

Interim report

Third Quarter 2022



Third Quarter

- Net sales amounted to SEK 229.3 million (229.5), which was flat compared to same period previous year. Net sales decreased by 8 percent in fixed exchange rates.
- Adjusted EBITDA amounted to SEK 85.4 million (91.6), corresponding to a margin of 37.3 percent (39.9).
- Operating profit was SEK 41.0 million (42.9), corresponding to an operating margin of 17.9 percent (18.7).
- Net profit after tax amounted to SEK 36.6 million (45.6).
- Earnings per share were SEK 2.42 (2.33).
- Earnings per share continued operations were SEK 1.69 (2.11).

The period January – September

- Net sales amounted to SEK 656.7 million (610.9), equivalent to a 7 percent increase. Net sales increased by 1 percent in fixed exchange rates.
- Adjusted EBITDA amounted to SEK 212.3 million (248.3), corresponding to a margin of 32.3 percent (40.6).
- Operating profit was SEK 60.3 million (140.3), corresponding to an operating margin of 9.2 percent (23.0).
- Net profit after tax amounted to SEK 69.8 million (133.0).
- Earnings per share were SEK 8.61 (6.76).
- Earnings per share continued operations were SEK 3.24 (6.17).

Significant Events During and After the End of the Quarter

- On August 12, Enea announced a three-year expansion agreement for mobile messaging security with a North American Communication Platform-as-a-Service (CPaaS) provider. Software licenses worth USD 1.8 million are recognized in the third quarter of 2022, while remaining revenues will be recognized over the full contract period. The total deal value is USD 5.9 million.
- On September 30, Enea announced a contract for 5G traffic management with a North American mobile network operator. The solution is based on Enea's new 5G Service Engine (5G-SE), which was launched to the market in July. Software licenses corresponding to a value of CAD 3.3 million are recognized in the third quarter of 2022, while remaining parts of the agreement are delivered during the next three years. The total contract value is CAD 4.4 million.

Key figures (continued operations)

	Jul-Sep		Jan-Sep		12 months	
	2022	2021	2022	2021	R12	2021
Total revenue, SEK m	252.9	231.8	691.6	621.1	958.0	887.5
Net sales, SEK m	229.3	229.5	656.7	610.9	908.9	863.2
Growth, %	-0	31	7	9	10	11
Growth currency adjusted, %	-8	33	1	14	10	-2
Acquired growth, SEK m	-	69.0	77.7	107.1	133.8	163.2
Adjusted EBITDA, SEK m	85.4	91.6	212.3	248.3	331.1	367.0
Adjusted EBITDA, %	37.3	39.9	32.3	40.6	36.4	42.5
EBITDA, SEK m	85.3	79.2	188.5	235.8	305.4	352.6
EBITDA, %	37.2	34.5	28.7	38.6	33.6	40.9
Operating profit, SEK m	41.0	42.9	60.3	140.3	117.8	197.8
Operating margin, %	17.9	18.7	9.2	23.0	13.0	22.9
Net profit after tax, SEK m	36.6	45.6	69.8	133.0	122.3	185.5
Profit discontinued operations, MSEK	15.8	4.7	115.7	12.7	15.8	14.8
Earnings per share, SEK	2.42	2.33	8.61	6.76	11.14	9.30
Earnings per share continued operations, SEK	1.69	2.11	3.24	6.17	5.68	8.61
Cash flow from operating activities, SEK m	92.1	28.3	169.3	191.3	311.7	333.7
EBITDA less capitalized development, SEK m	51.2	47.6	91.7	142.3	174.8	225.4
Net debt/EBITDA (12 months)	0.93	1.88	0.93	1.88	0.93	1.50
Cash & cash equivalents, SEK m	264.0	176.4	264.0	176.4	264.0	211.4

CEO's Statement

New deals in cybersecurity, traffic management and 5G, plus an increase in recurring revenues, contributed to higher net sales and operating profit than earlier quarters this year.

The third quarter 2022 was clearly better than previous quarters this year, with higher net sales, an improved operating margin, increased operating profit and strong cash flow from operations. Network Solutions achieved organic growth of 4 percent, thanks to new license deals and increased recurring revenues. We're now clearly seeing our 5G investments pay off, this time with a major deal in North America. Further, our new business unit, AdaptiveMobile Security, is continuing to win cybersecurity contracts. Net sales in the quarter were SEK 229 million, and our operating profit was SEK 41 million, equivalent to an operating margin of 18 percent. Currency effects had a positive impact on profit, largely due to a high revenue share in USD. Cash flow from operating activities was SEK 92 million, and our earnings per share (EPS) were SEK 2.42, including SEK 0.73 from our Services business, which was divested earlier in the year.

Customers in North America are still prioritizing and investing in security, rollouts of 5G, the adoption of new cloud platforms and network performance enhancements. We have business relationships with many of the largest network operators in Canada, Mexico, and the USA, and are consolidating our sales resources in this region. We have good potential for more cross sales of our product portfolio, i.e., sales of new products through established account relationships and under existing framework agreements. In other regions, we're seeing the market being slowed by a worsening macroeconomic situation with higher inflation, rising interest rates and increased energy prices. In turn, this is causing deferrals of major investments, such as the build-out of 5G core networks.

Telecom network security remains a major issue for public authorities and service providers. In August, we won a contract at a major North American CPaaS provider (communication platform as a service), securing our market leading status in messaging security, and helping the continued progress of our business unit AdaptiveMobile Security. American mobile operators and service providers use our software and expertise to prevent 40-50 million

fraud attempts every day through malicious and unwanted text messages. Total traffic volume is increasing, and thanks to strong positioning on the market, we see the potential to grow our global sales in messaging security.

Enea launched the service platform 5G Service Engine (5G-SE) in July—a new solution, and the market's first to support traffic management and video optimization of both 4G and 5G traffic. As early as September, we signed our first contract with a North American mobile operator, who will deploy this product to enhance QoS for subscribers, increase the data speed of mobile traffic and reduce radio network loading. This deal is a major boost to our license revenue, and means our business relationship with this key customer is expanding. Traffic management is part of Network Solutions, that made slow progress in recent quarters due to project delays and a reduced willingness to invest. However, increased operating expenses in mobile networks may present new business opportunities, because video traffic optimization helps reduce energy consumption in telecom operator datacenters and radio equipment.

Outlook

The market for data management in 5G and advanced cybersecurity is in an early 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.

Individual deals and licensing revenues may cause variations in revenues between individual quarters. This effect has increased as Network Solutions represent a larger share of our total net sales. Our long-term target of sales growth and an operating profit above 20 percent remains, but an uncertain macro environment and a weak start to the year means that we judge it challenging to reach our profitability target for 2022.

Jan Häglund
President and CEO



Financial Summary

Profit and loss items include continued operations and are compared to the corresponding period of the previous year. Balance sheet and cash flow items are for the financial position at period end and are compared to the corresponding point of the previous year.

