



Interim report

1 January – 31 March 2025

Comments refer to continuing operations unless otherwise stated

FIRST QUARTER 2025

- Net sales increased by 4% to SEK 1,330 million (1,283). In total for the Group, organic sales change was -4%, excluding currency effects.
- EBITA amounted to SEK 255 million (255), corresponding to an EBITA margin of 19.2% (19.9).
- Adjusted EBITA was in line with the previous year and amounted to SEK 251 million (252), corresponding to an adjusted EBITA margin of 18.9% (19.6). Organic adjusted EBITA decrease was -8%, excluding currency effects.
- Profit before tax for the quarter amounted to SEK 123 million (162), which was affected by unrealized exchange rate differences of SEK -25 million (3) and increased interest expenses.
- Profit after tax amounted to SEK 74 million (110) and earnings per share amounted to SEK 1.83 (2.81).
- Cash flow from operating activities amounted to SEK 170 million (171), corresponding to a cash conversion of 74% (72).

19.4%

Adj. EBITA margin
LTM

83%

Cash flow conversion
LTM

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- New loan agreement signed to more favourable terms for refinancing of existing loans. The credit facility is increased to support the Group's growth strategy.

Financial overview, continued operations

For detailed information see Definition of alternative key figures

	Jan-Mar 2025	Jan-Mar 2024 ¹	LTM Mar 2025	Jan-Dec 2024
Net Sales, (SEK million)	1,330	1,283	5,213	5,166
Adjusted EBITA, (SEK million)	251	252	1,009	1,010
EBITA, (SEK million)	255	255	1,041	1,041
EBIT, (SEK million)	214	221	888	895
Earnings for the period after tax, (SEK million)	74	110	399	436
Earnings per ordinary share after dilution, (SEK)	1.83	2.80	10.05	11.00
Adjusted EBITA-margin	18.9%	19.6%	19.4%	19.6%
Financial net debt/Adjusted EBITDA, multiple	2.25	2.17	2.25	2.25
Net debt/Adjusted EBITDA, multiple	3.31	3.33	3.31	3.30
Return on capital employed, %	12.5%	13.2%	12.5%	12.6%
Return on equity, %	9.2%	11.7%	9.2%	10.1%
Cash flow conversion, %	74%	72%	83%	83%

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



COMMENTS BY THE CEO

POSITIVE CONTRIBUTIONS FROM ACQUISITIONS, CONTINUED SOLID CASH FLOW AND CAUTIOUS MARKET CONDITIONS

Sdiptech summarizes a quarter in which several parts of the Group's units continued to have a good demand. However, with uncertainties in the global environment, we saw towards the end of the period that some customers were holding off on planned projects. Net sales increased by 4%, while adjusted EBITA was at the same level as last year and amounted to SEK 251 million, resulting in an adjusted EBITA margin of 18.9%. Cash flow generation from operating activities remained stable at 74%, generating SEK 170 million in the quarter.

Quarterly summary

Net sales increased by 4% in the quarter. Both acquisitions and good organic development in a number of our business units made a positive contribution. At the same time, the Group's overall organic sales declined by 4% excluding currency effects. We see some impact towards the end of the period due to the recent escalation of trade barriers and geopolitical unrest, particularly in Supply Chain & Transportation. Our exposure to the US is limited to approximately 4% of total sales, and we have no sales between the US and China. We are working to ensure the best possible operation for each business, for example by utilizing our local manufacturing facilities and thus ensuring continued delivery to customers in the US.

Our adjusted EBITA for the quarter was at the same level as last year. While acquisitions have had a positive contribution to the Group's profit, the organic development was -8% excl. currency. Units within Energy & Electrification had a positive contribution, where we see several drivers that are persistent, such as electrification and energy efficiency. Some units in Supply Chain & Transportation also had a good demand for their efficient and safe transportation solutions. However, we have already started to see the effects of the new legal requirement in the UK which means increased wage levels, even though these laws only came into force from April 1. This is putting pressure on margins in the short term as we have delays in some longer contracts before this can be fully compensated for with price increases. This is mainly noticeable in Water & Bioeconomy.

We are definitely not satisfied with the deteriorating margins, and we are focused on initiatives linked to profitability, efficiency and selective growth. We are also working on reviewing our portfolio based on the criteria we have set for new companies since our strategic shift in 2019. For example, the group's only remaining construction unit, which had difficulties in 2024, has gradually wound down, and the sales process of the elevator business in Central Europe is also proceeding according to plan with ongoing dialogues with several stakeholders.

Acquisitions

During the quarter, we acquired Phase 3 Connectors Ltd in the UK, which ensures reliable and efficient power distribution for events, data centers and industrial facilities, among others. Phase 3 has previously collaborated with other units within the Energy & Electrification business area, of which the company is a part of from February 2025. We have also completed a small add-on acquisition to our Dutch unit Certus, which works with image processing and software development for the optimization of ports, terminals, truck parks and logistics companies. The add-on acquisition, called Supplai, specializes in AI algorithms and video processing solutions, and will result in Certus being able to offer an even more efficient, accurate and reliable solution.

Outlooks

Our acquisition pipeline remains solid, and we have many ongoing dialogues. At the same time, we are keen to balance the pace of acquisitions against prevailing external factors and uncertainties. To secure future acquisition opportunities for high-quality companies, we have renewed and expanded our bank financing. In addition to the larger credit frame, it also lowers our interest rates.

Several of our business units are working to adapt their operations and cost levels based on the market situation for each business. As mentioned above, our portfolio is continuously reviewed based on today's strict criteria. We are actively working to set up separate plans for those companies that do not fully meet these criteria. As part of this, further divestments may become relevant.

I would like to highlight our employees, whose commitment and adaptability continue to be a decisive strength. Our culture and values create stability even when the external environment changes. Finally, I would like to express my appreciation to our shareholders for your continued trust.

Bengt Lejdström, President and CEO

ABOUT SDIPTECH

Sdiptech is a technology group that acquires and develops niche infrastructure companies that contributes to more sustainable, efficient and safe societies.

Strategy

Sdiptech's success is based on niche market positions, a scalable business model and long-term sustainability. We create both profitable growth and societal benefits by investing in niche infrastructure solutions with stable demand. We combine specialist expertise with the Group's collective knowledge and resources, while broadening our offering, strengthening our market presence and improving the profitability of our businesses through strategic acquisitions and operational support.

