

Year End Report

January – December 2024

Comments refer to continuing operations unless otherwise stated

FOURTH QUARTER 2024

- Net sales increased by 3% to SEK 1,336 million (1,302). In total for the Group, organic sales growth was -6%, excl. currency effects.
- EBITA increased by 5% and amounted to SEK 265 million (252), corresponding to an EBITA margin of 19.8% (19.4).
- Adjusted EBITA increased by 2% and amounted to SEK 260 million (255), corresponding to an adjusted EBITA margin of 19.5% (19.5). Organic adjusted EBITA growth for the Group was -8%, excl. currency effects.
- Profit before tax amounted to SEK 163 (143) million and profit after tax amounted to SEK 108 million (96). Profit attributable to divestment activities amounted to SEK -13 million (-4). Attributable to the Parent Company's shareholders of the Group's total profit was SEK 94 million (91).
- Cash flow from operating activities amounted to SEK 302 million (199), corresponding to a cash conversion of 109% (88).
- Earnings per ordinary share (average number), less minority interests and dividends on preference shares, amounted to SEK 2.73 (2.43). Total earnings, including discontinued operations, per ordinary share amounted to SEK 2.39 (2.31).
- During the period, the acquisition of Eagle Automation Systems Ltd, DadoLab Srl and Wintex Agro ApS was completed.

JANUARY - DECEMBER 2024

- Net sales increased by 13% to SEK 5,166 million (4,582). In total for the Group, organic sales growth was 3%, excl. currency effects.
- EBITA increased by 8% to SEK 1,041 million (961), corresponding to an EBITA margin of 20.2% (21.0).
- Adjusted EBITA increased by 10% to SEK 1,010 million (919), corresponding to an adjusted EBITA margin of 19.6% (20.1). Organic adjusted EBITA growth for the Group was -2%, excl. currency effects.
- Profit before tax amounted to SEK 635 (615) million and profit after tax amounted to SEK 436 million (450). Results attributable to divestment activities amounted to SEK -79 million (-4). Attributable to the Parent Company's shareholders of the Group's total profit was SEK 353 million (444).
- Cash flow from operating activities amounted to SEK 823 million (628), corresponding to a cash conversion of 83% (68).
- Earnings per ordinary share (average number), less minority interests and dividends on preference shares, amounted to SEK 11.00 (11.44). Total earnings, including discontinued operations, per ordinary share amounted to SEK 8.93 (11.33).
- During the period, the acquisition of JR Industries Ltd, WaterTech of Sweden AB, Eagle Automation Systems Ltd, DadoLab Srl and Wintex Agro ApS was completed. Frigotech AB was divested. It was also decided to initiate a divestment of the Group's unit for manufacturing of special elevators, installation and elevator service in Central Europe.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- After the period, the acquisition of Phase 3 Connectors Ltd was completed.

Financial overview, continued operations

For detailed information see Definition of alternative key figures

	Oct-Dec 2024	Oct-Dec 2023 ¹	Jan-Dec 2024	Jan-Dec 2023 ¹
Net sales, (SEK million)	1,336	1,302	5,166	4,582
Adjusted EBITA, (SEK million)	260	255	1,010	919
EBITA (SEK million)	265	252	1,041	961
EBIT, (SEK million)	226	218	895	834
Earnings for the period after tax, (SEK million)	108	96	436	450
Earnings per ordinary share after dilution (SEK)	2.73	2.43	11.00	11.44
Adjusted EBITA margin	19.5%	19.5%	19.6%	20.1%
Financial net debt/Adjusted EBITDA, multiple	2.25	2.03	2.25	2.03
Net debt/ Adjusted EBITDA, multiple	3.30	3.09	3.30	3.09
Return on capital employed	12.6%	13.0%	12.6%	13.0%
Return on equity	10.1%	11.8%	10.1%	11.8%
Cash flow generation	109%	88%	83%	68%

1) Comparative figures have been updated for comparability as the Group's elevator operations from Q3 2024 are reported as discontinued operations according to IFRS 5

COMMENTS BY THE CEO

STRONG CASH FLOW, SOLID MARGIN AND HIGH-QUALITY ACQUISITIONS

Sdipotech sums up another year of profitable growth. In 2024, we had the pleasure of welcoming five new companies to the Group. Sales increased by 13 percent and adjusted EBITA by 10 percent, with a margin of 19.6 percent. Cash flow from operating activities was a record high of SEK 823 million, corresponding to a cash flow generation of 83 percent.

Overview of the year

In terms of the market, the year was stable for the Group's operations and demand generally remained solid. However, we were not completely unaffected by the economic situation, especially our few units that have exposure to the construction sector had a continued low level of activity. This resulted in a decreased organic growth rate, which was mainly noticeable towards the end of the year. In total, organic sales growth was 3 percent, excluding currency effects, while adjusted organic EBITA growth decreased by 2 percent excluding currency effects. At the same time, we have been able to welcome five new high-quality companies with a profit of SEK 109 million in EBITA on a rolling twelve-month basis. Thus, total sales increased by 13 percent, while adjusted EBITA increased by 10 percent.

Demand in the Special Infrastructure Solutions business area remained solid. Especially in some of the larger operations in transport and logistics, as well as in several of the smaller ones within the security area. In the Resource Efficiency business area, the smaller Swedish companies in both the water and energy sectors continued to have good demand. The development of the units in temporary electricity and biological sludge management was also strong. From a geographical perspective, the business situation was generally stable in all our main markets.

The four new business areas, which are presented further in this report, applies as of January 1, 2025.

Quarterly summary

As mentioned above, the organic development during the quarter was weaker compared to last year. However, acquisitions have made a positive contribution, resulting in total net sales that increased by 3 percent, of which -6 percent was organic, excluding currency effects. Adjusted EBITA increased by 2 percent, corresponding to a margin of 19.5 percent. During the quarter, the organic development of adjusted EBITA was -8 percent excluding currency effects. This was mainly due to a weak performance in our units with exposure to the construction sector, which was largely driven by a one-off effect.

The fourth quarter generated a strong cash flow of SEK 302 million, corresponding to a cash flow generation of 109 percent. This is the result of our long-term efforts to improve working capital efficiency, among other led to reductions in inventory levels.

Acquisition

Our growth journey continues in a positive direction, where we strengthen our position and create long-term value through carefully selected acquisitions. During the quarter, we acquired the companies Eagle Automation Systems in the UK, Dado Labs in Italy, and Wintex Agro in Denmark. All of which work to solve important problems in society through advanced access and security solutions, reliable air quality measurements, and soil sampling that promote sustainable agriculture. In February 2025, Phase 3 Connectors Ltd in the UK was also acquired, ensuring reliable and efficient power distribution for events, data centres and industrial facilities, among others.

Outlook

Our pipeline for further acquisitions remains strong and our financial position is solid, which gives us good opportunities to expand our business with strategic acquisitions. At the same time, we have a new organizational structure in place that creates clearer governance and supports our growth journey. An important part of this is the recruitment of Peter Helsing as the new Head of M&A. Peter starts in May and will further strengthen our capacity within the group by working strategically to continue acquiring high-quality companies.

Sdipotech continues to attract entrepreneurs who recognize the value of our governance model with a focus on selected areas and clear niches where we can add market knowledge, strategic support and business acumen. Each company brings specialized knowledge within its field, while Sdipotech provides the framework and resources to foster growth and development. As we grow in numbers, we further diversify across industries, end markets, and geographies, strengthening the group's resilience and market reach.

Despite some uncertainties both geopolitically and in the economic situation, we enter 2025 with good prospects and an ambitious plan for continued growth. I have great confidence in the strength of our strategic positions, our diversification and the clear drivers that the transition towards more sustainable, efficient and safe societies brings. We are also pleased to note that we have continued to reduce our emissions. While growing, we have reduced our absolute CO₂e emissions during the year and also reduced the Group's total carbon intensity in scope 1 and 2 by 10 percent, and by 24 percent since the base year 2021.

In conclusion, I would like to extend a big thank you to our companies' customers – through close collaboration, we create solutions that make a difference. I would also like to thank our dedicated employees, whose efforts every day contribute to building long-term and sustainable value. Finally, I would like to express my appreciation to our shareholders for your continued confidence. I look forward to a new year with continued development and success.

Bengt Lejdström, President & CEO

OVERVIEW OF OPERATIONS

Comments on the overview of operations refer to continued operations unless otherwise stated.

OCTOBER - DECEMBER

Net sales

Net sales amounted to SEK 1,336 million (1,302) during the quarter. Sales in comparable units amounted to SEK 1,232 million (1,292), which corresponded to an organic growth of -6% for the period, excl. currency effects. The Group's unit for manufacturing of special elevators, installation and elevator service in Central Europe is reported separately and does not affect the net sales during the quarter.

Non-comparable units contributed SEK 103 (9) million to net sales for the quarter. Also see Business areas for more detailed information.

Earnings

Operating profit, EBIT, increased by 4% and amounted to SEK 226 million (218).

Adjusted EBITA increase by 2% and amounted to SEK 260 million (255), corresponding to an adjusted EBITA margin of 19.5% (19.5).

Adjusted EBITA in comparable units, amounted to SEK 257 million (273) corresponding to an organic change of -8%, excl. currency effects. Non-comparable units contributed SEK 24 million (0) to the profit for the period.

Acquisition costs amounted to SEK -8 million (-6) in connection with acquisition activities during the period. Revaluation of contingent consideration impacted profit by net SEK 2 million (-7).

Depreciation and amortisation of property, plant and equipment and intangible fixed assets amounted to SEK -91 million (-83), of which amortisation of acquisition-related intangible fixed assets amounted to SEK -29 million (-24).

Net financial items consist of exchange rate differences of SEK 1 million (-16) in the quarter and SEK -62 million (-62) in interest expense, of which discount rates relating to contingent considerations of SEK -12 million (-11). See also Note 3.

The Group's discontinued operations contributed SEK -13 million (-4) to the Group's total profit.

Profits after tax amounted to SEK 108 million (96). The Group's total profit, including discontinued operations, amounted to SEK 95 million (92).

Earnings per ordinary share for continued operations (average number) after deduction of minority and dividend to preference shares amounted to SEK 2.73 (2.43). Earnings per ordinary share including discontinued operations amounted to SEK 2.39 (2.31).

JANUARY - DECEMBER

Net sales

Net sales amounted to SEK 5,166 million (4,582) during the period. Sales in comparable units, amounted to SEK 4,723 million (4,565), which corresponded to an organic growth of 3% for the period, excl. currency effects.

Non-comparable units contributed SEK 442 million (16) to net sales for the period. Also see Business areas for more detailed information.

Earnings

Operating profit, EBIT, increased by 7% and amounted to SEK 895 million (834).

Adjusted EBITA increased by 10% and amounted to SEK 1,010 million (919) in total for the Group, corresponding to an adjusted EBITA margin of 19.6% (20.1).

Adjusted EBITA in comparable units, amounted to SEK 983 million (987) corresponding to an organic change of -2%, excl. currency effects. Non-comparable units contributed SEK 103 million (1) to the profit for the period. All acquired units had a result in line with or above expectations.

Acquisition costs amounted to SEK -17 million (-13) in connection with acquisition activities during the period. Revaluation of contingent consideration impacted the profit by net SEK -5 million (17), whereof last year was positively impacted by SEK 27 million due to a change in the discount rate.

Depreciation and amortisation of property, plant and equipment and intangible fixed assets amounted to SEK -344 million (-302), of which amortisation of acquisition-related intangible fixed assets SEK -105 million (-90).

Net financial items consist of exchange rate differences of SEK -8 million (-14) and SEK -246 million (-206) in interest expense, of which discount rates relating to contingent considerations of SEK -50 million (-39). The increase in interest expenses mainly consists of higher interest-bearing debt. See also Note 3.

