

Interim report



Slow recovery

Interim report for Knowit AB

JANUARY – SEPTEMBER 2024

Net sales decreased by 9.5 percent to SEK 4,773.8 (5,273.4) million

The EBITA profit was SEK 260.0 (348.6) million, the adjusted EBITA profit was SEK 288.4 (349.8) million¹⁾

The EBITA margin was 5.4 (6.6) percent, the adjusted EBITA margin was 6.0 (6.6) percent¹⁾

Results after tax were 72.8 (150.3) million

Earnings per share were SEK 2.45 (5.43)²⁾

Cash flow from operating activities increased to SEK 368.7 (128.5) million

JULY – SEPTEMBER 2024

Net sales decreased by 14.1 percent to SEK 1,326.2 (1,544.1) million

The EBITA profit was SEK 57.9 (74.8) million, the adjusted EBITA profit was SEK 57.9 (74.9) million¹⁾

The EBITA margin was 4.4 (4.8) percent, the adjusted EBITA margin was 4.4 (4.9) percent¹⁾

Results after tax were SEK 3.4 (26.3) million

Earnings per share were SEK 0.12 (1.08)²⁾

Cash flow from operating activities increased to SEK 170.7 (-99.9) million

1) EBITA is adjusted for items that affect comparability between periods, to improve understanding of the Group's underlying operative activities. The period January–September is adjusted for provisions related to the Swedish Agency for Economic and Regional Growth's decision on repayment of support for short-term work, totaling SEK 28.4 million. Knowit does not share the Swedish Agency for Economic and Regional Growth's views and has appealed the decision to the Stockholm Administrative Court. For more information, see definitions on page 27.

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. The information was made public through the agency of CEO and President Per Wallentin, at 07:30 CEST on October 25, 2024.

Strong position in a challenging quarter

The third quarter of the year was characterized by varied demand across different segments and geographic areas, where Knowit is facing its greatest challenges in the Swedish market. After over a year of intensive work to optimize and strengthen the organization, we are seeing that the negative development has partially stopped and that utilization is slowly improving. This applies primarily to our largest business area Solutions. At the same time, we and our entire sector continue to be challenged by weak demand and a relatively unpredictable market. Our strong position as a digitalization partner to Nordic companies and authorities means that we manage to navigate on a market where maneuvering is sometimes hard.

After more than a year of recession, Knowit is now a slightly smaller company compared with a year ago. As a result of this, net sales have decreased by 14.1 percent to SEK 1,326.2 million and the number of employees at the end of the quarter is 3,941 (4,383). Despite this, we have managed to retain a relatively stable EBITA margin, thanks to the intensive work done in the past year to adapt our organization to the current market conditions. We retain a strong focus on meeting the demands of our clients, although internal efficiency also has high priority.

Mixed bag across business areas and geographic areas

It is still too early to say that we are seeing a general recovery or that we have reached the bottom of the recession. Demand varies across segments and geographic areas, which it has throughout the past year. In our largest business area, Solutions, we are seeing that the early signs of recovery which we noted already during the second quarter have continued throughout the third quarter. For the second quarter running, we have seen a positive trend as regards utilization.

In the business area Connectivity, we have a continued positive development with a good margin, in line with last year. Our ability to quickly adapt the organization when demand changes protects the margin, but also means that we are fewer employees today compared with a year ago.

Our two remaining business areas have had a rough quarter development. The digital agency operations Experience continues to be greatly affected by the weaker economic climate, without any clear signs of recovery. The work with optimizing our resources continues while the active sales work and client dialogues have high priority. This is showing results, but in the short-term perspective, the margin is affected.

The management consultancy operations Insight have had yet another weak quarter, in part because start-up after the summer was slow, with several clients waiting to initiate new projects. We continue to see a high need for competence within defense and cybersecurity and we have recruited in this area during the quarter, which has had a short-term negative impact on the margin.

Proactivity and cost awareness

Proactivity in client dialogues, combined with a focus on constant improvements to our internal efficiency, continues to be a guiding star in the organization. Companies and authorities have a large need to continue their digital transformation in a weaker

economy too. During the quarter, we have signed new framework agreements with the Norwegian Labour and Welfare Administration (NAV), where Knowit will help the authority in its continued digitalization efforts.

The significance of innovation and new technology is increasing in society, even during a recession. As one of the leading suppliers in the Nordic region, Knowit is well-positioned to start growing again and gaining market shares when the market does pivot. Through the actions taken during the year, we are well-equipped to face a higher demand on a stronger market.

PER WALLENTIN

Chief Executive Officer and President



July – September 2024

Knowit has won **THE PROCUREMENT OF NEW FRAMEWORK AGREEMENTS WITH NAV** (the Norwegian Labour and Welfare Administration). The new agreements mean that Knowit will continue the work with digitalizing NAV in the coming four years. The agreement has an estimated value of NOK 3.5 billion and delivery will be made in close collaboration with a few main partners.

Knowit has, in collaboration with Microsoft Sweden, published an **EXTENSIVE GUIDE FOR DECISION-MAKERS DEVELOPING, IMPLEMENTING, OR USING TOOLS BASED ON ARTIFICIAL INTELLIGENCE (AI)**. The guide has been drafted in collaboration with lawyers, business psychologists, and cybersecurity experts to ensure solid support for organizations to simplify decisions on reliable AI taking ethical, legal, and cybersecurity-related aspects into consideration.

Knowit Experience won the Norwegian design award **RED DOT AWARDS FOR STOREBRAND'S NEW VISUAL IDENTITY**. Knowit has collaborated with Storebrand regarding brand, content strategy, and digital communication since 2013.

Knowit has organized a series of well-attended seminars on the topic **BRAVE LEADERSHIP DURING THE ARENDAL WEEK** in August. The panel debate with participants from the private and public sector discussed challenges in an uncertain world, where the fast technology development requires leadership that dares to challenge thinking and learn new things.

Knowit has organized **TESTIT, A CONFERENCE FOR TESTERS BY TESTERS**, which has been held since 2015. The conference gathers competence in the testing area for a day, to share knowledge, ideas, and inspiration. This year's conference was held in Malmö and gathered more than 200 participants.

Knowit Open was held in Stockholm and gathered around 100 senior executives from companies and organizations. **KNOWIT OPEN IS A KNOWLEDGE FESTIVAL** with a data-driven theme covering everything from sustainability and Generative AI to security, cloud technology, and leadership.

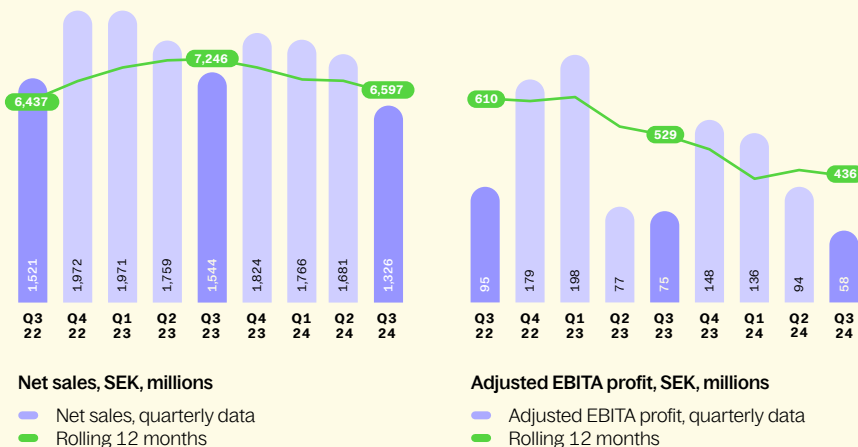
July – September 2024

Net sales for the quarter were SEK 1,326.2 (1,544.1). Exchange rate developments had a negative effect on net sales, totaling SEK -40.8 (41.4) million. Profit before amortization of intangible assets (EBITA) was SEK 57.9 (74.8) million. The adjusted EBITA profit was SEK 57.9 (74.9) million, adjusted for integration costs of SEK – (0.1) million. The work to optimize the organization and reduce costs has continued during the third quarter, a result of market demand weakening as compared with the same quarter in the previous year. Normal working hours for the quarter totaled 513 (505).

Cash flow from operating activities increased to SEK 170.7 (-99.9) million, where the change in operating capital contributed with SEK 99.8 (-223.8) million, affected mainly by decreased operating receivables.

SEK, MILLIONS	July– September 2024	July– September 2023
Sales	1,326.2	1,544.1
Sales, change, %	-14.1	-0.3
of which is exchange rate effect, %	-2.6	2.7
EBITA	57.9	74.8
Adjusted EBITA profit ¹⁾	57.9	74.9
EBITA margin, %	4.4	4.8
Adjusted EBITA margin, % ²⁾	4.4	4.9
Cash flow from operating activities	170.7	-99.9
Intangible assets	4,330.2	4,528.6
Number of employees at the end of the period	3,941	4,383
Normal working hours	513	505

1) EBITA is adjusted for items that affect comparability between periods, to increase the understanding of the Group's underlying operations. Items that affect comparability include costs connected to acquisitions and disposals, and costs for restructuring and integration programs, as well as significant items of a one-time nature.
2) Adjusted EBITA profit in relation to the net sales of the period.



