

# YEAR-END REPORT 1 APRIL 2021 - 31 MARCH 2022

## FOURTH QUARTER (1 JANUARY - 31 MARCH 2022)

- **Net sales** increased by 34 percent and amounted to SEK 3,916 million (2,927).
- **Operating profit before amortisation of intangible non-current assets (EBITA)** increased by 54 percent and amounted to SEK 517 million (335) corresponding to an EBITA margin of 13.2 percent (11.4).
- **Operating profit** increased by 64 percent and amounted to SEK 436 million (266) corresponding to an operating margin of 11.1 percent (9.1).
- **Profit after tax** increased by 71 percent and amounted to SEK 325 million (190) and **earnings per share before dilution** amounted to SEK 1.20 (0.65) and **after dilution** amounted to SEK 1.15 (0.65).

## FULL YEAR (1 APRIL 2021- 31 MARCH 2022)

- **Net sales** increased by 24 percent and amounted to SEK 14,038 million (11,336).
- **Operating profit before amortisation of intangible non-current assets (EBITA)** increased by 44 percent and amounted to SEK 1,803 million (1,251) corresponding to an EBITA margin of 12.8 percent (11.0).
- **Operating profit** increased by 52 percent and amounted to SEK 1,501 million (989) corresponding to an operating margin of 10.7 percent (8.7).
- **Profit after tax** increased by 53 percent and amounted to SEK 1,117 million (729) and **earnings per share before dilution** amounted to SEK 4.00 (2.60) and **after dilution** amounted to SEK 3.95 (2.60).
- **Return on working capital (P/WC)** amounted to 69 percent (52).
- **Return on equity** amounted to 30 percent (23) and the **equity ratio** amounted to 34 percent (35).
- **Cash flow from operating activities** amounted to SEK 1,121 million (1,503). **Cash flow per share from operating activities** amounted to SEK 4.15 (5.60).
- **Since the start of the financial year thirteen acquisitions have been completed** and closed another four after the end of the year. In total, this equals approximately SEK 1,650 million in annual sales.
- The Board of Directors proposes a **dividend** of SEK 1.80 (1.20) per share.

Group Summary	3 months			Rolling 12 months		
	31 Mar 2022	31 Mar 2021	Δ	31 Mar 2022	31 Mar 2021	Δ
Net sales	3,916	2,927	34%	14,038	11,336	24%
EBITA	517	335	54%	1,803	1,251	44%
EBITA-margin %	13.2	11.4		12.8	11.0	
Profit after financial items	414	251	65%	1,433	937	53%
Profit for the period	325	190	71%	1,117	729	53%
Earnings per share before dilution, SEK	1.20	0.65	85%	4.00	2.60	54%
Earnings per share after dilution, SEK	1.15	0.65	77%	3.95	2.60	52%
Cash flow from operating activities per share, SEK	-	-		4.15	5.60	
Return on equity, %	30	23		30	23	
Equity ratio, %	34	35		34	35	

Comparisons in parentheses refer to the corresponding period of the previous year, unless stated otherwise.

# CEO'S COMMENTS

*Addtech can sum up another successful year in which we clearly continued to deliver on our vision of being a leader in technical solutions for a sustainable future. The year has been marked by a strong recovery in market activity and demand for sustainable technical solutions. Over the year, our strong position in strategically chosen segments generated organic growth of 15 percent, while we also carried out thirteen carefully selected acquisitions. Thanks to our companies' extraordinary performance, the operating margin was strengthened to a record 12.8 (11.0) percent. The strength of our culture, with its focus on entrepreneurship, manifested itself.*

## **FOURTH QUARTER**

All business areas delivered a very strong end to the financial year. During the quarter, the positive trend with a high level of customer activity and good underlying demand across the board continued. Despite many of our companies being affected by the global supply chain disruptions, we maintained good delivery capacity, which resulted in sales increasing by 34 percent in total, of which as much as 24 percent was organic. The strong growth in all business areas is a function of well-established customer and supplier relationships, where our companies have dealt with the challenges excellently. Active efforts to offset price increases and generally good cost control has resulted in high operating margins and EBITA growth of 54 percent for the quarter.

As a result of the Russian invasion of Ukraine, our business relations with companies in Russia and Belarus have been halted. Our exposure to these countries, on both the customer and supplier sides, is limited and the total effect on net sales during the fourth quarter was marginal. Our thoughts and undivided sympathies go to the Ukrainian people and all those affected by the war.

## **FULL YEAR**

Recent years' increased focus on sustainable technical solutions, combined with a high acquisition rate, has afforded us strong positions in selected niches, both in the Nordic region and internationally. Over the autumn, we further fine-tuned the organization to strengthen the network between the companies, thereby fostering conditions to derive optimum benefit from future growth opportunities.

Sequentially increasing customer activity in combination with a lower cost base resulted in a sales increase of 24 percent and high EBITA growth of 44 percent, with strong contributions by all business areas. Despite increased inventory and higher accounts receivable due to sales growth in many companies, P/WC strengthened and landed at a historically high 69 percent.

The market situation clearly strengthened over the year in most of our key customer segments. Sales of input components to manufacturing companies in special vehicles, as well as in the medical and mechanical industries have developed well and the market situation has developed very strongly in the forest and process industries, and particularly the willingness to invest in the sawmill industry. In other important segments, such as electronics, electricity-related products for construction and installation customers, as well as in waste and recycling, the business situation has been favourable. In wind power, demand remained stable until the final quarter of the financial year when we saw the market slow down to a certain extent. The major infrastructure investments required to meet increased energy needs generated continued favourable demand for our companies active in the expansion of regional and national grids.

Geographically, the Nordic markets developed strongly over the year as a whole. Norway was slightly weaker than the other Nordic countries, mainly due to a continued low willingness to invest in oil and gas. Our major markets beyond the Nordic region, DACH and the UK in particular, strengthened over the year, providing favourable conditions for our companies operating in these markets.

## ACQUISITIONS

Acquiring carefully selected companies that complement and strengthen our niche strategies is an important part of our business model. Our acquisition rate remained high and we conclude the financial year having completed thirteen acquisitions, followed by another four after the end of the year. In total, these seventeen acquisitions have added approximately SEK 1,650 million in sales and 486 new employees to the group.

In line with our strategy, the proportion of acquisitions outside the Nordic region has increased, as have our acquisitions of companies with a clear sustainability profile. A crucial parameter in all of our acquisitions is the cultural match, as this is a key element in our decentralized responsibility structure and also fosters conditions for various forms of collaboration in the networks that our business units form. It is this strong culture, with a focus on entrepreneurship and networking, that continues to attract many privately owned companies to become part of Addtech. An attractive acquisition pipeline, combined with our strong balance sheet, means that we perceive favourable opportunities for continuing to maintain a good acquisition rate in the future.

## OUTLOOK

Despite the fourth quarter's historically high level of invoicing, we are entering the new financial year with strong order books and currently have continued stable demand. With our sharpened niche strategies, we are well positioned in structurally driven areas of development, such as the transition to renewable energy sources and the ongoing and increasing process of electrification. We retain, nonetheless, a respectful view regarding the uncertainty associated with continued supply chain disruption, rising inflation and how the ongoing war in Ukraine may change market conditions. However, I firmly believe that the strength of our decentralised model will once again enable us to act accordingly.

In conclusion, I would like to extend my sincerest gratitude to all of our committed employees whose excellent handling of the challenges made it possible to meet the high level of customer demand over the year. I look forward with great confidence to a new financial year continuing to build long-term and sustainable value.

In conclusion, I would like to extend my sincerest gratitude to all of our committed employees whose excellent handling of the challenges made it possible to meet the high level of customer demand over the year. Again, it is our decentralised model, in which decisions are made close to customers and suppliers, that makes the difference. I look forward with great confidence to a new financial year continuing to build long-term and sustainable value.

Niklas Stenberg  
President and CEO



# GROUP DEVELOPMENT

## Sales development

Net sales in the Addtech Group increased in the fourth quarter by 34 percent to SEK 3,916 million (2,927). The organic growth amounted to 24 percent and acquired growth amounted to 7 percent. Exchange rate changes affect net sales positively with 3 percent, corresponding to SEK 94 million.

Net sales in the Addtech Group during the financial year increased by 24 percent to SEK 14,038 million (11,336). The organic growth amounted to 15 percent and acquired growth amounted to 9 percent. Exchange rate changes affect net sales marginally positively corresponding to SEK 37 million.

During 2021/2022, net sales to Russia, Ukraine and Belarus accounted for less than 1 percent of Addtech's total sales. Also the indirect exposure is assessed as limited and the total effect on net sales during the fourth quarter was marginal.

