/expense			
Financial income, SEK million	12.5	9.8	28.1
Financial expense, SEK million	-8.2	-8.9	-52.5
Reported financial income/expense	4.3	1.0	-24.5

About Enea

Enea is one of the world's leading providers of software products for telecommunication and cybersecurity. It focuses on products built for cloud platforms and 5G in core networks, virtualization and traffic intelligence, as well as for management of data services in Wi-Fi networks, and connection of devices in the Internet of Things. Over three billion people rely on Enea's technology every day when using their mobile phones or connecting to the Internet.

The company focuses on a cluster of carefully selected core segments, where it aspires to leadership. Its product portfolio consists of:

- Cloud data management
- Mobile video traffic management
- Management of services in Wi-Fi networks
- Policy and access control
- Embedded traffic classification
- Virtualization platforms
- Cloud-based services for the Internet of Things
- Real-time operating systems

Enea applies two main sales models, direct sales to end-customers, and indirect sales through partnerships. Direct sales of turnkey solutions to operators are mainly in the four areas cloud data management, mobile video traffic management, management of services in Wi-Fi networks, and policy and access control. Indirect sales involve component sales to system vendors or system integrators, who in turn, deliver and implement complete solutions for operators and enterprises. This sales

model is mainly in real-time operating systems, embedded traffic intelligence and virtualization platforms.

Enea also has a global services organization developing software on assignment from customers in different sectors with demanding performance and reliability standards. The project engineers in this part of Enea's organization have executed projects for customers providing solutions for medical devices, the aviation industry, and aerospace technology.

Data communication solutions have been Enea's core business since the company was founded over 50 years ago. Enea was the first company in the Nordic region to connect to the Internet and received the first email in Sweden'. The company also registered Sweden's first Internet domain, and at an early stage, was the hub of all Internet traffic in Sweden.

These and other product-related milestones have secured Enea market leadership in several strategic segments. The company was one of the pioneers behind the emergence of the Internet and mobile data communication, and continues to drive technological progress by delivering market-leading products and solutions.

Enea has development centers and sales offices across Europe, North America, and Asia. The company's engineers and project managers have long-term experience of developing software, and take overall responsibility, covering everything from design and coding to project management, quality-assurance, and training. A total of around 660 people work for the company, and its headquarters is in Stockholm, Sweden.



Region	Country	City	Product development	Sales support
Europe	Austria	Vienna		●
	Croatia	Osijek	●	
	France	Paris	●	●
	Germany	Berlin	●	●
	Romania	Bucharest	●	●
		Crakova	●	
		Iasi	●	
	Sweden	Stockholm	●	●
UK		Belfast	●	●
		Bristol	●	
North America	US	Boston	●	
		Dallas		●
		Phoenix		●
North-East Asia	Japan	Tokyo		●
		Redwood City		●
South-East Asia	China	Shanghai		●
		Pune	●	
	Malaysia	Kuala Lumpur		●
	Singapore	Singapore		●

The share

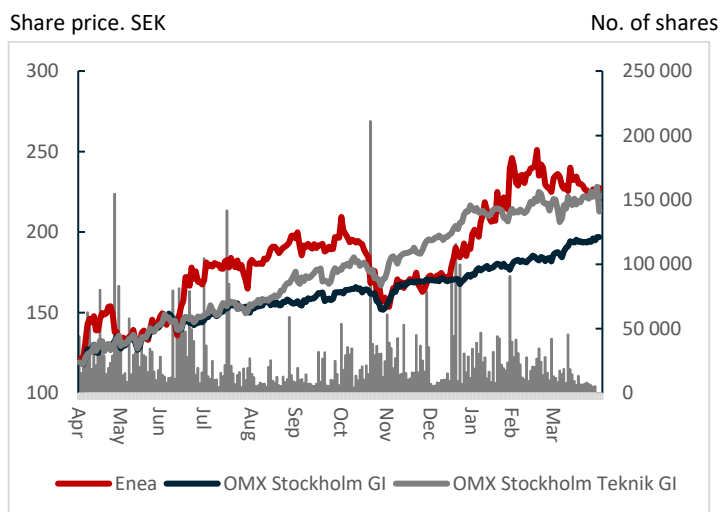
January – March 2021

Share price performance: +20.0%
Share turnover: 1 307 603

Highest closing price: SEK 251.00
Lowest closing price: SEK 197.20
Closing price, period end: SEK 227.50

Market cap (31 March): SEK 4.917 million
Total no. of shares (31 March): 21 615 231

Share turnover (%): 6.0%
Daily share turnover: 21 090



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Financial Information:

Annual General Meeting	6 May 2021
Interim report Jan-Jun	16 July 2021
Interim report Jan-Sep	26 October 2021
Full year report	2 February 2022

All financial information is published on Enea's website www.enea.com

Financial reports may also be ordered by e-mail (ir@enea.com) or post (address to left).

This Report contains forward-looking information that is based on the current expectations of Enea's management. Although management believes that the expectations reflected in such forward-looking information are reasonable, no assurance can be given that such expectations will prove accurate. Accordingly, actual outcomes may differ materially from those implied in the forward-looking information because of factors including changes to economic, market and competitive conditions, reforms of legislation and other political measures, fluctuations in exchange rates, and other factors. This document is essentially a translation of the Swedish language original. In the event of any discrepancy between this translation and the original, the latter shall take precedence.