

Interim Report

» High demand and improved results

JANUARY – JUNE 2022

NET SALES INCREASED BY 63.3 PERCENT TO SEK 3,340.0 (2,045.1) MILLION
 THE EBITA PROFIT INCREASED BY 86.8 PERCENT TO SEK 328.5 (175.9) MILLION AND THE
 ADJUSTED EBITA PROFIT INCREASED BY 66.0 PERCENT TO SEK 334.7 (201.6) MILLION ¹⁾

THE EBITA MARGIN INCREASED TO 9.8 (8.6) PERCENT AND THE ADJUSTED EBITA MARGIN
 INCREASED TO 10.0 (9.9) PERCENT ¹⁾

PROFIT AFTER TAX INCREASED TO SEK 252.0 (115.6) MILLION
 EARNINGS PER SHARE INCREASED TO SEK 9.05 (5.50) ²⁾

CASH FLOW FROM OPERATING ACTIVITIES INCREASED TO SEK 135.9 (129.0) MILLION

APRIL – JUNE 2022

NET SALES INCREASED BY 59.1 PERCENT TO SEK 1,644.7 (1,033.7) MILLION
 THE EBITA PROFIT INCREASED BY 87.9 PERCENT TO SEK 136.4 (72.6) MILLION AND
 THE ADJUSTED EBITA PROFIT INCREASED BY 42.9 PERCENT TO SEK 140.5 (98.3) MILLION ¹⁾

THE EBITA MARGIN INCREASED TO 8.3 (7.0) PERCENT AND THE ADJUSTED EBITA MARGIN WAS
 8.5 (9.5) PERCENT ¹⁾

PROFIT AFTER TAX INCREASED TO SEK 130.3 (43.2) MILLION
 EARNINGS PER SHARE INCREASED TO SEK 4.71 (2.03) ²⁾

CASH FLOW FROM OPERATING ACTIVITIES INCREASED TO SEK 130.7 (74.5) MILLION

1) EBITA is adjusted for items that affect comparability between periods, to improve understanding of the Group's underlying operative activities. For more information, see definitions on page 28. 2) Before and after dilution.
 The information contained herein is such as shall be made public by Knowit AB (publ) in accordance with the EU Market Abuse Regulation and the Securities Market Act. The information was made public through the agency of CEO and President Per Wallentin, at 07.30 CEST on July 15, 2022.

COMMENTS FROM THE CEO

A strong first six months for Knowit

We are still seeing a positive market with a high demand for Knowit's services and we are pleased to present strong growth and an improved profit during the second quarter of the year. Our position as a digitalization partner to Nordic companies is strong and our four business areas are developing well, despite the uncertainty and concerning events characterizing the outside world.

CONTINUED GROWTH AND an improved result. During the first six months of the year, we have met with very strong demand, which means that we can show continued positive growth. Net sales during the second quarter increased by 59.1 percent, driven by continued organic growth and the positive effects of the acquisitions integrated during 2021 and early 2022. We work continually to increase efficiency and improve our deliveries to clients, with the goal of strengthening our results further in the future.

A DRIVING FORCE IN NORDIC CONSOLIDATION

Knowit's growth strategy is based on a combination of organic growth supplemented with strategic acquisitions. Sound organic growth is a fundamental requirement for a consultancy firm to develop and retain its attractive power for both clients and employees. Acquisitions help strengthen the Company as regards both competence and geography.

The Nordic market for services in digitalization is characterized by a few larger suppliers and a large number of smaller, niche players. With a clear acquisition agenda, Knowit has grown into one of the larger players and is part of driving the Nordic consolidation forward. During the quarter, Knowit has announced the acquisitions of the software developers Swedspot in Sweden and Miracle in Denmark, as well as the strategy agency Marketing Clinic in Finland, with a total of around 230 employees. All acquisitions reinforce our position further, both geographically and as regards competence.

AN ATTRACTIVE WORKPLACE ON A HOT MARKET

The second quarter of the year is characterized by continued strong demand for competence. At Knowit, we can see this through strong demand for our services, which creates good conditions for continued, sound organic growth. We also see that our skilled consultants are in demand and the ongoing work of developing Knowit as a workplace has high priority on our agenda. During the quarter, we have had a positive trend regarding net recruitment, which is very pleasing.

We are working proactively for many years to make Knowit one of the industry's most attractive workplaces. I am proud that our regular employee surveys show that are continually developing and that more employees are saying that they would recommend Knowit as a work-



place. Having existing employees recommend people in their networks to join Knowit will always be one of our most effective and secure recruitment paths.

Knowit's strong employer brand gained attention by the LinkedIn Top Companies Sweden, which was published for the first time this quarter. We are also very proud to climb to the top ten among the most attractive workplaces in the Nordic region, according to a fresh ranking from Universum.

AN ACTIVE FORCE IN THE CLIMATE SHIFT

Participating in the shift to a society without carbon dioxide emissions is an urgent and significant matter for both individuals and companies. Digitalization is an important tool in these efforts, as automated processes, new types of energy systems, decreased travel, and changed consumer behavior all contribute to decreasing the total carbon dioxide emissions worldwide. At Knowit, we have the ambition to actively contribute to the UN Agenda 2030 by constantly working, with our clients and partners, to promote positive climate impact and increased inclusivity. An important parameter in this work is the sustainability goals announced earlier this year, which are an important steering mechanism for us to approach our vision of contributing to a sustainable and humane society.

PER WALLENTIN
CEO and President

EVENTS DURING THE PERIOD



APRIL – JUNE 2022

Knowit has **ACQUIRED SWEDSPOT**, a company with a strong focus on software development for the car industry, with around 40 employees. Swedspot will be part of Knowit Connectivity and supplements the existing offers in embedded systems with both broad competence in software development and a unique platform with smart services for connected vehicles.

Knowit has initiated a collaboration with SustainLab, a **SWEDISH STARTUP WITH A UNIQUE SUSTAINABILITY PLATFORM** that automates data management and gives companies and organizations valuable insights into their sustainability efforts.

Knowit has, in collaboration with Health Integrator, developed an improved method and higher accuracy tool for identifying individuals living at risk of developing type 2 diabetes, with improved accuracy. **THE TOOL COMBINES MEDICAL SCIENCE AND DATA ANALYSIS**, which leads to improved quality of life and decreased costs in healthcare.

Knowit is **SELLING THE GROUP'S NON-CONTROLLING INTERESTS** in the Norwegian fintech company Stacc AS. The disposal is occurring at valuation of NOK 73 million for Knowit's holdings.

Knowit has been given the confidence of serving as a strategic partner in the **FURTHER DEVELOPMENT OF INERA'S APPLICATION SERVICES**. The framework agreement encompasses most of Inera's services, including important national services in Sweden, such as 1177.

In May, Knowit participated in the annual **WOMEN IN TECH SWEDEN** conference, with the aim to highlight and support women's possibilities and interest in the tech field. This year's theme focused on the need for continuous development and how everyone can and should take both individual and shared responsibility for a better future.

Knowit has initiated a collaboration with the **INNOVATIVE STARTUP COMPANY GAIA GEN**, which offers climate calculations for companies and organizations that want an improved ability to keep track of the IT operation's carbon dioxide emissions.

In June, **KNOWIT ANNOUNCED THE ACQUISITION OF MIRACLE**, with around 130 employees – a Danish consultancy company with well-positioned operations in system development, consultancy, and a high competence in open source platforms.

In June, the **ACQUISITION OF THE STRATEGY AGENCY MARKETING CLINIC** with roughly 60 consultants, primarily in Helsinki, was also announced. Through the acquisition, Insight's position on the Finnish market is strengthened with a broader offer in growth and business development strategies.

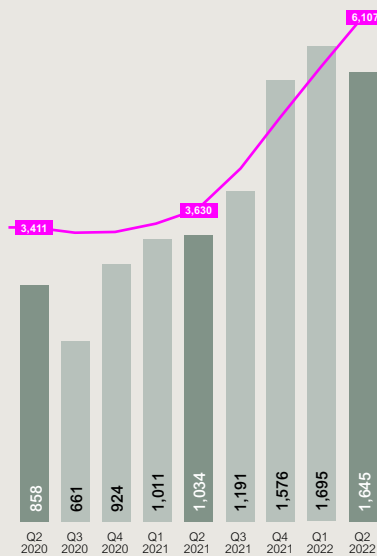
THE QUARTER IN BRIEF

Continued growth during the second quarter

APRIL – JUNE 2022

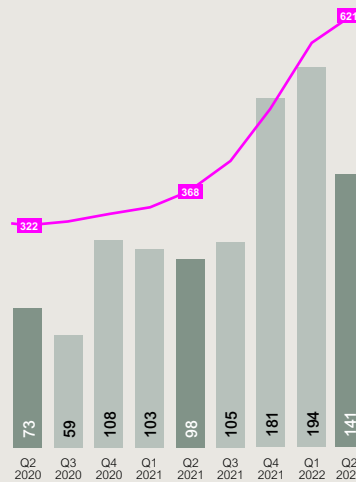
THE QUARTER IS characterized by continued strong demand for Knowit's services, with high growth and an improved profit.