Client offer driving the digital transformation

Knowit's vision is to lead companies and organizations toward a sustainable future. With a unique combination of cutting-edge technology, design, communications, and strategy, we develop innovative and sustainable solutions that contribute to a high business value for our clients. Knowit's agile work methods and client-tailored solutions have contributed to creating a strong position on the Nordic consultancy market with a presence in Sweden, Norway, Finland, Denmark, and Poland.

Through four business areas, Knowit develops long-term sustainable and innovative solutions with high value for clients and society. The four business areas build on the clients' needs for support in different parts of their organizations. The business area Solutions usually collaborates with companies' operative and IT departments. Experience's usual client group encompasses sales and marketing departments, and Connectivity's target group is mainly research and development departments. Insight mainly has corporate management and management teams as its clients.

In the last year, generative AI has made broad inroads into society, leading to developments in both work methods and deliveries along with clients and partners.

At Knowit, we help companies future-proof their operations through our expertise in tech, digitalization, leadership, design, and

security. We work from a Nordic perspective, through specialized teams that make things happen along with our clients.

Good spread across different client segments

Knowit meets clients in many different industries, where companies and organizations have the need for competent support to develop their operations and drive the change towards a digitalized society. The largest proportion of net sales is in the public sector, providing 37 percent of Knowit's total net sales. Other significant client sectors are Industry, 17 percent of net sales, Retail and service companies, 17 percent, and Banking and finance, 10 percent.

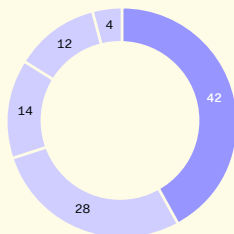
Aiming for a sustainable future

An important part of the ongoing digitalization is about having companies and organizations accelerating the shift to a sustainable society. Being a contributing

factor in this shift is high up on Knowit's strategic agenda. Digitalization creates both possibilities and risks for the climate and for society. Knowit's role, as a leading consultancy company in the digitalization sector, is therefore even more important from a sustainability perspective. Aside from identifying and managing our impact on society and the environment, Knowit needs to understand how society is changing to better capture opportunities, manage risks, and continue to develop our business operations. Sustainable business means creating long-term value for shareholders, clients, and employees, as well as other stakeholders.

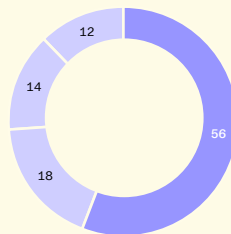
An important employer in the tech sector

Knowit is a value-driven workplace that encourages employees to take a large portion of the responsibility for their own and the company's development. The



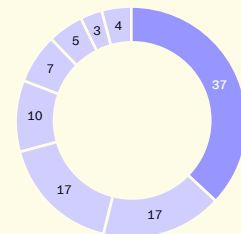
Sales per country, July - September 2024

Sweden	42% (43)
Norway	28% (29)
Denmark	14% (13)
Finland	12% (11)
Poland	4% (4)
Other	0% (0)



Sales per business area, July - September 2024

Solutions	56% (54)
Experience	18% (20)
Insight	14% (15)
Connectivity	12% (11)



Sales per client industry, July - September 2024

Public sector	37% (39)
Retail and service companies	17% (15)
Industry	17% (15)
Banking, finance and insurance	10% (10)
Telecommunications	7% (8)
Media, education and gaming	5% (6)
Energy	3% (4)
Other	4% (3)

promise to both clients, employees, and society at large is to be “Makers of a sustainable future,” creating commitment and the drive to take on challenges and seize new opportunities. Knowit’s ability to attract and engage through a strong employer brand has been recognized in several ways in recent years. During the quarter, Knowit was once again ranked highly as an employer by Nordic students in the survey Most Attractive Employers in Nordics 2024, which is important for our ability to attract new talent.

On the weaker market, we have prioritized work with further education of our employees and ensuring that we strengthen our competence in areas where demand remains high. One good example is the defense industry, where our clients request our support to develop and digitalize the defense sector. During the quarter, we have introduced a training program designed to combine participants’ current knowledge with specialized defense-related education, focusing in particular on digitalization and innovation.

Financial outcome

The Group’s operations are organized so that the corporate management team primarily follows four business areas: Solutions, Experience, Connectivity, and Insight. To promote collaboration between segments, the Corporate Management Team decided in 2024 that the net sales per segment shall include deductions for internal direct costs. The margin for the business areas is thus altered and the comparison figures for 2023 have been adjusted accordingly. No effect arises for the Group’s margin. See pages 19 and 20.

Net sales for the quarter for Solutions were SEK 749.9 (861.5) million, for Experience they were SEK 235.4 (306.3) million, for Connectivity they were SEK 189.3 (225.8) million, and for Insight they were SEK 159.1 (162.2) million.

Profit before amortization of intangible assets (EBITA) for Solutions was SEK 60.7 (63.2) million, for Experience was SEK -1.3 (7.4) million, for Connectivity was SEK 21.3 (26.2) million, and for Insight was SEK -10.3 (-10.4) million.

The EBITA margin for Solutions increased to 8.1 (7.3) percent. For Experience, it was -0.6 (2.4) percent, for Connectivity, it was 11.3 (11.6) percent and, for Insight, it was -6.5 (-6.4) percent.

Solutions

	July-September 2024	July-September 2023
Sales, SEK, million	749.9	861.5
EBITA, SEK, million	60.7	63.2
EBITA margin, %	8.1	7.3
Number of employees	1,762	1,953

Solutions is Knowit’s largest business area, with operations on all of Knowit’s markets in the Nordic region. Around 1,800 consultants offer cutting-edge competence in all parts of the system development process: from idea, architecture, and project governance, to programming, implementation, testing, and security. Innovation and bespoke system solutions create increased possibilities to ensure that clients’ operations develop in step with the latest technology and changing business needs.

In the Nordic region, the business area Solutions has the single largest share of its clients in the public sector. Solutions also supports larger companies in retail and e-commerce with payment solutions and AI solutions. In the telecom industry, the business area Solutions has several larger clients, with long-term relationships, where they develop new system solutions and are in charge of DevOps. Here, deliveries are increasingly made through agile teams. In banking and finance, some clients are found among the more niche players, challenging older business models.

Comments from the Head of Solutions

The positive trend in utilization has continued into the third quarter, but at a cautious level as yet. We must continue to work hard to drive our business forward and a lot of work remains before we are back at past profitability levels.

“For the second quarter running, we are strengthening our margin compared with the same period last year, which is naturally very gratifying. We are performing well in Norway and Finland in particular, where our efforts to optimize the organizations are now showing full effect. We have not yet seen any broad market recovery, but feel firm ground under our feet, which bodes well for coming quarters.”

Fredrik Ekerhovd,
Head of Solutions

Experience

	July-September 2024	July-September 2023
Sales, SEK, million	235.4	306.3
EBITA, SEK, million	-1.3	7.4
EBITA margin, %	-0.6	2.4
Number of employees	817	979

The business area Experience is one of the leading digital agencies in the Nordic region, with around 800 specialists at the interface between technology and communication, who take responsibility for the entire digital customer experience. In the client projects, which are staffed with various specialist competences in web and mobile technology, design, data analysis, and marketing, Experience helps companies and organizations achieve their business-critical goals in marketing and sales, which ultimately also drives improved profitability for clients.

Experience’s relationships to its clients are typically a combination of short-term project assignments and long-term partnerships. This might involve, for instance, an increased need for a faster shift of sales to e-commerce solutions, with a focus on data-driven customer experiences and increased sales. Experience has more clients in the public sector, where they in various ways contribute to creating better and more accessible societal services for individual citizens.

Comments from the Head of Experience

The positive indications we saw in the operations during the spring have faded and the third quarter has been weaker than expected. The start of several new client projects after the summer has been postponed or scaled down. We are working hard to increase sales activities and further sharpen our efforts in areas like e-commerce and accessibility. At the same time, we have a continued focus on implementation of the streamlining measures initiated earlier during the year.

“After a quarter with significantly weaker development than expected, our margins have decreased markedly compared with a year ago. We are challenged mainly in Sweden and Denmark, where a lot of work remains to be done before we have a solid foundation to stand on. We are working intensively on all markets, with a growing pipeline of new business possibilities, though competition is fierce.”

Kenneth Gvein,
Head of Experience

Connectivity

	July- September 2024	July- September 2023
Sales, SEK, million	189.3	225.8
EBITA, SEK, million	21.3	26.2
EBITA margin, %	11.3	11.6
Number of employees	709	763

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, with around 700 consultants in Sweden and Poland, and a smaller operation in Germany, is a leading supplier to clients in the telecom industry, the vehicle industry, the manufacturing industry, and to research and development departments.

Connectivity is specialized in the development of 5G technology, at the absolute forefront of digitalization. The platform enables usage of artificial intelligence (AI), the internet of things (IoT), and extended reality (XR). Thus, it has potential to decrease costs, energy usage, emissions, and waste, and to mitigate climate change.

Comments from the Head of Connectivity

The results of the quarter speak of a market that is still highly competitive, where Connectivity's strong position in relation to industry clients is a strength. We are working hard to both adapt the organization and be proactive in our client dialogues, which has shown results.

"Thanks to our ability to transform and adapt the operations to lower net sales, combined with a strong development in our product operations, we have managed to maintain our margins despite an uncertain market. A generally more positive development in our operations during the quarter creates possibilities to continue with some recruitment during the fall. We have a high sales focus throughout the organization and have increased our sales capacity."

