



Full-Year Report 1 Jan – 31 Dec 2023

Stable results in Sweden and Western Europe

Fourth quarter 2023

- Net turnover amounted to SEK 10,108 M (10,425), a decrease of 3 per cent.
- Operational earnings amounted to SEK 414 M (574).
- Sweden and Western Europe reported stable operational earnings while Norway reported operational earnings of SEK 38 M compared to SEK 180 M previous year.
- Operating profit amounted to SEK 354 M (511).
- Net profit for the period amounted to SEK 250 M (358). Earnings per share amounted to SEK 2.71 (3.89).
- Operating cash flow amounted to SEK 147 M (-116).

Full year 2023

- Net turnover amounted to SEK 38,514 M (35,345), an increase of 9 per cent.
- Operational earnings amounted to SEK 1,623 M (1,906).
- Sweden and Western Europe reported higher operational earnings while Norway reported operational earnings of SEK 177 M compared to SEK 547 M previous year.
- Operating profit amounted to SEK 1,416 M (2,102). The previous year's operating profit included a profit from sale of operations of SEK 368 M.
- Net profit for the period amounted to SEK 931 M (1,622). Earnings per share amounted to SEK 10.12 (17.43).
- Operating cash flow amounted to SEK 627 M (345).
- The board proposes an ordinary dividend of SEK 6.60 per share (8.80) to be distributed on four occasions. Proposed dividend share of earnings per share is in accordance with previous year's levels.

SEK M	Fourth quarter		Full year	
	2023	2022	2023	2022
Net turnover	10,108	10,425	38,514	35,345
Operational earnings ¹⁾	414	574	1,623	1,906
Operational margin, %	4.1	5.5	4.2	5.4
Operating profit	354	511	1,416	2,102
Operating margin, %	3.5	4.9	3.7	5.9
Profit before tax	293	470	1,159	2,002
Net profit for the period	250	358	931	1,622
Earnings per share, SEK ²⁾	2.71	3.89	10.12	17.43

¹⁾ For reconciliation of operational earnings with operating profit, see Note 3.

²⁾ The number of shares used in the calculation is shown in the Consolidated Statement of Income and Other Comprehensive Income.

Stable Service Business and improved cash flow

Fourth quarter

Operational earnings for the fourth quarter amounted to SEK 414 M, a stable result given that the previous year was positively impacted by high deliveries of new cars due to new tax regulations introduced in Norway and Sweden. The result for the Service Business during the quarter amounted to SEK 320 M. Sweden and Western Europe reported stable results compared to the previous year, while Norway reported a result of SEK 38 M, compared to SEK 180 M the previous year. The lower result for Norway was primarily attributable to less delivered new cars compared to the previous year, but also to a challenging market situation in Norway, not only for us but for many others too. Operating cash flow improved on the previous year and amounted to SEK 147 M.

A better customer experience

The customer's needs have always been in focus at Bilia. By developing total solutions for car users, we can offer our customers a complete suite of services. We are receptive to what our customers are looking for, and we develop services for all car brands, including wheels, dismantling and reuse of used spare parts, car glass, used cars and repair workshops. We can see that the market's future needs in these areas are growing as demand for sustainable solutions increases. Customer satisfaction is one of our sustainability targets, and in 2023 we once again reported an above-average level of customer satisfaction for our car brands. Satisfied customers are a key component in our strategy to be a successful organisation.

Evolution and expansion of the Bilia family

During the quarter, we have expanded the Bilia family through acquisitions, new operations, and a new business area. We have taken over operations in Bilcentergruppen Sörmland AB, where we offer sales and

servicing of Mercedes-Benz cars and transport vehicles at an ultramodern facility. We have continued to establish the car brand XPENG and have extended our partnership with Nissan in Sweden.

During the quarter, we signed an agreement to become the official importer of the Jaguar and Land Rover brands in Sweden and Norway, from 1 April 2024. We are delighted to have this opportunity to establish ourselves as an importer/general agent. Also during the quarter, we signed an agreement to acquire B Motor-Group Stockholm AB, and thereby add the Jaguar and Land Rover brands to our Swedish retail operation. As of January 2024, we conduct operations at two facilities in Stockholm, where we will offer customers high-quality servicing and sales of new and used cars.

Potential economic upturn in 2024?