Third Quarter, July - September 2022

Revenue

Total revenue in the third quarter amounted to SEK 252.9 million (231.8), consisting of net sales of SEK 229.3 million (229.5) and other operating revenue of SEK 23.6 million (2.3). Other operating revenue includes a SEK 9.9 million (0) forgiven Covid-loan and currency effects of SEK 13.7 million (2.3). Net sales was flat compared with corresponding period of the previous year, and a decrease of 8 percent in constant currencies. Currency adjusted organic growth was -8 percent (-8). Acquired growth amounted to SEK 0 million (69.0).

Enea's offering is divided into two product groups: Network Solutions and Operating Systems.

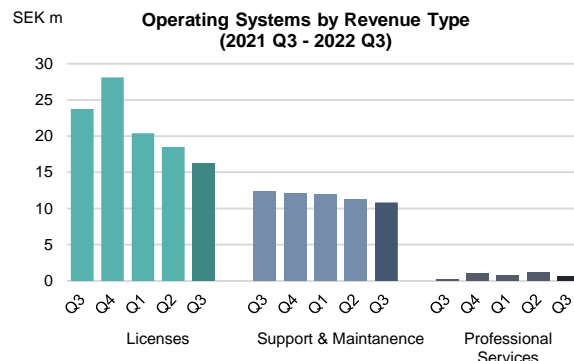
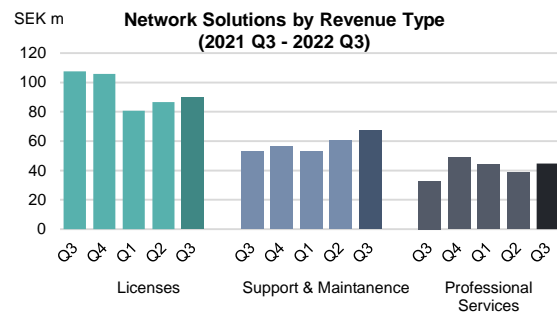
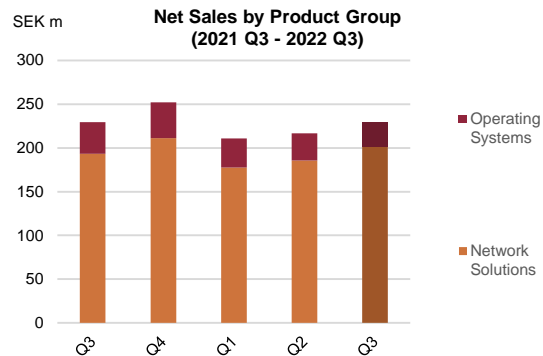
Network Solutions

Sales of the Network Solutions product group amounted to SEK 201.5 million (193.2) and increased by 4 percent in the quarter, or by -4 percent currency adjusted. This product group represented 88 percent (84) of total net sales in the quarter and represents Enea's main revenue stream.

License sales amounted to SEK 89.5 million (107.5). In the quarter, license revenue of SEK 0 million (28.5) regarding accomplished milestones for 4G- and 5G-network projects has been recognized. Support and maintenance sales amounted to SEK 67.2 million (53.0), equivalent to an increase of 27 percent. Sales from professional services amounted to SEK 44.7 million (32.6), an increase of 37 percent.

Operating Systems

Operating Systems sales amounted to SEK 28.1 million (36.3) and was down by 23 percent in the quarter, or by 24 percent currency adjusted. The decrease is mainly driven by lower sales from key accounts, where sales decreased by 33 percent and were 60 percent (69) 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 product group represented 12 percent (11) of net sales in the quarter.



Expenses and Earnings in the quarter

Costs of Goods and Services sold

In the third quarter of 2022, Enea's cost of goods and services sold totalled SEK 53.6 million (40.4), equivalent to a gross margin of 86.9 percent (83.4).

Operating Expenses

In the third quarter, operating expenses amounted to SEK 158.2 million (148.5). Expenses for share-based incentive programs amounted to SEK -2.3 million (1.8) for the quarter, with this expense varying with the share price. Depreciation and amortization of SEK 43.8 million (35.7) was charged to the operating expenses.

Sales and Marketing Expenses

Sales and marketing expenses were SEK 61.4 million (46.4) in the third quarter, or 26.8 percent (20.2) of net sales. The increase is partly due to our strategy to strengthen the sales organization, partly the effect of exchange rate changes and some one-time effects. Depreciations and amortization of SEK 0.3 million (0.6) was charged to sales and marketing expenses.

Product Development Expenses

Product development expenses were SEK 69.9 million (64.9) in the third quarter, or 30.5 percent (28.3) of net sales. SEK 34.1 million (31.5) was capitalized in the quarter. A total of 28.3 percent (28.9), of net sales were invested in product development in the quarter. Depreciation and amortization of SEK 39.1 million (30.9) was charged to product development expenses, of which amortization of acquisition-related and capitalized development expenses was SEK 37.3 million (30.1).

Administrative Expenses

Administrative expenses were SEK 27.0 million (37.2), representing 11.8 percent (16.2) of net sales in the quarter. Depreciation and Amortization of SEK 4.4 million (4.2) was charged to administrative expenses.

EBITDA

EBITDA was SEK 85.3 million (79.2), representing an EBITDA-margin of 37.2 percent (34.5).

Adjusted for non-recurring items, EBITDA was SEK 85.4 million (91.6) corresponding to an adjusted EBITDA margin of 37.3 percent (39.9).

Operating Profit/Loss

Operating profit/loss was SEK 41.0 million (42.9), equivalent to an operating margin of 17.9 percent (18.7).

Adjusted for non-recurring items, operating profit amounted to SEK 41.1 million (54.4), corresponding to an adjusted operating margin of 17.9 percent (24.1).

Net Financial Income/Expense

Net financial income/expense was SEK 14.4 million (8.8). External interest expenses were SEK -3.7 million (-3.4). Unrealised exchange rate fluctuations on financial assets had an impact of SEK 16.8 million (12.0) in the quarter.

Tax

The tax expense in the quarter was SEK 18.8 million (6.2). The effective tax rate is 34 percent (12.0). Costs have been negatively impacted in the quarter by a reduction of tax receivables of SEK 10,4 million in Sweden.

Profit/Loss

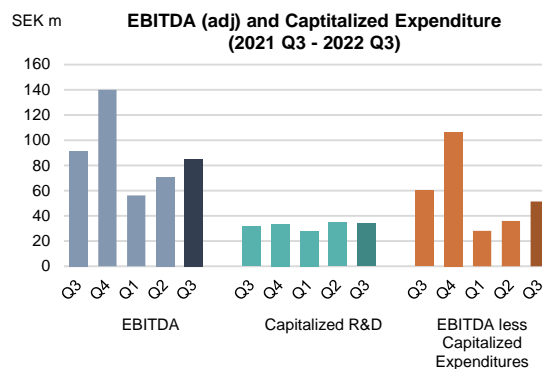
Profit/loss after tax amounted to SEK 36.6 million (45.6) in the third quarter. Earnings per share amounted to SEK 2.42 (2.33). Earnings per share for continued operations amounted to SEK 1.69 (2.11).

