



# Interim report

1 January – 30 June 2023



## SELECTED FINANCIAL INFORMATION

### SECOND QUARTER 2023

- Net sales increased by 38% to SEK 1,169.0 million (847.2). In total for the Group, organic sales growth was 15%, excluding currency effects.
- Operating profit EBITA\* increased by 44% to SEK 230.5 million (159.8), corresponding to an EBITA\* margin of 19.7% (18.9). Organic EBITA\* growth for the Group was 15%, excluding currency effects.
- Operating profit, EBIT, increased by 20% and amounted to SEK 206.6 million (171.5). Last year's earnings were positively impacted by SEK 38 million in extraordinary income due to changes in the discount rate for contingent considerations.
- Profit after tax for the Group increased by 7% and amounted to SEK 126.4 million (118.5), of which SEK 125.7 million (118.3) was attributable to the Parent Company's shareholders. Excluding the effect of last year's change in the discount rate for contingent considerations, the Group's profit after tax increased by 56% to SEK 125.7 million (80.5).
- Cash flow from operating activities amounted to SEK 66.7 million (128.2), corresponding to a cash conversion of 33% (87). Strong sales had a negative impact on cash flow through increased accounts receivables.
- Earnings per ordinary share (average number), less minority interests and dividends on preference shares, amounted to SEK 3.22 (3.23). After dilution, earnings per ordinary share amounted to SEK 3.22 (3.21). Excluding the effect of last year's change in the discount rate for contingent considerations, the earnings per ordinary share after dilution increased to SEK 3.22 (2.14).
- During the period Sdipotech entered into an agreement to acquire Kemi-tech ApS, the group's second business unit in Denmark.
- During the period, it was announced that Bengt Lejdström will succeed Jakob Holm as CEO and President as of January 1, 2024.

### FIRST SIX MONTHS 2023

- Net sales increased by 38% to SEK 2,244.7 million (1,630.9). In total for the Group, organic sales growth was 14%, excluding currency effects.
- Operating profit EBITA\* increased by 42% to SEK 433.7 million (304.7), corresponding to an EBITA\* margin of 19.3% (18.7). Organic EBITA\* growth for the Group was 12%, excluding currency effects.
- Operating profit, EBIT, increased by 31% and amounted to SEK 385.0 million (293.4).
- Profit after tax for the Group increased by 14% and amounted to SEK 222.2 million (194.6), of which SEK 221.3 million (194.1) was attributable to the Parent Company's shareholders.
- Cash flow from operating activities amounted to SEK 164.9 million (248.5), corresponding to a cash conversion of 39% (80). Strong sales had a negative impact on cash flow through increased accounts receivables and inventory build-up.
- Earnings per ordinary share (average number), less minority interests and dividends on preference shares, amounted to SEK 5.65 (5.27). After dilution, earnings per ordinary share amounted to SEK 5.65 (5.25). Excluding the effect of last year's change in the discount rate for contingent considerations, the earnings per ordinary share after dilution increased to SEK 5.65 (4.18).
- During the period the acquisition of HeatWork AS, the Group's second business unit in Norway, was completed and an agreement was entered to acquire Kemi-tech ApS.
- In March, management subscribed for 190,500 newly issued class B Sdipotech shares, which constituted the exercise of the long-term incentive program with warrants of series 2018/2023. As an effect the company has received SEK 14.3 million in equity.

### EVENTS AFTER REPORTING

On 11 July the acquisition of Kemi-tech ApS was completed.

No other significant events are noted after the period.

(SEK million)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-dec 2022
Net sales	1,169.0	847.5	2,244.7	1,630.9	4,119.0	3 505.2
EBITA*	230.5	159.8	433.7	304.7	800.1	671.1
EBIT	206.6	171.5	385.0	293.4	732.8	641.2
Earnings for the period after tax	126.4	118.5	222.2	194.6	455.7	428.1
Earnings 1) per ordinary share after dilution	3.22	3.21	5.65	5.25	12.09	11.48
EBITA* margin	19.7%	18.9%	19.3%	18.7%	19.4%	19.1%
Financial net debt/EBITDA, multiple	1.76	1.58	1.76	1.58	1.76	1.79
Return on capital employed	12.2%	11.0%	12.2%	11.0%	12.2%	12.2%
Return on equity	14.1%	12.6%	14.1%	12.6%	14.1%	14.9%
Cash flow generation	33%	87%	39%	80%	59%	80%

EBITA\* is the Group's adjusted operating profit, see also Definitions alternative performance measures.

1) based on average number of shares after deduction of minority interests and dividends to preference shareholders.



## COMMENTS BY THE CEO

### STRONG ORGANIC DEVELOPMENT AND CONTINUED MARGIN STRENGTHENING

We can proudly summarize another strong quarter for Sdipotech. Since the listing in 2017, the Group has shown an annual profit growth of 41 percent. The second quarter confirmed this firm development with an EBITA\* growth of 44 percent, of which 15 percent was organic excluding currency effects. Demand was solid and the organic sales growth was also 15 percent excluding currency effects. The multi-year margin strengthening continued and the group's EBITA\* margin amounted to 19.7 percent.

### THE QUARTER

During the second quarter, demand from our customers has been persistently strong, resulting in net sales increasing by 38 percent, of which 15 organically excluding currency effects. Market conditions in the Group's business units were favorable and the good demand continues. Our unit for EV chargers is developing in a stable manner and delivered according to plan.

The Group's EBITA\* increased by 44 percent, of which 15 percent organically excluding currency effects. We have caught up with passing on increased purchase prices and personnel costs to our customers, and profitability in comparable units has thus been restored. At the same time, margin strengthening has continued and the EBITA\* margin amounted to 19.7 percent (18.9), driven by acquired companies with strong market positions.

Cash conversion for the quarter is weaker than Sdipotech's normal levels. This is primarily a result of the strong increase in sales, which has resulted in increased accounts receivables. The Group's larger units also built up their inventories during the quarter to meet the increased demand. All in all, this has affected the cash flow negatively during the quarter, but it is a result of strong demand combined with ensuring solid delivery capacity to our customers. We expect the cash generation to return to normal levels around 80 percent.

Our financial net debt in relation to EBITDA amounted to 1.76, which is well within our financial target of 2.5. Total net debt, i.e., including provisions for future earn-outs, amounted to 3.40 in relation to EBITDA. These provisions are booked as liabilities, the amount of which assumes that the Group's profits will increase over a number of years from today's levels. This is a central part of our financing model as it means that if profits do not grow as expected, the debt decreases. For example, if profit were to remain at the current level in the future, the book liability for earn-outs would decrease by approximately 40 per cent.

### ACQUISITIONS

During the period, Sdipotech entered into an agreement to acquire Danish Kemi-tech ApS, a leading supplier of tailor-made chemical products for industrial water treatment. Through industry-leading solutions, the company has established a strong market position and delivers to stable customers. In addition, Kemi-tech contributes to UN global goals 6.3, 7.3 and 12.2. The acquisition was completed in July after approval from Erhvervsstyrelsen, and Kemi-tech is included in the Resource Efficiency business area as of July.

### OUTLOOK

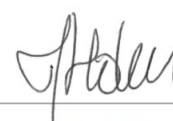
I would like to take this opportunity to repeat the basics of Sdipotech's business. Our customers are found within the infrastructure segment and important societal functions such as electricity supply, water treatment, transport systems, schools, hospitals, etc. The customers are typically solid, and demand is stable regardless of economic conditions. Our business model consists of developing our own products that meet critical needs of our customers. Product development takes place close to the customer and meets specialized needs, which leads to competitive advantages that are difficult to copy. Our solutions usually consist of both hardware and software that provide a good mix of new sales with associated installation, as well as service, subscriptions and other recurring revenue. The development of infrastructure largely drives societal development, which means that the more our societies develop towards increased sustainability, efficiency and safety, the higher the demand for Sdipotech's solutions. It is worth mentioning that our exposure to consumer goods and residential construction is very small.

The strong order intake from the beginning of the year continued during the second quarter and we currently see no clear signs of a slowdown. We are experiencing good demand in several of the areas in which Sdipotech operates, not least in energy efficiency, water treatment, traffic planning and safety solutions in public environments.

One of Sdipotech's long-term sustainability goals is to reduce our carbon dioxide emissions (Co2e/turnover in scope 1 and 2) by 50 percent between 2021 and 2026. The Group is strongly committed to implementing important changes and reducing our climate footprint. We measure our carbon dioxide emissions quarterly and while we achieved the target for 2022, we are pleased to note that we are also on track to achieve the 2023 reduction target.

Sdipotech's acquisition pipeline remains solid, and we look forward to welcoming more high-quality companies to the Group within the framework of our acquisition targets.

Finally, I would like to extend a big thank you to all our dedicated employees for your commitment and strong efforts this first half of the year and thank all shareholders for continued support.



Jakob Holm  
CEO, Sdipotech AB (publ.)



## OVERVIEW OF OPERATIONS

### APRIL - JUNE

#### Net sales

Net sales amounted to SEK 1,169.0 million (847.2) during the period. Sales in comparable units, amounted to SEK 1,028.2 million (847.2), which corresponded to an organic growth of 15% for the period, excluding currency effects.

Non-comparable units contributed SEK 140.8 million (-) to net sales for the period. Also see Business areas for more detailed information.

#### Earnings

Operating profit, EBIT, increased by 20% and amounted to SEK 206.6 million (171.5). Last year's earnings were positively impacted by SEK 38 million due to changes in the discount rate for contingent considerations.

Operating profit EBITA\* increased by 44% and amounted to SEK 230.5 million (159.8) in total for the Group, corresponding to an EBITA\* margin of 19.7% (18.9).

EBITA\* in comparable units, amounted to SEK 213.8 million (172.6) corresponding to an organic change of +15%, excluding currency effects. Most of the Group's comparable units had a stronger result than last year. Non-comparable units contributed SEK 31.6 million (-) to the profit for the period. All acquired units had earnings in line with or above expectations.

Acquisition costs amounted to SEK 1.8 million (10.6) in connection with acquisition activities during the period.

Costs for increase of the debt provision for future contingent consideration payments amounted to SEK -0.1 million (38.0) the amount for the period constitute in the difference between the debt reserve and the final settlement of contingent considerations. The previous year was positively affected by SEK 38 million due to a change in the discount rate.

Depreciation and amortisation of property, plant and equipment and intangible fixed assets amounted to SEK -71.3 million (-49.0), of which amortisation of acquisition-related intangible fixed assets amounted to SEK -22.0 million (-15.7).

Net financial items consist of exchange rate differences of SEK 11.7 million (-3.2) in the quarter and SEK -48.5 million (-19.7) in interest expense, of which discount rates relating to contingent considerations of SEK -9.2 million (-6.1). Other financial expenses amounted to SEK -1.3 million (-7.7). The increased interest costs, are partly due to increased underlying reference rates, corresponding to SEK -21 million, and partly to higher interest-bearing liabilities, corresponding to SEK -5 million. See also Note 3.

