



Interim report

1 April – 30 June 2021

SELECTED FINANCIAL INFORMATION

Period	Net sales	EBITA*	EBIT	Earnings for the period after tax	Earnings ¹⁾ per ordinary share after dilution
April - June 2021	665.3 MSEK (483.4)	120.7 MSEK (82.6)	88.5 MSEK (78.0)	58.7 MSEK (38.3)	1.57 Kr (1.07)
January – June 2021	1,323.6 MSEK (967.8)	236.6 MSEK (153.5)	179.2 MSEK (146.8)	122.9 MSEK (90.2)	3.29 Kr (2.65)
LTM June 2021	2,443.8 MSEK (1,922.3)	430.5 MSEK (301.2)	342.8 MSEK (277.5)	252.8 MSEK (187.4)	6.79 Kr (5.57)

1) average number of shares after deduction of dividends to preference shareholders

SECOND QUARTER 2021

- Operating profit EBITA* increased by 46.1% to SEK 120.7 million (82.6), corresponding to an EBITA*margin of 18.1% (17.1). Organic EBITA* growth for the Group was -7.8%, excluding currency effects. Sdiptech had an extra high profitability during Q2 2020 due to cost reductions and governmental grants.
- Net sales increased by 37.6% to SEK 665.3 million (483.4). In total for the Group, organic sales growth was 15.7%, excluding currency effects. The net sales during Q2 2020 were negatively affected by the pandemic.
- Profit after acquisition costs, including profit from divestments but before financial items (EBIT) increased by 13.5% and amounted to SEK 88.5 million (78.0). Capital loss from divestments amounted to SEK 20 million.
- Earnings after tax for the Group amounted to SEK 58.7 million (38.3), of which SEK 59.7 million (36.9) was attributable to the Parent Company's shareholders.
- Cash flow from current operations amounted to SEK 27.1 million (163.6), corresponding to a cash conversion of 26% (180). Increased accounts receivable due to good sales and a preventive inventory build-up to meet any component shortages affected the cash flow negatively.
- Earnings per ordinary share (average number), less minority interests and dividends on preference shares amounted to SEK 1.59 (1.07). After dilution, earnings per shares amounted to SEK 1.57 Kr (1.07).
- Divestments of the Swedish and Austrian elevator businesses were completed during the period with an accounted loss of SEK 20 million, mainly due to release of goodwill for future profits.
- On June 4, Sdiptech acquired all shares in Ficon Oy.
- Sdiptech's shares were introduced on Nasdaq Stockholm, Large Cap, 11 June.

EVENTS AFTER REPORTING DATE

- No significant events are noted.

FIRST SIX MONTHS 2021

- Operating profit EBITA* increased by 54.1% to SEK 236.6 million (153.5), corresponding to an EBITA* margin of 17.9% (15.9). Organic EBITA* growth for the Group was 1.3%, excluding currency effects.
- Net sales increased by 36.8% to SEK 1,323.6 million (967.8). In total for the Group, organic sales growth was 12.7%, excluding currency effects.
- Profit after acquisition costs before financial items (EBIT) increased by 22.1% and amounted to SEK 179.2 million (146.8). Acquisition costs for the period were particularly high due to strategic divestments and a larger acquisition in the UK and stamp duty in connection therewith. In addition, capital loss related to divestments amounted SEK 20 million.
- Earnings after tax for the Group amounted to SEK 122.9 million (90.2), of which SEK 122.4 million (88.9) was attributable to the Parent Company's shareholders.
- Cash flow from current operations amounted to SEK 66.5 million (222.0), corresponding to a cash conversion of 36% (129). Due to high profits and postponements of tax in 2020, more tax was paid than normal during the period. In addition, an increased amount of accounts receivables due to good sales and inventory was built to prevent material shortage.
- Earnings per ordinary share (average number), less minority interests and dividends on preference shares amounted to SEK 3.32 (2.67). After dilution, earnings per shares amounted to SEK 3.29 Kr (2.65).
- During the period January to June, Sdiptech acquired Rolec Services Ltd, One Stop Europe (Rolec) and Ficon Oy.
- During the first six months, divestments of Tello Service Partner as well as the Swedish and Austrian elevator businesses were completed. All units belonged to the Property Technical Services segment.
- On March 9, Sdiptech carried out a directed share issue that contributed approximately SEK 464 million to equity after issuance costs.

KEY RATIOS (for definitions, please refer to page 24) (SEK million)	3 months		6 months		12 months	
	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM June 2021	Jan -Dec 2020
EBITA* margin	18.1%	17.1%	17.9%	15.9%	17.6%	16.6%
Financial net debt/EBITDA, multiple	0.99	1.13	0.99	1.13	0.99	0.84
Return on capital employed	11.1%	12.0%	11.1%	12.0%	11.1%	12.1%
Return on equity	12.7%	14.8%	12.7%	14.8%	12.6%	14.3%
Cash flow generation	26%	180%	36%	129%	74%	109%

) EBITA is the Group's operating profit and corresponds to EBITA before acquisition costs and before income from revaluation of contingent consideration payments and before acquisition-related amortization and write-downs of intangible assets, see page 7.



COMMENTS BY THE CEO

SDIPTTECH DELIVERS A STRONG FIRST HALF YEAR

Sdipotech's overall goal is to increase profits through both organic growth and acquisitions. On average, we have had an annual profit growth rate of 36.1 percent since 2016. During the first half of the year, we increased the pace and EBITA* rose by a total of 54.1 percent. The multi-year trend of increased profitability continues and our EBITA* margin rose during the first half of the year by two percentage points, from 15.9 to 17.9 percent.

THE QUARTER

We can proudly present another good quarter for Sdipotech. During the three-month period, our business units delivered with full capacity and strong demand, corresponding to sales growth of 37.6 percent, of which 15.7 percent was organically excluding currency effects. The comparative figures from last year were however characterized by a period when the pandemic hit Sdipotech the hardest, mainly in the form of delayed projects. In accordance with what was communicated at the time, Sdipotech showed a delivery against planned orders of 85–95 percent.

While the comparative figures for sales were temporarily weakened during the second quarter of 2020, we had an extra good profitability as a result of cost reductions and subsidies received. This resulted in high comparative figures for the Group's profit development, which in turn led to a negative organic EBITA* growth of -7.8 percent in the quarter. Profitable acquisitions have, however, contributed to the EBITA* profit increasing by a total of 46.1 percent and to a continued margin strengthening corresponding to an EBITA* margin of 18.1 (17.1) percent for the second quarter. We maintain our margin guidance of 19–20 percent for the full year 2021.

We have not experienced any significant disruptions from the pandemic, Brexit or strains in supply chains during Q2. We are constantly working to review these risks and in particular the work with preventive stockpiling of critical components and materials. In addition, and as a result of strong sales, we have increased the amount of accounts receivable, and after high profits and deferred tax in 2020, we have paid more tax than normal. All this has had an effect on our otherwise strong cash generation.

During the quarter, our business activity at Group level was high in connection with preparations for the change of list, from First North to Nasdaq Stockholm's main market. It was a logical step that consolidates the Group's high quality, and we have already been able to see proofs that is has strengthened Sdipotech's awareness internationally.

We have also had the pleasure of launching four long-term sustainability goals. Our greatest opportunity to contribute to

increased social and climate sustainability is through our business units' products and services - this has been the core of our business for several years. However, we work just as hard to develop and help our existing companies make even more long-term sustainable decisions. We have already identified efficiency opportunities that will reduce our climate footprint.

ACQUISITIONS

At the beginning of June, Finnish Ficon Oy, an additional acquisition to Hilltip Oy, was acquired. In the Finnish market, Ficon is a leading player in the manufacture of snow and ice clearing equipment adapted for smaller vehicles. In addition to increased traffic safety on smaller roads and resource efficiency where larger vehicles are not needed or can operate, Ficon facilitates for small-scale companies.

During the second quarter, our Swedish and Austrian elevator operations were divested, which is in line with our ambition to concentrate our growth in the Water & Energy and Special Infrastructure Solutions business areas. Our Croatian business unit Metus is now Sdipotech's remaining elevator business. With a unique service offering to global elevator companies, an in-house developed product and production as well as a local service business, Metus has a strong market position.

As we divested some companies before the earnout periods expired, the total profit effect from all divestments during both the second quarter and the first half of 2021 is SEK -20 million, when the companies submit the consolidated balance sheet and earnout agreements are dissolved with associated booked goodwill. Overall, however, our ownership over the years has been profitable, with a total profit contribution to the Group of SEK 153 million after tax and a return on equity of approximately 21 percent during the years the companies have been part of Sdipotech.

OUTLOOK

We see an unchanged good demand for our products and services, where the need for solutions that contribute to more sustainable, efficient and safe societies is solid. The inventory build-up continues and aims to ensure material supply and customer deliveries. Our purchase prices thus increase, but the vast majority of customers understand the situation and agree to share the cost increases. With that said, the global delivery situation is difficult to assess and some uncertainty about the supply of goods remains ahead of the second half of the year.

Regarding acquisitions, we have this year broadened our geographical search to more countries and we have a strong and exciting pipeline. Restrictions on travel and physical meetings have slightly extended our acquisition processes, but in connection with these restrictions being eased, we can intensify our acquisition dialogues. We look forward to being able to welcome new great companies during the second half of 2021.