Cash Flow

The group generated cash flow from operating activities of SEK 92.1 million (28.3) in the quarter, positively impacted by customer payments. Cash flow from investing activities amounted to SEK -36.4 million (-34.8), of which investments in intangible assets amounted to SEK -34.5 million (-31.5) and purchases of property, plant, and equipment amounted to SEK -1.4 million (-3.3). Cash flow from investment/divestment of business was SEK 14.6 million (-379.3). Cash flow from financing activities was SEK -34.5 million (310.2). Total cash flow for the quarter amounted to SEK 35.9 million (-75.7).

Investments

Investments in the quarter amounted to SEK 35.9 million (526.2). Depreciation, amortization, and impairment was SEK 40.4 million (32.7). Capitalized product development expenses amounted to SEK 34.1 million (31.5), and the related amortization and impairment was SEK 22.9 million (16.5). Depreciation of leased assets was SEK 3.8 million (3.6) for the quarter.



Period, January - September 2022

Revenue

Total revenue in the period amounted to SEK 691.6 million (621.1), consisting of net sales of SEK 656.7 million (610.9) and other operating revenue of SEK 35.0 million (10.2). Other operating revenue includes a SEK 3.3 million (0) R&D Grant for 5G development, SEK 9.9 million (0) forgiven Covid-loan and currency effects of SEK 21.8 million (10.2). Net sales increased by 7 percent on the corresponding period of the previous year, a currency adjusted increase of 1 percent. Acquired growth amounted to SEK 77.7 million (107.1). Currency adjusted organic growth was -12 percent (-6).

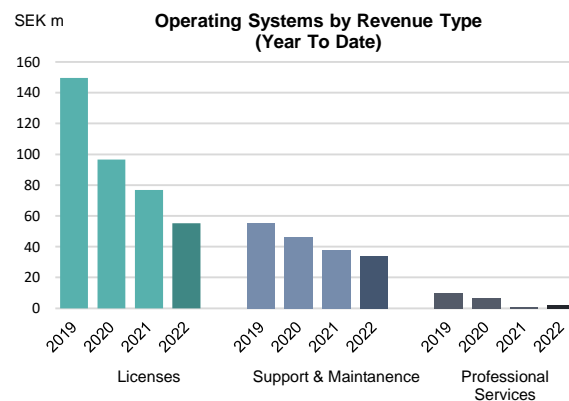
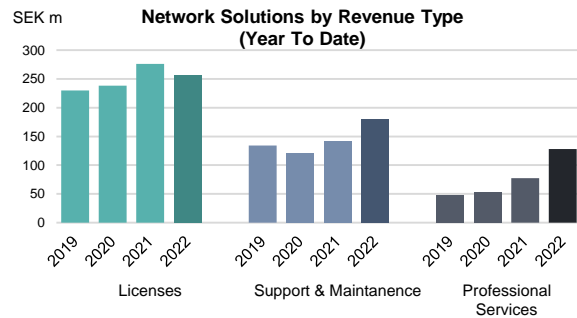
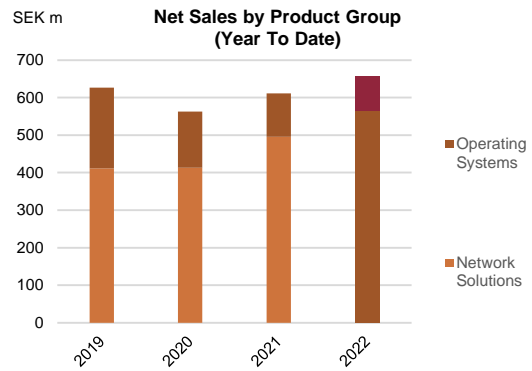
Network Solutions

Sales for the Network Solutions product group amounted to SEK 565.3 million (495.5) and increased by 14 percent in the period, or by 6 percent currency adjusted. The increase is mainly due to the acquisition of AdaptiveMobile Security, which contributed SEK 136.4 million (47.3). Currency adjusted organic growth was -13 percent. The decrease is mainly related to variations in license sales between quarters. This product group represented 86 percent (81) of total net sales in the period and represents Enea's main revenue stream.

License sales amounted to SEK 257.0 million (276.2). In the period, license revenue of SEK 29.5 million (46.8) regarding accomplished milestones for 4G and 5Gnet projects has been recognized. Support and maintenance sales amounted to SEK 180.4 million (142.0), equivalent to an increase of 27 percent. Sales from professional services amounted to SEK 127.9 million (77.3), an increase of 65 percent.

Operating Systems

Operating Systems sales amounted to SEK 91.4 million (115.5) and were down by 21 percent during the period, or by 21 percent currency adjusted. The decrease is mainly driven by lower sales from key accounts, where sales decreased by 31 percent and was 61 percent (70) 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 product group represented 14 percent (16) of net sales during the period.



Expenses and Earnings in the period

Costs of Goods and Services Sold

During the period January to September, Enea's cost of goods and services sold totalled SEK 149.2 million (93.9), equivalent to a gross margin of 82.6 percent (86.3). Gross margin was negatively affected by the acquisition of AdaptiveMobile Security, which has a larger share of services revenue and a lower share of license revenue compared to Enea's other software business.

Operating Expenses

Accumulated, operating expenses amounted to SEK 482.1 million (386.9), of which AdaptiveMobile Security's operating expenses were SEK 91.9 million. Expenses for share-based incentive programs amounted to SEK 0.4 million (9.3) for the period, with this expense varying with the share price. Restructuring costs amounted to SEK 23.8 million (0). Transaction costs related to acquisitions were SEK 0 million (12.5). Depreciation and amortization of SEK 126.8 million (94.5) was charged to the operating expenses.

Sales and Marketing Expenses

Sales and marketing expenses were SEK 170.8 million (129.0) in the period, or 26.0 percent (21.1) of net sales. Restructuring costs amounted to SEK 11.4 million (0). Depreciations and amortization of SEK 0.3 million (1.4) was charged to sales and marketing expenses.

Product Development Expenses

Product development expenses were SEK 231.4 million (173.3) in the period, or 35.2 percent (28.4) of net sales. SEK 96.9 million (93.6) was capitalized in the period. A total of 31.0 percent (31.0), excluding restructuring costs, of net sales was invested in product development in the period. Restructuring costs have affected the result for the period by SEK 12.0 million (0). Depreciation and amortization of SEK 112.7 million (79.5) was charged to product development expenses, of which amortization of acquisition-related and capitalized development expenses was SEK 107.3 million (77.7).

Administrative Expenses

Administrative expenses were SEK 79.9 million (84.6), representing 12.2 percent (13.8) of net sales in the period. Depreciation and Amortization of SEK 13.0 million (13.6) was charged to administrative expenses.

EBITDA

EBITDA was SEK 188.5 million (235.8), representing an EBITDA-margin of 28.7 percent (38.6).

Adjusted for non-recurring items, EBITDA was SEK 212.3 million (248.3) corresponding to an adjusted EBITDA margin of 32.3 percent (40.6).