Lennart Waldenström,
Head of Connectivity

Insight

	July- September 2024	July- September 2023
Sales, SEK, million	159.1	162.2
EBITA, SEK, million	-10.3	-10.4
EBITA margin, %	-6.5	-6.4
Number of employees	565	594

Specialists at Insight support their clients in creating agile organizations and performing digital transformations, from idea to result. In close collaboration with the client, they adapt methods and models based on the client's challenges and unique market circumstances.

The business area currently has around 550 employees and is thus an established player on the Nordic management consulting market. Primary offers include data-driven growth, organization and strategy development, digital transformation, security, e-health, and sourcing. Demand for services in cybersecurity and defense has been particularly high this year, driven by increased global uncertainty.

Comments from the Head of Insight

Insight has had a rough start to the fall with a general hesitance and slow start-up of projects after the summer months. Combined with a more competitive market, this has had a negative impact on both utilization and results. Our position in cybersecurity and law remains strong and we have reinforced it during the quarter with new employees in our trainee program.

"We are focusing on developing our offer towards the defense sector and strengthening our position in this important segment, including by introducing education efforts to broaden our competence base. We are also maintaining our efforts to streamline our deliveries in order to increase our utilization and profitability going forward."

Carin Strindmark,
Head of Insight

Innovative assignments that create long-term value

Together with our clients, we create the digital solutions of the future, for higher client value, and a sustainable societal development. Learn about some of our clients' challenges, solutions, and results.



COWI's new website combines esthetics and functionality with a decreased carbon footprint



The global engineering and consultancy company COWI needed a technical update of its editor interface, a more user-friendly platform, and an updated digital presence that reflected its brand. With a new visual identity and the need for a new technical setup, it was crucial to think about strategy, creativity, and technology from the start.

Knowit worked in an intense process for six weeks, where both the company and its clients were involved in workshops and meetings. With a focus on simplicity in both communication and solution, a concept was developed centered around the user. The platform Umbraco was chosen as the technical solution, as it fully met COWI's needs and offers a highly user-friendly interface. The solution is cloud-based and prepared for future scalability, so that COWI can continue its growth and digital innovation without issues.

The new website is more than just an online presence – it is a digital home, where COWI's values, mission, and results are presented in an elegant and clear manner. The advanced platform is designed to be intuitive and engaging. The users are at its heart and it has become easier to navigate and find relevant information. At the same time, the website's digital carbon footprint has decreased by 59 percent.

The visual and functional update of COWI's website makes it possible for the company to communicate more efficiently and supports its position in the consultancy industry. It reflects COWI's ability to combine esthetics with functionality, creating a unique and inspiring user experience.

Norskt Stål chooses Knowit as its digitalization partner



Norskt Stål AS is a nation-wide distribution organization in steel and metal. The company markets and distributes its products and associated services to the private sector, including the tooling, energy, shipping, construction, and industrial sectors. The company has ten branches across Norway, with headquarters in Oslo.

Norskt Stål chose Knowit as its digitalization partner following a thorough selection process. The agreement initially encompasses analysis of a new business system based on Microsoft Dynamics 365, a reporting solution, and a platform adapted for future growth and further digitalization.

The purpose behind the procurement process for Norskt Stål was to identify a comprehensive and long-term digitalization partner. Knowit's high quality in the dialogue has created confidence and a foundation for sound future collaboration. The partnership strengthens Knowit's position on the market as a digitalization partner.



with competence to deliver total solutions and provide clients with expertise, change, and value. The methods used for analysis, implementation, and continuous improvement were important to Norskt Stål in the procurement procedure.

Knowit delivers digital solutions to Kunstsilo



In 2024, Northern Europe’s possibly most innovative center for art and culture experiences – Kunstsilo – opened in Kristiansand in Norway. With over 100,000 visitors during the first three months, the art museum has been a great success. The museum is housed in a former grain silo in the harbor and will contain the largest collection of Nordic art from the 1900s to the present day.

The process of going from the art museum of Sørlandet to becoming Kunstsilo required a changed organizational structure and quick growth. Knowit has been by the client’s side to develop, structure, and procure this complex and critical project.

The project encompassed development and project management of the new websites, new info screen solution, and implementation of a new sales system.

The website is a modern and user-friendly platform for communicating about the contents and operations of the museum. The new system makes it easier for visitors to order and pay for tickets and memberships in advance.

Knowit has also implemented a digital workplace, giving employees access to effective tools for collaboration, communication, and document management. The digital workplace is adapted to the museum’s internal processes, graphical profile, and new organization, contributing to creating a healthy working culture and increased productivity.

Further, Knowit has helped the client to develop a system for statistics on visitor numbers, real-time capacity monitoring, and data access, to make it a more data-driven company with new technology.

Through the new website, digital information screens, and an integrated ticket system, Kunstsilo has created a more modern and user-friendly experience for the public. The new statistics system means that the art museum can more easily make data-driven decisions regarding capacity usage and visitor numbers, while also getting valuable insights into visiting patterns. Through digital systems for internal work processes, the employees have gained access to tools for collaboration and communication, improving the working culture and productivity.

Strategic change paves the way for digital independence



The municipality of Kinda initiated a large change by leaving its municipal association, to independently manage its IT operations. The decision arose from a need for greater possibilities to adapt its IT operations in order to invest more in development, raise quality, and decrease costs. With the help of Knowit, as advisor and project manager, a smooth transition to a new IT supplier

was ensured. This strategic change now enables the municipality to independently decide on its digital development and promote further innovation.

In order for the transition to be smooth and have minimal impact on the municipality’s operations, there was a need for a partner with expertise in organizational and operative development. The choice fell on Knowit, acting as both advisor and project manager for the transition to the new supplier and for the creation of the new IT and digitalization organization.

Knowit supported the municipality of Kinda throughout the processes, from navigating the dissociation with the existing supplier to joining the new one and building an internal IT organization. Knowit’s consultants identified and managed risks, ensured quality and economy in the transition, and strengthened the municipality’s ability to independently manage its IT operations. This included providing specific expertise in GDPR, IT security, and sourcing strategy.

The transition to an IT environment under its own control decreased the costs for the municipality and improved the quality of the IT services. The change meant that the municipality has control over its digitalization journey and can make strategic decisions based on its own needs and conditions. With the help of Knowit, the municipality of Kinda has improved its ability to have sustainable and cost-effective operations, which in the long term contributes to a sustainable society through improved resource usage and decreased environmental impact.

The Group

Continued challenging market

Net sales and profit

JANUARY – SEPTEMBER

Net sales were SEK 4,773.8 (5,273.4) million, a decrease by 9.5 percent as compared with the corresponding period last year. The exchange rate development of the year has had a negative impact on net sales of SEK -39.7 (64.9) million. Net sales per employee (based on the average number) were KSEK 1,252 (1,276).

Net sales were SEK 2,018.7 (2,354.6) million in Sweden and SEK 1,340.7 (1,503.2) million in Norway, increased to SEK 674.8 (648.3) million in Denmark, and were SEK 554.8 (570.3) million in Finland and SEK 168.3 (182.6) million in Poland.

The operating profit before amortizations and write-downs of intangible assets (EBITA) was SEK 260.0 (348.6) million. The adjusted EBITA profit decreased by 17.5 percent to SEK 288.4 (349.8) million, adjusted for provisions related to the Swedish Agency for Economic and Regional Growth's decision on repayment of support, reported in the second quarter, totaling SEK 28.4 (-) million, and integration costs of SEK - (1.2) million. The exchange rate development has had a negative impact on EBITA of SEK -3.8 (-0.3) million.

In Sweden, EBITA was SEK 112.8 (187.9) million, whereas in Norway, it increased to SEK 136.0 (120.3) million. In Denmark, it was SEK 25.2 (42.0) million, whereas in Finland, it increased to SEK 48.6 (39.2) million. In Poland, it was SEK 16.2 (21.2) million.

The EBITA margin was 5.4 (6.6) percent. The adjusted EBITA margin was 6.0 (6.6) percent.

Amortizations and write-downs of intangible assets amounted to SEK -124.9 (-144.7) million. The previous year was affected by a write-down of SEK -15.4 million.

The operating profit after financial items was SEK 99.1 (205.1) million. The financial net was SEK -36.0 (1.2) million, affected mainly by interest revenue of SEK 8.8 (9.9) million, interest costs of SEK -41.5 (-48.0) million, and exchange rate changes. The previous year was positively impacted by

revaluation of additional consideration, totaling SEK 46.4 million.

The results after taxes were SEK 72.8 (150.3) million. Tax for the period was SEK -26.3 (-54.8) million. Taxes for the previous year were affected by a correction for the preceding year's taxes of SEK -5.8 million. The non-controlling interests' share of profit for the year increased to SEK 5.7 (1.5) million. Earnings per share were SEK 2.45 (5.43).

JULY – SEPTEMBER

Net sales were SEK 1,326.2 (1,544.1) million, a decrease of 14.1 percent as compared with the corresponding period last year. The exchange rate development of the year has had a negative impact on net sales of SEK -40.8 (41.4) million. Sales per employee (based on the average number) were KSEK 360 (378).

