

Interim Report

First Quarter 2022



First Quarter

- Net sales amounted to SEK 242.1 million (214.0), equivalent to a 13 percent increase. Net sales increased by 8 percent in fixed exchange rates.
- Adjusted EBITDA amounted to SEK 62.5 million (75.1), corresponding to a margin of 25.8 percent (35.1).
- Operating profit was SEK -3.5 million (44.7), corresponding to an operating margin of -1.5 percent (20.9).
- Net profit after tax amounted to SEK -8.2 million (43.5).
- Earnings per share were SEK -0.38 (2.02).

Significant Events During and After the End of the Quarter

- After the end of the period, Enea announced a three-year deal with a North American mobile operator on core network applications for 5G and Wi-Fi. Revenue from software licenses of USD 2.8 million was recognized in the first quarter of 2022, and the remaining revenue will be recognized over the contract term. The total contract value is USD 5.1 million.
- On 7 April, Enea signed a deal to divest its Software Development Services business to AROBS Transilvania Software (AROBS). This transaction involves the divestment of 100 percent of the shares of Enea Software AB's wholly owned subsidiary Enea Services Romania SRL for an enterprise value of EUR 17.9 million on a cash and debt-free basis, including normalized working capital. This transaction is scheduled for completion in the second quarter of 2022.
- In mid-April, Enea arranged a loan agreement involving a EUR 40 million fixed-term facility, and a SEK 350 million revolving facility. These new facilities will be used to refinance existing debt, finance working capital, and fund future acquisitions. The new credit facilities have a three-year term.
- During February, the number of shares and votes of Enea AB increased due to a directed share issue and repurchase of 243,000 class C shares. The number of shares of Enea AB is 21,858,231, 21,615,231 being ordinary shares with one vote each, and 243,000 being class C shares with one-tenth of a vote each. The total number of votes of the company is 21,639,531.

Key Figures

	Jan-Mar		12 months	
	2022	2021	R12	2021
Total revenue, SEK m	248.4	216.8	1,031.9	1,000.3
Net sales, SEK m	242.1	214.0	1,003.7	975.6
Growth, %	13	-3	11	7
Growth currency adjusted, %	8	4	12	11
Acquired growth, SEK m	33.7	17.8	179.2	163.2
Adjusted EBITDA, SEK m	62.5	75.1	376.7	389.4
Adjusted EBITDA, %	25.8	35.1	37.5	39.9
EBITDA, SEK m	38.8	75.1	338.7	375.0
EBITDA, %	16.0	35.1	33.7	38.4
Operating profit, SEK m	-3.5	44.7	167.8	216.0
Operating margin, %	-1.5	20.9	16.7	22.1
Net profit after tax, SEK m	-8.2	43.5	148.5	200.3
Earnings per share, SEK	-0.38	2.02	6.90	9.30
Cash flow from operating activities, SEK m	3.9	68.8	68.8	333.7
EBITDA less capitalized development, SEK m	10.9	44.3	214.4	247.8
Net debt/EBITDA (12 months)	1.64	0.62	1.64	1.41
Cash & cash equivalents, SEK m	142.5	236.9	142.5	211.4

CEO's Statement

The changing geopolitical situation means that cybersecurity for telecom systems is more relevant than ever. We think many countries and telecom operators need to invest in security, and accordingly, we continue the development of products and go-to-market capabilities, where costs short-term have an impact on profitability.

Sales in the first quarter of 2022 were SEK 242 million, 8 percent more than the corresponding period of the previous year, currency adjusted. AdaptiveMobile Security, which we acquired in July last year, is developing according to plan and lay behind the sales gains but has a negative impact on the gross margin, due to a larger share of services revenues than our other software development business. The currency-adjusted organic growth in the remaining company was -7 percent. This decrease is partly due to an expected downturn in our traditional Operating Systems business (-21 percent), and partly due to slow progress of the Network Solutions product group in the quarter (-4 percent). While we are not happy with this negative growth, we still have a positive outlook on business opportunities in coming quarters. Our major customer projects in data management are expected to generate revenues later this year, according to contracted delivery milestones. We're still being affected by the obstacles to new business sales and delays on the 5G market of recent years, so I'm pleased that we were able to sign a new 5G and Wi-Fi contract worth USD 5.1 million with a major North American telecom operator. This deal means us expanding the relationship with this current customer and is a good example of sales synergies between the business segments we previously acquired as separate companies.

Operating profit excluding non-recurring items was SEK 20 million, which is 8 percent of net sales, and below our long-term ambition. Partly, this is an effect of seasonality on the telecom market, where usually, the second half-year generates more revenue and operating profit. Increased inflation in countries where we have development staff, combined with exchange rate fluctuations, were other contributors to increased reported operating expenses. Restructuring of our Operating Systems business, which went as planned in the first quarter at a cost of SEK 23 million, will take full effect from April this year. Overall, we foresee that increased revenues in combination with efficiency measures and cost control will enable higher profitability for the full year.

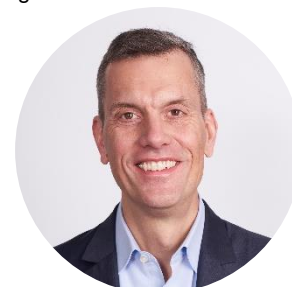
On 7 April, we signed a deal with Romanian company AROBS on the sale of our Software Development Services business. This deal, scheduled to complete in the second quarter, means we become a pure-play product company focused on telecom and cybersecurity software. The transaction, based on an enterprise value of EUR 17.9 million, will strengthen our financial position, generate a positive effect on the company's gross margin and earnings per share in 2022.