Profit after tax increased by 7% and amounted to SEK 126.4 million (118.5). Earnings per ordinary share (average number), less minority interests and dividends on preference shares, amounted to SEK 3.22 (3.23). After dilution, earnings per ordinary share amounted to SEK 3.22 (3.21).

#### Acquisitions

During the quarter, Sdipotech entered into an agreement to acquire Kemi-tech ApS, a leading provider of tailored chemical solutions for industrial water treatment. Kemi-tech has an operating profit of approximately DKK 12 million and is Sdipotech's second business unit in Denmark. The acquisition was completed on July 11 after approval by the Danish Business Administration. Kemi-tech will be part of the Resource Efficiency business area as of July.

### JANUARY - JUNE

#### Net sales

Net sales amounted to SEK 2,244.7 million (1,630.9) during the period. Sales in comparable units, amounted to SEK 1,913.2 million (1,630.9), which corresponded to an organic growth of 14% for the period, excluding currency effects.

Non-comparable units contributed SEK 331.6 million (-) to net sales for the period. Also see Business areas, for more detailed information.

#### Earnings

Operating profit, EBIT, increased by 31% and amounted to SEK 385.0 million (293.4).

Operating profit EBITA\* increased by 42% and amounted to SEK 433.7 million (304.7) in total for the Group, corresponding to an EBITA\* margin of 19.3% (18.7).

EBITA\* in comparable units, amounted to SEK 384.4 million (333.3) corresponding to an organic change of +12%, excluding currency effects. Most of the Group's comparable units had a stronger result than last year. Non-comparable units contributed SEK 82.4 million (-) to the profit for the period. All acquired units had earnings in line with or above expectations.

Acquisition costs amounted to SEK 3.4 million (14.5) in connection with acquisition activities during the period.

Costs for increase of the debt provision for future contingent consideration payments amounted to SEK -2.8 million (32.2) the amount for the period constitute in the difference between the debt reserve and the final settlement of contingent considerations.

Depreciation and amortisation of property, plant and equipment and intangible fixed assets amounted to SEK -139.5 million (-94.2), of which amortisation of acquisition-related intangible fixed assets amounted to SEK -42.5 million (-29.0).

Net financial items consist of exchange rate differences of SEK 9.2 million (-3.3) in the quarter and SEK -89.9 million (-34.9) in interest expense, of which discount rates relating to contingent considerations of SEK -18.3 million (-11.8). Other financial expenses amounted to SEK -2.3 million (-8.1). The increased interest costs are partly due to increased underlying reference rates, corresponding to SEK -38 million, and partly to higher interest-bearing liabilities, corresponding to SEK -12 million. See also Note 3.

Profit after tax increased by 14% and amounted to SEK 222.2 million (194.6). Earnings per ordinary share (average number), less minority interests and dividends on preference shares, amounted to SEK 5.65 (5.27). After dilution, earnings per ordinary share amounted to SEK 5.65 (5.25). From April 2023, corporation tax in the UK was increased from 19% to 25%. The change is expected to affect the Group's profit after tax by a couple of percentage points.

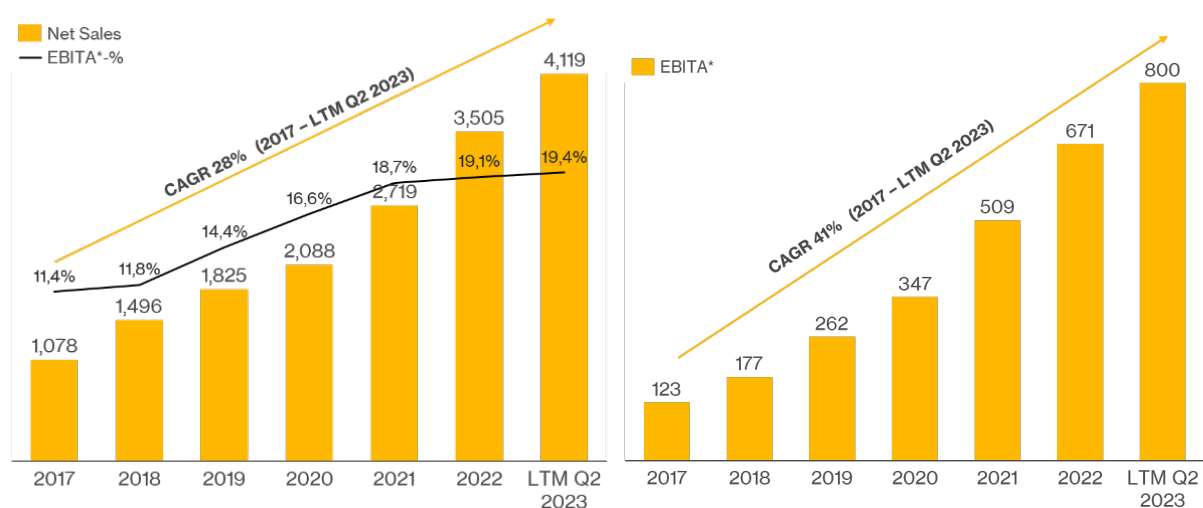
#### Acquisitions

On March 31, Sdipotech acquired 81.6% of the shares in HeatWork AS, a leading manufacturer of mobile waterborne heating solutions for infrastructure and construction, as well as agriculture. HeatWork has annual sales of NOK 120 million with good profitability and is Sdipotech's second business unit in Norway. HeatWork is part of the Resource Efficiency business area from March 2023.

On June 29 Sdipotech entered into an agreement to acquire Kemi-tech ApS, a leading provider of tailored chemical solutions for industrial water treatment. Kemi-tech has an operating profit of approximately DKK 12 million and is Sdipotech's second business unit in Denmark. The acquisition was completed on July 11 after approval by the Danish Business Administration. Kemi-tech will be part of the Resource Efficiency business area as of July.

Group EBITA* (SEK m)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
Resource Efficiency	82.1	72.4	171.0	153.1	293.9	276.0
Special Infrastructure Solutions	163.4	100.0	295.9	180.1	567.9	452.1
<b>Business areas</b>	<b>245.5</b>	<b>172.4</b>	<b>466.9</b>	<b>333.2</b>	<b>861.8</b>	<b>728.1</b>
Central units	-15.0	-12.6	-33.2	-28.5	-61.7	-57.0
<b>Total</b>	<b>230.5</b>	<b>159.8</b>	<b>433.7</b>	<b>304.7</b>	<b>800.1</b>	<b>671.1</b>

#### The Group's development of net sales, EBITA\* and EBITA\* margin since 2017



## BUSINESS AREAS AND CENTRAL UNITS

Effective infrastructure is essential for our societies and our day-to-day lives. However, infrastructure in society is largely outdated. Population growth, climate change and the increased quest for more sustainable, efficient and secure societies are placing further pressure on the systems. Examples of areas we have identified as particularly important for the development of society, and that therefore are showing good demand, are water and sanitation, power and energy, bioeconomy, waste management, air & climate control, transport and safety and security. For a description of the business areas' operations and which companies are included in each business area, see Description Business areas.

## RESOURCE EFFICIENCY

*Comments on the financial performance:*

The business area's sales increased by 19% for the quarter to SEK 402.7 million (337.7) compared to the previous year. The increase in sales is mainly attributable to good sales in most units in the business area and acquisitions. The Group's EV charger business, Rolec, continued sales of the new generation of chargers according to plan. Units that previously suffered from component shortages, such as the unit within replacement and renovation of water meters, had continued strong sales with good component supply.

EBITA\* for the quarter increased by 13% to SEK 82.1 million (72.4) due to strong organic growth in several units within the business area. In addition, the development has also been driven positively by acquisitions.

The EBITA\* margin during the quarter decreased to 20.4% (21.4) driven by lower profit margins in some of the business area's smaller units.

Resource Efficiency (SEK m)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
Net sales	402.7	337.7	793.8	677.2	1,386.4	1,269.8
EBITA*	82.1	72.4	171.0	153.1	293.9	276.0
EBITA* margin %	20.4%	21.4%	21.5%	22.6%	21.2%	21.7%

## SPECIAL INFRASTRUCTURE SOLUTIONS

*Comments on the financial performance:*

The business area's sales in the quarter increased by 50% to SEK 766.5 million (509.5). The increase in sales is partly due to acquisitions and partly because the large comparable units had strong sales. This includes the Group's units in case management of insurance claims, automation solutions for container handling and solutions for road maintenance in winter. The Group's business unit in transport refrigeration also showed a good recovery from last year's weaker sales due to customers' vehicle shortages.

EBITA\* for the quarter increased by 63% to SEK 163.4 million (100.1), mainly through contributions from acquired entities as well as the aforementioned comparable entities.

The EBITA\* margin increased during the quarter to 21.3% (19.6), mainly through contributions from acquired units and margin reinforcements through the large units' increased sales supported by scalable business models.

Special Infrastructure Solutions (SEK m)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
Net sales	766.5	509.5	1,451.0	953.7	2,732.7	2,235.4
EBITA*	163.4	100.1	295.9	180.1	567.9	452.1
EBITA* margin %	21.3%	19.6%	20.4%	18.9%	20.8%	20.2%

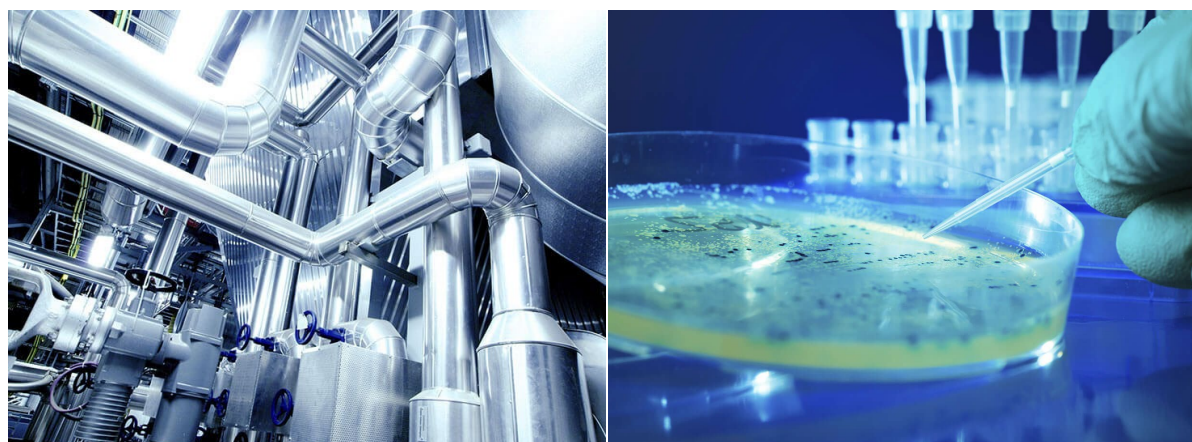


Figure 1 & 2: In July 2023, Sdipitech completed the acquisition of Kemi-tech, which supplies customized chemical products for industrial water treatment.