Jakob Holm
CEO, Sdipotech AB (publ.)

OVERVIEW OF OPERATIONS

FINANCIAL POSITION FOR THE GROUP

APRIL - JUNE

Net Sales

Net sales for the Group amounted to SEK 665.3 million (483.4) during the quarter. Net Sales in comparable units, i.e. companies that were part of the Group during the whole period and the whole comparative period, amounted to SEK 423 million (370) which corresponded to an organic change 15.7% for the period excluding currency effects. Non-comparable units contributed SEK 242.3 million (113.4) to Net Sales for the period. Also see Business areas, page 6-7.

Earnings

Profit for the quarter after acquisition costs, but before financial items (EBIT), amounted to SEK 88.5 million (78.0). The profit was impacted, among other things, by a reported loss of SEK -20 million net from divestments for the period.

Operating profit EBITA* amounted to SEK 120.7 million (82.6) in total for the Group, corresponding to an EBITA* margin of 18.1 (17.1).

EBITA* in comparable units, i.e. companies that were part of the Group during the whole period and the whole comparative period, amounted to SEK 79.5 million (86.7) which corresponded to an organic decrease of -7,8%, excluding currency effects. Non-comparable units contributed SEK 55.5 million (5.3) to the profit of the period.

Acquisition and disposal costs amounted to SEK 1.9 million (2.2) in connection with an acquisition and strategic divestments during the period.

Depreciation of tangible and intangible fixed asset amounted to SEK -33.1 million (-22.1), of which depreciations of intangible assets that are not acquisition-related amounted SEK 9.9 million (-2.4).

Net financial items consist of exchange rate differences of SEK 2.8 million (-17.7) for the quarter, as well as SEK -11.1 million (-11.0) in interest cost of which discount rates regarding contingent purchase considerations of SEK -4.0 million (-3.0). Other financial expenses amount to SEK -0.5 million (-0.2). For more detailed information see Note 3.

Profit after tax increased by 53.3% and amounted to SEK 58.7 million (38.3) corresponding to earnings per ordinary share (average number) after deduction of minority and dividend to preference shares SEK 1.59 (1.07). After dilution, profit amounted to SEK 1.57 (1.07) per ordinary share.

Divestments during the quarter

On April 7, the divestment of the Swedish elevator business which was part of Sdipotech's Property Technical Services business area was completed to TK Elevator Sweden AB (formerly thyssenkrupp Elevators). The cash purchase price totaled to SEK 233 million on a cash and debt-free basis, of which Sdipotech's shares in the companies were valued at SEK 154 million.

The business units showed sales of approximately SEK 300 million in the financial year 2020 and an operating profit (EBIT) of approximately SEK 15 million.

On 14 May 2021, Sdipotech AB (publ) entered into an agreement to divest the lift business in Austria consisting of Aufzüge Friedl GmbH and ST Lift GmbH (together Aufzüge Friedl) to founder and minority shareholder Jürgen Friedl. The divestment was completed on June 28. The cash purchase price for Sdipotech's 51 percent stake amounted to EUR 6 million on a cash and debt-

free basis. The business units were part of Sdipotech's Property Technical Services business area and showed annual sales of approximately EUR 8 million and operating profit (EBIT) of approximately EUR 1 million, of which Sdipotech's share is 51%.

The divestments of the elevator operations in Sweden and Austria resulted in a reported capital loss of SEK 20 million since the divestments were taking place before the end of the earn out periods. When the booked goodwill related to higher future profit is resolved, earnings are impacted with SEK -20 million.

Acquisitions during the quarter

On June 4, 2021, Sdipotech acquired all the shares in Ficon Oy. Ficon specializes in hydraulic products for snow and ice clearing of roads and land in Finland. Ficon is an additional acquisition to Hilltip Oy. Ficon have annual sales of approximately EUR 1.8 million with good profitability. The company is included in the Special Infrastructure Solutions business area as of June 2021.



Illustration products from Ficon Oy

JANUARY – JUNE

Net Sales

Net sales for the Group amounted to SEK 1,323.6 million (967.8) during the first six months. Net Sales in comparable units, i.e. companies that were part of the Group during the whole period and the whole comparative period, amounted to SEK 823 million (754) which corresponded to an organic change 12.7% for the period excluding currency effects. Non-comparable units contributed SEK 501 million (214) to Net Sales for the period.

Earnings

Profit for the first six months after acquisition costs, but before financial items (EBIT), amounted to SEK 179.2 million (146.8). The profit was impacted, among other things, by a reported loss of SEK -20 million net from divestments for the period.

Operating profit EBITA* amounted to SEK 236.6 million (153.5) in total for the Group, corresponding to an EBITA* margin of 17.9 (15.9).

EBITA* in comparable units, i.e. companies that were part of the Group during the whole period and the whole comparative period, amounted to SEK 164.3 million (164.0) which corresponded to an organic increase of 1.3%, excluding currency effects. Non-comparable units contributed SEK 99.9 million (7.2) to the profit of the period.

Acquisition and disposal costs amounted to SEK 17.2 million (2.2) in connection with an acquisition and strategic divestments during the first six months.

Depreciation of tangible and intangible fixed asset amounted to SEK -65.4 million (-42.4), of which depreciations of intangible assets that are not acquisition-related amounted SEK -17.4 million (-4.4)

Net financial items consist of exchange rate differences of SEK 11.1 million (-9.6) for the period, as well as SEK -22.8 million (-19.5) in interest cost of which discount rates regarding contingent purchase considerations of SEK -8.0 million (-5.7). Other financial expenses amount to SEK -2.7 million (-0.3). For more detailed information see Note 3.

Profit after tax increased by 36.1% and amounted to SEK 122.9 million (88.9) corresponding to earnings per ordinary share (average number) after deduction of minority and dividend to preference shares SEK 3.32 (2.67). After dilution, profit amounted to SEK 3.29 (2.66) per ordinary share for the first six months.

A directed share issue totalling approximately SEK 464 million, before issue costs, was carried out during the period. The purpose of the issue was to strengthen the Group's financial flexibility for further acquisitions and to expand the shareholder circle.

Acquisitions during the first six months

Except from the acquisition of Ficon Oy Sdipotech acquired all the shares in Rolec Services Ltd and One Stop Europe Ltd (Rolec) on February 19, 2021. Rolec specialises in the design and manufacture of an extensive range of charging equipment and systems for electric vehicles (EV). Rolec has a turnover of approximately GBP 23 million and a profit before tax of approximately GBP 7 million. Rolec is part of the Water & Energy business area as of February 2021.

Divestments during the first six months

Part from the divestments of the Swedish and Austrian elevator business Sdipotech divested 100% of the shares in Tello Service Partner AB to Fasadgruppen Norden AB on 19 February for a purchase price of SEK 60 million on a cash and debt-free basis. Tello was part of Sdipotech's Property Technical Services business area and in the financial year 2020 the sales amounted to approximately SEK 60 with an operating profit (EBIT) of approximately SEK 12 million.

Group EBITA* (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan - Dec 2020
Water & Energy	61.6	31.1	110.1	60.7	177.2	127.8
Special Infrastructure Solutions	68.8	41.4	136.2	84.9	243.0	191.7
Property Technical Services	5.4	19.4	17.9	25.0	58.6	65.7
Business areas	135.8	91.9	264.2	170.5	478.8	385.2
Central units	-15.1	-9.3	-27.5	-17.1	-48.3	-37.9
Total	120.7	82.6	236.6	153.5	430.5	347.3

BUSINESS AREAS AND CENTRAL UNITS

Infrastructure is in focus around the world for many reasons. Examples of areas we have identified as particularly important for the development of society, and that therefore are showing good demand, are water, energy, climate control, communication, transport and security. We have therefore for a long time directed our acquisition work towards precisely these areas. The business is divided into three business areas: Water & Energy, Special Infrastructure Solutions and Property Technical Services. For a description of the business areas' operations and which companies are included in each business area, see Description Business areas, page 22-23.

WATER & ENERGY

The goal of the business area is to grow in the long term through both organic growth and continued acquisitions in our focus markets in Western Europe.

Comments to the financial development:

The business area's sales increased by 74.6% for the period to SEK 257.4 million (147.4) compared with the previous year. The increase in turnover is mainly due to good growth throughout the business area as well as a good sale within the newly acquired units Rolec Services Ltd and One Stop Europe Ltd (Rolec).

EBITA* for the quarter increased by 98.1% to SEK 61.6 million (31.1). The units most affected by the pandemic 2020 show strong recovery and good profit growth compared to the previous year. Newly acquired Rolec showed strong results.

The EBITA* margin increased during the quarter to 23.9% (21.1). Margin strengthening stems partly from growth in high margin units and partly from the positive contribution of newly acquired Rolec, which has performed strongly throughout the period.

Water & Energy (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan - Dec 2020
Net sales	257.4	147.4	468.4	304.0	779.9	615.5
EBITA*	61.6	31.1	110.1	60.7	177.2	127.8
EBITA* margin %	23.9%	21.1%	23.5%	20.0%	22.7%	20.8%

SPECIAL INFRASTRUCTURE SOLUTIONS

The goal for the business area is long term growth through both organic growth and continued acquisitions in our focus markets in Western Europe.

