

# Annual Statement 2021

## Focus on Cybersecurity and 5G

### October – December 2021

- Net sales amounted to SEK 279.2 million (248.0), equivalent to a 13 percent increase. Net sales increased by 13 percent in fixed currency rates.
- Operating profit amounted to SEK 61.1 million (64.2), corresponding to an operating margin of 21.9 percent (25.9). Operating profit, excluding non-recurring items amounted to SEK 83.1 million (73.1), equivalent to an operating margin of 29.8 percent (29.5).
- Net profit after tax amounted to SEK 54.5 million (47.4).
- Earnings per share amounted to SEK 2.54 (2.20).
- Enea signs a 4-year contract for traffic classification worth USD 3.1 million and 3-year contract for secure authentication worth EUR 3.1 million.
- Enea decides to discontinue the product line Edge and reports in the fourth quarter a write-down of capitalized development costs amounting to SEK 20 million.

### January – December 2021

- Net sales amounted to SEK 975.6 million (915.1), equivalent to a 7 percent increase. Net sales increased by 11 percent in fixed currency rates.
- Operating profit amounted to SEK 216.0 million (188.6), corresponding to an operating margin of 22.1 percent (20.6). Operating profit excluding non-recurring items amounted to SEK 250.4 million (221.5), equivalent to an operating margin of 25.7 percent (24.2).
- Net profit after tax amounted to SEK 200.3 million (142.3).
- Earnings per share amounted to SEK 9.30 (6.63).

Key figures	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
Total revenue, SEK m	293.4	252.3	1,000.3	929.1
Net sales, SEK m	279.2	248.0	975.6	915.1
Net sales growth, %	13	-4	7	-8
Net sales growth currency adjusted, %	13	1	11	-7
Operating profit excluding non-recurring items, SEK m	83.1	73.1	250.4	221.5
Operating profit, SEK m	61.1	64.2	216.0	188.6
Operating margin excluding non-recurring items, %	29.8	29.5	25.7	24.2
Operating margin, %	21.9	25.9	22.1	20.6
Net profit after tax, SEK m	54.5	47.4	200.3	142.3
Earnings per share, SEK	2.54	2.20	9.30	6.63
Net debt/EBITDA (12 months)	1.41	0.81	1.41	0.81
Cash flow from operating activities, SEK m	142.4	61.5	333.7	274.2
Cash, cash equivalents and financial investments, SEK m	211.4	195.1	211.4	195.1

## Focus on cybersecurity and 5G

*We concluded 2021 with a quarter when software sales on new and current business accounts generated double-digit net sales growth and an operating margin of 30 percent. We've consolidated our market position as one of the leading vendors in cybersecurity and data management.*

Sales in the fourth quarter 2021 were SEK 279 million, a 13 percent increase on the previous year. A high share of these revenues is sourced from customers upgrading their networks and systems with new functionality and more capacity, as the requirements on mobile infrastructure and business networks globally become more demanding. Our operating profit including non-recurring items for the quarter was SEK 83 million, equivalent to an operating margin of 30 percent. This strong operating margin is backed by a high share of software sales. Operating cash flow was SEK 142 million, which helped strengthen our financial position.

Our Network Solutions product group is continuing to grow, now representing 77 percent of total net sales thanks to recurring revenues, new business, and the positive progress of our recent acquisition AdaptiveMobile Security. Sales of products and services from this new business unit were SEK 56 million in the quarter. The change for other parts of the Network Solutions product group was -8 percent, explained by variations in licensing and royalty revenues between individual quarters.

### Strategic deals and innovation awards

We're delighted to have secured a number of deals of strategic significance to our market positioning and future revenues in the fourth quarter. One of these contracts is for traffic intelligence software, where our product was selected by yet another North American system vendor of cloud services and virtualization. This deal offers further corroboration of our leadership in embedded traffic intelligence, and the contract generates recurring revenues over the next four years. Another major contract with a leading European telecom operator is for software for secure authentication to the mobile network for users and connected devices. This contract expands our base of direct customer relationships with major mobile operators, offering potential for future sales of 4G and 5G products. Finally, we secured a contract with Compal, one of the world's largest contract electronics manufacturers, who is investing in a proprietary network for its facilities based on the new 5G standard. Compal selected our software because of its unique product characteristics in terms of scalability and open interfaces with other applications.

Some of our 5G, cybersecurity and Internet of things (IoT) solutions won prestigious awards in the quarter. Aptilo IoT Connectivity Control Service was recognized as the best IoT Innovation at the World Communication Awards 2021. We were especially honored to share this award with our customer Telia and collaborative partners Fortinet and Amazon Web Services. We also secured another award for the Best 5G Security Solution at the Fierce Telecom Awards 2021. Cyberattacks on mobile networks are likely to increase as 5G systems proliferate to critical business and societal communication. We are well positioned to deliver products and services to counter these cyberthreats.



### Prioritizing growth segments

We're seeing great potential in 5G and cybersecurity, and I'm delighted that our new business unit AdaptiveMobile Security is progressing so well. That's why we'll keep prioritizing resources for these growth segments, while simultaneously reducing our costs and investments where market potential and synergies are lower. Consequently, we've decided to discontinue our Edge product line, whose market has also progressed more slowly than expected. This triggered a write-down of SEK 20 million of capitalized development expenses, which has been charged to the fourth quarter 2021. In the first quarter of 2022, we're also planning to rationalize and streamline our Operating Systems organization to address the continued decline of demand. Overall, these changes affect some 30 staff in several countries, and are expected to result in us charging SEK 30 million of restructuring expenses next quarter. These actions will reduce our cost base by SEK 45 million annualized as early as from the second quarter 2022. Overall, these actions will offer us scope that we'll use to keep upscaling our sales and product development initiatives in 5G and cybersecurity.

### Outlook

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

The uncertainty prevailing during the pandemic is starting to taper off, but some restrictions are still having an impact in parts of the world. We're heading back towards a more normalized business situation, and anticipate progressively fewer delays to customer projects and barriers to new business sales. Individual deals and licensing revenues may cause variations in revenues between individual quarters. Overall, we expect net sales growth on the previous year and an operating margin above 20 percent.

Jan Häglund  
President and CEO

# Revenue

Enea's revenue in the fourth quarter amounted to SEK 293.4 million (252.3), consisting of Net Sales of SEK 279.2 million (248.0) and Other operating revenue of SEK 14.2 million (4.4). Other operating revenue includes SEK 5 million from forgiveness of a Covid-related loan in US and SEK 6 million R&D Grant for 5G development. Net sales increased by 13 percent, currency adjusted an increase by 13 percent.

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

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

## Network Solutions

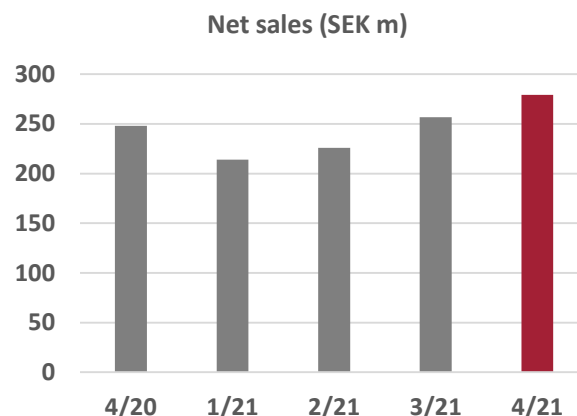
Network Solutions include products for mobile and fixed telecommunication and enterprise networks. These products are part of solutions from system vendors or are sold directly to network operators.

