

# Interim report

Second Quarter 2022



## Second Quarter

- Net sales amounted to SEK 216.6 million (198.0), equivalent to a 9 percent increase. Net sales increased by 3 percent in fixed exchange rates.
- Adjusted EBITDA amounted to SEK 70.8 million (87.7), corresponding to a margin of 32.7 percent (44.3).
- Operating profit was SEK 28.3 million (57.7), corresponding to an operating margin of 13.1 percent (29.1).
- Net profit after tax amounted to SEK 46.2 million (48.4).
- Earnings per share were SEK 6.56 (2.41). Earnings per share continued operations were SEK 2.15 (2.24).

## The period January – June

- Net sales amounted to SEK 427.4 million (381.5), equivalent to a 12 percent increase. Net sales increased by 6 percent in fixed exchange rates.
- Adjusted EBITDA amounted to SEK 126.9 million (156.6), corresponding to a margin of 29.7 percent (41.1).
- Operating profit was SEK 19.3 million (97.4), corresponding to an operating margin of 4.5 percent (25.5).
- Net profit after tax amounted to SEK 33.2 million (87.4).
- Earnings per share were SEK 6.19 (4.43). Earnings per share continued operations were SEK 1.54 (4.06).

## Significant Events During and After the End of the Quarter

- On April 7, 2022, Enea announced an agreement to divest its Software Development Services Business to AROBS Transilvania Software. The transaction was completed on June 8 and is reported as discontinued operations. Financial information for the divested operation is shown on page 8.
- On April 13, 2022, Enea entered a term loan facility of EUR 40 million and a revolving facility of SEK 350 million with DNB Bank ASA and AB Svensk Exportkredit (publ).

## Key figures (continued operations)

	Apr-Jun		Jan-Jun		12 months	
	2022	2021	2022	2021	R12	2021
Total revenue, SEK m	221.8	203.2	438.7	389.3	936.9	887.5
Net sales, SEK m	216.6	198.0	427.4	381.5	909.1	863.2
Growth, %	9	-3	12	-2	26	11
Growth currency adjusted, %	3	4	6	5	26	-2
Acquired growth, SEK m	44.0	20.3	77.7	38.1	202.8	163.2
Adjusted EBITDA, SEK m	70.8	87.7	126.9	156.6	337.3	367.0
Adjusted EBITDA, %	32.7	44.3	29.7	41.1	37.1	42.5
EBITDA, SEK m	70.7	87.7	103.2	156.6	299.3	352.6
EBITDA, %	32.7	44.3	24.2	41.1	32.9	40.9
Operating profit, SEK m	28.3	57.7	19.3	97.4	119.7	197.8
Operating margin, %	13.1	29.1	4.5	25.5	13.2	22.9
Net profit after tax, SEK m	46.2	48.4	33.2	87.4	131.3	185.5
Profit discontinued operations, MSEK	95.1	3.6	99.9	8.1	95.1	14.8
Earnings per share, SEK	6.56	2.41	6.19	4.43	11.05	9.30
Earnings per share continued operations, SEK	2.15	2.24	1.54	4.06	6.10	8.61
Cash flow from operating activities, SEK m	73.3	94.3	77.2	163.1	247.8	333.7
EBITDA less capitalized development, SEK m	35.9	56.5	40.4	94.6	171.3	225.4
Net debt/EBITDA (12 months)	1.20	0.43	1.20	0.43	1.20	1.41
Cash & cash equivalents, SEK m	218.0	250.5	218.0	250.5	218.0	211.4

# CEO's Statement

**After several years of investment in innovation and product development, we are upscaling our sales & marketing efforts to reach out to the market with new solutions. Our positioning as a vendor of specialized software for telecom and cybersecurity is clear now that we have divested our Services business. Delays in some projects and new deals impacted net sales and operating profit in the quarter.**

The divestment of our Software Development Services business was completed in the second quarter of 2022. This transaction strengthens our financial position and sharpens the focus on our core business in Network Solutions. This is another vital step in the transformation that Enea is undergoing, from its role as a subcontractor of services and embedded software for a few key accounts, to a company delivering telecom and cybersecurity software products for a global base of leading operators and system vendors. We are building this transformation on several carefully selected strategic acquisitions, where we have succeeded in creating world-leading products and winning new accounts, thanks to our successful integration strategy.

The transformation is enabling closer relationships with customers and a higher share of direct sales of software products. During the pandemic, we saw our customers' priorities shift towards short-term needs for coverage and capacity. We see that the macro-environment continues to make operators cautious in investment decisions, which has caused some delayed projects and a negative effect on sales of network solutions. Net sales in the second quarter of 2022 were SEK 217 million, and our operating profit was SEK 28 million, equivalent to an operating margin of 13 percent. Cash flow from operating activities was SEK 73 million. The net sales of our continued operations increased by 9 percent year over year, due to the acquisition of AdaptiveMobile Security, a company with a leading market position in cybersecurity solutions for telecom networks.

We have a stable base of recurring revenues from maintenance contracts and license sales, including traffic intelligence software for some of the world's largest OEMs in enterprise communication. A new, more flexible financing structure offers scope to deal with quarterly variations in revenues and cash flow. Continued cost control and recently executed rationalizations of our organization contribute to lower costs in the quarter and during the rest of the year. We have started to strengthen our sales & marketing capability to improve the reach of our offering. As part of this initiative, new staff will work on sales to our largest accounts. Those actions create a base for further sequential improvements during the second half of the year. We are confident in our positioning as a specialized vendor of software for telecom and cybersecurity on a market with constantly increasing traffic volumes, new applications, as well as higher security and network performance standards.

Data management for 4G and 5G is a segment where we are challenging the established providers with innovative products and contracts with leading operators across Europe and North America. In the second quarter, we passed key milestones on these customer projects, which are approaching the point of commercial operation. Our solutions are built on open interfaces, enabling "digital telecom operators" to build systems with software from multiple vendors. This model offers major commercial benefits, and it is important that the leading operators show the way and demonstrate that this new technology is stable and ready for large-scale use.

The security of telecom systems remains a key issue and cyberattacks are increasing in many countries because of geopolitical tensions. Our solutions for signaling and messaging security are already in use on networks worldwide. In the second quarter, we integrated the AdaptiveMobile Security brand more closely with Enea, and announced a contract with Digicel, who entrusted us to deliver cybersecurity solutions for 26 mobile networks across Central America, increasing our market shares in this region. We note growing interest on several markets, including North America, while we are also seeing that the division of responsibility between European regulators and private telecom operators is unclear, which risks delaying secure telecommunication in the region.