Business Model

Sdiptech's business concept is to acquire and develop market-leading niche businesses with products and services in the growing infrastructure sector. Our overall goal is to create long-term value growth by constantly evaluating new acquisition opportunities and actively developing our business units in order to drive organic growth. The strength of our business model is that we can offer secure, long-term ownership through a decentralised structure and clear, strategic, value-creating contributions. At the same time, we work with strategic development and value creation in each business unit.

Drivers

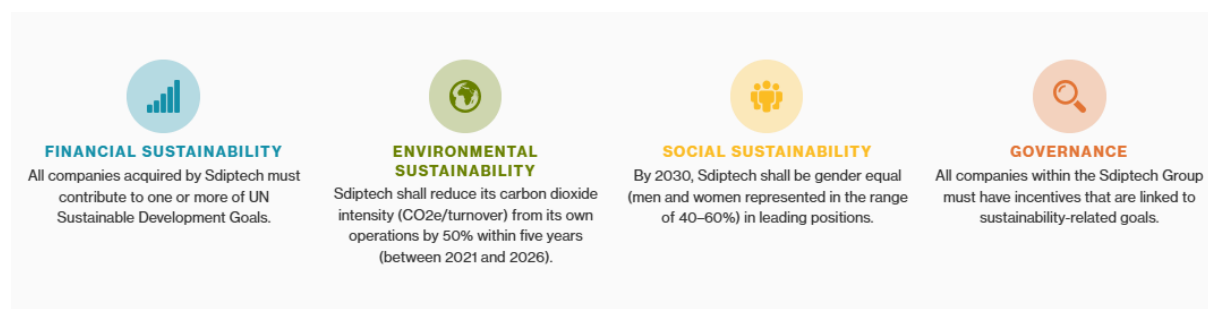
Europe's infrastructure is largely outdated and neglected. Constantly growing and increasingly complex urban areas are affected by capacity shortages. In connection with this, the demand for smart, robust and future-proof infrastructure solutions is increasing. Sdiptech is well positioned to meet this development.

Several strong societal drivers are creating long-term opportunities for Sdiptech. Three crucial factors in our favour are the quest for more sustainable, efficient and safe societies, a growing population with increased consumption, and the need to modernise and invest in outdated infrastructure. Moreover, our growth is driven by a number of important trends. These include automation, electrification and digitalisation, which are reshaping the infrastructure and boosting demand for our solutions.

Financial targets

- Organic earnings growth: To achieve an average annual organic adjusted EBITA growth of 5-10%.
- Acquired earnings growth: To acquire companies with a total EBITA of SEK 120–150 million on an annual basis.
- Capital structure: Sdiptech's long-term goal is that the Net financial liabilities as of the balance sheet date/adjusted EBITDA must not exceed 2.5 times
- Dividend policy: Sdiptech's goal is to reinvest the remaining free cash flow back into the business in addition to an annual preference share dividend of SEK 8.00 per share.

Sustainability agenda



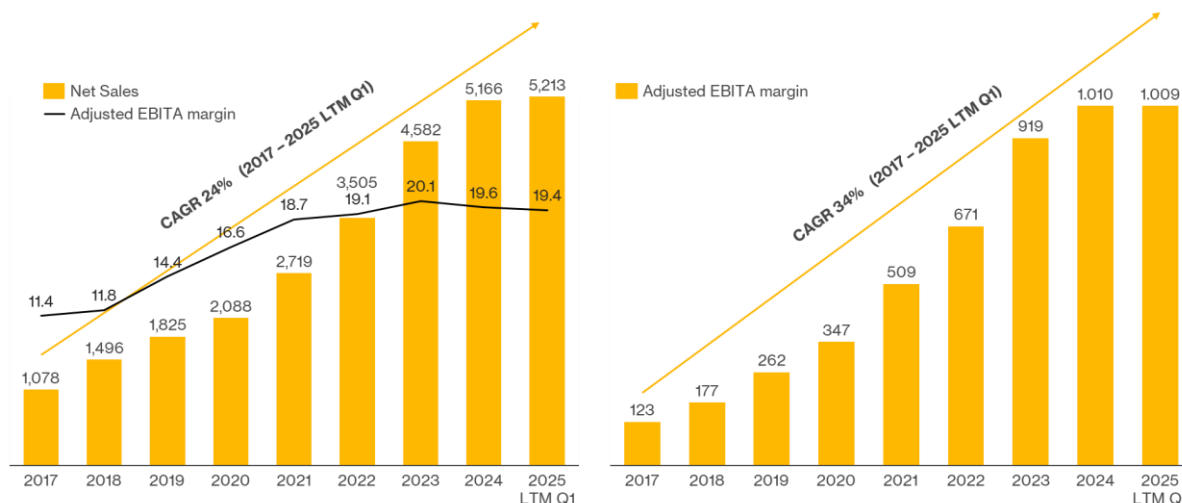
SALES, EARNINGS AND CASH FLOW

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

JANUARY TO MARCH

Net sales

Net sales for the quarter amounted to SEK 1,330 million (1,283), an increase of 4 percent compared with the corresponding period last year. For comparable units, there was a decrease of 4 percent excluding currency. Non-comparable units contributed SEK 93 million to sales for the quarter. For more detailed information, please refer to Business Areas.



Result

Operating profit, EBIT, for the quarter amounted to SEK 214 million (221). Adjusted EBITA was in line with previous year and amounted to SEK 251 million (252), corresponding to an adjusted EBITA margin of 18.9% (19.6). Adjusted EBITA in comparable units amounted to SEK 250 million, an organic change of -8%, excluding currency effects. Non-comparable units contributed SEK 25 million to profit for the period.

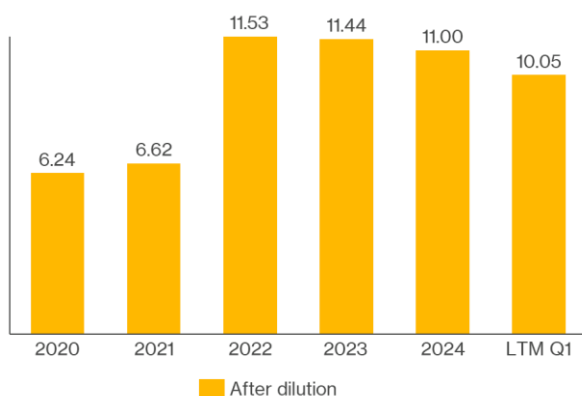
Net financial items amounted to SEK -91 million (-59), driven by unrealized foreign exchange losses of SEK -25 million (3) and increased interest expenses totalling SEK -68 million (-61), of which SEK -18 million (-17) relates to discount rates for contingent considerations and leases.