In June, the acquisition of Swedspot AB, a company with a strong focus on software development for the vehicle industry, was finalized. The company has around 40 employees and has added to Knowit's business area Connectivity by supplementing existing offers in embedded services, with both broad competence in software development and a unique platform with smart services for connected vehicles. In June, the acquisitions of Danish Miracle, with around 130 employees, and Marketing Clinic, with around 60 employees in Helsinki, were also announced. These acquisitions supplement Knowit's geographic breadth and its offers in the business areas Solutions and Insight and will be consolidated as of July 1, 2022.



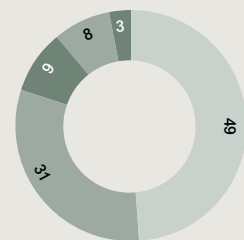
NET SALES, SEK, MILLIONS

- Net sales, quarterly data
- Rolling 12 months



ADJUSTED EBITA PROFIT, SEK, MILLIONS

- Adjusted EBITA profit, quarterly data
- Rolling 12 months



SALES PER COUNTRY APRIL – JUNE 2022

Sweden	49%	(51)
Norway	31%	(40)
Finland	9%	(4)
Denmark	8%	(4)
Poland	3%	(0)
Other	0%	(0)

→ THE QUARTER IN BRIEF

APRIL – JUNE 2022

Financial development

During the quarter, net sales increased to SEK 1,644.7 (1,033.7) million, affected by the acquisitions of Cybercom, Capacant, 1508.dk, Strømlin, and Swedspot. Earnings before amortization of intangible assets (EBITA) increased to SEK 136.4 (72.6) million. Adjusted EBITA profit increased to SEK 140.5 (98.3) million, adjusted for acquisition and integration costs of SEK 4.1 million.

Compared with the corresponding quarter last year, the exchange rate development had a positive impact of SEK 30.3 million on net sales. Cash flow from operating activities was SEK 130.7 (74.5) million, where the change in operating capital had an impact of SEK 31.2 (9.0) million. ■

The below table shows financial history that includes the acquisitions of Cybercom, Capacant, 1508.dk, Strømlin, and Swedspot for comparable periods, to facilitate for the reader to follow the development. See more information on page 26 in this report.

SEK, MILLIONS	APR-JUNE 2022	APR-JUNE 2021
Sales	1,644.7	1,033.7
Sales, acquisitions		499.8 ¹⁾
Sales, including acquisitions	1,644.7	1,533.5
Sales, change, %	7.2	
<i>of which is exchange rate effect, %</i>	2.0	

1) Adjustments relate to addition of net sales in Cybercom, Capacant, 1508.dk, and Strømlin for the period April–June 2021, and Swedspot for the period June 2021.

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

SEK, MILLIONS	APR-JUNE 2022	APR-JUNE 2021
EBITA	136.4	72.6
Adjusted EBITA profit	140.5¹⁾	98.3 ¹⁾
EBITA margin, %	8.3	7.0
Adjusted EBITA margin, %	8.5²⁾	9.5 ²⁾
Cash flow from operating activities	130.7	74.5
Intangible assets	4,066.5	1,394.2
Number of employees at the end of the period	3,933	2,549

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

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

MARKET AND OPERATIONS

Knowit is participating in the creation of a digitalized and sustainable world

Knowit is participating in the transformation to a digitalized and sustainable society by developing innovative solutions along with clients and partners. Together, the business areas *Solutions*, system development and tech-associated services, *Experience*, digital communication solutions and data-driven customer experiences, *Connectivity*, development of embedded systems, security applications, and cloud services, and *Insight*, management consultancy and organizational development, create a complete offer in digitalization encompassing the clients' entire organizations.

THE DIGITAL TRANSFORMATION means that companies and organizations are changing their processes and business models to become entirely or partially digitalized and Knowit provides support in every step of this development. In a digitalized society, new possibilities are born for a simplified and sustainable everyday life, for both people and companies. The solutions to many large societal challenges, such as climate change, is dependent on mankind's ability to use new and existing technology in a sustainable way. Digital solutions that Knowit has developed along with clients and partners are found in all parts of society, from schools, healthcare, and authorities, to e-commerce, transportation, security solutions in cars, and new energy systems. Knowit's competence in new technology, such as artificial intelligence, automation, and robotization, creates opportunities to change society and climate impact in a positive direction. Knowit has its main operations in Nordic region, with a smaller operation in Germany, and operations in Poland that support the

Nordic operations with expertise in programming and system development. With an agile work method and client-tailored solutions, Knowit has a strong position on the Nordic digital market.

A STRONG CLIENT OFFER

Knowit's four business areas have their basis in clients' needs for support in various parts of their organizations. The business area *Solutions* usually collaborates with client companies' operative and IT departments. *Experience*'s main client group is sales and marketing departments and *Insight* usually gets orders from corporate management and executive teams. *Connectivity*'s target group is mainly research and development departments. Knowit's clients often have needs that encompass services from several business areas. This means that projects can be performed with support and competence from multiple business areas. These are collaborations that development both Knowit's and the clients' business.

BROAD SPREAD ACROSS DIFFERENT CLIENT INDUSTRIES

Knowit meets clients in many different industries, where companies or organizations have a need for competent support to develop their operations and drive the change towards a digitalized society. The main share of net sales comes from the public sector, which is behind 37 percent of Knowit's total net sales. Other significant industries are retail and service companies, the manufacturing industry, and banking, finance, and insurance, which are behind 18, 15, and 10 percent of net sales, respectively.

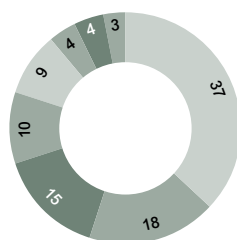
WITH A FOCUS ON SUSTAINABILITY

Actively contributing to development of a sustainable and carbon dioxide neutral society is a high priority at Knowit. Knowit has established sustainability targets that serve to ensure that the company, along with its clients and partners, actively contribute to the UN Agenda 2030. Since January 1, 2022, Knowit is a climate-positive company and has, within the framework of Fossil-Free Sweden, committed to decreasing the Company's carbon dioxide emissions by at least 50 percent by 2030. The targets are in line with the Science-Based Targets



SALES PER BUSINESS AREA
APRIL - JUNE 2022

Solutions	53% (56)
Experience	23% (30)
Connectivity	15% (3)
Insight	10% (10)



SALES PER CLIENT INDUSTRY
APRIL - JUNE 2022

Public sector	37% (38)
Retail and service companies	18% (20)
Industry	15% (12)
Banking, finance, and insurance	10% (13)
Telecommunications	9% (5)
Energy	4% (5)
Media, education, and gaming	4% (3)
Other	3% (4)

→ MARKET AND OPERATIONS

(SBTi), an initiative that objectively reviews the emission-reducing targets of companies in relation to science-based best practices.

An important part of Knowit's sustainability work is supporting their clients in their climate transformation. During the quarter, Knowit has initiated collaborations with Gaia Gen and SustainLab, two Swedish startups that have developed platforms to support other companies and organizations through climate calculations and automated data management.

A STRONG EMPLOYER BRAND

The growing demand for digital services means that Knowit is working intensively to attract new employees and retain its strong employer brand in the tech field. During the quarter, Knowit performed its employee survey, which is done twice a year. The results show that Knowit's employees enjoy working for Knowit and grow through it, and that a very large share of its employees are ambassadors who recommend Knowit as an employer to friends and acquaintances – more than in the last survey. Regular follow-up of employees' enjoyment, motivation, and jobs security is a key factor for attractive competence employees in the future as well. This spring's survey contained an index on diversity and inclusion for the first time.

In April, the social career platform LinkedIn published the Swedish version of Top Companies for the first time and Knowit is one of the companies on the list. Top Companies Sweden is a ranking of the 25 Swedish workplaces which, based on LinkedIn's statistics, have the best conditions to provide employees with strong career development.

During the quarter, Knowit participated in the Women in Tech Sweden conferences, among other things, with the aim of highlighting and supporting women's possibilities and interest in tech.

AN ACTIVE ACQUISITION AGENDA COMBINED WITH ORGANIC GROWTH

The Nordic market for digitalization is characterized by a few larger players and a large number of smaller companies specialized in various areas of the digitalization chain. Knowit is one of the players that can – and has the ambition to – drive the consolidation trend in the long term, by making strategic or complementary acquisitions to supplement long-term, sound organic growth.

