

# Interim Report

» Sound net sales growth  
and positive net recruitment

## JANUARY – SEPTEMBER 2022

NET SALES INCREASED BY 50.2 PERCENT TO SEK 4,860.9 (3,236.0) MILLION  
 THE EBITA PROFIT INCREASED BY 54.8 PERCENT TO SEK 418.5 (270.4) MILLION.  
 THE ADJUSTED EBITA PROFIT INCREASED BY 39.8 PERCENT TO SEK 429.1 (306.9) MILLION<sup>1)</sup>  
 THE EBITA MARGIN INCREASED TO 8.6 (8.4) PERCENT.  
 THE ADJUSTED EBITA MARGIN WAS 8.8 (9.5) PERCENT<sup>1)</sup>  
 RESULTS AFTER TAX INCREASED TO SEK 273.2 (169.1) MILLION  
 EARNINGS PER SHARE INCREASED TO SEK 9.74 (7.24)<sup>2)</sup>  
 CASH FLOW FROM OPERATING ACTIVITIES WAS SEK 155.9 (195.5) MILLION

## JULY – SEPTEMBER 2022

NET SALES INCREASED BY 27.7 PERCENT TO SEK 1,520.9 (1,190.9) MILLION  
 THE EBITA PROFIT WAS SEK 90.0 (94.5) MILLION.  
 THE ADJUSTED EBITA PROFIT WAS SEK 94.5 (105.3) MILLION<sup>1)</sup>  
 THE EBITA MARGIN WAS 5.9 (7.9) PERCENT.  
 THE ADJUSTED EBITA MARGIN WAS 6.2 (8.8) PERCENT<sup>1)</sup>  
 RESULTS AFTER TAX WERE SEK 21.2 (53.5) MILLION  
 EARNINGS PER SHARE WAS SEK 0.69 (1.93)<sup>1)</sup>  
 CASH FLOW FROM OPERATING ACTIVITIES WAS SEK 20.0 (66.5) MILLION

1) EBITA is adjusted for items that affect comparability between periods, to improve understanding of the Group's underlying operative activities. For more information, see definitions on page 30. 2) Before and after dilution.  
 The information contained herein is such as shall be made public by Knowit AB (publ) in accordance with the EU Market Abuse Regulation and the Securities Market Act. The information was made public through the agency of CEO and President Per Wallentin, at 07.30 CEST on October 25, 2022.

## COMMENTS FROM THE CEO

# Continued growth in an uncertain world

We are seeing continued strong demand for digitalization projects on all Nordic markets. Knowit has had strong sales growth during the third quarter of the year, though the margin has weakened compared with in the previous year. The coming recession is marginally reflected in the demand for our competence and we have a broader and stronger offer as compared with a year ago. Investments in recruitment and existing staff and a weaker development in Insight are the primary reasons behind the weaker margin during the quarter.

**THE NEED TO** perform various types of digitalization projects is large, both in public organization and in private companies. We are also experiencing an increased uncertainty in our surroundings and are humble to the challenges that a recession can entail.

During the third quarter of the year, we increased net sales by 28 percent, with continued strong demand in three of our four business areas. We are seeing a weakening margin in the business area Insight, which is primarily attributable to the Finnish market, where we have seen that clients have been hesitant since Russia's invasion of Ukraine began earlier this year. A high pace of recruitment in areas where we are seeing high demand, many new employees in the trainee programs for this fall who are not yet in client assignments, and a continued need to meet physically and hold conferences have affected profitability in the Group in general. Investing in recruitment is a key for future growth, but affects us in the short term when the influx of new employees is high.

The quarter is characterized by a very good development for the business area Connectivity, with high growth and profitability in both Sweden and Poland, and sound growth in the business area Solutions, especially in the Norwegian market. The business area Experience is also showing sound growth and an improved margin compared with in the previous year.

Demand connected to projects that both drive increased digitalization and contribute to the shift towards a more sustainable world remains strong. One good example is the assignment for the Finnish textile company Lindström Group, where Knowit is helping the client develop its processes using data analytics. By carefully monitoring the lifecycle of each item of clothing, resource usage is optimized, to ensure that the goal of recycling 100 percent of textile waste by 2025 is achieved. This is an exciting assignment, where Knowit succeeded in combining technical expertise with our ambition of actively contributing to the climate shift.

### **ACQUISITIONS CONTRIBUTING TO A STRONGER AND BROADER OFFER**

We are pleased to conclude that we are seeing continued sound organic growth in the Group during the quarter, a prerequisite for our continued growth and attractiveness to both clients and employees. Knowit's strategy to combine organic growth with supplementary acquisitions has been



one of the driving forces behind the Nordic consolidation in the last few years. During the third quarter, we have strengthened our management consultancy operations by acquiring Ascend and its sister company Ionic. In the last year, we have worked in a structured way to broaden and strengthen our offer in management consulting, both geographically and as regards competence. After the acquisitions, we are almost 500 management consultants in the Nordic region, helping companies and organizations lead change projects related to technology and digitalization.

### **WE WILL BE ONE OF THE MOST ATTRACTIVE EMPLOYERS IN THE DIGITALIZATION SECTOR**

Attracting and retaining competent employees is a constant challenge for our entire industry. Active work to develop Knowit into one of the most attractive workplaces on the market is a high priority on our strategic agenda. Our recurring trainee programs, which serve to attract young talents, has started after the summer and we have been happy to welcome a large group of new employees with a passion for technology development and digitalization. I am pleased to be able to say that we have succeeded well with recruitment during the third quarter, with a positive net recruitment of 188 new employees. ■

**PER WALLENTIN**  
CEO and President

## EVENTS DURING THE PERIOD



### JULY – SEPTEMBER 2022

---

Knowit has won an assignment of around SEK 70 million from the **SWEDISH ARMED FORCES** regarding an upgrade to the Command & Control system used by the Swedish Marine. The upgrade involves increased functionality and solutions for IT security and increased possibilities to collaborate with Finland and NATO.

---

Knowit and Techarenan hosted panel debates and seminars during the **ALMEDALEN WEEK** on matters related to diversity, equality, and competence challenges in the tech sector.

---

During the Norwegian **ARENDALE WEEK**, Knowit organized several popular debates and seminars on digitalization as a driving force in the climate shift.

---

Knowit won one of the **RED DOT AWARDS** in the category Brand & Communication for its work with the visual identity of the client Glamox. The Red Dot Awards are one of the world's most renowned competitions in design of products, brands, and concepts.

---

Knowit has signed an agreement to acquire the management consulting companies **ASCEND AB AND IONIC AB**, with a total of around 60 employees in Stockholm, as of October 1. The companies further strengthen the business area Knowit Insight's existing offer and market position.

---

Knowit organized a successful client event, **KNOWIT OPEN**, in Stockholm, at which more than 200 clients and partners participated.

---

In September, Knowit hosted **TESTIT**, an international knowledge seminar focused on software testing.

---

Knowit has been granted an expanded certification in software components for vehicular application (A-SPICE Level 2). This independent assessment confirms the ability to deliver secure and reliable software programs to the vehicle industry. This is a milestone that reflects Knowit's commitment to implement and design the **BEST VEHICLE SOFTWARE IN THE INDUSTRY**. A-SPICE is a cohesive initiative from the German vehicle industry.

---

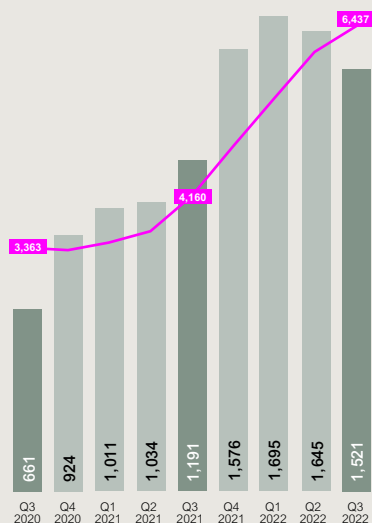
## THE QUARTER IN BRIEF

# High activity and demand in the third quarter

JULY – SEPTEMBER 2022

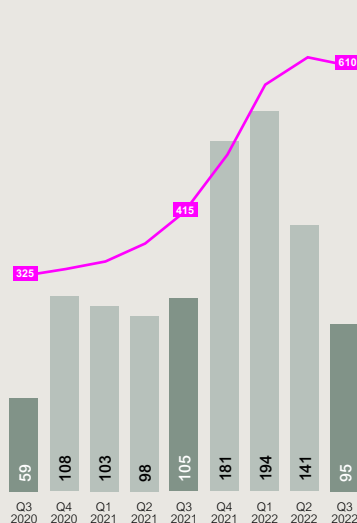
**DEMAND FOR THE** competence Knowit holds has remained high during the third quarter, despite the world being shrouded in great uncertainty. Compared with the third quarter 2021, Knowit is showing sound organic growth and a total growth of around 15 percent, including acquired units. The pent-up need for travel and physical meetings seen already during the second quarter remains noticeable in the organization and has contributed to temporary increased costs and thus has impacted somewhat on the margin.

During the quarter, the acquisitions of the Danish IT consultancy firm Miracle and the Finnish management consultancy firm Marketing Clinic were finalized. The acquisitions supplement Knowit's geographic range and offers in the business areas Solutions and Insight. In September, the acquisition of the sister companies Ascend and Ionic, with around 60 management consultants in Sweden, were also announced. These further strengthen the business area Insight on the Swedish market. The acquisition of Ascend and Ionic was finalized on October 1, 2022, and consolidation will take place during the fourth quarter.



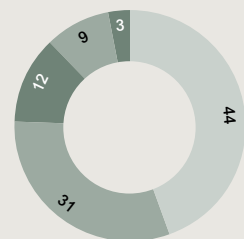
### NET SALES, SEK, MILLIONS

- Net sales, quarterly data
- Rolling 12 months



### ADJUSTED EBITA PROFIT, SEK, MILLIONS

- Adjusted EBITA profit, quarterly data
- Rolling 12 months



### SALES PER COUNTRY JULY – SEPTEMBER 2022

Sweden	44% (51)
Norway	31% (30)
Denmark	12% (7)
Finland	9% (9)
Poland	3% (3)
Other	0% (0)

## → THE QUARTER IN BRIEF

**JULY – SEPTEMBER 2022**

### Financial development

The net sales for the quarter increased to SEK 1,520.9 (1,190.9), affected by the acquisitions of Capacent, 1508.dk, Strømlin, Swedspot, Miracle, and Marketing Clinic. Profit before amortization of intangible assets (EBITA) was SEK 90.0 (94.5) million. The adjusted EBITA profit was SEK 94.5 (105.3) million, adjusted for acquisition and integration costs of SEK 4.5 million.

Compared with the corresponding period last year, exchange rate developments had a positive effect on EBITA totaling SEK 50.2 million. Cash flow from operating activities was SEK 20.0 (66.5) million, where the change in operating capital had an impact of SEK -54.0 (-58.6) million. ■

The below table shows financial history that includes the acquisitions of Capacent, 1508.dk, Strømlin, Swedspot, Miracle, and Marketing Clinic for comparable periods, to facilitate for the reader to follow the development. See more information on page 28.

SEK, MILLIONS	JUL-SEP 2022	JUL-SEP 2021
Sales	<b>1,520.9</b>	1,190.9
Sales, acquisitions		136.8 <sup>1)</sup>
Sales, including acquisitions	<b>1,520.9</b>	1,327.7
Sales, change, %	<b>14.5</b>	
<i>of which is exchange rate effect, %</i>	<b>3.8</b>	

1) Adjustments relate to addition of net sales in Capacent, 1508.dk, Strømlin, Swedspot, Miracle, and Marketing Clinic for the period July to September 2021.