The Group's profit after tax amounted to SEK 74 million (110). The Group's total profit, including operations under divestment, amounted to SEK 71 million (107). The Group's operations under divestment contributed SEK -2 million (-3) to the Group's total profit.

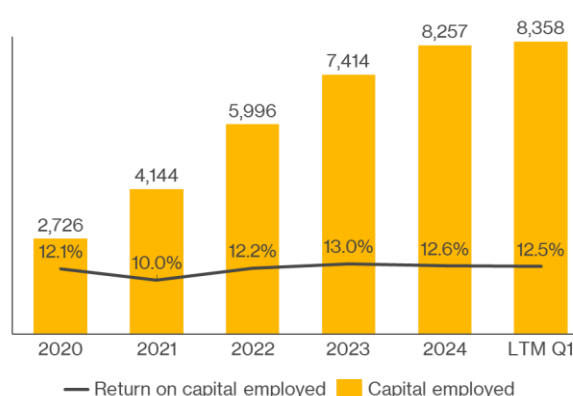
Earnings per ordinary share amounted to SEK 1.83 (2.80). Earnings per ordinary share including operations under divestment amounted to SEK 1.77 (2.72).

Return on capital employed decreased compared with the previous year and amounted to 12.5 (13.2) percent, mainly due to higher capital employed. Return on equity was 9.2 (11.7) percent.

Earnings per share, SEK, LTM



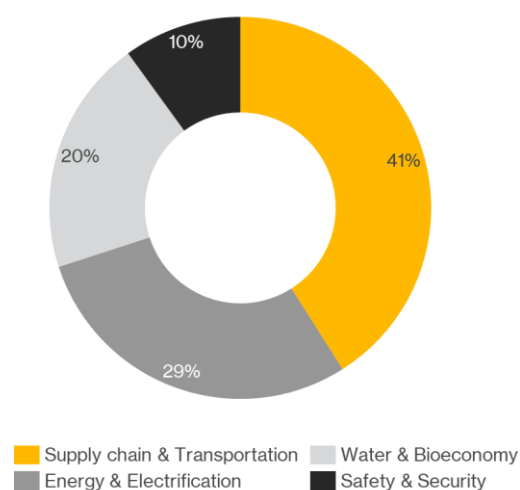
Return on capital employed, ROCE, % LTM



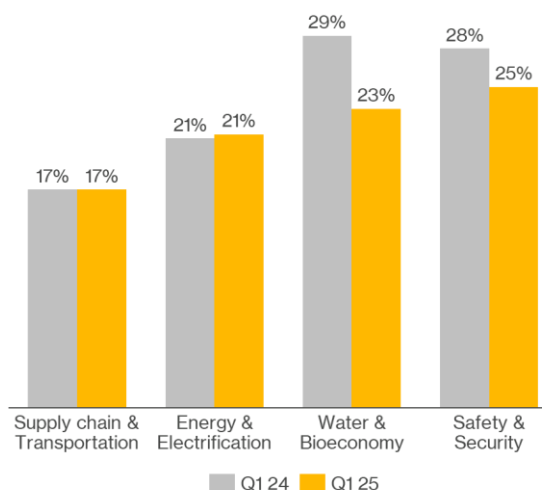
BUSINESS AREAS

Sdipotech is divided into four business areas: Supply Chain & Transportation, Energy & Electrification, Water & Bioeconomy and Safety & Security. For more information about each business area, please see: www.sdipotech.com

Net sales per business area Q1 2025, %



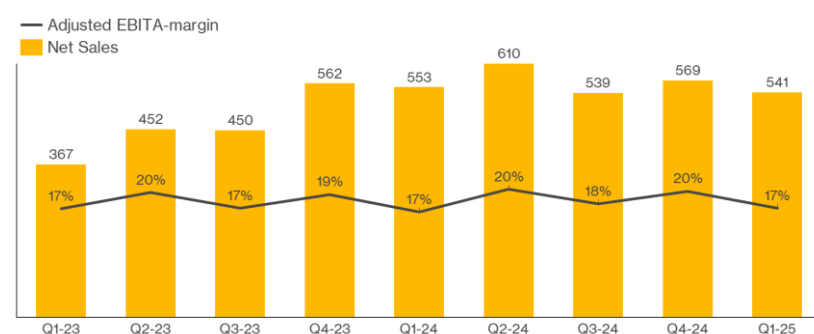
Adjusted EBITA-margin % per business area



SUPPLY CHAIN & TRANSPORTATION

Uncertainty in the world had a somewhat negative effect on sales during the quarter, even though underlying demand in the business area is fundamentally stable. For example, customers in some units have postponed orders to the future. Despite this, the profit in adjusted EBITA for the quarter increased by 2 percent compared to the previous year, driven primarily by units in efficient and safe transport solutions. At the same time, the adjusted EBITA margin increased to 17.2 percent (16.5).

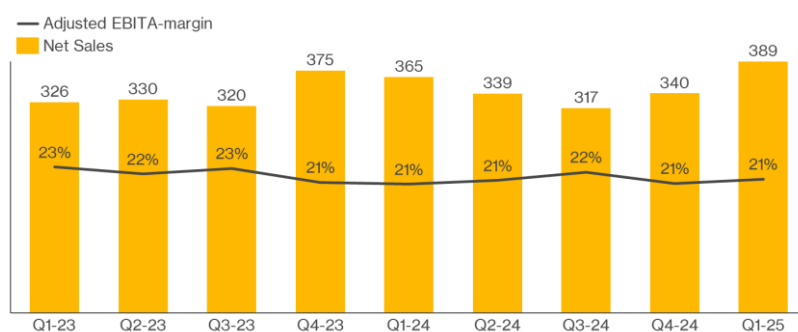
Supply chain & Transportation (SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Net sales	541	553	2,259	2,271
Adjusted EBITA	93	91	426	425
Adjusted EBITA margin %	17.2%	16.5%	18.9%	18.7%



ENERGY & ELECTRIFICATION

The units in the energy and electrification area performed well in the quarter, driven by external trends that benefit our operations, particularly in energy efficiency and electrification. Net sales increased by 6 percent, although the mild winter compared to the previous year had a slightly dampening effect on individual units. At the same time, adjusted EBITA increased by 11 percent, mainly due to growth in companies with higher profit margins than the business area's average. Adjusted EBITA margin increased to 21.3 percent (20.5).