We see great interest in our cybersecurity offering on the market, and deliver products and expertise that can protect countries, telecom operators and subscribers against attacks and unauthorized access attempts. Winning the Global Mobile Award (GLOMO) for Best Authentication and Security Solution for Mobile Networks at this year's Mobile World Congress in Barcelona is yet more corroboration of our leadership in this segment.

Outlook

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

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



Jan Häglund
President and CEO

Financial Summary

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

First Quarter, January - March 2022

Revenue

Total revenue in the first quarter amounted to SEK 248.4 million (216.8), consisting of net sales of SEK 242.1 million (214.0) and other operating revenue of SEK 6.3 million (2.8). Other operating revenue includes a SEK 2.1 million R&D grant for 5G development. Net sales increased by 13 percent on the corresponding period of the previous year, a currency-adjusted increase of 8 percent. Currency-adjusted organic growth was -7 percent (-4). Acquired growth amounted to SEK 33.7 million (17.8)

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

Network Solutions

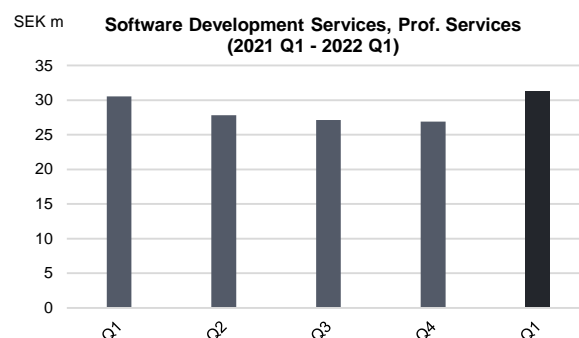
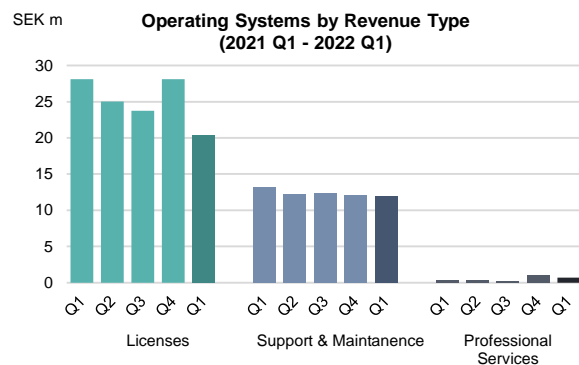
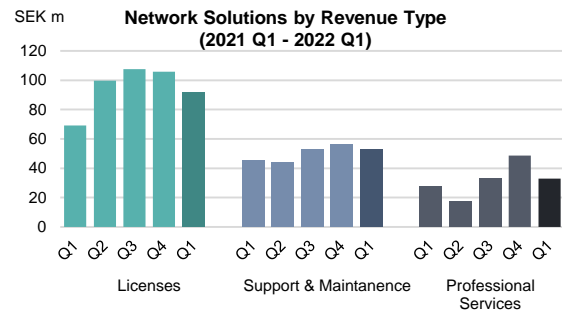
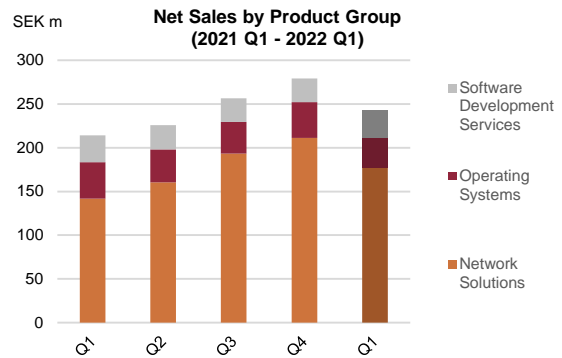
Sales of the Network Solutions product group amounted to SEK 177.7 million (141.8) and increased by 25 percent in the quarter, or by 19 percent currency adjusted. The increase is mainly due to the acquisition of AdaptiveMobile Security, which contributed SEK 33.7 million. Currency-adjusted organic growth was -4 percent. This product group was 73 percent (66) of total net sales in the quarter and represents Enea's main revenue stream.

Operating Systems Solutions

Operating Systems sales amounted to SEK 33.1 million (41.7), and were down by 21 percent in the quarter. The decrease is mainly driven by lower sales from key accounts, where sales decreased by 29 percent, and were 66 percent (82) of sales for the product group. The decrease is expected and relates to key customers increasing the share of open-source technology in their system solutions. The Operating Systems Solution product group represented 14 percent (20) of net sales in the quarter.

Software Development Services

Software Development Services' sales amounted to SEK 31.3 million (30.6) and increased by 2 percent in the quarter. This product group represented 13 percent (14) of total net sales in the quarter.



Expenses and Earnings

Costs of Goods and Services Sold

In the first quarter of 2022, Enea's cost of goods and services sold totaled SEK 69.9 million (47.4), equivalent to a gross margin of 73.7 percent (79.1). Gross margin was negatively affected by the acquisition of AdaptiveMobile Security, which has a larger share of service revenue and a lower share of license revenue compared to Enea's other software business.