Operating Profit/Loss

Operating profit/loss was SEK 60.3 million (140.3), equivalent to an operating margin of 9.2 percent (23.0).

Adjusted for non-recurring items, operating profit amounted to SEK 84.1 million (152.8), corresponding to an adjusted operating margin of 12.8 percent (25.0).

Net Financial Income/Expense

Net financial income/expense was SEK 17.6 million (9.1). External interest expenses were SEK -11.6 million (-7.0). Unrealised exchange rate fluctuations on financial assets had an impact of SEK 26.8 million (16.2) in the period.

Tax

The tax expense in the period was SEK 8.1 million (16.5). The effective tax rate is 10.4 percent (11.0).

Profit/Loss

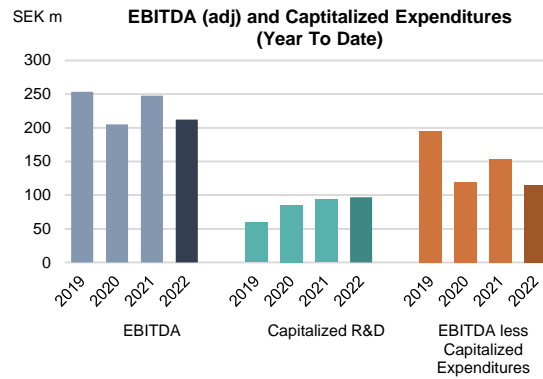
Profit/loss after tax amounted to SEK 69.8 million (133.0) in the period. Earnings per share amounted to SEK 8.61 (6.76). Earnings per share for continued operations amounted to SEK 3.24 (6.17).



Period Cash Flow and Financial Position

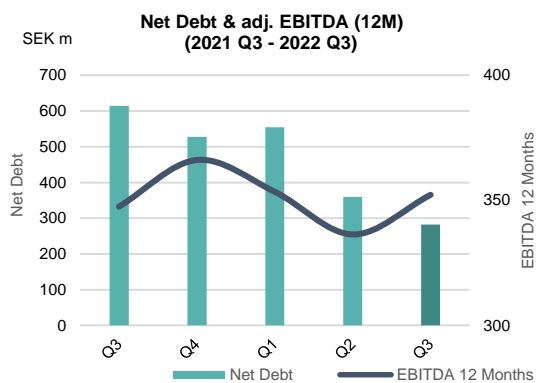
Cash Flow

The group generated cash flow from operating activities of SEK 169.3 million (191.3) in the period. Cash flow from investing activities amounted to SEK -104.7 million (-100.2), of which investments in intangible assets amounted to SEK -98.1 million (-93.6) and purchases of property, plant, and equipment amounted to SEK -6.3 million (-8.0). Cash flow from investment/divestment of business was SEK 173.4 million (-379.3). Cash flow from financing activities was SEK -207.2 million (274.0). Cash flow from repurchase of treasury shares was SEK 0 million (-8.9). Total cash flow for the period amounted to SEK -30.8 million (-23.1).



Investments

Investments in the period amounted to SEK 104.6 million (592.7). Depreciation, amortization, and impairment was SEK 116.6 million (85.1). Capitalized product development expenses amounted to SEK 96.9 million (93.6), and the related amortization and impairment was SEK 64.8 million (48.1). Depreciation of leased assets was SEK 11.6 million (10.3) for the period.



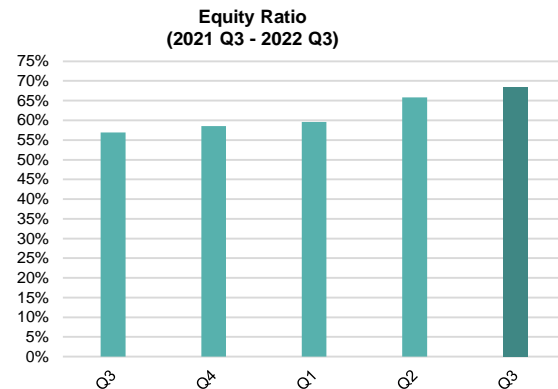
Financial Position at the end of the period

At end of the period, net debt amounted to SEK 282.7 million (614.6), cash and cash equivalents were SEK 264.0 million (176.4), and interest-bearing bank debt amounted to 546.7 million (790.4). Interest-bearing liabilities were divided between non-current liabilities of SEK 546.7 million (568.4), and current liabilities of SEK 0 million (222.6).

The equity ratio was 68.5 percent (56.9), and total assets amounted to SEK 3,358.5 million (2,984.1) at period end. Net debt/EBITDA (12 months) was 0.93 (1.76).

Financing

Enea has a SEK 70 million overdraft facility, of which SEK 0 million was utilized at the end of the period. In April 2022 Enea entered into facility agreements with a term loan facility of EUR 40 million and a revolving credit facility of SEK 350 million with DnB Bank ASA and Svensk Exportkredit (publ) as lenders. The facilities have a tenure of 3 years. The facilities include customary covenants. The covenants were satisfied as of 30 September 2022. The remaining liability as of 30 September 2022 was SEK 547 million.



Divestment of business

On April 7, Enea announced an agreement to divest its Software Development Services business to AROBS Transilvania Software (AROBS). The transaction was completed on June 8. The enterprise value of the divested business amounts to EUR 17.9 million on a cash and debt free basis, including normalized working capital. The business is reported as discontinued operations and the financial impact shows in the below table:

P&L Discontinued operations (MSEK)	2022		2021		
	Q3	Jan-Sep	Q3	Jan-Sep	Full year
Total revenue	2.8	57.6	27.2	85.8	112.9
Cost of goods and services sold	-1.8	-40.3	-18.3	-59.9	-78.4
Gross profit	1.0	17.3	9.0	25.9	34.5
Operating costs	-0.5	-7.4	-3.8	-11.4	-16.3
Operating profit	0.5	9.9	5.2	14.6	18.2
Profit before tax	0.5	10.2	5.5	15.2	18.7
Tax	0.0	-1.2	-0.8	-2.4	-3.9
Profit from discontinued operations net after tax	0.5	9.0	4.7	12.7	14.8
Profit from sale of operations	15.3	106.7			
Profit from discontinued operations	15.8	115.7	4.7	12.7	14.8
Exchange rate differences from translation of discontinued operations	0.0	13.9			
Total comprehensive income from discontinued operations	0.0	13.9			
Purchase price	14.7	186.5			
Net assets	0.0	55.8			
Profit before reclassification of currency translation reserve	14.7	130.7			
Reclassification of currency translation reserve	0.0	-13.9			
Transaction costs	0.6	-10.2			
Profit from sale of operations	15.3	106.7			
Assets and liabilities at date of divestment					
Goodwill		29.1			
Tangible assets		0.9			
Operating assets		36.6			
Total assets		66.5			
Operating liabilities		10.7			
Total liabilities		10.7			
Net assets		55.8			

The business was divested without net debt impact.