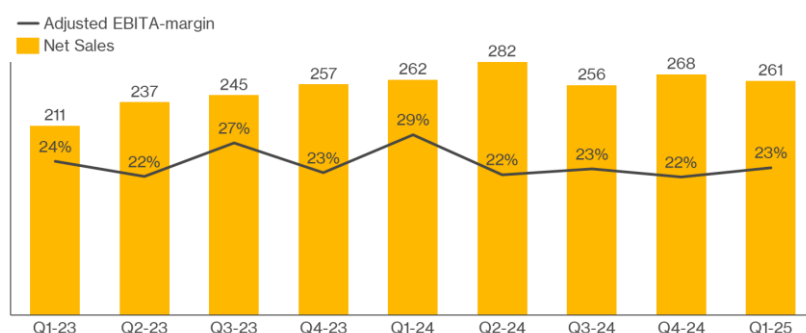
Energy & Electrification (SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Net sales	389	365	1,385	1,361
Adjusted EBITA	83	75	295	287
Adjusted EBITA margin %	21.3%	20.5%	21.3%	21.1%



WATER & BIOECONOMY

Sales were stable compared to the previous year due to acquisitions. As a result of some units having a challenging quarter with high comparative figures, as well as new legislation in the UK that has led to wage increases, the business area's adjusted EBITA decreased by 19 percent. This resulted in a lower margin of 23.3 percent compared to the unusually high level in the same period last year (28.5). These increased costs are intended to be gradually passed on to the customer, but in some units with longer contracts, it will take time before this can be fully realized.

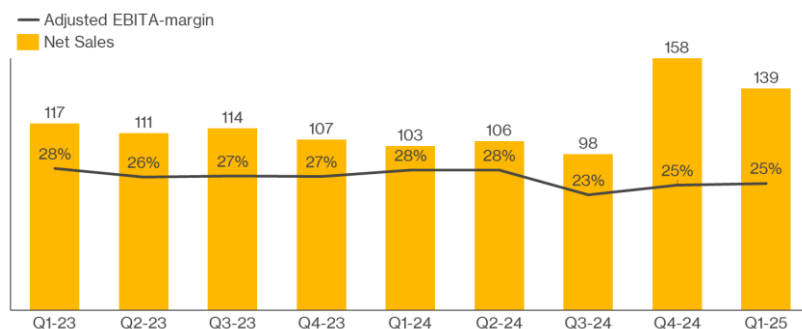
Water & Bioeconomy (SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Net sales	261	262	1,066	1,069
Adjusted EBITA	61	75	241	254
Adjusted EBITA margin %	23.3%	28.5%	22.6%	23.8%



SAFETY & SECURITY

Continued societal focus on safety has strengthened demand in our fire protection and personal safety units. Sales rose by 35 percent compared to the previous year, where acquisitions of new companies were an important contributor. Adjusted EBITA increased by 22 percent. A couple of the business area's units were affected by the new legal requirement in the UK, which means increased wage levels, and resulted in profits not increasing as much as sales. The adjusted EBITA margin was 25.2 percent (27.8).

Safety & Security (SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Net sales	139	103	501	465
Adjusted EBITA	35	29	126	120
Adjusted EBITA margin %	25.2%	27.8%	25.2%	25.8%



ACQUISITIONS

Acquisitions during the quarter

Sdiptech AB (publ) has acquired all shares in Phase 3 Connectors Ltd (Phase 3). The company designs, manufactures and supplies high-quality single-pole power connectors for the industrial and event sectors, meeting the highest standards of safety and performance both in the UK and internationally. For more information see: www.sdiptech.com

Acquisitions LTM March 2025

Period	Acquisition	Business area	EBIT, SEK million ¹	No of employees
February	Phase 3 Connectors	Energy & Electrification	40	24
December	Wintex Agro ApS	Water & Bioeconomy	8	13
November	DadoLab Srl	Safety & Security	10	15
October	Eagle Automation Ltd	Safety & Security	27	42
April	WaterTech of Sweden AB	Water & Bioeconomy	4	4
Total			89	98

1) Estimated annual EBIT and number of employees at the time of acquisition

BALANCE SHEET AND CASH FLOW

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

FINANCIAL POSITION JANUARY – MARCH

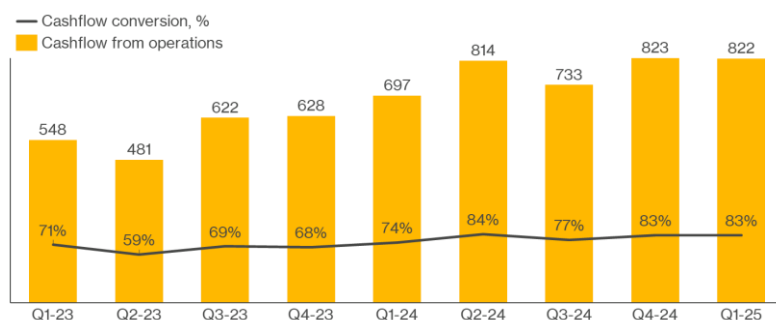
Cash Flow

Cash flow from operating activities after changes in working capital was unchanged at SEK 170 million (171), while cash flow generation during the period was 74 percent (72).

Cash flow from investing activities amounted to SEK -272 million (-364). Cash flow is primarily linked to acquisitions, which during the period amounted to SEK -231 million (-303). Investments in intangible and property, plant and equipment amounted to SEK -39 million (-41). Cash flow from financing activities amounted to SEK 204 million (54), of which net borrowing amounted to SEK 234 million (84).

Cash flow from the Group's operations under divestment amounted to SEK -1 million (2).

Cash flow from operating activities and cash generation %, RTM



Liabilities

The net debt/equity ratio at the balance sheet date was 3.31 (3.33), impacted by the four acquisitions made during the period October-March. Net financial debt, excluding contingent considerations, amounted to SEK 2.25 (2.17).

Financing

The Group's total utilized credit volume as of March 31, 2025, within the total credit frame of SEK 2,850 million, amounted to a total of approximately SEK 2,120 million, or 75% of the total credit frame. Together with the Group's cash and cash equivalents of SEK 514 million, there is approximately SEK 1,239 million in available funds.