In the below table, EBITA is adjusted for items that impair comparability between different periods, to enable increased understanding for the Group's underlying operations.

SEK, MILLIONS	JUL-SEP 2022	JUL-SEP 2021
EBITA	<b>90.0</b>	94.5
Adjusted EBITA profit	<b>94.5<sup>1)</sup></b>	105.3 <sup>1)</sup>
EBITA margin, %	<b>5.9</b>	7.9
Adjusted EBITA margin, %	<b>6.2<sup>2)</sup></b>	8.8 <sup>2)</sup>
Cash flow from operating activities	<b>20.0</b>	66.5
Intangible assets	<b>4,379.2</b>	3,672.5
Number of employees at the end of the period	<b>4,315</b>	3,857

1) EBITA is adjusted for items that impair comparability between different periods, to improve the understanding of the Group's underlying operations. Comparison-impairing items include costs connected to acquisitions and sales and costs for restructuring and integration programs.

2) Adjusted EBITA profit in relation to the net sales of the period.

## MARKET AND OPERATIONS

# Digitalization creates the conditions for increased sustainability

Knowit contributes to a sustainable development of society by developing innovative solutions along with its clients and partners. Together, the business areas Solutions, system development and tech-associated services, Experience, digital communication solutions and data-driven customer experiences, Connectivity, development of embedded systems, security applications, and cloud services, and Insight, management consultancy and organizational development, create a complete offer in digitalization, covering the entire organization of each client.

**THE DIGITAL TRANSFORMATION** means that companies and organizations are adapting their processes and business models to become entirely or partially digitalized. Knowit is there, in every step of this development, as support. In a digitalized society, new possibilities for a simplified and sustainable everyday existence are created for both people and companies. The solution to many of the main challenges in society, such as climate change, is dependent on mankind's ability to use new and existing technology in a sustainable way. Digital solutions that Knowit has developed along with clients and partners are found throughout all parts of society, from schools, healthcare services, and authorities, to e-commerce, transportation, security systems in vehicles, and new energy systems. Knowit's competence in new technology and digital solutions, such as artificial intelligence, automation, and robotization, creates good possibilities to have a positive impact on society and the climate challenges.

Knowit has its largest operations in the Nordic region, with a smaller organization in Germany and operations in Poland that support the Nordic operations with expertise in programming and system development. With its agile work method and client-tailored solutions, Knowit has a strong position on the Nordic digitalization market.

### A STRONG CLIENT OFFERING

Knowit's four business areas build on the clients' needs for support in various parts of their organizations. The business area Solutions usually collaborates with companies' operative and IT departments. Experience's usual client group encompasses sales and marketing departments, and Connectivity's target group is mainly research and development departments. Insight mainly has corporate management and management teams as its clients. Knowit's clients often have a need for services from several business areas. This means that projects can be performed with the support of multiple competencies from more than one business area. These are collaborations that develop both Knowit's and the clients' businesses.

### GOOD SPREAD ACROSS DIFFERENT CLIENT INDUSTRIES

Knowit meets clients in many different industries, where companies and organizations have the need for competent support to develop their operations and drive the change towards a digitalized society. The largest proportion of net sales is in the public sector, providing 38 percent of Knowit's total net sales. Other significant client sectors are Retail and service companies, Industry, and Banking, finance, and insurance, which are behind 17, 15, and 10 percent of net sales, respectively.

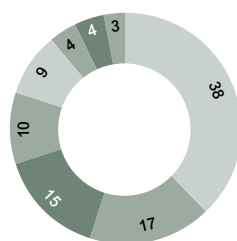
### WITH A FOCUS ON SUSTAINABILITY

Actively contributing to the development of a sustainable and carbon-neutral society is a top priority at Knowit. As one important step, Knowit's new sustainability targets were made public in early 2022. They serve to ensure that the Company, along with its clients and partners, actively contributes to the UN Agenda 2030, with positive environmental and climate impact and increased inclusivity. As



**SALES PER BUSINESS AREA  
JULY - SEPTEMBER 2022**

Solutions	56% (56)
Experience	21% (22)
Connectivity	16% (15)
Insight	8% (7)



**SALES PER CLIENT INDUSTRY  
JULY - SEPTEMBER 2022**

Public sector	38% (35)
Retail and service companies	17% (18)
Industry	15% (15)
Banking, finance, and insurance	10% (11)
Telecommunications	9% (11)
Energy	4% (4)
Media, education, and gaming	4% (3)
Other	3% (3)

## → MARKET AND OPERATIONS

of January 1, 2022, Knowit is a climate-positive company and has, within the framework of Fossil-free Sweden, committed to decreasing its carbon dioxide emissions by at least 50 percent by 2030. The goal is in line with the Science-Based Target initiative (SBTi), an initiative that objectively reviews the emission decrease targets of companies in relation to scientific best practices.

Knowit is working in several client projects serving to decrease climate impact. A good example of this is the assignment for Finnish Lindström Group, described in more detail on page 10.

### A STRONG EMPLOYER BRAND

The growing demand for digital services means that Knowit is working hard to attract new employees and retain its strong employer brand in the tech sector.

One key to secure a position as an employer that is strong in the long term is Knowit's various trainee programs, which offer young people an attractive possibility to begin a career in digitalization and development of new technology. The third quarter has been characterized by this year's trainee programs, which started during this period, involving many young talents who now contribute to Knowit's continued development.

One of Knowit's sustainability goals is working for an inclusive and equal workplace. During the summer, Knowit participated at both the Swedish Almedalen Week and the Norwegian Arendal week, taking part in panel debates on matters like diversity, equality, and inclusion.

### AN ACTIVE GROWTH AGENDA COMBINED WITH ORGANIC GROWTH

The Nordic market for digitalization is dominated by a few larger players and large number of smaller companies specialized in particular areas in the digitalization chain. Knowit is one of the players that can, and has the ambition to, drive the consolidation trend through strategic or supplementary acquisitions, that complement a long-term sound organic growth.

During the third quarter, Knowit announced the acquisition of the management consultancy company Ascend AB and its sister company Ionic AB. Ascend is strengthening the existing management offer primarily in the areas Business Technology and Commercial Excellence.

### FINANCIAL OUTCOME

The Group's operations are organized so that the corporate management team primarily follows four business areas: Solutions, Experience, Connectivity, and Insight.

The net sales for Solutions increased to SEK 894.8 (692.8) million, for Experience to SEK 338.7 (270.8) million, for Connectivity to SEK 247.5 (185.9) million, and for Insight to SEK 136.0 (91.9) million.

Profit before amortization of intangible assets (EBITA) for Solutions increased to SEK 72.2 (69.8) million, for Experience to SEK 21.4 (14.3) million, for Connectivity to SEK 29.0 (17.1) million, and for Insight were SEK -8.3 (3.2) million.

The EBITA margin for Solutions was 8.1 (10.1) percent, for Experience increased to 6.3 (5.3) percent, for Connectivity increased to 11.7 (9.2) percent, and for Insight was -6.1 (3.5) percent.

## Solutions

	JUL-SEP 2022	JUL-SEP 2021 <sup>1)</sup>	JUL-SEP 2021 incl. acquisition <sup>2)</sup>
Sales, SEK, million	894.8	692.8	764.3
EBITA, SEK, million	72.2	69.8	68.3
EBITA margin, %	8.1	10.1	8.9
Number of employees at the end of the period	1,921	1,785	1,914

1) The comparative figures have been updated based on the new organization.  
2) Pertains to the acquisition of Miracle from July to September 2021.

Solutions is Knowit's largest business area, with operations on all of Knowit's markets in the Nordic region and with smaller operations in Germany. The approximately 1,800 consultants offer cutting-edge competence in all parts of the systems development process: from idea, architecture and project governance, to programming, implementation, testing, and security.

In the Nordic region, the business area Solutions has most of its clients in the public sector. Examples of clients include VY (formerly NSB), several larger companies in retail and e-commerce and leading companies like Telia and Telenor in the telecom sector. Examples of interesting organizations that Knowit Solutions has delivered communication solutions to include the aid organization Sida and SOS Alarm.

### COMMENTS FROM THE HEAD OF SOLUTIONS

The business area Solutions has had a strong growth during the third quarter, especially in Norway and Finland. The margin has been affected by increased costs for travel and meetings, high net recruitment and an increased volume of assignments in Norway, where we see a need of using subconsultants.

*"We are seeing continued high demand for our services, with some variation depending on the segment and geography. We have welcomed many new talents to Knowit during the quarter, an investment that strengthens us in the long term but has affected the margin during the quarter," says Åsa Holmberg.*

## Experience

	JUL-SEP 2022	JUL-SEP 2021	JUL-SEP 2021 incl. acquisition <sup>1)</sup>
Sales, SEK, million	338.7	270.8	286.5
EBITA, SEK, million	21.4	14.3	18.0
EBITA margin, %	6.3	5.3	6.3
Number of employees at the end of the period	1,002	934	974

1) Pertains to the acquisition of 1508.dk and Stramlin from July to September 2021.

The business area Experience is one of the leading digital agencies in the Nordic region, which has this year passed a milestone with over 900 specialists at the interface between technology and communication, who take responsibility for the entire digital customer experience. In the client projects, staffed with multiple competencies in web, e-commerce, analysis, marketing, design, and big data, Experience helps companies and organizations achieve their business-critical marketing and sales goals.

Knowit Experience's relationship with its clients is a

## → MARKET AND OPERATIONS

typical combination of time-limited project assignments and long-term partnerships. An example is the increased need to shift sales to data-driven e-commerce solutions more quickly. Examples of clients include Danish Arla, Nordic OKQ8, Inera 1177.se in Sweden, and the Norwegian insurance company Storebrand.

### COMMENTS FROM THE HEAD OF EXPERIENCE

The business area Experience has succeeded well during the third quarter, with sound growth and strengthened margins. Investments in growth during the past year have created a stable foundation for an attractive offer on all Nordic markets.

*“We are experiencing positive growth and stable development during the quarter, and are gradually strengthening of our position on all Nordic markets, despite an uncertain world,” says Fredrik Ekerhovd.*

### Connectivity

	JUL-SEP 2022	JUL-SEP 2021	JUL-SEP 2021 incl. acquisition <sup>1)</sup>
Sales, SEK, million	247.5	185.9	195.1
EBITA, SEK, million	29.0	17.1	18.4
EBITA margin, %	11.7	9.2	9.5
Number of employees at the end of the period	757	677	713

1) Pertains to the acquisition of Swedspot from July to September 2021.

Connectivity combines technical expertise and business competence for innovative, secure, and sustainable solutions in IT and communication technology. The business area is primarily active in product, system, and service development of embedded systems, cloud solutions, and security applications. The business area has around 750 consultants in Sweden and Poland and smaller operations in Germany.

Connectivity is specialized in development of 5G technology, at the absolute cutting edge of digitalization. The platform enables usage of artificial intelligence (AI), the internet of things (IoT), and extended reality (XR). Thus, it has potential to decrease costs, energy usage, emissions and waste, and to mitigate climate change. Connectivity is a leading supplier to clients in the telecom industry, the vehicle industry, the manufacturing industry. Connectivity collaborates with companies' research and development departments, for clients like ABV, Assa, Ericsson, Scania, and Valmet.

### COMMENTS FROM THE HEAD OF CONNECTIVITY

We are very pleased at a strong quarter with high sales growth and strengthened margins compared with the preceding year. We see a continued high demand for our services, with no sign of a decrease.