The Group's discontinued operations contributed SEK -79 million (-4) to the Group's total profit. The amount includes impairment of goodwill of SEK -29 million.

The Group's total profit after tax amounted to SEK 436 million (450). Profit compared with the previous year was affected by, among other things, increased interest expenses of SEK -40 million and the previous year being positively impacted by SEK 27 million due to a change in the discount rate. The Group's total profit, including discontinued operations, amounted to SEK 357 million (446). Earnings per ordinary share for continuing operations (average number) after deduction of minority interests and dividends to preference shares amounted to SEK 11.00 (11.44). Earnings per ordinary share including operations for discontinued operations amounted to SEK 8.93 (11.33).

Acquisitions

On January 24, Sdiptech acquired all shares in JR Industries Ltd, a leading British niche manufacturer of roller shutter doors for commercial vehicles. The company has an annual EBIT of approximately GBP 4.5 million. JR Industries is part of business area Special Infrastructure Solutions as of January 2024.

On April 11, all shares in the Swedish company WaterTech of Sweden AB, which produces specialized chemicals, specifically focused on the optimization of industrial water systems, were acquired. WaterTech collaborates closely with Sdiptech's Kemitech business unit in Denmark and Water Treatment Products in the UK. WaterTech of Sweden has a turnover of approximately SEK 20 million, with good profitability. The company is part of business area Resource Efficiency as of April 2024.

On October 25, all shares in the British company Eagle Automation Systems Ltd (Eagle) were acquired. The company designs, manufactures and assembles high-quality products for physical perimeter security and vehicle attack protection (HVM) with the highest security standards for UK and international markets. Eagle has an annual EBIT of approximately GBP 2

million. The company is part of the Special Infrastructure Solutions business area as of October 2024.

On November 12, all shares in the Italian company Dado Lab Srl, a premium manufacturer of instruments used for emission measurements and environmental sampling, were acquired. The company has an annual turnover of approximately EUR 4 million with good profitability. The company is part of the Special Infrastructure Solutions business area as of November 2024.

On 16 December, all shares in the Danish company Wintex Agro ApS (Wintex), a leading player in the development and manufacture of automatic soil samplers for the agricultural sector, were acquired. The company has an annual operating profit of approximately DKK 5 million in EBIT. The company is part of the Resource Efficiency business area as of December 2024.

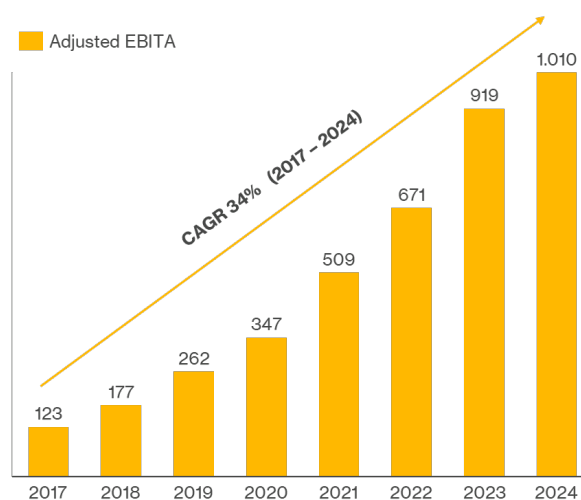
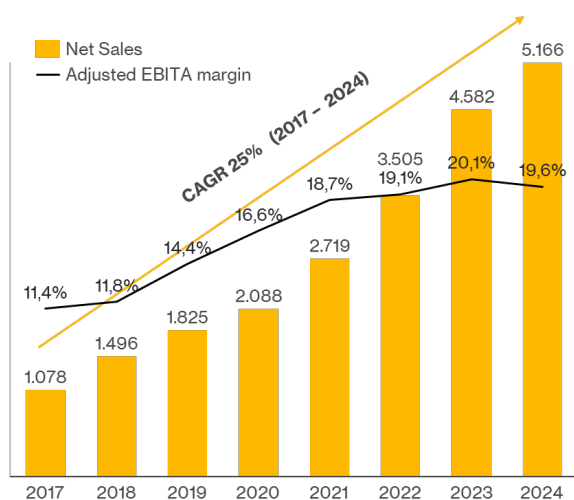
Divestments

During the period, Sdipotech's shares in the subsidiary Frigotech AB were divested, which on an annual basis had sales of approximately SEK 20 million and 10% in EBITA margin. The decision was based on careful assessment, as the company's operations deviates from our main focus on product companies and associated services. Frigotech will be part of Nordic Climate Group with similar sister companies.

During the period, it was decided to initiate a sale of the Group's remaining elevator business in Central Europe, as the business is not included in Sdipotech's long-term strategic investment and development plan.

Group	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Adjusted EBITA (SEK m)				
Resource Efficiency	88	104	394	366
Special Infrastructure Solutions	193	168	692	621
Business areas	280	272	1,085	987
Central units	-21	-18	-75	-67
Total	260	255	1,010	919
Discontinued operations	-12	-2	-39	2

The Group's development of net sales, adjusted EBITA and adjusted EBITA margin since 2017



BUSINESS AREAS AND CENTRAL UNITS

Well-functioning infrastructure is essential for our societies and our everyday lives. However, large parts of Europe's infrastructure are outdated and underinvested. Population growth, climate change and striving for more sustainable, efficient and safe societies mean additional pressure on the systems.

Examples of areas that we have identified as particularly important for society's development, and thus show a good demand, are water and sanitation, electricity and energy, bioeconomy and waste management, air and climate control,

transport and logistics as well as increased safety and security. For a description of the business areas' operations and which companies are included in each business area, see paragraph Description Business Areas.

During the third quarter, it was decided to initiate a sale of the Group's unit for the manufacture of special elevators, installation and elevator service in Central Europe. The units have been part of Special Infrastructure Solutions but will be reported separately as of the third quarter of 2024 and for all comparable periods under the line Discontinued operations as according to IFRS 5.

THIS YEAR'S OVERVIEW



To describe the Group's development in more detail, below are comments on the Group's largest units in terms of adjusted EBITA (listed in alphabetical order).

Auger Site Investigations (Special Infrastructure Solutions, Water & Bioeconomy from 2025) handles damage cases on underground pipelines for insurance companies. Auger continued to increase its activity in 2024. With well-developed case systems and a strong geographical presence across the UK, the company is meeting growing demand. This is partly driven by neglected infrastructure and climate change, while insurance companies are looking for cost-effective and reliable solutions for smooth claims settlement – a need that Auger meets through high quality, efficient processes and first-class service.

ELM Kragelund (Special Infrastructure Solutions, Supply chain & Transportation from 2025) has, as in 2023, also in 2024 consolidated its position in forklift attachments. As a global player with worldwide customers in a variety of industries, ELM has positioned itself as a player with high-quality and tailor-made solutions that increase both safety and efficiency for users. With a weaker development in new sales of forklifts, there is also a greater focus on service and supplementary forklift equipment.

GAH Refrigeration (Special Infrastructure Solutions, Supply chain & Transportation from 2025) manufactures refrigeration systems and refrigerated transport solutions for vehicles used for food and other products that require a certain temperature during transport. Growth is driven by increasing demands for food and drug safety, growing e-commerce for refrigerated products and stricter sustainability regulations. Expansion into new markets, such as North America, as well as technological innovation in energy-efficient and digitally monitored refrigeration systems further strengthen the company's position. GAH had, as in 2023, a strong year with solid demand, where

THE QUARTER

RESOURCE EFFICIENCY

The business area's sales amounted to SEK 459 million (460) compared to the previous year. Most comparable units showed good sales growth. For example, demand for the business area's smaller units within water treatment remained solid in the quarter, as well as for the business area's unit for charging equipment for electric vehicles.

Resource Efficiency (SEK m)	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	459	460	1,800	1,650
Adjusted EBITA	88	104	394	366
Adjusted EBITA margin %	19.1%	22.6%	21.9%	22.2%

SPECIAL INFRASTRUCTURE SOLUTIONS

The business area's sales in the quarter increased by 4% to SEK 877 million (842). The increase in sales was partly due to acquisitions, but several units also showed good sales, such as the units for transport cooling, damage management of underground infrastructure, and equipment for winter road maintenance.

Special Infrastructure Solutions	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023

Sdipotech supported the company with their establishment in North America.

Hilltip (Special Infrastructure Solutions, Supply chain & Transportation from 2025) manufactures road maintenance equipment. Hilltip had another good year, driven by good demand. With high quality, innovative solutions and user-friendly systems, Hilltip offers cost-effective and reliable products that help customers manage winter road maintenance in a sustainable and efficient way. Sdipotech has supported Hilltip in their successful establishment in North America, which strengthens the company's market position and long-term growth.

IDE Systems (Resource Efficiency, Energy & Electrification from 2025) is a leading provider of temporary power distribution solutions, specializing in the design, manufacture, sale and rental of both fixed and mobile systems. IDE had a very strong year, driven by major events such as the Olympics, as well as an increased demand for flexible and reliable power supply. The company benefits from growing needs in construction sites, infrastructure projects and events, as well as from stricter requirements for energy efficiency and sustainability. With innovative solutions, smart monitoring and a strong market position, IDE Systems is well equipped for continued growth.

Other units of larger size within the Group include, for example: Certus Automation BV (a leading player in optimising logistics processes in port and terminal environments), JR Industries Ltd, (niche manufacturer of roller shutter doors for commercial vehicles), Resource Data Management Ltd (solutions for energy efficiency and optimisation of indoor climate), Rolec Ltd (charging equipment for electric vehicles), TEL UK Ltd (design and manufacture of electronic airflow control and monitors), and Water Treatment Products Ltd (water treatment engineering).

Adjusted EBITA for the quarter decreased by -16% to SEK 88 million (104), which is partly explained by high comparative figures from last year when the business area's adjusted EBITA grew by 80% in the quarter. In addition, units exposed to the construction sector had a weaker performance.

Adjusted EBITA margin for the quarter amounted to 19.1% (22.6).

Adjusted EBITA for the quarter increased by 15% and amounted to SEK 193 million (168), where companies that have increased their sales have also increased profitability even more thanks to good scalability in the business. The business area's unit with exposure to the construction sector had a weak non-recurring development. Acquisitions made a positive contribution.

The adjusted EBITA margin in the quarter was 22.0% (19.9).

(SEK m)				
Net sales	877	842	3,366	2,931
Adjusted EBITA	193	168	692	621
Adjusted EBITA margin %	22.0%	19.9%	20.5%	21.2%

CENTRAL UNITS – GROUP-WIDE FUNCTIONS

Central units consist of the Group's parent company, Sdipitech AB and the Group's holding companies. The Parent Company's revenue consists of management fees, directed to the subsidiaries for the Parent Company's services. The costs consist of costs for central functions such as management, acquisition teams, group finance and other central functions.

Adjusted EBITA was SEK -21 million (-18) for the quarter. The increase reflects the IFRS accounting costs for the new Share Matching Plan, which was approved at the 2024 Annual General Meeting.