Comments to the financial development:

The business area's sales in the period increased by 115.5% to SEK 305.2 million (141.6). The increased turnover is mainly driven by Hilltip and GAH and increased demand due to relief in Covid restriction. The number of insurance claims relating to the repair of water and sewerage infrastructure also increased.

EBITA* for the quarter increased by 66.2% to SEK 68.8 million (41.4). The newly acquired units of the business area had good profit growth, while comparable units showed a weaker period compared to a very strong comparison period last year, consisting of cost reductions and governmental grants.

The EBITA* margin decreased during the quarter to 22.5% (29.2), mainly as an effect from the new acquisition and an unusual extra high margin.

Special Infrastructure Solutions (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan - Dec 2020
Net sales	305.2	141.6	586.6	306.6	985.2	705.2
EBITA*	68.8	41.4	136.2	84.9	243.0	191.7
EBITA* margin %	22.5%	29.2%	23.2%	27.7%	24.7%	27.2%

PROPERTY TECHNICAL SERVICES

The objective for the business area is primarily to develop existing companies in order to further strengthen our market positions in each market segment. Since the year end Tello Service Partner AB together with the Swedish and Austrian elevator business have been divested. The divestment of the elevator businesses was finalised during the quarter.

Comments to the financial development:

The business area's sales decreased by 47.1% in the period to SEK 102.8 million (194.4). primarily driven by the Swedish divestment.

EBITA* for the period decreased to 72.2% to SEK 5.4 million (19.4). The EBITA* margin for the period was 5.3% (10.0). This is primarily driven by the divestments, but also due to increased cost in remaining entities.

Property Technical Services, (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan - Dec 2020
Net sales	102.8	194.4	268.7	357.2	678.9	767.4
EBITA*	5.4	19.4	17.9	25.0	58.6	65.7
EBITA* margin %	5.3%	10.0%	6.7%	7.0%	8.6%	8.6%

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.

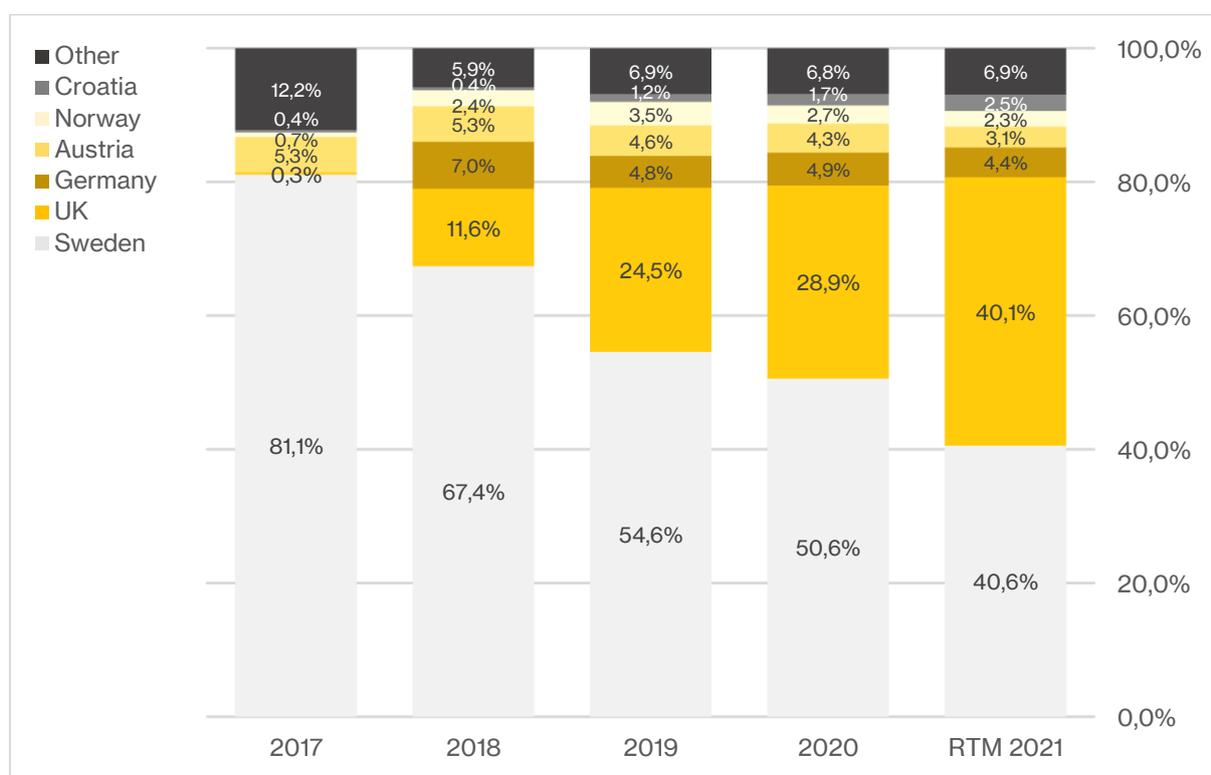
Comment:

EBITA* amounted to SEK –15.1 million (-9.3) for the period. The increased cost mainly consists of additional cost for the listing at Nasdaq Stockholm, of total SEK 4 million together with audit cost for new entities, increased staffing and counselling within unit management and the acquisition team.

Group-wide functions and eliminations (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan -Dec 2020
EBITA*	-15.1	-9.3	-27.5	-17.1	-48.3	-37.9

GEOGRAPHICAL DISTRIBUTION OF SALES

Over the years, Sdipotech has acquired units outside Sweden; in Norway, Finland, the UK, Austria, and Croatia (with significant operations in Germany). 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.



EBITA*

EBITA* consists of EBITA before acquisition cost and before amortization and depreciations of intangible fixed assets that arose in connection with acquisitions as well as before revaluation of contingent consideration payments and write down of goodwill. Amortization and write-downs of intangible assets that are not acquisition-related but derive from the operating units' intangible assets are not reversed. During the period January to June 2021, costs related to divestments of operations have also been incurred as well as result of divestments of units.

Costs related to acquisitions, which mainly pertain to external consultants, are expensed during the periods in which they arise, and the services are performed. During the period January to June 2021, stamp duty, which is a one-time cost, for the acquisitions of Rolec Services Ltd and One Stop Europe Ltd has also been charged to the period totalling SEK 5.4 million (0).

Adjustment items for EBITA*

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

Acquisition cost (SEK m)	Q1	Q2	Q3	Q4	Total
2021	-15.3	-1.9	-	-	-17.2
2020	-	-2.2	-2.2	-5.2	-9.6
2019	-18.8	-2.0	-10.8	-0.3	-31.9

Adjustment of liability for earnouts (SEK m)	Q1	Q2	Q3	Q4	Total
2021	-2.5	-	-	-	-2.5
2020	-	-	-	-13.5	-13.5
2019	-	51.0	-	9.3	60.3

For acquisitions, part of the purchase price is allocated to goodwill and depreciable intangible assets. The heading "Depreciation and write-downs of intangible fixed assets" includes any write-downs of goodwill. Depreciations, 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 depreciated over time, resulting in a cost. This type of allocation and resulting depreciation has increased over time and is expected to continue to increase in line with new acquisitions. As a rule of thumb, it can be stated that new depreciation is added at about 2% per year of the additional acquired companies' purchase price.

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 revaluations that affect earnings. These adjustments are made so that the book values are as close to the actual values as possible, see also Note 1.

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

EBITA* to EBIT bridge (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan - Dec 2020
EBITA*	120.7	82.6	236.6	153.5	430.5	347.3
	-	-	-2.5	-	-16.1	-13.5
Adjustment of liability for earnouts	-1.9	-2.2	-17.2	-2.2	-24.7	-9.6
Of which non-acquisition-related amortization and write-downs of intangible fixed assets	2.2	1.4	4.4	2.3	8.1	6.0
Result of divestments	-20.3	-	-20.3	-	20.3	-
EBITA	100.6	81.8	201.0	153.6	377.6	330.2
Non-acquisition-related amortization and write-downs of intangible fixed assets	-2.2	-1.4	-4.4	-2.3	-8.1	-6.0
Acquisition-related amortization and write-downs of intangible fixed assets	-9.9	-2.4	-17.4	-4.4	-26.8	-13.8
EBIT	88.5	78.0	179.2	146.9	342.8	310.5

COMMENTS ON THE FINANCIAL DEVELOPMENT

FINANCIAL POSITION APRIL - JUNE

Cash Flow

Cash flow from operating activities after changes in working capital for the period amounted to SEK 66.5 million (222.0). Cash flow generation, expressed in percentage of profit before tax adjusted for non-cash items, decreased during the period to 36% (129). Cash flow includes larger tax payments for the period partly due to lower paid taxes in the previous year compared to the actual profit tax, as well as by inventory build-up to ensure capacity given uncertainties linked to the pandemic, component shortages and Brexit. An increased amount of accounts receivable due to good sales was seen at the end of the period.

Cash flow from investing activities was SEK -576.7 million (-210.2). The cash flow effect of completed acquisitions (see also Note 6) amounted to SEK -697.3 million (-145.2). Cash flow related to payment of acquisitions from previous years, including both instalments as well as final regulations, during the period amounts to SEK -105.6 million (-52.9). Investments in tangible non-current assets amounted to SEK -8.4 million (-7.2). Investments in immaterial assets amounted to -2.2 (-4.9).