- Policy and access control - authentication of subscribers, and traffic management based on subscription terms, i.e. authorization and access to various types of service.
- Deep packet inspection – identification and classification of data traffic for the optimal use of available resources and enhanced network security.
- Mobile data traffic management – ensuring high and consistent quality of various types of service based on data traffic, with a specific focus on video traffic.
- Management of operators' Wi-Fi services for enterprises and consumers with automatic and secure login.
- Cloud data management – large-scale processing of subscriber information, such as subscription terms, contract period and service usage.
- Security – products and services that monitor and protect signaling and messaging traffic in telecom networks.

Network Solutions' sales amounted to SEK 215.7 million (172.8) and increased by 25 percent in the quarter and by 25 percent currency adjusted. The increase is mainly due to the acquisition of AdaptiveMobile Security, which contributed with SEK 56 million. Organic growth was, adjusted for currency, -8 percent. This product group represented 77 percent (70) of total net sales in the quarter and has growing strategic significance to Enea.

## Operating System Solutions

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



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

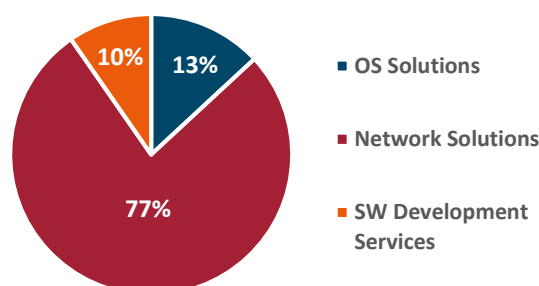
- Operating systems – products that are used in systems where reliability, performance, and real-time operation are critical, for example mobile network infrastructure. The tools used for developing applications for Enea's operating systems are often part of this business.

Sales in Operating System Solutions amounted to SEK 36.5 million (44.6) and were down by 18 percent in the quarter. The decrease is mainly driven by lower sales from key accounts, where sales decreased by 28 percent and was 65 percent (75) of sales for the product group. The decrease is expected and relates to key customers increasing the share of open source technology in their system solutions. The Operating Systems Solution product group represented 13 percent (18) of net sales in the quarter.

## Software development services

Software Development Services (SW Development Services) provide consulting services and expertise for developing integrated systems and other high-end system solutions. Sales in Software development services amounted to SEK 26.9 million (30.5) and decreased by 12 percent in the quarter. The decrease is mainly due to lower revenues from customers negatively affected by the corona pandemic. This product group represented 10 percent (12) of total net sales in the quarter.

Net sales/product group Oct-Dec



# Net sales per region and market segment

*Enea reports sales by region: EMEA, the Americas, and Asia. Enea has sales offices in Sweden, Germany, France, Spain, the UK, Ireland, Austria, Czech Republic, Romania, the US, Canada, China, Japan, India, Singapore, Malaysia, South Africa, and the United Arab Emirates.*

## EMEA

The EMEA region includes sales of both software and services. Sale of software mainly consists of telecom operators and telecom manufacturers, such as Vodafone and Nokia. Sale takes place from offices in Sweden, Germany, France, Spain, the UK, Ireland, Austria, Czech Republic, Romania, South Africa, and the United Arab Emirates.

Net sales in EMEA increased by 12 percent in the quarter, year over year.

## Americas

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

Net sales increased by 11 percent in the quarter, year over year.

## Asia

The Asia region is mainly managed from offices in China, Japan, India, Singapore, Malaysia, and India.

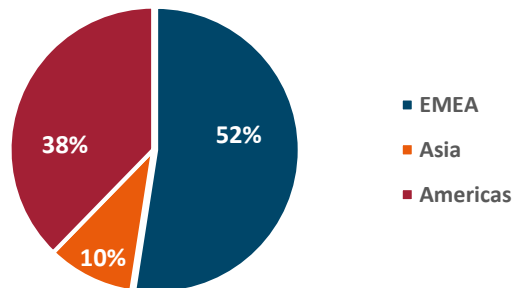
Net sales increased by 22 percent in the quarter, year over year.

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

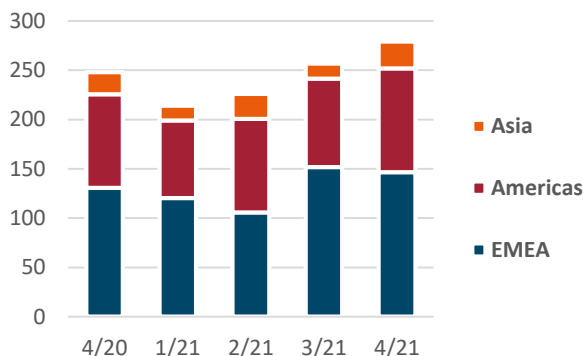
Net sales by market segment is illustrated to the right. Sales for the Telecom/OEMs segment was 34 percent (46) of total net sales. Sales for the segment Telecom/operators was 37 percent (31) of total net sales.

The Enterprises market segment was 27 percent (20) of total net sales. Other, which includes government and similar, was 2 percent (3) of total net sales.

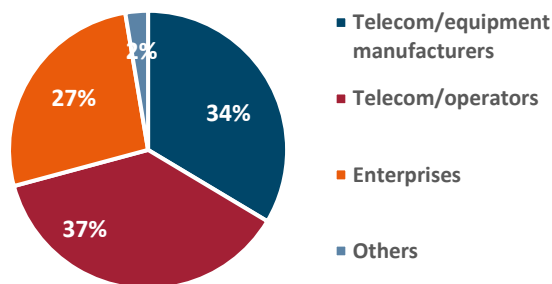
Net sales per region Oct-Dec



Net sales per region



Net sales/market segment Oct-Dec



## **Cost of goods and services sold**

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

In the fourth quarter of 2021, Enea's cost of goods and services sold was SEK 118.7 million (75.9), equivalent to a gross margin of 62.6 percent (71.1). The gross margin was negatively affected by an increase in depreciation and amortization, a write-down of capitalized development and currency effects on working capital. Depreciation and amortization increased by SEK 27.4 million to SEK 51.4 million (24.1), an effect of acquisitions in recent years. The negative currency effect on working capital was SEK 2.4 million (4.8). The gross margin was negatively affected by the revenue mix, where the share of services revenue (with a lower gross margin) increased and was 27 percent (18) of net sales. For the full year, cost of goods and services amounted to SEK 350.7 million (293.1), equivalent to a gross margin of 66.2 percent (69.5). Write-downs and restructuring costs amounted to SEK 20.1 (7.3) million for the full year.