## Profit development

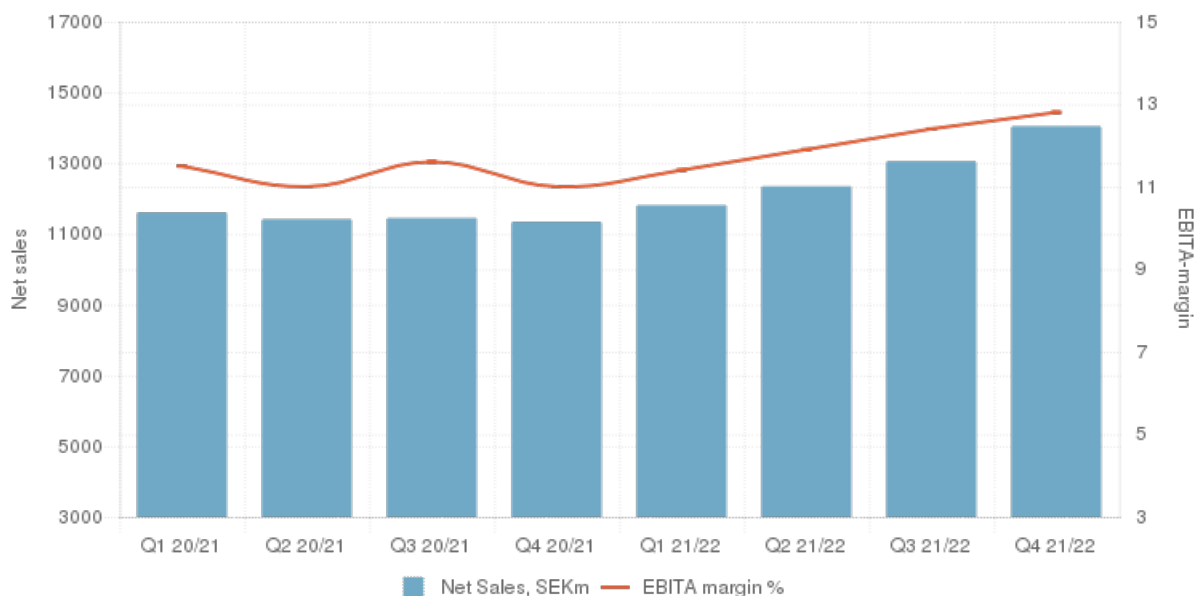
EBITA in the fourth quarter amounted to SEK 517 million (335), representing an increase of 54 percent. Operating profit increased during the quarter by 64 percent to SEK 436 million (266) and the operating margin amounted to 11.1 percent (9.1). Net financial items amounted to SEK -22 million (-15) and profit after financial items increased by 65 percent to SEK 414 million (251).

Profit after tax increased by 71 percent to SEK 325 million (190) corresponding to earnings per share before dilution of SEK 1.20 (0.65) and after dilution of SEK 1.15 (0.65).

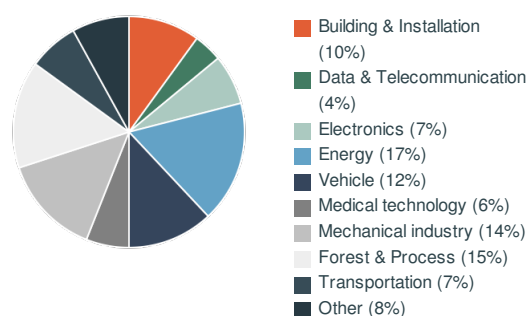
EBITA for the financial year amounted to SEK 1,803 million (1,251), representing an increase of 44 percent. Operating profit increased during the financial year by 52 percent to SEK 1,501 million (989) and the operating margin amounted to 10.7 percent (8.7). Net financial items were SEK -68 million (-52) and profit after financial items increased by 53 percent to SEK 1,433 million (937).

Profit after tax for the financial year increased by 53 percent to SEK 1,117 million (729) and the effective tax rate amounted to 22 percent (22). Earnings per share before dilution for the financial year amounted to SEK 4.00 (2.60) and after dilution to SEK 3.95 (2.60).

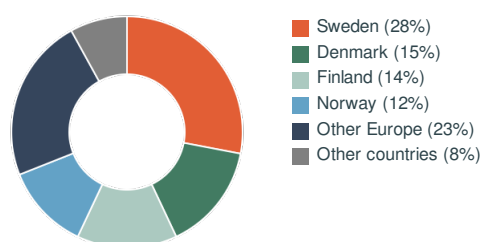
## Net sales and EBITA margin, rolling 12 months



## Sales per customer segment



## Sales per geographic market



# DEVELOPMENT IN THE BUSINESS AREAS

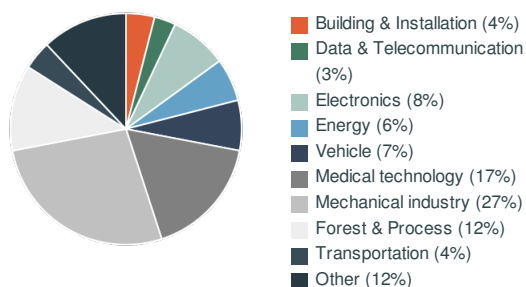
## AUTOMATION

Net sales in Automation increased in the fourth quarter by 44 percent to SEK 828 million (576) and EBITA increased by 35 percent to SEK 103 million (77). Net sales during the financial year increased by 25 percent to SEK 2,716 million (2,180) and EBITA increased by 42 percent to SEK 308 million (217).

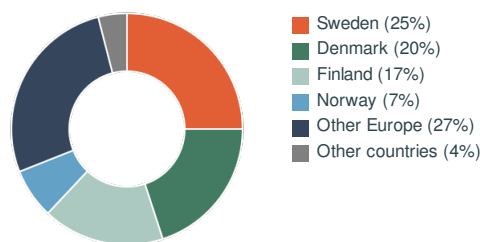
### Market

The Automation business area experienced a highly favourable market situation in the fourth quarter. The business situation was beneficial in all segments of importance for the business area, such as the process industry, mechanical industry and medical technology, and demand increased for the companies operating in the defence industry. Good margins on organic growth during the quarter resulted in an increased operating margin adjusted for the contingent purchase consideration, which had a positive effect of SEK 10 million on the profit for the preceding year.

Sales per customer segment



Sales per geographic market



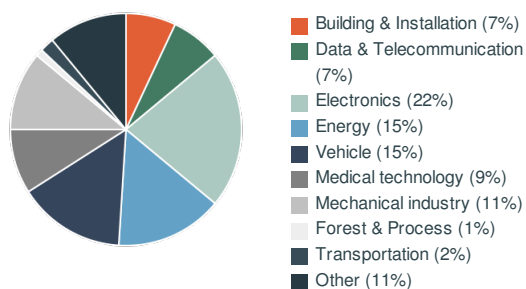
## ELECTRIFICATION

Net sales in Electrification increased in the fourth quarter by 28 percent to SEK 732 million (572) and EBITA increased by 41 percent to SEK 89 million (63). Net sales during the financial year increased by 20 percent to SEK 2,629 million (2,194) and EBITA increased by 35 percent to SEK 318 million (236).

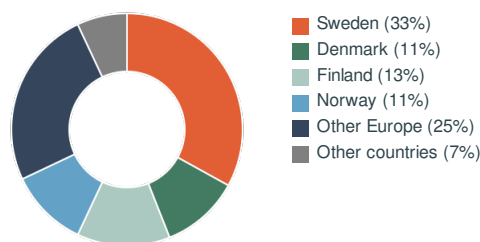
### Market

Most companies in the Electrification business area ended the year very strongly. The business situation was favourable for input components in the largest segments, such as electronics, energy, special vehicles and telecom. Sales of customised battery solutions increased as did demand from the defence industry.

Sales per customer segment



Sales per geographic market



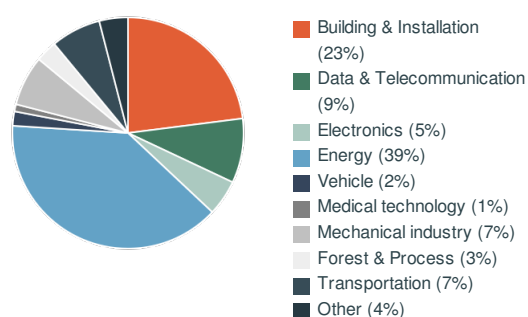
## ENERGY

Net sales in Energy increased in the fourth quarter by 31 percent to SEK 992 million (756) and EBITA increased by 32 percent to SEK 125 million (95). Net sales during the financial year increased by 14 percent to SEK 3,742 million (3,271) and EBITA increased by 19 percent to SEK 467 million (393).

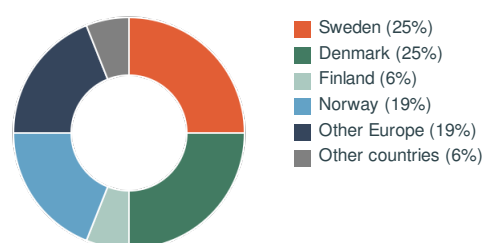
### Market

The market situation for the Energy business area was highly favourable in the fourth quarter. Demand for and sales of infrastructure products for national and regional power grids increased from already high levels. The business situation for the units operating in sales of niche products for electricity distribution, the manufacturing industry, expansion of fiber-optic networks and building and installation was favourable, while it remained stable in wind power.

