

## YEAR-END REPORT 1 APRIL 2022 - 31 MARCH 2023

### FOURTH QUARTER (1 JANUARY - 31 MARCH 2023)

- **Net sales** increased by 34 percent and amounted to SEK 5,267 million (3,916).
- **Operating profit before amortisation of intangible non-current assets (EBITA)** increased by 47 percent and amounted to SEK 758 million (517) corresponding to an EBITA margin of 14.4 percent (13.2).
- **Operating profit** increased by 51 percent and amounted to SEK 660 million (436) corresponding to an operating margin of 12.5 percent (11.1).
- **Profit after tax** increased by 42 percent and amounted to SEK 461 million (325) and **earnings per share before dilution** amounted to SEK 1.65 (1.20) and **after dilution** amounted to SEK 1.65 (1.15).

### FULL YEAR (1 APRIL 2022 - 31 MARCH 2023)

- **Net sales** increased by 33 percent and amounted to SEK 18,714 million (14,038).
- **Operating profit before amortisation of intangible non-current assets (EBITA)** increased by 41 percent and amounted to SEK 2,540 million (1,803) corresponding to an EBITA margin of 13.6 percent (12.8).
- **Operating profit** increased by 44 percent and amounted to SEK 2,167 million (1,501) corresponding to an operating margin of 11.6 percent (10.7).
- **Profit after tax** increased by 39 percent and amounted to SEK 1,554 million (1,117) and **earnings per share before dilution** amounted to SEK 5.55 (4.00) and **after dilution** amounted to SEK 5.55 (3.95).
- **Return on working capital (P/WC)** amounted to 66 percent (69).
- **Return on equity** amounted to 32 percent (30) and the **equity ratio** amounted to 36 percent (34).
- **Cash flow from operating activities** amounted to SEK 1,911 million (1,121). **Cash flow per share from operating activities** amounted to SEK 7.10 (4.15).
- **Since the start of the financial year ten acquisitions have been completed** and another four have been closed after the end of the year. In total, this equals approximately SEK 1,200 million in annual sales.
- The Board of Directors proposes a **dividend** of SEK 2.50 (1.80) per share.

Group Summary SEKm	3 months			Rolling 12 months		
	31 Mar 2023	31 Mar 2022	Δ	31 Mar 2023	31 Mar 2022	Δ
Net sales	5,267	3,916	34%	18,714	14,038	33%
EBITA	758	517	47%	2,540	1,803	41%
EBITA-margin %	14.4	13.2		13.6	12.8	
Profit after financial items	611	414	48%	2,005	1,433	40%
Profit for the period	461	325	42%	1,554	1,117	39%
Earnings per share before dilution, SEK	1.65	1.20		5.55	4.00	
Earnings per share after dilution, SEK	1.65	1.15		5.55	3.95	
Cash flow from operating activities per share, SEK	-	-		7.10	4.15	
Return on equity, %	32	30		32	30	
Equity ratio, %	36	34		36	34	

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

# CEO'S COMMENTS

*It is with great pride that I look back on a very strong year for Addtech, with a high level of growth and profitability in all business areas. The financial year was marked by continued strong demand for sustainable technical solutions but also by challenges in the form of increased inflationary pressure, supply chain disruptions and a general uncertainty associated with our external environment. Our strong positions in selected niches, combined with the great commitment and performances of our companies, generated record-high organic sales growth of 17 percent with a strengthened EBITA margin of 13.6 percent (12.8). Our well-proven business model, with its focus on entrepreneurship, has again proven its strength.*

## FOURTH QUARTER

The financial year ended in a very strong fourth quarter with solid contributions from all business areas. A high level of customer activity, combined with overall good delivery capacity resulted in sales increasing by 34 percent, 21 percent of which was organic. Despite the high level of invoicing in the quarter, our order book remained well filled and of good quality. Through good cost control and active dialogues with suppliers and customers, our companies have been able to manage continued inflationary pressure and we are able to report a strengthened margin of fully 14.4 percent and EBITA growth of 47 percent.

## FULL YEAR

The combination of high levels of customer activity and favourable returns on organic growth, as well as ten carefully selected acquisitions, has resulted in a sales increase of 33 percent and a very strong EBITA growth of 41 percent.

Over the year, the business climate has been highly favourable in most of our key customer segments and geographies. Sales of input components and solutions for manufacturing companies in special vehicles and electronics, as well as in the medical and mechanical industries have experienced a highly favourable development. The major infrastructure investments, to meet increased energy needs, generated continued favourable demand for our companies active in the expansion of local and regional grids, while demand in wind power was somewhat weaker. The demand for electricity-related products for building and installation customers was very good, and demand for solutions for the defence, rail and marine industries increased sequentially over the year. The business situation was highly favourable in the process industry in general, while the sawmill industry's willingness to invest in major projects slackened over the year.

Geographically, all of the Nordic markets experienced a very good business situation over the year, with Norway having the strongest development. Our largest markets outside the Nordic region - DACH, the UK and Benelux - experienced very favourable development. In total, the Group's international presence has increased, now amounting to 36 percent of consolidated sales.

For the full year, the cash flow from operating activities improved significantly on the preceding year at SEK 1,911 million (1,121) thanks to high earnings growth, a good operating margin and measures for more efficient working capital. Our long-term financial target, P/WC, remaining at a high 66 percent.

## ACQUISITIONS

Acquisition activities continued as planned, with a total of ten acquisitions taking place over the year, followed by another four after the end of the period. In total, these 14 acquisitions have added approximately SEK 1,200 million in sales and we have welcomed 382 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 high degree of value generation and a clear sustainability profile. Regardless of the geographies in which acquisitions are made, strategic and cultural matching is always in focus. Besides being a high performer in a technical niche that strengthens our existing operations, the company must also fit culturally as this is a decisive factor in our decentralised organisation. This also fosters preconditions for various forms of collaboration in networks such as those our business units comprise.

It is our strong culture, with a focus on entrepreneurship and networking, that continues to attract many privately owned companies to become part of Addtech. Combined with a strong balance sheet, our relationship-based acquisition process with an attractive and well-stocked pipeline means that we perceive good opportunities to maintain a favourable rate of acquisitions.

## OUTLOOK

We enter the new financial year with well-filled, high-quality order books. We currently see no clear signs of a general slowdown in demand but we will now meet challenging comparison figures. The outlook for the next few quarters remains good and we maintain our strong belief in the resilience of our strategic positions with clear driving forces associated with the transition to green technology.

At the same time, considerable uncertainty remains in the outside world and naturally we have a sense of humility regarding how this may affect future market conditions. Nonetheless, I am firmly convinced that our decentralised business model, with a good diversification and entrepreneurial and flexible companies, will continue to foster conditions for addressing challenges but also opportunities for seizing future potential.