## **Operating costs**

Operating costs are sales and marketing costs as well as product development costs and administration costs. The operating costs amounted to SEK 113.6 million (112.3) in the quarter and SEK 437.7 million (447.2) for the full year. AdaptiveMobile Security's operating costs were SEK 20.0 million in the quarter. Costs for share-based incentive programs amounted to SEK -2.8 million (0.9) in the quarter and SEK 6.5 million (13.9) for the period. The cost depends on the share price development. The decrease in operating costs relates mainly to previous year's restructuring. Transaction costs amounted to SEK 0 million (0.2) in the quarter and SEK 12.5 million (4.2) period. Restructuring costs amounted

to SEK 1.9 million (8.7) in the quarter and SEK 1.9 million (21.4) in the period.

## **Sales and marketing costs**

Sales and marketing costs include fixed and performance-related salary for the company's sales staff, and costs associated with the company's marketing activities, such as participation at trade fairs, seminars, advertising, and the web. Sales and marketing costs were SEK 47.7 million (48.0) in the fourth quarter, or 17.0 percent (19.3) of net sales in the quarter. For the full year, sales and marketing costs were SEK 181.9 million (202.5), or 18.6 percent (22.1) of net sales for the period.

## **Product development costs**

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

Total R&D investments in the fourth quarter 2021 were SEK 75.1 million (66.0), of which product development costs recognized in the Income Statement were SEK 41.4 million (38.7), corresponding to 14.8 percent (15.6) of net sales in the quarter. SEK 264.2 million (253.4) was invested in the full year, of which product development costs recognized in the Income Statement were 136.7 million (140.5), corresponding to 14.0 percent (15.4) of net sales. SEK 33.7 million (27.2) of product development costs were capitalized in the fourth quarter and SEK 127.2 million (112.9) were capitalized in the period.

## **Administration costs**

Administration costs comprise costs of management, the Board of Directors, and common corporate functions, including internal and external legal expenses and audit fees. In the fourth quarter, administration costs were SEK 24.7 million (25.6), or 8.8 percent (10.3) of net sales for the quarter. Costs for the full year were SEK 114.8 million (104.4), or 11.8 percent (11.4) of net sales. Transaction costs related to acquisitions amounted to SEK 0 million (0.2) in the quarter and SEK 12.5 million (4.2) in the full year.



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

## Results of operations

The group's operating profit excluding non-recurring items amounted to SEK 83.1 million (73.1) in the fourth quarter, and was SEK 250.4 million (221.5) for the full year, which corresponds to an operating margin excluding non-recurring items of 29.8 percent (29.5) for the quarter and 25.7 percent (24.2) for the full year.

The group's operating profit was SEK 61.1 million (62.4) in the fourth quarter with a currency effect of 0 percent (-4). The operating profit for the full year was SEK 216.0 million (188.6). The operating margin was 21.9 percent (25.9) in the quarter and 22.1 percent (20.6) for the full year.

Net financial income/expense was SEK -4.6 million (-14.9) for the quarter and SEK 5.2 million (-24.5) for the full year and included interest costs of SEK -3.6 million (-2.6), currency effects on financial items of SEK -1.1 million (-12.6), and interest income of SEK 0.2 million (0.3) for the quarter. Profit after tax amounted to SEK 54.5 million (47.4) for the quarter and SEK 200.3 million (142.3) for the full year. Earnings per share were SEK 2.54 (2.20) for the quarter and SEK 9.30 (6.63) for the full year.

## Cash flow

Cash flow from operating activities was SEK 142.4 million (61.5) for the fourth quarter and SEK 333.7 million (274.2) for the

period. Total cash flow was SEK 30.6 million (26.5) for the fourth quarter and SEK 7.5 million (61.6) for the full year.

## Investments

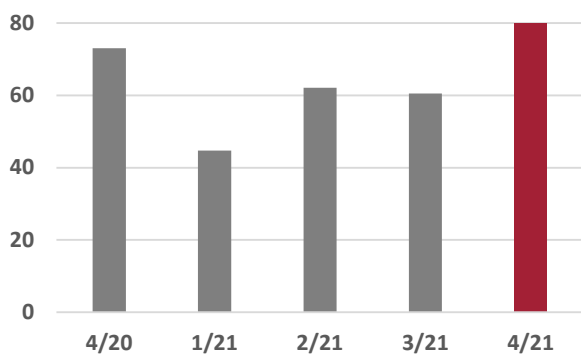
The group's investments amounted to SEK 38.6 million (181.4) in the fourth quarter and SEK 631.3 million (280.6) for the full year. Depreciation and amortization amounted to SEK 54.8 million (26.9) for the fourth quarter and SEK 140.7 million (87.3) for the full year. Enea capitalized SEK 33.7 million (27.2) of product development expenses in the quarter and SEK 127.2 million (112.9) for the full year. Amortization and write-down of capitalized product development expenses was SEK 37.6 million (15.9) for the fourth quarter and SEK 85.8 million (47.5) for the full year. Depreciation of leased assets was SEK 4.8 million (4.9) in the quarter and SEK 18.4 million (20.3) for the full year.

## Financial position

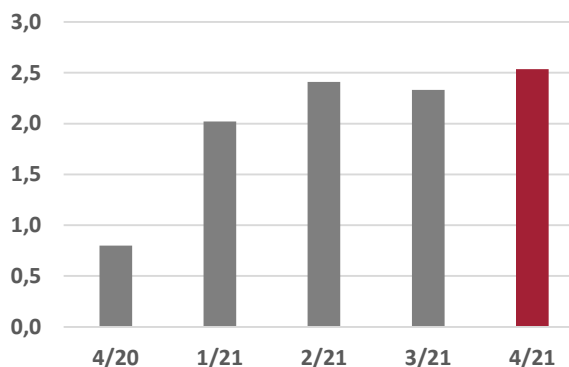
Net debt was SEK 527.3 million (238.8) at year end, with cash and cash equivalents of SEK 211.4 million (195.1) and interest-bearing bank liabilities of SEK 738.6 million (433.9). Interest-bearing liabilities were divided between long term of SEK 469.8 million (291.7), and current of SEK 268.8 million (142.2).

The equity ratio was 58.6 percent (63.7), and total assets amounted to SEK 3,033.3 million (2,334.0) at year end. Net debt/EBITDA (12 months) was 1.41 (0.81).

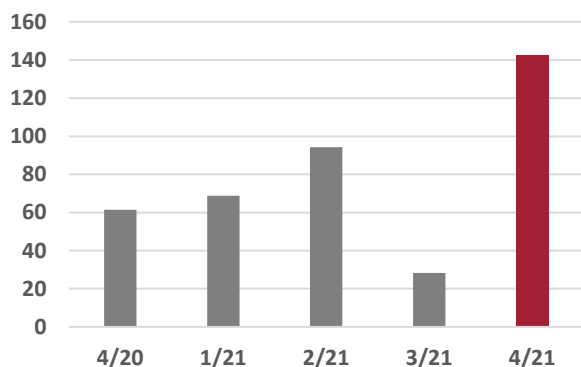
Operating profit excluding NRI (SEK m)



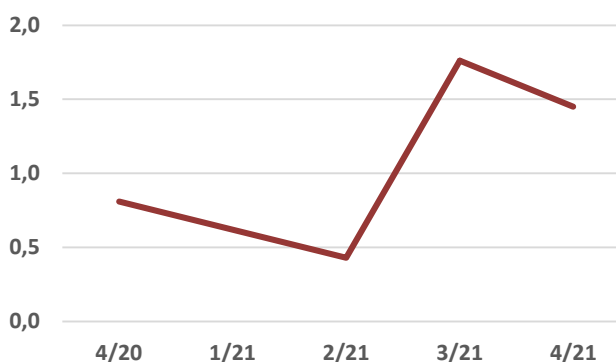
Earnings per share (SEK)



Cash flow from operations (SEK m)



Net debt/EBITDA (ratio)



## Parent company

The parent company's revenue for January to December amounted to SEK 51.2 million (43.3) and loss before appropriations and tax amounted to SEK -31.3 million (-37.7). The parent company's net financial income/expense was SEK -0.7 million (1.6), and cash and cash equivalents were SEK 0 million (0) at period end. The parent company's investments in the quarter were SEK 0.3 million (0). The parent company had 17 (15) employees at the end of the year. The parent company does not conduct its own operations and its risks primarily relate to the operations of subsidiaries.