## CENTRAL UNITS – GROUP-WIDE FUNCTIONS

Central units consist of the Group's parent company, Sdipotech AB and the Group's holding companies. The Parent Company's revenue consists of management fees, directed to the subsidiaries for the Parent Company's services. The costs consist of costs for central functions such as management, acquisition teams, group finance and other central functions.

*Comment:*

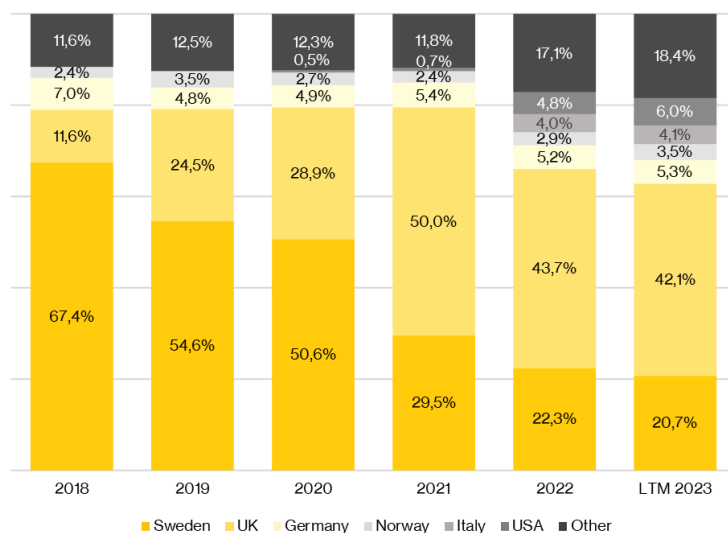
EBITA\* was SEK -15.0million (-12.6) for the quarter. The cost increase of 14% was mainly attributable to increased personnel costs, e.g. in connection with the reinforcement at the parent company.

Group-wide functions (SEK m)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
EBITA*	-15.0	-12.6	-33.2	-28.5	-61.7	-57.0

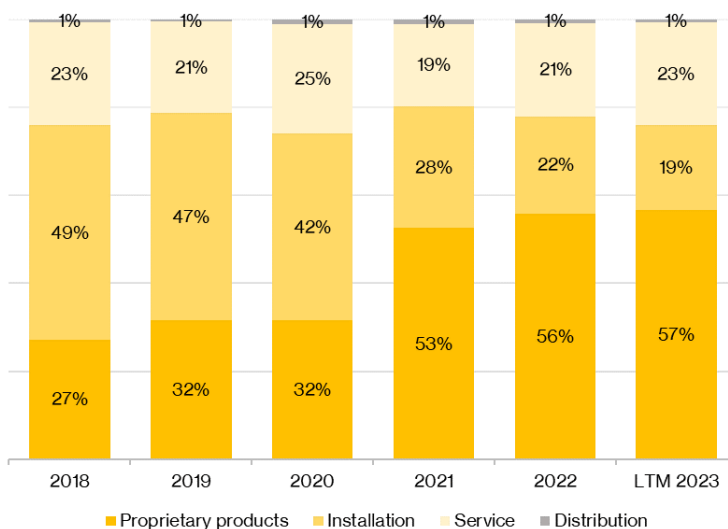
## GEOGRAPHICAL DISTRIBUTION OF SALES

Over the years, Sdipotech has acquired units outside Sweden, in Norway, Finland, the UK and Croatia (with significant operations in Germany), Netherlands, Italy and during the last 12 months also in Denmark. The Group's business units have customers primarily locally and regionally in their respective geographies, but some exports also occur. Below are the Group's sales, broken down by the geographies where the customers have their main operations.

*The Group's turnover, broken down by geography where customers have their main operations.*



## Consolidated sales by type of revenue



Sales of proprietary products have increased from 27 percent to 57 percent during the period full year 2018 to RTM Q2 2023. The turnover for service and installation as of 2022 and onwards is mainly related to own products.

## COMMENTS ON THE FINANCIAL DEVELOPMENT

### FINANCIAL POSITION JANUARY - JUNE

#### Cash Flow

Cash flow from operating activities after changes in working capital, amounted to SEK 164.9 million (248.5) during the period. Cash flow from the good earnings is burdened during the period by continued inventory build-up to ensure capacity for the increased expansion. During the period, this inventory build-up amounted to SEK 70.7 million (66.4). At the same time as operating receivables, mainly related to account receivables, increased by SEK 151.1 million (23.4). In addition, the cash flow is affected by installation projects of proprietary products, as these result in operating receivables in the form of recognised revenues prior to final delivery. An increase in operating liabilities contributed positively to cash flow in the period of total SEK 58.1 million (27.5). Cash flow generation, expressed as a percentage of profit before tax adjusted for non-cash items, decreased to 39% (80) during the year.

Cash flow from investing activities amounted to SEK -406.7 million (-1,092.6). The cash flow effect of completed acquisitions during the period amounted to SEK -188.5 million (-833.8), also see Note 6. Cash flow related to payment of contingent considerations on acquisitions from previous years, including both instalments as well as final settlement, amounted to SEK -157.5 million (-191.9) during the period. Investments in property, plant and equipment amounted to SEK -42.4 million (-39.4) and investments in intangible fixed assets of SEK -18.3 (-16.5) were made during the period.

Cash flow from financing activities amounted to SEK 253.6 million (905.7). Net borrowing amounted to SEK 270.2 million (917.3). The redemption of warrants of series 2018/2023 contributed SEK 14.3 million to equity (14.5). The share-based Incentive Program approved at the 2023 Annual General Meeting regarding warrants of series 2023/2026 contributed SEK 11.6 million in warrant premiums. Dividends on the preference shares amounted to SEK -7.0 million (-7.0).

#### Liabilities

Interest-bearing liabilities including contingent considerations and lease liabilities amounted to SEK 3,958.4 million (3,697.8). The two largest items within interest-bearing liabilities consisted of SEK 2,310.3 million (2,170.3) in liabilities to credit institutions, and SEK 1,238.4 million (1,302.0) in deferred payments of purchase prices for acquisitions, so-called contingent consideration payments.

These contingent considerations are classified as interest-bearing as they are presented at net present value, but they do not give rise to any actual interest payments that are charged to the Group's cash flow. However, a discounted interest rate is booked as a financial expense for the period. The Group's Financial expenses includes this interest rate of SEK -18.3million (-11.8) for the period.

Final regulation of liabilities relating to contingent considerations, have resulted in an expense of SEK -2.8 million (32.2). The contingent consideration payments are recognised in accordance with IFRS at the present value of the estimated fair value based on the remaining term and expected outcome. The remeasurement is recognised net under other income or other external expenses.

During the period, the result was charged with SEK -5.4 million (-2.1) regarding discount rates in accordance with IFRS 16 regarding leasing liabilities.

Net debt, consisting of interest-bearing liabilities less cash and cash equivalents in remaining operations, amounted to SEK 3,550.4 million (3,261.5).

The financial net debt, according to the calculation method above but only for liabilities to credit institutions, amounted to SEK 1,902.3 million (1,734.0). The key ratio Financial net debt in relation to EBITDA, which is calculated on a rolling twelve-month basis, amounted to 1.76 (1.58) as of June 30.

#### Financing

During the period, the Group increased its agreed long-term credit line by SEK 500 million to a total of SEK 2,600 million. The total utilized credit volume as of 30 June 2023, within this framework, amounted to a total of SEK 2,222 million. The agreements run at variable interest rates at 3–6-month intervals. However, the Group has agreements on so-called interest rate swaps, corresponding to approximately 15% of the agreed credit volume, with a maturity of 2 years, from June 2022, to reduce interest rate exposure. Part of the agreed credit volume is linked to the Group's sustainability targets, which may increase or decrease the agreed interest margin depending on the outcome.

In addition, the Group uses currency swaps and forward transactions to balance exposure to GBP and EUR. The purpose of these instruments is to balance the actual exposure between assets and liabilities, in each currency, that affects operating profit. At the end of the period, these volumes amount to approximately SEK 844 million and SEK 766 million respectively.

#### Parent Company

The Parent Company SdipTech AB's internal net sales, containing mainly, management fee amounted to SEK 12.3 million (9.1) for the period and profit after financial items amounted to SEK 2.8 million (-16.1).

#### OTHER INFORMATION

##### Employees

The number of employees at the end of June was 2,284 (2,023). Acquisitions completed during the last twelve months increased the number of employees by 101.

##### Incentive programme

At the 2023 Annual General Meeting, it was resolved on a new incentive program for managers and senior executives regarding warrants of series B. The program comprises 350,000 warrants. The warrants are transferred at a price of SEK 38.30 per option, which corresponds to the market value of the options according to an independent valuation. Exercise can be made on three occasions from June 2026 until November 30, 2026.

Series 2018/2023 was redeemed in March 2023 and newly issued shares were subscribed, whereby the Group received SEK 14.3 million in equity.

As of June 30, 337,625 warrants of series 2021/2024 and 305,150 warrants of series 2023/2026 were outstanding, after repurchases were made. The subscription price for new B-shares that can be subscribed for with the support of these warrants amounts to SEK 463.00 and SEK 326.40 per share, respectively.

##### Risks and uncertainty factors

Through its operations, the Group and the Parent Company are exposed to various types of financial risks, mainly related to loans and receivables. The financial risks consist of:

- Liquidity- and financing risk
- Interest rate risk
- Currency risk
- Customer- and counterparty risk



The geopolitical unrest, in particular Russia's invasion of parts of Ukraine, have not had any significant impact on the Group's demand. Ultimately, the long-term economic consequences, including the consequences for the financial markets in general and the Group in particular, depend on the duration of the crisis and the measures taken by governments, central banks, and other public authorities. Should the situation worsen, risks such as increased raw material and energy prices, component shortages and availability problems can materialize and have a negative impact on the Group's possibilities to conduct its business.

During 2022 and 2023 inflation has risen sharply in most of the countries in which the Group's companies operate. This has resulted in higher prices for inputs and higher personnel cost for the Group's companies which can largely be compensated for by higher prices to customers. The rising inflation has also led central banks to raise their key interest rates, with increased borrowing costs as a result. This affects the Group to the extent that loan interest rates are variable.

For more detailed information on risk factors, please refer to Note 16 of the Annual Report 2022.

#### **Related party transactions**

No substantial related party transactions occur within the group.

#### **Other significant events**

The Annual Report for 2022 was published on 24 April 2023.