The fourth quarter was another quarter characterised by high inflation and high interest rates. What we are seeing now are indications of lower inflation and interest rates during 2024. Bilia's new car orders have historically been impacted negatively early on in times of recession, but have also been quick to improve once the economy recovers. We therefore have high hopes for an improved order situation for new cars in the second half of the year. In addition, we have a stable and profitable Service Business that makes up the majority of our operational earnings and which is significantly less sensitive to economic changes.

Despite the challenging times we continue working together to take Bilia successfully into the future. Our long-term strategy remains: we know what we have to do, and how to get results.

Per Avander
Managing Director and CEO

"Good demand in the Service Business and for used cars"



Group results

Net turnover and earnings

Fourth quarter 2023

Net turnover amounted to SEK 10,108 M (10,425). Adjusted for acquired and divested operations and for exchange rate fluctuations, net turnover decreased by 6 per cent. The lower turnover is primarily explained by high deliveries of new cars in the previous year, attributable to new tax regulations in Norway and Sweden. Exchange rate fluctuations did not have a material impact on net turnover compared to the previous year.

Operating profit amounted to SEK 354 M (511).

Operational earnings amounted to SEK 414 M (574), and the operational margin was 4.1 per cent (5.5). Norway reported lower operational earnings, mainly attributable to the Car Business.

The **Service Business** reported a result of SEK 320 M compared to SEK 368 M in the previous year, which was a stable result bearing in mind one less working day and high deliveries of new cars in the previous year. The **Car Business** reported a result of SEK 144 M, compared to SEK 240 M the previous year. The lower result was attributable to Norway. The **Fuel Business** reported a result of SEK 3 M, which was on a par with the previous year.

The operation in **Sweden** reported a result of SEK 363 M (379). The margin was 5.6 per cent (6.4). The operation in **Norway** reported a result of SEK 38 M (180). The margin was 1.5 per cent (4.9). The operation in **Western Europe** reported a result of SEK 66 M (52). The margin was 6.4 per cent (6.2). In Sweden, the lower result was attributable to the Service Business. In Norway the lower result was mainly attributable to the Car Business and sales of new cars. In Western Europe, the higher result was primarily attributable to the Service Business.

Net financial items amounted to SEK -61 M (-41). The higher net financial items is explained by higher interest costs.

Bilia's financial targets

- Total yearly growth higher than 5 per cent during a business cycle.
- Operating margin of 5 per cent during a business cycle.
- Net debt in relation to EBITDA, excluding IFRS 16, over time max 2.0 times.
- Dividend share of at least 50 per cent of earnings per share.

Tax amounted to SEK -43 M (-112), and the effective tax rate was 15 per cent (24).

Net profit for the period amounted to SEK 250 M (358).

Earnings per share amounted to SEK 2.71 (3.89). Exchange rate fluctuations did not have a material impact on net profit for the period compared to the previous year.

The **number of employees** increased by 14 during the quarter and totalled 5,185. Adjusted for acquired operations, the number of employees decreased by 6.

The operating result for the **Parent Company** during the quarter amounted to SEK -52 M (-38). Compared to the previous year, the result was affected by revaluation of endowment policies for pensions and project-related costs.



Full year 2023

Net turnover amounted to SEK 38,514 M (35,345). Adjusted for acquired and divested operations and for exchange rate fluctuations, net turnover increased by 6 per cent. Exchange rate fluctuations had no significant impact on net turnover for the period compared to the previous year.

Operating profit amounted to SEK 1,416 M (2,102). The operating profit for 2022 included a profit from sale of operations in Sweden and Norway of SEK 368 M.

Operational earnings amounted to SEK 1,623 M (1,906), and the operational margin was 4.2 per cent (5.4). Norway reported lower operational earnings attributable mainly to the Car Business, while Sweden and Western Europe reported higher operational earnings compared to the previous year.

The **Service Business** reported a result of SEK 1,097 M, compared to SEK 1,161 M in the previous year. Adjusted for divested operations in Sweden and Norway, the Service Business's result was on a par with the previous year. The **Car Business** reported a result of SEK 652 M, compared to SEK 823 M the previous year. The lower result was mainly attributable to sales of new cars. The **Fuel Business** reported a result of SEK 21 M, which was unchanged on the previous year.