## Employees

At the end of the quarter, the group had 772 (659) employees. The increase of staff related to acquisition of business is 131.

## Repurchase of treasury shares

Enea repurchased 52 288 shares in the fourth quarter, in relation to the financing of the share-based incentive program LTIP19. Altogether shares corresponding to approximately 0.4 per cent of the total outstanding shares and votes in the company have been repurchased during the program for a total value of SEK 21.7 million. Enea held 130 500 treasury shares at the end of the period, or 0.6 percent of the total number of shares. The Board of Directors now made the assessment that a sufficient number of shares have been repurchased to ensure delivery of the shares in accordance with the incentive program and has therefore decided to end the buyback program.

## Annual General Meeting

Enea's Annual General Meeting (AGM) 2022 will be held at 4:30 p.m. on 5 May in Stockholm.

## Nomination Committee

In consultation with the largest shareholders, the Chairman of the Board of Enea AB has established a Nomination Committee for the AGM 2022. The members of the Nomination Committee are: Per Lindberg, Jan Dworsky (Swedbank Robur Fonder), Niklas Johansson (Handelsbanken Fonder), Henrik Söderberg (C WorldWide Asset Management) and Anders Lidbeck (Chairman of Enea AB). The Nomination Committee has appointed Per Lindberg as Chairman. The duty of the Nomination Committee is to submit proposals for the Chairman and other members of the Board, and fees and other compensation for work on the Board to each of the Board members, to the AGM. The Nomination Committee should also submit proposals on the election and remuneration of auditors. The Nomination Committee should also submit proposals on the process for appointing a nomination committee for the AGM 2023.

## No dividend proposed

Enea's endeavor is to build a larger and stronger company that delivers growing value for customers, employees and shareholders. Acquisitions that strengthen our market position and long-term earnings ability, as well as continued investments in our product portfolio are key components of these efforts. To facilitate, and be well prepared for this type of acquisition, Enea needs a strong, but also flexible capital structure. On occasion, this may mean that the company is net leveraged. Accordingly, the Board of Directors needs to take the company's long-term investment requirement and financial position into account when considering dividends. Enea's long-term dividend policy is to transfer at least 30 percent of profit after tax to shareholders. However, the company's financial position, cash flow, potential for acquisitions and future prospects can also be considered. Accordingly, with the company's potential for acquisitions and growth strategy for the coming years, the Board will not be proposing any dividend for 2021.



## Financial assets and liabilities

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

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

*Level 2:* Fair value of financial instruments not traded on an active market (e.g. OTC derivatives are measured with the aid of valuation techniques). The group has currency derivatives, which are used for hedging purposes. Currency hedges are measured at market value by conducting an early allocation of the currency hedge to determine what the forward price would be if the maturity were at the reporting date. As of 31 December 2021, the group's currency hedged amounted to a receivable of SEK 1.8 million, which is the total of level 2.

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

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

Allocation by level in fair value measurement, 31 December, SEK million	Level 1	Level 2	Level 3	Total
<i>Derivative instruments used for hedging purposes:</i>				
Currency derivatives	-	1.8	-	1.8
<b>Total</b>	-	<b>1.8</b>	-	<b>1.8</b>

## Accounting policies

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





# Financing, risks, long-term ambition & outlook

## Financing

Enea has a SEK 70 million overdraft facility, of which SEK 37 million had been utilized at the end of the quarter. The terms and conditions of the overdraft facility include covenants regarding net debt/EBITDA, all of which were satisfied as of 31 December 2021.

Enea has four bank loans of SEK 80 million (raised January 2019), SEK 250 million (raised October 2019), SEK 130 million (raised October 2020), and EUR 40 million (raised July 2021). The loans are to be repaid within two years. Interest accrues at Stibor 3M (with a floor) plus a market yield. The agreement stipulates customary covenants. These covenants were satisfied as of 31 December 2021. The remaining liability as of 31 December amounted to SEK 701 million.

## Material risks and uncertainty factors

Dependency on Key Accounts is decreasing but remains high. These customers represented approximately 15 percent of the group's revenues in the quarter and the trend for these revenues is declining.

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

Enea's business strategy is based on developing new products and refining existing solutions, which means substantial investments. At year-end 2021, capitalized development costs amounted to SEK 269.7 million (216.0). The investments target markets with a great potential for growth and profitability, after careful analysis. If products, despite this, fail to achieve technical and financial success, the company's business and financial position can be negatively affected. This may lead to changes in strategy and priorities.

Essentially, Enea's business can operate from people's homes for a period. Enea has the tools to enable this with state-of-the-art communication solutions. Efficiency remains high but will, to some extent, be affected if restrictions on physical meetings

continue. Contact with customers now also mainly takes place via different communication solutions, instead of physical meetings. Enea has during 2021 received government support in form of two forgiven Covid-related loans of SEK 9.7 million.

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

## Long-term ambition

Our mission is to be a world-leading supplier of software components for telecommunication and cybersecurity. The market for data management in 5G, virtualization, and advanced cybersecurity is entering an exciting phase, where we can challenge established competitors and win market shares with innovative products and new business models. Overall, our ambition is to increase revenue robustly through the coming years, with an operating margin exceeding 20 percent, through organic growth in Network solution, plus complementary strategic acquisitions that advance our market position. This ambition means us passing yearly net sales of SEK 1.5 billion by 2023. The operating margin will vary between quarters, tracking growth. Growth and earnings performance will vary during years and between quarters, primarily due to how individual transactions occur, and the progress of royalty streams.

Enea's target for the full year 2021 was to achieve revenue growth compared to previous year and an operating margin above 20 percent, which was met with a revenue growth of 7 percent and a full year margin of 22 percent.

## Outlook for 2022

The uncertainty prevailing during the pandemic is starting to taper off, but some restrictions are still having an impact in parts of the world. We're heading back towards a more normalized business situation, and anticipate progressively fewer delays to customer projects and barriers to new business sales. Individual deals and licensing revenues may cause variations in revenues between individual quarters. Overall, we expect net sales growth on the previous year and an operating margin above 20 percent.