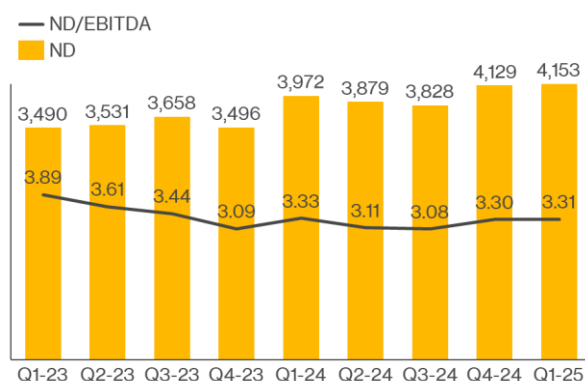
(SEK million)	2025 31 Mar	2024 31 Mar	2024 31 Dec
Liabilities to credit institutions	2,122	1,928	1,910
Bond liabilities	800	600	811
Leases	368	368	393
Contingent considerations	930	964	910
Other non-current liabilities	3	2	4
Total non-current interest-bearing liabilities	4,223	3,861	4,027
Liabilities to credit institutions	6	8	10
Leases	114	108	120
Contingent considerations	403	419	406
Other current liabilities	1	1	1
Total current interest-bearing liabilities	525	536	537

Contingent considerations are tied to terms and conditions based on the acquired company's performance for a specific period after the acquisition. These are classified according to Level 3 of the fair value hierarchy where liabilities are recognized at the present value of the expected outflows based on the estimated fair value at the balance sheet date.

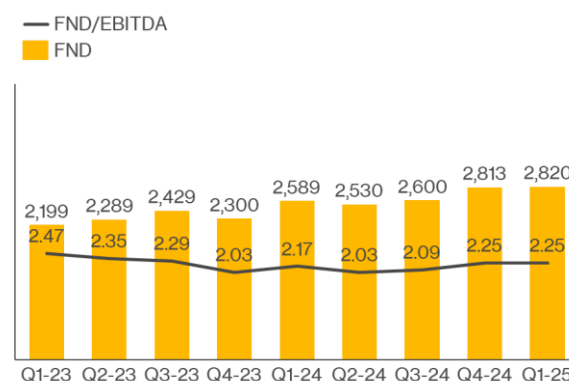
Contingent considerations (SEK million)	2025 31 Mar	2024 31 Mar	2024 31 Dec
Opening balance	1,316	1,193	1,193
Acquisitions	71	155	281
Paid considerations relating to previous acquisitions	-2	-20	-288
Interest expense (discount on present value calc.)	13	13	50
Re-valuation via operating profit	0	0	5
Exchange differences	-65	41	73
Carrying amount at period end	1,333	1,383	1,316

Repayment periods, contractual values (non-discounted) as of 31 March 2025 (SEK million)	Year 2025	Year 2026-2027	Year 2028-2029	After year 2029
Contingent considerations	385	516	307	82

Total net debt, LTM



Financial net debt, LTM



PARENT COMPANY, RISK AND OTHER EVENTS

Parent company and central units

Central units consist of the Group's parent company Sdiptech AB and the Group's holding company. The Parent Company's revenues consist of an intra-group invoiced management fee, directed to the subsidiaries for the Parent Company's services. The costs consist of expenses for central functions such as management, acquisition teams, group finances and other central functions.

Business under divestment

During the third quarter 2024, it was decided to initiate a process for the divestment of the Group's unit for the manufacture of special elevators, installation and elevator service in Central Europe. The unit is reported separately from the third quarter of 2024 and for all comparable periods and is presented in the row Operations under divestment.

Personnel

The number of employees in remaining units at the end of the period was 2,185 (2,052) at the end of the year. Completed acquisitions in the past twelve months have increased the number of employees by 99. The number of employees in operations under divestment amounts to 278 (309).

Incentive program

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

Financial risks and uncertainties

With more than 40 companies, the Group's operations are spread across several industries and geographies, and exposure to individual customers and suppliers is also limited. This limits business and financial risks. For a description of the Group's material risk and uncertainty factors, please refer to the detailed description in the Annual Report for 2024. We are seeing some impact from the recent escalation of trade barriers and geopolitical unrest. We are following developments closely to ensure that we conduct our operations in the best possible way based on the prevailing conditions.

Related party transactions

There are no significant related party transactions within the Group.

Events after the end of the reporting period

New loan agreement signed to more favourable terms for refinancing existing loans and expanding the credit frame from SEK 2,850 million to SEK 3,800 million. The agreement runs for three years with the possibility of a two-year extension and includes, among other things, larger credit frame, as well as an additional lender. The new agreement will support the Group's growth strategy.

Sdiptech Annual General Meeting 2025

The 2025 Annual General Meeting will be held on 19 May 2025 at 4.00 p.m. at the Royal Swedish Academy of Engineering Sciences (IVA), Grev Turegatan 16, Stockholm. The notice was published in accordance with the Articles of Association on April 15, 2025. All shareholders who are registered in the share register on 9 May 2025 may participate in person or by proxy. The notification must be made to the company as stated in the notice.

Annual Report 2024

The Annual Report for 2024 was published through a press release on April 15, 2025.

Dividend

The Board of Directors proposes that the Annual General Meeting resolves on dividends to the preference shareholders in accordance with the Articles of Association. The Board of Directors further proposes, in line with the dividend policy, that no dividend be paid on ordinary shares of class A or ordinary shares of class B, without the remaining earnings being carried forward, to have financial preparedness for continued acquisitions.

Consolidated income statement in summary

	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Continued operations (SEK million)				
Net Sales	1,330	1,283	5,213	5,166
Other operating income	8	38	24	54
Total income	1,338	1,321	5,237	5,220
Operating expenses				
Materials, contracting and subcontracting	-536	-521	-2,082	-2,067
Other external expenses	-119	-141	-447	-469
Employee expenses	-377	-356	-1,466	-1,445
Depreciation of tangible and intangible assets	-92	-82	-354	-344
Operating profit	214	221	888	895
Finance net	-91	-59	-292	-260
Earning before tax	123	162	597	635
Tax	-50	-52	-198	-200
Earnings after tax from continued operations	74	110	399	436
Profit/loss from discounted operations	-2	-3	-78	-79
Total Profit for the period	71	107	399	357
Operating profit includes:				
Amortisation of intangible assets related to acquisitions	-28	-24	-108	-105
Profit attributable to continued operations:				
Continued operations, Parent Company's shareholders	73	110	396	432
Continued operations, non-controlling interests	1	0	4	4
Discontinued operations, Parent Company's shareholders	-2	-3	-78	-79
Earnings per share				
Earnings per share, continued operations	1.83	2.80	10.05	11.00
Earnings per share, incl. discontinued operations	1.77	2.71	7.98	8.93
Adjusted EBITA	251	252	1,009	1,010
Average number of ordinary shares	37,991,938	37,991,938	37,991,938	37,991,938
Number of ordinary shares at the end of the period	37,991,938	37,991,938	37,991,938	37,991,938

