

Karnell.

Q3

Interim report

January – September 2024

January - September 2024

Third quarter

- Net sales for the third quarter increased by 37.1% to SEK 356.6 million (260.0), of which organic growth amounted to 4.8%.
- EBITA amounted to SEK 54.9 million (37.8), an increase of 45.4%.
- The quarter was impacted by SEK 4.4 million (0.9) of acquisition costs.
- Operating profit (EBIT) amounted to SEK 50.6 million (37.1), an increase of 36.3%.
- Cash flow from operating activities for the quarter amounted to SEK 45.5 million (7.4).
- Earnings per share for the quarter after dilution amounted to SEK 0.53 (0.72).
- During the quarter, two acquisitions were completed.

January - September

- Net sales for the period increased by 25.1% to SEK 999.4 million (798.9), of which organic growth amounted to 2.6%.
- EBITA amounted to SEK 115.6 million (101.4), an increase of 14.1%.
- The period was affected by approximately SEK 7.2 million (2.4) of costs related to the IPO, as well as SEK 8.4 million (2.3) of acquisition costs.
- Operating profit (EBIT) amounted to SEK 105.0 million (99.3), an increase of 5.8%.
- Cash flow from operating activities for the period amounted to SEK 88.0 million (48.5).
- Capital raising and transactions with owners have provided the Group with a total of SEK 287.0 million after issue costs.
- Earnings per share after dilution amounted to SEK 0.92 (1.57).
- During the period, four acquisitions and one add-on acquisition were completed.

Karnell.

357 SEKm

Sales Q3

55 SEKm

EBITA Q3

15.4%

EBITA margin Q3

Key figures

MSEK	Q3			Jan-Sep			LTM	Jan-Dec
	2024	2023	Δ	2024	2023	Δ	Oct-Sep	2023
Net sales	356.6	260.0	37%	999.4	798.9	25%	1,303.8	1,103.3
EBITDA	73.4	51.2	43%	165.8	139.4	19%	215.0	188.6
EBITA	54.9	37.8	45%	115.6	101.4	14%	150.9	136.7
EBITA margin, %	15.4%	14.5%		11.6%	12.7%		11.6%	12.4%
Operating profit (EBIT)	50.6	37.1	36%	105.0	99.3	6%	138.3	132.6
EBIT margin, %	14.2%	14.3%		10.5%	12.4%		10.6%	12.0%
Net profit after tax for the period	29.1	30.8	-6%	47.1	66.4	-29%	58.1	77.4
Net debt excl. leasing/ EBITDA LTM excl. leasing							1.2	1.2
Cash flow from operating activities	45.5	7.4	517%	88.0	48.5	81%	172.2	132.8
Earnings per share before dilution (SEK)	0.55	0.74	-26%	0.95	1.63	-42%	1.22	1.88
Earnings per share after dilution (SEK)	0.53	0.72	-26%	0.92	1.57	-42%	1.18	1.81
Number of employees, closing day	673	531	27%	673	531	27%	673	553
Number of shares outstanding ('000)	52,921	41,431	28%	52,921	41,431	28%	52,921	42,094

CEO comment

During the third quarter of 2024, Karnell has continued its journey of strong growth and strategic acquisitions, in line with our long-term goal to be a leading and active owner within the industrial technology sector. Our commitment to sustainable value creation and strategic investments was further deepened through the acquisitions of two companies, British NE Engineering and Swedish Haco Tellus AB. These acquisitions represent important milestones that strengthen our position in both niche production and product segments while increasing our presence in the UK.

Group development

During the third quarter, the market situation continued to be characterised by some caution, but despite this, several of the Group's companies delivered strong results. Net sales for the third quarter increased by 37.1 percent to SEK 356.6 million, of which organic growth amounted to 4.8 percent. The growth reflects both the effect of completed acquisitions and the operational strength of our existing portfolio. Our EBITA amounted to SEK 54.9 million, which is an increase of 45.4 percent compared to the previous year. At EBITA level, we had positive organic growth of 6.4% during the quarter. The quarter was impacted by acquisition costs of SEK 4.4 million.

Cash flow from operating activities during the quarter amounted to SEK 45.5 million, a significant improvement compared to SEK 7.4 million for the same period last year. This strong cash flow, in combination with our continued low leverage, ensures that we are well positioned to continue our growth journey going forward.

The positive trend for our Product companies has continued in the third quarter. Most of the Product companies have shown good performance, with significant sales increases and, in several cases, improved margins compared to the previous year.

Demand from our companies in the Niche production sector has been softer during the quarter compared to the unusually strong 2023, resulting in slightly reduced margins during the period. However, we continue to see some encouraging signals and we are cautiously positive for the rest of the year.

Significant acquisitions

During the quarter, we completed two important acquisitions that strengthen our position in two key areas. In July, we acquired the British company NE Engineering, a leading player in CNC milling and turning of small and complex components for demanding environments. NE Engineering, which is part

"A strong quarter with organic growth and the highest EBITA margin to date, which, together with two strategic acquisitions, strengthens Karnell's position and enables continued growth"

of the Niche production business area, is based in Norwich and has a turnover of approximately GBP 5 million with a solid customer base in sectors such as subsea telecoms, automotive and energy. Through the acquisition, we see opportunities for soft synergies with our UK company Plalite.

The acquisition also strengthens our presence in the UK market, where our most recently recruited Investment Director has assumed his position. The UK will be an important market for Karnell's continued growth journey.

In August, we acquired the Swedish sister companies Haco Tellus AB and Haco Rehabservice AB, a leading player in industrial wheels and spare parts for wheelchairs and rollators. Haco, which has been included in the Product companies business area, has sales of approximately SEK 70 million and has a strong position in a growing niche. The acquisition complements our product segment and gives us a broader customer base and a competitive product offering. With over 1,000 product variants, Haco can offer both standardized and customer-specific solutions. We look forward to developing Haco further and we expect that the company will contribute positively to Karnell's earnings on an annual basis.

Looking ahead with positive signals

We see positive trends in our business areas. Demand in the construction and industrial sectors is gradually increasing, and our strong balance sheet and pipeline of potential acquisitions allow us to continue our expansion strategy with both new acquisitions and organic growth. The two acquisitions we completed during the quarter are clear examples of our strategy to invest in companies with strong market positions and stable profitability.

Our employees, customers and shareholders are the core of our success. Thanks to their support and commitment, we are building a strong future for Karnell. With a broad portfolio, increasing revenue streams and a dedicated focus on profitability, we are ready to continue our journey towards becoming a leading player in industrial technology.

Thank you for your continued trust and confidence in Karnell.

Petter Moldenius

Chief executive officer

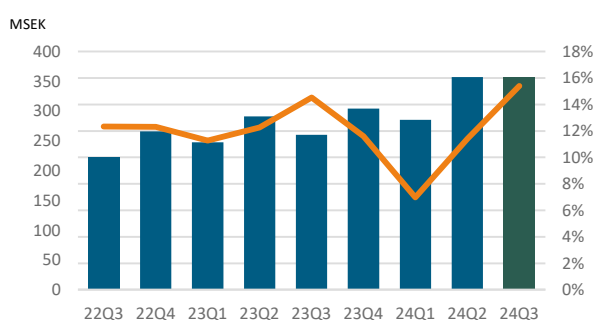


Group performance

Net sales

Net sales increased in the third quarter by 37.1% compared to the same period last year and amounted to SEK 356.6 million (260.0). Growth was mainly related to acquisitions, 34.1%. Exchange rate effects accounted for -1.7% and organically sales increased by 4.8%. The market situation during the third quarter continued to be a little cautious, but despite this, several of the Group's companies performed strongly. The Product companies performed well, with several of the companies seeing larger sales increases and higher margins. Niche production continued at a somewhat slower pace, with some bigger customers being a little more cautious.