Kista, Sweden, 2 February 2022

The Board of Directors

---

*This Annual statement was not examined by the company's auditors*

### Acquisition of AdaptiveMobile Security

On July 17<sup>th</sup> Enea acquired AdaptiveMobile Security including subsidiaries. The acquired company is market leading in technology for the protection of signaling and messaging in mobile networks. AdaptiveMobile Security is acquired at an enterprise value of EUR 45 million on a debt- and cash free basis and the transaction is financed by a new bank loan and cash. The company's net sales 2020 amounted to EUR 15.5 million and it has 135 employees with head quarter in Dublin, Ireland.

The company was consolidated into Enea from the acquisition date, when operations were integrated into the Network Solutions product group. For the period acquisition date to December 2021, the unit reported net sales of SEK 103.4 million and an operating profit of SEK 21.6 million. The goodwill arising in the acquisition is not tax deductible and relates to estimated profitability, additions to the product portfolio, and expected synergy effects. The financial impact of this transaction is illustrated below. The analysis of fair value adjustment of product rights, customer contracts, current receivables and current liabilities is preliminary up to twelve months after acquisition date. In quarter four, goodwill and current liabilities were adjusted by minor amounts.

	<b>SEK thousand</b>
Purchase price	
Cash and cash equivalents	400,342
<b>Total purchase consideration</b>	<b>400,342</b>

The preliminary carrying amounts (fair value recognized in the group) of identifiable assets and liabilities taken over as of the acquisition date:

<b>Fair value reported in the group</b>	
Customer contracts	176 458
Product rights	20 833
Trademark	2 325
Tangible fixed assets	1 337
Other financial fixed assets	108
Current receivables	52 086
Cash and cash equivalents	21 195
Deferred tax liability	-24 952
Long-term liabilities, interest bearing	-15 330
Other long-term liabilities	-3 677
<b>Current liabilities, interest bearing</b>	<b>-121 196</b>
Net identifiable assets and liabilities	109 186
Goodwill	291 156
<b>Acquisition cost for the group</b>	<b>400 342</b>

The cash flow impact of the transaction amounts to SEK -379 million, consisting of purchase price of SEK -400 million and acquired cash of SEK 21 million. In connection to the acquisition,

short-term liabilities of SEK 78 million were taken over and paid during the quarter.

### Acquisition-related expenses

Acquisition related expenses of SEK 12.5 million are included in administrative costs in the Consolidated Income Statement for 2021.

# Consolidated Statement of Comprehensive Income

SEK m	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
Net sales	279.2	248.0	975.6	915.1
Other operating revenue	14.2	4.4	24.7	14.0
Total revenue	293.4	252.3	1,000.3	929.1
Cost of goods and service sold	-118.7	-75.9	-350.7	-293.1
Gross profit	174.8	176.4	649.7	636.0
Sales and marketing costs	-47.6	-48.0	-181.9	-202.5
R&D costs	-41.4	-38.7	-137.0	-140.5
General and administration costs	-24.7	-25.6	-114.8	-104.4
Operating profit 1) 2) 3) 4)	61.1	64.2	216.0	188.6
Net financial income/expense	-4.6	-14.9	5.2	-24.5
Profit before tax	56.6	49.2	221.2	164.2
Tax	-2.0	-1.8	-20.9	-21.9
<b>Net profit for the period</b>	<b>54.5</b>	<b>47.4</b>	<b>200.3</b>	<b>142.3</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<i>Items that may be reclassified to profit or loss</i>				
Change in hedging reserve, after tax	-0.6	3.5	-2.6	2.4
Exchange rate differences	38.2	-115.5	108.3	-149.4
<i>Items that will not be reclassified to profit or loss</i>				
Pension obligations	0.3	-1.4	1.0	-1.1
<b>Total comprehensive income for the period, net of tax</b>	<b>92.4</b>	<b>-66.0</b>	<b>307.0</b>	<b>-5.9</b>
Profit for the period attributable to equity holders of the parent company	54.5	47.4	200.3	142.3
Comprehensive income for the period attributable to equity holders of the parent company	92.4	-66.0	307.0	-5.9
1) including depreciation and write-down of tangible assets	3.5	2.7	11.3	11.2
2) Including amortization and write-down of intangible assets	51.3	24.2	129.4	76.1
3) Including amortization of right-to-use assets	4.8	4.9	18.4	20.3
<b>4) Non-recurring items included in operating profit</b>				
Operating profit including non-recurring items	61.1	64.2	216.0	188.6
Write-down	20.1	-	20.1	-
Restructuring costs	1.9	8.7	1.9	28.7
Transaction costs related to acquisitions	-	0.2	12.5	4.3
<b>Operating profit excluding non-recurring items</b>	<b>83.1</b>	<b>73.1</b>	<b>250.4</b>	<b>221.5</b>

## Key figures – Income Statement

SEK m	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
Earnings per share (SEK)	2.54	2.20	9.30	6.63
Earnings per share after full dilution (SEK)	2.54	2.20	9.30	6.63
Average number of shares before dilution (million)	21.5	21.5	21.5	21.5
Average number of shares after dilution (million)	21.5	21.5	21.5	21.5
Net sales growth (%)	13	-4	7	-8
Gross margin (%)	62.6	71.1	66.6	69.5
EBITDA (SEK m)	120.7	95.9	375.0	296.1
Operating costs as % of revenue				
- Sales and marketing costs	17.0	19.3	18.6	22.1
- R&D costs	14.8	15.6	14.0	15.4
- G&A costs	8.8	10.3	11.8	11.4
Operating margin excl. non-recurring items (%)	29.8	29.5	25.7	24.2
Operating margin (%)	21.9	25.9	22.1	20.6

## Consolidated Statement of Financial Position

<i>SEK m</i>	31 Dec 2021	31 Dec 2020
<b>ASSETS</b>		
Intangible assets	2,313.4	1,734.5
- goodwill	1,595.6	1,227.7
- capitalized development	269.7	216.0
- product rights	69.1	57.4
- customer contracts	314.7	167.0
- trademarks	26.7	23.5
- right-to-use assets	36.9	42.0
- other intangible assets	0.6	1.0
Inventories, tools and installations	25.6	21.3
Deferred tax assets	24.7	19.4
Other fixed assets	4.3	6.1
<b>Total fixed assets</b>	<b>2,368.0</b>	<b>1,781.4</b>
Current receivables	454.0	357.5
Cash and cash equivalents	211.4	195.1
<b>Total current assets</b>	<b>665.3</b>	<b>552.6</b>
<b>Total assets</b>	<b>3,033.3</b>	<b>2,334.0</b>
<b>EQUITY and LIABILITIES</b>		
<b>Equity</b>	<b>1,776.0</b>	<b>1,487.5</b>
<b>Provisions</b>	<b>2.0</b>	<b>3.1</b>
Long-term liabilities		
Deferred tax liabilities	124.3	96.0
Long-term liabilities, interest-bearing	469.8	291.7
Long-term liabilities, non-interest-bearing	21.6	15.8
Long-term liabilities, leasing	21.4	26.1
<b>Total long-term liabilities</b>	<b>637.1</b>	<b>429.6</b>
Current liabilities		
Current liabilities, interest-bearing	268.8	142.2
Current liabilities, non-interest-bearing	332.4	254.9
Current liabilities, leasing	16.9	16.8
<b>Total current liabilities</b>	<b>618.1</b>	<b>413.9</b>
<b>Total equity and liabilities</b>	<b>3,033.3</b>	<b>2,334.0</b>