Operating Expenses

In the first quarter, operating expenses amounted to SEK 182.1 million (124.7), of which AdaptiveMobile Security's operating expenses were SEK 28.1 million. Expenses for share-based incentive programs were SEK 3.5 million (6.7) for the quarter, with this expense varying with the share price. Restructuring costs amounted to SEK 23.6 million (0). Depreciation and amortization of SEK 42.4 million (30.5) was charged to operating expenses.

Sales and Marketing Expenses

Sales and marketing expenses were SEK 63.6 million (44.6) in the first quarter, or 26.3 percent (20.8) of net sales. Restructuring expenses were SEK 11.3 million (0) in the quarter. Depreciation and amortization of SEK 0.5 million (0.8) was charged to sales and marketing expenses.

Product Development Expenses

Product development expenses were SEK 90.8 million (53.8) in the first quarter, of which the amortization of acquisition-related and capitalized development expenses was SEK 34.5 million (23.5) and restructuring costs were SEK 12.0 million (0). Product development expenses were 37.5 percent (25.1) of net sales in the quarter. SEK 27.9 million (30.8) was capitalized in the quarter. A total of 30 percent (28), excluding restructuring costs, of net sales were invested in product development in the quarter. Depreciation and amortization of SEK 36.3 million (23.9) was charged to product development expenses.

Administrative Expenses

Administrative expenses were SEK 27.7 million (26.1), representing 11.4 percent (12.3) of net sales in the quarter. Depreciation and amortization of SEK 4.4 million (4.6) was charged to administrative expenses.

EBITDA

EBITDA was SEK 38.8 million (75.1), representing an EBITDA margin of 16.0 percent (35.1).

Adjusted for non-recurring items, EBITDA was SEK 62.5 million (75.1), corresponding to an adjusted EBITDA margin of 25.8 percent (35.1).

Operating Profit/Loss

Operating profit/loss was SEK -3.5 million (44.7), equivalent to an operating margin of -1.5 percent (20.9).

Adjusted for non-recurring items, operating profit amounted to SEK 20.1 million (44.7), corresponding to an adjusted operating margin of 8.3 percent (20.9).

Net Financial Income/Expense

Net financial income/expense was SEK -4.8 million (4.3). External interest expenses were SEK -3.6 million (-2.3). Unrealized exchange rate fluctuations on financial assets had a negative impact of SEK -1.4 million (6.3) in the quarter.

Tax

The tax expense in the quarter was SEK 0.1 million (-5.4). The effective tax rate is 1.6 percent (11.0).

Profit/Loss for the Quarter

Profit/loss after tax amounted to SEK -8.2 million (43.5) in the first quarter. Earnings per share amounted to SEK -0.38 (2.02).



Cash Flow and Financial Position

Cash Flow

The group generated cash flow from operating activities of SEK 3.9 million (68.8) in the quarter. Cash flow from investing activities amounted to SEK -30.1 million (-32.3), of which investments in intangible assets amounted to SEK -27.9 million (-30.8) and purchases of property, plant and equipment amounted to SEK -2.2 million (-2.7). Cash flow from financing activities was SEK -46.3 million (-0.5). Purchases of treasury shares were SEK -0.3 million (0). Total cash flow for the period amounted to SEK -72.5 million (36.0).

Investments

Investments in the quarter amounted to SEK 30.0 million (33.6). Depreciation, amortization, and impairment was SEK 37.8 million (26.0). Capitalized product development expenses amounted to SEK 27.9 million (30.8), and the related amortization and impairment was SEK 20.5 million (15.5). Depreciation of leased assets was SEK 4.6 million (4.4) for the quarter.

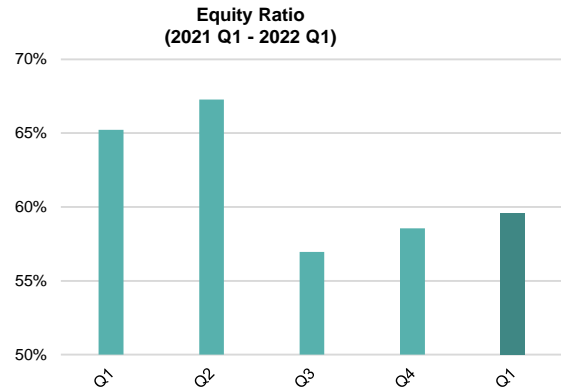
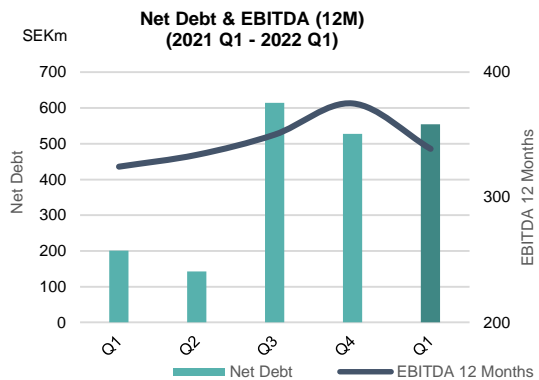
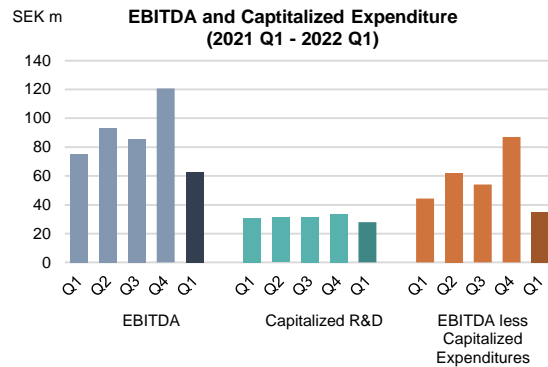
Financial Position

At end of the quarter, net debt amounted to SEK 554.4 million (201.1), cash and cash equivalents were SEK 142.5 million (236.9), and interest-bearing bank debt amounted to 696.9 million (438.1). Interest-bearing liabilities were divided between non-current liabilities of SEK 474.4 million (291.7), and current liabilities of SEK 222.6 million (146.4).