## 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 first half-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.

## Second Quarter, April - June 2022

### Revenue

Total revenue in the second quarter amounted to SEK 221.8 million (203.2), consisting of net sales of SEK 216.6 million (198.0) and other operating revenue of SEK 5.2 million (5.2). Other operating revenue includes SEK 1.3 million (0) R&D Grant for 5G development. Net sales increased by 9 percent on the corresponding period of the previous year, a currency-adjusted increase of 3 percent. Currency-adjusted organic growth was -19 percent (4). Acquired growth amounted to SEK 44.0 million (20.3).

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

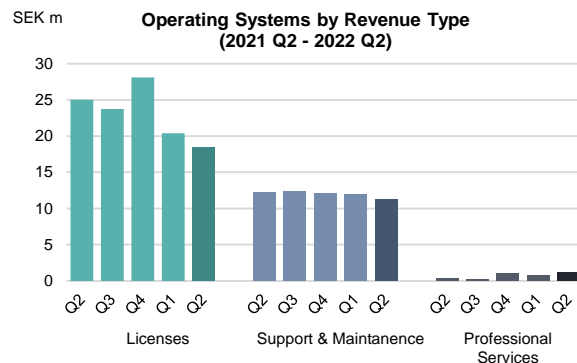
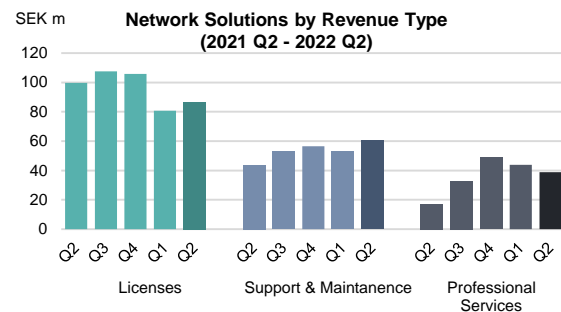
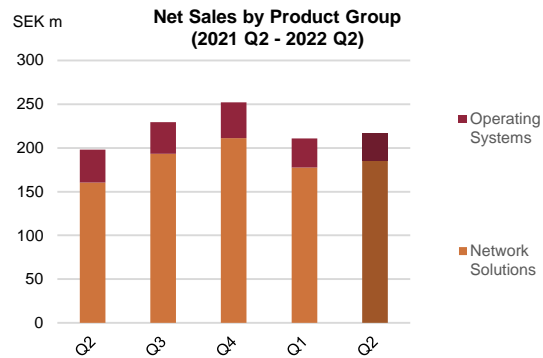
### Network Solutions

Sales of the Network Solutions product group amounted to SEK 185.7 million (160.5) and increased by 16 percent in the quarter, or by 8 percent currency adjusted. The increase is mainly due to the acquisition of AdaptiveMobile Security, which contributed SEK 44.0 million. Currency-adjusted organic growth was -19 percent. The decrease is mainly related to individual customers' investment decisions, which affects revenue from new license sales in the quarter. This product group represented 86 percent (81) of total net sales in the quarter and represents Enea's main revenue stream.

License sales amounted to SEK 86.6 million (99.6). In the quarter, license revenue of SEK 29 million (9.0) regarding accomplished milestones for 4G- and 5G-network projects has been recognized. Support and maintenance sales amounted to SEK 60.2 million (43.7), equivalent to an increase by 38 percent. Sales from professional services amounted to SEK 38.9 million (17.1), an increase by 127 percent.

### Operating Systems

Operating Systems sales amounted to SEK 30.9 million (37.5) and were down by 18 percent in the quarter. The decrease is mainly driven by lower sales from key accounts, where sales decreased by 31 percent and were 56 percent (66) 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 14 percent (14) of net sales in the quarter.



## Expenses and Earnings

### Costs of Goods and Services sold

In the second quarter of 2022, Enea's cost of goods and services sold totalled SEK 47.6 million (28.1), equivalent to a gross margin of 80.4 percent (88.5). Gross margin was negatively affected by the acquisition of AdaptiveMobile Security, which has a larger share of service revenue and a lower share of license revenue compared to Enea's other software business.

### Operating Expenses

In the second quarter, operating expenses amounted to SEK 145.8 million (117.5), of which AdaptiveMobile Security's operating expenses were SEK 27.3 million. Expenses for share-based incentive programs amounted to SEK -0.8 million (0.9) for the quarter, with this expense varying with the share price. Depreciation and amortization of SEK 41.8 million (30.0) was charged to the operating expenses.

### Sales and Marketing Expenses

Sales and marketing expenses were SEK 47.7 million (39.8) in the second quarter, or 22.0 percent (20.1) of net sales. Depreciations and amortization of SEK 0.3 million (0.5) was charged to sales and marketing expenses.

### Product Development Expenses

Product development expenses were SEK 70.8 million (54.7) in the second quarter, or 32.4 percent (27.6) of net sales. SEK 34.9 million (31.2) was capitalized in the quarter. A total of 32.5 percent (32.1), of net sales were invested in product development in the quarter. Depreciation and amortization of SEK 37.2 million (23.8) was charged to product development expenses, of which amortization of acquisition-related and capitalized development expenses was SEK 35.4 million (22.4).

### Administrative Expenses

Administrative expenses were SEK 27.4 million (23.0), representing 12.6 percent (11.6) of net sales in the quarter. Depreciations and Amortization of SEK 4.2 million (4.8) was charged to administrative expenses.

### EBITDA

EBITDA was SEK 70.7 million (87.7), representing an EBITDA-margin of 32.7 percent (44.3).

Adjusted for non-recurring items, EBITDA was SEK 70.8 million (87.7) corresponding to an adjusted EBITDA margin of 32.7 percent (44.3).

### Operating Profit/Loss

Operating profit/loss was SEK 28.3 million (57.7), equivalent to an operating margin of 13.1 per cent (29.1).

Adjusted for non-recurring items, operating profit amounted to SEK 28.4 million (57.7), corresponding an adjusted operating margin of 13.1 percent (29.1).

### Net Financial Income/Expense

Net financial income/expense was SEK 7.9 million (-3.5). External interest expenses were SEK -4.2 million (-2.0). Unrealised exchange rate fluctuations on financial assets had an impact of SEK 11.3 million (-1.7) in the quarter.