## Consolidated Statement of Changes in Equity

<i>SEK m</i>	31 Dec 2021	31 Dec 2020
At beginning of period	1,487.5	1,481.3
Total comprehensive income for the period	307.0	-5.9
Share saving program	3.2	13.8
Repurchasing of own shares	-21.7	-1.7
<b>At end of period</b>	<b>1,776.0</b>	<b>1,487.5</b>

# Consolidated Statement of Cash Flow

<i>Mkr</i>	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
Operating cash flow before changes in working capital	112.8	80.8	367.3	279.9
Cash flow from changes in working capital	29.6	-19.4	-33.6	-5.7
Cash flow from operating activities	142.4	61.5	333.7	274.2
Cash flow from investing activities	-38.3	-31.2	-138.4	-130.9
Cash flow from acquisition of operations, net	-0.0	-90.5	-379.4	-90.5
Cash flow from financing activities, raising of loans	0.2	134.1	412.4	139.4
Cash flow from financing activities, amortization of loans	-56.2	-42.5	-180.9	-108.3
Cash flow from financing activities, amortization of lease liability	-4.7	-4.8	-18.3	-20.5
Cash flow from financing activities, repurchase of shares	-12.8	-	-21.7	-
Cash flow from financing activities, settlement of share savings program	-	-	-	-1.7
Cash flow for the period	30.6	26.5	7.5	61.6
Cash and cash equivalents at the beginning of period	176.3	180.0	195.0	146.1
Exchange rate difference in cash and cash equivalents	4.4	-11.4	8.8	-12.7
Cash and cash equivalents at the end of period	211.4	195.0	211.4	195.0

## Key figures – Balance Sheet and Cash Flow Statement

<i>SEK m</i>	Jan-Dec	
	2021	2020
Cash and cash equivalents (SEK m)	211.4	195.1
Equity ratio (%)	58.6	63.7
Equity per share (SEK)	82.7	69.1
Cash flow from operating activities per share (SEK)	15.5	12.8
Net debt (SEK m)	527.3	238.8
Number of employees at end of period	772	659
Return on equity (%)	12.3	9.6
Return on capital employed (%)	14.0	11.2
Return on assets (%)	11.8	9.5

## Parent Company

### Income Statement

<i>SEK m</i>	Jan-Dec	
	2021	2020
Revenue	51.2	43.3
Operating costs	-81.8	-82.6
Operating profit	-30.6	-39.3
Financial net	-0.7	1.6
Profit/loss after financial net	-31.3	-37.7
Appropriations	30.5	37.0
Profit/loss before tax	-0.8	-0.7
Tax	-	-
<b>Net profit/loss for the period</b>	<b>-0.8</b>	<b>-0.7</b>

## Parent Company

### Balance Sheet

<i>SEK m</i>	31 Dec	
	2021	2020
<b>ASSETS</b>		
Fixed assets	213.1	212.4
Current assets	1,426.2	1,116.5
<b>Total assets</b>	<b>1,639.4</b>	<b>1,329.0</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	832.5	851.7
Untaxed reserves	2.7	3.7
Long-term liabilities, interest-bearing	469.8	291.7
Current liabilities, interest-bearing	267.3	137.5
Current liabilities, other	67.0	44.3
<b>Total equity and liabilities</b>	<b>1,639.4</b>	<b>1,329.0</b>

## Quarterly data\*

SEK m	2021				2020				2019		
	Kv4	Kv3	Kv2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	
<b>INCOME STATEMENT</b>											
Net sales	279.2	256.6	225.8	214.0	248.0	206.4	239.0	221.7	258.0	246.9	
Other operating revenue	14.2	2.4	5.3	2.8	4.4	2.3	2.3	5.0	2.8	3.2	
Cost of goods and services sold	-118.7	-88.9	-72.1	-71.1	-75.9	-64.5	-73.5	-79.2	-74.5	-72.4	
Gross profit	174.8	170.1	159.0	145.7	176.4	144.3	167.7	147.6	186.4	177.8	
Sales and marketing costs	-47.6	-48.3	-41.5	-44.6	-48.0	-44.9	-54.3	-55.2	-53.8	-48.8	
R&D costs	-41.4	-34.7	-30.5	-30.3	-38.7	-27.9	-29.1	-44.8	-44.0	-40.4	
General and administration costs	-24.7	-39.1	-24.9	-26.1	-25.6	-28.7	-25.2	-25.0	-31.6	-25.0	
Operating profit	61.1	48.1	62.1	44.7	64.2	42.8	59.1	22.6	57.0	63.5	
Net financial income/expense	-4.6	9.2	-3.7	4.3	-14.9	-6.3	-4.2	1.0	-26.0	-8.2	
Profit before tax	56.6	57.2	58.4	48.9	49.2	36.5	54.9	23.5	30.9	55.3	
Tax	-2.0	-7.0	-6.5	-5.4	-1.8	-5.4	-8.1	-6.5	-2.8	-7.7	
<b>Net profit for the period</b>	<b>54.5</b>	<b>50.2</b>	<b>52.0</b>	<b>43.5</b>	<b>47.4</b>	<b>31.1</b>	<b>46.8</b>	<b>17.0</b>	<b>28.2</b>	<b>47.7</b>	
Other comprehensive income	37.9	27.7	-30.2	71.3	-113.4	-34.2	-108.7	108.2	-62.5	63.4	
<b>Total comprehensive income</b>	<b>92.4</b>	<b>77.9</b>	<b>21.8</b>	<b>114.9</b>	<b>-66.0</b>	<b>-3.1</b>	<b>-61.9</b>	<b>125.2</b>	<b>-34.3</b>	<b>111.0</b>	
<b>BALANCE SHEET</b>											
Intangible assets	2,313.4	2,305.5	1,777.6	1,801.9	1,734.5	1,669.5	1,695.3	1,784.7	1,672.3	1,735.1	
Other fixed assets	50.3	36.3	35.5	39.1	40.7	30.1	26.6	27.7	27.6	28.8	
Other financial fixed assets	4.3	5.0	5.1	5.0	6.1	4.0	3.4	3.4	3.4	3.4	
Current receivables	454.0	461.0	353.0	379.5	357.5	347.0	371.4	388.9	364.3	394.3	
Cash and cash equivalents	211.4	176.4	250.5	236.9	195.1	180.0	184.5	170.3	146.1	395.7	
<b>Total assets</b>	<b>3,033.3</b>	<b>2,984.1</b>	<b>2,421.7</b>	<b>2,462.5</b>	<b>2,334.0</b>	<b>2,230.6</b>	<b>2,281.2</b>	<b>2,375.1</b>	<b>2,213.8</b>	<b>2,557.2</b>	
Shareholders' equity	1,776.0	1,699.4	1,629.2	1,606.0	1,487.5	1,553.1	1,552.2	1,611.5	1,481.3	1,507.9	
Long-term liabilities, interest-bearing	491.2	592.1	181.2	315.5	317.7	245.7	246.4	283.6	283.6	105.9	
Long-term liabilities, non-interest-bearing	147.9	146.6	116.2	116.1	115.0	105.1	102.5	103.1	99.0	93.0	
Current liabilities, interest-bearing	285.8	240.2	247.3	163.0	159.0	87.2	134.5	105.1	117.0	515.5	
bearing	332.4	305.9	247.7	262.0	254.9	239.5	245.7	271.7	232.9	334.9	
<b>Total equity and liabilities</b>	<b>3,033.3</b>	<b>2,984.1</b>	<b>2,421.7</b>	<b>2,462.5</b>	<b>2,334.0</b>	<b>2,230.6</b>	<b>2,281.2</b>	<b>2,375.1</b>	<b>2,213.8</b>	<b>2,557.2</b>	
<b>CASH FLOW</b>											
Cash flow from operating activities	142.4	28.3	94.3	68.8	61.5	82.8	67.7	62.2	48.6	69.5	
Cash flow from investing activities	-38.3	-34.8	-33.1	-32.3	-31.2	-34.6	-34.9	-30.2	-22.2	-21.4	
Cash flow from financing activities	-73.5	310.2	-44.6	-0.5	86.7	-52.3	-8.1	-17.4	-223.4	193.4	
<b>Cash flow for the period</b>	<b>30.6</b>	<b>303.7</b>	<b>16.6</b>	<b>36.0</b>	<b>116.9</b>	<b>-4.0</b>	<b>24.6</b>	<b>14.6</b>	<b>-197.0</b>	<b>241.5</b>	
Cash flow from acquisition of operation:											
Cash flow for the period, from acquisition of operation	-0.0	-379.3	-	-	-90.5	-	-	-	-47.1	-	
<b>Total cash flow for the period</b>	<b>30.6</b>	<b>-75.7</b>	<b>16.6</b>	<b>36.0</b>	<b>26.5</b>	<b>-4.0</b>	<b>24.6</b>	<b>14.6</b>	<b>-244.2</b>	<b>241.5</b>	

