Annual Report 2024 / 2025

ADDTECH

The Annual Report is prepared in Swedish and translated into English. Should differences occur between the Swedish Annual Report and the English translation, the Swedish version shall prevail.

Introduction/business summary

Continued growth

Despite considerable global uncertainty in 2024/2025, Addtech continued to deliver profitable and sustainable growth according to plan. Our scalable business model, based on entrepreneurship and decentralised responsibility, once again proved its strength.

Leading technical solutions for a sustainable tomorrow

Addtech is an international technical solutions group listed on the Stockholm Stock Exchange since 2001. The business consists of 150 independent and entrepreneurial driven companies offering technical products and solutions with high added value, mainly to customers in the manufacturing industry and infrastructure.

Our vision is to be a leader in value-adding technical solutions for a sustainable tomorrow, which to us means that we are perceived as the most skilled and sustainable partner by our customers, suppliers and employees. The Group's strategic focus is on growing business operations organically, while continuously complementing with acquisitions that strengthen Addtech within selected niches. Based on our strong culture and core values, we are committed to working towards a more sustainable future, while also pursuing long-term profitability for the Group.

VISION

Leading technical solutions for a sustainable tomorrow

FINANCIAL TARGETS

Earnings growth >15 %
P/WC >45 %

STRATEGY

Market-leading niche positions

Operational agility – flexibility with active ownership

Growth through acquisitions

BUSINESS CONCEPT

Addtech offers high-tech products and solutions for companies in the manufacturing and infrastructure sectors. We add both technical and financial value by being a skilled and professional partner. This means that we shall add value by helping customers produce their goods more efficiently, helping make their products more competitive in the development towards a sustainable tomorrow.

CORE VALUES

Simplicity

Efficiency

Change

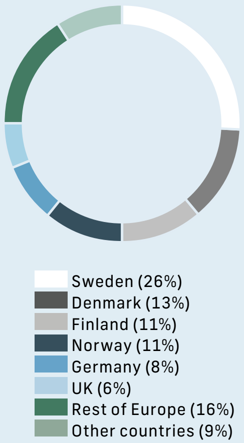
Responsibility and Freedom

An international group

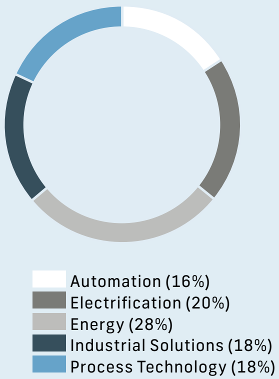
Addtech has an international offering, with operations in 20 countries and exports to some 20 additional countries. The business is well diversified in terms of customers, segments and geographic coverage. Although a significant share of sales take place in the Nordic region, other markets outside the region have grown significantly in recent years.

Our companies are grouped into five business areas for future growth. They all share a common corporate culture and collaborate in networks to support each other and take advantage of new business opportunities.

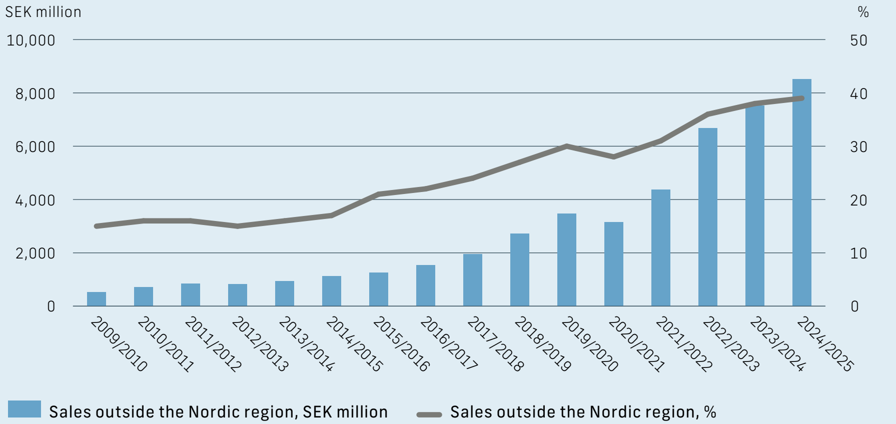
Sales by geographic market



Sales by business area



Sales outside the Nordic region



150 companies in five business areas

Automation

Smart technical solutions for future-proof industry

Electrification

Tomorrow's technical solutions for electrification

Energy

Capturing the potential from society's transition to electrical power

Industrial Solutions

Technical solutions for improved resource efficiency within industry

Process Technology

More efficient process flows and reduced environmental impact

A successful year

The 2024/2025 financial year has shown how well Addtech's scalable business model delivers even in uncertain times. Our clear focus on diversification, decentralisation and entrepreneurship made it possible for us to successfully deal with the partly complex conditions. We delivered earnings and growth in line with our targets, completed numerous acquisitions that further strengthened our positions and took additional steps towards achieving our sustainability targets.

The year in figures

21,796
SEK million in net sales

3,265
EBITA, SEK million

15.0%
EBITA margin

2,709
Cash flow, SEK million

0.7
Net debt/equity ratio, multiple

~4,500
Number of employees

The aim of Addtech is to increase earnings every year through organic growth and, using our own cash flow, to acquire well-managed technical companies that generate substantial value and have a clear sustainability profile. Our overarching target is to increase our earnings by more than 15 percent per year on average over a business cycle. Half of this growth is to be organic and half is to come from acquisitions.

The strength of our business model and strategy was evident during the 2024/2025 financial year. Despite a turbulent global situation, we continued to deliver as expected. We noted organic sales growth in all four quarters and are very pleased with the year overall. Total net sales increased by 9 percent to SEK 21,796 million (20,019), with earnings growth of 14 percent and a strengthened EBITA margin of 15.0 percent (14.3). With respect to our long-term financial target for profitability, measured as P/WC (operating profit in relation to working capital), we achieved a record-breaking 76 percent this year due to a combination of strong earnings growth and effective capital management.

Our operating cash flow remained high at SEK 2,709 million (2,575), creating prerequisites for acquisitions and other investments during the year. Despite a high rate of acquisitions, our net debt/equity ratio remained unchanged at 0.7, calculated on the basis of net debt excluding pension provisions.

Decentralisation and diversification

Thanks to our entrepreneurial and decentralised business model, the Group's 150 companies are able to act independently in order to promptly find the right solutions, no matter what situation they are facing. Addtech is also highly diversified, with strong positions in strategically selected niches and operations in a variety of geographic markets. This creates a good balance, allowing some segments and regions to continue performing very well even if others struggle with tough market conditions.

Over the past financial year, many customers have been hesitant to invest due to interest rate levels and the general economic situation, which in turn has primarily impacted our business linked to various types of investment projects. Geographic location was also a factor in terms of which companies performed best. From a geographic perspective, our performance was stable in Sweden and Denmark, weak in Finland and strong in Norway. In our principal markets outside the Nordic region, the business situation was weak in the DACH area, stable in the Benelux countries and generally favourable for our companies in the UK.

We also noted clear differences between segments. Business operations directly or indirectly linked to the construction sector, such as electrical installation, construction machinery and sawmill technology, had challenging market conditions. Our companies targeting these segments were forced to focus on cost-cutting and other measures to safeguard their profitability, while waiting for the underlying structural drivers in the segments to prompt a recovery. By contrast, other markets where we have strong positions, such as electrical transmission, defence, marine technology and data halls, performed very well during the year.

Financial targets, outcome 2024/2025:

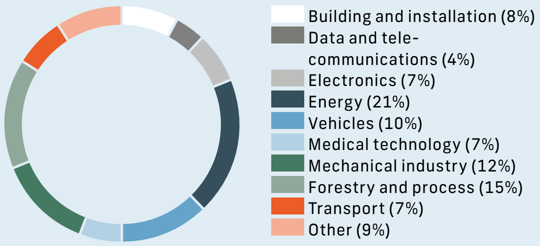
14%

Earnings growth

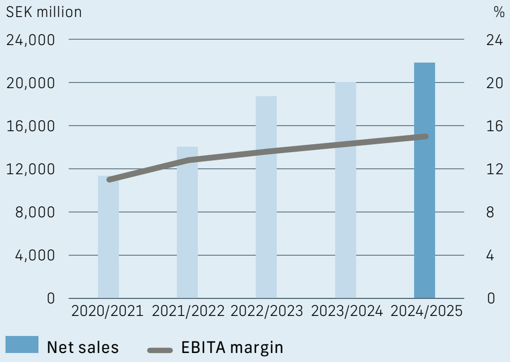
76%

Return on working capital (P/WC)

Sales by customer segment



Net sales and EBITA margin



Cash flow enables acquisitions
Addtech operates in niches where we identify underlying structural growth. Looking back at 2024/2025, it is clear that this strategy yields results, even in times of general economic turmoil. Our ability to generate operating cash flow fuels our growth agenda, allowing us to invest in growth and carry out acquisitions. At the same time, we always take great care in the selection of the companies we acquire. Ensuring a strategic and cultural fit is always a top priority since we conduct acquisitions with a perpetual ownership horizon.

All of Addtech's business areas were active in the M&A market to varying degrees during the financial year. We completed 12 carefully selected acquisitions that have strengthened and complemented our niche strategies. In line with our ambitions, the acquired companies – most of which are located outside the Nordic region – were slightly larger on average than in the past. In total, the acquisitions have contributed approximately SEK 1.6 billion to Addtech's annual sales, with favourable margins.

The strength of our decentralised business model is becoming apparent as we grow, scale up and enter new markets. In many cases, Addtech's team of experienced employees identifies potential candidates through our own networks, which means that we are often very familiar with the companies we acquire. For us, it is important that the entrepreneurs looking to sell their company share our approach to business, ethics and sustainability and have a strong focus on continued growth. Our business model and culture are also attractive to entrepreneurs outside the Nordic markets when seeking to sell their life's work. Regardless of their geographic location, business owners want to feel at home in an entrepreneurial culture to ensure the company's long-term viability.

Networks enhance the Group as a whole
Addtech's companies are leaders in their specific niches and the Group is home to numerous strong brands. Although our approach is strictly decentralised, it is an important part of our model to make full use of the potential of the internal networks in place between our companies. This is particularly true within the individual business units, with our companies often serving the same segments and customers, albeit with different types of products, subsystems and solutions. Given that all our companies share a common culture and values, and since Addtech creates clusters of companies based on products and end customers, the whole is far greater than the sum of its parts.

The knowledge sharing that takes place in the Group creates added value for all of the individual entrepreneurial companies that are part of it. We try to utilise all the expertise available in the Group so that our companies can avoid reinventing the wheel and instead focus on business opportunities that create value. Through structural initiatives at the Group level – such as our internal business school, the Addtech Academy, where we continuously add new modules – we create unique opportunities for knowledge-sharing in important areas. Recently, for example, new training courses have been added in digitalisation, strategic pricing and sustainability.

Perhaps even more important is the continuous sharing of knowledge that takes place between the companies on their own initiative. This has been evident, for example, with respect to the use of AI to streamline operations. Our companies have a very open approach to sharing knowledge and best practices. While we are able to identify issues and push this work forward in various ways at the Group level, our companies often find ways to collaborate on their own initiative, particularly in their respective clusters.

"Our ability to generate operating cash flow fuels our growth agenda, allowing us to invest in growth and carry out acquisitions."

12 carefully selected acquisitions:

The 12 new acquisitions have combined annual sales of about SEK 1,600 million and we have welcomed 325 new colleagues to the Group.

Sustainability targets, outcome 2024/2025:

73%

Percentage of sales that contribute to sustainable development

42%

Reduced carbon dioxide intensity

21%

Women in leading position

59%

Share of purchase volume that was self-assessed based on the Code of Conduct

Continued pressure from customers for sustainable solutions

When it comes to sustainability, we remain committed to the ambitious targets we have established for 2030 and continued to make progress towards meeting these targets during the year. Even in today's uncertain climate, we are seeing continued demand for sustainable technical solutions. Our customers are aware that sustainability is an important business driver, and Addtech often acts as a catalyst for their progress towards more sustainable offerings and operations.

During the year, we continued our work ahead of the implementation of new regulatory requirements for sustainability reporting, and we are now well prepared to report in accordance with the new requirements in the upcoming financial year. The double materiality assessment we conducted confirmed that we had already identified relevant areas for improvement. Our strategy and 2030 targets are well aligned with the results of our double materiality assessment.

Considerable opportunities for continued profitable growth

Given the geopolitical uncertainties present at the time of writing, it is difficult say anything with any certainty what awaits us in the new financial year that we are now entering. We expect continued variations across segments as well as geographic regions in the coming quarters.

We know that there are plenty of needs in many of the industries where Addtech operates, such as electrification, electrical transmission and defence. Given the expansionary fiscal and monetary policies taking shape in Europe, we are cautiously optimistic that we will see an economic recovery and a gradual improvement in the willingness to invest in the coming year. Addtech is an agile player with strong positions, primarily in the European market, and will likely be able to harness the potential of, and benefit from, such a scenario. In general, we have a positive view of the acquisition market, and with our strong financial position and good inflow of potential acquisition candidates, we are well positioned to maintain a high rate of acquisitions going forward. On the whole, this is creating considerable opportunities for continued profitable growth, both organically and through acquisitions.

Finally, I would like to thank all of our fantastic employees who, through their dedication and competence, continued to deliver added value to our customers and other stakeholders during the year. I would also like to take this opportunity to thank all of our customers, suppliers and investors who continue to place their trust in us, allowing us to build long-standing relationships. I look forward to another exciting and successful financial year together!

Niklas Stenberg
President and CEO
Addtech AB

Strategy and operations

Passion for entrepreneurship

The following page presents Addtech's business model, which establishes the conditions for a competitive international value proposition in selected growth areas. As always, key factors include our entrepreneurial corporate culture, the Group's contribution to the companies and our long-term acquisition strategy.

Well-proven and scalable business model

Our companies are what make Addtech what it is and where all our operations are conducted. To benefit from the Group's full network of customers and suppliers, the companies are grouped into five business areas divided into 12 business units based on technology or market area.

Our value proposition consists of a strategic mix of technical products from external suppliers, modified products and solutions, and our own products and brands in selected niches – always with a high level of technical content and a clear focus on bringing more added value to the offering.

ADDTECH

STRATEGY

1. Market-leading niche positions

+ Carefully selected niches with high knowledge and technical content
+ Solutions, subsystems or products in small and medium-sized volumes

2. Acquisitions

+ Profitable companies with growth potential in selected niches
+ Decentralised process and financing by means of own cash flow

Read more on page 14

3. Operational agility

+ Active ownership with a perpetual horizon
+ A highly agile organisation facilitated by strictly decentralised responsibilities

OUR COMPANIES

VALUE PROPOSITION

Trade products

+ Technical know-how with respect to local market needs and expectations
+ Sales, marketing and logistics

25% of total sales

Modified products and solutions

+ Customised design, modifications and niche production
+ Sales, marketing and services

35% of total sales

Own products and brands

+ Research and development
+ Design and production
+ Sales and marketing

40% of total sales

12 NICHE STRATEGIES IN FIVE AREAS FOR FUTURE GROWTH

Automation
- Motion & Drives
- Industrial IT & Sensors

Electrification
- Battery Systems
- Connectivity Solutions
- Power & Mobility

Energy
- Energy Products
- Energy Supply

Industrial Solutions
- Material Processing
- Vehicle Solutions

Process Technology
- Process Systems
- Emission Control
- Process Control

Read more on page 16, 23-27

TARGETS

Financial targets

Annual earnings growth over a business cycle	>15%
Profitability P/WC	>45%

Sustainability targets

Percentage of sales that contribute to sustainable development[1]	100%
Reduced carbon dioxide intensity 2030[2]	50%
Women in leading positions	40%
Share of purchase volume that was self-assessed based on the Code of Conduct 2030	80%

ADDTECH'S CONTRIBUTION:

Financial strength, Sustainability, IT security, Network, Addtech Academy, Acquisition model, Strategic pricing

Read more on page 13

UNIQUE CORPORATE CULTURE AND SHARED CORE VALUES:

Simplicity, Efficiency, Change, Responsibility and Freedom

Read more on page 12

1 Proportion of sales supporting progress towards the UN Sustainable Development Goals (SDGs). 2 Base year 2019/2020, Scopes 1, 2 and 3 (categories 3, 4, 6 and 9).

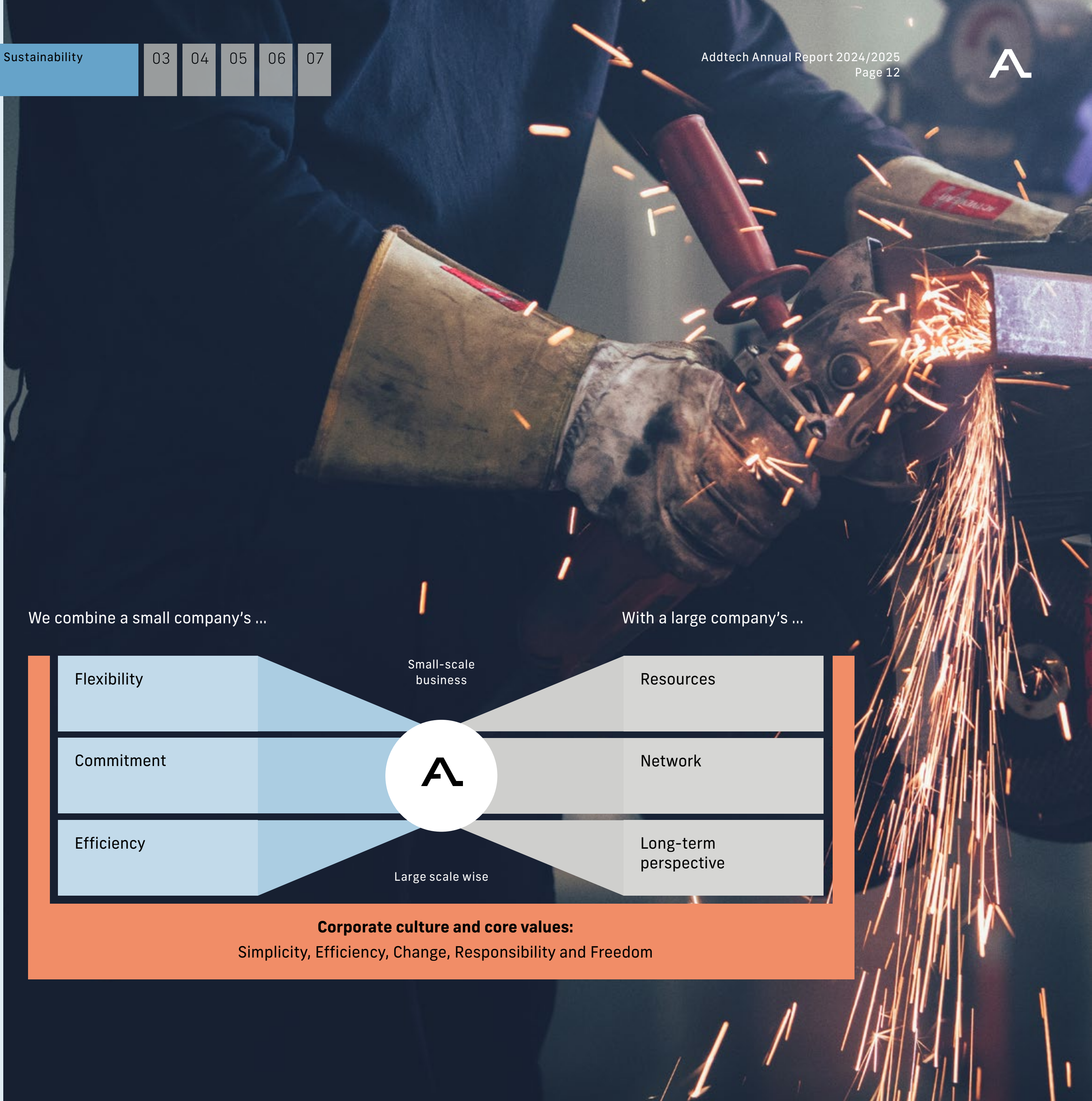
Our corporate culture

Addtech has a unique corporate culture based on our strong belief in entrepreneurship and that the best business decisions are made close to the customer.

Freedom with responsibility is a fundamental principle applied across all our operations. As part of Addtech's strictly decentralised organisation, our companies are given extensive freedom to make their own decisions. This allows us to conduct small scale business – large scale wise, combining the efficiency, flexibility, commitment and personal touch of a small business with the resources, networking opportunities and long-term perspective of a large company.

At the same time, we embrace change as something that is essential for growth and our long-term value creation. Our operations also need to be managed in a simple and efficient manner. Based on these core values, the Group exercises responsible and active ownership – without micromanaging. Each company has the freedom to grow and develop its business as long as this takes place within the framework of Addtech's business model.

The Group provides expertise in complex areas as well as Group-wide functions and tools that simplify operations and allow the companies to focus on their core business. Through our own business school, the Addtech Academy, we spread awareness of and strengthen our shared company culture among our companies' management teams and employees.



Our contribution to the companies

Based on the goal of conducting small scale business – large scale wise, Addtech creates optimal conditions for the companies to develop and achieve profitable growth.

Addtech's companies get all the benefits of being part of something larger, yet retain their existing platform and exercise freedom with responsibility. Our active ownership approach focuses on supporting the companies to develop over the long term and to grow organically, as well as sometimes through acquisitions. With access to the Group's network and financial strength, they can run their businesses better and take advantage of new business opportunities in their respective niches.

Addtech also provides the companies with support in the form of other resources, including cutting-edge expertise in areas such as sustainability, skills development and digitalisation. We also offer the companies effective tools to make each individual company's development journey as smooth as possible, including our proven acquisition model, IT security, strategic pricing and talent management processes.

The Group's business school, the Addtech Academy, plays an important role not only in embedding our unique corporate culture into the companies, but also in further developing the business expertise of our employees at all levels. In total, around 500 employees undergo some form of Addtech Academy training every year, from Managing Directors to employees working as sales representatives or within customer support and orders.

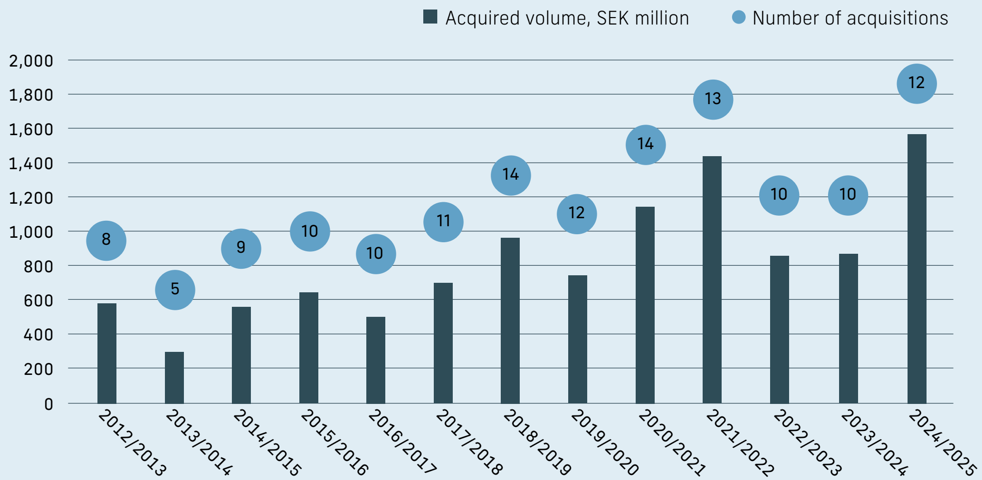
Our acquisition strategy

Along with our focus on organic growth, acquisitions are an important component of Addtech's business model and we acquire companies with a perpetual horizon.

Addtech continuously seeks out high-performing companies that can strengthen our existing operations or contribute with new products and market segments with good conditions to achieve leading positions. Any company we acquire must strengthen and complement our strategically selected niches, bringing growth and development potential. Perhaps more importantly, they must fit our business model, adding skilled employees with a strong entrepreneurial spirit. We have a perpetual ownership horizon and never conduct acquisitions with the aim of adding value to a company in the short term and then selling it.

We use a well-proven acquisition process that includes an evaluation according to a number of criteria in order to determine whether the necessary conditions are in place to further develop the company as part of Addtech. The company must have a B2B offering with high knowledge and technical content and leading positions in a well-defined niche that aligns with our strategy. The company must also have potential for profitability and growth, focus on its own products and on sustainability, have a committed management team that wants to continue to develop the company as part of Addtech and, last but not least, be a good cultural fit with us.

Number of acquisitions per year



Our companies create value

At Addtech, value is created in our companies, which are grouped into five business areas for future growth in an international market. Within these business areas, we focus on 12 niche strategies with the aim of capturing and maintaining strong positions in the most relevant growth segments – for today and tomorrow.

Addtech focuses on strategically selected segments, where growth is driven by global structural trends. Our companies add technical value by offering products and solutions that support customers in becoming more competitive and sustainable. Value creation is decentralised and takes place in close partnership with customers and our own suppliers, while our companies benefit from the resources and networks of a large group.

Our value creation 2024/2025

By creating leading technical solutions for a sustainable tomorrow, Addtech generates value for a number of stakeholders. The following is a summary of the value created during the financial year for:

Suppliers

- 59 percent (52) of the purchase volume was self-assessed based on our Code of Conduct.
- We continued to build partnerships with our suppliers.

Customers

- 73 percent (67) of sales contributed to sustainable development.[1]
- We continued to support customers in their efforts to achieve their sustainability targets and improved the efficiency of their processes.

Shareholders

- Dividend of SEK 864 million in 2025.[2]
- 20 percent share price development over the financial year.

Employees

- 21 percent (20) women in leading positions.
- Approximately 500 employees received further training through the Addtech Academy.

Society

- 42 percent (30) reduction in carbon dioxide intensity.[3]

1 Proportion of sales supporting progress towards the UN SDGs.
2 Board of Directors' proposal for 2025
3 Base year 2019/2020, Scopes 1, 2 and 3 (categories 3, 4, 6 and 9)

Our business areas

Automation
Strong position to capture the potential from increased use of automation solutions in growing industries.

"The year was challenging from a macroeconomic perspective. We responded with a strong focus on increased efficiency and a shift towards more lucrative segments, such as defence and security."

Michael Ullskog,
Business Area Manager Automation

Proportion sustainable business 2024/2025:

62% (54)

SDGs corresponding to largest proportion of sales:

Electrification
Well positioned to respond to strong drivers in electrification and CO_2 reduction in industry.

"Our performance during the year varied between our different market segments. The strongest market was the market for systems and components linked to the defence industry."

Per Lundblad,
Business Area Manager Electrification

Proportion sustainable business 2024/2025:

71% (68)

SDGs corresponding to largest proportion of sales:

Energy
Technologically advanced offering contributing to the expansion of the infrastructure that will comprise the energy systems of tomorrow.

"We delivered an incredibly strong performance last year. Due to structural changes in society, we are seeing high demand in most of our market segments, which we are continuing to meet successfully."

Hans Andersén,
Business Area Manager Energy

Proportion sustainable business 2024/2025:

76% (70)

SDGs corresponding to largest proportion of sales:

Industrial Solutions
Generating value associated with the increasing use of fibre-based materials, ergonomic products for special vehicles, energy-efficient drive systems, and waste and recycling solutions

"Those of our segments exposed to the construction industry faced a challenging business year. We responded by conducting acquisitions in attractive areas, giving us a stronger position for the future."

Daniel Prelevic,
Business Area Manager Industrial Solutions

Proportion sustainable business 2024/2025:

84% (83)

SDGs corresponding to largest proportion of sales:

Process Technology
Leveraging the potential of the need for optimised processes in order to remain competitive, compliance with emissions requirements and greater control to reduce the environmental impact and energy intensity of industry.

"Overall, the year was satisfactory. Many of our companies performed well, despite a more cautious market for project companies, which we meet with an internal focus on cost efficiency."

Claus Nielsen,
Business Area Manager Process Technology

Proportion sustainable business 2024/2025:

67% (61)

SDGs corresponding to largest proportion of sales:

Read more about each business area in the Administration Report on pages 23–27

Sustainability creates business value

Addtech has successfully integrated sustainability into its operations. Our companies deliver leading technical solutions that support customers in their sustainable transition. With a focus on partnerships throughout the value chain, Addtech creates business with a high potential for growth while also making a positive contribution to the development of industry and society.

There is a continued strong demand for products and solutions that contribute to increased sustainability and we remain convinced that our high ambitions are key to creating business value and long-term growth. Sustainability forms a natural part of all of Addtech's strategic decisions and our annual business planning. While the Board has ultimate responsibility for the Group's progress towards our sustainability targets, all staff must contribute to this achievement.

The Group also provides central resources to support the companies and provide them with expertise in the area. As an active owner, Addtech lays the foundation for this work, for example by establishing overarching targets and governing documents, while the companies have operational responsibility for making strategic decisions in line with the targets. This is a continuous collaborative effort in which Addtech, as in other areas, takes a smart and agile approach.

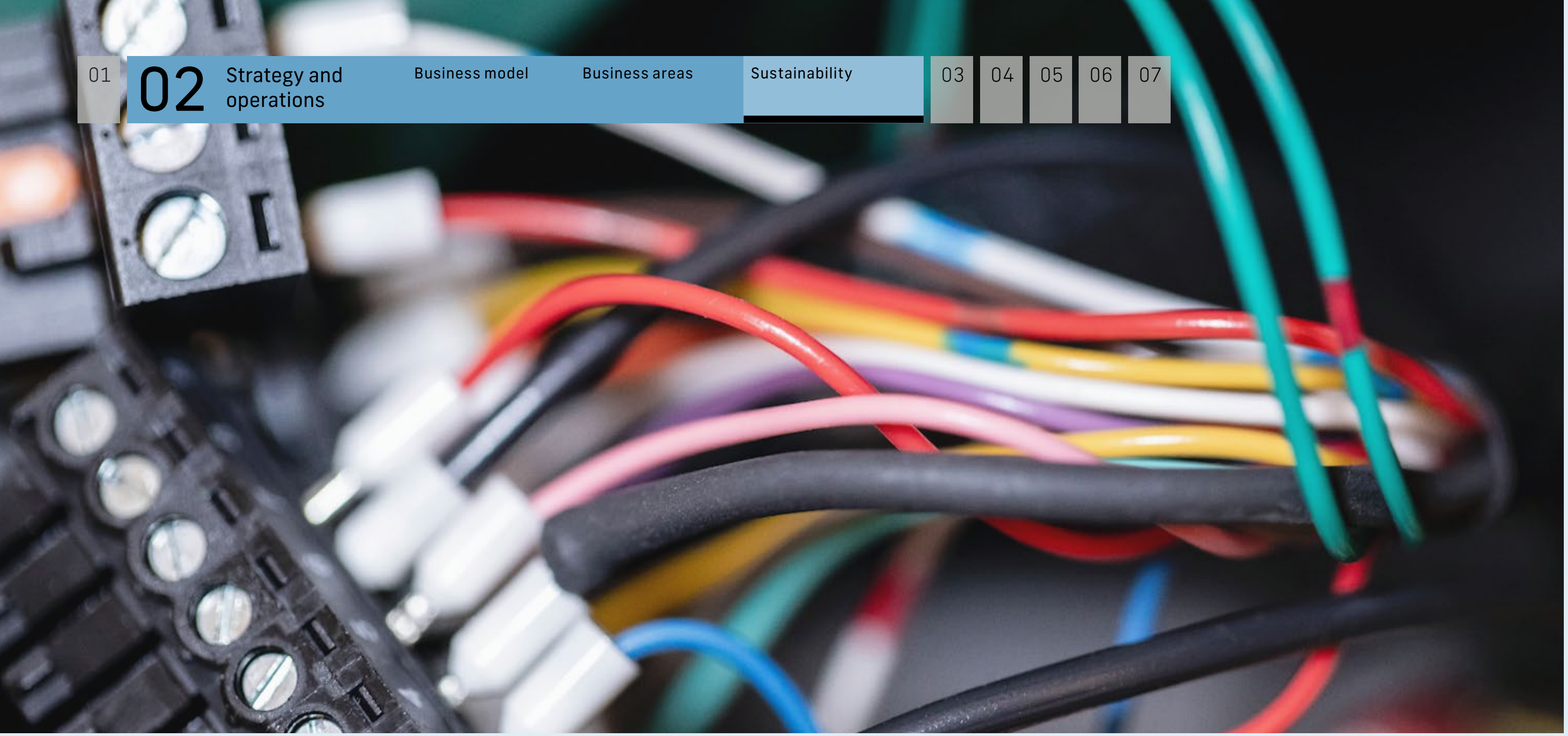
Clear framework for all companies

Every company in the Group is responsible for identifying its own impacts and for determining how the company itself is impacted by the aim of contributing to sustainable development in society. With support from Addtech, each Group company is to establish a long-term strategy for achieving the targets, implement this strategy as part of its business plan and report to the Group on established key performance indicators.

In this area, as in others, Addtech focuses on small scale business – large scale wise. The companies' being aware of their impacts, and of the risks and opportunities involved in the sustainable transition, creates value for them. In many cases, being able to meet strict sustainability standards also provides a competitive advantage when interacting with customers. At the same time, we do our utmost to make the reporting process easy and efficient for our companies and we only include areas that are relevant and create value for the companies and their customers.

Important steps towards meeting stricter reporting requirements

Over the past year, we continued preparing for the introduction of EU sustainability reporting requirements and conducted a double materiality



assessment. In this year's report, we have taken initial steps towards reporting in accordance with the European Sustainability Reporting Standards (ESRS). In the next financial year, we will report in full compliance with the new standard.

The outcome of the double materiality assessment has strenghtened our strategic direction and our overarching sustainability targets. We continue to work towards a reduced climate impact, increased diversity, sustainable business and a sustainable supply chain, heading towards our targets for 2030.

For quite some time, Addtech has been reporting on key sustainability indicators which also have been subject for limited review. This means that compliance with the new reporting requirements will not imply any major increase in the data collection conducted by our operations. Our companies will only need to add a small number of new indicators and will devote greater focus to data quality and efficient internal audit processes. At the Group level, it is mainly a matter of adapting the reporting structure as well as minor updates to governing documents and guidelines.

Our commitment remains strong
During the financial year, we continued to focus on climate change mitigation activities, such as energy efficiency enhancements and the transition to renewable energy sources, which is reflected in our reduction in carbon dioxide intensity (42 percent). We are continuing our efforts to establish a diversified and resilient organisation since our employees are a key factor in our continued success and provide us with a clear competitive advantage. The share of women in leading positions at year-end amounted to 21 percent, and we are continuing our long-term initiatives to attract women to our business and to support their professional development at Addtech.

With great commitment and central support, the companies continued to monitor and engage in a dialogue with their suppliers based on the requirements set. The share of suppliers that performed self-assessments increased to 59 percent. The companies also collaborate in order to share resources in an efficient way, improving their ability to respond to increasing demands from customers. Through an established structure and network for the Group's employees in the area of sustainability, the companies can leverage not only the central support provided by the Group but also the strengths that exist in other Addtech companies.

Over the past year, the proportion of sustainable business increased to 73 percent. Looking ahead, Addtech will continue to increase this proportion, both organically and through acquisitions in selected niches.

Our commitments

CDP
Addtech has reported to the Carbon Disclosure Project (CDP) for several years to ensure transparency in our reporting.

WE SUPPORT

UN Global Compact
Since 2021, Addtech has committed itself to the UN Global Compact initiative and its principles on human rights, labour, environment and anti-corruption.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SBTi
Addtech's climate targets have been approved according to the Science Based Targets initiative (SBTi) and are thus in line with the goals of the Paris Agreement.

Our development journey

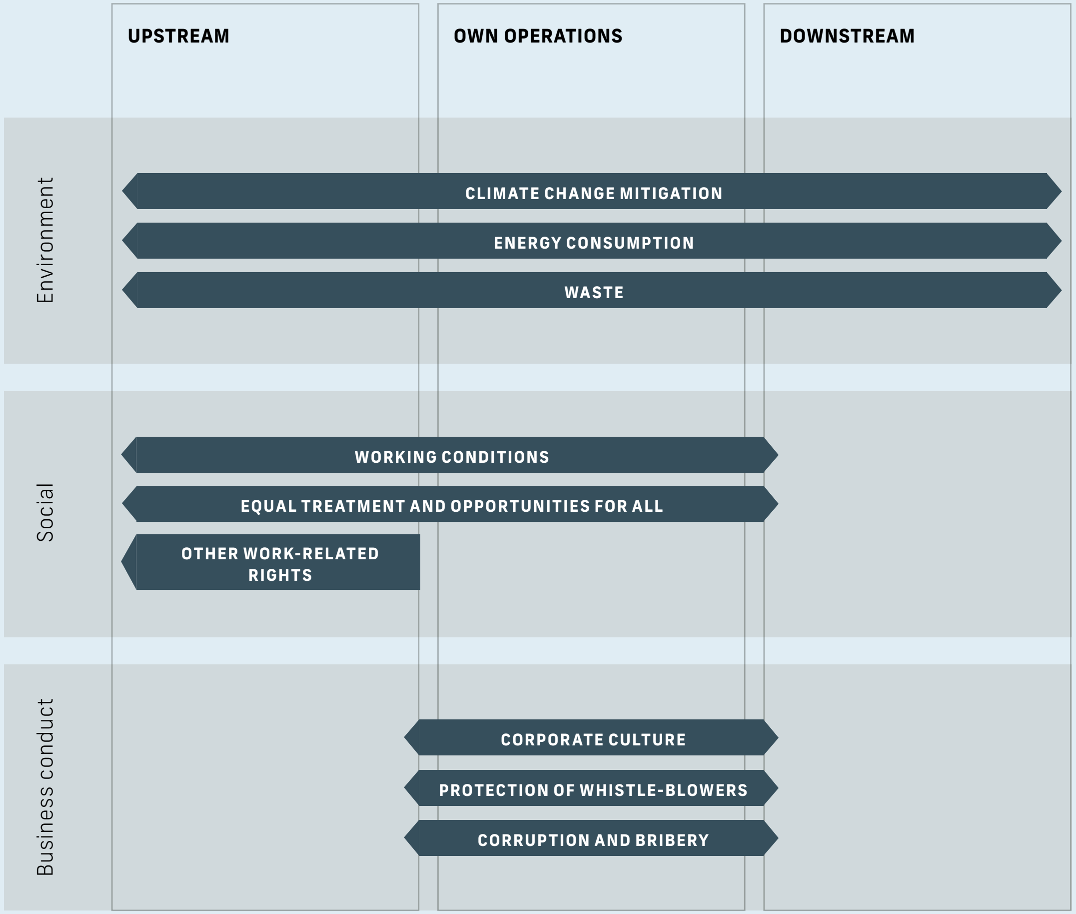
Addtech is well positioned to drive the transition to a more sustainable society. Our companies work continuously to help their customers, in various ways, to develop optimal and sustainable technical solutions that create business value and contribute to societal gains, for example through energy-efficient operations, transport and processes, the production of renewable energy, cleaner emissions and safer workplaces.

In support of our continued development, we apply Group-wide sustainability targets in our three focus areas: sustainable business, sustainable organisation and sustainable supply chain. In each of these areas, we also have quantifiable, time-limited 2030 targets that establish a clear direction for our development and the value we generate.

FOCUS AREAS	FINAL TARGET FOR 2030	PROGRESS, %	ACTIVITIES
SUSTAINABLE BUSINESS ADDTECH	100% of sales shall contribute to sustainable development[1]	50, 58, 65, 67, 73	• Dialogue with customers and suppliers • Improved acquisition strategy
SUSTAINABLE ORGANISATION ADDTECH	50% reduction in carbon dioxide intensity[2]	11, 18, 13, 30, 42	• Measures for further energy efficiency enhancement • Shift towards renewable energy
	40% women in leading positions	19, 20, 20, 20, 21	• Activities for diversified recruitment
SUSTAINABLE SUPPLY CHAIN ADDTECH	80% of the purchase volume self-assessed based on our Code of Conduct	24, 31, 46, 52, 59	• Skill-enhancing activities for suppliers • Increased collaboration within and between the business areas with regard to supplier assessment

1 Proportion of sales supporting progress towards the UN SDGs. 2 Base year 2019/2020, which includes Scopes 1, 2 and 3 (categories 3, 4, 6 and 9)

Our material matters and where they arise in the value chain
In 2024, we carried out our double materiality assessment to prepare ahead of the upcoming reporting requirements. The following is an overview of our material matters and where in our value chain they arise. Most of our impact arise upstream in our supply chain, which means that we must collaborate with our partners to create the conditions to reduce our negative impact. This highlights the importance of our systematic work to set requirements and monitor our suppliers.



Administration Report

Administration Report

The Administration Report comprises a statutory component of the Annual Report that provides an overall picture of Addtech's operations, development, goals and future prospects. In the report, you will find information about our business areas, completed acquisitions, employees and senior executives as well as their remuneration. We also report on our risks and how we manage them.

Administration Report

1 April 2024 – 31 March 2025
The Board of Directors and the CEO of Addtech AB, company ID number 556302-9726, hereby submit the annual report and consolidated accounts for the 2024/2025 financial year. Comparisons in parentheses refer to the corresponding period of the previous year, unless stated otherwise. Because, in terms of its size, Addtech exceeds the limit set out in item 6:10 of the Swedish Annual Accounts Act, the Administration Report shall include a sustainability report. The company has chosen to present the Sustainability Report separately from the Administration Report in accordance with the older wording in the Swedish Annual Accounts Act that applied before 1 July 2024. The Sustainability Report in accordance with items 6:12–14 of the Swedish Annual Accounts Act (for scope and definitions see page 46-81) is printed together with the Annual Report and can be found integrated into the Sustainability Report section as well as in the Risks and risk management section of this Administration Report. A Corporate Governance Report in accordance with Chapter 6 of the Swedish Annual Accounts Act has been prepared separately from the Board of Directors' Report and can be found on pages 36-44.

Operations
Addtech is a technical solutions group that provides technical and economic added value as a link between manufacturers and customers. Addtech operates in selected niches in the market for advanced technology products and solutions. Its customers operate primarily in the manufacturing industry and infrastructure. Addtech has approximately 4,500 employees in more than 150 subsidiaries that operates under their own trademarks. Consolidated sales amount to slightly more than SEK 22 billion annually. Addtech's shares are listed on the Nasdaq Stockholm exchange.

The year in brief
2024/2025 was another good year for Addtech. Despite the uncertainty in the general business environment, the year has been characterised by a high level of activity, resulting in a sales increase of 9 percent, with organic growth in all quarters and earnings growth of 14 percent. Our focus on increasing the added value in our offering, strengthening our product mix and, in particular, on profitable acquisitions resulted in a clear strengthening of the EBITA margin over the year to 15.0 percent (14.3). With a high rate of acquisitions combined with the strength of our well-diversified business of entrepreneurial niche companies in strong positions, we have once again managed the challenges, while capturing the potential of the market in a highly satisfactory manner.

Cash flow from operating activities strengthened from already high levels and amounted to SEK 2,709 million (2,575) for the full year, driven by continued earnings growth, a stronger operating margin and focus on efficient working capital, and our long-term financial target P/WC increased to 76 percent (68).

During the financial year, we have used our own cash flow to maintain a high pace of acquisitions of high-performing companies that strengthen our niches. In total, 12 companies were welcomed to the Group, followed by two more after the end of the period, adding a total of approximately SEK 1,900 million and 405 new employees to the Group.

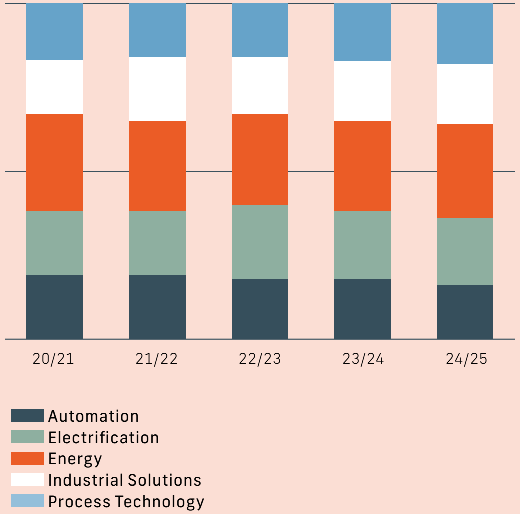
Market development over the year
The market for infrastructure products for national and regional grids, as well as products and solutions for the defence and marine segments, has been strong and has also strengthened sequentially over the year. The overall business situation in the medical technology, electronics, wind power, and mechanical and process industry segments has remained at stable high levels. Building and installation, as well as data and telecommunications, excluding data halls, had a challenging year. The willingness to invest in new projects in the sawmill industry and demand for special vehicles, particularly construction machinery, remained weak.

From a geographic perspective, the market situation over the year was stable in Sweden and Denmark, weak in Finland and strong in Norway. In our primary markets outside the Nordic region, business conditions were weak in DACH, stable in the Benelux countries and generally favourable for our UK companies. Our sales outside the Nordic region continued to increase over the year and amount to about 40 percent of our total sales on a rolling 12-month basis.

Development by business area over the year

The division into business areas reflects Addtech's internal organisation and reporting system. Addtech reports its business areas as operating segments. During 2024/2025, Addtech was organised into the following five business areas: Automation, Electrification, Energy, Industrial Solutions and Process Technology. For further information on the Group's operating segments, see Note 5.

Share of net sales, %
Sales by business area



Automation

The Automation business area delivers efficient and innovative products and solutions in the field of automation to growing sectors such as the medical technology, defence and security, mechanical industry and process industries. Our offering includes proprietary products and integrated solutions as well as subsystems and trading products from supplier partners. Products and solutions are often tailored to meet customer requirements.

Automation leverages two niche strategies in each of its business units. Motion & Drives provides cutting-edge expertise in mechanical and electromechanical products and solutions as well as in systems integration for applications in medical technology and industrial automation. The Industrial IT & Sensors business unit specialises in solutions for industrial communications, built-in data and control systems, sensors and cyber security.

Within the industry, several interacting megatrends are currently driving automation. This is partly due to a stronger sustainability perspective that requires shorter supply chains and increased efficiency, but also in part to deglobalisation, with an increasing trend of manufacturing companies moving production home. Digitalisation and AI can be leveraged to streamline and optimise flows, processes, production and products as well as to improve precision and quality. In turn, this results in increased competitiveness and profitability, lower costs for material, reduced waste and sustainability improvements.

We are in a good position to help customers in the industries of the future become more competitive. Our companies maintain close customer relationships and have strong market positions in Europe. Our products and solutions have a high technology content and our companies have deep expertise in their fields. Moreover, they are flexible and adaptable and have a strong entrepreneurial culture supported by the strength of Addtech's network. This means that we are well equipped to leverage rapid technical developments in the market.

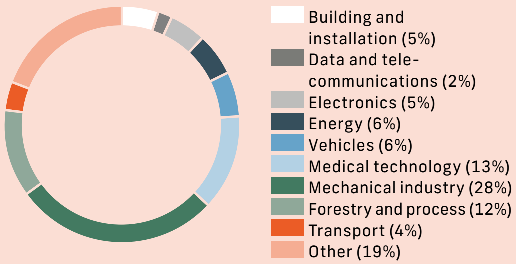
2024/2025 in brief

For the financial year, net sales in the Automation business area were unchanged at SEK 3,597 million (3,584) and EBITA decreased 7 percent to SEK 428 million (459). Demand was robust for products and solutions for manufacturing companies in the defence industry during the year. Market conditions were stable in the mechanical industry segment and weaker for companies with customers in the medical technology and process industries.

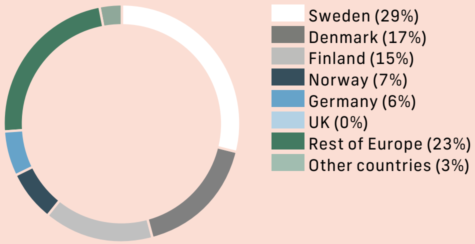
Acquisitions 2024/2025

The Italian firm Romani Components S.r.l. provides linear and transmission products to machine builders for the automation industry. The company's offering includes guideways as well as ball screws and precision gears. The company strengthens our position in the European market and complements the existing Motion & Drives business.

Sales by customer segment



Sales by geographic market



Key indicators	2024/2025	2023/2024
Net sales, SEK million	3,597	3,584
EBITA, SEK million	428	459
EBITA margin, %	11.9	12.8
Return on working capital, %	55	57
Average number of employees	679	660
Acquired annual sales*, SEK million	125	85
Proportion sustainable business**, %	62	54

* On a full-year basis at the time of acquisition.
** Proportion of the business area's sales that supports progress towards the UN SDGs.

Electrification

The customers of the Electrification business area comprise mainly developing and manufacturing companies, often with a global presence. Our companies deliver products and subsystems that serve as key building blocks in customers' offerings, most of which is used for ongoing production in areas such as special vehicles, electronics, the defence industry, medical technology and renewable energy production. Society's ongoing electrification is an important shared driver for the business area's well-diversified customer base.

Niche strategies are pursued in three business units that offer a broad spectrum of technical solutions. Battery Systems has proprietary brands and customised battery solutions, from battery cells to large battery systems. Connectivity Solutions provides customised solutions for HVAC, low-voltage devices and systems for power and signal transmission in motion as well as products for the manufacture and testing of electronics. Power & Mobility offers intelligent power products, electronics, motors and powertrain solutions for a range of applications, including the electrification of special vehicles.

As the market leader in selected niches, our companies are instrumental in driving technical development towards a fossil-free society through electrification. We are harnessing our strong capacity for innovation to respond to the development needs of the sustainable transition. Our companies are adept at generating business opportunities from current mega-trends, particularly with regard to electrification, which has considerable potential to add more functions to an application. This also enables a healthier work environment, while enabling equipment to be connected, as well as being more powerful and more productive.

The focus remains on strengthening our digital offering, meeting customers' increased demands for sustainable technical solutions and continuing to pursue the international agenda. This includes acquisitions in niches with future potential, associated with electrification as well as the other technical areas in which we operate.

