

**Q1**

Interim report  
January–March 2024

**Sustainable, reliable  
industrial solutions**



# Interim report, first quarter of 2024

## First quarter of 2024

- Consolidated sales increased by 9.7% to **SEK 1,535.0 M** (1,399.9).
- Organic growth amounted to **5.0%** (13.2), adjusted for acquired sales and currency effects between the years.
- Consolidated operating profit (EBITA) totaled **SEK 259.5 M** (202.7), with an operating margin (EBITA) of **16.9%** (14.5).
- Profit after financial items amounted to **SEK 250.3 M** (180.4).
- Earnings per share amounted to **SEK 7.83** (5.68) before and after dilution.

## KEY FIGURES

Group, SEK M	Q1 2024	Q1 2023	Full-year 2023
Net sales	1,535.0	1,399.9	5,739.8
Operating profit before depreciation/amortization (EBITDA)	282.9	232.0	953.0
Operating profit before amortization (EBITA)	259.5	202.7	858.0
Operating profit (EBIT)	251.6	194.9	824.9
Operating profit after financial items (EBT)	250.3	180.4	761.9
Profit after tax	195.8	142.1	568.6
Earnings per share, SEK	7.83	5.68	22.74
Cash flow from operating activities	144.1	145.0	705.2
ROE (cumulative), %	15.1	16.8	16.2
ROCE (cumulative), %	16.3	17.4	17.2
Equity/assets ratio, %	62.5	64.2	61.4
Interest-bearing net debt/EBITDA	0.23	0.76	0.41
Average number of employees	2,052	1,823	1,864
Number of shares outstanding ('000)	25,004	25,004	25,004

### Net sales

**SEK 1,535 M**

**+9.7%**

### Operating profit (EBITA)

**SEK 260 M**

**+28.1%**

# Record-setting quarter for VBG Group

In the first quarter of 2024, the Group achieved sales of SEK 1,535 M (1,400) with an EBITA of SEK 260 M (203). This is the best quarter ever for the Group in terms of sales and earnings. The period was characterized by strong margin performance and good operating cash flow. Earnings per share amounted to SEK 7.83 and increased by 38% compared with the year-earlier period.

Despite geopolitical turbulence and uncertainty concerning interest rates, all divisions performed at a high level during the quarter given the market conditions. The activities we carried out to strengthen profitability continue to bear fruit, and the total EBITA margin strengthened to 16.9% (14.5).

Growth during the quarter was 9.7%, with currency effects and the newly acquired Rathi Transpower making positive contributions to growth. Adjusted for currency and acquired sales between quarters, the underlying growth was 5.0%.

## Stable demand in the couplings segment

Truck & Trailer Equipment achieved sales of SEK 439 M during the quarter, which is the second-highest figure ever for the division in a single quarter. Despite this, we can conclude that this is a decline of 11% compared with the year-earlier period, with the entire downturn related to the slowdown in the semi-trailer market.

The division has a solid business model with product offerings that create value for drivers, haulers and body builders. The strong customer offering, in combination with efficient capacity utilization in our production, also yielded the second-highest EBITA ever for a single quarter: SEK 101 M (115) with an EBITA margin of 22.9% (23.1).

## Trend continues

Mobile Thermal Solutions sales reached a record-high SEK 855 M (711) during the quarter, and the EBITA was also the highest in the division's history with the EBITA margin for the division, reaching 15.2% (10.5). Growth of 20% was driven primarily by the off-road segment in North America.

During the quarter, Mobile Thermal Solutions continued to increase its share of electric vehicles (EV) projects, for both off-road and buses.

A preliminary study was initiated to evaluate a capacity increase in the manufacturing unit for off-road products in Toronto.

## Acquisition delivering on expectations

In the first quarter, Ringfeder Power Transmission set a record of SEK 242 M (193) in sales, with an EBITA margin of 14.6% (11.6).

The integration of the newly acquired company, Rathi Transpower, is proceeding as planned and the company delivered in accordance with the high expectations. Growth of 25% for the division during the quarter was largely related to the acquisition of Rathi Transpower.

## The future

VBG Group leaves behind a quarter with record-high sales and an all-time high in earnings. It is extremely gratifying to lead a business like this, where I see that our activity-based approach has been highly successful. Many activities, both large and small, toward our long-term goals are yielding results.

The future remains uncertain, but we have a strong order book. Order bookings reached a plateau during the quarter at a historically high level compared with the year-earlier period, and an easing of the materials supply situation means we can focus on optimizing our production flows and further strengthen profitability.

Going forward, we will also intensify our sustainability initiatives, and we will target investments and resources in order to achieve our sustainability goals as well as prepare ourselves to meet further requirements. Sustainable growth is our watchword.

In conclusion, I would like to thank all of the Group's employees for a quarter well done. It is our collective efforts that have enabled us to deliver record-high earnings, and together we will continue to develop VBG Group going forward.

Anders Erkén  
President and CEO, VBG Group

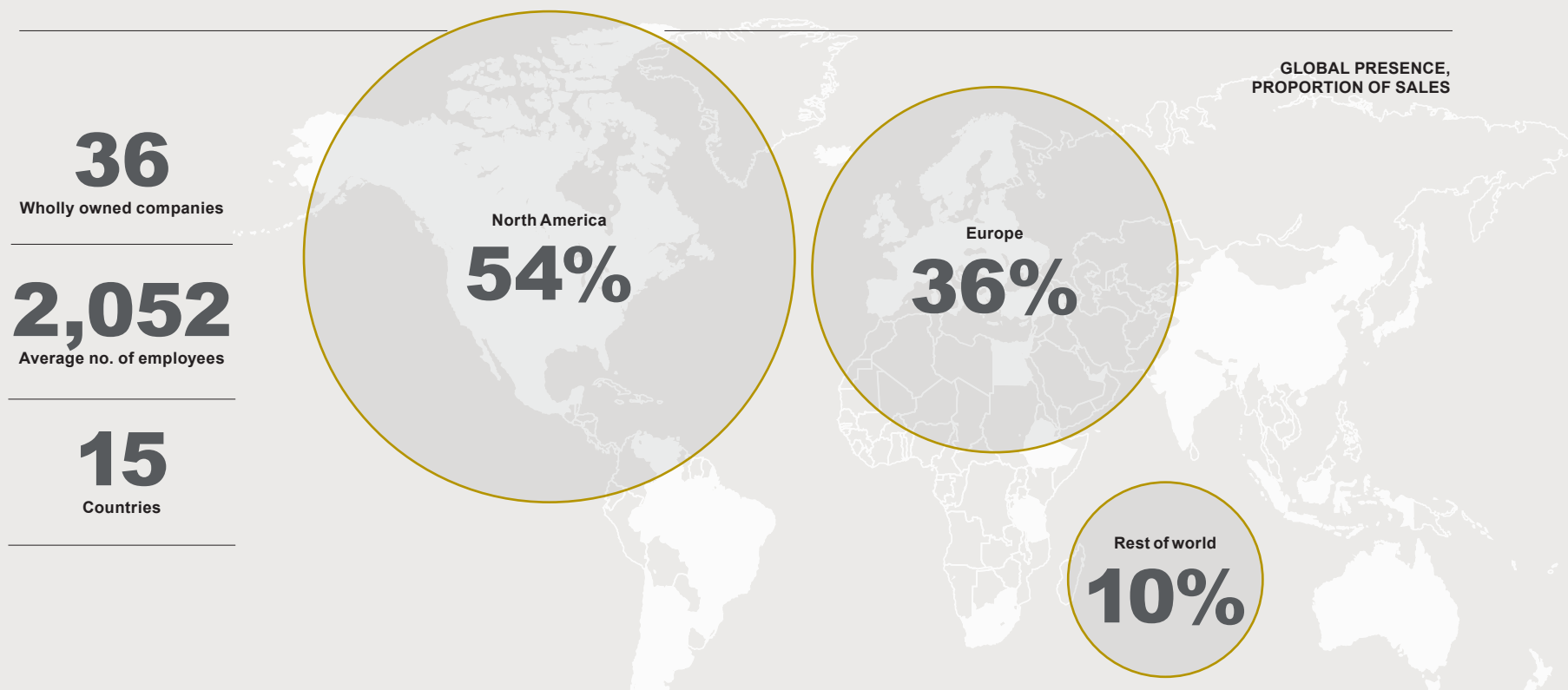


“  
**We have a favorable financial position from which we can move forward**”

# VBG Group – a balanced industrial Group

VBG Group is a long-term active owner of successful industrial companies and brands. The Group's three divisions – Truck & Trailer Equipment, Mobile Thermal Solutions and Ringfeder Power Transmission – are governed on a foundation of high industrial expertise, strong values and financial stability.

- **Considerable experience and industrial expertise**
- **High level of service**
- **Long-term financial strength**
- **Leading industrial solutions**
- **Strong international position and presence**
- **Broad portfolio of brands in attractive niches**



**36**  
Wholly owned companies

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**2,052**  
Average no. of employees

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**15**  
Countries

**DIVISIONS**

**TRUCK & TRAILER EQUIPMENT**



Sales, SEK M	Average no. of employees
<b>439</b>	<b>392</b>
Operating profit (EBITA), SEK M	Operating margin (EBITA), %
<b>101</b>	<b>23</b>

**MOBILE THERMAL SOLUTIONS**



Sales, SEK M	Average no. of employees
<b>855</b>	<b>1,017</b>
Operating profit (EBITA), SEK M	Operating margin (EBITA), %
<b>130</b>	<b>15</b>

**RINGFEDER POWER TRANSMISSION**



Sales, SEK M	Average no. of employees
<b>242</b>	<b>633</b>
Operating profit (EBITA), SEK M	Operating margin (EBITA), %
<b>35</b>	<b>15</b>

# Group

## Sales and earnings

### First quarter of 2024

Sales increased to SEK 1,535.0 M (1,399.9) and were 9.7% higher compared with the first quarter of 2023. Adjusted for acquired sales and currency effects, organic growth was 5.0% (13.2).