#### Sales per customer segment



#### Sales per geographic market



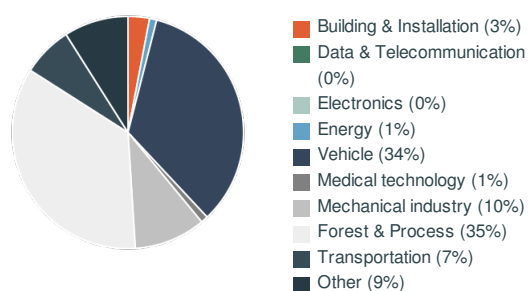
## INDUSTRIAL SOLUTIONS

Net sales in Industrial Solutions increased in the fourth quarter by 36 percent to SEK 720 million (530) and EBITA increased by 86 percent to SEK 125 million (67). Net sales during the financial year increased by 48 percent to SEK 2,669 million (1,800) and EBITA increased by 79 percent to SEK 452 million (252).

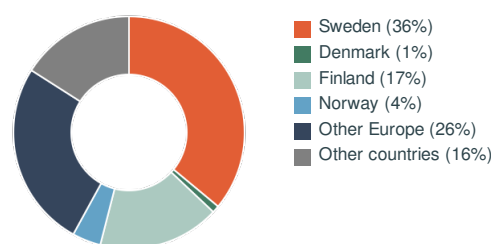
### Market

For the companies exposed to the forest and sawmill industry, the market situation remained very strong during the quarter, as it also did for companies developing proprietary control and ergonomics products, as well as hydraulic solutions for special vehicles. There was also good demand in waste and recycling, while it was stable for components for the mechanical industry.

#### Sales per customer segment



#### Sales per geographic market



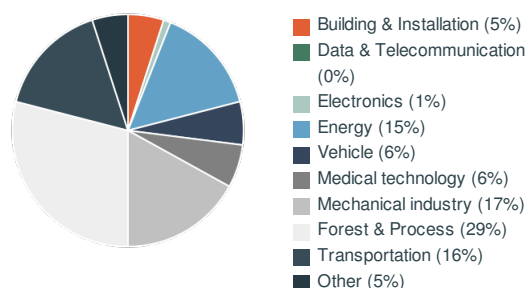
## PROCESS TECHNOLOGY

Net sales in Process Technology increased in the fourth quarter by 30 percent to SEK 649 million (498) and EBITA increased by 178 percent to SEK 84 million (30). Net sales during the financial year increased by 21 percent to SEK 2,306 million (1,911) and EBITA increased by 78 percent to SEK 299 million (168).

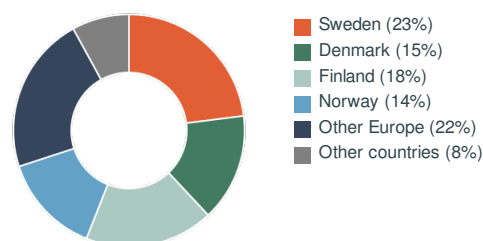
### Market

The business situation was generally very strong during the last quarter of the year, and it was particularly favourable for the companies operating in the forest and process industry. Demand for aftermarket and service components, as well as for projects in the energy segment was favourable, while it was stable in the mechanical industry and slightly increasing in the marine segment. Good margins on organic growth, combined with profitable acquisitions, generated an increased operating margin for the business area as a whole.

### Sales per customer segment



### Sales per geographic market



# OTHER FINANCIAL INFORMATION

## Profitability, financial position and cash flow

The return on equity at the end of the financial year was 30 percent (23), and return on capital employed was 20 percent (15). Return on working capital P/WC (EBITA in relation to working capital) amounted to 69 percent (52).

At the end of the financial year the equity ratio amounted to 34 percent (35). Equity per share, excluding non-controlling interest, totalled SEK 14.60 (11.95). The Group's net debt at the end of the period amounted to SEK 3,747 million (2,798), excluding pension liabilities of SEK 314 million (336). The net debt/equity ratio, calculated on the basis of net debt excluding provisions for pensions amounted to 0.9 (0.8).

Cash and cash equivalents consisting of cash and bank equivalents and approved but non-utilised credit facilities amounted to SEK 1,452 million (2,119) at 31 March 2022.

Cash flow from operating activities amounted to SEK 1,121 million (1,503) during the financial year. Company acquisitions and disposals including settlement of contingent consideration regarding acquisitions implemented in previous years amounted to SEK 1,139 million (1,219). Investments in non-current assets totalled SEK 125 million (90) and disposal of non-current assets amounted to SEK 9 million (11). Repurchase of call options amounted to SEK 37 million (23) and exercised and issued call options totalled SEK 47 million (48). Dividend paid to the shareholders of the Parent Company totalled SEK 323 million (269), corresponding to SEK 1.20 (1.00) per share. The dividend was paid out in the second quarter.

## Employees

At the end of the financial year, the number of employees was 3,556 compared to 3,133 at the beginning of the financial year. During the period, completed acquisitions resulted in an increase of the number of employees by 399. The average number of employees in the latest 12-month period was 3,317.

## Ownership structure

At the end of the period the share capital amounted to SEK 51.1 million.

Class of shares	Number of shares	Number of votes	Percentage of capital	Percentage of votes
Class A shares, 10 votes per share	12,885,744	128,857,440	4.7%	33.1%
Class B shares, 1 vote per share	259,908,240	259,908,240	95.3%	66.9%
<b>Total number of shares before repurchases</b>	<b>272,793,984</b>	<b>388,765,680</b>	<b>100.0%</b>	<b>100.0%</b>
Repurchased class B shares	-3,265,552		1.2%	0.8%
<b>Total number of shares after repurchases</b>	<b>269,528,432</b>			

Addtech has four outstanding call option programmes for a total of 3,129,350 shares. Call options issued on repurchased shares entail a dilution effect of about 0.3 percent during the latest 12-month period. Addtech's own shareholdings fully meet the needs of the outstanding call option programmes.

Outstanding programme	Number of options	Corresponding number of shares	Proportion of total shares	Exercise price per option	Exercise price per share	Expiration period
2021/2025	768,070	768,070	0.3%	214.40	214.40	9 Sep 2024 - 11 Jun 2025
2020/2024	250,000	1,000,000	0.4%	538.10	134.53	4 Sep 2023 - 5 Jun 2024
2019/2023	300,000	1,200,000	0.4%	321.80	80.45	5 Sep 2022 - 2 Jun 2023
2018/2022	40,320	161,280	0.1%	232.90	58.23	6 Sep 2021 - 3 Jun 2022
<b>Total</b>	<b>1,358,390</b>	<b>3,129,350</b>				



## Acquisitions and disposals

During the period, 1 April to 31 December 2021 the following acquisitions were completed; AVT Industriteknik AB, Sweden, Trittech Solutions AB, Sweden, Systerra Computer GmbH, Germany, were acquired to become part of the Automation business area. EK Power Solutions AB, Sweden, ABH Stromschiene GmbH, Germany, and Jolex AB, Sweden, were acquired to become part of the Electrification business area. ESi Controls Ltd., Great Britain, IETV Elektroteknik AB, Sweden, and Ko Hartog Verkeerstechiek B.V., Netherlands, were acquired to become part of the Energy business area. Hydro-Material Oy, Finland, was acquired to become part of the Industrial Solutions business area. KZ moder AB, Sweden, and Finnchain Oy, Finland, were acquired to become part of the Process Technology business area.

During the fourth quarter, one acquisition took place:

On 31 March, 90 percent of the shares in Fey Elektronik GmbH, Germany, was acquired to become part of the Electrification business area. Fey serves European OEM customers with development, design and manufacture of customized battery solutions. The company has 160 employees and sales of approximately 55 MEUR.

The purchase price allocation calculations for the acquisitions completed during the period 1 April 2020 – 31 March 2021 have now been finalised. No significant adjustments have been made to the calculations. Acquisitions completed as of the 2020/2021 financial year are distributed among the Group's business areas as follows:

<b>Acquisitions 2020/2021</b>	<b>Closing</b>	<b>Acquired share, %</b>	<b>Net sales, SEKm*</b>	<b>Number of employees*</b>	<b>Business Area</b>
Elkome Group Oy, Finland	April, 2020	100	85	38	Automation
Peter Andersson AB, Sweden	April, 2020	100	30	9	Energy
Valutec Group AB, Sweden	April, 2020	86	350	45	Industrial Solutions
Fluidcontrol Oy, Finland	September, 2020	100	41	20	Process Technology
Kaptas Oy, Finland	September, 2020	100	41	27	Automation
Elsystem i Perstorp AB, Sweden	September, 2020	100	40	18	Automation
Martin Bruusgaard AS, Norway	September, 2020	80	108	30	Process Technology
Satco Komponent AB, Sweden	October, 2020	100	18	2	Electrification
Skyltar & Märken Gruppen AB, Sweden	October, 2020	100	60	23	Energy
OF-Beteiligungs AG, Switzerland	December, 2020	100	170	35	Industrial Solutions
Powernor AS, Norway	January, 2021	100	35	6	Electrification
Synective Labs AB, Sweden	January, 2021	100	30	27	Automation
Impact Air Systems Ltd. and Impact Technical Services Ltd., Great Britain	January, 2021	100	95	33	Industrial Solutions
Fairfield Trading Company Ltd., Great Britain	March, 2021	100	37	8	Electrification