The equity ratio was 59.6 percent (65.2), and total assets amounted to SEK 3,035.8 million (2,462.5) at period end. Net debt/EBITDA (12 months) was 1.64 (0.62).

Financing

Enea has a SEK 70 million overdraft facility, of which SEK 0 million had been utilized at the end of the quarter. Enea also has four bank loans of SEK 80 million (arranged in January 2019), SEK 116 million (October 2019), SEK 96 million (October 2020), and EUR 40 million (July 2021). All loans will be refinanced according to the new loan agreement that was arranged after quarter end. The new facilities have a three-year term and include the customary covenants. The covenants were satisfied as of 31 March 2022. The remaining liability as of 31 March was SEK 705 million.



Other Disclosures

Parent Company

The parent company's net sales for January to March amounted to SEK 11.0 million (13.6) and profit/loss before appropriations and tax was SEK -19.1 million (-10.9). The parent company's net financial income/ expense was SEK -0.1 million (-0.5), and cash and cash equivalents were SEK 0 million (0) at period end. The parent company's investments in the quarter were SEK 0.1 million (1.4). The parent company had 19 (16) employees at the end of the period. The parent company is non-operational, and its risks primarily relate to the operations of subsidiaries.

Employees

At the end of the quarter, the group had 724 (660) employees. The increase of staff related to acquisitions is 132.

Share-based incentive programs

Enea has two outstanding long-term incentive programs.

LTIP19 was approved by the AGM in 2019 and includes approximately 25 senior executives and key employees. Granting of shares is based on Enea's growth of earnings per share in the financial years 2019-2021. Maximum granting in LTIP19 is 438,000 shares, according to AGM resolution. The outcome of the program is computed at 117,536 shares, or 29% of maximum.

LTIP21 was approved by the AGM in 2021 and includes approximately 30 senior executives and key employees. Granting of shares is based on Enea's growth of earnings per share in the financial years 2021-2024. Maximum granting in LTIP21 is 243,000 shares, according to AGM resolution.

The provision for expenses related to these programs amounted to SEK 3.5 million (6.7) in the quarter.

Share Issue and Repurchase of Treasury Shares

In the first quarter, Enea issued and repurchased 243,000 class C shares to finance the LTIP19 share-based incentive program. Shares corresponding to a total of some 1.5 per cent of outstanding shares and 0.5 percent of the total number of votes of the company were repurchased under the program for a total value of SEK 22 million. Enea held 373,500 treasury shares at the end of the period, or 1.7 percent of the total number of shares. The Board of Directors' opinion is that enough shares have been repurchased to enable delivery of shares under the outstanding programs.

The Share and Shareholders

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

The company's largest shareholders are Per Lindberg with 34.1 percent, Swedbank Robur Fonder with 8.6 percent, Handelsbanken Fonder with 7.0 percent, and C WorldWide Asset Management with 4.8 percent. The 20 largest

shareholders hold a total of 74.5 percent of the capital and votes of the company. There were no significant changes of the ownership since end of the previous quarter.

Annual General Meeting

The AGM 2022 will be held on 5 May. The AGM will be conducted exclusively by advance (postal) voting. The notice convening the AGM was published on Enea's website on 25 March 2022.

Nomination Committee

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

Financial Assets and Liabilities

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

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

Level 2: Fair value of financial instruments not traded on an active market (e.g. OTC derivatives are measured with the aid of valuation techniques). The group uses currency derivatives for hedging purposes. Currency hedges are measured at market value by conducting an early allocation of the currency hedge to determine what the forward price would be if the maturity were at the reporting date. As of 31 March 2022, the group's currency hedges amounted to a receivable of SEK 1.0 million, which is the total of level 2.

Level 3: The group does not report any financial instruments at level 3 as of 31 March 2022.

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

Allocation by level in fair value measurement, 31 March, SEK m	Level 1	Level 2	Level 3	Total
Derivative instruments used for hedging purposes:				
Currency derivatives	-	1.0	-	1.0
Total	-	1.0	-	1.0

Accounting Policies

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

Material Risks and Uncertainties

Enea is mainly active in cybersecurity and telecommunication. The corona pandemic is having a major negative impact on the global economy, affecting some customers' risk appetites and willingness to invest. For Enea, this means some projects being delayed or aborted. Meanwhile, the underlying drivers of telecommunication, involving a continued focus on virtualization, 5G and increased network capacity, remain. One effect of the corona pandemic has been traffic volumes in networks increasing, as many students and business employees work from home. This effect is likely to be partly transient, even if more widespread usage of digital tools and remote working do become a permanent change.

Enea's business strategy is based on developing new products and refining existing solutions, which means substantial investments. At quarter-end, capitalized development expenses amounted to SEK 281.0 million (238.3).

Investments target markets with high growth and profitability potential, after thorough analysis. If despite this, products fail to achieve technical or financial success, the company's business and financial position may be negatively affected. This may lead to changes in strategies and priorities.