The Annual General Meeting 2023 was held 22 May 2023 and discharged the Board of Directors and the CEO from liability for the 2022 administration. In addition, the Annual General Meeting resolved in accordance with the Board's proposal for an authorization for the Board of Directors to, until the next annual

general meeting, with or without deviation from the shareholders' preferential rights, on one or several occasions resolve to issue ordinary shares, convertible instruments and/or warrants. Payment may be made in cash and/or with in kind or by way of set-off, or other conditions. The total increase of the number of ordinary shares, which includes issuance, conversion or subscription for new shares, may correspond to a dilution of a maximum of 10 percent of the current number outstanding ordinary shares, adjusted for any splits or similar. The authorization shall primarily be used for the purpose of acquisitions or financing thereof.

The AGM also resolved to introduce an incentive program for key employees within Sdiptech, in the form of warrants on Sdiptech's shares of series B. In addition, the Annual General Meeting resolved on dividends to preference shareholders in accordance with the Articles of Association, and that no dividend will be paid on ordinary shares of class A or ordinary shares of class B. Minutes from the Annual General Meeting are posted on the company's website.

On May 29, 2023, Sdiptech announced that current CFO Bengt Lejdström will succeed Jakob Holm as President and CEO of Sdiptech as of January 1, 2024.

#### **Events after the end of the reporting period**

After the end of the period, on 11 July 2023, the acquisition of Kemi-tech ApS has been completed.

No significant events have occurred after the end of the reporting period.

## CONSOLIDATED INCOME STATEMENT

(SEK m)	Note	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
Net sales	2	1,169.0	847.2	2,244.7	1,630.9	4,119.0	3,505.2
Other operating income	2	16.7	38.1	28.1	41.7	66.3	79.9
<b>Total income</b>		<b>1,185.7</b>	<b>885.3</b>	<b>2,272.8</b>	<b>1,672.6</b>	<b>4,185.3</b>	<b>3,585.1</b>
<b>Operating expenses</b>							
Materials, contracting and subcontracting		-455.8	-342.3	-879.0	-661.8	-1,604.7	-1,387.5
Other external expenses		-107.3	-76.3	-206.1	-151.7	-375.8	-321.4
Employee expenses		-344.7	-246.2	-663.2	-471.5	-1,209.6	-1,017.9
Depreciation and amortisation of tangible non-current assets		-49.1	-28.3	-82.2	-55.6	-156.3	-129.7
Depreciation and amortisation of intangible non-current assets		-29.4	-20.7	-57.3	-38.6	-106.1	-87.4
<b>Operating profit</b>		<b>206.6</b>	<b>171.5</b>	<b>385.0</b>	<b>293.4</b>	<b>732.8</b>	<b>641.2</b>
<b>Profit/loss from financial items</b>	3						
Financial income		11.7	-	9.8	-	16.5	6.7
Financial expenses		-49.8	-30.6	-92.2	-46.3	-157.0	-111.1
<b>Profit after financial items</b>		<b>168.5</b>	<b>140.9</b>	<b>302.6</b>	<b>247.1</b>	<b>592.3</b>	<b>536.8</b>
Tax on profit for the period		-42.1	-22.4	-80.4	-52.5	-136.6	-108.7
<b>Profit for the period</b>		<b>126.4</b>	<b>118.5</b>	<b>222.2</b>	<b>194.6</b>	<b>455.7</b>	<b>428.1</b>
<b>Profit attributable to:</b>							
Parent Company's shareholders		125.7	118.3	221.3	194.1	454.3	427.1
Non-controlling interests		0.7	0.2	0.9	0.5	1.4	1.0
<b>Earnings per share (average number), attributable to the Parent Company's shareholders during the period, less dividends to preference shareholders (in SEK per share)</b>							
Earnings per share (before dilution)		3.22	3.23	5.65	5.27	12.09	11.53
Earnings per share (after dilution)		3.22	3.21	5.65	5.25	12.09	11.48
<b>EBITA*</b>		<b>230.5</b>	<b>159.8</b>	<b>433.7</b>	<b>304.7</b>	<b>800.1</b>	<b>671.1</b>
Average number of common shares		37,991,938	35,580,027	37,927,706	35,501,228	36,430,667	35,828,726
Average number of common shares after dilution		37,991,938	35,725,808	37,927,706	35,651,774	36,430,667	35,969,623
Number of ordinary shares at the end of the period		37,991,938	35,580,027	37,991,938	35,580,027	37,991,938	37,801,348

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(SEK m)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
<b>Profit for the period</b>	126.4	118.5	222.2	194.6	455.7	428.1
<b>Other comprehensive income for the period</b>						
Changes in accumulated translation differences	124.7	30.3	155.1	32.5	189.2	67.0
<b>Comprehensive income for the period</b>	<b>251.1</b>	<b>148.8</b>	<b>377.2</b>	<b>227.1</b>	<b>644.9</b>	<b>495.1</b>
<b>Attributable to:</b>						
Parent Company's shareholders	250.4	148.6	376.3	226.6	643.5	494.1
Non-controlling interest	0.7	0.2	0.9	0.5	1.4	1.0

## CONSOLIDATED BALANCE SHEET

(SEK m)	Note	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>Non-current assets</b>				
<i>Intangible non-current assets</i>				
Goodwill	4	4,696.5	3,925.3	4,299.1
Other intangible assets		1,215.8	993.2	1,101.6
<i>Tangible non-current assets</i>				
Tangible non-current assets		444.7	337.7	403.4
Right-of-use assets		402.3	227.2	377.2
<i>Financial non-current assets</i>				
Other financial non-current assets		16.8	10.7	15.2
<b>Total non-current assets</b>		<b>6,776.1</b>	<b>5,494.1</b>	<b>6,196.5</b>
<b>Current assets</b>				
Completed products and goods for resale		732.8	509.0	562.4
Accounts receivable		874.3	626.1	687.0
Other receivables		44.6	117.9	47.7
Current tax assets		40.0	44.8	38.5
Prepaid expenses and accrued income		227.9	144.5	180.5
Cash and cash equivalents		408.0	436.3	383.2
<b>Total current assets</b>		<b>2,327.6</b>	<b>1,878.6</b>	<b>1,899.3</b>
<b>Total assets</b>		<b>9,103.8</b>	<b>7,372.7</b>	<b>8,095.8</b>
<b>Shareholders' equity</b>				
<b>Shareholders' equity attributable to Parent Company's shareholders</b>				
Share capital		1.0	0.9	1.0
Other contributed capital		2,094.8	1,570.3	2,068.9
Reserves		0.9	0.9	0.9
Profit/loss brought forward including earnings for the period		1,815.4	1,186.3	1,446.3
<b>Total equity attributable to Parent Company's shareholders</b>		<b>3,912.1</b>	<b>2,758.4</b>	<b>3,517.1</b>
Non-controlling interests		5.9	5.3	4.8
<b>Total shareholders' equity</b>		<b>3,918.0</b>	<b>2,763.7</b>	<b>3,521.9</b>
<b>Long term liabilities</b>				
Interest-bearing long-term liabilities	5	3,746.1	3,337.5	3,317.6
Non-interest-bearing long-term liabilities		287.7	222.8	252.9
<b>Total long term liabilities</b>		<b>4,033.8</b>	<b>3,560.3</b>	<b>3,570.5</b>
<b>Short term liabilities</b>				
Interest-bearing short-term liabilities	5	212.2	360.3	268.4
Non-interest-bearing short-term liabilities		939.8	688.2	735.1
<b>Sum short term liabilities</b>		<b>1,152.0</b>	<b>1,048.5</b>	<b>1,003.5</b>
<b>Total liabilities</b>		<b>5,185.8</b>	<b>4,608.8</b>	<b>4,574.0</b>
<b>Total shareholders' equity and liabilities</b>		<b>9,103.8</b>	<b>7,372.7</b>	<b>8,095.8</b>

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

(SEK m)	Shareholders' equity attributable to Parent Company shareholders					Total	Non-controlling interests	Shareholders' equity
	Note	Share capital	Other contr. capital	Reserves	Retained earnings			
<b>Opening balance, January 1 2022</b>		<b>0.9</b>	<b>1,555.8</b>	<b>0.9</b>	<b>966.8</b>	<b>2,524.4</b>	<b>4.7</b>	<b>2,529.1</b>
Income for the period		-	-	-	194.1	194.1	0.5	194.6
Other comprehensive income for the period		-	-	-	32.4	32.4	0.1	32.5
<b>Total income for the period</b>		-	-	-	<b>226.5</b>	<b>226.5</b>	<b>0.6</b>	<b>227.1</b>
<b>Shareholder transactions</b>								
Dividend paid to preference shareholders	7	-	-	-	-7.0	-7.0	-	-7.0
Share issue of ordinary shares series B		-	14.5	-	-	14.5	-	14.5
<b>Total shareholder transactions</b>		-	<b>14.5</b>	-	<b>-7.0</b>	<b>7.5</b>	-	<b>7.5</b>
<b>Closing balance, June 30 2022</b>		<b>0.9</b>	<b>1,570.3</b>	<b>0.9</b>	<b>1,186.3</b>	<b>2,758.4</b>	<b>5.3</b>	<b>2,763.7</b>
<b>Opening balance, July 1 2022</b>		<b>0.9</b>	<b>1,570.3</b>	<b>0.9</b>	<b>1,186.3</b>	<b>2,758.4</b>	<b>5.3</b>	<b>2,763.7</b>
Income for the period					233.0	233.0	0.5	233.5
Other comprehensive income for the period					34.5	34.5	-	34.5
<b>Total income for the period</b>					<b>267.5</b>	<b>267.5</b>	<b>0.5</b>	<b>268.0</b>
<b>Shareholder transactions</b>								
Dividend paid to preference shareholders	7	-	-	-	-7.0	-7.0	-	-7.0
Share issue of ordinary shares series B		0.1	508.1	-	-	508.2	-	508.2
Share issue expenses		-	-9.2	-	-	-9.2	-	-9.2
Share premiums		-	-0.3	-	-	-0.3	-	-0.3
Dividend paid to non-controlling interests		-	-	-	-0.5	-0.5	-1.0	-1.5
<b>Total shareholder transactions</b>		-	<b>498.6</b>	-	<b>-7.5</b>	<b>491.2</b>	<b>-1.0</b>	<b>490.2</b>
<b>Closing balance, December 31 2022</b>		<b>1.0</b>	<b>2,068.9</b>	<b>0.9</b>	<b>1,446.3</b>	<b>3,517.1</b>	<b>4.8</b>	<b>3,521.9</b>
<b>Opening balance, January 1 2023</b>		<b>1.0</b>	<b>2,068.9</b>	<b>0.9</b>	<b>1,446.3</b>	<b>3,517.1</b>	<b>4.8</b>	<b>3,521.9</b>
Income for the period		-	-	-	221.3	221.3	0.9	222.2
Other comprehensive income for the period		-	-	-	155.1	155.1	-0.1	155.0
<b>Total income for the period</b>					<b>376.4</b>	<b>376.4</b>	<b>0.8</b>	<b>377.2</b>
<b>Shareholder transactions</b>								
Dividend paid to preference shareholders	7	-	-	-	-7.0	-7.0	-	-7.0
Share issue of ordinary shares series B		-	14.3	-	-	14.3	-	14.3
Option premiums			11.6	-	-	11.6	-	11.6
<b>Total shareholder transactions</b>		-	<b>25.9</b>	-	<b>-7.0</b>	<b>18.9</b>	-	<b>18.9</b>
<b>Closing balance, June 30 2023</b>		<b>1.0</b>	<b>2,094.8</b>	<b>0.9</b>	<b>1,815.7</b>	<b>3,912.4</b>	<b>5.6</b>	<b>3,918.0</b>