### Tax

The tax expense in the quarter was SEK -10.0 million (5.8). The effective tax rate is 0 per cent (11.1). Tax for the quarter was positively impacted by a repayment of tax in France.

### Profit/Loss for the Quarter

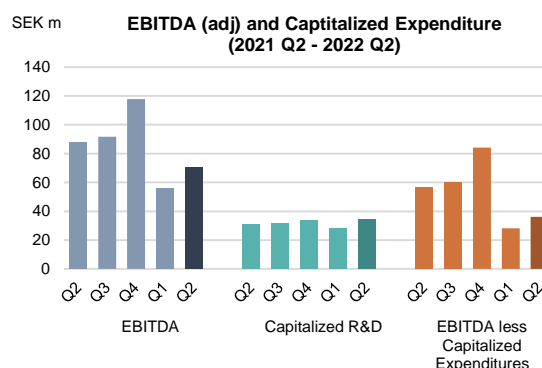
Profit/loss after tax amounted to SEK 36.2 million (48.4) in the second quarter. Earnings per share amounted to SEK 6.56 (2.41). Earnings per share for continued operations amounted to SEK 2.15 (2.24).

## Cash Flow

The group generated cash flow from operating activities of SEK 73.3 million (94.3) in the quarter. Cash flow from investing activities amounted to SEK -38.2 million (-33.1), of which investments in intangible assets amounted to SEK -35.8 million (-31.2) and purchases of property, plant, and equipment amounted to SEK -2.9 million (-1.8). Cash flow from divestment of business was SEK 158.8 million (0). Cash flow from financing activities was SEK -126.5 million (-44.6). Total cash flow for the quarter amounted to SEK 67.4 million (16.6).

### Investments

Investments in the quarter amounted to SEK 38.7 million (32.9). Depreciation, amortization, and impairment was SEK 38.7 million (26.7). Capitalized product development expenses amounted to SEK 34.9 million (31.2), and the related amortization and impairment was SEK 21.3 million (16.1). Depreciation of leased assets was SEK 2.7 million (3.4) for the quarter.



## Period, January - June 2022

### Revenue

Total revenue in the period amounted to SEK 438.7 million (389.3), consisting of net sales of SEK 427.4 million (381.5) and other operating revenue of SEK 11.3 million (7.9). Other operating revenue includes a SEK 3.3 million (0) R&D Grant for 5G development. Net sales increased by 12 percent on the corresponding period of the previous year, a currency-adjusted increase of 6 percent. Currency-adjusted organic growth was -17 percent (-5). Acquired growth amounted to SEK 77.7 million (38.1).

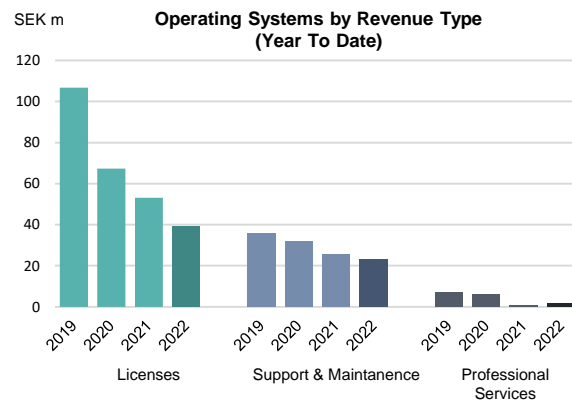
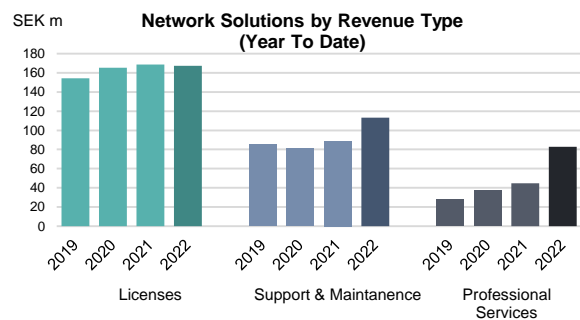
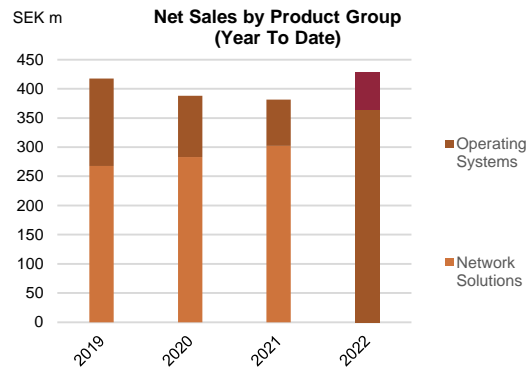
### Network Solutions

Sales of the Network Solutions product group amounted to SEK 363.8 million (302.3) and increased by 20 percent in the period, or by 8 percent currency adjusted. The increase is mainly due to the acquisition of AdaptiveMobile Security, which contributed SEK 77.7 million. Currency-adjusted organic growth was -17 percent. The decrease is mainly related to individual customers' investment decisions, which affects revenue from new license sales in the quarter. This product group represented 83 percent (78) of total net sales in the quarter and represents Enea's main revenue stream.

License sales amounted to SEK 167.4 million (168.7). In the period, license revenue of SEK 29 million (18.3) regarding accomplished milestones for 4G- and 5G-net projects has been recognized. Support and maintenance sales amounted to SEK 113.2 million (88.9), equivalent to an increase by 27 percent. Sales from professional services amounted to SEK 82.8 million (44.7), an increase by 85 percent.

### Operating Systems

Operating Systems sales amounted to SEK 64.0 million (79.2) and were down by 19 percent during the period. The decrease is mainly driven by lower sales from key accounts, where sales decreased by 30 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 Solution product group represented 15 percent (16) of net sales during the period.



## Expenses and Earnings

### Costs of Goods and Services Sold

During the period January to June, Enea's cost of goods and services sold totalled SEK 95.5 million (53.5), equivalent to a gross margin of 80 percent (88.0). Gross margin was negatively affected by the acquisition of AdaptiveMobile Security, which has a larger share of service revenue and a lower share of license revenue compared to Enea's other software business.

### Operating Expenses

Accumulated, operating expenses amounted to SEK 323.8 million (238.4), of which AdaptiveMobile Security's operating expenses were SEK 55.4 million. Expenses for share-based incentive programs amounted to SEK 2.7 million (7.6) for the period, with this expense varying with the share price. Restructuring costs amounted to SEK 23.6 million (0). Depreciation and amortization of SEK 82.9 million (58.8) was charged to the operating expenses.