2024/2025 in brief

Overall, the Electrification business area had a strong financial year and net sales increased 8 percent to SEK 4,419 million (4,100). EBITA increased 12 percent to SEK 577 million (514). Demand was very strong in the medical technology, defence, special vehicles and mechanical industry segments, while it was stable for companies operating in electronics and energy.

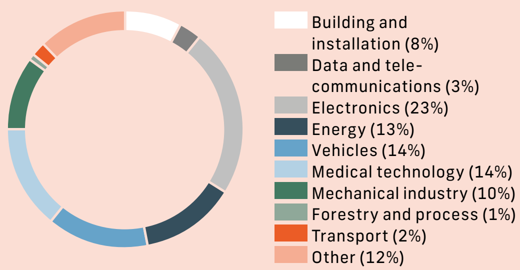
Acquisitions 2024/2025

The German firm Novomotec GmbH is a leading supplier of compact electric motors to OEM customers in light electric vehicles, medical technology and automation applications. The company complements and strengthens Addtech's existing operations in the area of precision motors in the Power & Mobility business unit.

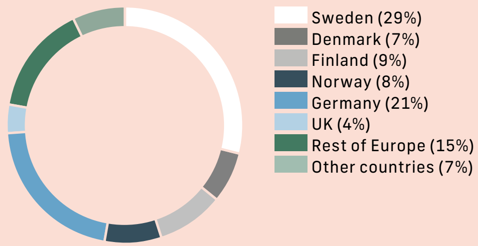
The UK firm Cell Pack Solutions Ltd. develops, manufactures and internationally markets battery solutions under its own brand to customers primarily in water treatment, safety and medical technology. The company complements and strengthens our operations in Battery Systems.

The German firm Nanosystec GmbH develops, produces and sells production equipment primarily for the manufacture of optoelectronics and precision mechanics to customers in the data communications, medical technology and semiconductor industries. The company complements and strengthens our operations in Connectivity Solutions.

Sales by customer segment



Sales by geographic market



Key indicators	2024/2025	2023/2024
Net sales, SEK million	4,419	4,100
EBITA, SEK million	577	514
EBITA margin, %	13.1	12.5
Return on working capital, %	59	51
Average number of employees	867	812
Acquired annual sales*, SEK million	245	80
Proportion sustainable business**, %	71	68

* On a full-year basis at the time of acquisition.
** Proportion of the business area's sales that progress towards the UN SDGs.

Energy

The Energy business area mainly serves contractors and grid owners in energy transmission, electrical wholesalers, electrical installers, hospitals and installers of fibre-optic networks. As a long-term and technology-advanced partner with close relationships to customers and suppliers, we contribute with technical solutions that add value and quality. Based on a strong product range with a sustainability profile, our companies offer considerable experience and cutting-edge technical expertise to enable the ongoing electrification of society.

Based on two niche strategies focused on energy supply, in the Energy Supply business unit, and energy products, in the Energy Products business unit, our companies produce and sell products for electric power transmission, electrical installation, energy efficiency and safety products for traffic and the home environment. Our offering includes power line and substation equipment for electrical grid construction as well as installation materials and communication networks. While our business is mainly based on our own production, some parts of the offering build on partnerships with a number of strong brands from leading European suppliers.

Society's ongoing structural changes are generating robust underlying demand for the business area's offering. By means of our well-positioned companies in electrical transmission, wind power and distribution networks, our strategy is to generate profitable growth from society's ongoing transition towards reduced climate impact. We are currently further expanding our capacity to meet the expected increasing needs of network owner customers for material and services.

Our second strategic pillar focuses on energy-efficient solutions for construction and installation, and on products for security, both in society in general as well as in electrical and fire safety. The market is not just being driven by the sustainable transition, but also by technical developments, increased demand and more stringent regulatory requirements for safety solutions and energy saving.

2024/2025 in brief

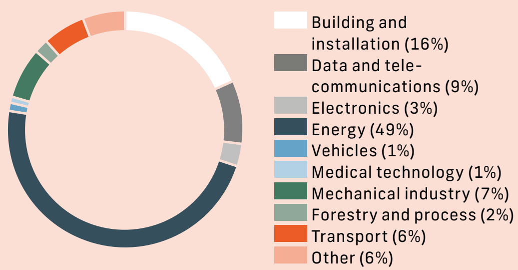
The Energy business area reported very strong earnings for the financial year, with net sales up 16 percent to SEK 6,147 million (5,307), primarily driven by organic growth, and EBITA up 37 percent to SEK 935 million (683). Demand remained very favourable for infrastructure products for the conversion and extension of national and regional grids, as well as for niche products for electric power transmission. Market conditions were weak for construction and installation, stable for companies in the mechanical industry segment and favourable in wind power and road safety.

Acquisitions 2024/2025

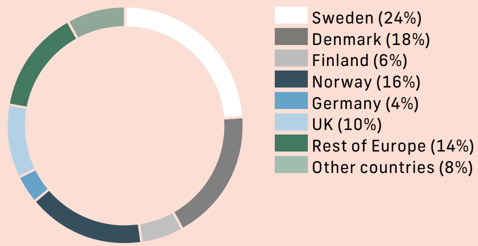
The Danish firm Unilite A/S develops, manufactures and sells energy-efficient fire safety and ventilation solutions for industrial, commercial and public buildings. Unilite is a good complement to our operations conducted with a focus on energy efficiency and safety within Energy Products.

The Italian firm NES (Nuova Elettromeccanica Sub S.p.A.) develops, manufactures and sells equipment and components for electrical transmission lines and substations. Headquartered in Rome, NES has long been established as a supplier to grid operators, primarily in Europe. NES further develops Addtech's position as a global supplier of high-voltage transmission equipment and complements our operations in Energy Supply.

Sales by customer segment



Sales by geographic market



Key indicators	2024/2025	2023/2024
Net sales, SEK million	6,147	5,307
EBITA, SEK million	935	683
EBITA margin, %	15.2	12.9
Return on working capital, %	75	55
Average number of employees	1,146	1,084
Acquired annual sales*, SEK million	485	75
Proportion sustainable business**, %	76	70

* On a full-year basis at the time of acquisition.
** Proportion of the business area's sales that supports progress towards the UN SDGs.

Industrial Solutions

In a global market, the Industrial Solutions business area produces and delivers technical solutions and systems that increase resource efficiency in industry. Customers primarily operate in the special vehicles, forestry, mechanical and waste/recycling segments. We apply our superior technical competence together with a high proportion of proprietary products and solutions to add value for customers by strengthening their processes and end products. Our companies hold strong, and often market-leading, positions in their respective niches, with substantial opportunities for long-term growth.

The business area operates through the two business units Material Processing and Vehicle Solutions. We work closely with customers to develop our solutions to meet their needs. In the wood processing product area, lumber handling and wood dryers are offered to increase efficiency in sawmill output. Within special vehicles, we develop customised solutions alongside our customers' design departments in ergonomics, automation and safety to simplify operators' daily tasks. Our system solutions for waste management and recycling allow us to help recycling facilities and industry to strengthen the circular economy.

Industrial Solutions' strategy is to harness the potential of sustainable technical solutions that mitigate society's environmental impact and enable infrastructure investments. Business opportunities and growth potential exist in waste and recycling systems, ergonomic products, solutions associated with the increased use of wood, defence industry solutions and underwater marine technology.

We also focus on the acquisition of companies operating in our selected segments, primarily targeting those with proprietary products and brands that we can leverage to grow organically in a global market. Acquisitions also help us to grow in new international markets.

2024/2025 in brief

In a challenging financial year due to the direct and indirect exposure for many of our companies to a very weak construction industry, Industrial Solutions' net sales still rose 6 percent to SEK 3,825 million (3,594) and EBITA increased 6 percent to SEK 798 million (754). The overall market situation in the forestry and sawmill industries, as well as in special vehicles, primarily for construction machinery, remained weak. Demand was weak in waste and recycling, while the market situation was stable for companies active in the mechanical industry segment and favourable in underwater marine technology.

Acquisitions 2024/2025

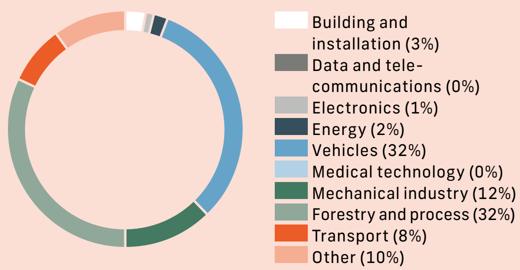
The Norwegian firm GoDrive AS is a leading supplier of frequency converters and accessories in the Norwegian market. The company complements our operations in the BEVI group, a supplier of electric drive systems.

The Swedish firm C. Gunnarssons Verkstad AB (CGV) is a leading supplier of machinery and production lines for lumber handling in the Nordic market. CGV is a project company with its headquarters in Vislanda, Sweden. The company strengthens our offering to the forest industry and complements our operations in Material Processing.

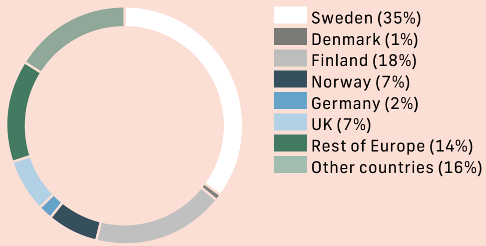
The Italian firm Coel Motori S.r.l. is a manufacturer and supplier of electric brake motors and patented brake modules for industrial applications in the European market. The company complements the existing operations within electric drive systems in Material Processing.

The German firm ROSHO Automotive Solutions GmbH designs and configures innovative safety and assistance systems based on camera technology. The products and systems are sold under its own brand to vehicle manufacturers, mainly in the public transport segment, in the European market. The company complements the existing operations within Vehicle Solutions.

Sales by customer segment



Sales by geographic market



Key indicators	2024/2025	2023/2024
Net sales, SEK million	3,825	3,594
EBITA, SEK million	798	754
EBITA margin, %	20.9	21.0
Return on working capital, %	144	185
Average number of employees	705	641
Acquired annual sales*, SEK million	515	325
Proportion sustainable business**, %	84	83

* On a full-year basis at the time of acquisition.
** Proportion of the business area's sales that progress towards the UN SDGs.

Process Technology

Customers of the Process Technology business area primarily comprise European companies in the process and mechanical industries, as well as international companies in the marine sector. The business area is also well positioned within the growth segments of energy, water and wastewater, as well as food and pharmaceuticals. Our companies produce and sell solutions for measuring, controlling, cleaning and streamlining industrial flows. Key drivers for our offering comprise more stringent regulation of emissions to water and air, industrial focus on optimised and efficient flows, and energy efficiency and the green energy transition.

Niche strategies are pursued within three business units, each of which holds a strong position in their respective market. Process Systems focuses on components, equipment and systems for efficient flows, Emission Control focuses on products and solutions to control and capture emissions as well as to secure process flows and, finally, Process Control focuses on instruments, valves and automation systems for regulating and monitoring, for example, pressure, levels, flows and energy. Many companies in the different business units complement each other's offerings to the same customer segments and often the same customers. This often generates opportunities for combinations and partnerships, driven by our companies in shared networks.

There is a strong focus today on energy efficiency and optimal resource use driven both by economic and regulatory factors. Accordingly, this is resulting in an increased need to control and optimise various processes in the marine and industrial sectors. When it comes to complete systems, instruments and other products and solutions that enable the above, for example in Power-to-X (PtX) for the storage and transportation of climate-neutral fuels and carbon capture, our companies are at the forefront of technical development.

Our strategy is to harness the potential arising from the need for regulatory compliance in terms of requirements for reduced particulate and other emissions, of efficiency and optimised processes for preserving competitiveness, and of energy efficiency and green energy in industry's ongoing sustainable transition. In close collaboration with our customers, we streamline their process flows to achieve positive outcomes in all these areas.

2024/2025 in brief

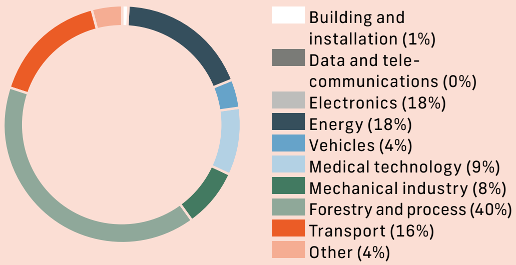
During the financial year, the Process Technology business area's net sales rose 11 percent to SEK 3,837 million (3,464) and EBITA increased 12 percent to SEK 555 million (498). Demand was good in the marine and energy segments, as well as in the medical technology and process industries, where our companies operating in water treatment and the chemical industry in particular continued to perform well. The market situation was stable in special vehicles, while it was weak in the forest and mechanical industry segments.

Acquisitions 2024/2025

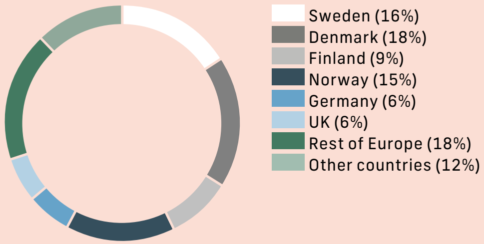
The Netherlands firm Analytical Solutions and Products (ASaP) manufactures and supplies analytical solutions to primarily the process and energy industries. The company's offering includes instrumentation, engineered systems with supporting software and service. The company strengthens our offering for the green energy transition and complements our operations in Emission Control.

The German firm PGS Tec GmbH designs, assembles and installs customised water and gas supply systems for pharmaceutical, industrial and laboratory customers. The customer offering covers the entire spectrum of pipeline infrastructure, including valves, instrumentation and automation as well as service and maintenance. The company complements our operations in Process Control

Sales by customer segment



Sales by geographic market



Key indicators	2024/2025	2023/2024
Net sales, SEK million	3,837	3,464
EBITA, SEK million	555	498
EBITA margin, %	14.5	14.4
Return on working capital, %	74	66
Average number of employees	874	840
Acquired annual sales*, SEK million	220	300
Proportion sustainable business**, %	67	61

* On a full-year basis at the time of acquisition.
** Proportion of the business area's sales that progress towards the UN SDGs.

Acquisitions

Addtech is constantly on the lookout for companies to acquire and is engaged in discussions with a number of potential companies. During the financial year, Addtech completed 12 acquisitions, diversified in terms of their markets and geographies, where it took control of the acquired operations during the year. Since becoming a listed company in 2001, Addtech has acquired more than 200 companies. The following companies were acquired during the year:

Novomotec GmbH
On 10 April, Novomotec GmbH based in Germany was acquired for the Electrification business area. Novomotec is a leading supplier of compact electric motors to OEM customers in light electric vehicles, medical technology and automation applications. The company has nine employees and generates annual sales of approximately EUR 7 million.

Cell Pack Solutions Ltd.
On 15 April, 90 percent of the shares in Cell Pack Solutions Ltd in the UK were acquired for the Electrification business area. Cell Pack develops, manufactures and markets internationally own brand battery solutions to customers primarily in water treatment, safety and medical technology. The company has 30 employees and generates annual sales of approximately GBP 5.6 million.

GoDrive AS
On 29 April, GoDrive AS based in Norway was acquired for the Industrial Solutions business area. GoDrive is a leading supplier of frequency converters and accessories in the Norwegian market. GoDrive joins our operations in the BEVI group, a supplier of electric drive systems, and complements those operations well. The company has five employees and generates annual sales of approximately NOK 75 million.

Nuova Elettromeccanica Sub S.p.A.
On 3 June, Nuova Elettromeccanica Sud S.p.A. based in Italy was acquired for the Energy business area. NES develops, manufactures and sells equipment and components for electrical transmission lines and substations. The company represents continued development of our position as a global player in high-voltage transmission equipment, complementing well the operations conducted in the Energy Supply business unit. The company has 32 employees and generates annual sales of approximately EUR 14 million.

C. Gunnarssons Verkstads AB
On 1 July, the acquisition was completed of 89 percent of the shares in C. Gunnarssons Verkstads AB based in Sweden for the Industrial Solutions business area. CGV is a leading supplier of machinery and production lines for lumber handling in the Nordic market. The company has 45 employees and generates annual sales of approximately SEK 200 million.

Analytical Solutions and Products B.V.
On 1 July, Analytical Solutions and Products B.V. based in the Netherlands was acquired for the Process Technology business area. ASaP manufactures and supplies analytical solutions to primarily the process and energy industries. The offering includes instrumentation, engineered systems with supporting software and service. The company has 20 employees and generates annual sales of approximately EUR 12 million.

Romani Components S.r.l.
On 9 July, the acquisition was completed of 80 percent of the shares in Romani Components S.r.l. based in Italy for the Automation business area. Romani provides linear and transmission products to machine builders for the automation industry. The offering includes guideways as well as ball screws and precision gears. The company has 23 employees and generates annual sales of approximately EUR 11 million.

PGS Tec GmbH
On 1 October, the acquisition was completed of 85 percent of the shares in PGS Tec GmbH based in Germany for the Process Technology business area. PGS designs, assembles and installs customised water and gas supply systems for pharmaceutical, industrial and laboratory customers. The customer offering covers the entire spectrum of pipeline infrastructure, including valves, instrumentation and automation as well as service and maintenance. The company has 15 employees and generates annual sales of approximately EUR 7 million.

Unilite A/S
On 4 November, Unilite A/S based in Denmark was acquired for the Energy business area. Unilite develops, manufactures and sells energy-efficient fire safety and ventilation solutions for industrial, commercial and public buildings. The company has 78 employees and generates annual sales of approximately DKK 210 million.

Nanosystec GmbH
On 5 November, Nanosystec GmbH based in Germany was acquired for the Electrification business area. Nanosystec develops, produces and sells production equipment primarily for the manufacture of optoelectronics and precision mechanics to customers in the data communications, medical technology and semiconductor industries. The company has 20 employees and generates annual sales of approximately EUR 7.8 million.

Coel Motori S.r.l.
On 15 January, Coel Motori S.r.l. based in Italy was acquired for the Industrial Solutions business area. Coel is a manufacturer and supplier of electric brake motors and patented brake modules for industrial applications in the European market. The company has 24 employees and generates annual sales of approximately EUR 8 million.

ROSHO Automotive Solutions GmbH
On 14 February, the acquisition was completed of 80 percent of the shares in ROSHO Automotive Solutions GmbH based in Germany for the Industrial Solutions business area. ROSHO designs and configures innovative safety and assistance systems based on camera technology. The products and systems are sold under its own brand to vehicle manufacturers, mainly in the public transport segment, in the European market. The company has 24 employees and generates annual sales of approximately EUR 13 million.

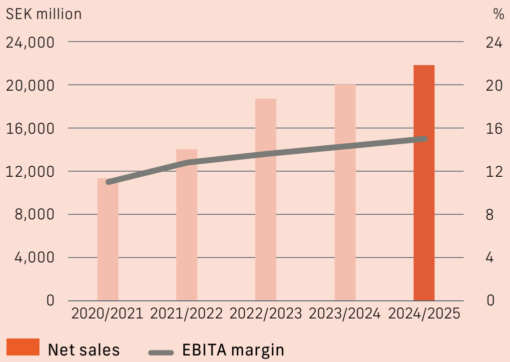
Financial performance

Net sales and profit
Over the financial year, the net sales of the Addtech Group increased 9 percent to SEK 21,796 million (20,019). Organic growth was 2 percent and acquired growth amounted to 7 percent. Exchange rate changes had a marginally negative impact on net sales, corresponding to SEK 84 million.

EBITA for the financial year amounted to SEK 3,265 million (2,860), representing an increase of 14 percent. Over the financial year, operating profit increased 14 percent to SEK 2,757 million (2,426) and the operating margin amounted to 12.6 percent (12.1). Net financial items amounted to an expense of SEK 242 million (expense: 243) and profit after financial items increased 15 percent to SEK 2,515 million (2,183).

Profit after tax for the financial year rose 15 percent to SEK 1,940 million (1,691) and the effective tax rate was 23 percent (23). Earnings per share before/after dilution for the financial year amounted to SEK 7.00 (6.05).

Net sales and EBITA margin

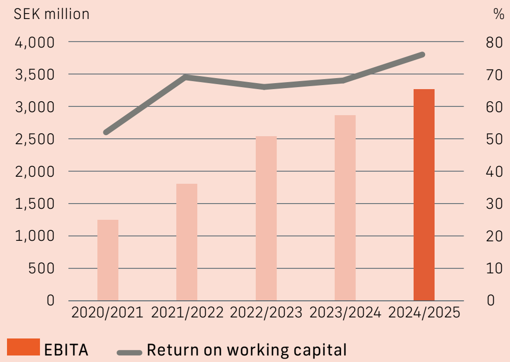


Profitability, financial position and cash flow
The return on equity at the end of the financial year was 29 percent (28), and return on capital employed was 22 percent (22). The return on working capital, P/WC (EBITA in relation to working capital), amounted to 76 percent (68).

At the end of the financial year the equity/assets ratio was 38 percent (39). Equity per share, excluding non-controlling interests, amounted to SEK 24.55 (22.15). Consolidated net debt at the end of the financial year amounted to SEK 5,018 million (4,427), excluding pension liabilities of SEK 262 million (241). The net debt/equity ratio, calculated on the basis of net debt excluding provisions for pensions, amounted to 0.7 (0.7).

Cash and cash equivalents, consisting of cash and bank balances together with approved but non-utilised credit facilities, amounted to a combined SEK 2,472 million (2,167) as of 31 March 2025.

EBITA and return on working capital, P/WC



Cash flow from operating activities amounted to SEK 2,709 million (2,575) for the financial year. Company acquisitions and disposals, including settlement of contingent purchase considerations for acquisitions completed in previous years, amounted to SEK 1,602 million (1,303). Investments in non-current assets totalled SEK 232 million (188) and disposals of non-current assets amounted to SEK 36 million (9). Repurchases of call options totalled SEK 80 million (41). Exercised and issued call options totalled SEK 46 million (50). Dividends paid to Parent Company shareholders totalled SEK 755 million (674), corresponding to SEK 2.80 (2.50) per share. The dividends were paid out in the second quarter.

Information in regards to the Company's holding of own shares
During the period 2024-04-01 – 2025-03-31, Addtech has transferred a total of 82,780 own shares. The shares have a quota value of SEK 0.19 and correspond to 0.03 percent of the share capital. The compensation received amounted to SEK 15,952,192. The reason for the share transfer is the exercise of warrants in Addtech's incentive programme. As of March 31, 2025, the Company's holding of own shares amounts to 2,931,912, purchased at an average price of SEK 40.02, all with a quota value of SEK 0.19, corresponding to 1 percent of the share capital.

Further information about Addtech's shares can be found in the Addtech share section on pages 145–147.

Employees and development

Employees

At the end of the financial year, the Group had 4,470 employees, compared to 4,175 at the beginning of the financial year. During the financial year, completed acquisitions increased the number of employees by 325. Over the past 12-month period, the average number of employees was 4,341.

	2024/2025	2023/2024	2022/2023
Average number of employees	4,341	4,109	3,781
Proportion of men	75%	75%	74%
Proportion of women	25%	25%	26%
Age distribution up to 29 years	10%	10%	9%
30–49 years	46%	47%	49%
50 and older	44%	43%	42%
Average age	46 years	46 years	46 years
Employee turnover	13%	13%	12%
Average length of employment, years	about 10 years	about 10 years	about 9 years

Research and development

The Addtech Group conducts limited research and development. The Group's business model is to offer high-tech products and solutions to customers primarily within manufacturing industry and infrastructure.

Principles for the remuneration of senior executives

The Board of Directors has resolved to propose that the Annual General Meeting (AGM) in August 2025 approve the same guidelines as in the preceding year: The guidelines do not cover remuneration approved by the general meeting. Regarding terms of employment subject to non-Swedish regulations, as far as pension benefits and other benefits are concerned, appropriate adjustments are made to comply with mandatory regulations or established local practices, whereby the overall goals of these guidelines are to be met as far as possible. The guidelines are to relate to remuneration of the CEO and other members of Addtech Group Management. The guidelines also apply to Board members to the extent they receive remuneration for services rendered to the company beyond their Board assignments. Where applicable, the statutes established for the Company also applies to the Group.

How the guidelines foster the company's business strategy, long-term interests and sustainability

Successful implementation of the company's business strategy and the safeguarding of the company's long-term interests, including its sustainability, requires that Addtech is able to recruit and retain qualified employees. This requires that the company is able to offer competitive overall remuneration, which is made possible by these guidelines. Overall remuneration must be market-based and competitive, and shall reflect the responsibilities and authority of the executive.

Remuneration formats, etc.

Remuneration shall be market-based and comprise the following components: fixed salary, with any variable remuneration being subject to a separate agreement, pension and other benefits. Beyond this and regardless of these guidelines, the general meeting may, for example, adopt share and share price-related remunerations.

Fixed salary

Fixed salary shall comprise a fixed cash salary to be reviewed annually. Fixed salary must be competitive and reflect the requirements placed on the position in terms of expertise, responsibilities, complexity and its contribution to the achievement of business goals. Fixed salary must also reflect the performance achieved by the executive and should therefore be individual and differentiated.

Variable remuneration

In addition to their fixed salary, the CEO and other senior executives may, from time to time, receive variable remuneration, subject to a separate agreement and on the fulfilment of predetermined criteria. It shall be possible for any variable remuneration to consist of annual cash salary, which may not exceed 40 percent of the fixed annual salary. An additional premium may be payable corresponding to 20 percent of paid variable remuneration used to acquire shares in Addtech AB.

To avoid unhealthy risk-taking, there must be a basic balance between fixed salary and variable remuneration. The fixed salary must account for a sufficiently large component of the senior executive's total remuneration, such that it is possible to reduce the variable component to zero. The variable remuneration must be linked to one or more predetermined and measurable financial criteria set by the Board of Directors, including consolidated earnings growth, profitability and cash flow. With the targets linking the senior executives' remunerations to the Company's profit, they foster the implementation of the Company's business strategy, long-term value creation and competitiveness. The terms for variable remuneration and the data on which it is calculated must be established for each financial year. It must be possible to measure the degree to which the criteria for payment of variable remuneration are fulfilled over a period of one financial year. Variable remuneration is disbursed during the year following that in which it was vested. When the measurement period for the fulfilment of criteria for disbursement of variable remuneration has ended, an assessment must be made regarding the extent to which the criteria were fulfilled. The Board of Directors is responsible for the assessment as far as variable cash remuneration for the CEO is concerned. As far as variable cash remuneration for other senior executives is concerned, the CEO is responsible for the assessment. Where financial targets are concerned, the assessment shall be based on the financial information published most recently by the Company.

Terms for variable remuneration can be designed so that the Board of Directors has the option, if exceptional financial conditions prevail, to limit or withhold the disbursement of variable remuneration if such a measure is deemed reasonable. When designing variable remuneration for company management, the Board of Directors shall consider introducing caveats that (i) condition the disbursement of a certain part of such remuneration on the performance on which the earnings are based proving to be sustainable over time, and (ii) afford the Company the possibility of reclaiming remuneration disbursed on the basis of information which later proved to be clearly incorrect.

Additional variable cash remuneration may be paid in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and are made only at the individual level either with the purpose of recruiting or retaining executives, or as remuneration for extraordinary work efforts in addition to the person's regular duties of the individual. Such remuneration may not exceed an amount corresponding to 40 percent of the fixed annual salary and may not be disbursed more than once per year and per individual. Decisions on such remuneration must be made by Board of Directors on the proposal of the Remuneration Committee.

Pension

The CEO and other senior executives' pension benefits are paid in accordance with individual agreements. In principle, pension benefits, including health insurance, shall be defined-contribution benefits, with the size of the pension being determined by the performance of the subscribed pension insurances, although defined-benefit pension solutions may occur in individual cases. Variable remuneration can be pensionable. The premiums for defined-contribution pensions must not exceed 40 percent of pensionable salary. The pensionable salary corresponds to the fixed monthly salary multiplied by a factor of 12.2 and, where applicable, variable remuneration. Salary deferrals can be used for enhanced occupational pension through one-off pension provisions provided that the total cost for the Company is neutral.

Other benefits

Other benefits, which may include a company car, travel benefits, extra health and care insurance, as well as occupational health care and wellness, must be market-based and only form a limited part of the total remuneration. Premiums and other expenses attributable to such benefits may amount to at most 10 percent of the fixed annual salary.

Terms of termination

All senior executives are required to observe a notice period of six months. In the event of termination by the company, a notice period of at most 12 months shall apply. On termination of employment by the Company, senior executives may, in addition to salary and other employment benefits during the notice period, be entitled to severance pay corresponding to at most 12 months' fixed salary. Severance pay shall not be offset against other income. No severance pay shall be paid in the event that the senior executive resigns.

In addition to severance pay, compensation may also be payable for any competition-limiting undertaking. Such compensation shall compensate for any loss of income and shall only be paid to the extent that the former executive lacks entitlement to severance pay. The compensation must be based on the fixed salary at the time of termination and amount to a maximum of 60 percent of the fixed salary at the time of termination, unless otherwise determined by mandatory collective agreement regulations, and shall be issued during the time that the commitment on restriction of competition applies, which shall be a maximum of 12 months following termination of employment.

Board fees

In specific cases, it shall be possible, during a limited period, to compensate Addtech Board members elected by the general meeting for services within their particular areas of expertise that do not constitute Board work. A market-based fee shall be paid for such services (including services provided through any company wholly-owned by a Board member), provided that such services contribute to the implementation of Addtech's business strategy and the fostering of the company's long-term interests, including its sustainability. Such consultant fees may never exceed the annual Board fee for each Board member.

Salary and employment terms for employees

Employees' salaries and terms of employment have been taken into account when preparing the Board's proposal for these guidelines, with employees' total remuneration, the components of that remuneration, as well as the increase in remuneration and the increase over time having been included when the Remuneration Committee and the Board of Directors assess the reasonableness of the guidelines and the limitations they entail.

Preparation and decision-making process

The Board of Directors has resolved to establish a Remuneration Committee. The Committee's tasks include: preparing principles for the remuneration of senior executives and the Board's decision on proposed guidelines for the remuneration of senior executives. The Board of Directors shall prepare proposals for new guidelines at least every four years and submit its proposals for adoption by the AGM. The guidelines shall apply until new guidelines have been adopted by the general meeting. The Remuneration Committee shall also monitor and assess programmes of variable remuneration for senior executives, the application of guidelines for the remuneration of senior executives, as well as current remuneration structures and remuneration levels in the company. Following the preparation of recommendations by the Remuneration Committee, the CEO's remuneration shall be determined, within the framework of approved principles, by the Board of Directors. Based on a proposal by the CEO, the Remuneration Committee determines the remuneration for the other members of Group Management. The Board of Directors is informed of the Remuneration Committee's decision. Board meetings addressing and determining matters of remuneration, shall not be attended by the CEO or other senior executives insofar as these matters affect them.

Share-based incentive schemes approved by the general meeting

Each year, the Board shall assess the need for share-based incentive schemes and, if necessary, submit proposals for resolution by the AGM. Any share and share price-related incentive schemes aimed at senior executives shall be approved by the general meeting and shall aid long-term growth in value.

Deviations from the guidelines

The Board of Directors may decide to deviate from the guidelines in whole or in part if there are specific reasons for this in an individual case and a deviation is necessary to fulfil the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As stated above, the tasks of the Remuneration Committee include preparing decisions by the Board of Directors on remuneration issues, which includes decisions regarding deviations from the guidelines. Decisions regarding deviations from the guidelines are to be explained at the next AGM.

For further information regarding the remuneration of senior executives, See also Note 6 Employees and personnel expenses.

Dividend
Addtech's Dividend Policy is to propose a dividend that exceeds 30 percent of average Group profit after tax over a business cycle. When proposing a dividend, the Group's equity, long-term financing and investment needs, growth plans and other factors are taken into account that the Company's Board of Directors consider important.

The Board of Directors has resolved to propose distribution of a dividend of SEK 3.20 (2.80) per share to the AGM in August 2025. The dividend corresponds to a total of SEK 864 million (755), corresponding to a payout ratio of 46 percent (46).

Parent Company
The operations of the Parent Company, Addtech AB, include Group Management and the Group's reporting and financial management staff units. The Parent Company's net sales for the financial year amounted to SEK 112 million (95) and its loss after financial items was SEK 806 million (687). Net investments in non-current assets amounted to SEK 0 million (0). At the end of the financial year, the Parent Company's net financial assets amounted to SEK 648 million (net financial liability of SEK 189 million for the preceding financial year).

FUTURE PROSPECTS AND EVENTS FOLLOWING THE CLOSE OF THE FINANCIAL YEAR

Future prospects
Addtech operates in an international market in which demand is largely influenced by macro-economic factors. Group companies operate in different but carefully selected niches, resulting in a smoothing effect between sectors, geographical markets and customer segments. Our independent companies work continuously to adapt to changes based on their markets and competitive situation.

Historically, Addtech's continuous pursuit of profit growth, profitability (P/WC) and development have provided favourable average value growth. Our cash flow and financial position form a stable foundation for continued long-term profitable and sustainable growth based on the same business concept. With our niche strategies, we are well positioned in structurally driven areas of development, such as the transition to renewable energy sources and the ongoing and increasing process of electrification. In challenging times, companies with stable business models and strong financial circumstances are able to benefit from new opportunities that arise. For this reason, it is important that we continue to focus on our long-term goals.

The risk and uncertainty factors are otherwise the same as in earlier periods. The Parent Company is indirectly affected by the above risks and uncertainties through its function in the Group.

Events following the close of the financial year
On 1 April, AMP Power Protection Ltd., Great Britain, was acquired to become part of the Electrification business area. AMP develops, supplies and supports rugged uninterruptible power supplies (UPS) and power protection systems for harsh environments for the defence, marine and transport industries. AMP has 20 employees and sales of around GBP 5 million.

On 1 April, 90 percent of the shares in Novatech Analytical Solutions Inc., Canada, was acquired to become part of the Process Technology business area. Novatech is a leading supplier of analytical instrumentation, engineered systems and services including the measurement of gases and liquids for process, environmental and ambient detection – primarily to Canadian customers within the process and energy segments. Novatech has 60 employees and sales of around CAD 34 million.

PROPOSED ALLOCATION OF EARNINGS 2024/2025

The following amounts are at the disposal of the AGM of Addtech AB:

Retained earnings	SEK 453 million
Profit for the year	SEK 990 million
Total	**SEK 1,443 million**
The Board of Directors and the CEO propose that the funds available for distribution be allocated as follows:	
That a dividend of SEK 3.20 per share be distributed to shareholders*	SEK 864 million
To be carried forward	SEK 579 million
Total	**SEK 1,443 million**

* Calculated based on the number of shares outstanding on 31 May 2025. The total dividend distributed may change if the number of own shares repurchased changes prior to the proposed dividend record date of 29 August 2025.

Risks and risk management

Addtech's operations are associated with strategic, operational and financial risk, all of which have the potential to have a negative impact at Group level. Accordingly, it is important for us to implement systematic and effective processes to identify, assess, prevent and mitigate the impact of prioritised risks, while concurrently identifying opportunities and developing strategies to realise said opportunities. While internal and external factors both have an impact on identified risks, we are generally more able to influence internal factors. Identified risks are managed at different levels of the organisation in our decentralised structure. Ultimate responsibility for preventive work by the Group rests with the Board of Directors and the CEO, who have delegated operational responsibility further out in the organisation. Regular follow-up is performed at Board meetings and through monthly reports, whereby deviations and risks are noted and decisions on actions are taken. Addtech's extensive spread of companies, customers, suppliers, market niches and geographies means that, at Group level, the impact from identified risks and individual companies is limited.

In 2024, we strengthened our risk management process by improving our approach to and clarifying the process for identifying, assessing and mitigating risks. Addtech has an updated risk management policy that forms the basis of our preventive and integrated work with risks. We have chosen to divide our risks and opportunities into four areas: strategic, operational, compliance-related and financial. To assess and prioritise our risks, we use a two-dimensional analysis which is based on impact and likelihood. Mitigation measures have been defined for all risks with a high likelihood or high potential impact.

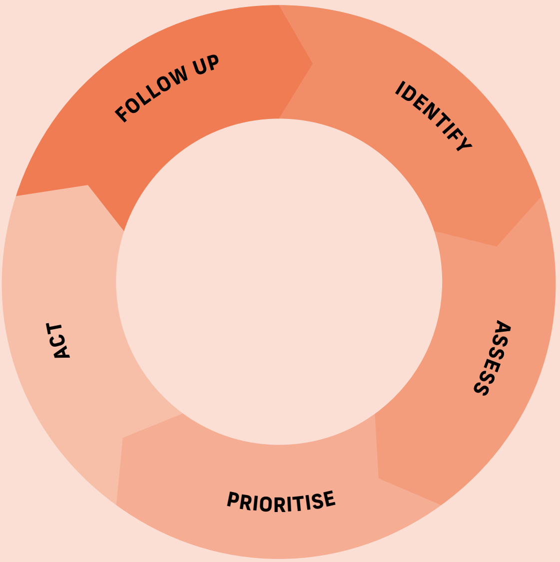
Risk analysis is performed in our companies on an annual basis and integrated into our business planning process, which means that the individual companies identify risks and opportunities as well as relevant mitigation measures.

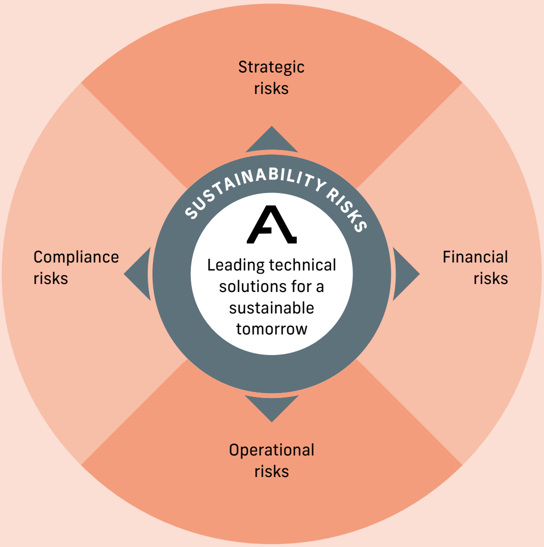
The most material risks are continuously followed up by Group Management, who also bear the ultimate responsibility for mitigating and preventing risks. The most significant risks are presented to the Board and Audit Committee, including plans to mitigate their impact on operations.

The risk factors of greatest significance to Addtech comprise macroeconomic factors and economic conditions, or other events affecting the economy, such as geopolitical conflicts, trade barriers, structural changes and the competitive situation. A further risk factor that we have identified is increased reporting requirements, both at Group level and in our companies, since these require more resources in the companies to manage reporting within the Group as well as to customers.

Addtech is also affected by financial risks, such as transaction exposure, translation exposure, financing and interest rate risk, as well as credit and counterparty risk. See Note 3 for a more detailed description of how Addtech manages financial risks. Other relevant risk areas are IT security, skills supply, and risks associated with climate change and the transition.

The majority of the risks described may entail both positive and negative effects for the Group. A favourable development of the risk, or the desired effect from mitigating measures, can result in a positive outcome. In other words, risks and opportunities can be interdependent. The business cycle and customer behaviour are examples of such areas.





Risk	Risk description	Mitigating actions	Trend	Effect/Impact	Risk level	Time horizon
Macroeconomic factors	Demand for Addtech's products and services is greatly influenced by macroeconomic factors beyond Addtech's control, such as growth and investment appetite in the manufacturing industry, the state of the economy in general and conditions in the global capital market, or general geopolitical turbulence. A weakening of these factors in the markets in which Addtech operates could have a negative effect on the financial position and earnings.	With a large number of subsidiaries focusing on different niche markets and add-on sales of technical service, support and consumables, Addtech may be less sensitive to economic fluctuations in individual industries, sectors and geographical regions. Addtech also strives continuously to develop businesses that are less dependent on one specific market and to align expenses with specific conditions.	Increasing	High	Moderate	2–5 years
Sustainability reporting	Addtech is affected by stricter reporting requirements. New EU regulations on sustainability reporting and policies, such as the EU Taxonomy, CSRD and the Carbon Border Adjustment Mechanism (CBAM), are impacting the need for resources to ensure compliance. Not allocating resources to the implementation of stricter requirements related to reporting, integrated internal audit processes and the quality of reported data could have a negative impact on the Group's ability to comply with new requirements.	Addtech aims to report transparently, in accordance with basic requirements and at a level that meets our stakeholders' expectations. Addtech has therefore reallocated resources centrally to handle the increased reporting requirements and improved its internal audit process with regard to data quality.	Increasing	Moderate	High	2–5 years
Ability to recruit and retain staff	Addtech's continued success depends on being able to retain experienced employees with specific skills, having structured succession processes, and recruiting new skilled people. There are a number of key individuals, both among senior executives and among the Group's employees in general. There is a risk that one or several senior executives or other key individuals could leave the Group at short notice, for reasons such as stress, working environment or insufficient development opportunities, for example. In the event that we fail to appoint suitable replacements for these individuals, internally or through new recruitment, this could have a negative impact on Addtech's financial position and earnings. The same applies in the event that Addtech does not succeed in attracting new competent key individuals in the future.	Addtech prioritises establishing favourable conditions for employees to develop within the Group and to enjoy their work. The Group's acquisition strategy includes ensuring that key individuals in the companies are highly motivated to continue running their companies independently within the Group. The Addtech Academy is aimed at both new employees and senior executives and serves to increase internal knowledge transfer, promote personal development among employees and develop the corporate culture. The Group's annual employee survey serves to ascertain how employees view their employers and their work situation, and what might be improved and developed.	Unchanged	Moderate	Moderate	2–5 years
Innovation and competition	Innovation: In the respective market niches, it is critically important that Addtech is responsive to technical developments and changing customer behaviour. Should Addtech fail to invest in new products and solutions or be unresponsive to customer needs, this could entail a financial risk of lost market shares. Competition: Most of Addtech's subsidiaries operate in sectors that are vulnerable to competition. In addition, consolidation may occur among suppliers in the sector, and larger merged suppliers may have a broader offering, which could result in pressure on prices. Future competitive opportunities for the subsidiaries will depend on their ability to be at the leading edge of technology and to respond quickly to new market needs. Increased competition or a decline in the ability of a subsidiary to meet new market needs could have a negative impact on Addtech's financial position and earnings.	Innovation: Addtech companies have an established culture of being responsive to customer requirements and are agile organisations with solution-oriented foundations. Addtech prioritises safeguarding our decentralised culture. Competition: Addtech strives to offer products and solutions for which price is not the sole deciding factor. By working closely with both suppliers and customers, we are continuously developing our know-how and competitiveness. We add value in the form of wide-ranging technical knowledge, reliability of delivery, service and availability, which limits the risk of customers reducing their demand and suppliers choosing other partners.	Unchanged	Moderate	Moderate	2–5 years

Risk	Risk description	Mitigating actions	Trend	Effect/Impact	Risk level	Time horizon
Suppliers	To deliver products, Addtech is dependent on the ability of external suppliers to fulfil agreements in terms of volume, quality, delivery date, etc. Deliveries that are erroneous or delayed, or missed, may have a negative impact on Addtech's financial position and earnings. Addtech's reputation is also dependent on its suppliers' ability to maintain a high level of ethical business conduct in terms of, for example, human rights, corruption, working conditions and the environment. Inadequate due diligence of suppliers entails a risk of entering into contracts with suppliers that do not meet the Group's basic requirements.	Addtech's numerous positive relationships with carefully selected suppliers reduce the risk of Addtech not being able to deliver as promised. To safeguard the Group's superior standards regarding business conduct, Addtech's Supplier Code of Conduct is to be complied with. Addtech uses a digital platform for assessing suppliers in areas covered by our Supplier Code of Conduct. Most of the companies also perform specific supplier reviews. In a longer-term perspective, Addtech is not dependent on any individual supplier or customer. Addtech's largest supplier accounts for about 1 percent of the Group's total purchasing volume.	Unchanged	Moderate	Moderate	2–5 years
Climate risks	Climate change entails both transition risks as well as physical risks that may impact Addtech and its subsidiaries negatively. Relevant transition risks include higher taxes on carbon dioxide intensive materials, products and services, disruptive changes in the market and generally higher prices for raw materials. Relevant physical risks include increased operating and capital costs due to more frequent damage to our operations as a result of the effects of climate change, such as more frequent extreme weather events.	For Addtech, managing climate-related risks is a key parameter for future business development and we have performed scenario analyses to identify financial risks associated with climate change. Risks associated with climate change are included in our analysis of potential acquisitions. The Group seeks to integrate climate risks in connection with major investments.	Increasing	High	Low	2–5 years
IT security and cyber risks	Digital risks are rising continuously throughout society. Like most companies, Addtech and its subsidiaries rely on various information systems and other technology to manage and develop their operations. Unplanned outages and cyber security incidents, such as data breaches, viruses, sabotage and other cyber crimes, can result in both loss of revenue and loss of reputation. IT events or cyber incidents among third parties, including suppliers or customers, can affect Addtech's capacity to deliver products and services and to generate profits.	To ensure stable IT environments and prevent incidents, Addtech conducts regular risk assessments as well as maintaining and reviewing IT security for the Group and for subsidiaries. In terms of IT security measures, Addtech has established minimum requirements for each subsidiary. Decentralised responsibility, with each company having its own IT infrastructure, also minimises risks for the Group as a whole. Addtech also engages external cyber security experts to ensure that the level of security is continuously adjusted and updated on the basis of prevailing threat scenarios and customers' increasing cyber security requirements.	Increasing	Low	High	2–5 years
Target progress	Addtech has ambitious financial and sustainability targets. For Addtech, it is very important to perform in line with these targets. There is a risk that failing to achieve or perform in line with our targets could impact our financial position and Addtech's valuation as a stable and forward-looking investment.	Addtech has well-integrated and structured processes in place for its financial and sustainability targets. Addtech continuously monitors its progress towards the Group's joint targets. Monitoring takes place at Group, business area and company level. Addtech works to strengthen its partnerships in the value chain and to identify key partners to achieve its targets.	Unchanged	High	Low	2–5 years

Corporate governance

Corporate Governance Report

The Corporate Governance Report, prepared in accordance with the Swedish Corporate Governance Code, can be found in the chapter on corporate governance and describes how Addtech is managed and controlled. The Corporate Governance Report also includes information on Addtech's Board of Directors and management, including their remuneration and how they are evaluated, the company's incentive schemes and internal control.

04

Corporate Governance Report

Principles of corporate governance

The Addtech Group views sound corporate governance as an important basis on which to build a trustful relationship with shareholders and other key parties. The Swedish Corporate Governance Code, applied by the Addtech Group, seeks to achieve a favourable balance between shareholders, the Board of Directors and senior management. In the Addtech Group's operations, rational corporate governance, imposing strict standards on openness, reliability and ethical values, has always been a guiding principle.

Compliance with the Swedish Corporate Governance Code

Addtech's shares are admitted to trading on the Nasdaq Stockholm exchange and, accordingly, Addtech complies with the Nasdaq Stockholm Rule Book for Issuers. As a listed company, Addtech also applies the Swedish Corporate Governance Code (the "Code"), which can be accessed via www.bolagsstyrning.se. Deviations from the Code and the motivations for these are accounted for in this text on an ongoing basis. The Company deviates on one point, in the section on quarterly review by the auditor.

This Corporate Governance Report has been reviewed by the company's auditors in accordance with FAR's auditing standard RevU 16 *The auditor's examination of the corporate governance statement*. The address of the company's website is www.addtech.com.

Compliance with applicable exchange rules

No violations of applicable exchange rules occurred in 2024/2025 and Addtech's operations were conducted in accordance with generally accepted stock market practices.

Shares and shareholders

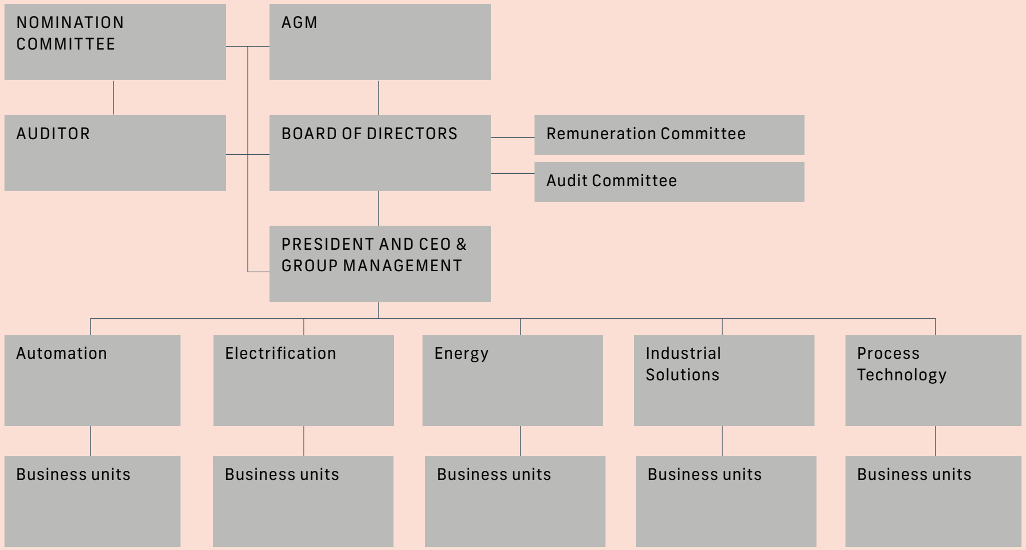
Addtech AB's share register is maintained by Euroclear Sweden AB. According to this share register, Addtech had 18,186 shareholders as of 31 March 2025, with a total 272,793,984 shares divided into 12,864,384 Class A shares, conveying ten votes per share, and 259,929,600 Class B shares, conveying one vote per share. There were 388,573,440 votes in total. More information regarding Addtech's share and shareholders can be found in the Addtech share section of this Annual Report.

Key events in 2024/2025

The resolutions of Addtech's AGM were announced on 22 August 2024, and included the approval of a dividend of SEK 2.80 per share, amounting to a dividend payout ratio of 46 percent and corresponding to SEK 755 million. During the financial year, a total of 12 acquisitions were completed, adding annual sales of approximately SEK 1,600 million.

