



ADDTECH

INTERIM REPORT 1 APRIL 2023 – 30 JUNE 2023

Niklas Stenberg, President and CEO, and Malin Enarson, CFO

QUARTER 1 HIGHLIGHTS

Net sales
SEK 5,089 m, +16%



EBITA-margin
13.7%
From 13.0%

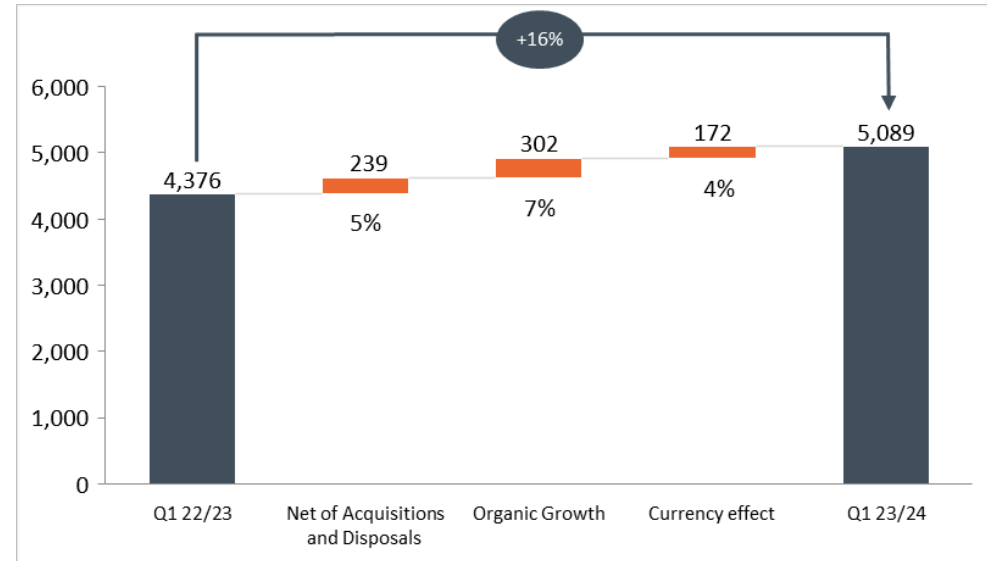
- Continued high customer activity
- Strengthened order backlog
- EBITA growth of 22% with high margins
- Solid cash conversion
- Six acquisitions completed of which four are outside the Nordics
- The highly uncertain macro situation remains

QUARTER 1: NET SALES DEVELOPMENT

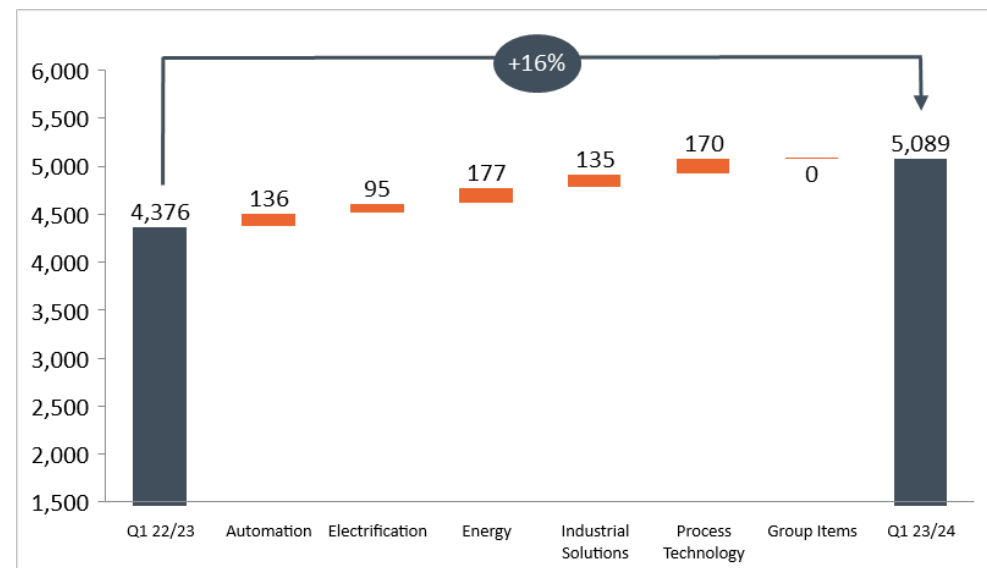
HIGH CUSTOMER ACTIVITY

- Net sales increased by 16% of which 7% organic
 - Continued high customer activity in most customer segments and geographies
 - The market situation varied between different segments, but with no signs of a general slowdown
 - Well-filled order backlog with good quality, which was further strengthened during the quarter