Truck & Trailer Equipment's organic growth decreased 11.8%, organic growth in Mobile Thermal Solutions increased 19.6% and Ringfeder Power Transmission's organic growth decreased 5.6%.

Consolidated operating profit (EBITA) increased to SEK 259.5 M (202.7), corresponding to an operating margin of 16.9% (14.5). The increase in profitability is a result of a continued favorable market in North America even though it is now leveling out at a high level, as well as the impact of implemented price increases in 2023. Truck & Trailer Equipment's operating margin (EBITA) decreased marginally to 22.9% (23.1). Mobile Thermal Solutions' operating margin (EBITA) increased to 15.2% (10.5). The operating margin in Mobile Thermal Solutions was positively impacted by continued high levels of demand, primarily for off-road products, and by price increases implemented in 2023.

Ringfeder Power Transmission's operating margin (EBITA) increased to 14.6% (11.6) for the quarter. The operating margin for Ringfeder Power Transmission was positively impacted by the acquisition of Rathi Transpower, the integration of which is proceeding as planned.

The consolidated net interest expense for the first quarter was SEK –7.7 M (–10.4) and the quarter's currency effect on foreign-currency denominated financial liabilities was SEK –6.4 M (–4.2). Other financial expenses amounted to SEK 0.0 M (0.1). Profit after financial items increased to SEK 250.3 M (180.4) and operating profit after tax increased to SEK 195.8 M (142.1). Earnings per share totaled SEK 7.83 (5.68) before and after dilution.

## Capital expenditures and depreciation/amortization

The Group's new capital expenditures for the first quarter amounted to SEK 16.3 M (25.2). Depreciation/amortization for the first quarter totaled SEK 31.3 M (37.1).

## Financial position

Profit after tax for the period increased to SEK 195.8 M (142.1) and other comprehensive income – pertaining to translation differences in foreign currencies and remeasurement of pension plans – totaled SEK 81.3 M (37.1), which resulted in comprehensive income for the period of SEK 277.1 M (179.1). Accordingly, consolidated equity increased to SEK 3,951.2 M during the period (3,674.1 at year-end).

The equity/assets ratio decreased during the period to 62.5% (64.2).

Cash and cash equivalents, including currency effects, increased by SEK 144.6 M (–34.1) during the period as a result of high levels of profitability from operating activities.

Cash and cash equivalents totaled SEK 1,030.5 M at the end of the period (885.9 at year-end). In addition, there were unutilized overdraft facilities of SEK 100.0 M (100.0), which means the Group at the end of March had available liquidity, excluding scope under credit agreements, of SEK 1,130.5 M (985.9 at year-end).

The Group's interest-bearing net debt declined by SEK 162.6 M during the period to SEK 230.3 M at the end of the period (392.9 at year-end).

The ratio of consolidated interest-bearing net debt to equity was 0.06 at March 31, 2024 (0.11 at year-end) and the ratio of interest-bearing net debt to consolidated operating profit before depreciation/amortization and impairment (EBITDA on a rolling four-quarter basis) was 0.23 (0.41 at year-end).

Consolidated goodwill increased by SEK 20.7 M as a result of currency effects and amounted at the end of the period to SEK 1,312.0 M (1,291.3 at year-end), which in relation to equity amounted to a ratio of 0.33 (0.35 at year-end).

## Cash flow

Cash flow from operating activities declined marginally, compared to the year-earlier period, totaling SEK 144.1 M (145.0). Investments made during the period totaled SEK 13.0 M (30.6). Consolidated total borrowings and lease liabilities decreased by SEK 0.1 M (148.5) during the period, which means that cash flow for the period totaled SEK 131.0 M (–34.1).

## Personnel

At March 31, 2024, there were 2,057 employees in the VBG Group (1,817), of which 232 (220) in Sweden. During the first quarter of 2024, the Group employed an average of 2,052 persons (1,823). Of these, 233 (225) were active in Sweden. The cost of salaries and social security contributions for the full year was SEK 310.4 M (285.0).

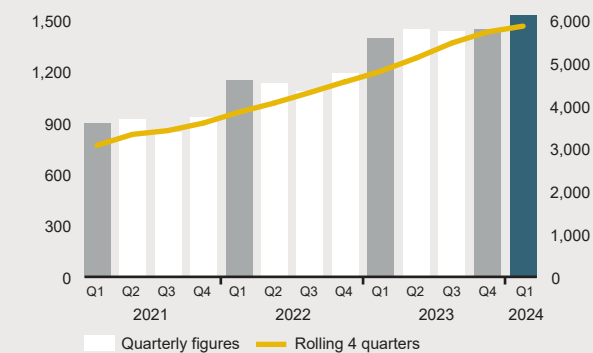
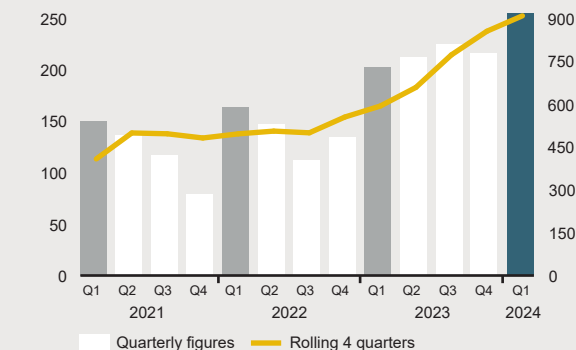
## Per share data

Earnings per share amounted to SEK 7.83 (5.68). Equity per share was SEK 158.02 at 31 March 2024, compared with SEK 138.67 at the same time last year.

At the end of the quarter, the share price was SEK 313.50, which corresponds to a market capitalization of SEK 7,839 M, compared with a share price of SEK 172.50 and market capitalization of SEK 4,313 M in the first quarter of 2023.

The number of shareholders increased by 1,269 during the period, totaling 12,970 (11,701 at year-end).

Sales/Earnings SEK M	Q1 2024	Rolling 12 months	Full-year 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Full-year 2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Net sales	1,535.0	5,874.9	5,739.8	1,449.9	1,439.8	1,450.2	1,399.9	4,580.0	1,191.5	1,091.6	1,141.3	1,155.5
Operating profit before depreciation/ amortization (EBITDA)	282.9	1,004.0	953.0	222.9	256.0	242.2	232.0	663.6	162.3	149.9	167.7	183.6
Operating profit before amortization (EBITA)	259.5	914.9	858.0	217.5	225.7	212.2	202.7	557.5	134.7	111.7	147.1	164.1
Operating margin (EBITA), %	16.9	15.6	14.9	15.0	15.7	14.6	14.5	12.2	11.3	10.2	12.9	14.2
Operating profit (EBIT)	251.6	881.6	824.9	209.0	217.1	204.1	194.9	527.2	127.0	104.6	139.2	156.4
Operating margin (EBIT), %	16.4	15.0	14.4	14.4	15.1	14.1	13.9	11.5	10.7	9.6	12.2	13.5
Operating profit after financial items (EBT)	250.3	831.8	761.9	183.4	216.9	181.2	180.4	487.8	105.6	101.4	132.9	147.9
Profit after tax	195.8	622.4	568.6	129.5	158.9	138.2	142.1	368.3	90.6	62.7	100.5	114.4
Earnings per share, SEK	7.83	24.89	22.74	5.18	6.35	5.53	5.68	14.73	3.62	2.51	4.02	4.58
Cash flow from operating activities	144.1	704.4	705.2	162.7	268.7	128.9	145.0	250.5	106.2	18.3	46.3	79.7
ROE (cumulative), %	15.1	15.1	16.2	16.2	16.7	15.9	16.8	11.4	11.4	12.4	14.3	15.9
ROCE (cumulative), %	16.3	16.3	17.2	17.2	18.4	17.5	17.4	11.6	11.6	12.8	14.6	15.3
Equity/assets ratio, %	62.5	62.5	61.4	61.4	58.7	62.4	64.2	60.8	60.8	56.1	58.7	59.3
<b>Sales by market SEK M</b>	<b>Q1 2024</b>	<b>Rolling 12 months</b>	<b>Full-year 2023</b>	<b>Q4 2023</b>	<b>Q3 2023</b>	<b>Q2 2023</b>	<b>Q1 2023</b>	<b>Full-year 2022</b>	<b>Q4 2022</b>	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>Q1 2022</b>
Sweden	95.4	321.1	325.7	81.5	56.9	87.3	100.1	323.8	83.3	64.9	87.5	88.1
Other Nordic countries	73.3	268.9	270.9	66.9	59.4	69.2	75.3	248.3	59.7	60.2	62.8	65.7
Germany	154.5	541.9	552.8	121.3	132.9	133.2	165.5	589.3	146.5	136.9	146.0	159.9
Other European countries	226.4	924.8	949.4	233.8	227.0	237.6	251.0	782.0	210.1	179.8	186.5	205.7
US	657.8	2,635.7	2,552.9	663.9	671.0	643.0	575.1	1,839.7	476.0	446.8	458.9	458.1
Rest of North America	180.2	638.9	590.8	140.2	159.9	158.6	132.1	366.9	86.1	101.0	90.3	89.5
Brazil	32.9	149.2	145.5	37.0	40.3	39.0	29.2	121.1	29.4	30.9	34.7	26.1
Australia/New Zealand	40.3	151.1	142.5	35.9	39.1	35.9	31.6	123.5	44.8	22.6	29.0	27.3
China	13.0	60.0	57.6	14.2	18.6	14.3	10.5	69.7	25.5	20.5	12.9	10.8
Rest of world	61.2	183.3	151.6	55.2	34.7	32.2	29.0	115.7	30.1	28.1	32.8	24.5
<b>Group</b>	<b>1,535.0</b>	<b>5,874.9</b>	<b>5,739.8</b>	<b>1,449.9</b>	<b>1,439.8</b>	<b>1,450.2</b>	<b>1,399.9</b>	<b>4,580.0</b>	<b>1,191.5</b>	<b>1,091.6</b>	<b>1,141.3</b>	<b>1,155.5</b>

**Net sales, SEK M**

**Operating profit (EBITA), SEK M**


# Truck & Trailer Equipment



## First quarter of 2024

- Sales decreased 11.4% to **SEK 439.0 M** (495.7).
- Adjusted for currency effects between the years, organic growth decreased **11.8%**.
- Operating profit (EBITA) decreased to **SEK 100.6 M** (114.7), with an operating margin (EBITA) of 22.9% (23.1).