Group-wide functions (SEK m)	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Adjusted EBITA	-21	-18	-75	-67

DISCONTINUED OPERATIONS

During the third quarter, it was decided to initiate a process for the divestment of the Group's unit for the manufacture of special elevators, installation and elevator service in Central

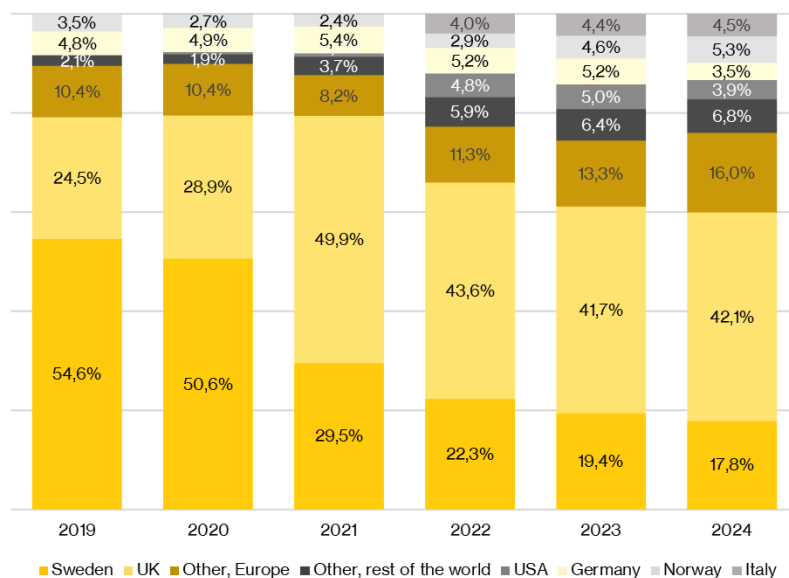
Europe. The units have been part of Special Infrastructure Solutions but are reported as Discontinued operations as from the third quarter of 2024 and for all comparable periods.

Discontinued operations (SEK m)	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Adjusted EBITA	-13	-2	-39	2

GEOGRAPHICAL DISTRIBUTION OF SALES

Over the years, Sdiptech has acquired business units in Sweden, Norway, Finland, the UK and Croatia (with significant operations in Germany), the Netherlands, Italy and in Denmark. The Group's business units have customers primarily locally and regionally in their respective geographies, but some exports also occur.

The Group's turnover, broken down by geography where customers have their main operations.

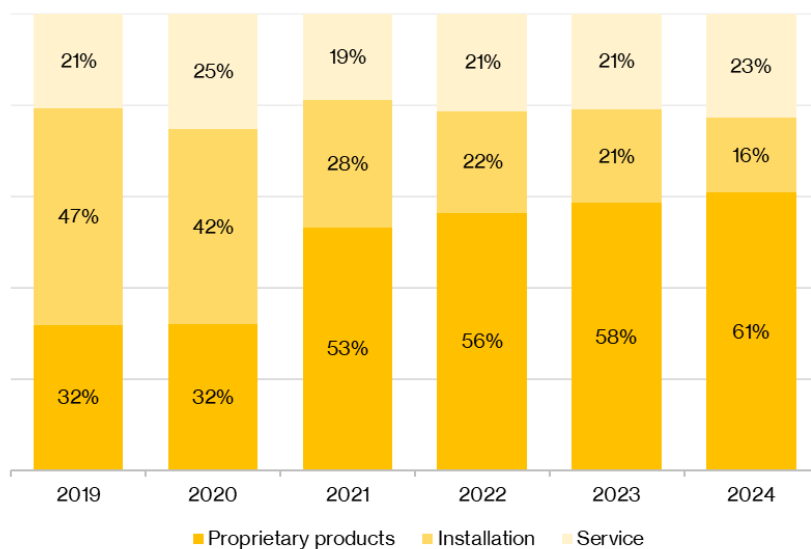


Including discontinued operations

TURNOVER BY TYPE OF REVENUE

Sales of proprietary products have increased from 32 to 61 percent during the period full year 2019 to 2024. The turnover for service and installation as of 2022 and onwards is mainly related to our own products.

Consolidated sales by type of revenue



Including discontinued operations

NEW BUSINESS AREAS

Until December 31, 2024, Sdipitech reports according to the two business areas Special Infrastructure Solutions and Resource Efficiency. To highlight the strong trends that are driving growth in our companies, Sdipitech has chosen to establish four new business areas from 1 January 2025, with clear common driving forces to optimize resources and strengthen the opportunities for continued growth. This is a natural step in the company's development which creates better conditions to support the companies, as well as to attract entrepreneurs who want to become part of Sdipitech. A thorough analysis has been made to ensure a smooth transition from two to four business areas. For quarterly comparative figures and information on which units are included in which business area, see Appendix 1.

BUSINESS AREAS

SUPPLY CHAIN & TRANSPORTATION

Innovative solutions units operating in modernizing and streamlining transport and supply chains, driven by an increased demand for more sustainable and efficient logistics solutions.

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Supply chain & Transportation (SEK m)				
Net sales	569	562	2,271	1,831
Adjusted EBITA	113	109	425	339
Adjusted EBITA margin %	19.9%	19.4%	18.7%	18.5%

ENERGY & ELECTRIFICATION

Businesses that provide niche solutions in areas such as energy efficiency, electrification, power supply and temporary electricity. The growth potential of the units is driven by the transition to the energy system of the future, which enables sustainable production and efficient consumption of energy.

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Energy & Electrification (SEK m)				
Net sales	340	375	1,361	1,351
Adjusted EBITA	70	78	287	300
Adjusted EBITA margin %	20.6%	20.8%	21.1%	22.2%

WATER & BIOECONOMY

Units specializing in systems and technology in water, waste management, and efficient and circular use of natural resources. Growth is driven by population growth, urbanization, increased consumption and regulatory requirements for infrastructure modernization.

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Water & Bioeconomy (SEK m)				
Net sales	268	257	1,067	950
Adjusted EBITA	59	58	254	228
Adjusted EBITA margin %	22.0%	22.6%	23.8%	24.0%

SAFETY & SECURITY

Niche businesses that offer solutions in fire and personal safety, increased safety in both the workplace and in public environments, as well as information security. These units have strong driving forces that are underpinned by technological developments, changing societal needs and increased security requirements.

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Safety & Security (SEK m)				
Net sales	158	107	465	448
Adjusted EBITA	39	28	120	121
Adjusted EBITA margin %	24.8%	26.5%	25.8%	26.9%

Central units and operations under divestment will not be affected by the change.

COMMENTS ON THE FINANCIAL DEVELOPMENT

Comments on the financial development refer to continuing operations unless otherwise stated.

FINANCIAL POSITION JANUARY – DECEMBER

Cash Flow

Cash flow from operating activities after changes in working capital amounted to SEK 823 million (628) during the period. Cash flow generation, expressed as a percentage of profit before tax adjusted for non-cash items, amounted to 83% (68) during the period.

Cash flow from investing activities amounted to SEK -1,078 million (-778). The cash flow effect of completed acquisitions during the period amounted to SEK -580 million (-403), also see Note 8. Cash flow related to payment of contingent considerations on acquisitions from previous years, including both instalments as well as final settlement, amounted to SEK -288 million (-182) during the period. Investments in intangible and tangible fixed assets amounted to SEK -227 (-192).

Cash flow from financing activities amounted to SEK 117 million (319). Net borrowing amounted to SEK 241 million (387). Amortization of lease liabilities amounted to SEK -106 million (-77). Dividend on the preference share amounted to SEK -14 million (-14) and dividend to non-controlling interest amounted to SEK -4 million (-2).

Cash flow from the Group's discontinued operations amounted to SEK 4 million (2).

Liabilities

Interest-bearing liabilities including contingent considerations and lease liabilities amounted to SEK 4,564 million (4,046). The three largest items within interest-bearing liabilities consisted of financial liabilities where of SEK 1,910 million (1,803) in liabilities to credit institutions, SEK 811 million (600) in bond liabilities and SEK 1,316 million (1,193) in deferred payments of purchase prices for acquisitions, so-called contingent consideration payments. It can be noted that a large part of the contingent consideration debt requires an increase in profit compared to today's levels to be paid out.

These contingent considerations are classified as interest-bearing according to IFRS as they are presented at net present value, but they do not give rise to any actual interest payments that are charged to the Group's cash flow. However, a discount interest rate is booked as a financial expense for the period. The Group's Financial expenses include this non-cash interest expense of SEK -50 million (-39) for the period.

Revaluation together with partial and final adjustment of agreed contingent purchase prices has resulted in a cost of SEK -5 million (17). Last year was positively impacted due to a change in the discount rate. The contingent consideration payments are recognised in accordance with IFRS at the present value of the estimated fair value based on the remaining term and expected outcome. The net of the revaluation is reported under other income or other external expenses.

During the period, the result was charged with SEK -16 million (-13) regarding discount rates in accordance with IFRS16 regarding leasing liabilities.

The net debt relating to continuing operations, consisting of interest-bearing liabilities with a deduction for cash and cash equivalents, amounted to SEK 4,129 million (3,496). The key figure Net debt as of the balance sheet date in relation to adjusted EBITDA, which is calculated on a rolling twelve-month basis, amounted to 3.30 (3.09) as of December 31.

Net financial debt relating to continuing operations, according to the calculation method above but excluding contingent consideration, amounted to SEK 2,813 million (2,303). The key figure financial net debt as of the balance sheet date in relation to adjusted EBITDA, which is calculated on a rolling twelve-month basis, amounted to 2.25 (2.03) on December 31.

Financing

In August 2023, Sdipotech issued senior secured sustainability-linked bonds of SEK 600 million under a framework of SEK 1,000 million with the aim of diversifying the company's financing. In November 2024, additional sustainability-linked bonds of SEK 200 million were issued under the same framework. The bonds mature in August 2027. The link to the group's sustainability goals affects the final redemption amount at maturity, depending on the outcome.

The total utilised credit volume as of 31 December 2024, within the total credit limit of SEK 2,600 million with our lenders, amounted to approximately SEK 1,870 million. The agreements run at a variable interest rate in 3–6-month intervals. However, the Group has agreements on so-called interest rate swaps, corresponding to approximately 40% of the utilized credit volume, including bond debt, with a maturity of 2–4 years in order to reduce interest rate exposure. Part of the agreed credit volume is linked to the Group's sustainability goals, which may increase or decrease the agreed interest margin depending on the outcome. Together with the Group's cash and cash equivalents of SEK 435 million, there is approximately SEK 1,165 million in available funds for future payments.

In addition, the Group uses currency swaps and forwards to balance exposure to GBP, EUR and NOK. The purpose of these instruments is to balance the actual exposure between assets and liabilities, in the respective currency, which affects net financial items. At the end of the period, the volumes of these instruments amounted to the equivalent of approximately SEK 824 million for GBP, SEK 896 million for EUR and SEK 170 million for NOK.

Parent Company

The Parent Company Sdipotech AB's internal net sales, containing mainly, management fee amounted to SEK 28 million (25) for the period and loss after financial items amounted to SEK -74 million (-63).

OTHER INFORMATION

Employees

The number of employees at the end of September was 2,169 (1,970). Acquisitions completed during the last twelve months increased the number of employees by 177. The number of employees in discontinued operations amounts to 300 (331).

Incentive programme

At the 2024 Annual General Meeting, a new incentive program for managers and senior executives was resolved in the form of a long-term performance-based share plan. The program runs over three years and is related to the Group's adjusted EBITA growth per average outstanding ordinary share. The participants invest in Class B shares in Sdipotech AB (Saving Shares) and are thereafter given the opportunity to receive up to three Class B shares (Performance Shares) free of charge if set conditions are met. The program comprises a maximum of 30,000 saving shares.

For previous years' incentive programs, reference is made to the Annual Report 2023.

Financial risks and uncertainty factors

Through its operations, the Group and the Parent Company are exposed to various types of financial risks, mainly related to loans and receivables. The financial risks consist of:

- Liquidity- and financing risk
- Interest rate risk
- Currency risk
- Customer- and counterparty risk

Since Russia's invasion of Ukraine in 2022, global trade and financial markets have been affected, but Sdiptech's direct business exposure in the region is limited and demand has so far remained stable. The long-term economic impact depends on the evolution of the crisis and policy responses.

The increased tensions in the Middle East have so far had limited impact, but an escalation, especially if shipping in the Red Sea is further disrupted, could affect logistics chains and lead to delays in customer deliveries.