Net Sales Growth, SEK m



Net Sales Growth per Business Area, SEK m

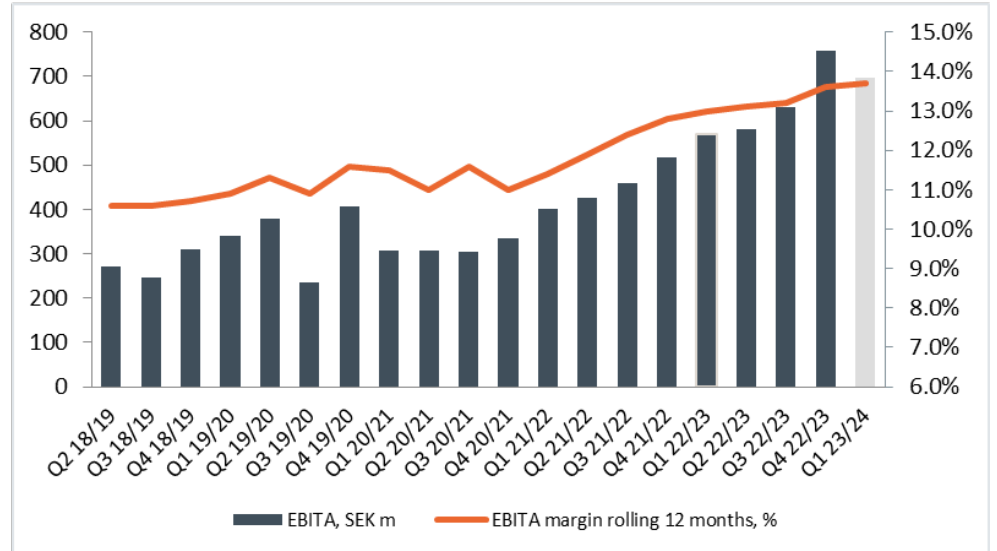


QUARTER 1: EBITA DEVELOPMENT

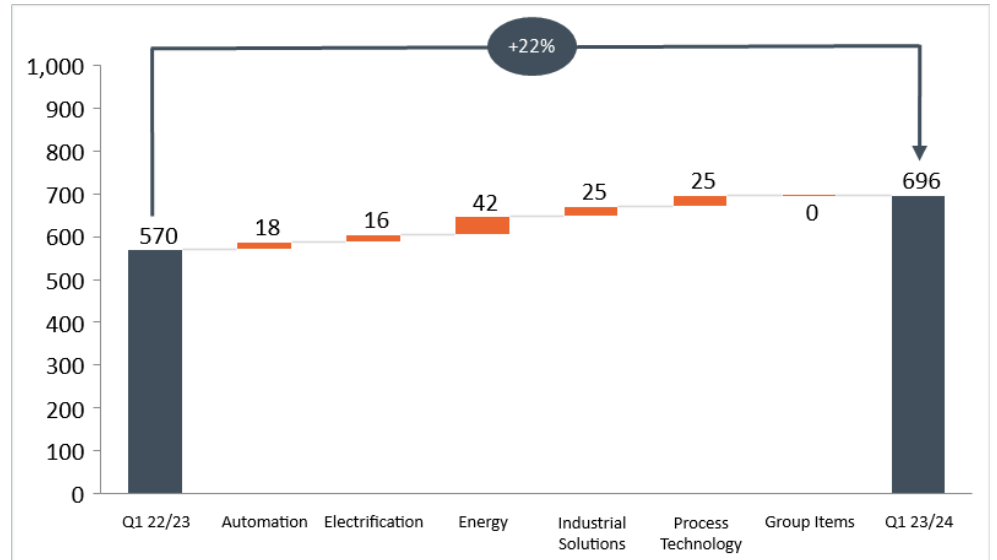
IMPROVED MARGINS

- 22% EBITA growth with an improved margin of 13.7%
 - Solid contribution from all business areas
 - Improved product mix, strict cost control and solid contributions from acquisitions
 - Continued focus on active customer and supplier dialogue
 - Operating cash flow strengthened over the quarter
 - P/WC remained at a high level, 66%

