

ENEA

Interim Report Q1

JANUARY – MARCH 2024

”Back to growth in our focus areas”

200

MILLION NET SALES (SEK) Q1

29%

EBITDA MARGIN Q1

26%

RESEARCH AND DEVELOPMENT Q1

First quarter highlights in figures

- The security segment grew by 9%, compared to the same period last year, to a turnover of SEK 89 m (82).
- Sales in Operating Systems decreased to SEK 20.4 m (83.6). This is explained by a one-off transaction made in the same period last year.
- Adjusted EBITDA of SEK 57.9 m is an improvement compared to the same period last year, which was adjusted for that period's one-off transaction that amounted to SEK 33.7 m.
- Profit after tax amounted to SEK 10.6 m (10.2).
- Earnings per share increased by 10% to SEK 0.52 (0.47).
- Strong cash flow from operating activities of SEK 120.0 m (97.5).

Key figures

		Jan-Mar	12 months	Full year
	2024	2023	R12	2023
Total revenue, SEK m	206.0	254.0	886.5	934.5
Turnover, SEK m	200.1	247.9	864.9	912.7
Growth, %	-19	18	-10	-2
Growth currency adjusted, %	-21	13	-10	-6
Adjusted EBITDA, SEK m	57.9	94.4	271.3	307.8
Adjusted EBITDA, %	28.9	38.1	31.4	33.7
EBITDA, SEK m	57.9	94.4	178.9	215.4
EBITDA, %	28.9	38.1	20.7	23.6
Operating profit, SEK m	16.1	47.4	-530.8	-499.5
Operating margin, %	8.1	19.1	-61.4	-54.7
Profit after tax, SEK m	10.6	10.2	-550.3	-550.7
Earnings per share, SEK	0.52	0.47	-26.12	-25.80
Earnings per share continued operations, SEK	0.52	0.47	-26.12	-25.80
Cash flow from operating activities, SEK m	120.0	97.5	281.3	258.9
EBITDA less capitalized development, SEK m	36.4	63.9	99.8	127.3
Net debt/EBITDA (12 months)	0.74	0.74	0.74	1.10
Cash & cash equivalents, SEK m	328.1	258.1	328.1	231.3

CEO Statement

Back to growth in our focus areas

It is gratifying to note that we are starting the year with growth in our security business, which has increased by 9 percent compared to the same period last year. Equally pleasing is the growth in our network business, despite the absence of major deals during the quarter and the overall telecommunications market being in a relatively deep slump. Our growth primarily stems from expanding recurring revenues, and all our growth is organic.

During the quarter, revenues within our security segment amounted to 89 MSEK (82), while revenues within our network segment reached 90 MSEK (82). No significant new contracts were signed; instead, the underlying business is growing. This is highly positive from several perspectives, especially as it enhances stability in our future operations. In the first quarter of last year, we sold the future customer-specific product rights to one of our largest clients in the operating system domain for 54 MSEK. However, this deal concluded future OSE revenues from this client, and the net effect of this transaction, when comparing this year's first quarter to the same period last year, is 61 MSEK. Therefore, our total revenues for the first quarter this year, amounting to 200 MSEK, compared to 248 MSEK, provide a positive indication of growth in our focus areas and stability. Stability and predictability are crucial parameters for delivering good results even in a sluggish market.

Our business model continues to deliver

Our business model is proven. For many years, we have been able to deliver high profit margins and good cash flows. Efficiency improvements during 2023 have resulted in our cost base for the full year 2024 being approximately SEK 60 million lower than twelve months ago. This is despite cost increases due to inflation and the continued large investments we are making in product development. During the first quarter this year we invested 53 MSEK in research and development which is 26 percent of our net sales. During the quarter we also had a gross margin of over 77 percent and an EBITDA margin of 29 percent, which can be compared to a EBITDA margin of 38 percent in the first quarter last year. The result should be seen in light of the one-off transaction we made in the first quarter of 2023. Now, without this revenue, we are still delivering such a strong result. It should also be noted that this has been done despite the fact that we have capitalized SEK 9 million less during the period than we did in the first quarter of last year. Adjusted for this, earnings for the first quarter of this year are significantly stronger than in the corresponding period in 2023. It is also worth noting that our EPS is growing compared to the same period last year.

”...we are starting the year with growth in our security business, which has increased 9 percent compared to the same period last year...”

Record strong cash flow

During the first quarter we reached 120 MSEK (97) in operating cash flow. This is the strongest cash flow Enea has had since the fourth quarter of 2021.

However, it should be noted that we have both seasonal variations and other fluctuations in our cash flow and that the cash flow for the period is partly an effect of weaker cash flow in the fourth quarter of last year. But our cash flow has actually increased to 328 MSEK (258) in the end of the quarter and our net debt has reduced to 133 MSEK (264). In other words we have been able to create organic growth within our focus areas, invest in new product development, implement operational efficiencies, a buy back program of own shares and at the same time strengthen our financial position. Based on the company's strong financial position, the Board of Directors has decided to continue with the share buyback program, within the framework of the mandate given at the Annual General Meeting in May 2023. New decisions will be made after the Annual General Meeting in May 2024.