*“We are seeing a very strong underlying demand for our competence in both Sweden and Poland, which benefits the development of the entire business area during the quarter.*

*The need for specialist competence in various kinds of development projects remains high,” says Annika Nordlander.*

### Insight

	JUL-SEP 2022	JUL-SEP 2021 <sup>1)</sup>	JUL-SEP 2021 incl. acquisitions <sup>2)</sup>
Sales, SEK, million	136.0	91.9	132.3
EBITA, SEK, million	-8.3	3.2	2.6
EBITA margin, %	-6.1	3.5	2.0
Number of employees at the end of the period	482	350	470

1) The comparative figures have been updated based on the new organization.

2) Pertains to the acquisitions of Capacent and Marketing Clinic from July to September 2021.

Insight supports its clients in creating agile organizations and performing digital transformations, from idea to result. Investments in Knowit's management consulting operations in the latest year have created a significantly broader and more attractive offer to Nordic clients, in particular in working capital optimization and business development. In close collaboration with the client, Insight creates methods and models based on the client's challenges and unique market circumstances. The business area Insight, with around 500 employees, is a significant mover on the Nordic management consulting market.

Insight is currently supporting its Nordic clients in areas within growth and profitability strategies, development of new business models, change management, and cybersecurity. With its clients, Insight develops and implements strategies where digitalization and new technology facilitate solutions that make everyday life easier for people, increases their quality of life – and makes a difference for the environment and our planet.

Insight has a strong offer in cybersecurity and is seeing steadily growing demand in this area. Clients are found in both the private and the public sector.

### COMMENTS FROM THE HEAD OF INSIGHT

The business area Insight is facing a challenge due to some hesitance among clients, primarily in Finland, during the quarter, which has affected both growth and profitability. The weak margin development is mainly attributable to the negative outcome in the acquired unit Marketing Clinic, which operates in Finland. During the quarter, demand for IT security and projects related to profitability analysis and working capital optimization has been high.

*“During the latest year, we have made significant investments to become a stronger player in digitalization- and tech-related management consultancy. We are now around 500 specialists and during the quarter we have seen a continued high demand for our services, though there are some challenges on the Finnish market,” says Carin Strindmark. ■*

## CUSTOMER CASES

# Current projects create client value

Knowit are digitalization consultants that create unique client values by offering digital solutions that contribute to creating a sustainable society.

**KNOWIT DELIVERS CLIENT** projects that contribute to societal development and involve the human aspect, based on both usability and privacy. An important part of Knowit's contributions is increasing the clients' understanding of how digitalization can contribute to a circular economy and an improved society.



### A MODERN PRODUCTION FACILITY FOR SAAB

Saab is a world-leading supplier of products, services, and solutions in both military defense and other solutions for civilian security. Since 2019, Saab has worked to develop a new production facility in West Lafayette, Indiana, USA. The facility will mainly produce advanced structural parts for a new training aircraft for the US Air Force, in collaboration with Boeing.

For about 2.5 years, Knowit has had the assignment to take responsibility alongside Saab for full project management and implementation of all the IT functionality needed to enable aircraft production. This includes implementation of all operating systems in the facility, such as finance systems and systems for production and planning, as well as traditional IT infrastructure to meet the needs of the facility's almost 300 employees.

During the third quarter, Saab got an order from Boeing for the first deliveries, planned for 2023.



### IMPROVED DIGITAL CUSTOMER EXPERIENCE THROUGH MARKETING AUTOMATION

Aarhus Vand is owned by the municipality of Aarhus and has as its main task to create a healthy life for people and nature by providing clean water. Through innovative solutions and internationally recognized efforts, Aarhus Vand has reconsidered the way in which the potential of water is realized for the benefit of the climate, people, and the planet. A large part of its work involves climate adaptation of Aarhus, in collaboration with the municipality of Aarhus, to help landowners separate rainwater from grey water on their properties.

Since 2021, Knowit has helped Aarhus Vand digitalize and automate communication with the citizens and landowners in the municipality. In the past, communication was based on a combination of traditional mail, phone calls, and e-mail. Knowit's task consisted of helping Aarhus Vand to transform its overall view of communication and decrease the manual work required.

Through marketing automation, Aarhus Vand has built and designed a new mail flow, that creates increased insight into how much information each customer has received. The solution also includes a search function to help homeowners find the information necessary about their area, at the time they need it. The automation flow ensures that e-mails are automatically sent to the citizens who need them, such as landowners affected by planned work. The system takes note of how citizens interact with the information sent and ensures that future information provision is based on how they have acted on earlier e-mails. The results thus far show a clear, positive trend, with an average e-mail opening frequency of over 80 percent.

A new landing page, aarhusvand.dk, makes things easier and more convenient for the individual citizen, and decreased the manual work required from Aarhus Vand.

## → CUSTOMER CASES

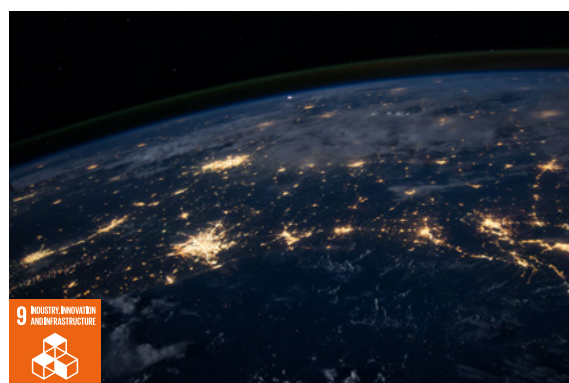


### DECREASED TEXTILE WASTE USING DATA

Lindström Group from Finland is one of Europe's leading textile service companies, with over 165 years' experience in the textile industry. The group offers services adapted to companies' different textile needs, with over 237,000 clients in 24 countries. The services include rental of work clothes, laundry services, and after-laundry care for a number of sectors, such as the manufacturing industry, hotels, restaurants, and healthcare.

Lindström's fifteen million items of work clothing, each marked with an RFID tag, generate a pool of significant data on energy and water usage in laundry facilities, textile waste, and carbon dioxide emissions. Knowit has helped Lindström in the development of methods and processes for data analytics, to thereby decrease its climate impact and reach its long-term sustainability goals of having carbon-neutral operations by 2035 and decreasing global warming in line with the Science-Based Target Initiative.

In Lindström's laundry facilities, data are continually generated through the reports and analyses that Knowit has compiled. The facilities are followed up as regards efficiency and levels of environmental friendliness, as well as their emissions and waste. By working in a data-driven manner and close to the local laundry facilities, the company can follow the lifecycle of each item of clothing and ensure the most efficient management possible, to minimize its climate impact. By 2025, Lindström will recycle 100 percent of all the textile waste generated in the group and, thanks to data analytics, will be able to ensure that discarded textiles are recycled and used as new raw materials.



### VIRTUALIZATION OF NETWORKS CREATES SUSTAINABLE COMMUNICATION SOLUTIONS

For the past few years, an expansion of the 5G network is ongoing, both in Sweden and globally. This is an important building block for a society in which communication between people, companies, and machines must be effective and sustainable.

A Radio Access Network (RAN) is part of the mobile network connecting smartphones, computers, and other end user devices. Gradually virtualizing network functionalities, such as RANs, makes it possible for telecom companies to modernize their networks and thus speed up the transition to 5G.

Knowit's software team is helping a leading player in the telecom industry to develop and restructure their software infrastructure for RANs, so it can be operated in the cloud and thus create a solution that is scalable and flexible. The solution creates increased flexibility for the players that are currently working to upgrade 5G, while also decreasing energy usage and other costs, as well as the dependencies on specific hardware. In other words, Knowit's contribution will result in a more sustainable product. ■

## THE GROUP

# Continued growth

## Net sales and profit

### *The Group*

#### **JANUARY – SEPTEMBER**

Net sales increased to SEK 4,860.9 (3,236.0) million, an increase by 50.2 percent as compared with the corresponding period last year. Compared with the corresponding period last year, the exchange rate development has had a positive impact on net sales of SEK 130.0 (-8.3) million.

Net sales increased to SEK 2,304.5 (1,662.4) million in Sweden, to SEK 1,522.7 (1,163.6) million in Norway, to SEK 428.2 (199.2) million in Finland, to SEK 444.8 (162.7) million in Denmark, and to SEK 145.1 (36.4) in Poland. Net sales per country in the previous year has been adjusted due to a partially erroneous allocation during 2021. Sales per employee increased to SEK 1,293,000 (1,150,000).

The operating profit before amortization of intangible assets (EBITA) increased by 54.8 percent, to SEK 418.5 (270.4) million. The adjusted EBITA profit increased by 39.8 percent to SEK 429.1 (306.9) million, adjusted for acquisition costs of SEK 7.9 (23.4) million and integration costs of SEK 2.7 (13.1) million. Compared with the corresponding period last year, the exchange rate development has had a positive impact on EBITA of SEK 9.2 (-0.1) million.

In Sweden, EBITA increased to SEK 292.2 (179.9) million, in Norway to SEK 143.6 (127.9) million, in Finland to SEK 22.8 (10.9) million, in Denmark to SEK 33.4 (14.6) million, and in Poland to SEK 16.1 (3.9) million.

The EBITA margin increased to 8.6 (8.4) percent. The adjusted EBITA margin was 8.8 (9.5) percent.

Amortization of intangible assets amounted to SEK -102.9 (-39.3) million, affected by increased amortization related to the acquisitions of Capacent, 1508.dk, Strömlin, Swedspot, Miracle, and Marketing Clinic.

The operating profit after financial items increased to SEK 347.0 (221.5) million. The financial net was SEK 31.4 (-9.6) million, affected primarily by sales of non-controlling interests in Stacc AS totaling SEK 65.6 million and revaluation of additional consideration totaling SEK -24.6 million.

The results after tax increased to SEK 273.2 (169.1) million. Tax for the period was SEK -73.8 (-52.4) million. The non-controlling interests' share of profit for the year was to SEK 6.2 (6.6) million. Earnings per share increased to SEK 9.74 (7.24).

#### **THE THIRD QUARTER**

Net sales increased to SEK 1,520.9 (1,190.9) million, an increase by 27.7 percent as compared with the corresponding period last year. Compared with the corresponding period last year, the exchange rate development has had a positive impact on net sales of SEK 50.2 (1.0) million. Net sales increased to SEK 663.6 (609.9) million in Sweden, to SEK 471.1 (352.9) million in Norway, to SEK 137.9 (108.5) million in Finland, to SEK 190.1 (79.6) million in Denmark, and to SEK 52.2 (36.4) in Poland. Sales per employee increased to SEK 387,000 (336,000).

The operating profit before amortization of intangible assets (EBITA) was SEK 90.0 (94.5) million. The adjusted

EBITA profit was SEK 94.5 (105.3) million, adjusted for acquisition costs of SEK 4.1 (0.3) million and integration costs of SEK 0.4 (11.1) million. Compared with the corresponding period last year, the exchange rate development has had a positive impact on EBITA of SEK 2.5 (0.3) million.

In Sweden, EBITA increased to SEK 56.5 (52.5) million, in Norway it was SEK 31.3 (33.4) million, in Finland it was SEK 4.4 (7.2) million, in Denmark it increased to SEK 10.4 (5.6) million, and in Poland it increased to SEK 6.9 (3.9) million.

Amortization of intangible assets amounted to SEK -39.9 (-25.1) million, affected by increased amortization related to acquisitions.