Cash flow from financing activities amounted to SEK 583.1 million (171.4). Through a directed new share issue on March 9 and subscriptions of warrants, the Group has received SEK 464.0 million in equity after issue costs. In addition, the redemption of series 2018/2021 warrants contributed with SEK 13.3 million in equity and the share-based incentive program adopted at the Annual General Meeting 2021/2024 contributed SEK 16.1 million. Borrowing amounted to net SEK 126.2 million (140.9). Dividend on the preference share amounted to SEK -7.0 million (-7.0).

Liabilities

Interest-bearing liabilities including earnouts and finance leases amounted to SEK 1,783.9 million (1,282.7). The two largest items within interest-bearing liabilities amounted to SEK 801.8 million (525.3) in liabilities to credit institutions, and SEK 802.9 million (568.0) in deferred payments of purchase considerations for acquisitions, so-called contingent consideration payments.

These contingent consideration liabilities 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 until final settlement. 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 -8.0 million (-5.7) for the period.

Revaluation of liabilities regarding contingent consideration has resulted in a cost of SEK -2.5 million (0.0). The revaluation is related to the final settlement of an agreed contingent purchase price. The contingent consideration is reported in accordance with IFRS at the present value of the assessed fair value based on the remaining term and expected outcome. The revaluation is reported under other external costs.

During the period, the result was charged with SEK -1.8 million (-1.3) 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 1,414.4 million (954.8).

The financial net debt, according to the calculation method above but only for liabilities to credit institutions, amounted to SEK 432.3 million (197.4).

The key ratio Financial net debt in relation to EBITDA, which is calculated on a rolling twelve-month basis, amounted to 0.99 (1.13) as of June 30.

Parent Company

The Parent Company Sdiptech AB's internal net sales, containing mainly, management fee amounted to SEK 7.7 million (5.4) for the period and profit after financial items amounted to SEK -36.8 million (-18.1).

OTHER INFORMATION

Employees

The number of employees at the end of June was 1,551 (1,291). Acquisitions completed during the first half of the year have increased the number of employees by 155. At the same time, completed divestments have resulted in 183 employees leaving the Group.

Incentive programme

Incentive programs for executives and senior executives in the Group in the form of warrants were introduced in 2018, divided into three series: series 2018/2021, series 2018/2022 and series 2018/2023. Series 2018/2021 in March 2021 and newly issued shares were subscribed for, with the Group injecting SEK 13.3 million in equity.

At the 2021 Annual General Meeting, a new incentive program against managers and senior executives was resolved on warrants of series B. Program comprises 350,000 options. The warrants redistribute a price of SEK 48.50 per option, corresponding to the market value of the options during a valuation of Nordea Bank Plc. Exercise can be made on three occasions from June 2024 until November 30, 2024. The program was subscribed for in June, whereby the Group received SEK 16.1 million in equity.

As of June 30, 219,100 warrants of series 2018/2022, 196,300 warrants of series 2018/2023 and 330,981 warrants of series 2021/2024 are outstanding, after repurchases. The subscription price for new Class B shares subscribed for under these warrants amounts to SEK 67.10, SEK 75.20 and 463.00 SEK 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

At the beginning of 2020, the virus outbreak of Covid-19 has had a major negative impact on society. Sdiptech is primarily affected by the fact that employees may be sick, have difficulty getting to their workplace and perform their job, or delayed deliveries to the Group's companies due to restrictions in society. During the first quarter of 2021, there have been continued restrictions in several geographies, especially for some of the Group's business units in the UK and Central Europe. Sdiptech monitors developments closely and takes proactive measures, both to reduce risks for employees and to ensure that operations can continue.

During the second quarter, Sdiptech entered into agreements on currency futures in GBP to reduce currency exposure to a value of SEK 450 million. Derivatives are recognized at fair value

above income statement under the item financial income and cost respectively.

For more detailed information on risk factors, please refer to Note 16 of the Annual Report 2021.

Related-party transactions

Related transactions refer to the final settlement of the last claim for renting premises to S Fund 1 AB, whose principal owner is a board member of Sdipotech AB. Underlying leases expired in January 2021. No additional collateral or rights are attached to the transaction.

Other significant events

The Annual Report for 2020 was published on 16 April 2021.

Annual General Meeting 2021 was held on May 18, 2021. Due to the prevailing circumstances and a temporary law (2020:198) aimed at reducing the risk of the holidays, the AGM was held without being a physical meeting.

The Meeting discharged the Board of Directors and the CEO from liability for the 2020 administration. In addition, the Annual General Meeting resolved in accordance with the Board's proposal for an authorization for the Board of Directors to issue

shares, convertibles and/or warrants on one or more occasions, with or without deviation from the shareholders' preferential rights. The total increase of ordinary shares, including conversion to or subscription of new shares, can – if it deviates from the shareholders' preferential rights – amount to maximum of 10% of current number of ordinary shares, adjusted for potential split or similar. The authorization shall primarily be used for acquisition or financing thereof.

The Annual Meeting decided to introduce an incentive program for key employees within Sdipotech, in form of warrants on Sdipotech's series B shares.

The Annual Meeting also decided on distribution of dividends to preference share owners in accordance with the articles of association, and no distribution for ordinary shares of series A and B. Minutes from the Annual General Meeting are available on the company's website.

Events after the end of the reporting period

No significant events have been recorded after the end of the reporting period.

CONSOLIDATED INCOME STATEMENT

(SEK m)	Note	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan-Dec 2020
Net sales		665.3	483.4	1,323.6	967.8	2,443.8	2,088.0
Other operating income	2	9.3	8.4	12.8	12.0	25.9	25.1
Total income		674.6	491.8	1,336.4	979.8	2,469.7	2,113.1
Operating expenses							
Materials, contracting and subcontracting		-282.0	-188.4	-546.7	-372.6	-1,000.0	-825.9
Other external expenses		-83.1	-46.1	-152.8	-95.4	-271.7	-214.3
Employee expenses		-187.9	-157.2	-392.3	-322.5	-739.9	-670.1
Depreciation and amortisation of tangible non-current assets		-21.0	-18.3	-43.6	-35.7	-80.6	-72.7
Depreciation and amortisation of intangible non-current assets		-12.1	-3.8	-21.8	-6.7	-34.8	-19.8
Operating profit		88.5	78.0	179.2	146.8	342.8	310.5
Profit/loss from financial items	3						
Financial income		3.4	-	11.9	0.1	38.8	27.0
Financial expenses		-11.6	-28.9	-25.5	-29.3	-49.5	-53.3
Profit after financial items		80.3	49.1	165.6	117.6	332.1	284.2
Tax on profit for the period		-21.6	-10.8	-42.7	-27.4	-79.3	-64.0
Profit for the period		58.7	38.3	122.9	90.2	252.8	220.2
Profit attributable to:							
Parent Company's shareholders		59.7	36.9	122.4	88.9	248.0	214.6
Non-controlling interests		-1.0	1.4	0.5	1.3	4.8	5.6
Earnings per share (average number), attributable to the Parent Company's shareholders during the period, less dividends to preference shareholders (in SEK per share)							
Earnings per share (before dilution)		1.59	1.07	3.32	2.67	6.85	6.24
Earnings per share (after dilution)		1.57	1.07	3.29	2.65	6.79	6.18
EBITA*		120.7	82.6	236.6	153.5	430.5	347.3
Average number of common shares		35,363,927	31,090,964	34,732,600	30,684,304	34,182,731	32,171,146
Average number of common shares after dilution		35,701,925	31,265,412	35,060,521	30,844,614	34,480,805	32,457,112
Number of ordinary shares at the end of the period		35,363,927	33,641,827	35,363,927	33,641,827	35,363,927	33,641,827

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan-Dec 2020
Profit for the period	58.7	38.3	122.9	90.2	252.8	220.2
Other comprehensive income for the period						
Components that will be reclassified to profit/loss in the period						
Changes in accumulated translation differences	-15.1	-32.4	31.2	-26.9	3.1	-55.0
Comprehensive income for the period	43.6	5.9	154.1	63.3	255.9	165.2
Attributable to:						
Parent Company's shareholders	44.6	4.5	153.6	62.0	251.1	159.6
Non-controlling interest	-1.0	1.4	0.5	1.3	4.8	5.6