I want to conclude by expressing my sincere gratitude to all of our skilled and committed employees. I now look forward 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 5,267 million (3,916).

The organic growth amounted to 21 percent and acquired growth amounted to 10 percent. Exchange rate changes affect net sales positively with 3 percent, corresponding to SEK 127 million.

Net sales in the Addtech Group during the financial year increased by 33 percent to SEK 18,714 million (14,038).

The organic growth amounted to 17 percent and acquired growth amounted to 12 percent. Exchange rate changes affect net sales positively with 4 percent, corresponding to SEK 535 million.

## Profit development

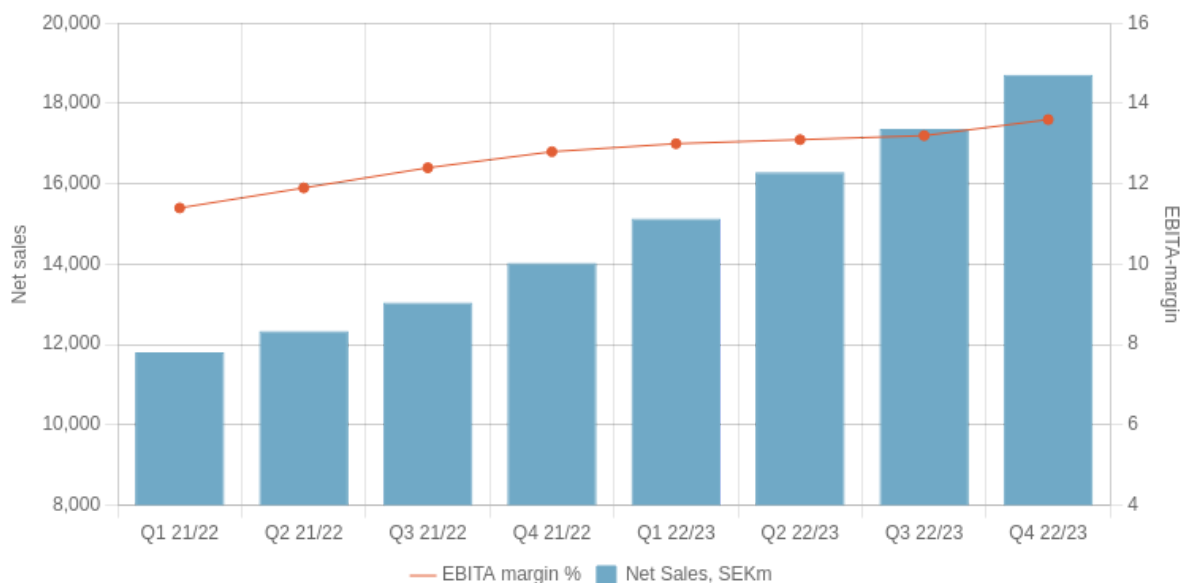
EBITA in the fourth quarter amounted to SEK 758 million (517), representing an increase of 47 percent. Operating profit increased during the quarter by 51 percent to SEK 660 million (436) and the operating margin amounted to 12.5 percent (11.1). Net financial items amounted to SEK -49 million (-22) and profit after financial items increased by 48 percent to SEK 611 million (414).

Profit after tax during the quarter increased by 42 percent to SEK 461 million (325) corresponding to earnings per share before dilution of SEK 1.65 (1.20) and after dilution of SEK 1.65 (1.15).

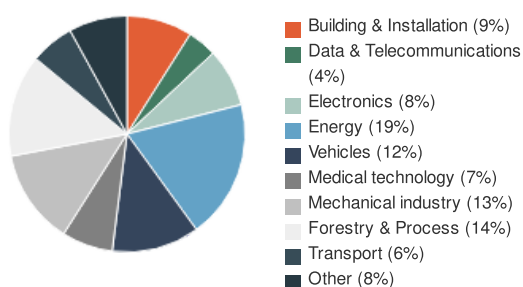
EBITA for the financial year amounted to SEK 2,540 million (1,803), representing an increase of 41 percent. Operating profit increased during the financial year by 44 percent to SEK 2,167 million (1,501) and the operating margin amounted to 11.6 percent (10.7). Net financial items were SEK -162 million (-68) and profit after financial items increased by 40 percent to SEK 2,005 million (1,433).

Profit after tax for the financial year increased by 39 percent to SEK 1,554 million (1,117) and the effective tax rate amounted to 22 percent (22). Earnings per share before dilution for the financial year amounted to SEK 5.55 (4.00) and after dilution to SEK 5.55 (3.95)

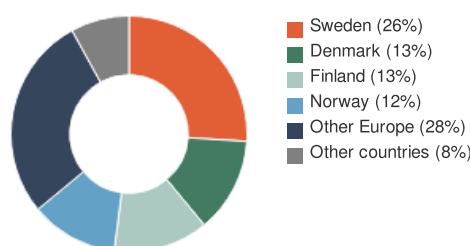
## Net sales and EBITA margin, rolling 12 months



## Sales per customer segment



## Sales per geographic market



# DEVELOPMENT IN THE BUSINESS AREAS

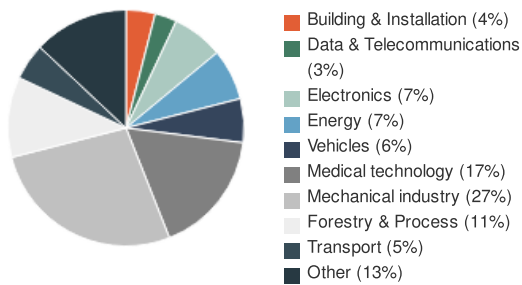
## AUTOMATION

Net sales in Automation increased in the fourth quarter by 16 percent to SEK 962 million (828) and EBITA increased by 21 percent to SEK 126 million (103). Net sales during the financial year increased by 26 percent to SEK 3,410 million (2,716) and EBITA increased by 38 percent to SEK 427 million (308).

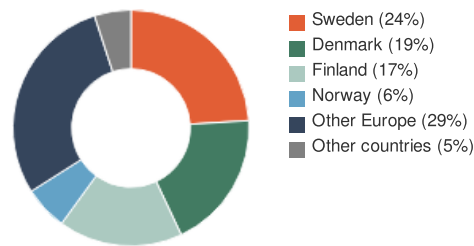
### Market

The Automation business area had a favourable business position in the fourth quarter with a good sales trend. The market situation was favourable for the business area as a whole, with demand being particularly strong in defence and medical technology, while it was stable in the process and mechanical industries. Good margins on the organic growth for the quarter resulted in an increase in the operating margin.

