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# Increased market share drives profitable growth

Interim report Q3, 2024

# Highlights

## Third quarter 2024

- Sales volume increased by 6.7 percent to 122.7 ktonnes (114.9) and net sales increased to SEK 5,750 million (5,575).
- Adjusted operating profit<sup>1</sup> amounted to SEK 420 million (439).
- Adjusted operating profit per tonne amounted to 3.4 kSEK (3.8).
- Operating profit was SEK 420 million (479) and included no items affecting comparability (40).
- Profit for the period amounted to SEK 285 million (332).
- Diluted earnings per share amounted to SEK 2.67 (3.12).
- Adjusted cash flow before financing activities<sup>2</sup> was SEK 474 million (1,067).
- Total carbon emissions intensity (scope 1+2+3)<sup>3</sup> decreased to 7.6 tonnes CO<sub>2</sub>e/tonne (8.0).
- The share of sourced recycled aluminium increased to 47.4 percent (44.4).

## January – September 2024

- Sales volume increased by 5.6 percent to 375.5 ktonnes (355.5) and net sales decreased to SEK 17,322 million (17,551).
- Adjusted operating profit<sup>1</sup> amounted to SEK 1,247 million (1,290).
- Adjusted operating profit per tonne amounted to 3.3 kSEK (3.6).
- Operating profit was SEK 1,247 million (1,330) and included no items affecting comparability (40).
- Profit for the period amounted to SEK 835 million (902).
- Diluted earnings per share amounted to SEK 7.84 (8.47).
- Adjusted cash flow before financing activities<sup>2</sup> was SEK 968 million (2,133).
- Financial net debt was SEK 2,839 million on September 30, 2024 (SEK 2,741 million on December 31, 2023), corresponding to 1.2 times adjusted EBITDA (1.1 times on December 31, 2023).
- Total carbon emissions intensity (scope 1+2+3)<sup>3</sup> decreased to 7.4 tonnes CO<sub>2</sub>e/tonne (8.4).
- The share of sourced recycled aluminium increased to 46.5 percent (41.0).

## Strategy & long-term targets

Gränges has established a long-term plan for sustainable growth, Navigate, involving three steps: to restore profitability, to build a world-leading aluminium rolling and recycling company, and

to invest in sustainable growth. The plan also targets continued fast progress toward net-zero by 2040. All this is based on Gränges' strong company culture and committed employees.

### Profit growth

Average annual operating profit growth

>10%

### Profitability

Return on capital employed

>15%

### Capital structure

Financial net debt normally between

1–2x EBITDA

### Dividend

Percentage of profit for the year

30–50%

### Climate

Scope 1+2+3 emissions by 2040

Net-zero

### Circularity

Recycled volume by 2030

500 ktonnes

## HIGHLIGHTS

### Summary

SEK million	Q3			Jan – Sep			12 months rolling	Full year
	2024	2023	Δ	2024	2023	Δ	Oct 2023 – Sep 2024	2023
Sales volume, ktonnes	122.7	114.9	6.7%	375.5	355.5	5.6%	483.2	463.2
Net sales	5,750	5,575	3.1%	17,322	17,551	-1.3%	22,290	22,518
Adjusted operating profit <sup>1</sup>	420	439	-4.5%	1,247	1,290	-3.4%	1,492	1,536
Adjusted operating profit per tonne, kSEK	3.4	3.8	-0.4	3.3	3.6	-0.3	3.1	3.3
Operating profit	420	479	-12.5%	1,247	1,330	-6.3%	1,492	1,576
Profit for the period	285	332	-14.4%	835	902	-7.4%	943	1,010
Earnings per share diluted, SEK	2.67	3.12	-0.45	7.84	8.47	-0.63	8.85	9.48
Adjusted cash flow before financing activities <sup>2</sup>	474	1,067	-55.6%	968	2,133	-54.6%	1,660	2,826
Financial net debt	-	-	-	2,839	2,916	-77	2,839	2,741
Financial net debt/Adjusted EBITDA <sup>1</sup>	-	-	-	-	-	-	1.2	1.1
Return on capital employed, %	-	-	-	-	-	-	11.9	12.2
Total carbon emissions intensity (scope 1+2+3), tonnes CO <sub>2</sub> e/tonne <sup>3</sup>	7.6	8.0	-5%	7.4	8.4	-12%	7.6	8.4
Share of sourced recycled aluminium, %	47.4	44.4	2.9 ppt	46.5	41.0	5.5 ppt	45.8	41.6

<sup>1</sup> Adjusted for items affecting comparability, see Note 5 for further information.

<sup>2</sup> Adjusted for expansion investments and acquisitions, see alternative performance measures for further information.

<sup>3</sup> Carbon emissions (scope 1+2+3) are defined in accordance with the Greenhouse Gas Protocol, see Definitions for further information.

Gränges is a global leader in aluminium rolling and **recycling** in selected niches. We're committed to creating circular and sustainable aluminium solutions in partnership with our customers and suppliers – for a better future. Our solutions help customers grow and transition to climate neutrality. They are used for efficient climate control in transportation and buildings, electrification and battery components, recyclable packaging, and more.

## Another growth quarter in a slow market

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**In the third quarter**, we saw good demand in HVAC, speciality packaging and other niches, markets which last year were affected by excess inventory. On the other hand, demand from automotive customers weakened noticeably after the summer. Against that background, we are happy to see that the stronger sales focus we have had since 2023 continued to drive growth. We increased our share in all markets, boosting our year-over-year sales volume growth to 7 percent.

### **Strong operating profit and cash flow**

We compensated customer price pressure with cost productivity and improved metal management. Combined with volume growth, this resulted in an adjusted operating profit of SEK 420 million, roughly in line with last year. Cash flow remained strong in the quarter, despite the ongoing capacity expansion projects which we intend to finalize toward the end of this year. The good cash flow reduced our net debt. Our financial leverage improved and remained well within our target range. Taken together, this creates stability and flexibility to finance further growth.

### **Record recycling**

Our long-term focus on sustainability continued to deliver. Carbon intensity remained ahead of our 2025 climate goals thanks to record-high recycling. Circularity is also a strategic objective on its own. Together with customers, suppliers and the broader industry, we're working on further opportunities. For instance, we recently joined the First Movers Coalition, a group of leading companies committed to decarbonize hard-to-abate sectors.

### **Shandong partnership close to completion**

The preparations for acquiring a large production facility in China from our partner Shandong Innovation Group are progressing well. We anticipate to close the transaction in



Our stable performance in a slow market builds confidence, especially as it is a direct result of systematic work on our Navigate plan.

## CEO COMMENT

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the near future. New production capacity and a deepened partnerships will strengthen our competitiveness and enable further market share gain in the Asian market. These benefits will however take some time to realize. In the first months, we expect the new facility to operate at breakeven profitability, and in 2025, to contribute marginally to earnings per share after minority interests.

### **Stable outlook for the fourth quarter**

Market demand remains hard to predict. An apparent weakness in automotive is partly compensated by recovery in other markets. Thanks to our focus on new business, we expect a high-single-digit percentage sales volume growth in the fourth quarter compared to 2023. This excludes any potential effects from the acquisition of the production facility in China. We aim to continue to offset price pressure and wage inflation with cost reduction and productivity improvement, but expect currency exchange rates to be unfavourable compared to the fourth quarter last year.

### **Good foundation for growth**

Our stable performance in a slow market builds confidence, especially as it is a direct result of systematic work on our Navigate plan. This highlights the value of diversification, which creates both flexibility and new opportunities.

Behind this is a fantastic team of skilled and dedicated colleagues in all parts of Gränges. We now have a good foundation for further growth and for building a truly leading company. I would like to thank all my colleagues once again for outstanding work.

Jörgen Rosengren  
President and CEO



Gränges' production facility in Shanghai.

# Gränges Group



- Good demand in all markets except in Automotive
- New business, cost productivity and improved metal management supported earnings
- Strong cash flow despite ongoing capacity expansion investments

## Market development

Gränges is a global leader in aluminium rolling and recycling in selected niches. The products are used for efficient climate control in transportation and buildings, electrification and battery components, recyclable packaging, and more. Gränges' key markets are Automotive currently representing 41 percent, HVAC representing 18 percent, Speciality packaging and Other niches representing 17 percent and 23 percent respectively of sales volume for the last 12 months.

Short-term sales to the automotive industry are primarily driven by the number of vehicles produced. In the medium and long term, the increasing share of electric vehicles is expected to have a further positive impact on demand for Gränges' products. Sales to the HVAC industry are influenced in the short term by consumer confidence and the general activity within building and construction. In the medium and long term, increased requirements on energy efficiency of HVAC units are expected to have a further positive impact on the demand for Gränges' products. The demand for materials for Speciality packaging tends to be relatively stable, and sales to Other niche applications are

largely driven by the general economic activity.

In the third quarter 2024, demand in most of Gränges' markets was positive except for in Automotive. Sales to automotive customers remained stable compared with the same quarter last year in Asia and Europe but declined in Americas. Sales of HVAC materials increased by 16 percent, driven by good market demand and new business gains. Sales to Speciality packaging increased by 3 percent in the third quarter, and sales to Other niches increased by 27 percent following a normalization of downstream inventory levels and new business gains.

## Sales development

Gränges' sales volume in the third quarter 2024 increased by 6.7 percent to 122.7 ktonnes (114.9) while net sales increased by 3.1 percent to SEK 5,750 million (5,575) compared to the same quarter previous year. The negative impact on net sales from a lower average fabrication price was more than offset by higher sales volume and an increased aluminium price. Changes in foreign exchange rates had a net negative effect of SEK -92 million.