Since there were no other significant changes to material risks and uncertainties in the quarter, the reader is referred to the review on pages 34-37 of the most recent Annual Report.

Long-term Ambition

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

Outlook for 2022

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

The Board of Directors
Kista, Sweden April 27, 2022

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

This is information that Enea AB (publ) is required to publish under the EU Market Abuse Regulation. The information was submitted for publication on the authority of Jan Häglund on 27 April 2022 at 7:20 a.m.

Consolidated Statement of Comprehensive Income

SEK m	Jan-Mar		12 months	Full year
	2022	2021	Apr-Mar	2021
Net sales	242.1	214.0	1,003.7	975.6
Other operating revenue	6.3	2.8	28.2	24.7
Total revenue	248.4	216.8	1,031.9	1,000.3
Cost of goods and service sold	-69.9	-47.4	-243.3	-220.9
Gross profit	178.5	169.4	788.6	779.5
Sales and marketing costs	-63.6	-44.6	-201.0	-181.9
R&D costs	-90.8	-53.8	-303.1	-266.2
General and administration costs	-27.7	-26.3	-116.8	-115.4
Operating profit 1) 2) 3) 4)	-3.5	44.7	167.8	216.0
Net financial income/expense	-4.8	4.3	-3.9	5.2
Profit before tax	-8.3	48.9	163.9	221.2
Tax	0.1	-5.4	-15.4	-20.9
Net profit for the period	-8.2	43.5	148.5	200.3
OTHER COMPREHENSIVE INCOME				
<i>Items that may be reclassified to profit or loss</i>				
Change in hedging reserve, after tax	-0.4	-1.8	-1.2	-2.6
Exchange rate differences	37.5	72.8	73.0	108.3
<i>Items that will not be reclassified to profit or loss</i>				
Pension obligations	-	0.3	0.7	1.0
Total comprehensive income for the period, net of tax	28.9	114.9	221.0	307.0
Profit for the period attributable to equity holders of the parent company	-8.2	43.5	148.5	200.3
Comprehensive income for the period attributable to equity holders of the parent company	28.9	114.9	221.0	307.0
1) including depreciation and write-down of tangible assets	3.2	2.5	12.0	11.3
2) Including amortization and write-down of intangible assets	34.6	23.6	140.4	129.4
3) Including amortization of right-to-use assets	4.6	4.4	18.5	18.4
4) Non-recurring items included in operating profit				
Operating profit including non-recurring items	-3.5	44.7	167.8	216.0
Write-down	-	-	20.1	20.1
Restructuring costs	23.6	-	25.5	1.9
Transaction costs related to acquisitions	-	-	12.5	12.5
Operating profit excluding non-recurring items	20.1	44.7	225.9	250.4

Key Figures - Income Statement

SEK m	Jan-Mar		12 months	Full year
	2022	2021	Apr-Mar	2021
Earnings per share (SEK)	-0.38	2.02	6.90	9.30
Earnings per share after full dilution (SEK)	-0.38	2.02	6.86	9.30
Average number of shares before dilution (million)	21.5	21.5	21.5	21.5
Average number of shares after dilution (million)	21.5	21.5	21.7	21.5
Net sales growth (%)	13	-3	11	7
Gross margin (%)	73.7	79.1	78.6	79.9
EBITDA (SEK m)	38.8	75.1	338.7	375.0
Operating costs as % of revenue				
- Sales and marketing costs	26.3	20.8	20.0	18.6
- R&D costs	37.5	25.1	30.2	27.3
- G&A costs	11.4	12.3	11.6	11.8
Operating margin excl. non-recurring items (%)	8.3	20.9	22.5	25.7
Operating margin (%)	-1.5	20.9	16.7	22.1

Consolidated Statement of Financial Position

<i>SEK m</i>	31 Mar	31 Mar	31 dec
	2022	2021	2021
ASSETS			
Intangible assets	2,338.9	1,801.9	2,313.4
- goodwill	1,620.9	1,278.7	1,595.6
- capitalized development	281.0	238.3	269.7
- product rights	66.4	56.6	69.1
- customer contracts	307.0	163.6	314.7
- trademarks	27.0	24.3	26.7
- right-to-use assets	36.0	39.5	36.9
- other intangible assets	0.5	0.9	0.6
Inventories, tools and installations	24.6	22.3	25.6
Deferred tax assets	19.9	16.8	24.7
Other fixed assets	4.3	5.0	4.3
Total fixed assets	2,387.8	1,846.0	2,368.0
Current receivables	505.4	379.5	454.0
Cash and cash equivalents	142.5	236.9	211.4
Total current assets	648.0	616.5	665.3
Total assets	3,035.8	2,462.5	3,033.3
EQUITY and LIABILITIES			
Equity	1,809.4	1,606.0	1,776.0
Provisions	2.6	2.1	2.0
Long-term liabilities			
Deferred tax liabilities	125.4	98.6	124.3
Long-term liabilities, interest-bearing	474.4	291.7	469.8
Long-term liabilities, non-interest-bearing	22.9	15.4	21.6
Long-term liabilities, leasing	20.8	23.8	21.4
Total long-term liabilities	643.4	429.4	637.1
Current liabilities			
Current liabilities, interest-bearing	222.6	146.4	268.8
Current liabilities, non-interest-bearing	341.6	262.0	332.4
Current liabilities, leasing	16.1	16.6	16.9
Total current liabilities	580.3	425.0	618.1
Total equity and liabilities	3,035.8	2,462.5	3,033.3