Consolidated report of comprehensive income

(SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Profit for the period	71	107	321	357
Other comprehensive income				
Changes in accumulated translation differences	-193	125	-164	154
Total comprehensive income	-122	232	157	511
Attributable to:				
Parent company's shareholders	-122	231	154	507
Non-controlling interest	1	1	3	4

Condensed consolidated balance sheet

(SEK million)	2025 31 Mar	2024 31 Mar	2024 31 Dec
Assets			
Goodwill	5,303	5,023	5,357
Other intangible assets	1,460	1,382	1,493
Property, plant and equipment	476	447	504
Right-of-use assets	471	469	503
Other non-current assets	15	17	15
Inventories	742	730	733
Trade receivable	903	923	981
Other receivables	410	308	296
Cash and cash equivalents	514	426	435
Assets held for sale	112	182	125
Total assets	10,406	9,905	10,441
Equity and liabilities			
Equity	4,327	4,185	4,451
Non-current interest-bearing long-term liabilities	4,223	3,861	4,027
Non-current non-interest-bearing long-term liabilities	347	337	358
Current interest-bearing liabilities	525	536	537
Trade payable	397	397	618
Current liabilities	522	530	365
Liabilities held for sale	65	57	85
Total equity and liabilities	10,406	9,905	10,441

Condensed consolidated statement of changes in equity

(SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Opening equity	4,451	3,957	4,185	3,957
Profit for the period	71	107	321	357
Other comprehensive income for the period	-193	125	-164	154
Total income for the period	-122	232	157	511
Shareholder transactions				
Dividend to preference shareholders	-4	-4	-14	-14
Dividend to non-controlling interests	-	-	-4	-4
Share-based remuneration	1	-	3	2
Closing equity	4,327	4,185	4,327	4,451
Equity attributable to				
Parent Company shareholders	4,320	4,179	4,445	4,445
Non-controlling interests	7	5	6	6

Condensed consolidated cash flow

Continued operations (SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Earnings before tax	123	162	597	635
Non cash items ¹⁾	107	76	389	359
Paid tax	-85	-57	-224	-196
Cash flow from operations before change in working capital	145	180	762	798
Change in working capital	25	-9	60	25
Cash flow from operating activities	170	171	822	823
Investing activities				
Company acquisitions and divestments	-233	-323	-761	-851
Net capital expenditures in non-current assets	-39	-41	-225	-227
Cash flow from investing activities	-272	-364	-986	-1 078
Financing activities				
Borrowings/repayment of borrowings, net	234	84	391	241
Repayment of lease liabilities	-26	-26	-106	-106
Dividend paid	-4	-4	-18	-18
Cash flow from financing activities	204	54	267	117
Cash flow for the period	102	-140	103	-138
Cash and cash equivalents at beginning of the period	435	550	425	550
Exchange rate difference in cash and cash equivalents	-22	15	-14	23
Cash and cash equivalents at end of period	514	425	514	435
Cash and cash equivalents at end of period, discontinued operations	9	10	9	11

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

Parent company condensed income statement

(SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Net sales	9	7	29	28
Total income	9	7	29	28
Operating expenses				
Other external expenses	-6	-5	-20	-20
Employee expenses	-21	-16	-75	-70
Depreciation of tangible and intangible assets	-	-	-1	-1
Operating profit	-18	-15	-66	-62
Financial net	-40	7	-58	-12
Profit/loss after financial items	-58	-7	-125	-74
Group contributions received	-	-	81	81
Profit/loss for the period	-58	-7	-44	7

Parent company condensed balance sheet

(SEK million)	2025 31 mar	2024 31 mar	2023 31 dec
Intangible assets	1	-	-
Tangible assets	1	1	1
Property, plant and equipment	2,965	2,647	2,958
Current receivables	1,191	1,435	1,288
Cash and cash equivalents	47	16	13
Total assets	4,205	4,099	4,260
Equity	2,254	2,309	2,314
Long-term interest-bearing liabilities	1,557	1,360	1,538
Short-term liabilities	395	430	407
Total equity and liabilities	4,205	4,099	4,260

Key figures and financial information

Financial overview, continued operations	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Net sales, (SEK million)	1,330	1,336	1,210	1,337	1,283
Sales growth compared to previous year, %	4%	3%	7%	18%	26%
EBITDA (SEK million)	306	317	286	334	303
Adjusted EBITDA, (SEK million)	315	323	287	330	310
EBITA, (SEK million)	255	265	238	282	255
Adjusted EBITA (SEK million)	251	260	231	267	252
Adjusted EBITA margin,%	18.9%	19.5%	19.1%	20.0%	19.6%
EBIT, (SEK million)	214	226	203	245	221
Profit for the year from continuing operations, (SEK million)	74	108	91	127	110
Profit for the year after deduction of minority interests (SEK million)	73	107	90	125	110
Capital employed, closing balance, (SEK million)	8,561	8,580	8,138	8,152	8,157
Capital employed, average (SEK million)	8,358	8,257	7,975	7,846	7,675
Return on capital employed (ROCE), %	12.5%	12.6%	12.9%	13.4%	13.1%
Equity, average adjusted for preference shares (SEK million)	4,159	4,123	4,000	3,914	3,826
Return on equity, %	9.2%	10.1%	10.2%	11.4%	11.7%
Interest-bearing liabilities, closing balance (SEK million)	4,153	4,129	3,828	3,879	3,972
Net debt/Adjusted EBITDA, times	3.31	3.30	3.08	3.13	3.33
Interest-bearing liabilities to credit institutions, incl. leases	2,820	2,813	2,597	2,530	2,589
Financial net debt/Adjusted EBITDA, times	2.25	2.25	2.09	2.03	2.17
Equity capital including minority interests	4,327	4,451	4,310	4,272	4,185
Equity capital, attributed to parent	4,320	4,445	4,304	4,265	4,179
Equity/assets ratio, %	41.6%	42.6%	43.9%	44.0%	42.3%
Cash flow generation, %	74.0%	109%	67%	82%	72%
Number of employees at the end of the period	2,185	2,169	2,095	2,093	2,052
Attributable to Parent Company shareholders					
Key figures per share					
Earnings per ordinary share (SEK)	1.83	2.72	2.28	3.20	2.80
Equity per share, (SEK)	11.37	11.70	11.33	11.23	11.00
Cash flow from operating activities per share, (SEK)	3.82	7.95	5.21	4.97	4.74
Free operating cash flow per share, (SEK)	2.79	6.16	3.68	3.40	3.66
Average number of ordinary shares, '000	37,992	37,992	37,992	37,992	37,992
Number of shares, closing balance '000	37,992	37,992	37,992	37,992	37,992
Number of preference shares, '000	1,750	1,750	1,750	1,750	1,750

Accounting principles

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (EU). This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions in the Annual Accounts Act. The Interim Report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act, which is in accordance with the provisions of RFR 2 Accounting for Legal Entities.