The operation in **Sweden** reported a result of SEK 1,365 M (1,304). The margin was 5.5 per cent (6.2). The operation in **Norway** reported a result of SEK 177 M (547). The margin was 1.8 per cent (4.8). The operation in

Western Europe reported a result of SEK 228 M (154). The margin was 5.6 per cent (5.0). In Sweden, the higher result was attributable to the Car Business, primarily sales of used cars. In Norway the lower result was mainly attributable to the Car Business. In Western Europe, the higher result was attributable to both the Service Business and the Car Business.

Net financial items amounted to SEK -257 M (-100). The higher net financial items is explained by higher interest expenses, and the fact that the previous year saw a one-off positive impact of around SEK 30 M from shares in associated companies.

Tax amounted to SEK -228 M (-380), and the effective tax rate was 20 per cent (19). Adjusted for profit from the sale of operations in the previous year, the effective tax rate for previous year amounted to 20 per cent.

Net profit for the period amounted to SEK 931 M (1,622). The previous year's net profit included a profit after tax from sale of operations of SEK 346 M. Earnings per share amounted to SEK 10.12 (17.43). Exchange rate fluctuations did not have a material impact on net profit for the period compared to the previous year.

The **number of employees** increased by 75 compared to December 2022 and totalled 5,185. Adjusted for acquired operations, the number of employees increased by 55.

The operating result for the **Parent Company** amounted to SEK -162 M (-101). Compared to the previous year, the result was affected by central marketing costs and a revaluation of endowment policies for pensions.



Net turnover by geographic market

SEK M	Fourth quarter		Full year	
	2023	2022	2023	2022
Sweden	6,554	5,936	24,653	20,902
Norway	2,539	3,647	9,763	11,368
Western Europe	1,010	838	4,069	3,046
Parent Company, other	5	4	29	29
Total	10,108	10,425	38,514	35,345

Operational earnings by geographic market

SEK M	Fourth quarter		Full year	
	2023	2022	2023	2022
Sweden	363	379	1,365	1,304
Norway	38	180	177	547
Western Europe	66	52	228	154
Parent Company, other	-53	-37	-147	-99
Total	414	574	1,623	1,906

Operational margin by geographic market

Per cent	Fourth quarter		Full year	
	2023	2022	2023	2022
Sweden	5.6	6.4	5.5	6.2
Norway	1.5	4.9	1.8	4.8
Western Europe	6.4	6.2	5.6	5.0
Total	4.1	5.5	4.2	5.4



A better experience

At Bilia we strive for continuous development, to be a little better each day, whatever our title or position. Working in a goal-conscious way founded on our vision, core values and customer promise creates a positive spiral, enabling us to exceed expectations and provide a better experience for customers and colleagues alike.



Operating cash flow

Operating cash flow for the fourth quarter amounted to SEK 147 M (-116). After acquisitions of operations and changes in financial assets, cash flow for the quarter amounted to SEK 133 M (-773). Operating cash flow for 2023 amounted to SEK 627 M (345). After acquisitions of operations and changes in financial assets, the cash flow for the year amounted to SEK 619 M (333).

Financial position

The **balance sheet total** decreased by SEK 606 M during the year and amounted to SEK 19,395 M. The decrease was mainly attributable to inventory and trade receivables.