### Sales per customer segment



### Sales per geographic market



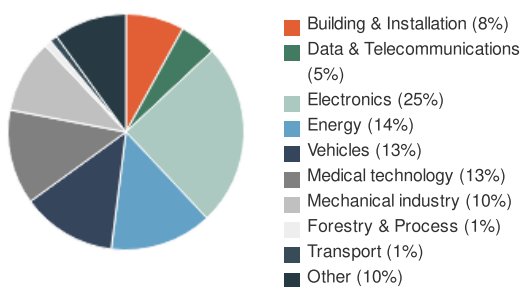
## ELECTRIFICATION

Net sales in Electrification increased in the fourth quarter by 57 percent to SEK 1,149 million (732) and EBITA increased by 62 percent to SEK 143 million (89). Net sales during the financial year increased by 54 percent to SEK 4,037 million (2,629) and EBITA increased by 58 percent to SEK 501 million (318).

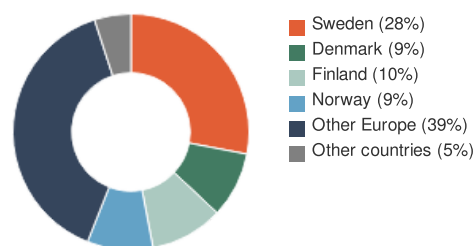
### Market

The Electrification business area experienced a strong end to the financial year with very good sales growth, both organically and from acquisitions. The business situation was strongest in medical technology, special vehicles, defence and electronics, while demand was also high for specially adapted batteries and was stable in energy and telecoms. The revaluation of contingent purchase considerations affected profit for the quarter negatively by about SEK 3 million.

### Sales per customer segment



### Sales per geographic market



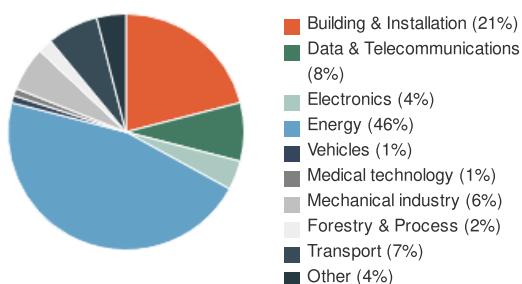
## ENERGY

Net sales in Energy increased in the fourth quarter by 37 percent to SEK 1,355 million (992) and EBITA increased by 40 percent to SEK 176 million (125). Net sales during the financial year increased by 37 percent to SEK 5,129 million (3,742) and EBITA increased by 41 percent to SEK 660 million (467).

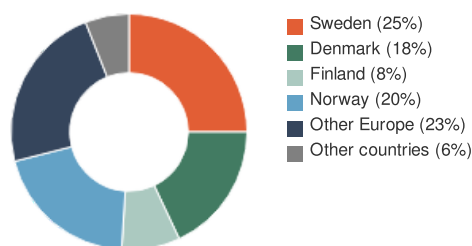
### Market

The Energy business area had a highly favourable business situation in the fourth quarter with strong sales growth. Sales of infrastructure products for rebuilding and expanding national and regional grids were very good, with demand stable at a high level. The market situation was positive for niche products for power distribution, expansion of fibre-optic networks and for building and installation products, while it was stable in wind power. Demand from OEM and industrial customers was stable at a high level.

### Sales per customer segment



### Sales per geographic market



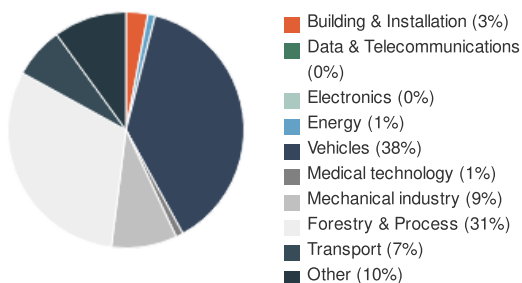
## INDUSTRIAL SOLUTIONS

Net sales in Industrial Solutions increased in the fourth quarter by 30 percent to SEK 937 million (720) and EBITA increased by 52 percent to SEK 190 million (125). Net sales during the financial year increased by 21 percent to SEK 3,236 million (2,669) and EBITA increased by 29 percent to SEK 585 million (452).

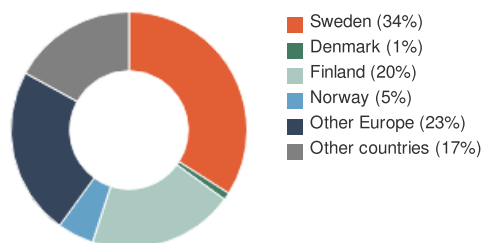
### Market

On the whole, the business situation for the Industrial Solutions business area was highly favourable during the fourth quarter. Sales were very good for the companies exposed to the forestry and sawmill industry and the completion of a large number of projects affected the operating margin positively. Demand for larger projects decreased during the quarter, while the order backlog remains at a very good level. The market situation was favourable for the companies active in special vehicles, while it was stable in waste & recycling and the mechanical industry.

### Sales per customer segment



### Sales per geographic market



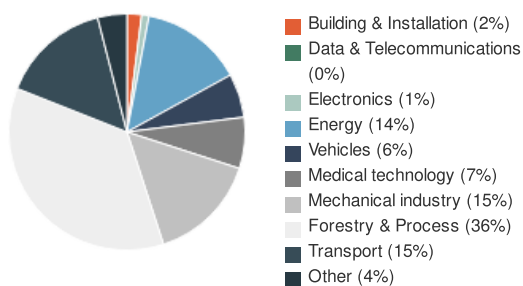
## PROCESS TECHNOLOGY

Net sales in Process Technology increased in the fourth quarter by 35 percent to SEK 875 million (649) and EBITA increased by 51 percent to SEK 125 million (84). Net sales during the financial year increased by 27 percent to SEK 2,932 million (2,306) and EBITA increased by 33 percent to SEK 397 million (299).

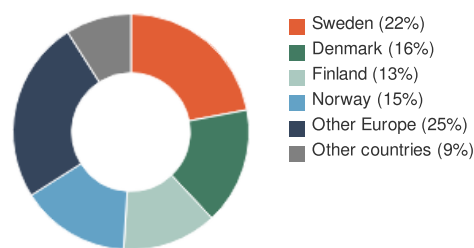
### Market

The fourth quarter was generally very strong for the Process Technology business area. The business situation was particularly favourable for the companies active in the marine segment and for components and solutions for the after market, for service and for projects in the energy and process industry. Demand was stable in the mechanical industry, as well as in the forest industry. The revaluation of contingent purchase considerations affected profit for the quarter positively by about SEK 18 million while restructuring costs had a negative impact of about SEK 10 million.