## CONSOLIDATED CASH FLOW STATEMENT

(SEK m)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
<b>Continued operations</b>					
Earnings after financial items	168.5	140.9	302.6	247.1	536.8
Adjustment for items not included in cash flow <sup>1)</sup>	36.6	6.9	121.2	63.2	171.6
Paid taxes	-53.5	-30.5	-95.2	-46.3	-110.6
<b>Cash flow from continuing operations before change in working capital</b>	<b>151.6</b>	<b>117.3</b>	<b>328.6</b>	<b>264.0</b>	<b>597.8</b>
<b>Cash flow from change in working capital</b>					
Increase(-)/decrease(+) in stock	-1.4	-33.9	-70.7	-66.4	-94.3
Increase(-)/decrease(+) in operating receivables	-79.6	29.2	-151.1	23.4	26.6
Increase(+)/decrease(-) in operating liabilities	-3.9	15.6	58.1	27.5	34.5
<b>Cash flow from current operations</b>	<b>66.7</b>	<b>128.2</b>	<b>164.9</b>	<b>248.5</b>	<b>564.6</b>
<b>Investing activities</b>					
Acquisitions of subsidiaries	-3.1	-644.1	-188.5	-833.8	-1,117.8
Acquisitions of subsidiaries, paid contingent considerations	-88.9	-33.2	-157.5	-191.9	-356.1
Acquisition of minority stakes	-	-	-	-11.0	-11.0
Acquisitions of intangible non-current assets	-5.1	-11.7	-18.3	-16.5	-84.4
Acquisitions of tangible non-current assets	-15.6	-24.4	-42.4	-39.4	-123.2
Acquisition of business segment	-	-	-	-	-7.9
<b>Cash flow from investing activities</b>	<b>-112.7</b>	<b>-713.4</b>	<b>-406.7</b>	<b>-1,092.6</b>	<b>-1,700.4</b>
<b>Financing activities</b>					
Warrant program	11.6	-	11.6	-	-0.3
New share issue	-	-	14.3	14.5	513.8
Loans raised	69.8	1,501.9	823.8	1,702.8	1,980.8
Amortisation of loans	-18.0	-739.7	-553.6	-785.5	-1,275.1
Amortisation of lease liability	-17.1	-10.4	-35.5	-19.1	-65.6
Dividends paid	-3.5	-3.5	-7.0	-7.0	-15.0
<b>Cash flow from financing activities</b>	<b>42.8</b>	<b>748.3</b>	<b>253.6</b>	<b>905.7</b>	<b>1,138.6</b>
<b>Cash flow for the period</b>	<b>-3.2</b>	<b>163.1</b>	<b>11.8</b>	<b>61.6</b>	<b>2.8</b>
Cash and cash equivalents at beginning of year	402.3	268.6	383.2	368.8	368.8
Exchange rate difference in cash and cash equivalents	8.9	4.6	13.0	5.9	11.6
<b>Cash and cash equivalents at end of period</b>	<b>408.0</b>	<b>436.3</b>	<b>408.0</b>	<b>436.3</b>	<b>383.2</b>

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

## PARENT COMPANY INCOME STATEMENT

(SEK m)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
Net sales	6.1	4.5	12.3	9.1	21.5	18.3
Other operating income	1.0	0.7	1.0	0.7	1.0	0.7
<b>Total income</b>	<b>7.1</b>	<b>5.2</b>	<b>13.3</b>	<b>9.8</b>	<b>22.5</b>	<b>19.0</b>
<b>Operating expenses</b>						
Other external expenses	-4.9	-5.4	-9.4	-11.2	-19.6	-21.4
Employee expenses	-15.8	-11.2	-32.3	-24.3	-56.2	-48.2
Depreciation of tangible and intangible non-current assets	-0.1	-0.1	-0.3	-0.3	-0.8	-0.8
<b>Operating profit</b>	<b>-13.7</b>	<b>-11.5</b>	<b>-28.7</b>	<b>-26.0</b>	<b>-54.1</b>	<b>-51.4</b>
<b>Profit/loss from financial items</b>						
Financial income	27.7	6.4	31.5	10.1	41.1	19.7
Financial expenses	0.1	-0.1	-	-0.2	-0.1	-0.3
<b>Profit/loss after financial items</b>	<b>14.1</b>	<b>-5.2</b>	<b>2.8</b>	<b>-16.1</b>	<b>-13.1</b>	<b>-32.0</b>
Group contributions received	-	-	-	-	62.0	62.0
Tax on profit	-	-	-	0.3	0.3	0.6
<b>Profit/loss for the period</b>	<b>14.1</b>	<b>-5.2</b>	<b>2.8</b>	<b>-15.8</b>	<b>49.2</b>	<b>30.5</b>

## PARENT COMPANY BALANCE SHEET

(SEK m)	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>Non-current assets</b>			
<i>Intangible non-current assets</i>			
Other intangible non-current assets	0.1	0.2	0.1
<i>Tangible non-current assets</i>			
Tangible non-current assets	1.1	1.3	1.2
<i>Financial non-current assets</i>			
Financial non-current assets	0.1	10.9	0.3
Receivables, Group companies	2,131.5	1,813.0	2,061.7
<b>Total non-current assets</b>	<b>2,132.8</b>	<b>1,825.4</b>	<b>2,063.3</b>
<b>Current assets</b>			
Receivables, Group companies	1,150.7	985.1	1,202.9
Trade receivables	-	0.3	-
Other receivables	0.9	1.8	1.3
Prepaid expenses and accrued income	2.7	3.4	2.8
Cash and cash equivalents	5.8	25.1	3.5
<b>Total current assets</b>	<b>1,160.0</b>	<b>1,015.7</b>	<b>1,210.5</b>
<b>Total assets</b>	<b>3,292.8</b>	<b>2,841.1</b>	<b>3,273.8</b>
<b>Shareholders' equity</b>			
Share capital	1.0	0.9	1.0
Share premium reserve	2,083.2	1,570.3	2,068.9
Retained earnings including profit/loss for the period	228.5	193.3	232.7
<b>Total shareholder's equity</b>	<b>2,312.7</b>	<b>1,764.5</b>	<b>2,302.6</b>
<b>Liabilities</b>			
Other long-term interest-bearing liabilities	865.9	758.3	841.7
Short-term liabilities to Group companies	4.3	26.5	3.0
Short-term liabilities	109.9	291.7	126.5
<b>Total liabilities</b>	<b>980.1</b>	<b>1,076.5</b>	<b>971.2</b>
<b>Total equity and liabilities</b>	<b>3,292.8</b>	<b>2,841.1</b>	<b>3,273.8</b>

## NOTES

### ACCOUNTING PRINCIPLES IN ACCORDANCE WITH IFRS

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (EU). This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions in the Annual Accounts Act.

The Interim Report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act, which is in accordance with the provisions of RFR 2. Accounting for Legal Entities.

The same accounting principles and calculation bases have been applied for the Group and the Parent Company as in the preparation of the most recent annual report for the 2022 financial year.

As a result of rounding off, differences in summaries may appear in the interim report.

### New and amended standards for the financial year 2023

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

### NOTE 1 IMPORTANT ESTIMATES AND ASSUMPTIONS ON APPLICATION OF THE GROUP'S ACCOUNTING PRINCIPLES

Estimates and assumptions are continuously assessed based on historical experience and other factors, including expectations of future events considered reasonable under prevailing conditions. For more detailed information, please refer to Note 1 of the Annual Report 2022.

### Valuation of financial assets and liabilities

Estimates of fair value in the operations primarily affect the Group's goodwill, liabilities related to deferred payments on acquisitions and the Parent Company's shareholdings in subsidiaries. Goodwill is reported in the consolidated balance sheet at acquisition value minus any accumulated write-downs.

Financial assets and liabilities in the balance sheet are reported at acquisition value, unless otherwise stated.

In the case of acquisitions, components of the purchase consideration are usually linked to the acquired company's financial results for a period after the acquisition. The book value of liabilities to sellers in the form of contingent consideration can be affected both positively and negatively because of assessments of each company's financial results for the remaining period. Liabilities for contingent additional purchase prices that arise in business acquisitions are measured at fair value through profit or loss.

### NOTE 2 SEGMENT REPORTING

Sdipitech reports profit from operations in two segments: Resource Efficiency and Special Infrastructure Solutions.

### RESOURCE EFFICIENCY

Companies within Resource Efficiency provide niche products and services that contribute to the use of resources, such as water, energy, minerals, forest and food, in an efficient and sustainable way. The main geographic markets are northern Europe and the United Kingdom.

### SPECIAL INFRASTRUCTURE SOLUTIONS

The companies within Special Infrastructure Solutions provide niche products and services for specialised needs in air and climate control, safety and surveillance and transport systems. The main geographic markets are northern Europe and the United Kingdom.

### Central units – Group-wide functions

Group-wide functions and eliminations consist of the Group's Parent Company, Sdipitech AB, the Group's holding companies, which also includes items affecting earnings, such as revaluation of contingent consideration and write-down of goodwill.