EBITA, SEK m and EBITA margin rolling 12 months, %



EBITA Growth per business area, SEK m



QUARTER 1: BUSINESS AREA DEVELOPMENT

A SOLID QUARTER IN ALL BUSINESS AREAS



AUTOMATION

Net sales SEK 897 m (761) **+18%**
EBITA SEK 109 m (91) **+20%**
EBITA-margin **12.2%**

- Solid quarter
- Strong demand for companies operating in the defence industry
- Sales trend stable in the process- and mechanical industry and down in medical technology against very tough comparisons



ELECTRIFICATION

Net sales SEK 1,024 m (929) **+10%**
EBITA SEK 130 m (114) **+15%**
EBITA-margin **12.7%**

- Favourable business situation
- Strongest development within the electronics, special vehicles and defence segments
- Stable demand in medical technology, energy, telecoms and for specially-adapted battery modules



ENERGY

Net sales SEK 1,428 m (1,251) **+14%**
EBITA SEK 198 m (156) **+27%**
EBITA-margin **13.9%**

- Demand for infrastructure products for electric transmission remains good
- Positive sales development for niche products for electric power distributions, manufacturing industry and building & installation
- Somewhat weaker business situation for fiber optic networks and wind power



INDUSTRIAL SOLUTIONS

Net sales SEK 923 m (788) **+17%**
EBITA SEK 157 m (132) **+19%**
EBITA-margin **17.1%**

- Favourable business situation with very tough comparisons
- Solid sales within the forest and sawmill industry but with a lower demand for long projects
- Good business situation in special vehicles and stable in mechanical industry and waste & recycling



PROCESS TECHNOLOGY

Net sales SEK 824 m (654) **+26%**
EBITA SEK 112 m (87) **+28%**
EBITA-margin **13.6%**

- Very favourable market situation in the first quarter
- Demand was strong in the process industry, especially within oil & gas, the energy and marine segment as well as for after-market components and services
- Business situation strengthened within the medical industry and was stable in the mechanical- and forest industry

OUR INTERNATIONAL EXPANSION CONTINUES

Acquisition	Business area	Access	Net sales, SEKm*	Employees*
 INDAG Maschinenbau GmbH	Process Technology	April 2023	55	40
 Clyde Holding Ltd.	Process Technology	April 2023	150	49
 Feritech Global Ltd.	Industrial Solutions	May 2023	55	21
 Electrum Automation AB	Electrification	June 2023	80	22
 Darby Manufacturing Ltd.	Industrial Solutions	June 2023	50	14
 S. Tygesen Energi A/S	Energy	June 2023	75	3

- Six companies acquired during the first quarter
- In total about SEK 465 m and 149 new employees added
- Clear focus on companies with high added value and a clear sustainability profile