The same accounting principles and calculation bases have been applied for the Group and the Parent Company as in the preparation of the most recent annual report for the 2024 financial year. As a result of rounding off, differences in summaries may appear in the interim report.

New and amended standards for the financial year 2025

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

Key estimates and assessments

Estimates and judgments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered reasonable under current conditions. For more detailed information, please refer to Note 1 in the Annual Report 2024.

Business Segment information

Sdipotech reports the results from operations in four segments: Supply Chain & Transportation, Energy & Electrification, Water & Bioeconomy and Safety & Security.

Key estimates and assessments

During the third quarter, it was decided to initiate a sale of the Group's unit for the manufacture of special elevators, installation and elevator service in Central Europe. The unit is reported separately as of the third quarter of 2024 and for all comparable periods under the line Operations under divestment in accordance with IFRS 5.

Segment information group

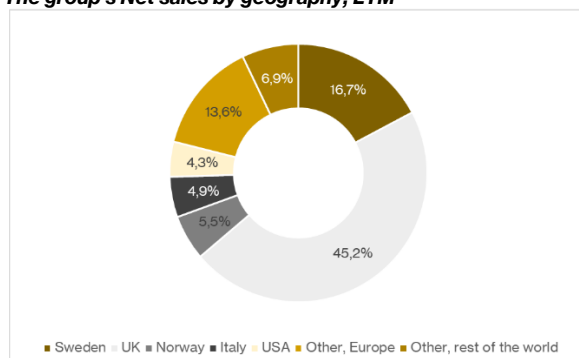
	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Net Sales (SEK million)				
Supply Chain & Transportation	541	553	2,259	2,271
Energy & Electrification	389	365	1,385	1,361
Water & Bioeconomy	261	262	1,066	1,069
Safety & Security	139	103	501	465
Net Sales	1,330	1,283	5,213	5,166
Adjusted EBITA (SEK million)				
Supply Chain & Transportation	93	91	426	425
Energy & Electrification	83	75	295	287
Water & Bioeconomy	61	75	241	254
Safety & Security	35	29	126	120
Total units	272	270	1,088	1,086
Central units	-21	-17	-78	-75
Total adjusted EBITA	251	253	1,009	1,010
Adjusted EBITA-margin (%)				
Supply Chain & Transportation	17.2%	16.5%	18.9%	18.7%
Energy & Electrification	21.3%	20.5%	21.3%	21.1%
Water & Bioeconomy	23.3%	28.5%	22.6%	23.8%
Safety & Security	25.2%	27.8%	25.2%	25.8%
Total adjusted EBITA-margin %	20.4%	21.0%	20.9%	21.0%

Geographical distribution of Net Sales

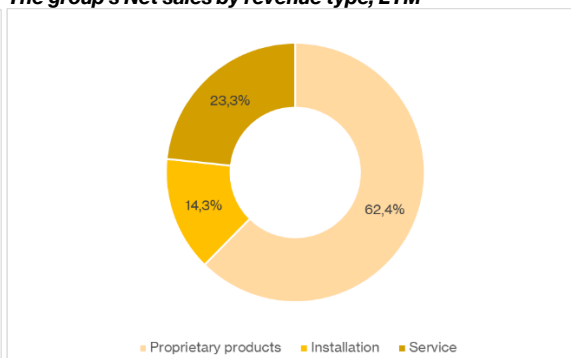
Over the years, Sdiptech has acquired units outside Sweden; in Norway, Finland, the United Kingdom, Croatia (with significant operations in Germany), the Netherlands, Italy and Denmark. The Group's business units have customers mainly locally and regionally in their respective geographies, but exports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

Sales of own products have increased from 32 to 62 percent during the period full year 2020 to RTM March 2025. The net sales of service and installation as of 2022 are mainly related to own products.

The group's Net sales by geography, LTM



The group's Net sales by revenue type, LTM



Timing of revenue recognition (SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Sales direct	1,211	1,161	4,573	4,523
Sales, over time	119	122	634	642
Total Net Sales	1,330	1,283	5,213	5,166

Discontinued Operations

Profit (SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Revenues	51	52	205	206
Operating profit	0	-1	-67	-68
Profit before tax	-2	-3	-75	-76
Income tax	0	0	-2	-2
Profit for the period	-2	-3	-78	-79

Cash flow SEK (million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Cash flow from operating activities, net	7	-4	-7	-18
Cash flow from investing activities, net	1	-3	3	-1
Cash flow from financing activities, net	-9	9	5	23
Total cashflow	-1	2	1	4

Balance sheet (SEK million)	2025 31 mar	2024 31 mar	2024 31 dec
Intangible assets	26	57	27
Property, plants and equipment	16	27	18
Right-of-use assets	7	7	7
Financial assets	0	1	1
Inventories	12	19	14
Trade receivables	29	36	34
Other current receivables	13	31	13
Cash and cash equivalents	9	10	11
Total assets	112	182	125
Non-current interest-bearing liabilities	16	15	16
Non-current non-interest-bearing liabilities	3	2	3
Current interest-bearing liabilities	22	15	27
Current non-interest-bearing liabilities	35	40	38
Total liabilities	75	72	85

Business acquisitions

PRELIMINARY ACQUISITION ANALYSIS, regarding acquisitions during January to March 2025		Fair Value	
	Carrying amount	adjustment	Fair value
(SEK million)			Total
Goodwill		197	197
Brand and trademark, IPR, Customer relations		71	71
Intangible non-current assets	-		-
Property, plant and equipment	1		1
Right of use assets	2		2
Inventories and work in progress	37		37
Cash and cash equivalents	38		38
Other current assets	38		38
Deferred tax liability	-	-18	-18
Other non-current liabilities	-2		-2
Other current liabilities	-18		-18
Total	96	250	346
Contribution of the acquired entities to Group turnover and profit (SEK million)			Total
Acquired units' contribution to the Group's turnover			30
Acquired units' contribution to the Group's profit before tax			10
Cash flow of acquisitions			Total
Purchase price, incl. contingent consideration			-346
Purchase price not paid			72
Cash and cash equivalents acquired			38
Payments pertaining to previous year's acquisitions			-2
Total cash flow impact			-237

During the period, Sdiptech AB (publ) has acquired all shares in Phase 3 Connectors Ltd (Phase 3). The company designs, manufactures and supplies high-quality single-pole power connectors for the industrial and event sectors, meeting the highest standards of safety and performance both in the UK and internationally. In addition, two smaller add-on acquisitions have been made through Sdiptech's subsidiary Certus and of Kemi-tech. For more information see: www.sdiptech.com

If the acquired units for the period had been consolidated as of 1 January 2025, net sales from January to March would have amounted to approximately SEK 1,345 million and adjusted EBITA would have amounted to approximately SEK 265 million.