The operating profit after financial items was SEK 37.2 (66.1) million. The financial net was SEK -12.9 (-3.3) million, affected primarily by revaluation of additional consideration totaling SEK -11.4 million.

The results after tax were SEK 21.2 (53.5) million. Tax for the period was SEK -16.0 (-12.6) million. The non-controlling interests' share of profit for the year increased to SEK 2.2 (0.7) million. Earnings per share were SEK 0.69 (1.93).

## *The segments*

#### **JANUARY – SEPTEMBER**

The Group's operations are organized so that the corporate management primarily follows up on net sales, EBITA profit, and average number of employees for the Group's segments. The Corporate Management Team does not follow up on balance sheet items other than intangible assets across the different segments. In connection with the acquisition of Cybercom on July 1, 2021, a fourth segment, Knowit Connectivity, was created, with a focus on meeting the needs from clients in the industry, tech, and telecom sectors. Thus, the Corporate Management Team primarily follows up on the five segments Solutions, Experience, Connectivity, Insight, and other. Other items include cloud services of a smaller scope, the Parent Company's group-wide costs for management, financials, and marketing, and adjustments related to IFRS 16, which are not allocated to the segments.

On July 1, Knowit performed an organizational change which means that operations that had formerly been part of Solutions were moved to the new segment Connectivity. Further, on December 31, 2021, a smaller operation formerly part of the segment Solutions was transferred to the segment Insight. The comparative figures have been altered to reflect the new segmentation.

Net sales for the segment Solutions increased to SEK 2,803.5 (1,905.3) million, for the segment Experience to SEK 1,153.5 (941.2) million, for the segment Connectivity to SEK 752.9 (250.0) million, and for the segment Insight to SEK 476.6 (314.8) million.

EBITA increased to SEK 288.1 (205.5) million for the segment Solutions, to SEK 119.4 (89.6) million for the segment Experience, to SEK 83.9 (23.1) million for the segment Connectivity, and to SEK 35.9 (23.8) million for the segment Insight.

## → THE GROUP

The EBITA margin was 10.3 (10.8) percent for the segment Solutions, increased to 10.4 (9.5) percent for the segment Experience, increased to SEK 11.1 (9.2) for the segment Connectivity, and was 7.5 (7.6) percent for the segment Insight.

### THE THIRD QUARTER

Net sales for the segment Solutions increased to SEK 894.8 (692.8) million, for the segment Experience to SEK 338.7 (270.8) million, for the segment Connectivity to SEK 247.5 (185.9) million, and for the segment Insight to SEK 136.0 (91.9) million.

EBITA increased to SEK 72.2 (69.8) million for the segment Solutions, to SEK 21.4 (14.3) million for the segment Experience, to SEK 29.0 (17.1) million for the segment Connectivity, and was SEK -8.3 (3.2) million for the segment Insight.

The EBITA margin was 8.1 (10.1) percent for the segment Solutions, increased to 6.3 (5.3) percent for the segment Experience, increased to SEK 11.7 (9.2) for the segment Connectivity, and was -6.1 (3.5) percent for the segment Insight.

## Cash flow

### JANUARY – SEPTEMBER

Cash flow from operating activities was SEK 155.9 (195.5) million, positively affected by the result increase, but negatively as a result of taxes paid totaling SEK -191.9 (-70.5) million, mainly related to restructuring effects in Finland. The change in working capital was SEK -127.6 (-102.6) million, mainly affected by increased accounts receivable.

Cash flow from investment activities amounted to SEK -517.1 (-242.0) million, affected mainly by the acquisition of 1508.dk, Strømlin, Swedspot, Miracle, Marketing Clinic, additional consideration regarding the prior acquisition of Creuna and disposal of financial assets.

Cash flow from financing activities was SEK 144.5 (161.2) million, affected mainly by dividends, loans taken, and amortizations of finance lease debts. Previous years were also positively impacted by a new issue.

Total cash flow was SEK -216.7 (114.7) million.

### THE THIRD QUARTER

Cash flow from operating activities was SEK 20.0 (66.5) million, where the change in working capital had an impact of SEK -54.0 (-58.6) million, mainly affected by increased accounts receivable.

Cash flow from investment activities amounted to SEK -313.6 (-230.6) million, affected mainly by acquired operations and investments in fixed assets.

Cash flow from financing activities was SEK 217.5 (-144.2) million, affected mainly by loans taken and amortizations of finance lease debts. Previous years were also positively impacted by a new issue.

Total cash flow was SEK -76.1 (-308.3) million.

## Acquisition of operations

On January 3, 2022, Knowit AB acquired 80 percent of the shares in the design agency 1508.dk and 100 percent of the tech agency Strømlin. The remaining 20 percent of 1508.dk will be acquired during 2023 and 2024. The new operations, combined with the existing operations of the business area Experience in Copenhagen and Aarhus,

are expected to become a strong platform for continued growth on the Danish market. The companies' offers supplement each other well and reinforce Knowit Experience's offer in mainly design, consultancy, and tech.

On June 1, 2022, Knowit acquired 100 percent of the shares in Swedspot, a company with a strong focus on software development for the car industry. The company has around 40 employees and is based in Gothenburg and Trollhättan. Swedspot will be an important addition to Knowit's business area Connectivity, and supplements existing offers within embedded systems with both broad competence in software development and a unique platform with smart services for connected vehicles.

On July 1, 2022, Knowit acquired 90 percent of the shares in Miracle AS, a Danish consultancy company with well-positioned operations in system development and advisory activities, and high competence in open source platforms. The company has around 130 employees with offices in Copenhagen, Aarhus, and Aalborg. Miracle is part of the business area Knowit Solutions, which means that Knowit will get a significantly stronger position on the Danish market.

On July 1, 2022, Knowit acquired 100 percent of the shares in the holding company Marketing Clinic Oy, which has around 60 strategy consultants, primarily in Helsinki. The company also has operations in Oslo and Stockholm. Through the acquisition, Knowit strengthens its position in management consulting on the Finnish market and broadens its offer in growth and business development strategies. Marketing Clinic is part of the business area Knowit Insight. For more information, see pages 26-27.

The acquisition analyses remain preliminary.

## Financial position

### JANUARY – SEPTEMBER

Cash and cash equivalents were SEK 638.5 (792.4) million as per September 30, 2022. Goodwill and other intangible assets increased to SEK 4,379.2 (3,672.5) million, of which goodwill was SEK 3,523.3 (2,956.6) million, and other intangible assets were SEK 855.9 (715.9) million.

Equity increased to SEK 4,136.9 (3,741.6) million. Interest-bearing liabilities increased to SEK 1,466.6 (951.1) million as per September 30, 2022, with long-term liabilities totaling SEK 1,259.7 (326.5) million and short-term liabilities totaling SEK 206.9 (624.6) million. Knowit has a credit facility of SEK 300 million that matures in 2026 and another of SEK 750 million that matures in 2027. In total, the granted facilities total SEK 1,050 million. As of September 30, 2022, SEK 800.0 (455.3) million of the granted facilities were used. Leasing liabilities increased to SEK 447.7 (300.4) million, mainly affected by newly signed rental contracts. Liabilities related to future consideration in subsidiaries increased to SEK 218.9 (195.3) million.

The equity/asset ratio was 57.3 (61.5) percent as per September 30, 2022.

## Employees

### JANUARY – SEPTEMBER

On September 30, 2022, a total of 4,315 (3,857) people were employed by the Group. The number of employees has increased by 466 people during 2022.

## → THE GROUP

The average number of employees has during the period increased to 3,760 (2,815). The average number of employees in Sweden increased to 1,930 (1,538), in Norway to 920 (855), in Finland to 416 (213), in Denmark to 197 (103), and in Poland to 283 (97).

### Seasonal variation

The Group's revenue and operating results are subject to seasonal variation, which means that they vary by quarter. The number of working days and, by extension, normal working hours, affect net sales and profit.

The quarter that includes the Easter period – the first or second – has lower revenue, leading to a lower profit, as the costs are largely unchanging, unlike the revenue. The revenue is affected negatively, as the activity on

the market decreases or is non-existent on these days. Further, the second and third quarter of the Group's financial year are affected by including parts of the summer holiday period, which impacts on the demand for the Group's services. The fourth quarter is affected by the work days and normal working hours that are dropped due to the Christmas and New Year holidays.

### Transactions with related parties

No significant transactions have occurred during the period. For more information, see Note 29 Transactions with related parties, page 93 in the Annual Report 2021. ■

## PARENT COMPANY

# Results and financial position

### JANUARY – SEPTEMBER

The operating profit/loss before amortization of intangible assets (EBITA) was SEK -96.3 (-108.8) million. The financial net increased to SEK 270.8 (51.7) million. The profit/loss after financial net was SEK -170.5 (-60.6) million.

As per September 30, 2022, equity had increased to SEK 2,727.4 (2,518.0) million. Untaxed reserves, mainly accrual funds, increased to SEK 128.0 (115.7) million. ■

## OTHER INFORMATION

# Accounting principles and forward-looking information

## AGM

The Company's Annual General Meeting will take place on Monday May 3, 2023, at 5 PM, in Knowit's facilities at Sveavägen 20, Stockholm. Notice will be made public through a press release in Post och Inrikes Tidningar and Dagens Nyheter, and published on Knowit's website.

## Nomination Committee

Pursuant to the instruction to the Nomination Committee of Knowit AB, the Nomination Committee shall consist of one representative for each of the three largest registered shareholders that wish to participate in the work, along with the Chairman of the Board. The new Nomination Committee consists of: Claes Murander, appointed by Lannebo Fonder. Karin Dennford, appointed by JCE Group AB. Teresa Enander, appointed by Formica Capital I AB. Jon Risfelt, Chairman of the Board. Teresa Enander has been named Chairman of the Nomination Committee. The Nomination Committee represents around 25 per cent of the ownership in the Company.

## Essential risks and uncertainty factors

Knowit's general essential business risks consist of reduced demand for consultancy services, problems attracting and retaining skilled personnel, price pressures and financial risks related to credit and exchange rates and, to a lesser extent, risks related to fixed price projects.

Russia's invasion of Ukraine and the connected sanctions affect our surroundings and future developments are uncertain. The direct financial effects for Knowit are currently assessed as minor. However, a long-term deterioration of the macroeconomic situation can affect Knowit's possibilities to generate profits and growth in line with historic values. For more information on risks, see the Annual Report for 2021, pages 54-56 and 77-78.

## Accounting principles

This report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act. The Interim Report for the Parent Company has been prepared in accordance with the Chapter 9 of the Swedish Annual Accounts Act, Interim Reporting.

For the Group and the Parent Company, the same accounting principles and bases for calculation have been applied as in the latest Annual Report, excepting the altered accounting principles described below.

Information in accordance with IAS 34.16A appears in the financial reports and connected notes, as well as in other parts of the Interim Report.

All figures stated in this report are, unless otherwise indicated, given as million Swedish kronor (SEK million). Differences due to rounding may occur.

## Events after the end of the interim period

On September 6, 2022, Knowit announced the acquisition of Ascend and its sister company Ionic, with a total of around 60 employees in Stockholm. The companies will become part of Knowit's business area Insight and strengthen the existing management offer primarily in the areas Business Technology and Commercial Excellence. The consideration for the companies initially totals SEK 200 million (enterprise value). Additional consideration can be paid out based on the EBITDA levels in the acquired units for 2022 and 2023, respectively. Additional consideration is estimated to total around SEK 50 million, which will also be taken up in the acquisition balance sheet on the acquisition day. During the twelve-month period ending on June 30, 2022, the companies had annual net sales of SEK 122 million and an EBITA of SEK 23,3 million. The acquisitions were finalized on October 1, 2022.