Net sales for the period January-September increased by 25.1% compared to the same period last year and amounted to SEK 999.4 million (798.9). The growth is mainly explained by completed acquisitions. Organic growth amounted to 2.6%.



Net sales and EBITA margin in percent

During the third quarter, the EBITA margin amounted to 15.4% (14.5). The EBITA margin for Q4 23 and Q1 24 were impacted by costs related to the IPO.

Profit

EBITA increased in the third quarter by 45.4% to SEK 54.9 million (37.8). Acquisitions contributed 41.6% and exchange rate effects -2.7%. Organically, EBITA increased by 6.4%. The increase is mainly attributable to a strong result for the Product companies and slightly lower central costs than last year. For the operating companies, EBITA increased organically by 4.7%.

Operating profit increased by 36.3% compared to the same quarter last year and amounted to SEK 50.6 million (37.1).

The Product companies once again had a strong quarter, with increased sales and a higher margin boosting earnings. The Niche producing companies have continued to have a more cautious quarter compared to the same quarter last year, with slightly lower demand and thus reduced margins,

although from a high level. During the period, the Group incurred SEK 4.4 million of acquisition costs related to the acquisitions of NE Engineering and Haco.

For the period January-September, EBITA increased by 14.1% and amounted to SEK 115.6 million (101.4). The Group has had unusually high costs during the year, particularly related to the IPO in Q1. Listing costs amounted to SEK 7.2 million (2.4) and in addition to this, the Group has had transaction costs of SEK 8.4 million (2.3) for completed acquisitions.

Most of the EBITA growth came from acquisitions, 30.9%, and exchange rate effects amounted to -0.9%. EBITA decreased organically by 15.9%. Looking at the operating companies, EBITA decreased organically by 0.3%. Operating profit increased by 5.8% compared to the same period last year and amounted to SEK 105.0 million (99.3), including listing costs.

The Product companies saw a recovery compared to the previous year, where increased sales and increased margins boosted earnings. The Niche producing companies have generally had a stable period compared to a very strong 2023, but with slightly less demand and thus reduced margins.

Net financial items

Net financial items for the third quarter amounted to SEK -10.4 million (2.0). Net financial items consisted of interest expenses to credit institutions of SEK -7.2 million (-5.8), interest on lease liabilities of SEK -1.6 million (-1.2), interest income of SEK 1.6 million (1.6) and SEK -0.3 million (0.4) of FX effects. Net financial items were affected in the third quarter by revaluation of put/call options and earn-outs of SEK -2.9 million (7.0). See note 5.

For the period January-September, net financial items amounted to SEK -31.6 million (-8.0). Net financial items consisted of interest expenses to credit institutions of SEK -23.9 million (-17.6), interest on lease liabilities of SEK -4.5 million (-3.7), interest income of SEK 5.7 million (5.4) and SEK -2.0 million (0.4) of FX effects. Net financial items are also affected by the revaluation of put/call options and earn-outs of SEK -8.8 million (7.5). See note 5.

Income tax

The weighted tax rate for the Group for the third quarter was 27.5% (21.3).

The Group's weighted tax rate for January-September was 35.9% (27.3). The high tax rate was mainly due to the loss in the parent company, where no deferred tax was booked. Work is underway within the Group to bring down the tax rate in the long term.

Cash flow and financial position

Cash flow

Cash flow from operating activities for the quarter amounted to SEK 45.5 million (7.4). The large increase is due both to a reduced tied-up working capital than in the previous year and to higher earnings. During the quarter, SEK 7.6 million (4.0) was invested in property, plant and equipment and SEK 0.8 million (0.5) in intangible fixed assets. During the quarter, NE and Haco were acquired, which impacted cash flow by SEK -145.4 million. Cash flow from financing activities amounted to SEK 10.0 million (10.1).

Cash flow from operating activities for the period January-September amounted to SEK 88.0 million (48.5). The increase compared with the previous year is primarily due to reduced tied-up working capital. Cash flow from operating activities for the period was affected by the increased costs incurred by the Group related to the IPO and the completed transactions. During the period, SEK 25.8 million (14.1) was invested in property, plant and equipment and SEK 2.7 million (2.2) in intangible fixed assets. During the period, four acquisitions and one add-on acquisition were completed, which impacted cash flow by SEK -334.1 million. Cash flow from financing activities amounted to SEK 323.4 million (126.8). The greatest impact was the new share issues carried out in connection with the IPO, but also the directed share issue to the owners of Sähkö-Jokinen in connection with the acquisition.

Financial position

(Amounts in brackets in the Financial position section refer to corresponding values as of 31 December 2023.)

Equity amounted to SEK 1,121.6 million (774.5) at the end of the period. During the year, new share issues totalling SEK 326.0 million were carried out. This was divided into a new share issue in connection with the IPO, including the over-allotment option, of SEK 287.5 million, a set-off issue of SEK 21.7 million and a directed share issue in connection with the acquisition of Sähkö-Jokinen of SEK 16.8 million. The issue amounts have been reduced by costs related to the issues of SEK -17.3 million.

The balance sheet total amounted to SEK 2,181.6 million (1,600.4) and the equity/assets ratio was 51.4% (48.4).

Non-current interest-bearing liabilities at the end of the period amounted to SEK 375.9 million (283.3) and consisted

of corporate loans from credit institutions. Other non-current liabilities consisted of put/call options and earn-outs amounting to SEK 188.1 million (134.4). Non-current lease liabilities amounted to SEK 68.6 million (42.1). Total non-current liabilities and provisions was SEK 684.2 million (501.8) at the end of the period. The increase in external loans was related to the completed acquisitions for the year. Current interest-bearing liabilities consisted of short-term corporate loans and overdraft facilities and amounted to SEK 87.9 million (92.8). Current lease liabilities amounted to SEK 35.2 million (26.0).

Cash and cash equivalents at the end of the period amounted to SEK 241.3 million (190.4).

Property, plant and equipment at the end of the period amounted to SEK 262.0 million (224.0).

Right of use assets at the end of the period amounted to SEK 101.8 million (65.6). The change in leased assets from the beginning of the year is primarily attributable to acquisitions.

At the end of the period, the Group's goodwill amounted to SEK 796.6 million (554.8). The increase compared to the beginning of the year is attributable to acquisitions. Other intangible fixed assets at the end of the period amounted to SEK 178.8 million (77.8).

Acquisitions

During the year, five acquisitions were completed. On January 10, the acquisition of Sähkö-Jokinen "SJ" was completed. On January 15, Tekniseri completed an add-on acquisition, AB Svenska Maskinsyltfabriken "SMF". On May 31, the acquisition of Ojop Sweden AB "Ojop" was completed. During the third quarter, two acquisitions were completed, on July 12, NE Engineering "NE" was acquired and on August 27, Haco Tellus and Haco Rehabservice "Haco" were acquired. The acquisition balances for the acquisitions are preliminary as retroactive adjustments may still be made if they reflect new information about the circumstances that existed at the time of acquisition. Purchase price allocations for the acquisitions carried out before 1 January 2024 have now been finalised, and no significant adjustments have been made. For more information, see Note 3.

Other information

Significant risks and uncertainties

The uncertainties that are primarily expected to affect the Group are as follows.