### 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 32 percent (30), and return on capital employed was 22 percent (20). Return on working capital P/WC (EBITA in relation to working capital) amounted to 66 percent (69).

At the end of the financial year the equity ratio amounted to 36 percent (34). Equity per share, excluding non-controlling interest, totalled SEK 19.25 (14.60). The Group's net debt at the end of the financial year amounted to SEK 4,107 million (3,747), excluding pension liabilities of SEK 218 million (314). The net debt/equity ratio, calculated on the basis of net debt excluding provisions for pensions amounted to 0.7 (0.9).

Cash and cash equivalents consisting of cash and bank equivalents and approved but non-utilised credit facilities amounted to SEK 2,113 million (1,452) at 31 March 2023.

Cash flow from operating activities amounted to SEK 1,911 million (1,121) during the financial year. Company acquisitions and disposals including settlement of contingent consideration regarding acquisitions implemented in previous years amounted to SEK 1,204 million (1,139). Investments in non-current assets totalled SEK 192 million (125) and disposal of non-current assets amounted to SEK 9 million (9). Repurchase of treasury shares amounted to SEK 31 million (0) and repurchase of call options amounted to SEK 58 million (37). Exercised and issued call options totalled SEK 41 million (47). Dividend paid to the shareholders of the Parent Company totalled SEK 485 million (323), corresponding to SEK 1.80 (1.20) per share. The dividend was paid out in the second quarter.

## Employees

At the end of the financial year, the number of employees was 3,911 compared to 3,556 at the beginning of the financial year. During the period, completed acquisitions resulted in an increase of the number of employees by 250. The average number of employees in the latest 12-month period was 3,781.

## 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	-3,229,272		1.2%	0.8%
<b>Total number of shares after repurchases</b>	<b>269,564,712</b>			

Addtech has four outstanding call option programmes for a total of 2,610,980 shares. Call options issued on repurchased shares entail a dilution effect of about 0.1 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
2022/2026	825,910	825,910	0.3%	180.10	180.10	8 Sep 2025 - 10 Jun 2026
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	4,250	17,000	0.0%	321.80	80.45	5 Sep 2022 - 2 Jun 2023
<b>Total</b>	<b>1,848,230</b>	<b>2,610,980</b>				



## Acquisitions and disposals

During the period, 1 April to 31 December 2022 the following acquisitions were completed; Intertrafo Oy, Finland, Arruti Group, Spain, and Allied Insulators Ltd., Great Britain, to become part of the Energy business area. Electric Control Systems Automation AS, Norway, C.K. Environment A/S, Denmark, Gotapack International AB, Sweden, and Advanced Valve Solutions B.V., Netherlands, to become part of the Process Technology business area. Impulseradar Sweden AB, Sweden, to become part of the Industrial Solutions business area.

On 2 January, MCS Europe Group B.V., Netherlands, was acquired to become part of the Automation business area. MCS is a leading supplier of products and services for Industrial mobile networks and Industrial IoT in the Netherlands and Belgium. The company has 19 employees and sales of around EUR 7 million.

On 10 January, Drivhuset AB, Sverige, was acquired to become part of the Industrial Solutions business area. Drivhuset is a leading supplier of frequency converters on the Swedish market. The company also offers other critical components for electric drive systems such as motor controls and soft starters. The company has 7 employees and sales of around SEK 35 million.

The purchase price allocation calculations for the acquisitions completed during the period 1 April 2021 - 31 March 2022 have now been finalised. No significant adjustments have been made to the calculations. Acquisitions completed as of the 2021/2022 financial year are distributed among the Group's business areas as follows:

Acquisitions 2021/2022	Closing	Acquired share, %	Net sales, SEKm*	Number of employees*	Business Area
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
Tritech Solutions AB, Sweden	August, 2021	100	60	8	Automation
Systerra Computer GmbH, Germany	September, 2021	100	95	16	Automation
ABH Stromschienen GmbH, Germany	October, 2021	100	100	22	Electrification
Ko Hartog Verkeerstechniek 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
Acquisitions 2022/2023	Closing	Acquired share, %	Net sales, SEKm*	Number of employees*	Business Area
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
Arruti Group, Spain	June, 2022	100	280	90	Energy
Gotapack International AB, Sweden	July, 2022	100	25	5	Process Technology
Allied Insulators Ltd., Great Britain	August, 2022	100	75	15	Energy
Advanced Valve Solutions B.V., Netherlands	December, 2022	100	140	27	Process Technology
MCS Europe Group B.V., Netherlands	January, 2023	100	75	19	Automation
Drivhuset AB, Sweden	January, 2023	100	35	7	Industrial Solutions
Acquisitions 2023/2024	Closing	Acquired share, %	Net sales, SEKm*	Number of employees*	Business Area
INDAG Maschinenbau GmbH, Germany	April, 2023	90	55	40	Process Technology
Clyde Holding Ltd., Great Britain	April, 2023	100	150	49	Process Technology
Feritech Global Ltd., Great Britain	May, 2023	90	55	21	Industrial Solutions
Electrum Automation AB, Sweden	June, 2023	100	80	22	Electrification

\* 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 2022, their impact would have been an estimated SEK 995 million on Group net sales, about SEK 125 million on operating profit and about SEK 90 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 140 million. The contingent purchase considerations fall due for payment within three years and the outcome is subject to a maximum of SEK 189 million.

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

Revaluation of contingent consideration had a positive net effect of SEK 40 million (8) 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	2022/2023	2021/2022		
	Total	Total	Fey Elektronik GmbH	Other acquisitions
Intangible non-current assets	529	541	170	371
Other non-current assets	38	29	11	18
Inventories	155	317	174	143
Other current assets	389	387	83	304
Deferred tax liability/tax asset	-120	-136	-51	-85
Other liabilities	-187	-300	-94	-206
<b>Acquired net assets</b>	<b>804</b>	<b>838</b>	<b>293</b>	<b>545</b>
Goodwill <sup>1)</sup>	523	536	169	367
Non-controlling interests <sup>2)</sup>	-28	-56	-46	-10
<b>Consideration <sup>3)</sup></b>	<b>1,299</b>	<b>1,318</b>	<b>416</b>	<b>902</b>
Less: cash and cash equivalents in acquired businesses	-131	-142	-4	-138
Less: consideration not yet paid	-152	-170	-43	-127
<b>Effect on the Group's cash and cash equivalents</b>	<b>1,016</b>	<b>1,006</b>	<b>369</b>	<b>637</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.