”This is the strongest cashflow Enea has had since the fourth quarter of 2021”

Our new world is built upon the mobile infrastructure

Without the mobile infrastructure, our connected world would not work. It would not have been possible to work from home several days a week. It wouldn't be possible to consult your doctor via mobile phone. You wouldn't be able to sign contracts using your mobile phone, and it wouldn't have been possible to lean back on the sofa and stream your favorite series without limits, to name a few examples. This new world is completely dependent on the huge investments that the telecoms industry has made and is still making in research and development and very concretely in the mobile network, in terms of coverage, capacity, speed and security. Of course, the pace of investment and the power of innovation are also great in other areas that help create these conditions. Security is also of utmost importance. Should more companies and individuals have to go through the costly and painful experience of having their sphere hacked, as several Swedish companies experienced during the first quarter of this year, it will have a clear negative impact on this whole lifestyle. Nevertheless, global investments in mobile infrastructure (radio access networks) decreased by 11 percent last year, according to the leading research firm Dell'Oro, and they predict a further decrease in 2024. This is an asymmetry in society that should be discussed even more.

In February every year, the world's mobile players gather in Barcelona for the Mobile World Congress (MWC), and there is no sign of weakness in the telecom market. There it is boom time for the mobile industry. This year, the number of visitors was almost back to the pre-covid level, with 2,700 exhibitors and over 100,000 visitors, just over half of which come from industries that connect their business to mobile infrastructure in various ways. MWC this year was visited by 180 ministerial delegations from 140 different countries. AI, security and how all this should be regulated are discussed, all while exhibitors show the latest AI technology, how to protect mobile traffic and how 5G and 6G will further increase capacity and accelerate speeds in networks. More operators came to Enea's stand in Barcelona this year than ever before to discuss concrete investment plans for how, with our help, they can improve the security of their mobile networks, increase capacity without having to buy more hardware, and how, with the help of our software, they can strengthen their earning capacity. But if today you cannot very concretely reduce the customers' costs or alternatively help to increase their income, the situation is tough.

Future outlook

It bears repeating that Enea has a strong market position in crucial areas both within and outside the telecoms industry. Our product portfolio is well positioned in a world where mobile traffic and cybersecurity are crucial for technology development. We also have a global organization with very competent employees and, at least as important, many successful customers and competitors, who constantly challenge and develop us. Combined with our proven earning power, this makes us cautiously optimistic about the future. For some time, the macroeconomic climate has had a dampening effect on demand, above all in the telecoms market, and I cannot comment today on how this will develop during the year. But our objective for the coming years remains unchanged. We want to achieve double-digit growth in our focus areas and an EBITDA margin above 35 percent with strong cash flows.

Our growth will continue to be affected by how the willingness to invest develops within our market. For 2024, however, we expect a continued strong cash flow and an EBITDA margin of over 30%.



Anders Lidbeck
Acting President and CEO

Enea in short

ABOUT THE COMPANY

We develop, sell and deliver innovative and reliable software that improve the security, performance and intelligence of our digital communications. We offer firewalls to protect mobile networks against cyber attacks, products for classifying traffic, for optimizing video traffic as well as products that protect and manage Wi-Fi networks. Our customers are more than 100 suppliers of communication services and products worldwide. This means that roughly 4.5 billion people worldwide rely on our technology every day, when they connect to mobile networks or use the internet.

Enea was founded in 1968 in Sweden and has a long experience of technical innovation and development, something that is of great importance to the company even today. Among other things, Enea was involved in sending Sweden's first email and was involved in developing the first mobile version of HTML. The product portfolio and global market position have been strengthened in recent years through a number of acquisitions. Enea is currently present in over 80 markets worldwide and has its headquarters in Kista, Stockholm, Sweden. The company has more than 30 nationalities among its 463 employees, with the largest Enea offices in Sweden, Ireland, United Kingdom, France and Croatia.

KEY FIGURES FULL YEAR 2023

80+

MARKETS

463

EMPLOYEES

913

MILLION NET SALES (SEK)

34%

EBITDA MARGIN

259

MILLION OPERATING
CASH FLOW (SEK)

25%

RESEARCH AND
DEVELOPMENT

CALLER ID SPOOFING EXPLAINED – A PART OF ENEA'S OFFER

Every time a call is placed, the incoming call is identified and the caller's number is displayed to the recipient, the so-called Caller ID. This is something that can be manipulated, giving fraudsters an opportunity to pretend to be a familiar number to the recipient, such as a manager, a relative or a local number from the same region. This instills a false sense of security. Pretending to be someone else is called spoofing and helps fraudsters to access personal data and/or money. On a global scale, phone calls are the most common channel for fraud according to the Global Anti-Scam Alliance, and a large proportion of phone scams use spoofing to trick the victim.

Some countries have now started to introduce laws that make the mobile operators partly responsible for preventing this type of fraud and in some cases, such as in Singapore, the companies already risk large fines. Caller ID spoofing occurs in all generations of mobile networks, but now that the 3G network is to be shut down, a large amount of telephone traffic needs to be moved to other platforms, which makes them even more exposed and vulnerable to this type of manipulation.

Enea's expertise and software can help operators meet this challenge and save money as well as meet new legal requirements.



ENEA'S VISION

To make the world's
communications
safer and more
efficient.

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 refer to the position at the end of the period and are compared to the corresponding period of the previous year.