- **Economic activity** – the general industrial economy is expected to have a major impact on the Group as the majority of the companies sell to other manufacturing companies. However, the geographical spread in sales means that dependence on an individual country's economic situation is not decisive.
- **Inflation** – the increased inflation in 2022 and 2023 has resulted in increased raw material prices for the Group's companies. The companies compensate for this through increased prices, which is however happening with some lag.
- **Geopolitical unrest** – the ongoing war against Ukraine and other conflicts have not had any significant impact on the Group's operations. The long-term economic consequences depend on the duration of the war as well as the measures taken by governments, central banks and other authorities.
- **Currencies** – The Group has a certain dependence on the development of the Swedish krona against the leading currencies in that a certain part of costs are paid in SEK while corresponding sales are made in foreign currencies. Therefore, a strengthening of the Swedish krona would affect competitiveness. The primary currency risk consists of translation exposure to EUR in the Finnish subsidiaries.
- **Interest** – the Group is partly financed by external borrowing. A significant increase in interest rates would thus increase financial costs and reduce liquidity.

For more information, please refer to the section Risks and uncertainties on page 3 and Note 20 in the Annual Report for 2023.

Personnel

At the end of the period, the Group had 673 employees (553). The change is mainly due to recent acquisitions.

Number of shares

At the end of the period, the share capital of SEK 5.3 million (4.2) consisted of 52,920,992 shares (42,094,039).

Parent company

Operating profit for the third quarter amounted to SEK -7.5 million (-8.0). For the period January-September, operating profit was SEK -31.3 million (-18.1), the large difference is mostly due to increased costs related to the IPO.

Events after the end of the reporting period

No significant events after the end of the reporting period.

Related party transactions

All transactions between Karnell Group AB (publ) and its subsidiaries have been eliminated in the consolidated financial statements. Fees to the Board of Directors can be found in Note 5 in the Annual Report for 2023. In connection with the IPO, 252,370 warrants were repurchased. The transaction was made on a market basis and on the same terms as applied at the time of the listing.

Business area – Product companies

Net sales in the third quarter increased by 65.3% and amounted to SEK 171.4 million (103.7). Acquisitions contributed 53.1% and currency effects -1.6% of the increase. Organically, sales increased by 13.7%. EBITA increased by 103.8% and amounted to SEK 28.5 million (14.0). Acquisitions contributed 64.3% and currency effects -2.7%. Organically, EBITA increased by 42.2%.

The companies in the business area have had a strong quarter with continued recovery compared to a weaker 2023. Most companies in the business area reported higher sales and increased margins compared with the previous year. Haco was included in the result as of September and contributed positively to the business area's earnings despite acquisition costs.

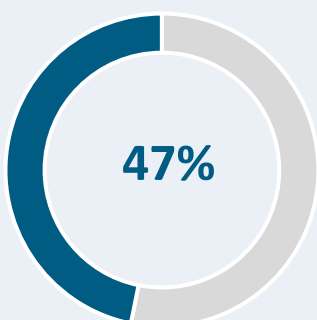
For the period January-September, sales increased by 46.3% and amounted to SEK 467.9 million (319.7). Acquisitions contributed 38.8% and currency effects was -0.5% of the increase. Organically, sales increased by 8.0%. EBITA increased by 97.2% and amounted to SEK 64.1 million (32.5). Acquisitions contributed 60.9% and currency effects -0.6%. Organically, EBITA increased by 36.9%.

In the business area, there are to some extent seasonal effects, with Rotomon and SJ having their weaker months during the winter and in addition, both are affected by the continued cautious construction sector in Finland, which has led to fierce competition for projects and depressed prices. During the third quarter, there has been continued stability and possibly a beginning of recovery at Rotomon. As a counterbalance to this seasonal variation, Drivex, which manufactures tools for snow removal and road maintenance, among other things, has its strongest months during the winter months.



The Product Company business area focuses on B2B industrial technology companies. These are companies that develop, own the rights and have a unique product offering. The business area consists of nine business units.

Share of Group sales



MSEK	Q3			Jan-Sep		
	2024	2023	Δ	2024	2023	Δ
Net sales	171.4	103.7	65%	467.9	319.7	46%
EBITA	28.5	14.0	104%	64.1	32.5	97%
EBITA margin	16.6%	13.5%	-	13.7%	10.2%	-

MSEK	R12	Jan-Dec
	Oct-Sep	2023
Net sales	605.3	457.2
EBITA	82.6	51.0
EBITA margin	13.7%	11.2%

Companies in the business area as of September 30, 2024



Business area – Niche production

Net sales increased by 18.5% during the third quarter and amounted to SEK 185.2 million (156.2), of which organic change accounted for -1.2%. Acquisitions and currency effects contributed 21.5% and -1.8%, respectively. EBITA increased by 7.5% during the quarter and amounted to SEK 34.7 million (32.3). Organically, EBITA decreased by 11.5%, acquisitions contributed positively by 21.0% and currency effects by -2.0%.

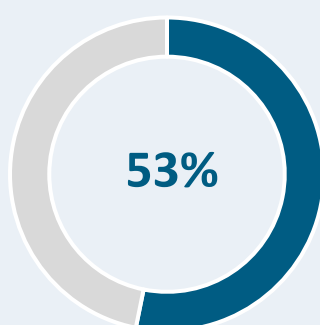
Last year's third quarter was a strong quarter with several of the companies reporting high levels of sales and margins. The third quarter generally showed somewhat lower activity, but with continued good profitability. During the quarter, several of the companies saw continued lower activity among bigger industrial customers, which has led to slightly lower sales and some margin pressure. During the quarter, Tekniseri also saw weaker demand in the Chinese market. NE Engineering was included in the results as of July 12 and made a positive contribution to the business area's earnings.

For the period January-September, sales increased by 10.9% and amounted to SEK 531.5 million (479.1), of which organic change accounted for -1.0%. Acquisitions and currency effects contributed 12.7% and -0.8%, respectively. EBITA decreased by 1.5% during the period and amounted to SEK 87.5 million (88.9). Organically, EBITA decreased by 14.2%, acquisitions contributed positively by 13.6% and currency effects impacted by -0.8%.



The Niche Production business area focuses on companies that are market leaders in producing products in their niche area. Often, our companies work closely with the customers' development department and add value in the development of the product. Niche production consists of six business units.

Share of Group sales



MSEK	Q3			Jan-Sep		
	2024	2023	Δ	2024	2023	Δ
Net sales	185.2	156.2	19%	531.5	479.1	11%
EBITA	34.7	32.3	7%	87.5	88.9	-2%
EBITA margin	18.8%	20.7%		16.5%	18.5%	-

MSEK	R12	Jan-Dec
	Oct-Sep	2023
Net sales	698.5	646.0
EBITA	116.1	117.5
EBITA margin	16.6%	18.2%

Companies in the business area as of September 30, 2024

KL Mechanics

K O N E P A J A
TIMEKA

SIMFAS

P Plalite Limited

NE Engineering

Tekniseri

Certification by the Board of Directors and the CEO

The undersigned declares that the interim report provides a true and fair overview of the Group's and the Parent Company's operations, position and results, and describes material risks and uncertainties faced by the Parent Company and the companies that are part of the Group.

The report has been reviewed by the company's auditors.