In addition to this, geopolitical uncertainties linked to the new US government are creating additional volatility in financial markets, which could affect global trade flows and the investment climate.

At present, inflation in the most important geographies for the group has slowed down, which has led to central banks no longer raising their policy rates but even in some cases lowering them. However, the future is uncertain about what interest rates will apply in the longer term. This affects the Group to the extent that loan interest rates are variable.

Overall, the current geopolitical and macroeconomic situation means increased uncertainty for global markets, which can affect Sdiptech's operations both directly and indirectly. The company is closely monitoring developments and taking ongoing measures to manage any risks and minimize the impact on the business. For more detailed information on risk factors, please refer to Note 17 of the Annual Report 2023.

Related party transactions

No substantial related party transactions occur within the group.

Events after the end of the reporting period

After the end of the period, the acquisition of Phase 3 Connectors Ltd was completed. The credit line with existing lenders was increased by SEK 250 million. No other significant events have occurred after the end of the period.

Sdiptech Annual General Meeting 2025

The 2025 Annual General Meeting will be held on 19 May 2025 at 16.00 at the Royal Swedish Academy of Engineering Sciences (IVA), Grev Turegatan 16, Stockholm. In order to have a matter dealt with at the meeting, the Shareholder requests must have been received no later than 31 March 2025, or such later date when it is still possible to include the matter in the notice.

Notice convening the AGM will be published on the company's website no later than four weeks before the meeting. All shareholders who are registered in the share register five days before the meeting may attend in person or by proxy. Notification of participation shall be made to the company in accordance with what is stated in the notice.

The Annual Report will be published on 15 April 2025.

Nomination Committee

A Nomination Committee has been appointed for the 2025 AGM. Proposals to the Nomination Committee from shareholders may be sent by e-mail to valberedningen@sdiptech.com or by post to the company's address. More information is available on www.sdiptech.com.

Dividend

The Board of Directors proposes that the Annual General Meeting resolves on a dividend to the preference shareholders in accordance with the articles of association. The Board of Directors further proposes, in line with the dividend policy, that no dividend be paid on ordinary shares of Class A or ordinary shares of Class B but that the remaining profits should be carried forward to have financial readiness for continued acquisitions.

CONSOLIDATED INCOME STATEMENT

	Note	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Continuing operations (SEK m)					
Net sales	2	1,336	1,302	5,166	4,582
Other operating income	2	12	18	54	60
Total income		1,348	1,320	5,220	4,642
Operating expenses					
Materials, contracting and subcontracting		-515	-545	-2,067	-1,853
Other external expenses		-131	-138	-469	-415
Employee expenses		-385	-334	-1,445	-1,239
Depreciation and amortisation of tangible non-current assets		-52	-49	-198	-175
Depreciation and amortisation of intangible non-current assets		-39	-34	-146	-127
Operating profit		226	219	895	834
Profit/loss from financial items					
Financial income	3	4	4	4	6
Financial expenses		-67	-80	-265	-225
Profit after financial items		163	143	635	615
Tax on profit for the period	4	-55	-47	-200	-165
Profit for the period from continuing operations		108	96	436	450
Profit/loss for the period from discontinued operations	5	-13	-4	-79	-4
Total Profit for the period		95	92	357	446
Profit attributable to continued operations:					
Parent Company's shareholders		107	96	432	448
Non-controlling interests		1	0	4	1
Profit attributable to discontinued operations:					
Parent Company's shareholders		-13	-4	-79	-4
Earnings per share (average number), attributable to the Parent Company's shareholders during the period, less dividends to preference shareholders (in SEK per share)					
Earnings per share, continued operations		2,73	2,43	11,00	11,44
Earnings per share including discontinued operations		2,39	2,31	8,93	11,33
Adjusted EBITA		260	255	1,010	919
Average number of common shares		37,991,938	37,991,938	37,991,938	37,960,086
Average number of common shares after dilution		37,991,938	37,991,938	37,991,938	37,960,086
Number of ordinary shares at the end of the period		37,991,938	37,991,938	37,991,938	37,991,938

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(SEK m)	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Total profit for the period	95	92	357	446
Other comprehensive income for the period				
Changes in accumulated translation differences	51	-93	154	-19
Comprehensive income for the period	146	-1	511	426
Attributable to:				
Parent Company's shareholders	142	-1	507	426
Non-controlling interest	4	0	4	1

CONSOLIDATED BALANCE SHEET

(SEK m)	Note	31 Dec 2024	31 Dec 2023
Non-current assets			
<i>Intangible non-current assets</i>			
Goodwill	6	5,357	4,583
Other intangible assets		1,493	1,211
<i>Tangible non-current assets</i>			
Tangible non-current assets		504	412
Right-of-use assets		503	432
<i>Financial non-current assets</i>			
Other financial non-current assets		15	16
Total non-current assets		7,871	6,655
Current assets			
Completed products and goods for resale		733	635
Accounts receivable		981	785
Other receivables		55	56
Current tax assets		45	24
Prepaid expenses and accrued income		196	230
Cash and cash equivalents		435	550
Assets held for sale		125	171
Total current assets		2,569	2,450
Total assets		10,441	9,105
Shareholders' equity			
Shareholders' equity attributable to Parent Company's shareholders			
Share capital		1	1
Other contributed capital		2,094	2,094
Profit/loss brought forward including earnings for the period		2,350	1,857
Total equity attributable to Parent Company's shareholders		4,445	3,952
Non-controlling interests		6	5
Total shareholders' equity		4,451	3,957
Long term liabilities			
Interest-bearing long-term liabilities	7	4,027	3,681
Non-interest-bearing long-term liabilities		358	279
Total long-term liabilities		4,385	3,960
Short term liabilities			
Interest-bearing short-term liabilities	7	537	365
Non-interest-bearing short-term liabilities		983	762
Liabilities held for sale		85	62
Sum short term liabilities		1,604	1,188
Total liabilities		5,990	5,148
Total shareholders' equity and liabilities		10,441	9,105

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

(SEK m)	Shareholders' equity attributable to Parent Company shareholders				Non-controlling interests	Shareholders' equity	
	Note	Share capital	Other contr. capital	Retained earnings			Total
Opening balance, January 1 2023		1	2,069	1,447	3,517	5	3,522
Income for the period		-	-	444	444	1	446
Other comprehensive income for the period		-	-	-19	-19	0	-19
Total income for the period		-	-	425	425	1	426
Shareholder transactions							
Dividend paid to preference shareholders	9	-	-	-14	-14	-	-14
Dividend paid to non-controlling interests		-	-	-1	-1	-1	-3
Share issue of ordinary shares series B		-	14	-	14	-	14
Share issue expenses		-	-1	-	-1	-	-1
Option premiums		-	12	-	12	-	12
Total shareholder transactions		-	25	-15	10	-1	9
Closing balance, December 31, 2023		1	2,094	1,857	3,952	5	3,957
Opening balance, January 1 2024		1	2,094	1,857	3,952	5	3,957
Income for the period		-	-	353	353	4	357
Other comprehensive income for the period		-	-	154	154	-	154
Total income for the period				507	507	4	511
Shareholder transactions							
Dividend paid to preference shareholders	9	-	-	-14	-14	-	-14
Dividend paid to non-controlling interests		-	-	-2	-2	-2	-4
Share-based remuneration	10	-	-	2	2	-	2
Total shareholder transactions		-	-	-14	-14	-	-14
Closing balance, December 31, 2024		1	2,094	2,350	4,445	6	4,451

CONSOLIDATED CASH FLOW STATEMENT

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Continued operations (SEK m)				
Continued operations				
Earnings after financial items	163	142	635	615
Adjustment for items not included in cash flow ¹⁾	115	85	359	306
Paid taxes	-42	-73	-196	-195
Cash flow from continuing operations before change in working capital	237	155	798	726
Cash flow from change in working capital				
Increase(-)/decrease(+) in stock	26	35	18	-19
Increase(-)/decrease(+) in operating receivables	-1	-59	-12	-187
Increase(+)/decrease(-) in operating liabilities	41	69	19	108
Cash flow from current operations	302	199	823	628
Investing activities				
Acquisitions of subsidiaries	-252	-1	-580	-403
Acquisitions of subsidiaries, paid contingent considerations	-67	-15	-288	-182
Disinvestments in subsidiaries	-	-	17	-
Acquisitions of intangible non-current assets	-38	-28	-96	-75
Acquisitions of tangible non-current assets	-30	-29	-131	-118
Cash flow from investing activities	-388	-74	-1,078	-778
Financing activities				
Warrant program	-	-	-	12
New share issue	-	-1	-	14
Loans raised	394	20	661	1,615
Amortisation of loans	-260	-34	-420	-1,228
Amortisation of lease liability	-31	-27	-106	-77
Dividends paid	-6	-5	-18	-16
Cash flow from financing activities	98	-46	117	319
Cash flow for the period	12	79	-138	170
Cash and cash equivalents at beginning of year	414	480	550	377
Exchange rate difference in cash and cash equivalents	9	-9	23	4
Cash and cash equivalents at end of period	435	550	435	550
Cash and cash equivalents at end of period, discontinued operations	11	7	11	7

1) Adjustment for items included in profit or loss after financial items but which are not cash flow affecting consists substantially of depreciation and amortization, unrealized exchange gains/losses and revaluation of contingent considerations.

PARENT COMPANY INCOME STATEMENT

(SEK m)	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	7	7	28	25
Other operating income	-	-	-	1
Total income	7	7	28	26
Operating expenses				
Other external expenses	-4	-7	-20	-23
Employee expenses	-19	-15	-70	-61
Depreciation of tangible and intangible non-current assets	-	-	-1	-1
Operating profit	-15	-15	-62	-59
Profit/loss from financial items				
Financial income	16	22	45	14
Financial expenses	-17	-42	-57	-18
Profit/loss after financial items	-17	-35	-74	-63
Group contributions received	81	70	81	70
Tax on profit	-	-2	-	-2
Profit/loss for the period	65	33	7	6

PARENT COMPANY BALANCE SHEET

(SEK m)	31 Dec 2024	31 Dec 2023
Non-current assets		
<i>Tangible non-current assets</i>		
Tangible non-current assets	1	1
<i>Financial non-current assets</i>		
Shareholdings in subsidiaries	50	0
Receivables on group companies	2,908	2,578
Total non-current assets	2,959	2,579
Current assets		
Receivables on group companies	1,272	1,319
Other receivables	1	2
Prepaid expenses and accrued income	15	14
Cash and cash equivalents	13	7
Total current assets	1,301	1,342
Total assets	4,260	3,921
Shareholders' equity		
Share capital	1	1
Share premium reserve	2,094	2,094
Retained earnings including profit/loss for the period	219	224
Total shareholder's equity	2,314	2,320
Liabilities		
Other long-term interest-bearing liabilities	1,538	1,310
Short-term liabilities	407	291
Total liabilities	1,946	1,601
Total equity and liabilities	4,260	3,921

NOTES

ACCOUNTING PRINCIPLES IN ACCORDANCE WITH IFRS

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (EU). This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions in the Annual Accounts Act.

The Interim Report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act, which is in accordance with the provisions of RFR 2 Accounting for Legal Entities.

The same accounting principles and calculation bases have been applied for the Group and the Parent Company as in the preparation of the most recent annual report for the 2023 financial year.

As a result of rounding off, differences in summaries may appear in the interim report.

New and amended standards for the financial year 2024

New or amended IFRS are not expected to have any significant effects.

NOTE 1 IMPORTANT ESTIMATES AND ASSUMPTIONS ON APPLICATION OF THE GROUP'S ACCOUNTING PRINCIPLES

Estimates and assumptions are continuously assessed based on historical experience and other factors, including expectations of future events considered reasonable under prevailing conditions. For more detailed information, please refer to Note 1 of the Annual Report 2023.