INDAG

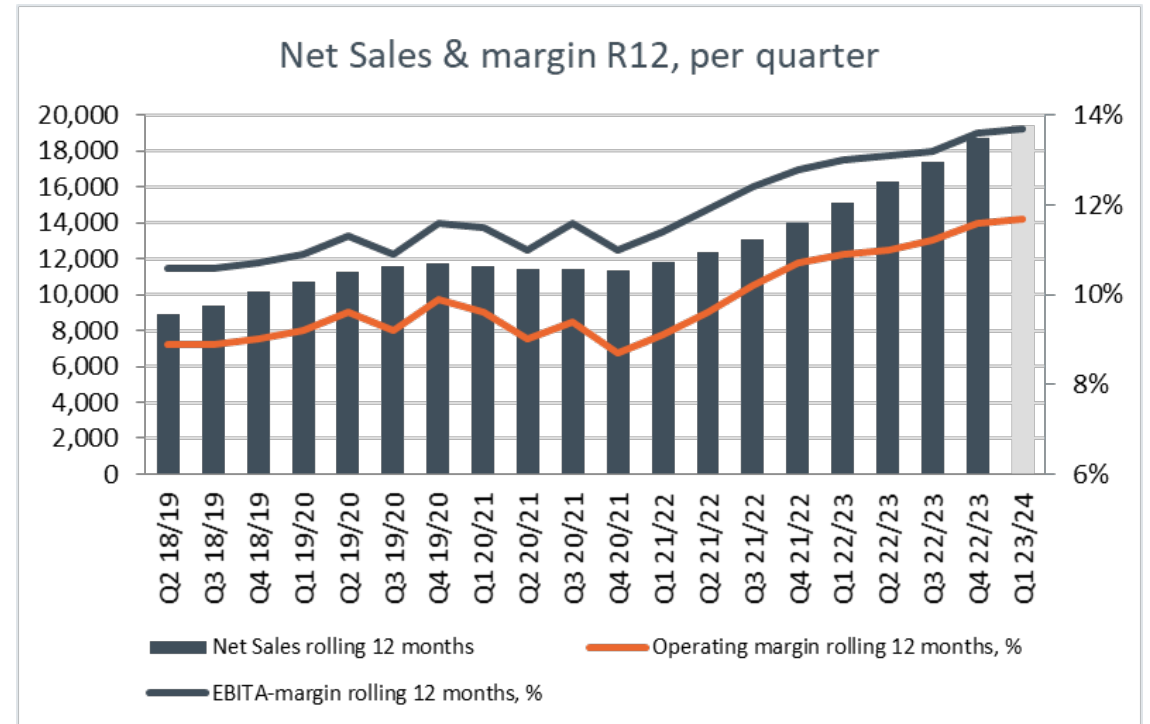
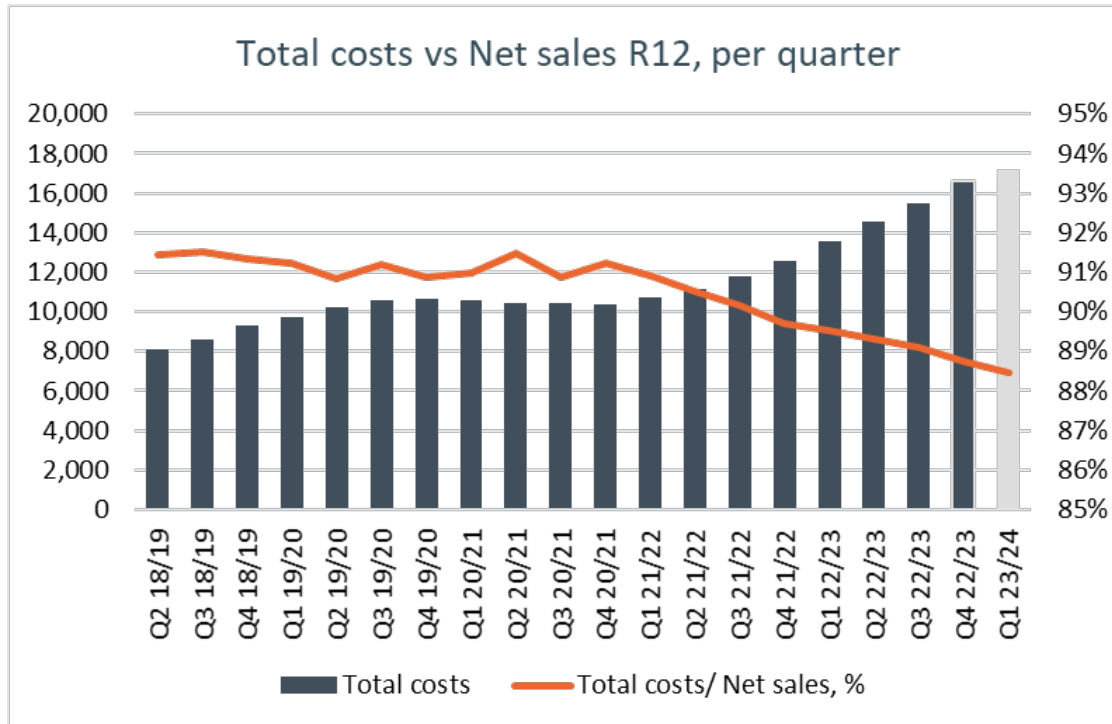