Articles of Association

The Articles of Association state that the name of the company is Addtech Aktiebolag and that its financial year extends from 1 April to 31 March. The Articles of Association include no specific provisions regarding the appointment and dismissal of Board members or amendments to the Articles of Association. The Articles of Association contain no limitations regarding the number of votes that may be cast by each shareholder at a general meeting. The full Articles of Association, adopted in their current form by the AGM of 22 August 2024, can be accessed under Investors/Corporate Governance/Articles of Association on the company's website.



AGM
Shareholders exercise their influence over the company at the AGM, or, where applicable, at an extraordinary general meeting, such meetings being Addtech's highest decision-making body. The AGM is to be held in Stockholm within six months of the end of the financial year. At the AGM, resolutions are passed on matters including the election of the Board of Directors and the Chairman of the Board, the election of auditors, the adoption of the income statement and balance sheet, the appropriation of the company's earnings and the discharge from liability of Board members and the CEO, the Nomination Committee and its work, as well as guidelines for the remuneration of senior executives. Addtech's website presents information regarding the company's previous AGMs. Information is also presented there regarding shareholders' entitlement to have matters addressed by the AGM and the deadline by which Addtech must have received shareholders' requests for these matters to be addressed. No specific arrangements regarding the function of the general meeting are applied within Addtech due to provisions in the Articles of Association or, as far as the company is aware, to shareholder agreements.

At general meetings, resolutions are normally passed by a simple majority vote and, in elections, the recipient of the largest number of votes is considered elected. For certain decisions however, such as amendments to the Articles of Association, a qualified majority is required.

2024 AGM
Addtech's AGM was held on Thursday, 22 August 2024 in Stockholm. At the meeting, 587 shareholders were represented, in person or by proxy. They represented 70.07 percent of the total number of votes and 58.25 percent of the capital. The Chairman of the Board, Kenth Eriksson was elected Chairman of the Meeting.

All Board members and all members of Group Management attended the Meeting. Authorised Public Accountant Kent Åkerlund, Addtech's Auditor in Charge, was also present at the Meeting.

The AGM resolved the following:

- That a dividend of SEK 2.80 per share be distributed.
- Re-election of Board members Malin Nordesjö, Ulf Mattsson, Henrik Hedelius, Annikki Schaeferdiek and Niklas Stenberg. Fredrik Börjesson was elected as a new member of the Board. Malin Nordesjö was elected as the new Chairman of the Board.
- To elect registered auditing firm Deloitte AB for a period of one year.
- The AGM approved guidelines for the remuneration of senior executives in accordance with the Board of Directors' proposal.
- The AGM resolved, in accordance with the Board of Directors' proposal, to issue call options on repurchased shares and to transfer repurchased shares to executives.
- Prior to the next AGM, the Board of Directors is authorised to acquire a quantity of Class B shares, such that the Company's holding of its own shares does not, at any given time, exceed 10 percent of the total number of shares in the Company.
- The Board of Directors was authorised to issue new shares corresponding to at most 5 percent of the total number of Class B shares, for use as payment in connection with acquisitions.
- The remaining resolutions of the AGM are included in the complete minutes of the Meeting, which are available at www.addtech.com together with other details of the AGM.

2025 AGM
Addtech's 2025 AGM will be held on Wednesday 27 August. For further details of the 2025 AGM, see Addtech's website www.addtech.com.

Duties of the Nomination Committee
The Nomination Committee is tasked by the shareholders: with assessing the composition and work of the Board of Directors for the AGM; with proposing Board members, a Chairman of the Board and Board fees to the AGM; and, when applicable, with proposing the election of a registered auditing firm and auditing fees; as well as principles for how members of the Nomination Committee are appointed.

The members of the Nomination Committee receive no remuneration from the Company for their work on the Nomination Committee. The Nomination Committee held three minuted meetings prior to the 2025 AGM. The Nomination Committee's complete proposal to the AGM is presented in the notice convening the Meeting and on the Company's website.

Composition of the Nomination Committee
The AGM has resolved that the following principles shall apply until further notice. Accordingly, the AGM does not adopt such principles and determine the duties of the Nomination Committee annually unless the actual principles or duties are to be amended. The Nomination Committee comprises representatives of the five largest shareholders in terms of votes at the end of the year (grouped according to owner as of 31 December). The Chairman of the Board is tasked with convening the first meeting of the Nomination Committee and shall ensure that the Nomination Committee receives relevant information regarding the results of the Board's assessment of its own work. The Chairman of the Board shall be co-opted if necessary. From among its number, the Nomination Committee appoints a chairman. The composition of the Nomination Committee shall be announced publicly not later than six months prior to the AGM.

In accordance with this, the following individuals were appointed as members of the Nomination Committee on 31 December 2024: Fredrik Börjesson (appointed by Tisenhult Invest AB), Henrik Hedelius (appointed by Tom Hedelius), Marianne Nilsson (appointed by Swedbank Robur Fonder), Leif Almhorn (appointed by SEB Investment Management) and Per Trygg (appointed by Lannebo Fonder). The composition of the Nomination Committee was presented in conjunction with publication of the report for the third quarter on 4 February 2025. The composition of the Nomination Committee agrees with the principles set out by the AGM.

Members of the Nomination Committee
The Nomination Committee in preparation for the 2025 AGM (was appointed by the largest shareholders in terms of votes as of 31 December 2024).

Name	Representing	Share of votes, % on 31 Dec 2024
Fredrik Börjesson (Chairman)	Holders of Class A shares	16.4
Henrik Hedelius	Holders of Class A shares	15.2
Marianne Nilsson	Swedbank Robur Fonder	4.0
Leif Almhorn	SEB Investment Management fonder	3.9
Per Trygg	Lannebo Fonder	2.2
Total		**41.7**

Duties of the Board of Directors
The principal duty of the Board of Directors is to manage the Group's operations on behalf of the shareholders in a manner best meeting the shareholders' interest in a favourable return on capital over the long term. The Board of Directors bears the ultimate responsibility for Addtech's organisation and the administration of Addtech's operations. It is responsible for the Group's long-term development and strategy, for continuously monitoring and assessing the Group's operations and for other duties pursuant to the Swedish Companies Act.

Composition of the Board of Directors
In accordance with the Articles of Association, the Board of Directors shall consist of at least three and at most nine members. Members serve from the end of the AGM at which they are elected until the end of the next AGM. There is no limit to the number of consecutive periods for which a member can serve on the Board of Directors. The 2024 AGM re-elected Board members Ulf Mattsson, Malin Nordesjö, Henrik Hedelius, Annikki Schaeferdiek and Niklas Stenberg. Fredrik Börjesson was elected as a new member of the Board. Malin Nordesjö was elected as the new Chairman of the Board. A presentation of the Board members is provided in the Board of Directors section in this Annual Report and on the Company's website.

In preparing its proposal regarding the Board of Directors, the Nomination Committee has applied Rule 4.1 of the Code as its diversity policy. Taking the Company's operations, phase of development and general circumstances into account, this respects the need for the Board of Directors to be appropriately composed and characterised by diversity and breadth in terms of qualifications, experience and background. An even gender distribution is to be sought.

Independence of the Board of Directors
Several different types of independence requirements apply to the Board of Directors and its committees. Addtech applies independence requirements stemming from applicable Swedish legislation, the Swedish Corporate Governance Code and the rules of the Nasdaq Stockholm exchange. Ahead of the AGM, the Nomination Committee assesses the independence of the Board of Directors. All Board members, with the exception of Niklas Stenberg who is employed by the Company as CEO, are independent in relation to the Company. Of the members who are independent in relation to the Company, Ulf Mattsson and Annikki Schaeferdiek are also independent in relation to the Company's major shareholders. Accordingly, it is deemed that the Board of Directors meets the requirement that at least two of the Board members who are independent of the Company shall also be independent of major shareholders.

Rules of procedure
Each year, the Board of Directors adopts written rules of procedure for the work of the Board in accordance with the Swedish Companies Act. The rules of procedure determine the distribution of work between the Board members, including the Board's committees, the number of regular Board meetings, matters to be dealt with at regular Board meetings and the duties of the Chairman of the Board. The Board of Directors has also issued written instructions stating how financial reports are to be presented to the Board of Directors and how efforts are to be distributed between the Board of Directors and the CEO.

Duties of the Chairman of the Board
The Chairman of the Board is responsible for ensuring that Board work is well organised, conducted efficiently and that the Board of Directors meets its obligations. The Chairman of the Board monitors operations in dialogue with the CEO. The Chairman of the Board is also responsible for ensuring that other Board members are provided the introduction, information and documentation necessary for maintaining a high level of quality in discussions and decisions, and checks that decisions made by the Board of Directors are executed. The Chairman of the Board represents Addtech regarding issues of ownership.

Work of the Board of Directors in 2024/2025
In accordance with the Board of Directors' rules of procedure, the Board of Directors is to meet in connection with the presentation of interim reports, at an annual strategy meeting and at its annual statutory meeting, and on other occasions if necessary. The Board of Directors held ten meetings over the financial year, whereof five were held prior to the 2024 AGM and five following the AGM. The following table shows the Board members' attendance:

	Personal data		Attendance (total number of meetings)			Independent in relation to:		Remuneration		
Board member	Elected year	Born	Board of Directors*	Remuneration Committee	Audit Committee**	The Company	The Company's major shareholders	Board of Directors, SEK	Remuneration Committee, SEK	Total remuneration, SEK
Malin Nordesjö	2015	1976	10 (10)		4 (4)	Yes	No	1,500,000	100,000	1,600,000
Ulf Mattsson	2012	1964	9 (10)		4 (4)	Yes	Yes	550,000		550,000
Henrik Hedelius	2017	1966	10 (10)		4 (4)	Yes	No	550,000	100,000	650,000
Niklas Stenberg	2020	1974	10 (10)			No	Yes	0		0
Annikki Schaeferdiek	2021	1969	9 (10)		4 (4)	Yes	Yes	550,000		550,000
Fredrik Börjesson	2024	1978	10 (10)		4 (4)	Yes	No	550,000		550,000
								3,700,000	**200,000**	**3,900,000**

* Number of meetings attended by the member, including the statutory meeting.
** The Audit Committee comprises the Board of Directors in its entirety, with the exception of the CEO. Its work is performed as an integral part of the work of the Board of Directors.

All meetings followed an approved agenda that was provided to members prior to Board meetings, together with documentation for each agenda item. Regular Board meetings usually take half a day to allow time for presentations and discussions. The CEO, or someone appointed by him, presents all matters concerning the operations of the Company and the Group.

Other Company officers participate in Board meetings to present specific matters or if otherwise deemed appropriate. The Company's CFO acts as the Board of Directors' secretary and as the secretary of the Nomination Committee. The Board of Directors addressed the following at its meetings:

- Approval of essential policies such as the Board of Directors' rules of procedure, Attestation Policy, Financial Policy, Code of Conduct, Insider Policy, Communication Policy, Sustainability Policy, Dividend Policy, and its IT and Data Security Policy.
- Strategic focus and key targets.
- Key issues involving optimisation of capital structure, financing, dividends, repurchasing of the Company's own shares, investments, acquisitions and disposals of operations.
- Follow-up and control of operations, financial performance, disclosure of information and organisational matters.
- Review and reporting by the Company's external auditors.
- Review with the auditors without the presence of Group Management for assessment of the CEO and Group Management.
- Assessment of the work of the Board of Directors. Each year, the Chairman of the Board initiates and directs this assessment.
- Approval of interim reports, the Year-end Report and the Annual Report.
- An extraordinary board meeting in November 2024 discussed the CSRD/ESRS, a review of the new sustainability reporting rules.

Assessment of the work of the Board of Directors

The Board of Directors conducts an assessment of its work on an annual basis. Each year, the Chairman of the Board initiates and directs the assessment of the work of the Board of Directors. The assessment serves to further develop working methods, dynamics, efficiency and work climate as well as the principal focus of the work of the Board of Directors. This assessment also focuses on access to, and the need for, specific areas of expertise among Board members. The assessment includes interviews, joint discussions and the Chairman holding separate discussions with individual Board members. The assessments are discussed at a Board meeting and also serve as a basis for the Nomination Committee's work to propose Board members.

Remuneration Committee

The Remuneration Committee appointed by the Board of Directors consists of Chairman of the Board Malin Nordesjö and Board member Henrik Hedelius, with CEO Niklas Stenberg attending to present information. The Remuneration Committee prepares the "Board's proposal for principles regarding remuneration of senior executives". The proposal is considered by the Board of Directors before being submitted for resolution by the AGM. Based on the resolution of the AGM, the Board of Directors determines the remuneration for the CEO. The CEO does not present information regarding his own remuneration and does not participate in the Board's decision. Based on a proposal by the CEO, the Remuneration Committee determines the remuneration for the other members of Group Management. The Board of Directors is informed of the Remuneration Committee's decision. The Remuneration Committee is thereafter tasked with monitoring and assessing the application of the guidelines for the remuneration of senior executives adopted by the AGM. The Remuneration Committee shall also monitor and assess variable remuneration programmes for company management, both those ongoing and those completed during the year. During the financial year, the Remuneration Committee met on two occasions.

Audit Committee

The duties of the Audit Committee are performed by the Board of Directors as a whole and are conducted as an integral part of the work of the Board at its scheduled meetings. Chairman of the Board Malin Nordesjö has expertise in accounting and auditing. The Audit Committee is tasked with: monitoring the Company's financial reporting; monitoring the effectiveness of the Company's internal control and risk management regarding the financial reporting; keeping informed regarding the audit of the annual and consolidated accounts; assessing and monitoring the impartiality and independence of the auditor and, in doing so, paying particular attention to whether the auditor provides the Company with services other than auditing services; and helping draw up proposals for the general meeting when electing an auditor.

In connection with the adoption of the 2024/2025 annual accounts, the Board of Directors was briefed by the Company's external auditors and presented with their report. At this meeting, the Board of Directors was also briefed by the auditors without the presence of the CEO or other members of company management.

Auditor

In accordance with the Articles of Association, a registered auditing firm must be elected as auditor. The 2024 AGM elected Deloitte AB as the Company's auditor until the end of the 2025 AGM. Authorised Public Accountant Kent Åkerlund is the Auditor in Charge. The company's auditor follows an audit plan into which viewpoints collected from the Board of Directors have been integrated and reports his observations to the company and business area management teams, to Group Management and the Board of Directors of Addtech AB. This takes place both during the audit and when approving the annual accounts. The company's auditor also participates at the AGM, describing and commenting on his audit work.

The independence of the external auditor is regulated in a separate instruction adopted by the Board of Directors. This states the areas where the services of the external auditor, which are not part of the regular auditing, may be enlisted. The company's auditors continually assesses their independence in relation to the Company and each year submit a written affirmation to the Board stating that the auditing firm is independent of Addtech. In the past year, the auditors performed advisory assignments, mainly concerning accounting and taxation matters.

Quarterly review by auditors

During the 2024/2025 financial year, Addtech's six-month or nine-month report was not reviewed by Addtech's external auditors, representing a deviation from Rule 7.6 of the Code. To date, it has been the view of the Board of Directors that the benefit and additional expense for the Company of an expanded quarterly review by the auditor cannot be justified.

Elected auditor Deloitte AB
Kent Åkerlund
Auditor in Charge

Authorised Public Accountant, Stockholm. Born 1974. Kent Åkerlund has been in charge of auditing the Addtech Group since 2023/2024 and also works as the auditor in charge for OX2, Diös Fastigheter, SkiStar and RaySearch, among others.

Chief Executive Officer and Group Management
CEO Niklas Stenberg directs the operations in accordance with the Swedish Companies Act and the frameworks established by the Board of Directors. In consultation with the Chairman of the Board, the CEO prepares the data and information needed by the Board of Directors to reach decisions at Board meetings, as well as gives presentations and motivates proposed decisions. The CEO directs the work of Group Management and makes decisions in consultation with other members of Group Management. At the close of the 2024/2025 financial year, Group Management comprised Niklas Stenberg (CEO), Malin Enarson (CFO), Michael Ullskog (Business Area Manager Automation), Per Lundblad (Business Area Manager Electrification), Hans Andersén (Business Area Manager Energy), Daniel Prelevic (Business Area Manager Industrial Solutions) and Claus Nielsen (Business Area Manager Process Technology). Group Management regularly reviews operations at meetings headed by the CEO.

The Chief Executive Officer and Group Management are presented in greater detail in the Group Management section of this Annual Report and on the Company's website.

Remuneration of senior executives
The principles for the remuneration of senior executives at Addtech are adopted by the AGM. Senior executives comprise the CEO and other members of Group Management. The 2024 AGM approved the Board of Directors' proposal regarding guidelines for the remuneration of senior executives. These guidelines are consistent with the principles previously applied.

Addtech seeks to offer an overall remuneration package that is both reasonable and competitive, thereby enabling the Company to attract and retain skilled employees. The overall remuneration, which varies in relation to the performance of the individual and the Group, may include the various components stated below. Fixed salary forms the base of the overall remuneration package. This salary shall be competitive and reflect the responsibilities of the position. Fixed salaries are reviewed annually. Variable remuneration is based primarily on the Group's growth in earnings, profitability and cash flow. On an annual basis, the variable component may amount to at most 40 percent of the fixed salary. Each year, the Board of Directors evaluates whether or not a long-term incentive scheme should be proposed to the AGM and, if such is the case, whether or not the proposed long-term incentive scheme should include the transfer of Company shares. Retirement pension, health insurance and other benefits are to be structured in accordance with applicable rules and market norms. Where possible, pensions are to be defined-contribution-based.

For further details regarding remuneration for senior executives, please see Note 6 of this Annual Report. The principles for the remuneration of senior executives approved by the AGM were adhered to during the financial year.

Long-term incentive schemes
At the end of the financial year, Addtech had four call option schemes outstanding, encompassing a total of 2,185,355 Class B shares. The purpose of long-term incentive schemes is to enable Group executives, through an investment of their own, to participate in and work for a favourable trend in the value of the Company's shares. The schemes are also expected to generate improved conditions for recruiting and retaining skilled personnel for the Addtech Group, to provide competitive compensation and to unite the interests of the shareholders with those of the executives. The schemes are intended to contribute to executives increasing their shareholding in Addtech over the long term. The executives encompassed by the schemes are those who, in an otherwise heavily decentralised organisation, are able to impact profit positively by means of collaboration between Group companies. The share-based incentive schemes approved by the AGM do not entail a net charge against the Company's equity.

Remuneration to the Board of Directors and auditors
Each year, the AGM of Addtech AB adopts guidelines regarding the remuneration of the Board of Directors and the auditors.

In accordance with the resolution of the 2024 AGM, Board fees are to total SEK 3,900,000 and are to be distributed as follows: SEK 1,500,000 to the Chairman of the Board, SEK 550,000 to each of the other Board members appointed by the AGM who are not employees of the Company and SEK 100,000 to each member of the Remuneration Committee. For further details of Board fees, see Note 6 in this Annual Report.

In accordance with the resolution of the AGM, auditor's fees are to be paid in accordance with an approved invoice. For further details of auditor's fees and of fees for non-auditing services, see Note 7 of this Annual Report.

Operating organisation and governance
During the 2024/2025 financial year, Addtech was organised into the following five business areas: Automation, Electrification, Energy, Industrial Solutions and Process Technology. The division into business areas reflects Addtech's internal organisation and reporting system.

Overall, the Addtech Group comprises some 150 independent companies in 20 countries. Although decisions regarding the companies' operations are taken close to the market, from a governance perspective it is important to integrate the acquired company into certain areas of significance for the Group.

Each operating company has a board of directors, in which the company's managing director is a member, as well as executives from the business area or business unit. Within each business area, companies are grouped in business units based on product or market concepts. The managing director of each company reports to a business unit manager, who in turn reports to the business area manager. Each business area manager reports to the CEO of Addtech AB. The business areas and business units hold internal board meetings chaired by the CEO and attended by the CFO of Addtech, along with the relevant business area manager and controller. Other company officers participate in the business area's Board meetings to present specific matters or if otherwise deemed appropriate.

Board of Directors

Disclosures of shareholdings and call options pertain to 31 May 2025.

Malin Nordesjö, Chairman of the Board

M.Sc. Econ. Born 1976. Board member since 2015. **Other board assignments:** Board member at Lagercrantz Group AB, Bergman & Beving AB and at a number of companies in Tisenhult-gruppen. **Professional experience:** Senior positions at Tisenhult-gruppen and Tritech Technology. **Shareholding:** 76,678 Class B shares (including related parties).

Niklas Stenberg, Board member

Bachelor of Laws. Born 1974. President and CEO since 2018. Board member since 2020. Employed by the Group since 2010. **Other board assignments:** Board member at Bergman & Beving AB. **Professional experience:** Senior positions at Bergman & Beving and previously as a lawyer. **Shareholding:** 229,076 Class B shares (including related parties). Call options equivalent to 130,000 shares.

Ulf Mattsson, Board member

M.Sc. Econ. Born 1964. Board member since 2012. **Other board assignments:** Chairman of the Board of Attendo, VaccinDirekt, Swemac, Prima Vård and Sleip AI. Advisor at PJT Partners Inc. (publ.) Board member at Oras Invest Oy and Priveq V, VI & VII. **Professional experience:** CEO at Domco Tarkett, Mölnlycke Health Care, Capio, Gambro and Karo Pharma. **Shareholding:** 32,000 Class B shares (including related parties).

Annikki Schaeferdiek, Board member

M.Sc. Eng. Born 1969. Board member since 2021. **Other board assignments:** Chairman of the Board at Formpipe Software AB and Board member at Proact IT AB and Progrits AB. **Professional experience:** Founder and CEO of Syster P AB, CEO at Netwise and Business Area Manager at Ericsson Multimedia. **Shareholding:** 2,000 Class B shares (including related parties).

Henrik Hedelius, Board member

M.Sc. Econ. Born 1966. Board member since 2017. **Other board assignments:** Chairman of the Board of Newport Securities AB. Board member at Bergman & Beving, and Service and Care AB. **Professional experience:** Chairman of the Board of Skawen AB. Board member at Mannerheim Invest, Vinovo AB, Team Sportia, Gigasense and Mind Industrial Group. Senior positions at Jarl Securities, Storebrand Kapitalförvaltning, Swedbank and ABN Amro. **Shareholding:** 28,000 Class B shares (including related parties).

Fredrik Börjesson, Board member

M.Sc. Econ. Born 1978. Board member since 2024. **Other board assignments:** Chairman of the Board at Lagercrantz Group AB and Board member at Bergman & Beving AB and at a number of companies within Tisenhult-gruppen. **Professional experience:** Leading positions within Tisenhult-gruppen. **Shareholding:** 20,000 Class B shares (including related parties).

Group Management

Niklas Stenberg, Bachelor of Laws

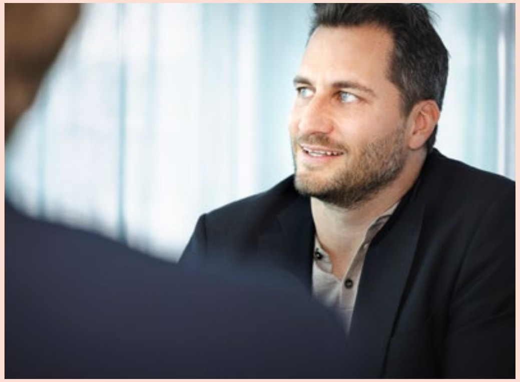
Born 1974. President and CEO. Employed by the Group since 2010. **Professional experience:** Senior positions at Bergman & Beving and previously as a lawyer. **Shareholding:** 229,076 Class B shares (including related parties). Call options equivalent to 130,000 shares.

Per Lundblad, Mechanical Engineer and DIHM

Born 1967. Business Area Manager Electrification. Employed by the Group since 2008. **Professional experience:** CEO and partner at Emcomp International AB and Business Unit Manager Power Systems. **Shareholding:** 58,820 Class B shares (including related parties). Call options equivalent to 75,000 shares.

Malin Enarson, M.Sc. Econ.

Born 1973. Chief Financial Officer. Employed by the Group since 2004. **Professional experience:** Business Controller Addtech Power Solutions, several accountancy roles at Addtech, auditor at Mazars (SET) Revisionsbyrå. **Shareholding:** 58,628 Class B shares (including related parties). Call options equivalent to 80,000 shares.



Daniel Prelevic, M.Sc. Econ.

Born 1977. Business Area Manager Industrial Solutions. Employed by the Group since 2011. **Professional experience:** Deputy Business Area Manager, Business Unit Manager and Business Controller within Addtech, Business Controller at Atlas Copco. **Shareholding:** 106,000 Class B shares (including related parties). Call options equivalent to 82,000 shares.

Claus Nielsen, Export Technician

Born 1969. Business Area Manager Process Technology. Employed by the Group since 1994. **Professional experience:** Various managerial positions at Addtech and Bergman & Beving. **Shareholding:** 63,804 Class B shares (including related parties). Call options equivalent to 75,000 shares.

Michael Ullskog, Electronics Engineer.

Born 1966. Business Area Manager Automation. Employed by the Group since 2015. **Professional experience:** Business Unit Manager positions within Addtech, CEO of Compotech Provider AB, CEO and Partner at RECAB AB. **Shareholding:** 2,152 Class B shares (including related parties). Call options equivalent to 56,250 shares.

Hans Andersén, Electric Power Engineer

Born 1961. Business Area Manager Energy. Employed by the Group since 2006. **Professional experience:** CEO and owner of AB Gevea and Business Unit Manager Energy Supply. **Shareholding:** 328,896 Class B shares (including related parties). Call options equivalent to 65,000 shares.

SYSTEMS FOR INTERNAL CONTROL AND RISK MANAGEMENT IN FINANCIAL REPORTING

Internal control

The Board of Directors bears the overall responsibility for ensuring that the Group has an effective system of management and internal control. This responsibility includes evaluating the financial reports that the Board of Directors receives on an annual basis and setting requirements regarding the content and format of these reports to assure their quality. This requirement means that the financial reporting must fulfil its purpose while complying with applicable accounting regulations and the other requirements imposed on listed companies. Each year, the CFO reports on the Group's internal control work to the Board of Directors.

Control environment

Addtech builds and organises its operations around decentralised responsibility for profitability and earnings. In decentralised operations, internal control is based on a deeply rooted process that serves to define targets and strategies for each area of operations. Internal instructions and Board-approved policies convey well-defined decision-making channels, authorities and responsibilities. The Group's foremost documents for financial control comprise the accounting manual, the Financial Policy, the reporting manual and the instructions issued ahead of each annual/quarterly closing. A Group-wide reporting system, with related analysis tools, is used in the Group's process for closing the annual/quarterly accounts. At a more comprehensive level, all operations in the Addtech Group must comply with the Group's Code of Conduct.

Risk assessment

With regard to the risks that the Board of Directors and Group Management consider significant, Addtech applies well-established procedures of internal control and risk management in its financial reporting. Risk assessments start with the Group's income statement and balance sheet to identify the risk of material error. In the Addtech Group as a whole, the greatest risks in the financial reporting are associated with intangible non-current assets related to business acquisitions. The exposure is determined by the degree of dependence on internal control or assessments that could affect the financial reporting. The Group applies annual procedures for impairment testing to identify any indications that impairment should be recognised.

Control activities

Control activities include transaction-related controls such as authorisation and investment rules and clear payment procedures, but also analytical controls performed by the Group's controllers, and the central finance and accounting function. Controllers and finance managers at all levels within the Group play a key role in building the required environment for transparent and accurate financial reporting. The role imposes considerable demands on integrity, expertise and individuals' capabilities.

Regular finance conferences are held to discuss current issues and to ensure the effective sharing of knowledge and experience within the finance and accounting functions. The monthly review of results that is performed via the internal reporting system and that is analysed and commented on internally by the Board of Directors is a key, overarching control activity. The review includes an evaluation of results in comparison with set targets and previous performance as well as a follow-up of key indicators.

Each year, all Group companies perform a self-assessment regarding matters of internal control. The companies comment on how important issues were handled, such as business terms and conditions in customer contracts, customer credit assessments, checking and evaluating inventory, payment procedures, documentation and analysis of closing accounts, and compliance with internal policies and procedures. For critical issues and processes, an accepted minimum level has been set and all companies are expected to meet this level. Each company's responses are validated and commented on in connection with the regular audit. The responses are then compiled and analysed, after which they are presented to business area management and Group Management. The results of self-assessment process are taken into consideration in planning self-assessment and external auditing for future years.

In addition to the self-assessment process, a more in-depth analysis of internal control is performed in about 20–30 operating companies each year. This process is referred to as an internal audit and is performed at the companies by business area controllers and employees from the Parent Company's central finance and accounting function. Central processes at the companies, and control points for these, are analysed, tested and recorded. The external auditors study the records kept in connection with the auditing of the companies. The process provides a solid basis on which to chart and assess internal control within the Group. An external party also reviews and assesses the Group's internal control processes on a regular basis.

Information and communication

Governing guidelines, policies and instructions are accessible from internal digital forums, such as Teams. Codes of Conduct are available publicly on the Addtech website. These documents are updated on an ongoing basis as needs arise. Amendments are communicated separately by e-mail and at meetings for those concerned.

Accessibility of internal information via internal channels is determined by means of authorisations. Group employees are organised into different groups whose access to information differs. All financial guidelines, policies and instructions can be accessed by the managing directors, chief accountants, business unit manager, business area managers and business area controllers of each of the companies, as well as by the central financial and accounting staff. Financial data at the Group level is also controlled centrally by means of authorisations.

Review

The outcome of the internal control work is analysed and reported annually. An assessment is made regarding what improvement measures should be undertaken in the various companies. The boards of the various Group companies are informed of the outcome of the internal control work within each company and of what improvement measures should be implemented. Together with the boards of the companies, the business area controllers then review these efforts on an ongoing basis over the ensuing years. The Board of Directors of the Addtech Group receives monthly comments from the CEO regarding the business situation and how the operations are developing. The Board of Directors discusses all quarterly financial accounts and annual reports prior to their publication. The Board of Directors is given an annual status report regarding the internal control work and its outcome. The Board of Directors is also informed of the assessment made by the external auditors of the Group's internal control processes.

Internal audit

Given the risk assessment described above and how the control activities are designed, including self-assessment and in-depth analysis of the internal control, the Board of Directors has chosen not to maintain a separate internal audit function.

Auditor's report on the corporate governance statement

To the general meeting of the shareholders in Addtech AB (publ) corporate identity number 556302-9726

Engagement and responsibility
It is the board of directors who is responsible for the corporate governance statement for the financial year 2024-04-01–2025-03-31 on pages 36–45 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit
Our examination has been conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions
A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm the 3rd of July 2025
Deloitte AB

Kent Åkerlund
Authorized Public Accountant

Sustainability Report

Sustainability Report 2024/2025

Addtech's Sustainability Report for 2024/2025 provides a summary of our environmental, social and governance (ESG) efforts. The report is based on a double materiality assessment and addresses both our impact on the world around us and how sustainability matters impact our business.

Addtech Sustainability Report

1. General disclosures

1.1 BASIS FOR PREPARATION

1.1.1 General basis for preparation of the sustainability statement

Addtech's sustainability efforts are a central and integrated part of our business, organisation and value chain. The Sustainability Report is therefore a part of our Annual Report for the 1 April 2024 to 31 March 2025 financial year. This report covers Addtech AB company ID number 556302-9726 with 150 associated subsidiaries. As a rule, acquired companies are included in the reporting from the date of acquisition. Exceptions are made for companies acquired during the final quarter of the financial year (31 December to 31 March), since onboarding and integration of new acquisitions takes time. All subsidiaries, the Parent Company and the Board of Directors are encompassed by all guidelines, policies and codes.
The data used for calculation is the same as the financial data, except for climate data which is collected over the calendar year.

Addtech's reporting is inspired by the ESRS, and the goal of this year's report is to adapt the Sustainability Report to the basic ESRS structure and integrate it into the Annual Report in the best possible way. The report also pertains to the statutory sustainability reporting in accordance with sections 6:10-14 of the Annual Accounts Act (see also the risk section on pages 33–35) and contains information on how Addtech works with the Ten Principles of the UN Global Compact and with the UN ustainable Development Goals (SDG). The report is prepared in accordance with the GRI Standards 2021 for specific key indicators see page 81. We also integrated our previous TCFD-inspired information into the climate reporting section. The Sustainability Report is subject to a limited review by our auditors, see statement on page 82.

The report presents information on Addtech's environmental and social impact from a value chain perspective, with a description of how Addtech works to influence its partners both upstream and downstream. We also report on our double materiality assessment and our dependence on human and natural resources as well as the risks and opportunities they present. We operate in niches that contribute to the transition, meaning that our products and solutions help our customers reduce their negative impact. Another positive contribution to society is our geographic reach, which supports regional growth and creates job opportunities.

Sustainability reporting

Our process for reporting sustainability data is integrated into our internal process for reporting financial data, which includes a process for identifying any inaccuracies and taking measures to ensure good quality. Sustainability is an area that evolves over time, so we continuously train our sustainability reporters. The reporting process is integrated into our internal financial reporting controls, and the sustainability data reported is subject to structured annual controls, including random controls on a broad sample of the companies' reporting.

1.1.2 Disclosures in relation to specific circumstances

This report contains significant changes in terms of how we present sustainability data compared with the previous year. As of the 2025/2026 reporting year, Addtech is subject to new regulatory sustainability reporting requirements. In this report, the following therefore applies:

- We have taken inspiration from the ESRS structure for the layout and content of this report as a way to prepare for future regulatory requirements. We have used the time horizons stipulated in the ESRS for medium- and long-term strategy and targets

- We report key indicators in accordance with GRI

1.2 STRATEGY

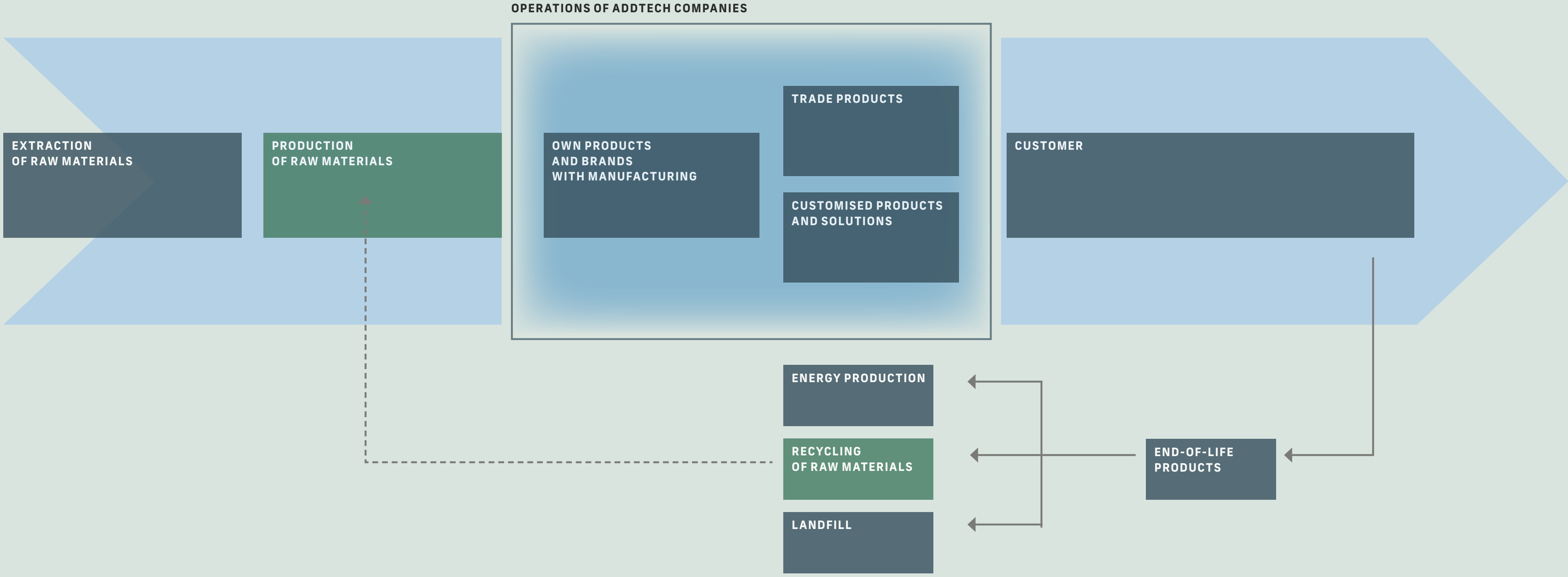
1.2.1 Strategy, business model and value chain

Addtech acquires and owns specialised companies, primarily in industry and infrastructure. We focus on long-term ownership and management, which provides strategic support for these companies to develop sustainably and in synergy with each other. By integrating them into our Group, we provide companies with access to our resources within management, financing and sustainability governance. We work closely with each company to ensure that their business strategies are adapted to our sustainability targets, while also carefully preserving their unique business identity. Our model creates synergies within the Group and helps reduce risk in the value chain by ensuring a consistent corporate governance framework.

As a Group, Addtech offers leading technical solutions for a sustainable tomorrow in a variety of niche positions, primarily within the industrial and infrastructure segments. We add value by helping customers produce their goods more efficiently, helping make their products more competitive. We offer both our own products, customized products and solutions as well as value-adding trading products. This means that our 150 companies have different conditions and operations. Our companies also have a geopraphic spread, although the majority are still located in the Nordic region. We have manufacturing and assembly companies as well as pure trading companies. We primarily purchase materials and products from European suppliers, while our products and solutions are available globally and a large portion of our sales are exports.

Our business strategy is based on acquiring and developing companies in different industrial niches and market segments, with a wide geographic reach. This means that, as a Group, Addtech is resilient to changes and impacts.

ADDTECH'S VALUE CHAIN



Overarching sustainability framework
At Group level, Addtech works systematically to strengthen our companies in sustainability and provides a framework as support. The framework consists of overarching targets with continous follow-up as well as common policies and guidelines. Sustainability is also an integrated part of our annual business planning process, which means that all of our companies define specific activities to minimise risks and develop new opportunities related to sustainability. Addtech has defined three primary sustainability areas that form our basis for communicating risks and opportunities: sustainable business, sustainable organisation and sustainable supply chain. Each area has clearly defined targets and metrics for 2030.

<table>
<tr><td>FOCUS AREAS</td><td>
</td><td>
</td><td>
</td></tr>
<tr><td>FINAL TARGET FOR 2030</td><td>100% of sales shall contribute to sustainable development</td><td>50% reduction in carbon dioxide intensity

40% women in leading position</td><td>80% of the purchase volume self-assessed based on our Code of Conduct</td></tr>
</table>

Services and resources
Our products and solutions create value for customers by streamlining their production or making their products more competitive. We deliver products that for example help to increase energy efficiency, to purify air and water or to upgrade the national grid. Many of our impacts and risks arise in the supply chain, primarily when we purchase products and materials for delivering products and solutions to customers. Important raw materials include metal, plastic and rubber, which all have a negative impact on the environment and social conditions in their respective value chains. These value chains were considered in our double materiality assessment.

Organisation
Addtech consists of 150 companies grouped into five business areas.

Automation
Strong position to harness the potential of interconnected factors driving the increased use of automation solutions in growing industries.

Electrification
Well positioned to respond to strong drivers in electrification and CO_2 reduction in industry.

Energy
Technologically advanced offering contributing to the expansion of the infrastructure that will comprise the energy systems of tomorrow.

Industrial Solutions
Generating value associated with the increasing use of fibre-based materials, ergonomic products for special vehicles, energy-efficient drive systems, and waste and recycling solutions.

Process Technology
Leveraging the potential of the need for optimised processes in order to remain competitive, compliance with emissions requirements and greater control to reduce the environmental impact and energy intensity of industry.

Challenges
In terms of our business model, our biggest sustainability challenge is managing the impact our companies have on people and the environment. This is reflected in our overarching targets for 2030, which cover several sustainability areas. Our companies are well positioned in their specific niches as suppliers of key products or solutions to forward-looking customers. Customers that often have their own ambitious sustainability targets that our companies can support them to meet. An important parameter for developing in the right direction is that sustainability – both opportunities and risks – is integrated into our acquisition process. Read more in the due diligence section on page 57. We have also set targets to reduce emissions in our own operations as well as for our partners in our value chain. Since the majority of our emissions arise in the value chain, our collaborations with suppliers will be the most important factor when it comes to reducing our joint impact. We will prioritise partners with ambitions and targets that are compatible with our own.

1.2.2 Stakeholder dialogues

We engage in a continuous dialogue with all of our key stakeholder groups – investors, customers, suppliers, employees and shareholders. The dialogues are carried out at various levels within Addtech, with investors and shareholders having direct contact with Addtech's management, while the dialogue with customers and suppliers often takes place at the business area or company level and is then reported back to management. Dialogues with employees are held at various levels within the Group and include our annual employee survey, which provides an opportunity to give anonymous feedback to the organisation. Representatives from key stakeholders were consulted in order to verify the results of our double materiality assessment regarding impacts, risks and opportunities. The current strategy and long-term targets were also checked against stakeholder views to ensure that they are in line with the stakeholders' preferences.

	Dialogue forum	Primary stakeholders, viewpoints
Investors	Continuous dialogue during the year through formal and informal meetings	Transparent reporting to provide information regarding all necessary ESG areas
Customers	Continuous dialogue during the year through our companies	Progress towards targets, develop sustainable offerings
Suppliers	Continuous dialogue during the year through our companies	Develop together and ensure that the customer perspective is prioritised
Employees	Continuous dialogue during the year and annual employee survey	Take the employee perspective into consideration in decisions and progress towards our targets
Shareholders	Board meetings and informal meetings	Transparent reporting and progress towards our targets

1.3 IMPACT, RISK AND OPPORTUNITY MANAGEMENT

A double materiality assessment is an opportunity to assess, from a comprehensive strategic perspective, how sustainability-related areas could impact a company's financial position in the form of risks or opportunities and how a company's operations could have a negative or positive impact on people and the environment. Assessing operations from both perspectives provides a solid basis for understanding the risks and opportunities of an operation and provides better basis for decision-making and transparent reporting. The process is regulated by the EU Corporate Sustainability Reporting Directive (CSRD), defining which areas are to be considered when assessing risks and opportunities in terms of their actual and potential impact on the operations.

1.3.1 Double materiality assessment

In 2024, we carried out our double materiality assessment to prepare ahead of the upcoming reporting requirements. We initially based the assessment on the predefined topics and subtopics in the ESRS to provide an overall assessment of our diversified organisation and value chain, and how they impact and/or are impacted by various aspects of sustainability (actually or potentially). At this stage, certain topics and subtopics were also identified as irrelevant for further assessment. Several analyses served as part of the basis of the double materiality assessment, such as the results from the initial mapping of geography- and sector-specific sustainability risks. Other underlying analyses that were used include physical climate risks, transition risks in the market, and biodiversity hotspots.

After identifying positive or negative impacts, the severity was assessed in terms of scope, scale and irremediable character. The assessment was based on where in the value chain the impact, risk or opportunity arises (upstream, downstream or in the company's own operations). To determine the materiality for each subtopic, an average of all impact scores was calculated on a scale from one to five, where three was considered the materiality threshold (see figure on next page). To assess financial materiality (risk or opportunity), the same threshold was used as for financial assessments, defined as a share of EBIT, which corresponds to our auditors' definition of materiality in the financial statements.

The results of our internal evaluation were calibrated and reconciled with the materiality assessments and stakeholder dialogues from the previous year. Finally, the results were also verified with internal and external stakeholders.

This process led to a summarised list of the areas identified as material, which was verified with multiple internal stakeholders, including management, the Board and representatives from our Addtech Sustainability Network who are employees from our companies. The results were also verified against the preferences and requirements of external stakeholders, such as customers and investors.

We will review our double materiality assessment annually based on impacts, risks and opportunities. In the event of major organisational changes (such as acquisitions in new segments or new geographic areas) or changes in the operating environment, we will update our double materiality assessment.

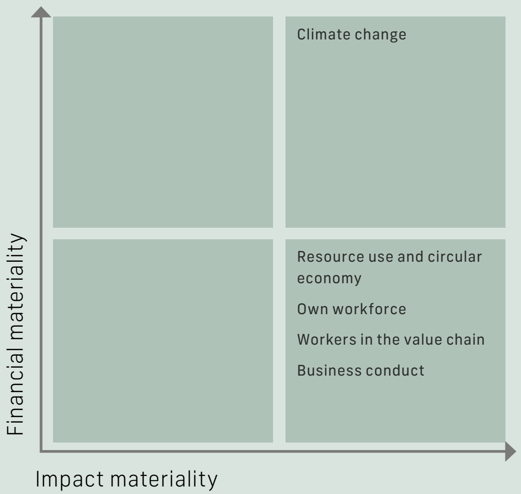
The target for the upcoming period is for our double materiality assessment to become an integrated part of our general risk management process. The assessment takes a holistic view of areas that were previously treated separately in our overall risk and opportunity assessment.

1.3.2 Results of the double materiality assessment

Five areas were identified as material according to the results of our double materiality assessment. This outcome reflects areas that we have already been prioritising for some time, such as: Climate change, Resource use and circular economy, Own workforce, Workers in the value chain and Business conduct. These areas are considered material in different parts of our value chain, with the majority arising upstream in our supply chain. The necessary management of the areas is in line with our strategy of working together with partners to create the conditions to reduce our negative impact. This highlights the importance of our systematic work to set requirements and monitor our suppliers.

The outcome of our material impacts, risks and opportunities is summarised in the diagram below and in the tables on the following pages.

AREAS REPORTED ON



Climate change

				Material for			Impact		Financial materiality		
Subtopic	**Description**	**Impact**	**Management**	**Upstream value chain**	**Downstream value chain**	**Own operations**	**Positive**	**Negative**	**Risk**	**Opportunity**	**Covered by policy**
Climate change mitigation	Emissions arise from the extraction and production of raw materials, from the company's own operations through energy consumption and fuel combustion, and from customers in the use of sold products.	Contributes to global warming; incompatible with Paris Agreement alignment	Addtech has targets validated by the SBTi for its own operations and engagement targets for suppliers and customers.	X	X	X	X	X		X	Code of Conduct, Supplier Code of Conduct, Sustainability Policy
Energy	Raw material production, which often uses fossil fuels, is usually energy-intensive and can deplete energy sources. Includes all kinds of energy consumption.	The energy used in the company's own operations consists of electricity, district heating and district cooling as well as a small proportion of self-generated energy. Addtech has customers with operations with high energy consumption.	Addtech has targets validated by the SBTi for its own operations and engagement targets for suppliers and customers. Another target for Addtech is purchasing exclusively renewable energy for its own operations.	X	X	X	X	X		X	Code of Conduct, Supplier Code of Conduct, Sustainability Policy

Resource use and circular economy

Subtopic	Description	Impact	Management	Material for			Impact		Financial materiality		
				Upstream value chain	Downstream value chain	Own operations	Positive	Negative	Risk	Opportunity	Covered by policy
Waste	Waste is generated throughout the value chain. Resource use has a negative impact on the climate and ecosystems, particularly the extraction of virgin raw materials. Efficient resource use reduces the amount of waste generated and the amount of raw materials in relation to the end product.	Inefficient resource use, shortage of virgin raw materials, products/solutions that cannot be recycled. Resource use has a negative impact on the climate and ecosystems.	Requirements for suppliers to reduce the share of virgin raw materials in products and to increase product recyclability. In our companies, we work continuosly with resource efficiency.	X	X	X		X			Code of Conduct, Supplier Code of Conduct, Sustainability Policy

Own workforce

Subtopic	Description	Impact	Management	Material for: Upstream value chain	Material for: Downstream value chain	Material for: Own operations	Impact: Positive	Impact: Negative	Financial materiality: Risk	Financial materiality: Opportunity	Covered by policy
Working conditions	Working conditions include working time, adequate wages, health and safety, etc.	Decent working conditions, a clearly communicated corporate culture including guidelines concerning work environment and health/safety.	The area is a high priority for Addtech, and we follow up on key indicators with actions and progress requirements. Policies are available for guidance.			X	X				Code of Conduct, Sustainability Policy, Equality and Diversity Policy
Equal treatment and opportunities for all	Intended to ensure equal treatment and opportunities for all and to prevent discrimination and promote inclusion at the workplace.	Internal development opportunities within the Group, inclusive corporate culture with guidelines against discrimination and harassment, continuous opportunities for employees to provide feedback and follow-up in the area.	The area is a high priority for Addtech, and we follow up on key indicators with actions and progress requirements. Policies are available for guidance.			X	X				Code of Conduct, Sustainability Policy, Equality and Diversity Policy

Workers in the value chain

Subtopic	Description	Impact	Management	Material for: Upstream value chain	Material for: Downstream value chain	Material for: Own operations	Impact: Positive	Impact: Negative	Financial materiality: Risk	Financial materiality: Opportunity	Covered by policy
Working conditions	Working conditions include working time, adequate wages, health and safety, etc.	Potential negative impact on workers in the value chain including health and safety risks.	Requirements for suppliers to follow international conventions and regulations.	X				X			Supplier Code of Conduct
Equal treatment and opportunities for all	Intended to ensure equal treatment and opportunities for all and to prevent discrimination and promote inclusion at the workplace.	Potential negative impact on workers in the value chain including discrimination.	Requirements for suppliers to follow international conventions and regulations.	X				X			Supplier Code of Conduct
Other work-related rights	Includes, for example, child labour, forced labour, adequate housing, water and sanitation, and privacy.	Unethical treatment of workers in the value chain could have a negative impact on the well-being of the individual and on the performance and reputation of business partners.	Requirements for suppliers to follow international conventions and regulations.	X				X			Supplier Code of Conduct

Business conduct

Subtopic	Description	Impact	Management	Material for: Upstream value chain	Material for: Downstream value chain	Material for: Own operations	Impact: Positive	Impact: Negative	Financial materiality: Risk	Financial materiality: Opportunity	Covered by policy
Corporate culture	Corporate culture is related to business conduct and includes the treatment of colleagues and business partners.	Strong and clearly communicated corporate culture, with a major emphasis on respect and anti-discrimination, to provide guidance for employees and business partners.	The area is a high priority for Addtech. All communication follows our corporate communication guidelines, business school, and introductory programme for new companies and new employees.			X	X				Code of Conduct, Supplier Code of Conduct, Sustainability Policy
Protection of whistle-blowers	Intended to ensure that whistle-blowers remain anonymous and are protected from retaliation.	Positive impact on internal and external stakeholders by providing an opportunity to anonymously report irregularities.	Third-party system for managing whistle-blowing cases and communication.			X	X				Code of Conduct, Supplier Code of Conduct, Sustainability Policy
Corruption and bribery	Refers to procedures and processes for preventing, identifying and addressing cases of corruption, bribery or similar business conduct irregularities.	Strong and clearly communicated corporate culture, with a major emphasis on responsible and fair business conduct, to provide guidance for employees and business partners.	Different channels are used to emphasize the importance of avoiding bribery and corruption, in our own operations as well as in our value chain.			X	X				Code of Conduct, Supplier Code of Conduct, Sustainability Policy

1.4 GOVERNANCE

1.4.1 Responsibility of the Board and management for sustainability governance

During the 2024/2025 financial year, Addtech was organised in five business areas. Overall, the Addtech Group consists of about 150 independent companies in 20 countries. Decisions regarding the companies operation are made close to the market, but from a governance perspective, it is also important to integrate the acquied companies in areas that are important for the group. Each operating company has a Board of Directors, in which the company's Managing Director is a member, as well as executives from the business area or business unit within Addtech. The Managing Director of each company reports to a Business Unit Manager, who in turn reports to the Business Area Manager. Each Business Area Manager reports to the CEO of Addtech AB and is a member of the Group's management team.