## Main product segments

- Coupling equipment for heavy trucks and trailers
- Automatic tire chains
- Sliding roofs for semitrailers

## Sales and earnings

### First quarter of 2024

Sales for the quarter declined 11.4% year-on-year, to SEK 439.0 M (495.7). Adjusted for currency effects, where the average USD rate between the quarters weakened 0.4% and the EUR – which is a more important currency for the division – strengthened 0.7%, organic growth decreased 11.8%.

Operating profit (EBITA) for Truck & Trailer Equipment decreased year-on-year to SEK 100.6 M (114.7) in the first quarter, with an operating margin (EBITA) of 22.9% (23.1). Demand for coupling products remained high. However, the market for trailer components in Europe declined markedly in the first quarter compared with the year-earlier period, which explains the decrease in sales compared to 2023.

During the first quarter, the division's working capital increased by SEK 22.2 M to SEK 396.4 M (374.2 at year-end). With the addition of property, plant and equipment of SEK 242.1 M, operating capital amounted to SEK 638.5 M at the end of March (618.5 at year-end). The division's return on operating capital (ROOC) was 59.1% (62.0 at year-end).

## Capital expenditures and depreciation/amortization

Truck & Trailer Equipment's investments in property, plant and equipment during the first quarter totaled SEK 3.3 M (12.8). Depreciation/amortization for the first quarter totaled SEK 9.8 M (9.7).

## Personnel

At March 31, 2024, there were 390 employees (379) in the division. Truck & Trailer Equipment employed an average of 392 persons (382) in the first quarter. Personnel costs for the first quarter amounted to SEK 82.9 M (80.1), resulting in a cost per employee of SEK 211.6 thousand (209.6).

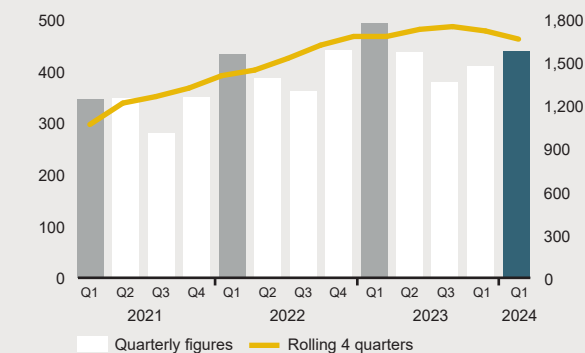


## Truck & Trailer Equipment

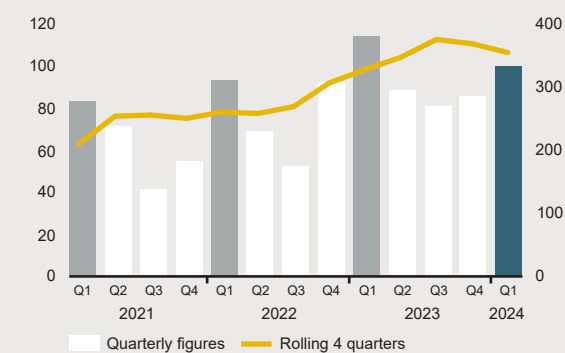
Sales/Earnings SEK M	Q1 2024	Rolling 12 months	Full-year 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Full-year 2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Net sales	439.0	1,671.0	1,727.7	412.3	381.7	437.9	495.7	1,628.8	443.2	362.4	388.3	434.8
Operating profit (EBITDA)	108.8	378.9	393.2	82.7	89.9	97.6	123.0	341.3	98.9	61.5	79.4	101.5
Operating profit (EBITA)	100.6	356.3	370.3	85.9	81.2	88.6	114.7	307.6	92.5	52.6	69.1	93.4
Operating margin (EBITA), %	22.9	21.3	21.4	20.8	21.3	20.2	23.1	18.9	20.9	14.5	17.8	21.5
Operating profit (EBIT)	99.0	349.9	364.2	84.2	79.4	87.3	113.3	302.6	91.1	51.4	67.9	92.2
Operating margin (EBIT), %	22.5	20.9	21.1	20.4	20.8	19.9	22.9	18.6	20.6	14.2	17.5	21.2
ROOC, %	59.1	59.1	62.0	62.0	65.1	61.8	60.3	57.3	57.3	53.2	53.7	56.5

Sales by market SEK M	Q1 2024	Rolling 12 months	Full-year 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Full-year 2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Sweden	81.3	271.1	273.9	68.4	46.5	74.8	84.1	271.1	69.7	52.2	72.9	76.2
Other Nordic countries	61.0	216.0	215.6	54.0	45.6	55.4	60.5	194.4	48.5	45.1	48.7	52.1
Germany	83.3	297.8	319.1	64.0	75.9	74.7	104.6	373.3	94.8	84.2	91.8	102.5
Other European countries	134.8	556.7	591.4	134.7	135.0	152.1	169.5	495.4	130.6	117.1	111.6	136.1
US	39.4	155.1	159.5	49.0	33.4	33.3	43.8	136.9	45.4	33.0	24.1	34.4
Rest of North America	5.5	23.4	21.2	5.5	6.7	5.6	3.3	11.4	3.5	3.0	2.4	2.6
Australia/New Zealand	27.2	115.1	112.6	26.3	29.7	31.9	24.7	105.3	40.3	19.0	24.5	21.4
China	—	0.2	0.3	0.1	—	—	0.2	4.9	1.7	1.2	1.9	0.1
Rest of world	6.5	35.6	34.2	10.4	8.8	10.0	5.1	36.2	8.7	7.7	10.4	9.4
<b>Truck &amp; Trailer Equipment</b>	<b>439.0</b>	<b>1,671.0</b>	<b>1,727.7</b>	<b>412.3</b>	<b>381.7</b>	<b>437.9</b>	<b>495.7</b>	<b>1,628.8</b>	<b>443.2</b>	<b>362.4</b>	<b>388.3</b>	<b>434.8</b>

### Net sales, SEK M



### Operating profit (EBITA), SEK M





# Mobile Thermal Solutions



## First quarter of 2024

- Sales increased 20.3% to **SEK 854.8 M** (710.8).
- Adjusted for currency effects between the years, organic growth was **19.6%**.
- Operating profit (EBITA) amounted to **SEK 129.6 M** (74.6), with an operating margin (EBITA) of 15.2% (10.5).

## Sales and earnings

### First quarter of 2024

Sales for the first quarter increased 20.3% year-on-year to SEK 854.8 M (710.8), with North America accounting for the largest increase. Adjusted for currency effects, where the average USD rate weakened 0.4% compared with the first quarter of the preceding year and the CAD weakened 0.1%, organic growth was 19.6%.

The operating profit (EBITA) for Mobile Thermal Solutions totaled SEK 129.6 M (74.6) and the operating margin (EBITA) increased to 15.2% (10.5). Continued high levels of demand for off-road products in North America, price adjustments implemented in 2023, and increased efficiency at the new production facility in the US yielded the higher operating profit (EBITA) and an improved operating margin (EBITA).

During the first quarter, the division's working capital increased by SEK 80.3 M to SEK 912.9 M (832.6 at year-end) as a result of higher sales. With the addition of property, plant and equipment of SEK 350.4 M, operating capital amounted to SEK 1,263.3 M at the end of December (1,224.5 at year-end).

The division's return on operating capital (ROOC) for the period strengthened, totaling 36.3% (32.3 at year-end).

## Capital expenditures and depreciation/amortization

Investments in property, plant and equipment by Mobile Thermal Solutions in the first quarter amounted to SEK 8.3 M (1.6). The higher level of investment is attributable to investments in machinery in North America. Depreciation/amortization for the first quarter totaled SEK 15.7 M (20.5).

## Personnel

At March 31, 2024, there were 1,021 employees (1,055) in the division. During the first quarter, Mobile Thermal Solutions employed an average of 1,017 persons (1,057). Personnel costs for the first quarter amounted to SEK 156.1 M (139.5), resulting in a cost per employee of SEK 153.5 thousand (132.0).