CONSOLIDATED BALANCE SHEET

(SEK m)	Note	30 Jun 2021	30 Jun 2020	31 Dec 2020
Non-current assets				
<i>Intangible non-current assets</i>				
Goodwill	4	2,609.0	1,969.9	2,268.4
Other intangible assets		478.7	136.6	270.5
<i>Tangible non-current assets</i>				
Tangible non-current assets		169.2	136.2	134.0
Right-of-use assets		173.6	182.6	185.4
<i>Financial non-current assets</i>				
Other financial non-current assets		10.3	11.4	10.4
Total non-current assets		3,440.8	2,436.7	2,868.6
Current assets				
Completed products and goods for resale		288.7	174.1	215.3
Accounts receivable		460.9	317.2	374.5
Other receivables		29.3	51.7	29.8
Current tax assets		19.8	30.9	12.3
Prepaid expenses and accrued income		84.8	85.8	72.8
Cash and cash equivalents		369.5	327.9	279.4
Total current assets		1,253.0	987.6	984.1
Total assets		4,693.7	3,424.3	3,852.7
Shareholders' equity				
Shareholders' equity attributable to Parent Company's shareholders				
Share capital		0.9	0.9	0.9
Other contributed capital		1,555.5	1,062.2	1,062.1
Reserves		0.9	0.9	0.9
Profit/loss brought forward including earnings for the period		833.7	561.0	651.6
Total equity attributable to Parent Company's shareholders		2,391.0	1,625.0	1,715.5
Non-controlling interests		5.1	36.8	40.1
Total shareholders' equity		2,396.1	1,661.8	1,755.6
Long term liabilities				
Interest-bearing long-term liabilities	5	1,611.0	1,202.0	1,518.8
Non-interest-bearing long-term liabilities		106.5	16.7	68.7
Total long term liabilities		1,717.5	1,218.7	1,587.5
Short term liabilities				
Interest-bearing short-term liabilities	5	172.9	80.7	71.9
Non-interest-bearing short-term liabilities		407.1	463.0	437.5
Sum short term liabilities		580.0	543.7	509.4
Total liabilities		2,297.5	1,762.4	2,096.9
Total shareholders' equity and liabilities		4,693.7	3,424.3	3,852.7

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			
Opening balance, January 1 2020		0.8	715.2	0.9	505.8	1,222.7	35.7	1,258.4
Income for the period		-	-	-	88.9	88.9	1.3	90.2
Other comprehensive income for the period		-	-	-	-26.7	-26.7	-0.2	-26.9
Total income for the period		-	-	-	62.2	62.2	1.1	63.3
Shareholder transactions								
Dividend paid to preference shareholders	7	-	-	-	-7.0	-7.0	-	-7.0
Share issue of ordinary shares series B		0.1	353.2	-	-	353.3	-	353.3
Share issue expenses		-	-6.2	-	-	-6.2	-	-6.2
Total shareholder transactions		0.1	347.0	-	-7.0	340.1	-	340.1
Closing balance, June 30 2020		0.9	1,062.2	0.9	561.0	1,625.0	36.8	1,661.8
Opening balance, July 1 2020		0.9	1,062.2	0.9	561.0	1,625.0	36.8	1,661.8
Income for the period		-	-	-	125.7	125.7	4.3	130.0
Other comprehensive income for the period		-	-	-	-28.17	-28.1	-	-28.1
Total income for the period		-	-	-	97.6	97.6	4.3	101.9
Shareholder transactions								
Dividend paid to preference shareholders	7	-	-	-	-7.0	-7.0	-	-7.0
Option premiums		-	-0.1	-	-	-0.1	-	-0.1
Dividend paid to non-controlling interests		-	-	-	-	-	-1.0	-1.0
Total shareholder transactions		-	-0.1	-	-7.0	-7.1	-1.0	-8.1
Closing balance, December 31 2020		0.9	1,062.1	0.9	651.6	1,715.5	40.1	1,755.6
Opening balance, January 1 2021		0.9	1,062.1	0.9	651.6	1,715.5	40.1	1,755.6
Income for the period		-	-	-	122.4	122.4	0.5	122.9
Other comprehensive income for the period		-	-	-	31.1	31.1	0.1	31.2
Total income for the period		-	-	-	153.5	153.5	0.6	154.1
Shareholder transactions								
Change in non-controlling interests		-	-	-	35.6	35.6	-35.6	-
Share issue of ordinary shares series B		-	485.8	-	-	485.8	-	485.8
Share issue expenses		-	-8.5	-	-	-8.5	-	-8.5
Share premiums		-	16.1	-	-	16.1	-	16.1
Dividend paid to preference shareholders	7	-	-	-	-7.0	-7.0	-	-7.0
Total shareholder transactions		-	493.4	-	28.6	522.0	-35.6	486.4
Closing balance, March 31 2021		0.9	1,555.5	0.9	833.7	2,391.0	5.1	2,396.1

CONSOLIDATED CASH FLOW STATEMENT

(SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Continued operations					
Earnings after financial items	80.3	49.1	165.6	117.6	284.2
Adjustment for items not included in cash flow ¹⁾	24.0	41.9	20.3	55.0	128.0
Paid taxes	-29.9	-13.6	-78.7	-34.7	-53.1
Cash flow from continuing operations before change in working capital	74.4	77.4	107.2	137.8	359.1
Cash flow from change in working capital					
Increase(-)/decrease(+) in stock	-0.6	-2.8	-29.8	-6.2	0.4
Increase(-)/decrease(+) in operating receivables	-70.3	35.9	-46.7	9.4	88.2
Increase(+)/decrease(-) in operating liabilities	23.6	53.1	35.8	80.9	3.1
Cash flow from current operations	27.1	163.6	66.5	222.0	450.8
Investing activities					
Acquisitions of subsidiaries	-14.8	-145.2	-697.3	-145.2	-519.7
Acquisitions of subsidiaries, paid contingent considerations	-	-40.1	-105.6	-52.9	-79.3
Divestment of subsidiaries	-57.5	-	-71.2	-	-
Consideration paid for divestment of subsidiaries	310.3	-	381.7	-	-
Acquisition of non-controlling interest	-73.7	-	-73.7	-	-
Acquisitions of intangible non-current assets	-2.2	-4.7	-2.2	-4.9	-7.1
Acquisitions of tangible non-current assets	-2.8	-3.1	-8.4	-7.2	-30.9
Cash flow from investing activities	159.3	-193.1	-576.7	-210.2	-637.0
Financing activities					
Option program	16.1	-	29.4	-	-0.1
New share issue	-	347.1	464.0	347.1	347.1
Loans raised	-	-	157.8	-	53.0
Amortisation of loans	-131.7	-214.4	-31.6	-140.9	-
Amortisation of lease liability	-16.1	-17.7	-29.6	-27.8	-50.0
Dividends paid	-3.5	-3.5	-7.0	-7.0	-15.0
Cash flow from financing activities	-135.2	111.5	583.0	171.4	335.0
Cash flow for the period	51.2	82.0	72.8	183.2	148.8
Cash and cash equivalents at beginning of year	325.3	258.5	279.4	156.3	156.3
Exchange rate difference in cash and cash equivalents	-6.6	-12.6	17.2	-11.6	-25.7
Cash and cash equivalents at end of period	369.5	327.9	369.5	327.9	279.4

¹⁾ Adjustment for items not included in cash flows includes material depreciations, adjustment of contingent consideration and unrealized exchange rate differences

PARENT COMPANY INCOME STATEMENT

(SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan-Dec 2020
Net sales	3.8	2.7	7.7	5.4	13.1	10.8
Other operating income	0.2	-	-	0.4	1.7	2.1
Total income	4.0	2.7	7.7	5.8	14.8	12.9
Operating expenses						
Other external expenses	-9.6	-4.6	-15.2	-7.0	-26.6	-18.4
Employee expenses	-11.3	-8.2	-21.5	-15.6	-37.7	-31.8
Depreciation of tangible and intangible non-current assets	-0.2	-	-0.3	-0.1	-0.5	-0.3
Operating profit	-17.0	-10.2	-29.3	-16.9	-50.0	-37.7
Profit/loss from financial items						
Result from participation in Group companies	-19.0	-	-19.0	-	-19.0	-
Result from participation in associated companies	-	-	3.6	-	30.5	26.9
Financial income	-1.9	-	8.4	3.7	14.1	9.3
Financial expenses	-0.1	-8.7	-0.2	-4.9	-7.1	-11.8
Profit/loss after financial items	-38.1	-18.8	-36.4	-18.1	-31.5	-13.2
Group contributions received	-	-	-	-	65.5	65.5
Group contributions provided	-	-	-	-	-20.0	-20.0
Tax on profit for the period	-	-	-	-	-	-
Profit/loss for the period	-38.1	-18.8	-36.4	-18.1	14.0	32.3

PARENT COMPANY BALANCE SHEET

(SEK m)	30 Jun 2021	30 Jun 2020	31 Dec 2020
Non-current assets			
<i>Intangible non-current assets</i>			
Other intangible non-current assets	0.2	0.3	0.3
<i>Tangible non-current assets</i>			
Tangible non-current assets	1.6	0.2	1.1
<i>Financial non-current assets</i>			
Financial non-current assets	25.6	83.8	82.8
Receivables, Group companies	1,620.3	957.1	1,352.7
Total non-current assets	1,647.8	1,041.5	1,436.9
Current assets			
Receivables, Group companies	712.7	85.0	239.4
Trade receivables	0.7	0.3	0.3
Other receivables	1.4	15.7	1.7
Prepaid expenses and accrued income	1.6	9.4	8.7
Cash and cash equivalents	119.3	406.7	25.5
Total current assets	835.8	517.1	275.5
Total assets	2,483.6	1,558.5	1,712.4
Shareholders' equity			
Share capital	0.9	0.9	0.9
Share premium reserve	1,555.4	1,062.2	1,062.1
Retained earnings including profit/loss for the period	192.6	192.6	236.0
Total shareholder's equity	1,749.0	1,255.7	1,299.0
Liabilities			
Long-term liabilities to Group companies	-	106.2	-
Short-term liabilities to Group companies	579.3	-	364.9
Short-term liabilities	143.2	180.1	35.2
Total liabilities	12.2	16.5	13.3
Total equity and liabilities	734.6	302.8	413.4
Shareholders' equity	2,483.6	1,558.5	1,712.4

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 2020 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 2021

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 2020.