### Sales and Marketing Expenses

Sales and marketing expenses were SEK 109.4 million (82.5) in the period, or 25.6 percent (21.6) of net sales. Restructuring posts amounted to SEK 11.3 million (0). Depreciations and amortization of SEK 0.8 million (0.9) was charged to sales and marketing expenses.

### Product Development Expenses

Product development expenses were SEK 161.5 million (108.5) in the period, or 37.8 percent (28.4) of net sales. SEK 62.8 million (62.0) was capitalized in the period. A total of 33.3 percent (32.2), excluding restructuring costs, of net sales were invested in product development in the period. Restructuring costs has affected the result for the period by SEK 12.0 million (0). Depreciation and amortization of SEK 73.6 million (48.6) was charged to product development expenses, of which amortization of acquisition-related and capitalized development expenses was SEK 69.9 million (47.6).

### Administrative Expenses

Administrative expenses were SEK 52.9 million (47.4), representing 12.4 percent (12.4) of net sales in the period. Depreciations and Amortization of SEK 8.6 million (9.4) was charged to administrative expenses.

### EBITDA

EBITDA was SEK 103.2 million (156.6), representing an EBITDA-margin of 24.2 percent (41.1).

Adjusted for non-recurring items, EBITDA was SEK 126.9 million (156.6) corresponding to an adjusted EBITDA margin of 29.7 percent (41.1).

### Operating Profit/Loss

Operating profit/loss was SEK 19.3 million (97.4), equivalent to an operating margin of 4.5 percent (25.5).

Adjusted for non-recurring items, operating profit amounted to SEK 43.0 million (97.4), corresponding an adjusted operating margin of 10.1 percent (25.6).

### Net Financial Income/Expense

Net financial income/expense was SEK 3.2 million (0.3). External interest expenses were SEK -7.8 million (-4.3). Unrealised exchange rate fluctuations on financial assets had an impact of SEK 10.0 million (4.1) in the period.

### Tax

The tax expense in the period was SEK -10.7 million (10.3). The effective tax rate is 0 percent (11.0).

### Profit/Loss for the Period

Profit/loss after tax amounted to SEK 33.2 million (87.4) in the period. Earnings per share amounted to SEK 6.19 (4.43). Earnings per share for continued operations amounted to SEK 1.54 (4.06).



## Cash Flow and Financial Position

### Cash Flow

The group generated cash flow from operating activities of SEK 77.2 million (163.1) in the period. Cash flow from investing activities amounted to SEK -68.3 million (-65.4), of which investments in intangible assets amounted to SEK -63.7 million (-62.0) and purchases of property, plant, and equipment amounted to SEK -5.0 million (-4.5). Cash flow from divestment of business was SEK 158.0 million (0). Cash flow from financing activities was SEK -172.8 million (-45.1). Cash flow from repurchase of treasury shares was SEK -0.3 million (0), Total cash flow for the period amounted to SEK -5.1 million (52.6).

### Investments

Investments in the period amounted to SEK 68.7 million (66.5). Depreciation, amortization, and impairment was SEK 76.4 million (52.5). Capitalized product development expenses amounted to SEK 62.8 million (62.0), and the related amortization and impairment was SEK 41.9 million (31.6). Depreciation of leased assets was SEK 7.8 million (6.7) for the period.

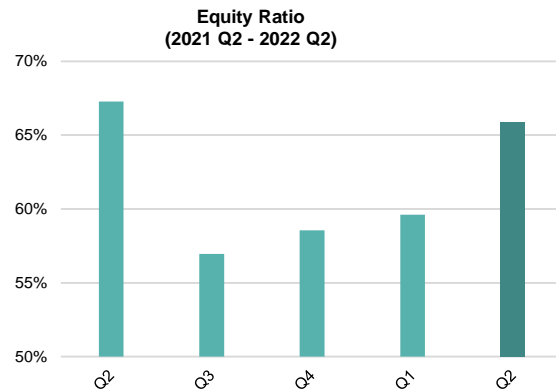
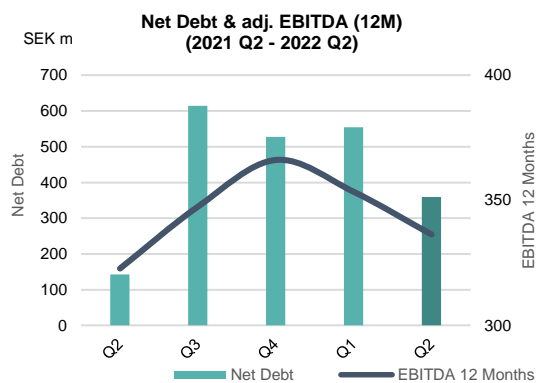
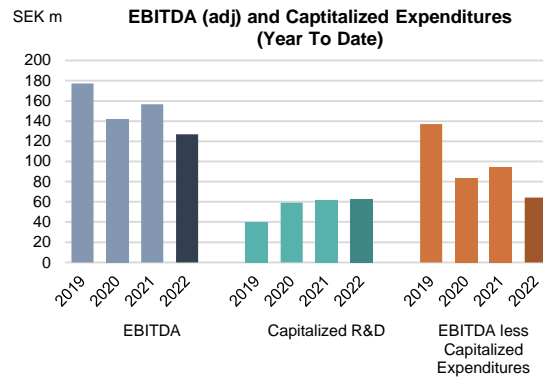
### Financial Position

At end of the period, net debt amounted to SEK 359.2 million (142.5), cash and cash equivalents were SEK 218.0 million (250.5), and interest-bearing bank debt amounted to 577.2 million (393.0). Interest-bearing liabilities were divided between non-current liabilities of SEK 577.2 million (161.0), and current liabilities of SEK 0 million (232.0).

The equity ratio was 65.9 percent (67.3), and total assets amounted to SEK 3,213.5 million (2,421.7) at period end. Net debt/EBITDA (12 months) was 1.20 (0.43).