No significant events other than the aforementioned acquisition have occurred after the end of the interim period.

## Forward-looking information

Forward-looking information in this report is based on the expectations of Knowit's management team at the time of the report. While Knowit's management team assesses these expectations to be reasonable, there is no guarantee that these expectations are or will turn out to be correct. Consequently, future outcomes may vary significantly compared with what is presented in the future-oriented information, depending for example on changed market conditions for the Knowit corporation's offerings and more general conditions related to economy, market, competition, regulatory changes and other alterations in policy, as well as variations on exchange rates. Knowit does not commit to update or correct such forward-looking information beyond what is required by law.

## → OTHER INFORMATION

### Financial calendar

**YEAR-END REPORT 2022**

February 7, 2023, 7:30 AM

**INTERIM REPORT JANUARY – MARCH 2023**

May 3, 2023, 7:30 AM

**AGM 2023**

May 3, 2023, 5:00 PM

**INTERIM REPORT JANUARY – JUNE 2023**

June 20, 2023, 7:30 AM

**INTERIM REPORT JANUARY – SEPTEMBER 2023**

October 25, 2023, 7:30 AM

**YEAR-END REPORT 2023**

February 8, 2024, 7:30 AM

### Certification

The Chief Executive Officer certifies that the Interim Report gives a fair overview of the Group's and the Parent Company's operations, position and profit, and describes the significant risks and uncertainty factors faced by the Parent Company and the companies within the Group.

Stockholm, October 25, 2022

**PER WALLENTIN**

Chief Executive Officer

### Address and contact information

Knowit AB (company reg.no. 556391-0354)

Box 3383, 103 68 Stockholm

Visiting address: Klarabergsgatan 60

Phone: +46 (0)8 700 66 00, Fax: +46 (0)8 700 66 10

knowit.eu

### For more information

Per Wallentin, President and CEO, Knowit AB (publ), +46 (0)8 700 66 00 or

Christina Johansson, Head of Communications, Knowit AB (publ), +46 (0)8 700 66 00 or +46 (0)705 421 734 or

Marie Björklund, CFO, Knowit AB (publ),

+46 (0)8 700 66 00.

### About Knowit

We are digitalization consultants and a Nordic powerhouse for the digital business models of the future. Our vision is to create a sustainable and humane society through digitalization and innovation. Knowit supports its clients in the digital transformation and stands out among other consultancy firms through its decentralized organization and agile work methods in client assignments. The operations are divided into four business areas – Solutions, Experience, Connectivity, and Insight – which offer services in bespoke system development, digital customer experiences, the internet of things, cloud, cybersecurity, and management consultancy. Competences from several business areas are often combined in client projects.

Knowit was founded in 1990 and has around 4,000 employees, mainly in the Nordic countries, but also in operations in Poland and Germany. Knowit AB (publ) has been listed on the stock market since 1997 and is currently listed on Nasdaq OMX Stockholm Mid Cap. For more information on Knowit, please visit [knowit.eu](https://knowit.eu). ■

→ OTHER INFORMATION

# Review report

**TO THE BOARD OF DIRECTORS  
OF KNOWIT AB (PUBL)**  
*Corp. id. 556391-0354*

## Introduction

We have reviewed the condensed interim financial information (Interim Report) of Knowit AB (publ) as of September 30, 2022 and the nine-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.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A

review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## 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 October 25, 2022  
**KPMG AB**

**HELENA ARVIDSSON ÄLGNE**  
Authorized Public Accountant

## FINANCIAL STATEMENTS

# Consolidated income statement in summary

SEK, MILLIONS	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	JAN-DEC 2021
Net sales	1,520.9	1,190.9	4,860.9	3,236.0	4,811.8
Operating costs	-1,393.9	-1,057.8	-4,335.9	-2,882.5	-4,249.7
Depreciation of tangible fixed assets	-37.0	-38.6	-106.5	-83.1	-123.6
<b>Operating result before amortization of intangible assets (EBITA)</b>	<b>90.0</b>	<b>94.5</b>	<b>418.5</b>	<b>270.4</b>	<b>438.5</b>
Amortization of intangible fixed assets	-39.9	-25.1	-102.9	-39.3	-75.2
<b>OPERATING RESULT (EBIT)</b>	<b>50.1</b>	<b>69.4</b>	<b>315.6</b>	<b>231.1</b>	<b>363.3</b>
Financial incomes	16.3	3.8	83.3	8.1	20.6
Financial expenses	-29.2	-7.1	-51.9	-17.7	-13.8
<b>RESULT AFTER FINANCIAL ITEMS</b>	<b>37.2</b>	<b>66.1</b>	<b>347.0</b>	<b>221.5</b>	<b>370.1</b>
Tax	-16.0	-12.6	-73.8	-52.4	-75.3
<b>RESULT FOR THE PERIOD</b>	<b>21.2</b>	<b>53.5</b>	<b>273.2</b>	<b>169.1</b>	<b>294.8</b>
Result for the period attributable to shareholders in Parent Company	19.0	52.8	267.0	162.5	290.5
Result for the period attributable to non-controlling interests' holdings	2.2	0.7	6.2	6.6	4.3
<b>EARNINGS PER SHARE</b>					
Earnings per share, before dilution, SEK	0.69	1.93	9.74	7.24	12.26
Earnings per share, after dilution, SEK	0.69	1.93	9.74	7.24	12.26

# Consolidated comprehensive income in summary

SEK, MILLIONS	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	JAN-DEC 2021
<b>Profit for the period</b>	<b>21.2</b>	<b>53.5</b>	<b>273.2</b>	<b>169.1</b>	<b>294.8</b>
<i>Items that may later be reclassified to profit or loss</i>					
Loss on hedging of exchange rate risks in foreign operations	16.2	0.3	36.0	4.6	5.1
Tax effects on hedging	-3.3	-0.3	-7.4	-1.2	-1.3
Translation differences	23.1	7.1	64.1	32.1	54.3
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<b>36.0</b>	<b>7.1</b>	<b>92.7</b>	<b>35.5</b>	<b>58.1</b>
<b>Total comprehensive income for the period</b>	<b>57.2</b>	<b>60.6</b>	<b>365.9</b>	<b>204.6</b>	<b>352.9</b>
Total comprehensive income attributable to shareholders in Parent Company	54.6	60.2	359.3	198.3	348.6
Total comprehensive income attributable to non-controlling interests' holdings	2.6	0.4	6.6	6.3	4.3

→ FINANCIAL STATEMENTS

## Consolidated balance sheet in summary

SEK, MILLIONS	2022-09-30	2021-09-30	2021-12-31
<b>Assets</b>			
Intangible fixed assets	4,379.2	3,672.5	3,839.5
Tangible fixed assets	504.6	341.4	290.7
Financial fixed assets	10.8	18.2	17.0
Deferred tax assets	105.0	24.6	96.8
Current assets	1,586.2	1,231.1	1,240.0
Cash equivalents	638.5	792.4	851.4
<b>TOTAL ASSETS</b>	<b>7,224.3</b>	<b>6,080.2</b>	<b>6,335.4</b>
<b>Equity and liabilities</b>			
Share capital	27.4	27.4	27.4
Other capital provided and provisions	2,920.5	3,079.3	2,832.0
Retained earnings, including profit for the year	1,181.5	622.3	1,025.3
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY</b>	<b>4,129.4</b>	<b>3,729.0</b>	<b>3,884.7</b>
Non-controlling interests	7.5	12.6	7.7
<b>TOTAL EQUITY</b>	<b>4,136.9</b>	<b>3,741.6</b>	<b>3,892.4</b>
Non-current provisions	261.3	225.8	229.9
Interest-bearing non-current liabilities	1,259.7	326.5	286.3
Interest-bearing current liabilities	206.9	624.6	606.6
Other current liabilities	1,359.5	1,161.7	1,320.2
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,224.3</b>	<b>6,080.2</b>	<b>6,335.4</b>

→ FINANCIAL STATEMENTS

## Consolidated cash flow statement

SEK, MILLIONS	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	JAN-DEC 2021
<b>Operating activities</b>					
Profit before taxes	37.2	66.1	347.0	221.5	370.1
Adjustment for non-cash items	60.5	69.0	128.4	147.1	206.9
Paid taxes	-23.7	-10.0	-191.9	-70.5	-64.4
<b>CASH FLOW BEFORE CHANGES IN OPERATING CAPITAL</b>	<b>74.0</b>	<b>125.1</b>	<b>283.5</b>	<b>298.1</b>	<b>512.6</b>
Changes in operating capital	-54.0	-58.6	-127.6	-102.6	-49.8
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>20.0</b>	<b>66.5</b>	<b>155.9</b>	<b>195.5</b>	<b>462.8</b>
<b>Investing activities</b>					
Acquisition of businesses	-299.5	-227.6	-548.1	-237.1	-403.4
Acquisition on intangible assets	-5.5	-2.0	-7.0	-4.0	-4.1
Acquisition of property, plant and equipment	-8.6	-1.0	-37.3	-4.5	-8.0
Disposal of financial assets	–	–	75.3	3.6	3.6
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-313.6</b>	<b>-230.6</b>	<b>-517.1</b>	<b>-242.0</b>	<b>-411.9</b>
<b>Financing activities</b>					
New share issue	–	–	–	492.5	492.5
Amortization of loans and leasing liabilities	-31.6	-744.2	-92.1	-779.3	-813.9
Loans raised	250.1	600.0	344.7	600.0	600.0
Dividend	-1.0	–	-108.1	-151.0	-151.0
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>217.5</b>	<b>-144.2</b>	<b>144.5</b>	<b>161.2</b>	<b>126.6</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-76.1</b>	<b>-308.3</b>	<b>-216.7</b>	<b>114.7</b>	<b>177.5</b>
Cash and cash equivalents at the beginning of the period	715.9	1,100.6	851.4	675.6	675.6
Translation differences in cash and cash equivalents	-1.3	0.1	3.8	2.1	-1.7
<b>CASH AND CASH EQUIVALENTS, SEPTEMBER 30</b>	<b>638.5</b>	<b>792.4</b>	<b>638.5</b>	<b>792.4</b>	<b>851.4</b>

## → FINANCIAL STATEMENTS

# Consolidated statement of changes in equity

SEK, MILLIONS	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	JAN-DEC 2021
<b>Opening balance</b>	<b>4,083.8</b>	<b>2,079.8</b>	<b>3,892.4</b>	<b>1,545.0</b>	<b>1,545.0</b>
Translation differences	23.1	7.1	64.1	32.1	54.3
Result from hedging of currency risk in foreign currency	16.2	0.3	36.0	4.6	5.1
Tax effect, hedging of currency risk	-3.3	-0.3	-7.4	-1.2	-1.3
Result for the period	21.2	53.5	273.2	169.1	294.8
<b>TOTAL PROFIT FOR THE PERIOD RECOGNIZED IN THE INCOME STATEMENT</b>	<b>57.2</b>	<b>60.6</b>	<b>365.9</b>	<b>204.6</b>	<b>352.9</b>
<b>TOTAL BEFORE TRANSACTIONS WITH SHAREHOLDERS</b>	<b>4,141.0</b>	<b>2,140.4</b>	<b>4,258.3</b>	<b>1,749.6</b>	<b>1,897.9</b>
Non-controlling interests	0.2	–	0.2	-1.4	-4.4
Additional capital from non-controlling interest	-8.2	1.5	-18.4	1.5	1.5
Dividend paid	-1.0	–	-108.1	-152.0	-152.0
Acquisition of partially owned subsidiary with non-controlling interests	4.9	–	4.9	–	–
New share issue, company acquisition	–	1,599.7	–	2,143.9	2,149.4
<b>CLOSING BALANCE</b>	<b>4,136.9</b>	<b>3,741.6</b>	<b>4,136.9</b>	<b>3,741.6</b>	<b>3,892.4</b>