### Parent Company

Parent Company net sales during the financial year amounted to SEK 83 million (64) and profit after financial items was SEK 676 million (-31). Net investments in non-current assets were SEK 0 million (0). The Parent Company's financial net assets was SEK 124 million (-350) 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. There are no new IFRS or IFRIC pronouncements endorsed by the EU that are applicable for Addtech or that have a significant impact on the Group's result of operations and position in 2022/2023.

## 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 22-25.

## 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 56-58) in the annual report for 2021/2022 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 2022/2023

The annual report for 2022/2023 will be published on Addtech's website [www.addtech.com](http://www.addtech.com) in July 2023. A printed version will be distributed to the shareholders who request this.

## Annual General Meeting 2023

The Annual General Meeting (AGM) of Addtech AB will take place at 2:00 p.m on Wednesday 23 August 2023. A notice of the AGM will be published in July 2023 and will also be available on [www.addtech.com](http://www.addtech.com).

The Board of Directors proposes dividend of SEK 2.50 (1.80) per share, which corresponds to a dividend payment of about SEK 674 million (485), 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 period**

On 4 April, 90 percent of the shares in INDAG Maschinenbau GmbH, Germany, was acquired to become part of the Process Technology business area. INDAG produces and sells dynamic inline mixers to the process industry with a main focus on the food and chemical segments. The company has 40 employees and sales of around EUR 5 million.

On 26 April, Clyde Holding Ltd., Great Britain, was acquired to become part of the Process Technology business area. Clyde is a leading supplier of products and systems for pneumatic conveying primarily to the process and energy industries. The company operates globally and has extensive experience of complex projects where they also offer aftermarket services. The company has 49 employees and sales of around GBP 12 million.

On 28 April, an agreement was signed to acquire Electrum Automation AB, Sweden, to become part of the Electrification business area. Electrum develop, produce and sell mobile electronics and complete solutions to leading manufacturers of machines and vehicles. The company has 22 employees and sales of around SEK 80 million. The closing is estimated to take effect in June 2023.

On 5 May, 90 percent of the shares in Feritech Global Ltd., Great Britain, was acquired to become part of the Industrial Solutions business area. Feritech is a leader in the design and manufacture of bespoke technical solutions for the geotechnical subsea sector. The company has a broad offering and operates globally mainly towards the expansion of offshore wind power. The company has 21 employees and sales of around GBP 4.5 million.

Preliminary purchase price allocations have not yet been completed.

**Stockholm May 17, 2023**

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 2023.

**Future information**

2023-07-14 Interim report 1 April - 30 June 2023

2023-08-23 Annual General Meeting 2023 will be held at IVA, Grev Turegatan 16, Stockholm at 2.00 p.m

2023-10-26 Interim report 1 April - 30 September 2023

2024-02-07 Interim report 1 April - 31 December 2023

The Group's annual report for 2022/2023 will be published on Addtech's website in July 2023.

**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 2023 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 2023

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 Quarterly data, SEKm	2022/2023				2021/2022			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Automation	962	877	810	761	828	691	604	593
Electrification	1,149	1,001	958	929	732	677	618	602
Energy	1,355	1,267	1,256	1,251	992	918	895	937
Industrial Solutions	937	802	709	788	720	722	602	625
Process Technology	875	713	690	654	649	585	545	527
Group items	-11	-7	-5	-7	-5	-7	-7	-5
<b>Addtech Group</b>	<b>5,267</b>	<b>4,653</b>	<b>4,418</b>	<b>4,376</b>	<b>3,916</b>	<b>3,586</b>	<b>3,257</b>	<b>3,279</b>

EBITA by business area Quarterly data, SEKm	2022/2023				2021/2022			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Automation	126	105	105	91	103	76	73	56
Electrification	143	118	126	114	89	73	83	73
Energy	176	169	159	156	125	114	112	116
Industrial Solutions	190	148	115	132	125	133	102	92
Process Technology	125	94	91	87	84	74	64	77
Group items	-2	-4	-14	-10	-9	-11	-9	-12
<b>EBITA</b>	<b>758</b>	<b>630</b>	<b>582</b>	<b>570</b>	<b>517</b>	<b>459</b>	<b>425</b>	<b>402</b>
Depr. of intangible non-current assets	-98	-94	-93	-88	-81	-77	-74	-70
– of which acquisitions	-91	-88	-87	-84	-74	-73	-70	-67
<b>Operating profit</b>	<b>660</b>	<b>536</b>	<b>489</b>	<b>482</b>	<b>436</b>	<b>382</b>	<b>351</b>	<b>332</b>

Net sales SEKm	3 months		Rolling 12 months	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
Automation	962	828	3,410	2,716
Electrification	1,149	732	4,037	2,629
Energy	1,355	992	5,129	3,742
Industrial Solutions	937	720	3,236	2,669
Process Technology	875	649	2,932	2,306
Group items	-11	-5	-30	-24
<b>Addtech Group</b>	<b>5,267</b>	<b>3,916</b>	<b>18,714</b>	<b>14,038</b>

EBITA and EBITA-margin	3 months				Rolling 12 months			
	31 Mar 2023		31 Mar 2022		31 Mar 2023		31 Mar 2022	
	SEKm	%	SEKm	%	SEKm	%	SEKm	%
Automation	126	13.1	103	12.5	427	12.5	308	11.4
Electrification	143	12.5	89	12.2	501	12.4	318	12.1
Energy	176	12.9	125	12.6	660	12.9	467	12.5
Industrial Solutions	190	20.2	125	17.3	585	18.1	452	16.9
Process Technology	125	14.4	84	12.8	397	13.5	299	12.9
Group items	-2		-9		-30		-41	
<b>EBITA</b>	<b>758</b>	<b>14.4</b>	<b>517</b>	<b>13.2</b>	<b>2,540</b>	<b>13.6</b>	<b>1,803</b>	<b>12.8</b>
Depr. of intangible non-current assets	-98		-81		-373		-302	
– of which acquisitions	-91		-74		-350		-284	
<b>Operating profit</b>	<b>660</b>	<b>12.5</b>	<b>436</b>	<b>11.1</b>	<b>2,167</b>	<b>11.6</b>	<b>1,501</b>	<b>10.7</b>

## DISAGGREGATION OF REVENUE

Net sales by the customers geographical location				3 months			
				31 Mar 2023			
SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	232	317	334	315	192	-	1,390
Denmark	185	107	247	7	142	0	688
Finland	167	118	106	190	115	-	696
Norway	58	102	274	44	131	-	609
Other Europe	274	445	317	216	215	-	1,467
Other countries	45	57	76	164	75	0	417
Group items	1	3	1	1	5	-11	-
<b>Total</b>	<b>962</b>	<b>1,149</b>	<b>1,355</b>	<b>937</b>	<b>875</b>	<b>-11</b>	<b>5,267</b>