First quarter January – March 2024

Revenue

Total revenue for the quarter amounted to SEK 206.0 m (254.0), consisting of turnover of SEK 200.1 m (247.9) and other operating income (currency effects) of SEK 5.9 m. Enea's offering is divided into three product groups:

Network

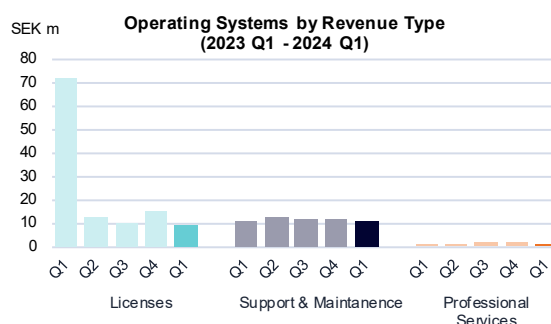
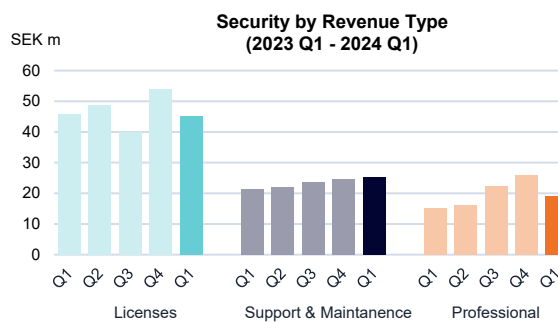
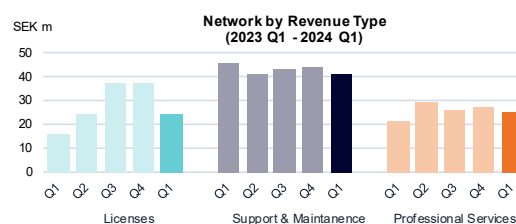
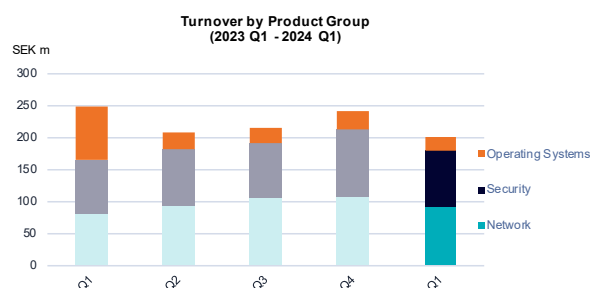
Sales in the Network Solutions product group amounted to SEK 90.5 m (82.1) and increased by 10 percent during the quarter. The product group accounted for 45 percent (33) of total sales in the quarter. Compared to last year, the increase comes from software and services. Renewal of support contracts continues at a stable level but was affected in the quarter by a negative one-time adjustment.

Security

Sales in the Security Solutions product group amounted to SEK 89.2 m (82.1), an increase of 9% compared to the same period last year. The product group accounted for 45 percent (33) of total sales during the quarter. In our security business, we have a significant part of our revenue outside the traditional telecom market, which means that we are somewhat less sensitive to the lower demand in the telecom market. Our new product Threat Detection SDK and our analytics services help a range of companies and organizations to identify cybersecurity threats.

Operating Systems

Sales in the Operating Systems product group decreased by 76 percent, compared to the same period last year, to SEK 20.4 m (83.6). The major difference is due to the deal, made with one of the key customers in Q1 2023, when the customer bought out the future customer-specific rights to the OSE operating system in a deal worth SEK 54 m. Adjusted for the one-off deal in the previous year, and related quarterly revenues of SEK 7 m, revenues decreased by 11 percent, which is in line with the expected development for this product area. As a consequence of this, the product group's share of total sales in the quarter is only 10 percent (34), which is also entirely according to plan.



Expenses and Earnings in the Quarter

Costs of Goods and Services Sold

The cost of goods and services sold amounted to SEK 48.0 m (50.7), corresponding to a gross margin of 76.0 percent (80.0).

Operating Expenses

Operating expenses amounted to SEK 141.9 m (155.8) for the quarter. The cost for share-based incentive programs amounted to SEK 0.0 m (-3.3) for the quarter, where the cost varies depending on both the share price development and the expected outcome. Depreciation, amortization and impairments were charged to operating expenses by SEK 41.5 m (46.6). Costs attributable to restructuring, write-downs and provisions amounted to SEK 0. m (0.0).

Sales and Marketing Expenses

During the first quarter, sales and marketing costs amounted to SEK 51.0 m (60.2), corresponding to 25.5 percent (24.3) of sales during the quarter.

Restructuring items amounted to SEK 0.0 m (0.0).

Product Development Expenses

During the first quarter, product development costs amounted to SEK 66.7 m (73.7), corresponding to 33.3 percent (29.7) of sales during the quarter. In addition, product development costs amounting to SEK 21.5 m (30.5) were capitalized during the quarter. Depreciation and impairment were charged to costs in the amount of SEK 46.4 m (40.5), of which SEK 35.3 m (39.6) relates to depreciation and impairment on acquired and proprietary products.

Cash flow product development costs, excluding non-recurring items, amounted to SEK 52.9 m (64.6), corresponding to 26.4 percent (26.1) of sales for the quarter.

Restructuring items amounted to SEK 0.0 million (0.0).

Administrative expenses

During the first quarter, administrative expenses amounted to SEK 24.6 m (21.8), corresponding to 12.3 percent (8.8) of sales for the

quarter. SEK 5.0 m (6.1) in depreciation was charged to administrative expenses.

EBITDA

EBITDA amounted to SEK 57.9 m (94.4), corresponding to an EBITDA margin of 28.9 percent (38.1).

Adjusted for non-recurring items, EBITDA amounted to SEK 57.9 m (94.4), corresponding to an adjusted EBITDA margin of 28.9 percent (38.1).

EBITDA adjusted for non-recurring items and capitalized development costs amounted to SEK 36.4 m (63.9), corresponding to a margin of 18.2 percent (25.8).

Operating Profit/Loss

Operating profit amounted to SEK 16.1 m (47.4), corresponding to an operating margin of 28.9 percent (38.1).

Adjusted for non-recurring items, operating profit amounted to SEK 16.1 m (94.1), corresponding to an adjusted operating margin of 28.9 percent (38.1).