## Five-year summary\*

SEK m	2021	2020	2019	2018	2017
<b>INCOME STATEMENT</b>					
Net Sales	975.6	915.1	994.5	824.3	584.4
Other operating revenue	24.7	14.0	17.5	17.7	4.0
Operating expenses	-784.4	-740.5	-757.3	-653.1	-485.6
Operating profit	216.0	188.6	254.7	188.9	102.8
Net financial income/expense	5.2	-24.5	-51.7	-27.7	-5.2
Profit before tax	221.2	164.2	203.0	161.1	97.6
Profit for the period	200.3	142.3	169.7	141.7	82.5
<b>Total</b>	<b>200.3</b>	<b>142.3</b>	<b>169.7</b>	<b>141.7</b>	<b>82.5</b>
<b>BALANCE SHEET</b>					
Intangible assets	2,313.4	1,734.5	1,672.3	1,381.4	522.2
Other intangible assets	50.3	40.7	27.6	33.7	31.0
Other financial fixed assets	4.3	6.1	3.4	3.1	2.7
Financial assets held for sale, non-current	-	-	-	-	62.1
Current receivables	454.0	357.5	364.3	426.8	203.6
Financial assets held for sale, current	-	-	-	-	40.2
Cash and cash equivalents	211.4	195.1	146.1	74.7	312.0
<b>Total assets</b>	<b>3,033.3</b>	<b>2,334.0</b>	<b>2,213.8</b>	<b>1,919.7</b>	<b>1,173.8</b>
Shareholders' equity	1,776.0	1,487.5	1,481.3	985.8	754.2
Long-term liabilities, interest-bearing	469.8	291.7	263.0	539.8	82.0
Long-term liabilities, non-interest-bearing	169.3	141.0	119.6	86.8	161.8
Current liabilities, interest-bearing	268.8	142.2	99.1	94.3	34.0
Current liabilities, non-interest-bearing	349.3	271.7	250.8	212.9	141.8
<b>Total equity and liabilities</b>	<b>3,033.3</b>	<b>2,334.0</b>	<b>2,213.8</b>	<b>1,919.7</b>	<b>1,173.8</b>
<b>CASH FLOW</b>					
Cash flow from operating activities	333.7	274.2	245.2	168.6	116.6
Cash flow from investing activities	-138.4	-130.9	-90.9	30.5	-139.7
Cash flow from investing activities-acquisition of operation	-379.4	-90.5	-47.1	-954.4	-96.3
Cash flow from financing activities	191.5	8.9	-35.9	514.2	206.6
<b>Cash flow for the period</b>	<b>7.5</b>	<b>61.6</b>	<b>71.2</b>	<b>-241.1</b>	<b>87.2</b>
<b>KEY FIGURES</b>					
Net sales growth, %	7	-8	21	41	17
Operating margin, %	22.1	20.6	25.6	22.9	17.6
Profit margin, %	22.7	17.9	20.4	19.5	16.7
Return on capital employed, %	14.0	11.2	15.6	17.0	16.3
Return on equity, %	12.3	9.6	13.8	16.3	14.0
Return on total capital, %	11.8	9.5	13.3	13.8	11.1
Interest coverage ration, multiple	3.3	4.1	3.8	4.1	5.4
Equity ratio, %	58.6	63.7	66.9	51.4	64.3
Liquidity, %	107.6	133.5	145.9	163.2	316.1
EBITDA	375.0	296.1	340.8	229.3	126.6
Net debt/EBITDA	1.41	0.81	0.63	2.44	-1.58
Average number of employees	705	634	629	563	467
Net sales per employee, SEK m	1.4	1.4	1.6	1.5	1.3
Net asset value per share, SEK	82.66	69.09	69.54	50.99	39.00
Earnings per share, SEK	9.30	6.63	8.47	7.33	4.69

# Financial definitions and alternative performance measures

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

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

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

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

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

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

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

**Interest coverage ratio:** Profit after financial items plus financial costs in relation to financial costs.<sup>2</sup>

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

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

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

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

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

**Net sales growth<sup>1</sup>:** Revenue in the period in relation to the previous period's revenue.

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

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

**Operating margin:** Operating profit in relation to revenue.

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

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

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

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

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

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

	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
<b>1. Reconciliation of net sales growth</b>				
Net sales, SEK million	279.2	248.0	975.6	915.1
Net sales growth, SEK million	31.2	-10.1	60.5	-79.4
Net sales growth, %	13	-4	7	-8
Currency effect, unchanged exchange rates compared to previous year, SEK m	-0.3	-12.3	-36.9	-13.6
Currency effect, unchanged exchange rates compared to previous year, %	-0	-5	-4	-1
Net sales growth, unchanged exchange rates compared to previous year, SEK m	31.5	2.2	97.4	-65.8
Net sales growth, unchanged exchange rates compared to previous year, %	13	1	11	-7

	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
<b>2. Reconciliation of financial income/expense</b>				
Financial income, SEK million	58.6	6.1	100.6	28.1
Financial expense, SEK million	-63.1	-21.0	-95.4	-52.5
Reported financial income/expense	-4.6	-14.9	5.2	-24.5



# About Enea

Enea is one of the world’s leading specialists in software for telecommunication and cybersecurity. The company’s cloud-native products are used to enable and protect services for subscribers, enterprise customers, and connected devices. More than four and a half billion people rely on Enea technologies in their daily lives.