## External sales volume growth Q3, 2024

	Automotive	HVAC	Speciality packaging	Other niches	Total
Gränges Americas	↘ -23%	↗ 16%	↘ -4%	↗ 12%	→ 3%
Gränges Eurasia	→ -1%	-	↗ 46%	↗ 35%	↗ 11%
<b>Total</b>	↘ -5%	↗ 16%	→ 3%	↗ 27%	↗ 7%
Share of total sales volume, rolling 12-months	41%	18%	17%	23%	100%

For Gränges Americas, the external sales volume increased by 2.6 percent to 58.8 ktonnes (57.3) while external net sales decreased to SEK 2,906 million (2,916) in the third quarter 2024. The increase in sales volume was mainly due to higher sales to HVAC driven by good market demand and new business. Changes in foreign exchange rates had a net negative effect on net sales of SEK -104 million.

For Gränges Eurasia, the external sales volume increased by 10.8 percent to 63.8 ktonnes (57.6) and external net sales increased to SEK 2,844 million (2,659) in the third quarter 2024. The increase in sales volume was primarily driven by higher sales to Other niches following a normalization of inventory levels combined with new business gains. Changes in foreign exchange rates had a net positive effect on net sales of SEK 11 million.

During January–September 2024, Gränges’ sales volume increased by 5.6 percent to 375.5 ktonnes (355.5) compared to the corresponding period previous year. Net sales amounted to SEK 17,322 million (17,551) and changes in foreign exchange rates had a net negative effect on net sales of SEK -27 million.

For Gränges Americas, the external sales volume increased to 175.4 ktonnes (174.0) while external net sales amounted to SEK 8,576 million (9,073). For Gränges Eurasia, external sales volume increased to 200.1 ktonnes (181.5) and external net sales were SEK 8,747 million (8,478).

## Operating profit

Adjusted operating profit for the third quarter 2024 was SEK 420 million (439), corresponding to adjusted operating profit per tonne of 3.4 kSEK (3.8). Adjusted operating profit for the third quarter 2023 included SEK 22 million related to energy cost compensation in Sweden. No energy cost compensation was received in the third quarter of 2024. Higher sales volume, improved cost productivity and good metal management more than offset the lower average

fabrication price. Changes in foreign exchange rates had a net negative impact of SEK -12 million in the quarter.

Operating profit for the third quarter 2024 was SEK 420 million (479) and includes no items affecting comparability (40). Items affecting comparability during the third quarter previous year included insurance compensation related to the fire in the Konin facility in May 2022. For further information, see Note 5.

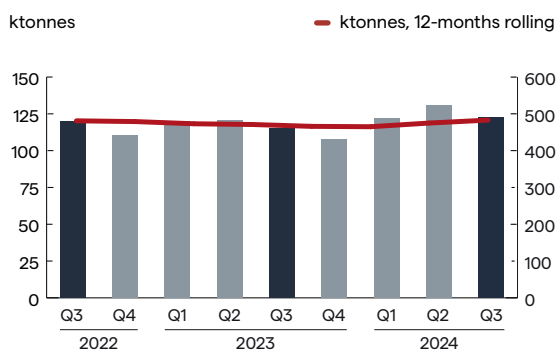
During the period January–September 2024, adjusted operating profit was SEK 1,247 million (1,290), and adjusted operating profit per tonne was 3.3 kSEK (3.6). Changes in foreign exchange rates had a net negative impact of SEK -29 million during January–September 2024 compared with the corresponding period previous year. Operating profit amounted to SEK 1,247 million (1,330) and includes no items affecting comparability (40). For further information see Note 5.

## Profit for the period and earnings per share

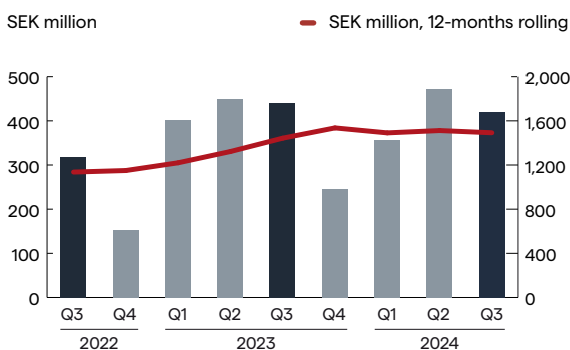
Profit before tax for the third quarter 2024 was SEK 355 million (403). Profit or loss from associates and joint ventures amounted to SEK -1 million (0) and finance income and costs was SEK -64 million (-76). Income tax for the third quarter 2024 was SEK -70 million (-71) which corresponds to an effective tax rate of 20 percent (18). The effective tax rate during the third quarter previous year was positively impacted by tax incentives in the US. The profit for the period was SEK 285 million (332) and diluted earnings per share was SEK 2.67 (3.12).

For the period January–September 2024, profit before tax decreased to SEK 1,047 million (1,085). Profit or loss from associates and joint ventures was SEK -6 million (1) and primarily related to the recycling and casting operation that is currently being established in Yunnan, China. Finance income and costs amounted to SEK -194 million (-247). Income tax for the period was SEK -212 million (-183). In accordance with the OECD’s guidelines mandating a global

## Sales volume



## Adjusted operating profit



minimum tax rate of 15 percent, Gränges has accounted for a top-up tax of SEK 8 million during the period January–September 2024. The effective tax rate was 20 percent (18) during the period. The profit for the period decreased to SEK 835 million (902) and diluted earnings per share was SEK 7.84 (8.47).

## Cash flow

Cash flow from operating activities was SEK 593 million (1,199) in the third quarter 2024. Changes in working capital resulted in a positive cash flow impact of SEK 43 million.

Cash flow from investing activities fully relates to capital expenditure and amounted to SEK -399 million (-227) in the quarter. Of this, SEK -119 million referred to investments to maintain and improve efficiency in current production facilities and SEK -280 million referred to investments related to expansion of the production facilities.

Cash flow before financing adjusted for expansion investments and acquisitions amounted to SEK 474 million (1,067) in the third quarter 2024. Cash flow from financing activities was SEK 69 million (-1,310) in the third quarter 2024 and included new loans of SEK 1,026 million, and repayment of loans of SEK -917 million.

During January–September 2024, cash flow from operating activities was SEK 1,219 million (2,366). Cash flow from investing activities amounted to SEK -926 million (-676) and included capital expenditure of SEK -926 million (-676) and divestments of SEK 0 million (1). Of the total capital expenditure, SEK -251 million referred to investments to maintain and improve efficiency in current production facilities and SEK -675 million referred to investments related to the expansion of the production facilities.

During January–September 2024, cash flow before financing activities amounted to SEK 293 million (1,690). Cash flow from financing activities was SEK 407 million (-1,943) during

January–September 2024, and includes a dividend payment of SEK -159 million, new loans of SEK 4,869 million and repayment of loans of SEK -4,158 million.

Cash and cash equivalents amounted to SEK 1,159 million on September 30, 2024 (SEK 461 million on December 31, 2023).

## Financial position

Gränges' total assets amounted to SEK 18,726 million on September 30, 2024 (SEK 16,688 million on December 31, 2023). The equity to assets ratio was 50.3 percent on September 30, 2024 (52.8 percent on December 31, 2023).

Financial net debt was SEK 2,839 million on September 30, 2024 (SEK 2,741 million on December 31, 2023), corresponding to 1.2 times adjusted EBITDA (1.1 times on December 31, 2023).

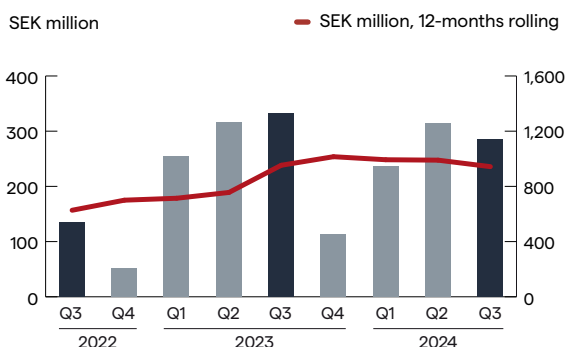
## Employees

The average number of employees was 2,773 (2,735) in the third quarter and 2,766 (2,701) during the period January–September 2024.

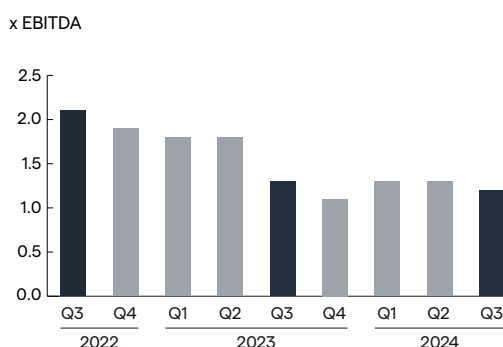
## Parent company

Gränges AB is the parent company of the Gränges Group. Its operations include Group Management and Group functions such as finance, controlling, IT security, strategy, sustainability, and communication. For the period January–September 2024, net sales in the parent company was SEK 92 million (94). Result for the period January–September was SEK -42 million (279).