1.4.2 Reporting on sustainability matters to the Board and management

Ultimately, the Group's Board of Directors is responsible, through Group Management, for Addtech's overall sustainability work, including our long-term targets. Addtech's Head of Sustainability reports to the CEO and is responsible for continuously monitoring and reporting on the Group's progress and key sustainability indicators. The Head of Sustainability is also responsible for supporting the Board, Group Management and companies in sustainability matters. The overarching targets for 2030 are supplemented by the individual business areas and companies, which prepare sub-targets, action plans and activities. Our operational sustainability efforts are conducted through decentralised responsibilities in our companies, which is in line with our corporate culture. Addtech practices active ownership through Board work and performance monitoring. Each year, the companies report on their key indicators, sustainability work and the activities that contribute to our Group-wide sustainability targets. The results from the companies are followed up through Board meetings and in close dialogue with the responsible business area.

Sustainability is an important parameter when identifying potential acquisitions and in our due diligence process. To ensure that newly acquired companies are integrated into our joint sustainability work, sustainability is an important part of our introductory programme for new companies. Read more about this in the due diligence section on page 57.

The Managing Directors of our companies have the ultimate responsibility for integrating Addtech's overarching sustainability framework into their companies. Addtech provides Group-wide guidance, such as the Code of Conduct and polices and a whistle-blower function. We also carry out a joint employee survey on an annual basis. Addtech also provides the companies with sustainability guidance and support.

1.4.3 Integration of sustainability-related performance in incentive schemes

Targets related to sustainability performance are integrated into the bonus programme for all employees in leading positions. According to our bonus model, which was decided on by Group Management, managers can receive a 5 percent variable bonus linked to a sustainability activity. To qualify for a bonus, the activity needs to have a clear impact on the outcome for one of our sustainability targets for 2030. A common target for the sustainability bonus is to increase the share of evaluated suppliers, as well as activities that contribute to reducing CO_2 intensity. When choosing an activity, it is important that it is relevant to the specific operation and that the company has control over the progress made. Therefore, climate is not always a factor for incentive schemes, typically in cases where the company has little control or influence over its climate impact.

During the 2024/2025 financial year, 89 percent of company managers received a variable bonus share linked to increasing the number of evaluated suppliers, while the remaining company managers had bonus targets linked to increasing the share of sustainable business (5 percent) or to reduced greenhouse gas emissions (GHG) emissions (4 percent). 2 percent of the bonus targets were linked to other aspects of sustainability. For the majority of managers in the companies (98 percent), bonus performance was evaluated based on actual outcomes.

1.4.4 Due diligence

We continuously assess risks and opportunities in our organisation. Providing our companies with strategic support is an important part of our decentralised governance model, which means we continuously assess risks and opportunities from various perspectives (for example, from a financial perspective or related to market transitions) and inform our companies.

A structured due diligence process is carried out when acquiring new companies. The outcome of the process provides us with information about material impacts, risks and opportunities. We apply the results from the due diligence process in the integration process for newly acquired companies to ensure that Addtech's sustainability framework is integrated into the company.

We have integrated sustainability into our annual general risk analysis in order to identify risks and opportunities at the strategic, financial and operational level. The outcome of our annual analysis is incorporated into the strategic process to ensure that we work preventively to reduce our exposure to risks and increase awareness of opportunities. We engage in a continuous dialogue with our most immediate stakeholder groups – shareholders, investors, customers and suppliers – whose opinions and viewpoints are included in our general risk analysis. Transition risks, physical climate risks and risks linked to areas with increased biodiversity sensitivity are included in our annual evaluation of our companies' exposure to environmental risks. Our exposure to risks linked to human rights is also part of our general analysis, which covers risks linked to our own operations as well as the supply chain.

This means that all of our companies are screened for human rights and corruption risks through our external risk assessment system. The same process is carried out for our major geographic areas with respect to product and material purchases. The outcome of the annual risk analysis is used as an input parameter for our annual strategic SWOT (strengths, weaknesses, opportunities and threats) analysis, which is included in our integrated process for business planning within the companies. Reporting on prioritised activities is required by the companies in order to reduce the risk of negative impacts and to develop opportunities related to sustainability.

External risk identification is the first step in ensuring that our supply chain maintains respect for human rights and good business conduct and follows laws and regulations. We also work to ensure that our suppliers carry out a self-assessment based on the requirements in our Supplier Code of Conduct. Required follow-up of our suppliers is one of our four overarching sustainability targets for 2030. After the companies' suppliers have conducted a sustainability self-assessment, Addtech encourages our companies to initiate sustainability dialogues and collaborations with their suppliers, which gradually reduces our negative impact on people and the environment. Audits are also carried out of suppliers, sometimes together with major customers, according to the companies' business plans.

Due diligence statement

Due diligence process	Section/chapter in the Sustainability Report
Integration of due diligence into governance, strategy and business model	Overall risk management process, see page 33, acquisition strategy, see page 14,
Involving our impacted stakeholders in every key stage of the due diligence process	Materiality assessment, stakeholder dialogues.
Identifying and assessing negative impacts	Materiality assessment, risk and opportunity assessment.
Taking actions to manage negative impacts	Sustainability work, business planning processes at the companies.
Following up the efficacy of our initiatives and communicating the results	Follow-up and reporting back to Group Management/the Board/the Audit Committee, communication in for example annual reports and sustainability reports. Company Board meetings to communicate and discuss outcomes.

1.4.5 Risk management and internal controls over sustainability reporting Internal controls and risk management in the sustainability reporting process

Internal controls over sustainability reporting are integrated into our internal control process for financial reporting. We have two parallel processes. In the first, an annual self-assessment is carried out by every company, providing the basis for identifying shortcomings and generating direct requirements for actions. The second process includes our annual internal auditing process. Sustainability is an integrated area in this process and all companies, depending on their size, are audited at specific intervals. Responsibility for sustainability reporting at the companies often coincides with responsibility for financial reporting. In addition to the joint selection for annual internal audits, reported sustainability data is randomly checked based on the scale of the impact and risk mitigation analysis.

The largest risks identified by our internal sustainability reporting process pertain to data quality and documentation. We work continuously to strengthen the quality of our sustainability reporting and the data we collect. During the year, we improved our sustainability reporting processes by clarifying requirements for data quality and by providing our companies with additional manuals and training sessions.

Identifying and managing primary sustainability-related risks

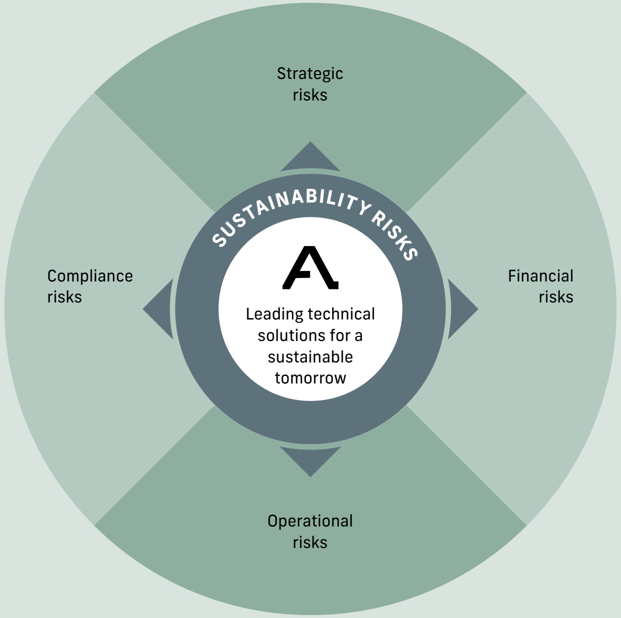
In 2024, we strengthened our risk management process by improving our approach to and clarifying the process for identifying, assessing and mitigating risks. Addtech has a risk management policy that forms the basis of our preventive and integrated work with risks. We have chosen to divide our risks and opportunities into four areas: strategic, operational, compliance-related and financial. Our risk management process focuses on identifying and mitigating risks, reducing internal and external negative impacts, and identifying opportunities to increase value. We use a two-dimensional analysis, based on impact and likelihood, to assess and prioritise our risks. The double materiality assessment is integrated into the annual risk analysis process to the extent that it provides important input. Addtech's overall risk assessment classifies the following sustainability-linked risks as significant:

- Not meeting updated sustainability reporting and data quality requirements
- Ability to recruit and retain staff
- Risks in the supply chain
- Climate risks
- Not progressing according to our targets

The most material risks are continuously followed up by Group Management, who also bear the ultimate responsibility for mitigating and preventing risks. The most significant risks are presented to the Board and Audit Committee, including plans to counteract their impact on operations.

Risk	Risk description	Mitigating actions
Sustainability reporting	Stricter reporting requirements have an impact on Addtech. New EU regulations on sustainability reporting and policies, such as the EU Taxonomy, CSRD and the Carbon Border Adjustment Mechanism (CBAM), are impacting the need for resources to ensure compliance. Not allocating resources to the implementation of stricter requirements related to reporting, integrated internal audit processes and the quality of reported data could have a negative impact on the Group's ability to comply with new requirements.	Addtech aims to report transparently, in accordance with basic requirements and at a level that meets our stakeholders' expectations. Addtech has therefore reallocated resources centrally to handle the increased reporting requirements and improved its internal audit process with regard to data quality.
Ability to recruit and retain staff	Addtech's continued success depends on being able to retain experienced employees with specific skills, having structured succession processes, and recruiting new skilled people. There are a number of key individuals, both among senior executives and among the Group's employees in general. There is a risk that one or several senior executives or other key individuals could leave the Group at short notice, for reasons of stress, working environment or insufficient development opportunities, for example. In the event that we fail to appoint suitable replacements for these individuals, internally or through new recruitment, this could have a negative impact on Addtech's financial position and earnings. The same applies in the event that Addtech does not succeed in attracting new competent key individuals in the future.	Addtech prioritises establishing favourable conditions for employees to develop within the Group and to enjoy their work. The Group's acquisition strategy includes ensuring that key individuals in the companies are highly motivated to continue running their companies independently within the Group. The Addtech Academy is aimed at both new employees and senior executives and serves to increase the exchange of knowledge internally, promote professional development among the Group's employees and develop the corporate culture. The Group's annual employee survey serves to ascertain how employees view their employers and their work situation, and what might be improved and developed.
Suppliers	To deliver products, Addtech is dependent on the ability of external suppliers to fulfil agreements in terms of volume, quality, delivery date, etc. Deliveries that are erroneous or delayed, or that do not occur, may have a negative impact on Addtech's financial position and earnings. Addtech's reputation is also dependent on its suppliers' ability to maintain a high level of ethical business conduct in terms of, for example, human rights, corruption, working conditions and the environment. Inadequate due diligence of suppliers entails a risk of entering into contracts with suppliers that do not meet the Group's basic requirements.	Addtech's numerous positive relationships with carefully selected suppliers reduce the risk of Addtech not being able to deliver as promised. To safeguard the Group's superior standards regarding business conduct, Addtech's Supplier Code of Conduct is to be complied with. Addtech uses a digital platform for assessing suppliers in areas covered by our Supplier Code of Conduct. Several companies also perform specific supplier reviews. In a longer-term perspective, Addtech is not dependent on any individual supplier or customer. Addtech's largest supplier accounts for about 1 percent of the Group's total purchasing volume.

Risk	Risk description	Mitigating actions
Climate risks	Climate change entails both transition risks and physical risks that may impact Addtech and its subsidiaries negatively. Relevant transition risks include higher taxes on CO_2-intensive materials, products and services, disruptive changes in the market and generally higher prices for raw materials. Relevant physical risks include increased operating and capital costs due to more frequent damage to our operations as a result of the effects of climate change, such as more frequent extreme weather events.	For Addtech, managing climate-related risks is a key parameter for future business development and we have performed scenario analyses to identify financial risks associated with climate change. Risks associated with climate change are included in our analysis of potential acquisitions. The Group seeks to integrate climate risks in connection with major investments.
Target progress	Addtech has ambitious financial and sustainability targets. For Addtech, it is very important to perform in line with these targets. There is a risk that failing to achieve or perform in line with our targets could impact our financial position and Addtech's valuation as a stable and forward-looking investment.	Addtech has well-integrated and structured processes in place for its financial and sustainability targets. Addtech continuously monitors its progress towards the Group's joint targets. Monitoring takes place at Group, business area and company level. Addtech works to strengthen its partnerships in the value chain and to identify key partners to achieve its targets.



2. Environmental information

At Addtech, we seek to ensure that we are well equipped for the future. To achieve this, we need to reduce our negative impact, take preventive actions to mitigate risks and develop identified opportunities. In terms of the environment, the transition of our value chain is at least as important as the transition of our own operations when it comes to reducing negative impacts on the climate. Resource efficiency and waste reduction are also prioritised. A key part of our acquisition strategy is to acquire companies with a positive impact on the transition of society and industry.

2.1 CLIMATE CHANGE

2.1.1 Impacts, risks and opportunities and their interaction with strategy and business model

The impact on climate and energy from Addtech's own operations arises primarily from the manufacturing companies in the Group, many of which have energy-intensive processes. We also have manufacturing companies in countries with challenges in terms of transitioning to purchasing renewable energy. Scopes 1 and 2 account for a smaller portion of our total emissions, less than 1 percent according to our preparations to set science-based climate targets in accordance with the Science Based Target initative (SBTi). During the process a full Scope 3 inventory was conducted, the results of which indicated that the majority of our impact in terms of climate change and energy arises in our value chain. Purchased goods account for approximately 70 percent of our Scope 3 emissions, and use of sold products for approximately 20 percent.

At the same time, many of our solutions and products are part of systems that have a positive impact on the climate transition and therefore on the climate and energy. We supply components, products and solutions in various industrial niches, such as electrification, energy efficiency, renewable energy production and expanding the national grid, all of which are critical for the transition of society and industry.

2.1.1.1 Strategy

Our double materiality assessment identified climate change mitigation and energy consumption as material areas for our own operations as well as for the value chain.

Our climate targets and our ambition to reduce our negative impact were established by the Board, while management is responsible for ensuring we progress in line with our strategy. The progress is followed up by management and the Board.

2.1.1.2 Climate transition plan

We are well aware that climate change could impact our suppliers, our own operations and our customers. Addtech's ambition is to reduce its climate impact within Scopes 1 and 2 as much as possible by 2030. We have established an overall transition plan based on high-impact companies in the different areas affecting Scope 1 and 2 emissions. This plan will be developed further in the coming year.

Since the 2019/2020 financial year, our internal carbon dioxide reduction target has been to halve our carbon dioxide intensity by 2030, with 2019/2020 as the base year. The climate data for the 2019/2020 financial year is representative for the Group since we updated the reporting and intensified the review and follow-up of reported climate data ahead of that period. Our intensity target includes Scopes 1 and 2. It also includes fuel- and energy-related activities, upstream transportation, business travel and downstream transportation in Scope 3.

Addtech has had a science-based climate change mitigation target in line with the Paris Agreement since 2024. The target has been validated and approved according to the SBTi. We report our climate data according to the Greenhouse Gas (GHG) Protocol and the Carbon Disclosure Project (CDP), where we have a B rating. Based on available information, Addtech is not excluded from the EU Paris-aligned Benchmarks.

Our targets will strengthen partnerships in our value chain, both with suppliers and with customers. Our commitments include our own operations (Scopes 1 and 2) as well as our value chain, where we have so called engagement targets for suppliers and customers. The majority of our carbon dioxide emissions arise in our value chain, primarily associated with the categories Purchased Goods and Services (category 1) and Use of Sold Products (category 11)

2.1.2 Impact, risk and opportunity management

Identifying and assessing our most important climate-related risks and opportunities is the foundation for being able to work methodically to reduce our negative impact in line with our strategy to achieve our business and climate targets. Mapping of climate-related risks and opportunities has been part of our general risk analysis for several years. In 2024, it was integrated into our double materiality assessment. Our mapping is based on two different scenario analyses: one where we achieve the climate targets of the Paris Agreement, and one where the world's emissions continue to increase at the current rate. The scenario analyses include several areas within financial and environmental risks, such as transition risks, market risks and regulatory risks. Our annual climate analysis, which is now part of our materiality assessment, also includes a mapping of physical risks. We screen all of our companies for climate risks, such as drought, increased precipitation and flooding. According to the results, none of our companies is deemed to meet the financial threshold based on physical climate risk exposure. Our annual analysis of climate-related risks and opportunities forms the basis for our decision-making process.

Climate-related risks and opportunities are relevant to strategic decisions at Addtech and affect our companies to varying degrees due to the variation in operating activities and in the companies' offerings. A general change is in progress within industry focused on climate-friendly alternatives and is generating new opportunities and risks for Addtech. See table at page 61 for a summary of our climate scenario analyses, based on two different scenarios: RCP 8.5, where emissions continue at the same rate as today and RCP 2.6, a low-emissions scenario in line with the Paris Agreement.

CLIMATE SCENARIO ANALYSES AND RESILIENCE ANALYSIS

ADDTECH HAS CARRIED OUT SCENARIO ANALYSES ACCORDING THE IPCC REPRESENTATIVE CONCENTRATION PATHWAY (RCP) SCENARIO MODEL

RCP 8.5 The world continues to increase emissions at the current rate	RCP 2.6 The world limits climate change in line with the Paris Agreement
SCENARIO DESCRIPTION	
— GHG emissions continue to increase at the current rate — the global temperature rises by 2 to 4 degrees C — sea levels rise — weather becomes more extreme — more forest fires and flooding — customer and investor needs remain unchanged — high energy intensity — high level of dependence on fossil fuels energy — global initiatives and partnerships fail — people displaced by climate change	— GHG emissions halved by 2050 — the global temperature increases by 1.5 to 2 degrees C — renewable energy dominates — low energy intensity — major adaptations to society, infrastructure and buildings — joint global initiatives succeed — policies, regulations and taxes on GHG emissions — rules and follow-up for manufacturing companies and products — changes to customer and investor needs
IDENTIFIED RISKS FOR ADDTECH	
— increased costs for repairs and adaptations to extreme weather — no demand for investments in a more energy-efficient society — disruptions in the value chain caused by extreme weather and other climate effects — increased competition from companies without a sustainability agenda	— regulations, taxes and fees for GHG emissions — old technology becoming obsolete — net-zero emission requirements entail changes to business models — price increases for transportation, energy and raw materials — volatile and high energy prices — increased investment needs in owned buildings
IDENTIFIED OPPORTUNITIES FOR ADDTECH	
— greater demand for infrastructure solutions due to increased repairs following extreme weather — good relationships with partners who have strengthened their resilience	— increased production of renewable energy — higher demand for energy-efficient solutions — more rapid electrification — higher demand for climate-friendly infrastructure solutions

Resilience to climate change means the ability to predict, prepare for and manage climate-related risks and disruptions. Establishing climate change resilience means using available knowledge to predict new climate-related risks or changes to existing risks while taking actions to avoid or reduce their impact. We have integrated our annual analysis of climate change exposure and resilience into our risk and opportunity assessment within the double materiality assessment. The risk and opportunity assessment includes all of the companies in the Group and employs short-, medium- and long-term perspectives.

Our analysis did not identify any material financial risks pertaining to climate change. The diverse nature of our Group companies, industrial niches and geographic areas strengthens our resilience. Our companies are also agile, working in close collaboration with customers and markets and respond quickly to changes. If anything, we believe that the transition from fossil fuel dependence offers opportunities, in society as well as in industry – the products and solutions many of our companies already offer are linked to the transition and to their ability to respond quickly to changes in customer needs.

Addtech's ambition is to reduce its climate impact within Scopes 1 and 2 as much as possible by 2030. To follow up on our progress and our strategy, we have been collecting climate data from all of our Group companies for several years. Working with energy efficiency, transitioning to exclusively renewable energy and reducing our dependence on fossil fuels are all essential for reaching our climate change mitigation targets. These actions also have a future-proofing effect and are in line with our efforts to reduce our dependence on fossil fuels in our own operations as well as in the value chain. This means that the transition from fossil fuel dependence is closely connected to our strategy and business model – in our own operations and in the many products and solutions we offer our customers.

2.1.2.1 Policies

Addtech has three fundamental policies, adopted annually by the Board, that govern all of the Group companies and our suppliers. Our Code of Conduct, Supplier Code of Conduct and Sustainability Policy set out overall requirements to work for reduced climate impact in our own operations and for the value chain. The basis is to work with energy efficiency, to purchase energy produced from renewable sources and to reduce dependence on fossil fuels. All of our policies are available on our website.

2.1.2.2 Actions and resources

Our work to reduce our climate impact is integrated into our annual business planning, where our companies present their targets and activities for the short and medium term. Out of the 150 diversified companies in the Group, some have a particularly significant impact on the Group's progress towards our 2030 targets. This means that we have a basic strategy for all of our companies, which we supplement with company-specific strategies for those which have a larger impact on our Group-wide targets.

Expertise in climate impact is an important part of the sustainability training we continuously provide to our companies, ensuring that we progress towards our 2030 targets. Our training programme includes company-specific training in the form of open webinars or "Train the Trainer" sessions where companies send an employee to Addtech for Group-wide intensive sustainability training. The goal is to provide them with a basic level of knowledge that they can share with their colleagues at the local companies. The "Train the Trainer" concept also provides the foundation for our internal Addtech Sustainability Network. While individual companies make continuous investments in order to optimise their operations and contribute to achieving our climate change mitigation targets, these combined financial resources are not material from a Group perspective.

Activities to reduce our Scope 1 and 2 emissions

All Addtech companies are to strive to help us collectively reach our climate change mitigation targets. When it comes to achieving our climate targets related to reducing our own emissions, we have identified two essential areas: energy efficiency and purchasing renewable energy. We therefore work systematically according to the following priorities: first and foremost, reducing our energy consumption through energy efficiency initiatives and, when possible, choosing renewable energy or energy with a low climate impact. Addtech has an internal target of achieving 100 percent renewable electricity to year 2030.

Examples of actions taken during the year to improve energy efficiency include upgrading lighting systems, installing automatic doors for handling goods and upgrading ventilation systems. Companies also installed solar panels on the roofs of buildings that we own and installed charging stations for electric cars in order to support the transition to electric cars.

Ten of our 150 companies account for 30 percent of our Scope 1 and 2 emissions, meaning that we are focusing on developing reduction plans for the companies with the most significant impact. While the Board of each company is responsible for monitoring their outcomes against the company's reduction plan, we will also provide central monitoring and support for the companies with a significant impact during the coming period. The reduction plans include the various activities described above, such as switching to fossil-free electricity and energy, as well as establishing a foundation for our reduction plans through regular energy efficiency analyses for companies with higher emission levels.

Another aspect of our efforts to reduce our climate impact within Scopes 1 and 2 is the recent phase-out of fossil fuel vehicles in favour of electric vehicles at many of our companies.

Going forward, the primary challenge for Addtech when it comes to reaching our Scopes 1 and 2 climate change mitigation targets will be securing access to energy from sources with a low climate impact. Several of our companies are located in countries with limited share of energy with a low climate impact. Moreover, natural gas is a common energy source in Central and Southern Europe, and several of our manufacturing companies currently depend on it for their production processes. This is another area where we need to find a more climate-friendly alternative.

Activities to reduce our Scope 3 emissions

Addtech's largest climate impact in Scope 3 falls under category 1, Purchased Goods and Services. We have identified that working with suppliers who have science-based climate targets, or working to ensure that our suppliers set such targets, is essential for reducing Scope 3 emissions. One of our Scope 3 targets is to increase the share of suppliers who have SBTi-validated targets. Our companies often have long-term, strategic and stable partnerships with their suppliers, and continuously follow up on important parameters such as customised solutions, product quality and delivery precision through dialogues with key suppliers.

During the year, we worked to integrate sustainability and, in particular, climate impact into our supplier dialogues to ensure that we partner with suppliers who are working systematically to reduce their own climate impact. Our requirements are integrated into our Supplier Code of Conduct and our evaluation framework for suppliers. We focus on activities such as raising the skill level of employees who have direct contact with suppliers and developing tools for evaluating and following up suppliers.

A smaller portion of our climate impact in Scope 3 falls under category 11, Use of Sold Products, where we strive to increase the share of customers with SBTi-validated targets. During the year, we worked to integrate sustainability, including analyses of customer climate targets, into the regular customer and market analyses that our companies carry out.

Our most significant challenge when it comes to reaching our Scope 3 target is encouraging smaller suppliers to set science-based climate targets.

Our intensity target includes parts of Scope 3, with the most significant impact coming from transportation of goods followed by business travel. To reduce our climate impact in these two categories, our companies work continuously to optimise transportation and distribution logistics and prioritise transportation solutions with a low climate impact. For business travel, our ambition is to reduce our climate impact primarily by replacing flights with train travel, when possible, and by alternating between physical and digital meetings.

2.1.3 Metrics and targets

Targets:

1. Reduce CO_2 intensity (for Scopes 1 and 2 as well as categories 3, 4, 6 and 9 under Scope 3) by 50 percent by 2030 from the base year 2019/2020

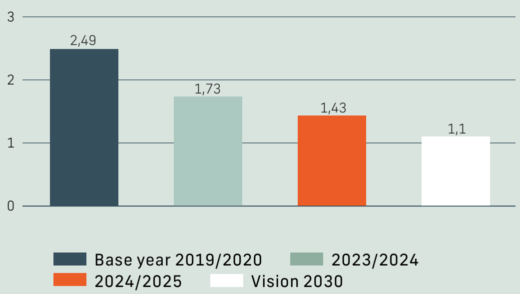
2. Reduce emissions from own operations (Scopes 1 and 2) by 50 percent by 2030 from the base year 2022/2023

3. Engagement target (for suppliers and customers to have climate targets)

4. 100 percent renewable electricity (in own operations)

Addtech is working systematically to streamline and reduce its resource consumption and GHG emissions to reach our climate targets for 2030. Our intensity target requires that we reduce our CO_2 intensity by 50 percent by 2030 (from the base year of 2019/2020). The intensity target includes Scopes 1 and 2 as well as categories 3, 4, 6 and 9 under Scope 3. The categories included in the intensity target are selected based on the data available at the time the target was set

Carbon dioxide intensity

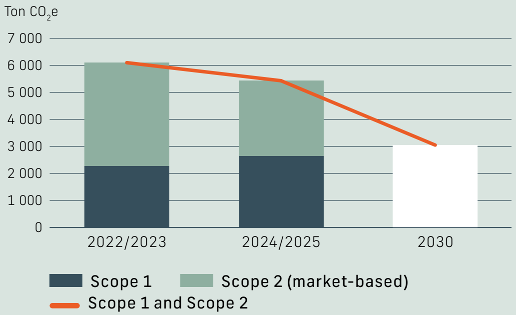


(2019/2020). In 2024/2025, we reduced our CO_2 intensity by 42 percent relative to the base year.

This positive outcome was mainly due to reduced emissions from goods transports. Several parameters influenced the outcome, including the fact that our focus on reducing inventories resulted in lower goods transports by sea, road and air. Along with efficient work in our logistics chains and higher-quality climate data reported for goods transports, the increase in sales volume during the year contributed to a 42 percent reduction compared with the base year 2019/2020. Goods transports continue to account for most of Addtech's GHG emissions, corresponding to 63 percent based on the emissions categories included in our intensity target.

We also have a target of a 50 percent absolute reduction by 2030, and our Scope 1 and 2 target have been approved by the SBTi, with 2022/2023 as the base year, where the base year is adjusted with acquired companies. In 2024/2025, our Scope 1 and 2 emissions decreased by 10 percent relative to the base year.

SBTi target, scope 1 and scope 2



There is great diversity among our 150 companies. Our most significant emissions in Scopes 1 and 2 come from our larger manufacturing companies, some of which are located in countries where it is currently difficult to transition to energy with a low climate impact.

Addtech's emissions from its own operations (Scopes 1 and 2) decreased by 10 percent relative to the base year 2022/2023. The decrease was mainly attributable to the fact that our companies have increased the share of electricity produced from renewable sources or nuclear power, which accounts for 88 percent of all the electricity we consumed during the year. Our Scope 1 emissions increased slightly, mainly due to higher emissions from self-generated energy from companies acquired during the year. An analysis of alternative solutions for process energy will be carried out for the companies concerned. Emissions from fossil fuel vehicles also increased. The increase was attributable both to acquisitions and to companies that have been part of the Group for some time. At the same time, we noted a gradual increase in the number of electric vehicles within the Group. While this is having a positive impact in terms of achieving our target of reducing our Scope 1 and 2 emissions, the phase-out is taking place gradually as the vehicles are often leased for three to five years.

According to our Scope 3 inventory and prioritisation, our largest impact arises from purchased goods and services, followed by use of goods sold. We are working on developing our reporting system in order to include data for significant emissions categories in the coming years. Our manufacturing companies currently report data for purchased raw materials. This is the first year we are reporting climate emissions from purchased raw materials (category 1), which is only reported by our manufacturing companies. While this category is not part of our intensity target, it represents a further enhancement of our Scope 3 reporting. Emissions increased by 16 percent compared with the preceding year due to the acquisition of manufacturing companies during the year, increased purchases of raw materials and more detailed reporting.

For some categories with negligible emissions, or where it is very difficult to collect data, no emissions data is reported.

Scope 3 accounts for the majority of our climate-related emissions, and we have engagement targets for customers and suppliers to set science-based targets. Our own target is for 30 percent of our suppliers (based on purchase volume) and 10 percent of our customers (based on sales) to have climate change mitigation targets by 2028. During the year, we evaluated how many of our 20 largest customers (based on sales volume) and suppliers (based on purchase volume) have joined the SBTi or have SBTi-approved targets. The evaluation showed that this is the case for six of our largest suppliers and 14 of our largest customers.

2.1.3.2 Energy consumption and mix

Energy consumption and mix	2024/2025	2023/2024
(1) Fuel consumption from coal and coal products (MWh)	–	–
(2) Fuel consumption from crude oil and petroleum products (MWh)	1,061	1,041
(3) Fuel consumption from natural gas (MWh)	2,561	1,638
(4) Fuel consumption from other fossil sources (MWh)	–	–
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	5,683	6,206
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**9,305**	**8,885**
Share of fossil sources in total energy consumption (%)	**24%**	**26%**
(7) Consumption from nuclear sources (MWh)	2,582	2,184
Share of consumption from nuclear sources in total energy consumption (%)	**7%**	**6%**
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	1,800	1,466
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	23,811	21,969
(10) The consumption of self-generated non-fuel renewable energy (MWh)	583	340
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**26,194**	**23,775**
Share of renewable sources in total energy consumption (%)	**69%**	**68%**
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	**38,081**	**34,844**

2.1.3.3 GHG emissions

	Retrospective			
Scope 1 GHG emissions	Base year 2019/2020	2023/2024	**2024/2025**	% 2024/2025 / 2023/2024
Gross Scope 1 GHG emissions (tCO_2eq)	2,071	2,084	2,637	27%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	–	–	–	–
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions (tCO_2eq)	3,979	3,952	3,441	-13%
Gross market-based Scope 2 GHG emissions (tCO_2eq)	–	2,847	2,794	-2%
Significant Scope 3 GHG emissions*				
Total gross indirect (Scope 3) GHG emissions (tCO_2eq)	23,132	52,825	53,142	1%
1 Purchased Goods and Services**	–	24,132	27,953	16%
2 Capital Goods	–	–	–	–
3 Fuel- and Energy-Related Activities (Not Included inScope 1 or Scope 2)	–	93	148	59%
4 Upstream Transportation and Distribution	10,581	11,936	9,866	-17%
5 Waste Generated in Operations	–	–	–	–
6 Business Travel	4,770	4,727	5,309	12%
7 Employee Commuting	–	–	–	–
8 Upstream Leased Assets	–	–	–	–
9 Downstream Transportation	7,781	11,937	9,866	-17%
10 Processing of Sold Products	–	–	–	–
11 Use of Sold Products	–	–	–	–
12 End-of-Life Treatment of Sold Products	–	–	–	–
13 Downstream Leased Assets	–	–	–	–
14 Franchises	–	–	–	–
15 Investments	–	–	–	–
Total GHG emissions				
Total GHG emissions (location-based) (tCO_2eq)	29,182	58,861	59,220	1%
Total GHG emissions (market-based) (tCO_2eq)	–	57,756	58,573	1%

*Scope 3 is not fully reported, see Calculation method for climate and energy data. The base year does not include purchase of raw material for production.
** Raw materials for manufacturing, purchasing. Only in companies with their own production.

Greenhouse gas emissions related to SBTi target

	Base year*		Target
	2022/2023	**2024/2025**	2030
Tonnes CO_2e			
Scope 1	2,264	2,637	1,132
Scope 2 (market based)	3,834	2,794	1,917
Scope 1 and Scope 2	6,098	5,431	3,049

* The base year is adjusted to include acquired companies

GHG intensity per net revenue*	2024/2025	2023/2024	% 2024/2025 / 2023/2024
Total GHG emissions (location-based) per net revenue (tCO_2eq/revenue SEK million)	1.43	1.73	-17%
Total GHG emissions (market-based) per net revenue (tCO_2e/revenue SEK million)	1.40	1.68	-16%

* The calculation excludes Scope 3 category 1, Purchased Goods and Services

Energy intensity	2024/2025	2023/2024	% 2024/2025 / 2023/2024
Total energy consumption per net revenue (MWh/SEK million)	1.7	1.7	0%

Calculation method for climate and energy data
Addtech's emissions are calculated according to the GHG Protocol and are reported in accordance with three different scopes. The precautionary principle has been applied to all calculations. GHG emissions are reported by calendar year, meaning they therefore deviate from our split financial year. Newly acquired companies consolidated within the Group less than three months before the commencement of the reporting period are not included in the reporting.

Scope 1 pertains to direct emissions from operations owned and controlled by Addtech. The operational control method has been applied.

- The kilometres driven by the vehicle fleet were calculated with average emissions of 155g CO_2eq/km collected from leasing companies in the Nordic region.
- Fuel combustion was calculated applying the conversion rates and emissions factors stipulated by the Swedish Energy Agency, the Swedish Environmental Protection Agency, the UK Department for Environment, Food and Rural Affairs (DEFRA) and Swedenergy.

Scope 2 pertains to indirect emissions from purchased and consumed electricity, heating and cooling. Emissions are reported in accordance with both the location-based method and the market-based method.

- Emissions factors for electricity are taken from the Carbon Database Initiative, the Association of Issuing Bodies, the Swedish Environmental Protection Agency, the Swedish Environmental Research Institute and the Swedish Energy Markets Inspectorate.
- For district heating, an average emissions factor for Europe is applied, taken from Werner (2017) "International review of district heating and cooling": 112g CO_2eq/kWh.
- District cooling is mainly produced through a compression process, and the country mix for electricity is therefore divided by three to calculate emissions.
- Electricity consumed by electric cars in the Group's vehicle fleet is reported in Scope 2, with the calculation based on the electricity consumed for each kilometre driven (12g CO_2eq).

  The Swedish Environmental Protection Agency's calculation tool for transport emissions was used to determine the emissions factor.

Scope 3 pertains to indirect emissions from sources that are not owned or controlled by Addtech. For the year reported, categories 3, 4, 6 and 9 have been included as well as parts of category 1. We are aware that the purchase of products (category 1) is one of the categories there Addtech has the greatest impact on the climate. We work to include category 1 in our reporting, with good data quality. We have started collecting data and calculating emissions for raw materials purchased by our companies, with the companies reporting based on weight per type of raw material. The emissions factors used are taken from Sphera (previously Gabi), the International Aerospace Environmental Group, the International Copper Association and World Stainless as well as from environmental product declarations (EPDs) and life cycle assessments (LCAs) published by material manufacturers and from published scientific articles.

The calculations for goods transports (categories 4 and 9) have been performed on the basis of three methods, in the following order of priority: data from goods transport companies (when available), and otherwise the distance- and weight-based method or the cost-based calculation method. EcoTransit's calculator was used for calculations using the distance- and weight-based method. Cost-based emissions factors are based on calculations from the Network for Transport Measures (NTM). Emissions from goods transports where the supplier/customer is responsible for the transport are part of the data we map and of our climate impact. The figure is not included in the table due to the challenge of obtaining reliable data.

Emissions calculations for business travel (category 6) include travel by air, car (employee-owned) and rail, with air accounting for approximately 90 percent of emissions.

- Flights are calculated using the ICAO Carbon Emissions Calculator tool or reports from travel agencies, in which RFI factor 2 has been included to include the high-altitude effect.
- Emissions for kilometres driven in cars owned by employees are calculated at an average of 155g CO_2eq/km, based on data from leasing companies in the Nordic region.
- For rail travel, an average European factor of 28g CO_2eq/km was applied, which was provided by the European Environment Agency (EEA).

Calculations from the extraction, production and transport of fuels (category 3) refer to fuel that has been purchased to produce energy in operations. These emissions were calculated applying the conversion rates and emissions factors stipulated by the Swedish Energy Agency, the Swedish Environmental Protection Agency, DEFRA and Swedenergy.

2.2 RESOURCE USE AND CIRCULAR ECONOMY

To reduce our negative impact on the climate and environment, we need to reduce our resource use and transition to more circular resource flows. This means we need to influence our suppliers and partners and to continuously develop and streamline our companies. The majority of our companies are trading companies or companies with a smaller share of assembly in their operations. These companies only have limited control over resource consumption during manufacturing. On the other hand, our manufacturing companies have full control over their production and therefore have a high focus on resource optimisation. This is followed up continuously at individual companies and by their Boards.

2.2.1 Impacts, risks and opportunities related to resource use and circular economy

Most of our manufacturing companies produce easily disassembled products and solutions made out of metals such as steel and aluminium. Thanks to monetary incentives and well-established technologies, there are good opportunities for recycling. A large portion of the products we manufacture within the Group are easy and practical to recycle, which we consider to be positive. This is something we aim to achieve for even more of our own products in the future.

We are focusing on reducing our generated waste and working on circular solutions for materials and products. Our ambition to reduce our negative impact was established by the Board, while management is responsible for ensuring we progress in line with our strategy. Our progress is followed up by management and the Board.

2.2.1 Impact, risk and opportunity management

Identifying and assessing our most important environmental risks and opportunities is the foundation for being able to work systematically to reduce our negative impact in line with our strategy to achieve our business and climate targets. According to our double materiality assessment, waste is a material area for our own operations as well as for the value chain under the circular economy subtopic.

Resource consumption and, in particular, waste generation are key issues for daily operations at manufacturing companies. For trading companies, it is important to set clear requirements in order to optimise and streamline resource use at our suppliers and partners.

Our diversified structure, with 150 companies in various industrial niches, means that we have a good spread of risk in general as well as in terms of resource use. We have a wide range of markets, geographies and diversified value chains, which reduces our dependence on individual materials or raw materials whose availability depends on external factors such as regulation or climate change. This improves our resilience.

In our own operations

Addtech works systematically to streamline and reduce its consumption of resources and waste generation, although we do not currently have a joint target for reducing waste in the Group. However, in addition to the amount of purchased materials, waste is a parameter that is regularly followed up in our manufacturing companies.

In our value chain

When it comes to circular economy and waste, the largest impact arises in our value chain, primarily in the manufacture of purchased materials, products and solutions. To reduce impacts and risks in this area, we focus on working with our key suppliers by highlighting its importance and by encouraging all suppliers to reduce their resource consumption through our Supplier Code of Conduct and in our evaluation system for suppliers. This area is becoming increasingly important and has a strong connection to reducing our own climate impact as well as our value chain's.

2.2.2.1 Policies

Addtech has three fundamental policies, adopted annually by the Board, that govern all of the Group companies and our suppliers. Our Code of Conduct, Supplier Code of Conduct and Sustainability Policy set out overall requirements for working with reduced resource use in our own operations and in the value chain. The basis is to reduce all resource consumption, with a particular focus on virgin raw materials. We encourage product and solution designs that are adapted for material re-use or recycling. All waste management is to be optimised based on the waste hierarchy: prevention, re-use, recycling and, finally, incineration. All of our policies are available on our website.

2.2.2.2 Actions and resources

Expertise in resource efficiency is part of the foundation of the sustainability training we continuously provide to our companies, ensuring that we progress towards our 2030 targets. The training programme includes company-specific training in the form of open webinars or “Train the Trainer” sessions. While individual companies make continuous investments in order to optimise resource use in their operations and contribute to pursuing our strategy, these combined financial resources are not material from a Group perspective.

Activities to optimise resource use and reduce waste

We introduced follow-ups for specific waste fractions in 2024. This applies to companies that produce at least 1 tonne of waste per year, which means that essentially all of our manufacturing companies report their waste. Companies with a large share of assembly in their operations are also affected by the requirement. Optimising resource use is a natural part of developing the operations of our companies, since purchased raw materials and energy consumption are often important parameters from a profitability perspective. By maximising the use of the purchased raw materials and re-using materials and products, we reduce our impact arising due to resource use while increasing our profitability. Our companies work continuously to optimise and develop solutions to reduce the need for packaging materials, to re-use packaging material and to opt out of plastic when there are alternatives with a lower climate impact.

Activities throughout the value chain

A large portion of our impact arises in our value chain, where we continuously work to influence our suppliers to develop their operations in general towards increased resource use. We also request information about the share of virgin raw materials in the materials and products we purchase. We set requirements through our governing documents and, primarily, through dialogues with key suppliers.

2.2.3 Metrics and targets

The 2024/2025 financial year is the first year in which we collected data about the amounts of various waste fractions from companies with at least 1 tonne of waste per year. This data will provide a basis for systematically following up and analysis of the Group's impact on waste at an aggregate level going forward. Our ambition is to report the amount of waste from all Addtech companies next year.

Waste in different fractions*

Waste generated (tonnes)	2024/2025	2023/2024
Recycling	2,480	–
of which metal	1,901	–
of which cardboard	210	–
of which plastic	55	–
of which other	314	–
Energy recovery	337	–
Landfill	376	–
Hazardous waste	376	–
Total	3,569	–

*Includes companies with at least 1 tonne of waste per year.

Calculation methods for waste data

The calculation of Addtech's waste generation includes all companies that generate at least 1 tonne of waste per year, which is essentially all of our manufacturing companies and some of our companies with assembly operations. The reporting is for the calendar year, as with our climate reporting, and is reported in tonnes. The companies report generated waste that is sent to recycling during the year according to fractions: metal, cardboard, plastic and other. The companies also report the amount of hazardous waste, mixed waste for energy recovery and waste sent to landfill. Our reporting is based on waste management reports from the companies' partners, including any necessary follow-up questions from the companies regarding how the various fractions are managed.

In the coming year, we plan to include all of the companies in our waste reporting using a standardised upward adjustment based on existing reported data.

2.3 EU TAXONOMY

Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

The purpose of the EU Taxonomy is to establish a common definition of environmentally sustainable activities. Addtech welcomes the EU Taxonomy as a means of enabling comparable financial key performance indicators (KPIs) for green activities. The EU Taxonomy is still evolving and it is important to note that the current Taxonomy does not cover all sustainable activities in the market. In an initial stage, the EU has prioritised the most carbon dioxide-intensive activities. It thus appears that Addtech, whose activities largely focus on technical solutions included in end products in industry and infrastructure, is Taxonomy-eligible only to a small extent for the 2024/2025 reporting. However, Addtech is a key supplier and enables many of its customers' activities under the Taxonomy. Examples of technical solutions where we supply key components include the production of renewable energy, forestry, purification of water and air, recycling systems and transport systems. Read more about Addtech's technical solutions that contribute to sustainable development on page 16.

Taxonomy-eligible activities

Addtech has identified a small portion of turnover as Taxonomy-eligible under activities 3.4 Manufacture of batteries and 3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation. A large part of our battery unit is Taxonomy-non-eligible due to the fact that several companies do not have their own manufacturing and that the batteries are not used for transport, stationary or off-grid storage or industrial applications. Although activities 3.4 and 3.20 currently constitute only a relatively small part of Addtech's turnover, they are included in the reporting for the year as we see future growth potential in this area. Double counting has been avoided by collecting data at the company level and by only including external sales.

Method for mapping Taxonomy-aligned activities

The requirements for an activity to be Taxonomy-aligned are that it needs to make a substantial contribution to one of the environmental objectives without causing significant harm to any of the other objectives. In addition, the activity and the company must meet minimum safeguards.

Substantial contribution

Addtech has identified activities that make a substantial contribution to the Taxonomy objectives. Battery systems used in all-terrain vehicles make a substantial contribution under activity 3.4 as they replace internal combustion engines, thereby reducing GHG emissions significantly. Insulator chains, disconnectors and lighting controls are examples of products under activity 3.20 that are components in transmission systems and help to reduce emissions.

Nuclear and fossil gas related activities

Nuclear energy related activities

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas related activities

4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Proportion of turnover/Total turnover		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	5.4%
CCA	%	%
WTR	%	%
CE	%	%
PPC	%	%
BIO	%	%

Proportion of CapEx/Total CapEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	21.1%
CCA	%	%
WTR	%	%
CE	%	%
PPC	%	%
BIO	%	%

Proportion of OpEx/Total OpEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	8.2%
CCA	%	%
WTR	%	%
CE	%	%
PPC	%	%
BIO	%	%

Turnover
Total turnover reported is in accordance with Notes 4 and 5 in the financial report. Taxonomy-eligible turnover refers to external sales of manufactured batteries for transport, stationary and off-grid energy storage and other industrial applications. It also refers to manufacturing, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation.

CapEx
Capital expenditure (CapEx) refers to investments for the acquisition of a non-current asset before depreciation/amortisation, write-ups and impairment, and excluding goodwill. Addtech's total investments for the financial year were in accordance with Note 14 Intangible non-current assets, Note 15 Property, plant and equipment, and Note 16 Leases in the financial report. Taxonomy-eligible CapEx is associated with the following activities: manufacturing of batteries; manufacturing, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation; and owned or acquired properties and leased cars.

OpEx
Operating expenditure (OpEx) is defined as non-capitalised costs that relate to short-term lease, maintenance and repair, building renovation measures, and research and development. Accordingly, the reported figures do not correspond to Addtech's total OpEx but only to the OpEx mentioned above. Alongside other expenses, OpEx based on the Taxonomy definition is reported in the consolidated income statement on page 85. Taxonomy-eligible OpEx is associated with the following activities: manufacturing of batteries; manufacturing, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024/2025

Financial year 2024/2025	2024/2025			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities (1)	Code (2)	Turnover (3)	Proportion of turnover, 2024/2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, 2023/2024 (18)	Category enabling activity (19)	Category transitional activity (20)
		SEK million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
–																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)			0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0%		
Of which enabling			0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0%	E	
Of which transitional			0%	0%						–	–	–	–	–	–	–	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of batteries	CCM 3.4	10.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation.	CCM 3.20	1,177.1	5.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.6%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,187.2	5.4%	5.4%	0%	0%	0%	0%	0%								3.7%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		1,187.2	5.4%	5.4%	0%	0%	0%	0%	0%								3.7%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		20,608.8	94.6%																
TOTAL		**21,796.0**	**100%**																

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024/2025

Financial year 2024/2025	2024/2025			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, 2024/2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, 2023/2024 (18)	Category enabling activity (19)	Category transitional activity (20)
		SEK million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
–																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)			0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0%		
Of which enabling			0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0%	E	
Of which transitional			0%	0%						–	–	–	–	–	–	–	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of batteries	CCM 3.4	21.9	1.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.9%		
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation.	CCM 3.20	258.9	13.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.5%		
Acquisition and ownership of buildings	CCM 7.7	42.3	2.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.1%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	81.4	4.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6.3%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		404.5	21.1%	20.9%	0%	0%	0%	0%	0%								11.8%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		404.5	21.1%	20.9%	0%	0%	0%	0%	0%								11.8%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		1,510.5	78.9%																
TOTAL		**1,915.0**	**100%**																

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024/2025

Financial year 2024/2025	2024/2025			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, 2024/2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, 2023/2024 (18)	Category enabling activity (19)	Category transitional activity (20)
		SEK million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
–																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)			0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0%		
Of which enabling			0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0%	E	
Of which transitional			0%	0%						–	–	–	–	–	–	–	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of batteries	CCM 3.4	0.8	0.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.7%		
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation.	CCM 3.20	6.7	7.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.9%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		7.5	8.2%	8.2%	0%	0%	0%	0%	0%								7.6%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		7.5	8.2%	8.2%	0%	0%	0%	0%	0%								7.6%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		84.6	91.8%																
TOTAL		**92.1**	**100%**																

3. Social information

At Addtech, we are committed to people – those within the organisation as well as workers in our value chain. Our goal is to be a positive force in society and to create good jobs for people. Our companies are also important employers in the communities where they are established, contributing to local development.