Consolidated Statement of Changes in Equity

<i>SEK m</i>	31 Mar	31 Mar	31 dec
	2022	2021	2021
At beginning of period	1,776.0	1,487.5	1,487.5
Total comprehensive income for the period	28.9	114.9	307.0
New share issue	0.3	-	-
Share saving program	4.5	3.7	3.2
Repurchasing of own shares	-0.3	-	-21.7
At end of period	1,809.4	1,606.0	1,776.0

Consolidated Statement of Cash Flows

<i>SEK m</i>	Jan-Mar		Full year
	2022	2021	2021
Profit before tax	-8.3	48.9	221.2
Adjustment for non-cash items	48.6	33.3	158.3
Tax paid/received	-1.0	-2.3	-12.1
Operating cash flow before changes in working capital	39.2	79.9	367.3
Cash flow from changes in working capital	-35.4	-11.1	-33.6
Cash flow from operating activities	3.9	68.8	333.7
Cash flow from investing activities	-30.1	-32.3	-138.4
Cash flow from acquisition of operations, net	-0.0	-	-379.4
Cash flow from financing activities, raising of loans	4.7	3.9	413.0
Cash flow from financing activities, amortization of loans	-46.4	-	-181.5
Cash flow from financing activities, amortization of lease liability	-4.6	-4.4	-18.3
Cash flow from financing activities, repurchase of shares	-0.3	-	-21.7
Cash flow from financing activities, new share issue including transaction costs	0.3	-	-
Cash flow for the period	-72.5	36.0	7.5
Cash and cash equivalents at the beginning of period	211.4	195.1	195.1
Exchange rate difference in cash and cash equivalents	3.6	5.9	8.8
Cash and cash equivalents at the end of period	142.5	236.9	211.4

Key Figures - Balance Sheet and Cash Flow Statement

<i>SEK m</i>	Jan-Mar		12 months	Full year
	2022	2021	Apr-Mar	2021
Cash and cash equivalents (SEK m)	142.5	236.9	142.5	211.4
Equity ratio (%)	59.6	65.2	59.6	58.6
Equity per share (SEK)	84.2	74.6	84.2	82.7
Cash flow from operating activities per share (SEK)	-1.6	3.2	12.5	15.5
Net debt (SEK m)	554.4	201.1	554.4	527.3
Number of employees at end of period	724	660	724	772
Return on equity (%)			8.7	12.3
Return on capital employed (%)			13.8	14.0
Return on assets (%)			11.7	11.8

Parent Company

Income Statement

<i>SEK m</i>	Jan-Mar		Full year
	2022	2021	2021
Revenue	11.0	13.6	51.2
Operating costs	-30.0	-24.0	-81.8
Operating profit	-19.0	-10.4	-30.6
Financial net	-0.1	-0.5	-0.7
Profit/loss after financial net	-19.1	-10.9	-31.3
Appropriations	-	-	30.5
Profit/loss before tax	-19.1	-10.9	-0.8
Tax	3.9	2.2	-
Net profit/loss for the perio	-15.2	-8.7	-0.8

Balance Sheet

<i>SEK m</i>	31 Mar		31 Dec
	2022	2021	2021
ASSETS			
Fixed assets	212.9	213.4	213.1
Current assets	1,369.0	1,118.7	1,426.2
Total assets	1,581.9	1,332.1	1,639.4
EQUITY AND LIABILITIES			
Equity	821.8	846.6	832.5
Untaxed reserves	2.7	3.7	2.7
Long-term liabilities, interest-bearing	474.4	291.7	469.8
Current liabilities, interest-bearing	221.8	141.4	267.3
Current liabilities, other	61.2	48.7	67.0
Total equity and liabilities	1,581.9	1,332.1	1,639.4