<b>Acquisitions 2021/2022</b>	<b>Closing</b>	<b>Acquired share, %</b>	<b>Net sales, SEKm*</b>	<b>Number of employees*</b>	<b>Business Area</b>
ESi Controls Ltd., Great Britain	April, 2021	100	95	15	Energy
Hydro-Material Oy, Finland	April, 2021	100	50	5	Industrial Solutions
IETV Elektroteknik AB, Sweden	May, 2021	100	80	38	Energy
AVT Industriteknik AB, Sweden	May, 2021	100	70	42	Automation
EK Power Solutions AB, Sweden	July, 2021	100	40	25	Electrification
KZ moder AB, Sweden	July, 2021	100	100	29	Process Technology
Finnchain Oy, Finland	July, 2021	90	70	20	Process Technology
Trittech Solutions AB, Sweden	August, 2021	100	60	8	Automation
Systerra Computer GmbH, Germany	September, 2021	100	95	16	Automation
ABH Stromschiene GmbH, Germany	October, 2021	100	100	22	Electrification
Ko Hartog Verkeerstechiek B.V., Netherlands	October, 2021	100	80	18	Energy
Jolex AB, Sweden	November, 2021	100	20	1	Electrification
Fey Elektronik GmbH, Germany	March, 2022	90	570	160	Electrification

<b>Acquisitions 2022/2023</b>	<b>Closing</b>	<b>Acquired share, %</b>	<b>Net sales, SEKm*</b>	<b>Number of employees*</b>	<b>Business Area</b>
Intertrafo Oy, Finland	April, 2022	100	30	15	Energy
Electric Control Systems Automation AS, Norway	April, 2022	100	75	31	Process Technology
Impulseradar Sweden AB, Sweden	April, 2022	88	80	27	Industrial Solutions
C.K. Environment A/S, Denmark	May, 2022	100	40	14	Process Technology

\* Refers to assessed condition at the time of acquisition on a full-year basis.

If all acquisitions which have taken effect during the financial year had been completed on 1 April 2021, their impact would have been an estimated SEK 1,500 million on Group net sales, about SEK 155 million on operating profit and about SEK 120 million on profit after tax for the period.

Addtech normally employs an acquisition structure comprising basic purchase consideration and contingent consideration. The outcome of contingent purchase considerations is determined by the future earnings reached by the companies and is subject to a fixed maximum level. Of considerations not yet paid for acquisitions during the financial year, the discounted value amounts to SEK 177 million. The contingent purchase considerations fall due for payment within three years and the outcome is subject to a maximum of SEK 207 million.

Transaction costs for acquisitions that resulted in an ownership transfer during the financial year, amounted to SEK 10 million (12) and are reported under Selling expenses.

Revaluation of contingent consideration had a positive net effect of SEK 8 million (-9) during the financial year. The impact on profits are reported under Other operating income and Other operating expenses, respectively.

According to the preliminary acquisitions analyses, the assets and liabilities included in the acquisitions were as follows, during the year:

Fair value SEKm	Fey Elektronik GmbH	Other acquisitions	Total 2021/2022	Valutec Group AB	Other acquisitions	Total 2020/2021
Intangible non-current assets	170	371	541	483	321	804
Other non-current assets	11	18	29	8	27	35
Inventories	174	143	317	37	101	138
Other current assets	83	304	387	117	327	444
Deferred tax liability/tax asset	-51	-85	-136	-100	-61	-161
Other liabilities	-94	-206	-300	-72	-195	-267
<b>Acquired net assets</b>	<b>293</b>	<b>545</b>	<b>838</b>	<b>473</b>	<b>520</b>	<b>993</b>
Goodwill <sup>1)</sup>	169	367	536	456	317	773
Non-controlling interests <sup>2)</sup>	-46	-10	-56	-130	-33	-163
<b>Consideration <sup>3)</sup></b>	<b>416</b>	<b>902</b>	<b>1,318</b>	<b>799</b>	<b>804</b>	<b>1,603</b>
Less: cash and cash equivalents in acquired businesses	-4	-138	-142	-82	-203	-285
Less: consideration not yet paid	-43	-127	-170	-71	-128	-199
<b>Effect on the Group's cash and cash equivalents</b>	<b>369</b>	<b>637</b>	<b>1,006</b>	<b>646</b>	<b>473</b>	<b>1,119</b>

1) Goodwill is justified by expected future sales trend and profitability as well as the personnel included in the acquired companies.

2) Non-controlling interests have been measured at fair value, which entails that goodwill is also reported for non-controlling interests.

3) The consideration is stated excluding transaction costs for the acquisitions.

With the acquisition of Fey Elektronik GmbH comes a commitment to acquire the remaining 10 percent of the company and this commitment is valued to SEK 33 million. With the acquisition of Valutec Group AB comes a commitment to acquire the remaining 14 percent of the company and this commitment is valued to SEK 227 million after revaluation. These commitments are reported as a non-current interest-bearing liability.

### Parent Company

Parent Company net sales amounted to SEK 64 million (58) and profit after financial items was SEK -31 million (378). Net investments in non-current assets were SEK 0 million (0). The Parent Company's financial net debt was SEK 350 million (286) at the end of the financial year.

# OTHER DISCLOSURES

## Accounting policies

The interim report has been prepared in accordance with IFRS as adopted by the EU, with IAS 34 Interim Financial Reporting being applied. Apart from in the financial statements and their accompanying notes, disclosures in accordance with IAS 34.16A also appear in other parts of the interim report. The interim report for the Parent Company has been prepared in accordance with the Annual Accounts Act and the Securities Market Act, which is in accordance with the provisions of RFR 2 Accounting for Legal Entities.

In the interim report, the same accounting principles and bases of calculation have been applied as in the most recent annual report. The new and revised IFRS standards and IFRIC statements that come into force as of the 2021/2022 financial year have had no material effect on the Group's financial reports.

## Governmental support measures

Those governmental support measures that have been received or will be received as an effect of the COVID-19 pandemic will be recognized in the income statement when it is reasonably certain that the conditions for receiving the support have been met or will be met. These grants are recognised under other operating income or as a reduction in personnel expenses.

## Alternative performance measures

The Company presents certain financial measures in the interim report that are not defined according to IFRS. The Company believes that these measures provide valuable supplemental information to investors and the Company's management as they allow for evaluation of trends and the Company's performance. Since all companies do not calculate financial measures in the same way, they are not always comparable to measures used by other companies. These financial measures should therefore not be considered to be a replacement for measurements as defined under IFRS. For definitions and reconciliation tables of the performance measures that Addtech uses, please see page 23-26.

## Risks and factors of uncertainty

Addtech's profit and financial position, as well as its strategic position, are affected by a number of internal factors under Addtech's control and by a number of external factors over which Addtech has limited influence. The most important risk factors for Addtech are the state of the economy, combined with structural change and the competitive situation.

Addtech has limited direct exposure to the countries involved in the conflict in Ukraine. One of our subsidiaries has a minor business in Russia where work is currently underway according to an orderly decommissioning plan. Addtech assess also the indirect effects as limited for the time being. Addtech is closely monitoring developments in the conflict and currently finds it difficult to assess the future effect of sanctions against Russia and the implications that the conflict could have on the economic situation in Europe.

Please see section Risks and uncertainties (page 58-60) in the annual report for 2020/2021 for further details.

The Parent Company is indirectly affected by the above risks and uncertainty factors due to its role in the organisation.

## Transactions with related parties

No transactions between Addtech and related parties that have significantly affected the Group's or the parent company's position and its earnings have taken place during the period.

## Seasonal effects

Addtech's sales of high-tech products and solutions in the manufacturing industry and infrastructure are not subject to major seasonal variations. The number of production days and customers' demand and willingness to invest can vary over the quarters.

## Annual Report 2021/2022

The annual report for 2021/2022 will be published on Addtech's website [www.addtech.com](http://www.addtech.com) in July 2022. A printed version will be distributed to the shareholders who request this.

## Annual General Meeting 2022

The Annual General Meeting (AGM) of Addtech AB will take place at 2:00 p.m on Thursday 25 August 2022. A notice of the AGM will be published in July 2022 and will also be available on [www.addtech.com](http://www.addtech.com).

The Board of Directors proposes dividend of SEK 1.80 (1.20) per share, which corresponds to a dividend payment of about SEK 485 million (323), which is in line with Addtech's dividend policy with the objective of a dividend that exceeds 30 percent of average Group profit after tax over a business cycle.

## Events after the end of the financial year

On 1 April, Intertrafo Oy, Finland, was acquired by Tampereen Sähköpalvelu Oy to become part of the Energy business area. Intertrafo designs, manufactures and commissions transformers on the Finnish market. The company has 15 employees and sales of around EUR 3 million.