FERITECH

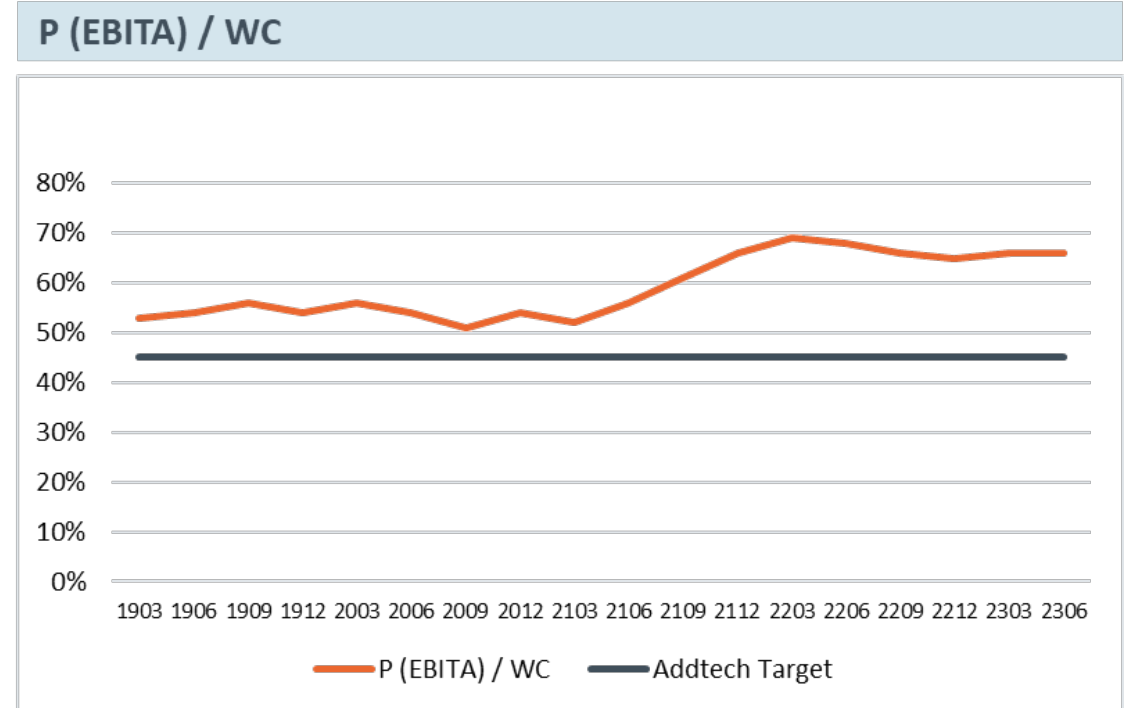
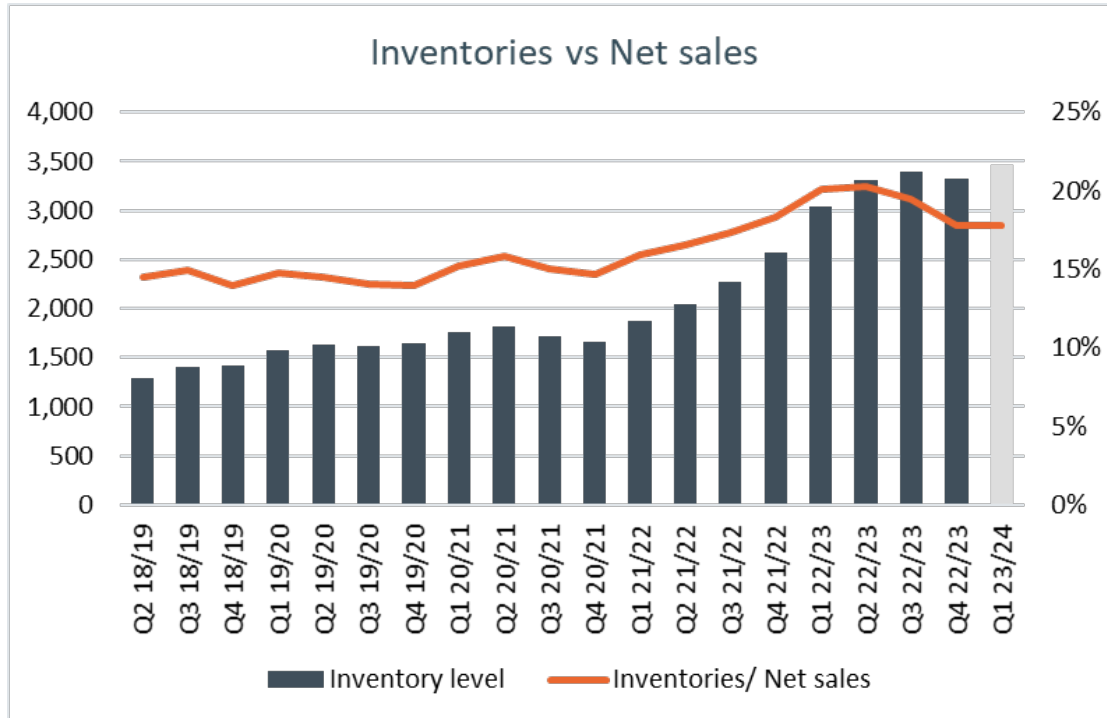
**ELECTRUM
AUTOMATION AB**