## Main product segments

- Roof-mounted climate control systems
- Cab-mounted climate control systems



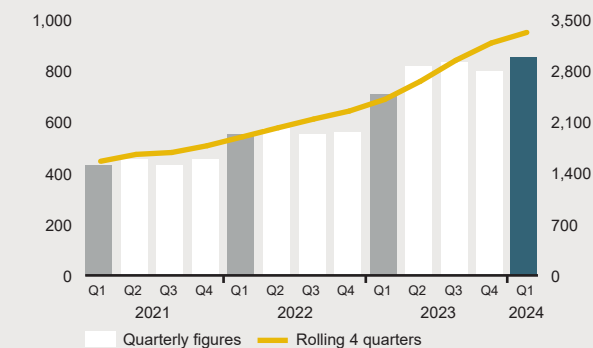


## Mobile Thermal Solutions

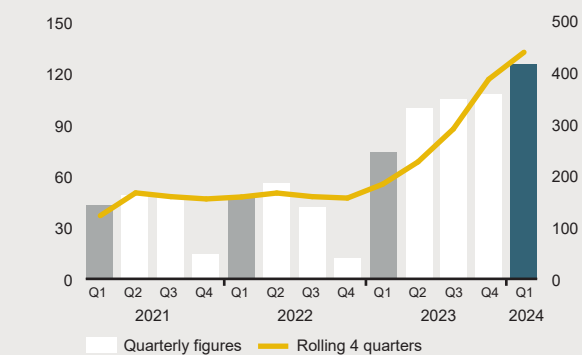
Sales/Earnings SEK M	Q1 2024	Rolling 12 months	Full-year 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Full-year 2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Net sales	854.8	3,305.7	3,161.7	794.8	835.7	820.4	710.8	2,234.5	558.8	549.1	574.6	552.0
Operating profit (EBITDA)	140.0	488.3	438.2	108.9	123.0	116.3	90.0	212.5	28.3	67.4	62.8	54.1
Operating profit (EBITA)	129.6	446.0	391.1	109.2	106.7	100.6	74.6	158.5	12.0	42.2	56.9	47.3
Operating margin (EBITA), %	15.2	13.5	12.4	13.7	12.8	12.3	10.5	7.1	2.1	7.7	9.9	8.6
Operating profit (EBIT)	124.3	424.5	369.7	103.7	101.2	95.2	69.5	137.8	6.7	37.1	51.8	42.2
Operating margin (EBIT), %	14.5	12.8	11.7	13.1	12.1	11.6	9.8	6.2	1.2	6.8	9.0	7.6
ROOC, %	36.3	36.3	32.3	32.3	25.9	22.1	20.1	19.1	19.1	21.5	24.4	25.8

Sales by market SEK M	Q1 2024	Rolling 12 months	Full-year 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Full-year 2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Sweden	13.0	45.8	47.8	11.9	9.5	11.5	15.0	48.7	12.7	11.6	13.4	11.0
Other Nordic countries	11.5	48.6	50.5	11.6	12.6	12.9	13.3	50.7	10.3	14.2	13.3	12.9
Germany	15.3	40.8	34.5	8.1	8.2	9.2	9.0	25.9	5.2	6.4	7.5	6.8
Other European countries	57.9	224.9	226.6	52.7	53.6	60.7	59.6	204.4	51.7	44.9	55.7	52.0
US	569.9	2,282.3	2,190.6	565.9	585.7	560.9	478.1	1,514.5	388.6	365.2	386.8	373.8
Rest of North America	173.3	607.2	560.1	132.4	150.8	150.8	126.1	349.6	80.6	96.7	86.8	85.4
China	7.6	30.2	27.6	6.8	8.2	7.6	5.0	21.1	5.0	5.7	4.7	5.8
Rest of world	6.5	25.9	24.0	5.5	7.1	6.9	4.6	19.6	4.5	4.4	6.3	4.3
<b>Mobile Thermal Solutions</b>	<b>854.8</b>	<b>3,305.7</b>	<b>3,161.7</b>	<b>794.8</b>	<b>835.7</b>	<b>820.4</b>	<b>710.8</b>	<b>2,234.5</b>	<b>558.8</b>	<b>549.1</b>	<b>574.6</b>	<b>552.0</b>

Net sales, SEK M



Operating profit (EBITA), SEK M



# Ringfeder Power Transmission



## First quarter of 2024

- Sales increased 25.0% to **SEK 241.7 M** (193.4).
- Adjusted for currency effects and acquired sales between the years, organic growth decreased **5.6%**.
- Operating profit (EBITA) increased to **SEK 35.3 M** (22.5), with an operating margin (EBITA) of 14.6% (11.6).

## Sales and earnings

### First quarter of 2024

Sales for the first quarter increased 25.0% year-on-year to SEK 241.7 M (193.4); adjusted for acquired sales and currency effects – where the average USD rate weakened 0.4%, the BRL strengthened 4.5% and the EUR strengthened 0.7% – organic growth decreased 5.6%.

Operating profit (EBITA) for Ringfeder Power Transmission increased to SEK 35.3 M (22.5) and the operating margin (EBITA) increased, totaling 14.6% (11.6). The acquired company Rathi Transpower supported the increase in earnings and the strengthened margin.

During the period, the division's working capital increased by SEK 6.3 M to SEK 341.8 M (335.5 at year-end). With the addition of property, plant and equipment of SEK 189.2 M, operating capital amounted to SEK 531.0 M at the end of March (506.0 at year-end). The division's return on operating capital (ROOC) for the period increased to 31.3% (30.0 at year-end). The increase is largely attributable to the growth in earnings from Rathi Transpower.

## Capital expenditures and depreciation/amortization

Ringfeder Power Transmission's investments in property, plant and equipment during the first quarter amounted to SEK 4.2 M (10.7). Depreciation/amortization for the first quarter totaled SEK 5.3 M (6.5).

## Personnel

At March 31, 2024, there were 636 employees (373) in the division. During the first quarter, Ringfeder Power Transmission employed an average of 633 persons (374). Personnel costs for the first quarter amounted to SEK 62.0 M (54.0), resulting in a cost per employee of SEK 98.0 thousand (144.4).

## Main product segments

- Shaft-hub couplings
- Shaft-shaft couplings
- Friction springs
- Electromagnetic industrial couplings and brakes

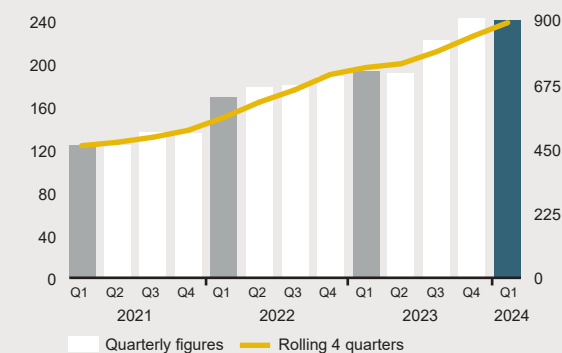


## Ringfeder Power Transmission

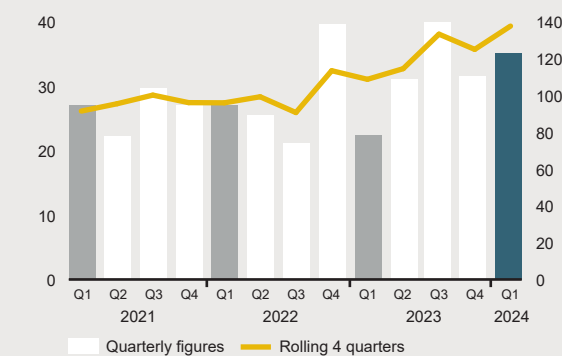
Sales/Earnings SEK M	Q1 2024	Rolling 12 months	Full-year 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Full-year 2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Net sales	241.7	898.7	850.4	242.7	222.4	191.9	193.4	716.7	189.5	180.0	178.3	168.9
Operating profit (EBITDA)	39.5	158.9	147.0	38.2	45.0	36.2	27.6	129.8	44.1	24.8	29.6	31.3
Operating profit (EBITA)	35.3	138.2	125.3	31.6	40.0	31.3	22.5	113.7	39.8	21.2	25.6	27.2
Operating margin (EBITA), %	14.6	15.4	14.7	13.0	18.0	16.3	11.6	15.9	21.0	11.8	14.4	16.1
Operating profit (EBIT)	34.2	132.8	119.8	30.1	38.6	29.9	21.1	109.1	38.7	20.5	24.1	25.8
Operating margin (EBIT), %	14.1	14.8	14.1	12.4	17.3	15.6	10.9	15.2	20.4	11.4	13.5	15.3
ROOC, %	31.3	31.3	30.0	30.0	32.5	29.3	29.7	32.2	32.2	27.9	33.0	35.1

Sales by market SEK M	Q1 2024	Rolling 12 months	Full-year 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Full-year 2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Sweden	1.1	4.2	4.1	1.3	0.8	1.0	1.0	4.1	0.9	1.1	1.2	0.9
Other Nordic countries	1.3	4.6	4.8	1.3	1.1	0.8	1.5	3.2	0.9	0.9	0.7	0.7
Germany	55.9	203.3	199.1	49.2	48.8	49.3	51.8	190.1	46.5	46.3	46.6	50.7
Other European countries	33.9	143.5	131.5	46.5	38.4	24.7	21.9	82.3	27.8	17.7	19.1	17.7
US	48.6	198.3	202.9	49.0	51.8	48.9	53.2	188.4	42.0	48.6	47.9	49.9
Rest of North America	1.4	8.3	9.5	2.3	2.3	2.2	2.7	5.8	1.9	1.3	1.1	1.4
Brazil	31.1	140.7	136.8	35.3	38.3	35.9	27.3	106.3	26.1	28.4	30.7	21.1
Australia/New Zealand	12.1	33.2	27.6	8.9	8.9	3.3	6.5	17.0	4.0	3.4	4.1	5.4
China	5.4	29.7	29.7	7.3	10.4	6.6	5.4	43.7	18.8	13.6	6.4	4.9
Rest of world	51.0	133.1	104.4	41.6	21.5	19.1	22.2	75.8	20.6	18.7	20.4	16.1
<b>Ringfeder Power Transmission</b>	<b>241.7</b>	<b>898.7</b>	<b>850.4</b>	<b>242.7</b>	<b>222.4</b>	<b>191.9</b>	<b>193.4</b>	<b>716.7</b>	<b>189.5</b>	<b>180.0</b>	<b>178.3</b>	<b>168.9</b>

Net sales, SEK M



Operating profit (EBITA), SEK M



# Other information

## Parent Company

VBG Group AB's operations are focused on managing, developing and coordinating the Group. The assets in the Parent Company consist primarily of shares in subsidiaries and brands. The objective is for the Group's key intangible assets, in the form of brands and other rights, to be gathered in the Parent Company. VBG Group AB focuses on maintaining and securing all the Group's trademarks and rights.

The Parent Company's net sales pertain primarily to intra-Group services and license revenues and amounted to SEK 0.0 M (0.0) during the period. Operating loss for the first quarter totaled SEK –18.0 M (–19.5). Loss after dividends from Group companies, net financial items and tax totaled SEK –25.2 M (–22.6).