Net sales were SEK 547.9 (660.3) million in Sweden, SEK 373.8 (441.8) million in Norway, SEK 185.7 (204.1) million in Denmark, SEK 156.7 (170.6) million in Finland, and SEK 56.3 (62.7) in Poland.

The operating profit before amortizations and write-downs of intangible assets (EBITA) was SEK 57.9 (74.8) million. The adjusted EBITA profit decreased by 22.7 percent to SEK 57.9 (74.9) million. The exchange rate development has had a negative impact on EBITA of SEK -3.1 (1.3) million. In the previous year, EBITA was slightly positively affected through the sale of the subsidiary Zizr AS.

In Sweden, EBITA was SEK 9.6 (19.8) million; in Norway, it increased to SEK 35.3 (29.9) million, in Denmark, it was SEK -1.2 (17.8) million, in Finland, it increased to SEK 18.4 (11.1) million, and in Poland, it was SEK 6.2 (9.5) million.

The EBITA margin was 4.4 (4.8) percent. The adjusted EBITA margin decreased to 4.4 (4.9) percent.

Amortizations and write-downs of intangible assets amounted to SEK -41.6 (-58.9) million. The previous year was affected by a write-downs of SEK -15.4 million.

The operating profit after financial items was SEK 5.1 (38.7) million. The financial net was SEK -11.2 (22.8) million, affected mainly by interest revenue of SEK 2.8 (3.4) million, interest costs of SEK -13.4 (-16.7) million, and exchange rate changes. The figure for the previous year was positively impacted by revaluation of additional consideration totaling SEK 30.9 million.

The results after taxes were SEK 3.4 (26.3) million. Tax for the period was SEK -1.7 (-12.4) million. The previous year's taxes were affected by a correction for the preceding year's taxes of SEK -5.8 million. The non-controlling interests' share of profit for the year increased to SEK 0.2 (-3.2) million. Earnings per share were SEK 0.12 (1.08).

The segments

JANUARY – SEPTEMBER

Net sales for the segment Solutions were SEK 2,672.0 (2,860.7) million, for the segment Experience they were SEK 891.0 (1,084.9) million, and for the segment Connectivity they were SEK 615.4 (731.1) million. For the segment Insight they increased to SEK 626.5 (621.8) million.

EBITA was SEK 211.3 (223.1) million for the segment Solutions, SEK 46.0 (87.6) million for the segment Experience, SEK 66.4 (80.2) million for the segment Connectivity, and SEK 24.7 (35.2) million for the segment Insight.

The EBITA margin increased to 7.9 (7.8) percent for the segment Solutions and was 5.2 (8.1) percent for the segment Experience, 10.8 (11.0) percent for the segment Connectivity, and 3.9 (5.7) percent for the segment Insight.

JULY – SEPTEMBER

Net sales for the segment Solutions were SEK 749.9 (861.5) million, for the segment Experience they were SEK 235.4 (306.3) million, for the segment Connectivity they were SEK 189.3 (225.8) million, and for the segment Insight they were SEK 159.1 (162.2) million.

EBITA was SEK 60.7 (63.2) million for the segment Solutions. It was SEK -1.3 (7.4) million for the segment Experience, SEK

21.3 (26.2) million for the segment Connectivity, and SEK -10.3 (-10.4) million for the segment Insight.

The EBITA margin increased to 8.1 (7.3) percent for the segment Solutions, was -0.6 (2.4) percent for the segment Experience; was 11.3 (11.6) percent for the segment Connectivity, and -6.5 (-6.4) percent for the segment Insight.

The definitions for follow-up of segments have been altered. For more information, see Note 4 on page 19.

Cash flow

JANUARY – SEPTEMBER

Cash flow from operating activities increased to SEK 368.7 (128.5) million. The change in working capital increased to SEK 145.4 (-200.7) million, affected mainly by decreased operating receivables

Cash flow from investment activities amounted to SEK -36.1 (-190.3) million, affected by payment of additional consideration and investments in tangible assets.

Cash flow from financing activities was SEK -100.8 (-328.2) million, affected by amortizations, loans taken, dividends, and acquisitions of non-controlling interests.

Total cash flow increased to SEK 231.8 (-390.0) million.

JULY – SEPTEMBER

Cash flow from operating activities increased to SEK 170.7 (-99.9) million. The change in working capital increased to SEK 99.8 (-223.8) million, affected mainly by decreased operating receivables.

Cash flow from investment activities amounted to SEK -7.0 (-9.3) million, affected by investments in tangible assets.

Cash flow from financing activities increased to SEK 55.5 (-136.5) million, affected mainly by loans taken, amortizations, and acquisitions of non-controlling interests.

Total cash flow increased to SEK 219.2 (-245.7) million.

Financial position

JANUARY – SEPTEMBER

Cash and cash equivalents increased to SEK 358.4 (101.9) million as per September 30, 2024. Goodwill and other intangible assets amounted to SEK 4,330.2 (4,528.6)

million, of which SEK 3,745.5 (3,778.5) million was goodwill and SEK 584.7 (750.1) million was other intangible assets.

Equity was SEK 4,079.0 (4,164.1) million. Interest-bearing liabilities totaled SEK 1,150.2 (1,233.4) million on September 30, 2024, with long-term liabilities totaling SEK 993.4 (1,049.6) million and short-term liabilities totaling SEK 156.8 (183.8) million. Knowit has a facility of SEK 300 million that falls due in 2026 and a facility of SEK 750 million that falls due in 2027. The credit facilities granted total SEK 1,050 million. As per September 30, 2024, SEK 600.0 (600.0) million of the credit facilities granted were used. Leasing debts were SEK 508.7 (571.1) million. Debts related to future consideration for subsidiaries totaled SEK 25.8 (62.4) million.

The equity/asset ratio increased to 59.4 (57.5) percent as per September 30, 2024.

Employees

JANUARY – SEPTEMBER

On September 30, 2024, a total of 3,941 (4,383) people were employed by the Group. During 2024, the number of employees has decreased by 324 people compared with December 31, 2023.

The average number of employees has during the period decreased to 3,814 (4,134). The average number of employees in Sweden decreased to 1,838 (2,043), in Norway to 960 (1,020), in Finland to 450 (471), in Poland to 278 (305), and in Denmark to 274 (284).

Other

In June, the Swedish Agency for Economic and Regional Growth decided to request repayment of a large part of the support for short-time work that the group and its acquired subsidiaries were granted during 2020, in connection with the COVID-19 pandemic. Knowit does not share the views of the Swedish Agency for Economic and Regional Growth and has appealed the decision to the Administrative Court in Stockholm. The amount in question amounts to SEK 28.4 million, which affected the results of the second quarter and is reported under provisions.

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 quarters 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 workdays and normal working hours that are dropped due to the Christmas and New Year holidays.

During the period January–September, normal working hours totaled 1,468 (1,463) hours.

Forward-looking information

The forward-looking information in this report is based on the expectations of Knowit's management team at the time of the report. Although 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 forward-looking information, depending for example on changed market conditions for the Knowit corporation's offerings and more general conditions related to economy, market, competition, regulatory changes and other alterations in policy, as well as variations on exchange rates. Knowit does not commit to update or correct such forward-looking information beyond what is required by law.

Certification

The Board and the CEO certify that the Interim Report gives a fair overview of the Group's and the Parent Company's operations, position, and profit/loss, and describes the significant risks and uncertainty factors faced by the Parent Company and the companies within the Group.

STOCKHOLM OCTOBER 25, 2024

PER WALLETTIN

Chief Executive Officer

Financial calendar

YEAR-END REPORT 2024

February 7, 2025, 7.30 AM

INTERIM REPORT

JANUARY – MARCH 2025

April 29, 2025, 7.30 AM

AGM 2025

April 29, 2025, 1 PM

INTERIM REPORT

JANUARY – JUNE 2025

July 18, 2025, 7.30 AM

INTERIM REPORT

JANUARY – SEPTEMBER 2025

October 24, 2025, 7.30 AM

YEAR-END REPORT 2025

February 6, 2026, 7.30 AM

Address and contact information

Knowit AB (company reg.no. 556391-0354)
Box 3383, 103 68 Stockholm
Visiting address: Sveavägen 20
Phone: + 46 (0)8 700 66 00,
Fax: +46 (0)8 700 66 10
knowit.eu

For more information

Per Wallentin, President and CEO, Knowit AB (publ), +46 (0)8 700 66 00 or Christina Johansson, Head of Communications, Knowit AB (publ), +46 (0)8 700 66 00 or +46 (0)705 421 734 or Marie Björklund, CFO, Knowit AB (publ), +46 (0)8 700 66 00

Nomination Committee

Pursuant to the instruction to the Nomination Committee of Knowit AB, the Nomination Committee shall consist of one representative for each of the three largest registered shareholders that wish to participate in the work, along with the Chairman of the Board.

The new Nomination Committee for the AGM 2025 consists of:

- Jonas Backman, appointed by Protector Forsikring ASA
- Niklas Flyborg, appointed by JCR Group AB
- Teresa Enander, appointed by Formica Capital AB
- Jon Risfelt, Chairman of the Board

Teresa Enander has been named Chairman of the Nomination Committee. The Nomination Committee represents just above 25 percent of the ownership in the Company. Shareholders wishing to submit proposals to the Nomination Committee may do so at ir@knowit.se.