## Profit for the period



## Financial net debt to EBITDA

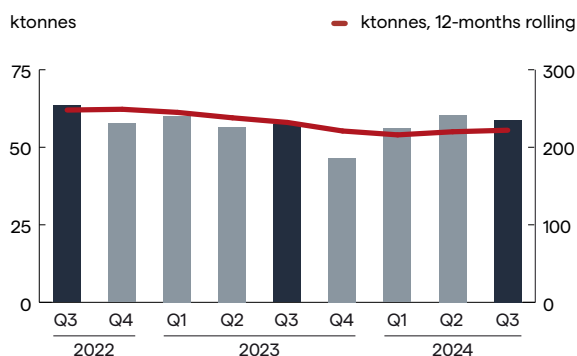




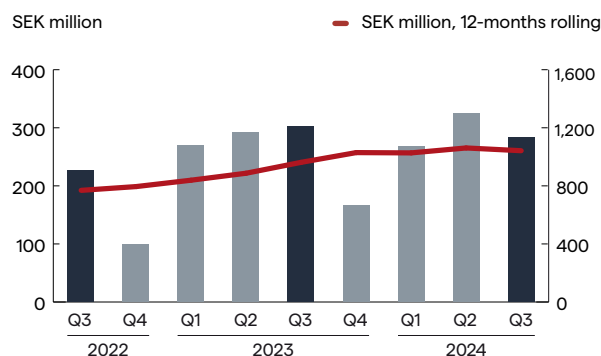
# Gränges Americas

- Increased market demand from HVAC and Other niches
- Sales volume growth supported by new business gains
- New business, cost productivity and improved metal management supported earnings

## Sales volume



## Adjusted operating profit



**Gränges Americas** experienced a mixed market development in the third quarter 2024. Sales to HVAC customers and Other niches increased driven by new business and a continued normalization of downstream inventory levels. Sales to Automotive decreased during the third quarter. This was primarily due to lower demand and strong comparables. In total, sales volume in the third quarter increased by 2.6 percent to 58.9 ktonnes (57.3) while net sales amounted to SEK 2,906 million (2,916). The negative impact on net sales from a lower average fabrication price and changes in foreign exchange rates was offset by higher sales volume and an increased aluminium price.

During the period January–September 2024, total sales volume increased by 0.8 percent to 175.4 ktonnes (174.0) while total net sales decreased to SEK 8,576 million (9,073).

**Adjusted operating profit** for the third quarter 2024, decreased to SEK 283 million (302). This corresponds to an adjusted operating profit per tonne of 4.8 kSEK (5.3). Increased sales volume as well as improved metal management and cost productivity did not fully offset a lower average fabrication price. Changes in foreign exchange rates had a net negative impact of SEK -11 million compared with the third quarter previous year.

During the period January–September 2024, the adjusted operating profit increased to SEK 875 million (863). By September 30, 2024, the return on capital employed was 19.0 percent (16.7) on a rolling 12-months basis.

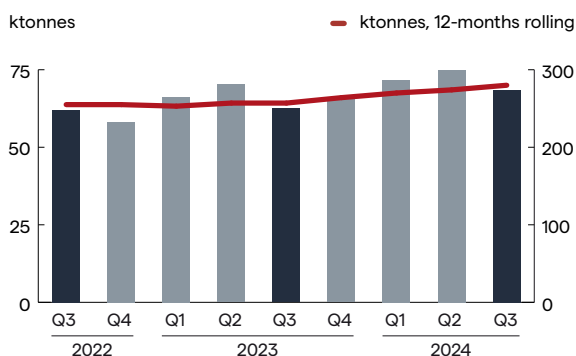
## Financial summary

SEK million	Q3			Jan – Sep			12 months rolling Oct 2023– Sep 2024	Full year 2023
	2024	2023	Δ	2024	2023	Δ		
Sales volume external, ktonnes	58.9	57.3	2.6%	175.4	174.0	0.8%	221.9	220.6
Sales volume internal, ktonnes	-	-	-	-	-	-	-	-
<b>Total sales volume, ktonnes</b>	<b>58.9</b>	<b>57.3</b>	<b>2.6%</b>	<b>175.4</b>	<b>174.0</b>	<b>0.8%</b>	<b>221.9</b>	<b>220.6</b>
Net sales, external	2,906	2,916	-0.3%	8,576	9,073	-5.5%	10,829	11,326
Net sales, internal	-	-	-	-	-	-	-	-
<b>Total net sales</b>	<b>2,906</b>	<b>2,916</b>	<b>-0.3%</b>	<b>8,576</b>	<b>9,073</b>	<b>-5.5%</b>	<b>10,829</b>	<b>11,326</b>
Adjusted operating profit	283	302	-6.3%	875	863	1.4%	1,042	1,029
Adjusted operating profit per tonne, kSEK	4.8	5.3	-0.5	5.0	5.0	0.0	4.7	4.7
Return on capital employed, %	-	-	-	-	-	-	19.0	18.5

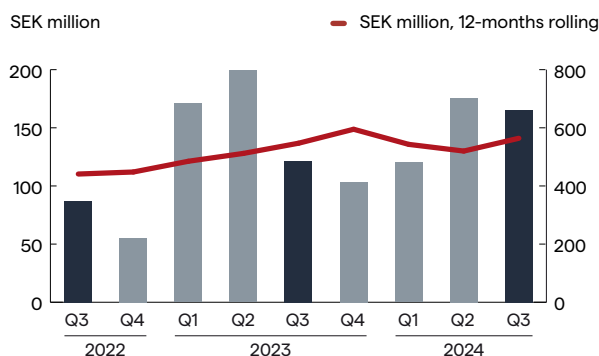
# Gränges Eurasia

- Normalization of downstream inventory levels in Europe
- Stable demand from Automotive and new business gains in other niches
- New business, cost productivity and improved metal management supported earnings

## Sales volume



## Adjusted operating profit



**Gränges Eurasia** experienced a positive market development in the third quarter 2024. Sales to Other niche customers in Europe increased due to new business and a normalization of downstream inventory levels. Sales to Automotive customers remained stable in both Asia and Europe. Demand for Speciality packaging materials in Europe increased compared to the same quarter last year following normalized inventory levels and stabilized demand. Sales volume in the third quarter increased by 9.5 percent to 68.5 ktonnes (62.5), and net sales rose by 6.3 percent to SEK 3,100 million (2,915). The negative impact from a lower average fabrication price was more than offset by higher sales volume and an increased aluminium price.

During the period January–September 2024, total sales volume increased by 8.1 percent to 215.0 ktonnes (198.9) and total net sales increased to SEK 9,521 million (9,406).

**Adjusted operating profit** for the third quarter 2024 increased to SEK 165 million (122), corresponding to an adjusted operating profit per tonne of 2.4 kSEK (1.9). Adjusted operating profit for the third quarter 2023 included SEK 22 million related to energy cost compensation in Sweden. No energy cost compensation was received in the third quarter of 2024. Increased sales volume as well as improved metal management and cost productivity more than offset a lower average fabrication price. Changes in foreign exchange rates had a net negative impact of SEK -1 million in the third quarter 2024.

During the period January–September 2024, the adjusted operating profit decreased to SEK 460 million (492). By September 30, 2024, the return on capital employed was 7.3 percent (7.1) on a rolling 12-months basis.

## Financial summary

SEK million	Q3			Jan – Sep			12 months rolling	Full year
	2024	2023	Δ	2024	2023	Δ	Oct 2023–Sep 2024	2023
Sales volume external, ktonnes	63.8	57.6	10.8%	200.1	181.5	10.2%	261.2	242.6
Sales volume internal, ktonnes	4.6	4.9	-5.4%	14.9	17.4	-14.6%	19.1	21.7
<b>Total sales volume, ktonnes</b>	<b>68.5</b>	<b>62.5</b>	<b>9.5%</b>	<b>215.0</b>	<b>198.9</b>	<b>8.1%</b>	<b>280.4</b>	<b>264.3</b>
Net sales, external	2,844	2,659	6.9%	8,747	8,478	3.2%	11,461	11,192
Net sales, internal	256	256	0.1%	774	928	-16.6%	988	1,142
<b>Total net sales</b>	<b>3,100</b>	<b>2,915</b>	<b>6.3%</b>	<b>9,521</b>	<b>9,406</b>	<b>1.2%</b>	<b>12,449</b>	<b>12,334</b>
Adjusted operating profit	165	122	35.8%	460	492	-6.4%	564	595
Adjusted operating profit per tonne, kSEK	2.4	1.9	0.5	2.1	2.5	-0.4	2.0	2.3
Return on capital employed, %	-	-	-	-	-	-	7.3	7.8

# Sustainability



- Continued reduction of carbon emissions intensity
- Strong growth in recycling volume and record-high recycling share
- Gränges joined the First Movers Coalition

## Emissions and climate impact

In the third quarter 2024, Gränges' total carbon emissions intensity (scope 1+2+3) decreased by 5 percent to 7.6 tonnes CO<sub>2</sub>e/tonne (8.0). Scope 1+2 intensity increased somewhat to 0.68 tonnes CO<sub>2</sub>e/tonne (0.67). Scope 3 intensity decreased by 5 percent to 7.0 tonnes CO<sub>2</sub>e/tonne (7.3) as a result of continued high recycling and increased sales volumes in both business areas.

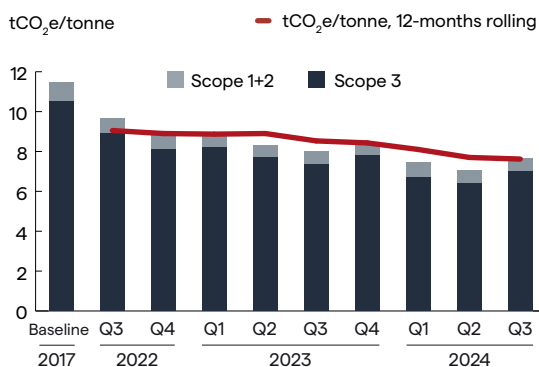
On September 30, 2024, the total carbon emissions intensity was 7.6 tonnes CO<sub>2</sub>e/tonne (8.5) on a rolling 12-months basis, a reduction of 33 percent compared to baseline 2017.