## Risks and uncertainty factors

The Group's and the Parent Company's significant risks and uncertainty factors include strategic, operational, compliance and financial risks, where the financial risks consist of financing and liquidity risks, interest-rate risk, credit risk and currency risk.

We are seeing increased geopolitical turbulence, which increased during the first quarter of 2024 as a result of the conflict in the Middle East, and macroeconomic headwinds, especially in Europe, with inflation and interest rates that have plateaued at a high level compared with the last decade. Despite these uncertainties, the Group has continued to increase its sales and improve its earnings.

For a more detailed description of the Group's risks and risk management, refer to VBG Group AB's annual report for 2023.

## Outlook for 2024

The company makes no forecast.

## Financial information 2024/2025

Interim report, three months 2024	April 25, 2024
Annual General Meeting 2024	May 2, 2024
Interim report, six months 2024	July 19, 2024
Interim report, nine months 2024	October 23, 2024
Year-end report 2024	February 2025

## Auditor's review

This year-end report is unaudited.

## Press releases issued in the first quarter of 2024

The Nomination Committee proposes a new Chairman of the Board in VBG Group AB	February 1, 2024
Invitation to presentation of VBG Group's year-end report 2023	February 12, 2024
Year-end report 2023	February 20, 2024
Notice of Annual General Meeting in VBG Group AB (publ)	March 27, 2024
VBG Group (publ) publishes Annual Report for 2023	March 28, 2024

## For further information, please contact:

Anders Erkén, President and CEO  
 Telephone: +46 521 27 77 88  
 E-mail: anders.erken@vbggroup.com

Fredrik Jignéus, CFO  
 Telephone: +46 521 27 77 53  
 E-mail: fredrik.jigneus@vbggroup.com

Vänernborg, April 25, 2024  
 VBG Group AB (publ)

Anders Erkén  
 President and CEO

## Note:

This information is of the type that VBG Group AB (publ) is obligated to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication at 10:00 a.m. CEST on April 25, 2024 in Swedish.

## Consolidated Income Statement

SEK M	Note	Q1 2024	Q1 2023	Full-year 2023
<b>Net sales</b>	4	<b>1,535.0</b>	<b>1,399.9</b>	<b>5,739.8</b>
Cost of goods sold		-1,023.0	-972.7	-3,940.7
<b>Gross profit</b>		<b>512.0</b>	<b>427.2</b>	<b>1,799.0</b>
Selling expenses		-105.9	-102.0	-428.3
Administrative expenses		-107.8	-89.6	-369.9
Research and development costs		-40.1	-34.6	-142.1
Other operating income and expenses		-6.6	-6.1	-33.8
		-260.4	-232.3	-974.1
<b>Operating profit</b>	2	<b>251.6</b>	<b>194.9</b>	<b>824.9</b>
Exchange rate effects, net		6.4	-4.2	-18.2
Interest income	3	10.4	5.4	34.9
Interest expenses	3	-18.0	-15.8	-70.2
Other financial income and expenses		—	0.1	-9.6
<b>Total financial items</b>		<b>-1.3</b>	<b>-14.4</b>	<b>-63.1</b>
<b>Profit after financial items</b>		<b>250.3</b>	<b>180.4</b>	<b>761.9</b>
Income tax		-54.5	-38.4	-193.3
<b>Profit for the period</b>		<b>195.8</b>	<b>142.1</b>	<b>568.6</b>
Profit for the period attributable to Parent Company shareholders		195.8	142.1	568.6

## Other comprehensive income

SEK M	Q1 2024	Q1 2023	Full-year 2023
<b>Other comprehensive income</b>			
<b>Profit for the period</b>	<b>195.8</b>	<b>142.1</b>	<b>568.6</b>
<b>Items that will not be reversed in the income statement</b>			
Effect of translation of defined-benefit pension plans, net after tax	—	—	-6.1
<b>Items that may later be reversed in the income statement</b>			
Translation differences pertaining to foreign operations	81.3	37.1	-39.1
<b>Other comprehensive income, net after tax</b>	<b>81.3</b>	<b>37.1</b>	<b>-45.3</b>
<b>Comprehensive income for the period</b>	<b>277.1</b>	<b>179.1</b>	<b>523.3</b>
Comprehensive income for the period attributable to Parent Company shareholders	277.1	179.1	523.3

## Consolidated Balance Sheet

SEK M	Q1 2024	Q1 2023	Full-year 2023
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Brands, customer relationships and other intangible assets	932.1	814.5	939.3
Goodwill	1,312.0	1,234.8	1,291.3
	<b>2,244.1</b>	<b>2,049.3</b>	<b>2,230.7</b>
<b>Property, plant and equipment</b>			
Land and buildings	256.7	222.9	251.7
Plant and machinery	178.0	137.7	178.2
Equipment, tools, fixtures and fittings	74.1	74.1	72.0
Construction in progress	25.3	37.1	14.9
Right-of-use assets	251.2	326.8	297.0
	<b>785.2</b>	<b>798.5</b>	<b>813.9</b>
<b>Deferred tax asset</b>	<b>23.9</b>	<b>27.4</b>	<b>27.5</b>
<b>Total non-current assets</b>	<b>3,053.2</b>	<b>2,875.3</b>	<b>3,072.0</b>
<b>Current assets</b>			
<b>Inventories</b>			
Raw materials and consumables	512.0	557.9	531.9
Work in progress	157.2	140.0	142.9
Finished products and merchandise	373.3	375.7	364.4
	<b>1,042.6</b>	<b>1,073.6</b>	<b>1,039.1</b>
<b>Current receivables</b>			
Trade receivables	987.2	855.9	821.8
Current tax assets	43.4	31.4	35.9
Other receivables	95.8	69.1	88.3
Prepaid expenses and accrued income	66.0	32.7	41.8
	<b>1,192.4</b>	<b>989.1</b>	<b>987.8</b>
Cash and cash equivalents	1,030.5	464.7	885.9
<b>Total current assets</b>	<b>3,265.5</b>	<b>2,527.4</b>	<b>2,912.9</b>
<b>Total assets</b>	<b>6,318.7</b>	<b>5,402.7</b>	<b>5,985.0</b>

SEK M	Q1 2024	Q1 2023	Full-year 2023
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	65.5	65.5	65.5
Other contributed capital	781.3	781.3	781.3
Reserves	330.2	325.1	248.9
Retained earnings, incl. net profit for the year	2,774.2	2,295.5	2,578.4
<b>Total equity</b>	<b>3,951.2</b>	<b>3,467.4</b>	<b>3,674.1</b>
<b>Non-current liabilities</b>			
Provisions for pensions and similar obligations	206.1	176.4	202.1
Deferred tax liability	230.6	212.8	229.0
Other provisions	106.9	66.9	95.8
Lease liability	230.6	296.6	258.1
Liabilities to credit institutions	738.9	437.8	730.5
Other non-current liabilities	24.1	22.9	55.7
<b>Total non-current liabilities</b>	<b>1,537.2</b>	<b>1,213.3</b>	<b>1,571.2</b>
<b>Current liabilities</b>			
Trade payables	381.3	348.1	322.5
Current tax liabilities	95.7	71.5	95.5
Other liabilities	68.6	42.1	45.6
Lease liability	50.8	48.5	55.7
Accrued expenses and deferred income	233.9	211.7	220.4
<b>Total current liabilities</b>	<b>830.3</b>	<b>722.0</b>	<b>739.7</b>
<b>Total equity and liabilities</b>	<b>6,318.7</b>	<b>5,402.7</b>	<b>5,985.0</b>

## Consolidated Changes in Equity

SEK M	Q1 2024	Q1 2023	Full-year 2023
<b>Opening equity according to balance sheet at December 31</b>	<b>3,674.1</b>	<b>3,288.3</b>	<b>3,288.3</b>
Total comprehensive income for the period	277.1	179.1	523.3
Dividend	—	—	-137.5
<b>Equity at end of period</b>	<b>3,951.2</b>	<b>3,467.4</b>	<b>3,674.1</b>