Annual General Meeting

The Company's Annual General Meeting will take place on Tuesday April 29, 2025, at 1 PM, in Knowit's facilities at Sveavägen 20, Stockholm. Notice will be made public through a press release in Post och Inrikes Tidningar and Dagens Nyheter, and published on Knowit's website.

Review report

To the Board of Directors of Knowit AB (publ) 556391-0354

Introduction

We have reviewed the condensed interim financial information (Interim Report) of Knowit AB (publ) as of September 30, 2024 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Focus and scope of review

We have conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, the opinion expressed based on a review therefore does not have the level of certainty that an opinion based on an audit does.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Interim Report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

STOCKHOLM OCTOBER 25, 2024

KPMG AB

JONAS ERIKSSON

Authorized Public Accountant

About Knowit

Knowit are digitalization consultants with a vision 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 now has around 3,950 employees, mainly in the Nordic countries, but also in operations in Poland and Germany. Knowit AB (publ) has been listed on the stock market since 1997 and is currently listed on Nasdaq OMX Stockholm Mid Cap. For more information on Knowit, please visit knowit.eu.

Financial statements

Income statement in summary

SEK, MILLIONS	Note	July- September 2024	July- September 2023	January- September 2024	January- September 2023	January- December 2023	October 2023- September 2024
Net sales	3, 4	1,326.2	1,544.1	4,773.8	5,273.4	7,097.4	6,597.8
Other operating income		-	16.4	-	16.4	16.4	-
TOTAL OPERATING INCOME		1,326.2	1,560.5	4,773.8	5,289.8	7,113.8	6,597.8
Operating costs	5	-1,224.8	-1,441.8	-4,382.6	-4,806.4	-6,439.4	-6,015.5
Depreciation and write-downs of tangible fixed assets		-43.5	-43.9	-131.2	-134.8	-178.1	-174.5
OPERATING RESULT BEFORE AMORTIZATION OF IN TANGIBLE ASSETS (EBITA)		57.9	74.8	260.0	348.6	496.3	407.8
Amortization and write-downs of intangible fixed assets		-41.6	-58.9	-124.9	-144.7	-186.5	-166.7
OPERATING RESULT (EBIT)		16.3	15.9	135.1	203.9	309.8	241.1
Result from financial items							
Financial incomes		2.8	34.3	8.8	61.7	76.1	23.2
Financial expenses		-14.0	-11.5	-44.8	-60.5	-81.8	-66.1
RESULT AFTER FINANCIAL ITEMS		5.1	38.7	99.1	205.1	304.1	198.2
Tax		-1.7	-12.4	-26.3	-54.8	-62.3	-33.8
RESULT		3.4	26.3	72.8	150.3	241.8	164.4
Result attributable to shareholders in Parent Company		3.2	29.5	67.1	148.8	239.6	158.0
Result attributable to non-controlling interests' holdings		0.2	-3.2	5.7	1.5	2.2	6.4
Earnings per share							
Earnings per share, before dilution, SEK		0.12	1.08	2.45	5.43	8.74	5.78
Earnings per share, after dilution, SEK		0.12	1.08	2.45	5.43	8.74	5.78

Comprehensive income in summary

SEK, MILLIONS	Note	July- September 2024	July- September 2023	January- September 2024	January- September 2023	January- December 2023	October 2023- September 2024
Result		3.4	26.3	72.8	150.3	241.8	164.4
<i>Items that may later be reclassified to profit or loss:</i>							
result of hedging of interest risks		-2.8	-	1.6	-	-14.1	-12.5
tax effect of hedging of interest risks		0.6	-	-0.3	-	2.9	2.6
translation differences in foreign operations ¹⁾		-46.4	-49.7	0.4	22.7	-46.8	-69.1
OTHER COMPREHENSIVE INCOME, NET OF TAX		-48.6	-49.7	1.7	22.7	-58.0	-79.0
TOTAL COMPREHENSIVE INCOME		-45.2	-23.4	74.5	173.0	183.8	85.4
Total comprehensive income attributable to shareholders in Parent Company		-45.1	-20.0	68.5	171.6	181.9	78.9
Total comprehensive income attributable to non-controlling interests' holdings		-0.1	-3.4	6.0	1.4	1.9	6.5

1) Reclassification has been performed of extended net investments, which have been moved to Translation differences in foreign operations. Comparison figures have been adjusted.

Balance sheet in summary

SEK, MILLIONS	Note	September 30, 2024	September 30, 2023	December 31, 2023
ASSETS				
Non-current assets				
Intangible assets		4,330.2	4,528.6	4,438.0
Property, plant, and equipment		578.1	652.6	619.1
Financial non-current assets	6	3.7	9.3	7.2
Deferred tax asset		111.8	100.6	99.8
TOTAL NON-CURRENT ASSETS		5,023.8	5,291.1	5,164.1
Current assets				
Current receivables		1,488.0	1,853.4	1,734.4
Cash and cash equivalents		358.4	101.9	127.6
TOTAL CURRENT ASSETS		1,846.4	1,955.3	1,862.0
TOTAL ASSETS		6,870.2	7,246.4	7,026.1
EQUITY AND LIABILITIES				
Equity				
Share capital	7	27.4	27.4	27.4
Other capital contributions and reserves		2,922.9	2,998.1	2,918.3
Profit brought forward, incl. total result		1,122.8	1,124.1	1,205.3
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY		4,073.1	4,149.6	4,151.0
Non-controlling interests		5.9	14.5	14.7
TOTAL EQUITY		4,079.0	4,164.1	4,165.7
Non-current liabilities				
Non-current provisions		218.9	254.7	238.8
Interest-bearing non-current liabilities		993.4	1,049.6	936.1
TOTAL NON-CURRENT LIABILITIES	6	1,212.3	1,304.3	1,174.9
Current liabilities				
Interest-bearing current liabilities		156.8	183.8	159.6
Other current liabilities		1,422.1	1,594.2	1,525.9
TOTAL CURRENT LIABILITIES		1,578.9	1,778.0	1,685.5
TOTAL EQUITY AND LIABILITIES		6,870.2	7,246.4	7,026.1

Cash flow statement in summary

SEK, MILLIONS	Note	July- September 2024	July- September 2023	January- September 2024	January- September 2023	January- December 2023
Operating activities						
Result after financial items		5.2	38.7	99.1	205.1	304.1
Adjustment for non-cash items		94.6	88.9	258.9	194.8	274.8
Paid taxes		-28.8	-3.7	-134.7	-70.7	-65.1
CASH FLOW BEFORE CHANGES IN WORKING CAPITAL		71.0	123.9	223.3	329.2	513.8
Changes in working capital		99.8	-223.8	145.4	-200.7	-114.0
CASH FLOW FROM OPERATING ACTIVITIES		170.7	-99.9	368.7	128.5	399.8
Investing activities						
Acquisition of businesses		-	-	-14.7	-146.9	-157.9
Disposals of businesses		-	-2.2	-	-2.2	-2.2
Acquisition on intangible assets		-2.9	-4.1	-4.7	-10.8	-12.6
Acquisition of property, plant and equipment		-4.1	-3.0	-16.7	-30.4	-34.8
CASH FLOW FROM INVESTING ACTIVITIES		-7.0	-9.3	-36.1	-190.3	-207.5
Financing activities						
Amortization of loans and leasing liabilities		-36.3	-136.5	-110.0	-313.2	-449.1
Loans raised		100.0	-	100.0	100.0	100.0
Dividend		-	-	-82.6	-115.0	-217.8
Acquisition of non-controlling interest shares		-8.2	-	-8.2	-	-
Repurchasing of own shares		-	-	-	-	-8.8
CASH FLOW FROM FINANCING ACTIVITIES		55.5	-136.5	-100.8	-328.2	-575.7
CASH FLOW FOR THE PERIOD		219.2	-245.7	231.8	-390.0	-383.4
Cash and cash equivalents at the beginning of the period		139.1	365.1	127.6	497.7	497.7
Translation differences in cash and cash equivalents		0.2	-17.5	-1.0	-5.8	13.3
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		358.4	101.9	358.4	101.9	127.6

Statement of changes in equity in summary

SEK, MILLIONS	July- September 2024	July- September 2023	January- September 2024	January- September 2023	January- December 2023
Opening balance	4,131.1	4,289.0	4,165.7	4,207.7	4,207.7
PROFIT FOR THE YEAR	3.4	26.3	72.8	150.3	241.8
Other comprehensive income					
Result of hedging of interest rate risk	-2.8	-	1.6	-	-14.1
Tax effect of hedging of interest rate risk	0.6	-	-0.3	-	2.9
Translation differences ¹⁾	-46.4	-49.7	0.4	22.7	-46.8
TOTAL OTHER COMPREHENSIVE INCOME	-45.2	-23.4	74.5	173.0	183.8
TOTAL COMPREHENSIVE INCOME	4,085.9	4,265.6	4,240.2	4,380.7	4,391.5
Transactions with shareholders					
Dividend paid	-	-102.8	-153.6	-217.8	-217.8
Repurchase of own shares	-	-	-	-	-8.8
Share-based payments	1.3	0.6	1.8	0.8	1.4
Change in liabilities, acquisition of non-controlling interest ²⁾	-0.6	-3.6	-1.8	-3.9	-4.6
Acquisition of non-controlling interest shares	-7.6	-	-7.6	-	-
Acquisition of associated subsidiary with non-controlling interest	-	-	-	-	4.0
Disposal of associated subsidiary with non-controlling interest	-	4.3	-	4.3	-
TOTAL TRANSACTIONS WITH SHAREHOLDERS	-6.9	-101.5	-161.2	-216.6	-225.8
EQUITY	4,079.0	4,164.1	4,079.0	4,164.1	4,165.7

1) Reclassification has been made of extended net investments which have been moved to Translation differences in foreign operations. The comparison figures have been adjusted.
2) Pertains to changed assessment of agreed future dividends.