On 1 April, Electric Control Systems Automation AS, Norway, was acquired to become part of the Process Technology business area. ECS is an international provider of system integration and automation solutions tailored to customer needs. The company offers complete process control systems using IoT as well as produces automation control panels, both with the aim to increase productivity and improve the data analysis capability within the process industry. The company has 31 employees and sales of around NOK 70 million.

On 4 April, 88 percent of the shares in Impulseradar Sweden AB, Sweden, was acquired to become part of the Industrial Solutions business area. Impulse is a leading developer and manufacturer of ground radar instruments and related software that enables investigation and mapping of features and structures below the surface. The equipment is used in several application areas such as infrastructure projects, road and bridge inspections and utility mapping. The company has 27 employees and sales of around SEK 80 million.

On 5 May, C.K. Environment A/S, Denmark, was acquired to become part of the Process Technology business area. C.K. Environment is a leading provider of instrumentation and solutions for measuring and analyzing of gasses, liquids, particles, humidity and temperature. The company offers both complete customized solutions as well as components and service to a wide range of industrial customers. The company has 14 employees and sales of around DKK 30 million.

Preliminary purchase price allocations have not yet been completed.

### Stockholm May 17, 2022

Niklas Stenberg  
President and CEO

## FURTHER INFORMATION

### Publication

This information is information that Addtech AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, at 8.15 a.m CET on 17 May 2022.

### Future information

2022-07-15 Interim report 1 April - 30 June 2022  
2022-08-25 Annual General Meeting 2022 will be held at IVA, Grev Turegatan 16, Stockholm at 2.00 p.m  
2022-10-27 Interim report 1 April - 30 September 2022  
2023-02-02 Interim report 1 April - 31 December 2022

The Group's annual report for 2021/2022 will be published on Addtech's website in July 2022.

### For further information, please contact:

Niklas Stenberg, President and CEO, +46 8 470 49 00  
Malin Enarson, CFO, +46 705 979 473

# REVIEW REPORT

## INTRODUCTION

We have reviewed the summary interim financial information (year-end report) of Addtech AB (publ.), corp.ID 556302-9726, as of 31 March 2022 and the twelve-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## FOCUS AND SCOPE OF THE REVIEW

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially smaller in scope than an audit conducted in accordance with ISA and other generally accepted auditing standards. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that could have been identified in an audit. Therefore, the conclusion expressed on the basis of a review does not give the same level of assurance as a conclusion expressed on the basis of an audit.

## CONCLUSION

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

Stockholm, 17 May 2022

KPMG AB

KPMG AB

Joakim Thilstedt  
Authorised Public Accountant  
Auditor in Charge

Johanna Hagström Jerkeryd  
Authorised Public Accountant

## BUSINESS AREA

Net sales by business area	2021/2022				2020/2021			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Quarterly data, SEKm</b>								
Automation	828	691	604	593	576	582	502	520
Electrification	732	677	618	602	572	539	529	554
Energy	992	918	895	937	756	824	825	866
Industrial Solutions	720	722	602	625	530	460	414	396
Process Technology	649	585	545	527	498	481	456	476
Group items	-5	-7	-7	-5	-5	-5	-3	-7
<b>Addtech Group</b>	<b>3,916</b>	<b>3,586</b>	<b>3,257</b>	<b>3,279</b>	<b>2,927</b>	<b>2,881</b>	<b>2,723</b>	<b>2,805</b>

EBITA by business area	2021/2022				2020/2021			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Quarterly data, SEKm</b>								
Automation	103	76	73	56	77	54	46	40
Electrification	89	73	83	73	63	51	60	62
Energy	125	114	112	116	95	98	100	100
Industrial Solutions	125	133	102	92	67	72	64	49
Process Technology	84	74	64	77	30	43	42	53
Group items	-9	-11	-9	-12	3	-14	-6	2
<b>EBITA</b>	<b>517</b>	<b>459</b>	<b>425</b>	<b>402</b>	<b>335</b>	<b>304</b>	<b>306</b>	<b>306</b>
Depr. of intangible non-current assets	-81	-77	-74	-70	-69	-66	-64	-63
– of which acquisitions	-74	-73	-70	-67	-64	-62	-61	-60
<b>Operating profit</b>	<b>436</b>	<b>382</b>	<b>351</b>	<b>332</b>	<b>266</b>	<b>238</b>	<b>242</b>	<b>243</b>

Net sales	3 months		Rolling 12 months	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
<b>SEKm</b>				
Automation	828	576	2,716	2,180
Electrification	732	572	2,629	2,194
Energy	992	756	3,742	3,271
Industrial Solutions	720	530	2,669	1,800
Process Technology	649	498	2,306	1,911
Group items	-5	-5	-24	-20
<b>Addtech Group</b>	<b>3,916</b>	<b>2,927</b>	<b>14,038</b>	<b>11,336</b>

EBITA and EBITA-margin	3 months				Rolling 12 months			
	31 Mar 2022		31 Mar 2021		31 Mar 2022		31 Mar 2021	
	SEKm	%	SEKm	%	SEKm	%	SEKm	%
Automation	103	12.5	77	13.4	308	11.4	217	10.0
Electrification	89	12.2	63	11.0	318	12.1	236	10.8
Energy	125	12.6	95	12.6	467	12.5	393	12.0
Industrial Solutions	125	17.3	67	12.6	452	16.9	252	14.0
Process Technology	84	12.8	30	6.0	299	12.9	168	8.8
Group items	-9		3		-41		-15	
<b>EBITA</b>	<b>517</b>	<b>13.2</b>	<b>335</b>	<b>11.4</b>	<b>1,803</b>	<b>12.8</b>	<b>1,251</b>	<b>11.0</b>
Depr. of intangible non-current assets	-81		-69		-302		-262	
– of which acquisitions	-74		-64		-284		-247	
<b>Operating profit</b>	<b>436</b>	<b>11.1</b>	<b>266</b>	<b>9.1</b>	<b>1,501</b>	<b>10.7</b>	<b>989</b>	<b>8.7</b>

## DISAGGREGATION OF REVENUE

### Net sales by the subsidiaries geographical location

Net sales by the subsidiaries geographical location		3 months					
		31 Mar 2022					
SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	254	398	263	390	164	-3	1,466
Denmark	168	67	282	16	117	-1	649
Finland	142	116	71	147	114	-1	589
Norway	41	73	192	25	150	0	481
Europe	218	68	168	90	95	0	639
Other countries	5	10	16	52	9	0	92
<b>Total</b>	<b>828</b>	<b>732</b>	<b>992</b>	<b>720</b>	<b>649</b>	<b>-5</b>	<b>3,916</b>

Net sales by the subsidiaries geographical location		12 months					
		31 Mar 2022					
SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	859	1,442	1,008	1,497	528	-8	5,326
Denmark	587	244	1,160	48	418	-9	2,448
Finland	469	439	243	515	489	-5	2,150
Norway	137	254	697	81	517	-2	1,684
Europe	653	191	561	352	332	0	2,089
Other countries	11	59	73	176	22	0	341
<b>Total</b>	<b>2,716</b>	<b>2,629</b>	<b>3,742</b>	<b>2,669</b>	<b>2,306</b>	<b>-24</b>	<b>14,038</b>

Net sales by the subsidiaries geographical location		3 months					
		31 Mar 2021					
SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	186	324	196	309	112	-1	1,126
Denmark	121	60	230	12	96	-3	516
Finland	101	98	51	81	88	-1	418
Norway	44	59	159	17	127	0	406
Europe	123	23	100	83	71	0	400
Other countries	1	8	20	28	4	0	61
<b>Total</b>	<b>576</b>	<b>572</b>	<b>756</b>	<b>530</b>	<b>498</b>	<b>-5</b>	<b>2,927</b>

Net sales by the subsidiaries geographical location		12 months					
		31 Mar 2021					
SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	653	1,265	938	1,053	401	-8	4,302
Denmark	514	222	983	49	398	-7	2,159
Finland	410	392	211	354	369	-4	1,732
Norway	141	212	678	75	486	-1	1,591
Europe	457	71	376	137	233	0	1,274
Other countries	5	32	85	132	24	0	278
<b>Total</b>	<b>2,180</b>	<b>2,194</b>	<b>3,271</b>	<b>1,800</b>	<b>1,911</b>	<b>-20</b>	<b>11,336</b>

## Net sales by the customers geographical location

Net sales by the customers geographical location	3 months						
	31 Mar 2022						
	SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items
Sweden	209	243	246	262	149	1	1,110
Denmark	164	84	247	8	98	-2	599
Finland	140	98	63	123	115	-7	532
Norway	58	79	191	29	92	4	453
Other Europe	225	180	183	183	143	-6	908
Other countries	32	48	62	115	52	5	314
<b>Total</b>	<b>828</b>	<b>732</b>	<b>992</b>	<b>720</b>	<b>649</b>	<b>-5</b>	<b>3,916</b>