Financial net

Financial items amounted to SEK -0.4 m (-24.4). External net interest amounted to SEK -5.9 m (-7.0). Unrealized exchange rate changes of financial assets have affected the result by SEK 5.6 m (-17.4) in the quarter.

Tax

The tax expense for the quarter amounted to SEK -5.1 m (-12.9). The effective tax rate is 31.5 percent (55.9).

Profit/Loss

Profit after tax for the quarter amounted to SEK 10.6 m (10.2). Earnings per share amounted to SEK 0.52 (0.47). Earnings per share attributable to continuing operations amounted to SEK 0.52 (0.47).

Cash Flow and Financial Position in the Period

Cash Flow

During the quarter, the Group generated a cash flow from operating activities of SEK 120.0 m (97.5). Cash flow from investing activities amounted to SEK -22.6 m (-32.9), of which investments in intangible assets amounted to SEK -21.5 m (-30.5) and acquisitions of tangible assets amounted to SEK 1.1 m (-2.6). Cash flow from financing activities amounted to SEK -46.4 m (-40.4). During the period, acquisitions of own shares were made corresponding to SEK -13.2 m (0). Total cash flow for the period amounted to SEK 51.0 m (24.2).

Investments

Investments for the quarter amounted to SEK 22.1 m (33.1). Depreciation and impairments amounted to SEK 37.9 m (42.7). Capitalized product development costs amounted to SEK 21.5 m (30.5). Depreciation and impairments related to these amounted to SEK 20.9 m (24.8). Depreciation attributable to leased assets amounted to SEK 3.9 m (4.3) for the quarter.

Financial position at the end of the period

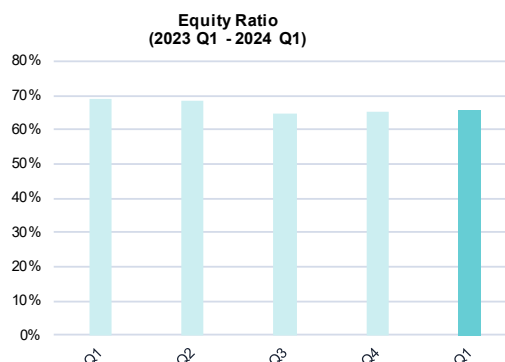
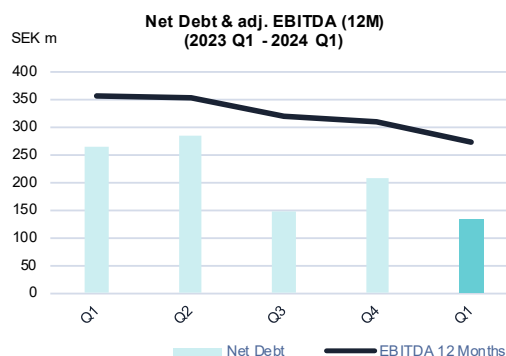
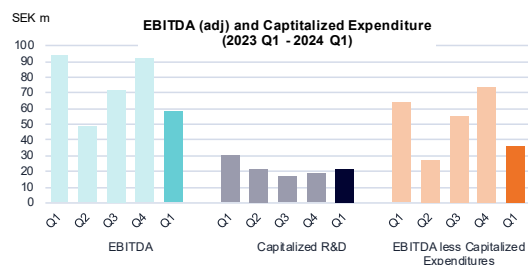
Net debt amounted to SEK 133.0 m (262.9) at the end of the quarter, where cash and cash equivalents amounted to SEK 328.1 m (258.1) and interest-bearing bank liabilities amounted to SEK 461.0 m (521.0). The interest-bearing liabilities were divided between long-term of SEK 461.0 m (521.0) and short-term of SEK 0 m (0).

The equity ratio was 65.8 percent (68.9) and total assets amounted to SEK 2,690.1 m (3,347.9) at the end of the quarter. Net debt/EBITDA (12M) amounted to 0.74 (0.74).

Financing

Enea has an overdraft facility of SEK 70 m, of which SEK 0 m was utilized at the end of the quarter. In 2022, a three-year facility agreement was entered into with a fixed-term facility of EUR 40 m and a revolving facility of SEK 350 m with DNB Bank ASA and AB Svensk Exportkredit (publ) as lenders. The credit facilities contain customary covenants. The loan terms are fulfilled as of March 31, 2024. Remaining debt at the end of the quarter amounted to SEK 461 m.

Unutilized credit facilities amounted to a total of SEK 420 m at the end of the quarter.



Other Disclosures

Parent company

Parent company sales for the quarter amounted to SEK 15.3 m (17.0) and earnings before appropriations and tax amounted to SEK -1.2 m (2.2). Net financial items in the parent company were SEK 2.6 m (1.9) and cash and cash equivalents amounted to SEK 0 m (0) at the end of the quarter. The parent company's investments during the period amounted to SEK 0.1 m (1.0). The number of employees was 13 (19) at the end of the quarter. The parent company does not conduct any operations of its own and its risks are essentially related to the operations of its subsidiaries.

Employees

At the end of the period, the group had 451 (528).

Share-based incentive program

Enea has had a long-term incentive program.

LTIP21 was resolved at the 2021 Annual General Meeting and has included approximately 30 senior executives and other key employees. The receipt of shares was linked to Enea's growth in earnings per share for the financial years 2021–2023. The maximum allotment of LTIP21 in accordance with the AGM's resolution was 243,000 shares. The outcome of the program was 0%.

Repurchase of Treasury Shares

Enea's holding of own shares at the end of the period 1 058 932 shares, corresponding to 4.8 percent of the total number of shares. Enea announced on April 25 that the Board of Directors has decided to continue the repurchase program until May 6, 2024. 245,825 shares were repurchased during the quarter.