Other Disclosures

Parent Company

The parent company's revenue for January to September amounted to SEK 31.0 million (34.6) and loss before appropriations and tax amounted to SEK -45.1 million (-28.3). The parent company's net financial income/expense was SEK -1.6 million (-0.5), and cash and cash equivalents were SEK 15.8 million (0) at period end. The parent company's investments in the quarter were SEK 0.5 million (0.5). The parent company had 18 (16) employees at the end of the period. The parent company does not conduct its own operations and its risks primarily relate to the operations of subsidiaries.

Employees

At the end of the period, the group had 556 (769) employees. Decrease of staff related to the divestment amounts to 194.

Share-based incentive programs

Enea has one outstanding long-term incentive program.

LTIP21 was approved by the AGM in 2021 and includes approximately 30 senior executives and key employees. Granting of shares is based on Enea's growth of earnings per share in the financial years 2021-2023. Maximum granting in LTIP21 is 243,000 shares, according to AGM resolution.

The provision for expenses related to the programs amounted to SEK -2.3 million (1.8) in the quarter and SEK 0.4 million (9.3) in the period. Total provision for outstanding program amounts to SEK 12.1 million.

Share Issue and Repurchase of Treasury Shares

In the first quarter, Enea issued and repurchased 243,000 class C shares to finance the LTIP19 share-based incentive program. Enea held 255,952 treasury shares (including above mentioned C-shares) at the end of the period, or 1.2 percent of the total number of shares.

The Share and Shareholders

Enea is listed on Nasdaq Stockholm [ENEA]. There are a total of 21,615,231 ordinary shares outstanding and 243,000 class C-shares.

The company's largest shareholders are Per Lindberg with 34.1 percent, Handelsbanken Fonder with 7.8 percent, Första AP Fonden 6.6 percent, C WorldWide Asset Management with 4.8 percent and Swedbank Robur Fonder with 3.8 percent. The 20 largest shareholders hold a total of 75.2 percent of the capital and 74.6 percent of the votes of the company. Swedbank Robur has decreased their holding to 3.8 percent of the votes, compared to previous 4.8 percent.

Annual General Meeting

The AGM 2023 will be held May 4th 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 2023. The members of the Nomination Committee are: Per Lindberg (own mandate), Niklas Johansson (Handelsbanken Fonder), Sophie Larsén (Första AP-fonden), 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 2024.

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 30 September 2022, the group's currency hedged amounted to a liability of SEK 0.4 million, which is the total of level 2.

Level 3: The group does not report any financial instruments at level 3 as of 30 September 2022

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

Allocation by level in fair value measurement, September 30 th , SEK million	Level1	Level 2	Level 3	Total
Derivative instruments used for hedging purposes:				
Currency derivatives	-	0.4	-	0.4
Total	-	0.4	-	0.4

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.

Material Risks and Uncertainties

Enea is mainly active in cybersecurity and telecommunication. Current external uncertainties, such as pandemic, the war in Ukraine and the global economy, affect some customers' risk appetites and willingness to invest. For Enea, this could mean some projects being delayed or aborted. Meanwhile, the underlying drivers of telecommunication, involving a continued focus on virtualization, 5G and increased network capacity, remain.

Enea's business strategy is based on developing new products and refining existing solutions, which means substantial investments. At period-end, capitalized development expenses amounted to SEK 313.1 million (250.5). Investments target markets with high growth and profitability potential, after thorough analysis. If despite this, products fail to achieve technical or financial success, the company's business and financial position may be negatively affected. This may lead to changes in strategies and priorities.

Since there were no other significant changes to material risks and uncertainties in the quarter, the reader is referred

to the review on pages 34-37 of the most recent Annual Report.

Long-term Ambition

Enea's 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 Enea can challenge established competitors and win market shares with innovative products and new business models. Overall, its ambition is to increase revenue robustly through the coming years, with an operating margin exceeding 20 percent, through organic growth in Network Solutions, plus complementary strategic acquisitions that advance Enea's market position. The operating margin will vary between quarters, tracking growth. Growth and earnings performance will vary during years and between quarters, primarily due to when individual transactions occur, and the progress of royalty streams. The divestment of the Software Development Services business means that the company's long-term financial ambition needs review, which is scheduled after the fourth quarter of 2022.

Outlook for 2022

Individual deals and licensing revenues may cause variations in revenues between individual quarters. This effect has increased as Network Solutions represent a larger share of our total net sales. Our long-term target of sales growth and an operating profit above 20 percent remains, but an uncertain macro environment and a weak start of the year means that we now judge it challenging to reach the profitability target during 2022.

Kista, Sweden October 26, 2022
Enea AB (publ)
The Board of Directors

Auditors report

Enea AB (publ) corp. reg. no. 556209-7146

Introduction

We have reviewed the condensed interim financial information (interim report) of Enea AB (publ) as of 30 September 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, Sweden, 26 October 2022
Öhrlings PricewaterhouseCoopers AB
Nicklas Kullberg, Authorized Public Accountant

This is information that Enea AB (publ) is required to publish under the EU market Abuse Regulation. The information was submitted for publication on the authority of Jan Häglund on 26 October 2022 at 7:20 a.m.

Consolidated statement of comprehensive income

SEK m	Jul-Sep		Jan-Sep		12 months	Full year
	2022	2021	2022	2021	Oct-Sep	2021
Net sales	229.3	229.5	656.7	610.9	908.9	863.2
Other operating revenue	23.6	2.3	35.0	10.1	49.1	24.3
Total revenue	252.9	231.8	691.6	621.1	958.0	887.5
Cost of goods and service sold	-53.6	-40.4	-149.2	-93.9	-197.8	-142.5
Gross profit	199.3	191.4	542.5	527.2	760.2	745.0
Sales and marketing costs	-61.4	-46.4	-170.8	-129.0	-215.9	-174.1
R&D costs	-69.9	-64.9	-231.4	-173.3	-324.3	-266.2
General and administration costs	-27.0	-37.2	-79.9	-84.6	-102.3	-106.9
Operating profit 1) 2) 3) 4)	41.0	42.9	60.3	140.3	117.8	197.8
Net financial income/expense	14.4	8.8	17.6	9.1	13.1	4.7
Profit before tax	55.4	51.8	77.9	149.4	131.0	202.5
Tax	-18.8	-6.2	-8.1	-16.5	-8.7	-17.0
Profit after tax continued operations	36.6	45.6	69.8	133.0	122.3	185.5
Profit discontinued operations	15.8	4.7	115.7	12.7	117.7	14.8
Net profit for the period	52.4	50.2	185.5	145.7	240.0	200.3
OTHER COMPREHENSIVE INCOME						
<i>Items that may be reclassified to profit or loss</i>						
Change in hedging reserve, after tax	-0.1	-0.5	-1.2	-2.0	-1.8	-2.6
Exchange rate differences	133.7	28.1	334.5	70.1	372.7	108.3
<i>Items that will not be reclassified to profit or loss</i>						
Pension obligations	1.2	0.2	1.2	0.7	1.5	1.0
Total comprehensive income for the period, net of tax	187.2	77.9	519.9	214.6	612.4	307.0
Profit for the period attributable to equity holders of the parent company	52.4	50.2	185.5	145.7	240.0	200.3
Comprehensive income for the period attributable to equity holders of the parent company	187.2	77.9	519.9	214.6	612.4	307.0
1) including depreciation and write-down of tangible assets	3.0	2.5	9.1	7.1	12.3	10.4
2) Including amortization and write-down of intangible assets	37.4	30.2	107.5	78.0	159.8	130.3
3) Including amortization of right-to-use assets	3.8	3.6	11.6	10.3	15.4	14.1
4) Non-recurring items included in operating profit						
Operating profit including non-recurring items	41.0	42.9	60.3	140.3	117.8	197.8
Write-down	-	-	-	-	20.1	20.1
Restructuring costs	0.1	-	23.8	-	25.7	1.9
Transaction costs related to acquisitions	-	12.5	-	12.5	-	12.5
Operating profit excluding non-recurring items	41.1	55.4	84.1	152.8	163.6	232.2