Net sales by the customers geographical location	12 months						
	31 Mar 2022						
	SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items
Sweden	683	875	928	968	531	-6	3,979
Denmark	537	300	933	30	348	-2	2,146
Finland	458	353	240	454	407	-5	1,907
Norway	192	284	720	108	325	-3	1,626
Other Europe	738	646	691	679	509	-6	3,257
Other countries	108	171	230	430	186	-2	1,123
<b>Total</b>	<b>2,716</b>	<b>2,629</b>	<b>3,742</b>	<b>2,669</b>	<b>2,306</b>	<b>-24</b>	<b>14,038</b>

Net sales by the customers geographical location	3 months						
	31 Mar 2021						
	SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items
Sweden	138	199	201	200	105	-9	834
Denmark	121	62	169	9	87	14	462
Finland	105	82	53	110	81	-12	419
Norway	49	59	157	40	81	10	396
Other Europe	140	128	117	101	104	-5	585
Other countries	23	42	59	70	40	-3	231
<b>Total</b>	<b>576</b>	<b>572</b>	<b>756</b>	<b>530</b>	<b>498</b>	<b>-5</b>	<b>2,927</b>

Net sales by the customers geographical location	12 months						
	31 Mar 2021						
	SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items
Sweden	522	762	871	678	402	-5	3,230
Denmark	461	238	730	30	334	-2	1,791
Finland	397	316	228	374	310	-4	1,621
Norway	185	227	677	137	310	-3	1,533
Other Europe	528	490	508	345	399	-5	2,265
Other countries	87	161	257	236	156	-1	896
<b>Total</b>	<b>2,180</b>	<b>2,194</b>	<b>3,271</b>	<b>1,800</b>	<b>1,911</b>	<b>-20</b>	<b>11,336</b>



## Net sales by the customers segment

### Net sales per customers segment

SEKm	3 months						
	31 Mar 2022						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Vehicle	58	110	20	245	39	-2	470
Mechanical industry	224	81	69	72	110	-8	548
Data & telecommunication	25	51	89	0	0	-8	157
Medical technology	141	66	10	7	39	-28	235
Electronics	66	161	50	0	6	-9	274
Energy	50	110	387	7	97	15	666
Forest & Process	99	7	30	252	188	11	587
Building & installation	33	51	228	22	32	26	392
Transportation	33	15	69	50	104	3	274
Other	99	80	40	65	34	-5	313
<b>Total</b>	<b>828</b>	<b>732</b>	<b>992</b>	<b>720</b>	<b>649</b>	<b>-5</b>	<b>3,916</b>

### Net sales per customers segment

SEKm	12 months						
	31 Mar 2022						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Vehicle	190	394	75	907	138	-19	1,685
Mechanical industry	733	289	262	267	392	22	1,965
Data & telecommunication	81	184	337	0	0	-40	562
Medical technology	462	237	37	27	138	-59	842
Electronics	217	578	187	0	23	-22	983
Energy	163	394	1,459	27	346	-3	2,386
Forest & Process	326	26	112	934	669	39	2,106
Building & installation	109	184	861	80	115	55	1,404
Transportation	109	53	262	187	369	3	983
Other	326	290	150	240	116	0	1,122
<b>Total</b>	<b>2,716</b>	<b>2,629</b>	<b>3,742</b>	<b>2,669</b>	<b>2,306</b>	<b>-24</b>	<b>14,038</b>

### Net sales per customer segment

SEKm	3 months						
	31 Mar 2021						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Vehicle	29	80	8	186	25	-35	293
Mechanical industry	132	63	53	64	90	-21	381
Data & telecommunication	46	46	68	0	0	16	176
Medical technology	132	63	8	5	30	-4	234
Electronics	23	114	38	0	5	-4	176
Energy	23	86	340	11	70	55	585
Forest & Process	75	0	15	175	139	-23	381
Building & installation	23	40	144	21	15	20	263
Transportation	35	11	45	42	105	-4	234
Other	58	69	37	26	19	-5	204
<b>Total</b>	<b>576</b>	<b>572</b>	<b>756</b>	<b>530</b>	<b>498</b>	<b>-5</b>	<b>2,927</b>

### Net sales per customer segment

SEKm	12 months						
	31 Mar 2021						
	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Vehicle	109	307	33	630	96	-41	1,134
Mechanical industry	502	241	229	216	344	-58	1,474
Data & telecommunication	175	176	294	0	0	35	680
Medical technology	501	241	33	18	115	-1	907
Electronics	87	439	164	0	19	-29	680
Energy	87	329	1,472	36	268	75	2,267
Forest & Process	283	0	65	594	535	-3	1,474
Building & installation	87	154	621	72	57	29	1,020
Transportation	131	44	196	144	401	-9	907
Other	218	263	164	90	76	-18	793
<b>Total</b>	<b>2,180</b>	<b>2,194</b>	<b>3,271</b>	<b>1,800</b>	<b>1,911</b>	<b>-20</b>	<b>11,336</b>

## CONSOLIDATED INCOME STATEMENT, CONDENSED

SEKm	3 months		Rolling 12 months	
	31 Mar	31 Mar	31 Mar	31 Mar
	2022	2021	2022	2021
Net sales	3,916	2,927	14,038	11,336
Cost of sales	-2,707	-2,016	-9,717	-7,863
<b>Gross profit</b>	<b>1,209</b>	<b>911</b>	<b>4,321</b>	<b>3,473</b>
Selling expenses	-596	-497	-2,124	-1,843
Administrative expenses	-200	-162	-753	-637
Other operating income and expenses	23	14	57	-4
<b>Operating profit</b>	<b>436</b>	<b>266</b>	<b>1,501</b>	<b>989</b>
- as % of net sales	11.1	9.1	10.7	8.7
Financial income and expenses	-22	-15	-68	-52
<b>Profit after financial items</b>	<b>414</b>	<b>251</b>	<b>1,433</b>	<b>937</b>
- as % of net sales	10.6	8.6	10.2	8.3
Income tax expense	-89	-61	-316	-208
<b>Profit for the period</b>	<b>325</b>	<b>190</b>	<b>1,117</b>	<b>729</b>
<b>Profit for the period attributable to:</b>				
Equity holders of the Parent Company	313	183	1,074	706
Non-controlling interests	12	7	43	23
Earnings per share before dilution, SEK	1.20	0.65	4.00	2.60
Earnings per share after dilution, SEK	1.15	0.65	3.95	2.60
Average number of shares after repurchases, '000s	269,511	269,234	269,400	269,051
Number of shares after repurchases at end of the period, '000s	269,528	269,275	269,528	269,275

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONDENSED

SEKm	3 months		Rolling 12 months	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
<b>Profit for the period</b>	<b>325</b>	<b>190</b>	<b>1,117</b>	<b>729</b>
<i>Items that may be reclassified to profit or loss</i>				
Cash flow hedges	0	3	2	-3
Foreign currency translation differences for the period	64	147	99	-142
<i>Items that will not be reclassified to profit or loss</i>				
Actuarial effects of the net pension obligation	23	39	18	15
<b>Other comprehensive income</b>	<b>87</b>	<b>189</b>	<b>119</b>	<b>-130</b>
<b>Total comprehensive income</b>	<b>412</b>	<b>379</b>	<b>1,236</b>	<b>599</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Parent Company	398	369	1,190	580
Non-controlling interests	14	10	46	19

## CONSOLIDATED BALANCE SHEET, CONDENSED

SEKm	31 Mar 2022	31 Mar 2021
Goodwill	3,306	2,727
Other intangible non-current assets	2,062	1,769
Property, plant and equipment	1,057	1,008
Other non-current assets	65	60
<b>Total non-current assets</b>	<b>6,490</b>	<b>5,564</b>
Inventories	2,569	1,661
Current receivables	2,931	2,161
Cash and cash equivalents	437	420
<b>Total current assets</b>	<b>5,937</b>	<b>4,242</b>
<b>Total assets</b>	<b>12,427</b>	<b>9,806</b>
<b>Total equity</b>	<b>4,259</b>	<b>3,450</b>
Interest-bearing provisions	314	336
Non-interest-bearing provisions	500	388
Non-current interest-bearing liabilities	2,136	2,056
Non-current non-interest-bearing liabilities	9	9
<b>Total non-current liabilities</b>	<b>2,959</b>	<b>2,789</b>
Non-interest-bearing provisions	72	56
Current interest-bearing liabilities	2,048	1,162
Current non-interest-bearing liabilities	3,089	2,349
<b>Total current liabilities</b>	<b>5,209</b>	<b>3,567</b>
<b>Total equity and liabilities</b>	<b>12,427</b>	<b>9,806</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

SEKm	31 Mar 2022	31 Mar 2021
<b>Opening balance</b>	<b>3,450</b>	<b>3,076</b>
Exercised, issued and repurchased options	10	25
Repurchase of treasury shares	-	-
Dividend, ordinary	-323	-269
Dividend, non-controlling interests	-15	-4
Change non-controlling interests	58	158
Option debt, acquisition	-157	-135
Total comprehensive income	1,236	599
<b>Closing balance</b>	<b>4,259</b>	<b>3,450</b>