Stockholm, 8 November 2024

Patrik Rignell

Chairperson

Per Nordgren

Board member

Dajana Mirborn

Board member

Hans Karlander

Board member

Helena Nordman as Knutson

Board member

Lena Wäppling

Board member

Petter Moldenius

CEO

Auditor's audit report

Karnell Group AB (publ), org.nr 559043-3214

Introduction

We have reviewed the condensed interim report for Karnell Group AB (publ)] as at September 30th, 2024 and for the nine months 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 Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Date as indicated by the electronic signature,

Ernst & Young AB

Michaela Nilsson
Authorized Public Accountant

Consolidated income statement in summary

MSEK	Note	Q3		Jan-Sep		LTM	Jan-Dec
		2024	2023	2024	2023	Oct-Sep	2023
Net sales	2	356.6	260.0	999.4	798.9	1,303.8	1,103.3
Other operating revenue		1.9	1.7	5.3	6.6	7.3	8.6
Total income		358.5	261.6	1,004.7	805.5	1,311.1	1,111.9
Change in inventories		-1.0	5.8	5.6	13.7	-1.1	6.9
Raw materials and consumables		-152.4	-119.5	-435.7	-363.3	-557.6	-485.1
Employee benefits expense		-89.2	-69.2	-284.3	-232.7	-374.8	-323.2
Other external expenses		-42.5	-27.5	-124.5	-83.7	-162.6	-121.9
Depreciation and amortisation of property, plant and equipment		-10.3	-7.5	-27.3	-20.7	-35.4	-28.7
Depreciation and amortisation of right-to-use assets		-8.2	-6.0	-22.9	-17.4	-28.7	-23.2
Depreciation and amortisation of intangible assets		-4.3	-0.6	-10.6	-2.1	-12.6	-4.1
Operating income		50.6	37.1	105.0	99.3	138.3	132.6
Net financial items	5	-10.4	2.0	-31.6	-8.0	-46.7	-23.1
Profit/loss before tax		40.2	39.2	73.5	91.3	91.6	109.5
Tax on profit/loss for the period		-11.1	-8.3	-26.4	-24.9	-33.5	-32.1
Profit/loss for the period		29.1	30.8	47.1	66.4	58.1	77.4
Earnings per share, SEK							
- before dilution		0.55	0.74	0.95	1.63	1.22	1.88
- after dilution		0.53	0.72	0.92	1.57	1.18	1.81

Consolidated comprehensive income report in summary

MSEK	Q3		Jan-Sep		LTM	Jan-Dec
	2024	2023	2024	2023	Oct-Sep	2023
Profit/loss for the period	29.1	30.8	47.1	66.4	58.1	77.4
Items that may be reversed to the statement of income						
Translation differences	-2.4	-12.9	13.5	15.0	-4.6	-3.2
Other comprehensive income	-2.4	-12.9	13.5	15.0	-4.6	-3.2
Total comprehensive income for the year	26.7	18.0	60.6	81.5	53.4	74.2

Consolidated statement of Financial Position in summary

MSEK	Note	30 Sep 2024	30 Sep 2023	31 Dec 2023
Fixed assets				
Intangible fixed assets	3	975.4	583.5	632.6
Right of use asset		101.8	66.4	65.6
Property plant and equipment		262.0	215.0	224.0
Other financial assets	4	4.0	7.5	4.8
Total non-current assets		1,343.1	872.4	927.0
Current assets				
Inventories		297.7	261.4	251.6
Accounts receivable	4	264.3	214.1	211.1
Other current receivables		25.6	13.9	11.7
Prepaid expenses and accrued income		9.7	9.9	8.6
Cash and cash equivalents	4	241.3	181.4	190.4
Total current assets		838.6	680.7	673.4
Total assets		2,181.6	1,553.1	1,600.4
Equity				
Deferred tax asset		66.8	24.2	37.4
Provisions		4.9	3.5	4.6
Non-current interest-bearing liabilities	4	375.9	299.5	283.3
Other non-current liabilities	4	168.0	107.9	134.4
Non-current leasing liabilities		68.6	43.5	42.1
Total non-current liabilities		684.2	478.6	501.8
Current liabilities				
Current interest-bearing liabilities	4	87.9	92.2	92.8
Trade payables	4	95.5	80.5	79.1
Contract liabilities	4	6.8	8.5	20.8
Current tax liabilities		14.5	0.5	4.9
Current leasing liabilities		35.2	25.9	26.0
Other current liabilities		72.9	45.0	41.4
Accrued expenses and prepaid income		63.0	47.6	59.1
Total current liabilities		375.8	300.2	324.1
Total equity and liabilities		2,181.6	1,553.1	1,600.4

Consolidated statement of changes in equity in summary

MSEK	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. this year's profit/loss	Total equity
Opening balance, equity 1 Jan 2024	4.2	677.4	16.0	76.9	774.5
Net profit for the year				47.1	47.1
Other comprehensive income for the year			13.5		13.5
Comprehensive income for the year			13.5	47.1	60.6
New share issue	1.1	324.9			326.0
Issue costs		-17.3			-17.3
Option premiums		2.2			2.2
Repurchase warrants				-24.4	-24.4
Closing balance, equity 30 Sep 2024	5.3	987.3	29.5	99.6	1,121.6

MSEK	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. this year's profit/loss	Total equity
Opening balance, equity 1 Jan 2023	3.7	567.6	19.1	-0.5	590.0
Net profit for the year				66.4	66.4
Other comprehensive income for the year			15.0		15.0
Comprehensive income for the year			27.9	35.6	63.5
New share issue	0.4	101.8			102.3
Issue costs		-4.3			-4.3
Ongoing new share issue		5.0			5.0
Closing balance, equity 30 Sep 2023	4.1	670.1	34.2	65.9	774.3

Consolidated cash flow statement in summary

MSEK	Note	Q3		Jan-Sep		LTM	Jan-Dec
		2024	2023	2024	2023	Oct-Sep	2023
Operating activities							
Operating profit (EBIT)		50,6	37,1	105,0	99,3	138,3	132,6
Adjustments for non-cash items		23,2	11,9	61,7	46,4	79,7	64,4
Interest received		1,6	2,0	5,7	2,5	10,9	7,7
Interest paid		-8,7	-7,3	-28,4	-21,6	-34,9	-28,1
Paid tax		-18,3	-8,1	-35,2	-28,1	-40,8	-33,7
Cash flow before changes in working capital		48,4	35,6	108,8	98,5	153,3	143,0
Changes in working capital							
Changes in inventories		21,4	0,2	17,0	-22,6	24,1	-15,5
Changes in trade receivables		-1,4	-25,5	-14,5	-31,7	-3,6	-20,7
Change in other operating receivables		2,2	-0,2	-2,6	8,1	-5,5	5,2
Change in trade payables		-13,8	3,5	-16,1	5,7	-18,9	2,9
Change in other operating liabilities		-11,3	-6,3	-4,5	-9,5	22,7	17,8
Cash flow from changes in working capital		-2,9	-28,2	-20,8	-50,0	19,0	-10,2
Cash flow from operating activities		45,5	7,4	88,0	48,5	172,2	132,8
Investing activities							
Acquisition of subsidiaries	3	-145,4	-101,4	-334,1	-127,7	-368,6	-162,3
Investments in intangible assets		-0,8	-0,5	-2,7	-2,2	-4,9	-4,3
Investments in property, plant and equipment		-7,6	-4,0	-25,8	-14,1	-33,9	-22,2
Divestments of tangible assets		0,1	-	0,5	-	0,8	0,3
Changes in other financial assets		0,3	-	0,0	-	-0,6	-0,6
Cash flow from investing activities		-153,6	-105,9	-362,1	-144,0	-407,3	-189,2
Financing activities							
Borrowings		70,2	60,0	152,2	402,8	177,2	427,8
Loan repayments		-	-12,5	-26,0	-361,6	-38,0	-373,6
Loan repayments, leasing		-8,5	-5,7	-23,2	-17,1	-29,5	-23,4
Change in current credit facility		-51,7	-36,7	-62,2	6,0	-95,5	-27,3
New share issue		-	5,0	287,0	102,9	294,3	110,3
Warrants		-	-	-0,5	-	-0,5	-
Cash-settled put/call options and earn-outs		-	-	-3,8	-6,1	-14,1	-16,4
Cash flow from financing activities		10,0	10,1	323,4	126,8	294,1	97,5
Cash flow for the period		-98,1	-88,4	49,4	31,4	59,1	41,2
period		339,9	269,0	190,4	148,7	181,4	148,7
equivalents		-0,5	0,8	1,5	1,3	0,9	0,7
Cash and cash equivalents at the end of the period		241,3	181,4	241,3	181,4	241,3	190,4