Key figures – income statement

SEK m	Jul-Sep		Jan-Sep		12 months	Full year
	2022	2021	2022	2021	Oct-Sep	2021
Earnings per share (SEK)	2.42	2.33	8.61	6.76	11.14	9.30
Earnings per share after full dilution (SEK)	2.42	2.33	8.61	6.76	11.14	9.30
Earnings per share continued operations (SEK)	1.69	2.11	3.24	6.17	5.68	8.61
Earnings per share after full dilution continued operations (SEK)	1.69	2.11	3.24	6.17	5.68	8.61
Average number of shares before dilution (million)	21.6	21.6	21.5	21.6	21.5	21.5
Average number of shares after dilution (million)	21.6	21.6	21.5	21.6	21.5	21.5
Net sales growth (%)	-0	31	7	9	10	11
Gross margin (%)	86.9	83.4	82.6	86.3	83.6	86.3
EBITDA (SEK m)	85.3	79.2	188.5	235.8	305.4	352.6
Operating costs as % of revenue						
- Sales and marketing costs	26.8	20.2	26.0	21.1	23.8	20.2
- R&D costs	30.5	28.3	35.2	28.4	35.7	30.8
- G&A costs	11.8	16.2	12.2	13.8	11.3	12.4
Operating margin excl. non-recurring items (%)	17.9	24.1	12.8	25.0	18.0	26.9
Operating margin (%)	17.9	18.7	9.2	23.0	13.0	22.9

Consolidated statement of financial position

<i>SEK m</i>	30 Sep	30 Sep	31 dec
	2022	2021	2021
ASSETS			
Intangible assets	2,546.2	2,305.5	2,313.4
- goodwill	1,781.6	1,572.8	1,595.6
- capitalized development	342.5	269.7	269.7
- product rights	63.7	71.9	69.1
- customer contracts	300.3	323.6	314.7
- trademarks	30.0	26.5	26.7
- right-to-use assets	26.6	40.4	36.9
- other intangible assets	1.4	0.7	0.6
Inventories, tools and installations	23.2	23.4	25.6
Deferred tax assets	11.7	12.9	24.7
Other fixed assets	4.1	5.0	4.3
Total fixed assets	2,585.2	2,346.8	2,368.0
Current receivables	509.3	461.0	454.0
Cash and cash equivalents	264.0	176.4	211.4
Total current assets	773.3	637.4	665.3
Total assets	3,358.5	2,984.1	3,033.3
EQUITY and LIABILITIES			
Equity	2,301.8	1,699.4	1,776.0
Provisions	3.1	2.0	2.0
Long-term liabilities			
Deferred tax liabilities	129.8	124.9	124.3
Long-term liabilities, interest-bearing	546.7	568.4	469.8
Long-term liabilities, non-interest-bearing	22.4	19.7	21.6
Long-term liabilities, leasing	16.4	23.7	21.4
Total long-term liabilities	715.2	736.7	637.1
Current liabilities			
Current liabilities, interest-bearing	-	222.6	268.8
Current liabilities, non-interest-bearing	327.5	305.9	332.4
Current liabilities, leasing	10.9	17.6	16.9
Total current liabilities	338.4	546.1	618.1
Total equity and liabilities	3,358.5	2,984.1	3,033.3

Consolidated statement of changes in equity

<i>SEK m</i>	30 Sep	30 Sep	31 dec
	2022	2021	2021
At beginning of period	1,776.0	1,487.5	1,487.5
Total comprehensive income for the period	519.9	214.6	307.0
New share issue	0.3	-	-
Share saving program	5.9	6.2	3.2
Repurchasing of own shares	-0.3	-8.9	-21.7
At end of period	2,301.8	1,699.4	1,776.0

Consolidated statement of cash flow

<i>SEK m</i>	Jul-Sep		Jan-Sep		Full year
	2022	2021	2022	2021	2021
Profit before tax	71.2	57.2	194.8	164.6	221.2
Adjustment for non-cash items	29.6	39.2	22.7	100.7	158.3
Tax paid/received	-9.5	-10.3	-7.5	-10.8	-12.1
Operating cash flow before changes in working capital	91.4	86.1	210.0	254.5	367.3
Cash flow from changes in working capital	0.8	-57.9	-40.7	-63.2	-33.6
Cash flow from operating activities	92.1	28.3	169.3	191.3	333.7
Cash flow from investing activities	-36.4	-34.8	-104.7	-100.2	-138.4
Cash flow from acquisition of operations, net	-	-379.3	-	-379.3	-379.4
Cash flow from divestment of operations, net	14.6	-	173.4	-	-
Cash flow from financing activities, raising of loans	-30.6	397.8	74.4	412.2	413.0
Cash flow from financing activities, amortization of loans	-0.2	-74.0	-268.9	-124.7	-181.5
Cash flow from financing activities, amortization of lease liability	-3.8	-4.7	-12.7	-13.6	-18.3
Cash flow from financing activities, repurchase of shares	-	-8.9	-	-8.9	-21.7
Cash flow for the period	35.9	-75.7	30.8	-23.1	7.5
Cash and cash equivalents at the beginning of period	218.0	250.5	211.4	195.1	195.1
Exchange rate difference in cash and cash equivalents	10.1	1.6	21.8	4.4	8.8
Cash and cash equivalents at the end of period	264.0	176.3	264.0	176.4	211.4

Key figures – balance sheet and cash flow statement

<i>SEK m</i>	Jan-Sep		12 months	Full year
	2022	2021	Oct-Sep	2021
Cash and cash equivalents (SEK m)	264.0	176.4	264.0	211.4
Equity ratio (%)	68.5	56.9	68.5	58.6
Equity per share (SEK)	106.6	78.9	106.6	82.7
Cash flow from operating activities per share (SEK)	7.9	8.9	14.5	15.5
Net debt (SEK m)	282.7	614.6	282.7	527.3
Number of employees at end of period	556	769	556	772
Return on equity (%)			12.0	11.4
Return on capital employed (%)			11.4	13.2
Return on assets (%)			9.7	11.1