During the second quarter, Knowit has made public three new acquisitions. Swedspot, a company with around 40 employees in western Sweden, has a strong offer in software development for the vehicle industry, supplementing and strengthening Knowit Connectivity's existing offer. Danish Miracle, with around 130 employees, as a strong position in system development, consultancy, and open source platforms – a strong complement to Knowit Solutions' existing offer. The strategy agency Marketing Clinic, with around 60 employees, is strengthening Knowit in management consulting, primarily on the Finnish market.

FINANCIAL OUTCOME

The Group's operations are organized so that the corporate management team primarily follows up on four business areas. The organizational change that Knowit performed in connection with the integration of Cybercom, when a new business area was established, means that some

operations that were formerly part of the business area Solutions have been transferred to the new business area Connectivity. At the same time, competence and resources that were formerly part of Cybercom have been included in the other three business areas. This means that comparative figures have been adjusted.

Net sales during the quarter increased to SEK 932.7 (615.0) million for Solutions, SEK 401.5 (333.3) million for Experience, SEK 259.4 (34.0) million for Connectivity, and SEK 170.7 (112.0) million for Insight.

Earnings before amortization of intangible assets (EBITA) increased to SEK 89.6 (68.5) million for Solutions, SEK 38.8 (33.5) million for Experience, SEK 25.4 (3.2) million for Connectivity, and SEK 24.0 (12.2) million for Insight.

The EBITA margin for Solutions was 9.6 (11.1) percent, that for Experience was 9.7 (10.0) percent, that for Connectivity increased to 9.8 (9.4) percent, and that for Insight to 14.1 (10.9) percent.

Solutions

	APR-JUNE 2022	APR-JUNE 2021 ¹⁾	APR-JUNE 2021 incl. acquisition ²⁾
Sales, SEK, million	932.7	615.0	852.4
EBITA, SEK, million	89.6	68.5	98.0
EBITA margin, %	9.6	11.1	11.5
Number of employees at the end of the period	1,720	1,314	1,786

1) The comparative figures have been updated based on the new organization.
2) Pertains to the acquisition of Cybercom from April to June 2021.

Solutions is Knowit's largest business area, with operations on all of Knowit's markets in the Nordic region. Solutions has approximately 1,700 consultants with cutting-edge competence in all parts of the systems development process: from idea, architecture and project governance, to programming, implementation, testing, and security.

In the Nordic region, the business area Solutions has most of its clients in the public sector. Examples of clients include the Norwegian transport group VY (formerly NSB), a number of larger companies in retail and e-commerce, and leading companies in the telecommunications industry, such as Telia and Telenor. In banking and finance, there are some clients among the more niche players that are challenging existing business models, such as Nordax Bank and BMW Financial Services.

COMMENTS FROM THE HEAD OF SOLUTIONS

The business area Solutions has seen continued strong demand, with positive growth, primarily in Norway in the second quarter. A pent-up need for physical meetings and, by extension, travel, has had a slight effect on the margin.

“The need for the competence that Solutions has remains large and we are seeing a very strong market throughout the Nordic region, with many new assignments for both new and existing clients. During the quarter, we have announced the acquisition of the IT consultancy firm Miracle, which

→ MARKET AND OPERATIONS

strengthens our position on the Danish market significantly,” says Åsa Holmberg.

Experience

	APR-JUNE 2022	APR-JUNE 2021	APR-JUNE 2021 incl. acquisition ¹⁾
Sales, SEK, million	401.5	333.3	358.0
EBITA, SEK, million	38.8	33.5	35.4
EBITA margin, %	9.7	10.0	9.9
Number of employees at the end of the period	960	875	942

1) Pertains to the acquisition of Cybercom, 1508.dk, and Strömlin from April to June 2021.

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

Experience's relationship with its clients is a typical combination of time-limited project assignments and long-term partnerships. An example is the increased need to shift sales to data-driven e-commerce solutions more quickly. Danish Arla, Fiskars lifestyle products, Inera 1177.se, and the Norwegian insurance company Storebrand are clients where Experience has long-term collaborations.

COMMENTS FROM THE HEAD OF EXPERIENCE

The business area Experience has developed well during the second quarter, with high growth and a stable margin development. The profit development has been positive on all markets, driven by high demand and positive price adjustments.

“Experience has had a continued strong development during the second quarter, with increased revenue and profit on all markets where we operate. I am particularly happy to see positive growth on our largest markets, Norway and Sweden,” says Fredrik Ekerhovd.

Connectivity

	APR-JUNE 2022	APR-JUNE 2021	APR-JUNE 2021 incl. acquisition ¹⁾
Sales, SEK, million	259.4	34.0	225.8
EBITA, SEK, million	25.4	3.2	18.5
EBITA margin, %	9.8	9.4	8.2
Number of employees at the end of the period	740	40	699

1) Pertains to the acquisition of Cybercom from April to June 2021 and Swedspot from June 2021.

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

Connectivity is specialized in development of 5G technology. The platform enables usage of artificial intelligence (AI), the internet of things (IoT), and extended reality (XR). Thus, there is a potential to decrease costs, energy usage, emissions, and waste. Connectivity is a leading supplier to clients in the telecommunications, vehicle, and manufacturing industries. Connectivity collaborates with the companies' research and development departments, for clients like ABV, Assa, Ericsson, Scania, and Valmet.

COMMENTS FROM THE HEAD OF CONNECTIVITY

The business area Connectivity has had a strong second quarter, with a continued positive trend from the first quarter. Demand remains very high and contributes to a reinforced margin and an improved profit. The Polish operations are growing thanks to a good recruitment pace and add competence in client assignments in several of Knowit's business areas.

“Development in Sweden is very positive, with strong underlying demand for Connectivity's services. The acquisition of Swedspot, which was finalized in this quarter, contributes positively towards growth and creating positive energy in the business area, which has already resulted in joint projects,” says Annika Nordlander.

→ MARKET AND OPERATIONS

Insight

	APR-JUNE 2022	APR-JUNE 2021 ¹⁾	APR-JUNE 2021 incl. acquisition ²⁾
Sales, SEK, million	170.7	112.0	171.2
EBITA, SEK, million	24.0	12.2	22.9
EBITA margin, %	14.1	10.9	13.4
Number of employees at the end of the period	370	282	376

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

2) Pertains to the acquisition of Cybercom and Capacent from April to June 2021.

Insight supports its clients in creating agile organizations and performing digital transformations, from idea to result. In close collaboration with the client, consultants create methods and model based on the client's challenges and unique market circumstances. The business area Insight, with around 370 employees, is a challenger on the Nordic management consulting market.

Insight currently supports its Nordic clients in areas like growth and profitability strategies, development of new business models, change management, and cybersecurity.

Along with its clients, Insight develops and implements strategies where digitalization and new technology enable for solutions that simplify everyday life and increase quality of life for people, while also benefiting the environment and our planet.

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

COMMENTS FROM THE HEAD OF INSIGHT

The business area Insight has developed very well during the second quarter, with strong growth and an improved margin, driven by a continued strong demand for its services in both IT security and management consulting.

“We are seeing continued high demand for Insight’s services in both Sweden and Norway, with Norway standing out in particular. On both markets, we have also managed very well in increasing profitability and strengthening margins. The acquisition of Marketing Clinic, made public during this quarter, means that we are also strengthening our position in Finland significantly,” says Carin Strindmark. ■

CUSTOMER CASE

Current projects create client value

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

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



DECREASED SOCIETAL COSTS AND IMPROVED HEALTH THROUGH A NEW TOOL FOR DIABETES ANALYTICS

With over 500 million diagnosed cases worldwide, diabetes is one of the largest diseases globally. Together with Health Integrator, Knowit has developed KnowRisc, an improved method and higher accuracy tool for identifying individuals living at risk of developing so-called type 2 diabetes.

Health Integrator offers a health program that helps people decrease their risk of being affected by a chronic disease by leading them towards more healthy life choices. The combination of medical science, digitalization, and data analytics create the potential for improving quality of life for thousands of people. The program can contribute to decreasing the costs for diabetes in health-care, which total SEK 300 million annually in Sweden alone.

KnowRisc uses verified measurements and variables to predict if individuals are at risk of developing type 2 diabetes. By using the power in modern machine learning models combined with visualization on the established AI platform SAS Viya, a deeper understanding of why diabetes developed and how the risk can decrease was gained. These efforts resulted in a new standard for diabetes analytics, KnowRisc.



NORWAY'S ROUTE TO ZERO EMISSIONS

In 2030, Norway is supposed to halve its emissions of greenhouse gases, and by 2050, they are supposed to be entirely eradicated – a high-priority goal that takes patience, commitment, and clear communication with all stakeholder groups in society. The Norwegian Klimatstiftelsen is a non-profit foundation that works broadly in the climate and energy area together with Norwegian universities, university colleges, and research centers. With a vision of a society without artificial greenhouse gases, the foundation disseminates knowledge and ideas on climate change and solutions, including through extensive outreach efforts.