The Share and Shareholders

Enea is listed on Nasdaq Stockholm [ENEA]. The company has a total of 21 615 231 outstanding ordinary shares and 243 000 C shares.

The company's largest shareholders are Per Lindberg (34.10 percent), Första AP-Fonden (7.09 percent), Enea AB (4.84), Handelsbanken fonder (3.39 percent) and Holmen Fondförvaltning AS (3.33). The 20 largest shareholders together hold 70.90 percent of the company's capital and 70.61 percent of the company's votes. There were no significant changes in the shareholder base during the quarter. Holmen Fondförvaltning AS was added during the quarter and is now on the list of the 10 largest shareholders.

Annual General Meeting

Enea's Annual General Meeting 2024 will be held on May 7 in Stockholm, Sweden

Valberedning

In consultation with the largest shareholders, the Chairman of the Board of Enea AB has established a Nomination Committee for the 2024 Annual General Meeting. The Nomination Committee

consists of Per Lindberg (own mandate), Niklas Johansson (Handelsbanken Fonder), Anna Magnusson (Första AP-fonden), Henrik Söderberg (C WorldWide Asset Management) and Kjell Duveblad (Chairman of the Board of Enea AB). The Nomination Committee has appointed Per Lindberg as its Chairman. The Nomination Committee's task is to submit proposals to the Annual General Meeting regarding the Chairman and other members of the Board of Directors, as well as fees and other remuneration for Board assignments to Board members. The Nomination Committee shall also submit proposals for the election and remuneration of auditors. Furthermore, the Nomination Committee shall submit a proposal for the process of appointing the Nomination Committee for the 2025 Annual General Meeting.

Financial Assets and Liabilities

The Group applies IFRS 13. The standard requires disclosure of the uncertainty in valuations based on the three levels used for financial instruments.

Level 1: The fair value of financial instruments traded on an active market is based on quoted market prices on the balance sheet date. A market is considered active if quoted prices from an exchange, broker, industry group, pricing service or supervisory authority are readily and regularly available and its prices represent real and regular market transactions at arm's length. As of 31 March 2024, the Group does not report any level 1 financial instruments.

Level 2: The fair value of financial instruments that are not traded on an active market (e.g. OTC derivatives) is determined using valuation techniques. In some cases, the Group uses currency derivatives for hedging purposes.

Currency hedges are valued at market value by making an early allocation of the currency hedge to determine what the forward price would be if maturity were on the balance sheet date. As of 31 March 2024, the Group does not report any level 2 financial instruments.

Level 3: as of 31 March 2024, the Group does not report any financial instruments in level 3.

For other financial assets and liabilities, the carrying amount corresponds to the fair value.

Accounting Policies

This interim report has been prepared in accordance with IAS 34. Interim reporting, which is in accordance with Swedish law through the application of (Swedish Financial Reporting) RFR 1 - Supplementary accounting rules for groups and RFR 2 - Accounting for legal entities, regarding the Parent Company. The same accounting principles, definitions of key ratios and calculation methods have been applied as in the most recent

annual report for both the Group and the Parent Company, unless otherwise stated below.

Material Risks and Uncertainties

Enea operates mainly in the areas of cybersecurity and telecommunications. The uncertain global situation is having a negative effect on the global economy, which affects customers' risk appetite and willingness to invest. For Enea, this means that some projects are delayed or not implemented. At the same time, the underlying drivers for telecommunications remain, which means a continued focus on virtualization, 5G and increased network capacity.

Enea's business strategy is based on developing new products and improving existing solutions, which involves significant investments. At the end of the period, the value of capitalized development costs amounted to SEK 229.5 m (343.2). Investments are made towards markets with great potential for growth and profitability and after careful analysis. If, despite this, products are not technically or commercially successful, it may have a negative

impact on the company's operations and financial position, which may lead to changes in strategy and priorities.

Since no other significant changes have occurred during the quarter regarding significant risks and uncertainties, Enea refers to the statement in the latest Annual Report on pages 46-48.

Long-term Ambition

Our ambition is to develop Enea into the leading challenger in specialized software for cybersecurity and telecommunications. We are already established with major customers, and we are gaining new market shares with innovative solutions for the open, cloud-based systems of the future. We compete with large companies by being focused, faster and more agile, and we can attract the best talent. Our goal in the coming years is to generate double-digit growth in our focused business areas, an EBITDA margin above 35 percent and a strong cashflows. Over time, we also want to make complementary acquisitions to further strengthen our market position.

Kista 24 April 2024
Enea AB (publ)
The Board of Directors

This interim report has not been reviewed by the company's auditors.

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 Anders Lidbeck on 25 April 2024 at 7:20 a.m.