Enea focuses on selected core segments (see illustration below), where it aspires to leadership. The product portfolio includes:

- Cloud data management in 4G/5G networks
- Mobile video traffic management
- Signaling and messaging security
- Management of services in Wi-Fi networks
- Policy and access control
- Embedded traffic classification
- Cloud-based services for the Internet of Things
- Real-time operating systems for mobile networks

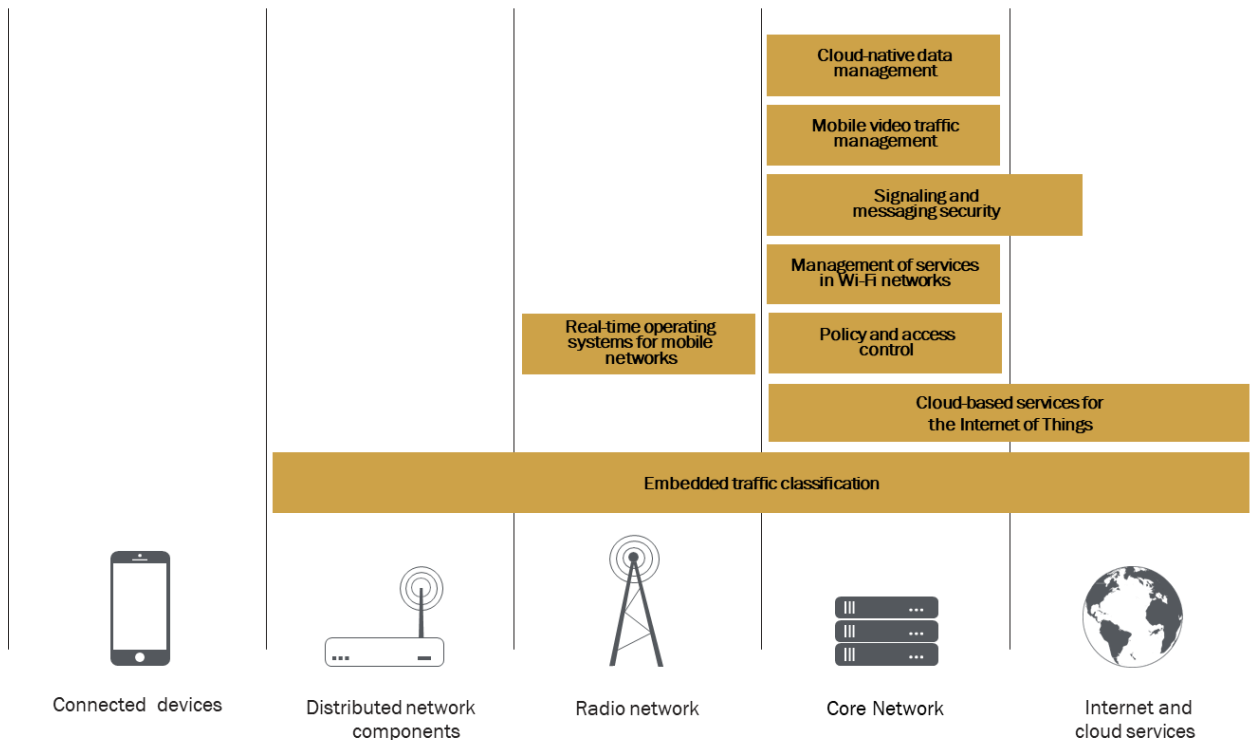
Enea applies two main sales models, direct sales to end-customers, and indirect sales through partners. Direct sales of turnkey solutions to operators are mainly in the four areas cloud data management, mobile video traffic management, management of services in Wi-Fi networks, and policy and access control.

Indirect sales involve component sales to system vendors or system integrators, who in turn, deliver and implement complete solutions for operators and enterprises. This sales model is mainly in real-time operating systems and embedded traffic intelligence.

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

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

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



# About Enea

Enea has development centers and sales offices across Europe, North America, and Asia. The company's engineers and project managers have long-term experience of developing software, and take overall responsibility, covering everything from design and

coding to project management, quality-assurance, and training. A total of around 770 people work for the company, and its headquarters are located in Stockholm, Sweden.



Region	Country	City	Product development	Sales support
Africa	South Africa	Johannesburg		●
Europe	Austria	Vienna		●
	Czech Republic	Brno	●	●
	Croatia	Osijek	●	
	France	Paris	●	●
	Germany	Berlin		●
	Ireland	Dublin	●	●
	Romania	Bucharest	●	●
		Craiova	●	
		Iasi	●	
	Spain	Madrid		●
	Sweden	Stockholm	●	●
	UK	Belfast	●	
		Bristol	●	
	London		●	
Middle East	United Arab Emirates	Dubai		●
North America	Canada	Toronto		●
	US	Boston	●	
		Dallas		●
		Miami		●
		Phoenix		●
		Redwood City		●
	Seattle		●	
North-East Asia	Japan	Tokyo		●
	China	Shanghai		●
South-East Asia	India	Hyderabad	●	●
		Pune	●	
	Malaysia	Kuala Lumpur		●
	Singapore	Singapore		●

## The share

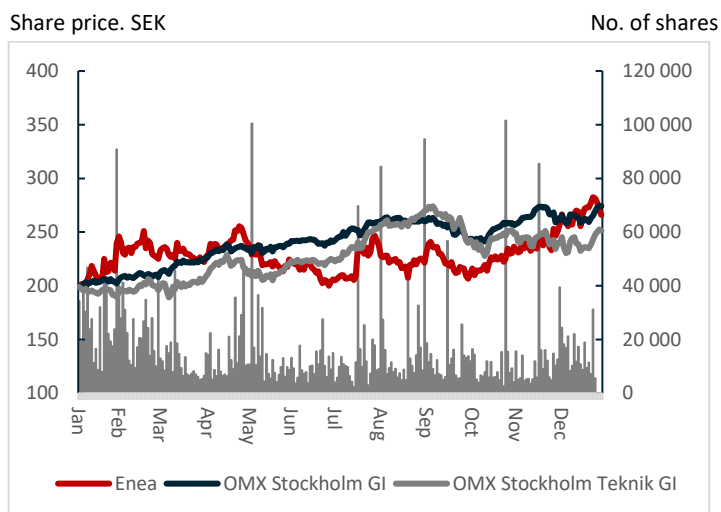
### October - December 2021

Share price performance: 28.37%  
Share turnover: 900 238

Highest closing price: SEK 282.50  
Lowest closing price: SEK 210.00  
Closing price, period end: SEK 271.50

Market cap (31 December): SEK 5.750 million  
Total no. of shares (31 December): 21 615 231

Share turnover (%): 4.2%  
Daily share turnover: 14 066



### For queries, please contact:

Jan Häglund, President and CEO  
Ola Burmark, CFO  
Lotta Trulsson, Executive Assistant

Phone: +46 (0)8 - 507 14000

Enea AB, corp ID no. 556209-7146  
Jan Stenbecks Torg 17  
P.O. Box 1033  
SE-164 21 Kista

### Financial Information:

Interim report Jan-Mar	27 April 2022
Annual general meeting	5 May 2022
Interim report Jan-Jun	15 July 2022
Interim report Jan-Sep	26 October 2022
Annual statement	2 February 2023

All financial information is published on Enea's website [www.enea.com](http://www.enea.com)

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

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