The foundation identified a need for an easy way to show how the country is doing in the climate transition and contacted Knowit to get help. The outcome, tilnull.no, is a web portal that provides simple visualizations of relevant data regarding the development of greenhouse gases and the willingness to change Norwegian business in a more climate-friendly direction. The web portal is a barometer that gathers data from Statistics Norway and the Norwegian Environment Agency. In development, a heavy focus was on usability and making complex, public data easy for laymen to understand.

The main target group is journalists and teenagers – with the hope that they can be stimulated to change their behaviors and take climate action after seeing data visuals that are attractive and easily accessible. The first version has been deployed and the goal is to supplement with data on further climate goals in the coming years.

→ CUSTOMER CASE



KNOWIT INSIGHT SIMPLIFIES ELECTRIC VEHICLE CHARGING ALONG WITH CIRCLE K

Circle K has a dedicated e-mobility team that works continuously with developing and offering the best charging offers for existing and new EV drivers. Now, Circle K is rolling out a new platform and new services to simplify charging, both at home and on the road, initially in the Nordic region, and then in the rest of Circle K's global network.

Knowit's assignment is to operate Circle K's go-to-market program for deployment of the new platform in Denmark, and to transfer 200,000 existing customers in Norway to the new platform and app. Knowit's responsibility extends to program management, management of the expansion projects in Denmark and Norway, improvement of the customer journey as regards payment, and coordination and assistance to all the group and business unit functions involved, such as sales, marketing, customer support, operations, and finance.



ADVANCED ONBOARD COMPUTER SIMPLIFIES WORK FOR THE POLICE

With a focus on quality and user safety, Standby AB is a market leader in northern Europe in the area of steering systems and alert equipment in emergency service vehicles. In Sweden, all police vehicles are currently equipped with electronics, software, and alarm systems from Standby. As a strategic partner One of Knowit's latest acquisitions, Swedspot, is a strategic partner involved in development the next generation in onboard computers.

For the past four years, Swedspot has been involved in the development of Standby's new Linux-based Carat system, which was installed in all new police cars. The system makes it possible for users to easily and securely control several central functions from a single screen. With Swedspot's expertise in embedded systems, our role in the project has encompassed devising a concept and architecture, as well as developing applications and the user interface. The project and collaboration are highly appreciated, with Swedspot and Standby continuing to work together. ■

THE GROUP

Continued strong growth

Net sales and profit

The Group

JANUARY – JUNE

Net sales increased to SEK 3,340.0 (2,045.1) million, an increase by 63.3 percent as compared with the corresponding period last year. Compared with the corresponding period last year, the exchange rate development has had a positive impact on net sales of SEK 79.8 (-9.2) million.

Net sales increased to SEK 1,640.8 (1,052.4) million in Sweden, to SEK 1,051.6 (810.7) million in Norway, to SEK 290.4 (90.7) million in Finland, to SEK 254.7 (83.1) million in Denmark, and to SEK 92.8 (-) in Poland. Net sales per country in the previous year has been adjusted due to a partially erroneous allocation during 2021. Sales per employee increased to KSEK 912 (845).

The operating profit before amortization of intangible assets (EBITA) increased by 86.8 percent to SEK 328.5 (175.9) million. The adjusted EBITA profit increased by 66.0 percent to SEK 334.7 (201.6) million, adjusted for acquisition costs of SEK 3.8 (23.7) million and integration costs of SEK 2.4 (2.0) million. Compared with the corresponding period last year, the exchange rate development has had a positive impact on EBITA of SEK 6.7 (-0.3) million.

In Sweden, EBITA increased to SEK 234.8 (127.0) million, in Norway to SEK 112.3 (95.0) million, in Finland to SEK 18.3 (3.9) million, in Denmark to SEK 23.1 (8.9) million, and in Poland to SEK 9.2 (-) million.

The operating margin (EBITA) increased to 9.8 (8.6) percent. The adjusted EBITA margin increased to 10.0 (9.9) percent.

Amortization of intangible assets amounted to SEK -63.0 (-14.2) million, affected by increased amortization related to the acquisitions of Cybercom, Capacent, 1508.dk, Strømlin, and Swedspot.

The operating profit after financial items increased to SEK 309.8 (155.4) million. The financial net increased to SEK 44.3 (-6.3) million, affected primarily by disposal of financial assets and revaluation of additional consideration.

The results after tax increased to SEK 252.0 (115.6) million. Tax for the period was SEK -57.8 (-39.8) million. The non-controlling interests' share of profit for the year was SEK 4.0 (5.9) million. Earnings per share increased to SEK 9.05 (5.50).

THE SECOND QUARTER

Net sales increased to SEK 1,644.7 (1,033.7) million, an increase by 59.1 percent as compared with the corresponding period last year. Compared with the corresponding period last year, the exchange rate development has had a positive impact on net sales of SEK 30.3 million.

Net sales increased to SEK 808.8 (530.5) million in Sweden, to SEK 507.6 (412.5) million in Norway, to SEK 146.8 (45.5) million in Finland, to SEK 128.8 (41.3) million in Denmark, and to SEK 47.7 (-) in Poland. Sales per employee increased to KSEK 447 (428).

The operating profit before amortization of intangible assets (EBITA) increased by 87.9 percent to SEK 136.4 (72.6) million. The adjusted EBITA profit increased by 42.9 percent to SEK 140.5 (98.3) million, adjusted for acquisition costs of SEK 3.8 (23.7) million and integration costs of SEK 0.3 (2.0) million. Compared with the corresponding period last year, the exchange rate development has had a positive impact on EBITA of SEK 1.9 million.

In Sweden, EBITA increased to SEK 102.5 (64.3) million, in Norway to SEK 46.9 (44.9) million, in Finland to SEK 8.5 (2.0) million, in Denmark to SEK 10.8 (4.5) million, and in Poland to SEK 4.0 (-) million. The operating margin (EBITA) increased to 8.3 (7.0) percent. The adjusted EBITA margin was 8.5 (9.5) percent.

Amortization of intangible assets amounted to SEK -31.8 (-7.1) million, affected by increased amortization related to acquisitions.

The operating profit after financial items increased to SEK 153.2 (60.4) million. The financial net increased to SEK 48.6 (-5.1) million, affected primarily by disposal of non-controlling interest shares in Stacc AS of SEK 65.6 million and revaluation of additional consideration totaling SEK -11.8 million.

The results after tax increased to SEK 130.3 (43.2) million. Tax for the period was SEK -22.9 (-17.2) million. The non-controlling interests' share of profit for the year was SEK 1.3 (2.3) million. Earnings per share increased to SEK 1.30 (2.03).

The segments

JANUARY – JUNE

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

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

Net sales for the segment Solutions increased to SEK 1,908.7 (1,212.5) million, for the segment Experience they increased to SEK 814.8 (670.5) million, for the segment Connectivity they increased to SEK 54.9 (5.9) million, and for the segment Insight they increased to SEK 44.2 (20.6) million.

EBITA increased to SEK 215.9 (135.7) million for the segment Solutions, to SEK 98.0 (75.2) million for the segment Experience, to SEK 54.9 (5.9) million for the segment Connectivity, and to SEK 44.2 (20.6) million for the segment Insight.

The EBITA margin increased to 11.3 (11.2) percent for the segment Solutions, to 12.0 (11.2) percent for the segment Experience, to SEK 10.9 (9.2) for the segment Connectivity, and to 13.0 (9.2) percent for the segment Insight.

THE SECOND QUARTER

Net sales for the segment Solutions increased to SEK 932.7 (615.0) million, for the segment Experience they

→ THE GROUP

increased to SEK 401.5 (333.3) million, for the segment Connectivity they increased to SEK 259.4 (34.0) million, and for the segment Insight they increased to SEK 170.7 (112.0) million.

EBITA increased to SEK 89.6 (68.5) million for the segment Solutions, to SEK 38.8 (33.5) million for the segment Experience, to SEK 25.4 (3.2) million for the segment Connectivity, and to SEK 24.0 (12.2) million for the segment Insight.

The EBITA margin was 9.6 (11.1) percent for the segment Solutions and 9.7 (10.0) percent for the segment Experience, whereas it increased to SEK 9.8 (9.4) for the segment Connectivity, and to 14.1 (10.9) percent for the segment Insight.

Cash flow

JANUARY – JUNE

Cash flow from operating activities increased to SEK 135.9 (129.0) million, affected positively by the increased profit, but negatively by tax paid totaling SEK -168.2 (-60.9) million, related to restructuring effects in Finland among other things. The change in working capital was SEK -73.6 (-44.0) million.

Cash flow from investment activities amounted to SEK -203.5 (-11.4) million, affected mainly by the acquisition of 1508.dk, Strømliin, and Swedspot, additional consideration for the earlier acquisition of Creuna, and disposal of financial assets.

Cash flow from financing activities was SEK -73.0 (305.4) million, affected by dividends, loans taken, and amortizations of leasing liabilities. In the previous year, a new issue also had a positive impact.