### Segment information. Group

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
<b>Net Sales (SEK m)</b>						
Resource Efficiency	402.7	337.7	793.8	677.2	1,386.4	1 269,8
Special Infrastructure Solutions	766.5	509.5	1,451.0	953.7	2,732.7	2 235,4
<b>Total Net Sales</b>	<b>1,169.0</b>	<b>847.2</b>	<b>2,244.7</b>	<b>1,630.9</b>	<b>4,119.0</b>	<b>3 505,2</b>
<b>Operating profit (SEK m)</b>						
Resource Efficiency	74.6	66.1	157.1	140.7	262.9	246.5
Special Infrastructure Solutions	144.4	90.6	262.9	163.5	505.2	405.8
<b>Segment total</b>	<b>219.0</b>	<b>156.7</b>	<b>420.0</b>	<b>304.2</b>	<b>768.1</b>	<b>652.3</b>
Central units	-12.4	14.8	-35.0	-10.8	-35.3	-11.1
<b>Total EBIT</b>	<b>206.6</b>	<b>171.6</b>	<b>385.0</b>	<b>293.4</b>	<b>732.8</b>	<b>641.2</b>
Net financials	-38.0	-30.7	-82.4	-46.3	-140.4	-104.4
<b>Profit before tax</b>	<b>168.5</b>	<b>140.9</b>	<b>302.6</b>	<b>247.1</b>	<b>592.3</b>	<b>536.8</b>



Revenue from agreements with customers (SEK m)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
<i>Resource Efficiency</i>						
Products	273.2	256.1	554.1	497.7	915.3	858.9
Installation, direct	78.2	35.2	137.8	94.0	210.0	166.2
Installation, over time	4.1	7.3	10.9	12.4	85.3	86.8
Service, direct	37.6	30.2	70.1	55.1	112.2	97.2
Service, over time	6.2	4.8	13.3	9.7	45.8	42.2
Distribution	3.4	4.1	7.6	8.3	17.6	18.3
<b>Sum Sales Resource Efficiency</b>	<b>402.7</b>	<b>337.7</b>	<b>793.8</b>	<b>677.2</b>	<b>1,386.3</b>	<b>1,269.8</b>
<i>Special Infrastructure Solutions</i>						
Products	416.2	275.3	761.2	446.6	1,414.7	1100.1
Installation, direct	42.1	62.8	113.3	150.9	260.5	298.1
Installation, over time	72.7	55.5	129.8	108.4	243.7	222.3
Service, direct	200.7	95.9	383.3	213.8	678.5	509
Service, over time	31.0	17.2	55.7	28.7	122.0	95
Distribution	3.7	2.8	7.7	5.3	13.3	10.9
<b>Sum Sales Special Infrastructure Solutions</b>	<b>766.5</b>	<b>509.4</b>	<b>1,451.0</b>	<b>953.7</b>	<b>2,732.9</b>	<b>2,235.4</b>
<i>Sum Products</i>	<i>689.4</i>	<i>531.4</i>	<i>1,315.3</i>	<i>944.3</i>	<i>2,330.0</i>	<i>1,959.0</i>
<i>Sum Installation, direct</i>	<i>120.3</i>	<i>98.0</i>	<i>251.1</i>	<i>244.9</i>	<i>470.5</i>	<i>464.3</i>
<i>Sum Installation, over time</i>	<i>76.8</i>	<i>62.8</i>	<i>140.7</i>	<i>120.8</i>	<i>329.0</i>	<i>309.1</i>
<i>Sum Service, direct</i>	<i>238.3</i>	<i>126.1</i>	<i>453.4</i>	<i>268.9</i>	<i>790.7</i>	<i>606.2</i>
<i>Sum Service, over time</i>	<i>37.2</i>	<i>22.0</i>	<i>69.0</i>	<i>38.4</i>	<i>167.8</i>	<i>137.2</i>
<i>Sum Distribution</i>	<i>7.1</i>	<i>6.9</i>	<i>15.3</i>	<i>13.6</i>	<i>30.9</i>	<i>29.2</i>
<b>Total sales</b>	<b>1,169.0</b>	<b>847.2</b>	<b>2,244.7</b>	<b>1,630.9</b>	<b>4,119.0</b>	<b>3,505.2</b>

Other income (SEK m)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun, 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
Resource Efficiency	-2.7	1.6	3.2	2.8	5.9	5.5
Special Infrastructure Solutions	17.8	3.4	23.2	5.8	29.2	11.8
<b>Business areas</b>	<b>15.1</b>	<b>5.0</b>	<b>26.4</b>	<b>8.6</b>	<b>35.1</b>	<b>17.3</b>
Central units	1.7	33.1	1.7	33.1	31.2	62.6
<b>Total</b>	<b>16.7</b>	<b>38.1</b>	<b>28.1</b>	<b>41.7</b>	<b>66.3</b>	<b>79.9</b>

### NOTE 3 FINANCIAL INCOME AND COST

(SEK m)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
<i>Financial income</i>						
Interest income	-	-	0.4	-	1.9	1.5
Net exchange gain	11.8	-	9.2	-	14.1	4.9
Other financial income	-0.1	-	0.3	-	0.5	0.2
<b>Total financial income</b>	<b>11.7</b>	<b>-</b>	<b>9.8</b>	<b>-</b>	<b>16.5</b>	<b>6.7</b>
<i>Financial cost</i>						
Interest expense on financial liabilities to credit institutions	-36.6	-12.5	-66.2	-21.1	-118.6	-73.3
Discount rate for lease liabilities	-2.7	-1.1	-5.4	-2.1	-8.6	-5.3
Discount rate on contingent considerations	-9.2	-6.1	-18.3	-11.8	-36.4	-30.0
Exchange rate difference	0.0	-3.2	0.0	-3.3	3.3	-
Other financial cost	-1.4	-7.7	-2.3	-8.1	3.5	-2.4
<b>Total financial cost</b>	<b>-49.8</b>	<b>-30.6</b>	<b>-92.2</b>	<b>-46.3</b>	<b>-157.0</b>	<b>-111.1</b>
<b>Net financial cost</b>	<b>-38.0</b>	<b>-30.6</b>	<b>-82.4</b>	<b>-46.3</b>	<b>-140.4</b>	<b>-104.4</b>

The Group's net financial items consist of interest expenses divided into interest expenses relating to financial liabilities to credit institutions as well as discount rates regarding leasing liabilities in accordance with IFRS 16 and contingent consideration. These conditional purchase considerations are classified as interest-bearing as they are presented at net present value, but they do not give rise to any actual interest payments that are charged to the Group's cash flow. In addition, the Group is affected by exchange rate differences regarding internal and external loans in foreign currency.

**NOTE 4 GOODWILL**

(SEK m)	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>Opening balance</b>	<b>4,299.1</b>	<b>3,183.3</b>	<b>3,183.3</b>
Acquisitions for the period	113.5	657.7	962.2
Adj. of preliminary acquisition analysis	19.7	15.3	12.8
Currency translation effects	264.3	69.0	140.7
<b>Carrying amount at end of period</b>	<b>4,696.5</b>	<b>3,925.3</b>	<b>4,299.1</b>

Compared to 31 December 2022 goodwill increased by SEK 397.5 million and amount to SEK 4,696.6 million as per June 30, 2023. Acquisitions made during January to June 2023 resulted in an increase in goodwill of SEK 113.5 million.

**NOTE 5 INTEREST-BEARING LIABILITIES**

(SEK m)	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>Liabilities to credit institutions</b>	<b>2,284.7</b>	<b>2,156.6</b>	<b>1,931.3</b>
Leases	314.1	156.0	286.4
Contingent consideration	1,144.3	1,023.0	1,098.3
Other non-current liabilities	3.0	1.9	1.5
<b>Total non-current interest-bearing liabilities</b>	<b>3,746.1</b>	<b>3,337.5</b>	<b>3,317.6</b>
<b>Liabilities to credit institutions</b>	<b>25.6</b>	<b>13.7</b>	<b>13.0</b>
Leases	92.0	67.2	87.1
Contingent consideration	94.1	279.0	167.7
Other current liabilities	0.5	0.5	0.5
<b>Total current interest-bearing liabilities</b>	<b>212.2</b>	<b>360.3</b>	<b>268.4</b>

Contingent consideration payments refer to various types of obligations to the selling party that are linked to conditions based on the acquired company's results for a specific period after the acquisition. The contingent purchase prices are classified as Level 3 in the fair value hierarchy. The liabilities are reported at the present value of the expected outcome based on the assessed fair value at the balance sheet date based on outcomes and future forecasts.

Contingent consideration (SEK m)	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>Opening balance</b>	<b>1,266.0</b>	<b>1,131.4</b>	<b>1,131.4</b>
Acquisitions	46.2	361.7	476.9
Paid purchase considerations relating previous acquisitions	-160.9	-191.9	-356.1
Interest expenses (discount effect due to present value calculation)	18.3	11.8	30.0
Revaluation via operating profit	2.8	-32.2	-61.6
Exchange differences	66.0	21.2	45.5
<b>Carrying amount at period end</b>	<b>1,238.4</b>	<b>1,302.1</b>	<b>1,266.0</b>

Revaluation of liabilities regarding contingent consideration resulted in a cost of SEK -2.8 million (32.2) during the year. The contingent consideration is recognized in accordance with IFRS at the present value of estimated fair value based on the remaining maturity and expected outcome.

The contingent purchase prices are discounted by present value calculation. On June 30, 2022, the discount rate was adjusted from two to three percentage points, this is in line with the estimated interest rate level over a longer future time perspective. For January to June 2023 compared with the corresponding period last year, this entails an increased interest expense of approximately SEK 6 million

**NOTE 6 BUSINESS ACQUISITIONS**

<b>PRELIMINARY ACQUISITION ANALYSIS, regarding acquisitions during January to June 2023 (SEK m)</b>	<b>HeatWork AS<sup>1</sup></b>	<b>Sum</b>
Intangible non-current assets	20.2	20.2
Tangible non-current assets	10.8	10.8
Right of use assets	47.9	47.9
Other fixed assets	0.1	0.1
Inventories and work in progress	56.5	56.5
Cash and cash equivalents	20.2	20.2
Trade receivables <sup>2</sup>	14.0	14.0
Other current assets	7.5	7.5
Deferred tax	0.2	0.2
Other non-current liabilities	-62.3	-62.3
Current tax liability	-3.4	-3.4
Other current liabilities	-29.2	-29.2
<b>Net identifiable assets and liabilities</b>	<b>82.5</b>	<b>82.5</b>
Consolidated goodwill	113.5	113.5
Brand and trademarks	30.8	30.8
Customer relations	19.5	19.5
IP rights	-	-
Deferred tax liabilities	-11.1	-11.1
<b>Total estimated purchase price</b>	<b>235.2</b>	<b>235.2</b>
Cash and cash equivalents	189.0	189.0
Contingent consideration	46.2	46.2
<b>Total remuneration</b>	<b>235.2</b>	<b>235.2</b>

<b>Liquidity impact on the Group</b>	<b>HeatWork AS<sup>1</sup></b>	<b>Sum</b>
Cash and cash equivalents acquired	20.2	20.2
Remuneration transferred	-189.0	-189.0
<b>Total cash impact</b>	<b>-168.8</b>	<b>-168.8</b>

<b>Other information <sup>3</sup></b>	<b>HeatWork AS<sup>1</sup></b>	<b>Sum</b>
Run rate, turnover	119.4	119.4
Run rate profit before tax	24.1	24.1

<b>Contribution of the acquired entities to Group turnover and profit (SEK million)</b>	<b>HeatWork AS<sup>1</sup></b>	<b>Sum</b>
Acquired units' contribution to the Group's turnover	21.4	21.4
Acquired units' contribution to the Group's profit before tax	1.9	1.9
Transaction costs, including stamp fee	-2.5	-2.5
Amortisation and impairment of intangible assets	-0.8	-0.8

<sup>1)</sup> HeatWork AS with subsidiaries

<sup>2)</sup> The receivables are measured at fair value no provision for bad debts is recognized

<sup>3)</sup> Run rate is based on sales and operating profit before tax, on a 12-month basis, at the time of acquisition. For foreign acquisitions, the result has been recalculated based on the price at the time of acquisition.