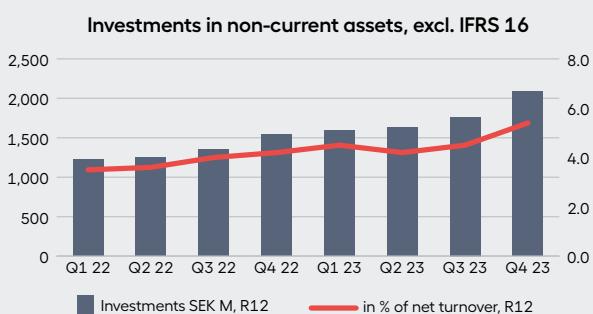
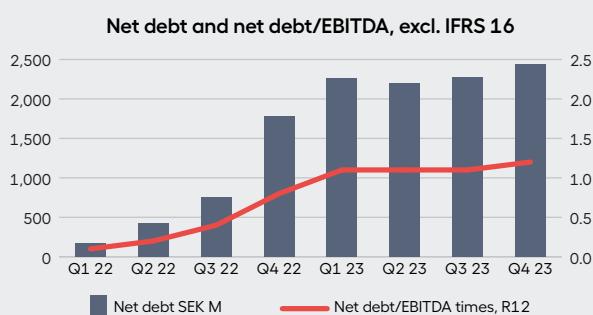
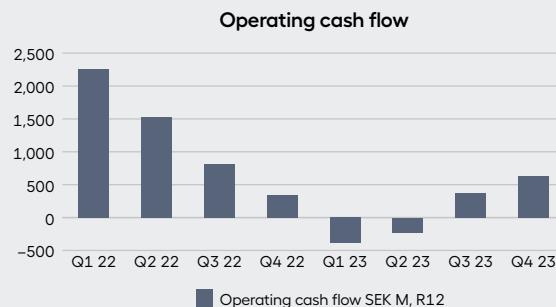
Equity decreased by SEK 46 M during the period, amounting to SEK 4,841 M. During the second quarter, a dividend to the shareholders of SEK 809 M was decided, of which SEK 607 M has been paid out during the year. The remaining dividend of SEK 202 M has been paid out in January 2024. The total holding of own shares as of 31 December 2023 was 4,315,709 shares.

The **equity/assets ratio** amounted to 25 per cent (24). **Net debt** increased by SEK 923 M during the year and amounted to SEK 6,689 M. Excluding lease liabilities attributable to IFRS 16, net debt amounted to SEK 2,443 M, an increase of SEK 657 M since December 2022. The ratio of net debt to EBITDA, excluding IFRS 16, amounted to 1.3 times compared with 0.8 times at the end of 2022.

At the end of the quarter, SEK 1,135 M of Bilia's credit with the banks (Nordea and DNB) was utilised. The credit limit with Nordea and DNB totals SEK 2,300 M. During June 2023, outstanding bond loans of SEK 800 M with regular maturity in October 2023 were renewed with a maturity of 5 years.

Investments excluding right-of-use assets

Acquisitions of non-current assets during the quarter amounted to SEK 200 M (101) excluding lease vehicles and SEK 849 M (524) including lease vehicles. By geographical market, the investments amounted to SEK 535 M (285) in Sweden, SEK 250 M (168) in Norway, SEK 15 M (33) in Western Europe and SEK 49 M (38) for the Parent Company and other central operations.



Notable events

Events during the fourth quarter

- On 26 October Bilia reached an agreement to acquire B MotorGroup Stockholm AB. The operation is conducted in two modern facilities located in Danderyd and Smista, Stockholm, with sales and service of Jaguar and Land Rover. During 2022 turnover amounted to approximately SEK 450 M with an operating margin of 1.1 per cent. The number of employees were 45 at the end of 2022. The acquisition was effectuated on 2 January 2024.
- On 13 November Bilia signed an agreement with Jaguar and Land Rover (JLR) to become the official importer for JLR brands (Range Rover, Defender, Discovery and Jaguar) in Sweden and Norway. As part of the agreement, a joint venture, Bilia JLR Import AB, will be established between the two companies. The newly established joint venture agreement includes import operations for new car sales and after market services. Importer offices will be located in Malmö and Oslo. The importing business is expected to commence by 1 April 2024.

Events during the first nine months

- On 23 January Bilia signed an agreement with Great Wall Motor to be an importer and dealer in Norway. Great Wall Motor is a listed company in Hong Kong which in 2021 has sold 1.3 million vehicles and is now establishing in Europe. Decision was made during the second quarter to pause cooperation with Great Wall Motor based on EU sanctions list regarding Russia.
- On 5 April Bilia announced that the collaboration with Nissan Sweden is expanding, sales and service of Nissan cars will be offered at several facilities in Sweden. From

January 1, 2024, Nissan Sweden will change to an agency model. The new distribution model will be implemented with Bilia as an agent for the brand.