Consolidated statement of comprehensive income

		Jan-Mar	12 months	Full year
SEK m	2024	2023	Apr-Mar	2023
Turnover	200.1	247.9	864.9	912.7
Other operating revenue	5.9	6.1	21.6	21.9
Total revenue	206.0	254.0	886.5	934.5
Cost of goods and service sold	-48.0	-50.7	-212.2	-215.0
Gross profit	158.0	203.3	674.3	719.5
Sales and marketing costs	-51.0	-60.2	-281.5	-290.7
R&D costs	-66.7	-73.7	-823.5	-830.5
General and administration costs	-24.2	-21.8	-100.1	-97.8
Operating profit 1) 2) 3) 4)	16.1	47.4	-530.8	-499.5
Financial net	-0.4	-24.4	-33.0	-56.9
Profit before tax	15.7	23.1	-563.8	-556.4
Tax	-5.1	-12.9	13.5	5.7
Profit after tax continued operations	10.6	10.2	-550.3	-550.7
Profit discontinued operations	-	-	-	-
Net profit for the period	10.6	10.2	-550.3	-550.7
OTHER COMPREHENSIVE INCOME				
<i>Items that may be reclassified to profit or loss</i>				
Change in hedging reserve, after tax	-	0.3	-	0.3
Exchange rate differences	91.5	9.2	60.3	-22.0
<i>Items that will not be reclassified to profit or loss</i>				
Pension obligations	0.1	0.2	0.9	1.0
Total comprehensive income for the period, net of tax	102.2	19.9	-489.1	-571.4
Profit for the period attributable to equity holders of the parent company	10.6	10.2	-550.3	-550.7
Comprehensive income for the period attributable to equity holders of the parent company	102.2	19.9	-489.1	-571.4
1) including depreciation and write-down of tangible assets	2.5	3.0	10.9	11.5
2) Including amortization and write-down of intangible assets	35.4	39.7	681.0	685.2
3) Including amortization of right-to-use assets	3.9	4.3	17.8	18.2
4) Non-recurring items included in operating profit				
Operating profit including non-recurring items	16.1	47.4	-530.8	-499.5
Write-down	-	-	529.3	529.3
Restructuring costs	-	-	29.4	29.4
Reservation for reported but not yet received income	-	-	63.0	63.0
Operating profit excluding non-recurring items	16.1	47.4	90.9	122.2

Key figures – income statement

		Jan-Mar	12 months	Full year
SEK m	2024	2023	Apr-Mar	2023
Earnings per share (SEK)	0.52	0.47	-26.12	-25.80
Earnings per share after full dilution (SEK)	0.52	0.47	-26.12	-25.80
Earnings per share continued operations (SEK)	0.52	0.47	-26.12	-25.80
Earnings per share after full dilution continued operations (SEK)	0.52	0.47	-26.12	-25.80
Average number of shares before dilution (million)	20.2	21.6	21.1	21.3
Average number of shares after dilution (million)	20.2	21.6	21.1	21.3
Net sales growth (%)	-19	18	-10	-2
Gross margin (%)	76.7	80.0	76.1	77.0
EBITDA (SEK m)	57.9	94.4	178.9	215.4
Operating costs as % of revenue				
- Sales and marketing costs	25.5	24.3	32.5	31.9
- R&D costs	33.3	29.7	95.2	91.0
- G&A costs	12.1	8.8	11.6	10.7
Operating margin excl. non-recurring items (%)	8.1	19.1	10.5	13.4
Operating margin (%)	8.1	19.1	-61.4	-54.7

Consolidated statement of financial position

		31 Mar	31 Dec
SEK m	2024	2023	2023
ASSETS			
Intangible assets	1 938.8	2 491.9	1 883.0
- goodwill	1 356.8	1 738.8	1 304.2
- capitalized development	229.5	343.2	219.7
- product rights	42.3	56.2	44.7
- customer contracts	241.5	281.6	245.6
- trademarks	29.3	29.1	28.1
- right-to-use assets	37.2	41.3	38.4
- other intangible assets	2.2	1.6	2.3
Inventories, tools and installations	17.7	21.4	18.5
Deferred tax assets	13.8	21.9	13.1
Other fixed assets	2.3	3.4	2.2
Total fixed assets	1 972.6	2 538.7	1 916.8
Current receivables	389.5	551.1	402.5
Cash and cash equivalents	328.1	258.1	261.8
Total current assets	717.5	809.2	664.3
Total assets	2 690.1	3 347.9	2 581.1
EQUITY and LIABILITIES			
Equity	1 770.2	2 308.0	1 681.3
Provisions	2.3	4.0	2.4
Long-term liabilities			
Deferred tax liabilities	94.2	116.2	92.4
Long-term liabilities, interest-bearing	461.0	521.0	443.8
Long-term liabilities, non-interest-bearing	19.3	17.5	18.0
Long-term liabilities, leasing	11.0	26.6	22.3
Total long-term liabilities	585.4	681.4	576.6
Current liabilities			
Current liabilities, interest-bearing	-	0.0	27.1
Current liabilities, non-interest-bearing	321.7	338.8	276.5
Current liabilities, leasing	10.5	15.7	17.3
Total current liabilities	332.2	354.5	320.9
Total equity and liabilities	2 690.1	3 347.9	2 581.1

Consolidated statement of changes in equity

		31 Mar	31 Dec
SEK m	2024	2023	2023
At beginning of period	1 681.2	2 291.2	2 291.2
Total comprehensive income for the period	102.2	19.9	-571.4
New share issue	-	-	-
Share saving program	-	-3.1	-11.4
Repurchasing of own shares	-13.2	-	-27.1
At end of period	1 770.2	2 308.0	1 681.3

Consolidated statement of cash flow

SEK m	Jan-Mar		Full year
	2024	2023	2023
Profit before tax	15.7	23.1	-556.4
Adjustment for non-cash items	44.7	49.4	696.9
Tax paid/received	-1.8	-2.9	-3.2
Operating cash flow before changes in working capital	58.6	69.5	137.2
Cash flow from changes in working capital	61.4	28.1	121.7
Cash flow from operating activities	120.0	97.5	258.9
Cash flow from investing activities	-22.6	-32.9	-95.2
Cash flow from financing activities, raising of loans	-	0.2	20.6
Cash flow from financing activities, amortization of loans	-27.1	-36.6	-100.2
Cash flow from financing activities, amortization of lease liability	-6.2	-4.1	-19.3
Cash flow from financing activities, repurchase of shares	-13.2	-	-27.1
Cash flow for the period	51.0	24.2	37.7
Cash and cash equivalents at the beginning of period	261.8	231.3	231.3
Exchange rate difference in cash and cash equivalents	15.3	2.6	-7.2
Cash and cash equivalents at the end of period	328.1	258.1	261.8