Total cash flow was SEK -140.6 (423.0) million.

THE SECOND QUARTER

Cash flow from operating activities increased to SEK 130.7 (74.5) million, where the change in working capital had an impact of SEK 31.2 (9.0) million.

Cash flow from investment activities amounted to SEK -99.3 (-1.8) million, affected by acquired operations, additional consideration, disposal of financial assets, and investments in tangible assets.

Cash flow from financing activities was SEK -42.4 (323.1) million, affected by dividends, loans taken, and amortizations of leasing liabilities. In the previous year, a new issue also had a positive impact.

Total cash flow was SEK -11.0 (395.8) million.

Acquisition of operations

On January 3, 2022, Knowit AB acquired 80 percent of the shares in the design agency 1508.dk and 100 percent of the tech agency Strømliin. The remaining 20 percent of 1508.dk will be acquired during 2023 and 2024.

The new operations, combined with the existing operations of the business area Experience in Copenhagen and Aarhus, are expected to become a strong platform for continued growth on the Danish market. The companies' offers supplement each other well and reinforce Knowit Experience's offer in mainly design, consultancy, and tech.

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

Financial position

JANUARY – JUNE

Cash and cash equivalents increased to SEK 715.9 (1,100.6) million as per June 30, 2022. Goodwill and other intangible assets increased to SEK 4,066.5 (1,394.2) million, of which goodwill was SEK 3,313.0 (1,224.1) million, and other intangible assets were SEK 753.5 (170.1) million.

Equity increased to SEK 4,083.8 (2,079.8) million. Interest-bearing liabilities had increased to SEK 1,191.1 (540.7) million by June 30, 2022, with long-term liabilities increasing to SEK 1080.6 (244.9) million and short-term liabilities at SEK 110.5 (295.8) million. At the start of the quarter, Knowit had credit facilities of SEK 600 million in total, a facility of SEK 250 million falling due in 2023, a facility of SEK 300 million falling due in 2026, and a checking facility of SEK 50 million. During the quarter, the contract has been renegotiated and at the end of the second quarter, Knowit has a facility of SEK 300 million falling due in 2026 and a facility of SEK 750 million falling due in 2027. In total, the granted credit facilities are SEK 1,050 million. As of June 30, 2022, SEK 550.0 (155.3) million of the granted credit facilities were used. Lease liabilities increased to SEK 450.7 (183.2) million, affected mainly by newly signed rental contracts. Liabilities related to future consideration in subsidiaries totaled SEK 190.4 (202.2) million.

The equity/asset ratio increased to 59.6 (57.5) percent as per June 30, 2022.

Employees

JANUARY – JUNE

On June 30, 2022, a total of 3,933 (2,549) people were employed by the Group. The number of employees has increased by 84 people during 2022.

The average number of employees has during the period increased to 3,663 (2,420). The average number of employees in Sweden increased to 1,926 (1,329), in Norway to 902 (847), in Finland to 399 (137), in Denmark to 150 (100), and in Poland to 274 (-).

Seasonal variation

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

The quarter that includes the Easter period – the first or second – has lower revenue, leading to a lower profit, as the costs are largely unchanging, unlike the revenue. The revenue is affected negatively, as the activity on the market decreases or is non-existent on these days. Further, the second and third quarter of the Group's financial year are affected by including parts of the summer holiday period, which impacts on the demand for the Group's services. The fourth quarter is affected by the work days and normal working hours that are dropped due to the Christmas and New Year holidays.

Transactions with related parties

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

PARENT COMPANY

Results and financial position

JANUARY – JUNE

The operating profit/loss before amortization of intangible assets (EBITA) was SEK -67.5 (-41.0) million. The financial net was SEK 5.5 (14.2) million. The profit/loss after financial net was SEK -64.7 (-29.1) million.

As per June 30, 2022, equity was SEK 2,491.8 (949.4) million, affected by the issues performed in 2021. Un-taxed reserves, mainly accrual funds, increased to SEK 128.0 (115.7) million. ■

OTHER INFORMATION

Accounting principles and forward-looking information

Essential risks and uncertainty factors

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

Russia's invasion of Ukraine and the sanctions carried out affect our surroundings and the development is unpredictable. Knowit is following the situation carefully. The direct financial effects on Knowit are currently assessed to be minor. Aside from this, the COVID-19 pandemic entails a continued risk for the Company. For more information on risks, see the Annual Report 2021, pages 54-56 and 77-78.

Accounting principles

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

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

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

Events after the end of the interim period

On June 14, 2022, Knowit announced the acquisition of 90 percent of shares in Miracle AS, a Danish consultancy

firm with a strongly positioned operations in system development, consultancy, and open source platforms. The company has around 130 employees, with offices in Copenhagen, Aarhus, and Aalborg. Miracle will be part of the business area Knowit Solutions and will mean that Knowit gains a much stronger position on the Danish market. The acquisition was finalized on July 1, 2022.

On June 20, 2022, Knowit announced the acquisition of 100 percent of shares in the holding company Marketing Clinic Oy, which has around 60 strategy consultants, primarily in Helsinki, but also in Oslo and Stockholm. Through the acquisition, Knowit is strengthening its position in management consulting on the Finnish market and broadening its offer in growth and business development strategies. Marketing Clinic will primarily become part of Knowit Insight. The acquisition was finalized on July 1, 2022.

No significant events beyond the aforementioned acquisitions have occurred after the end of the interim period.

Forward-looking information

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

→ OTHER INFORMATION

Financial calendar

INTERIM REPORT JANUARY – SEPTEMBER 2022

October 25, 2022, 7:30 AM

YEAR-END REPORT 2022

February 7, 2023, 7:30 AM

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About Knowit

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

Knowit was founded in 1990 and, following the acquisition of Cybercom on July 1, 2021, has around 3,800 employees, mainly in the Nordic countries, but also in Poland and Germany. The merger with Cybercom has created new opportunities to take on larger and more complex assignments, primarily within the industry, tech, and telecom sectors. In addition, an even stronger platform is created, from which we offer digital solutions to the sustainability challenges of society.

Knowit AB (publ) has been listed on the stock market since 1997 and is currently listed on Nasdaq OMX Stockholm Mid Cap. For more information on Knowit, please visit knowit.eu. ■

Certification

The Chief Executive Officer certifies that the Interim Report gives a fair overview of the Group's and the Parent Company's operations, position and profit, and

describes the significant risks and uncertainty factors faced by the Parent Company and the companies within the Group.

This Interim Report has not been reviewed by Knowit's auditors.

STOCKHOLM, JULY 15, 2022

JON RISFELT
Chairman

CAMILLA MONEFELDT KIRSTEIN
Board Member

OLOF CATO
Board Member

KARIN (KIA) ORBACK PETTERSSON
Board Member

STEFAN GARDEFJORD
Board Member

PER WALLENTIN
Chief Executive Officer

SOFIA KARLSSON
Board Member

FINANCIAL STATEMENTS

Consolidated income statement in summary

SEK, MILLIONS	APR-JUNE 2022	APR-JUNE 2021	JAN-JUNE 2022	JAN-JUNE 2021	JAN-DEC 2021
Net sales	1,644.7	1,033.7	3,340.0	2,045.1	4,811.8
Operating costs	-1,473.6	-938.7	-2,942.0	-1,824.7	-4,249.7
Depreciation of tangible fixed assets	-34.7	-22.4	-69.5	-44.5	-123.6
Operating result before amortization of intangible assets (EBITA)	136.4	72.6	328.5	175.9	438.5
Amortization of intangible fixed assets	-31.8	-7.1	-63.0	-14.2	-75.2
OPERATING RESULT (EBIT)	104.6	65.5	265.5	161.7	363.3
Financial incomes	66.5	-0.2	67.0	4.3	20.6
Financial expenses	-17.9	-4.9	-22.7	-10.6	-13.8
RESULT AFTER FINANCIAL ITEMS	153.2	60.4	309.8	155.4	370.1
Tax	-22.9	-17.2	-57.8	-39.8	-75.3
RESULT FOR THE PERIOD	130.3	43.2	252.0	115.6	294.8
Result for the period attributable to shareholders in Parent Company	129.0	40.9	248.0	109.7	290.5
Result for the period attributable to non-controlling interests' holdings	1.3	2.3	4.0	5.9	4.3
EARNINGS PER SHARE					
Earnings per share, before dilution, SEK	4.71	2.03	9.05	5.50	12.26
Earnings per share, after dilution, SEK	4.71	2.03	9.05	5.50	12.26