## Performance measures

	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	JAN-DEC 2021
Average number of employees	3,926	3,541	3,760	2,815	2,980
Sales per average number of employees, (SEK, 000s)	387	336	1,293	1,150	1,615
Result after financial items per average number of employees, (SEK, 000s)	9	19	92	79	124
Return on total capital, %	0.9	1.5	5.9	5.2	8.3
Return on equity, %	0.5	1.8	6.8	6.4	10.8
Return on capital employed, %	1.2	2.0	7.7	7.0	11.2
EBITA margin, %	5.9	7.9	8.6	8.4	9.1
Adjusted EBITA margin, %	6.2	8.8	8.8	9.5	10.1
Equity ratio, %	57.3	61.5	57.3	61.5	61.4

## Data per share

	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	JAN-DEC 2021
<b>Earnings per share, SEK</b>					
Before dilution	0.69	1.93	9.74	7.24	12.26
After dilution	0.69	1.93	9.74	7.24	12.26
<b>Equity per share, SEK</b>					
Before dilution	150.66	136.05	150.66	136.05	141.73
After dilution	150.66	136.05	150.66	136.05	141.73
<b>Average number of shares, (000s)</b>					
Before dilution	27,409	27,409	27,409	22,452	23,702
After dilution	27,409	27,409	27,409	22,452	23,702
<b>Number of shares on balance sheet day, (000s)</b>					
Before dilution	27,409	27,409	27,409	27,409	27,409
After dilution	27,409	27,409	27,409	27,409	27,409

→ FINANCIAL STATEMENTS

## Consolidated segment reporting

JUL-SEP 2022, SEK, MILLIONS	Solutions	Experience	Connectivity	Insight	Other	Total
External net sales	839.3	311.7	236.4	120.0	13.5	1,520.9
Net sales between segments	55.5	27.0	11.1	16.0	-109.6	–
<b>NET SALES</b>	<b>894.8</b>	<b>338.7</b>	<b>247.5</b>	<b>136.0</b>	<b>-96.1</b>	<b>1,520.9</b>
<b>Operating result before amortization of intangible assets (EBITA)</b>	<b>72.2</b>	<b>21.4</b>	<b>29.0</b>	<b>-8.3</b>	<b>-24.3</b>	<b>90.0</b>
Amortization of intangible assets	-16.6	-6.4	-11.6	-3.6	-1.7	-39.9
<b>OPERATING PROFIT (EBIT)</b>	<b>55.6</b>	<b>15.0</b>	<b>17.4</b>	<b>-11.9</b>	<b>-26.0</b>	<b>50.1</b>
Result after financial items						37.2
<b>RESULT FOR THE PERIOD</b>						<b>21.2</b>
<b>EBITA margin, %</b>	<b>8.1</b>	<b>6.3</b>	<b>11.7</b>	<b>-6.1</b>		<b>5.9</b>
<b>Average number of employees</b>	<b>1,790</b>	<b>894</b>	<b>699</b>	<b>418</b>	<b>125</b>	<b>3,926</b>
JUL-SEP 2021, SEK, MILLIONS	Solutions <sup>1)</sup>	Experience	Connectivity	Insight <sup>1)</sup>	Other	Total
External net sales	658.4	252.3	174.3	81.2	24.6	1,190.9
Net sales between segments	34.4	18.5	11.6	10.7	-75.1	–
<b>NET SALES</b>	<b>692.8</b>	<b>270.8</b>	<b>185.9</b>	<b>91.9</b>	<b>-50.5</b>	<b>1,190.9</b>
<b>Operating result before amortization of intangible assets (EBITA)</b>	<b>69.8</b>	<b>14.3</b>	<b>17.1</b>	<b>3.2</b>	<b>-10.1</b>	<b>94.5</b>
Amortization of intangible assets	-10.9	-4.0	-8.7	–	-1.5	-25.1
<b>OPERATING PROFIT (EBIT)</b>	<b>58.9</b>	<b>10.3</b>	<b>8.4</b>	<b>3.2</b>	<b>-11.6</b>	<b>69.4</b>
Result after financial items						66.1
<b>RESULT FOR THE PERIOD</b>						<b>53.5</b>
<b>EBITA margin, %</b>	<b>10.1</b>	<b>5.3</b>	<b>9.2</b>	<b>3.5</b>		<b>7.9</b>
<b>Average number of employees</b>	<b>1,680</b>	<b>819</b>	<b>644</b>	<b>296</b>	<b>102</b>	<b>3,541</b>

The Group's operations are organized so that the corporate management primarily follows up on net sales, EBITA profit, and average number of employees for the Group's segments. The Corporate Management Team does not follow up on balance sheet items other than intangible assets across the different operating segments. Other items include cloud services of a smaller scope, where Knowit can, through its partnerships, offer the cloud supplier that is best suited for the client's specific needs and IT structure. Other items also include the Parent Company's group-wide costs for management, financials, and marketing, and adjustments related to IFRS 16, which are not allocated to the segments.

1) On January 1, 2022, a smaller operation formerly part of the segment Solutions was transferred to the segment Insight. The comparative figures have been presented in accordance with the new segmentation. No items that impair comparison have affected the segments during the period.

## → FINANCIAL STATEMENTS

# Group segment reporting in summary, continued

JAN-SEP 2022, SEK, MILLIONS	Solutions	Experience	Connectivity	Insight	Other	Total
External net sales	2,619.9	1,072.1	706.3	421.6	41.0	4,860.9
Net sales between segments	183.6	81.4	46.6	55.0	-366.6	–
<b>NET SALES</b>	<b>2,803.5</b>	<b>1,153.5</b>	<b>752.9</b>	<b>476.6</b>	<b>-325.6</b>	<b>4,860.9</b>
<b>Operating result before amortization of intangible assets (EBITA)</b>	<b>288.1</b>	<b>119.4</b>	<b>83.9</b>	<b>35.9</b>	<b>-108.8</b>	<b>418.5</b>
Amortization of intangible assets	-40.6	-19.1	-30.9	-7.2	-5.1	-102.9
<b>OPERATING PROFIT (EBIT)</b>	<b>247.5</b>	<b>100.3</b>	<b>53.0</b>	<b>28.7</b>	<b>-113.9</b>	<b>315.6</b>
Result after financial items						347.0
<b>RESULT FOR THE PERIOD</b>						<b>273.2</b>
<b>EBITA margin, %</b>	<b>10.3</b>	<b>10.4</b>	<b>11.1</b>	<b>7.5</b>		<b>8.6</b>
<b>Average number of employees</b>	<b>1,699</b>	<b>887</b>	<b>670</b>	<b>380</b>	<b>124</b>	<b>3,760</b>
<b>Intangible assets</b>	<b>2,100.1</b>	<b>741.4</b>	<b>1,186.2</b>	<b>337.1</b>	<b>14.4</b>	<b>4,379.2</b>
<b>Tangible fixed assets</b>	<b>17.1</b>	<b>4.7</b>	<b>10.8</b>	<b>1.7</b>	<b>470.3</b>	<b>504.6</b>
<b>JAN-SEP 2021, SEK, MILLIONS</b>	<b>Solutions<sup>1)</sup></b>	<b>Experience</b>	<b>Connectivity<sup>1)</sup></b>	<b>Insight<sup>1)</sup></b>	<b>Other</b>	<b>Total</b>
External net sales	1,831.4	868.2	225.5	278.7	32.1	3,236.0
Net sales between segments	73.9	73.1	24.5	36.0	-207.5	–
<b>NET SALES</b>	<b>1,905.3</b>	<b>941.3</b>	<b>250.0</b>	<b>314.8</b>	<b>-175.4</b>	<b>3,236.0</b>
<b>Operating result before amortization of intangible assets (EBITA)</b>	<b>205.5</b>	<b>89.6</b>	<b>23.1</b>	<b>23.8</b>	<b>-71.6</b>	<b>270.4</b>
Amortization of intangible assets	-14.3	-11.9	-8.7	–	-4.4	-39.3
<b>OPERATING PROFIT (EBIT)</b>	<b>191.2</b>	<b>77.7</b>	<b>14.4</b>	<b>23.8</b>	<b>-76.0</b>	<b>231.1</b>
Result after financial items						221.5
<b>RESULT FOR THE PERIOD</b>						<b>169.1</b>
<b>EBITA margin, %</b>	<b>10.8</b>	<b>9.5</b>	<b>9.2</b>	<b>7.6</b>		<b>8.4</b>
<b>Average number of employees</b>	<b>1,419</b>	<b>813</b>	<b>252</b>	<b>275</b>	<b>56</b>	<b>2,815</b>
<b>Intangible assets</b>	<b>1,892.6</b>	<b>593.1</b>	<b>1,105.7</b>	<b>60.3</b>	<b>20.8</b>	<b>3,672.5</b>
<b>Tangible fixed assets</b>	<b>7.7</b>	<b>6.5</b>	<b>0.3</b>	<b>0.1</b>	<b>326.8</b>	<b>341.4</b>

The Group's operations are organized so that the corporate management primarily follows up on net sales, EBITA profit, and average number of employees for the Group's segments. The Corporate Management Team does not follow up on balance sheet items other than intangible assets across the different operating segments. Other items include cloud services of a smaller scope, where Knowit can, through its partnerships, offer the cloud supplier that is best suited for the client's specific needs and IT structure. Other items also include the Parent Company's group-wide costs for management, financials, and marketing, and adjustments related to IFRS 16, which are not allocated to the segments.

1) On July 1, Knowit performed an organizational change which meant that operations formerly part of the segment Solutions were moved to the new segment Connectivity. Further, a smaller operation formerly part of the segment Solutions has as of December 31, 2021, been moved to the segment Insight. The comparative figures are given based on the new segmentation. Comparison-impairing items have not affected the segments during the period.