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

Sdiptech report profits from its operations in three segments: Water & Energy, Special Infrastructure Solutions and Property Technical Services.

WATER & ENERGY

Water & Energy companies provide niche products and services focused on the water and energy infrastructure segments. The companies address specialized needs in water and water treatment, as well as electricity supply and electrical automation. 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 specialized needs in air and climate control, safety and surveillance and transport systems. The main geographic markets are northern Europe and the United Kingdom.

PROPERTY TECHNICAL SERVICES

The companies within Property Technical Services offer specialised technical services for landlords. Assignments are carried out throughout the life cycle of a property i.e. service, renovation, modernisation and new construction. The main geographic markets are Stockholm and major cities in Europe.

Central units – Group-wide functions

Group-wide functions and eliminations consist of the Group's Parent Company, Sdiptech 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 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan-Dec 2020
Net Sales (SEK m)						
Water & Energy	257.4	147.4	468.4	304.0	779.9	615.5
Special Infrastructure Solutions	305.2	141.6	586.6	306.6	985.2	705.2
Property Technical Services	102.8	194.4	268.7	357.2	678.9	767.4
Total Net Sales	665.3	483.4	1,323.6	967.8	2,443.9	2,088.0
Group Operating profit (SEK m)						
Water & Energy	57.9	30.9	104.9	60.2	171.4	126.7
Special Infrastructure Solutions	63.0	39.3	125.1	81.1	219.6	175.8
Property Technical Services	4.6	19.2	16.4	24.8	56.4	64.8
Segment total	125.4	89.4	246.4	166.1	447.4	367.3
Central units	-36.9	-11.4	-67.1	-19.3	-104.6	-56.8
Total	88.5	78.0	179.3	146.8	342.8	310.5
Net financials	-8.2	-28.9	-13.6	-29.2	-10.7	-26.3
Profit before tax	80.3	49.1	165.6	117.6	332.1	284.2

Revenue from agreements with customers (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan-Dec 2020
<i>Water & Energy</i>						
Products	207.6	92.8	346.3	182.0	549.8	385.5
Installation, direct	41.9	21.8	88.0	55.0	186.0	153.0
Installation, over time	-6.0	11.0	7.6	20.5	13.2	26.0
Service, direct	5.5	13.0	9.8	31.3	1.7	23.2
Service, over time	5.1	6.4	10.4	9.7	18.2	17.5
Distribution	3.3	2.6	6.2	5.6	10.8	10.2
Sum Sales Water & Energy	257.4	147.6	468.3	304.1	779.8	615.5
<i>Special Infrastructure Solutions</i>						
Products	149.3	35.8	282.5	86.3	434.8	238.6
Installation, direct	59.8	48.1	88.8	65.2	163.6	139.9
Installation, over time	7.0	-6.4	12.7	0.0	12.7	-
Service, direct	77.2	66.2	180.4	147.9	335.7	303.3
Service, over time	8.9	-0.1	14.7	6.2	20.7	12.2
Distribution	3.0	-2.1	7.4	1.0	17.7	11.2
Sum Sales Special Infrastructure Solutions	305.3	141.5	586.6	306.6	985.2	705.2
<i>Property Technical Services</i>						
Products	7.1	11.4	14.3	17.3	33.0	36.0
Installation, direct	55.4	88.1	148.0	165.3	353.3	370.6
Installation, over time	3.3	58.7	34.4	98.4	130.4	194.4
Service, direct	30.3	20.2	49.8	35.7	90.1	76.0
Service, over time	6.6	16.0	22.1	40.3	72.2	90.4
Sum Sales Property Technical Services	102.8	194.6	268.7	357.2	678.9	767.4
<i>Sum Products</i>	<i>364.0</i>	<i>140.1</i>	<i>643.1</i>	<i>285.7</i>	<i>1,017.6</i>	<i>660.1</i>
<i>Sum Installation, direct</i>	<i>157.1</i>	<i>157.9</i>	<i>324.8</i>	<i>285.4</i>	<i>702.9</i>	<i>663.5</i>
<i>Sum Installation, over time</i>	<i>4.4</i>	<i>63.2</i>	<i>54.8</i>	<i>118.8</i>	<i>156.3</i>	<i>220.4</i>
<i>Sum Service, direct</i>	<i>113.0</i>	<i>99.4</i>	<i>240.0</i>	<i>214.9</i>	<i>427.6</i>	<i>402.5</i>
<i>Sum Service, over time</i>	<i>20.6</i>	<i>22.3</i>	<i>47.2</i>	<i>56.2</i>	<i>111.1</i>	<i>120.1</i>
<i>Sum Distribution</i>	<i>6.3</i>	<i>0.6</i>	<i>13.6</i>	<i>6.7</i>	<i>28.3</i>	<i>21.4</i>
Total sales	665.3	483.4	1,323.6	967.8	2,443.8	2,088.0

Other income (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan-Dec 2020
Water & Energy	1.3	4.9	2.7	5.5	6.1	8.9
Special Infrastructure Solutions	2.3	2.3	3.9	3.7	7.3	7.1
Property Technical Services	0.5	1.2	2.7	2.4	7.9	7.6
Business areas	4.1	8.4	9.3	11.6	21.3	23.6
Central units	5.2	-	3.6	0.4	4.7	1.5
Total	9.3	8.4	12.9	12.0	26.0	25.1
Of which received state aid attributable to Covid-19* (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan-Dec 2020
Water & Energy	0.4	4.6	0.8	4.6	2.2	6.0
Special Infrastructure Solutions	0.8	0.4	1.4	0.4	1.0	-
Property Technical Services	-	0.7	-	0.7	0.9	1.6
Sum	1.1	5.7	2.3	5.7	4.2	7.6

*Refers to government support for short-term work and the corresponding type of remuneration in foreign units where the company receives resource support linked to Covid-19 in exchange for the company fulfilling or will fulfil certain conditions regarding its operations.

NOTE 3 FINANCIAL INCOME AND COST

(SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Jan-Dec 2020
Financial income						
Results from previously sold units	-	-	-	-	26.9	26.9
Interest income	0.4	-	0.6	0.1	0.6	0.1
Net exchange gain	2.8	-	11.1	-	11.1	-
Total financial income	3.3	-	11.9	0.1	38.8	27.0
Financial cost						
Interest expense on financial liabilities to credit institutions	-6.3	-7.4	-13.0	-12.5	-17.9	-17.4
Discount rate for lease liabilities	-0.9	-0.7	-1.8	-1.3	-3.2	-2.7
Discount rate on contingent considerations	-4.0	-3.0	-8.0	-5.7	-12.4	-10.1
Net exchange loss	-	-17.7	-	-9.6	-7.7	-17.3
Other financial cost	-0.5	-0.2	-2.7	-0.3	-8.1	-5.7
Total financial cost	-11.6	-28.9	-25.5	-29.4	-49.3	-53.3
Net financial cost	-8.3	-28.9	-13.7	-29.3	-10.5	-26.3

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.

During the financial year 2020, the Group's net financial items were positively affected by SEK 26.9 million through the realization of a performance-based additional purchase consideration linked to the divestment of the support business that took place in 2018.

NOTE 4 GOODWILL

(SEK m)	30 Jun 2021	30 Jun 2020	31 Dec 2020
Ingående balans vid årets början	2,268.4	1,870.1	1,870.1
Acquisitions for the period	530.1	141.0	454.6
Adjustment of preliminary acquisition analysis	-9.4	-	1.1
Correction regarding previous years' acquisitions	-	-	15.8
Divested units	-244.9	-	-
Currency translation effects	64.9	-41.2	-73.2
Carrying amount at end of period	2,609.1	1,969.9	2,268.4

Compared to 31 December 2020 goodwill increased by SEK 340.7 million and amount to SEK 2,609.1 million as per June 30, 2021. During January to June 2021 acquisitions were made which has led to an increase in goodwill of SEK 530.1 million. Divested units and operations held for sale reduced the goodwill of the Group by SEK 244.9 million. During the period, a correction of preliminary acquisition analyses of the previous year's acquisitions has also been carried out. The remaining change during the financial year is attributable to currency translation differences.

NOTE 5 INTEREST-BEARING LIABILITIES

(SEK m)	30 Jun 2021	30 Jun 2020	31 Dec 2020
Non-current interest-bearing liabilities			
Liabilities to credit institutions	791.6	510.8	698.3
Leases	125.3	122.2	123.1
Contingent consideration	692.1	568.0	694.8
Other non-current liabilities	2.0	1.0	2.6
Total non-current interest-bearing liabilities	1,611.0	1,202.0	1,518.8
Current interest-bearing liabilities			
Liabilities to credit institutions	10.2	14.5	8.1
Leases	51.4	61.8	62.1
Contingent consideration	110.8	-	-
Other current liabilities	0.5	4.5	1.8
Total current interest-bearing liabilities	172.9	80.8	71.9

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 2021	30 Jun 2020	31 Dec 2020
Opening balance	694.8	550.7	550.7
Acquisitions	178.6	81.1	225.3
Paid purchase considerations relating previous acquisitions	-105.6	-54.1	-79.3
Interest expenses (discount effect due to present value calculation)	8.0	5.7	10.1
Revaluation via operating profit	2.5	-	13.5
Exchange differences	24.8	-15.4	-25.5
Carrying amount at period end	803.1	568.0	694.8

The revaluation of liabilities relating to contingent consideration has during the period resulted in a cost of SEK -2.5 million (-). The revaluation during the period is related to the final settlement of an agreed contingent purchase price where the outcome on which the calculation was based deviated from that assessment at the last revaluation of the contingent purchase price. The revaluation is recognized under other external costs.