Summary of the Parent Company's income statement

MSEK	Q3		Jan-Sep		LTM	Jan-Dec
	2024	2023	2024	2023	Oct-Sep	2023
Net sales	0.8	0.6	2.1	1.9	2.6	2.4
Other operating revenue	0.0	-0.2	0.0	1.3	-1.2	0.1
Total income	0.8	0.4	2.2	3.3	1.5	2.6
Operating costs						
Employee benefits expense	-4.4	-2.9	-17.2	-11.7	-20.3	-14.9
Other external expenses	-3.9	-3.6	-16.1	-7.6	-23.0	-14.5
Depreciation of tangible and intangible fixed assets	-0.0	-0.0	-0.1	-0.1	-0.2	-0.2
Other operating expenses	-0.0	-1.8	-0.1	-1.9	1.8	-0.0
Operating income	-7.5	-8.0	-31.3	-18.1	-40.3	-27.1
Profit/loss from financial items						
Other interest income and similar profit/loss items	7.0	7.6	39.7	18.8	53.9	33.0
Interest expenses and similar profit/loss items	-5.8	-5.3	-28.9	-11.8	-36.7	-19.7
Profit/loss after financial items	-6.3	-5.6	-20.5	-11.1	-23.1	-13.7
Tax on profit/loss for the period	-	-	-	-	-	-
Profit/loss after tax	-6.3	-5.6	-20.5	-11.1	-23.1	-13.7

The result for the period is in line with the comprehensive income for the period.

Summary of the Parent Company's Financial Position Report

MSEK	30 Sep 2024	30 Sep 2023	31 Dec 2023
Fixed assets			
Intangible fixed assets	0.2	0.3	0.2
Property plant and equipment	0.2	0.3	0.2
Shares in subsidiaries	925.7	563.2	644.2
Non-current receivables from subsidiaries	387.8	369.3	330.9
Total non-current assets	1,313.8	933.0	975.5
Current assets			
Accounts receivable	-	-	-
Current receivables from subsidiaries	0.4	3.6	0.6
Other current receivables	1.2	0.8	0.9
Prepaid expenses and accrued income	4.0	3.3	0.4
Cash and cash equivalents	112.5	102.2	85.3
Total current assets	118.0	109.8	87.2
Total assets	1,431.9	1,042.8	1,062.7
Equity			
Restricted equity	5.3	4.1	4.2
Non-restricted equity	841.6	571.8	576.5
Total equity	846.9	575.9	580.7
Non-current liabilities			
Liabilities to credit institutions	358.9	298.7	276.4
Non-current liabilities to Group companies	-	-	6.1
Other non-current liabilities	156.3	84.8	115.9
Current liabilities			
Liabilities to credit institutions	63.4	80.2	76.7
Trade payables	1.7	0.8	2.7
Other current liabilities	1.4	1.0	0.9
Accrued expenses and prepaid income	3.3	1.5	3.2
Total liabilities	585.0	466.9	482.0
Total equity and liabilities	1,431.9	1,042.8	1,062.7

Notes

This quarterly report covers the Swedish parent company Karnell Group AB (publ), corporate identity number 559043-3214, hereinafter referred to as Karnell, with its registered office in Stockholm, Sweden, and its subsidiaries (the consolidated financial statements). The address of the head office is Riddargatan 13D, 114 51 Stockholm. Its main business is to conduct investment activities.

Note 1. Accounting principles

Karnell's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and related interpretations (IFRIC), as adopted by the EU. The Group's interim report has been prepared in accordance with applicable parts of the Annual Accounts Act and IAS 34 Interim reporting. The interim report for the parent company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, Interim Report. For the

Group and the Parent Company, the same accounting principles, calculation bases and assessments have been applied as in the most recent Annual Report.

A more detailed description of the Group's applied accounting principles and new and future standards can be found in the most recently published Annual Report.

Disclosures pursuant to IAS 34.16A appear, except in the financial statements and their related notes in the interim information, on pages 4 to 8 which form an integral part of this financial statement.

All amounts in this report are stated in millions of Swedish kronor (SEKm) unless otherwise stated. Rounding may occur in tables and counts, which means that the total amounts given are not always an exact sum of the rounded partial amounts.

Note 2. Segment and distribution of net sales

MSEK	Q3		Jan-Sep		Jan-Dec
	2024	2023	2024	2023	2023
Product companies	171.4	103.7	467.9	319.7	457.2
Sale of products	149.3	91.6	404.3	279.1	403.5
Project sales	8.1	4.1	36.9	20.9	25.9
Sale of services	14.0	8.0	26.7	19.7	27.8
Niche production	185.2	156.2	531.5	479.1	646.0
Sale of products	185.2	156.2	531.5	479.1	646.0
Project sales	-	-	-	-	-
Sale of services	-	-	-	-	-
Central and eliminations	0.0	0.0	0.0	0.1	0.1
Total Group	356.6	260.0	999.4	798.9	1,103.3

Net sales are attributable to external income from agreements with customers. Sales of services are recognised as revenue over time, other income is recognised at one point in time.

Note 2. Segment and distribution of net sales, continued

Net sales by geographic area

MSEK	Q3		Jan-Sep		Jan-Dec
	2024	2023	2024	2023	2023
Sweden	69.5	39.6	227.3	154.9	245.3
Finland	191.6	162.2	527.2	491.2	635.2
UK	35.7	2.5	66.0	6.3	7.4
Europe, other	51.1	45.0	137.1	117.9	170.9
Other countries	8.8	10.5	41.8	28.5	44.4
Total	356.6	260.0	999.4	798.9	1,103.3

Net sales is based on where the customer has its geographical residence.

Q3 2024 (MSEK)	Product			Total Group
	companies	Niche production	HQ and other	
Net sales	171.4	185.2	0.0	356.6
EBITA	28.5	34.7	-8.3	54.9
Depreciation and amortisation of intangible fixed assets	-	-	-	-4.3
Net financial items				-10.4
Profit/loss before tax				40.2

Q3 2023 (MSEK)	Product			Total Group
	companies	Niche production	HQ and other	
Net sales	103.7	156.2	0.0	260.0
EBITA	14.0	32.3	-8.5	37.8
Depreciation and amortisation of intangible fixed assets	-	-	-	-0.6
Net financial items				2.0
Profit/loss before tax				39.2

Jan-Sep 2024 (MSEK)	Product			Total Group
	companies	Niche production	HQ and other	
Net sales	467.9	531.5	0.0	999.4
EBITA	64.1	87.5	-36.0	115.6
Depreciation and amortisation of intangible fixed assets	-	-	-	-10.6
Net financial items				-31.6
Profit/loss before tax				73.5

Jan-Sep 2023 (MSEK)	Product			Total Group
	companies	Niche production	HQ and other	
Net sales	319.7	479.1	0.1	798.9
EBITA	32.5	88.9	-20.0	101.4
Depreciation and amortisation of intangible fixed assets	-	-	-	-2.1
Net financial items				-8.0
Profit/loss before tax				91.3

Note 3. Acquisitions

Sähkö-Jokinen

On 9 January 2024, Karnell completed the acquisition of Sähkö-Jokinen Oy ("SJ"), which was acquired at 91.9%. The acquisition includes a put/call option that entails a right and an obligation to acquire the remaining 8.1% of the shares from other owners. Hence, the acquisition is reported to be 100% without any non-controlling interest. The expected purchase price for the remaining 8.1% is reported as a liability.