Parent company

Income statement

<i>SEK m</i>	Jan-Sep		Full year
	2022	2021	2021
Revenue	31.0	34.6	51.2
Operating costs	-74.5	-62.5	-81.8
Operating profit	-43.4	-27.9	-30.6
Financial net	-1.6	-0.5	-0.7
Profit/loss after financial net	-45.1	-28.3	-31.3
Appropriations	-	-	30.5
Profit/loss before tax	-45.1	-28.3	-0.8
Tax	-	5.8	-
Net profit/loss for the perio	-45.1	-22.5	-0.8

Balance sheet

<i>SEK m</i>	30 Sep		31 Dec
	2022	2021	2021
ASSETS			
Fixed assets	213.5	213.2	213.1
Current assets	1,195.4	1,464.9	1,426.2
Total assets	1,408.9	1,678.1	1,639.4
EQUITY AND LIABILITIES			
Equity	793.3	826.4	832.5
Untaxed reserves	2.7	3.7	2.7
Long-term liabilities, interest-bearing	544.6	568.4	469.8
Current liabilities, interest-bearing	-	217.6	267.3
Current liabilities, other	68.2	62.1	67.0
Total equity and liabilities	1,408.9	1,678.1	1,639.4

Quarterly data

SEK m	2022		2021				2020			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
INCOME STATEMENT										
Net sales	229.3	216.6	210.8	252.3	229.5	198.0	183.5	217.7	174.6	203.8
Other operating revenue	23.6	5.2	6.1	14.1	2.3	5.3	2.6	4.4	2.2	2.3
Cost of goods and services sold	-53.6	-47.6	-47.9	-48.6	-40.4	-28.1	-25.4	-30.6	-25.5	-30.7
Gross profit	199.3	174.2	169.0	217.8	191.4	175.1	160.6	191.5	151.3	175.4
Sales and marketing costs	-61.4	-47.7	-61.8	-45.1	-46.4	-39.8	-42.7	-45.6	-41.8	-50.4
R&D costs	-69.9	-70.8	-90.8	-92.8	-64.9	-54.7	-53.8	-62.8	-45.7	-46.3
General and administration costs	-27.0	-27.4	-25.5	-22.3	-37.2	-23.0	-24.4	-23.1	-27.0	-23.4
Operating profit	41.0	28.3	-9.0	57.5	42.9	57.7	39.7	60.0	36.8	55.3
Net financial income/expense	14.4	7.9	-4.7	-4.5	8.8	-3.5	3.8	-15.1	-6.1	-4.5
Profit before tax	55.4	36.2	-13.7	53.0	51.8	54.2	43.5	44.9	30.7	50.8
Tax	-18.8	10.0	0.7	-0.6	-6.2	-5.8	-4.5	-1.1	-4.6	-7.8
Profit after tax	36.6	46.2	-13.0	52.5	45.6	48.4	39.0	43.9	26.1	43.0
Result from discontinued operations	15.8	95.1	4.8	2.1	4.6	3.6	4.5	4.6	5.1	2.6
Net profit for the period	52.4	141.3	-8.2	54.5	50.2	52.0	43.6	48.5	31.2	45.6
Other comprehensive income	134.8	162.6	37.0	37.9	27.7	-30.2	71.3	-113.4	-34.2	-108.7
Total comprehensive income	187.2	303.9	28.9	92.4	77.9	21.8	114.9	-66.0	-3.1	-63.1
BALANCE SHEET										
Intangible assets	2,546.2	2,435.0	2,338.9	2,313.4	2,305.5	1,777.6	1,801.9	1,734.5	1,669.5	1,695.3
Other fixed assets	34.9	39.1	44.6	50.3	36.3	35.5	39.1	40.7	30.1	26.6
Other financial fixed assets	4.1	3.4	4.3	4.3	5.0	5.1	5.0	6.1	4.0	3.4
Current receivables	509.3	518.0	505.4	454.0	461.0	353.0	379.5	357.5	347.0	371.4
Cash and cash equivalents	264.0	218.0	142.5	211.4	176.4	250.5	236.9	195.1	180.0	184.5
Total assets	3,358.5	3,213.5	3,035.8	3,033.3	2,984.1	2,421.7	2,462.5	2,334.0	2,230.6	2,281.2
Shareholders' equity	2,301.8	2,116.1	1,809.4	1,776.0	1,699.4	1,629.2	1,606.0	1,487.5	1,553.1	1,552.2
Long-term liabilities, interest-bearing	563.1	593.7	495.2	491.2	592.1	181.2	315.5	317.7	245.7	246.4
bearing	155.2	149.2	150.8	147.9	146.6	116.2	116.1	115.0	105.1	102.5
Current liabilities, interest-bearing	10.9	13.8	238.7	285.8	240.2	247.3	163.0	159.0	87.2	134.5
bearing	327.5	340.7	341.6	332.4	305.9	247.7	262.0	254.9	239.5	245.7
Total equity and liabilities	3,358.5	3,213.5	3,035.8	3,033.3	2,984.1	2,421.7	2,462.5	2,334.0	2,230.6	2,281.2
CASH FLOW										
Cash flow from operating activities	92.1	73.3	3.9	142.4	28.3	94.3	68.8	61.5	82.8	67.7
Cash flow from investing activities	-36.4	-38.2	-30.1	-38.3	-34.8	-33.1	-32.3	-31.2	-34.6	-34.9
Cash flow from financing activities	-34.5	-126.4	-46.3	-73.5	310.2	-44.6	-0.5	86.7	-52.3	-8.1
Cash flow for the period	21.2	-91.3	-72.5	30.6	303.7	16.6	36.0	116.9	-4.0	24.6
Cash flow for the period, from acquisition/divestment of operation	14.6	158.8	0.0	-0.0	-379.3	-	-90.5	-	-	-
Total cash flow for the period	35.9	67.4	-72.5	30.6	-75.7	16.6	36.0	26.5	-4.0	24.6

Five-year overview

SEK m	2021	2020	2019	2018	2017
INCOME STATEMENT					
Net Sales	863.2	780.6	846.2	679.3	452.2
Other operating revenue	24.3	13.7	17.1	17.5	3.8
Operating expenses	-689.7	-620.9	-615.4	-510.5	-354.0
Operating profit	197.8	173.4	247.9	186.3	102.0
Net financial income/expense	4.7	-24.1	-52.0	-28.1	-5.0
Profit before tax	202.5	149.4	195.9	158.2	96.9
Tax	-17.0	-19.5	-31.0	-18.0	-14.4
Profit after tax continued operations	185.5	129.8	164.9	140.2	82.5
Profit discontinued operations	14.8	12.5	4.8	1.4	-0.0
Net profit for the period	200.3	142.3	169.7	141.7	82.5
BALANCE SHEET					
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
Total assets	3,033.3	2,334.0	2,213.8	1,919.7	1,173.8
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
Total equity and liabilities	3,033.3	2,334.0	2,213.8	1,919.7	1,173.8
CASH FLOW					
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
Cash flow for the period	7.5	61.6	71.2	-241.1	87.2
KEY FIGURES					
Net sales growth, %	11	-8	25	50	28
Operating margin, %	22.9	22.2	29.3	27.4	22.5
Profit margin, %	23.5	19.1	23.1	23.3	21.4
Return on capital employed, %	13.2	10.4	15.2	16.7	16.1
Return on equity, %	12.3	9.6	13.8	16.3	14.0
Return on total capital, %	11.1	8.8	12.9	13.6	11.0
Interest coverage ration, multiple	3.1	3.9	3.8	4.0	5.5
Equity ratio, %	58.6	63.7	66.9	51.4	64.3
Liquidity, %	107.6	133.5	145.9	163.2	316.1
EBITDA	352.6	275.4	328.5	225.5	123.5
Net debt/EBITDA	1.50	0.87	0.66	2.48	-1.62
Average number of employees	504	403	389	298	211
Net sales per employee, SEK m	1.7	1.9	2.2	2.3	2.1
Net asset value per share, SEK	82.21	69.07	69.54	50.99	39.00
Earnings per share, SEK	9.30	6.63	8.47	7.33	4.69
Earnings per share continued operations, SEK	8.61	6.05	8.23	7.25	4.69