Net sales by the customers geographical location				12 months			
				31 Mar 2023			
SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	822	1,113	1,264	1,090	645	-	4,934
Denmark	654	376	934	24	475	1	2,464
Finland	591	416	401	656	385	0	2,449
Norway	206	358	1,038	152	441	-	2,195
Other Europe	971	1,564	1,201	746	721	-	5,203
Other countries	161	202	288	566	252	0	1,469
Group items	5	8	3	2	13	-31	-
<b>Total</b>	<b>3,410</b>	<b>4,037</b>	<b>5,129</b>	<b>3,236</b>	<b>2,932</b>	<b>-30</b>	<b>18,714</b>

Net sales by the customers geographical location				3 months			
				31 Mar 2022			
SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	208	243	246	261	149	1	1,108
Denmark	163	83	247	8	97	1	599
Finland	139	98	63	123	114	0	537
Norway	59	79	191	29	91	-	449
Other Europe	225	179	183	183	143	0	913
Other countries	33	48	61	116	52	0	310
Group items	1	2	1	0	3	-7	-
<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	Addtech Group
Sweden	683	872	927	968	528	1	3,979
Denmark	536	300	933	30	346	2	2,147
Finland	457	352	239	454	405	0	1,907
Norway	191	283	720	107	324	-	1,625
Other Europe	737	644	690	678	507	0	3,256
Other countries	108	171	230	430	185	0	1,124
Group items	4	7	3	2	11	-27	-
<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>

		3 months					
Net sales per customers segment		31 Mar 2023					
SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Building & Installation	41	92	279	26	17	-	455
Data & Telecommunications	31	60	104	0	1	-	196
Electronics	67	280	57	3	6	0	413
Energy	63	158	621	8	124	-	974
Vehicles	59	153	15	351	56	-	634
Medical technology	163	145	9	4	58	-	379
Mechanical industry	264	113	82	87	130	-	676
Forestry & Process	104	16	32	294	313	-	759
Transport	46	14	101	68	128	-	357
Other	123	115	54	95	37	0	424
Group items	1	3	1	1	5	-11	-
<b>Total</b>	<b>962</b>	<b>1,149</b>	<b>1,355</b>	<b>937</b>	<b>875</b>	<b>-11</b>	<b>5,267</b>

		12 months					
Net sales per customers segment		31 Mar 2023					
SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Building & Installation	144	325	1,055	88	59	-	1,671
Data & Telecommunications	109	211	394	2	3	-	719
Electronics	238	987	217	10	21	1	1,474
Energy	224	555	2,350	27	416	-	3,572
Vehicles	208	537	57	1,212	188	-	2,202
Medical technology	576	508	35	15	194	-	1,328
Mechanical industry	936	397	311	300	436	-	2,380
Forestry & Process	370	56	122	1,016	1,050	-	2,614
Transport	163	48	380	236	428	-	1,255
Other	437	405	205	328	124	0	1,499
Group items	5	8	3	2	13	-31	-
<b>Total</b>	<b>3,410</b>	<b>4,037</b>	<b>5,129</b>	<b>3,236</b>	<b>2,932</b>	<b>-30</b>	<b>18,714</b>

		3 months					
Net sales per customers segment		31 Mar 2022					
SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Building & Installation	30	53	228	19	34	-	364
Data & Telecommunications	28	51	94	0	0	-	173
Electronics	63	158	48	3	6	2	280
Energy	54	109	391	6	98	-	658
Vehicles	55	112	16	245	36	-	464
Medical technology	142	67	11	3	40	-	263
Mechanical industry	227	79	70	70	109	-	555
Forestry & Process	97	7	30	256	190	-	580
Transport	32	13	65	53	103	-	266
Other	99	81	38	65	30	-	313
Group items	1	2	1	0	3	-7	-
<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>

		12 months					
Net sales per customers segment		31 Mar 2022					
SEKm	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Building & Installation	99	192	859	70	120	-	1,340
Data & Telecommunications	92	185	353	0	0	-	630
Electronics	205	568	183	10	21	3	990
Energy	178	393	1,477	22	348	-	2,418
Vehicles	180	401	61	907	128	-	1,677
Medical technology	467	240	41	13	142	-	903
Mechanical industry	746	282	263	259	388	-	1,938
Forestry & Process	318	25	112	947	673	-	2,075
Transport	104	45	247	198	367	-	961
Other	323	291	143	241	108	-	1,106
Group items	4	7	3	2	11	-27	-
<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>



## CONSOLIDATED INCOME STATEMENT, CONDENSED

SEKm	3 months		Rolling 12 months	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
Net sales	5,267	3,916	18,714	14,038
Cost of sales	-3,665	-2,707	-13,091	-9,717
<b>Gross profit</b>	<b>1,602</b>	<b>1,209</b>	<b>5,623</b>	<b>4,321</b>
Selling expenses	-702	-596	-2,593	-2,124
Administrative expenses	-270	-200	-922	-753
Other operating income and expenses	30	23	59	57
<b>Operating profit</b>	<b>660</b>	<b>436</b>	<b>2,167</b>	<b>1,501</b>
- as % of net sales	12.5	11.1	11.6	10.7
Financial income and expenses	-49	-22	-162	-68
<b>Profit after financial items</b>	<b>611</b>	<b>414</b>	<b>2,005</b>	<b>1,433</b>
- as % of net sales	11.6	10.6	10.7	10.2
Income tax expense	-150	-89	-451	-316
<b>Profit for the period</b>	<b>461</b>	<b>325</b>	<b>1,554</b>	<b>1,117</b>
<b>Profit for the period attributable to:</b>				
Equity holders of the Parent Company	442	313	1,495	1,074
Non-controlling interests	19	12	59	43
Earnings per share before dilution, SEK	1.65	1.20	5.55	4.00
Earnings per share after dilution, SEK	1.65	1.15	5.55	3.95
Average number of shares after repurchases, '000s	269,565	269,511	269,557	269,400
Number of shares at end of the period, '000s	269,565	269,528	269,565	269,528

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONDENSED

SEKm	3 months		Rolling 12 months	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
<b>Profit for the period</b>	<b>461</b>	<b>325</b>	<b>1,554</b>	<b>1,117</b>
<i>Components that will be reclassified to profit for the year</i>				
Cash flow hedges	-1	0	1	2
Foreign currency translation differences for the period	10	64	312	99
<i>Components that will not be reclassified to profit for the year</i>				
Actuarial effects of the net pension obligation	38	23	82	18
<b>Other comprehensive income</b>	<b>47</b>	<b>87</b>	<b>395</b>	<b>119</b>
<b>Total comprehensive income</b>	<b>508</b>	<b>412</b>	<b>1,949</b>	<b>1,236</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Parent Company	489	398	1,882	1,190
Non-controlling interests	19	14	67	46