SJ is a leading manufacturer of outdoor lighting, located in Noormarkku, Finland. The company has a turnover of approximately EUR 8.5 million and is part of the Product companies business area.

The acquired goodwill is attributable to the company's expected future earnings capacity and the competence of the personnel. No part of the goodwill is expected to be tax deductible. Transaction costs for the acquisition amount to approximately SEK 2.8 million, a large part of which is attributable to transfer tax and is included in Other external costs in the Group's income statement. In addition to the cash consideration, there is also a performance-based earn-out amounting to a maximum of EUR 2.4 million.

Ojop

On May 31, 2024, Karnell completed the acquisition of Ojop Sweden AB, which was acquired to 90.1%. The acquisition includes a put/call option that entails a right and an obligation to acquire the remaining 9.9% of the shares from other owners. Hence, the acquisition is reported to be 100% without any non-controlling interest. The expected purchase price for the remaining 9.9% is reported as a liability.

Ojop offers approximately 300 different eccentric locks under four brands that are aimed at both OEMs and end users in Sweden and internationally. The company has 20 employees and has customers in around 50 countries.

During the last financial year, Ojop had sales of approximately SEK 50 million with good profitability. Ojop is part of the Product companies business area.

The acquired goodwill is attributable to the company's expected future earnings capacity and the competence of the personnel. No part of the goodwill is expected to be tax deductible. Transaction costs for the acquisition amount to approximately SEK 0.9 million, and are included in Other external costs in the Group's income statement. In addition to the cash consideration, there is also a performance-based contingent purchase price amounting to a maximum of SEK 25.7 million.

NE engineering

On 12 July 2024, Karnell completed the acquisition of NE Engineering LTD ("NE"), which was acquired at 90.1%. The acquisition includes a put/call option that entails a right and an obligation to acquire the remaining 9.9% of the shares from other owners. Hence, the acquisition is reported to be 100% without any non-controlling interest. The expected purchase price for the remaining 9.9% is reported as a liability.

NE is a precision engineering company specializing in CNC milling and turning of small and complex components for demanding environments. NE was founded in 2009 and is based in Norwich, Norfolk, and has a turnover of approximately GBP 5 million with good profitability. NE belongs to the Niche production business area.

The acquired goodwill is attributable to the company's expected future earnings capacity and production expertise. No part of the goodwill is expected to be tax deductible. Transaction costs for the acquisition amount to approximately SEK 2.5 million, and are included in Other external costs in the Group's income statement. In addition to the cash consideration, there is also a performance-based earn-out amounting to a maximum of GBP 600.

Haco

On August 27, 2024, Karnell completed the acquisition of the two sister companies Haco Tellus AB and Haco Rehabservice AB (together "Haco") to 100%.

Haco is a niche supplier specializing in industrial wheels as well as wheels and spare parts for wheelchairs and rollators with associated reconditioning services. Haco has sales of approximately SEK 70 million with good profitability and is part of Karnell's Product companies business area.

The acquired goodwill is attributable to the companies' expected future earnings capacity and the companies' market reputation. No part of the goodwill is expected to be tax deductible. Transaction costs for the acquisition amount to approximately SEK 0.8 million, and are included in Other external costs in the Group's income statement. In addition to the cash consideration, there is also a performance-based earn-out, which at the time of acquisition is valued at SEK 9.1 million.

Add-on acquisitions 2024

SMF

On January 15, Tekniseri completed a minor add-on acquisition of AB Svenska Maskinsiltfabriken, in Linköping ("SMF"). SMF provides industrial customers with signs, decals and panels, in metal and plastic.

The acquisition of SMEs has led to negative goodwill, which has been recognised as a financial income in the Group's income statement. Transaction costs for the acquisition amount to approximately SEK 0.4 million and are included in Other external costs in the Group's income statement. In addition to the cash consideration, there is also a performance-based earn-out of a maximum of SEK 1.5 million.

Purchase price allocation 2024

MSEK	Sähkö-Jokinen	OJOP	NE	HACO	SUM
Intangible fixed assets	0.6	0.1	-	-	0.7
Property plant and equipment	31.1	7.7	33.4	19.7	91.9
Inventories	24.7	13.4	4.1	13.7	56.0
Current receivables	8.7	5.0	13.4	8.9	36.0
Cash and cash equivalents	6.5	0.7	23.8	2.7	33.6
Deferred tax	-	-	-7.0	-	-7.0
Non-current liabilities	-23.0	-6.1	-15.5	-13.9	-58.6
Current liabilities	-15.0	-5.5	-14.3	-14.5	-49.2
Net identifiable assets and liabilities	33.6	15.3	37.8	16.6	103.3
	-				
Cash purchase price	134.7	61.6	70.9	100.3	367.4
Contingent liability	-	4.1	7.0	9.1	20.2
Put/call option	10.7	7.3	7.7	-	25.6
Total purchase price	145.4	73.0	85.5	109.4	413.2
Net assets acquired	33.6	15.3	37.8	16.6	103.3
Intangible fixed assets	30.4	21.5	28.3	25.7	105.8
Deferred tax asset	-6.1	-4.4	-7.1	-5.3	-22.9
Goodwill	87.4	40.6	26.5	72.4	226.9
	145.4	73.0	85.5	109.4	413.2
Impact on the Group's cash and cash equivalents					
Cash compensation	-134.7	-61.6	-70.9	-100.3	-367.4
Acquired cash and cash equivalents	6.5	0.7	23.8	2.7	33.6
Net cash and cash equivalents	-128.2	-60.9	-47.1	-97.6	-333.8

MSEK	Sähkö-Jokinen	OJOP	NE	HACO	SUM
Impact after acquisition date included in consolidated earnings					
Net sales	65.7	11.9	19.7	6.7	104.0
Operating profit	8.6	0.3	2.8	1.2	12.9
Impact if the acquisitions were completed on Jan 1					
Net sales	65.7	31.2	57.6	48.9	203.4
Operating profit	8.6	5.8	18.9	12.8	46.1

Add-on purchase price allocation

MSEK	SMF
Property plant and equipment	1.9
Inventories	3.3
Current receivables	6.6
Cash and cash equivalents	0.0
Current liabilities	-9.1
Net identifiable assets and liabilities	2.8
Cash purchase price	0.3
Contingent liability	0.7
Total purchase price	0.9
Net assets acquired	2.8
Negative goodwill	-1.8
	0.9
Impact on the Group's cash and cash equivalents	
Cash compensation	-0.3
Acquired cash and cash equivalents	0.0
Net cash and cash equivalents	-0.2

Note 4. Financial assets and liabilities

30 Sep 2024 (MSEK)	Financial assets and liabilities		Total fair value
	measured at fair value through profit/loss	Financial assets and liabilities measured at amortised cost	
Financial assets			
Non-current receivables	-	0.6	0.6
Accounts receivable	-	264.3	264.3
Cash and cash equivalents	-	241.3	241.3
Total	-	506.1	506.1
Financial liabilities			
Liabilities to credit institutions	-	463.8	463.8
Trade payables	-	95.5	95.5
Contract liabilities	-	6.8	6.8
Contingent liabilities	60.9	-	60.9
Put/call options attributable to non-controlling interests	127.2	-	127.2
Total	188.1	566.1	754.2

30 Sep 2023 (MSEK)	Financial assets and liabilities		Total fair value
	measured at fair value through profit/loss	Financial assets and liabilities measured at amortised cost	
Financial assets			
Non-current receivables	-	0.6	0.6
Accounts receivable	-	214.1	214.1
Cash and cash equivalents	-	181.4	181.4
Total	-	396.1	396.1
Financial liabilities			
Liabilities to credit institutions	-	391.6	391.6
Trade payables	-	80.5	80.5
Contract liabilities	-	8.5	8.5
Contingent liabilities	23.2	-	23.2
Put/call options attributable to non-controlling interests	84.8	-	84.8
Total	107.9	480.6	588.6

The carrying amount is considered a good approximation of the fair value. For the period 2024, there are two items measured at fair value via the income statement. The fair value of contingent liabilities (earn-outs) has been calculated based on the expected outcome of financial and operational targets for each individual agreement. The estimated expected adjustment will vary over time depending on, among other things, the degree of fulfilment of the conditions for the contingent earn-outs and the development of certain exchange rates against the Swedish krona. Contingent liabilities classified as financial liabilities are measured at fair value. The measurement is therefore in accordance with level 3 in the valuation hierarchy. Significant unobservable input information consists of forecasted sales and a risk-adjusted discount rate as well as operational targets.