Acquisition accounting

The acquisition analysis is preliminary. The acquisition analysis is kept open for 12 months from the date of entry. For more information, see the Group's Annual Report 2024, Note 3.

Transaction costs for acquisitions are expensed during the periods in which they occur, and the services are performed. These costs, together with costs for divestments, are recognized in the income statement under the item "Other external costs". Acquisition costs for the period January to March 2025 amounted to SEK 8 million (7).

Goodwill corresponding to SEK 199 million resulting from the transactions and is based on several factors, which can largely be attributed to synergy effects, employees and market shares for the acquired companies.

During the quarter, payment for contingent considerations were settled in an amount of SEK 2 million.

Dividends

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

Definitions alternative performance measures

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

Adjusted EBITA

Adjusted EBITA is the Group's operational performance measure and is calculated as EBITA adjusted for acquisition and divestment costs, earnings from revaluation of contingent considerations, capital gains on disposals, items affecting comparability relating to non-material corrections of previous years in the subsidiaries and depreciation and amortisation that are not acquisition-related but derive from the operating units' intangible assets. The KPI facilitates comparisons of EBITA over time by excluding the impact from items affecting comparability. It is also used internally as a central financial goal for the business.

Adjusted EBITA-margin

Adjusted EBITA in relation to net sales.

EBITDA

Operating profit before depreciation and amortization.

Adjusted EBITDA

Adjusted EBITDA is calculated as EBITDA adjusted for acquisition and divestment costs, profit from revaluation of contingent considerations, capital gains on disposals, items affecting comparability relating to non-material corrections of previous years in the subsidiaries.

EBITA

Operating profit after depreciation of property, plant and equipment before impairment.

The key figure enables comparisons of profitability over time, regardless of depreciation and amortisation of acquisition-related intangible assets, as well as regardless of the corporate tax rate and the company's financing structure. However, depreciation of tangible assets is included, which is a measure of the resource consumption necessary to generate the result.

Financial net debt/Adjusted EBITDA

Calculated as net financial debt at the balance sheet date, including liabilities to credit institutions, outstanding bonds and lease liabilities (mainly discounted leases), in relation to adjusted EBITDA for the last four quarters. Net financial debt includes current and long-term interest-bearing liabilities less cash like items, but excludes liabilities related to contingent considerations on acquisitions.

Net debt/Adjusted EBITDA

Calculated as net debt at the balance sheet date in relation to adjusted EBITDA for the last four quarters. Net debt includes current and long-term interest-bearing liabilities, less cash like items. Certain interest-bearing liabilities relate to contingent considerations on acquisitions, which are settled after the end of the vesting period depending on earnings developments. In order for the debt to be settled to its full book value, a higher level of profit and loss is required than the current

Capital employed

Calculated as average equity and net debt for the last four quarters, less cash-like items and short-term investments.

Return on capital employed (ROCE)

Calculated as EBITA for the last four quarters in relation to average capital employed at the time of the year-end.

Return on equity

Calculated as average profit after tax attributable to shareholders, adjusted for dividends to preference shares, for the last four quarters, in relation to average equity attributable to shareholders adjusted for preference capital for the last four quarters at the time of closing of the financial statements.

Cash flow generation

Calculated as cash flow from operating activities in relation to profit before tax, adjusted for non-cash items.

Earnings per ordinary share

Calculated as profit after tax attributable to parent company shareholders, less dividends to preference shareholders, divided by the number of ordinary shares outstanding at the end of the period.

Alternative performance measures

Alternative performance indicators are presented in the interim report for the follow-up of the Group's operations. The alternative performance measures presented in this interim report relate to adjusted EBITA, adjusted EBITDA, net debt/adjusted EBITDA, net financial debt/adjusted EBITDA, return on capital employed, cash flow generation, earnings per ordinary share and earnings per ordinary share after dilution.

Adjusted EBITA

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

Adjustment items, (SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Adjustment of liability for earnouts	-	-	5	-5
Acquisition and divestment cost	8	7	18	17
Divestments	-	-	12	12
Acquisition-related amortization and write-downs of non-current assets	28	24	108	105
Total	37	32	120	115

Revaluation of liabilities relating to contingent consideration may entail a corresponding income, if liabilities have been written down, or a cost if the liabilities have been written down. The fact that these items vary over time depends on the development of the participating companies and future forecasts. An evaluation of this development compared to book values takes place every quarter and may result in various revaluations affecting earnings.

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

Adjusted EBITA to EBIT (SEK million)	Jan-Mar 2025	Jan-Mar 2024	LTM Mar 2025	Jan-Dec 2024
Adjusted EBITA	251	252	1,009	1,010
Adjustment items	-8	-7	-12	-11
Non-acquisition-related amortization and write-downs of non-current assets	13	11	44	42
EBITA	255	255	1,041	1,041
Acquisition-related amortization and write-downs of non-current assets	-41	-35	-152	-146
EBIT	214	221	888	895

STOCKHOLM 29 APRIL 2025

Bengt Lejdström
President and CEO

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

For additional information, please contact:

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Sdiptech AB (publ) is required to disclose this information pursuant to EU Market Use Regulation 596/2014. The information was provided by the above contact persons for publication on 29 April 2025 at 08.00 CEST.

UPCOMING REPORTS

Annual general meeting	19 May 2025
Interim report April - June 2025	18 July 2025
Interim report July - September 2025	24 October 2025
Year-end report for 2025	10 February 2026

Payment of dividends to preference shareholders

For each preference share, an annual dividend of SEK 8.00 is paid, divided into four quarterly payments of SEK 2.00 each. The record dates for receipt of dividends of preference shares until next annual general meeting is: (date from June 2025 is proposed at the annual general meeting 2025):

- 13 June 2025
- 15 September 2025
- 15 December 2025
- 13 March 2026