### Financing

Enea has a SEK 70 million overdraft facility, of which SEK 0 million were 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 tenor of 3 years. The facilities include customary covenants. The covenants were satisfied as of 30 June 2022. The remaining liability as of 30 June 2022 was SEK 577 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. In connection with the completion of the transaction, the parties have agreed on a holdback of EUR 1.7 million to handle post-closing adjustments, including working capital and specific customer contracts that were not yet transferred at closing. The business is reported as discontinued operations and the financial impact shows in below table:

P&L Discontinued operations (MSEK)	2022		2021		
	Q2	Jan-Jun	Q2	Jan-Jun	Full year
Total revenue	23.4	54.8	27.9	58.6	112.9
Cost of goods and services sold	-16.5	-38.5	-19.6	-41.6	-78.4
Gross profit	6.9	16.4	8.3	17.0	34.5
Operating costs	-2.9	-6.9	-3.8	-7.6	-16.3
Operating profit	4.0	9.5	4.4	9.4	18.2
Profit before tax	4.3	9.7	4.3	9.7	18.7
Tax	-0.6	-1.2	-0.7	-1.6	-3.9
<b>Profit from discontinued operations net after tax</b>	<b>3.7</b>	<b>8.5</b>	<b>3.6</b>	<b>8.1</b>	<b>14.8</b>
Profit from sale of operations	91.4	91.4			
<b>Profit from discontinued operations</b>	<b>95.1</b>	<b>99.9</b>	<b>3.6</b>	<b>8.1</b>	<b>14.8</b>
Exchange rate differences from translation of discontinued operations	13.9	13.9			
<b>Total comprehensive income from discontinued operations</b>	<b>13.9</b>	<b>13.9</b>			
Purchase price	171.8	171.8			
Net assets	55.8	55.8			
<b>Profit before reclassification of currency translation reserve</b>	<b>116.0</b>	<b>116.0</b>			
Reclassification of currency translation reserve	-13.9	-13.9			
Transaction costs	-10.8	-10.8			
<b>Profit from sale of operations</b>	<b>91.4</b>	<b>91.4</b>			
<b>Assets and liabilities at date of divestment</b>					
Goodwill	29.1	29.1			
Tangible assets	0.9	0.9			
Operating assets	36.6	36.6			
<b>Total assets</b>	<b>66.5</b>	<b>66.5</b>			
Operating liabilities	10.7	10.7			
<b>Total liabilities</b>	<b>10.7</b>	<b>10.7</b>			
<b>Net assets</b>	<b>55.8</b>	<b>55.8</b>			

The business was divested without net debt impact.



# Other Disclosures

## Parent Company

The parent company's revenue for January to June amounted to SEK 21.2 million (23.5) and loss before appropriations and tax amounted to SEK -33.4 million (-20.3). The parent company's net financial income/expense was SEK -0.9 million (-0.2), and cash and cash equivalents were SEK 36.4 million (0) at period end. The parent company's investments in the quarter were SEK 1.2 million (0.5). The parent company had 19 (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 568 (638) employees. The increase of staff related to acquisition of business is 130. Decrease of staff related to divestment of business amounts to 190.

## Share-based incentive programs

Enea has one outstanding long-term incentive program.

LTIP19 was settled in May 2022 by allocation of 117,548 treasury shares.

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 2021-2024. Maximum granting in LTIP21 is 243,000 shares, according to AGM resolution.

The provision for expenses related to the programs amounted to SEK -0.8 million (0.9) in the quarter and SEK 2.7 million (7.6) in the period. Total provision for outstanding program amounts to SEK 14.4 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 5.0 percent, Swedbank Robur Fonder with 4.8 percent and C WorldWide Asset Management with 4.8 percent. The 20 largest shareholders hold a total of 75.8 percent of the capital and 75.2 percent of the votes of the company. Första AP Fonden is a new shareholder and informed, via a disclosure notice, on July 1 that they hold 1,039,912 shares, equivalent to 5.05 percent of total shares in the company. Swedbank Robur has decreased their holding to 4.8 percent of the votes, compared to previous 8.6 percent.

## Annual General Meeting

The AGM was held on May 5<sup>th</sup>. The AGM resolutions included:

- Anders Lidbeck was re-elected Chairman of the Board
- Åsa Schwarz was elected new Board Director
- Birgitta Stymne Göransson voluntarily left the Board
- The Board of Directors was given a mandate to issue up to 10 percent new shares to finance continued growth

More details on the AGM resolutions are available at the company's website.

## 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 June 2022, the group's currency hedged amounted to a liability of SEK 0.3 million, which is the total of level 2.

*Level 3:* The group does not report any financial instruments at level 3 as of 30 June 2022 in the balance sheet but has a 1.7 MEUR holdback regarding divested business as mentioned on page 8.

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

Allocation by level in fair value measurement, June 30 <sup>th</sup> , SEK million	Level1	Level 2	Level 3	Total
Derivative instruments used for hedging purposes:				
Currency derivatives	-	0.3	-	0.3
Total	-	0.3	-	0.3

## 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 first half-year means that we now judge it challenging to reach the profitability target during 2022.

Kista, Sweden July 15, 2022

Enea AB (publ)

Anders Lidbeck  
Chairman of the Board

Kjell Duveblad  
Board member

Mats Lindoff  
Board member

Jan Frykhammar  
Board member

Åsa Schwarz  
Board member

Charlotta Sund  
Board member

Jenny Andersson  
Employee representative

Jan Häglund  
President and CEO

This Interim report has not been examined by the company's Auditors. This document is a translation of the original Swedish interim report, which was formally approved by the Board of Directors.

*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 15 July 2022 at 7:20 a.m.*