## Recycling and circularity

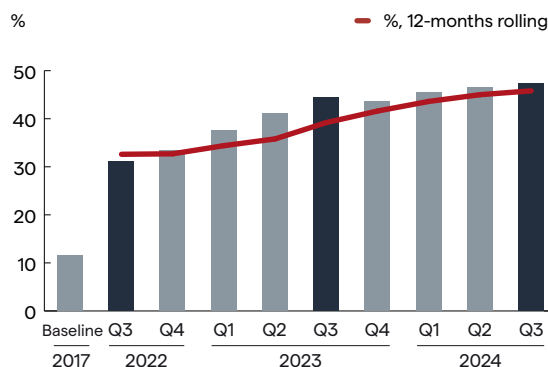
In the third quarter 2024, the recycling volume increased by 8 ktonnes compared to the same quarter previous year and reached 63 ktonnes (55). This corresponds to 47 percent recycled aluminium (44) of total sourced metal inputs. The strong performance was a result of continuous efforts on finding new scrap sources, building long-term recycling partnerships, and optimizing remelting processes.

On September 30, 2024, the total recycling volume reached a new record level of 240 ktonnes (195) on a rolling 12-months basis, corresponding to 5.1 times the volume in baseline 2017.

## Carbon emissions intensity<sup>1</sup>



## Share of sourced recycled aluminium<sup>2</sup>



<sup>1</sup> Quarterly data may be adjusted in the year-end report when annual emission factors have been confirmed. Scope 2 data is calculated with a market-based approach. Baseline 2017 is recalculated to include the production facility in Konin for carbon emissions intensity data.

<sup>2</sup> Baseline 2017 does not include Gränges' production facility in Konin.

# SUSTAINABILITY

## Sustainability performance

	Q3			Jan - Sep			12 months rolling	Full year		Baseline	
	2024	2023	Δ	2024	2023	Δ	Oct 2023 - Sep 2024	2023	Δ	2017	Δ
Total carbon emissions intensity (scope 1+2+3), tonnes CO <sub>2</sub> e/tonne <sup>1</sup>	7.6	8.0	-5%	7.4	8.4	-12%	7.6	8.4	-10%	11.4	-33%
Carbon emissions intensity (scope 1+2), tonnes CO <sub>2</sub> e/tonne <sup>1</sup>	0.68	0.67	1%	0.70	0.65	8%	0.69	0.66	6%	0.96	-28%
Carbon emissions intensity (scope 3), tonnes CO <sub>2</sub> e/tonne <sup>1</sup>	7.0	7.3	-5%	6.7	7.8	-14%	6.9	7.8	-11%	10.5	-34%
Sourced recycled aluminium, ktonnes	63	55	15%	186	155	20%	240	210	15%	47	515%
Sourced recycled aluminium, %	47.4	44.4	2.9 ppt	46.5	41.0	5.5 ppt	45.8	41.6	4.1 ppt	11.5	34.3 ppt

<sup>1</sup> Quarterly data may be adjusted in the year-end report when annual emission factors have been confirmed. Scope 2 data is calculated with a market-based approach.



### SUSTAINABILITY

## Gränges joins First Movers Coalition

Gränges has become the 100th member of the First Movers Coalition (FMC), a global initiative led by the World Economic Forum, that seeks to accelerate the decarbonization of the world's hard-to-abate sectors by bringing together companies to use their collective purchasing power. To lead the change, Gränges has committed to 2030 purchasing targets for sourced low-carbon primary and recycled aluminium. Securing access to low-carbon input materials is a key enabler for Gränges in reducing the climate impact of its solutions and driving towards its 2040 net-zero target.



**We are very proud to join the First Movers Coalition. Supporting the upstream transition to low-carbon technologies is a critical action in our net-zero plan, and I look forward to engaging in the coalition and fulfilling Gränges' commitments.**

Sofia Hedevåg  
SVP Sustainability

## OTHER INFORMATION

### Significant events during the period

No significant events occurred during the period.

### Significant events after the period

No significant events have occurred after the period.

### The share and owners

The share capital in Gränges amounts to SEK 142 million split on 106,308,618 shares, each with a quota value of SEK 1.339775. Gränges has only one class of shares.

The number of known shareholders in Gränges was 12,286 on September 30, 2024, according to Euroclear.

### Largest shareholders in Gränges, September 30, 2024<sup>1</sup>

Shareholder	Number of shares	Share of capital and votes %
Fjärde AP-fonden	9,485,590	8.9
Swedbank Robur Fonder	7,270,921	6.8
AFA Försäkring	7,066,347	6.6
KGH LTD	5,520,000	5.2
Första AP-fonden	5,000,000	4.7
Dimensional Fund Advisors	4,776,380	4.5
Handelsbanken Fonder	4,159,093	3.9
Vanguard	4,014,294	3.8
Unionen	2,813,103	2.6
Fidelity Investments (FMR)	2,644,355	2.5
Total 10 largest shareholders	52,750,083	49.6
Other	53,558,535	50.4
<b>Total</b>	<b>106,308,618</b>	<b>100.0</b>

<sup>1</sup> Source: Modular Finance

### Nomination Committee appointed

The Nomination Committee for Gränges' Annual General Meeting 2025 has been appointed. The Nomination Committee consist of representatives from the three largest shareholders as of August 31, 2024, and the Chairman of the Board, Fredrik Arp. The Fourth Swedish National Pension Fund (AP4) is represented by Jannis Kitsakis, Swedbank Robur funds by Jan Dworsky, and AFA Insurance by Anders Algotsson. The Chairman of the Nomination Committee is Jannis Kitsakis.

### Annual General Meeting 2025

Gränges' 2025 Annual General Meeting will be held on Wednesday May 12, 2025 at 15.30 CEST at IVA Conference Center, Grev Turegatan 16, Stockholm. Shareholders who wish to have a matter considered at the Annual General Meeting should submit such requests seven weeks before the meeting at the latest.

### Risks and uncertainties

As a global group with operations in different parts of the world, Gränges is exposed to various risks and uncertainties such as raw material price risk, market risk, operational and legal risk, as well as financial risks related to foreign exchange rates, interest rates, liquidity and refinancing. Gränges' risk management process aims to identify, assess and reduce risks related to the Group's business and operations. More information about risk management is available on pages 56–64 in Gränges' 2023 Annual and Sustainability Report.

### Seasonal variations

Gränges' customers are found in the automotive industry, the HVAC industry, the packaging industry, as well as in many other niche markets. Gränges' sales to the automotive industry are highly correlated with the production of light vehicles. Sales to the HVAC industry are impacted by factors such as construction investments, new regulations for energy efficiency and climate impact, and it is usually higher during the summer period driven by a seasonally higher demand for cooling systems. Sales to the packaging and other industries are fairly stable throughout the year. Major annual maintenance work in Gränges' production facilities mainly occurs in the fourth quarter. Overall, the fourth quarter is usually the weakest quarter and the second quarter usually the strongest quarter of the year.

Stockholm, October 24, 2024

Jörgen Rosengren  
CEO and President

# Financial & sustainability statements

## Consolidated income statement (condensed)

SEK million	Note	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Net sales	2	5,750	5,575	17,322	17,551	22,518
Cost of materials		-3,761	-3,517	-11,307	-11,489	-14,730
Payroll and other operating expenses		-1,357	-1,368	-4,142	-4,124	-5,400
Depreciation, amortization and impairment charges		-211	-250	-626	-647	-853
Items affecting comparability	5	-	40	-	40	40
<b>Operating profit</b>		<b>420</b>	<b>479</b>	<b>1,247</b>	<b>1,330</b>	<b>1,576</b>
Profit or loss from associates and joint ventures	4	-1	0	-6	1	1
Finance income and costs		-64	-76	-194	-247	-316
<b>Profit before tax</b>		<b>355</b>	<b>403</b>	<b>1,047</b>	<b>1,085</b>	<b>1,261</b>
Income tax		-70	-71	-212	-183	-252
<b>Profit for the period</b>		<b>285</b>	<b>332</b>	<b>835</b>	<b>902</b>	<b>1,010</b>
<b>Profit for the period attributable to</b>						
- owners of the parent company		285	332	835	902	1,010
- non-controlling interests		0	0	0	0	0
<b>Earnings per share</b>						
Earnings per share basic, SEK		2.68	3.13	7.86	8.49	9.50
Earnings per share diluted, SEK		2.67	3.12	7.84	8.47	9.48

## Consolidated statement of comprehensive income (condensed)

SEK million	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
<b>Profit for the period</b>	<b>285</b>	<b>332</b>	<b>835</b>	<b>902</b>	<b>1,010</b>
<b>Items not to be reclassified to profit/loss in subsequent periods</b>					
Remeasurement of pensions after tax	-1	-2	8	16	-9
<b>Items to be reclassified to profit/loss in subsequent periods</b>					
Change in hedging reserve after tax	-14	-101	-103	-72	1
Translation effects	-225	-183	138	157	-195
<b>Comprehensive income for the period</b>	<b>45</b>	<b>47</b>	<b>877</b>	<b>1,003</b>	<b>806</b>
<b>Comprehensive income for the period attributable to</b>					
- owners of the parent company	45	47	877	1,003	806
- non-controlling interests	0	0	0	0	0

## Consolidated balance sheet (condensed)

SEK million	Note	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>ASSETS</b>				
Intangible assets		1,464	1,515	1,474
Property, plant and equipment		8,130	7,592	7,642
Right-of-use assets		244	242	220
Deferred tax assets		47	31	38
Investments in associates and joint ventures	4	225	20	226
Interest-bearing receivables		-	14	-
Other non-current receivables	3	209	211	208
<b>Non-current assets</b>		<b>10,319</b>	<b>9,626</b>	<b>9,808</b>
Inventories		3,935	3,756	3,744
Receivables	3	3,312	3,030	2,656
Interest-bearing receivables	3	1	3	20
Cash and cash equivalents		1,159	644	461
<b>Current assets</b>		<b>8,407</b>	<b>7,433</b>	<b>6,880</b>
<b>TOTAL ASSETS</b>		<b>18,726</b>	<b>17,059</b>	<b>16,688</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>		<b>9,415</b>	<b>8,971</b>	<b>8,809</b>
Interest-bearing liabilities	3	2,451	2,955	2,403
Provisions and other non-current liabilities	3	964	961	992
<b>Non-current liabilities</b>		<b>3,414</b>	<b>3,915</b>	<b>3,395</b>
Interest-bearing liabilities	3	1,811	882	1,055
Provisions and other current liabilities	3	4,085	3,290	3,428
<b>Current liabilities</b>		<b>5,896</b>	<b>4,172</b>	<b>4,483</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18,726</b>	<b>17,059</b>	<b>16,688</b>