The Parent Company

January – September

The operating profit before amortization of intangible assets (EBITA) was SEK -61.9 (-74.7) million. The financial net increased

to SEK 194.0 (6.2) million. The result after financial net increased to SEK 130.0 (-72.5) million. Equity increased to SEK 2,812.6 (2,705.4) million on September 30, 2024. Untaxed reserves, primarily accrual

funds, increased to SEK 169.7 (159.6) million. During the period, a short-term internal loan has been transformed into long-term.

Income statement in summary

SEK, MILLIONS	July- September 2024	July- September 2023	January- September 2024	January- September 2023	January- December 2023
Net sales	106.9	133.2	369.7	508.2	670.1
TOTAL OPERATING INCOME	106.9	133.2	369.7	508.2	670.1
Operating expenses	-118.9	-148.5	-425.0	-577.1	-763.2
Depreciation of property, plant and equipment	-2.2	-2.1	-6.6	-5.8	-7.9
OPERATING RESULT BEFORE AMORTIZATION OF IN TANGIBLE ASSETS (EBITA)	-14.2	-17.4	-61.9	-74.7	-101.0
Amortization of intangible assets	-0.7	-1.3	-2.1	-4.0	-4.7
OPERATING RESULT (EBIT)	-14.9	-18.7	-64.0	-78.7	-105.7
Financial items	89.6	-17.0	194.0	6.2	188.7
RESULT AFTER FINANCIAL ITEMS	74.7	-35.7	130.0	-72.5	83.0
Appropriations	-	-	-	-	-10.1
Income tax	0.8	-	0.8	0.9	-19.6
RESULT	75.5	-35.7	130.8	-71.6	53.3

Balance sheet in summary

SEK, MILLIONS	September 30, 2024	September 30, 2023	December 31, 2023
ASSETS			
Non-current assets			
Intangible assets	3.2	6.0	5.3
Property, plant, and equipment	27.1	33.7	32.6
Financial non-current assets	4,393.8	4,431.9	4,402.4
TOTAL NON-CURRENT ASSETS	4,424.1	4,471.6	4,440.3
Current assets			
Current receivables	246.0	215.1	437.4
Cash and cash equivalents	-	-	-
TOTAL CURRENT ASSETS	246.0	215.1	437.4
TOTAL ASSETS	4,670.1	4,686.7	4,877.7
EQUITY AND LIABILITIES			
Equity			
Restricted equity	95.4	95.4	95.4
Non-restricted equity	2,717.2	2,610.0	2,726.8
TOTAL EQUITY	2,812.6	2,705.4	2,822.2
Untaxed reserves	169.7	159.6	169.7
Interest-bearing non-current liabilities	1,500.0	-	-
Non-current provisions	22.2	18.1	18.4
Current liabilities	165.6	1,803.6	1,867.4
TOTAL EQUITY AND LIABILITIES	4,670.1	4,686.7	4,877.7

Supplementary information and notes

NOTE 1: Accounting principles

This consolidated Interim Report for the Group has been prepared in accordance with IAS 34 Interim Reporting and applicable provisions in the Annual Accounts Act. The Interim Report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act on interim reporting.

For the Group and the Parent Company, the same accounting principles and grounds for assessments used in the latest Annual Report were used, in addition to the aforementioned accounting principles.

Information in accordance with IAS 34.16A is presented through the financial reports and associated notes, see pages 17–23, as well as in other parts of the Interim Report. All amounts in this report are given in SEK millions, unless otherwise stated. Rounding differences may occur.

NOTE 2: Critical valuation and risk 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. Knowit is affected by general political, financial, and economic circumstances. The current situation with a war in our vicinity and high inflation com-

bined with high interest rates has significantly increased the risk levels and shaped the market with large negative effects. With a decreased demand for the Company's services comes short-term challenges with decreased invoicing pace, where the business model creates a lead time in adjusting capacity to reach the high levels of the past. Further, the decentralized steering model creates a need for each subsidiary to quickly realize short-term measures for

sales efforts and cost savings. This can in the short term affect the Company's possibilities to generate a profit and growth in line with historic values and the financial targets. For more information on risks, see the Annual Report 2023, pages 54–57 and 75–76.

NOTE 3: The Group revenue from client contracts

SEK, MILLIONS	July- September 2024	July- September 2023	January- September 2024	January- September 2023	January- December 2023
GEOGRAPHIC CATEGORIZATION					
Fee revenue					
Sweden	513.8	594.6	1,924.3	2,171.9	2,929.1
Norway	364.2	427.9	1,302.8	1,459.1	1,946.5
Denmark	158.3	175.8	547.1	568.2	758.0
Finland	154.2	161.0	546.7	543.8	744.7
Poland	55.5	60.5	163.0	178.5	238.0
Other	5.8	4.6	16.4	14.4	19.0
TOTAL FEE REVENUE	1,252.0	1,424.2	4,500.3	4,935.7	6,635.4
Other revenue¹⁾					
Sweden	34.1	66.0	94.4	182.8	232.8
Norway	9.5	13.9	37.9	44.1	57.9
Denmark	27.4	28.3	127.7	80.1	132.7
Finland	2.4	9.6	8.1	26.5	34.2
Poland	0.8	2.3	5.4	4.2	4.5
Other	0.0	0.0	0.0	0.0	0.0
TOTAL OTHER REVENUE	74.2	119.9	273.5	337.5	462.0
TOTAL NET SALES	1,326.2	1,544.1	4,773.8	5,273.4	7,097.4
SEGMENT CATEGORIZATION²⁾					
Fee revenue					
Solutions	704.1	796.0	2,491.4	2,695.3	3,622.3
Experience	221.2	285.5	843.0	1,020.4	1,354.3
Connectivity	176.4	190.1	576.9	621.6	838.2
Insight	153.1	157.6	601.8	603.4	834.3
Other	-2.8	-5.0	-12.8	-5.0	-13.7
TOTAL FEE REVENUE	1,252.0	1,424.2	4,500.3	4,935.7	6,635.4
Other revenue¹⁾					
Solutions	45.8	65.5	180.6	165.4	241.7
Experience	14.2	20.8	48.0	64.5	85.3
Connectivity	12.9	35.6	38.5	109.5	136.9
Insight	6.0	4.6	24.7	18.3	24.6
Other	-4.8	-6.7	-18.3	-20.2	-26.5
TOTAL OTHER REVENUE	74.2	119.9	273.5	337.5	462.0
TOTAL NET SALES	1,326.2	1,544.1	4,773.8	5,273.4	7,097.4

1) The revenue category License revenue is reported in the category Other revenue, as the sums are not significant. For more information, see Note 1 Accounting and valuation principles on page 71–74 in the Annual Report 2023.

2) Knowit has performed two smaller organizational changes, which means that on October 1, 2023, an operation previously included in the segment Insight has moved to the segment Solutions, and on January 1, 2024, an operation that was formerly included in the segment Other was moved to the segment Solutions. The comparison periods have been altered to reflect the new segmentation.

NOTE 4: Consolidated segment reporting

The Group's operations are organized so that the corporate management mainly follows up net sales, EBITA result, EBITA margin, intangible assets, and average number of employees in the Group's five segments. To promote collaboration between segments, the Corporate Management Team decided in 2024 that

the net sales per segment shall include deductions for internal direct costs. The margin for the business areas is thus altered and the comparison figures for 2023 have been adjusted accordingly. There is no effect on the Group's margin. The segment Other includes, among other things, small-scale cloud services, where Knowit through partnerships can offer

the cloud supplier that best fits the client's specific needs and IT structure. Further, it includes the parent companies' group-wide costs regarding management, finance, and marketing and adjustments pertaining to IFRS 16 that are not allocated to the segments.