## Consolidated statement of comprehensive income

SEK m	Apr-Jun		Jan-Jun		12 months	Full year
	2022	2021	2022	2021	Jul-Jun	2021
Net sales	216.6	198.0	427.4	381.5	909.1	863.2
Other operating revenue	5.2	5.3	11.3	7.9	27.7	24.3
Total revenue	221.8	203.2	438.7	389.3	936.9	887.5
Cost of goods and service sold	-47.6	-28.1	-95.5	-53.5	-184.5	-142.5
Gross profit	174.2	175.1	343.2	335.8	752.4	745.0
Sales and marketing costs	-47.7	-39.8	-109.4	-82.5	-201.0	-174.1
R&D costs	-70.8	-54.7	-161.5	-108.5	-319.3	-266.2
General and administration costs	-27.4	-23.0	-52.9	-47.4	-112.4	-106.9
Operating profit 1) 2) 3) 4)	28.3	57.7	19.3	97.4	119.7	197.8
Net financial income/expense	7.9	-3.5	3.2	0.3	7.6	4.7
Profit before tax	36.2	54.2	22.5	97.7	127.3	202.5
Tax	10.0	-5.8	10.7	-10.3	4.0	-17.0
Profit after tax continued operations	46.2	48.4	33.2	87.4	131.3	185.5
Profit discontinued operations	95.1	3.6	99.9	8.1	106.6	14.8
<b>Net profit for the period</b>	<b>141.3</b>	<b>52.0</b>	<b>133.1</b>	<b>95.5</b>	<b>237.9</b>	<b>200.3</b>
<b>OTHER COMPREHENSIVE INCOME</b>						
<i>Items that may be reclassified to profit or loss</i>						
Change in hedging reserve, after tax	-0.7	0.4	-1.2	-1.5	-2.3	-2.6
Exchange rate differences	163.3	-30.8	200.8	42.1	267.1	108.3
<i>Items that will not be reclassified to profit or loss</i>						
Pension obligations	-	0.2	-	0.6	0.4	1.0
<b>Total comprehensive income for the period, net of tax</b>	<b>303.9</b>	<b>21.8</b>	<b>332.8</b>	<b>136.7</b>	<b>503.1</b>	<b>307.0</b>
Profit for the period attributable to equity holders of the parent company	141.3	52.0	133.1	95.5	237.9	200.3
Comprehensive income for the period attributable to equity holders of the parent company	303.9	21.8	332.8	136.7	503.1	307.0
1) including depreciation and write-down of tangible assets	3.1	2.4	6.1	4.7	11.8	10.4
2) Including amortization and write-down of intangible assets	35.5	24.3	70.1	47.8	152.6	130.3
3) Including amortization of right-to-use assets	3.8	3.4	7.8	6.7	15.2	14.1
<b>4) Non-recurring items included in operating profit</b>						
Operating profit including non-recurring items	28.3	57.7	19.3	97.4	119.7	197.8
Write-down	-	-	-	-	20.1	20.1
Restructuring costs	0.0	-	23.7	-	25.6	1.9
Transaction costs related to acquisitions	-	-	-	-	12.5	12.5
<b>Operating profit excluding non-recurring items</b>	<b>28.4</b>	<b>57.7</b>	<b>43.0</b>	<b>97.4</b>	<b>177.9</b>	<b>232.2</b>

## Key figures – income statement

SEK m	Apr-Jun		Jan-Jun		12 months	Full year
	2022	2021	2022	2021	Jul-Jun	2021
Earnings per share (SEK)	6.56	2.41	6.19	4.43	11.05	9.30
Earnings per share after full dilution (SEK)	6.56	2.41	6.19	4.43	11.05	9.30
Earnings per share continued operations (SEK)	2.15	2.24	1.54	4.06	6.10	8.61
Earnings per share after full dilution continued operations (SEK)	2.15	2.24	1.54	4.06	6.10	8.61
Average number of shares before dilution (million)	21.5	21.6	21.5	21.5	21.5	21.5
Average number of shares after dilution (million)	21.5	21.6	21.5	21.5	21.5	21.5
Net sales growth (%)	9	-3	12	-2	26	11
Gross margin (%)	80.4	88.5	80.3	88.0	82.8	86.3
EBITDA (SEK m)	70.7	87.7	103.2	156.6	299.3	352.6
Operating costs as % of revenue						
- Sales and marketing costs	22.0	20.1	25.6	21.6	22.1	20.2
- R&D costs	32.7	27.6	37.8	28.4	35.1	30.8
- G&A costs	12.6	11.6	12.4	12.4	12.4	12.4
Operating margin excl. non-recurring items (%)	13.1	29.1	10.1	25.5	19.6	26.9
Operating margin (%)	13.1	29.1	4.5	25.5	13.2	22.9

## Consolidated statement of financial position

<i>SEK m</i>	30 Jun 2022	30 Jun 2021	31 dec 2021
<b>ASSETS</b>			
Intangible assets	2,435.0	1,777.6	2,313.4
- goodwill	1,692.3	1,257.1	1,595.6
- capitalized development	313.1	250.5	269.7
- product rights	65.4	53.8	69.1
- customer contracts	304.9	156.9	314.7
- trademarks	28.6	23.9	26.7
- right-to-use assets	29.6	34.6	36.9
- other intangible assets	1.1	0.8	0.6
Inventories, tools and installations	24.5	21.2	25.6
Deferred tax assets	14.6	14.3	24.7
Other fixed assets	3.4	5.1	4.3
<b>Total fixed assets</b>	<b>2,477.5</b>	<b>1,818.2</b>	<b>2,368.0</b>
Current receivables	518.0	353.0	454.0
Cash and cash equivalents	218.0	250.5	211.4
<b>Total current assets</b>	<b>736.1</b>	<b>603.5</b>	<b>665.3</b>
<b>Total assets</b>	<b>3,213.5</b>	<b>2,421.7</b>	<b>3,033.3</b>
<b>EQUITY and LIABILITIES</b>			
<b>Equity</b>	<b>2,116.1</b>	<b>1,629.2</b>	<b>1,776.0</b>
<b>Provisions</b>	<b>2.7</b>	<b>2.1</b>	<b>2.0</b>
Long-term liabilities			
Deferred tax liabilities	124.6	98.9	124.3
Long-term liabilities, interest-bearing	577.2	161.0	469.8
Long-term liabilities, non-interest-bearing	21.9	15.2	21.6
Long-term liabilities, leasing	16.5	20.2	21.4
<b>Total long-term liabilities</b>	<b>740.2</b>	<b>295.3</b>	<b>637.1</b>
Current liabilities			
Current liabilities, interest-bearing	-	232.0	268.8
Current liabilities, non-interest-bearing	340.7	247.7	332.4
Current liabilities, leasing	13.8	15.3	16.9
<b>Total current liabilities</b>	<b>354.5</b>	<b>495.0</b>	<b>618.1</b>
<b>Total equity and liabilities</b>	<b>3,213.5</b>	<b>2,421.7</b>	<b>3,033.3</b>

## Consolidated statement of changes in equity

<i>SEK m</i>	30 Jun 2022	30 Jun 2021	31 dec 2021
At beginning of period	1,776.0	1,487.5	1,487.5
Total comprehensive income for the period	332.8	136.7	307.0
New share issue	0.3	-	-
Share saving program	7.4	5.1	3.2
Repurchasing of own shares	-0.3	-	-21.7
<b>At end of period</b>	<b>2,116.2</b>	<b>1,629.3</b>	<b>1,776.0</b>