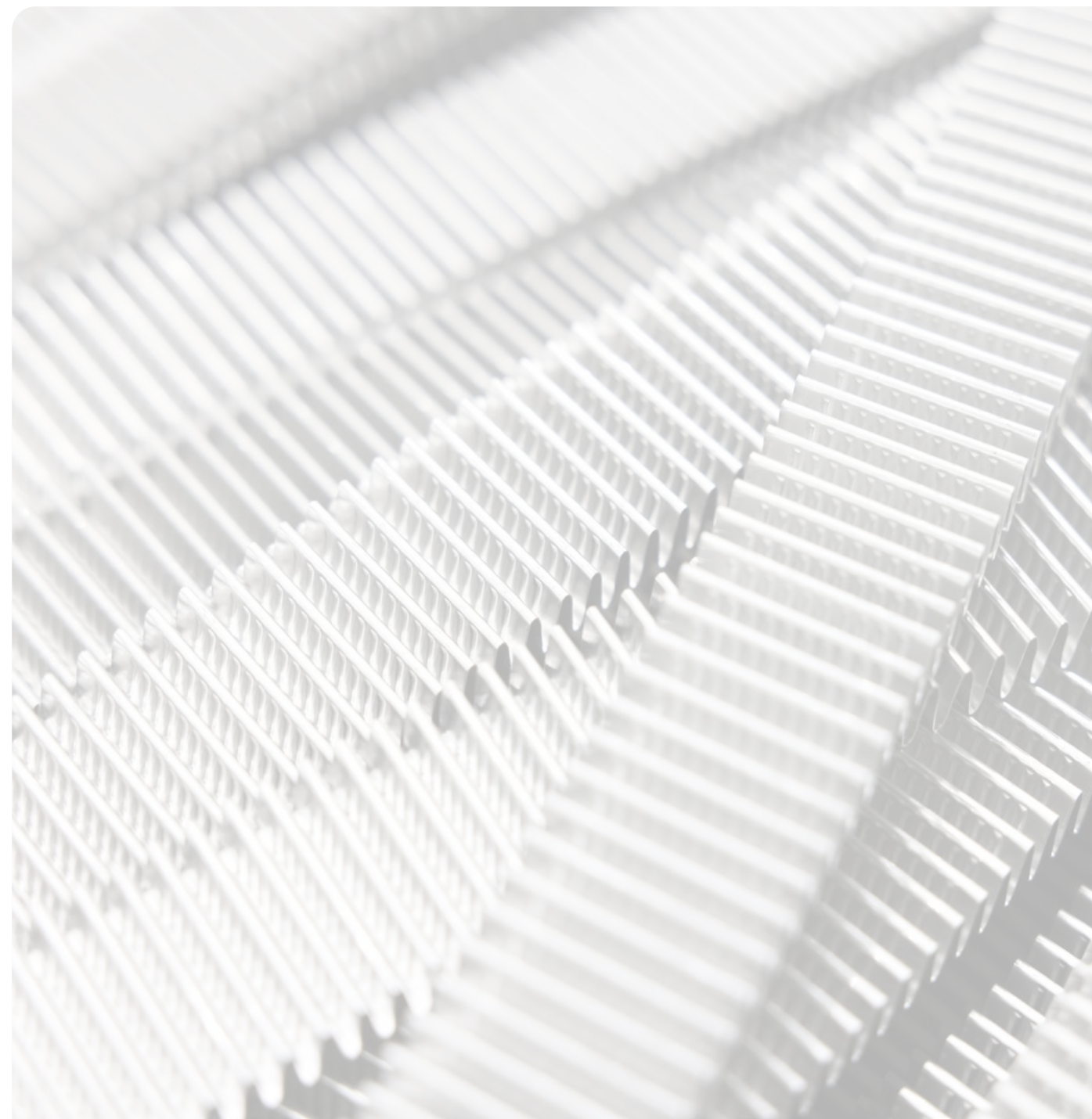
## Consolidated Cash Flow Statement

SEK M	Q1 2024	Q1 2023	Full-year 2023
<b>Operating activities</b>			
Operating profit before financial items	251.6	194.9	824.9
Depreciation/amortization	31.9	37.1	128.1
Other items not affecting liquidity	-1.8	-14.2	-55.3
Gains from divestment of property	—	—	-4.5
Interest received, etc.	11.3	6.0	37.2
Interest paid, etc.	-15.9	-11.7	-67.5
Tax paid	-63.1	-12.3	-179.4
<b>Cash flow before change in working capital</b>	<b>213.9</b>	<b>199.7</b>	<b>683.5</b>
Decrease/increase (-) in inventories	37.6	40.5	92.8
Decrease/increase (-) in trade receivables	-121.8	-181.8	-120.7
Decrease/increase (-) in other current receivables	-11.4	40.4	36.0
Increase/decrease (-) in trade payables	31.4	25.4	-13.7
Increase/decrease (-) in other current liabilities	-5.6	20.8	27.3
<b>Cash flow from operating activities</b>	<b>144.1</b>	<b>145.0</b>	<b>705.2</b>
<b>Investing activities</b>			
Investments in intangible assets	—	-0.8	-3.3
Investments in property, plant and equipment	-10.1	-29.8	-111.5
Investments in other financial assets	-2.8	—	—
Divestment of property	—	—	15.8
Net settlements, business combinations	—	—	-243.4
<b>Cash flow from investing activities</b>	<b>-13.0</b>	<b>-30.6</b>	<b>-342.7</b>
<b>Financing activities</b>			
Loans raised and changes to existing loans	8.4	-136.3	183.5
Amortization of lease liability	-8.5	-12.3	-14.1
Dividend paid	—	—	-137.5
<b>Cash flow from financing activities</b>	<b>-0.1</b>	<b>-148.5</b>	<b>31.9</b>
<b>Cash flow for the year</b>	<b>131.0</b>	<b>-34.1</b>	<b>394.5</b>
<b>Cash and cash equivalents at start of year</b>	<b>885.9</b>	<b>498.8</b>	<b>498.8</b>
Translation difference, cash and cash equivalents	13.6	-0.1	-7.4
<b>Cash and cash equivalents at year-end</b>	<b>1,030.5</b>	<b>464.7</b>	<b>885.9</b>
Unutilized overdraft facilities	100.0	100.0	100.0
<b>Total cash and cash equivalents available</b>	<b>1,130.5</b>	<b>564.7</b>	<b>985.9</b>



## Key Figures for Group

SEK M	Q1 2024	Q1 2023	Full-year 2023
Operating margin (EBITA), %	16.9	14.5	14.9
Operating margin (EBIT), %	16.4	13.9	14.4
Profit margin (ROS), %	16.3	12.9	13.3
Return on equity (ROE), %	15.1	16.8	16.2
Return on capital employed (ROCE), %	16.3	17.4	17.2
Equity/assets ratio, %	62.5	64.2	61.4
Interest-bearing net debt/EBITDA	0.23	0.76	0.41
Equity per share outstanding at end of period, SEK	158.02	138.67	146.94
Cash flow from operating activities, per average share outstanding, SEK	5.76	5.80	28.20
Profit per average share outstanding during the period, SEK	7.83	5.68	22.74
Share price at end of period, SEK	313.5	172.5	243.00
Number of employees, average	2,052	1,823	1,864
Number of shares outstanding at end of period ('000)	25,004	25,004	25,004
Number of treasury shares at end of period ('000)	1,192	1,192	1,192

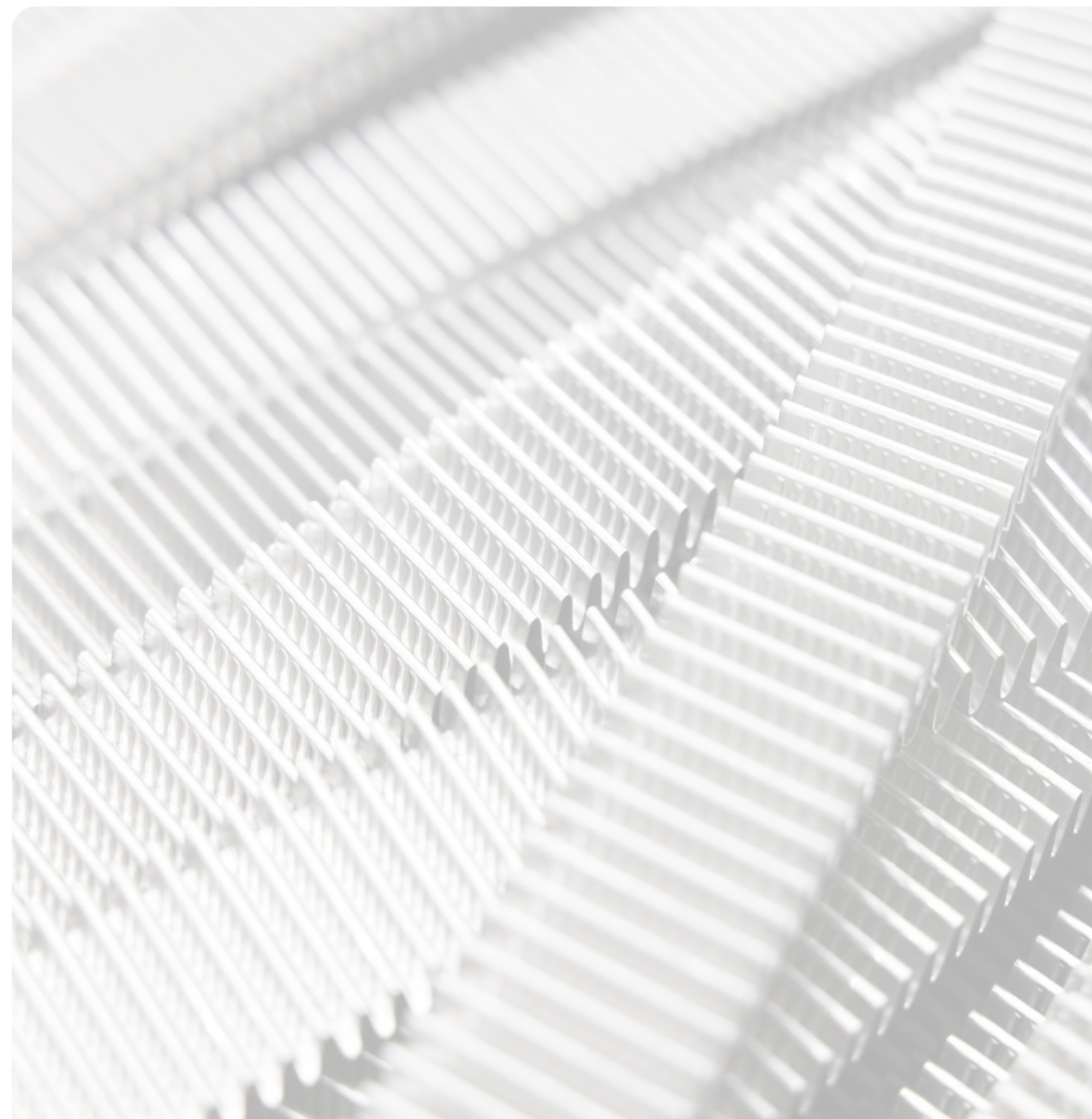


## Parent Company Income Statement

SEK M	Q1 2024	Q1 2023	Full-year 2023
<b>Net sales</b>	—	—	57.7
Administrative expenses	-18.0	-19.5	- 73.1
<b>Operating loss</b>	<b>-18.0</b>	<b>-19.5</b>	<b>-15.4</b>
Net financial items	-7.1	-3.1	96.8
<b>Profit/loss from financial items</b>	<b>-25.2</b>	<b>-22.6</b>	<b>81.3</b>
Appropriations	—	—	49.0
Tax	—	—	-4.7
<b>Profit for the period</b>	<b>-25.2</b>	<b>-22.6</b>	<b>125.6</b>