## CONSOLIDATED CASH FLOW STATEMENT, CONDENSED

SEKm	3 months		Rolling 12 months	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
Profit after financial items	414	251	1,433	937
Adjustment for items not included in cash flow	174	151	594	551
Income tax paid	-102	-81	-416	-320
Changes in working capital	-170	132	-490	335
<b>Cash flow from operating activities</b>	<b>316</b>	<b>453</b>	<b>1,121</b>	<b>1,503</b>
Net investments in non-current assets	-51	-34	-116	-79
Acquisitions and disposals	-428	-165	-1,139	-1,219
<b>Cash flow from investing activities</b>	<b>-479</b>	<b>-199</b>	<b>-1,255</b>	<b>-1,298</b>
Dividend paid to shareholders	-	-	-323	-269
Repurchase of own shares/change of options	7	5	10	25
Other financing activities	106	-328	460	106
<b>Cash flow from financing activities</b>	<b>113</b>	<b>-323</b>	<b>147</b>	<b>-138</b>
<b>Cash flow for the period</b>	<b>-50</b>	<b>-69</b>	<b>13</b>	<b>67</b>
Cash and cash equivalents at beginning of period	478	454	420	363
Exchange differences on cash and cash equivalents	9	35	4	-10
<b>Cash and cash equivalents at end of period</b>	<b>437</b>	<b>420</b>	<b>437</b>	<b>420</b>

## FAIR VALUES ON FINANCIAL INSTRUMENTS

SEKm	31 Mar 2022			31 Mar 2021		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives - fair value, hedge instruments	6	6	-	2	2	-
Derivatives - fair value through profit	4	4	-	2	2	-
<b>Total financial assets at fair value per level</b>	<b>10</b>	<b>10</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>-</b>
Derivatives - fair value, hedge instruments	3	3	-	3	3	-
Derivatives - fair value through profit	12	12	-	4	4	-
Contingent considerations - fair value through profit	349	-	349	267	-	267
<b>Total financial liabilities at fair value per level</b>	<b>364</b>	<b>15</b>	<b>349</b>	<b>274</b>	<b>7</b>	<b>267</b>

The fair value and carrying amount are recognised in the balance sheet as shown in the table above.

For quoted securities, the fair value is determined on the basis of the asset's quoted price in an active market, level 1.

As at the reporting date the Group had no items in this category.

For currency contracts and embedded derivatives, the fair value is determined on the basis of observable market data, level 2.

For contingent considerations, a cash-flow-based valuation is performed, which is not based on observable market data, level 3.

For the Group's other financial assets and liabilities, fair value is estimated to be the same as the carrying amount.

Contingent considerations	31 Mar 2022	31 Mar 2021
<b>Opening balance</b>	<b>267</b>	<b>151</b>
Acquisitions during the year	170	170
Reversed through profit or loss	-8	9
Consideration paid	-96	-64
Interest expenses	12	9
Exchange differences	4	-8
<b>Closing balance</b>	<b>349</b>	<b>267</b>

## KEY FINANCIAL INDICATORS

	12 months ending			
	31 Mar 2022	31 Mar 2021	31 Mar 2020	31 Mar 2019
Net sales, SEKm	14,038	11,336	11,735	10,148
EBITDA, SEKm	2,077	1,501	1,579	1,137
EBITA, SEKm	1,803	1,251	1,364	1,085
EBITA-margin, %	12.8	11.0	11.6	10.7
Operating profit, SEKm	1,501	989	1,161	910
Operating margin, %	10.7	8.7	9.9	9.0
Profit after financial items, SEKm	1,433	937	1,105	865
Profit for the period, SEKm	1,117	729	873	672
Working capital	2,618	2,416	2,415	2,029
Return on working capital (P/WC), %	69	52	56	53
Return on equity, %	30	23	32	29
Return on capital employed, %	20	15	21	21
Equity ratio, %	34	35	36	36
Financial net debt, SEKm	4,061	3,134	2,585	1,960
Debt / equity ratio, multiple	1.0	0.9	0.8	0.8
Financial net debt / EBITDA, multiple	2.0	2.1	1.6	1.7
Net debt excl. pensions, SEKm	3,747	2,798	2,253	1,700
Net debt, excl pensions / equity ratio, multiple	0.9	0.8	0.7	0.7
Interest coverage ratio, multiple	22.4	15.8	20.5	22.1
Average number of employees	3,317	3,068	2,913	2,590
Number of employees at end of the period	3,556	3,133	2,981	2,759

## KEY FINANCIAL INDICATORS PER SHARE

SEK	12 months ending			
	31 Mar 2022	31 Mar 2021	31 Mar 2020	31 Mar 2019
Earnings per share before dilution	4.00	2.60	3.20	2.45
Earnings per share after dilution	3.95	2.60	3.20	2.45
Cash flow from operating activities per share	4.15	5.60	4.15	1.95
Shareholders' equity per share	14.60	11.95	11.25	9.20
Share price at the end of the period	182.00	130.00	61.13	48.25
Average number of shares after repurchases, '000s	269,400	269,051	268,493	268,187
Average number of shares adjusted for repurchases and dilution, '000s	270,346	269,969	269,200	268,755
Number of shares outstanding at end of the period, '000s	269,528	269,275	268,594	268,228

For definitions of key financial indicators, see page 23-25.

## PARENT COMPANY INCOME STATEMENT, CONDENSED

SEKm	3 months		Rolling 12 months	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
Net sales	16	11	64	58
Administrative expenses	-25	-18	-96	-73
<b>Operating profit/loss</b>	<b>-9</b>	<b>-7</b>	<b>-32</b>	<b>-15</b>
Interest income and expenses and similar items	-1	396	1	393
<b>Profit after financial items</b>	<b>-10</b>	<b>389</b>	<b>-31</b>	<b>378</b>
Appropriations	295	260	295	260
<b>Profit before taxes</b>	<b>285</b>	<b>649</b>	<b>264</b>	<b>638</b>
Income tax expense	-59	-54	-55	-52
<b>Profit for the period</b>	<b>226</b>	<b>595</b>	<b>209</b>	<b>586</b>
<b>Total comprehensive income</b>	<b>226</b>	<b>595</b>	<b>209</b>	<b>586</b>

## PARENT COMPANY BALANCE SHEET, CONDENSED

SEKm	31 Mar 2022	31 Mar 2021
Intangible non-current assets	1	1
Property, plant and equipment	0	0
Non-current financial assets	4,646	4,243
<b>Total non-current assets</b>	<b>4,647</b>	<b>4,244</b>
Current receivables	1,050	819
Cash and bank balances	-	-
<b>Total current assets</b>	<b>1,050</b>	<b>819</b>
<b>Total assets</b>	<b>5,697</b>	<b>5,063</b>
Restricted equity	69	69
Unrestricted equity	675	779
<b>Total equity</b>	<b>744</b>	<b>848</b>
Untaxed reserves	302	211
Provisions	13	14
Non-current liabilities	1,684	1,618
Current liabilities	2,954	2,372
<b>Total equity and liabilities</b>	<b>5,697</b>	<b>5,063</b>

# DEFINITIONS

## **Return on equity<sup>1 2</sup>**

Earnings after tax divided by equity. The components are calculated as the average of the last 12 months.

*Return on equity measures the return generated on owners' invested capital.*

## **Return on working capital (P/WC)<sup>1</sup>**

EBITA divided by working capital.

*P/WC is used to analyse profitability and is a measure that encourages high EBITA and low working capital requirements, see the reconciliation table on page 26.*

## **Return on capital employed<sup>1</sup>**

Profit after financial items plus financial expenses as a percentage of capital employed. The components are calculated as the average of the last 12 months.

*Return on capital employed shows the Group's profitability in relation to externally financed capital and equity, see the reconciliation table on page 26.*

## **EBITA<sup>1</sup>**

Operating profit before amortisation of intangible assets.

*EBITA is used to analyse the profitability generated by operating activities, see reconciliation table on page 26.*

## **EBITA-margin<sup>1</sup>**

EBITA as a percentage of net sales.

*EBITA margin is used to show the degree of profitability in operating activities.*

## **EBITDA<sup>1</sup>**

Operating profit before depreciation and amortisation.

*EBITDA is used to analyse the profitability generated by operating activities, see reconciliation table on page 26.*

## **Equity per share<sup>1</sup>**

Equity divided by number of shares outstanding at the reporting period's end.

*This measures how much equity is attributable to each share and is published to make it easier for investors to conduct analyses and make decisions.*

## **Financial net debt<sup>1</sup>**

The net of interest-bearing debt and provisions minus cash and cash equivalents.

*Net debt is used to monitor changes in debt, analyse the Group's indebtedness and its ability to repay its debts using liquid funds generated from the Group's operating activities if all debt fell due for repayment today and any necessary refinancing.*

## **Financial net debt/EBITDA<sup>1</sup>**

Net financial debt divided by EBITDA.

*Net financial debt compared with EBITDA provides a performance measure for net debt in relation to cash-generating earnings in the business, i.e. it gives an indication of the business' ability to repay its debts. This measure is generally used by financial institutions to measure creditworthiness.*

## **Financial items<sup>1</sup>**

Financial income minus financial costs.