## CONSOLIDATED BALANCE SHEET, CONDENSED

SEKm	31 Mar 2023	31 Mar 2022
Goodwill	3,935	3,306
Other intangible non-current assets	2,377	2,062
Property, plant and equipment	1,179	1,057
Other non-current assets	80	65
<b>Total non-current assets</b>	<b>7,571</b>	<b>6,490</b>
Inventories	3,326	2,569
Current receivables	3,768	2,931
Cash and cash equivalents	606	437
<b>Total current assets</b>	<b>7,700</b>	<b>5,937</b>
<b>Total assets</b>	<b>15,271</b>	<b>12,427</b>
<b>Total equity</b>	<b>5,573</b>	<b>4,259</b>
Interest-bearing provisions	218	314
Non-interest-bearing provisions	633	500
Non-current interest-bearing liabilities	3,617	2,136
Non-current non-interest-bearing liabilities	18	9
<b>Total non-current liabilities</b>	<b>4,486</b>	<b>2,959</b>
Non-interest-bearing provisions	87	72
Current interest-bearing liabilities	1,096	2,048
Current non-interest-bearing liabilities	4,029	3,089
<b>Total current liabilities</b>	<b>5,212</b>	<b>5,209</b>
<b>Total equity and liabilities</b>	<b>15,271</b>	<b>12,427</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

SEKm	31 Mar 2023	31 Mar 2022
<b>Opening balance</b>	<b>4,259</b>	<b>3,450</b>
Exercised, issued and repurchased options	-17	10
Repurchase of treasury shares	-31	-
Dividend, ordinary	-485	-323
Dividend, non-controlling interests	-34	-15
Change, non-controlling interests	28	58
Option debt, acquisition	-96	-157
Total comprehensive income	1,949	1,236
<b>Closing balance</b>	<b>5,573</b>	<b>4,259</b>

## CONSOLIDATED CASH FLOW STATEMENT, CONDENSED

SEKm	3 months		Rolling 12 months	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
Profit after financial items	611	414	2,005	1,433
Adjustment for items not included in cash flow	185	174	707	594
Income tax paid	-139	-102	-474	-416
Changes in working capital	154	-170	-327	-490
<b>Cash flow from operating activities</b>	<b>811</b>	<b>316</b>	<b>1,911</b>	<b>1,121</b>
Net investments in non-current assets	-88	-51	-183	-116
Acquisitions and disposals	-69	-428	-1,204	-1,139
<b>Cash flow from investing activities</b>	<b>-157</b>	<b>-479</b>	<b>-1,387</b>	<b>-1,255</b>
Dividend paid to shareholders	-	-	-485	-323
Repurchase of own shares/change of options	-	7	-48	10
Other financing activities	-637	106	162	460
<b>Cash flow from financing activities</b>	<b>-637</b>	<b>113</b>	<b>-371</b>	<b>147</b>
<b>Cash flow for the period</b>	<b>17</b>	<b>-50</b>	<b>153</b>	<b>13</b>
Cash and cash equivalents at beginning of period	587	478	437	420
Exchange differences on cash and cash equivalents	2	9	16	4
<b>Cash and cash equivalents at end of period</b>	<b>606</b>	<b>437</b>	<b>606</b>	<b>437</b>

## FAIR VALUES ON FINANCIAL INSTRUMENTS

SEKm	31 Mar 2023			31 Mar 2022		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives - fair value, hedge instruments	9	9	-	6	6	-
Derivatives - fair value through profit	9	9	-	4	4	-
<b>Total financial assets at fair value per level</b>	<b>18</b>	<b>18</b>	<b>-</b>	<b>10</b>	<b>10</b>	<b>-</b>
Derivatives - fair value, hedge instruments	3	3	-	3	3	-
Derivatives - fair value through profit	38	38	-	12	12	-
Contingent considerations - fair value through profit	295	-	295	349	-	349
<b>Total financial liabilities at fair value per level</b>	<b>336</b>	<b>41</b>	<b>295</b>	<b>364</b>	<b>15</b>	<b>349</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 2023	31 Mar 2022
<b>Opening balance</b>	<b>349</b>	<b>267</b>
Acquisitions during the year	150	170
Reversed through profit or loss	-40	-8
Consideration paid	-192	-96
Interest expenses	11	12
Exchange differences	17	4
<b>Closing balance</b>	<b>295</b>	<b>349</b>

## KEY FINANCIAL INDICATORS

	12 months ending			
	31 Mar 2023	31 Mar 2022	31 Mar 2021	31 Mar 2020
Net sales, SEKm	18,714	14,038	11,336	11,735
EBITDA, SEKm	2,872	2,077	1,501	1,579
EBITA, SEKm	2,540	1,803	1,251	1,364
EBITA-margin, %	13.6	12.8	11.0	11.6
Operating profit, SEKm	2,167	1,501	989	1,161
Operating margin, %	11.6	10.7	8.7	9.9
Profit after financial items, SEKm	2,005	1,433	937	1,105
Profit for the period, SEKm	1,554	1,117	729	873
Working capital	3,855	2,618	2,416	2,415
Return on working capital (P/WC), %	66	69	52	56
Return on equity, %	32	30	23	32
Return on capital employed, %	22	20	15	21
Equity ratio, %	36	34	35	36
Financial debt, SEKm	4,325	4,061	3,134	2,585
Debt / equity ratio, multiple	0.8	1.0	0.9	0.8
Financial debt / EBITDA, multiple	1.5	2.0	2.1	1.6
Net debt excl. pensions, SEKm	4,107	3,747	2,798	2,253
Net debt, excl pensions / equity ratio, multiple	0.7	0.9	0.8	0.7
Interest coverage ratio, multiple	13.7	22.4	15.8	20.5
Average number of employees	3,781	3,317	3,068	2,913
Number of employees at end of the period	3,911	3,556	3,133	2,981

## KEY FINANCIAL INDICATORS PER SHARE

SEK	12 months ending			
	31 Mar 2023	31 Mar 2022	31 Mar 2021	31 Mar 2020
Earnings per share before dilution	5.55	4.00	2.60	3.20
Earnings per share after dilution	5.55	3.95	2.60	3.20
Cash flow from operating activities per share	7.10	4.15	5.60	4.15
Shareholders' equity per share	19.25	14.60	11.95	11.25
Share price at the end of the period	192.30	182.00	130.00	61.13
Average number of shares after repurchases, '000s	269,557	269,400	269,051	268,493
Average number of shares adjusted for repurchases and dilution, '000s	269,723	270,346	269,969	269,200
Number of shares outstanding at end of the period, '000s	269,565	269,528	269,275	268,594

For definitions of key financial indicators, see page 22-24.