Valuation of financial assets and liabilities

Estimates of fair value in the operations primarily affect the Group's goodwill, liabilities related to deferred payments on acquisitions and the Parent Company's shareholdings in subsidiaries. Goodwill is reported in the consolidated balance sheet at acquisition value minus any accumulated write-downs. Financial assets and liabilities in the balance sheet are reported at acquisition value, unless otherwise stated.

In the case of acquisitions, components of the purchase consideration are usually linked to the acquired company's financial results for a period after the acquisition. The book

value of liabilities to sellers in the form of contingent consideration can be affected both positively and negatively because of assessments of each company's financial results for the remaining period. Liabilities for contingent additional purchase prices that arise in business acquisitions are measured at fair value through profit or loss.

NOTE 2 SEGMENT REPORTING

Sdipotech reports profit from operations in two segments: Resource Efficiency and Special Infrastructure Solutions.

RESOURCE EFFICIENCY

Companies within Resource Efficiency provide niche products and services that contribute to the use of resources, such as water, energy, minerals, forest and food, in an efficient and sustainable way. The main geographic markets are northern Europe, the United Kingdom and Italy.

SPECIAL INFRASTRUCTURE SOLUTIONS

The companies within Special Infrastructure Solutions provide niche products and services for specialised needs in air and climate control, safety and surveillance and transport systems. The main geographic markets are northern Europe and the United Kingdom.

Central units – Group-wide functions

Group-wide functions and eliminations consist of the Group's Parent Company, Sdipotech AB, the Group's holding companies, which also includes items affecting earnings, such as revaluation of contingent consideration and write-down of goodwill.

Discontinued operations

During the third quarter, it was decided to initiate a sale of the Group's unit for the manufacture of special elevators, installation and elevator service in Central Europe. The units have been part of Special Infrastructure Solutions but will be reported separately as of the third quarter of 2024 and for all comparable periods under the line Discontinued operations as according to IFRS 5.

Segment information. Group

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net Sales (SEK m), continued operations				
Resource Efficiency	459	460	1,800	1,650
Special Infrastructure Solutions	877	842	3,366	2,931
Net Sales	1,336	1,302	5,166	4,582
Operating profit (SEK m), continued operations				
Resource Efficiency	79	91	357	331
Special Infrastructure Solutions	148	153	628	557
EBIT Segment total	227	244	985	887
Central units	-1	-25	-90	-54
Total EBIT continuing operations	226	219	895	834
Net financials	-63	-76	-260	-218
Profit before tax	163	143	635	615

Revenue from agreements with customers (SEK m), continued operations	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
<i>Resource Efficiency</i>				
Products	275	317	1,204	1,156
Installation, direct	6	87	241	300
Installation, over time	101	5	112	18
Service, direct	53	17	201	122
Service, over time	23	34	41	55
Sum Sales Resource Efficiency	459	460	1,800	1,650
<i>Special Infrastructure Solutions</i>				
Products	498	488	1,994	1,432
Installation, direct	25	92	151	292
Installation, over time	126	70	283	379
Service, direct	220	166	833	719
Service, over time	7	25	106	110
Sum Sales Special Infrastructure Solutions	877	842	3,366	2,931
<i>Sum Products</i>	<i>773</i>	<i>805</i>	<i>3,198</i>	<i>2,587</i>
<i>Sum Installation, direct</i>	<i>31</i>	<i>179</i>	<i>392</i>	<i>592</i>
<i>Sum Installation, over time</i>	<i>228</i>	<i>75</i>	<i>395</i>	<i>397</i>
<i>Sum Service, direct</i>	<i>273</i>	<i>184</i>	<i>1 034</i>	<i>841</i>
<i>Sum Service, over time</i>	<i>31</i>	<i>59</i>	<i>147</i>	<i>164</i>
Total Sales	1,336	1,302	5,166	4,582
	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Other income (SEK m), continued operations				
Resource Efficiency	5	10	15	18
Special Infrastructure Solutions	7	5	27	14
Business areas	12	15	42	32
Central units	-	3	12	29
Total other income	12	18	54	60

NOTE 3 FINANCIAL INCOME AND COST

Continued operations (SEK m)	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Financial income				
Interest income	0	2	2	5
Net exchange gain	1	-	-	-
Other financial income	3	1	2	2
Total financial income	4	4	4	6
Financial cost				
Interest expense on financial liabilities to credit institutions	-46	-47	-180	-155
Discount rate for lease liabilities	-4	-4	-16	-13
Discount rate on contingent considerations	-12	-11	-50	-39
Exchange rate difference	-	-16	-7	-14
Other financial cost	-5	-2	-10	-5
Total financial cost	-67	-80	-264	-225
Net financial cost	-63	-76	-260	-218

The Group's net financial items consist of interest expenses divided into interest expenses relating to financial liabilities to credit institutions and bondholders as well as discount rates regarding leasing liabilities in accordance with IFRS 16 and contingent consideration. These conditional purchase considerations are classified as interest-bearing as they are presented at net present value, but they do not give rise to any actual interest payments that are charged to the Group's cash flow. It can be noted that a large part of these debt-charged contingent considerations, as a rule of thumb 40%, require an increase in profit compared to today's levels, to be paid out. In addition, the Group is affected by exchange rate differences regarding internal and external loans in foreign currency.

NOTE 4 TAX

The Group's tax in relation to profit before tax is affected by non-taxable income and non-deductible expenses in operating activities, as well as acquisition costs, profit from revaluation of contingent purchase prices and capital gains from disposals, discount rates and the fact that tax losses are not capitalised.

The Group's weighted average effective tax rate is in turn affected by the Group's geographical mix. The relationship between tax percentage on recognized tax and actual tax percentage based on adjusted profit before tax for the Group is shown in the following table.

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Continued operations (SEK m)				
Earnings before tax	163	143	635	615
Non-tax items:				
Acquisition and divestment cost	8	6	17	13
Adjustment of liability for earnouts	-2	7	5	-17
Discount interest	12	16	50	36
Utilization of previously unactivated deficits	-8	-	-8	-
Non-taxable earning divestment	-	-	-12	-
Non activated loss	51	22	153	59
Adjusted earnings before tax	224	194	841	706
Income Tax	-55	-47	-200	-165
Adjusted tax, percentage	24.6%	24.2%	23.7%	23.3%

NOTE 5 DISCONTINUED OPERATIONS

(SEK m)	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Revenues	57	67	206	236
Operating profit	-9	-3	-68	2
Profit before tax	-10	-4	-76	-3
Income tax	-2	0	-2	-1
Profit for the period	-13	-4	-79	-4

(SEK m)	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Cash flow from operating activities, net	-8	6	-18	-9
Cash flow from investing activities, net	1	-6	-1	3
Cash flow from financing activities, net	8	-1	23	8
Total cashflow	1	-1	4	2

(SEK m)	31 Dec 2024
Intangible assets	27
Tangible assets	18
Right-of-use assets	7
Financial assets	1
Inventories	14
Accounts receivables	34
Other current receivables	13
Cash and cash equivalents	11
Total assets	125
Non-current interest-bearing liabilities	16
Non-current non-interest-bearing liabilities	3
Current interest-bearing liabilities	27
Current non-interest-bearing liabilities	38
Total liabilities	85

NOTE 6 GOODWILL

(SEK m)	31 Dec 2024	31 Dec 2023
Opening balance including discontinued operations	4,582	4,299
Acquisitions for the period	535	295
Adj. of preliminary acquisition analysis	-	22
Divestments	-4	-
Currency translation effects	243	10
Carrying amount at end of period	5,357	4,626
Discontinued operations		44

Compared with 31 December 2023, excluding discounted operations, goodwill has increased by a total of SEK 775 million and amounted to SEK 5,357 million as of 31 December 2024.

NOTE 7 INTEREST-BEARING LIABILITIES

Continued operations (SEK m)	31 Dec 2024	31 Dec 2023
Liabilities to credit institutions	1,910	1,803
Bond liabilities	811	600
Leases	393	344
Contingent consideration	910	932
Other non-current liabilities	4	2
Total non-current interest-bearing liabilities	4,027	3,681
Liabilities to credit institutions	10	8
Leases	120	94
Contingent consideration	406	261
Other current liabilities	1	1
Total current interest-bearing liabilities	537	365

Contingent consideration payments refer to various types of obligations to the selling party that are linked to conditions based on the acquired company's results for a specific period after the acquisition. The contingent purchase prices are classified as Level 3 in the fair value hierarchy. The liabilities are reported at the present value of the expected outcome based on the assessed fair value at the balance sheet date based on outcomes and future forecast and largely requires an increase in profit compared to today's levels, to have to be paid out.

Contingent consideration (SEK m)	31 Dec 2024	31 Dec 2023
Opening balance	1,193	1,266
Acquisitions	281	85
Paid purchase considerations relating previous acquisitions	-288	-186
Interest expenses (discount on present value calc.)	50	39
Revaluation via operating profit	5	-17
Exchange differences	73	6
Carrying amount at period end	1,316	1,193

The contingent consideration is recognized in accordance with IFRS at the present value of estimated fair value based on the remaining maturity and expected outcome. The contingent consideration is discounted by calculating present value.

Repayment periods, contractual values (non-discounted) As of 31 December 2024 (SEK m)	Year 2025	Year 2026-2027	Year 2028-2029	After year 2029
Contingent consideration	411	530	321	87

NOTE 8 BUSINESS ACQUISITIONS

PRELIMINARY ACQUISITION ANALYSIS, regarding acquisitions during 2024						
(SEK m)	JR Industries¹	WaterTech²	Eagle³	Dado Lab⁴	Wintex⁵	Sum
Intangible non-current assets	-	-	-	1	-	1
Tangible non-current assets	19	-	3	9	1	31
Right of use assets	16	1	10	1	-	28
Inventories and work in progress	64	2	6	-	9	81
Cash and cash equivalents	18	1	11	29	0	60
Trade receivables ⁶	56	2	26	7	7	98
Tax receivable	7	-	-	-	-	7
Other current assets	2	1	4	2	-	9
Deferred tax liability	-1	-	-	-	-	-1
Other non-current liabilities	-20	-1	-21	-2	-	-45
Current tax liability	-	-1	-8	-2	-1	-12
Other current liabilities	-51	-2	-9	-4	-4	-69
Net identifiable assets and liabilities	110	4	22	41	11	188
Consolidated goodwill	264	24	182	20	44	535
Brand and trademarks	26	-	37	3	13	79
Customer relations	110	13	20	5	-	148
IPR	-	-	22	4	8	34
Deferred tax liabilities	-34	-3	-20	-2	-4	-63
Total estimated purchase price	476	39	263	70	72	920
Cash and cash equivalents	321	26	191	52	50	639
Contingent consideration	155	14	72	18	22	281
Total remuneration	476	39	263	70	72	920
Liquidity impact on the Group	JR Industries¹	WaterTech²	Eagle³	Dado Lab⁴	Wintex⁵	Sum
Cash and cash equivalents acquired	18	1	11	29	0	60
Remuneration transferred	-321	-26	-191	-52	-50	-639
Total cash impact	-303	-24	-180	-23	-50	-580
Other information⁷	JR Industries¹	WaterTech²	Eagle³	Dado Lab⁴	Wintex⁵	Sum
Run rate, turnover	319	19	110	46	23	516
Run rate profit before tax	60	4	27	10	8	109
Contribution of the acquired entities to Group turnover and profit (SEK million)						Sum
Acquired units' contribution to the Group's turnover						375
Acquired units' contribution to the Group's profit before tax						79
Where of:						
Transaction costs						-16
Amortisation and impairment of intangible assets						-10

¹⁾ JR Industries Ltd (Gwindy Ltd) with subsidiaries

²⁾ WaterTech of Sweden AB

³⁾ Eagle Automation Systems Ltd

⁴⁾ Dado Lab Srl

⁵⁾ Wintex Agro ApS with subsidiary

⁶⁾ The receivables are measured at fair value no provision for bad debts is recognized

⁷⁾ Run rate is based on sales and operating profit before tax, on a 12-month basis, at the time of acquisition. For foreign acquisitions, the result has been recalculated based on the price at the time of acquisition.