*Used to describe changes in the Group's financial activities.*

## **Acquired growth<sup>1</sup>**

Changes in net sales attributable to business acquisitions compared with the same period last year.

*Acquired growth is used as a component to describe the change in consolidated net sales in which acquired growth is distinguished from organic growth, divestments and exchange rate effects, see reconciliation table on page 26.*

**Cash flow from operating activities per share<sup>1</sup>**

Cash flow from operating activities, divided by the average number of outstanding shares after repurchase.

*This measure is used so investors can easily analyse the size of the surplus generated per share from operating activities.*

**Net investments in non-current assets<sup>1</sup>**

Investments in non-current assets minus sales of non-current assets.

*This measure is used to analyse the Group's investments in renewing and developing property, plant and equipment.*

**Net debt excluding pensions<sup>1</sup>**

The net of interest-bearing debt and provisions excluding pensions minus cash and cash equivalents.

*A measure used to analyse financial risk, see reconciliation table on page 26.*

**Net debt excluding pensions/ equity ratio<sup>1 2</sup>**

Net debt excluding pensions divided by shareholders' equity.

*A measure used to analyse financial risk, see reconciliation table on page 26.*

**Organic growth<sup>1</sup>**

Changes in net sales excluding currency effects, acquisitions and divestments compared with the same period last year.

*Organic growth is used to analyse underlying sales growth driven by change in volumes, product range and price for similar products between different periods, see reconciliation table on page 26.*

**Profit after financial items<sup>1</sup>**

Profit/loss for the period before tax.

*Used to analyse the business' profitability including financial activities.*

**Earnings per share (EPS)**

Shareholders' share of profit for the period after tax, divided by the weighted average number of shares during the period.

**Earnings per share (EPS), diluted**

Shareholders' share of profit for the period after tax, divided by the weighted average number of shares during the period, adjusted for the additional number of shares in the event of outstanding options being used.

**Interest coverage ratio<sup>1</sup>**

Earnings after net financial items plus interest expenses and bank charges divided by interest expenses and bank charges.

*This performance indicator measures the Group's capacity through its business operations and financial income to generate a sufficiently large surplus to cover its financial costs, see reconciliation table on page 26.*

**Working capital<sup>1</sup>**

Working capital (WC) is measured through an annual average defined as inventories plus accounts receivable less accounts payable.

*Working capital is used to analyse how much working capital is tied up in the business, see reconciliation table on page 26.*

**Operating margin<sup>1</sup>**

Operating profit as a percentage of net sales.

*This measure is used to specify the percentage of sales that is left to cover interest and tax, and to provide a profit, after the company's costs have been paid.*

**Operating profit<sup>1</sup>**

Operating income minus operating expenses.

*Used to describe the Group's earnings before interest and tax.*



**Debt/equity ratio<sup>1 2</sup>**

Financial net liabilities divided by equity.

*A measure used to analyse financial risk.*

**Equity ratio<sup>1 2</sup>**

Equity as a percentage of total assets.

*The equity/assets ratio is used to analyse financial risk and show the percentage of assets that are funded with equity.*

**Capital employed<sup>1</sup>**

Total assets minus non-interest-bearing liabilities and provisions.

*Capital employed shows the size of the company's assets that have been lent out by the company's owners or that have been lent out by lenders, see reconciliation table on page 26.*

**Outstanding shares**

Total number of shares less treasury shares repurchased by the Company.

<sup>1</sup>The performance measure is an alternative performance measure according to ESMA's guidelines.

<sup>2</sup>Minority interest is included in equity when the performance measures are calculated.

## RECONCILIATION TABLES ALTERNATIVE PERFORMANCE MEASURES

EBITA and EBITDA Addtech Group, SEKm	12 months ending			
	31 Mar 2022	31 Mar 2021	31 Mar 2020	31 Mar 2019
Operating profit according to Interim report	1,501	989	1,161	910
Amortization, intangible assets (+)	302	262	203	175
<b>EBITA</b>	<b>1,803</b>	<b>1,251</b>	<b>1,364</b>	<b>1,085</b>
Depreciation, tangible assets (+)	274	250	215	52
<b>EBITDA</b>	<b>2,077</b>	<b>1,501</b>	<b>1,579</b>	<b>1,137</b>

Working capital and return on working capital (P/WC) Addtech Group, SEKm	12 months ending			
	31 Mar 2022	31 Mar 2021	31 Mar 2020	31 Mar 2019
EBITA (12 months rolling)	1,803	1,251	1,364	1,085
Inventory, yearly average (+)	2,058	1,722	1,594	1,304
Accounts receivables, yearly average (+)	2,078	1,756	1,854	1,542
Accounts payables, yearly average (-)	1,518	1,062	1,033	817
<b>Working capital (average)</b>	<b>2,618</b>	<b>2,416</b>	<b>2,415</b>	<b>2,029</b>
<b>Return on working capital (P/WC) (%)</b>	<b>69%</b>	<b>52%</b>	<b>56%</b>	<b>53%</b>

### Acquired- and organic growth

Addtech Group	3 months				12 months			
	31 Mar 2022		31 Mar 2021		31 Mar 2022		31 Mar 2021	
<b>Acquired growth (SEKm,%)</b>	<b>194</b>	<b>(7%)</b>	<b>281</b>	<b>(9%)</b>	<b>998</b>	<b>(9%)</b>	<b>809</b>	<b>(7%)</b>
<b>Organic growth (SEKm,%)</b>	<b>702</b>	<b>(24%)</b>	<b>-310</b>	<b>(-10%)</b>	<b>1,679</b>	<b>(15%)</b>	<b>-906</b>	<b>(-8%)</b>
Divestments (SEKm,%)	-1	(0%)	-1	(0%)	-12	(0%)	-4	(0%)
Exchange rate effect (SEKm,%)	94	(3%)	-81	(-3%)	37	(0%)	-298	(-2%)
<b>Total growth (SEKm,%)</b>	<b>989</b>	<b>(34%)</b>	<b>-111</b>	<b>(-4%)</b>	<b>2,702</b>	<b>(24%)</b>	<b>-399</b>	<b>(-3%)</b>

Interest coverage ratio Addtech Group	12 months ending			
	31 Mar 2022	31 Mar 2021	31 Mar 2020	31 Mar 2019
Profit after financial items, SEKm	1,433	937	1,105	865
Interest expenses and bank charges (+), SEKm	67	63	57	41
Total	1,500	1,000	1,162	906
<b>Interest coverage ratio, multiple</b>	<b>22.4</b>	<b>15.8</b>	<b>20.5</b>	<b>22.1</b>

### Net debt excl. pensions and net debt, excl pensions/equity ratio

Addtech Group	12 months ending			
	31 Mar 2022	31 Mar 2021	31 Mar 2020	31 Mar 2019
Financial net debt, SEKm	4,061	3,134	2,585	1,960
Pensions (-), SEKm	-314	-336	-332	-260
<b>Net debt excluding pensions, SEKm</b>	<b>3,747</b>	<b>2,798</b>	<b>2,253</b>	<b>1,700</b>
Equity, SEKm	4,259	3,450	3,076	2,520
<b>Net debt to Equity ratio (excluding pensions), multiple</b>	<b>0.9</b>	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>

### Capital employed and return on capital employed

Addtech Group, SEKm	12 months ending			
	31 Mar 2022	31 Mar 2021	31 Mar 2020	31 Mar 2019
Profit after financial items	1,433	937	1,105	865
Financial expenses (+)	152	93	79	62
Profit after financial items plus financial expenses	1,585	1,030	1,184	927
Total assets, yearly average (+)	11,001	9,309	7,926	6,324
Non-interest-bearing liabilities, yearly average (-)	-2,705	-2,153	-1,947	-1,604
Non-interest-bearing provisions, yearly average (-)	-485	-413	-379	-378
<b>Capital employed</b>	<b>7,811</b>	<b>6,743</b>	<b>5,600</b>	<b>4,342</b>
<b>Return on capital employed, %</b>	<b>20%</b>	<b>15%</b>	<b>21%</b>	<b>21%</b>



## This is Addtech

Addtech is a Swedish, listed technical solutions group that combines the flexibility and speed of a small company with the resources of a large company. We acquire, own and develop independent subsidiaries that sell various high-tech products and solutions to customers, primarily within industry and infrastructure. With in-depth expertise in a number of different niches, our subsidiaries generate added technical, financial and sustainable value for customers and suppliers alike, thus helping increase the efficiency and competitiveness of all involved. We currently own some 140 companies in 20 countries, and have a long history of sustainable, profitable growth.

### Our vision

We are to be the leader in value-creating technical solutions for a sustainable tomorrow, perceived as the most skilled and long-term partner of our customers, suppliers and employees.

### Business concept in brief

Addtech offers high-tech products and solutions for companies in the manufacturing and infrastructure sectors. Addtech contributes added technical and financial value by being a skilled and professional partner for customers and manufacturers.

### We build shareholder value through:

- our 140 subsidiaries and their capacity to generate earnings growth
- corporate governance that ensures the companies achieve even better results and development
- acquisitions that bring in new employees, customers and suppliers

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# ADDTECH