The put/call options for non-controlling interests apply to put/call options in completed transactions where the selling shareholder retains a certain ownership in connection with subsequent transactions and there is an agreement that Karnell will purchase the remaining holdings if the owner of

the put/call option chooses to exercise the right to sell. The valuation and payment are made in a similar manner as for contingent earn-outs (Level 3 Fair Valuation). The fair value of the put/call options in respect of non-controlling interests has been calculated by assessing the likely outcome of the financial and operational targets for each individual agreement. The estimated probability of payment will vary over time depending on, among other things, the extent to which conditions for the put/call options have been met, as well as how exchange rates develop.

The levels available are as follows;

- **Level 1:** Financial instruments are valued according to prices quoted on an active market.
- **Level 2:** Financial instruments are valued on the basis of directly or indirectly observable market data and are not included in Level 1.
- **Level 3:** Financial instruments are valued based on inputs that are not observable in the market.

Reconciliation of put/call options and earn-outs

Changes in put/call options, MSEK

Opening balance, Jan 1 2024	97.0
Additional put/call options	26.0
Settled liabilities during the period	-3.8
Revaluations through profit/loss	7.5
Exchange rate differences	0.5
Closing balance, Sep 30 2024	127.2

Changes in earn-outs, MSEK

Opening balance, Jan 1 2024	37.4
Additional earn-outs	20.9
Settled liabilities during the period	-
Revaluations through profit/loss	1.3
Exchange rate differences	1.3
Closing balance, Sep 30 2024	60.9

Not 5. Net financial items

MSEK	Q3		Jan-Sep	
	2024	2023	2024	2023
Interest income	1.6	1.6	5.7	5.4
Interest expenses	-7.2	-5.8	-23.9	-17.6
Interest expenses leasing	-1.6	-1.2	-4.5	-3.7
Net interest	-7.1	-5.4	-22.7	-15.8
Net exchange rate effects	-0.3	0.4	-2.0	0.4
Revaluation of put/call options and earn-outs	-2.9	7.0	-8.8	7.5
Other financial items	-	-	2.0	-
Net financial items	-10.4	2.0	-31.6	-8.0

Key figures – Group

MSEK	Q3		Jan-Sep		LTM	Jan-Dec
	2024	2023	2024	2023	Oct-Sep	2023
Net sales	356.6	260.0	999.4	798.9	1,303.8	1,103.3
EBITDA ¹	73.4	51.2	165.8	139.4	215.0	188.6
EBITA ¹	54.9	37.8	115.6	101.4	150.9	136.7
EBITA margin, % ¹	15.4%	14.5%	11.6%	12.7%	11.6%	12.4%
EBITA growth, % ¹	45.4%	37.7%	14.1%	55.0%	-	114.9%
Operating profit (EBIT)	50.6	37.1	105.0	99.3	138.3	132.6
EBIT margin, %	14.2%	14.3%	10.5%	12.4%	10.6%	12.0%
Profit/loss before tax	40.2	39.2	73.5	91.3	91.6	109.5
Cash flow from operating activities	45.5	7.4	88.0	48.5	172.2	132.8
Earnings per share before dilution (SEK)	0.55	0.74	0.95	1.63	1.22	1.88
Earnings per share after dilution (SEK)	0.53	0.72	0.92	1.57	1.18	1.81
Return on equity (LTM) ¹	-	-	-	-	6.1%	11.3%
Return capital employed (LTM) ¹	-	-	-	-	10.8%	13.7%
Equity ratio, % ¹	51.4%	49.9%	51.4%	49.9%	51.4%	48.4%
Net debt ¹	326.5	279.6	326.5	279.6	326.5	253.7
Net debt excl. leasing ¹	222.6	210.3	222.6	210.3	222.6	185.6
Net debt/EBITDA LTM ¹	-	-	-	-	1.5	1.3
Net debt excl. leasing/EBITDA LTM excl. leasing ¹	-	-	-	-	1.2	1.2
Number of employees, closing day	673	531	673	531	673	553
Average number of shares, before dilution ('000)	52,921	41,431	49,594	40,831	47,693	41,133
Average number of shares, diluted ('000)	54,553	42,678	51,205	42,222	49,304	42,684

1) The key figure is an alternative key figure in accordance with ESMA's guidelines

Net sales and EBITA by quarter

KSEK	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Net sales									
Product companies	171.4	179.1	117.4	137.5	103.7	123.5	92.5	119.8	111.3
Niche production	185.2	178.1	168.3	166.9	156.2	167.8	155.1	146.3	111.1
Central and eliminations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Group	356.6	357.2	285.6	304.4	260.0	291.3	247.6	266.1	222.4
EBITA									
Product companies	28.5	24.2	11.4	18.6	14.0	11.9	6.6	17.7	18.7
Niche production	34.7	27.8	25.0	28.6	32.3	29.4	27.1	22.3	16.1
Central and eliminations	-8.3	-11.2	-16.5	-11.9	-8.5	-5.6	-5.8	-7.2	-4.8
Total Group	54.9	40.8	20.0	35.3	37.8	35.7	27.9	32.8	30.0
EBITA margin, %									
Product companies	16.6%	13.5%	9.7%	13.5%	13.5%	9.6%	7.1%	14.8%	16.8%
Niche production	18.8%	15.6%	14.9%	17.1%	20.7%	17.5%	17.5%	15.2%	14.5%
Total Group	15.4%	11.4%	7.0%	11.6%	14.5%	12.3%	11.3%	12.3%	13.5%

Definitions

Net sales growth:

Change in the Group's net sales compared to the comparison period. The purpose is to show the total growth in net sales for all Group companies that are part of the Group in relation to the comparison period.

Organic net sales growth:

Change in net sales adjusted for currency effects and net sales acquired and divested, compared to the same period last year. Acquired companies are included in organic growth from the time they have comparative figures for the period in question. The purpose is to analyse the underlying net sales growth in current operations.

EBITA growth:

Change in EBITA compared to the same period last year. The purpose is to analyse the growth in earnings.

Organic EBITA growth:

Change in EBITA adjusted for exchange rate effects and acquired and divested EBITA, compared to the same period last year. Acquired companies are included in organic growth from the time they have comparative figures for the period in question. The purpose is to analyse the underlying earnings growth in current operations.

EBITDA:

Operating profit before depreciation. EBITDA is a complement to operating profit. The purpose is to measure the result from operating activities, regardless of depreciation.

EBITDA excl. leasing:

Operating profit before depreciation adjusted for the reversal of leasing expenses in accordance with IFRS 16. EBITDA excl. leases is a complement to operating profit. The purpose is to measure the result of operating activities, regardless of depreciation and adjustments for leasing in accordance with IFRS 16.