3.1 OWN WORKFORCE

3.1.1 Impacts, risks and opportunities and their interaction with strategy and business model

Our employees are our most important resource, meaning that this area is considered material in our analysis of impacts, risks and opportunities. The subtopics identified as material include working conditions and work environment as well as gender equality and equal opportunities for all.

The risk of child- and forced labour was not identified as a material risk according to our double materiality assessment. In general, our companies operate in countries with a low risk of child and forced labour. We have well-established and effective processes in place at our few medium-risk companies in order to mitigate these risks.

Our double materiality assessment indicated that we have a handful of companies in the Group that are at a heightened risk for discrimination due to where in Europe they operate. However, this area is not material at the Group level. Established channels such as our annual employee survey and whistle-blower service provide us with good opportunities to identify individual incidents of discrimination and violations of our Code of Conduct.

We do not see any risks related to our own workforce, such as job losses or skills supply, connected to our climate transition plan. On the contrary, we believe the transition of the society provides good opportunities for increased business for the majority of our companies, since their customer offerings contribute to the climate transition. Our companies are flexible and adaptable, meaning that they can adjust operations as needed.

The majority of Addtech's employees, 50 percent, work in production, warehousing, support or technical service. The single largest group works in sales (25 percent), 15 percent work in administration, finance or purchasing, and 10 percent work in management. The dedication and well-being of our employees, and the safety of their working environments, are important prerequisites for being able to develop over time. In a constantly changing world, it is important for us to continuously focus on skills development for all employees.

3.1.1.2 Strategy

Our employees are our most important resource and Addtech strives to make our companies attractive employers. Gender equality and equal opportunities for all are important areas for creating value for our companies and for our employees. We seek to be an employer that attracts skilled employees in order to ensure we progress in a positive direction and contribute to increased well-being. We are convinced that diversified teams are an important parameter in achieving this and therefore look for employees with different backgrounds. All Addtech employees have the opportunity to voice their opinion through our annual Group-wide employee survey, which gives us good feedback and helps us identify the organisation's strengths and areas for improvement.

Our path towards a gender-equal organisation with equal opportunities for all

Providing a safe work environment and good working conditions for all employees is important for Addtech. We consider gender equality and equal opportunities for all to be of the utmost importance for developing companies with long-term profitability. For Addtech, gender equality and equal opportunities mean that everyone has the same opportunities, regardless of sex, age, ethnicity, sexual orientation, political opinion, disability or other distinguishing characteristics. We have a Group-wide target to have 40 percent of leading positions held by women by 2030. This target represents our overall efforts to increase diversity at our workplaces.

3.1.2 Impact, risk and opportunity management

3.1.2.1 Policies

Addtech has a number of fundamental policies, adopted annually by the Board, that govern all of the Group companies. Our Code of Conduct, Sustainability Policy, Environmental Policy and Equality & Diversity Policy establish overall rights and obligations for Addtech employees. The focus is on promoting good working conditions, safe work environments, non-discrimination and equal opportunities for all. Our Code of Conduct is based on the UN Global Compact, the ILO Core Conventions, the UN Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, competition law and anti-corruption regulations. Our Code of Conduct and our Supplier Code of Conduct stipulate that we have zero tolerance for any kind of human trafficking, forced labour and child labour. All of our policies are available on our website.

3.1.2.2. Processes for engaging with own workforce and channels for own workforce to raise concerns

Every year, all Addtech employees have the opportunity to voice their opinion through our Group-wide employee survey, which covers areas such as leadership, engagement, team efficiency, inclusion and diversity, and organisational, social and physical work environments. The employee survey also forms the basis for our double materiality assessment. Several of our manufacturing companies have workers' representatives in their Boards.

We do not tolerate any form of irregularities in violation of legislation or our Code of Conduct. If this nonetheless occurs, our target is to enable the reporting of violations of the Code of Conduct, the Supplier Code of Conduct or legislation, or suspicions thereof, in a simple and anonymous manner. Our whistle-blower service is available to all employees and external partners for registering irregularities. Our fundamental policies are available on our website, and as part of our internal control programme we verify that all companies have implemented the Code of Conduct and whistleblower service according to our policies.

3.1.2.3 Actions

A safe and attractive workplace

Addtech's goal is to offer all employees a safe and healthy work environment based on a vision of zero accidents. All employees are also to have good, motivating employment conditions that encourage engagement.

Addtech has zero tolerance for all forms of discrimination, harassment, sexual harassment and bullying, and this is communicated in our Equality & Diversity Policy, Sustainability Policy and Code of Conduct. We seek to increase the proportion of women in the Group and to promote female leadership, which is why we have created a guide for neutral recruitment in order to increase diversity among candidates from several perspectives. We also require that female candidates be included in all recruitments for leading positions and that perspectives other than gender be considered when it comes to diversity.

Addtech has a vision of zero accidents. Our companies with relevant operations, such as manufacturing, assembly, warehouse or service operations, systematically follow up on accidents and take preventive actions. Accident and incident statistics are followed up at Board meetings and in the business areas. Addtech does not have a central system for work environment managment. Our manufacturing companies carry out structured, preventive work to prevent accidents and continuously improve their work environments.

We continously work on skills development related to gender equality. Addtech provides support to Group companies in the form of guidelines for neutral recruitment as well as recruitment requirements for leading positions that take multiple aspects of diversity, such as age, gender and ethnic background, into account. Furthermore, we follow up the outcome of the employee survey in each company and use the same tool to follow up on any actions decided. Improvement actions are developed in each individual work group at each company, and the companies are encouraged to draw up two to three concrete actions that everyone agrees to focus on for the coming period. We include questions about safe work environments in our employee surveys for our manufacturing companies and other companies that conduct assembly and warehouse operations. The outcomes are followed up within the business area and actions are decided in the same way as described above.

The Group's Addtech Academy offers skills development in several areas, such as sales, purchasing, leadership and sustainability, in order to strengthen our employees and continuously provide them with development opportunities. We also have mandatory introductory training for all of our companies' Managing Directors and finance managers.

3.1.3 Metrics and targets

Outcome for the year:

Target	Outcome
40% women in leading positions	21% women in leading positions and a total of 8 female Managing Directors among the companies
Zero accidents	118 accidents in 2024/2025, 0 with serious outcomes.
No employees felt discriminated against	5% responded that they have felt discriminated against.

The number of leading positions held by women increased by 1 percent. According to Addtech's definition, this includes a member of a management team or a Managing Director or Deputy Managing Director. We continuously follow up key indicators for health and safety at our companies. During the year, the number of accidents reported increased from 75 to 118. None of the accidents had a serious outcome and all were followed up with corrective measures. The increase was partly attributable to our acquisitions of additional manufacturing companies and our explicit communication of the importance of reporting accidents as a KPI.

Every year, we also receive a number of reports through our external whistle-blower system regarding gender equality, harassment or leadership. During the year, a total of six (six) reports were registered related to these areas. We also had two (two) cases reported via internal channels. All cases were investigated during the year, preventive measures were implemented and all of the cases were closed. Most of the reported cases were related to weak leadership, which has prompted us to strengthen our monitoring in the areas in our updated employee survey.

3.1.3.1 Characteristics of our employees

Gender	Number of employees (head count)
Male	3,328
Female	1,206
Other	–
Not reported	–
Total employees	4,534

Country	Number of employees (head count)
Sweden	1,346
Denmark	542
Finland	548
Norway	463
Rest of Europe	1,442
Other countries	193
Total employees	4,534

3.1.3.2 Characteristics of our employees

2024/2025				
Female	**Male**	**(Other*)**	**Not disclosed**	**Total**
Number of employees				
1,206	3,328	–	–	4,534
Number of permanent employees				
1,156	3,190	–	–	4,346
Number of temporary employees				
61	170	–	–	231
Number of full-time employees				
1,127	3,109	–	–	4,236
Number of part-time employees				
79	219	–	–	298

* Gender as specified by the employees themselves

2024/2025						
Sweden	**Denmark**	**Finland**	**Norway**	**Rest of Europe**	**Other countries**	**Total**
Number of employees						
1,346	542	548	463	1,442	193	4,534
Number of permanent employees						
1,323	538	541	452	1,356	136	4,346
Number of temporary employees						
55	12	15	22	122	5	231
Number of full-time employees						
1,277	496	539	451	1,283	190	4,236
Number of part-time employees						
69	46	9	12	159	3	298

KPI (organisation, social)	2024/2025	2023/2024	2022/2023
Employment			
Average number of employees (FTE)	4,341	4,109	3,781
Number of full-time employees at end of year (FTE)*	4,470	4,175	3,911
Total number of employees at end of year*	4,534	4,461	–
Percentage of permanent employees (%)*	96	91	96
Percentage of full-time employees (%)*	93	89	94
Employee turnover (%) (FTE)	13	13	12
Employee turnover, women (%) (FTE)	14	15	12
Employee turnover, men (%) (FTE)	13	13	13
Diversity and equal opportunities			
Proportion of women in leading positions (%)*	21	20	20
Proportion of women in administration, finance and purchasing (%) (FTE)*	59	61	62
Proportion of women in sales (%) (FTE)*	18	17	18
Proportion of women in technical service, support, production and warehousing (%) (FTE)*	18	19	20
Proportion of women, total (%) (FTE)	25	25	26
Proportion of employees who have ever felt discriminated against (%)*	5	6	6
Number of reported whistle-blower cases	8	8	6
Training and development			
Total number of invested training hours	49,380	50,968	44,161
Number of invested training hours/employee	11.4	12.4	11.7
Percentage of invested training hours per female employee, weighted for gender distribution (%)	49	47	48
Percentage of invested training hours per male employee, weighted for gender distribution (%)	51	53	52
Percentage of documented performance and development reviews (%)*	65	62	60
Percentage of documented performance and development reviews per female employee (%)	63	–	–
Percentage of documented performance and development reviews per male employee (%)	65	–	–
Health and safety			
Absence due to illness (%)	3	4	4
Number of accidents*	118	75	65
Work days lost due to accidents	1,054	628	701
Number of fatal accidents	0	0	0

* See calculation method.

3.1.3.3 Characteristics of our employees

Collective bargaining coverage

Coverage rate	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl.)
0-19%	–	–
20-39%	Denmark (138)	–
40-59%	–	–
60-79%	Sweden (1,002), Norway (281)	–
80-100%	Finland (536)	–

Calculation method for own workforce
The number of employees, permanent employees, temporary employees, full-time employees, part-time employees and the proportion of women in management positions have been calculated based on headcount. Other KPIs are based on full-time equivalents (FTE). The proportion of documented performance and development discussions has been calculated based on the number of heads in the current year but on FTE in previous years.

Proportion of women in leading positions
The calculation of the number of women working in management teams is performed at the Group and company level, in relation to the total number of employees that work in management teams. Employees in management teams must be entitled to make decisions to be counted as holding "leading positions".

Proportion of women, by personnel category
To take note of employees with more than one area of responsibility, the personnel categories are weighted based on the amount of time devoted to each position.

Type of employment by gender
The gender distribution for permanent, temporary, full-time and part-time employees is calculated using a standardised method based on the proportion of women in the total workforce (head count). The number of part-time employees is calculated as the difference between the total number of employees and the number of full-time employees.

Proportion of employees who have ever felt discriminated against
The number of responses of the nature "Yes" to the question "Have you been subjected to offensive discrimination, bullying, sexual harassment or other discrimination at work in the past 12 months?" is placed in relation to the number of employees who participated in the employee survey. The question is posed in the employee survey, which has been conducted annually from 2022 and every two years prior to that.

Number of accidents
For the calculation of the number of accidents, each company in the Group has reported the number of work-related injuries but not injuries caused during travel to and from work.

Collective bargaining coverage rate
Collective bargaining coverage rate has been calculated based on head count. Only employees in countries with more than 50 employees representing at least 10 percent of the total number of employees have been included in the calculation.

3.2 WORKERS IN THE VALUE CHAIN

3.2.1 Impacts, risks and opportunities and their interaction with strategy and business model

Our companies' supply chains are global and rely on a network of suppliers, with 31 percent of purchases made from the Nordic countries and 48 percent from the rest of Europe. Purchases from Germany, Sweden, China and Hong Kong account for 42 percent of total purchases. In some cases, global supply chains entail increased sustainability risks. The majority of our purchases are made from suppliers established in Europe. The annual risk analysis carried out through our supplier follow-up system shows that 2 percent of our purchases are associated with suppliers located in a high-risk country and 24 percent are associated with suppliers in a medium-risk country. We have determined that the primary risks for workers in the value chain arise upstream in the production chain or in raw material extraction.

Workers upstream in our value chain are important for producing the materials, goods and solutions that we purchase. We have global supply chains and a portion of our purchases are made from suppliers in countries with a high risk of human rights violations, which makes this area material for us. All three underlying areas – working conditions, equal treatment and equal opportunities as well as other work-related rights – have been identified as material. For workers downstream in our value chain, the above areas are not considered material, since our customers are often large international organisations with good governance within working conditions that often have an integrated code of conduct. The material areas identified are often several steps back in our value chain. In some cases, specific materials can be linked to specific risks. Generally speaking, our companies' products are made from various metals, plastic or composite electronics, which are all associated with different risks from raw material extraction to finished product.

Many of our companies also have stable, long-term relationships with their most important suppliers. This means that they have established partnerships and good knowledge of each other, which we have identified as opportunities. The Group's diversified structure, with 150 companies in various industrial niches, provides a good spread of risk, which means that we can steer our purchasing away from risk markets to some extent.

3.2.1.1 Strategy

Addtech is committed to respecting international human rights conventions and regulations. Our companies have global supply chains, which entails a potential risk of a negative impact in our value chain. Likewise, an active and systematic approach to promoting good working conditions creates positive opportunities. Suppliers in areas associated with higher risks related to human rights, corruption or labour rights represent a potential risk for Addtech if they do not comply with the basic requirements we have for all of our suppliers. We take mitigating and preventive actions to achieve a value chain that complies with international regulations and guidelines, such as the UN Global Compact, the ILO Core Conventions, the UN Declaration of Human Rights and the OECD Guidelines for Multinational Enterprises. Our business partners are expected to sign and follow our basic requirements as summarised in our Supplier Code of Conduct.

3.2.2 Impact, risk and opportunity management

It is important for us to promote good and safe working conditions for all of the workers in our value chain. This creates the necessary conditions for stable, long-term partnerships. To accomplish this, we have requirements in place for our suppliers and other business partners. They must provide good and safe working conditions and conduct their operations ethically, and our direct suppliers are followed up in our supplier evaluation system.

Addtech's goal is for all workers in our value chain to have a safe and healthy work environment based on good working conditions. Requirements for suppliers are communicated in our Supplier Code of Conduct, which is adopted by the Board. The Code encourages suppliers to apply our basic requirements in their own value chain. The Code covers areas such as human rights, labour rights and safe work environments. It also lists zero-tolerance areas where immediate action is required in the event of a violation. Our suppliers are expected to sign the Code of Conduct and the majority of suppliers are thereafter invited to access our evaluation platform, where they are evaluated and given an individual risk rating.

As a part of our strategy, we steer our purchasing with the aim that the majority of purchases are to be made in lower-risk countries, based on our companies' desire for stable, long-term partners with a low risk profile.

3.2.2.1 Policies

Addtech's Supplier Code of Conduct is the fundamental policy for our suppliers and other business partners. It is adopted annually by the Board. Addtech's Supplier Code of Conduct summarises the ethical values that, in Addtech's view, must apply in our relationships with all of our suppliers of products and services. The Code is based on the UN Global Compact, the ILO Core Conventions, the UN Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, competition law and anti-corruption regulations. The Supplier Code of Conduct stipulates zero tolerance for any form of human trafficking, forced labour or child labour. All of our suppliers are to set the same requirements further along in the supply chain, and we make it clear that our whistle-blower service is open to all partners and their employees. The Supplier Code of Conduct is available on our website.

3.2.2.2 Whistle-blower channel

We clearly communicate that our whistle-blower service is open for all partners, including the employees of our suppliers, and that the service is anonymous in order to protect the whistle-blower from retaliation.

All reports submitted through our whistle-blower service are handled confidentially and professionally by an internal council and, if necessary, a third-party expert in accordance with established procedures. The follow-up of reported cases focuses on consequences, changes and preventive measures. In the event that a suspected violation concerns a member of the council, that individual is excluded from participating in the investigation, and an independent third party is engaged for the purposes of investigation. If one of our business partners violates the Code, the business relationship may be terminated if remedial actions are not taken by the business partner within the agreed-upon time.

3.2.2.3 Actions

Promoting good working conditions in our value chain is a continuous effort. Over the past year, we strengthened our focus on this area and provided support to our companies, engaging in sustainability dialogues between our central functions and suppliers as well as integrating sustainability into our procurement training. Addtech also supports companies in systematically integrating sustainability into their dialogues with suppliers by providing basic documentation for auditing key suppliers and by supporting the companies in encouraging their suppliers to complete an evaluation in our joint platform for supplier follow-up. Our ambition is for the results of the supplier evaluation to form the basis of a growing partnership related to sustainability and quality.

We are taking measures to spread working methods for monitoring and implementing improvements among suppliers, with a special focus on suppliers with a high risk profile. Addtech provides the supplier platform and is responsible for ensuring that the system meets our needs and requirements. We also provide support and expertise to our companies when it comes to developing a sustainable supply chain.

In our general risk and opportunity assessment, risks related to suppliers and purchasing are areas that are evaluated regularly to verify that we are taking relevant measures to reduce negative impacts. Our dialogue with workers in the value chain mainly takes place between our companies and their suppliers. Our companies also engage in dialogue with their customers.

Skill-enhancing activities in this area took place at various levels within the Group during the year. Evaluating suppliers is often a parameter in our bonus model for employees in leading positions.

Expertise in supply chain risk is an important part of the sustainability training we continuously provide to our companies. Our training programme includes company-specific training in the form of open webinars or "Train the Trainer" sessions where companies send an employee to Addtech for Group-wide intensive sustainability training. The goal is to provide them with a basic level of knowledge that they can share with their colleagues at the local companies. The "Train the Trainer" concept also provides the foundation for our internal Addtech Sustainability Network. In addition, we have a network for employees who work in supplier follow-up where we share information, good examples and updates within relevant legislation. While individual companies make continuous investments in order to optimise their operations and minimise risks in the value chain, these combined financial resources are not material from a Group perspective.

3.2.3 Metrics and targets

The majority of our suppliers are to be evaluated in our joint platform for supplier evaluations, where risk level is a governing parameter. Our target is for all of the workers in our value chain to have good and safe working conditions and for at least 80 percent of our purchase volume to be evaluated by 2030.

We measure this by monitoring:

- the share of the purchase volume that comes from risk areas
- the share of the purchase volume that is evaluated and risk-assessed

Outcome for 2024/2025:

Follow-up of suppliers	2024/2025	2023/2024	2022/2023
Share of purchase volume for which Addtech's Supplier Code of Conduct has been signed (%)	68	64	60
Share of purchase volume for which the supplier has participated in a self-assessment based on the Supplier Code of Conduct (%)	59	52	46

During the year, the companies carried out structured and systematic work to increase the share of suppliers who have signed our Supplier Code of Conduct and participated in our self-assessment. This positive outcome was the result of methodical and targeted efforts, with Addtech providing central support to the companies.

We are not aware of any cases of human rights violations in the value chain during the past year.

Calculation methods for workers in the value chain

Follow-up of suppliers

- Share of purchase volume for which Addtech's Supplier Code of Conduct has been signed – for cases where the supplier refers to its own Supplier Code of Conduct and internal code, an equality analysis has been performed. This is included as our companies have suppliers that are large multinational companies with more limited opportunities to exert an influence.
- Share of purchase volume for which the supplier has participated in a sustainability assessment based on the Supplier Code of Conduct – the supplier performs a sustainability self-assessment in the form of a survey in which the questions cover Addtech's Supplier Code of Conduct. This has must have been completed within the last five years to be included.

4. Governance information

It is important for Addtech that we conduct our operations responsibly and transparently, something that is also important for our stakeholders such as shareholders, investors, employees and customers. Responsible business conduct is about more than just compliance. It is also about living up to Addtech's values and promoting openness and transparency. Our operations are to be conducted ethically and responsibly.

We have identified areas with a heightened risk related to business conduct, including business relationships with customers and suppliers in areas which, according to our supplier assessment, have a higher risk profile in terms of corruption and fraud.

4.1 BUSINESS CONDUCT

Addtech's definition of responsible business conduct is presented in detail in our Code of Conduct and is a key part of our strategy and business model, since our operations are based on acquiring well-run companies. Our Code of Conduct, which is translated into local languages, forms the basis for how we conduct business, behave and act in our day-to-day work and in our relationships with society. It includes areas such as anti-corruption, conflicts of interest, fair competition and human rights. We have a clearly communicated zero tolerance for all forms of bribery, corruption and irregularities, applicable to all of our employees and partners.

Addtech's Code of Conduct, Supplier Code of Conduct and Sustainability Policy are adopted annually by the Board. These governing documents encompass all of the companies and employees. Addtech continuously trains the companies' Managing Directors in our core values and our Code of Conduct, which they are required to spread within their organisations. Responsibility and efforts for counteracting irregularities apply to Addtech's entire value chain, as communicated in the Code of Conduct and Supplier Code of Conduct. Each year, a risk analysis of our own companies is carried out as well as an analysis of purchase volumes by country, where the Transparency International Index is one of the initial parameters.

Our double materiality assessment identified certain roles at the companies as more exposed to risks regarding bribery and corruption. This includes people in leading positions as well as in sales and purchasing, as they often have direct contact with partners in the value chain.

4.1.1 Impacts, risks and opportunities related to business conduct

While conducting business operations can potentially entail a negative impact, working with a high level of business ethics in accordance with our Code of Conduct and core values contributes positively to society. The following business conduct subtopics were deemed material in our double materiality assessment: corporate culture, protection of whistle-blowers, and corruption and bribery.

Combined with our Code of Conduct, our corporate culture is an important foundational value for us. Employees who do not follow our guidelines therefore are a risk. At the same time, our guidelines have a positive impact by guiding business conduct. We use an external third-party solution for the processing of whistle-blower matters. Our solution allows us to ensure good follow-up and protects the identity of the reporter.

We identified specific geographic areas that are at a high risk of human rights violations as well as corruption and unethical business conduct. Our own operations in such high-risk areas are limited. When relevant, we recommend that our companies implement risk-mitigation actions at their own operations and carry out risk analyses for suppliers in high-risk areas.

Our diversified structure, with 150 companies in various industrial niches, means that we have a good spread of risk in general as well as in terms of business conduct.

4.1.2 Impact, risk and opportunity management

We do not tolerate any form of irregularities in violation of legislation or our Code of Conduct. If this nonetheless occurs, our target is to enable the reporting of violations of the Code of Conduct, the Supplier Code of Conduct or legislation, or suspicions thereof, in a simple and anonymous manner. Our whistle-blower service is available to all employees and external partners for registering irregularities.

4.1.2.1 Policies and corporate culture

Addtech has three fundamental policies, adopted annually by the Board, that govern all of the Group companies and our suppliers. Our Code of Conduct, Supplier Code of Conduct and Sustainability Policy set out overall requirements for responsible business conduct. The basis is to prevent corruption and bribery and to conduct business transparently, with responsible business conduct. Our Code of Conduct is to be signed by all employees within the Group. All of our policies are available on our website.

Our core values and our decentralised governance model are the foundation of our corporate culture, where the integration of new companies is an important parameter. Every new company receives an introduction to the Group's core values and culture, with a focus on the Code of Conduct, immediately after the company has been acquired. We also regularly bring new leaders together in order to introduce them to Addtech's core values. Similarly, corporate culture and leadership are important parameters in our due diligence process for potential acquisitions.

4.1.2.2 Prevention and detection of corruption and bribery

Our internal and external financial auditing process provides a basis for detecting financial irregularities that would be a violation of our Code of Conduct and/or legislation. If such irregularities are detected, immediate actions are taken, including legal action if necessary.

We have an internal digital platform for employees who work with suppliers and supplier follow-up. The platform allows us to share knowledge about risks and negative impacts linked to suppliers and business conduct. We also provide recommendations for actions to mitigate and reduce risk.

Internally, we encourage employees to report any suspected violation of our Code of Conduct or the law to their immediate supervisor or someone higher up in the organisation. We encourage employees to use our whistle-blower service if they wish to make an anonymous report, which is available on our website or through an anonymous phone call.

All reports submitted are handled confidentially and professionally by an internal council and, if necessary, a third-party expert in accordance with established procedures. The follow-up of reported cases focuses on consequences, changes and preventive measures. In the event that a suspected violation concerns a member of the council, that individual is excluded from participating in the investigation, and an independent third party is engaged for the purposes of investigation.

The whistle-blower function has been implemented via our companies' Managing Directors, who have informed their employees and union representatives. The whistle-blower function is available on our website, in our Code of Conduct and Supplier Code of Conduct, and in our supplier follow-up platform.

At present, our Managing Directors receive practical training in business conduct as part of our leadership training, during which we also carry out dilemma exercises related to practical matters. Going forward, we can see that there is a need to strengthen the Group's business conduct training for other employees, primarily those in sales and purchasing, to ensure that those in positions exposed to the greatest risk are receive practical and recurring business conduct training.

We also train new companies and leaders at Addtech in business conduct. During the past year, all newly acquired companies received an introduction to Addtech and our values related to business conduct. We also trained new leaders through our annual meetings for leaders within the Group (the companies' Managing Directors and finance managers) as well as in our introduction programme. This allows us to counteract the risk of bribes and corruption and ensures that we continue to live up to our shared core values.

At an overall level, business conduct is also included in our sustainability trainings as part of the "Train the Trainer" concept, where companies send an employee who then provides continued training for their colleagues at their own company. The "Train the Trainer" concept addresses business conduct primarily from a supplier perspective, with companies being given tools and methods for identifying and responding to risks in the supply chain, for example linked to business conduct.

4.1.3 Metrics and targets

During the year, we had a total of six (six) reports registered via our whistle-blower service. We also had two cases reported via internal channels.

All cases are reported to an external whistle-blower function or via internal channels. The cause of the whistle-blowing may relate to any kind of impropriety or irregularity that is in conflict with our Code of Conduct.

All cases were investigated during the year, preventive measures were implemented and all of the cases were closed. Most of the reported cases were related to weak leadership, which has prompted us to strengthen our monitoring in the areas in our updated employee survey. No cases were related to business conduct.

Number of reports of suspected violations of the Code of Conduct or legislation

Area	Number of cases reported via the whistle-blower function	Number of cases reported via internal channels	Number of investigations completed with measures implemented	Total number of reported cases
Business conduct-related (for example, corruption and antitrust)	–	–	–	–
HR-related (for example, discrimination and management-related)	5	2	7	7
Other	1	–	1	1

Appendix

GRI table

The table below presents our most material sustainability areas, based on the double materiality assessment we conducted during 2024, and their relation to the UN Sustainable Development Goals and the GRI framework. All of the UN Sustainable Development Goals are of significance to Addtech – but to ensure progress, we have selected the ones we focus on most. Our material areas are followed up with GRI indicators and our own key performance indicators.

Topic	Sustainable development goal	Implication for Addtech	KPI (GRI)	
Climate change	13: Climate action 13.3 Improve knowledge and capacity on climate change mitigation	That we map, set targets and reduce our emissions.	GRI 305-1 Scope 1 GRI 305-2 Scope 2 GRI 305-3 Scope 3	GRI 305-4 GHG emissions intensity GRI 305-5 Reduction of GHG emissions
Energy use	7: Affordable and clean energy 7.2 Increase the share of renewable energy 7.3 Double the global rate of improvement in energy efficiency	We are increasing the proportion of transactions contributing to the transition to renewable energy consumption, while also streamlining our own energy consumption and switching to renewable energy sources. Also included in goals 9 and 13.	GRI 302-1 Energy consumption GRI 302-3 Energy intensity GRI 302-4 Reduction of energy consumption	AAddtech KPI: The proportion of sales contributing to sustainable development in total by business area and by sustainable development goal
Resources use and circular economy	12: Responsible consumption and production 12.2 Sustainable management and efficient use of natural resources	Increasing our share of transactions within the circular offering and ensuring that our offering achieves an efficient use of natural resources.	Addtech KPI: Proportion of the purchase volume with suppliers having signed the Supplier Code of Conduct Addtech KPI: Share of the purchase volume where suppliers have participated in a sustainability assessment based on the Supplier Code of Conduct	Addtech KPI: Total proportion of sales contributing to sustainable development by business area and sustainable development goal
Working conditions	8: Decent work and economic growth 8.8 Protect labour rights and promote safe and secure work environments	That we ensure a long-term perspective in our growth without risking working conditions for our own employees and at our suppliers.	GRI 2-7* Total number of employees and share of permanent and full-time employees GRI 401-1 Personnel turnover GRI 404-1* Average hours of training	GRI 404-3 Precentage of performance and career development reviews Addtech KPI: Share of purchase volume for which suppliers participated in a sustainability assessment based on the Supplier Code of Conduct
Equality and diversity	5: Gender equality 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making	That we have a gender equal and inclusive working environment that promotes female leadership.	GRI 405-1 Diversity of governance bodies and employees GRI 404-1 Average hours of training per year per employee, by gendern Addtech KPI: Proportion of women in leading positions	Addtech KPI: Number of reported whistle-blower cases Addtech KPI: Proportion of employees having felt discriminated at any time
Work environment	3: Good health and well-being 3.4 Reduce premature mortality from non-communicable diseases and promote mental health	That we increase the proportion of transactions contributing to the development of medical technology and reducing air pollution. That we work systematically to promote health and safety at our workplaces.	GRI 403-1 Accidents and sick leave GRI 403-9* Work-related injuries GRI 403-10 Work-related ill health	Addtech KPI: The proportion of sales contributing to sustainable development in total by business area and by sustainable development goal
Business ethics	16: Peace, justice and strong institutions 16.5 Substantially reduced corruption and bribery	That we set high standards for responsible business conduct within our organisation and on business partners.	GRI 205-3 Incidents of corruption	
Sustainable business	9: Industry, innovation and infrastructure 9.4 Upgrade infrastructure and retrofit industries to make them sustainable	That we increase the share of business that offers technical solutions for the transformation to sustainable innovation, industries and infrastructure.	GRI 201-1 Direct economic value generated and distributed	Addtech KPI: Total proportion of sales contributing to sustainable development by business area and sustainable development goal

*GRI 2-7 is reported with the exception of non-guaranteed hours employees.
GRI 403-9 is reported with the exception of the frequency of occupational injuries per hour worked
GRI 403-10 is reported with the exception of number of work related ill health

GRI 404-1 is reported with the exception that the number of invested training hours/employees is only reported broken down by gender
GRI 404-3 is reported with the exception that the number of performance and career development reviews is only reported broken down by gender

Auditor's Limited Assurance Report on Addtech AB's Sustainability Report and statement regarding the Statutory Sustainability Report

This is the translation of the auditor's report in Swedish.

To Addtech AB, corporate identity number 556302-9723

Introduction

We have been engaged by the Board of Directors and the Managing Director of Addtech AB to undertake a limited assurance engagement of Addtech AB Sustainability Report for the period 2024-04-01–2025-03-31. The Company has defined the scope of the Sustainability Report on pages 46–81 in the Annual Report, which also constitutes the Statutory Sustainability Report.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with the applicable criteria and the Annual Accounts Act, according to the previous version applied before 1 July 2024, respectively. The criteria are defined on pages 47 and 81 in the Annual Report, and are specific parts of the Sustainability Reporting Standards published by GRI (Global Reporting Initiative), which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to express an opinion regarding the Statutory Sustainability Report. Our engagement is limited to historical information presented and does therefore not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR's accounting standard RevR 12 The auditor's opinion regarding the Statutory Sustainability Report. A limited assurance engagement and an examination according to RevR 12 is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Addtech AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report, is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

A Statutory Sustainability Report has been prepared.

Stockholm 3 July 2025
Deloitte AB

Kent Åkerlund
Authorized Public Accountant

Financial reporting

Financial statements and notes

This chapter contains Addtech's financial statements and related notes. It presents the income statements, balance sheets, cash flows and changes in equity for the Group and the Parent Company, together with explanatory notes that add in-depth information and transparency for the financial data.

Financial statements 2024/2025

Consolidated income statement

SEK million	Note	2024/2025	2023/2024
Net sales	4, 5	21,796	20,019
Cost of sales		-14,804	-13,672
GROSS PROFIT		**6,992**	**6,347**
Selling expenses		-3,196	-2,932
Administrative expenses		-1,090	-979
Other operating income	9	101	94
Other operating expenses	9	-55	-108
Profit from participations in associated companies		5	4
OPERATING PROFIT	3–10, 16	**2,757**	**2,426**
Financial income	11	52	47
Financial expenses	11	-294	-290
NET FINANCIAL ITEMS		**-242**	**-243**
PROFIT BEFORE TAX		**2,515**	**2,183**
Tax	13	-575	-492
PROFIT FOR THE YEAR		**1,940**	**1,691**
Attributable to:			
Parent Company shareholders		1,892	1,632
Non-controlling interests		48	59
Earnings per share before dilution (SEK)	30	7.00	6.05
Earnings per share after dilution (SEK)	30	7.00	6.05
Average number of shares after repurchases (thousand)		269,829	269,634
Number of shares at end of period after repurchases (thousand)		269,862	269,779

Consolidated statement of comprehensive income

SEK million	2024/2025	2023/2024
Profit for the year	1,940	1,691
Items that may later be reversed in the income statement		
Changes for the year in fair value of cash flow hedges	–	-4
The year's translation differences when translating foreign operations	-476	184
Tax attributable to items that can later be reversed in the income statement	–	1
Items that may not be reversed in the income statement		
Revaluations of defined-benefit pension plans	-24	-22
Tax attributable to items that cannot be reversed in the income statement	5	4
OTHER COMPREHENSIVE INCOME	**-495**	**163**
COMPREHENSIVE INCOME FOR THE YEAR	**1,445**	**1,854**
Attributable to:		
Parent Company shareholders	1,414	1,790
Non-controlling interests	31	64

Consolidated balance sheet

SEK million	Note	31 Mar 2025	31 Mar 2024
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	14	8,709	7,466
Property, plant and equipment	15	699	631
Right-of-use assets	16	748	694
Deferred tax assets	13	33	39
Other financial assets		46	35
TOTAL NON-CURRENT ASSETS		**10,235**	**8,865**
CURRENT ASSETS			
Inventories	18	3,260	3,125
Tax assets		54	37
Accounts receivable	3	3,267	3,260
Prepaid expenses and accrued income	19	323	339
Other receivables		206	233
Cash and cash equivalents		1,168	798
TOTAL CURRENT ASSETS		**8,278**	**7,792**
TOTAL ASSETS		**18,513**	**16,657**
EQUITY AND LIABILITIES			
EQUITY	20		
Share capital		51	51
Other contributed capital		344	344
Reserves		161	620
Retained earnings, including profit for the year		6,071	4,959
Equity attributable to Parent Company shareholders		**6,627**	**5,974**
Non-controlling interests		436	504
TOTAL EQUITY		**7,063**	**6,478**

SEK million	Note	31 Mar 2025	31 Mar 2024
LIABILITIES			
Non-current liabilities			
Non-current interest-bearing liabilities	24	4,902	3,892
Provisions for pensions	22	262	241
Deferred tax liabilities	13	924	767
Non-current non-interest-bearing liabilities		37	25
Total non-current liabilities		**6,125**	**4,925**
Current liabilities			
Current interest-bearing liabilities	25	1,284	1,333
Accounts payable		1,642	1,537
Tax liabilities		221	210
Other liabilities		1,169	1,203
Accrued expenses and prepaid income	26	839	862
Provisions	23	170	109
Total current liabilities		**5,325**	**5,254**
TOTAL LIABILITIES		**11,450**	**10,179**
TOTAL EQUITY AND LIABILITIES		**18,513**	**16,657**

For disclosures regarding contingent liabilities and pledged assets, see Note 27.

Consolidated statement of changes in equity

SEK million	Share capital	Other con-tributed capital	Re-serves	Retained earnings, including profit for the year	Total, Parent Company share-holders	Non-con-trolling interests	Total equity
2024/2025							
EQUITY, OPENING BALANCE, 1 APR 2024	**51**	**344**	**620**	**4,959**	**5,974**	**504**	**6,478**
Profit for the year	–	–	–	1,892	1,892	48	1,940
Translation differences	–	–	-459	–	-459	-17	-476
Revaluations of defined-benefit pension plans	–	–	–	-24	-24	–	-24
Tax attributable to items that cannot be reversed in the income statement	–	–	–	5	5	–	5
Other comprehensive income	**–**	**–**	**-459**	**-19**	**-478**	**-17**	**-495**
Comprehensive income for the year	**–**	**–**	**-459**	**1,873**	**1,414**	**31**	**1,445**
Call options issued	–	–	–	30	30	–	30
Call options redeemed	–	–	–	16	16	–	16
Repurchases of call options	–	–	–	-80	-80	–	-80
Dividend	–	–	–	-755	-755	-33	-788
Option liability, acquisitions	–	–	–	-201	-201	–	-201
Change in non-controlling interests	–	–	–	229	229	-66	163
EQUITY, CLOSING BALANCE, 31 MAR 2025	**51**	**344**	**161**	**6,071**	**6,627**	**436**	**7,063**

SEK million	Share capital	Other con-tributed capital	Re-serves	Retained earnings, including profit for the year	Total, Parent Company share-holders	Non-con-trolling interests	Total equity
2023/2024							
EQUITY, OPENING BALANCE, 1 APR 2023	**51**	**344**	**442**	**4,347**	**5,184**	**389**	**5,573**
Profit for the year	–	–	–	1,632	1,632	59	1,691
Cash flow hedges	–	–	-2	-2	-4	–	-4
Translation differences	–	–	179	–	179	5	184
Tax attributable to items that can later be reversed in the income statement	–	–	1	–	1	–	1
Revaluations of defined-benefit pension plans	–	–	–	-22	-22	–	-22
Tax attributable to items that cannot be reversed in the income statement	–	–	–	4	4	–	4
Other comprehensive income	**–**	**–**	**178**	**-20**	**158**	**5**	**163**
Comprehensive income for the year	**–**	**–**	**178**	**1,612**	**1,790**	**64**	**1,854**
Call options issued	–	–	–	21	21	–	21
Call options redeemed	–	–	–	29	29	–	29
Repurchases of call options	–	–	–	-41	-41	–	-41
Dividend	–	–	–	-674	-674	-48	-722
Option liability, acquisitions	–	–	–	-329	-329	–	-329
Change in non-controlling interests	–	–	–	-6	-6	99	93
EQUITY, CLOSING BALANCE, 31 MAR 2024	**51**	**344**	**620**	**4,959**	**5,974**	**504**	**6,478**

SEK	**2024/2025**	2023/2024
Dividend per share	3.20[1)]	2.80

1) As proposed by the Board of Directors.

Consolidated cash flow statement

SEK million	Note	2024/2025	2023/2024
OPERATING ACTIVITIES			
Profit after financial items		2,515	2,183
Adjustment for items not included in cash flow	28	960	842
Income tax paid		-702	-522
Cash flow from operating activities before changes in working capital		**2,773**	**2,503**
Cash flow from changes in working capital			
Change in inventories		66	432
Change in operating receivables		168	112
Change in operating liabilities		-298	-472
CASH FLOW FROM OPERATING ACTIVITIES		**2,709**	**2,575**
INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment		-171	-151
Disposals of property, plant and equipment		34	4
Acquisitions of intangible non-current assets		-62	-38
Disposals of intangible non-current assets		0	0
Acquisitions of operations, net liquidity effect	28	-1,602	-1,303
Change in financial assets		3	6
CASH FLOW FROM INVESTING ACTIVITIES		**-1,798**	**-1,482**

SEK million	Note	2024/2025	2023/2024
FINANCING ACTIVITIES			
Call options redeemed, issued and repurchased		-34	9
Borrowings	28	1,069	189
Loan repayments	28	-17	-127
Amortisation of leases	28	-263	-267
Acquisitions of non-controlling interests		-449	-11
Other financing		8	7
Dividend paid to Parent Company shareholders		-755	-674
Dividend paid to non-controlling interests		-33	-48
CASH FLOW FROM FINANCING ACTIVITIES		**-474**	**-922**
CASH FLOW FOR THE YEAR		**437**	**171**
Cash and cash equivalents at beginning of year		798	606
Exchange rate difference in cash and cash equivalents		-67	21
CASH AND CASH EQUIVALENTS AT END OF YEAR		**1,168**	**798**

Parent Company income statement

SEK million	Note	2024/2025	2023/2024
Net sales		112	95
Administrative expenses		-140	-143
OPERATING LOSS	6–8	**-28**	**-48**
Profit from participations in Group companies	11	800	700
Profit from financial non-current assets	11	241	226
Interest income and similar items	11	80	91
Interest expenses and similar items	11	-287	-282
PROFIT AFTER FINANCIAL ITEMS		**806**	**687**
Appropriations	12	230	148
PROFIT BEFORE TAX		**1,036**	**835**
Tax	13	-46	-28
PROFIT FOR THE YEAR		**990**	**807**

Parent Company comprehensive income

SEK million	2024/2025	2023/2024
Profit for the year	990	807
OTHER COMPREHENSIVE INCOME	**–**	**–**
COMPREHENSIVE INCOME FOR THE YEAR	**990**	**807**

Parent Company balance sheet

SEK million	Note	2024/2025	2023/2024
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	14	0	1
Property, plant and equipment	15	0	0
Financial non-current assets			
Participations in Group companies	17	1,004	1,004
Receivables from Group companies	17	7,090	4,719
Other financial assets		1	3
Total financial non-current assets		**8,095**	**5,726**
TOTAL NON-CURRENT ASSETS		**8,095**	**5,727**
CURRENT ASSETS			
Receivables from Group companies		1,393	2,105
Other receivables		25	48
Prepaid expenses and accrued income	19	30	36
Total current receivables		**1,448**	**2,189**
Cash and bank balances		11	99
TOTAL CURRENT ASSETS		**1,459**	**2,288**
TOTAL ASSETS		**9,554**	**8,015**
EQUITY AND LIABILITIES			
EQUITY	20		
Restricted equity			
Share capital		51	51
Statutory reserve		18	18
Unrestricted equity			
Retained earnings		453	435
Profit for the year		990	807
TOTAL EQUITY		**1,512**	**1,311**

SEK million	Note	2024/2025	2023/2024
UNTAXED RESERVES	21	**350**	**374**
PROVISIONS			
Provisions for pensions and similar obligations	22	13	14
LIABILITIES			
Liabilities to Group companies	24	487	474
Liabilities to credit institutions	24	3,800	2,950
Total non-current liabilities		**4,287**	**3,424**
Liabilities to credit institutions	25	696	481
Accounts payable		3	3
Liabilities to Group companies		2,639	2,350
Tax liabilities		–	–
Other liabilities		15	21
Accrued expenses and prepaid income	26	39	37
Total current liabilities		**3,392**	**2,892**
TOTAL EQUITY AND LIABILITIES		**9,554**	**8,015**

Changes in the Parent Company equity

SEK million	Share capital	Statutory reserve	Retained earnings, including profit for the year	Total equity
	2024/2025			
	Restricted equity		**Unrestricted equity**	
EQUITY, OPENING BALANCE, 1 APR 2024	**51**	**18**	**1,242**	**1,311**
Profit for the year	–	–	990	990
Comprehensive income for the year	**–**	**–**	**990**	**990**
Dividend	–	–	-755	-755
Call options issued	–	–	30	30
Call options redeemed	–	–	16	16
Repurchases of call options	–	–	-80	-80
EQUITY, CLOSING BALANCE, 31 MAR 2025	**51**	**18**	**1,443**	**1,512**

SEK million	Share capital	Statutory reserve	Retained earnings, including profit for the year	Total equity
	2023/2024			
	Restricted equity		**Unrestricted equity**	
EQUITY, OPENING BALANCE, 1 APR 2023	**51**	**18**	**1,100**	**1,169**
Profit for the year	–	–	807	807
Comprehensive income for the year	**–**	**–**	**807**	**807**
Dividend	–	–	-674	-674
Call options issued	–	–	21	21
Call options redeemed	–	–	29	29
Repurchases of call options	–	–	-41	-41
EQUITY, CLOSING BALANCE, 31 MAR 2024	**51**	**18**	**1,242**	**1,311**

For comments on equity, see Note 20.

Parent Company cash flow statement

SEK million	Note	2024/2025	2023/2024
OPERATING ACTIVITIES			
Profit after financial items		806	687
Adjustment for items not included in cash flow	28	-6	-13
Income tax paid		-19	-56
Cash flow from operating activities before changes in working capital		**781**	**618**
Cash flow from changes in working capital			
Change in operating receivables		6	-10
Change in operating liabilities		2	6
CASH FLOW FROM OPERATING ACTIVITIES		**789**	**614**
INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment and intangible non-current assets		–	–
Increase in non-current receivables from Group companies		-2,452	-281
Decrease in non-current receivables from Group companies		81	55
CASH FLOW FROM INVESTMENT ACTIVITIES		**-2,371**	**-226**

SEK million	Note	2024/2025	2023/2024
FINANCING ACTIVITIES			
Repurchases of treasury shares		–	–
Options redeemed, issued and repurchased		-34	9
Borrowings	28	1,065	189
Loan repayments	28	0	-50
Change in receivables from Group companies		787	-748
Change in liabilities to Group companies		302	561
Dividend paid		-755	-674
Group contributions		131	427
Other financing activities		-2	-3
CASH FLOW FROM FINANCING ACTIVITIES		**1,494**	**-289**
CASH FLOW FOR THE YEAR		-88	99
Cash and cash equivalents at beginning of year		99	0
CASH AND CASH EQUIVALENTS AT END OF YEAR		**11**	**99**

Note 1

Accounting and valuation principles

General accounting principles
The consolidated annual accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). Recommendation RFR 1 Supplementary Accounting Rules for Groups, issued by the Swedish Corporate Reporting Board, has also been applied.

The annual accounts of the Parent Company have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and recommendation RFR 2 Accounting for Legal Entities issued by the Swedish Corporate Reporting Board. The accounting principles of the Parent Company and the Group coincide except for the reporting of pensions, leases, financial instruments, untaxed reserves and appropriations. Where deviations occur, the relevant notes provide further details under "Deviations in Parent Company accounting principles."

On 3 July 2025, the Board of Directors approved the annual accounts of the Parent Company and the consolidated accounts for publication. The Parent Company's income statement and balance sheet and the consolidated income statement and balance sheet will be submitted for approval by the AGM on 27 August 2025.

Presentation of the Annual Report
The financial accounts are presented in million Swedish kronor (SEK million) unless otherwise stated. The functional currency of the Parent Company is the Swedish krona (SEK), and this is also the presentation currency for the Parent Company and the Group.

New standards and interpretations applied from 1 April 2024
Amendments to IAS 1 Presentation of Financial Statements (classification of liabilities)
The IASB has published amendments to IAS 1 regarding the classification of liabilities as current or non-current and, where covenants apply, explaining the significance of deferring payment beyond 12 months from the balance sheet date. The amendment will come into effect in 2024. New disclosure requirements are also being introduced regarding borrowings subject to covenants over the ensuing 12-month period.

Addtech's assessment is that the amendments have had no material impact on the Group's financial statements other than additional disclosures for the Group's borrowings subject to covenants, see Note 3. The Group will continuously monitor and evaluate the changes.

In other regards, no new IFRS had any material impact on the Group's earnings or financial position for the 2024/2025 financial year. No newly issued IFRS or interpretations have been applied prematurely.

New standards and interpretations applicable to financial years commencing 1 April 2025 or later
IFRS 18 Presentation and Disclosure in Financial Statements
In April 2024, the IASB published the new standard IFRS 18, which will replace IAS 1 Presentation of Financial Statements. IFRS 18 enters force from 1 January 2027 (subject to endorsement by the EU) and is to be applied retrospectively both to annual and to interim financial statements.

The new standard introduces three areas with new requirements with the objective of increasing the comparability, transparency and usability of financial statements. The first area introduces new requirements in terms of the structure of the consolidated income statement through the introduction of categories and requires companies to present two new defined subtotals ("Operating profit" and "Profit before financing and income taxes"). The second area involves new disclosure requirements for certain key indicators used by the company in its external financial communication, known as management-defined performance measures ("MPMs"). The third area introduced by IFRS 18 aims to provide entities with enhanced guidance for grouping (aggregation and disaggregation) of information in financial statements and accompanying notes. The standard also provides guidance on how companies can determine whether or not to include information about an item in the primary financial statements. The implementation of IFRS 18 will result in amendments to other standards, such as IAS 7 Statement of Cash Flows, IAS 34 Interim Financial Reporting and IAS 33 Earnings per Share.

Addtech will initiate a preliminary analysis of the effects of IFRS 18 in 2025. The implementation of IFRS 18 will require changes in the structure of the consolidated income statement and assessment of the grouping of items in the financial statements and notes. The presentation of the cash flow statement will also be impacted by the implementation of IFRS 18. Furthermore, the implementation of IFRS 18 will entail identification of MPMs relevant to the Group as well as the compilation of disclosures relating to the MPMs in the notes.

No other new IFRS will have a material impact on the Group's earnings or financial position for the 2025/2026 financial year or later. No newly issued IFRS or interpretations have been applied prematurely.

Consolidated accounts
The consolidated accounts include the annual accounts of the Parent Company and those companies that are under the controlling influence of the Parent Company. Subsidiaries are reported in accordance with the acquisition method and include all companies over which the Group has a controlling influence. The subsidiaries included in the consolidated financial statements are listed in Note 17 Financial assets and liabilities.