NOTE 6 BUSINESS ACQUISITIONS

PRELIMINARY ACQUISITION ANALYSIS. regarding acquisitions during January to June 2021

(SEK m)	Rolec*	Other	Sum
Intangible non-current assets	1.2	-	1.2
Tangible non-current assets	33.2	0.3	33.5
Inventories and work in progress	64.6	3.5	68.1
Cash and cash equivalents	101.7	1.0	102.7
Trade receivables ¹⁾	92.7	2.8	95.5
Other current assets	23.4	0.6	24.0
Other current liabilities	-49.9	-1.6	-51.5
Net identifiable assets and liabilities	266.8	6.6	273.4
Consolidated goodwill	522.9	7.2	530.1
Brand	62.5	2.4	64.9
Customer relations	84.0	2.9	86.9
IPR Rights	63.3	1.2	64.5
Deferred tax liability	-39.9	-1.3	-41.2
Total calculated purchase price	959.7	19.0	978.7
Transferred consideration			
Cash and cash equivalents	784.1	15.9	800.0
Contingent consideration	175.6	3.1	178.7
Total transferred consideration	959.7	19.0	978.7

*) Rolec Services Ltd and One Stop Europe Ltd

Liquidity impact on the Group

Acquired cash and cash equivalents	101.7	1.0	102.7
Transferred consideration	-784.1	-15.9	-800.0
Total liquidity impact	-682.4	-14.9	-697.3

Other information

Runrate Net sales ²⁾	266.8	18.2	
Run rate profit before tax ²⁾	81.2	4.1	

The acquired units' contribution to the Group's sales and earnings (SEK m)

	Rolec*	Other	Sum
Acquired units' contribution to the Group's sales	147.0	1.2	148.2
Acquired units' contribution to the Group's profit before tax	48.0	-	48.0
Transaction costs	-11.2	-0.5	-11.7
Depreciation and write-downs of intangible assets	-4.7	-0.1	-4.8

¹⁾ The receivables are valued at fair value and include provisions for bad debts of SEK 0.8 million in Rolec. The amount is expected to be collected within twelve months.

²⁾ Runrate 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, retroactively adjustments of the preliminary amounts reported at the time of acquisition take place so that 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 acquisition value of the shares in acquired subsidiaries exceeds the fair value of the net assets included 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 separately. Goodwill stems from each company's good conditions for continued growth in combination with good cash flows. The acquired unit's expected contribution to complement and broaden the Group's offering, sales channels and synergies in infrastructure and contribute to the Group's continued growth.

Transaction costs for acquisitions are expensed during the period they arise, and the services are performed. 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 2021 amounted to SEK 17.9 million (0.0) of which acquisition-related costs amounted to 11.8 (2.2), see also page 7.

Description of acquisitions during the period January – June 2021

Sdipotech AB (publ) acquired all shares in Rolec Services Ltd and One Stop Europe Ltd (Rolec) on February 19, 2021, Rolec specialises in the development and manufacture of a wide range of charging equipment and systems for electric vehicles (EV). With over 30 years of experience in producing charging solutions for marinas and campsites. Rolec has built up a solid knowledge in this area, generating a head start in the fast-growing EV segment. Rolec has a turnover of approximately GBP 23 million and a pre-tax operating profit of approximately GBP 7 million. The purpose of the acquisition was to complement and broaden current offering of products and services within the business area Water & Energy.

The market for electric vehicle charging points in the UK is expected to have significant growth in the coming years. This is driven by strong underlying growth of electric vehicles, which in turn increases the investment need for charging infrastructure in both the public and private sectors. Rolec was founded in 1990 and is known for its quality products, high-tech expertise and strong customer relationships in both B2B and B2C. The company has over 30 years of experience in the development, manufacture and installation of outdoor chargers.

At the date of the transaction, the company is valued at GBP 65.2 million on a cash and debt-free basis, of which GBP 58.0 million is paid on the date of entry and financed from own resources and bank credits. The final purchase price, which will be settled at the end of the earn-out period running until January 31, 2026, will be between GBP 58.0 and GBP 80.0 million, depending on the company's performance during the earn-out period. A final total purchase price higher than the current value of GBP 65.2 million also assumes a higher level of profit than the current one. Rolec has 139 employees at the time of the acquisition.

The contingent consideration for Rolec is estimated at SEK 175.5 million at the time of acquisition, the assessment is made based on assessment of outcome of profits based on forecasts for the company until the end of the period of the earn out. The reference point for growth is calculated on normalized annual profit at the time of acquisition. Rolec is part of the Water & Energy business area as of February 2021.

On June 4, 2021, Sdipotech AB (publ) acquired all shares in Ficon Oy, which specializes in hydraulic products for snow and ice clearing of road and land in Finland. Ficon has a turnover of approximately EUR 1.8 million with good profitability. Ficon is an add-on acquisition to Hiltip Oy with the aim of increasing sales of products in Finland. Founded in 2005, Ficon is a leading player in the Finnish market in the design, manufacture, assembly and installation of snow and ice clearing equipment adapted for pickups, smaller trucks and tractors. Ficon has 13 employees at the time of the acquisition.

The purchase price for the company includes a conditional purchase price of SEK 3.1 million, which is linked to the sales development on the Finnish market for 2 years from the acquisition. The final purchase price, which is settled after the earn-out period that runs until May 31, 2023, will amount to SEK 15.1 - 18.2 million. The company is included in the business area Special Infrastructure Solutions from June 2021.

If the acquired units for the year were consolidated as of 1 January 2020, the year's net sales would have amounted to approximately SEK 1,360 million and EBITA* would have amounted to approximately SEK 175 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

WATER & ENERGY

The companies within Water & Energy provide niche products and services focused on the water and energy infrastructure segments. The companies address specialised needs in water and water purification, as well as electricity supply and electrical automation. The principal geographic markets today are Sweden and the UK.

Growth opportunities for the business area are expected to be strong. The water segment is characterised by neglected investment and growing water scarcity, combined with increasing needs for water treatment and consumption in our geographic markets. In the energy segment, there are good growth opportunities as a direct consequence of the power shortage impeding regional development in parts of Europe.

as well as an effect of pervasive trends in digitisation, automation, and electrification in society.

Example areas of application:

- Installations and components for water treatment in industry and municipalities
- Installation and service of smaller water and sewage treatment plants
- Production of ultra-pure water
- Advanced electrical cabinets and customised electric automation
- Monitoring of electricity quality
- Temporary infrastructure such as temporary electricity, water, fire protection and lighting
- Charging equipment and systems for electric vehicles

The companies included in Water & Energy (in alphabetical order)

- | | |
|--|---|
| • 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 |
| • Hydrostandard Mätteknik Nordic AB | Replacement, renovation and calibration of water meters |
| • 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) (as of Feb -21) | 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 |
| • 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 Sweden, Northern Europe and the UK.

The products and services within Special Infrastructure Solutions span a relatively broad range of niched infrastructure solutions. The common theme is market segments with favourable underlying growth, a low degree of cyclicity and a gradual introduction of stricter environmental, energy and safety regulations.

Example areas of application

- Monitoring of indoor climate, ventilation and energy efficiency
- Systems for the evacuation of toxic gases
- Installation and service of cooling systems
- Cameras for traffic control and security
- Solutions for secure mobile telecommunications
- Claims management of underground infrastructure
- High-frequency radio communication services for aircraft operators

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

- | | |
|---|---|
| • Alerter Group Ltd (as of Jul -20) | Emergency communications systems for disabled people |
| • Auger Site Investigations Ltd | Specialised in claims management of underground infrastructure |
| • Cliff Models AB | Prototypes for industrial product development |
| • Cryptify AB | Software solution for secure communication |
| • Frigotech AB | Installation and service of refrigeration units |
| • Ficon Oy (as of Jun -21) | Specializes in hydraulic products for snow and ice clearing |
| • GAH (Refrigeration) Ltd (as of Dec -20) | Manufacture and service of transportation refrigeration solutions |
| • Oy Hilltip Ab | Manufacturer of road maintenance equipment |
| • KSS Klimat & Styrssystem AB | Indoor climate control, ventilation and energy efficiency |
| • Medicvent AB | System for evacuation of noxious gases |
| • Optyma Security Systems Ltd | Integrated security systems for public and private environments |
| • RedSpeed International Ltd | Digital cameras for speed monitoring and traffic enforcement |
| • Storadio Aero AB (formerly Aviolinx AB) | Infrastructure and operational liaison centre for backup air traffic communications |
| • Stockholmradio AB | Radio-based services for shipping, now a part of Storadio Aero AB |
| • Thors Trading AB | Durable products in carbon steel material for racing and harness racing |

PROPERTY TECHNICAL SERVICES

The companies within Property Technical Services offer specialised technical services for property owners. Assignments are performed throughout the lifecycle of a property, including service, renovation, modernisation, and new construction. The principal geographic markets today are Stockholm and major cities in Germany, the Benelux, and the Balkan countries. The business models are generally project-based and include associated aftermarket services and framework agreements.