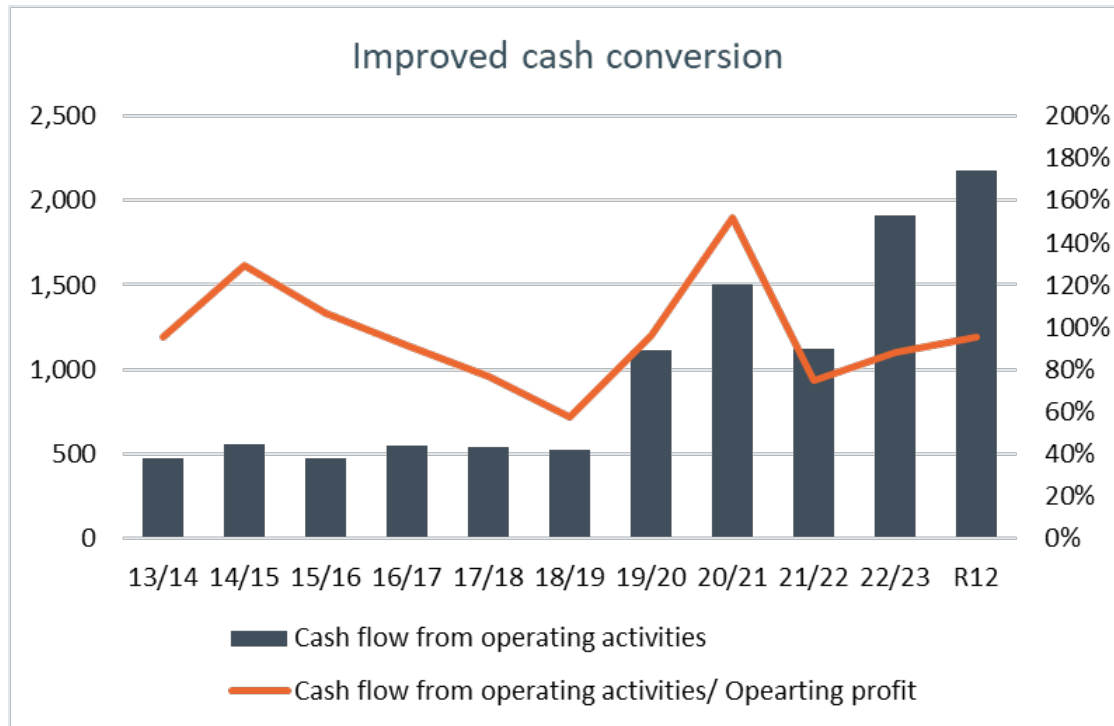
THE STRONG MARGIN TREND CONTINUES



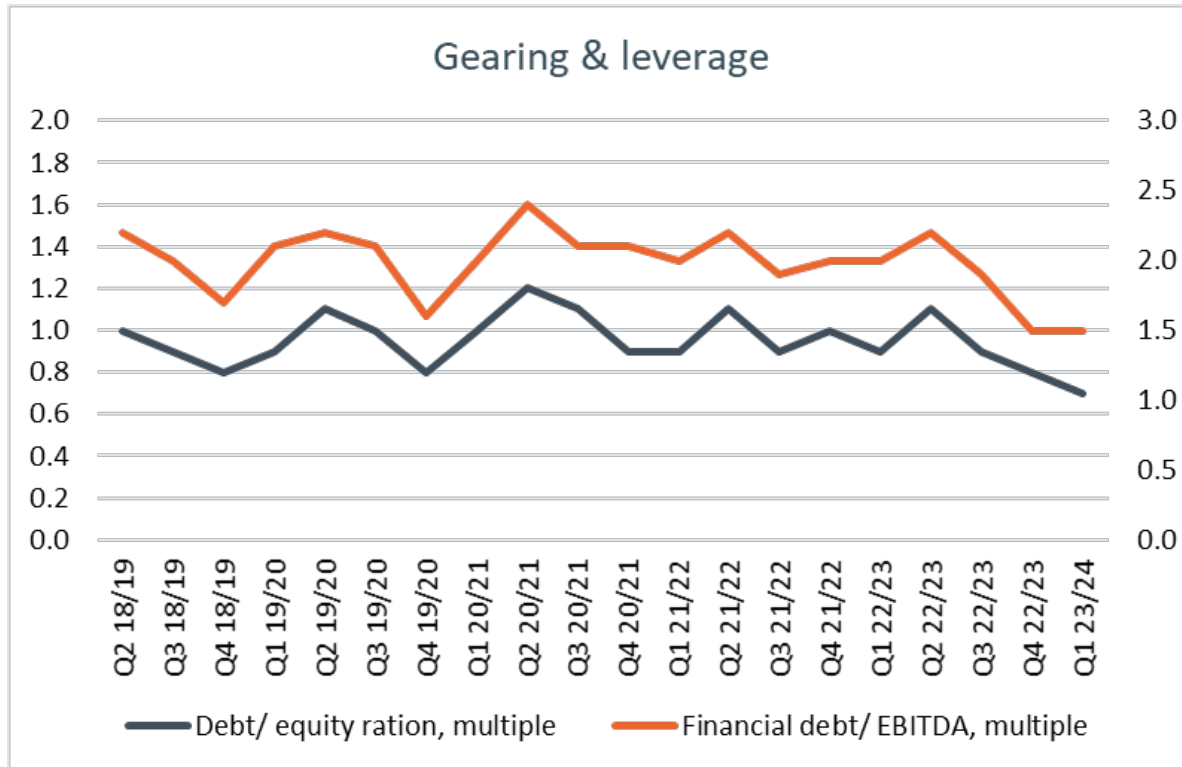
STRONG RESULT AND FOCUS ON WORKING CAPITAL



IMPROVED CASH CONVERSION



LOW RISK BALANCE SHEET



- Equity ratio 38% (34%)
- Leverage 1.5 (2.0)
- Gearing 0.7 (0.9)

WELL POSITIONED FOR FUTURE GROWTH



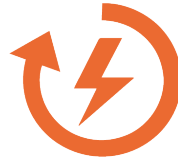
AUTOMATION

- MOTION & DRIVES
- INDUSTRIAL IT & SENSORS



ELECTRIFICATION

- BATTERY SYSTEMS
- CONNECTIVITY SOLUTIONS
- POWER & MOBILITY



ENERGY

- ENERGY PRODUCTS
- ENERGY SUPPLY



INDUSTRIAL SOLUTIONS

- MATERIAL PROCESSING
- VEHICLE SOLUTIONS



PROCESS TECHNOLOGY

- PROCESS SYSTEMS
- EMISSION CONTROL
- PROCESS CONTROL

KEY GROWTH DRIVERS

- Industry 4.0
- Smart production
- Internet of Things

- Decarbonisation
- Energy storage - batteries

- Increased production of renewable energy
- Grid development
- Safety products

- Resource efficiency – recycling systems
- Increased focus on ergonomics
- Increased use of fiber-based materials

- Increased regulations – emissions air and water
- Efficiency and optimisation of industrial flows

SUMMARY

- Solid start of the financial year with high customer activity in all business areas
- Strong EBITA growth of 22% with improved margins
- Our well filled orderbook strengthened further
- Business situation varies between segments - currently no signs of a general slowdown
- The international expansion continues and our view of the acquisition market remains strong