Exchange rate effects
Translation of the financial reports of foreign Group companies
Assets and liabilities in foreign operations, including goodwill and other surpluses and deficits on consolidation, are converted to Swedish kronor applying the exchange rate valid on the balance sheet date and in accordance with the exchange rates published by the European Central Bank. Income and expenses in foreign operations are translated to Swedish kronor applying the European Central Bank's average rate, which is an approximation of the rates prevailing at the time of each transaction. Translation differences arising on the translation of foreign operations are reported through other comprehensive income, under the translation reserve in equity.

Transactions in foreign currencies
Exchange rate differences arising on the recalculation of transactions in foreign currencies to the functional currency are reported in the Consolidated statement of comprehensive income. Exchange rate gains and exchange rate losses from receivables and liabilities attributable to investing activities or financing activities are reported as financial items for which exchange rate gains/exchange rate differences from receivables are reported as financial income and exchange rate losses/exchange rate differences from liabilities are reported as financial expenses. Other types of exchange rate gains and exchange rate losses are reported in the operating profit where exchange rate gains are reported as other operating income and exchange rate losses as other operating expenses. Addtech reports gains and losses arising from a group of similar transactions on a net basis.

Note 2

Critical estimates and assumptions

Preparing financial accounts in accordance with IFRS requires management to make judgements, estimates and assumptions affecting the application of the accounting principles and the carrying amounts for assets, liabilities, income and expenses. Estimates and assumptions are based on historical experience and several other factors deemed reasonable under the prevailing circumstances at the time. Estimates and assumptions are reviewed regularly.

Listed below are the foremost accounting principles, the application of which is based on significant assessments, as well as the foremost sources of uncertainty in estimates considered by Addtech to have the greatest impact on reported profit and financial position. The section is divided into:

1) Assessments made by management in applying Addtech's accounting principles

2) Sources of uncertainty in estimates

Further information is provided in each note, as indicated in parentheses below.

Significant assessments made by management in applying the accounting principles pertain to:

- Judgements regarding the inclusion of extension options in calculating lease liabilities and right-of-use assets (Note 16).

Sources of uncertainty in estimates are:

- Testing of needs for goodwill impairment (Note 14).
- Allocation of paid purchase consideration, and the valuation of intangible assets in preparing acquisition analyses (Note 29).
- Valuation of contingent considerations and of put/call options (Note 29).

Climate-related risks and opportunities

In making estimates and assumptions, Addtech takes climate-related matters into account where appropriate, primarily regarding the areas identified in the double materiality assessment. This assessment covers both the risks and the opportunities for Addtech due both to physical risks and to transition risks. For a more detailed description, see the Sustainability Report.

Our risk and opportunity assessment did not identify any material financial risks pertaining to climate change. The diverse nature of our Group companies, industrial niches and geographic areas strengthens our resilience. Our companies are also agile, working in close collaboration with customers and markets and responding quickly to changes. If anything, we believe that the transition from fossil fuel dependence offers opportunities, in society as well as in industry – the products and solutions many of our companies already offer are linked to the transition and to their ability to respond quickly to changes in customer needs.

Although Addtech's assessment is that the business model will remain viable following the transition to a carbon-friendly economy, climate-related matters increase the uncertainty in the estimates and assumptions underlying items in the financial statements. Although, climate-related risks are not currently considered to have a significant impact on Addtech's financial statements, the Group closely monitors relevant changes and developments, such as new climate-related legislation.

Currently, Addtech primarily assesses goodwill to be the item in the financial statements that could be impacted by climate-related matters. It is thought that climate-related risks could impact Addtech's testing for goodwill impairment in several ways, above all through transition risks, such as climate-related regulations and changes in customer behaviour. For more information on assessments related to the valuation of goodwill, see Note 14 Intangible non-current assets.

Note 3

Financial risks and risk management

Risk management policy and goals
Addtech strives for structured and efficient management of the financial risks that arise in operations, which is manifested in the Financial Policy adopted by the Board of Directors. The financial operations are not conducted as a separate line of the business; they are merely intended to constitute support for the business and limit the effect of financial risks in the Group. The policy stipulates goals and risks in the financial operations, and how they are to be managed. Financial risks arising in the operating activities are addressed by each subsidiary's management according to the principles in the Financial Policy and subordinate process descriptions approved by the Group's Board of Directors and management. The Group's financial risks are concentrated within the Parent Company, Addtech AB, where Group Treasury is responsible for addressing currency and interest rate risk, financing and liquidity risk, and credit and counterparty risk. Financial derivatives with external counterparties are only entered by Addtech AB.

Capital management
Addtech seeks to maintain a favourable degree of consolidation and a capital structure that maintains the confidence of investors, creditors and the market and that supports the future development of the operations. The Group is not subject to any external capital requirements, beyond certain covenants in its loan agreements, see the section on Refinancing risk below.

Currency risk
The Addtech Group conducts extensive trade abroad and a material currency exposure therefore arises in the Group, which must be managed such that the impact on earnings caused by exchange rate fluctuations is limited.

Currency risk arises in part as a result of future payment flows in foreign currency, known as transaction exposure, and in part because components of the Group's equity comprise net assets in foreign subsidiaries, known as translation exposure. Monetary financial assets and liabilities in currencies other than each Group company's functional currency occur to a limited extent.

Transaction exposure
Transaction exposure comprises future contracted and forecast ingoing and outgoing payments in foreign currency. The Group's currency flows usually pertain to flows in foreign currency from purchases, sales and dividends. Transaction exposure also comprises financial transactions and balances. During the year, the Group's payment flows in foreign currencies were distributed as follows:

SEK million	Currency flows, gross 2024/2025		Currency flows, net	
	Inflow	**Outflow**	**2024/2025**	2023/2024
EUR	4,302	3,963	339	225
USD	2,154	1,946	208	-26
NOK	118	67	51	62
JPY	69	78	-9	11
DKK	72	232	-160	-152
GBP	132	156	-24	-73
CHF	43	93	-50	-46
PLN	0	156	-156	-124

The effects of exchange rate fluctuations are reduced by buying and selling in the same currency, through currency clauses in customer contracts and, to a certain degree, by forward contracts to purchase or sell foreign currency. In the industry, currency clauses are a common method for handling uncertainty associated with future cash flows. A currency clause means that compensation is paid for any changes in the exchange rate exceeding a certain predefined level during the contract period. If these thresholds are not reached, for example when the exchange rate changes by less than 2 percentage points, no compensation is paid. The currency clauses adjust the exchange rate change between the time the order is placed and the invoice date. Currency clauses are symmetrically designed, meaning that compensation is charged or credited when the exchange rate rises or falls beyond the predefined thresholds. Currency clauses constitute embedded derivatives, which are, in all material respects, reported as part of their host contracts, as they are considered to be closely associated with them.

Of consolidated net sales, currency clauses cover about 5 percent (6) and sales in the purchasing currency account for about 43 percent (43). In certain transactions, there is a direct link between the customer's order and the associated purchase order, which is a good basis for effective currency risk management. However, in many cases the dates of the orders do not coincide, which may reduce the effectiveness of these measures. The Group has reduced its currency exposure by using forward foreign exchange contracts.

At the end of the financial year, the following forward foreign exchange contracts were outstanding:

	Tenors of forward foreign exchange contracts outstanding, SEK million[1]	
	31 Mar 2025	31 Mar 2024
Within 6 months	574	537
Within 12 months	29	87
Within 18 months	20	76
Later than 18 months	5	15
	628	**715**

1) Nominal amount translated to SEK at the exchange rate on the balance sheet date

Hedge accounting is not applied for forward foreign exchange contracts and these are instead classified as a financial asset measured at fair value through other operating income or operating expenses in profit or loss.

The Group applies a decentralised responsibility for transaction exposure, entailing, for example, that risk identification and risk hedging occur at subsidiary level, within the framework of the Group's guidelines. According to the Group's guidelines, the subsidiaries shall hedge transaction exposures that could impact more than 5 percent of the budgeted profit. Currency hedging is arranged monthly for a rolling 12 month period at most. In hedging specific projects, longer-term currency hedging may occur. The subsidiaries hedge their risk in relation to Addtech AB which, in turn, obtains hedges in the external market. This utilises the size and circumstances of the Group to match flows.

Currency flows in the Parent Company are mainly in Swedish kronor (SEK). To the extent that internal and external loans and investments in the Parent Company are in foreign currency, 100 percent of the capital amount is hedged.

Note 3 cont.

Translation exposure

The translation exposure of the Addtech Group is currently not hedged. The Group's net assets are divided among foreign currencies as follows:

	31 Mar 2025		31 Mar 2024	
Net investments	**SEK million**	**Sensitivity analysis[1]**	**SEK million**	**Sensitivity analysis[2]**
NOK	2,300	115.0	2,089	104.5
EUR	5,153	257.7	3,899	195.0
DKK	2,089	104.5	1,744	87.2
PLN	201	10.1	210	10.5
GBP	2,093	104.7	1,954	97.7
HKD	119	6.0	110	5.5
USD	37	1.9	56	2.8
CNY	230	11.5	221	11.1
CHF	291	14.6	290	14.5

1) Impact of +/-5% in exchange rate on consolidated equity
2) Circumstances in the previous year

When translating the income statements of business units with a functional currency other than SEK, a translation effect arises when exchange rates vary. Given a shift of 5 percentage points in exchange rates at the current distribution between the Group companies' various functional currencies, the effect on net sales would total SEK +/-759 million (694), whereof SEK 304 million would be attributable to the EUR, SEK 166 million to the DKK and SEK 134 million to the NOK (EUR 289, DKK 152, NOK 119). The corresponding effect on operating profit would amount to SEK +/-84 million (70), whereof SEK 36 million would be attributable to the EUR, SEK 17 million to the DKK and SEK 14 million to the NOK (EUR 32, DKK 12, NOK 12).

The exchange rates applied in the financial statements are shown in the following table:

	Average rate		Closing day rate	
Exchange rate	**2024/2025**	2023/2024	**31 Mar 2025**	31 Mar 2024
CAD 1	7.65	7.86	6.98	7.86
CHF 1	12.00	11.97	11.38	11.80
CNY 100	147.40	147.88	138.31	147.48
DKK 100	153.11	154.27	145.40	154.53
EUR 1	11.42	11.50	10.85	11.53
GBP 1	13.57	13.33	12.99	13.48
HKD 1	1.37	1.36	1.29	1.36
INR 100	12.59	12.81	11.74	12.82
JPY 1,000	69.80	73.40	67.10	70.50
NOK 100	97.74	99.72	95.06	98.51
PLN 1	2.67	2.59	2.59	2.67
TRY 1	0.31	0.40	0.26	0.33
TTD 1	1.56	1.56	1.49	1.57
TWD 1	0.33	0.34	0.30	0.33
USD 1	10.64	10.61	10.03	10.66

Financing and liquidity

The overall objective of Addtech's financing and debt management is to secure financing for the operations in both the long and the short term, and to minimise borrowing costs. The capital requirement is to be secured through an active and professional borrowing procedure comprising overdraft and other credit facilities. Raising of external financing is centralised at Addtech AB. Adequate payment capacity is to be achieved through contractual credit facilities and via liquidity forecasts, whereby the Group ensures that it has a sufficient liquidity reserve. Surplus liquidity is primarily used to pay down credits outstanding. The Parent Company is responsible for the Group's long-term financing as well as its supply of liquidity. The Parent Company provides an internal bank for loans and deposits to and from the subsidiaries, and cash pools to efficiently gather the Group's cash.

To manage surpluses and deficits in different currencies, Addtech uses currency swaps from time to time. This allows the Group to reduce its financing costs and efficient use of the Company's liquid funds.

Refinancing risk

The refinancing risk is the risk of Addtech not having access to sufficient financing on each occasion. The refinancing risk increases if Addtech's credit rating deteriorates or if Addtech becomes too dependent on one source of financing.

To limit refinancing risk, procurement of non-current contractual credit facilities commences no later than 12 months prior to the maturity of the credit facility, with Addtech maintaining the dialogue with various creditors. In connection with a major maturity of financing facilities, Addtech aims for the new financing to already be in place 12 months prior to maturity.

Note 3 cont.

Credit facilities, SEK million	Group 31 Mar 2025	Group 31 Mar 2024	Parent Company 31 Mar 2025	Parent Company 31 Mar 2024
Overdraft facilities	1,300	1,301	1,300	1,300
Other agreed credit facilities	4,523	3,531	4,500	3,500
Credit approvals	**5,823**	**4,832**	**5,800**	**4,800**
Portion of overdraft facilities utilised	696	482	696	481
Portion of other credit facilities utilised	3,824	2,981	3,800	2,950
Portion of overdraft facilities and other credit facilities not utilised	1,303	1,369	1,304	1,369

Agreements on overdrafts of SEK 1,300 million mature by calendar year. During the year, other credit facilities granted to the Parent Company were expanded with SEK 1,000 million.

The Tenor analysis table to the right presents the Group's undiscounted future cash flows for financial liabilities. Cash flows in foreign currencies have been translated to SEK at the exchange rate on the balance sheet date, and for interest payments based on floating rates (Stibor, etc.) the current interest rate for the liability is applied.

Tenor analysis, liabilities incl. interest, SEK million	Group 31 Mar 2025	Group 31 Mar 2024	Parent Company 31 Mar 2025	Parent Company 31 Mar 2024
Liabilities to credit institutions:				
Maturing within 1 year	845	648	840	647
Maturing within 1–2 years	129	158	125	145
Maturing within 2–5 years	3,846	3,144	3,831	3,134
Maturing after 5 years or later	–	4	–	–
Total non-current liabilities to credit institutions	**4,820**	**3,954**	**4,796**	**3,926**
Liabilities for derivatives:				
Maturing within 1 year	13	17	13	17
Maturing within 1–2 years	1	1	1	1
Maturing within 2–5 years	–	–	–	–
Maturing after 5 years or later	–	–	–	–
Total liabilities for derivatives	**14**	**18**	**14**	**18**
Lease liabilities:				
Maturing within 1 year	284	256	–	–
Maturing within 1–2 years	206	196	–	–
Maturing within 2–5 years	246	233	–	–
Maturing after 5 years or later	90	55	–	–
Total lease liabilities	**826**	**740**	**–**	**–**
Other interest-bearing liabilities and accounts payable:				
Maturing within 1 year	1,957	2,137	3	3
Maturing within 1–2 years	157	167	–	–
Maturing within 2–5 years	480	375	–	–
Maturing after 5 years or later	–	–	–	–
Total other non-current interest-bearing liabilities and accounts payable:	**2,594**	**2,679**	**3**	**3**
Total liabilities including interest SEK million				
Maturing within 1 year	3,099	3,058	856	667
Maturing within 1–2 years	493	522	126	146
Maturing within 2–5 years	4,572	3,752	3,831	3,134
Maturing after 5 years or later	90	59	–	–
Total liabilities including interest SEK million	**8,254**	**7,391**	**4,813**	**3,947**

Note 3 cont.

The Parent Company's credit facilities are contingent upon loan terms, so called covenants, which are fulfilled with a wide margin. For covenants, Addtech uses two ratios: EBITDA/net financial items and equity/assets. These covenants are reported quarterly to creditors in conjunction with the publication of interim reports.

The Group's and Parent Company's non-current and current interest-bearing liabilities are shown in notes 24 and 25.

Interest rate risk

The interest rate risk is regulated by ensuring that the average fixed interest term of the debt portfolio varies between 0–3 years. The debt portfolio consists of bank overdraft facilities and outstanding external loans. The interest rate on 31 March 2025 was variable, that is, 0–3 months. Addtech's main exposure to interest rate risk is in its debt portfolio. Aside from the pension liability, interest-bearing external debt totals SEK 6,186 million (5,225).

With the current net financial debt, the impact on the Group's post-tax profit for the year and equity would be SEK +/-49 million if interest rates were to fluctuate by 1 percentage point.

Credit risk and counterparty risk

Credit risk and counterparty risk are defined as the risk of Addtech's counterparties failing to fulfil their contractual obligations. Addtech is exposed to credit and counterparty risk in its financial transactions, that is, in investing its surplus liquidity and executing forward foreign exchange transactions, and in its commercial operations in connection with accounts receivable and advance payments to suppliers. Maximum credit risk exposure from financial assets is consistent with the carrying amount of those assets.

Addtech's finance function at the Parent Company is responsible for assessing and addressing counterparty risk in financial transactions. Addtech requires counterparties for derivatives and cash placement to have a very good credit rating, at least A. Derivative transactions are made under ISDA agreements.

To utilise its subsidiaries' detailed knowledge of Addtech's customers and suppliers, Addtech has each company assess the credit risk and selection of suppliers in its commercial transactions. New customers are assessed before credit is granted, and credit limits set are strictly enforced. Short credit periods are the goal, and avoiding excessive concentration of business with individual customers and with specific sectors helps mitigate the risks. No individual customer accounts for more than 3 percent (3) of total credit exposure during a one-year period. The equivalent figure for the ten largest customers is about 10 percent (9). Exposure per customer segment and geographic market is presented in notes 4 and 5.

Confirmed and expected credit losses totalled SEK 25 million (20) during the year, equal to 0 percent (0) of net sales.

Accounts receivable, SEK million	**31 Mar 2025**	31 Mar 2024
Carrying amount	3,267	3,260
Impairment	39	25
Cost	**3,306**	**3,285**

Change in impaired accounts receivable	**2024/2025**	2023/2024
Amount at beginning of year	-25	-24
Corporate acquisitions	-3	-1
Year's impairment losses/ reversals	-12	-1
Settled impairment	1	2
Translation effect	0	-1
Amount at end of year	**-39**	**-25**

Time analysis of unimpaired but overdue accounts receivable:	**31 Mar 2025**	31 Mar 2024
≤30 days	365	471
31–60 days	78	61
>60 days	105	104
Total	**548**	**636**

Commodity price risks

The Group's exposure to commodity price risks, including electricity prices, is limited. These limited risks are not hedged.

Note 4

Revenue from contracts with customers

Disaggregation of revenue from contracts with customers

Accounting principle
The Group's revenue comprises sales of high-tech products and solutions to customers, primarily in manufacturing industries and infrastructure. The Group's sales consist mainly of sales of goods, but also include service assignments to some extent. Sales are invoiced, normally with payment terms of 30–90 days. The original expected term of the agreements is at most one year. The majority of the Group's revenues are reported at a point in time.

Sales of goods
Sales of goods occur in all of the Group's segments. Sales consist mainly of standard products, but also, to some extent, of products manufactured in-house. Framework agreements with customers usually occur where an agreement with a customer is considered to arise only once the customer has placed an order based on the terms of the framework agreement, since it is only at this time that enforceable rights and obligations arise for the Group and the customer. The period between an order being placed and goods being delivered is normally brief. Each separate product in the order is considered to constitute a separate performance obligation.

In the relevant agreement with the customer, the transaction price usually consists only of fixed amounts. To the extent that the transaction price includes variable amounts, the Group estimates the amount to which it will be entitled and includes this in the transaction price, taking limitations of uncertain amounts into account. Revenue is reported at a point in time because the conditions for transfer of control over time are not met. The Group considers control to be transferred on completion of delivery in accordance with applicable delivery terms, coinciding with the time at which the risks and benefits transfer to the customer.

Geographical locations of customers	2024/2025						
SEK million	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	1,027	1,257	1,503	1,343	633	–	5,763
Denmark	607	321	1,095	45	674	–	2,742
Finland	532	415	404	667	336	0	2,354
Norway	262	344	957	284	570	–	2,417
Germany	203	934	244	80	240	–	1,701
UK	14	164	598	257	221	–	1,254
Rest of Europe	825	674	876	534	694	–	3,603
Other countries	121	304	466	611	460	–	1,962
Group items	6	6	4	4	9	-29	–
Total	**3,597**	**4,419**	**6,147**	**3,825**	**3,837**	**-29**	**21,796**

Geographical locations of customers	2023/2024						
SEK million	Automation	Electrification	Energy	Industrial Solutions	Process Technology	Group items	Addtech Group
Sweden	955	1,145	1,266	1,190	668	–	5,224
Denmark	650	322	816	32	555	0	2,375
Finland	603	423	385	657	389	0	2,457
Norway	258	362	982	319	518	–	2,439
Germany	163	871	244	156	228	–	1,662
UK	20	91	536	137	237	–	1,021
Rest of Europe	792	680	694	537	514	–	3,217
Other countries	138	199	382	562	343	–	1,624
Group items	5	7	2	4	12	-30	–
Total	**3,584**	**4,100**	**5,307**	**3,594**	**3,464**	**-30**	**20,019**

Note 4 cont.

Service assignments
Service assignments occur primarily in the Energy and Industrial Solutions segments. These assignments essentially comprise project agreements in which the Group delivers and, to a certain extent, installs products for specific customer projects. Such assignments are considered to constitute a combined performance obligation, since no individual product is distinct within the framework of the agreements. The transaction price normally consists only of fixed amounts.

Because control of the performance obligations is considered to be transferred to the customer over time, revenue is also recognised over time. The Group applies a production method, based on the time and materials devoted to projects, to measure progress towards completion of a performance commitment.

Customer segments	**2024/2025**						
SEK million	**Automation**	**Electrification**	**Energy**	**Industrial Solutions**	**Process Technology**	**Group items**	**Addtech Group**
Building and installation	177	366	1,015	107	57	–	1,722
Data and telecommunications	77	139	562	3	1	–	782
Electronics	178	1,023	211	13	16	–	1,441
Energy	229	557	2,981	89	677	–	4,533
Vehicles	223	620	60	1,229	139	–	2,271
Medical technology	469	623	49	12	345	–	1,498
Mechanical industry	1,000	436	405	452	310	–	2,603
Forestry and process	430	36	138	1,224	1,525	–	3,353
Transport	148	76	377	311	608	–	1,520
Other	660	537	345	381	150	0	2,073
Group items	6	6	4	4	9	-29	–
Total	**3,597**	**4,419**	**6,147**	**3,825**	**3,837**	**-29**	**21,796**

Customer segments	2023/2024						
SEK million	**Automation**	**Electrification**	**Energy**	**Industrial Solutions**	**Process Technology**	**Group items**	**Addtech Group**
Building and installation	156	263	1,062	95	58	–	1,634
Data and telecommunications	122	170	412	2	5	–	711
Electronics	230	1,035	183	13	13	0	1,474
Energy	179	595	2,421	40	630	–	3,865
Vehicles	239	583	60	1,266	174	–	2,322
Medical technology	556	447	34	17	220	–	1,274
Mechanical industry	983	429	306	363	427	–	2,508
Forestry and process	455	52	118	1,195	1,201	–	3,021
Transport	121	83	402	234	535	–	1,375
Other	538	436	307	365	189	0	1,835
Group items	5	7	2	4	12	-30	–
Total	**3,584**	**4,100**	**5,307**	**3,594**	**3,464**	**-30**	**20,019**

Note 5

Segment reporting

Assets and liabilities as well as income and expenses are attributed to the operating segment in which they are used, earned and consumed, respectively. The operating segment's earnings are monitored by the highest executive decision-maker, i.e., the CEO of Addtech.

The division into business areas reflects Addtech's internal organisation and reporting system. Addtech reports its business areas as operating segments. Addtech is organised into the following five business areas: Automation, Electrification, Energy, Industrial Solutions and Process Technology.

Automation
Automation produces and sells subsystems and components for industrial automation and infrastructure. The strategy is to capture the potential in strong driving forces, such as Industry 4.0, smart cities and the Industrial Internet of Things (IIoT). The objective is to continue developing added value by securing cutting-edge expertise and growing internationally, with a clear focus on sustainability.

Electrification
Electrification produces and sells battery solutions, energy-efficient power supply and power transmission solutions, as well as components and subsystems for electric driveline solutions. By maintaining our position as market leader in selected niches, the strategy is to generate profitable growth from society's rapid technical development, particularly in terms of electrification, data communications and the 5G expansion. The focus is on strengthening the digital offering, responding to customers' increased demands for sustainable products and continuing to pursue the international agenda.

Energy
Energy produces and sells products for electric power transmission, electrical installation and safety products, primarily in transport. By means of the companies' strong positions in electricity transmission, wind power and distribution networks, the strategy is to generate profitable growth from society's ongoing transition towards carbon dioxide-neutrality. The business area will also continue to invest in the smart homes niche, as well as in public safety.

Industrial Solutions
Industrial Solutions produces and sells solutions and systems primarily for the forest, special vehicles and waste/recycling segments. The strategy is to capture the potential of sustainable technical solutions that mitigate society's environmental impact. Waste and recycling systems, ergonomic products (particularly for special vehicles) and the increased use of wood are future growth areas.

Process Technology
Process Technology produces and sells solutions for measuring, controlling and streamlining industrial flows. The strategy is to capture the potential in increased demand for industry's sustainable transformation, particularly in terms of emissions both to water and to air. With strong positions in selected market niches and with a growing need for technical solutions that control and analyse various industrial processes, the business area perceives favourable growth opportunities.

Data by operating segment	2024/2025			2023/2024		
Net sales	**External**	**Internal**	**Total**	**External**	**Internal**	**Total**
Automation	3,591	6	3,597	3,579	5	3,584
Electrification	4,413	6	4,419	4,093	7	4,100
Energy	6,143	4	6,147	5,305	2	5,307
Industrial Solutions	3,821	4	3,825	3,590	4	3,594
Process Technology	3,828	9	3,837	3,452	12	3,464
Parent Company and Group items	–	-29	-29	–	-30	-30
Total	**21,796**	**0**	**21,796**	**20,019**	**0**	**20,019**

Operating profit, EBITA, assets and liabilities	2024/2025			2023/2024		
	EBITA	**Assets[1]**	**Liabilities[1]**	**EBITA**	**Assets[1]**	**Liabilities[1]**
Automation	428	2,301	655	459	2,522	632
Electrification	577	2,927	752	514	2,658	644
Energy	935	4,246	1,240	683	3,767	1,083
Industrial Solutions	798	4,463	1,127	754	3,864	1,507
Process Technology	555	2,972	766	498	2,814	845
Parent Company and Group items	-28	1,604	6,910	-48	1,032	5,468
EBITA	**3,265**	**18,513**	**11,450**	**2,860**	**16,657**	**10,179**
Amortisation, intangible non-current assets	-508			-434		
Operating profit	**2,757**			**2,426**		
Financial income and expenses	-242			-243		
Profit after financial items	**2,515**			**2,183**		

1) Excluding transactions on Group accounts and financial transactions with Group companies.

Note 5 cont.

Investments in non-current assets	2024/2025 Intangible assets[1]	2024/2025 Property, plant and equipment[1]	2024/2025 Total	2023/2024 Intangible assets[1]	2023/2024 Property, plant and equipment[1]	2023/2024 Total
Automation	10	17	27	2	10	12
Electrification	29	25	54	14	33	47
Energy	9	42	51	7	38	45
Industrial Solutions	3	65	68	5	38	43
Process Technology	9	21	30	10	31	41
Parent Company and Group items	–	1	1	0	1	1
Total	**60**	**171**	**231**	**38**	**151**	**189**

1) Amounts do not include effects of company acquisitions.

Amortisation/depreciation non-current assets	2024/2025 Intangible assets	2024/2025 Property, plant and equipment	2024/2025 Total	2023/2024 Intangible assets	2023/2024 Property, plant and equipment	2023/2024 Total
Automation	-81	-64	-145	-73	-58	-131
Electrification	-77	-71	-148	-66	-64	-130
Energy	-107	-104	-211	-104	-98	-202
Industrial Solutions	-151	-90	-241	-112	-72	-184
Process Technology	-92	-75	-167	-78	-68	-146
Parent Company and Group items	0	-23	-23	-1	-25	-26
Total	**-508**	**-427**	**-935**	**-434**	**-385**	**-819**
– whereof acquisitions	-475	–	-475	-408	–	-408
– whereof leases	–	-293	-293	–	-272	-272

Significant profit or loss items, other than depreciation or amortisation, not matched by payments in 2024/2025	Net gains/ losses	Change in pension liabilities	Other items	Total
Automation	0	1	-8	-7
Electrification	0	2	6	8
Energy	0	-3	61	58
Industrial Solutions	0	2	4	6
Process Technology	-12	–	-10	-22
Parent Company and Group items	0	-4	-14	-18
Total	**-12**	**-2**	**39**	**25**

Data by country	2024/2025 Net sales external[1]	2024/2025 Assets[1]	2024/2025 Whereof, non-current assets	2023/2024 Net sales external[1]	2023/2024 Assets[1]	2023/2024 Whereof, non-current assets
Sweden	5,763	5,606	3,231	5,224	5,433	3,036
Denmark	2,743	2,143	1,086	2,375	2,014	929
Finland	2,353	1,392	665	2,457	1,579	740
Norway	2,418	2,032	1,153	2,439	1,991	1,130
Germany	1,700	1,732	1,157	1,662	1,093	644
UK	1,254	1,670	1,096	1,021	1,551	1,035
Rest of Europe	3,604	2,629	1,661	3,217	1,971	1,142
Other countries	1,961	304	92	1,624	332	113
Parent Company, Group items and unallocated assets	–	1,005	15	–	693	22
Total	**21,796**	**18,513**	**10,156**	**20,019**	**16,657**	**8,791**

1) Excluding transactions on Group accounts and financial assets. External net sales are based on the customers' location, and the carrying amounts of assets are based on where the assets are located.

Investments in non-current assets	2024/2025 Intangible assets	2024/2025 Property, plant and equipment	2024/2025 Total	2023/2024 Intangible assets	2023/2024 Property, plant and equipment	2023/2024 Total
Sweden	4	51	55	8	43	51
Denmark	23	13	36	4	7	11
Finland	9	23	32	10	32	42
Norway	11	22	33	12	14	26
Germany	0	5	5	1	12	13
UK	1	29	30	0	12	12
Rest of Europe	10	24	34	2	26	28
Other countries	2	4	6	1	5	6
Total	**60**	**171**	**231**	**38**	**151**	**189**

Note 6

Employees and personnel expenses

	2024/2025			2023/2024		
Average number of employees	**Men**	**Women**	**Total**	**Men**	**Women**	**Total**
Sweden						
Parent Company	6	3	9	6	3	9
Other companies	1,009	278	1,287	979	292	1,271
Denmark	371	143	514	314	139	453
Finland	416	118	534	462	97	559
Norway	331	111	442	336	119	455
UK	259	85	344	249	73	322
Germany	246	103	349	185	92	277
Rest of Europe	515	162	677	434	136	570
Other countries	109	76	185	111	82	193
Total	**3,262**	**1,079**	**4,341**	**3,076**	**1,033**	**4,109**

	2024/2025			2023/2024		
Salaries and remuneration	**Senior executives**	**whereof bonuses**	**Other employees**	**Senior executives**	**whereof bonuses**	**Other employees**
Sweden						
Parent Company	46	14	3	50	20	2
Other companies	76	12	744	73	12	724
Denmark	50	5	431	43	6	365
Finland	33	4	335	34	4	339
Norway	42	5	334	36	7	325
UK	23	4	187	22	6	158
Germany	17	2	186	10	2	158
Rest of Europe	43	6	318	36	4	273
Other countries	14	1	64	12	2	56
Total	**344**	**53**	**2,602**	**316**	**63**	**2,400**

Senior executives are defined as Group Management and the managing directors and deputy managing directors of the Group companies.

	Group		Parent Company	
Salaries, remuneration and social security expenses	**2024/2025**	2023/2024	**2024/2025**	2023/2024
Salaries and other remuneration	2,946	2,716	49	52
Contract-based pensions for senior executives	38	35	7	7
Contract-based pensions for others	232	208	1	2
Other social security expenses	505	474	15	16
Total	**3,721**	**3,433**	**72**	**77**

At the end of the year, pension obligations outstanding to the Group's senior executives amounted to SEK 3 million (10) for the Group and SEK 0 million (0) for the Parent Company. Regarding pension costs in the Parent Company and in the Group, different accounting principles are applied (see Note 22 Provisions for pensions and similar obligations).

	Group		Parent Company	
Proportion of women	**31 Mar 2025**	31 Mar 2024	**31 Mar 2025**	31 Mar 2024
Board of Directors (excl. alternates)	13%	11%	33%	33%
Other senior executives	21%	21%	14%	14%

Note 6 cont.

Process for evaluating and determining remuneration to the Board of Directors, the CEO and Group Management
The guidelines applied to the remuneration of senior executives in the 2024/2025 financial year correspond to those adopted at the 2024 AGM and are equivalent, essentially, to the guidelines proposed for the upcoming year, as set out in the Administration Report. The principle for remuneration to the Board of Directors, Chief Executive Officer (CEO) and Group Management is that remuneration should be competitive. The Nomination Committee proposes Board fees to the AGM. Fees are paid to the Board of Directors in accordance with a resolution by the AGM.

For remuneration to the CEO, members of Group Management and other senior executives in the Group, the Board of Directors has appointed a Remuneration Committee consisting of the Chairman of the Board and a Board member and the CEO attending in a reporting capacity. The CEO, members of Group Management and other senior executives are paid a fixed salary, variable remuneration and conventional employment benefits. Pension benefits and incentive schemes also apply as detailed below. The Remuneration Committee follows the guidelines for the remuneration of senior executives approved by the AGM of Addtech AB.

Call options for senior executives
Accounting principles
Addtech's long-term incentive schemes include a subsidy whereby employees receive the amount corresponding to a paid-in option premium as cash compensation if they remain employed by the Group for two years. Accordingly, the cost of this subsidy and the associated social security contributions accrue as a personnel expense over the two-year vesting period.

At each closing date, Addtech reassesses its estimate of how many employees will remain employed for the two years and, accordingly, the amount of subsidy expected to be disbursed. Any deviations from the original estimates to which this reassessment gives rise are reported under personnel expenses in the income statement and corresponding adjustments are made in the reported liability.

Further information on each of the share-related incentive schemes is provided below.

Background and motivation for long-term incentive schemes
The purpose of long-term incentive schemes is to enable Group executives, through an investment of their own, to participate in and work for a favourable trend in the value of the Company's shares.

The schemes are also expected to generate improved conditions for recruiting and retaining skilled personnel for the Addtech Group, to provide competitive compensation and to unite the interests of the shareholders with those of the executives. The schemes are intended to contribute to executives increasing their shareholding in Addtech over the long term. The executives encompassed by the schemes are those who, in an otherwise heavily decentralised organisation, are able to impact profit positively by means of collaboration between Group companies. The share-related incentive schemes approved by the AGM do not entail a net charge against Company equity.

Similar call option schemes for senior executives and a select number of management members in the Addtech Group were adopted by the 2009–2024 AGMs. With the exception of the CEO, Board members have not been entitled to acquire call options. The schemes involve call options for shares repurchased by Addtech, with each call option entitling the holder to acquire one repurchased Class B share. As financial instruments, the call options are freely transferable. To encourage participation in the scheme, a subsidy is paid corresponding to the premium paid for each call option. This subsidy will be paid out two years after the AGM, providing that the option holder's employment with the Group has not been terminated and that the call options have not been sold before this time. The expenses for the scheme consist of the subsidy plus social security expenses. The subsidy corresponds to the option premium that the Company receives on the transfer of the call options and, accordingly, the scheme entails no net charge on the Company's equity.

In the event that the option holder does not wish to exercise all of the call options acquired, the Company is entitled, although not obliged, to repurchase call options from the holder. Options are to be acquired at a price corresponding at most to their market value at any given time. Call options may not, however, be repurchased during any period in which trading in the Company's shares is forbidden.

At the end of the financial year, Addtech had four call option schemes outstanding, involving a total 2,185,355 Class B shares.

2024/2028 scheme
The allotment for 2024 approved by the 2024 AGM included about 100 executives and a total of 1,000,000 call options, corresponding to about 0.4 percent of the total number of shares and approximately 0.3 percent of the total number of votes in the Company. The allotment varied between 4,000 and 40,000 options per person. The Chief Executive Officer acquired 40,000 and other members of Group Management 150,000.

Each option entitles the holder to acquire one repurchased Class B share between 6 September 2027 and 9 June 2028. The purchase price for shares when exercising options will correspond to 120 percent of the volume-weighted average price paid for the Company's Class B shares on NASDAQ Stockholm between 23 August 2024 and 5 September 2024. The premium for the call options will correspond to the market value of the call options in accordance with an external independent valuation applying the Black & Scholes model. The measurement period for calculating the option premium will be based on the volume-weighted average price paid for the Company's Class B shares on NASDAQ Stockholm between 30 August 2024 and 5 September 2024.

The exercise price for the call options was set at SEK 388.80. The market value of the call options was set at SEK 48.80. The expenses for the scheme consist of the subsidy paid in September 2026, as detailed above, and the social security fees payable on that subsidy. The total cost of the subsidy, including social security fees, is estimated at approximately SEK 50.7 million after corporation tax. The subsidy corresponds to the option premium that the Company receives on the transfer of the call options.

2023/2027 scheme
The allotment for 2023 approved by the 2023 AGM included about 100 executives and a total of 1,000,000 call options, corresponding to about 0.4 percent of the total number of shares and approximately 0.3 percent of the total number of votes in the Company. The allotment varied between 4,000 and 40,000 options per person. The Chief Executive Officer acquired 40,000 and other members of Group Management 135,000.

Each option entitles the holder to acquire one repurchased Class B share between 7 September 2026 and 9 June 2027. The purchase price for shares when exercising options will correspond to 120 percent of the volume-weighted average price

Note 6 cont.

paid for the Company's Class B shares on NASDAQ Stockholm between 24 August 2023 and 6 September 2023. The premium for the call options will correspond to the market value of the call options in accordance with an external independent valuation applying the Black & Scholes model. The measurement period for calculating the option premium will be based on the volume-weighted average price paid for the Company's Class B shares on NASDAQ Stockholm between 31 August 2023 and 6 September 2023.

The exercise price for the call options was set at SEK 221.00. The market value of the call options was set at SEK 31.70. The expenses for the scheme consist of the subsidy paid in September 2025, as detailed above, and the social security fees payable on that subsidy. The total cost of the subsidy, including social security fees, is estimated at approximately SEK 22.2 million after corporation tax. The subsidy corresponds to the option premium that the Company receives on the transfer of the call options.

2022/2026 scheme

The allotment for 2022 approved by the 2022 AGM included about 100 executives and a total of 1,000,000 call options, corresponding to about 0.4 percent of the total number of shares and approximately 0.3 percent of the total number of votes in the Company. The allotment varied between 4,000 and 50,000 options per person. The Chief Executive Officer acquired 50,000 and other members of Group Management 162,000.

Each option entitles the holder to acquire one repurchased Class B share between 8 September 2025 and 10 June 2026. The purchase price for shares when exercising options will correspond to 120 percent of the volume-weighted average price paid for the Company's Class B shares on NASDAQ Stockholm between 26 August 2022 and 8 September 2022. The premium for the call options will correspond to the market value of the call options in accordance with an external independent valuation applying the Black & Scholes model. The measurement period for calculating the option premium will be based on the volume-weighted average price paid for the Company's Class B shares on NASDAQ Stockholm between 2 September 2022 and 8 September 2022.

The exercise price for the call options was set at SEK 180.10. The market value of the call options was set at SEK 22.50. The expenses for the scheme consist of the subsidy paid in September 2024, as detailed above, and the social security fees payable on that subsidy. The total cost of the subsidy, including social security fees, is estimated at approximately SEK 18.6 million after corporation tax. The subsidy corresponds to the option premium that the Company receives on the transfer of the call options.

2021/2025 scheme

The allotment for 2021 approved by the 2021 AGM included about 100 executives and a total of 1,000,000 call options, corresponding to about 0.4 percent of the total number of shares and approximately 0.3 percent of the total number of votes in the Company. The allotment varied between 4,000 and 39,000 options per person. The Chief Executive Officer acquired 39,000 and other members of Group Management 129,000.

Each option entitles the holder to acquire one repurchased Class B share between 9 September 2024 and 11 June 2025. The purchase price for shares when exercising options will correspond to 120 percent of the volume-weighted average price paid for the Company's Class B shares on NASDAQ Stockholm between 27 August 2021 and 9 September 2021. The premium for the call options will correspond to the market value of the call options in accordance with an external independent valuation applying the Black & Scholes model. The measurement period for calculating the option premium will be based on the volume-weighted average price paid for the Company's Class B shares on NASDAQ Stockholm between 3 September 2021 and 9 September 2021.

The exercise price for the call options was set at SEK 214.40. The market value of the call options was set at SEK 21.90. The expenses for the scheme consist of the subsidy paid in September 2023, as detailed above, and the social security fees payable on that subsidy. The total cost of the subsidy, including social security fees, is estimated at approximately SEK 17.5 million after corporation tax. The subsidy corresponds to the option premium that the Company receives on the transfer of the call options.

Between 9 September 2024 and 31 March 2025, 669,870 options were repurchased under current market conditions, based on an independent external valuation applying the Black & Scholes model. During the corresponding period, 53,180 options were also redeemed, corresponding to 53,180 shares.

Board of Directors

In accordance with the resolution of the AGM, the total Board fees of SEK 3,700 thousand (3,200) approved by the AGM are distributed between the Board members not employed by the Parent Company.

CEO of the Parent Company

Over the 2024/2025 financial year, Niklas Stenberg, the CEO of the Parent Company, received SEK 9,491 thousand (8,845) in fixed salary and SEK 5,099 thousand (11,749) in variable remuneration. Variable remuneration included SEK 1,403 thousand (1,093) regarding the subsidy expense for the year for participation in the Group's incentive schemes. They also received taxable benefits amounting to SEK 190 thousand (201). Pension premiums of SEK 2,772 thousand (2,556) were paid.

From the age of 65, the CEO is covered by a defined contribution pension plan, the scale of which depends on the outcome of pension insurance agreements. The size of the pension premiums is determined annually by the Remuneration Committee. Variable remuneration paid based on the Group's earnings may not exceed 40 percent of fixed salary and is not pensionable. An additional premium may be payable corresponding to 20 percent of paid variable remuneration used to acquire shares in Addtech AB. On termination by the Company, the period of notice is of 12 months and, on resignation by the CEO, the period of notice is six months. Beyond salary paid during the period of notice, on termination by the Company, the CEO is entitled to severance pay equivalent to one year's salary. In the event that the employee resigns, he/she does not receive any severance pay.

Other members of Group Management

For other members of Group Management, fixed salary of SEK 17,287 thousand (16,250) was paid, as well as variable remuneration of SEK 10,119 thousand (8,434). Variable remuneration included SEK 4,784 thousand (3,317) regarding the subsidy expense for the year for participation in the Group's incentive schemes. The variable remuneration was expensed in the 2024/2025 financial year and is to be disbursed in 2025/2026. They also received taxable benefits amounting to SEK 397 thousand (541). From the age of 65, members of Group Management are covered by pension entitlements in accordance with individual agreements. Certain pension solutions are defined-contribution plans, with the size of the pension depending on the outcome of pension insurance agreements, while others are defined-benefit plans.

Note 6 cont.

In terms of the expense, both the defined-benefit pension plans and the defined-contribution solutions are basically equivalent to the ITP plan. During 2024/2025, a total of SEK 4,364 thousand (4,020) in pension premiums was paid for the group “Other members of Group Management.”

Variable remuneration paid based on the Group’s earnings may not exceed 35 percent of fixed salary. An additional premium may be payable corresponding to 20 percent of paid variable remuneration used to acquire shares in Addtech AB.

On termination by the Company, the maximum period of notice is of 12 months and, on resignation by the employee, the period of notice is six months. Severance pay is payable equivalent to no more than one year’s salary. In the event that the employee resigns, he/she does not receive any severance pay.

Remuneration and other benefits 2024/2025	**Basic salary/ Board fees**	**Variable remuneration[1]**	**Other benefits**	**Pension expenses**	**Total**
Chairman of the Board	1.5	–	–	–	1.5
Other Board members	2.2	–	–	–	2.2
CEO	9.5	5.1	0.2	2.8	17.6
Other senior executives[2]	17.3	10.1	0.4	4.4	32.2
Total	**30.5**	**15.2**	**0.6**	**7.2**	**53.5**

1) Including remuneration to senior executives participating in incentive schemes.
2) During the year, there were six other senior executives, one woman and five men.

Remuneration and other benefits 2023/2024	**Basic salary/ Board fees**	**Variable remuneration[1]**	**Other benefits**	**Pension expenses**	**Total**
Chairman of the Board	1.2	–	–	–	1.2
Other Board members	2.0	–	–	–	2.0
CEO	8.8	11.7	0.2	2.6	23.3
Other senior executives[2]	16.2	8.4	0.5	4.0	29.1
Total	**28.2**	**20.1**	**0.7**	**6.6**	**55.6**

1) Including remuneration to senior executives participating in incentive schemes.
2) During the year, there were six other senior executives, one woman and five men.

Board fees, SEK thousand		**2024/2025**	2023/2024
Name	**Position**	**Fee**	**Fee**
Fredrik Börjesson	Board member	550	–
Henrik Hedelius[1]	Board member, member of the Remuneration Committee	550	490
Ulf Mattsson	Board member	550	490
Malin Nordesjö[1]	Chairman of the Board, Chairman of the Remuneration Committee	1500	490
Annikki Schaeferdiek	Board member	550	490
Niklas Stenberg	Board member	–	–
Kenth Eriksson	Former Chairman of the Board, former Chairman of the Remuneration Committee	–	1,240
Total		**3,700**	**3,200**

1) During the 2024/2025 financial year, a fee of SEK 100 thousand, beyond the aforementioned, was paid to each member of the Remuneration Committee.

Note 7

Remuneration to Auditors

	Group		Parent Company	
	2024/2025	2023/2024	**2024/2025**	2023/2024
Deloitte				
Audit assignment	16	13	3	3
Tax consultation	0	0	–	–
Other assignments	0	0	–	0
Total remuneration to Deloitte	**16**	**13**	**3**	**3**
Other auditors				
Audit assignment	10	10	–	0
Tax consultation	2	1	0	0
Other assignments	4	4	0	0
Total remuneration to other auditors	**16**	**15**	**0**	**0**
Total remuneration to auditors	**32**	**28**	**3**	**3**

Note 8

Depreciation/amortisation

	Group		Parent Company	
Depreciation/amortisation by function	**2024/2025**	2023/2024	**2024/2025**	2023/2024
Cost of sales	-138	-130	–	–
Selling expenses	-680	-590	–	–
Administrative expenses	-114	-95	-1	0
Other operating expenses	-3	-4	–	–
Total	**-935**	**-819**	**-1**	**0**

	Group		Parent Company	
Depreciation/amortisation by asset class	**2024/2025**	2023/2024	**2024/2025**	2023/2024
Intangible assets	-508	-434	-1	0
Buildings and land	-14	-14	–	–
Leasehold improvements	-6	-5	–	–
Machinery	-44	-33	–	–
Equipment	-70	-61	–	–
Right-of-use assets	-293	-272	–	–
Total	**-935**	**-819**	**-1**	**0**

Note 9

Other operating income and expenses

Group	2024/2025	2023/2024
Other operating income		
Rental revenue	13	14
Gain on sale of operations and non-current assets	20	6
Revaluations of contingent purchase considerations	25	37
Subsidies received	22	17
Other	21	20
Total	**101**	**94**
Other operating expenses		
Loss on sale of operations and non-current assets	-3	-2
Change in value of derivatives, net	–	-2
Exchange losses, net	-29	-30
Revaluations of contingent purchase considerations	-14	-22
Dispute settlement	–	-39
Other	-9	-13
Total	**-55**	**-108**

Note 10

Operating expenses

Group	2024/2025	2023/2024
Inventories, raw materials and consumables	12,850	11,948
Personnel expenses	3,852	3,557
Depreciation/amortisation	935	819
Impairment of inventories	18	30
Impairment of doubtful accounts receivable	25	20
Other operating expenses	1,465	1,317
Total	**19,145**	**17,691**

Note 11

Financial income and expenses

Accounting principle
Interest income on receivables and interest expenses on liabilities are computed using the effective interest method. The effective interest rate is the rate that makes the present value of all future incoming and outgoing payments during the term equal to the carrying amount of the receivable or liability. Interest income includes accrued rebates, premiums and other differences between the original value of the receivable and the amount received on maturity.

Group	**2024/2025**	2023/2024
Interest income on bank balances	44	46
Dividends	0	0
Exchange rate changes, net	7	–
Changes in value from revaluation of financial assets/liabilities, net	0	0
Other financial income	1	1
Financial income	**52**	**47**
Interest expense on financial liabilities measured at amortised cost	-244	-241
Interest expense on financial liabilities measured at fair value	-19	-15
Interest expense on pension liability	-8	-8
Exchange rate changes, net	–	-6
Other financial expenses	-23	-20
Financial expenses	**-294**	**-290**
Net financial items	**-242**	**-243**

Parent Company	**2024/2025**	2023/2024
Dividends received	800	700
Profit from participations in Group companies	**800**	**700**
Interest income:		
Group companies	241	226
Profit from financial non-current assets	**241**	**226**
Interest income, etc.:		
Group companies	41	39
Other interest income, change in value of derivatives and exchange rate differences	39	52
Interest income and similar items	**80**	**91**
Interest expenses, etc.:		
Group companies	-64	-56
Other interest expense, change in value of derivatives, exchange rate differences and banking fees	-223	-226
Interest expenses and similar items	**-287**	**-282**
Financial income and expenses	**834**	**735**

Note 12

Appropriations – Parent Company

Accounting principles
In the Parent Company, Group contributions are recognised in accordance with the alternative rule, meaning that Group contributions received by the Parent Company, or Group contributions paid to the subsidiaries by the Parent Company are reported as appropriations in the Parent Company. Shareholder contributions are reported in the item shares and participations.

	2024/2025	2023/2024
Group contributions received	443	389
Group contributions paid	-237	-258
Reversal of tax allocation reserve	84	47
Provision made to tax allocation reserve	-60	-30
Excess amortisation/ depreciation	0	0
Total	**230**	**148**

Had the Parent Company reported deferred tax on year-end appropriations as per the principles applied in the consolidated financial statements, the deferred tax expense would have totalled SEK 48 million (31).