**Acquisition accounting**

The acquisition analysis is preliminary. The acquisition analysis is kept open for 12 months from the date of entry. During the period, adjustments of the preliminary amounts recognized at the time of acquisition based on new information about the facts and circumstances that existed at the time of acquisition and which, if known, would have affected the calculation of the amounts recognised at that time.

Goodwill consists of the amount by which the consolidated cost of shares in acquired subsidiaries exceeds the fair value of the company's net assets recognised in the acquisition analysis at the time of acquisition and is mainly attributable to synergies and other intangible assets that do not meet the criteria for separate recognition. Goodwill relates to the expected contribution of the acquired entity to complement and broaden the Group's offering, sales channels and synergies in infrastructure and contribute to the Group's continued growth.

Acquisition-related expenses, known as transaction costs, are expensed as incurred. These costs, together with costs for divestments, are recognized in the income statement under the item "Other external costs". Acquisition and divestment costs for the period January to June 2023 amounted to SEK 3.4 million (14.5), see also page 22.

#### **Description of acquisitions during the period January – June 2023**

On March 31, 2023, Sdiptech acquired 81.6 percent of the shares HeatWork AS with subsidiaries in Sweden and Finland. HeatWork has 20 years of experience of developing specialised products within hydronic heating. Its mobile power stations are specially designed to meet the needs in many areas of application, such as energy generation, agriculture & horticulture, pest control, construction, crisis preparedness and municipal water protection. HeatWork has a strong focus on innovative, sustainable, high-quality solutions, and the technology contributes to a significant reduction in both energy consumption, costs, and CO2 emissions. The company has an annual turnover of NOK 120 million with good profitability. HeatWork is a globally active company with headquarters and production facility in Narvik, Norway and, at the time of the acquisition, HeatWork has 42 employees. The company is Sdiptech's second business unit in Norway and will be part of the Resource Efficiency business area from March 2023.

At the date of the transaction, the company is valued at NOK 233 million on a cash- and debt-free basis. Financing is provided by own resources and bank credits. The final purchase price including redemption under option of the remaining 18.4 percent of the company's shares is dependent on the company's performance during the earn-out period. Under the agreement, Sdiptech can buy the remaining shares after 6 years, with the valuation of the remaining shares depending on the company's profit growth. At the time of acquisition, the value of the remaining shares is estimated to SEK 46 million after present value calculation.

If the acquired units for the year had been consolidated as of January 1, 2023, net sales for the period January to June would have amounted to approximately SEK 2,309 million and EBITA\* would have amounted to approximately SEK 444 million.

#### **NOTE 7 DIVIDENDS**

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



## COMPANIES PER BUSINESS AREA

### RESOURCE EFFICIENCY

The companies within Resource & Efficiency provide niche products and services that contribute to the use of resources, such as water, energy, minerals, forests and food, in an efficient and sustainable manner. The principal geographic markets today are Northern Europe, the United Kingdom and Italy.

#### The companies included in Resource & Efficiency (in alphabetical order)

- Agrosistemi Srl Treatment and recovery of biological sludge
- CentralByggarna i Åkersberga AB Producer of customised switching stations and electrical automation
- Centralmontage i Nyköping AB Producer of customised switching stations and electrical automation
- EuroTech Sire System AB Installation and service of uninterruptible power supply
- Hansa Vibrations & Omgivningskontrol AB Performs vibration measurements in infrastructure projects
- HeatWork AS (as of Mar-23) Manufacturing of mobile hydronic heating solutions
- Hydrostandard Mätteknik Nordic AB Replacement, renovation and calibration of water meters
- Kemi-tech ApS (as of Jul-23) Tailored chemical solutions for industrial water treatment
- Multitech Site Services Ltd Temporary infrastructure such as temporary electricity, water, fire protection and lighting
- Polyproject Environment AB Installations and components for water treatment in industry and municipalities
- Pure Water Scandinavia AB Producer of ultra-pure water products
- Rogaland Industri Automasjon AS Control and regulating systems for water and sewerage systems
- Rolec Services Ltd (One Stop Europe Ltd) Development and manufacture of charging equipment and systems for electric vehicles
- Topas Vatten AB Installation and service of smaller water and wastewater treatment plants
- Unipower AB Measuring systems for monitoring of power quality
- Vera Klippan AB Producer of large-dimension cisterns for larger water and sewerage systems
- Wake Power Distribution Ltd (IDE Systems) Temporary power distribution and monitoring systems
- Water Treatment Products Ltd Preparation and manufacture of water treatment products

### SPECIAL INFRASTRUCTURE SOLUTIONS

The companies within Special Infrastructure Solutions provide niched products and services for specialised needs in air and climate control, security and surveillance and transport systems. The principal geographic markets are Northern Europe and the United Kingdom.

#### The companies included in Infrastructure Solutions (in alphabetical order):

- Alerter Group Ltd Emergency communications systems for disabled people
- Auger Site Investigations Ltd Specialised in claims management of underground infrastructure
- Castella Entreprenad AB Contracts for shell completion and internal plaster walls
- Certus Technologies Holding B.V. Systems for automation in ports, terminals and logistics distribution center
- Cliff Models AB Prototypes for industrial product development
- Cryptify AB Software solution for secure communication
- e-I-m- Kragelund A/S Development and manufacturing of innovative attachments for forklifts
- Frigotech AB Installation and service of refrigeration units
- GAH (Refrigeration) Ltd Manufacture and service of transportation refrigeration solutions
- Oy Hilltip Ab Manufacturer of road maintenance equipment, special winter
- KSS Klimat & Styrssystem AB Indoor climate control, ventilation and energy efficiency
- Medicvent AB System for evacuation of noxious gases
- Mecno (as of Nov -22) Products and services for grinding rails
- Metus d.o.o. Production of special elevators for customer-specific needs and resource supply to global elevator manufacturers
- Optyma Security Systems Ltd Integrated security systems for public and private environments
- Patol (as of Nov -22) Designs and manufactures products for fire, smoke and heat detection.
- RedSpeed International Ltd Digital cameras for speed monitoring and traffic enforcement
- Resource Data Management Ltd Specialist product provider within refrigeration control and monitoring.
- Storadio Aero AB Infrastructure and operational liaison centre for backup air traffic
- TEL UK Ltd Communications and radio-based services for shipping.
- Thors Trading AB Design and manufacture of electronic airflow monitor and control. Durable products in hard metal material for racing and harness racing.

## DEFINITIONS ALTERNATIVE PERFORMANCE MEASURES

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

<b>EBITA*</b>	<p>EBITA* is the Group's operating performance measure and is calculated as EBITA before acquisition costs and disposal costs and before profit from revaluation of contingent consideration and sale results from divestments. Items affecting non-material corrections to previous years' results in the subsidiaries; less depreciation and amortization that are not acquisition-related but originate from the intangible assets of the operating units. EBITA* is indicated by an asterisk.</p> <p>The key figure increases the comparability of EBITA over time as it is adjusted for the impact of items affecting comparability. The key figure is also used in the internal follow-up and constitutes a central financial objective for the business.</p>
<b>EBITA*-margin</b>	EBITA* in relation to net sales.
<b>EBITDA</b>	Operating profit before depreciation and impairment losses.
<b>EBITA</b>	<p>Operating profit after depreciation and amortisation of tangible fixed assets before impairment.</p> <p>The key figure enables comparisons of profitability over time regardless of amortisation and impairment of acquisition-related intangible assets and independent of the corporate tax rate and the company's financing structure. That said, depreciation of tangible assets is included, which is a measure of the consumption of resources necessary to generate earnings.</p>
<b>Financial net debt/EBITDA</b>	Calculated as average financial net debt to credit institutions and other financial debt for the past four quarters, in relation to EBITDA for the past four quarters. Financial net debt includes short-term and long-term interest-bearing liabilities less cash and cash equivalents, but excluding debt related to the contingent consideration payments for acquisitions.
<b>Net debt /EBITDA</b>	Average net debt for the last four quarters, in relation to EBITDA for the last four quarters. Net debt includes current and non-current interest-bearing liabilities less cash and cash equivalents. Parts of the interest-bearing liabilities are related to the contingent consideration for acquisitions, which is settled at the end of the vesting periods depending on performance during these periods. A payment of the debt at the current book value requires a higher profit level than the current level.
<b>Capital employed</b>	Calculated as average shareholders' equity and interest-bearing net debt for the past four quarters less cash and cash equivalents and short-term investments.
<b>Return on capital employed</b>	Calculated as EBITA for the last four quarters at the relevant closing date, in relation to the average capital employed for the last four quarters at the closing date.
<b>Return on equity</b>	Calculated as the average profit after tax attributable to shareholders, adjusted for dividends to preference shares, for the last four quarters, in relation to the average equity attributable to shareholders adjusted for preference capital for the last four quarters at the balance sheet date.
<b>Cash flow generation</b>	Calculated as cash flow from continuing operations in relation to profit before tax adjusted for non-cash items.
<b>Earnings per ordinary share (number share per end of period)</b>	Calculated as profit after tax attributable to the Parent Company's shareholders less dividends to preference shareholders divided by the number of ordinary shares per the end of the period.

## ALTERNATIVE PERFORMANCE MEASURES

To facilitate monitoring of the Group's operations, alternative performance measures are presented in the interim report. The alternative performance measures presented in this interim report relate to EBITA\*, EBITDA, Net debt/EBITDA, Financial net debt/EBITDA, return on capital employed, Cash flow generation, Earnings per ordinary share and earnings per ordinary share after dilution.

### EBITA\*

EBITA\* consists of EBITA before acquisition costs and before amortisation and write-downs of intangible fixed assets that arose in connection with acquisitions as well as before remeasurements of contingent consideration payments and write-downs of goodwill. Amortisation and write-downs of intangible assets that are not acquisition-related but derive from the operating units' intangible assets are not reversed. Apart from this, items affecting comparability relating to non-material adjustments of previous years' net profit in subsidiaries have been highlighted.

Acquisition and divestment costs, which mainly relate to external consultants, are expensed during the periods in which they arise, and the services are performed. During the period January to December 2022 the acquisition costs also include stamp duty of SEK 4.6 million, which is a non-recurring cost.