Acquisition accounting

The acquisition analysis is preliminary. The acquisition analysis is kept open for 12 months from the date of entry. During the period, adjustments of the preliminary amounts recognized at the time of acquisition based on new information about the facts and circumstances that existed at the time of acquisition and which, if known, would have affected the calculation of the amounts recognised at that time.

Goodwill consists of the amount by which the consolidated cost of shares in acquired subsidiaries exceeds the fair value of the company's net assets recognised in the acquisition analysis at the time of acquisition and is mainly attributable to synergies and other intangible assets that do not meet the criteria for separate recognition. Goodwill relates to the expected contribution of the acquired entity to complement and broaden the Group's offering, sales channels and synergies in infrastructure and contribute to the Group's continued growth.

Acquisition-related expenses, known as transaction costs, are expensed as incurred. These costs, together with costs for divestments, are recognized in the income statement under the item "Other external costs". Acquisition and divestment costs for the period January to December 2024 amounted to SEK 17 million (13) including stamp fee amounting to SEK 5 million (0), see also page Alternative performance measures.

Description of acquisitions during the period January – September 2024

On 24 January, Sdipotech acquired all shares in the British company JR Industries Ltd with subsidiaries in France and Germany. Founded in 1970 and headquartered in Caerphilly, Wales, JR Industries has established itself as a leading manufacturer of roller shutter doors for commercial vehicles in Europe. The company offers a wide range of tailor-made products that increase the efficiency and safety of loading and unloading goods from vehicles. This includes the development of robust roller shutter door solutions and flexible partitions for refrigerated vehicles that are adaptable to different configurations.

JR Industries' market has solid underlying growth driven by the electrification of delivery vehicles, the ongoing rise of e-commerce, and an increasing trend in fleet customization aimed at improving operational efficiency.

At the time of the acquisition, JR Industries had 87 employees. The company is Sdipotech's thirteenth business unit in the UK and is part of the business area Special Infrastructure Solutions from January 2024.

Sdipotech paid an initial consideration of GBP 26 million on the closing date, which was financed with own funds and an existing credit facility. The final purchase price, which will be settled at the end of a four-year earn-out period, is dependent on the company's earnings trend. A final total purchase price that is higher than the current level requires a higher profit level than the current one. The estimated contingent consideration for JR Industries amounted to SEK 155 million at the time of acquisition after present value calculation. The valuation is based on an assessment of the probable outcome based on forecasts for the company from the date of acquisition until the end of the period of the contingent consideration.

On April 11, Sdipotech acquired all shares in the Swedish company WaterTech of Sweden AB. WaterTech specializes in water chemistry to optimize industrial water systems. The company offers products and services to improve cooling water, boiler feed water and process water, among other things. Through its commitment to quality and innovation, WaterTech plays an important role in increasing efficiency and sustainability in industrial water use.

WaterTech will collaborate closely with Sdipotech's other business unit Kemi-tech, and the partnership aims to strengthen and expand the Group's offerings in industrial water treatment in the Northern European market. Kemi-tech, in turn, already has a close collaboration with the Sdipotech company Water Treatment Products Ltd, one of the UK's leading manufacturers of specialty chemicals with over 400 of its own products in its range and specialist knowledge in areas such as legionella control.

At the time of the acquisition, WaterTech had 4 employees. The company is included in the business area Resource Efficiency as of April 2024.

Sdipotech paid SEK 26 million on the closing date, which is financed with own funds and existing credit facility. The final purchase price, which is settled at the end of a three-year earn-out period, is dependent on the company's earnings development. A final total purchase price that is higher than the current one assumes a higher level of profit than the current one. The estimated contingent purchase price for WaterTech amounted to SEK 14 million at the time of acquisition after present value calculation. The valuation is based on an assessment of the likely outcome based on forecasts for the company from the time of acquisition until the end of the period of the contingent purchase price.

On October 25, Sdipotech acquired all shares in the British company Eagle Automation Systems Ltd. Eagle designs, manufactures, and installs high-quality products for physical perimeter security and protection against vehicle attacks (HVM) with the highest security standards for the UK and international markets. Eagle has an annual EBIT of approximately GBP 2 million. The company was founded in 1998 and is headquartered in Essex, England. Eagle is a comprehensive supplier of physical perimeter security and offers a wide range of HVM solutions tailored for high-security environments. Eagle's expertise in HVM gates positions them as a key partner for both commercial and governmental clients seeking enhanced security measures. At the time of acquisition, the company had 42 employees.

The acquisition of Eagle supports Sdipotech's vision of improving security and sustainability in critical infrastructure sectors. The company is Sdipotech's fourteenth business unit in the UK and will be part of the Special Infrastructure Solutions business area from October 2024.

Sdipotech paid GBP 14.5 million on the acquisition date, financed with own funds and an existing credit facility. The final purchase price, which will be settled at the end of a four-year earn-out period, depends on the company's financial performance. A final total purchase price higher than the current one assumes a higher profit level than at present. The estimated contingent consideration for Eagle amounted to SEK 72 million at the time of acquisition after present value calculation. The valuation is based on an assessment of the probable outcome based on the company's forecasts from the time of acquisition until the end of the earn-out period.

On November 12, Sdipotech acquired all shares in the Italian company Dado Lab Srl, a premium manufacturer of instruments used for emission measurements and environmental sampling. The company has an annual turnover of approximately EUR 4 million with good profitability. Dado Lab was founded in 2013 and has built a strong reputation for delivering innovative and reliable air quality measurement solutions. The company's measuring instruments are specifically designed to help laboratories comply with increasingly stringent EU regulations, ensuring that emissions are regularly monitored to maintain public health and environmental standards. At the time of acquisition, the company had 15 employees.

As the EU continues to tighten emission standards, Dado Lab's technology helps companies meet these requirements and avoid potential fines while promoting sustainable business practices. Dado Lab is Sdipotech's third business unit in Italy and will be part of the Special Infrastructure Solutions business area from November 2024.

Sdipotech paid EUR 4.5 million on the acquisition date, financed with own funds and an existing credit facility. The final purchase price, which will be settled at the end of a five-year earn-out period, depends on the company's financial performance. A final total purchase price higher than the current one assumes a higher profit level than at present. The estimated contingent consideration for Dado Lab amounted to SEK 18 million at the time of acquisition after present value calculation. The valuation is based on an assessment of the probable outcome based on the company's forecasts from the time of acquisition until the end of the earn-out period.

On December 16, Sdipotech acquired all shares in Wintex Agro ApS (Wintex), a leading player in the development and manufacturing of automatic soil samplers for the agricultural sector. The company has an annual operating profit of approximately DKK 5 million in EBIT. Wintex was founded in 1999 and is a leading provider of precision solutions for soil sampling in sustainable agriculture. As global food supply challenges intensify, having the most detailed soil data possible is crucial for optimal nutrient management and maximizing crop production. Wintex's innovative products enable farmers worldwide to analyze soil quality, maximize their yields, and minimize environmental impact. At the time of acquisition, the company had 13 employees.

Wintex is Sdipotech's third company in Denmark and aligns well with Sdipotech's vision of contributing to the creation of more sustainable, efficient, and secure societies. Wintex will be part of Sdipotech's Resource Efficiency business area from December.

Sdipotech paid DKK 33 million on the acquisition date, financed with own funds and an existing credit facility. The final purchase price, which will be settled at the end of a four-year earn-out period, depends on the company's financial performance. A final total purchase price higher than the current one assumes a higher profit level than at present. The estimated contingent consideration for Wintex amounted to SEK 22 million at the time of acquisition after present value calculation. The valuation is based on an assessment of the probable outcome based on the company's forecasts from the time of acquisition until the end of the earn-out period.

If the units acquired for the period had been consolidated as of January 1, 2024, net sales from January to December would have amounted to approximately SEK 5,346 million and adjusted EBITA would have amounted to approximately SEK 1,083 million.

NOTE 9 DIVIDENDS

In March 2015, 1,750,000 preference shares were issued with an issue price of SEK 100 per share. Dividend amounts to SEK 8 per year, divided into quarterly payments. Redemption price is SEK 120 during 0-24 months after the exhibition, SEK 110 during month 25-48, and SEK 105 thereafter. Dividends on preference shares require a general meeting resolution, but redemption can be decided by the board according to the articles of association. The holders of the preference shares have no right to demand redemption or demand a dividend. The dividend on preference shares is regulated in the Articles of Association. The dividend amounts to SEK 14.0 million annually, divided into SEK 3.5 million per quarter, with payment in March, June, September and December.

NOTE 10 SHARE-BASED REMUNERATION

At Sdipotech's Annual General Meeting 2024, it was decided to introduce a share savings program for senior executives where the employee can invest a certain part of their fixed annual salary in shares and after three years receive performance shares provided continued employment and outcome based on performance conditions.

The share savings plans are classified in accordance with IFRS 2 as an equity instrument-regulated program. Recognition of such a share-based remuneration program means that the fair value of the instruments at the time of grant is accrued over the term and is recognized under the line Personnel costs in the income statement, with a corresponding adjustment of equity. At each year-end meeting during the vesting period, the expected number of allotted shares is estimated and the effect of any change in the previous assessment of the number of allotted shares is reported in the income statement under the line Personnel costs with corresponding adjustment of equity. Social security contributions attributable to the share savings plan are expensed over the term of the program valued at fair value (based on the number of shares and share price) each reporting date.

COMPANIES PER BUSINESS AREA

RESOURCE EFFICIENCY

The companies within Resource & Efficiency provide niche products and services that contribute to the use of resources, such as water, energy, minerals, forests and food, in an efficient and sustainable manner. The principal geographic markets today are Northern Europe, the United Kingdom and Italy.

The companies included in Resource & Efficiency (in alphabetical order)

- Agrosistemi Srl Treatment and recovery of biological sludge
- CentralByggarna Sverige AB Producer of customised switching stations and electrical automation
- Centralmontage i Nyköping AB Producer of customised switching stations and electrical automation
- EuroTech Sire System AB Installation and service of uninterruptible power supply
- Hansa Vibrations & Omgivningskontroll AB Performs vibration measurements in infrastructure projects
- HeatWork AS Manufacturing of mobile hydronic heating solutions
- Hydrostandard Mätteknik Nordic AB Replacement, renovation and calibration of water meters
- IDE Systems Ltd and IDE Rental Ltd Temporary power distribution and monitoring systems
- Kemi-tech ApS Tailored chemical solutions for industrial water treatment
- Multitech Site Services Ltd Temporary infrastructure such as electricity, water, fire protection and lighting
- Phase 3 Connectors Ltd (as of Feb-25) High-quality single-pole power connectors for industrial and event needs
- Polyproject Environment AB Installations and components for water treatment in industry and municipalities
- Pure Water Scandinavia AB Producer of ultra-pure water products
- Rogaland Industri Automasjon AS Control and regulating systems for water and sewerage systems
- Rolec Services Ltd (One Stop Europe Ltd) Development and manufacture of charging equipment and systems for electric vehicles
- Topas Vatten AB Installation and service of smaller water and wastewater treatment plants
- Unipower AB Measuring systems for monitoring of power quality
- Watertech of Sweden AB (as of Apr -24) Tailor-made chemical solutions for industrial water treatment
- Water Treatment Products Ltd Preparation and manufacture of water treatment products
- Wintex Agro ApS (as of Dec -24) Manufacturing of precision solutions for soil sampling for sustainable agriculture

SPECIAL INFRASTRUCTURE SOLUTIONS

The companies within Special Infrastructure Solutions provide niched products and services for specialised needs in air and climate control, security and surveillance and transport systems. The principal geographic markets are Northern Europe and the United Kingdom.