Note 13

Taxes

	Group		Parent Company	
	2024/2025	2023/2024	**2024/2025**	2023/2024
Current tax for the period	-644	-543	-44	-24
Adjustment from previous years	2	0	–	-1
Total current tax expense	**-642**	**-543**	**-44**	**-25**
Deferred tax	67	51	-2	-3
Total recognised tax expense	**-575**	**-492**	**-46**	**-28**

Group	**2024/2025**	**%**	2023/2024	%
Profit before tax	2,515		2,183	
Weighted average tax based on national tax rates	-563	22.4	-484	22.2
Tax effect of				
Non-deductible expenses	-7	0.3	-14	0.6
Non-taxable income	5	-0.2	4	-0.2
Adjustment regarding prior years' current tax	2	-0.1	0	0.0
Transaction expenses, revaluations of contingent purchase considerations for acquisitions	-6	0.3	-6	0.3
Losses for which carryforwards were not capitalised	-4	0.2	-5	0.2
Deficits utilised but not capitalised	5	-0.3	15	-0.7
Other	-7	0.3	-2	0.1
Recognised tax expense	**-575**	**22.9**	**-492**	**22.5**

Parent Company	**2024/2025**	**%**	2023/2024	%
Profit before tax	1,036		835	
Tax based on current tax rate for Parent Company	-214	20.6	-172	20.6
Tax effect of				
Standard interest on tax allocation reserves	-2	0.1	-2	0.3
Non-deductible expenses	-1	0.1	-1	0.1
Non-taxable dividends	165	-15.9	144	-17.3
Other	6	-0.6	3	-0.4
Recognised tax expense	**-46**	**4.3**	**-28**	**3.3**

Note 13 cont.

Deferred tax, net, at end of year

	31 Mar 2025			31 Mar 2024		
Group	**Receiv-ables**	**Liabilities**	**Net**	**Receiv-ables**	**Liabilities**	**Net**
Non-current assets	3	-732	-729	5	-611	-606
Untaxed reserves	–	-189	-189	–	-152	-152
Pension provisions	12	–	12	7	–	7
Other	48	-33	15	50	-27	23
Net recognised	-30	30	0	-23	23	0
Deferred tax, net, at end of year	**33**	**-924**	**-891**	**39**	**-767**	**-728**

	31 Mar 2025					
Group	**Amount at beginning of year**	**Recognised in the income statement**	**Acquisi-tions & divest-ments**	**Recognised in other compre-hensive income**	**Translation effect**	**Amount at end of year**
Non-current assets	-606	108	-249	0	18	-729
Untaxed reserves	-152	-29	-8	–	–	-189
Pension provisions	7	0	–	5	0	12
Other	23	-7	-2	0	1	15
Deferred tax, net	**-728**	**72**	**-259**	**5**	**19**	**-891**

	31 Mar 2024					
Group	**Amount at beginning of year**	**Recognised in the income statement**	**Acquisi-tions & divest-ments**	**Recognised in other compre-hensive income**	**Translation effect**	**Amount at end of year**
Non-current assets	-512	89	-175	0	-8	-606
Untaxed reserves	-118	-30	-4	–	–	-152
Pension provisions	5	-2	–	4	0	7
Other	37	-5	-9	0	0	23
Deferred tax, net	**-588**	**52**	**-188**	**4**	**-8**	**-728**

	31 Mar 2025			31 Mar 2024		
Parent Company	**Amount at beginning of year**	**Recognised in the income statement**	**Amount at end of year**	**Amount at beginning of year**	**Recognised in the income statement**	**Amount at end of year**
Financial instruments	3	-2	1	6	-3	3
Pension provisions	0	0	0	–	0	0
Deferred tax, net	**3**	**-2**	**1**	**6**	**-3**	**3**

The Group has tax loss carryforwards of SEK 104 million (108) that have not been capitalised.

The Addtech Group is subject to the OECD's Pillar Two model rules and the legislation adopted in Sweden with effect from 1 January 2024. The Group has analysed and evaluated the effects of the introduction of Pillar Two. The calculations are based on the annually prepared country-by-country reporting to the Swedish Tax Agency and is based on the safe harbour rules within Pillar Two. The Group's estimation is that the effective tax rates exceed 15% in the jurisdictions where the Group operates, which means that the assessment is that no top-up tax needs to be paid.

Note 14

Intangible assets

Accounting principle
Goodwill is measured cost less any accumulated impairment. Goodwill is allocated between cash-generating units or groups of cash-generating units and is not amortised but tested annually for impairment.

Aside from goodwill, intangible assets are recognised at their original cost, less accumulated amortisation and impairment.

Amortisation is charged on a straight-line basis and is based on the useful lives of the assets, which are reviewed on an annual basis. An asset's useful life is based on the historical experience of use of similar assets, areas of application and other specific features of the asset. Amortisation is included in cost of sales, selling expenses or administrative expenses, depending on where in the business the assets are used.

At the end of each reporting period, the Group assesses whether there are any internal or external indications that an intangible asset with a determinable useful life may have decreased in value. If there is such an indication, the need for impairment is determined after calculating the recoverable amount of the asset, which is the asset's value in use or its fair value, whichever is higher. Impairment is recognised if the recoverable amount is less than the carrying amount. If the recoverable amount of an individual asset cannot be determined, the recoverable amount is set at the recoverable amount for the cash-generating unit to which the asset belongs.

	31 Mar 2025									
	Acquired intangible assets								Intangible assets developed internally	
Group	**Goodwill**	**Supplier relationships**	**Customer relationships**	**Technology**	**Trade-marks**	**Capitalised R&D expenses**	**Leaseholds and similar rights**	**Software**	**Software**	**Total**
Accumulated cost										
At beginning of year	4,716	2,050	2,900	50	26	117	5	151	4	10,019
Company acquisitions	999	101	892	–	1	2	0	5	–	2,000
Investments	–	1	19	2	1	13	1	23	–	60
Divestments and scrappings	–	–	–	–	–	0	–	-2	–	-2
Reclassifications	–	–	4	0	–	-2	–	2	–	4
Translation effect for the year	-188	-68	-129	0	0	-5	0	-4	–	-394
At end of year	**5,527**	**2,084**	**3,686**	**52**	**28**	**125**	**6**	**175**	**4**	**11,687**
Accumulated amortisation and impairment										
At beginning of year	–	-1,451	-892	-37	-1	-61	-2	-105	-4	-2,553
Company acquisitions	–	–	–	–	0	-1	0	-5	–	-6
Amortisation	–	-143	-334	-4	-1	-8	-1	-17	–	-508
Divestments and scrappings	–	–	–	–	–	–	–	2	–	2
Reclassifications	–	–	-1	0	–	–	–	–	–	-1
Translation effect for the year	–	48	34	0	0	3	0	3	–	88
At end of year	**–**	**-1,546**	**-1,193**	**-41**	**-2**	**-67**	**-3**	**-122**	**-4**	**-2,978**
Carrying amount at end of year	**5,527**	**538**	**2,493**	**11**	**26**	**58**	**3**	**53**	**0**	**8,709**
Carrying amount at beginning of year	**4,716**	**599**	**2,008**	**13**	**25**	**56**	**3**	**46**	**0**	**7,466**

Note 14 cont.

	31 Mar 2024									
	Acquired intangible assets								Intangible assets developed internally	
Group	**Goodwill**	**Supplier relationships**	**Customer relationships**	**Technology**	**Trade-marks**	**Capitalised R&D expenses**	**Leaseholds and similar rights**	**Software**	**Software**	**Total**
Accumulated cost										
At beginning of year	3,935	2,010	2,158	47	25	92	4	132	4	8,407
Company acquisitions	724	16	702	3	0	9	1	5	–	1,460
Investments	–	4	2	1	1	14	0	16	–	38
Divestments and scrappings	–	–	–	-1	–	0	–	-3	–	-4
Reclassifications	–	–	–	0	–	0	–	-1	–	-1
Translation effect for the year	57	20	38	0	0	2	0	2	–	119
At end of year	**4,716**	**2,050**	**2,900**	**50**	**26**	**117**	**5**	**151**	**4**	**10,019**
Accumulated amortisation and impairment										
At beginning of year	–	-1,289	-628	-31	0	-53	-1	-89	-4	-2,095
Company acquisitions	–	–	–	-3	0	-1	–	-3	–	-7
Amortisation	–	-152	-256	-3	-1	-6	-1	-15	–	-434
Divestments and scrappings	–	–	–	0	–	–	–	2	–	2
Reclassifications	–	–	–	0	–	–	–	1	–	1
Translation effect for the year	–	-10	-8	0	0	-1	0	-1	–	-20
At end of year	**–**	**-1,451**	**-892**	**-37**	**-1**	**-61**	**-2**	**-105**	**-4**	**-2,553**
Carrying amount at end of year	**4,716**	**599**	**2,008**	**13**	**25**	**56**	**3**	**46**	**0**	**7,466**
Carrying amount at beginning of year	**3,935**	**721**	**1,530**	**16**	**25**	**39**	**3**	**43**	**0**	**6,312**

Note 14 cont.

	31 Mar 2025		31 Mar 2024	
Parent Company	**Software**	**Total**	**Software**	**Total**
Accumulated cost				
At beginning of year	4.6	4.6	4.6	4.6
Investments	–	–	–	–
At end of year	**4.6**	**4.6**	**4.6**	**4.6**
Accumulated amortisation				
At beginning of year	-4.4	-4.4	-4.0	-4.0
Amortisation	-0.2	-0.2	-0.4	-0.4
At end of year	**-4.6**	**-4.6**	**-4.4**	**-4.4**
Carrying amount at end of year	**0.0**	**0.0**	**0.2**	**0.2**
Carrying amount at beginning of year	**0.2**	**0.2**	**0.6**	**0.6**

	Group	
Goodwill by business area	**31 Mar 2025**	31 Mar 2024
Automation	832	789
Electrification	837	732
Energy	1,273	1,111
Industrial Solutions	1,649	1,272
Process Technology	936	812
Total	**5,527**	**4,716**

Critical estimates and assumptions
Estimates with regard to impairment of goodwill are assessed on an ongoing basis and are based on historical experience and expectations regarding future events deemed reasonable under prevailing circumstances. In March/April each year, that is, when targets are set, goodwill is tested for any impairment needs. The recoverable amount for cash-generating units has been determined by calculating values in use. To make these calculations, certain estimates must be made – the most significant of which are described in the section below. Currently, Addtech does not deem the uncertainty in the impairment testing of goodwill to be so high that a significant risk prevails for a material adjustment of the carrying amount within a year.

Goodwill impairment testing
The Group's recognised goodwill amounts to SEK 5,527 million (4,716), allocated as above to the units where impairment testing is performed. Goodwill is not monitored internally at a level lower than the business areas, and impairment testing is therefore performed at that level. The business areas coincide with the Group's operating segments. Impairment testing took place most recently in March 2025. The recoverable amount was based on value in use, calculated from a current estimate of cash flows over the year ahead.

Forecast earnings and investments in working capital and non-current assets for the next financial year, 2025/2026, are based on previous outcomes and experiences. The forecast is produced on the basis of a relatively detailed budgeting process for the various parts of Group. The key cash-flow components comprise the assumptions with regard to sales, various operating costs, the trend for working capital and investments in non-current assets. The sales forecast is based on judgements taking into account factors such as order bookings, the general economy and the market situation. The forecast for operating costs is based on current salary agreements and previous years' levels of gross margins and overheads, adapted to expectations for the year ahead taking into account factors as referred to for the sales forecast. Anticipated investments in working capital and non-current assets are linked to the growth in sales. Since the operations are deemed to be in a phase that is representative of the long-term perspective, the cash flow from the first forecast year is extrapolated using a long-term growth rate of 2 percent (2) per year for all business areas. Cash flows were discounted applying a weighted cost of capital corresponding to roughly 14 percent (13) before tax.

The key assumptions that have the greatest effect on the recoverable amount are gross margin, discount rate and long-term growth rate, where gross margin is most important. Neither a 1-percent increase in the discount rate, a 0-percent decrease in long-term growth, nor a 1-percent decrease in the margin shows a need for impairment. These calculations show that value in use significantly exceeds the carrying amount. Consequently, impairment testing indicated no impairment. The margin for impairment is considerable for all business areas and it is not judged that any possible changes in important assumptions may be reasonably expected to lead to impairment.

Addtech continuously monitors climate-related risks and opportunities, including physical risks and transition risks, when measuring recovery value in connection with goodwill impairment testing. Transition risks, in particular, are expected to be able to influence goodwill impairment testing and Addtech takes into account, for example, expected shifts in customer behaviour, such as reduced demand for carbon dioxide-intensive products, and increased costs for carbon dioxide-intensive raw materials resulting from taxes, for example, or similar regulation. The assumptions are deemed to be in line with Addtech's climate-related targets in accordance with the Paris Agreement. For a further description of Addtech's climate-related targets and assessed transition risks, see the Sustainability Report. As the assumptions represent a merger of possible financial effects to achieve the climate-related targets, Addtech surmises that no individual climate-related assumption is currently an important assumption in goodwill impairment testing.

Note 15

Property, plant and equipment

Accounting principle
Property, plant and equipment are recognised at cost, less accumulated depreciation and any impairment. The cost comprises the purchase price, including customs and excise duties, as well as costs directly attributable to the asset to bring it to the location in such condition that it can be used as intended by the acquisition. Discounts, etc., are deducted from the purchase price. Examples of directly attributable costs included in the cost are shipping and handling, installation, title registration and consulting services. Depreciation is applied linearly across the estimated useful life. Impairment is applied in accordance with the same principles as for intangible assets with a determinable useful life, see Note 14.

	31 Mar 2025					
Group	**Buildings and land**	**Leasehold improve-ments**	**Machinery**	**Equipment**	**Construc-tion in progress**	**Total**
Accumulated cost						
At beginning of year	324	80	615	889	31	1,939
Company acquisitions	62	11	89	112	6	280
Investments	21	5	39	68	38	171
Divestments and scrappings	-21	-12	-17	-32	–	-82
Reclassifications	12	2	28	-12	-31	-1
Translation effect for the year	-11	-3	-24	-35	-1	-74
At end of year	**387**	**83**	**730**	**990**	**43**	**2,233**
Accumulated depreciation and impairment						
At beginning of year	-140	-62	-437	-669	0	-1,308
Company acquisitions	-31	-6	-70	-97	–	-204
Depreciation/amortisation	-14	-6	-44	-70	0	-134
Divestments and scrappings	7	11	14	27	–	59
Reclassifications	0	–	-2	0	–	-2
Translation effect for the year	5	3	18	29	0	55
At end of year	**-173**	**-60**	**-521**	**-780**	**0**	**-1,534**
Carrying amount at end of year	**214**	**23**	**209**	**210**	**43**	**699**
Carrying amount at beginning of year	**184**	**18**	**178**	**220**	**31**	**631**

	31 Mar 2024					
Group	**Buildings and land**	**Leasehold improve-ments**	**Machinery**	**Equipment**	**Construc-tion in progress**	**Total**
Accumulated cost						
At beginning of year	269	75	493	730	11	1,578
Company acquisitions	39	4	77	69	–	189
Investments	8	1	35	81	26	151
Divestments and scrappings	–	0	-5	-13	–	-18
Reclassifications	2	0	4	10	-7	9
Translation effect for the year	6	0	11	12	1	30
At end of year	**324**	**80**	**615**	**889**	**31**	**1,939**
Accumulated depreciation and impairment						
At beginning of year	-122	-54	-369	-576	0	-1,121
Company acquisitions	-2	-2	-32	-23	–	-59
Depreciation/amortisation	-14	-5	-33	-61	0	-113
Divestments and scrappings	–	0	5	9	–	14
Reclassifications	–	0	0	-8	–	-8
Translation effect for the year	-2	-1	-8	-10	0	-21
At end of year	**-140**	**-62**	**-437**	**-669**	**0**	**-1,308**
Carrying amount at end of year	**184**	**18**	**178**	**220**	**31**	**631**
Carrying amount at beginning of year	**147**	**21**	**124**	**154**	**11**	**457**

Note 15 cont.

	31 Mar 2025			31 Mar 2024		
Parent Company	**Leasehold improve-ments**	**Equipment**	**Total**	**Leasehold improve-ments**	**Equipment**	**Total**
Accumulated cost						
At beginning of year	4	3	7	4	3	7
Investments	–	–	–	–	–	–
Divestments and scrappings	–	–	–	–	–	–
At end of year	**4**	**3**	**7**	**4**	**3**	**7**
Accumulated depreciation according to plan						
At beginning of year	-4	-3	-7	-4	-3	-7
Depreciation	–	–	–	–	–	–
Divestments and scrappings	–	–	–	–	–	–
At end of year	**-4**	**-3**	**-7**	**-4**	**-3**	**-7**
Carrying amount at end of year	**0**	**0**	**0**	**0**	**0**	**0**
Carrying amount at beginning of year	**0**	**0**	**0**	**0**	**0**	**0**

Note 16

Leases

Accounting principle
On the date on which a lease commences, a lease liability is recognised corresponding to the present value of the lease payments yet to be paid. These lease liabilities are reported as non-current and current interest-bearing liabilities in the balance sheet.

The lease term is determined as the non-cancellable period together with the periods by which the contract may be extended or shortened and terminated if Addtech is reasonably certain to exercise the extension option or not exercise the termination option.

In calculating the present value of lease payments, Addtech applies the interest rate implicit in the contract if this can easily be determined, as is the case for car leases and the category "other." In the remaining instances, for premises that is, the marginal lending rate is applied as of the date on which the lease commences. Addtech determines the marginal lending rate by having the treasury function prepare interest rates based on individual currencies and varied maturities. These interest rates are based on a term of 2–3 years as this is deemed to best reflect the average maturity of Addtech's leases. These interest rates are calculated based on the interest rate on government bonds plus a 1-percent margin.

Addtech reports right-of-use assets in the balance sheet on the commencement date of the lease. Right-of-use assets are valued at cost less accumulated depreciation and any impairment, and adjusted for revaluations of the lease liability. The cost of right-of-use assets includes the initial value reported for the attributable lease liability, initial direct expenses, as well as any advance payments made on or before the commencement date of the lease. The right-of-use assets are reported separately from other assets in the balance sheet and depreciated on a straight-line basis over the lease term. Impairment of right-of-use assets is applied in accordance with the same principles as for intangible assets with a determinable useful life, see Note 14.

Addtech applies the relief rules regarding current leases and leases where the underlying asset is of lesser value. Expenses incurred in connection with these leases are reported on a straight-line basis over the lease term as operating expenses in the income statement.

Critical estimates and assumptions
Assessments made by management in applying Addtech's accounting principles
On the initial date of a right-of-use asset and a lease liability, as well as on subsequent valuation, management needs to make estimates regarding the lease term. Most of the Group's leases regarding premises include extension options whereby an assessment is made as to whether Addtech is reasonably certain to make use of the extension option and thus include it in the lease term. In this assessment, Addtech takes business-strategic and contract-specific prerequisites into account that comprise a financial incentive for Addtech to extend the lease. The assessment can have a significant impact on the carrying amounts for the right-of-use asset and the lease liability. Addtech has established a principle of including at most one extension option at a time, as well as a maximum period of five years, provided that the extension option is not non-cancellable. Non-cancellable contracts or extension options are included in their entirety. This is because, given the nature of the leasing contracts, it is deemed too uncertain that Addtech is reasonably certain that the agreement will be extended for a longer period than this.

Deviations in Parent Company accounting principles
The Parent Company does not apply IFRS 16, in accordance with the exception included in RFR 2. As a lessee, lease payments are reported as an expense on a straight-line basis over the lease term, and the right-of-use assets and lease liabilities are not therefore reported in the balance sheet.

Leases
At the end of 2024/2025, the lease liability amounted to SEK 778 million (698), whereof SEK 275 million (251) was a current liability and SEK 503 million (447) was a non-current liability. A tenor analysis for the lease liability is presented in Note 3 Financial risks and risk management. The average remaining lease term at the end of March 2025 was 20 months, with extension options accounting for one month of that. The Group's right-of-use assets are primarily leased premises, vehicles and other leases (of, for example, production equipment, office equipment and other assets not considered individually significant). Depreciation of right-of-use assets is specified in Note 8 Depreciation. Interest expenses from the lease liability for the 2024/2025 financial year amounted to SEK 25 million (18) and, in cash flow for the year, the amortisation component of the lease payments amounted to SEK 293 million (272) in addition to the interest expense. The cash flow effect from low-value leases amounted to an outflow of SEK 18 million (outflow: 11), the cash flow effect from current leases to an outflow of SEK 12 million (outflow: 9) and cash flow from leases with variable fees to an outflow of SEK 3 million (outflow: 4).

Note 16 cont.

Group	Buildings	Vehicles	Other	Total
	31 Mar 2025			
Accumulated cost				
At beginning of year	1,173	178	34	1,385
Company acquisitions	47	8	2	57
Additional right-of-use assets	259	80	7	346
Ended contracts	-196	-50	-7	-253
Translation effect for the year	-37	-6	-1	-44
At end of year	**1,246**	**210**	**35**	**1,491**
Accumulated depreciation and impairment				
At beginning of year	-597	-73	-21	-691
Company acquisitions	0	0	0	0
Depreciation	-226	-60	-7	-293
Ended contracts	166	46	6	218
Translation effect for the year	19	3	1	23
At end of year	**-638**	**-84**	**-21**	**-743**
Carrying amount at end of year	**608**	**126**	**14**	**748**
Carrying amount at beginning of year	**576**	**105**	**13**	**694**

Group	Buildings	Vehicles	Other	Total
	31 Mar 2024			
Accumulated cost				
At beginning of year	1,153	144	34	1,331
Company acquisitions	54	3	0	57
Additional right-of-use assets	108	85	7	200
Ended contracts	-154	-53	-7	-214
Translation effect for the year	12	-1	0	11
At end of year	**1,173**	**178**	**34**	**1,385**
Accumulated depreciation and impairment				
At beginning of year	-525	-64	-20	-609
Company acquisitions	0	0	0	0
Depreciation	-211	-54	-7	-272
Ended contracts	143	45	6	194
Translation effect for the year	-4	0	0	-4
At end of year	**-597**	**-73**	**-21**	**-691**
Carrying amount at end of year	**576**	**105**	**13**	**694**
Carrying amount at beginning of year	**628**	**80**	**14**	**722**

Contractual expenses from leases	2024/2025	2023/2024
Depreciation	-293	-272
Interest on lease liabilities	-25	-18
Lease expenses for current contracts	-12	-9
Lease expenses for low-value assets	-18	-11
Lease expenses for variable fees	-3	-4
Lease expenses	**-351**	**-314**

Note 17

Financial assets and liabilities

A financial asset or financial liability is recognised in the balance sheet when the company becomes a party to the terms and conditions of the instrument. Accounts receivable are recognised in the balance sheet when an invoice has been sent. Accounts receivable and other operating receivables are recognised after deducting expected credit losses, which are assessed foremost on an individual basis and secondarily on the basis of the extent to which payments are overdue. Impairments of accounts receivable are recognised in operating expenses. See further information in Note 3. A liability is recognised when the counterparty has completed its undertaking and a contractual obligation to pay prevails, even if no invoice has yet been received. A financial asset (or part thereof) is removed from the balance sheet when the entitlements of the contract are realised or expire, or if the Company loses control over them. A financial liability (or part thereof) is removed from the balance sheet when the obligation in the contract is fulfilled or otherwise ceases to exist. The table below presents carrying amounts based on each of Addtech's categories of financial instruments. All financial assets and liabilities are measured at amortised cost except for derivatives and contingent considerations, which are measured at fair value through profit or loss. Addtech does not apply any offsetting of financial assets and financial liabilities.

Derivatives and hedging
Derivative instruments include currency forward contracts and swaps used to offset risks of exchange rate fluctuations. An embedded derivative, such as a currency clause, is separated out and accounted for separately only if it is not closely related to the host contract, which is normally not the case. Hedge accounting is not applied for the Group's derivatives. Derivatives are initially recognised at fair value, with the result that transaction costs are charged to profit or loss for the period. Following initial recognition, the derivative instrument is measured at fair value through profit or loss. Derivatives are reported at fair value in level 2 of the fair value hierarchy, meaning that fair value is determined based directly or indirectly on observable market data – in this case, exchange rates and interest rates.

Increases and decreases in the value of such derivatives are recognised as income and expenses respectively in operating profit or loss or in net financial items, based on the intended use of the derivative and whether its use is related to an operating item or a financial item.

Contingent considerations and put/call options
Contingent purchase considerations and liabilities relating to put/call options are included in the items ”Non-current interest-bearing liabilities” and ”Current interest-bearing liabilities”.

Contingent considerations are measured at fair value on the transaction date and are subsequently remeasured on each reporting occasion. Fair value is determined applying a cash flow-based valuation and is included in level 3 in the fair value hierarchy, that is, where there is no observable market data. Effects of the revaluation are reported as other operating income or other operating expenses.

The accounting of put/call options is not regulated by IFRS, which is why Addtech, in accordance with IAS 8, has developed and applied a uniform accounting principle for similar transactions. Addtech reports one non-controlling interest, see also the description in Note 29. The commitment to acquire additional shares from non-controlling interests constitutes a financial liability reported at amortised cost. The liability is valued in the same way as for contingent considerations, in accordance with a cash flow-based valuation regarding fulfilment of conditions. Initial booking and effects of revaluations and changes in ownership are reported directly in equity, under retained earnings.

Critical estimates and assumptions
Sources of uncertainty in estimates
The fair value of contingent considerations, as well as of put/call options classified as financial liabilities, has been calculated based on the expected outcomes of financial and operational targets for each agreement. The estimated expected settlement will vary over time depending on the degree to which the conditions are fulfilled. Estimates differing from management's estimates may lead to the operations achieving other results and a different financial position.

Parent Company accounting principles
All financial instruments in the Parent Company are classified at amortised cost, except for derivatives which are classified at fair value through profit or loss.

For participations in Group companies, impairment testing is conducted in accordance with the same principles as for intangible assets with a determinable useful life, see Note 14.

	Parent Company	
Receivables from Group companies	**31 Mar 2025**	31 Mar 2024
At beginning of year	4,719	4,493
Increase during the year	2,452	281
Decrease during the year	-81	-55
Carrying amount at end of year	**7,090**	**4,719**

A complete specification of all subsidiaries in the Group is included as an annex to the annual accounts submitted to the Swedish Companies Registration Office. The specification can be obtained from Addtech AB.

	Parent Company					
Specification of participations in Group companies	**Country**	**Number of shares**	**Quotient value**	**Holding, %**	**Carrying amount, 31 Mar 2025**	Carrying amount, 31 Mar 2024
Addtech Nordic AB, 556236-3076, Stockholm	Sweden	1,750	100	100	1,004	1,004
Total					**1,004**	**1,004**

Note 17 cont.

	Parent Company	
Participations in Group companies	**31 Mar 2025**	31 Mar 2024
Accumulated cost		
At beginning of year	1,004	1,119
Reclassification	–	-115
At end of year	**1,004**	**1,004**
Accumulated impairment		
At beginning of year	–	-115
Reclassification	–	115
At end of year	**–**	**–**
Carrying amount at end of year	**1,004**	**1,004**
Carrying amount at beginning of year	**1,004**	**1,004**

Carrying amounts of financial instruments are recognised in the balance sheet according to the following tables.

	31 Mar 2025			
Group	**Measured at fair value through profit or loss**	**Equity instruments recognised at fair value through other comprehensive income**	**Measured at amortised cost[1]**	**Total carrying amount**
Other financial assets	–	2	–	2
Non-current receivables	–	–	23	23
Accounts receivable	–	–	3,267	3,267
Other receivables	10	–	196	206
Cash and cash equivalents	–	–	1,168	1,168
Non-current interest-bearing liabilities	188	–	4,714	4,902
Current interest-bearing liabilities	263	–	1,021	1,284
Accounts payable	–	–	1,642	1,642
Other liabilities	14	–	0	14

	31 Mar 2024			
Group	**Measured at fair value through profit or loss**	**Equity instruments recognised at fair value through other comprehensive income**	**Measured at amortised cost[1]**	**Total carrying amount**
Other financial assets	–	3	–	3
Non-current receivables	–	–	8	8
Accounts receivable	–	–	3,260	3,260
Other receivables	7	–	226	233
Cash and cash equivalents	–	–	798	798
Non-current interest-bearing liabilities	183	–	3,709	3,892
Current interest-bearing liabilities	177	–	1,156	1,333
Accounts payable	–	–	1,537	1,537
Other liabilities	20	–	0	20

1) The future commitment to acquire in the future additional shares from non-controlling interests, which constitutes a financial liability, is recognised at amortised cost.

Current and non-current loans are carried at amortised cost. The difference between the carrying amount and fair value is marginal for these items. Due to short maturities, the same applies to other financial instruments for larger amounts.

Interest-bearing liabilities measured at fair value in the income statement refer to contingent considerations for acquisitions of operations.

Note 17 cont.

Financial instruments measured at fair value	31 March 2025 Carrying amount	31 March 2025 Level 2	31 March 2025 Level 3	31 March 2024 Carrying amount	31 March 2024 Level 2	31 March 2024 Level 3
Derivatives – fair value, hedging instruments	–	–	–	–	–	–
Derivatives – fair value through profit or loss	10	10	–	7	7	–
Total financial assets at fair value per level	**10**	**10**	**–**	**7**	**7**	**–**
Derivatives – fair value, hedging instruments	–	–	–	–	–	–
Derivatives – fair value through profit or loss	14	14	–	20	20	–
Contingent purchase considerations – fair value through profit or loss	451	–	451	360	–	360
Total financial liabilities at fair value per level	**465**	**14**	**451**	**380**	**20**	**360**

The fair values and carrying amounts are recognised in the balance sheet in accordance with the above table.

Level 1 is where fair value is determined based on quoted prices in an active market. At the end of the reporting period, the Group had no items in this category.

Level 2 is where fair value is determined based on either directly or indirectly observable market data not included in level 1. This is done for foreign currency accounts and embedded derivatives.

Level 3 is not observable in the market. A cash flow-based valuation is carried out for the Group's contingent purchase considerations.

For the Group's other financial assets and liabilities, fair value is estimated to be equal to the carrying amount.

Contingent purchase considerations	2024/2025	2023/2024
Carrying amount, opening balance	360	295
Acquisitions during the year	231	251
Change through the income statement	-11	-15
Purchase considerations paid	-129	-200
Interest expenses	19	15
Exchange rate differences	-19	14
Carrying amount, closing balance	**451**	**360**

Impact of financial instruments on net earnings	2024/2025	2023/2024
Assets and liabilities measured at fair value through the income statement	-11	1
Equity instruments recognised at fair value through other comprehensive income	–	-3
Measured at amortised cost	-269	-261
Total	**-280**	**-263**

Note 18

Inventories

The inventory comprises both processed and non-processed products. The inventory is recognised at the lower of cost and net realisable value, thereby taking into account the risk of obsolescence. However, given that products are mainly held only for brief periods in inventory, the valuation and risk of obsolescence are not deemed to be significant for Addtech. The cost is calculated using the first in, first out (FIFO) principle or weighted average prices.

In the case of finished and semi-finished goods manufactured in-house, the cost consists of direct manufacturing costs and a reasonable portion of indirect manufacturing costs. Measurement takes normal capacity utilisation into account.

Group	**31 Mar 2025**	31 Mar 2024
Raw materials and consumables	418	393
Work in progress	423	374
Finished goods	2,419	2,358
Total	**3,260**	**3,125**

The consolidated cost of sales includes impairment of SEK 18 million (30) on inventories. No significant reversals of prior impairment were made in 2024/2025 or 2023/2024.

Note 19

Prepaid expenses and accrued income

	Group		**Parent Company**	
	31 Mar 2025	31 Mar 2024	**31 Mar 2025**	31 Mar 2024
Rent	18	19	2	2
Insurance premiums	36	32	16	14
Pension costs	6	5	1	1
Lease payments	6	7	0	0
Other prepaid expenses	90	87	10	16
Income earned but yet to be invoiced	118	170	–	0
Other accrued income	49	19	1	3
Total	**323**	**339**	**30**	**36**

Note 20

Equity

Addtech's Dividend Policy involves a pay-out ratio exceeding 30 percent of consolidated average profit after tax over a business cycle.

Repurchasing of treasury shares take place, and the Board normally proposes obtaining a mandate to acquire treasury shares that entails acquiring an amount of shares such that Addtech's own holding at no time exceeds 10 percent of all shares in the Company. The aim of repurchasing treasury shares is to provide the Board with increased scope for action in its work with the Company's capital structure, to enable the use of treasury shares as payment in acquisitions, and to secure the Company's commitments in existing incentive schemes.

The entire purchase consideration for share repurchase is charged against retained earnings. Proceeds from disposals of equity instruments are recognised as an increase in retained earnings, as are any transaction expenses.

Capital

No expressed measure related to equity is applied internally. Externally, Addtech's objective is to maintain a robust equity/assets ratio.

Group

Other contributed capital

Refers to equity contributed by shareholders.

	Group	
Reserves[1]	**2024/2025**	2023/2024
Translation reserve		
Opening translation reserve	620	441
Translation effect for the year	-459	179
Closing translation reserve	**161**	**620**
Hedging reserve[2]		
Opening balance, hedging reserve	0	1
Revaluations recognised in other comprehensive income	–	8
Recognised in profit or loss on disposal (other operating income/expenses)	–	-10
Tax attributable to revaluations for the year	–	-2
Tax attributable to disposals	–	3
Closing hedging reserve	**0**	**0**
Total reserves	**161**	**620**

1) Refers to reserves attributable to Parent Company shareholders.
2) Refers to cash flow hedges, consisting of currency clauses in customer contracts.

Translation reserve

The translation reserve includes all exchange differences arising on the translation of the financial reports of foreign operations prepared in a currency other than the Group's presentation currency for financial reports. The Parent Company and Group present their financial reports in Swedish kronor (SEK).

Hedging reserve

The hedging reserve includes the effective portion of the accumulated net change in fair value for a cash-flow hedging instrument attributable to hedge transactions that have not yet occurred.

Retained earnings, including profit for the year

Retained earnings including profit for the year include earnings in the Parent Company and its subsidiary companies. This equity item also includes changes in option liabilities and in non-controlling interests as well as prior provisions to the statutory reserve.

Repurchased shares

Repurchased shares includes the cost of treasury shares held by the Parent Company. At the end of the reporting period, the Group held 2,931,912 treasury shares (3,014,692).

Dividend

After the reporting period, the Board of Directors proposed a dividend of SEK 3.20 per share. The dividend is subject to approval by the AGM on 27 August 2025.

Proposed allocation of earnings 2024/2025

The following amounts are at the disposal of the AGM of Addtech AB:	
Retained earnings	SEK 453 million
Profit for the year	SEK 990 million
Total	**SEK 1,443 million**

The Board of Directors and the CEO propose that the funds available for distribution be allocated as follows:	
A dividend paid to shareholders of SEK 3.20 per share[1]	SEK 864 million
To be carried forward	SEK 579 million
Total	**SEK 1,443 million**

1) Calculated based on the number of shares outstanding as of 31 May 2025. The total dividend distributed may change if the number of own shares repurchased changes prior to the proposed dividend record date of 29 August 2025.

Note 20 cont.

Parent Company

Accounting principles

Group contributions are recognised in the Parent Company in accordance with the alternative rule. A Group contribution received from a subsidiary company by a Parent Company, or a Group contribution paid from a Parent Company to a subsidiary company is recognised in the Parent Company as an appropriation. Shareholder contributions are recognised directly in the equity of the recipient and are capitalised in the contributor's shares and participations, to the extent that no impairment needs to be recognised.

Restricted reserves

Restricted reserves are funds that cannot be paid out as dividends.

Statutory reserve

The purpose of the statutory reserve is to save a portion of net profit that will not be used to cover a loss carried forward.

Retained earnings

Retained earnings comprises the previous year's unrestricted equity, less any dividend paid. Together with profit for the year and any fair value reserve, retained earnings constitute the sum of unrestricted equity, that is, the amount available to be paid as dividends to shareholders.

Number of shares

As of 31 March 2025, there were 12,864,384 Class A shares conveying ten votes per share, and 259,929,600 Class B shares conveying one vote per share. The quota value of the share is SEK 0.19. The Company has repurchased 2,931,912 Class B shares within the framework of the Company's ongoing repurchasing programme. After subtracting repurchased shares, the number of Class B shares is 256,997,688.

	31 Mar 2025		
Number of shares outstanding	**Class A shares**	**Class B shares**	**All share classes**
At beginning of year	12,885,744	256,893,548	269,779,292
Redemption of call options	–	82,780	82,780
Repurchases of treasury shares	–	–	–
Conversion of Class A shares to Class B shares	-21,360	21,360	0
At end of year	**12,864,384**	**256,997,688**	**269,862,072**

	31 Mar 2024		
Number of shares outstanding	**Class A shares**	**Class B shares**	**All share classes**
At beginning of year	12,885,744	256,678,968	269,564,712
Redemption of call options	–	214,580	214,580
Repurchases of treasury shares	–	–	–
Conversion of Class A shares to Class B shares	–	–	–
At end of year	**12,885,744**	**256,893,548**	**269,779,292**

Note 21

Untaxed reserves

Parent Company	**31 Mar 2025**	31 Mar 2024
Tax allocation reserve, 2018/2019	–	84
Tax allocation reserve, 2019/2020	–	–
Tax allocation reserve, 2020/2021	80	80
Tax allocation reserve, 2021/2022	90	90
Tax allocation reserve, 2022/2023	90	90
Tax allocation reserve, 2023/2024	30	30
Tax allocation reserve, 2024/2025	60	–
Accumulated excess depreciation/amortisation	0	0
At end of year	**350**	**374**

SEK 73 million of the Parent Company's total untaxed reserves of SEK 350 million represents deferred tax included in the deferred tax line item in the consolidated balance sheet.

Note 22

Provisions for pensions and similar obligations

Accounting principle
Addtech has defined-contribution and defined-benefit pension plans in Sweden, Switzerland, the UK and Italy. The plans cover a large number of employees. The defined-benefit pension plans are mainly based on the individual's final salary and the number of years of service. The Group's subsidiaries in other countries have mainly defined-contribution pension plans. Premiums for defined-contribution plans are paid on an ongoing bases over the year with the pension costs being charged to profit for the period.

Defined-benefit pension plans are both funded and unfunded. The net value of the estimated present value of the obligations and the fair value of plan assets is recognised in the balance sheet, either as a provision or as a non-current financial receivable for each pension plan, except where surpluses or deficits may be offset. When a surplus in a plan cannot be fully utilised, only the portion of the surplus that the Company can recover through reduced future fees or repayments is recognised.

The present value of pension obligations reported as defined-benefit are dependent on a number of actuarial assumptions. In determining these assumptions, Addtech consults with actuaries. The pension cost and the pension obligation for defined-benefit pension plans are calculated in accordance with the Projected Unit Credit Method. The Group's commitment is calculated annually by independent actuaries and in accordance with established assumptions. The assumptions used to determine the present value of the commitment include the discount rate, inflation and salary increases. Each change in these assumptions will affect the carrying amount of pension commitments. The assumed discount rate for Swedish pension liabilities is based on the interest rate for Swedish mortgage bonds and, for the foreign pension liabilities, on the interest rate for first-class corporate bonds in the relevant currency.

A large part of the Group's pension commitments for salaried employees are defined-benefit commitments covered by collective policies with Alecta. Since it is not currently possible to obtain data from Alecta on the Group's share of commitments and plan assets, the pension plan signed with Alecta must be recognised as a defined-contribution plan. The consolidation ratio reported by Alecta does not indicate any deficit, although it is not possible to obtain detailed information from Alecta about the size of the pension commitment.

Deviations in Parent Company accounting principles
The Parent Company applies the simplification rules in accordance with the Swedish Act on Safeguarding Pension Obligations and the PRI principles when calculating defined-benefit pension plans and not IAS 19. The most significant differences compared with IAS 19 are the method for determining the discount rate, that the defined-benefit obligation is calculated based on current salaries without assuming future salary increases and that all actuarial gains and losses are recognised in profit or loss as they occur.

Defined-contribution plans
The plans mainly cover retirement pension, disability pension and family pension and the premiums paid by the Group are generally based on salary level.

Commitments in accordance with ITP2 for retirement pension and family pension for white-collar workers in Sweden were partly safeguarded through insurance in Alecta, which comprises a defined-benefit plan encompassing several employers. For the 2024/2025 financial year, the Group did not have access to information enabling it to report this plan as a defined-benefit plan. Thus the pension plan according to ITP2 and secured by insurance in Alecta is recognised as a defined-contribution plan. The year's fees for pension insurance with Alecta totalled SEK 39 million (32). Fees for the next financial year are considered to be in line with those for the year reported. The collective consolidation level for Alecta was 161 percent (163) in March 2025. The ITP1 pension plan is a defined-contribution plan.

In Sweden, direct pensions occur that are safeguarded through endowment insurance policies, these direct pensions are classified as defined-contribution plans.

Defined-benefit plans
These pension plans primarily comprise retirement pensions. Each employer generally has an obligation to pay a lifelong pension and vesting is based on the number of years of employment. In certain cases, the employee must subscribe to the plan for a certain number of years to be fully entitled to retirement benefits. Each year increases the employee's entitlement to retirement benefits, which is recognised as pension earned during the period and as an increase in pension obligations. Both funded and unfunded pension plans apply in Sweden, Switzerland, the UK and Italy. The funded pension obligations are secured by plan assets that are managed by insurance companies.

The defined-benefit pension plans expose Addtech for risks in the form of actuarial risks and investment risks in the plan assets. The actuarial risks relate primarily to the fact that future pension payments increase with increased life expectancy and adjusted for inflation for pensioners and former employees (paid-up insurance).

The Group estimates that SEK 10 million (10) will be paid in 2025/2026 to the funded defined-benefit plans and SEK 10 million (10) in pension payments regarding the unfunded plans. The defined-benefit pension commitments relate to 131 active employees (136), 420 paid-up insurance holders (426) and 388 pensioners (382).

Note 22 cont.

Obligations for employee benefits, defined-benefit pension plans

	Group		Parent Company	
Pension liability as per balance sheet	**31 Mar 2025**	31 Mar 2024	**31 Mar 2025**	31 Mar 2024
Net liability, Sweden, ITP 2	222	207	13	14
Net liability, other pension obligations	40	34	–	–
Total cost of defined-benefit plans	**262**	**241**	**13**	**14**

	Group		Parent Company	
Obligations for defined-benefit plans and the value of plan assets	**31 Mar 2025**	31 Mar 2024	**31 Mar 2025**	31 Mar 2024
Funded obligations:				
Present value of funded defined-benefit obligations	345	331	–	–
Fair value of plan assets	-311	-304	–	–
Net debt, funded obligations	**34**	**27**	**–**	**–**
Present value of unfunded defined-benefit obligations	228	214	13	14
Net amount in the balance sheet (obligation +, asset -)	**262**	**241**	**13**	**14**
Pension obligations and plan assets per country:				
Sweden				
Pension obligations	244	228	13	14
Plan assets	-22	-21	–	–
Net amount in Sweden	**222**	**207**	**13**	**14**
Switzerland				
Pension obligations	301	290	–	–
Plan assets	-267	-263	–	–
Net amount in Switzerland	**34**	**27**	**–**	**–**
UK				
Pension obligations	22	20	–	–
Plan assets	-22	-20	–	–
Net amount in the UK	**0**	**0**	**–**	**–**
Italy				
Pension obligations	6	7	–	–
Plan assets	–	–	–	–
Net amount in Italy	**6**	**7**	**–**	**–**
Net amount in the balance sheet (obligation +, asset -)	**262**	**241**	**13**	**14**

Note 22 cont.

Reconciliation of net amount for pensions in the balance sheet	Group		Parent Company	
	2024/2025	2023/2024	**2024/2025**	2023/2024
Opening balance	241	218	14	14
Cost of defined-benefit plans	17	17	1	2
Disbursements of benefits	-10	-9	-2	-2
Funds contributed by employer	-8	-7	–	–
Revaluations	24	22	–	–
Company acquisitions	–	–	–	–
Translation effect	-2	0	–	–
Net amount in the balance sheet (obligation +, asset -)	**262**	**241**	**13**	**14**

Changes in the obligation for defined-benefit plans recognised in the balance sheet	Group	
	2024/2025	2023/2024
Opening balance	545	502
Pensions earned during the period	9	8
Pensions earned prior periods, vested	0	1
Interest on plan assets	14	16
Benefits paid	-27	-39
Funds contributed by employees	5	4
Revaluations:		
Gain (-)/loss (+) resulting from demographic assumptions	-13	3
Gain (-)/loss (+) resulting from financial assumptions	35	28
Experience-based gains (-)/losses (+)	18	10
Company acquisitions	–	–
Translation effect	-13	12
Present value of pension obligations	**573**	**545**

Changes in plan assets	Group	
	2024/2025	2023/2024
Opening balance	304	284
Funds contributed by employer	8	7
Funds contributed by employees	5	4
Benefits paid	-17	-30
Interest income recognised in profit or loss	6	8
Return on plan assets, excluding interest income	16	19
Company acquisitions	–	–
Translation effect	-11	12
Fair value of plan assets	**311**	**304**

Pension costs	Group		Parent Company	
	2024/2025	2023/2024	**2024/2025**	2023/2024
Defined-benefit plans				
Cost for pensions earned during the year	9	8	0	2
Cost for pensions earned in prior periods	0	1	–	–
Interest on plan assets	14	16	1	0
Interest income recognised in profit or loss	-6	-8	–	–
Total cost of defined-benefit plans	**17**	**17**	**1**	**2**
Total cost of defined-contribution plans	261	234	8	7
Social security costs on pension costs	25	26	1	1
Total cost of benefits after termination of employment	**303**	**277**	**10**	**10**

Note 22 cont.

	Group	
Allocation of pension costs in the income statement	**2024/2025**	2023/2024
Cost of sales	74	65
Selling and administrative expenses	221	204
Net financial items	8	8
Total pension costs	**303**	**277**

	2024/2025				2023/2024			
Actuarial assumptions	**Sweden**	**Switzerland**	**UK**	**Italy**	**Sweden**	**Switzerland**	**UK**	**Italy**
The following material actuarial assumptions were applied in calculating obligations:								
Discount rate, 1 April, %	3.70	1.50	5.30	3.50	4.20	2.15	5.20	3.50
Discount rate, 31 March, %	3.40	1.10	5.28	3.40	3.70	1.50	5.30	3.50
Future salary increases, %	2.60	0.80/0.99	–	3.00	2.60	1.60/1.70	–	3.00
Future increases in pensions, %	1.60	0.00	3.02	2.00	1.60	0.00	3.10	2.10
Employee turnover, %	10.0	–	–	5.0	10.0	–	–	5.00
Mortality table	DUS23	BVG 2020 GT	S3PA	Table IPS55	DUS23	BVG 2020 GT	S3PA	Table IPS55

Sensitivity of pension obligations to changes in assumptions	**Sweden**	**Switzerland**	**UK**	**Italy**	**Total**
Defined-benefit pension obligations at 31 March 2025	**244**	**301**	**22**	**6**	**573**
The discount rate increases by 0.5%	-20	-20	-1	0	-41
The discount rate decreases 0.5%	22	23	1	1	47
Expected life expectancy increases by 1 year	11	3	1	–	15
Expected life expectancy decreases by 1 year	-11	-3	-1	–	-15

The weighted average maturity of the obligations is about 15 years (15). Future increases in pensions being disbursed are based on inflation assumptions. Life expectancy is based on current statistics and mortality surveys.

The sensitivity analyses are based on a change in an assumption, while all other assumptions are held constant. The same method, the projected unit credit method, is used to calculate the sensitivity in the defined-benefit obligation as to calculate the pension obligation recognised in the balance sheet.

Note 23

Provisions

Accounting principle
A provision is recognised at its present value in the balance sheet when the company has a formal or informal commitment as a result of an event that has occurred, it is likely that an outflow of resources will be required to settle the commitment and the amount can be estimated reliably.

Premises
The provision for premises refers to premises that the Group has vacated and cannot sublet or use during the remainder of the lease.

Personnel
The provision refers to costs of personnel, including estimated remuneration upon termination of employment in connection with changes in operations. A provision is made when there is an approved restructuring plan and the restructuring has been announced.

Warranties
Recognised provisions for warranties associated with products and services are based on calculations performed based on historical data or, in specific cases, on an individual assessment.

Other
Other includes provisions not classified under premises, personnel or warranties, such as equipment that cannot be used due to changes in operations. All provisions are classified as short-term and are expected to lead to an outflow of resources within 12 months of the balance sheet date.

Group 2024/2025	Premises	Personnel	Warranties	Other	Total
Carrying amount at beginning of period	9	3	71	26	109
Company acquisitions	–	–	6	1	7
Provisions made during the period	0	16	16	53	85
Amounts utilised during the period	-7	-2	-8	-5	-22
Unutilised amounts reversed	–	–	-3	-1	-4
Translation effect	0	0	-3	-2	-5
Carrying amount at end of period	**2**	**17**	**79**	**72**	**170**

Group 2023/2024	Premises	Personnel	Warranties	Other	Total
Carrying amount at beginning of period	8	3	43	33	87
Company acquisitions	1	–	2	2	5
Provisions made during the period	0	0	29	10	39
Amounts utilised during the period	–	–	-1	-16	-17
Unutilised amounts reversed	–	0	-3	-3	-6
Translation effect	0	0	1	0	1
Carrying amount at end of period	**9**	**3**	**71**	**26**	**109**

Note 24

Non-current interest-bearing liabilities

	Group		Parent Company	
	31 Mar 2025	31 Mar 2024	**31 Mar 2025**	31 Mar 2024
Non-current liabilities to credit institutions[1)]	3,819	2,977	3,800	2,950
Non-current lease liabilities[2)]	503	447	–	–
Other interest-bearing liabilities[3)]	580	468	–	–
Total	**4,902**	**3,892**	**3,800**	**2,950**
Liabilities to Group companies	–	–	487	474
Total			**4,287**	**3,424**

1) Information on maturities is provided in Note 3
2) Information on maturities is provided in Note 16
3) Information on maturities is provided in Note 3

Other interest-bearing liabilities largely consist of contingent considerations subject to an estimated interest rate of 5.0 percent. The Parent Company's liabilities to Group companies have no fixed maturity.