### Adjustment items for EBITA\*

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

Acquisition costs (SEK m)	Q1	Q2	Q3	Q4	Total
2023	-1.6	-1.8	-	-	-3.4
2022	-3.9	-10.6	-1.2	-6.5	-22.2
2021	-15.3	-1.9	-5.5	-3.7	-26.4
Adjustment of liability for earnouts (SEK m)	Q1	Q2	Q3	Q4	Total
2023	-2.7	-0.1	-	-	-2.8
2022	-5.8	38.0	28.9	0.5	61.6
2021	-2.5	-	-0.7	-39.8	-43.0

The remeasurement of liabilities relating to contingent consideration payments may entail corresponding revenues if liabilities have been written down, or an expense if the liabilities have been written-up. The fact that these items vary over time is due to the development of the participating companies and future forecasts. An evaluation of this development compared with book values takes place every quarter and can result in various remeasurements that affect earnings. These adjustments are made so that the book values are as close to the fair values as possible. see also Note 1.

For acquisitions, part of the purchase price is allocated to goodwill and amortisable intangible assets, also see Note 4. The heading "Amortisation and write-downs of intangible fixed assets" includes any write-downs of goodwill. Amortisation, which is a result of Sdipotech allocating part of the purchase price to acquired intangible assets, such as trademarks, product rights, customer relations, etc. in connection with acquisitions, is also included under the heading. These assets are amortised over time, resulting in a cost. This type of allocation and resulting amortisation has increased over time and is expected to continue increasing in line with new acquisitions. As a rule of thumb, it can be stated that new amortisation of intangible assets that have arisen in connection with new acquisitions, is added at about 2% per year of the additional acquired companies' purchase price.

Effects on EBITA\*, compared to EBITA, are distributed as follows:

EBITA* to EBIT bridge (SEK m)	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
<b>EBITA*</b>	<b>230.5</b>	<b>159.8</b>	<b>433.7</b>	<b>304.7</b>	<b>800.1</b>	<b>671.1</b>
Adjustment of liability for earnouts	-0.1	38.0	-2.8	32.2	26.6	61.6
Acquisition and divestment cost	-1.8	-10.6	-3.4	-14.5	-11.1	-22.2
Adjustment of previous years, not material	-	-	-	-	-4.4	-4.4
Of which non-acquisition-related amortization and write-downs of intangible fixed assets	7.4	5.0	14.8	9.6	27.5	22.3
<b>EBITA</b>	<b>236.1</b>	<b>192.2</b>	<b>442.3</b>	<b>332.0</b>	<b>838.8</b>	<b>728.6</b>
Non-acquisition-related amortization and write-downs of intangible fixed assets	-7.4	-5.0	-14.8	-9.6	-27.5	-22.3
Acquisition-related amortization and write-downs of intangible fixed assets	-22.0	-15.7	-42.5	-29.0	-78.6	-65.1
<b>EBIT</b>	<b>206.6</b>	<b>171.5</b>	<b>385.0</b>	<b>293.4</b>	<b>732.8</b>	<b>641.2</b>

**EBITA\*-margin**

EBITA\* in relation to Net Sales

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
<b>EBITA* in relation to Net Sales (SEK m)</b>						
EBITA*	230.5	159.8	433.7	304.7	800.1	671.1
Net Sales	1,169.0	847.2	2,244.7	1,630.9	4,119.0	3,505.2
<b>EBITA* margin %</b>	<b>19.7</b>	<b>18.9</b>	<b>19.3</b>	<b>18.7</b>	<b>19.4</b>	<b>19.1</b>

**EBITDA**

Operating profit before depreciation and impairment losses.

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
<b>EBITDA (SEK m)</b>						
Operating profit	206.6	171.5	385.0	293.4	732.8	641.2
Depreciation and amortisation of tangible non-current assets	41.9	28.3	82.2	55.6	156.3	129.7
Depreciation and amortisation of intangible non-current assets	29.4	20.7	57.3	38.6	106.1	87.4
<b>EBITDA</b>	<b>277.9</b>	<b>220.5</b>	<b>524.5</b>	<b>387.6</b>	<b>995.2</b>	<b>858.3</b>

**Financial net debt/EBITDA**

Calculated as average financial net debt to credit institutions and other financial debt for the past four quarters, in relation to EBITDA for the past four quarters. Financial net debt to includes short-term and long-term interest-bearing liabilities less cash and cash equivalents but excluding debt related to the contingent consideration payments for acquisitions.

<b>Average interest-bearing financial net debt (SEK m)</b>	Average	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Interest-bearing financial debt	2,151.6	2,310.3	2,189.3	1,944.3	2,162.5
Cash and cash equivalents	-395.5	-408.0	-402.3	-383.2	-388.5
<b>Interest-bearing financial net debt</b>	<b>1,756.1</b>	<b>1,902.3</b>	<b>1,787.1</b>	<b>1,561.1</b>	<b>1,774.0</b>

<b>Average Financial net debt in relation to EBITDA (SEK m)</b>	LTM Jun 2023	LTM Jun 2022	Full year 2022
Interest-bearing financial net debt	1,756.1	1,026.6	1,535.7
EBITDA	995.2	649.0	858.3
<b>Financial net debt/EBITDA</b>	<b>1.76</b>	<b>1.58</b>	<b>1.79</b>

**Net debt/EBITDA**

Calculated as average net debt for the last four quarters, in relation to EBITDA for the last four quarters. Net debt includes short-term and long-term interest-bearing liabilities less cash and cash equivalents. Parts of the interest-bearing liabilities are debt related to the contingent consideration payments for acquisitions which are regulated at the end of the earnout periods depending on the earnings trend during those periods. A payment of the debt at the current booked value requires higher earnings levels than the current level.

<b>Average interest-bearing net debt (SEK m)</b>	Average	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Interest-bearing liabilities	3,778.7	3,958.4	3,891.9	3,585.9	3,678.5
Cash and cash equivalents	-395.5	-408.0	-402.3	-383.2	-388.5
<b>Interest-bearing net debt</b>	<b>3,383.2</b>	<b>3,550.3</b>	<b>3,489.6</b>	<b>3,202.7</b>	<b>3,290.0</b>

<b>Average net debt in relation to EBITDA (SEK m)</b>	LTM Jun 2023	LTM Jun 2022	Full year 2022
Interest-bearing net debt	3,383.2	2,361.0	3,045.6
EBITDA	995.2	649	858.3
<b>Net debt/EBITDA</b>	<b>3.40</b>	<b>3.64</b>	<b>3.55</b>

**Capital employed**

Calculated as average shareholders' equity and interest-bearing liabilities for the last four quarters less cash and cash equivalents and short-term investments.

<b>Average capital employed (SEK m)</b>	Average	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Interest-bearing net debt	3,383.2	3,550.3	3,489.6	3,202.7	3,290.0
Shareholders' equity	3,498.9	3,918.0	3,658.5	3,521.9	2,897.3
<b>Capital employed</b>	<b>6,882.1</b>	<b>7,468.3</b>	<b>7,148.2</b>	<b>6,724.7</b>	<b>6,187.3</b>

**Return on capital employed**

Calculated as EBITA for the most recent four quarters on closing day in relation to average capital employed for the four most recent quarters on closing day.

	LTM Jun 2023	LTM Jun 2022	Full year 2022
<b>Average EBITA in relation to average capital employed (SEK m)</b>			
EBITA	838.8	546.6	728.6
Capital employed	6,882.1	4,956.8	5,995.9
<b>Return on capital employed %</b>	<b>12.2</b>	<b>11.0</b>	<b>12.2</b>

**Return on equity**

Calculated as average profit after tax, attributable to the Parent Company's shareholders, adjusted for dividend to preference shares, for the four most recent quarters in relation to average equity, attributable to the Parent Company's shareholders, adjusted for preference capital for the four most recent quarters on closing day.

	LTM Jun 2023	LTM Jun 2022	Full year 2022
<b>Average adjusted net profit in relation to average equity (SEK m)</b>			
Profit after tax, adjusted	467.2	303.5	413.1
Equity	3,318.7	2,415.9	2,770.1
<b>Return on capital employed %</b>	<b>14.1</b>	<b>12.6</b>	<b>14.9</b>

**Cash flow generation**

Calculated as cash flow from continuing operations in relation to profit before tax adjusted for non-cash items.

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
<b>Cash flow generation %</b>						
EBT	168.5	140.9	302.6	247.1	592.3	536.8
Adjustment for items not included in cash flow	36.6	6.9	121.2	63.2	229.6	171.6
<b>Adjusted EBT</b>	<b>205.1</b>	<b>147.8</b>	<b>423.8</b>	<b>310.3</b>	<b>821.9</b>	<b>708.4</b>
Cash flow from continuing operations	66.7	128.2	164.9	248.5	481.0	564.6
<b>Cash flow generation %</b>	<b>32.5</b>	<b>86.7</b>	<b>38.9</b>	<b>80.1</b>	<b>58.5</b>	<b>79.7</b>

**Earnings per ordinary share (number share per end of period)**

Calculated as profit after tax attributable to the Parent Company's shareholders less dividends to preference shareholders divided by the total number of ordinary shares outstanding at end of the period.

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM Jun 2023	Jan-Dec 2022
<b>Earnings per ordinary share (SEK m)</b>						
Profit/loss attributable to Parent Company's shareholders	126.4	118.5	222.2	194.1	455.7	427.1
Dividend paid to preference shareholders	-3.5	-3.5	-7.0	-7.0	-14.0	-14.0
<b>Profit/loss attributable to Parent Company's shareholders</b>	<b>122.2</b>	<b>114.8</b>	<b>214.3</b>	<b>187.1</b>	<b>440.3</b>	<b>413.1</b>
Number of ordinary shares outstanding (thousand)	37,992	35,580	37,992	35,580	37,992	37,801
<b>Earnings per ordinary share</b>	<b>3.22</b>	<b>3.23</b>	<b>5.64</b>	<b>5.26</b>	<b>11.59</b>	<b>10.93</b>

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

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### CERTIFICATION

The Board of Directors and the CEO believe that the half year interim report provides a true and fair overview of the Company's and the Group's operations, their financial position and performance and describes the material risks and uncertainty factors facing the Company and the Group.

**STOCKHOLM 21 JULY 2023**

Jakob Holm  
President and CEO

Jan Samuelson  
Chairman of the Board

Johnny Alvarsson  
Board member

Birgitta Henriksson  
Board member

Eola Änggård Runsten  
Board member

Urban Doverholt  
Board member

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Sdiptech AB (publ) is required to disclose this information pursuant to EU Market Use Regulation 596/2014. The information was provided by the above contact persons for publication on 21 July 2023 at 08.00 CEST.

#### UPCOMING REPORTS

Interim report July-September 2023	27 October 2023
Year-end report for för 2023	9 February 2024

#### Payment of dividends to preference shareholders

For each preference share, an annual dividend of SEK 8.00 is paid, divided into four quarterly payments of SEK 2.00 each. The record dates for receipt of dividends of preference shares until next annual general meeting are:

- 15 September 2023
- 15 December 2023
- 15 March 2024