## PARENT COMPANY INCOME STATEMENT, CONDENSED

SEKm	3 months		Rolling 12 months	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
Net sales	21	16	83	64
Administrative expenses	-28	-25	-116	-96
<b>Operating profit/loss</b>	<b>-7</b>	<b>-9</b>	<b>-33</b>	<b>-32</b>
Interest income and expenses and similar items	747	-1	709	1
<b>Profit after financial items</b>	<b>740</b>	<b>-10</b>	<b>676</b>	<b>-31</b>
Appropriations	338	295	338	295
<b>Profit before taxes</b>	<b>1,078</b>	<b>285</b>	<b>1,014</b>	<b>264</b>
Income tax expense	-67	-59	-55	-55
<b>Profit for the period</b>	<b>1,011</b>	<b>226</b>	<b>959</b>	<b>209</b>
<b>Total comprehensive income</b>	<b>1,011</b>	<b>226</b>	<b>959</b>	<b>209</b>

## PARENT COMPANY BALANCE SHEET, CONDENSED

SEKm	31 Mar 2023	31 Mar 2022
Intangible non-current assets	1	1
Property, plant and equipment	0	0
Non-current financial assets	5,503	4,646
<b>Total non-current assets</b>	<b>5,504</b>	<b>4,647</b>
Current receivables	1,698	1,050
Cash and bank balances	-	-
<b>Total current assets</b>	<b>1,698</b>	<b>1,050</b>
<b>Total assets</b>	<b>7,202</b>	<b>5,697</b>
Restricted equity	69	69
Unrestricted equity	1,100	675
<b>Total equity</b>	<b>1,169</b>	<b>744</b>
Untaxed reserves	391	302
Provisions	14	13
Non-current liabilities	3,410	1,684
Current liabilities	2,218	2,954
<b>Total equity and liabilities</b>	<b>7,202</b>	<b>5,697</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 25.*

### **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 25.*

### **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 25.*

### **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 25.*

### **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 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 25.*

**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 25.*

**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 25.*

**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 25.*

**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 25.*

**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 25.*

**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 25.*

**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		12 months ending		
Addtech Group, SEKm	31 Mar 2023	31 Mar 2022	31 Mar 2021	31 Mar 2020
Operating profit according to Interim report	2,167	1,501	989	1,161
Amortization, intangible assets (+)	373	302	262	203
<b>EBITA</b>	<b>2,540</b>	<b>1,803</b>	<b>1,251</b>	<b>1,364</b>
Depreciation, tangible assets (+)	332	274	250	215
<b>EBITDA</b>	<b>2,872</b>	<b>2,077</b>	<b>1,501</b>	<b>1,579</b>

Working capital and return on working capital (P/WC)		12 months ending		
Addtech Group, SEKm	31 Mar 2023	31 Mar 2022	31 Mar 2021	31 Mar 2020
EBITA (12 months rolling)	2,540	1,803	1,251	1,364
Inventory, yearly average (+)	3,154	2,058	1,722	1,594
Accounts receivables, yearly average (+)	2,876	2,078	1,756	1,854
Accounts payables, yearly average (-)	2,175	1,518	1,062	1,033
<b>Working capital (average)</b>	<b>3,855</b>	<b>2,618</b>	<b>2,416</b>	<b>2,415</b>
<b>Return on working capital (P/WC) (%)</b>	<b>66%</b>	<b>69%</b>	<b>52%</b>	<b>56%</b>

Acquired- and organic growth		3 months				12 months			
Addtech Group		31 Mar 2023	31 Mar 2022			31 Mar 2023	31 Mar 2022		
Acquired growth (SEKm,%)		412	(10%)	194	(7%)	1,655	(12%)	998	(9%)
Organic growth (SEKm,%)		812	(21%)	702	(24%)	2,486	(17%)	1,679	(15%)
Divestments (SEKm,%)		-	(-)	-1	(0%)	-	(-)	-12	(0%)
Exchange rate effect (SEKm,%)		127	(3%)	94	(3%)	535	(4%)	37	(0%)
<b>Total growth (SEKm,%)</b>		<b>1,351</b>	<b>(34%)</b>	<b>989</b>	<b>(34%)</b>	<b>4,676</b>	<b>(33%)</b>	<b>2,702</b>	<b>(24%)</b>

Interest coverage ratio		12 months ending		
Addtech Group	31 Mar 2023	31 Mar 2022	31 Mar 2021	31 Mar 2020
Profit after financial items, SEKm	2,005	1,433	937	1,105
Interest expenses and bank charges, SEKm (+)	158	67	63	57
Total	2,163	1,500	1,000	1,162
<b>Interest coverage ratio, multiple</b>	<b>13.7</b>	<b>22.4</b>	<b>15.8</b>	<b>20.5</b>

Net debt excl. pensions and net debt excl. pensions/equity ratio		12 months ending		
Addtech Group	31 Mar 2023	31 Mar 2022	31 Mar 2021	31 Mar 2020
Financial net debt, SEKm	4,325	4,061	3,134	2,585
Pensions, SEKm (-)	-218	-314	-336	-332
<b>Net debt excluding pensions, SEKm</b>	<b>4,107</b>	<b>3,747</b>	<b>2,798</b>	<b>2,253</b>
Equity, SEKm	5,573	4,259	3,450	3,076
<b>Net debt to Equity ratio (excluding pensions), multiple</b>	<b>0.7</b>	<b>0.9</b>	<b>0.8</b>	<b>0.7</b>

Capital employed and return on capital employed		12 months ending		
Addtech Group, SEKm	31 Mar 2023	31 Mar 2022	31 Mar 2021	31 Mar 2020
Profit after financial items	2,005	1,433	937	1,105
Financial expenses (+)	210	152	93	79
Profit after financial items plus financial expenses	2,215	1,585	1,030	1,184
Total assets, yearly average (+)	14,280	11,001	9,309	7,926
Non-interest-bearing liabilities, yearly average (-)	-3,581	-2,705	-2,153	-1,947
Non-interest-bearing provisions, yearly average (-)	-655	-485	-413	-379
<b>Capital employed</b>	<b>10,044</b>	<b>7,811</b>	<b>6,743</b>	<b>5,600</b>
<b>Return on capital employed, %</b>	<b>22%</b>	<b>20%</b>	<b>15%</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 more than 140 companies in about 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 with 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

**ADDTECH AB (PUBL.)** Org.nr: 556302-9726, Box 5112, 102 43 Stockholm, Visiting address: Birger Jarlsgatan 43  
Tel: +46 8 470 49 00, [info@addtech.com](mailto:info@addtech.com)

# ADDTECH