EBITA:

Operating profit before amortization of intangible non-current assets. EBITA is a complement to operating profit. The purpose is to measure the underlying result from operating activities, excluding depreciation and amortization of intangible assets.

Return on equity (LTM):

Net profit for the year as a percentage of average equity (opening balance plus closing balance for the period, divided by two). The purpose is to show the return on the shareholders' invested capital during the period.

Return on capital employed (LTM):

Profit after financial items plus financial expenses as a percentage of average capital employed (opening balance plus closing balance for the period, divided by two). The

purpose is to demonstrate the profitability of the business in relation to its capital employed.

EBIT margin:

Operating profit as a percentage of net sales. The purpose is to give an indication of profitability in relation to sales.

EBITA margin:

EBITA as a percentage of net sales. The purpose is to demonstrate the operational profitability of the business regardless of depreciation and amortization of intangible fixed assets.

Net debt:

Non-current interest-bearing liabilities, non-current lease liabilities, current interest-bearing liabilities and current lease liabilities decreased by cash and cash equivalents. The purpose is to clarify how large the debt is minus current cash and cash equivalents (which in theory could be used to amortize loans).

Net debt excl. leasing:

Non-current interest-bearing liabilities, current interest-bearing liabilities reduced by cash and cash equivalents. The purpose is to assess the Group's debt, without including lease liabilities, as these have a different maturity structure.

Capital employed:

Balance sheet total reduced by non-interest-bearing provisions and liabilities. The purpose is to show the capital financed by owners and lenders.

Equity ratio:

Equity as a percentage of total assets. The purpose is to assess financial risk and shows what proportion of the assets are financed with equity.

Net debt/EBITDA LTM:

Net debt divided by EBITDA for the last twelve-month period. The key figure is relevant for assessing the company's ability to make investments and live up to its financial commitments.

Net debt excl. leasing/EBITDA LTM excl. leasing:

Net debt excl. lease liabilities divided by EBITDA excl. leases for the most recent twelve-month period. The ratio provides an indication of the Group's ability to service its debts, excluding items related to IFRS 16, leasing.

Earnings per share, before dilution:

Profit after tax divided by weighted average number of outstanding shares during the period.

Earnings per share, diluted:

Profit after tax divided by weighted average number of outstanding shares during the period, plus the number of shares that would have been issued as an effect of ongoing incentive programs.

Reconciliation and calculation of alternative performance measures (APMs)

Karnell uses financial measures that are not defined in IFRS but are so-called alternative performance measures (APMs). These KPIs provide the reader with complementary data and facilitate further analysis of the group's performance over time. Below are reconciliations and an account of sub-

components included in the alternative performance measures used in this report. Reconciliation is made against the most directly reconcilable item, subtotal, or total stated in the financial statements for the corresponding period.

EBITDA, EBITA and Operating Profit (EBIT)

MSEK	Q3		Jan-Sep		LTM	Jan-Dec
	2024	2023	2024	2023	Oct-Sep	2023
EBITDA	73.4	51.2	165.8	139.4	215.0	188.6
Depreciation and amortization	-18.5	-13.5	-50.2	-38.1	-64.1	-52.0
EBITA	54.9	37.8	115.6	101.4	150.9	136.7
Depreciation and amortisation of intangible assets	-4.3	-0.6	-10.6	-2.1	-12.6	-4.1
Operating profit (EBIT)	50.6	37.1	105.0	99.3	138.3	132.6

EBITA margin and operating margin

MSEK	Q3		Jan-Sep		LTM	Jan-Dec
	2024	2023	2024	2023	Oct-Sep	2023
Net sales	356.6	260.0	999.4	798.9	1,303.8	1,103.3
EBITA	54.9	37.8	115.6	101.4	150.9	136.7
EBITA margin, %	15.4%	14.5%	11.6%	12.7%	11.6%	12.4%
Operating profit (EBIT)	50.6	37.1	105.0	99.3	138.3	132.6
Operating margin, %	14.2%	14.3%	10.5%	12.4%	10.6%	12.0%

Organic net sales growth, %

MSEK. %	Q3				Jan-Sep			
	2024		2023		2024		2023	
Growth net sales	96.6	37.1%	37.5	16.9%	200.5	25.1%	184.9	30.1%
Net sales	356.6	-	260.0	-	999.4	-	798.9	-
Acquired net sales growth	88.7	34.1%	34.6	15.5%	185.1	23.2%	138.3	21.7%
Net exchange rate effects	-4.5	-1.7%	12.4	5.6%	-5.5	-0.7%	25.9	4.7%
Organic net sales growth	12.4	4.8%	-9.4	-4.2%	21.0	2.6%	20.6	3.7%

Organic EBITA growth, %

MSEK. %	Q3				Jan-Sep			
	2024		2023		2024		2023	
Growth EBITA	17.1	45.4%	10.3	37.7%	14.3	14.1%	36.0	55.0%
EBITA	54.9	-	37.8	-	115.6	-	101.4	-
Acquired EBITA growth	15.7	41.6%	10.5	38.4%	31.4	30.9%	27.8	42.6%
Net exchange rate effects	-1.0	-2.7%	2.3	8.3%	-0.9	-0.9%	7.3	11.1%
Organic EBITA growth	2.4	6.4%	-2.5	-9.0%	-16.3	-15.9%	0.9	1.3%

Net debt

MSEK	Q3		Jan-Sep		LTM	Jan-Dec
	2024	2023	2024	2023	Oct-Sep	2023
Interest-bearing liabilities	463.8	391.6	463.8	391.6	463.8	376.0
Cash and cash equivalents	241.3	181.4	241.3	181.4	241.3	190.4
Net debt excl. leasing	222.6	210.3	222.6	210.3	222.6	185.6
Lease liabilities	103.9	69.4	103.9	69.4	103.9	68.1
Net debt	326.5	279.6	326.5	279.6	326.5	253.7

Net debt/EBITDA LTM

MSEK	LTM	Jan-Dec
	Oct-Sep	2023
Net debt	326.5	253.7
EBITDA	215.0	188.6
Net debt/EBITDA LTM	1.5	1.3

Net debt excl. leasing/EBITDA LTM excl. leasing

MSEK	LTM	Jan-Dec
	Oct-Sep	2023
Net debt	222.6	185.6
EBITDA	215.0	188.6
Leasing impact EBITDA	-34.0	-27.6
EBITDA LTM excl. leasing	181.0	161.0
Net debt excl. leasing/ EBITDA LTM excl. leasing	1.2	1.2

Return on equity (LTM)

MSEK	LTM	Jan-Dec
	Oct-Sep	2023
Profit/loss for the period	58.1	77.4
Equity, average	948.0	682.2
Return on equity	6.1%	11.3%

Return on capital employed (LTM)

MSEK	LTM	Jan-Dec
	Oct-Sep	2023
Profit/loss after financial items	91.6	109.5
Financial expenses (+)	-65.8	-41.8
Profit after financial items plus financial expenses	157.4	151.3
Balance sheet total, average	1,867.4	1,441.1
Non-interest-bearing liabilities (-), average	355.5	308.1
Non-interest-bearing provisions (-), average	49.7	29.5
Capital employed	1,462.2	1,103.5
Return on capital employed. %	10.8%	13.7%

Financial calendar

Year-end report 2024

18 February 2025

Annual Report 2024

April 2025

Interim Report Q1 2025

7 May 2025

Annual General Meeting 2025

7 May 2025

Interim Report Q2 2025

18 July 2025

Interim Report Q3 2025

5 November 2025



Contact

Petter Moldenius, CEO

ir@karnell.se

+46 8 545 891 00

Karnell Group AB (publ)
Riddargatan 13D
114 51 STOCKHOLM
www.karnell.se
Org. number 559043-3214