Financial definitions

Acquired growth

Revenues in the period from acquired entities that were not included the corresponding period last year.

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 interest, taxes, depreciation, and amortization)
Earnings before financial items plus depreciation.

Adjusted EBITDA

EBITDA adjusted for non-recurring items.

EBITDA less capitalized development costs

EBITDA minus capitalized development expenses in the period.

Equity per share

Equity in relation to the total number of shares outstanding.

Interest coverage ratio

Profit after financial items plus financial expenses in relation to financial costs.

Liquidity

Cash and cash equivalents, including current investments and receivables, in relation to current liabilities after financial items.

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 non-contingent acquisition related liabilities less cash and cash equivalents and financial investments, i.e. negative net cash.

Net sales growth

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

Operating profit plus financial income related to average capital employed.

Return on total capital

Profit after financial items plus financial costs in relation to average total assets.

Alternative performance measures

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.

	Jul-Sep		Jan-Sep		Full year
	2022	2021	2022	2021	2021
1. Reconciliation of net sales growth					
Net sales, SEK million	229.3	229.5	656.7	610.9	863.2
Net sales growth, SEK million	-0.2	54.8	45.7	48.1	82.6
Net sales growth, %	-0	31	7	9	11
Currency effect, unchanged exchange rates compared to previous year, SEK m	17.1	-3.5	40.3	-30.6	-30.2
Currency effect, unchanged exchange rates compared to previous year, %	7	-2	7	-5	13
Net sales growth, unchanged exchange rates compared to previous year, SEK m	-17.4	58.3	5.4	78.6	112.8
Net sales growth, unchanged exchange rates compared to previous year, %	-8	33	1	14	-2

	Jul-Sep		Jan-Sep		Full year
	2022	2021	2022	2021	2021
2. Reconciliation of financial income/expense					
Financial income, SEK million	128.9	22.1	253.0	41.1	99.6
Financial expense, SEK million	-114.4	-13.2	-235.4	-31.9	-94.9
Reported financial income/expense	14.4	8.8	17.6	9.1	4.7

About Enea

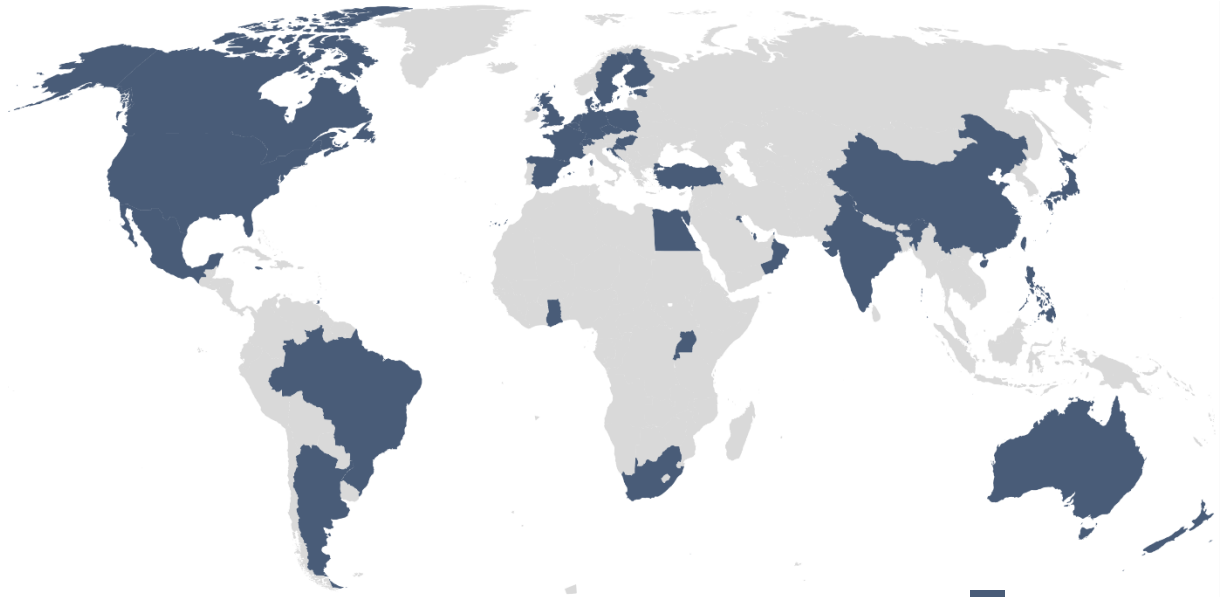
Enea is one of the world's leading providers of software products for telecommunication and cybersecurity. These products, which are created for cloud-native platforms, support and protect services across enterprise networks, mobile systems (4G and 5G), as well as Wi-Fi networks. Over four and a half billion people rely on Enea's technology every day when using their mobile phones or connecting to the Internet.

Enea has development centers and sales offices in Europe, North America, and Asia. A high share of revenue is sourced from the Network Solutions product area, which includes mobile and fixed line communication, as well as enterprise networks, and the software Enea delivers enables a raft of critical functions. For example, mobile operators can enhance network security, ensure consistent high quality of different types of service, and process large data volumes efficiently. These products and solutions are sold directly to network operators and can also integrate into solutions from system vendors.

Being selective and focusing on market segments with good profitability and growth potential is an important component of Enea's strategy. Investments target those sectors where Enea has the greatest potential to evolve from disrupter to market leader. Cybersecurity and traffic management for mobile networks, and classification of network traffic are three segments where Enea has achieved world leadership.

Enea is listed on Nasdaq Stockholm [Enea], and its head office is located in Stockholm.

Enea Worldwide



Markets with revenue above SEK 1 million

For additional information

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Financial calendar

Annual Statement	2 February, 2023
Interim Report January – March	27 April, 2023
Annual General Meeting	4 May, 2023
Interim Report January – June	18 July, 2023
Interim Report January – September	26 October, 2023

Financial information is also available on Enas website www.enea.com