## Consolidated changes in equity (condensed)

SEK million	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>Opening balance</b>	<b>8,808</b>	<b>8,204</b>	<b>8,204</b>
Profit for the period	835	902	1,010
Other comprehensive income for the period	42	101	-203
<b>Total comprehensive income for the period</b>	<b>877</b>	<b>1,003</b>	<b>806</b>
Dividend	-319	-266	-266
Share swap	44	23	72
Received option/warrant premiums	9	9	9
Exercise of call options	-5	-4	-18
<b>Total transactions with owners</b>	<b>-271</b>	<b>-238</b>	<b>-203</b>
<b>Equity attributable to owners of the parent company</b>	<b>9,414</b>	<b>8,970</b>	<b>8,808</b>
<b>Equity attributable to non-controlling interests</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Closing balance</b>	<b>9,415</b>	<b>8,971</b>	<b>8,809</b>



## Consolidated statement of cash flows (condensed)

SEK million	Note	Jul–Sep 2024	Jul–Sep 2023	Jan–Sep 2024	Jan–Sep 2023	Jan–Dec 2023
Operating profit		420	479	1,247	1,330	1,576
Depreciation, amortization and impairment charges		211	250	626	647	853
Change in working capital etc.		43	532	-383	530	1,036
Income taxes paid		-81	-62	-271	-142	-173
<b>Cash flow from operating activities</b>		<b>593</b>	<b>1,199</b>	<b>1,219</b>	<b>2,366</b>	<b>3,291</b>
Investments in property, plant, equipment and intangible assets		-398	-227	-926	-677	-1,227
Investments in associates and joint ventures		-	-	-	-	-223
Divestments		0	0	0	1	1
<b>Cash flow from investing activities</b>		<b>-399</b>	<b>-227</b>	<b>-926</b>	<b>-676</b>	<b>-1,449</b>
<b>Cash flow before financing activities</b>		<b>194</b>	<b>972</b>	<b>293</b>	<b>1,690</b>	<b>1,842</b>
Dividend		-	-	-159	-266	-266
Share swap		16	17	44	23	72
Received option/warrant premiums		9	9	9	9	9
Exercise of call options		-2	-4	-5	-4	-18
Interest paid and received		-62	-76	-192	-253	-316
New loans		1,026	650	4,869	4,626	6,723
Repayment of loans		-917	-1,906	-4,158	-6,078	-8,454
<b>Cash flow from financing activities</b>		<b>69</b>	<b>-1,310</b>	<b>407</b>	<b>-1,943</b>	<b>-2,250</b>
<b>Cash flow for the period</b>		<b>263</b>	<b>-338</b>	<b>700</b>	<b>-253</b>	<b>-408</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>920</b>	<b>975</b>	<b>461</b>	<b>879</b>	<b>879</b>
Cash flow for the period		263	-338	700	-253	-408
Exchange rate differences in cash and cash equivalents		-25	8	-1	18	-11
<b>Cash and cash equivalents at end of period</b>		<b>1,159</b>	<b>644</b>	<b>1,159</b>	<b>644</b>	<b>461</b>

## Parent company income statement (condensed)

SEK million	Jul–Sep 2024	Jul–Sep 2023	Jan–Sep 2024	Jan–Sep 2023	Jan–Dec 2023
Net sales	31	32	92	94	137
Payroll and other operating expenses	-83	-49	-172	-133	-176
Depreciation, amortization and impairment charges	0	0	0	0	0
<b>Operating profit/loss</b>	<b>-52</b>	<b>-17</b>	<b>-81</b>	<b>-39</b>	<b>-39</b>
Dividends from subsidiaries	-	-	-	296	1,243
Finance income and costs	-5	7	37	33	18
<b>Profit/loss after financial items</b>	<b>-58</b>	<b>-10</b>	<b>-44</b>	<b>289</b>	<b>1,222</b>
Income tax	5	1	2	-11	-40
<b>Profit/loss for the period</b>	<b>-52</b>	<b>-9</b>	<b>-42</b>	<b>279</b>	<b>1,182</b>

## FINANCIAL & SUSTAINABILITY STATEMENTS

### Parent company balance sheet (condensed)

SEK million	Note	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>ASSETS</b>				
Property, plant and equipment		0	0	0
Shares in Group companies		3,768	3,767	3,767
Deferred tax assets		60	42	49
Interest-bearing receivables		-	14	-
Receivables from Group companies		1,173	784	1,106
Other non-current receivables		196	193	190
<b>Non-current assets</b>		<b>5,197</b>	<b>4,799</b>	<b>5,112</b>
Receivables from Group companies		1,923	2,842	2,390
Other receivables		123	140	171
Cash and cash equivalents		244	128	19
<b>Current assets</b>		<b>2,291</b>	<b>3,109</b>	<b>2,580</b>
<b>TOTAL ASSETS</b>		<b>7,488</b>	<b>7,908</b>	<b>7,691</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>		<b>3,853</b>	<b>3,228</b>	<b>4,166</b>
Interest-bearing liabilities		2,267	2,758	2,242
Provisions and other non-current liabilities		47	46	46
<b>Non-current liabilities</b>		<b>2,314</b>	<b>2,804</b>	<b>2,288</b>
Liabilities to Group companies		403	973	273
Interest-bearing liabilities		625	710	797
Provisions and other current liabilities		294	193	166
<b>Current liabilities</b>		<b>1,321</b>	<b>1,876</b>	<b>1,237</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,488</b>	<b>7,908</b>	<b>7,691</b>

## Notes

**Note 1 Accounting principles**

The Gränges Group applies International Financial Reporting Standards (IFRS) as endorsed by the EU. The accounting principles adopted are consistent with those described in the Annual Report for Gränges AB (publ) 2023. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies the Swedish Annual Accounts Act and RFR 2 Reporting for Legal Entities.

New standards, amendments and interpretations effective from January 1, 2024, or later have not had any material impact on this financial report. Gränges is currently evaluating how the, by IASB, issued IFRS 18 Presentation and Disclosures in Financial Statements standard will impact the financial report. The standard will be applicable for reporting periods starting from January 1, 2027, and onwards.

The interim information on pages 2–21 is an integrated part of these financial statements.

**Note 2 Revenue from contracts with customers**

Gränges' revenue is generated through sale of material that is produced for a certain customer and application. Revenue is recognized at the point in time when control is transferred to the customer. The transaction price for Gränges' products is based on the added value Gränges offers in terms of material properties and production complexity (fabrication price), and the price of the raw material, aluminium. The fabrication price is to a large extent pre-defined while the aluminium price is variable and based on metal price clauses connected to the market price. Other revenue for the full year 2023 includes an insurance compensation of SEK 106 million for a fire in the Konin facility.

The table below show Gränges' net sales by business area divided by type of revenue.

SEK million	Jul–Sep 2024	Jul–Sep 2023	Jan–Sep 2024	Jan–Sep 2023	Jan–Dec 2023
<b>Net sales by business area</b>					
Gränges Americas					
Fabrication revenue	1,164	1,253	3,568	3,866	4,852
Raw material and other revenue	1,740	1,661	5,003	5,199	6,465
<b>Revenue from contracts with customers</b>	<b>2,905</b>	<b>2,914</b>	<b>8,571</b>	<b>9,065</b>	<b>11,317</b>
Other revenue	1	2	4	8	9
<b>Total net sales Gränges Americas</b>	<b>2,906</b>	<b>2,916</b>	<b>8,576</b>	<b>9,073</b>	<b>11,326</b>
Gränges Eurasia					
Fabrication revenue	1,211	1,224	3,800	4,047	5,239
Raw material and other revenue	1,879	1,579	5,694	5,235	6,916
<b>Revenue from contracts with customers</b>	<b>3,091</b>	<b>2,802</b>	<b>9,493</b>	<b>9,282</b>	<b>12,156</b>
Other revenue	9	113	27	124	178
<b>Total net sales Gränges Eurasia</b>	<b>3,100</b>	<b>2,915</b>	<b>9,521</b>	<b>9,406</b>	<b>12,334</b>
Other and eliminations					
Fabrication revenue	-146	-167	-461	-601	-737
Raw material and other revenue	-110	-89	-313	-328	-406
<b>Revenue from contracts with customers</b>	<b>-256</b>	<b>-256</b>	<b>-774</b>	<b>-928</b>	<b>-1,142</b>
Other revenue	-	-	-	-	-
<b>Total net sales other and eliminations</b>	<b>-256</b>	<b>-256</b>	<b>-774</b>	<b>-928</b>	<b>-1,142</b>
Total fabrication revenue	2,230	2,309	6,907	7,312	9,355
Total raw material and other revenue	3,509	3,151	10,384	10,107	12,976
<b>Total revenue from contracts with customers</b>	<b>5,739</b>	<b>5,461</b>	<b>17,291</b>	<b>17,418</b>	<b>22,331</b>
Total other revenue	11	115	31	132	188
<b>Total net sales</b>	<b>5,750</b>	<b>5,575</b>	<b>17,322</b>	<b>17,551</b>	<b>22,518</b>

## FINANCIAL & SUSTAINABILITY STATEMENTS

### Note 3 Financial instruments

The Group's financial assets consist of lending, accounts receivable, cash and cash equivalents as well as derivatives. The Group's financial liabilities consist of borrowings and accounts payable as well as derivatives. The table below shows the fair value of the derivatives (foreign exchange, aluminium and interest rate derivatives) included in the balance sheet.