Although variations in demand in individual markets can affect demand in specific sub segments, these fluctuations are simultaneously stabilised by the fact that customers are spread among several customer segments and geographies and because the offering includes all stages in the lifecycle of a property.

During the first half of 2021, Sdipotech divested seven of the previous nine operations:

- Aufzuge Friedl GmbH
- HissPartner i Stockholm AB
- ManKan Hiss AB
- St. Eriks Hiss AB
- ST Lift GmbH
- Stockholms Hiss- & Elteknik AB
- Tello Service Partner AB

Remaining companies included in Property Technical Services:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Castella Entreprenad AB • Metus d.o.o. | <p>Contracts for shell completion and internal plaster walls</p> <p>Production of special elevators for customer-specific needs and resource supply to global elevator manufacturers</p> |
|---|--|

DEFINITIONS ALTERNATIVE PERFORMANCE MEASURES

Sdipitech presents alternative financial ratios in addition to the financial ratios established by IFRS in order 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.

EBITDA	Operating profit before depreciation and impairment losses.
EBITA	Operating profit after depreciation of property, plant and equipment before impairment losses. The key figure enables comparisons of profitability over time regardless of depreciation and amortization of acquisition-related intangible assets and regardless of the corporate tax rate and the company's financing structure. However, depreciation on tangible assets is included, which is a measure of a resource consumption that is necessary to generate the result.
EBITA*	Operating profit before amortisation and impairment of intangible non-current assets that arose in connection with acquisitions. The purpose of EBITA * is to clarify the Group's operational earnings development. Due to irregularities in when acquisition costs arise and are booked, EBITA * more clearly shows the underlying operational development in the business. Revaluation of liabilities regarding contingent consideration is also excluded to clarify the operating profit development as well as transaction cost and result in relation with divestments. See tables to the right for historical results. EBITA * is indicated by an asterisk. The key figure increases the comparability of EBITA over time as it is adjusted for the impact of items affecting comparability. The key performance ratio is also used in the internal follow-up and constitutes a central financial objective for the business.
EBITA* margin	EBITA* in relation to net sales.
Net debt/EBITDA	Calculated as average net debt for the past 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.
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
Capital employed	Calculated as average shareholders' equity and interest-bearing net debt for the past four quarters less cash and cash equivalents and short-term investments.
Return on capital employed	Calculated as EBITA for the four most recent quarters on closing day, in relation to average capital employed for the four most recent quarters on closing day.
Return on equity	Calculated as average profit after tax, adjusted for dividend to preference shares, for the four most recent quarters in relation to average equity, adjusted for preference capital, for the four most recent quarters on closing day.
Cash flow generation	Calculated as cash flow from continuing operations in relation to profit before tax adjusted for non-cash items.
Earnings per ordinary share (number per end of period)	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 EBITDA, EBITA, EBITA*, 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.

EBITDA

Operating profit before depreciation and impairment losses.

EBITDA (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Full year 2020
Operating profit	88.5	78.0	179.2	146.9	342.8	310.5
Depreciation and amortisation of tangible non-current assets	21.0	18.3	43.6	35.7	80.6	72.7
Depreciation and amortisation of intangible non-current assets	12.1	3.8	21.8	6.7	34.8	19.8
EBITDA	121.6	100.1	244.6	189.3	458.2	402.9

EBITA*

Operating profit before amortisation and impairment of intangible non-current assets arising in connection with acquisitions. In order to clarify the underlying operating profit, acquisition-related transaction costs, which are incurred and booked regularly, are also excluded. Corresponding costs disposals and implementation results on disposals are excluded. Also, the result from remeasurement of liabilities relating to contingent consideration payments is excluded. EBITA* is indicated with an asterisk.

EBITA* (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Full year 2020
Operating profit	88.5	78.0	179.2	146.8	342.8	310.5
Depreciation and amortisation of intangible non-current assets	12.1	3.8	21.8	6.7	34.9	19.8
EBITA	100.6	81.8	201.0	153.6	377.6	330.2
Acquisition costs	1.9	2.2	17.2	2.2	24.7	9.6
Divestment	20.3	-	20.3	-	20.3	-
Add back depreciation and amortisation of intangible non-current assets non acquisition related	-2.2	-1.4	-4.4	-2.3	-8.1	-6.0
Adjustment of liability for earnouts	-	-	2.5	-	16.1	13.5
EBITA*	120.7	82.6	236.6	153.5	430.5	347.3

EBITA* margin

EBITA* i relation till nettoomsättningen.

EBITA* i relation to Net Sales (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Full year 2020
EBITA*	120.7	82.6	236.6	153.5	430.5	347.3
Net Sales	665.3	483.4	1 323.6	967.8	2 443.8	2 088.0
EBITA* margin %	18.1	17.1	17.9	15.9	17.6	16.6

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.

Average interest-bearing net debt (SEK m)	Average	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Interest-bearing liabilities	1,650.5	1,783.9	2,002.2	1,590.8	1,225.1
Cash and cash equivalents	-297.4	-369.5	-325.3	-279.4	-215.4
Interest-bearing net debt	1,353.1	1,414.4	1,676.9	1,311.4	1,009.6
Assets held for sale	-1.3	-	-5.1	-	-
Total interest-bearing net debt	1,351.8	1,414.4	1,671.8	1,311.4	1,009.6

Average net debt in relation to EBITDA (SEK m)	LTM Jun 2021	LTM Jun 2020	Full year 2020
Interest-bearing net debt	1,351.8	1,132.2	1,105.8
EBITDA	458.2	373.0	402.9
Net debt/EBITDA	2.95	3.04	2.74

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.

Average interest-bearing financial net debt (SEK m)	Average	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Interest-bearing financial debt	744.2	801.8	998.0	706.4	470.5
Cash and cash equivalents	-297.4	-369.5	-325.3	-279.4	-215.4
Interest-bearing financial net debt	446.8	432.3	672.7	426.9	255.1
Assets held for sale	5.4	-	21.8	-	-
Total interest-bearing financial net debt	452.2	432.3	694.5	426.9	255.1

Average Financial net debt in relation to EBITDA (SEK m)	LTM Jun 2021	LTM Jun 2020	Full year 2020
Interest-bearing financial net debt	452.2	420.3	337.4
EBITDA	458.2	373.0	402.9
Financial net debt/EBITDA	0.99	1.13	0.84

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.

Average capital employed (SEK m)	Average	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Interest-bearing net debt	1,351.8	1,414.4	1,671.8	1,311.4	1,009.6
Shareholders' equity	2,060.2	2,396.2	2,340.0	1,755.8	1,748.8
Capital employed	3,446.5	3,948.6	4,011.8	3,067.1	2,758.4

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.

Average EBITA in relation to average capital employed (SEK m)	LTM Jun 2021	LTM Jun 2020	Full year 2020
EBITA	377.6	299.4	330.2
Capital employed	3,412.0	2,491.7	2,725.6
Return on capital employed %	11.1	12.0	12.1

Return on equity

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

Average adjusted net profit in relation to average equity (SEK m)	LTM Jun 2021	LTM Jun 2020	Full year 2020
Profit after tax, adjusted	234.2	170.1	200.6
Equity	1,854.0	1,149.0	1,407.3
Return on capital employed %	12.6	14.8	14.3

Cash flow generation

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

Cash flow generation %	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Full year 2020
EBT	80.3	49.1	165.6	117.6	315.4	284.2
Adjustment for items not included in cash flow	24.0	41.9	20.3	55.0	110.1	128.0
Adjusted EBT	104.3	91.0	185.9	172.5	425.5	412.2
Cash flow from continuing operations	27.1	163.6	66.5	222.0	314.3	450.8
Cash flow generation %	26.0	179.8	35.8	128.6	73.9	109.4

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.

Earnings per ordinary share (SEK m)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM Jun 2021	Full year 2020
Profit/loss attributable to Parent Company's shareholders	59.7	36.9	122.4	88.9	248.0	214.6
Dividend paid to preference shareholders	-3.5	-3.5	-7.0	-7.0	-14.0	-14.0
Profit/loss attributable to Parent Company's shareholders	56.2	33.4	115.4	82.0	234.0	200.6
Number of ordinary shares outstanding (thousand)	35,364	33,642	35,364	33,642	35,364	33,642
Earnings per ordinary share	1.59	0.99	3.26	2.43	6.62	5.96

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

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 22 JULY 2021

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

For additional information, please contact:

Jakob Holm, CEO. +46 761 61 21 91. jakob.holm@sdiptech.com

Bengt Lejdström, CFO. +46 702 74 22 00. bengt.lejdstrom@sdiptech.com

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 22 July 2021 at 08.00 CEST.

UPCOMING REPORTS

Interim report for July - September 2021	26 October 2021
Year-end report for 2021	10 February 2022

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 are:

- 15 September 2021
- 15 December 2021
- 15 March 2022