Quarterly Data*

SEK m	2022		2021		2020				2019	
	Kv1	Kv4	Kv3	Kv2	Q1	Q4	Q3	Q2	Q1	Q4
INCOME STATEMENT										
Net sales	242.1	279.2	256.6	225.8	214.0	248.0	206.4	239.0	221.7	258.0
Other operating revenue	6.3	14.2	2.4	5.3	2.8	4.4	2.3	2.3	5.0	2.8
Cost of goods and services sold	-69.9	-67.1	-58.6	-47.7	-47.4	-51.7	-46.5	-56.2	-62.4	-58.5
Gross profit	178.5	226.3	200.4	183.4	169.4	200.6	162.3	185.1	164.3	202.3
Sales and marketing costs	-63.6	-47.6	-48.3	-41.5	-44.6	-48.0	-44.9	-54.3	-55.2	-53.8
R&D costs	-90.8	-92.8	-64.9	-54.7	-53.8	-62.8	-45.7	-46.3	-61.3	-59.8
General and administration costs	-27.7	-24.8	-39.2	-25.1	-26.3	-25.7	-28.8	-25.3	-25.2	-31.8
Operating profit	-3.5	61.1	48.1	62.1	44.7	64.2	42.8	59.1	22.6	57.0
Net financial income/expense	-4.8	-4.6	9.2	-3.7	4.3	-14.9	-6.3	-4.2	1.0	-26.0
Profit before tax	-8.3	56.6	57.2	58.4	48.9	49.2	36.5	54.9	23.5	30.9
Tax	0.1	-2.0	-7.0	-6.5	-5.4	-1.8	-5.4	-8.1	-6.5	-2.8
Net profit for the period	-8.2	54.5	50.2	52.0	43.5	47.4	31.1	46.8	17.0	28.2
Other comprehensive income	37.0	37.9	27.7	-30.2	71.3	-113.4	-34.2	-108.7	108.2	-62.5
Total comprehensive income	28.9	92.4	77.9	21.8	114.9	-66.0	-3.1	-61.9	125.2	-34.3
BALANCE SHEET										
Intangible assets	2,338.9	2,313.4	2,305.5	1,777.6	1,801.9	1,734.5	1,669.5	1,695.3	1,784.7	1,672.3
Other fixed assets	44.6	50.3	36.3	35.5	39.1	40.7	30.1	26.6	27.7	27.6
Other financial fixed assets	4.3	4.3	5.0	5.1	5.0	6.1	4.0	3.4	3.4	3.4
Current receivables	505.4	454.0	461.0	353.0	379.5	357.5	347.0	371.4	388.9	364.3
Cash and cash equivalents	142.5	211.4	176.4	250.5	236.9	195.1	180.0	184.5	170.3	146.1
Total assets	3,035.8	3,033.3	2,984.1	2,421.7	2,462.5	2,334.0	2,230.6	2,281.2	2,375.1	2,213.8
Shareholders' equity	1,809.4	1,776.0	1,699.4	1,629.2	1,606.0	1,487.5	1,553.1	1,552.2	1,611.5	1,481.3
Long-term liabilities, interest-bearing	495.2	491.2	592.1	181.2	315.5	317.7	245.7	246.4	283.6	283.6
bearing	150.8	147.9	146.6	116.2	116.1	115.0	105.1	102.5	103.1	99.0
Current liabilities, interest-bearing	238.7	285.8	240.2	247.3	163.0	159.0	87.2	134.5	105.1	117.0
bearing	341.6	332.4	305.9	247.7	262.0	254.9	239.5	245.7	271.7	232.9
Total equity and liabilities	3,035.8	3,033.3	2,984.1	2,421.7	2,462.5	2,334.0	2,230.6	2,281.2	2,375.1	2,213.8
CASH FLOW										
Cash flow from operating activities	3.9	142.4	28.3	94.3	68.8	61.5	82.8	67.7	62.2	48.6
Cash flow from investing activities	-30.1	-38.3	-34.8	-33.1	-32.3	-31.2	-34.6	-34.9	-30.2	-22.2
Cash flow from financing activities	-46.3	-73.5	310.2	-44.6	-0.5	86.7	-52.3	-8.1	-17.4	-223.4
Cash flow for the period	-72.5	30.6	303.7	16.6	36.0	116.9	-4.0	24.6	14.6	-197.0
Cash flow from acquisition of operation:										
Cash flow for the period, from acquisition of operation	-0.0	-0.0	-379.3		-	-90.5	-	-	-	-47.1
Total cash flow for the period	-72.5	30.6	-75.7	16.6	36.0	26.5	-4.0	24.6	14.6	-244.2

Five-year Summary*

SEK m	2021	2020	2019	2018	2017
INCOME STATEMENT					
Net Sales	975.6	915.1	994.5	824.3	584.4
Other operating revenue	24.7	14.0	17.5	17.7	4.0
Operating expenses	-784.4	-740.5	-757.3	-653.1	-485.6
Operating profit	216.0	188.6	254.7	188.9	102.8
Net financial income/expense	5.2	-24.5	-51.7	-27.7	-5.2
Profit before tax	221.2	164.2	203.0	161.1	97.6
Profit for the period	200.3	142.3	169.7	141.7	82.5
Total	200.3	142.3	169.7	141.7	82.5
BALANCE SHEET					
Intangible assets	2,313.4	1,734.5	1,672.3	1,381.4	522.2
Other intangible assets	50.3	40.7	27.6	33.7	31.0
Other financial fixed assets	4.3	6.1	3.4	3.1	2.7
Financial assets held for sale, non-current	-	-	-	-	62.1
Current receivables	454.0	357.5	364.3	426.8	203.6
Financial assets held for sale, current	-	-	-	-	40.2
Cash and cash equivalents	211.4	195.1	146.1	74.7	312.0
Total assets	3,033.3	2,334.0	2,213.8	1,919.7	1,173.8
Shareholders' equity	1,776.0	1,487.5	1,481.3	985.8	754.2
Long-term liabilities, interest-bearing	469.8	291.7	263.0	539.8	82.0
Long-term liabilities, non-interest-bearing	169.3	141.0	119.6	86.8	161.8
Current liabilities, interest-bearing	268.8	142.2	99.1	94.3	34.0
Current liabilities, non-interest-bearing	349.3	271.7	250.8	212.9	141.8
Total equity and liabilities	3,033.3	2,334.0	2,213.8	1,919.7	1,173.8
CASH FLOW					
Cash flow from operating activities	333.7	274.2	245.2	168.6	116.6
Cash flow from investing activities	-138.4	-130.9	-90.9	30.5	-139.7
Cash flow from investing activities-acquisition of operation	-379.4	-90.5	-47.1	-954.4	-96.3
Cash flow from financing activities	191.5	8.9	-35.9	514.2	206.6
Cash flow for the period	7.5	61.6	71.2	-241.1	87.2
KEY FIGURES					
Net sales growth, %	7	-8	21	41	17
Operating margin, %	22.1	20.6	25.6	22.9	17.6
Profit margin, %	22.7	17.9	20.4	19.5	16.7
Return on capital employed, %	14.0	11.2	15.6	17.0	16.3
Return on equity, %	12.3	9.6	13.8	16.3	14.0
Return on total capital, %	11.8	9.5	13.3	13.8	11.1
Interest coverage ration, multiple	3.3	4.1	3.8	4.1	5.4
Equity ratio, %	58.6	63.7	66.9	51.4	64.3
Liquidity, %	107.6	133.5	145.9	163.2	316.1
EBITDA	375.0	296.1	340.8	229.3	126.6
Net debt/EBITDA	1.41	0.81	0.63	2.44	-1.58
Average number of employees	705	634	629	563	467
Net sales per employee, SEK m	1.4	1.4	1.6	1.5	1.3
Net asset value per share, SEK	81.74	69.09	69.54	50.99	39.00
Earnings per share, SEK	9.30	6.63	8.47	7.33	4.69