## Consolidated statement of cash flow

<i>SEK m</i>	Apr-Jun		Jan-Jun		Full year
	2022	2021	2022	2021	2021
Profit before tax	29.8	58.4	21.4	107.4	221.2
Adjustment for non-cash items	46.6	28.2	95.2	61.4	158.3
Tax paid/received	3.0	1.8	2.0	-0.4	-12.1
Operating cash flow before changes in working capital	79.4	88.4	118.7	168.4	367.3
Cash flow from changes in working capital	-6.1	5.8	-41.5	-5.3	-33.6
Cash flow from operating activities	73.3	94.3	77.2	163.1	333.7
Cash flow from investing activities	-38.2	-33.1	-68.3	-65.4	-138.4
Cash flow from acquisition of operations, net	-	-	-	-	-379.4
Cash flow from divestment of operations, net	158.8	-	158.8	-	-
Cash flow from financing activities, raising of loans	100.2	10.5	104.9	14.4	413.0
Cash flow from financing activities, amortization of loans	-222.4	-50.6	-268.8	-50.6	-181.5
Cash flow from financing activities, amortization of lease liability	-4.3	-4.5	-8.9	-8.9	-18.3
Cash flow from financing activities, repurchase of shares	-	-	-	-	-21.7
Cash flow for the period	67.4	16.6	-5.1	52.6	7.5
Cash and cash equivalents at the beginning of period	142.5	236.9	211.4	195.1	195.1
Exchange rate difference in cash and cash equivalents	8.1	-3.1	11.7	2.8	8.8
Cash and cash equivalents at the end of period	218.0	250.5	218.0	250.5	211.4

## Key figures – balance sheet and cash flow statement

<i>SEK m</i>	Jan-Jun		12 months	Full year
	2022	2021	Jul-Jun	2021
Cash and cash equivalents (SEK m)	218.0	250.5	218.0	211.4
Equity ratio (%)	65.9	67.3	65.9	58.6
Equity per share (SEK)	98.0	75.5	98.0	82.7
Cash flow from operating activities per share (SEK)	3.6	7.6	11.5	15.5
Net debt (SEK m)	359.2	142.5	359.2	527.3
Number of employees at end of period	568	638	568	772
Return on equity (%)			12.7	11.4
Return on capital employed (%)			10.7	13.2
Return on assets (%)			9.1	11.1

## Parent company

### Income statement

<i>SEK m</i>	Jan-Jun		Full year
	2022	2021	2021
Revenue	21.2	23.5	51.2
Operating costs	-53.7	-43.6	-81.8
Operating profit	-32.4	-20.1	-30.6
Financial net	-0.9	-0.2	-0.7
Profit/loss after financial net	-33.4	-20.3	-31.3
Appropriations	-	-	30.5
Profit/loss before tax	-33.4	-20.3	-0.8
Tax	6.7	4.1	-
<b>Net profit/loss for the perio</b>	<b>-26.6</b>	<b>-16.1</b>	<b>-0.8</b>

### Balance sheet

<i>SEK m</i>	30 Jun		31 Dec
	2022	2021	2021
<b>ASSETS</b>			
Fixed assets	213.3	213.6	213.1
Current assets	1,242.5	1,072.5	1,426.2
<b>Total assets</b>	<b>1,455.9</b>	<b>1,286.1</b>	<b>1,639.4</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	813.1	840.7	832.5
Untaxed reserves	2.7	3.7	2.7
Long-term liabilities, interest-bearing	574.9	161.0	469.8
Current liabilities, interest-bearing	-	227.2	267.3
Current liabilities, other	65.1	53.5	67.0
<b>Total equity and liabilities</b>	<b>1,455.9</b>	<b>1,286.1</b>	<b>1,639.4</b>

## Quarterly data

SEK m	2022		2021			2020				
	Kv2	Kv1	Kv4	Kv3	Kv2	Q1	Q4	Q3	Q2	Q1
<b>INCOME STATEMENT</b>										
Net sales	216.6	210.8	252.3	229.5	198.0	183.5	217.7	174.6	203.8	184.4
Other operating revenue	5.2	6.1	14.1	2.3	5.3	2.6	4.4	2.2	2.3	4.8
Cost of goods and services sold	-47.6	-47.9	-48.6	-40.4	-28.1	-25.4	-30.6	-25.5	-30.7	-34.2
Gross profit	174.2	169.0	217.8	191.4	175.1	160.6	191.5	151.3	175.4	155.0
Sales and marketing costs	-47.7	-61.8	-45.1	-46.4	-39.8	-42.7	-45.6	-41.8	-50.4	-49.4
R&D costs	-70.8	-90.8	-92.8	-64.9	-54.7	-53.8	-62.8	-45.7	-46.3	-61.3
General and administration costs	-27.4	-25.5	-22.3	-37.2	-23.0	-24.4	-23.1	-27.0	-23.4	-22.9
Operating profit	28.3	-9.0	57.5	42.9	57.7	39.7	60.0	36.8	55.3	21.4
Net financial income/expense	7.9	-4.7	-4.5	8.9	-3.5	3.8	-15.1	-6.1	-4.5	0.6
Profit before tax	36.2	-13.7	53.0	51.8	54.2	43.5	44.9	30.7	50.8	22.0
Tax	10.0	0.7	-0.6	-6.2	-5.8	-4.5	-1.1	-4.6	-7.8	-6.0
Profit after tax	46.2	-13.0	52.5	45.6	48.4	39.0	43.9	26.1	43.0	15.9
Result from discontinued operations	95.1	4.8	2.1	4.6	3.6	4.5	4.6	5.1	2.6	1.1
<b>Net profit for the period</b>	<b>141.3</b>	<b>-8.2</b>	<b>54.5</b>	<b>50.2</b>	<b>52.0</b>	<b>43.6</b>	<b>48.5</b>	<b>31.2</b>	<b>45.6</b>	<b>17.0</b>
Other comprehensive income	162.6	37.0	37.9	27.7	-30.2	71.3	-113.4	-34.2	-108.7	108.2
<b>Total comprehensive income</b>	<b>303.9</b>	<b>28.9</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>-63.1</b>	<b>125.2</b>
<b>BALANCE SHEET</b>										
Intangible assets	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	1,784.7
Other fixed assets	39.1	44.6	50.3	36.3	35.5	39.1	40.7	30.1	26.6	27.7
Other financial fixed assets	3.4	4.3	4.3	5.0	5.1	5.0	6.1	4.0	3.4	3.4
Current receivables	518.0	505.4	454.0	461.0	353.0	379.5	357.5	347.0	371.4	388.9
Cash and cash equivalents	218.0	142.5	211.4	176.4	250.5	236.9	195.1	180.0	184.5	170.3
<b>Total assets</b>	<b>3,213.5</b>	<b>3,035.8</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>
Shareholders' equity	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	1,611.5
Long-term liabilities, interest-bearing	593.7	495.2	491.2	592.1	181.2	315.5	317.7	245.7	246.4	283.6
bearing	149.2	150.8	147.9	146.6	116.2	116.1	115.0	105.1	102.5	103.1
Current liabilities, interest-bearing	13.8	238.7	285.8	240.2	247.3	163.0	159.0	87.2	134.5	105.1
bearing	340.7	341.6	332.4	305.9	247.7	262.0	254.9	239.5	245.7	271.7
<b>Total equity and liabilities</b>	<b>3,213.5</b>	<b>3,035.8</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>CASH FLOW</b>										
Cash flow from operating activities	73.3	3.9	142.4	28.3	94.3	68.8	61.5	82.8	67.7	62.2
Cash flow from investing activities	-38.2	-30.1	-38.3	-34.8	-33.1	-32.3	-31.2	-34.6	-34.9	-30.2
Cash flow from financing activities	-126.4	-46.3	-73.5	310.2	-44.6	-0.5	86.7	-52.3	-8.1	-17.4
<b>Cash flow for the period</b>	<b>-91.3</b>	<b>-72.5</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>
Cash flow for the period, from acquisition/divestment of operation	158.8	0.0	-0.0	-379.3		-	-90.5	-	-	-
<b>Total cash flow for the period</b>	<b>67.4</b>	<b>-72.5</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>