SEK million	30 Sep 2024	30 Sep 2023	31 Dec 2023
Non-current assets	199	213	197
Current assets	154	140	226
Non-current liabilities	62	45	55
Current liabilities	177	289	175

All derivatives are measured at fair value and are classified according to level 2, i.e., all significant inputs required for measurement of the instruments are observable. Fair value of foreign exchange derivatives is calculated by discounting the difference between the contracted forward rate and the forward rate that can be contracted on the balance sheet date for the remaining contract period. Aluminium derivatives are measured at observable quoted prices on LME (London Metal Exchange) and SHFE (Shanghai Futures Exchange) for similar assets and liabilities. Interest rate derivatives are measured at forward rates from observable interest rate curves and discounting of contractual cash flows.

Gränges' interest-bearing liabilities consist of financing from banks, institutions, and the credit market. As of September 30, 2024, the out-

standing term loans from banks and institutions amounted to USD 120 million and SEK 400 million, whereof USD 120 million and SEK 200 million have a sustainability-linked structure. Financing from banks and institutions also includes a sustainability-linked Revolving Credit Facility of SEK 3,500 million, which was unutilized as of September 30, 2024. Financing from the credit market includes a sustainability-linked bond of SEK 600 million, issued under Gränges' MTN program, as well as commercial papers. As of September 30, 2024, the total volume of outstanding commercial papers was SEK 624 million. Other interest-bearing liabilities include short-term working capital loans of CNY 775 million.

The loan facilities are subject to covenants, which include a Net Debt to EBITDA ratio and an Interest Coverage Ratio.

SEK million	Limit/Program	Year			Total
		< 1	1-2	> 2	
Term loans					
SEK		-	200	200	400
USD		-	1,212	-	1,212
Bonds in MTN program	3,000	-	600	-	600
Commercial papers	2,000	624	-	-	624
Revolving Credit Facilities	3,500	-	-	-	-
Lease liabilities		57	46	160	263
Other interest-bearing liabilities		1,130	-	33	1,162
<b>Total interest-bearing liabilities</b>		<b>1,811</b>	<b>2,058</b>	<b>393</b>	<b>4,262</b>

Interest-bearing liabilities are measured at amortized cost and the carrying amount as of September 30, 2024, was SEK 4,262 million (SEK 3,459 million as of December 31, 2023). The fair value of interest-bearing liabilities

amounted to SEK 4,268 million as of September 30, 2024 (SEK 3,469 million as of December 31, 2023). For other receivables and liabilities, which are short-term, the carrying amount is considered to reflect the fair value.

# FINANCIAL & SUSTAINABILITY STATEMENTS

## Note 4 Related party transactions

No changes have been made to the Group or parent company in relations or transactions with related parties, compared to what is described in the 2023 Annual Report. During the period there have been no significant transactions with related parties.

## Note 5 Items affecting comparability

SEK million	Financial statement line	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Insurance compensation	Items affecting comparability	-	40	-	40	40
<b>Items affecting comparability</b>		<b>-</b>	<b>40</b>	<b>-</b>	<b>40</b>	<b>40</b>

There are no items affecting comparability in the third quarter or the first nine months of 2024.

In May 2022, a fire broke out at one of the rolling mills at Gränges' production facility in Konin, Poland. Insurance compensation, with a deductible, was accounted for as part of the adjusted operating result, while compensation beyond the coverage was treated as items affecting comparability. The insurance claim was finally settled during the third quarter of 2023 and resulted in revenue exceeding the cost of the fire by SEK 40 million, which was classified as an item affecting comparability in the period.

# FINANCIAL & SUSTAINABILITY STATEMENTS

## Consolidated quarterly data

SEK million	2024			2023			2022	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Sales volume, ktonnes	122.7	130.9	122.0	107.7	114.9	120.5	120.2	110.3
<b>Income statement</b>								
Net sales	5,750	6,145	5,428	4,967	5,575	6,008	5,968	5,366
Adjusted EBITDA <sup>1</sup>	631	682	560	451	690	655	593	344
Adjusted operating profit <sup>1</sup>	420	471	356	245	439	450	401	153
Operating profit	420	471	356	245	479	450	401	153
Profit for the period	285	314	237	108	332	316	254	51
Adjusted EBITDA margin, %	11.0	11.1	10.3	9.1	12.4	10.9	9.9	6.4
Adjusted operating margin, %	7.3	7.7	6.6	4.9	7.9	7.5	6.7	2.8
Adjusted operating profit per tonne, kSEK	3.4	3.6	2.9	2.3	3.8	3.7	3.3	1.4
Operating margin, %	7.3	7.7	6.6	4.9	8.6	7.5	6.7	2.8
Net margin, %	4.9	5.1	4.4	2.2	6.0	5.3	4.2	0.9
<b>Balance sheet</b>								
Non-current assets	10,319	10,352	10,274	9,808	9,626	9,806	9,290	9,249
Current assets	8,407	8,186	7,754	6,880	7,433	8,637	8,463	8,280
Equity	9,415	9,347	9,409	8,809	8,971	8,903	8,417	8,206
Non-current liabilities	3,414	3,532	3,535	3,395	3,915	4,020	3,824	3,783
Current liabilities	5,896	5,659	5,083	4,483	4,172	5,520	5,511	5,541
<b>Cash flow</b>								
Operating activities	593	474	152	925	1,199	830	336	919
Investing activities	-399	-337	-191	-774	-227	-197	-252	-403
Before financing activities	194	138	-39	152	972	633	84	516
Financing activities	69	93	244	-307	-1,310	-416	-217	-837
Cash flow for the period	263	231	205	-155	-338	218	-133	-321
<b>Capital structure</b>								
Net debt	3,342	3,545	3,462	3,233	3,401	4,360	4,388	4,377
Equity to assets, %	50.3	50.4	52.2	52.8	52.6	48.3	47.4	46.8
<b>Data per share, SEK<sup>2</sup></b>								
Earnings per share basic	2.68	2.95	2.23	1.01	3.13	2.97	2.39	0.48
Earnings per share diluted	2.67	2.94	2.23	1.01	3.12	2.97	2.38	0.48
Equity	88.43	87.69	88.40	82.72	84.22	83.60	79.13	77.18
Cash flow from operating activities	5.57	4.45	1.43	8.69	11.26	7.80	3.16	8.64
Share price at the end of the period	121.80	136.00	115.80	116.00	103.00	102.90	98.75	85.30
Weighted outstanding ordinary shares, basic in thousands	106,308.6	106,308.6	106,308.6	106,308.6	106,308.6	106,308.6	106,308.6	106,308.6
Weighted outstanding ordinary shares, diluted in thousands	106,473.3	106,595.9	106,445.0	106,493.1	106,527.0	106,499.3	106,374.6	106,322.6

<sup>1</sup> Adjusted for items affecting comparability, see Note 5 for further information.

<sup>2</sup> Calculated on weighted outstanding ordinary shares, diluted.

## Consolidated quarterly data

	2024			2023			2022	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Sales volume by business area, ktonnes</b>								
Gränges Americas	58.9	60.5	56.0	46.6	57.3	56.5	60.1	57.7
Gränges Eurasia	68.5	75.0	71.6	65.4	62.5	70.2	66.3	58.1
Other and eliminations	-4.6	-4.6	-5.6	-4.3	-4.9	-6.2	-6.2	-5.5
<b>Total</b>	<b>122.7</b>	<b>130.9</b>	<b>122.0</b>	<b>107.7</b>	<b>114.9</b>	<b>120.5</b>	<b>120.2</b>	<b>110.3</b>
<b>Sales volume by market, ktonnes</b>								
Automotive	46.7	51.8	50.7	50.0	49.3	51.9	51.4	49.1
HVAC	25.3	24.5	21.6	15.6	21.7	23.8	24.9	20.2
Speciality packaging	21.5	21.6	22.2	19.1	20.9	19.1	20.9	22.4
Other niches	29.2	33.0	27.5	22.9	22.9	25.7	23.0	18.6
<b>Total</b>	<b>122.7</b>	<b>130.9</b>	<b>122.0</b>	<b>107.7</b>	<b>114.9</b>	<b>120.5</b>	<b>120.2</b>	<b>110.3</b>
<b>Net sales by business area, SEK million</b>								
Gränges Americas	2,906	3,016	2,653	2,253	2,916	3,046	3,111	2,834
Gränges Eurasia	3,100	3,371	3,049	2,928	2,915	3,307	3,184	2,807
Other and eliminations	-256	-243	-275	-214	-256	-345	-327	-274
<b>Total</b>	<b>5,750</b>	<b>6,145</b>	<b>5,428</b>	<b>4,967</b>	<b>5,575</b>	<b>6,008</b>	<b>5,968</b>	<b>5,366</b>
<b>Employees</b>								
Average number of employees	2,773	2,769	2,755	2,769	2,735	2,703	2,667	2,682

### Sustainability<sup>1</sup>

Total carbon emissions intensity (scope 1+2+3), tonnes CO <sub>2</sub> e/tonne	7.6	7.1	7.4	8.5	8.0	8.4	8.9	8.9
Carbon emissions intensity (scope 1+2), tonnes CO <sub>2</sub> e/tonne	0.68	0.69	0.75	0.65	0.67	0.64	0.66	0.82
Carbon emissions intensity (scope 3), tonnes CO <sub>2</sub> e/tonne	7.0	6.4	6.7	7.8	7.3	7.7	8.2	8.1
Sourced recycled aluminium, ktonnes	63	63	59	55	55	52	48	40
Sourced recycled aluminium, %	47.4	46.6	45.5	43.6	44.4	41.1	37.5	33.5

<sup>1</sup> Quarterly data may be adjusted in the year-end report when annual emission factors have been confirmed.