Financial Definitions

Acquired growth

Revenues in the period from acquired entities not included in the corresponding period of the previous 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 expenses 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

Equity ratio

Equity including minority interests in relation to total assets.

Gross margin

Gross profit in relation to revenue.

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
	2022	2021	2021
1. Reconciliation of net sales growth			
Net sales, SEK million	242.1	214.0	975.6
Net sales growth, SEK million	28.1	-7.7	60.5
Net sales growth, %	13	-3	7
Currency effect, unchanged exchange rates compared to previous year, SEK m	11.3	-16.2	-36.9
Currency effect, unchanged exchange rates compared to previous year, %	5	-7	-4
Net sales growth, unchanged exchange rates compared to previous year, SEK m	16.8	8.5	97.4
Net sales growth, unchanged exchange rates compared to previous year, %	8	4	11

	Jan-Mar		Full year
	2022	2021	2021
2. Reconciliation of financial income/expense			
Financial income, SEK million	64.9	12.5	100.6
Financial expense, SEK million	-69.7	-8.2	-95.4
Reported financial income/expense	-4.8	4.3	5.2

About Enea

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

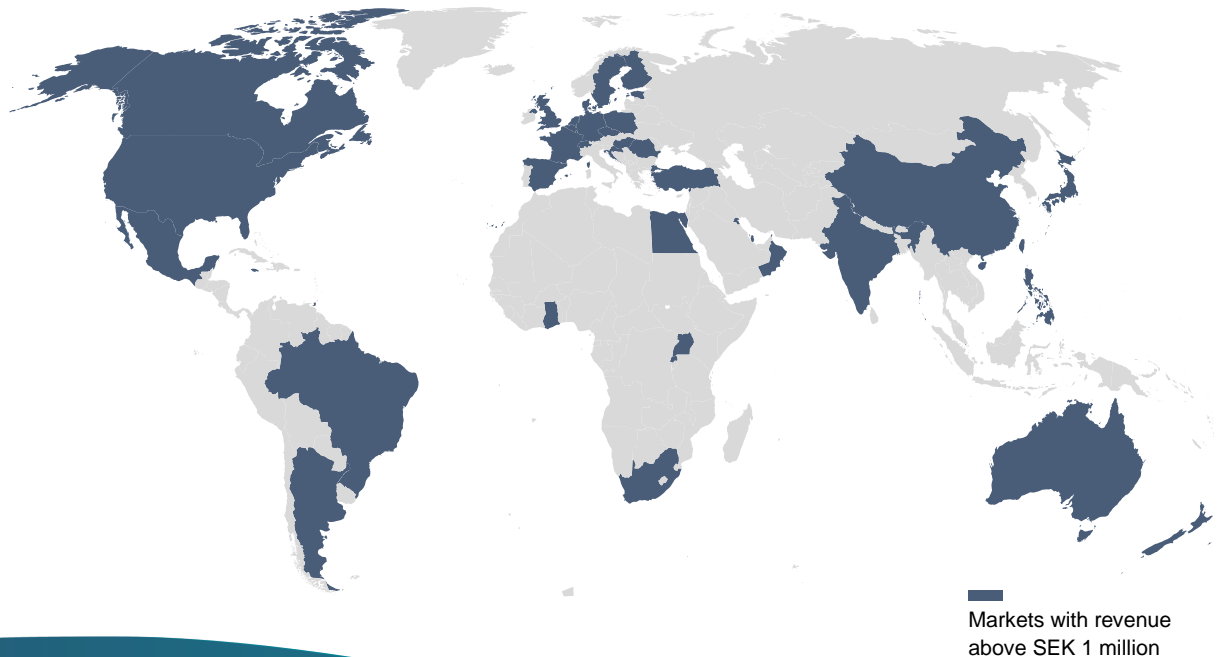
Enea has development centers and sales offices in Europe, North America, and Asia. A high share of revenue is sourced from the Network Solutions product area, which includes mobile and fixed line communication, as well as enterprise networks, and the software Enea delivers enables a raft of critical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

solutions from system vendors. Enea also has a global services organization developing software on assignment from customers in different sectors subject to stringent performance and reliability standards, including solutions for medical devices, the automotive industry and telecommunication.

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

Enea is listed on Nasdaq Stockholm [Enea], and its head offices are located in Kista, Stockholm.

Enea Worldwide



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Financial calendar and AGM:

Annual General Meeting	5 May 2022
Interim Report, January – June	15 July 2022
Interim Report, January – September	26 October 2022
Annual Statement	2 February 2023

Financial information is also available on Enea's website www.enea.com