## Parent Company Balance Sheet

SEK M	Q1 2024	Q1 2023	Full-year 2023
Property, plant and equipment	1.1	1.3	0.8
Financial assets	2,119.4	2,002.3	2,194.4
<b>Total non-current assets</b>	<b>2,120.5</b>	<b>2,003.6</b>	<b>2,195.2</b>
Receivables	116.4	215.7	166.1
Cash and cash equivalents	634.8	311.4	551.5
<b>Total current assets</b>	<b>751.2</b>	<b>527.1</b>	<b>717.7</b>
<b>Total assets</b>	<b>2,871.8</b>	<b>2,530.7</b>	<b>2,912.9</b>
<b>Equity</b>	<b>1,380.7</b>	<b>1,395.2</b>	<b>1,405.9</b>
Untaxed reserves	24.8	18.8	24.8
Provisions	17.6	15.9	17.6
Non-current liabilities	738.0	437.1	729.5
Current liabilities	710.7	663.7	735.1
<b>Total equity and liabilities</b>	<b>2,871.8</b>	<b>2,530.7</b>	<b>2,912.9</b>



# Notes

## 1 ACCOUNTING POLICIES

The VBG Group applies the EU-endorsed IFRS standards and interpretations thereof (IFRIC). This interim report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting, and for the Parent Company, in accordance with the Annual Accounts Act and recommendation RFR 2, Accounting for Legal Entities. The same accounting policies and calculation methods were applied as in the most recent annual report.

This report may contain rounding differences.

## 2 RELATED PARTY TRANSACTIONS

There have been no related party transactions in 2024 that have significantly affected the company's financial position and results. Related party transactions during 2023 are disclosed in Note 6 of the annual report for 2023.

## 3 FINANCIAL INSTRUMENTS

	Group		
	Q1 2024	Q1 2023	Full-year 2023
<b>Financial income</b>			
Interest income from other financial assets	10.4	5.4	34.9
<b>Total interest income under the effective-rate method</b>	<b>10.4</b>	<b>5.4</b>	<b>34.9</b>
<b>Financial expenses</b>			
Interest expenses, liabilities to credit institutions	-13.9	-11.5	-48.0
Interest expenses, other financial expenses	-1.1	—	-7.7
<b>Total interest expenses under the effective-rate method</b>	<b>-15.0</b>	<b>-11.5</b>	<b>-55.7</b>
Exchange rate differences – costs, financial items	6.4	-4.2	-18.2
Interest expenses, lease liabilities	-3.0	-4.2	-14.6
<b>Total</b>	<b>3.4</b>	<b>-8.4</b>	<b>-32.8</b>
<b>Total financial expenses</b>	<b>-11.6</b>	<b>-20.0</b>	<b>-88.5</b>
<b>Financial instruments</b>			
Trade receivables	987.2	855.9	821.8
Other current receivables	95.8	69.1	88.3
Cash and cash equivalents	1,030.5	464.7	885.9
<b>Total</b>	<b>2,113.5</b>	<b>1,389.7</b>	<b>1,796.1</b>
<b>Financial liabilities</b>			
Liabilities to credit institutions	738.9	437.8	730.5
Additional purchase consideration	33.7	—	33.7
Trade payables	381.3	348.1	322.5
Lease liabilities	281.4	393.6	313.8
Accrued interest	9.7	6.5	10.0
Other liabilities	34.2	42.1	45.6
<b>Total</b>	<b>1,479.1</b>	<b>1,228.0</b>	<b>1,456.1</b>

## 4 SALES AND EARNINGS BY SEGMENT

SEK M	Truck & Trailer Equipment	Mobile Thermal Solutions	Ringfeder Power Transmission	Group-wide	Group
<b>Q1 2024</b>					
Net sales	439.0	854.8	241.7		1,535.0
Operating profit (EBIT)	99.0	124.3	34.2	-5.9	251.6
Operating margin (EBIT), %	22.5	14.5	14.1		16.4
Net financial items				-1.3	-1.3
Profit after financial items					250.3
<b>Q1 2023</b>					
Net sales	495.7	710.8	193.4		1,399.9
Operating profit (EBIT)	113.3	69.5	21.1	-9.1	194.9
Operating margin (EBIT), %	22.9	9.8	10.9		13.9
Net financial items				-14.4	-14.4
Profit after financial items					180.4

## 5 EVENTS AFTER THE CLOSE OF THE REPORTING PERIOD

No significant events occurred after the close of the period.

## Alternative performance measures

### Reconciliation between IFRS and performance measures used

Certain information in this report that is used by Group Management and analysts to assess the Group's performance has not been prepared in accordance with IFRS.

Group Management believes that this information makes it easier for investors to analyze the Group's earnings performance and financial structure. Investors should view this information as a supplement to, rather than a replacement of, financial reporting in accordance with IFRS.

### Organic growth

Net sales excluding effects of structural changes, meaning acquired or divested operations, and currency effects.

SEK M	Q1 2024	Q1 2023	Full-year 2023
<b>Group</b>			
Net sales	1,535.0	1,399.9	5,739.8
Acquired volume (incl. full-year effect from preceding year)	-42.9	—	-26.1
Currency effect	-22.2	-92.4	-299.5
<b>Net sales excluding acquisitions and currencies</b>	<b>1,469.9</b>	<b>1,307.5</b>	<b>5,414.2</b>
<b>Organic growth</b>	<b>70.0</b>	<b>152.0</b>	<b>834.2</b>
<b>Organic growth, %</b>	<b>5.0</b>	<b>13.2</b>	<b>18.2</b>
<b>Truck &amp; Trailer Equipment</b>			
Net sales	439.0	495.7	1,727.7
Currency effect	-1.3	-22.6	-80.2
<b>Net sales excluding acquisitions and currencies</b>	<b>437.1</b>	<b>473.1</b>	<b>1,647.5</b>
<b>Organic growth</b>	<b>-58.6</b>	<b>38.3</b>	<b>18.8</b>
<b>Organic growth, %</b>	<b>-11.8</b>	<b>8.8</b>	<b>1.2</b>

SEK M	Q1 2024	Q1 2023	Full-year 2023
<b>Mobile Thermal Solutions</b>			
Net sales	854.8	710.8	3,161.7
Currency effect	-4.6	-48.9	-110.3
<b>Net sales excluding acquisitions and currencies</b>	<b>850.3</b>	<b>661.9</b>	<b>3,051.4</b>
<b>Organic growth</b>	<b>139.5</b>	<b>109.9</b>	<b>816.9</b>
<b>Organic growth, %</b>	<b>19.6</b>	<b>19.9</b>	<b>36.6</b>
<b>Ringfeder Power Transmission</b>			
Net sales	241.7	193.4	850.4
Acquired volume	-42.9	—	-26.1
Currency effect	-16.4	-20.9	-109.0
<b>Net sales excluding acquisitions and currencies</b>	<b>182.5</b>	<b>172.5</b>	<b>715.2</b>
<b>Organic growth</b>	<b>-10.9</b>	<b>3.8</b>	<b>-1.5</b>
<b>Organic growth, %</b>	<b>-5.6</b>	<b>2.2</b>	<b>-0.2</b>

## ALTERNATIVE PERFORMANCE MEASURES, CONT'D.

**Operating profit (EBITDA)**

Operating profit before depreciation/amortization and impairment.

Group, SEK M	Q1 2024	Q1 2023	Full-year 2023
Operating profit (EBIT)	251.6	194.9	824.9
Depreciation/amortization	31.3	37.1	128.1
<b>Operating profit (EBITDA)</b>	<b>282.9</b>	<b>232.0</b>	<b>953.0</b>

**Operating margin (EBITDA)**

Operating profit before depreciation/amortization as a percentage of net sales.

Group, SEK M	Q1 2024	Q1 2023	Full-year 2023
Net sales	1,535.0	1,399.9	5,739.8
Operating profit (EBIT)	251.6	194.9	824.9
Depreciation/amortization	31.3	37.1	128.1
<b>Operating margin (EBITDA), %</b>	<b>18.4</b>	<b>16.6</b>	<b>16.6</b>

**Operating profit (EBITA)**

Operating profit before depreciation/amortization and impairment of intangible assets.

Group, SEK M	Q1 2024	Q1 2023	Full-year 2023
Operating profit (EBIT)	251.6	194.9	824.9
Amortization of intangible assets	8.0	7.8	33.1
<b>Operating profit (EBITA)</b>	<b>259.5</b>	<b>202.7</b>	<b>858.0</b>

**Operating margin (EBITA)**

Operating profit before depreciation/amortization and impairment of intangible assets, as a percentage of net sales.

Group, SEK M	Q1 2024	Q1 2023	Full-year 2023
Net sales	1,535.0	1,399.9	5,739.8
Operating profit (EBIT)	251.6	194.9	824.9
Amortization of intangible assets	8.0	7.8	33.1
<b>Operating margin (EBITA), %</b>	<b>16.9</b>	<b>14.5</b>	<b>14.9</b>

**Gross profit margin**

Profit before net financial items as a percentage of net sales.

Group, SEK M	Q1 2024	Q1 2023	Full-year 2023
Net sales	1,535.0	1,399.9	5,739.8
Gross profit	512.0	427.2	1,799.0
<b>Gross profit margin, %</b>	<b>33.4</b>	<b>30.5</b>	<b>31.3</b>

**Profit margin**

Profit after financial items as a percentage of net sales.

Group, SEK M	Q1 2024	Q1 2023	Full-year 2023
Net sales	1,535.0	1,399.9	5,739.8
Profit after financial items	250.3	180.4	761.8
<b>Profit margin, %</b>	<b>16.3</b>	<b>12.9</b>	<b>13.3</b>

**Interest-bearing net debt**

Interest-bearing loan liabilities and provisions less cash and cash equivalents.