Scope 2 data is calculated with a market-based approach.

Sales volume, ktonnes	Automotive		HVAC		Speciality packaging		Other niches		Total	
	Q3 2024	Q3 2023	Q3 2024	Q3 2023	Q3 2024	Q3 2023	Q3 2024	Q3 2023	Q3 2024	Q3 2023
Gränges Americas	7.6	9.9	25.3	21.7	17.5	18.1	8.5	7.6	58.8	57.3
Gränges Eurasia	43.5	44.2	0.2	0.1	4.1	2.8	20.7	15.4	68.5	62.5
Other and eliminations	-4.4	-4.8	-0.2	-0.1	-	-	-	-0.1	-4.6	-4.9
<b>Total</b>	<b>46.7</b>	<b>49.3</b>	<b>25.3</b>	<b>21.7</b>	<b>21.5</b>	<b>20.9</b>	<b>29.2</b>	<b>22.9</b>	<b>122.7</b>	<b>114.9</b>

## FINANCIAL & SUSTAINABILITY STATEMENTS

### Consolidated 12-months rolling data

SEK million	2024			2023				2022
	Oct 2023 – Sep 2024	Jul 2023 – Jun 2024	Apr 2023 – Mar 2024	Jan 2023 – Dec 2023	Oct 2022 – Sep 2023	Jul 2022 – Jun 2023	Apr 2022 – Mar 2023	Jan 2022 – Dec 2022
Sales volume, ktonnes	483.2	475.4	465.1	463.2	465.8	470.7	472.7	479.3
<b>Income statement</b>								
Net sales	22,290	22,115	21,978	22,518	22,917	23,513	24,380	24,492
Adjusted EBITDA <sup>1</sup>	2,325	2,383	2,356	2,389	2,281	2,175	2,156	2,064
Adjusted operating profit <sup>1</sup>	1,492	1,512	1,491	1,536	1,443	1,322	1,220	1,150
Operating profit	1,492	1,552	1,531	1,576	1,483	1,246	1,206	1,136
Adjusted EBITDA margin, %	10.4	10.8	10.7	10.6	10.0	9.3	8.8	8.4
Adjusted operating margin, %	6.7	6.8	6.8	6.8	6.3	5.6	5.0	4.7
Adjusted operating profit per tonne, kSEK	3.1	3.2	3.2	3.3	3.1	2.8	2.6	2.4
Operating margin, %	6.7	7.0	7.0	7.0	6.5	5.3	4.9	4.6
<b>Capital structure and return indicators</b>								
Capital employed	12,587	12,688	12,671	12,613	12,842	12,947	12,738	12,292
Return on capital employed, %	11.9	11.9	11.8	12.2	11.2	10.2	9.6	9.4
Equity	9,189	9,086	8,900	8,660	8,556	8,358	8,023	7,725
Return on equity, %	10.3	10.9	11.2	11.7	11.1	9.0	8.9	9.1
Financial net debt/Adjusted EBITDA	1.2	1.3	1.3	1.1	1.3	1.8	1.8	1.9

<sup>1</sup> Adjusted for items affecting comparability, see Note 5 for further information.

#### Sustainability<sup>2</sup>

Total carbon emissions intensity (scope 1+2+3), tonnes CO <sub>2</sub> e/tonne	7.6	7.7	8.1	8.4	8.5	8.9	8.9	8.9
Carbon emissions intensity (scope 1+2), tonnes CO <sub>2</sub> e/tonne	0.69	0.69	0.68	0.66	0.69	0.73	0.77	0.82
Carbon emissions intensity (scope 3), tonnes CO <sub>2</sub> e/tonne	6.9	7.0	7.4	7.8	7.8	8.2	8.1	8.1
Sourced recycled aluminium, ktonnes	240	232	221	210	195	180	174	169
Sourced recycled aluminium, %	45.8	45.0	43.6	41.6	39.2	35.8	34.4	32.7

<sup>2</sup> Consolidated 12-months rolling data may be adjusted in the year-end report when annual emission factors have been confirmed. Scope 2 data is calculated with a market-based approach.



## FINANCIAL & SUSTAINABILITY STATEMENTS

### Financials per business area

SEK million	Jul – Sep 2024				Jul – Sep 2023			
	Gränges Americas	Gränges Eurasia	Other and eliminations	Total	Gränges Americas	Gränges Eurasia	Other and eliminations	Total
Sales volume external, ktonnes	58.9	63.8	-	122.7	57.3	57.6	-	114.9
Sales volume internal, ktonnes	-	4.6	-4.6	0	-	4.9	-4.9	0
<b>Total sales volume</b>	<b>58.9</b>	<b>68.5</b>	<b>-4.6</b>	<b>122.7</b>	<b>57.3</b>	<b>62.5</b>	<b>-4.9</b>	<b>114.9</b>
<b>Income statement</b>								
Net sales, external	2,906	2,844	-	5,750	2,916	2,659	-	5,575
Net sales, internal	-	256	-256	0	-	256	-256	0
<b>Total net sales</b>	<b>2,906</b>	<b>3,100</b>	<b>-256</b>	<b>5,750</b>	<b>2,916</b>	<b>2,915</b>	<b>-256</b>	<b>5,575</b>
Adjusted operating profit <sup>1</sup>	283	165	-28	420	302	122	16	439
Adjusted operating profit per tonne, kSEK	4.8	2.4	n/a	3.4	5.3	1.9	n/a	3.8
<b>Capital structure and return indicators</b>								
Capital employed <sup>2</sup>	5,366	8,059	-667	12,758	5,519	7,379	-525	12,373
Return on capital employed, % <sup>3</sup>	19.0	7.3	n/a	11.9	16.7	7.1	n/a	11.2

SEK million	Jan – Sep 2024				Jan – Sep 2023			
	Gränges Americas	Gränges Eurasia	Other and eliminations	Total	Gränges Americas	Gränges Eurasia	Other and eliminations	Total
Sales volume external, ktonnes	175.4	200.1	-	375.5	174.0	181.5	-	355.5
Sales volume internal, ktonnes	-	14.9	-14.9	0	-	17.4	-17.4	0
<b>Total sales volume</b>	<b>175.4</b>	<b>215.0</b>	<b>-14.9</b>	<b>375.5</b>	<b>174.0</b>	<b>198.9</b>	<b>-17.4</b>	<b>355.5</b>
<b>Income statement</b>								
Net sales, external	8,576	8,747	-	17,322	9,073	8,478	-	17,551
Net sales, internal	-	774	-774	0	-	928	-928	0
<b>Total net sales</b>	<b>8,576</b>	<b>9,521</b>	<b>-774</b>	<b>17,322</b>	<b>9,073</b>	<b>9,406</b>	<b>-928</b>	<b>17,551</b>
Adjusted operating profit <sup>1</sup>	875	460	-89	1,247	863	492	-64	1,290
Adjusted operating profit per tonne, kSEK	5.0	2.1	n/a	3.3	5.0	2.5	n/a	3.6

<sup>1</sup> Adjusted for items affecting comparability, see Note 5 for further information.

<sup>2</sup> Closing balance at end of the period.

<sup>3</sup> Calculated on the average capital employed during the past 12-months period.

# FINANCIAL & SUSTAINABILITY STATEMENTS

## Financials per business area

Gränges Americas	2024			2023			2022	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
SEK million								
Sales volume external, ktonnes	58.9	60.5	56.0	46.6	57.3	56.5	60.1	57.7
Sales volume internal, ktonnes	-	-	-	-	-	-	-	-
<b>Total sales volume, ktonnes</b>	<b>58.9</b>	<b>60.5</b>	<b>56.0</b>	<b>46.6</b>	<b>57.3</b>	<b>56.5</b>	<b>60.1</b>	<b>57.7</b>
<b>Income statement</b>								
Net sales, external	2,906	3,016	2,653	2,253	2,916	3,046	3,111	2,842
Net sales, internal	-	-	-	-	-	-	-	-8
<b>Total net sales</b>	<b>2,906</b>	<b>3,016</b>	<b>2,653</b>	<b>2,253</b>	<b>2,916</b>	<b>3,046</b>	<b>3,111</b>	<b>2,834</b>
Adjusted operating profit <sup>1</sup>	283	325	267	166	302	292	269	99
Adjusted operating profit per tonne, kSEK	4.8	5.4	4.8	3.6	5.3	5.2	4.5	1.7
<b>Capital structure and return indicators</b>								
Capital employed <sup>2</sup>	5,366	5,578	5,774	5,139	5,519	5,885	5,673	5,528
Return on capital employed, % <sup>3</sup>	19.0	19.0	18.3	18.5	16.7	15.4	15.0	15.1

Gränges Eurasia	2024			2023			2022	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
SEK million								
Sales volume external, ktonnes	63.8	70.3	66.0	61.1	57.6	63.9	60.0	52.6
Sales volume internal, ktonnes	4.6	4.6	5.6	4.3	4.9	6.2	6.2	5.5
<b>Total sales volume, ktonnes</b>	<b>68.5</b>	<b>75.0</b>	<b>71.6</b>	<b>65.4</b>	<b>62.5</b>	<b>70.2</b>	<b>66.3</b>	<b>58.1</b>
<b>Income statement</b>								
Net sales, external	2,844	3,128	2,775	2,714	2,659	2,962	2,857	2,524
Net sales, internal	256	243	275	214	256	345	327	283
<b>Total net sales</b>	<b>3,100</b>	<b>3,371</b>	<b>3,049</b>	<b>2,928</b>	<b>2,915</b>	<b>3,307</b>	<b>3,184</b>	<b>2,807</b>
Adjusted operating profit <sup>1</sup>	165	176	120	103	122	199	171	55
Adjusted operating profit per tonne, kSEK	2.4	2.3	1.7	1.6	1.9	2.8	2.6	0.9
<b>Capital structure and return indicators</b>								
Capital employed <sup>2</sup>	8,059	8,069	7,723	7,477	7,379	8,021	7,718	7,527
Return on capital employed, % <sup>3</sup>	7.3	6.7	7.1	7.8	7.1	6.6	6.3	6.0

<sup>1</sup> Adjusted for items affecting comparability, see Note 5 for further information.