→ FINANCIAL STATEMENTS

## Group revenue from client contracts

SEK, MILLIONS	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021 <sup>1)</sup>	JAN-DEC 2021 <sup>1)</sup>
<b>GEOGRAPHIC CATEGORIZATION</b>					
<b>Fee revenue</b>					
Sweden	612.7	578.9	2,191.2	1,586.5	2,412.6
Norway	463.2	340.8	1,487.3	1,125.7	1,555.7
Finland	130.3	105.7	406.1	195.5	317.1
Denmark	167.0	78.8	417.5	158.8	248.3
Poland	51.6	35.8	143.1	35.8	75.0
Other	6.3	3.5	16.0	11.7	15.7
<b>TOTAL FEE REVENUE</b>	<b>1,431.0</b>	<b>1,143.5</b>	<b>4,661.1</b>	<b>3,113.9</b>	<b>4,624.4</b>
<b>Other revenue</b>					
Sweden	51.0	31.1	113.4	75.9	108.5
Norway	7.9	12.1	35.4	37.9	50.1
Finland	7.7	2.8	22.2	3.7	21.3
Denmark	23.1	0.9	27.3	3.9	6.0
Poland	0.5	0.6	1.9	0.6	1.3
Other	-0.3	0.0	-0.4	0.0	0.2
<b>TOTAL OTHER REVENUE</b>	<b>89.9</b>	<b>47.4</b>	<b>199.8</b>	<b>122.1</b>	<b>187.4</b>
<b>TOTAL NET REVENUE</b>	<b>1,520.9</b>	<b>1,190.9</b>	<b>4,860.9</b>	<b>3,236.0</b>	<b>4,811.8</b>
<b>SEGMENT CATEGORIZATION</b>					
<b>Fee revenue</b>					
Solutions	848.2	676.7	2,712.9	1,863.3	2,767.6
Experience	316.2	253.2	1,095.1	880.4	1,222.0
Connectivity	219.9	173.7	684.0	222.1	438.5
Insight	134.0	90.9	467.4	311.3	453.6
Other	-87.3	-51.1	-298.3	-163.2	-257.3
<b>TOTAL FEE REVENUE</b>	<b>1,431.0</b>	<b>1,143.5</b>	<b>4,661.1</b>	<b>3,113.9</b>	<b>4,624.4</b>
<b>Other revenue</b>					
Solutions	46.6	16.1	90.6	42.0	75.4
Experience	22.5	17.6	58.4	60.8	84.8
Connectivity	27.6	12.2	68.9	28.0	40.9
Insight	2.0	1.0	9.2	3.5	5.2
Other	-8.8	0.5	-27.3	-12.2	-18.9
<b>TOTAL OTHER REVENUE</b>	<b>89.9</b>	<b>47.4</b>	<b>199.8</b>	<b>122.1</b>	<b>187.4</b>
<b>TOTAL NET REVENUE</b>	<b>1,520.9</b>	<b>1,190.9</b>	<b>4,860.9</b>	<b>3,236.0</b>	<b>4,811.8</b>

Segmentation is updated in accordance with the segment reporting on page 21-22. The comparative figures for 2021 have been updated. The revenue category Software licenses is reported under the category Other revenue, as the amount is not significant. For more information, see Note 1 Accounting and valuation principles, pages 71-77 in the Annual Report 2021.

1) Net sales per country in the previous year have been adjusted due to a partially erroneous allocation during 2021.

→ FINANCIAL STATEMENTS

## Financial assets and liabilities at fair value and categorization

SEK, MILLIONS	2022-09-30			2021-09-30		
	Financial assets valued at amortized costs	Financial assets valued at fair value in income statement	Fair value	Financial assets valued at fair value in income statement	Financial assets valued at fair value in income statement	Fair value
<b>Assets in balance sheet</b>						
Other long-term securities	–	2.4	2.4 <sup>1)</sup>	–	3.3	3.3 <sup>1)</sup>
Other long-term receivables	3.4	–	3.4	4.3	–	4.3
Accounts receivable and other receivables	1,399.3	–	1,399.3	796.4	–	796.4
Liquid assets	638.5	–	638.5	792.4	–	792.4
<b>TOTAL</b>	<b>2,041.2</b>	<b>2.4</b>	<b>2,043.6</b>	<b>1,593.1</b>	<b>3.3</b>	<b>1,596.4</b>

SEK, MILLIONS	2022-09-30			2021-09-30		
	Other financial liabilities	Financial liabilities valued at fair value in income statement	Fair value	Other financial liabilities	Financial liabilities valued at fair value in income statement	Fair value
<b>Liabilities in balance sheet</b>						
Future additional considerations	–	175.2	175.2 <sup>2)</sup>	–	182.9	182.9 <sup>2)</sup>
Future consideration	43.7	–	43.7 <sup>2)</sup>	12.4	–	12.4 <sup>2)</sup>
Liabilities to sellers	–	–	–	–	–	–
Other interest-bearing liabilities	1,247.7	–	1,247.7	345.4	–	345.4
Accounts payable	347.4	–	347.4	254.1	–	254.1
Other liabilities	367.1	–	367.1	862.9	–	862.9
<b>TOTAL</b>	<b>2,005.9</b>	<b>175.2</b>	<b>2,181.1</b>	<b>1,474.8</b>	<b>182.9</b>	<b>1,657.7</b>

1) Fair value pursuant to categorization level 2

2) Fair value pursuant to categorization level 3

Reported values of Group financial assets and liabilities, distributed based on classification pursuant to IFRS 9, are summarized in the above table. No financial assets or liabilities are reported at a value that significantly deviates from fair value. For more information, see Note 23 in the Annual Report for 2021.

The table below shows a reconciliation of the opening and closing balances for financial instruments valued at level 3.

SEK, MILLIONS	Other financial liabilities	Future considerations	Liabilities to sellers
<b>Fair value, 2022-01-01</b>	<b>177.7</b>	<b>12.3</b>	<b>–</b>
<b>Total recognized profits and losses:</b>			
Recognized in profit/loss for the year	24.6	–	–
Recognized in equity	–	18.2	–
Settlement of future additional considerations, options and future consideration	-63.5	-11.0	–
Cost of acquisitions	36.4	24.2	–
<b>Fair value, 2022-09-30</b>	<b>175.2</b>	<b>43.7</b>	<b>–</b>
<b>Fair value, 2021-01-01</b>	<b>169.0</b>	<b>27.3</b>	<b>54.1</b>
<b>Total recognized profits and losses:</b>			
Recognized in profit/loss for the year	6.8	–	–
Recognized in equity	–	-1.5	–
Settlement of future additional considerations, options and future consideration	–	-13.4	-54.1
Cost of acquisitions	7.1	–	–
<b>Fair value, 2021-09-30</b>	<b>182.9</b>	<b>12.4</b>	<b>–</b>

→ FINANCIAL STATEMENTS

## Income statement Parent Company

SEK, MILLIONS	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	JAN-DEC 2021
Net sales	162.5	119.3	525.1	404.8	569.2
Operating costs	-190.4	-186.8	-619.8	-512.7	-672.3
Depreciation of property, plant and equipment	-0.9	-0.3	-1.6	-0.9	-1.2
<b>OPERATING RESULT BEFORE AMORTIZATION OF INTANGIBLE ASSETS (EBITA)</b>	<b>-28.8</b>	<b>-67.8</b>	<b>-96.3</b>	<b>-108.8</b>	<b>-104.3</b>
Amortization of intangible assets	-1.3	-1.2	-4.0	-3.5	-4.8
<b>OPERATING RESULT (EBIT)</b>	<b>-30.1</b>	<b>-69.0</b>	<b>-100.3</b>	<b>-112.3</b>	<b>-109.1</b>
Financial items	265.3	37.5	270.8	51.7	209.6
<b>RESULT AFTER FINANCIAL ITEMS</b>	<b>235.2</b>	<b>-31.5</b>	<b>170.5</b>	<b>-60.6</b>	<b>100.5</b>
Appropriations	-	-	-	-	-12.3
Income tax	0.4	0.5	0.4	0.5	-16.6
<b>RESULT FOR THE PERIOD</b>	<b>235.6</b>	<b>-31.0</b>	<b>170.9</b>	<b>-60.1</b>	<b>71.6</b>

## Balance sheet Parent Company

SEK, MILLIONS	2022-09-30	2021-09-30	2021-12-31
<b>Assets</b>			
Intangible assets	11.4	16.6	15.3
Property, plant and equipment	15.5	1.5	1.4
Financial non-current assets	5,308.2	3,894.4	4,888.1
Current assets	493.6	160.7	125.5
Cash equivalents	472.6	577.0	699.2
<b>TOTAL ASSETS</b>	<b>6,301.3</b>	<b>4,650.2</b>	<b>5,729.5</b>
<b>Equity and liabilities</b>			
Share capital	27.4	27.4	27.4
Statutory reserve	68.0	68.0	68.0
Fund for development costs	-	1.7	0.4
Unrestricted share capital including result for the period	2,632.0	2,420.9	2,556.6
<b>TOTAL EQUITY</b>	<b>2,727.4</b>	<b>2,518.0</b>	<b>2,652.4</b>
Untaxed reserves	128.0	115.7	128.0
Non-current provisions	1,552.5	-	759.3
Provisions	89.1	136.1	133.3
Interest-bearing current liabilities	0.0	510.9	508.4
Other current liabilities	1,804.3	1,369.5	1,548.1
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,301.3</b>	<b>4,650.2</b>	<b>5,729.5</b>

## → FINANCIAL STATEMENTS

# Acquired operations

### 1508.dk A/S and Strømlin APS

On January 3, 2022, Knowit AB acquired 80 percent of the shares in the design agency 1508.dk A/S and 100 percent of the tech agency Strømlin ApS. The remaining 20 percent of 1508.dk A/S will be acquired during 2023 and 2024. The new operations, combined with the existing operations of the business area Experience in Copenhagen and Aarhus, are expected to become a strong platform for continued growth on the Danish market. The companies' offers supplement each other well and reinforce Knowit Experience's offer in mainly design, consultancy, and tech. The acquisition analysis remains preliminary.

### Swedspot AB

On June 1, 2022, Knowit acquired 100 percent of all shares in Swedspot AB, a company with a strong focus on software development for the car industry. The company has around 40 employees and is based in Gothenburg and Trollhättan. Swedspot will be an important addition to Knowit's business area Connectivity, supplementing existing offers in embedded systems with both broad competence in software development and a unique platform with smart services for connected vehicles. The acquisition analysis remains preliminary.

SEK, MILLIONS	1508.dk A/S	Strømlin ApS	Swedspot AB	Total
<b>Consideration paid</b>				
Liquid assets	67.7	45.2	87.6	200.5
Liabilities to sellers	6.2	14.7	–	20.9
Contingent consideration / Contingent additional consideration	17.2	–	13.8	31.0
<b>Total consideration paid to sellers</b>	<b>91.1</b>	<b>59.9</b>	<b>101.4</b>	<b>252.4</b>

Contingent consideration pertaining to 1508.dk A/S shall be paid based on future results for the company and will be settled in 2023 and 2024. Debts to the sellers were settled during the second quarter 2022. Contingent additional consideration pertaining to Swedspot AB shall be paid out based on future results and will be settled 2023. Another contingent additional consideration is paid when the company achieves a particular result level, although no later than 2025. The sums that are discounted as reported in predicted results.

The assets reported are preliminary fair value of identifiable acquired assets and adopted debts:

SEK, MILLIONS	1508.dk A/S	Strømlin ApS	Swedspot AB	Total
Intangible assets	24.8	25.6	34.2	84.6
Tangible assets	0.5	0.2	0.5	1.2
Current assets	11.1	4.9	14.4	30.4
Liquid assets	4.9	10.1	13.7	28.7
Long-term liabilities	-7.9	-6.3	-8.7	-22.8
Short-term liabilities	-7.6	-8.6	-12.6	-28.8
<b>Acquired identifiable net assets</b>	<b>25.9</b>	<b>25.9</b>	<b>41.5</b>	<b>93.3</b>
Goodwill	65.3	34.0	59.9	159.2
<b>Acquired net assets</b>	<b>91.1</b>	<b>59.9</b>	<b>101.4</b>	<b>252.5</b>

The goodwill that arises through the acquisitions is attributable to the high profitability of the companies and the synergy effects that are expected from the merger of the companies and Knowit's operations.

1508.dk A/S has during January to June 2022 contributed with revenue of SEK 39.9 million and EBITA of SEK 7.1 million. Swedspot AS has during June 2022 contri-

buted with revenue of SEK 14.7 million and EBITA of SEK 2.5 million. Strømlin ApS has during the second quarter been integrated with Knowit's operations, making it impossible to determine how much the company contributed with in revenue and EBITA during the period January to June 2022.