Group, SEK M	Q1 2024	Q1 2023	Full-year 2023
Provisions for pensions	206.1	176.4	202.1
Loans	738.9	437.8	730.5
Contingent purchase price consideration	34.4	—	32.5
Lease liability	281.4	393.6	313.8
Bank balances	-1,030.5	-464.7	-885.9
<b>Interest-bearing net debt</b>	<b>230.3</b>	<b>543.0</b>	<b>392.9</b>

**Interest-bearing net debt/EBITDA**

Interest-bearing loan liabilities as a percentage of operating profit before depreciation/amortization and impairment.

Group, SEK M	Q1 2024	Q1 2023	Full-year 2023
Interest-bearing net debt	230.3	543.0	392.9
EBITDA, rolling 4 quarter	1,004.0	711.9	953.0
<b>Interest-bearing net debt/EBITDA</b>	<b>0.23</b>	<b>0.76</b>	<b>0.41</b>

## ALTERNATIVE PERFORMANCE MEASURES, CONT'D.

**ROOC BY DIVISION**

EBITDA as a percentage of operating capital as below.

Group, SEK M	Q1 2024	Q1 2023	Full-year 2023
<b>Group</b>			
Inventories	1,042.6	1,073.6	1,039.1
Trade receivables	987.2	855.9	821.8
Trade payables	-381.3	-348.1	-322.5
<b>Working capital</b>	<b>1,648.5</b>	<b>1,581.4</b>	<b>1,538.5</b>
Property, plant and equipment	785.2	798.5	813.9
<b>Operating capital</b>	<b>2,433.7</b>	<b>2,379.9</b>	<b>2,352.4</b>
EBITDA, rolling 12 months	1004.0	711.9	953.0
Average operating capital, four quarter	2,494.3	2,259.8	2,480.8
<b>ROOC, %</b>	<b>40.3</b>	<b>31.5</b>	<b>38.4</b>
<b>Truck &amp; Trailer Equipment</b>			
Inventories	239.4	250.2	243.4
Trade receivables	237.5	263.3	199.6
Trade payables	-80.5	-110.7	-68.8
<b>Working capital</b>	<b>396.4</b>	<b>402.8</b>	<b>374.2</b>
Property, plant and equipment	242.1	206.9	244.3
<b>Operating capital</b>	<b>638.5</b>	<b>609.7</b>	<b>618.5</b>
EBITDA, rolling 12 months	378.9	362.8	393.2
Average operating capital, four quarter	641.1	601.7	633.8
<b>ROOC, %</b>	<b>59.1</b>	<b>60.3</b>	<b>62.0</b>

Group, SEK M	Q1 2024	Q1 2023	Full-year 2023
<b>Mobile Thermal Solutions</b>			
Inventories	604.2	625.2	612.9
Trade receivables	572.0	450.0	434.8
Trade payables	-263.3	-204.6	-215.0
<b>Working capital</b>	<b>912.9</b>	<b>870.6</b>	<b>832.6</b>
Property, plant and equipment	350.4	438.9	391.9
<b>Operating capital</b>	<b>1,263.3</b>	<b>1,309.4</b>	<b>1,224.5</b>
EBITDA, rolling 12 months	488.3	248.4	438.2
Average operating capital, four quarter	1,343.7	1,236.8	1,355.2
<b>ROOC, %</b>	<b>36.3</b>	<b>20.1</b>	<b>32.3</b>
<b>Ringfeder Power Transmission</b>			
Inventories	199.0	198.2	182.9
Trade receivables	177.7	142.6	187.4
Trade payables	-34.9	-30.0	-34.8
<b>Working capital</b>	<b>341.8</b>	<b>310.8</b>	<b>335.5</b>
Property, plant and equipment	189.2	150.4	170.5
<b>Operating capital</b>	<b>531.0</b>	<b>461.3</b>	<b>506.0</b>
EBITDA, rolling 12 months	158.9	126.1	147.0
Average operating capital, four quarter	508.0	424.7	490.5
<b>ROOC, %</b>	<b>31.3</b>	<b>29.7</b>	<b>30.0</b>

**Definitions of performance measures**
*Equity/assets ratio*

Equity as a percentage of the balance sheet total.

*Return on capital employed (ROCE)*

Profit after financial items plus interest expenses as a percentage of average capital employed, expressed as the balance sheet total less non-interest-bearing liabilities.

*Return on equity (ROE)*

Net profit for the year as a percentage of average equity.

**ADDRESSES**
**VBG Group**
**Sweden**

VBG Group AB (publ)  
Kungsgatan 57  
SE-461 34 Trollhättan  
Tel +46 521 27 77 00  
www.vbggroup.com

**Truck & Trailer Equipment**
**Sweden**

VBG Group Truck Equipment AB  
Box 1216  
SE-462 28 Vänersborg  
Tel +46 521 27 77 00

**Germany**

VBG Group Truck Equipment GmbH  
Postfach 13 06 55  
DE-47758 Krefeld  
Tel +49 2151 835-0

European Trailer Systems GmbH  
Im Moerser Feld 1f  
DE-47441 Moers  
Tel +49 2841 6070 700

**Denmark**

VBG Group Sales A/S  
Industribuen 20–22  
DK-5592 Ejby  
Tel +45 64 46 19 19

**Norway**

VBG Group Sales AS  
Postboks 94 Leirdal  
NO-1009 Oslo  
Tel +47 23 14 16 60

**UK**

VBG Group Sales Ltd  
Unit 7, Gemini8 Business Park,  
UK - Warrington, WA5 7AE  
Apollo Park, Charon Way  
Tel +44 1925 23 41 11

**Belgium**

VBG Group Truck Equipment NV  
Industrie Zuid Zone 2.2  
Lochtemanweg 50  
BE-3580 Beringen  
Tel +32 11 60 90 90

**Czech Republic**

European Trailer Systems S.R.O.  
Ke Gabrielce 786  
CZ-39470 Kamenice nad Lipou  
Tel +420 565 422 402

**US**

Onspot of North America, Inc.  
1075 Rodgers Park Dr  
North Vernon, IN 47265-5603  
Tel +1 800 224 2467

**Mobile Thermal Solutions**
**Sweden**

Mobile Climate Control Group Holding AB  
Kungsgatan 57  
SE-461 34 Trollhättan  
Tel +46 521-27 77 00

Mobile Climate Control Sverige AB

Sikvägen 9  
SE-761 21 Norrtälje  
Tel +46 521-27 77 00

**Germany**

Mobile Climate Control GmbH  
Jägerstraße 33  
DE-712 72 Renningen  
Tel +49 0715 993 087-0

**Canada**

Mobile Climate Control Inc.  
7540 Jane St.  
Vaughan, ON  
L4K 0A6  
Tel +1 905 482 2750

Mobile Climate Control Inc.

6659 Ordan Drive  
Mississauga, ON  
L5T 1K6  
Tel +1 905 482 2750

**USA**

Mobile Climate Control Corp.  
400 S. Salem Church Road  
York, PA 17408  
Tel +1 717 767 6531

**Poland**

Mobile Climate Control Sp. z o.o.  
Ul. Szwedzka 1  
PL-55-200 Olawa  
Tel +48 71 3013 701

**China**

Mobile Climate Control  
Manufacturing/Trading Co. Ltd.  
No.88 Jinchuan Rd.  
Zhenhai, Ningbo, 315221  
Tel +86 574-863 085 77

**South Africa**

Mobile Climate Control Africa (Pty) Ltd.  
Unit 7B, Rinaldo Industrial Park  
50 Moreland Drive, Red Hill  
4071 Durban  
Tel +27 31 569 3971

**India**

Mobile Climate Control Thermal Systems  
India Pvt. Ltd.  
Plot No. 4B  
Road No.2, Phase-I  
KIADB Industrial Area Narasapura  
Kolar – 56313, Karnataka

**Ringfeder Power Transmission**
**Australia**

Rathi Polybond Pty Ltd  
9/56 Smith Road  
Springvale, 3171  
Tel +61 3 9558 6922

**Germany**

Ringfeder Power Transmission GmbH  
Werner-Heisenberg-Straße 18  
DE-64823 Groß-Umstadt  
Tel +49 6078 9385-0

Ringfeder Power Transmission GmbH

Zweibrücker Strasse 104  
DE-66521 Neunkirchen  
Tel +49 6821 866 0

**Czech Republic**

Ringfeder Power Transmission S.R.O.  
Oty Kovala 1172  
CZ-33441 Dobruška  
Tel +420 377 201 511

**US**

Ringfeder Power Transmission USA Corp.  
201 Boston Turnpike  
Bolton, CT 06043  
Tel: +1 860 643 1531

Carlyle Johnson Machine, Co.LLC

201 Boston Turnpike  
Bolton, CT 06043  
Tel: +1 860 643 1531

**India**

Rathi Transpower Pvt. Ltd.  
Gat No.144/145,  
Alandi-Markal Road  
Pune 412105  
Tel +91 02135-698200

Ringfeder Power Transmission

India Pvt. Ltd.  
Falcon Heights, 4th Floor,  
Plot No. 30, Industrial Estate, Perungudi  
Chennai-600096  
Tel +91 44 2679 1411

**China**

Kunshan Ringfeder Power Transmission  
Co. Ltd.  
No. No. 406, Jiande Road  
Zhangpu 215321  
Kunshan, Jiangsu Province  
Tel +86 512 5745 3960

**Brazil**

Henfel Industria Metalurgica Ltda.  
Major Hilario Tavares Pinheiro, 3447,  
Cep 14871 – 300  
Jaboticabal, SP  
Tel +55 16 3209 3422

**Poland**

Ringfeder Power Transmission Sp. z o.o.  
ul. Szyby Rycerskie  
641-909 Bytom  
Tel +48 32 301 53 00