Key figures – balance sheet and cash flow statement

SEK m	Jan-Mar	12 months	Full year
	2024	2023	Apr-Mar
Cash and cash equivalents (SEK m)	328.1	258.1	328.1
Equity ratio (%)	65.8	68.9	65.8
Equity per share (SEK)	85.1	106.8	85.1
Cash flow from operating activities per share (SEK)	5.9	4.5	13.4
Net debt (SEK m)	133.0	262.9	133.0
Number of employees at end of period	451	528	451
Return on equity (%)	0.5	10.9	-27.0
Return on capital employed (%)	3.8	7.3	-5.4
Return on assets (%)	3.3	6.2	-4.6

Parent Company

Income statement

SEK m	Jan-Mar	Full year
	2024	2023
Revenue	15.3	17.0
Operating costs	-19.1	-16.7
Operating profit	-3.8	0.3
Financial net	2.6	1.9
Profit/loss after financial net	-1.2	2.2
Appropriations	-	-
Profit/loss before tax	-1.2	2.2
Tax	-	-0.1
Net profit/loss for the period	-1.2	2.0

Balance sheet

SEK m	31 Mar	31 Dec
	2024	2023
ASSETS		
Fixed assets	214.5	214.6
Current assets	1 192.1	1 281.0
Total assets	1 406.6	1 495.6
EQUITY AND LIABILITIES		
Equity	780.8	831.8
Untaxed reserves	1.1	0.9
Long-term liabilities, interest-bearing	460.1	519.3
Current liabilities, other	164.5	143.5
Total equity and liabilities	1 406.6	1 495.6

Quarterly Data

SEK m	2024		2023		2022				2021	
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
INCOME STATEMENT										
Turnover	200.1	241.5	215.7	207.7	247.9	271.0	229.3	216.6	210.8	252.3
Other operating revenue	5.9	1.1	4.9	9.7	6.1	2.1	23.6	5.2	6.1	14.1
Cost of goods and services sold	-48.0	-50.9	-51.4	-62.0	-50.7	-64.5	-53.6	-47.6	-47.9	-48.6
Gross profit	158.0	191.7	169.2	155.4	203.3	208.6	199.3	174.2	169.0	217.8
Sales and marketing costs	-51.0	-57.4	-50.2	-122.9	-60.2	-61.5	-61.4	-47.7	-61.8	-45.1
R&D costs	-66.7	-67.4	-78.9	-610.5	-73.7	-67.2	-69.9	-70.8	-90.8	-92.8
General and administration costs	-24.2	-23.8	-24.4	-27.7	-21.8	-22.1	-27.0	-27.4	-25.5	-22.3
Operating profit	16.1	43.1	15.7	-605.7	47.4	57.8	41.0	28.3	-9.0	57.5
Financial net	-0.4	-22.4	4.7	-14.9	-24.4	-34.8	14.4	7.9	-4.7	-4.5
Profit before tax	15.7	20.6	20.4	-620.5	23.1	23.0	55.4	36.2	-13.7	53.0
Tax	-5.1	-7.9	0.0	26.5	-12.9	16.1	-18.8	10.0	0.7	-0.6
Profit after tax	10.6	12.7	20.4	-594.0	10.2	39.2	36.6	46.2	-13.0	52.5
Result from discontinued operations	-	-	-	-	-	0.2	15.8	95.1	4.8	2.1
Net profit for the period	10.6	12.7	20.4	-594.0	10.2	39.3	52.4	141.3	-8.2	54.5
Other comprehensive income	91.6	-101.1	-32.3	103.0	9.8	-50.5	134.8	162.6	37.0	37.9
Total comprehensive income	102.2	-88.3	-11.9	-491.0	19.9	-11.1	187.2	303.9	28.9	92.4
BALANCE SHEET										
Intangible assets	1 938.8	1 883.0	1 984.8	2 028.4	2 491.9	2 493.7	2 546.2	2 435.0	2 338.9	2 313.4
Other fixed assets	31.5	31.6	42.3	44.3	43.3	43.9	34.9	39.1	44.6	50.3
Other financial fixed assets	2.3	2.2	2.7	3.1	3.4	3.6	4.1	3.4	4.3	4.3
Current receivables	389.5	402.5	387.2	470.2	551.1	545.4	509.3	518.0	505.4	454.0
Cash and cash equivalents	328.1	261.8	333.0	291.3	258.1	231.3	264.0	218.0	142.5	211.4
Total assets	2 690.1	2 581.1	2 750.1	2 837.2	3 347.9	3 318.0	3 358.5	3 213.5	3 035.8	3 033.3
Shareholders' equity	1 770.2	1 681.3	1 785.9	1 817.2	2 308.0	2 291.2	2 301.8	2 116.1	1 809.4	1 776.0
Long-term liabilities, interest-bearing	472.0	466.2	506.4	537.0	547.7	568.6	563.1	593.7	495.2	491.2
bearing	115.7	112.8	112.0	117.0	137.7	137.8	155.2	149.2	150.8	147.9
Current liabilities, interest-bearing	10.5	44.4	17.7	14.7	15.7	21.1	10.9	13.8	238.7	285.8
Current liabilities, non-interest-bearing	321.7	276.5	328.1	351.3	338.8	299.2	327.5	340.7	341.6	332.4
Total equity and liabilities	2 690.1	2 581.1	2 750.1	2 837.2	3 347.9	3 318.0	3 358.5	3 213.5	3 035.8	3 033.3
CASH FLOW										
Cash flow from operating activities	120.0	-24.0	108.3	77.1	97.5	-2.1	92.1	73.3	3.9	142.4
Cash flow from investing activities	-22.6	-21.0	-18.8	-22.5	-32.9	-34.2	-36.4	-38.2	-30.1	-38.3
Cash flow from financing activities	-46.4	1.1	-24.7	-34.7	-40.4	1.4	-34.5	-126.4	-46.3	-73.5
Cash flow for the period	51.0	-44.0	64.8	20.0	24.2	-34.9	21.2	-91.3	-72.5	30.6
Cash flow for the period, from acquisition/divestment of operation	-	-	-	-	-	-0.1	14.6	158.8	0.0	-0.0
Total cash flow for the period	51.0	-44.0	64.8	20.0	24.2	-35.0	35.9	67.4	-72.5	30.6