SEK, MILLIONS	1508.dk A/S	Strømlin ApS	Swedspot AB	Total
<b>Cash flow from acquiring subsidiaries, less acquired liquid assets</b>				
Cash consideration	-67.7	-45.2	-87.6	-200.6
Acquired liquid assets	4.9	10.1	13.7	28.7
<b>Impact on the Group's liquid assets</b>	<b>-62.8</b>	<b>-35.2</b>	<b>-73.9</b>	<b>-171.9</b>

In total, acquisition-related costs pertaining to the acquisition of Swedspot AB, totaling SEK 1.1 million, are included in EBITA and in the operating activities in the cash

flow analysis. Acquisitions costs pertaining to 1508.dk A/S and Strømlin ApS were included in EBITA and cash flow in 2021.

## → FINANCIAL STATEMENTS

# Acquired operations, continued

### Miracle A/S

On July 1, 2022, Knowit acquired 90 percent of the shares in Miracle A/S, a Danish consultancy firm with well-positioned operations in system development and advisory activities, and high competence in open source platforms. The company has around 130 employees, with offices in Copenhagen, Aarhus, and Aalborg. Miracle is part of the business area Knowit Solutions and will significantly strengthen Knowit's position on the Danish market. The acquisition analysis remains preliminary.

### Marketing Clinic Oy

On July 1, 2022, Knowit acquired 100 percent of the shares in the holding company Marketing Clinic Oy. The company has around 60 strategy consultants, primarily in Helsinki, with operations in Oslo and Stockholm as well. Through the acquisition, Knowit will strengthen its position in management consulting on the Finnish market and broaden its offer in growth and business development strategies. Marketing Clinic is primarily part of Knowit Insight. The acquisition analysis remains preliminary.

SEK, MILLIONS	Miracle A/S	Marketing Clinic Oy	Total
<b>Consideration paid</b>			
Liquid assets	209.0	102.1	311.1
Liabilities to sellers	28.3	–	28.3
Contingent additional consideration	–	7.8	7.8
<b>Total consideration paid to sellers</b>	<b>237.3</b>	<b>109.9</b>	<b>347.2</b>

The debts to the sellers of Miracle A/S have been settled during the third quarter 2022. Contingent additional consideration for Marketing Clinic may be paid out based on the companies' results in 2022. Discounted sums are reported as estimated outcomes.

The assets reported are preliminary fair value of identifiable acquired assets and adopted debts:

SEK, MILLIONS	Miracle A/S	Marketing Clinic Oy	Total
Intangible assets	101.6	35.2	136.8
Tangible assets	0.4	0.9	1.3
Current assets	69.0	22.2	91.2
Liquid assets	29.4	10.5	39.9
Long-term liabilities	-29.5	-7.4	-36.9
Short-term liabilities	-51.0	-18.4	-69.4
Non-controlling interest shares of net assets	-4.9	–	-4.9
<b>Acquired identifiable net assets</b>	<b>115.0</b>	<b>43.0</b>	<b>158.0</b>
Goodwill	122.3	66.9	189.2
<b>Acquired net assets</b>	<b>237.3</b>	<b>109.9</b>	<b>347.2</b>

The goodwill that arises through the acquisitions is attributable to the high profitability of the companies and the synergy effects that are expected from the merger of the companies and Knowit's operations.

During the period July to September 2022, Miracle A/S and Marketing Clinic Oy have contributed with revenue of SEK 70.0 million and SEK 14.0 million, respectively, and EBITA of SEK -2.5 million and SEK -7.9 million, respectively.

SEK, MILLIONS	Miracle A/S	Marketing Clinic Oy	Total
<b>Cash flow from acquiring subsidiaries, less acquired liquid assets</b>			
Cash consideration	-209.0	-102.1	-311.1
Acquired liquid assets	29.4	10.5	39.9
<b>Impact on the Group's liquid assets</b>	<b>-179.6</b>	<b>-91.6</b>	<b>-271.2</b>

In total, acquisition-related costs of SEK 6.8 million are included in EBITA and in the operating activities in the cash flow analysis, of which SEK 2.5 million pertain to the acquisition of Miracle A/S and SEK 3.9 million to the acquisition of Marketing Clinic Oy. The remaining SEK 0.4

million pertain to acquisitions finalized on October 1, 2022. If all acquisitions in 2022 had been performed on January 1, 2022, the Group would, pro forma for revenue and EBITA, have totaled SEK 5,101.3 million and SEK 430.1 million, respectively, during the year.

## → FINANCIAL STATEMENTS

# Financial overview by business area

The table shows the outcome for the quarter and interim period, with comparative figures including acquisitions, to facilitate analysis.

SEK, MILLIONS	JUL-SEP 2022	JUL-SEP 2021 <sup>1)</sup>	JUL-SEP 2021 incl. acquisitions <sup>2)</sup>	JAN-SEP 2022	JAN-SEP 2021 <sup>1)</sup>	JAN-SEP 2021 incl. acquisitions <sup>2)</sup>
<b>The Group</b>						
Net sales	1,520.9	1,190.9	1,327.7	4,860.9	3,236.0	4,356.0
Adjusted EBITA profit	94.5	105.3	108.2	429.1	306.9	389.5
Adjusted EBITA margin, %	6.2	8.8	8.2	8.8	9.5	8.9
Number of employees at the end of the period	4,315	3,857	4,182	4,315	3,857	4,182
<b>Business areas</b>						
<b>Solutions</b>						
Net sales	894.8	692.8	764.3	2,803.5	1,905.3	2,450.0
Adjusted EBITA profit	72.2	69.8	68.3	288.1	205.5	261.1
Adjusted EBITA margin, %	8.1	10.1	8.9	10.3	10.8	10.7
Number of employees at the end of the period	1,921	1,785	1,914	1,921	1,785	1,914
<b>Experience</b>						
Net sales	338.7	270.8	286.5	1,153.5	941.3	1,006.0
Adjusted EBITA profit	21.4	14.3	18.0	119.4	89.6	98.5
Adjusted EBITA margin, %	6.3	5.3	6.3	10.4	9.5	9.8
Number of employees at the end of the period	1,002	934	974	1,002	934	974
<b>Connectivity</b>						
Net sales	247.5	185.9	195.1	752.9	250.0	639.1
Adjusted EBITA profit	29.0	17.1	18.4	83.9	23.1	58.8
Adjusted EBITA margin, %	11.7	9.2	9.5	11.1	9.2	9.2
Number of employees at the end of the period	757	677	713	757	677	713
<b>Insight</b>						
Net sales	136.0	91.9	132.3	476.6	314.8	462.4
Adjusted EBITA profit	-8.3	3.2	2.6	35.9	23.8	42.1
Adjusted EBITA margin, %	-6.1	3.5	2.0	7.5	7.6	9.1
Number of employees at the end of the period	482	350	470	482	350	470

1) The comparative figures have been recalculated retroactively based on the new segmentation implemented as of July 1, 2021.

2) The adjustments of pertain to the acquisitions of Cybercom from January to July, Capacent, 1508.dk A/S, and Strømlin ApS from January to September, Swedspot from June to September, and Miracle A/S and Marketing Clinic Oy from July to September, 2021.

## → FINANCIAL STATEMENTS

# Financial overview by country

The table shows the profit/loss by quarter and period where comparative figures are shown to facilitate analysis. Net sales per country in the previous year have been corrected, meaning that the comparative figures for 2021 have been updated.

SEK, MILLIONS	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	JAN-DEC 2021
<b>Sweden</b>					
Net sales	663.6	609.9	2,304.5	1,662.4	2,521.2
EBITA	56.5	52.5	292.2	179.9	306.5
EBITA margin, %	8.5	8.6	12.7	10.8	12.2
<b>Norway</b>					
Net sales	471.1	352.9	1,522.7	1,163.6	1,606.7
EBITA	31.3	33.4	143.6	127.9	175.7
EBITA margin, %	6.6	9.5	9.4	11.0	10.9
<b>Finland</b>					
Net sales	137.9	108.5	428.2	199.2	338.4
EBITA	4.4	7.2	22.8	10.9	30.3
EBITA margin, %	3.2	6.6	5.3	5.5	9.0
<b>Denmark</b>					
Net sales	190.1	79.6	444.8	162.7	254.3
EBITA	10.4	5.6	33.4	14.6	22.6
EBITA margin, %	5.4	7.0	7.5	9.0	8.9
<b>Poland</b>					
Net sales	52.2	36.4	145.1	36.4	76.2
EBITA	6.9	3.9	16.1	3.9	7.7
EBITA margin, %	13.3	10.7	11.1	10.7	10.1

## OTHER

# Definitions

## Alternative key figures

Knowit uses alternative performance measures, as we believe they are relevant for following up the long-term financial targets and to provide a fair view of Knowit's profit and financial position. For instance, the Board has determined that the Company should grow faster than the market, with the goal of an annual growth rate of around 15 percent over time, and that the EBITA margin should grow to 12 percent over time. Further, net liabilities relative to EBITDA should not exceed two multiples over time. We also monitor capital employed, as it is an important aspect of the working capital turnover. Knowit's alternative performance measures are EBITDA profit, EBITA profit, adjusted EBITA profit, EBITA margin, adjusted EBITA margin, net debt, average equity, return on equity, capital employed, and return on capital employed.

For more information on our long-term financial targets and further definitions of performance measures, see pages 4 and 91 in the Annual Report for 2021. ■

**EBITDA PROFIT** Profit before depreciation and amortization of tangible and intangible non-current assets, respectively.  $(418.5 + 102.9 = 521.4)$

**EBITA PROFIT** Profit before amortization of intangible non-current assets.

**ADJUSTED EBITA PROFIT** This performance measure is used as of the second quarter in 2021, for which reason no comparative figures for earlier periods are presented. EBITA is adjusted for items that impair comparability between periods, to provide increased understanding of the Group's underlying operative activities. Adjusted items include costs connected to acquisitions and disposals and costs for restructuring and integration programs.

This year's adjustments of SEK 10.6 million encompass expenses for legal and financial consultancy in connection with the acquisition transactions, totaling SEK 7.9 million encompass expenses for legal and financial consultancy in connection with the acquisition transactions, totaling SEK 2.7 million. They also include adjustments for integration and restructuring expenses such as financial and legal consultancy regarding restructuring, project management of integrations, financing expenses, and tax expenses connected to internal disposal of acquired foreign operations.  $(418.5 + 10.6 = 429.1)$

**EBITA MARGIN** Profit before amortization of intangible non-current assets (EBITA) in relation to net sales for the period.  $(418.5 / 4,860.9 = 8.6\%)$

**ADJUSTED EBITA MARGIN** Adjusted EBITA profit in relation to net sales for the period.  $(429.1 / 4,860.9 = 8.8\%)$

**NET DEBT** Interest-bearing liabilities less financial interestbearing assets.  $(1,259.7 + 206.9 - 1,586.2 = -119.6)$

**AVERAGE EQUITY** The average of the period's opening equity balance and the period's closing equity balance.  $((3,892.4 + 4,136.9) / 2 = 4,014.7)$

**RETURN ON EQUITY** Profit after full tax as a percentage of average equity including non-controlling interests.  $(273.2 / 4,014.7 = 6.8\%)$

**CAPITAL EMPLOYED** Equity plus interest-bearing liabilities.  $((3,892.4 + 286.3 + 606.6 + 4,136.9 + 1,259.7 + 206.9) / 2 = 5,194.4)$

**RETURN ON CAPITAL EMPLOYED** Profit after financial items plus financial expenses expressed as a percentage of average capital employed.  $((347.0 + 51.9) / 5,194.4 = 7.7\%)$