Consolidated comprehensive income in summary

SEK, MILLIONS	APR-JUNE 2022	APR-JUNE 2021	JAN-JUNE 2022	JAN-JUNE 2021	JAN-DEC 2021
Profit for the period	130.3	43.2	252.0	115.6	294.8
<i>Items that may later be reclassified to profit or loss</i>					
Loss on hedging of exchange rate risks in foreign operations	11.0	-3.8	19.8	4.3	5.1
Tax effects on hedging	-2.3	0.8	-4.1	-0.9	-1.3
Translation differences	-1.7	-20.2	41.0	25.0	54.3
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	7.0	-23.2	56.7	28.4	58.1
Total comprehensive income for the period	137.3	20.0	308.7	144.0	352.9
Total comprehensive income attributable to shareholders in Parent Company	135.6	17.7	304.7	138.1	348.6
Total comprehensive income attributable to non-controlling interests' holdings	1.7	2.03	4.0	5.9	4.3

→ FINANCIAL STATEMENTS

Consolidated balance sheet in summary

SEK, MILLIONS	2022-06-30	2021-06-30	2021-12-31
Assets			
Intangible fixed assets	4,066.5	1,394.2	3,839.5
Tangible fixed assets	500.0	213.5	290.7
Financial fixed assets	6.7	15.2	17.0
Deferred tax assets	96.8	17.8	96.8
Current assets	1,470.5	873.5	1,240.0
Cash equivalents	715.9	1,100.6	851.4
TOTAL ASSETS	6,856.4	3,614.8	6,335.4
Equity and liabilities			
Share capital	27.4	21.6	27.4
Other capital provided and provisions	2,888.6	716.1	2,832.0
Retained earnings, including profit for the year	1,167.6	1,330.3	1,025.3
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY	4,083.6	2,068.0	3,884.7
Non-controlling interests	0.2	11.8	7.7
TOTAL EQUITY	4,083.8	2,079.8	3,892.4
Non-current provisions	239.5	93.5	229.9
Interest-bearing non-current liabilities	1,080.6	244.9	286.3
Interest-bearing current liabilities	110.5	295.8	606.6
Other current liabilities	1,342.0	900.8	1,320.2
TOTAL EQUITY AND LIABILITIES	6,856.4	3,614.8	6,335.4

→ FINANCIAL STATEMENTS

Consolidated cash flow statement

SEK, MILLIONS	APR-JUNE 2022	APR-JUNE 2021	JAN-JUNE 2022	JAN-JUNE 2021	JAN-DEC 2021
Operating activities					
Profit before taxes	153.2	60.5	309.8	155.5	370.1
Adjustment for non-cash items	-28.7	23.9	67.9	78.4	206.9
Paid taxes	-25.0	-18.9	-168.2	-60.9	-64.4
CASH FLOW BEFORE CHANGES IN OPERATING CAPITAL	99.5	65.5	209.5	173.0	512.6
Changes in operating capital	31.2	9.0	-73.6	-44.0	-49.8
CASH FLOW FROM OPERATING ACTIVITIES	130.7	74.5	135.9	129.0	462.8
Investing activities					
Acquisition of businesses	-151.0	-1.4	-248.6	-9.3	-403.4
Acquisition on intangible assets	-0.0	-0.9	-1.5	-2.0	-4.1
Acquisition of property, plant and equipment	-23.6	-3.1	-28.7	-3.7	-8.0
Disposal of financial assets	75.3	3.6	75.3	3.6	3.6
CASH FLOW FROM INVESTING ACTIVITIES	-99.3	-1.8	-203.5	-11.4	-411.9
Financing activities					
New share issue	–	492.5	–	492.5	492.5
Amortization of loans and leasing liabilities	-29.9	-18.4	-60.5	-36.1	-813.9
Loans raised	94.6	–	94.6	–	600.0
Dividend	-107.1	-151.0	-107.1	-151.0	-151.0
CASH FLOW FROM FINANCING ACTIVITIES	-42.4	323.1	-73.0	305.4	126.6
Cash flow for the period	-11.0	395.8	-140.6	423.0	177.5
Cash and cash equivalents at the beginning of the period	722.8	704.4	851.4	675.6	675.6
Translation differences in cash and cash equivalents	4.1	0.4	5.1	2.0	-1.7
CASH AND CASH EQUIVALENTS, JUNE 30	715.9	1,100.6	715.9	1,100.6	851.4

→ FINANCIAL STATEMENTS

Consolidated statement of changes in equity

SEK, MILLIONS	APR-JUNE 2022	APR-JUNE 2021	JAN-JUNE 2022	JAN-JUNE 2021	JAN-DEC 2021
Opening balance	4,063.2	1,724.6	3,892.4	1,545.0	1,545.0
Translation differences	-1.7	-20.2	41.0	25.0	54.3
Result from hedging of currency risk in foreign currency	11.0	-3.8	19.8	4.3	5.1
Tax effect, hedging of currency risk	-2.3	0.8	-4.1	-0.9	-1.3
Result for the period	130.3	43.2	252.0	115.6	294.8
TOTAL PROFIT FOR THE PERIOD RECOGNIZED IN THE INCOME STATEMENT	137.3	20.0	308.7	144.0	352.9
TOTAL BEFORE TRANSACTIONS WITH SHAREHOLDERS	4,200.5	1,744.6	4,201.1	1,689.0	1,897.9
Non-controlling interests	-	-1.5	-	-1.4	-4.4
Additional capital from non-controlling interest	-9.6	-	-10.2	-	1.5
Dividend paid	-107.1	-152.0	-107.1	-152.0	-152.0
New share issue, company acquisition	-	488.7	-	544.2	2,149.4
CLOSING BALANCE	4,083.8	2,079.8	4,083.8	2,079.8	3,892.4

Performance measures

	APR-JUNE 2022	APR-JUNE 2021	JAN-JUNE 2022	JAN-JUNE 2021	JAN-DEC 2021
Average number of employees	3,679	2,416	3,663	2,420	2,980
Sales per average number of employees (SEK, 000s)	447	428	912	845	1,615
Result after financial items per average number of employees (SEK, 000s)	42	25	85	64	124
Return on total capital, %	2.6	1.9	5.0	5.0	8.3
Return on equity, %	3.2	2.3	6.3	6.4	10.8
Return on capital employed, %	3.3	2.7	6.6	7.0	11.2
EBITA margin, %	8.3	7.0	9.8	8.6	9.1
Adjusted EBITA margin, %	8.5	9.5	10.0	9.9	10.1
Equity ratio, %	59.6	57.5	59.6	57.5	61.4

Data per share

	APR-JUNE 2022	APR-JUNE 2021	JAN-JUNE 2022	JAN-JUNE 2021	JAN-DEC 2021
Earnings per share, SEK					
Before dilution	4.71	2.03	9.05	5.50	12.26
After dilution	4.71	2.03	9.05	5.50	12.26
Equity per share, SEK					
Before dilution	148.99	95.53	148.99	95.53	141.73
After dilution	148.99	95.53	148.99	95.53	141.73
Average number of shares, (000s)					
Before dilution	27,409	20,156	27,409	19,933	23,702
After dilution	27,409	20,156	27,409	19,933	23,702
Number of shares on balance sheet day, (000s)					
Before dilution	27,409	21,648	27,409	21,648	27,409
After dilution	27,409	21,648	27,409	21,648	27,409

→ FINANCIAL STATEMENTS

Consolidated segment reporting

APR-JUNE 2022 SEK, MILLIONS	Solutions	Experience	Connectivity	Insight	Other	Total
External net sales	866.5	377.1	236.8	151.0	13.3	1,644.7
Net sales between segments	66.2	24.4	22.6	19.7	-132.9	–
NET SALES	932.7	401.5	259.4	170.7	-119.6	1,644.7
Operating result before amortization of intangible assets (EBITA)	89.6	38.8	25.4	24.0	-41.4	136.4
Amortization of intangible assets	-12.0	-6.3	-9.9	-1.8	-1.8	-31.8
OPERATING PROFIT (EBIT)	77.6	32.5	15.5	22.2	-43.2	104.6
Result after financial items						153.2
RESULT FOR THE PERIOD						130.3
EBITA margin, %	9.6	9.7	9.8	14.1		8.3
Average number of employees	1,656	880	665	355	123	3,679
APR-JUNE 2021 SEK, MILLIONS	Solutions ¹⁾	Experience	Connectivity ¹⁾	Insight ¹⁾	Other	Total
External net sales	595.2	307.5	27.4	98.9	4.7	1,033.7
Net sales between segments	19.8	25.8	6.6	13.1	-65.3	–
NET SALES	615.0	333.3	34.0	112.0	-60.6	1,033.7
Operating result before amortization of intangible assets (EBITA)	68.5	33.5	3.2	12.2	-44.8	72.6
Amortization of intangible assets	-1.6	-4.0	–	–	-1.5	-7.1
OPERATING PROFIT (EBIT)	66.9	29.5	3.2	12.2	-46.3	65.5
Result after financial items						60.4
RESULT FOR THE PERIOD						43.2
EBITA margin, %	11.1	10.0	9.4	10.9		7.0
Average number of employees	1,278	802	34	265	37	2,416

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

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

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Group segment reporting in summary, continued