Five-year Overview

SEK m	2023	2022	2021	2020	2019
INCOME STATEMENT					
Turnover	912.7	927.7	863.2	780.6	846.2
Other operating revenue	21.9	37.1	24.3	13.7	17.1
Operating expenses	-1 434.0	-846.6	-689.7	-620.9	-615.4
Operating profit	-499.5	118.1	197.8	173.4	247.9
Financial net	-56.9	-17.2	4.7	-24.1	-52.0
Profit before tax	-556.4	101.0	202.5	149.4	195.9
Tax	5.7	8.0	-17.0	-19.5	-31.0
Profit after tax continued operations	-550.7	109.0	185.5	129.8	164.9
Profit discontinued operations	-	115.9	14.8	12.5	4.8
Net profit for the period	-550.7	224.8	200.3	142.3	169.7
BALANCE SHEET					
Intangible assets	1 883.0	2 493.7	2 314.4	1 734.5	1 672.3
Other fixed assets	31.6	43.9	49.3	40.7	27.6
Other financial fixed assets	2.2	3.6	4.3	6.1	3.4
Current receivables	402.5	545.4	454.0	357.5	364.3
Cash and cash equivalents	261.8	231.3	211.4	195.1	146.1
Total assets	2 581.1	3 318.0	3 033.3	2 334.0	2 213.8
Shareholders' equity	1 681.3	2 291.2	1 776.0	1 487.5	1 481.3
Long-term liabilities, interest-bearing	443.8	545.1	469.8	291.7	263.0
Long-term liabilities, non-interest-bearing	135.1	161.3	169.3	141.0	119.6
Current liabilities, interest-bearing	27.1	6.6	268.8	142.2	99.1
Current liabilities, non-interest-bearing	293.8	313.8	349.3	271.7	250.8
Total equity and liabilities	2 581.1	3 318.0	3 033.3	2 334.0	2 213.8
CASH FLOW					
Cash flow from operating activities	258.9	167.2	333.7	274.2	245.2
Cash flow from investing activities	-95.2	-138.8	-138.4	-130.9	-90.9
Cash flow from investing activities-divestment of operation	-	173.2	-	-	-
Cash flow from investing activities-acquisition of operation	-	-	-379.4	-90.5	-47.1
Cash flow from financing activities	-126.0	-205.9	191.5	8.9	-35.9
Cash flow for the period	37.7	-4.2	7.5	61.6	71.2
KEY FIGURES					
Net sales growth, %	6	7	11	-8	25
Operating margin, %	-54.7	12.7	22.9	22.2	29.3
Profit margin, %	-61.0	10.9	23.5	19.1	23.1
Return on capital employed, %	-4.6	11.1	13.2	10.4	15.2
Return on equity, %	-27.7	14.7	12.3	9.6	13.8
Return on total capital, %	-3.9	12.6	11.1	8.8	12.9
Interest coverage ration, multiple	-0.3	1.3	3.1	3.9	3.8
Equity ratio, %	65.1	69.1	58.6	63.7	66.9
Liquidity, %	207.0	242.4	107.6	133.5	145.9
EBITDA	-499.5	292.4	352.6	275.4	328.5
Net debt/EBITDA	-0.42	1.10	1.50	0.87	0.66
Average number of employees	489	619	504	403	389
Net sales per employee, SEK m	1.9	1.5	1.7	1.9	2.2
Net asset value per share, SEK	78.93	108.87	82.66	69.09	69.54
Earnings per share, SEK	-25.80	10.43	9.30	6.63	8.47
Earnings per share continued operations, SEK	-25.20	5.05	8.61	6.05	8.23

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.

		Jan-Mar	Full year
Reconciliation of net sales growth	2024	2023	2023
Turnover, SEK million	200.1	247.9	912.7
Turnover growth, SEK million	-47.7	37.0	-15.0
Turnover growth, %	-19	18	-2
Currency effect, unchanged exchange rates compared to previous year, SEK m	3.9	9.5	36.6
Currency effect, unchanged exchange rates compared to previous year, %	2	4	4
Turnover growth, unchanged exchange rates compared to previous year, SEK m	-51.7	27.6	-51.5
Turnover growth, unchanged exchange rates compared to previous year, %	-21	13	-6

		Jan-Mar	Full year
Reconciliation of financial income/expense	2024	2023	2023
Financial income, SEK million	82.3	72.6	383.3
Financial expense, SEK million	-82.7	-97.0	-440.2
Reported financial net	-0.4	-24.4	-56.9

Company Information

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Financial Calendar

Annual General Meeting	May 7, 2024
Interim Report Q2 January - June	July 18, 2024
Interim Report Q3 January - September	October 25, 2024

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