The companies included in Infrastructure Solutions (in alphabetical order):

- Alerter Group Ltd Emergency communications systems for disabled people
- Auger Site Investigations Ltd Specialised in claims management of underground infrastructure
- Castella Entreprenad AB Contracts for shell completion and internal plaster walls
- Certus Technologies Holding B.V. Systems for automation in ports, terminals and logistics distribution centre
- Cliff Models AB Prototypes for industrial product development
- Cryptify AB Software solution for secure communication
- Dado Lab Srl (as of Nov -24) Manufacturers of instruments used for emission measurements, and environmental sampling
- Eagle Automation Systems Ltd (as of Oct -24) End-to-end provider for physical perimeter security
- e-l-m- Kragelund A/S Development and manufacturing of innovative attachments for forklifts
- GAH (Refrigeration) Ltd Manufacture and service of transportation refrigeration solutions
- JR Industries Ltd (as of Jan -24) Manufacture of roller shutter doors and partitions for commercial vehicles
- Oy Hilltip Ab Manufacturer of road maintenance equipment, special winter
- KSS Klimat & Styrssystem AB Indoor climate control, ventilation and energy efficiency
- Medicvent AB System for evacuation of noxious gases
- Mecno Services S.r.l. Railway maintenance products and services
- Optyma Security Systems Ltd Integrated security systems for public and private environments
- Patol Ltd Designs and manufactures products for fire, smoke and heat detection
- RedSpeed International Ltd Digital cameras for speed monitoring and traffic enforcement
- Resource Data Management Ltd Specialist product provider within refrigeration control and monitoring
- Storadio Aero AB Infrastructure and operational liaison centre for backup air traffic communications and radio-based services for shipping
- TEL UK Ltd Design and manufacture of electronic airflow monitor and control
- Thors Trading AB Durable products in hard metal material for racing and harness racing

DISCOUNTED OPERATIONS

- Metus d.o.o. Production of special elevators for customer-specific needs and resource supply to global elevator manufacturers



DEFINITIONS ALTERNATIVE PERFORMANCE MEASURES

Sdipitech presents alternative financial ratios in addition to the financial ratios established by IFRS to better understand the development of the business and the financial position. However, such ratios shall not be considered as a substitute for the key ratios required under IFRS. The alternative key figures presented in this report are described below.

Adjusted EBITA	Adjusted EBITA is the Group's operating performance measure and is calculated as EBITA before acquisition costs and disposal costs and before profit from revaluation of contingent consideration and capital gains from divestments, items affecting non-material corrections to previous years' results in the subsidiaries; less depreciation and amortization that are not acquisition-related but relate to the operating units' intangible assets. The key ratio increases the comparability of EBITA over time as it is adjusted for the impact of items affecting comparability. The key figure is also used in the internal follow-up and constitutes a central financial objective for the business.
Adjusted EBITA-margin	Adjusted EBITA in relation to net sales.
EBITDA	Operating profit before depreciation and impairment losses.
Adjusted EBITDA	Adjusted EBITDA is calculated as EBITDA before acquisition and disposal costs and before gains from revaluation of contingent consideration and capital gains from divestments, items affecting comparability relating to non-material corrections of previous years in the subsidiaries.
EBITA	Operating profit after depreciation and amortisation of tangible fixed assets before impairment. The key ratio enables comparisons of profitability over time regardless of amortisation and impairment of acquisition-related intangible assets and independent of the corporate tax rate and the company's financing structure. That said, depreciation of tangible assets is included, which is a measure of the consumption of resources necessary to generate earnings.
Financial net debt/ Adjusted EBITDA	Calculated as net financial liability on the balance sheet date to credit institutions and other financial liabilities, such as outstanding bonds, as well as lease liabilities (largely discounted leases), in relation to adjusted EBITDA for the last four quarters. Financial net debt includes current and non-current interest-bearing liabilities less cash and cash equivalents, but excluding interest-bearing liabilities related to the contingent purchase price.
Net debt /Adjusted EBITDA	Net debt as of the balance sheet date, in relation to adjusted EBITDA for the last four quarters. Net debt includes current and non-current interest-bearing liabilities less cash and cash equivalents. Parts of the interest-bearing liabilities are related to the conditional purchase price for acquisitions, which are settled at the end of the vesting periods depending on the earnings trend during these periods. Paying the liability at the full current book value requires a higher level of profit or loss than the current level.
Capital employed	Calculated as average shareholders' equity and interest-bearing net debt for the past four quarters less cash and cash equivalents and short-term investments.
Return on capital employed (ROCE)	Calculated as EBITA for the last four quarters, in relation to the average capital employed for the last four quarters at the closing date.
Return on equity	Calculated as the average profit after tax attributable to shareholders, adjusted for dividends to preference shares, for the last four quarters, in relation to the average equity attributable to shareholders adjusted for preference capital for the last four quarters at the balance sheet date.
Cash flow generation	Calculated as cash flow from continuing operations in relation to profit before tax adjusted for non-cash items.
Earnings per ordinary share (number share per end of period)	Calculated as profit after tax attributable to the Parent Company's shareholders less dividends to preference shareholders divided by the number of ordinary shares per the end of the period.

ALTERNATIVE PERFORMANCE MEASURES

Alternative key figures are presented in the interim report for monitoring the group's operations. The alternative key figures presented in this interim report relate to adjusted EBITA¹, adjusted EBITDA, net debt/adjusted EBITDA, net financial debt/adjusted EBITDA, return on capital employed, cash flow generation, earnings per common share and diluted earnings per common share.

Adjusted EBITA¹

Adjusted EBITA consists of EBITA before acquisition costs and before amortisation and write-downs of intangible fixed assets that arose in connection with acquisitions as well as before remeasurements of contingent consideration payments and write-downs of goodwill. Amortisation and write-downs of intangible assets that are not acquisition-related but derive from the operating units' intangible assets are not reversed.

Acquisition and divestment costs, which mainly relate to external consultants, are expensed during the periods in which they arise, and the services are performed.

Adjustment items for adjusted EBITA

The costs and revenues that are excluded when calculating ADJ. EBITA have historically amounted to the amounts below:

Acquisition costs (SEK m)	Q1	Q2	Q3	Q4	Total
2024	-7	-1	-1	-8	-17
2023	-2	-2	-4	-6	-13
2022	-4	-11	-1	-7	-22

Adjustment of liability for earnouts (SEK m)	Q1	Q2	Q3	Q4	Total
2024	-0	-8	-	2	-5
2023	-3	-0	27	-7	17
2022	-6	38	29	1	62

The remeasurement of liabilities relating to contingent consideration payments may entail corresponding revenues if liabilities have been written down, or an expense if the liabilities have been written-up. The fact that these items vary over time is due to the development of the participating companies and future forecasts. An evaluation of this development compared with book values takes place every quarter and can result in various remeasurements that affect earnings. These adjustments are made so that the book values are as close to the fair values as possible. see also Note 1.

For acquisitions, part of the purchase price is allocated to goodwill and amortisable intangible assets, also see Note 5. The heading "Amortisation and write-downs of intangible fixed assets" includes any write-downs of goodwill. Amortisation, which is a result of Sdipitech allocating part of the purchase price to acquired intangible assets, such as trademarks, product rights, customer relations, etc. in connection with acquisitions, is also included under the heading. These assets are amortised over time, resulting in a cost. This type of allocation and resulting amortisation has increased over time and is expected to continue increasing in line with new acquisitions. As a rule of thumb, it can be stated that new amortisation of intangible assets that have arisen in connection with new acquisitions, is added at about 2% per year of the additional acquired companies' purchase price.

Effects on adjusted EBITA, compared to EBITA, are distributed as follows:

Adjusted EBITA to EBIT bridge (SEK m), Continued operations	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Adjusted EBITA	260	255	1,010	919
Adjustment of liability for earnouts	2	-7	-5	17
Acquisition and divestment cost	-8	-6	-17	-13
Disinvestments	-	-	12	-
Of which non-acquisition-related amortization and write-downs of intangible fixed assets	10	11	42	38
EBITA	265	252	1,041	961
Non-acquisition-related amortization and write-downs of intangible fixed assets	-10	-11	-42	-38
Acquisition-related amortization and write-downs of intangible fixed assets	-29	-24	-105	-90
EBIT	226	219	895	834

Adjusted. EBITA-margin

Adjusted EBITA ¹ in relation to Net Sales (SEK m), Continued operations	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Adjusted EBITA	260	255	1,010	919
Net Sales	1,336	1,302	5,166	4,582
Adjusted EBITA margin %	19.5%	19.5%	19.6%	20.1%

EBITDA

Operating profit before depreciation and impairment losses.

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
EBITDA (SEK m), Continued operations				
Operating profit	226	219	895	834
Depreciation and amortisation of tangible non-current assets	52	49	198	175
Depreciation and amortisation of intangible non-current assets	39	34	146	127
EBITDA Continued operations	317	302	1,240	1,136
Adjustment of liability for earnouts	-2	7	5	-17
Acquisition and divestment cost	8	6	17	13
Divestments	-	-	-12	-
Adjusted EBITDA Continued operations	323	316	1,250	1,132

Financial net debt/Adjusted EBITDA

Calculated as financial net debt to credit institutions and other financial liabilities at the balance sheet date, in relation to adjusted EBITDA for the last four quarters. Net financial debt includes current and non-current interest-bearing liabilities, including lease liabilities, less cash and cash equivalents, but excluding interest-bearing liabilities related to the conditional purchase price.

	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023
Interest-bearing financial net debt (SEK m)					
Liabilities to credit institutions	1,955	1,991	1,903	1,958	1,823
Bonds	811	600	600	600	600
Leases	521	463	471	484	447
Other non-current liabilities	5	3	3	3	3
Sum Interest-bearing financial debt	3,292	3,056	2,977	3,045	2,873
Cash and cash equivalents	-446	-428	-422	-436	-557
Interest-bearing financial net debt	2,846	2,629	2,555	2,609	2,316
Adjustment for discontinued operations	-32	-28	-24	-20	-14
Total Interest-bearing financial net debt	2,813	2,600	2,530	2,589	2,303

Financial net debt in relation to Adjusted EBITDA (SEK m), continued operations	Full year 2024	Full year 2023
Interest-bearing financial net debt	2,813	2,300
Adjusted EBITDA	1,250	1,132
Financial net debt/Adjusted EBITDA	2.25	2.03

Net debt/Adjusted EBITDA

Calculated as net debt at the balance sheet date, in relation to adjusted EBITDA for the last four quarters. Net debt includes current and non-current interest-bearing liabilities less cash and cash equivalents. Parts of the interest-bearing liabilities are related to the conditional purchase price for acquisitions, which are settled at the end of the vesting periods depending on the earnings trend during these periods. Paying the liability at the current book value requires a higher level of profit than the current level.

	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023
Interest-bearing net debt (SEK m)					
Sum Interest-bearing financial debt	3,292	3,056	2,977	3,045	2,873
Contingent consideration	1,316	1,228	1,349	1,383	1,193
Sum Interest-bearing liabilities	4,607	4,284	4,326	4,428	4,067
Cash and cash equivalents	-446	-428	-422	-436	-557
Interest-bearing net debt	4,161	3,856	3,904	3,992	3,510
Adjustment for discontinued operations	-32	-28	-24	-20	-14
Total Interest-bearing net debt	4,129	3,828	3,879	3,972	3,496

Average net debt in relation to EBITDA (SEK m), continued operations	Full year 2024	Full year 2023
Interest-bearing net debt	4,129	3,496
EBITDA	1,250	1,132
Net debt/EBITDA	3.30	3.09

Capital employed

Calculated as average shareholders' equity and interest-bearing liabilities for the last four quarters less cash and cash equivalents and short-term investments.