JAN-JUNE 2022 SEK, MILLIONS	Solutions	Experience	Connectivity	Insight	Other	Total
External net sales	1,780.6	760.3	469.9	301.6	27.6	3,340.0
Net sales between segments	128.1	54.5	35.4	39.0	-257.0	–
NET SALES	1,908.7	814.8	505.3	340.6	-229.4	3,340.0
Operating result before amortization of intangible assets (EBITA)	215.9	98.0	54.9	44.2	-84.5	328.5
Amortization of intangible assets	-24.0	-12.7	-19.3	-3.6	-3.4	-63.0
OPERATING PROFIT (EBIT)	191.9	85.3	35.6	40.6	-87.9	265.5
Result after financial items						309.8
RESULT FOR THE PERIOD						252.0
EBITA margin, %	11.3	12.0	10.9	13.0		9.8
Average number of employees	1,654	876	651	357	125	3,663
Intangible assets	1,885.1	741.4	1,186.5	237.4	16.1	4,066.5
Tangible fixed assets	19.4	5.2	9.4	1.0	465.0	500.0
JAN-JUNE 2021 SEK, MILLIONS	Solutions ¹⁾	Experience	Connectivity ¹⁾	Insight ¹⁾	Other	Total
External net sales	1,172.8	616.0	51.2	197.5	7.6	2,045.1
Net sales between segments	39.7	54.5	12.9	25.4	-132.5	–
NET SALES	1,212.5	670.5	64.2	222.9	-124.9	2,045.1
Operating result before amortization of intangible assets (EBITA)	135.7	75.2	5.9	20.6	-61.6	175.9
Amortization of intangible assets	-3.2	-8.0	–	–	-3.0	-14.2
OPERATING PROFIT (EBIT)	132.5	67.2	5.9	20.6	-64.6	161.7
Result after financial items						155.4
RESULT FOR THE PERIOD						115.6
EBITA margin, %	11.2	11.2	9.2	9.2		8.6
Average number of employees	1,278	808	33	265	37	2,420
Intangible assets	717.3	596.2	–	60.2	20.7	1,394.4
Tangible fixed assets	8.6	7.8	0.4	0.1	196.6	213.5

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

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

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Group revenue from client contracts

SEK, MILLIONS	APR-JUNE 2022	APR-JUNE 2021	JAN-JUNE 2022	JAN-JUNE 2021 ¹⁾	JAN-DEC 2021 ¹⁾
GEOGRAPHIC CATEGORIZATION					
Fee revenue					
Sweden	775.6	507.6	1,578.5	1,007.3	2,412.6
Norway	494.5	400.6	1,024.1	784.9	1,555.7
Finland	138.6	45.1	275.8	89.8	317.1
Denmark	126.9	39.7	250.5	80.0	248.3
Poland	47.3	–	91.5	–	75.0
Other	4.9	3.9	9.6	8.1	15.7
TOTAL FEE REVENUE	1,587.8	996.9	3,230.1	1,970.1	4,624.4
Other revenue					
Sweden	33.2	22.9	62.4	45.2	108.5
Norway	13.1	11.9	27.5	25.8	50.1
Finland	8.2	0.4	14.5	0.9	21.3
Denmark	1.9	1.5	4.2	3.1	6.0
Poland	0.4	–	1.4	–	1.3
Other	0.0	0.0	0.0	0.0	0.2
TOTAL OTHER REVENUE	56.9	36.8	109.9	75.0	187.4
TOTAL NET REVENUE	1,644.7	1,033.7	3,340.0	2,045.1	4,844.8
SEGMENT CATEGORIZATION					
Fee revenue					
Solutions	911.2	602.9	1,864.6	1,186.6	2,767.6
Experience	382.6	314.3	778.9	627.3	1,222.0
Connectivity	232.3	24.7	464.0	48.4	438.5
Insight	167.0	110.7	333.3	220.3	453.6
Other	-105.2	-55.7	-210.7	-112.5	-257.3
TOTAL FEE REVENUE	1,587.8	996.8	3,230.1	1,970.1	4,624.4
Other revenue					
Solutions	21.5	12.1	44.1	25.9	75.4
Experience	18.9	19.0	35.9	43.2	84.8
Connectivity	27.1	9.3	35.9	15.8	40.9
Insight	3.7	1.3	41.3	2.5	5.2
Other	-14.4	-4.9	-18.7	-12.4	-18.9
TOTAL OTHER REVENUE	56.9	36.9	109.9	75.0	187.4
TOTAL NET REVENUE	1,644.7	1,033.7	3,340.0	2,045.1	4,811.8

Segmentation is updated in accordance with the segment reporting on page 20. The comparative figures for 2021 have been updated. The revenue category Software licenses is reported under the category Other revenue, as the amount is not significant. For more information, see Note 1 Accounting and valuation principles, pages 71-77 in the Annual Report 2021.

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

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Financial assets and liabilities at fair value and categorization

SEK, MILLIONS	2022-06-30			2021-06-30		
	Financial assets valued at amortized costs	Financial assets valued at fair value in income statement	Fair value	Financial assets valued at amortized costs	Financial assets valued at fair value in income statement	Fair value
Assets in balance sheet						
Other long-term securities	–	0.5	0.5 ¹⁾	–	3.3	3.3 ¹⁾
Other long-term receivables	3.6	–	3.6	1.4	–	1.4
Accounts receivable and other receivables	1,303.1	–	1,303.1	796.4	–	796.4
Liquid assets	715.9	–	715.9	1,100.6	–	1,100.6
CASH EQUIVALENTS	2,022.6	0.5	2,023.1	1,898.4	3.3	1,901.7

SEK, MILLIONS	2022-06-30			2021-06-30		
	Other financial liabilities	Financial liabilities valued at fair value in income statement	Fair value	Other financial liabilities	Financial liabilities valued at fair value in income statement	Fair value
Liabilities in balance sheet						
Future additional considerations and options	–	142.1	142.1 ²⁾	–	174.9	174.9 ²⁾
Future consideration	48.4	–	48.4 ²⁾	27.3	–	27.3 ²⁾
Liabilities to sellers	–	–	– ²⁾	–	–	– ²⁾
Other interest-bearing liabilities	940.6	–	940.6	338.5	–	338.5
Accounts payable	271.0	–	271.0	134.3	–	134.3
Other liabilities	460.4	–	460.4	86.9	–	86.9
TOTAL	1,720.4	142.1	1,862.5	587.0	174.9	761.9

1) Fair value pursuant to categorization level 2

2) Fair value pursuant to categorization level 3

Reported values of Group financial assets and liabilities, distributed based on classification pursuant to IFRS 9, are summarized in the above table. No financial assets or liabilities are reported at a value that significantly deviates from fair value. For more information, see Note 23 in the Annual Report for 2020.

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

SEK, MILLIONS	Other financial liabilities	Future considerations	Liabilities to sellers
Fair value, 2022-01-01	177.7	12.3	–
Total recognized profits and losses:			
Recognized in profit/loss for the year	13.2	–	–
Recognized in equity	–	9.6	–
Settlement of future additional considerations, options and future consideration	-63.7	-11.0	–
Cost of acquisitions	14.9	37.5	–
Fair value, 2022-06-30	142.1	48.4	–
Fair value, 2021-01-01	169.0	27.3	54.1
Total recognized profits and losses:			
Recognized in profit/loss for the year	7.3	–	–
Recognized in equity	1.4	–	–
Settlement of future additional considerations, options and future consideration	–	–	-54.1
Cost of acquisitions	–	–	–
Fair value, 2021-06-30	174.9	27.3	–

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Income statement Parent Company

SEK, MILLIONS	APR-JUNE 2022	APR-JUNE 2021	JAN-JUNE 2022	JAN-JUNE 2021	JAN-DEC 2021
Net sales	176.1	149.2	362.6	285.5	569.2
Operating costs	-214.2	-171.5	-429.4	-325.9	-672.3
Depreciation of property, plant and equipment	-0.4	-0.3	-0.7	-0.6	-1.2
OPERATING RESULT BEFORE AMORTIZATION OF INTANGIBLE ASSETS (EBITA)	-38.5	-22.6	-67.5	-41.0	-104.3
Amortization of intangible assets	-1.4	-1.2	-2.7	-2.3	-4.8
OPERATING RESULT (EBIT)	-39.9	-23.8	-70.2	-43.3	-109.1
Financial items	0.2	2.8	5.5	14.2	209.6
RESULT AFTER FINANCIAL ITEMS	-39.7	-21.0	-64.7	-29.1	100.5
Appropriations	-	-	-	-	-12.3
Income tax	-	-	-	-	-16.6
RESULT FOR THE PERIOD	-39.7	-21.0	-64.7	-29.1	71.6

Balance sheet Parent Company

SEK, MILLIONS	2022-06-30	2021-06-30	2021-12-31
Assets			
Intangible assets	12.7	17.2	15.3
Property, plant and equipment	9.8	1.8	1.4
Financial non-current assets	5,263.8	1,352.2	4,888.1
Current assets	161.2	177.9	125.5
Cash equivalents	588.3	1,078.0	699.2
TOTAL ASSETS	6,035.8	2,627.1	5,729.5
Equity and liabilities			
Share capital	27.4	21.6	27.4
Statutory reserve	68.0	68.0	68.0
Fund for development costs	-	2.9	0.4
Unrestricted share capital including result for the period	2,396.4	918.9	2,556.6
TOTAL EQUITY	2,491.8	949.4	2,652.4
Untaxed reserves	128.0	115.7	128.0
Non-current provisions	1,309.3	-	759.3
Provisions	131.6	179.3	133.3
Interest-bearing current liabilities	2.5	157.9	508.4
Other current liabilities	1,972.6	1,224.8	1,548.1
TOTAL EQUITY AND LIABILITIES	6,035.8	2,627.1	5,729.5

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Acquired operations

1508.DK A/S STROMLIN APS AND SWEDSPOT AB

On January 3, 2022, Knowit AB acquired 80 percent of the shares in the design agency 1508.dk A/S and 100 percent of the tech agency Strømlin ApS. The remaining 20 percent of 1508.dk A/S will be acquired during 2023 and 2024.