<sup>2</sup> Closing balance at end of the period.

<sup>3</sup> Calculated on the average capital employed during the past 12-months period.

## Alternative performance measures

Gränges makes use of the alternative performance measures Return on capital employed, Financial net debt, Equity to assets ratio and Cash conversion. Gränges believes that these performance measures are useful for readers of the financial reports as a complement to other performance measures when assessing the possibility of dividends, the implementation of strategic investments, and the Group's ability to meet

financial commitments. Further, Gränges uses the alternative performance measures Adjusted operating profit, Adjusted operating profit per tonne and Adjusted EBITDA, which are measures that Gränges considers to be relevant for investors who want to understand the profit generation excluding items affecting comparability. For definitions of the measures, see page 30.

SEK million	Q3		Jan-Sep		12 months rolling	Full year
	2024	2023	2024	2023	Oct 2023 – Sep 2024	2023
<b>Adjusted operating profit</b>						
Operating profit	420	479	1,247	1,330	1,492	1,576
Items affecting comparability	-	-40	-	-40	-	-40
<b>Adjusted operating profit</b>	<b>420</b>	<b>439</b>	<b>1,247</b>	<b>1,290</b>	<b>1,492</b>	<b>1,536</b>
<b>Adjusted operating profit per tonne</b>						
Adjusted operating profit	420	439	1,247	1,290	1,492	1,536
Sales volume, ktonnes	122.7	114.9	375.5	355.5	483.2	463.2
<b>Adjusted operating profit per tonne, kSEK</b>	<b>3.4</b>	<b>3.8</b>	<b>3.3</b>	<b>3.6</b>	<b>3.1</b>	<b>3.3</b>
<b>Adjusted EBITDA</b>						
Adjusted operating profit	420	439	1,247	1,290	1,492	1,536
Depreciation, amortization and impairment charges	211	250	626	647	832	853
<b>Adjusted EBITDA</b>	<b>631</b>	<b>690</b>	<b>1,873</b>	<b>1,937</b>	<b>2,325</b>	<b>2,389</b>
<b>Return on capital employed</b>						
Total assets less cash and cash equivalents and interest-bearing receivables, rolling 12 months average	-	-	-	-	17,023	16,735
Non-interest-bearing liabilities, rolling 12 months average	-	-	-	-	-4,682	-4,355
Pensions, rolling 12 months average	-	-	-	-	246	234
<b>Capital employed</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,587</b>	<b>12,613</b>
Adjusted operating profit	-	-	-	-	1,492	1,536
<b>Return on capital employed, %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.9</b>	<b>12.2</b>
<b>Financial net debt/Adjusted EBITDA</b>						
Cash and cash equivalents and interest-bearing receivables	-	-	-1,159	-661	-1,159 <sup>1</sup>	-480
Interest-bearing liabilities	-	-	4,262	3,837	4,262 <sup>1</sup>	3,459
Lease liabilities	-	-	-263	-260	-263 <sup>1</sup>	-237
<b>Financial net debt</b>	<b>-</b>	<b>-</b>	<b>2,839</b>	<b>2,916</b>	<b>2,839<sup>1</sup></b>	<b>2,741</b>
Adjusted EBITDA, rolling 12 months	-	-	-	-	2,325	2,389
<b>Financial net debt/Adjusted EBITDA</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.2</b>	<b>1.1</b>

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## FINANCIAL & SUSTAINABILITY STATEMENTS

...continued from previous page.

SEK million	Q3		Jan – Sep		12 months rolling	Full year
	2024	2023	2024	2023	Oct 2023 – Sep 2024	2023
<b>Equity to assets</b>						
Equity	-	-	9,415	8,971	9,415 <sup>1</sup>	8,809
Total assets	-	-	18,726	17,059	18,726 <sup>1</sup>	16,688
<b>Equity to assets, %</b>	-	-	<b>50.3</b>	<b>52.6</b>	<b>50.3<sup>1</sup></b>	<b>52.8</b>
<b>Adjusted cash flow before financing activities</b>						
Cash flow before financing activities	194	972	293	1,690	445	1,842
Cash flow from expansion investments	280	94	675	443	993	761
Cash flow from investments in associates and joint ventures	-	-	-	-	223	223
<b>Adjusted cash flow before financing activities</b>	<b>474</b>	<b>1,067</b>	<b>968</b>	<b>2,133</b>	<b>1,660</b>	<b>2,826</b>
<b>Cash conversion</b>						
Adjusted cash flow before financing activities	474	1,067	968	2,133	1,660	2,826
Adjusted operating profit	420	439	1,247	1,290	1,492	1,536
<b>Cash conversion, %</b>	<b>113</b>	<b>243</b>	<b>78</b>	<b>165</b>	<b>111</b>	<b>184</b>

<sup>1</sup> Closing balance at the end of the period.

# REVIEW REPORT

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Gränges AB, corp. identity no. 556001-6122

## Introduction

We have reviewed the condensed interim report for Gränges AB as at September 30, 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 & Sustainability 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.

Stockholm, October 24, 2024

Ernst & Young AB

Andreas Troberg

*Authorized Public Accountant*

### Definitions

**Adjusted cash flow before financing activities**

Cash flow before financing activities excluding cash flow from non-maintenance investments and acquisitions

**Adjusted EBITDA**

Adjusted operating profit before depreciation and impairment charges

**Adjusted operating profit**

Operating profit excluding items affecting comparability

**Adjusted operating profit per tonne**

Adjusted operating profit divided by sales volume

**Average number of employees**

The average number of employees converted to full-time positions

**Capital employed**

Total assets less cash and cash equivalents and interest-bearing receivables, minus non-interest-bearing liabilities, excluding pensions

**Carbon emissions intensity**

Total emissions of greenhouse gases (tonnes CO<sub>2</sub>e) divided by the total packed products (tonnes)

**Carbon emissions scope 1+2**

Direct emissions from Gränges' operations and indirect emissions from purchased electricity, heat and steam consumed by Gränges

**Carbon emissions scope 3**

Emissions from extraction, production and processing of main purchased materials, fuel and energy related activities (not included in scope 1 or scope 2), upstream and downstream goods transportation as well as business travel

**Cash conversion**

Adjusted cash flow before financing activities divided by adjusted operating profit

**Cash flow before financing activities**

Cash flow from operating activities plus cash flow from investing activities

**Earnings per share**

Profit for the period divided by the total number of shares

**Equity to Assets**

Equity divided by total assets

**Financial net debt**

Cash and cash equivalents and interest-bearing receivables minus interest-bearing liabilities, excluding lease liabilities

**Financial net debt/Adjusted EBITDA**

Financial net debt divided by adjusted 12-months rolling EBITDA

**Items affecting comparability**

Non-recurring income and expenses

**ktonnes**

Volume expressed in thousands of metric tonnes

**Operating profit**

Profit before net financial items and tax

**Return on capital employed**

Adjusted operating profit divided by average capital employed during the past 12-months period

**Return on equity**

Profit for the period divided by average equity during the past 12-months period

**Sales volume**

Volumes sold in metric tonnes

**SEK**

Swedish Krona

**Share of sourced recycled aluminium**

Sourced recycled aluminium used as input materials (tonnes) divided by total sourced metal input materials (tonnes)

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### Glossary

**Alloy**

Material composed of one metal with additions of other metals and/or elements

**Aluminium strip**

Rolled aluminium in coil form

**Brazing**

Joining of metals through melting and solidification

**Cladding**

A layer of metal bonded to a dissimilar metal or alloy

**Heat exchanger**

A device for transferring heat from one medium to another

**HVAC**

Heating, Ventilation and Air Conditioning systems including heat exchangers

**LME**

London Metal Exchange

**Navigate**

Gränges' strategy for long-term sustainable growth

**Rolled aluminium**

Aluminium that has been hot and/or cold rolled to desired gauge

**SHFE**

Shanghai Futures Exchange

**Slab**

Input material to the rolling process that is produced by casting

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## Contacts

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## Webcasted presentation

CEO Jörgen Rosengren and CFO Oskar Hellström will present Gränges' interim report Q3, 2024 at a webcasted conference call on Thursday October 24, 2024 at 10.00 CEST.

Live webcast:

<https://granges.videosync.fi/2024-10-24-q3-report>

Conference call:

<https://service.flikmedia.se/teleconference/?id=100425>

## Important information

This interim report may contain forward-looking statements which are based on the company's best assessment at the time the report was written. As is the case with all assessments of the future, such assumptions are subject to both known and unknown risks and uncertainties, which may mean that the actual outcome differs from the anticipated result.

This information is information that Gränges AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on Thursday October 24, 2024, at 07.30 CEST.

## Calendar

Year-end report 2024	January 30, 2025
Annual and sustainability report 2024	March 18, 2025
Interim report, Q1	April 25, 2025
Annual General Meeting	May 12, 2025
Half-year report, Q2	July 11, 2025
Interim report, Q3	October 23, 2025



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