SEK, MILLIONS July – September 2024	Solutions	Experience	Connectivity	Insight	Other	Total
External net sales	742.8	235.5	181.7	163.0	3.1	1,326.2
Net sales between segments	40.8	18.5	12.6	6.0	-77.8	–
Internal direct costs between segments	-33.7	-18.5	-5.0	-9.8	67.0	–
NET SALES	749.9	235.4	189.3	159.1	-7.6	1,326.2
Earnings before amortization of intangible assets (EBITA)	60.7	-1.3	21.3	-10.3	-12.5	57.9
Amortization of intangible assets	-19.1	-4.9	-10.8	-6.0	-0.8	-41.6
OPERATING PROFIT (EBIT)	41.6	-6.2	10.5	-16.3	-13.3	16.3
Result after financial items						5.1
RESULT FOR THE PERIOD						3.4
EBITA margin, %	8.1	-0.6	11.3	-6.5		4.4
Average number of employees	1,668	763	659	520	79	3,689

SEK, MILLIONS July – September 2023	Solutions ¹⁾	Experience	Connectivity	Insight ¹⁾	Other ¹⁾	Total
External net sales	841.6	305.7	231.5	165.0	0.2	1,544.1
Net sales between segments	51.2	25.6	-2.1	3.4	-78.1	–
Internal direct costs between segments	-31.3	-25.0	-3.6	-6.2	66.2	–
NET SALES	861.5	306.3	225.8	162.2	-11.7	1,544.1
Earnings before amortization of intangible assets (EBITA)	63.2	7.4	26.2	-10.4	-11.7	74.8
Amortization of intangible assets	-33.1	-6.7	-10.7	-6.6	-1.8	-58.9
OPERATING PROFIT (EBIT)	30.1	0.7	15.5	-17.0	-13.5	15.9
Result after financial items						38.7
RESULT FOR THE PERIOD						26.3
EBITA margin, %	7.3	2.4	11.6	-6.4		4.8
Average number of employees	1,854	907	710	528	87	4,085

¹⁾ Knowit has performed two smaller organizational changes, which means that on October 1, 2023, an operation previously included in the segment Insight has moved to the segment Solutions, and on January 1, 2024, an operation that was formerly included in the segment Other was moved to the segment Solutions. The comparison periods have been altered to reflect the new segmentation.

NOTE 4: continued

SEK, MILLIONS January - September 2024	Solutions	Experience	Connectivity	Insight	Other	Total
External net sales	2,617.0	905.9	609.8	631.8	9.2	4,773.8
Net sales between segments	161.5	59.5	24.0	28.6	-273.7	-
Internal direct costs between segments	-106.5	-74.5	-18.4	-33.9	233.3	-
NET SALES	2,672.0	891.0	615.4	626.5	-31.2	4,773.8
Earnings before amortization of intangible assets (EBITA)	211.3	46.0	66.4	24.7	-88.4	260.0
Amortization of intangible assets	-57.3	-14.8	-32.4	-18.1	-2.3	-124.9
OPERATING PROFIT (EBIT)	154.0	31.2	34.0	6.6	-90.7	135.1
Result after financial items						99.1
RESULT FOR THE PERIOD						72.8
EBITA margin, %	7.9	5.2	10.8	3.9		5.4
Average number of employees	1,737	793	671	534	78	3,814
Intangible assets	2,049.6	668.7	1,107.4	503.4	4.6	4,333.7
Property, plant, and equipment	15.1	3.8	7.3	1.8	550.1	578.1

SEK, MILLIONS January - September 2023	Solutions ¹⁾	Experience	Connectivity	Insight ¹⁾	Other ¹⁾	Total
External net sales	2,796.6	1,093.2	734.1	617.0	32.4	5,273.4
Net sales between segments	164.1	80.2	15.8	27.3	-287.4	-
Internal direct costs between segments	-99.9	-88.5	-18.8	-22.6	229.9	-
NET SALES	2,860.7	1,084.9	731.1	621.8	-25.1	5,273.4
Earnings before amortization of intangible assets (EBITA)	223.1	87.6	80.2	35.2	-77.4	348.6
Amortization of intangible assets	-68.1	-19.7	-31.8	-19.6	-5.5	-144.7
OPERATING PROFIT (EBIT)	155.0	67.9	48.4	15.6	-82.9	203.9
Result after financial items						205.1
RESULT FOR THE PERIOD						150.3
EBITA margin, %	7.8	8.1	11.0	5.7		6.6
Average number of employees	1,883	924	718	517	92	4,134
Intangible assets	2,061.0	724.5	1,157.3	578.3	7.3	4,528.6
Property, plant, and equipment	17.5	4.4	9.8	2.8	618.1	652.6

1) Knowit has performed two smaller organizational changes, which means that on October 1, 2023, an operation previously included in the segment Insight has moved to the segment Solutions, and on January 1, 2024, an operation that was formerly included in the segment Other was moved to the segment Solutions. The comparison periods have been altered to reflect the new segmentation.

NOTE 5: Long-term incentive program (LTIP)

At the Annual General Meeting 2024, the decision was made to implement a long-term share-based incentive program. LTIP 2024 was offered to 36 employees including members of the Corporate Management Team and members of local and extended management teams at the business area level. To participate in the LTIP 2024, the participant must make a private investment in company shares, in accordance with the terms of the program, and these shares must be allocated to the program. Each participant may invest in investment shares up to a total corresponding to at most 10 percent of their fixed annual salary before taxes. Each share acquired for this purpose is an "investment share." Depending on the participant category that a participant belongs to, the participant is allocated a certain number of share rights per investment shares

acquired. For category 1, each investment share entitles the holder to 4 share rights, for category 2, each investment share entitles the holder to 3 share rights, and for category 3, each investment share entitles the holder to 2 share rights. Following the selected vesting period of 3 years, the participants will be allotted shares in the company, free of cost, if certain conditions are met. These conditions are, with some exceptions, continued employment in the Group during the vesting period, that the holders' shareholdings in the Company have been unchanged during that period, and that certain performance goals have been reached. The performance goals are earnings per share, EBITA margin, and an ESG target. Final allocation of share rights shall be based to 45 percent on earnings per share, 45 percent on the EBITA margin, and 10 percent on the ESG target. The performance goals include both a minimum level that must be reached in order for any allocation at all to be made, and a maximum level above which no further allocation will be made.

The maximum number of shares in the Company that can be allocated to the participants within the framework of the LTIP 2024 shall be limited to 156,200, corresponding to around 0.57 percent of the total shares and voting rights in the Company. The maximum value that a participant can get for each share right is limited to SEK 660, corresponding to around 400 percent of the share price for the Company share. As per September 2024, 117,137 share rights had been allocated to 34 employees. The fair value of the share rights on the allocation day (SEK 181.74 per share), calculated using Monte Carlo simulation. The valuation has taken account of the value-based limitation included in the program.

There was a long-term incentive program earlier – LTIP 2023. For a description thereof, please see Note 9 in the Annual Report for 2023.

NOTE 6: The Group's financial assets and liabilities

The table below summarizes the reported value of the Group's financial assets and liabilities, divided in accordance with the

valuation categories in IFRS 9. No financial assets or liabilities are reported at a value that significantly deviates from fair value.

For more information, see Note 21 in the Annual Report 2023.

SEK, MILLIONS	September 30, 2024				September 30, 2023			
	Financial assets valued at amortized cost	Financial assets valued at fair value in income statement	Fair value hedging instruments	Fair value	Financial assets valued at amortized cost	Financial assets valued at fair value in income statement	Fair value hedging instruments	Fair value
Assets in balance sheet								
Other long-term securities ¹⁾	-	3.7	-	3.7	-	9.3	-	9.3
Other long-term receivables	3.3	-	-	3.3	3.0	-	-	3.0
Accounts receivable and other receivables	1,195.4	-	-	1,195.4	1,580.1	-	-	1,580.1
Cash and cash equivalents	358.4	-	-	358.4	101.9	-	-	101.9
TOTAL	1,557.1	3.7	-	1,560.8	1,685.0	9.3	-	1,694.3

¹⁾ Fair value pursuant to categorization level 2.

NOTE 6: continued

SEK, MILLIONS	September 30, 2024				September 30, 2023			
	Other financial liabilities, valued at accrued cost	Financial assets valued at fair value in income statement	Fair value hedging instruments	Fair value	Other financial liabilities, valued at accrued cost	Financial assets valued at fair value in income statement	Fair value hedging instruments	Fair value
Liabilities in balance sheet								
Future additional considerations ²⁾	-	-	-	-	-	37.6	-	37.6
Future consideration	25.8	-	-	25.8	24.8	-	-	24.8
Other interest-bearing liabilities	1,108.7	-	-	1,108.7	1,171.0	-	-	1,171.0
Accounts payable	357.3	-	-	357.3	462.6	-	-	462.6
Interest swaps for hedging ¹⁾	-	-	15.7	15.7	-	-	-	-
Other liabilities	176.4	-	-	176.4	149.5	-	-	149.5
TOTAL	1,668.1	-	15.7	1,683.9	1,807.9	37.6	-	1,845.5

1) Fair value pursuant to categorization level 2.

2) Fair value pursuant to categorization level 3.

In the table below, a check of the opening and closing balances is presented.

SEK, MILLIONS	Future contingent additional considerations ¹⁾	Future considerations ²⁾
Fair value, January 1, 2024	14.7	24.7
<i>Total recognized profits and losses:</i>		
recognized in profit/loss for the year	-	-
recognized in equity	-	1.1
Settlement of future additional considerations, options and future consideration	-14.7	-
Cost of acquisitions	-	-
FAIR VALUE, SEPTEMBER 30, 2024	-	25.8
Fair value, January 1, 2023	196.4	54.4
<i>Total recognized profits and losses:</i>		
recognized in profit/loss for the year	-46.5	-
recognized in equity	-	3.9
Settlement of future additional considerations, options and future consideration	-112.3	-33.5
Cost of acquisitions	-	-
FAIR VALUE, SEPTEMBER 30, 2023	37.6	24.8

1) Fair value pursuant to categorization level 3.

2) Valued at amortized cost.