## Five-year overview

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	82.21	68.94	69.54	50.99	39.00
Earnings per share, SEK	9.30	6.63	8.47	7.33	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.*

	Apr-Jun		Jan-Jun		Full year
	2022	2021	2022	2021	2021
<b>1. Reconciliation of net sales growth</b>					
Net sales, SEK million	216.6	198.0	427.4	381.5	863.2
Net sales growth, SEK million	18.6	-5.8	45.9	-6.8	82.6
Net sales growth, %	9	-3	12	-2	11
Currency effect, unchanged exchange rates compared to previous year, SEK m	13.6	-13.8	23.2	-27.1	-30.2
Currency effect, unchanged exchange rates compared to previous year, %	7	-7	6	-7	13
Net sales growth, unchanged exchange rates compared to previous year, SEK m	5.0	8.0	22.8	20.3	112.8
Net sales growth, unchanged exchange rates compared to previous year, %	3	4	6	5	-2

	Apr-Jun		Jan-Jun		Full year
	2022	2021	2022	2021	2021
<b>2. Reconciliation of financial income/expense</b>					
Financial income, SEK million	59.3	7.0	124.2	19.0	99.6
Financial expense, SEK million	-51.4	-10.5	-121.0	-18.7	-94.9
Reported financial income/expense	7.9	-3.5	3.2	0.3	4.7

# About Enea

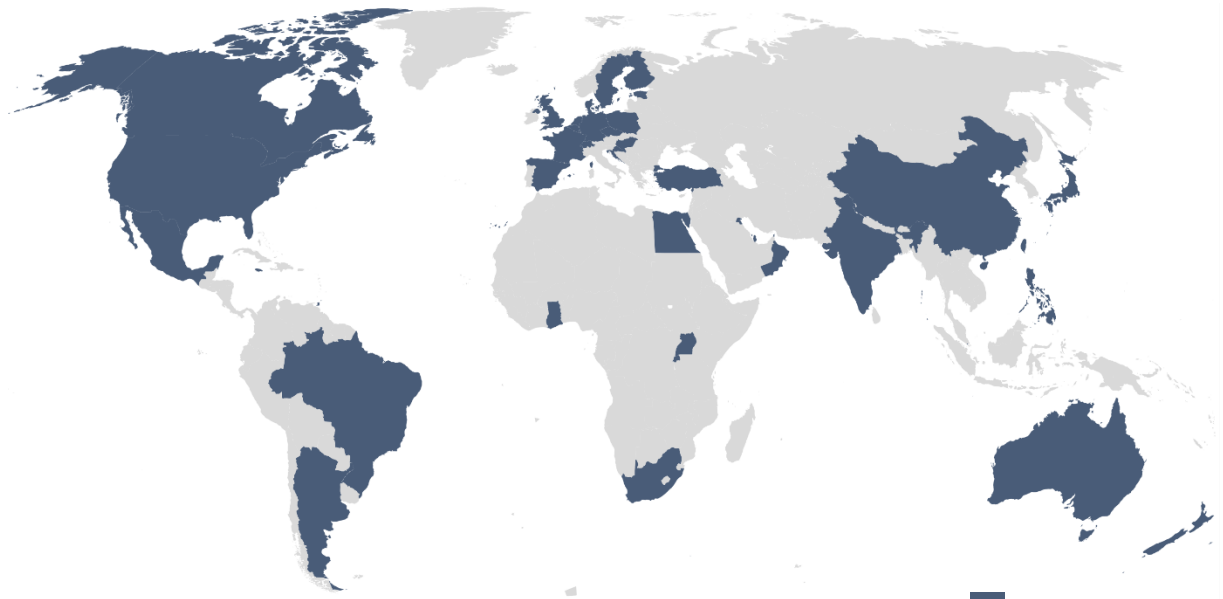
Enea is one of the world's leading providers of software products for telecommunication and cybersecurity. These products, which are created for cloud-native platforms, support and protect services across enterprise networks, mobile systems (4G and 5G), as well as Wi-Fi networks. Over four and a half 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 offices are in Kista, Stockholm.

## Enea Worldwide



Markets with revenue above SEK 1 million

### For additional information

Jan Häglund, President and CEO  
Email: [jan.haglund@enea.com](mailto:jan.haglund@enea.com)

Ola Burmark, CFO  
Email: [ola.burmark@enea.com](mailto:ola.burmark@enea.com)

Enea AB (556209-7146)  
Jan Stenbecks Torg 17  
P.O. Box 1033  
SE-164 21 Kista, Sweden

### Financial calendar

Interim Report January – September 26 October 2022  
Annual Statement 2 February, 2023

Financial information is also available on Enas website [www.enea.com](http://www.enea.com)