Average capital employed (SEK m), continued operations	Average	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Interest-bearing net debt	3,978	4,161	3,856	3,904	3,992
Adjustment for discontinued operations	-26	-32	-28	-24	-20
Shareholders' equity	4,305	4,451	4,310	4,272	4,185
Capital employed	8,257	8,580	8,138	8,152	8,157

Return on capital employed (ROCE)

Calculated as EBITA for the most recent four quarters on closing day in relation to average capital employed for the four most recent quarters on closing day.

Average EBITA in relation to average capital employed (SEK m), continued operations	Full year 2024	Full year 2023
EBITA	1,041	961
Capital employed	8,257	7,414
Return on capital employed %	12.6%	13.0%

Return on equity

Calculated as average profit after tax, attributable to the Parent Company's shareholders, adjusted for dividend to preference shares, for the four most recent quarters in relation to average equity, attributable to the Parent Company's shareholders, adjusted for preference capital for the four most recent quarters on closing day.

Average adjusted net profit in relation to average equity (SEK m), continued operations	Full year 2024	Full year 2023
Profit after tax, adjusted	418	434
Equity	4,123	3,694
Return on equity %	10.1%	11.8%

Cash flow generation

Calculated as cash flow from continuing operations in relation to profit before tax adjusted for non-cash items.

Cash flow generation %, continued operations	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
EBT	163	142	635	615
Adjustment for items not included in cash flow	115	85	359	306
Adjusted EBT	278	227	994	921
Cash flow from continuing operations	302	199	823	628
Cash flow generation %	108.5%	87.7%	82.8%	68.2%

Earnings per ordinary share (number share per end of period)

Calculated as profit after tax attributable to the Parent Company's shareholders less dividends to preference shareholders divided by the total number of ordinary shares outstanding at end of the period.

Earnings per ordinary share (SEK m)	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Profit/loss attributable to Parent Company's shareholders	94	91	353	444
Dividend paid to preference shareholders	-4	-4	-14	-14
Profit/loss attributable to Parent Company's shareholders	90	88	339	430
Number of ordinary shares outstanding (thousand)	37,992	37,992	37,992	37,992
Earnings per ordinary share	2.37	2.30	8.93	11.32

STOCKHOLM 11 FEBRUARY 2025

Bengt Lejdström
President and CEO

This interim report has not been subject of a review by the company's auditors.

For additional information, please contact:

Bengt Lejdström, CEO, +46 702 74 22 00, bengt.lejdstrom@sdiptech.com

Susanna Zethelius, CFO, +46 704 44 00 92, susanna.zethelius@sdiptech.com

Sdiptech AB (publ) is required to disclose this information pursuant to EU Market Use Regulation 596/2014. The information was provided by the above contact persons for publication on 11 February 2025 at 08.00 CET.

UPCOMING REPORTS

Annual report 2024	15 April 2025
Interim report January - March 2025	29 April 2025
Annual General Meeting	19 May 2025
Interim report April - June 2025	18 July 2025
Interim report July - September 2025	24 October 2025
Year-end report for 2025	10 February 2026

Payment of dividends to preference shareholders

For each preference share, an annual dividend of SEK 8.00 is paid, divided into four quarterly payments of SEK 2.00 each. The record dates for receipt of dividends of preference shares until next annual general meeting is:

- 14 March 2025

ATTACHMENT 1

SEGMENT REPORTING, PRO FORMA Q1 2023 – Q4 2024

Up until the fourth quarter of 2024, Sdipotech has reported the results from operations in two segments; Resource Efficiency and Special Infrastructure Solutions. For a clearer description of the strong drivers and trends that drive growth in our companies, Sdipotech chooses to establish four new business areas with clear common drivers to optimize resources and strengthen opportunities for continued growth from 2025. A thorough analysis has been carried out to ensure a smooth transition from two to four business areas. Comparative figures for the last eight reported quarters according to the new segment grouping are presented below. Central units and operations under divestment will not be affected by the change.

SUPPLY CHAIN & TRANSPORTATION

Innovative solutions units operating in modernizing and streamlining transport and supply chains, driven by an increased demand for more sustainable and efficient logistics solutions.

Supply chain & Transportation (SEKm)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Jan-Dec 2024
Net sales	553	610	539	569	2 271
Adjusted EBITA	92	123	97	113	425
Adjusted EBITA margin %	16,6%	20,2%	18,0%	19,9%	18,7%

	Jan-Mar 2023	Apr-Jun 2023	Jul-Sep 2023	Oct-Dec 2023	Jan-Dec 2023
Net sales	367	452	450	562	1 831
Adjusted EBITA	63	89	78	109	339
Adjusted EBITA margin %	17,2%	19,7%	17,3%	19,4%	18,5%

ENERGY & ELECTRIFICATION

Businesses that provide niche solutions in areas such as energy efficiency, electrification, power supply and temporary electricity. The growth potential of the units is driven by the transition to the energy system of the future, which enables sustainable production and efficient consumption of energy.

Energy & Electrification (SEKm)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Jan-Dec 2024
Net sales	365	339	317	340	1 361
Adjusted EBITA	75	71	71	70	287
Adjusted EBITA margin %	20,5%	20,9%	22,4%	20,6%	21,1%

	Jan-Mar 2023	Apr-Jun 2023	Jul-Sep 2023	Oct-Dec 2023	Jan-Dec 2023
Net sales	326	330	320	375	1 351
Adjusted EBITA	76	73	74	79	302
Adjusted EBITA margin %	23,3%	22,1%	23,1%	21,1%	22,4%

WATER & BIOECONOMY

Units specializing in systems and technology in water, waste management, and efficient and circular use of natural resources. Growth is driven by population growth, urbanization, increased consumption and regulatory requirements for infrastructure modernization.

Water & Bioeconomy (SEKm)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Jan-Dec 2024
Net sales	262	282	256	268	1 069
Adjusted EBITA	75	63	59	59	256
Adjusted EBITA margin %	28,5%	22,2%	23,1%	22,0%	23,9%

	Jan-Mar 2023	Apr-Jun 2023	Jul-Sep 2023	Oct-Dec 2023	Jan-Dec 2023
Net sales	211	237	245	257	950
Adjusted EBITA	51	52	67	58	228
Adjusted EBITA margin %	24,3%	22,0%	27,2%	22,6%	24,0%

SAFETY & SECURITY

Niche businesses that offer solutions in fire and personal safety, increased safety in both the workplace and in public environments, as well as information security. These units have strong driving forces that are underpinned by technological developments, changing societal needs and increased security requirements.

Safety & Security (SEKm)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Jan-Dec 2024
Net sales	103	106	98	158	465
Adjusted EBITA	29	29	23	39	120
Adjusted EBITA margin %	27,8%	27,7%	23,0%	24,8%	25,7%

	Jan-Mar 2023	Apr-Jun 2023	Jul-Sep 2023	Oct-Dec 2023	Jan-Dec 2023
Net sales	117	111	114	107	448
Adjusted EBITA	33	29	30	28	121
Adjusted EBITA margin %	28,1%	26,4%	26,6%	26,5%	26,9%

DESCRIPTION BUSINESS AREAS

Supply chain & Transportation

Innovative solutions units operating in modernizing and streamlining transportation and supply chains, driven by an increased demand for more sustainable and efficient logistics solutions.

Companies in Supply chain & Transportation (alphabetic order):

- Certus Technologies Holding B.V. Systems for automation in ports, terminals and logistics distribution centre
- Cliff Models AB Prototypes for industrial product development
- e-l-m- Kragelund A/S Development and manufacturing of innovative attachments for forklifts
- GAH (Refrigeration) Ltd Manufacture and service of transportation refrigeration solutions
- JR Industries Ltd (fr.o.m. jan -24) Manufacture of roller shutter doors and partitions for commercial vehicles
- Oy Hilltip Ab Manufacturer of road maintenance equipment, special winter
- Mecno Service S.r.l. Railway maintenance products and services
- RedSpeed International Ltd Digital cameras for speed monitoring and traffic enforcement
- Storadio Aero AB Infrastructure and operational liaison centre for backup air traffic communications and radio-based services for shipping

Energy & Electrification

Businesses that provide niche solutions in areas such as energy efficiency, electrification, power supply and temporary electricity. The growth potential of the units is driven by the transition to the energy system of the future, which enables sustainable production and efficient consumption of energy.

Companies in Energy & Electrification (alphabetic order):

- CentralByggarna Sverige AB Producer of customised switching stations and electrical automation
- Centralmontage i Nyköping AB Producer of customised switching stations and electrical automation
- EuroTech Sire System AB Installation and service of uninterruptible power supply
- HeatWork AS Manufacturing of mobile hydronic heating solutions
- IDE Systems Ltd och IDE Rental Ltd Temporary power distribution and monitoring systems
- KSS Klimat & Styrssystem AB Indoor climate control. ventilation and energy efficiency
- Multitech Site Services Ltd Temporary infrastructure such as electricity, water, fire protection and lighting
- Phase 3 Connectors Ltd (as of Feb-25) High-quality single-pole power connectors for industrial and event need
- Resource Data Management Ltd Specialist product provider within refrigeration control and monitoring
- Rolec Services Ltd (& One Stop Europe Ltd) Development and manufacture of charging equipment and systems for electric vehicles
- Unipower AB Measuring systems for monitoring of power quality

Water & Bioeconomy

Units specializing in systems and technology in water, waste management, and efficient and circular use of natural resources. Growth is driven by population growth, urbanization, increased consumption and regulatory requirements for infrastructure modernization.

Companies in Water & Bioeconomy (alphabetic order):

- Agrosistemi Srl Treatment and recovery of biological sludge
- Auger Site Investigation Ltd Specialised in claims management of underground infrastructure
- Hydrostandard Mätteknik Nordic AB Replacement, renovation and calibration of water meters
- Kemi-tech ApS Tailored chemical solutions for industrial water treatment



- Polyproject Environment AB Installations and components for water treatment in industry and municipalities
- Pure Water Scandinavia AB Producer of ultra-pure water products
- Rogaland Industri Automasjon AS Control and regulating systems for water and sewerage systems
- Topas Vatten AB Installation and service of smaller water and wastewater treatment plants
- WaterTech of Sweden AB (fr.o.m. apr -24) Tailor-made chemical solutions for industrial water treatment
- Water Treatment Products Ltd Preparation and manufacture of water treatment products
- Wintex Agro ApS (fr.o.m. dec -24) Manufacturing of precision solutions for soil sampling for sustainable agriculture

Safety & Security

Niche businesses that offer solutions in fire and personal safety, increased safety in both the workplace and in public environments, as well as information security. These units have strong driving forces that are underpinned by technological developments, changing societal needs and increased security requirements.

Companies in Safety & Security (alphabetic order):

- Alerter Group Ltd Emergency communications systems for disabled people
- Cryptify AB Software solution for secure communication
- Dado Lab Srl (fr.o.m. nov -24) Manufacturers of instruments used for emission measurements, and environmental sampling
- Eagle Automation Systems Ltd (fr.o.m. okt -24) End-to-end provider for physical perimeter security
- Hansa Vibrations & Omgivningskontrol AB Performs vibration measurements in infrastructure projects
- Medicvent AB System for evacuation of noxious gases
- Optyma Security Systems Ltd Integrated security systems for public and private environments
- Patol Ltd Designs and manufactures products for fire, smoke and heat detection
- TEL UK Ltd Design and manufacture of electronic airflow monitor and control
- Thors Trading AB Durable products in hard metal material for racing and harness racing

Discontinued operations

- Metus d.o.o. Production of special elevators for customer-specific needs and resource supply to global elevator manufacturers