Note 25

Current interest-bearing liabilities

	Group		Parent Company	
	31 Mar 2025	31 Mar 2024	**31 Mar 2025**	31 Mar 2024
Credit facilities, amount utilised	696	482	696	481
Other liabilities to credit institutions	5	4	–	–
Lease liabilities	275	251	–	–
Other interest-bearing liabilities	308	596	–	–
Total	**1,284**	**1,333**	**696**	**481**

Other interest-bearing liabilities largely consist of contingent purchase considerations with estimated interest of 5.0 percent. The Group's financing is primarily managed by the Parent Company, Addtech AB.

Note 26

Accrued expenses and prepaid income

	Group		Parent Company	
	31 Mar 2025	31 Mar 2024	**31 Mar 2025**	31 Mar 2024
Other prepaid income	17	13	0	0
Income invoiced but yet to be earned	16	24	0	0
Salaries and holiday pay	501	470	23	20
Social security contributions and pensions	156	156	10	10
Other accrued expenses[1)]	149	199	6	7
Total	**839**	**862**	**39**	**37**

1) Other accrued expenses mainly consist of overhead accruals.

Note 27

Pledged assets and contingent liabilities

	Group		Parent Company	
	31 Mar 2025	31 Mar 2024	**31 Mar 2025**	31 Mar 2024
Pledged assets for liabilities to credit institutions				
Real estate and site leasehold mortgages	2	18	–	–
Floating charges	35	14	–	–
Other pledged assets	37	48	–	–
Total	**74**	**80**	**–**	**–**
Contingent liabilities				
Guarantees and other contingent liabilities	157	179	14	15
Guarantees for subsidiaries	–	–	232	603
Total	**157**	**179**	**246**	**618**

Note 28

Cash flow statement

	Group		Parent Company	
Adjustment for items not included in cash flow	**2024/2025**	2023/2024	**2024/2025**	2023/2024
Depreciation/amortisation	935	819	1	0
Revaluations of contingent purchase considerations	-11	-15	–	–
Gain/loss on sale of operations and non-current assets	-12	0	–	–
Change in pension liabilities	-2	1	1	2
Change in other provisions and accrued items	59	15	–	–
Change in derivatives	-8	-13	-8	-15
Other	-1	35	0	0
Total	**960**	**842**	**-6**	**-13**

For the Group, interest received during the year totalled SEK 47 million (45), and interest paid during the year was SEK 221 million (220). For the Parent Company, interest received during the year was SEK 337 million (320), and interest paid was SEK 295 million (284).

Note 28 cont.

Acquisitions

The following adjustments were made as a result of the value of assets and liabilities in companies acquired during the year, together with adjustments such as contingent purchase considerations paid for acquisitions made in previous years:

	2024/2025	2023/2024
Non-current assets	2,072	1,576
Inventories	335	156
Receivables	273	205
Cash and cash equivalents	343	220
Total	**3,023**	**2,157**
Interest-bearing liabilities and provisions	-255	-323
Non-interest-bearing liabilities and provisions	-954	-506
Total	**-1,209**	**-829**
Total adjustments of assets and liabilities	**1,814**	**1,328**
Purchase considerations paid, the year's acquisitions	-1,814	-1,328
Purchase considerations paid, prior years' acquisitions	-129	-203
Cash and cash equivalents in acquired companies	343	220
Translation effects	-2	8
Effect on consolidated cash and cash equivalents	**-1,602**	**-1,303**

All operations acquired during the year were consolidated in the accounts using the acquisition method.

Cash and cash equivalents in the cash flow statement consist of cash and bank balances. The same definition used in determining cash and cash equivalents in the balance sheet has been applied in the cash flow statement.

Reconciliation of debts arising from financing activities

Group	1 Apr 2024	Cash flows	Non-cash flow affecting changes: Acquisitions of subsidiaries	Adjustment via the income statement	Exchange rate differences	New leases	Terminated leases	31 Mar 2025
Bank overdraft facility	482	215	0	–	-1	–	–	696
Liabilities to credit institutions	2,981	836	8	–	-1	–	–	3,824
Other interest-bearing liabilities	1,064	1	-147	8	-38	–	–	888
Lease liabilities	698	-263	59	25	-26	350	-65	778
Liabilities stemming from financing activities	**5,225**	**789**	**-80**	**33**	**-66**	**350**	**-65**	**6,186**

Group	1 Apr 2023	Cash flows	Non-cash flow affecting changes: Acquisitions of subsidiaries	Adjustment via the income statement	Exchange rate differences	New leases	Terminated leases	31 Mar 2024
Bank overdraft facility	292	189	1	–	0	–	–	482
Liabilities to credit institutions	3,028	-116	69	–	0	–	–	2,981
Other interest-bearing liabilities	673	-11	389	0	13	–	–	1,064
Lease liabilities	720	-267	55	18	7	186	-21	698
Liabilities stemming from financing activities	**4,713**	**-205**	**514**	**18**	**20**	**186**	**-21**	**5,225**

Reconciliation of debts arising from financing activities

Parent Company	1 Apr 2024	Cash flows	31 Mar 2025
Bank overdraft facility	481	215	696
Liabilities to credit institutions	2,950	850	3,800
Liabilities stemming from financing activities	**3,431**	**1,065**	**4,496**

Parent Company	1 Apr 2023	Cash flows	31 Mar 2024
Bank overdraft facility	292	189	481
Liabilities to credit institutions	3,000	-50	2,950
Liabilities stemming from financing activities	**3,292**	**139**	**3,431**

Note 29

Acquisitions

Accounting principles
Subsidiary companies are reported in accordance with the acquisition method from and including the point in time at which Addtech obtained a controlling influence over those companies. Transaction expenses associated with acquisitions are expensed and reported under selling expenses. Non-controlling interests are measured at fair value on acquisition, entailing goodwill being included in non-controlling interests.

Addtech's business acquisitions often include contingent considerations and/or call/put options, in cases where Addtech does not acquire all of the shares. These are included in the items "Non-current interest-bearing liabilities" and "Current interest-bearing liabilities." For further information about accounting principles and disclosures for those items, see Note 17.

Critical estimates and assumptions
Sources of uncertainty in estimates
On allocating the purchase consideration paid in connection with a business acquisition, management is required to make an assessment, primarily regarding the determination of fair value for acquired intangible assets. Initially, intangible assets that may have a value are indentified, including supplier relationships, customer relationships and technology. As such assets normally have no market value, various valuation methods are applied. These methods are based on various assumptions regarding future cash flows, sales growth, EBIT margins, as well as tax rates and discount rates in different countries. Such calculations require a high degree of estimation, which should be assessed, measured and analysed. For preliminary values associated with acquisitions, fair values may be adjusted up to a year after the completion of the acquisition if new details are obtained regarding the facts and circumstances prevailing at the time of acquisition. Other estimates regarding fair value also affect the distribution between intangible assets with determinable useful lives (which are amortised) and goodwill (which is tested annually for impairment), which in turn affects the income statement and balance sheet.

Acquisitions of companies
Acquisitions completed as of the 2023/2024 financial year are distributed among the Group's business areas as follows:

Acquisitions	Country	Date of acquisition	Acquired holding, %	Net sales, SEK million*	Number of employees*	Business Area
INDAG Maschinenbau GmbH	Germany	April, 2023	90	55	40	Process Technology
Clyde Holding Ltd.	UK	April, 2023	100	150	49	Process Technology
Feritech Global Ltd.	UK	May, 2023	90	55	21	Industrial Solutions
Electrum Automation AB	Sweden	June, 2023	100	80	22	Electrification
Darby Manufacturing Ltd.	Canada	June, 2023	100	50	14	Industrial Solutions
S. Tygesen Energi A/S	Denmark	June, 2023	100	75	3	Energy
Control Cutter AS	Norway	October, 2023	89	160	18	Industrial Solutions
BV Teknik A/S	Denmark	November, 2023	100	85	24	Automation
Kemic Vandrens A/S	Denmark	January, 2024	80	95	20	Process Technology
Crescocito AB	Sweden	February, 2024	100	60	10	Industrial Solutions
Novomotec GmbH	Germany	April, 2024	100	80	9	Electrification
Cell Pack Solutions Ltd.	UK	April, 2024	90	75	30	Electrification
GoDrive AS	Norway	April, 2024	100	75	5	Industrial Solutions
Nuova Elettromeccanica Sub S.p.A.	Italy	June, 2024	100	160	32	Energy
C. Gunnarssons Verkstads AB	Sweden	July, 2024	89	200	45	Industrial Solutions
Analytical Solutions and Products B.V.	Netherlands	July, 2024	100	140	20	Process Technology
Romani Components S.r.l.	Italy	July, 2024	80	125	23	Automation
PGS Tec GmbH	Germany	October, 2024	85	80	15	Process Technology
Unilite A/S	Denmark	November, 2024	100	325	78	Energy
Nanosystec GmbH	Germany	November, 2024	100	90	20	Electrification
Coel Motori S.r.l.	Italy	January, 2025	100	90	24	Industrial Solutions
ROSHO Automotive Solutions GmbH	Germany	February, 2025	80	150	24	Industrial Solutions
AMP Power Protection Ltd.	UK	April, 2025	100	70	20	Electrification
Novatech Analytical Solutions Inc.	Canada	April, 2025	90	260	60	Process Technology

* Refers to assessed situation on a full-year basis at the time of acquisition.

Note 29 cont.

During the financial year, Addtech completed 12 acquisitions, diversified in terms of their markets and geographies, where it took control of the acquired operations during the year.

The following companies were acquired during the year:

Novomotec GmbH
On 10 April, Novomotec GmbH based in Germany was acquired for the Electrification business area. Novomotec is a leading supplier of compact electric motors to OEM customers in light electric vehicles, medical technology and automation applications. The company has nine employees and generates annual sales of approximately EUR 7 million.

Cell Pack Solutions Ltd.
On 15 April, 90 percent of the shares in Cell Pack Solutions Ltd in the UK were acquired for the Electrification business area. Cell Pack develops, manufactures and markets internationally own brand battery solutions to customers primarily in water treatment, safety and medical technology. The company has 30 employees and generates annual sales of approximately GBP 5.6 million.

GoDrive AS
On 29 April, GoDrive AS based in Norway was acquired for the Industrial Solutions business area. GoDrive is a leading supplier of frequency converters and accessories in the Norwegian market. GoDrive joins our operations in the BEVI group, a supplier of electric drive systems, and complements those operations well. The company has five employees and generates annual sales of approximately NOK 75 million.

Nuova Elettromeccanica Sub S.p.A.
On 3 June, Nuova Elettromeccanica Sub S.p.A. based in Italy was acquired, for the Energy business area. NES develops, manufactures and sells equipment and components for electrical transmission lines and substations. The company represents continued development of our position as a global player in high-voltage transmission equipment, complementing well the operations conducted in the Energy Supply business unit. The company has 32 employees and generates annual sales of approximately EUR 14 million.

C. Gunnarssons Verkstads AB
On 1 July, the acquisition was completed of 89 percent of the shares in C. Gunnarssons Verkstads AB based in Sweden for the Industrial Solutions business area. CGV is a leading supplier of machinery and production lines for lumber handling in the Nordic market. The company has 45 employees and generates annual sales of approximately SEK 200 million.

Analytical Solutions and Products B.V.
On 1 July, Analytical Solutions and Products B.V. based in the Netherlands was acquired for the Process Technology business area. ASaP manufactures and supplies analytical solutions to primarily the process and energy industries. The offering includes instrumentation, engineered systems with supporting software and service. The company has 20 employees and generates annual sales of approximately EUR 12 million.

Romani Components S.r.l.
On 9 July, the acquisition was completed of 80 percent of the shares in Romani Components S.r.l. based in Italy for the Automation business area. Romani provides linear and transmission products to machine builders for the automation industry. The offering includes guideways as well as ball screws and precision gears. The company has 23 employees and generates annual sales of approximately EUR 11 million.

PGS Tec GmbH
On 1 October, the acquisition was completed of 85 percent of the shares in PGS Tec GmbH based in Germany for the Process Technology business area. PGS designs, assembles and installs customised water and gas supply systems for pharmaceutical, industrial and laboratory customers. The customer offering covers the entire spectrum of pipeline infrastructure, including valves, instrumentation and automation as well as service and maintenance. The company has 15 employees and generates annual sales of approximately EUR 7 million.

Unilite A/S
On 4 November, Unilite A/S based in Denmark was acquired for the Energy business area. Unilite develops, manufactures and sells energy-efficient fire safety and ventilation solutions for industrial, commercial and public buildings. The company has 78 employees and generates annual sales of approximately DKK 210 million.

Nanosystec GmbH
On 5 November, Nanosystec GmbH based in Germany was acquired for the Electrification business area. Nanosystec develops, produces and sells production equipment primarily for the manufacture of optoelectronics and precision mechanics to customers in the data communications, medical technology and semiconductor industries. The company has 20 employees and generates annual sales of approximately EUR 7.8 million.

Coel Motori S.r.l.
On 15 January, Coel Motori S.r.l. based in Italy was acquired for the Industrial Solutions business area. Coel is a manufacturer and supplier of electric brake motors and patented brake modules for industrial applications in the European market. The company has 24 employees and generates annual sales of approximately EUR 8 million.

ROSHO Automotive Solutions GmbH
On 14 February, the acquisition of 80% of the shares in the German company ROSHO Automative Solutions was completed for the Industrial Solutions business area. ROSHO designs and configures innovative safety and assistance systems based on camera technology. The products and systems are sold under its own brand to vehicle manufacturers, mainly in the public transport segment, in the European market. The company has 24 employees and generates annual sales of approximately EUR 13 million.

Note 29 cont.

The value of assets and liabilities included in acquisitions from the 2023/2024 financial year have been determined conclusively. No significant adjustments have been made to the calculations. According to the adopted acquisition analyses, the assets and liabilities included in the acquisitions for the year were as follows:

Fair value, SEK million	**2024/2025**	2023/2024
Intangible assets	985	727
Other non-current assets	98	127
Inventories	335	156
Other current assets	616	425
Deferred tax liability/tax asset	-267	-186
Other liabilities	-532	-284
Acquired net assets	**1,235**	**965**
Goodwill[1)]	989	722
Non-controlling interests[2)]	-163	-105
Purchase consideration[3)]	**2,061**	**1,582**
Less: cash and cash equivalents in acquired operations	-343	-220
Less: unpaid purchase consideration	-247	-254
Effect on consolidated cash and cash equivalents	**1,471**	**1,108**

1) Goodwill is motivated by the anticipated future sales trend and profitability, as well as the personnel included in the acquired companies.
2) Non-controlling interests have been reported at fair value, which means that non-controlling interests have a share in goodwill.
3) Purchase consideration is stated excluding transaction expenses for the acquisitions.

The combined purchase consideration for the year's acquisition was SEK 2,061 million, whereof SEK 1,974 million, according to preliminary acquisition analyses, was allocated to goodwill and other intangible assets. Had the acquisitions been completed on 1 April 2024, their impact would have been an estimated SEK 1,650 million on consolidated net sales, about SEK 210 million on operating profit and about SEK 145 million on profit after tax for the financial year.

Addtech uses an acquisition structure with a base purchase price and contingent purchase consideration. The outcome of contingent purchase considerations is dependent on future results achieved in the companies and has a set maximum level. Of contingent purchase considerations for acquisitions during the financial year that are yet to be paid, the discounted value amounts to SEK 230 million. The contingent purchase considerations fall due within three years and the outcome may not exceed SEK 277 million.

For acquisitions that resulted in ownership transfer during the financial year, transaction costs totalled SEK 24 million (26) and were recognised in selling expenses.

Revaluations of contingent purchase considerations had a net positive impact of SEK 11 million (15) on the financial year. The impact on profits is recognised in other operating income and other operating expenses, respectively. No material changes in acquisition analyses were made in the financial year with regard to acquisitions carried out in the year or in previous years.

Consolidated goodwill at the time of the acquisition, is the amount by which the acquisition value exceeds the fair value of net assets acquired. Goodwill is motivated by the anticipated future sales trend and profitability, as well as the personnel included in the acquired companies. As of 31 March 2025, non-taxable goodwill amounted to SEK 5,527 million, to be compared with SEK 4,716 million as of 31 March 2024. The change is attributable to acquisitions and exchange differences. Consolidated goodwill is assessed annually for impairment, and no needs for impairment have been identified.

The values allocated to intangible assets, such as supplier relationships, customer relationships and technology, were assessed at the discounted value of future cash flows. The amortisation period is determined by estimating the annual decrease in sales attributable to each asset. Supplier relationships, customer relationships and technology are generally amortised over a period of ten years. Annual calculated amortisation regarding intangible non-current assets for the year's acquisitions amounts to about SEK 98 million.

Note 30

Earnings per share

Addtech discloses earnings per share (EPS) in direct connection with the income statement. Calculation of EPS is based on consolidated profit or loss for the year attributable to Parent Company shareholders and on the weighted average number of shares outstanding during the year. To calculate diluted EPS, the average number of shares is adjusted to take into account the effect of potentially dilutive ordinary shares that, during the periods reported, result from options awarded to employees.

	2024/2025	2023/2024
Earnings per share before and after dilution (SEK)		
Earnings per share before dilution	7.00	6.05
Earnings per share after dilution	7.00	6.05

The calculation of the numerators and denominators used in the above EPS calculations is set out below.

Earnings per share before dilution
The calculation of earnings per share before dilution for 2024/2025 is based on profit attributable to Parent Company shareholders, totalling SEK 1,892 million (1,632), and a weighted average number of shares outstanding during 2024/2025 of 269,829 thousand (269,634). The two components were calculated in the following manner:

	2024/2025	2023/2024
Profit for the year attributable to Parent Company shareholders, before dilution (SEK million)	1,892	1,632

Weighted average number of shares during the year, before dilution

In thousands of shares	**2024/2025**	2023/2024
Total number of shares, 1 April	269,779	269,565
Effect of treasury shares held	50	69
Weighted average number of shares during the year, before dilution	**269,829**	**269,634**

Earnings per share after dilution
The calculation of diluted earnings per share for 2024/2025 is based on profit attributable to Parent Company shareholders, totalling SEK 1,892 million (1,632), and a weighted average number of shares outstanding during 2024/2025 of 270,332 thousand (269,761). The two components were calculated in the following manner:

	2024/2025	2023/2024
Profit for the year attributable to Parent Company shareholders, after dilution (SEK million)	1,892	1,632

Weighted average number of shares during the year, after dilution

In thousands of shares	**2024/2025**	2023/2024
Weighted average number of shares during the year, before dilution	269,829	269,634
Effect of share options issued	503	127
Weighted average number of shares during the year, after dilution	**270,332**	**269,761**

Note 31

Parent Company disclosures

Addtech AB, corporate ID number 556302-9726, is the Parent Company of the Group. The Company's registered office is located in the city of Stockholm, in the county of Stockholm and Addtech AB is a limited liability company under Swedish law.

Head office address:

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Note 32

Related party disclosures

During the 2024/2025 financial year, no significant transactions with related parties have occurred for the Group other than remuneration to senior executives. For information on remuneration to senior executives, see Note 6 Employees and personnel expenses.

All transactions between Addtech AB (publ) and its subsidiaries have been eliminated in the consolidated financial statements. Related parties to the parent company include its subsidiaries and associated companies. The Parent Company holds liabilities to Group companies, see Note 24 Non-current interest-bearing liabilities. These liabilities to Group companies consist of long-term loans that have generated interest income, see Note 11 Financial income and expenses. The Parent Company also provides services to the subsidiary Addtech Nordic AB, for which revenues amount to SEK 104 million (88).

Note 33

Events after the balance sheet date

On 1 April, AMP Power Protection Ltd., Great Britain, was acquired to become part of the Electrification business area. AMP develops, supplies and supports rugged uninterruptible power supplies (UPS) and power protection systems for harsh environments for the defence, marine and transport industries. AMP has 20 employees and sales of around GBP 5 million.

On 1 April, 90 percent of the shares in Novatech Analytical Solutions Inc., Canada, was acquired to become part of the Process Technology business area. Novatech is a leading supplier of analytical instrumentation, engineered systems and services including the measurement of gases and liquids for process, environmental and ambient detection – primarily to Canadian customers within the process and energy segments. Novatech has 60 employees and sales of around CAD 34 million.

Assurance by the Board of Directors

The Board of Directors and the CEO consider the consolidated accounts and annual accounts to have been prepared in accordance with IFRS as adopted by the EU and in accordance with generally accepted accounting principles and give a true and fair view of the position and earnings of the Group and the Parent Company. The Administration Report for the Group and the Parent Company provides a true and fair view of the operations, position and earnings of the Group and the Parent Company and describes the significant risks and uncertainties faced by the Parent Company and the companies included in the Group. In other regards, the earnings and position of the Group and the Parent Company are presented in the Income Statements, Balance Sheets, Cash Flow Statements and appurtenant notes included in the Annual Report.

STOCKHOLM, 3 JULY 2025

Malin Nordesjö
Chairman of the Board

Henrik Hedelius
Board member

Ulf Mattsson
Board member

Fredrik Börjesson
Board member

Annikki Schaeferdiek
Board member

Niklas Stenberg
CEO and Board member

Our Audit Report was submitted on 3 July 2025.

Deloitte AB

Kent Åkerlund
Authorised public accountant

Auditor's report

To the general meeting of the shareholders of Addtech AB (publ) corporate identity number 556302-9726

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of Addtech AB (publ) for the financial year 2024-04-01 - 2025-03-31. The annual accounts and consolidated accounts of the company are included on pages 20-35 and 83-138 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 March 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 March 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of Directors in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of acquired intangible assets

As a result of acquisitions the company recognize significant amounts as acquired intangible assets. As of March 31, 2025, the carrying amount of these assets amount to 8 709 MSEK. Goodwill and intangible assets with indefinite useful life must at least be tested annually to determine if a need for impairment exists. Other intangible assets are tested when there is an indication of a potential need for impairment. The impairment tests are complex and involve significant judgements and assumptions about the future. The calculated recoverable amount for the assets is based on forecasts regarding the discounted future cash flows where estimates of discount rate, revenue and earnings forecasts, and long-term growth depend on management's judgements and assumptions, which can be influenced by management. This in aggregate makes valuation of acquired intangible assets an area of particular significance in the audit.

The company's accounting principles are set out in Note 14 Intangible non-current assets on page 112.

Our work included but were not limited to the following procedures:

- Evaluation of the company's principles and processes for preparing impairment tests in compliance with IFRS
- Evaluation of the company's analysis of whether there are any impairment indicators and
- Involvement of internal valuation specialists to review of the company's impairment test prepared by management and assess the reasonableness of key assumptions used in the impairment test
- Evaluation of appropriate disclosures in accordance with IFRS have been provided in the annual report

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-19, 36-82 and 143-151. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.
We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Addtech AB (publ) for the financial year 2024-04-01 - 2025-03-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

THE AUDITOR'S EXAMINATION OF THE ESEF REPORT

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Addtech AB (publ) for the financial year 2024-04-01 - 2025-03-31.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Addtech AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of The Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHMTL format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Deloitte AB, was appointed auditor of Addtech AB (publ) by the general meeting of the shareholders on the 2024-08-22 and has been the company's auditor since 2023-08-23.

Stockholm the 3rd of July 2025
Deloitte AB

Kent Åkerlund
Authorized Public Accountant

Shareholders/investors

Other

This chapter looks at Addtech from an investor perspective. It presents reasons for investing in the company, share information, alternative performance measures, a multi-year summary and definitions of key terms.

07

Three reasons to invest in Addtech

1.

Scalable business model with broad risk spread
Shareholder value is based on our independent companies with their clear niche strategies and offerings with highly technical contents. We have a scalable model that enables us to continue growing efficiently in multiple markets. Moreover, our broad spread, both in terms of geographies and customer segments, means we are less vulnerable to one-off trends and downturns, which creates resilience and paves the way for a stable performance over time.

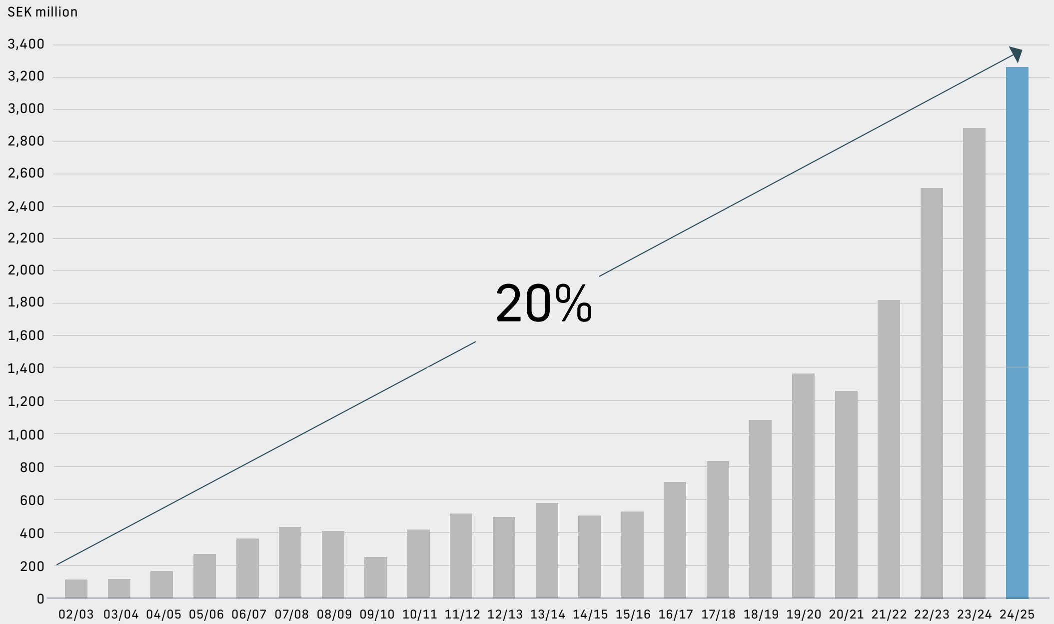
2.

Profit doubled every five years
Addtech is an active owner who works diligently alongside its subsidiaries to increase their sales and profitability. We combine the flexibility, personal touch and efficiency of small businesses with the resources, networks and long-term perspective of a large corporation. We are constantly evolving and we understand the importance of continuously adapting our operations to the prevailing business climate. By doubling our profit every five years, with a margin, we have repeatedly proven our ability to deliver sustained profitable growth.

3.

Successful acquisition strategy
Acquisitions form an important cornerstone in our achieving long-term earnings growth. New companies bring additional sales volumes, customers and expertise, and, in particular, motivated employees and entrepreneurs. They also bring new opportunities for synergies and development. The strategy of acquiring on our own cash flow is successful and made possible through a strong balance sheet as well as a clear focus on cash flow throughout the organisation.

Percent average annual growth, 2002–2025



The Addtech share

Share price trend and turnover
Addtech's Class B shares are listed on Nasdaq Stockholm. Since the listing in September 2001, the average price increase, up to and including 31 March 2025, has been 21 percent annually. Over the corresponding period, the exchange's OMX Stockholm index changed by an average 6 percent.

Over the financial year, the price of the Addtech share rose 20 percent. Over the corresponding period, the exchange's OMX Stockholm index decreased 2 percent. The highest price paid during the year was SEK 351.60, which was noted on 18 February 2025. The lowest price paid was SEK 223.60, which was noted on 25 April 2024. The closing price at the end of the financial year was SEK 292.80, corresponding to a market capitalisation of SEK 76.1 billion (63.4).

During the period from 1 April 2024 to 31 March 2025, 98.5 million shares (94.3) were traded for a total value of slightly more than SEK 29.7 billion (19.4). In relation to the average number of Class B shares outstanding, this corresponded to a turnover rate of 39 percent (36). Broken down per trading day, an average of 394,156 Addtech shares (377,365) were traded for an average value of approximately SEK 119 million (78).

Share capital
At the end of the period, share capital amounted to SEK 51.1 million divided into the following number of shares with a quotient value of SEK 0.19 per share.

Share class	Number of shares	Number of votes	Percentage of capital	Percentage of votes
Class A shares, 10 votes per share	12,864,384	128,643,840	4.7%	33.1%
Class B shares, 1 vote per share	259,929,600	259,929,600	95.3%	66.9%
Total number of shares before repurchases	**272,793,984**	**388,573,440**	**100.0%**	**100.0%**
Whereof, repurchased Class B shares	-2,931,912		1.1%	0.8%
Total number of shares after repurchases	**269,862,072**			

Chapter 6, Section 2a of the Swedish Annual Accounts Act requires listed companies to disclose specific circumstances that may affect the prospects for acquiring the Company via a public share offer. In the event of the Company being de-listed from Nasdaq OMX Stockholm or a party other than the present principal shareholder attaining an ownership holding exceeding 50 percent of the capital or votes, the granted credit line in terms of contractual credit facilities of SEK 4,500 million and overdraft facilities of SEK 1,300 million can be terminated.

Repurchases of treasury shares and incentive schemes
The AGM in August 2024 authorised the Board of Directors to repurchase a maximum of 10 percent of all shares in the Company during the period extending until the 2025 AGM. During the financial year Addtech repurchased none of its own Class B shares. At the end of the year, 2,931,912 (3,014,692) of the Company's own Class B shares were held, with an average purchase price of SEK 40.02 (40.02). These shares correspond to 1.1 percent (1.1) of the number of shares issued and 0.8 percent (0.8) of the votes.

Addtech has four call option schemes outstanding for a total of 2,185,355 shares. Call options issued on repurchased shares entail a dilution effect of about 0.2 percent over the past 12-month period. Addtech's holdings of treasury shares fully match the needs of the call option schemes outstanding.

Schemes outstanding	Number of options	Corresponding number of shares	Percentage of total shares	Redemption price per share	Redemption period
2024/2028	639,925	639,925	0.2%	388.80	6 Sep 2027 – 9 Jun 2028
2023/2027	674,500	674,500	0.2%	221.00	7 Sep 2026 – 9 Jun 2027
2022/2026	825,910	825,910	0.3%	180.10	8 Sep 2025 – 10 Jun 2026
2021/2025	45,020	45,020	0.0%	214.40	9 Sep 2024 – 11 Jun 2025
Total	**2,185,355**	**2,185,355**			

Ownership structure

On 31 March 2025, the total number of shareholders was 18,186 (15,122), of whom 15,397 (12,445) each held 1,000 shares or less. The 15 largest shareholders accounted for 44.8 percent (47.7) of the total number of shares and 59.8 percent (61.8) of the total number of votes. Anders Börjesson (including related parties) is the largest shareholder in terms of votes, with a shareholding corresponding to 16.5 percent, followed by Tom Hedelius, with a shareholding corresponding to 15.2 percent. The proportion of foreign owners corresponded to 42 percent (40) of total capital.

Additional information

Addtech's website www.Addtech.com is updated continuously with information about shareholder changes and share price performance. The site also presents information about which analysts monitor Addtech.

Addtech's largest shareholders, 31 Mar 2025

Shareholders	Number of Class A shares	Number of Class B shares	Percentage of capital	Percentage of votes
Anders Börjesson (with companies and family members)	6,348,648	486,000	2.5	16.5
Tom Hedelius	5,895,960	64,800	2.2	15.2
Swedbank Robur Fonder		15,090,273	5.5	3.9
SEB Fonder		14,897,949	5.5	3.8
Fidelity Investments (FMR)		11,099,520	4.1	2.8
BlackRock		10,708,828	3.9	2.7
Vanguard		9,205,277	3.4	2.4
Lannebo Kapitalförvaltning		8,624,925	3.1	2.2
Handelsbanken Fonder		7,137,028	2.6	1.8
Norges Bank Investment Management		6,592,643	2.4	1.7
AMF Pension & Fonder		5,760,148	2.1	1.5
Capital Group		5,687,536	2.1	1.5
Cliens Fonder		5,370,000	2.0	1.4
ODIN Fonder		4,675,769	1.7	1.2
Spiltan Fonder		4,564,380	1.7	1.2
Total, 15 largest shareholders [1)]	**12,244,608**	**109,965,076**	**44.8**	**59.8**

1) The proportion of capital and votes includes treasury shares held by Addtech AB.

Key indicators

	2024/2025	2023/2024	2022/2023
Earnings per share, SEK	7.00	6.05	5.55
Equity per share, SEK	24.55	22.15	19.25
Price/earnings ratio	42	40	35
Share dividend, SEK	3.20 [2)]	2.80	2.50
Payout ratio, %	46	46	45
Dividend yield, %	1.1	1.1	1.3
Last price paid, SEK	292.80	243.80	192.30
Price/equity, multiple	11.3	10.3	9.4
Market capitalisation, SEK million	76,107	63,366	49,980
Average number of shares outstanding	269,828,982	269,633,678	269,556,682
Number of shares outstanding at end of year	269,862,072 [3)]	269,779,292	269,564,712
Number of shareholders at end of year	18,186	15,122	12,206

2) In accordance with the dividend proposed by the Board of Directors.
3) The difference between the total number of shares and shares outstanding equals the shares repurchased by Addtech: 2,931,912 Class B shares as of 31 March 2025.

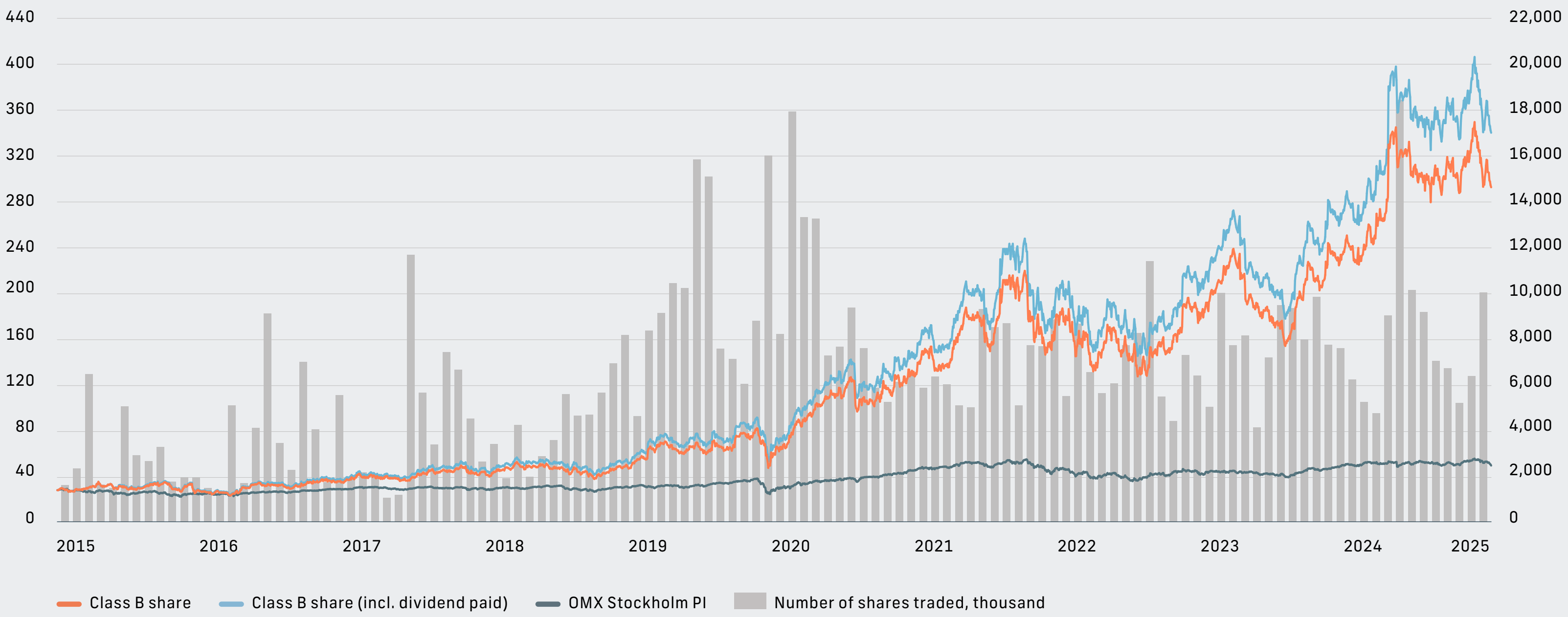
Size classes

Number of shares	% of share capital	Number of shareholders	% of number of shareholders
1–500	1	14,155	78
501–1,000	0	1,242	7
1,001–5,000	1	1,726	9
5,001–10,000	1	369	2
10,001–20,000	1	222	1
20,001–50,000	2	162	1
50,001–	94	310	2
Total	**100**	**18,186**	**100**

Holdings by category

	2024/2025		2023/2024	
	Number of shareholders	**Percentage of capital**	**Number of shareholders**	**Percentage of capital**
Swedish shareholders	17,367	58	14,457	60
Foreign shareholders	819	42	665	40
Total	**18,186**	**100**	**15,122**	**100**
Legal entities	1,467	86	1,237	85
Natural persons	16,719	14	13,885	15
Total	**18,186**	**100**	**15,122**	**100**

Share performance



Multi-year summary

SEK million, unless otherwise stated	**2024/2025**	2023/2024	2022/2023	2021/2022
Net sales	21,796	20,019	18,714	14,038
EBITDA	3,692	3,245	2,872	2,077
EBITA	3,265	2,860	2,540	1,803
Operating profit	2,757	2,426	2,167	1,501
Profit after financial items	2,515	2,183	2,005	1,433
Profit for the year	**1,940**	**1,691**	**1,554**	**1,117**
Intangible assets	8,709	7,466	6,312	5,368
Property, plant and equipment and financial non-current assets	778	705	537	439
Right-of-use assets	748	694	722	683
Inventories	3,260	3,125	3,326	2,569
Current receivables	3,850	3,869	3,768	2,931
Cash and cash equivalents	1,168	798	606	437
TOTAL ASSETS	**18,513**	**16,657**	**15,271**	**12,427**
Equity attributable to shareholders	6,627	5,974	5,184	3,931
Non-controlling interests	436	504	389	328
Interest-bearing liabilities and provisions	6,448	5,466	4,931	4,498
Non-interest-bearing liabilities and provisions	5,002	4,713	4,767	3,670
TOTAL EQUITY AND LIABILITIES	**18,513**	**16,657**	**15,271**	**12,427**
Capital employed	13,511	11,944	10,504	8,757
Working capital	4,312	4,219	3,855	2,618
Financial net debt	5,280	4,668	4,325	4,061
Net debt excluding pensions	5,018	4,427	4,107	3,747
EBITA margin, %	15.0	14.3	13.6	12.8
Operating margin, %	12.6	12.1	11.6	10.7
Profit margin, %	11.5	10.9	10.7	10.2
Return on equity, %	29	28	32	30
Return on capital employed, %	22	22	22	20
Return on working capital (P/WC), %	76	68	66	69
Equity/assets ratio, %	38	39	36	34
Debt/equity ratio, multiple	0.7	0.7	0.8	1.0
Net debt/equity ratio, multiple	0.7	0.7	0.7	0.9

SEK million, unless otherwise stated	**2024/2025**	2023/2024	2022/2023	2021/2022
Interest coverage ratio, multiple	9.6	8.7	13.7	22.4
Financial net debt/EBITDA, multiple	1.4	1.4	1.5	2.0
Earnings per share, SEK	7.00	6.05	5.55	4.00
Earnings per share after dilution effect, SEK	7.00	6.05	5.55	3.95
Cash flow per share, SEK	10.05	9.55	7.10	4.15
Equity per share, SEK	24.55	22.15	19.25	14.60
Dividend per share, SEK	3.20[1]	2.80	2.50	1.80
Average number of shares after repurchases (thousand)	269,829	269,634	269,557	269,400
Average number of shares after repurchases, adjusted for dilution (thousand)	270,332	269,761	269,723	270,346
Share price on 31 March, SEK	292.80	243.80	192.30	182.00
Cash flow from operating activities	2,709	2,575	1,911	1,121
Cash flow from investing activities	-1,798	-1,482	-1,387	-1,255
Cash flow from financing activities	-474	-922	-371	147
Cash flow for the year	437	171	153	13
Average number of employees	4,341	4,109	3,781	3,317
Number of employees at end of year	4,470	4,175	3,911	3,556

1) As proposed by the Board of Directors.

Definitions

RETURN ON EQUITY[1, 2]
Profit after tax divided by equity. The components are calculated as the average for the past 12 months.

From the shareholder perspective, return on equity measures the return provided on shareholders' invested capital.

RETURN ON WORKING CAPITAL (P/WC)[1]
EBITA divided by working capital.

P/WC is used to analyse profitability and is a measure that attaches a premium to high EBITA earnings and low working capital requirements, see reconciliation table on the next two-page spread.

RETURN ON CAPITAL EMPLOYED[1]
Profit after financial items plus financial expenses as a percentage of capital employed. The components are calculated as the average for the past 12 months.

Return on capital employed shows the Group's profitability in relation to externally financed capital and equity, see reconciliation table on the next two-page spread.

EBITA[1]
Operating profit before amortisation of intangible non-current assets.

EBITA is used to analyse the profitability generated by the operating activities, see reconciliation table on the next two-page spread.

EBITA MARGIN[1]
EBITA as a percentage of net sales.

EBITA margin is used to show the degree of profitability of the operating activities.

EBITDA[1]
Operating profit before depreciation/amortisation and impairment.

EBITDA is used to analyse the profitability generated by the operating activities, see reconciliation table on the next two-page spread.

EQUITY PER SHARE[1]
Equity divided by number of shares outstanding on the balance sheet date.

This figure measures how much equity is attributable to each share and is presented to facilitate investors' analyses and decisions.

FINANCIAL NET DEBT[1]
The net of interest-bearing liabilities and provisions, less cash and cash equivalents.

Net debt is used to monitor the debt trend, analyse the Group's borrowing and its ability to repay its debts with cash and cash equivalents generated from the Group's operating activities if all liabilities matured today, as well as any refinancing necessary.

FINANCIAL NET DEBT/EBITDA[1]
Financial net debt divided by EBITDA.

Comparing financial net debt to EBITDA provides a key financial indicator for net debt in relation to cash-generating earnings in the operations, that is, it provides an indication of the company's ability to pay its debts. This measure is generally used by financial institutions to measure creditworthiness.

NET FINANCIAL ITEMS[1]
Financial income less financial expenses.

Used to describe the trend in the Group's financial activities.

ACQUIRED GROWTH[1]
Changes in net sales attributable to business combinations compared with the corresponding period in the preceding year.

Acquired growth is used as a component to describe the trend in consolidated net sales, where acquired growth is distinguished from organic growth, divestments and exchange rate effects, see reconciliation table on the next two-page spread.

CASH FLOW FROM OPERATING ACTIVITIES PER SHARE[1]
Cash flow from operating activities, divided by the average number of shares outstanding following repurchases.

This measure is used for investors to be able to easily analyse the scale of the surplus from operating activities generated per share.

NET INVESTMENTS IN NON-CURRENT ASSETS[1]
Investments in non-current assets less disposals of non-current assets.

The measure is used to analyse the Group's investments in renewing and developing its property, plant and equipment.

NET DEBT EXCLUDING PENSIONS[1]
The net of interest-bearing liabilities and provisions, excluding pensions, less cash and cash equivalents.

A measure used to analyse financial risk, see reconciliation table on the next two-page spread.

NET DEBT/EQUITY RATIO, EXCLUDING PENSIONS[1, 2]
Net debt, excluding pensions, divided by equity.

A measure used to analyse financial risk, see reconciliation table on the next two-page spread.

ORGANIC GROWTH[1]
Changes in net sales excluding currency effects, acquisitions and divestments compared with the corresponding period in the preceding year.

Organic growth is used to analyse the underlying sales growth driven by changes in volume, product range and price for similar products between different periods, see reconciliation table on the next two-page spread.

Definitions, cont.

PROFIT AFTER FINANCIAL ITEMS[1]
Profit before tax for the period.

Used to analyse the operations' profitability, including financial activities.

EARNINGS PER SHARE
Shareholders' share of profit after tax for the period, divided by the weighted average number of shares during the period.

EARNINGS PER SHARE AFTER DILUTION
Shareholders' share of profit after tax for the year, divided by the weighted average number of shares outstanding and adjusted for additional shares from the exercise of options outstanding.

INTEREST COVERAGE RATIO[1]
Profit after net financial items plus interest expenses and bank charges, divided by interest expenses and bank charges.

This key financial indicator measures the Group's capacity to generate a sufficiently large surplus through its operations and financial income to cover its financial expenses, see reconciliation table on the next two-page spread.

WORKING CAPITAL[1]
Working capital (WC) is measured by means of an annual average, defined as inventories plus accounts receivable less accounts payable.

Working capital is used to analyse how much working capital is tied up in the operations, see reconciliation table on the next two-page spread.

OPERATING MARGIN[1]
Operating profit as a percentage of net sales.

The measure is used to indicate what percentage of sales remains to cover interest and tax and to provide profit, after the Company's expenses have been paid.

OPERATING PROFIT[1]
Operating income less operating expenses.

Used to describe consolidated earnings before interest and taxes.

DEBT/EQUITY RATIO[1, 2]
Financial net debt divided by equity.

A measure used to analyse financial risk.

EQUITY/ASSETS RATIO[1, 2]
Equity as a percentage of total assets.

The equity/assets ratio is used to analyse financial risk and shows what proportion of assets are financed through equity.

CAPITAL EMPLOYED[1]
Total assets less non-interest-bearing liabilities and provisions.

Capital employed shows what proportion of the Company's assets have been lent by the Company's shareholders or that have been lent by lenders, see reconciliation table on the next two-page spread.

NUMBER OF SHARES OUTSTANDING
Total number of shares less own shares repurchased by the Company.

PROFIT MARGIN[1]
Profit after financial items as a percentage of net sales. The profit margin illustrates how much profit the company generates on each SEK in sales after all costs including financial expenses have been paid.

1 The key indicator is an alternative performance measure according to ESMA guidelines.
2 The minority is included in equity when calculating the key indicators.

Alternative performance measures

The Company presents certain financial measures in the Annual Report that are not defined in accordance with IFRS. The Company believes that these measures provide valuable supplementary information to investors and the Company's management as they enable the evaluation of trends and the Company's performance. Since not all companies calculate financial measures in the same way, these are not always comparable with measures used by other companies. These financial measures should therefore not be seen as compensation for measures that are defined in accordance with IFRS. For definitions of the key financial indicators used by Addtech, see pages 149–150. Additional reconciliation tables for alternative performance measures are available on the website www.addtech.com.

Reconciliation tables, alternative performance measures

EBITA and EBITDA

Group, SEK million	2024/2025	2023/2024	2022/2023	2021/2022
Operating profit	2,757	2,426	2,167	1,501
Amortisation, intangible non-current assets (+)	508	434	373	302
EBITA	**3,265**	**2,860**	**2,540**	**1,803**
Depreciation, property, plant and equipment (+)	427	385	332	274
EBITDA	**3,692**	**3,245**	**2,872**	**2,077**

Working capital and return on working capital (P/WC)

Group, SEK million	2024/2025	2023/2024	2022/2023	2021/2022
EBITA (rolling 12 months)	3,265	2,860	2,540	1,803
Inventories, annual average (+)	3,386	3,359	3,154	2,058
Accounts receivable, annual average (+)	3,256	3,072	2,876	2,078
Accounts payable, annual average (-)	-2,330	-2,212	-2,175	-1,518
Working capital (annual average)	**4,312**	**4,219**	**3,855**	**2,618**
Return on working capital (P/WC) (%)	**76%**	**68%**	**66%**	**69%**

Acquired growth and organic growth

Group	2024/2025	2023/2024	2022/2023	2021/2022
Acquired growth (SEK million, %)	**1,400 (7%)**	**851 (5%)**	**1,655 (12%)**	**998 (9%)**
Organic growth (SEK million, %)	**461 (2%)**	**16 (0%)**	**2,486 (17%)**	**1,679 (15%)**
Divestments (SEK million, %)	– (–)	– (–)	– (–)	-12 (0%)
Exchange rate effects (SEK million, %)	-84 (0%)	438 (2%)	535 (4%)	37 (0%)
Total growth (SEK million, %)	**1,777 (9%)**	**1,305 (7%)**	**4,676 (33%)**	**2,702 (24%)**

Net debt excluding pensions and net debt/equity ratio excluding pensions

Group	2024/2025	2023/2024	2022/2023	2021/2022
Financial net debt, SEK million	5,280	4,668	4,325	4,061
Pensions, SEK million (-)	-262	-241	-218	-314
Net debt excluding pensions, SEK million	**5,018**	**4,427**	**4,107**	**3,747**
Equity, SEK million	7,063	6,478	5,573	4,259
Net debt/equity ratio excluding pensions, multiple	**0.7**	**0.7**	**0.7**	**0.9**

Interest coverage ratio

Group	2024/2025	2023/2024	2022/2023	2021/2022
Profit after financial items, SEK million	2,515	2,183	2,005	1,433
Interest expenses and bank charges, SEK million (+)	294	283	158	67
Total	2,809	2,466	2,163	1,500
Interest coverage ratio, multiple	**9.6**	**8.7**	**13.7**	**22.4**

Capital employed and return on capital employed

Group, SEK million	2024/2025	2023/2024	2022/2023	2021/2022
Profit after financial items	2,515	2,183	2,005	1,433
Financial expenses (+)	358	367	210	152
Profit after financial items plus financial expenses	**2,873**	**2,550**	**2,215**	**1,585**
Total assets, annual average (+)	17,893	16,170	14,280	11,001
Non-interest-bearing liabilities, annual average (-)	-3,895	-3,839	-3,581	-2,705
Non-interest-bearing provisions, annual average (-)	-978	-809	-655	-485
Capital employed	**13,020**	**11,522**	**10,044**	**7,811**
Return on capital employed, %	**22%**	**22%**	**22%**	**20%**

Narva Communications