NOTE 7: Data per share

On May 3, 2024, the AGM authorized the Board to decide on a repurchasing program for own shares, to cover commitments within the framework of the "long-

term incentive program" (LTIP). Repurchasing of a maximum of 195,300 shares may take place on one or more occasions before the AGM 2025. As of September 30,

2024, Knowit owned 60,000 (-) own shares, repurchased during the fourth quarter 2023. No shares have been repurchased during 2024.

SEK, MILLIONS	July- September 2024	July- September 2023	January- September 2024	January- September 2023	January- December 2023
Profit for the year attributable to the Parent Company's shareholders, SEK, millions	3.4	29.5	72.8	148.8	239.6
<i>Average number of outstanding shares, 000s:</i>					
before dilution	27,349	27,402	27,349	27,402	27,402
after dilution	27,349	27,402	27,349	27,402	27,402
<i>Earnings per share, SEK:</i>					
before dilution	0.12	1.08	2.45	5.43	8.74
after dilution	0.12	1.08	2.45	5.43	8.74
<i>Equity per share, SEK:</i>					
before dilution	148.93	151.40	148.93	151.40	151.78
after dilution	148.93	151.40	148.93	151.40	151.78
<i>Number of shares on balance sheet day, 000s:</i>					
before dilution	27,349	27,409	27,349	27,409	27,349
after dilution	27,349	27,409	27,349	27,409	27,349

NOTE 8: Transactions with related parties

No significant transactions have occurred during the period. For more information,

see Note 28 Transactions with related parties, page 99 in the Annual Report 2023.

NOTE 9: Events after the end of the financial period

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

Financial position

Performance measures

	July- September 2024	July- September 2023	January- September 2024	January- September 2023	January- December 2023
Number of employees at the end of period	3,941	4,383	3,941	4,383	4,265
Average number of employees	3,689	4,085	3,814	4,134	4,115
Normal working time, hours	513	505	1,468	1,463	1,940
Sales per average number of employees, SEK, 000s	360	378	1,252	1,276	1,725
Result after financial items per average number of employees, SEK, 000s	1	9	26	50	74
EBITA, SEK, millions	57.9	74.8	260.0	348.6	496.3
Adjusted EBITA, SEK, millions	57.9	74.9	288.4	349.8	497.5
EBITA margin, %	4.4	4.8	5.4	6.6	7.0
Adjusted EBITA margin, %	4.4	4.9	6.0	6.6	7.0
Return on total capital, %	0.3	0.7	2.1	3.6	5.3
Return on equity, %	0.1	0.6	1.8	3.6	5.8
Return on capital employed, %	0.4	0.9	2.7	4.7	7.0
Equity ratio, %	59.4	57.5	59.4	57.5	59.3
Net debt ratio, multiples	0.2	0.3	0.2	0.3	0.2

Overview per business area

The table shows the outcome per quarter and period, with comparison figures presented to facilitate analysis.

To promote collaboration between segments, the Corporate Management Team decided in 2024 that the net sales per segment shall include deductions for

internal direct costs. The margin for the business areas is thus altered and the comparison figures for 2023 have been adjusted accordingly.

SEK, MILLIONS	July- September 2024	July- September 2023	January- September 2024	January- September 2023	January- December 2023	October 2023- September 2024
THE GROUP						
Net sales	1,326.2	1,544.1	4,773.8	5,273.4	7,097.4	6,597.8
Adjusted EBITA profit	57.9	74.9	288.4	349.8	497.5	436.2
Adjusted EBITA margin, %	4.4	4.9	6.0	6.6	7.0	6.6
Number of employees at the end of the period	3,941	4,383	3,941	4,383	4,265	3,941
BUSINESS AREAS ¹⁾						
Solutions						
Net sales	749.9	861.5	2,672.0	2,860.7	3,864.0	3,675.2
EBITA profit	60.7	63.2	211.3	223.1	314.9	303.3
EBITA margin, %	8.1	7.3	7.9	7.8	8.2	8.3
Number of employees at the end of the period	1,762	1,953	1,762	1,953	1,923	1,762
Experience						
Net sales	235.4	306.3	891.0	1,084.9	1,439.6	1,245.7
EBITA profit	-1.3	7.4	46.0	87.6	116.6	75.0
EBITA margin, %	-0.6	2.4	5.2	8.1	8.1	6.0
Number of employees at the end of the period	817	979	817	979	937	817
Connectivity						
Net sales	189.3	225.8	615.4	731.1	975.1	859.4
EBITA profit	21.3	26.2	66.4	80.2	111.2	97.4
EBITA margin, %	11.3	11.6	10.8	11.0	11.4	11.3
Number of employees at the end of the period	709	763	709	763	739	709
Insight						
Net sales	159.1	162.2	626.5	621.8	858.7	863.6
EBITA profit	-10.3	-10.4	24.7	35.2	57.4	46.8
EBITA margin, %	-6.5	-6.4	3.9	5.7	6.7	5.4
Number of employees at the end of the period	565	594	565	594	578	565

1) On October 1, 2023, Knowit performed a small organizational change, which means that an operation previously included in the segment Insight has moved to the segment Solutions, and on January 1, 2024, an operation that was formerly included in the segment Other was moved to the segment Solutions. The comparison periods have been altered to reflect the new segmentation.

Overview per country

The table shows the outcome per quarter and period, with comparison figures presented to facilitate analysis.

SEK, MILLIONS	July- September 2024	July- September 2023	January- September 2024	January- September 2023	January- December 2023	October 2023- September 2024
Sweden						
Net sales	547.9	660.3	2,018.7	2,354.6	3,161.9	2,826.0
EBITA	9.6	19.8	112.8	187.9	270.0	194.8
EBITA margin, %	1.8	3.0	5.6	8.0	8.5	6.9
Norway						
Net sales	373.8	441.8	1,340.7	1,503.2	2,004.4	1,841.9
EBITA	35.3	29.9	136.0	120.3	164.9	180.7
EBITA margin, %	9.4	6.8	10.1	8.0	8.2	9.8
Denmark						
Net sales	185.7	204.1	674.8	648.3	890.7	917.3
EBITA	-1.2	17.8	25.2	42.0	59.2	42.3
EBITA margin, %	-0.6	8.7	3.7	6.5	6.6	4.6
Finland						
Net sales	156.7	170.6	554.8	570.3	778.9	763.5
EBITA	18.4	11.1	48.6	39.2	56.7	66.1
EBITA margin, %	11.8	6.5	8.8	6.9	7.3	8.7
Poland						
Net sales	56.3	62.7	168.3	182.6	242.5	228.1
EBITA	6.2	9.5	16.2	21.2	28.7	23.8
EBITA margin, %	11.1	15.2	9.6	11.6	11.8	10.4

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 adjusted EBITA margin, adjusted EBITA profit, average capital employed and equity, EBITA margin, EBITA profit, EBITDA profit, net debt ratio, net sales per segment, return on equity, and return on capital employed.

The calculations of alternative performance measures on this page pertain to the period January to September 2024.

For more information on our long-term financial targets and further definitions of performance measures, see page 110 in the Annual Report for 2023.

Adjusted EBITA margin

Adjusted EBITA profit in relation to net sales for the period. $(288.4 / 4,773.8 = 6.0\%)$

Adjusted EBITA profit

EBITA is adjusted for items affected comparability between different periods, to ease understanding of the Group's underlying operations. Adjusted items include costs related to acquisitions and disposals, such as costs for financial consulting, restructuring, and integration programs, as well as significant costs of a one-time nature. For 2024, adjustments have been made of SEK 28.4 million related to the Swedish Agency for Economic and Regional Growth's decision to request repayment of parts of the short-time work support the Group was granted in 2020, in connection with the COVID-19 pandemic.

Average capital employed

The average of the period's opening and closing balances of equity plus interest-bearing liabilities. $((4,165.7 + 936.1 + 159.3 + 4,079.0 + 993.4 + 156.8) / 2 = 5,245.3$

Average equity

The average of the period's opening equity balance and the period's closing equity balance. $((4,165.7 + 4,079.0) / 2 = 4,122.3$

EBITA margin

Profit before amortization of intangible non-current assets (EBITA) in relation to net sales for the period. $(260.0 / 4,773.8 = 5.4\%)$

EBITA profit

Profit before amortization and write-downs of intangible non-current assets. (260.0)

EBITDA profit

Profit before depreciation and amortization of tangible and intangible non-current assets, respectively. $(260.0 + 131.2 = 391.2)$

Net debt

Interest-bearing liabilities less financial interest-bearing assets less cash and cash equivalents. $(993.4 + 156.8 - 358.4 = 791.8)$

Net debt ratio

Used to show the Company's indebtedness. Net debt in relation to equity. $(791.8 / 4,079.0 = 0.2 \text{ multiples})$

Net sales per segment

To promote collaboration between segments, the Corporate Management Team decided in 2024 that net sales for segments would include deductions for internal direct costs.

Normal working hours

The number of hours an employee working full-time is expected to work. Normal working hours are weighted, meaning that account is taken of the fact that differences may occur between countries, legal entities, contracts, etc.

Return on capital employed

Profit after financial items plus financial expenses expressed as a percentage of average capital employed. $((99.1 + 44.8) / 5,245.3 = 2.7\%)$

Return on equity

Profit after full tax as a percentage of average equity including non-controlling interests. $72.8 / 4,122.3 = 1.8\%$