The new operations, combined with the existing operations of the business area Experience in Copenhagen and Aarhus, are expected to become a strong platform for continued growth on the Danish market. The companies' offers supplement each other well and reinforce Knowit Experience's offer in mainly design, consultancy,

and tech. The acquisition analysis remains preliminary and has been updated during the quarter.

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

MSEK	1508.dk A/S	Strømlin ApS	Swedspot AB	Total
Consideration paid				
Liquid assets	67.7	45.2	87.6	200.6
Liabilities to sellers	6.2	14.7	–	20.9
Contingent consideration	17.2	–	–	17.2
Contingent additional consideration	–	–	13.8	13.8
Total consideration paid to sellers	91.1	59.9	101.4	252.5

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

The assets and liabilities reported are preliminary fair value of identifiable acquired assets and adopted debts in 1508.dk A/S, Strømlin ApS, and Swedspot AB:

KSEK	1508.dk A/S	Strømlin ApS	Swedspot AB	Total
Intangible assets	24.8	25.6	34.2	84.6
Tangible assets	0.5	0.3	0.5	1.2
Current assets	11.1	4.9	14.4	30.4
Liquid assets	4.9	10.1	13.7	28.7
Long-term liabilities	-7.9	-6.3	-8.7	-22.8
Short-term liabilities	-7.6	-8.6	-12.6	-28.8
Acquired identifiable net assets	25.9	41.6	41.5	93.3
Goodwill	65.3	34.0	59.9	159.2
Acquired net assets	91.1	59.9	101.4	252.5

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

1508.dk A/S has during January-June 2022 contributed with revenue of SEK 26.6 million and EBITA of SEK 5.8

million. Swedspot AS has during June 2022 contributed with revenue of SEK 4.2 million and EBITA of SEK 0.7 million. Strømlin ApS has during the second quarter been integrated with Knowit's operations, making it impossible to determine how much to company contributed with in revenue and EBITA during the period January-June 2022.

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

In total, acquisition-related costs of SEK 3.8 million are included in EBITA in the income statement and in the operating activities in the cash flow analysis, with SEK 1.0 million pertaining to the acquisition of

Swedspot AB. The remaining SEK 2.8 million pertain to acquisitions finalized on July 1, 2022. Acquisitions costs pertaining to 1508.dk A/S and Strømlin ApS were included in EBITA and cash flow in 2021.

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Financial overview by business area

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

SEK, MILLIONS	APR-JUNE 2022	APR-JUNE 2021 ¹⁾	APR-JUNE 2021 incl. acquisitions ²⁾	JAN-JUNE 2022	JAN-JUNE 2021 ¹⁾	JAN-JUNE 2021 incl. acquisitions ²⁾
The Group						
Net sales	1,644.7	1,033.7	1,533.5	3,340.0	2,045.1	3,028.2
Adjusted EBITA profit	140.5	98.3	123.2	334.7	201.6	281.3
Adjusted EBITA margin, %	8.5	9.5	8.0	10.0	9.9	9.3
Number of employees at the end of the period	3,933	2,549	3,921	3,933	2,549	3,921
Business areas						
Solutions						
Net sales	932.7	615.0	852.4	1,908.7	1,212.5	1,685.7
Adjusted EBITA profit	89.6	68.5	98.0	215.9	135.7	192.8
Adjusted EBITA margin, %	9.6	11.1	11.5	11.3	11.2	11.4
Number of employees at the end of the period	1,720	1,314	1,786	1,720	1,317	1,786
Experience						
Net sales	401.5	333.3	358.0	814.8	670.5	719.5
Adjusted EBITA profit	38.8	33.5	35.4	98.0	75.2	80.5
Adjusted EBITA margin, %	9.7	10.0	9.9	12.0	11.2	11.2
Number of employees at the end of the period	960	875	942	960	875	942
Connectivity						
Net sales	259.4	34.0	225.8	505.3	64.2	444.0
Adjusted EBITA profit	25.4	3.2	18.5	54.9	5.9	40.3
Adjusted EBITA margin, %	9.8	9.4	8.2	10.9	9.2	9.1
Number of employees at the end of the period	740	40	699	740	40	699
Insight						
Net sales	170.7	112.0	171.2	340.6	222.9	330.1
Adjusted EBITA profit	24.0	12.2	22.9	44.2	20.6	39.5
Adjusted EBITA margin, %	14.1	10.9	13.4	13.0	9.2	12.0
Number of employees at the end of the period	370	282	376	370	282	376

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

2) Adjustment pertains to the acquisitions of Cybercom, Capacent, 1508.dk A/S Strømlin ApS from January to March 2021 and Swedspot from June 2021.

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Financial overview by country

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

SEK, MILLIONS	APR-JUNE 2022	APR-JUNE 2021	JAN-JUNE 2022	JAN-JUNE 2021	JAN-DEC 2021
Sweden					
Net sales	808.8	530.5	1,640.8	1,052.4	2,521.2
EBITA	102.5	64.3	234.8	127.0	306.5
EBITA margin, %	12.7	12.1	14.3	12.1	12.2
Norway					
Net sales	507.6	412.5	1,051.6	810.7	1,606.7
EBITA	46.9	44.9	112.3	95.0	175.7
EBITA margin, %	9.2	10.9	10.7	11.7	10.9
Finland					
Net sales	146.8	45.5	290.4	90.7	338.4
EBITA	8.5	2.0	18.3	3.9	30.3
EBITA margin, %	5.8	4.4	6.3	4.3	9.0
Denmark					
Net sales	128.8	41.3	254.7	83.1	254.3
EBITA	10.8	4.5	23.1	8.9	22.6
EBITA margin, %	8.4	10.9	9.1	10.7	8.9
Poland					
Net sales	47.7	–	92.8	–	76.2
EBITA	4.0	–	9.2	–	7.7
EBITA margin, %	8.4	–	9.9	–	10.1

OTHER

Definitions

Alternative performance measures

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

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

EBITDA PROFIT Profit before depreciation and amortization of tangible and intangible non-current assets, respectively. $(328.5 + 69.5 = 398.0)$

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

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

This year's adjustments of SEK 6.2 million encompass expenses for legal and financial consultancy in connection with the acquisition transactions, totaling SEK 3.8 million. They also include adjustments for integration and restructuring expenses such as financial and legal consultancy regarding restructuring, project management of integrations, financing expenses, and tax expenses connected to internal disposal of acquired foreign operations. $(328.5 + 6.2 = 334.7)$

EBITA MARGIN Profit before amortization of intangible non-current assets (EBITA) in relation to net sales for the period. $(328.5 / 3,340.0 = 9.8\%)$

ADJUSTED EBITA MARGIN Adjusted EBITA profit in relation to net sales for the period. $(334.7 / 3,340.0 = 10.0\%)$

NET DEBT Interest-bearing liabilities less financial interest-bearing assets. $(1,080.6 + 110.5 - 715.9 = 475.2)$

AVERAGE EQUITY The average of the period's opening equity balance and the period's closing equity balance. $((3,892.4 + 4,083.8) / 2 = 3,988.1)$

RETURN ON EQUITY Profit after full tax as a percentage of average equity including non-controlling interests. $(252.0 / 3,988.1 = 6.3\%)$

CAPITAL EMPLOYED Equity plus interest-bearing liabilities. $((3,892.4 + 286.3 + 606.6 + 4,083.8 + 1,080.6 + 110.5) / 2 = 5,030.1)$

RETURN ON CAPITAL EMPLOYED Profit after financial items plus financial expenses expressed as a percentage of average capital employed. $((309.8 + 22.7) / 5,030.1 = 6.6\%)$