- On 16 June Bilia announced that a repurchase had taken place of SEK 768 M of the total outstanding unsecured bond loan of SEK 800 M with regular maturity in October 2023. The repurchases took place at a price of 100.5 per cent. At the same time, a new senior unsecured bond loan was issued for an amount of SEK 800 M. The new bond loan has a variable interest rate of 3m STIBOR plus 275 bps and has a final maturity in June 2028.
- On 18 September Bilia reached an agreement to acquire Bilcentergruppen Sörmland AB. The operation is conducted in a strategically located facility in Nyköping. Bilcentergruppen Sörmland is a modern full-service facility for Mercedes-Benz cars and transport vehicles with associated sales of used cars and service operations. During 2022, Bilcentergruppen Sörmland's turnover amounted to approximately SEK 100 M. The number of employees were 24 at the end of 2022. The acquisition was effectuated on 1 November 2023.

Events after the balance sheet date

- There are no significant events after the balance sheet date.

Further information about the above mentioned events along with other press information is available at bilia.com.



We offer services for everything related to car ownership during the car's entire life cycle, from the purchase of a new car to recycling parts from a dismantled car.

 Car purchase Financing, insurance, the Bilia-card, service subscriptions, tyre hotels, paint shops, accessory and tyre and wheel sales.	 Service Original service, personal service technicians and repairs.
 Store Accessories, spare parts and e-commerce.	 Car glass Glass treatment, glass repair and windscreens replacement.
 Stations Fuels and car washes.	 Car care Reconditioning and AC-cleaning.
 Tyre centres Tyre hotels, wheel change, tyre and wheel sales and workshop services.	 Damage Roadside assistance, body shop, paint shop and dent removal.
 Rim repair Renovation of rims.	 Rental cars Rentals and Flexlease.
	 Car dismantling Dismantling, reuse and sales of used car parts.

Stable result and good growth in the Service Business

Fourth quarter 2023

- Turnover amounted to SEK 2,485 M (2,291), an increase of 8 per cent.
- Operational earnings amounted to SEK 320 M (368).
- The margin was 12.9 per cent (16.1).

Full year 2023

- Turnover amounted to SEK 8,865 M (8,093), an increase of 10 per cent.
- Operational earnings amounted to SEK 1,097 M (1,161).
- The margin was 12.4 per cent (14.3).

Turnover and earnings

Fourth quarter 2023

Turnover for the Service Business increased organically by 9 per cent during the quarter. In Sweden and Norway, organic growth during the quarter was 12 per cent and -3 per cent respectively, while in Western Europe organic growth was as much as 26 per cent. The organic growth is adjusted for acquired and divested operations, exchange rate fluctuations, and the number of working days compared to the previous year.

There was one working day less in all the countries where we operate during the quarter, apart from Belgium where the number was unchanged compared to the previous year.

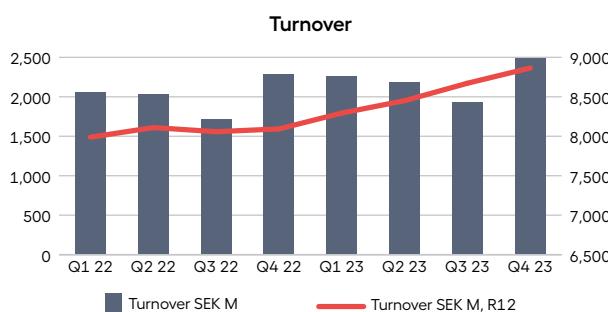


Growth in the Service Business

Percent	Fourth quarter				Full year			
	Sweden	Norway	Western Europe	Total	Sweden	Norway	Western Europe	Total
Reported growth	14.4	-10.6	31.8	8.5	12.7	-3.2	34.3	9.6
Underlying growth	10.7	-4.6	24.9	7.8	8.2	5.9	26.8	8.9
Calendar effect	1.6	1.6	0.8	1.5	0.8	0.8	0.2	0.8
Organic growth	12.3	-3.0	25.7	9.4	9.0	6.7	27.0	9.6

At the end of the quarter, the number of service subscriptions for our customers amounted to 119,000 (106,000) compared with our long-term target of 130,000. The number of wheels stored on behalf of our customers amounted to 391,000 (393,000) compared with our long-term target of 1,000,000.

Operational earnings amounted to SEK 320 M (368). The lower result for the quarter is explained by significantly fewer delivered cars, one fewer working day and implementation costs for a new workshop concept and start-up of operations. In **Sweden**, operational earnings amounted to SEK 260 M (284). In **Norway** operational earnings amounted to SEK 30 M (68). In **Western Europe**, operational earnings amounted to SEK 30 M (16).



Turnover by geographic market

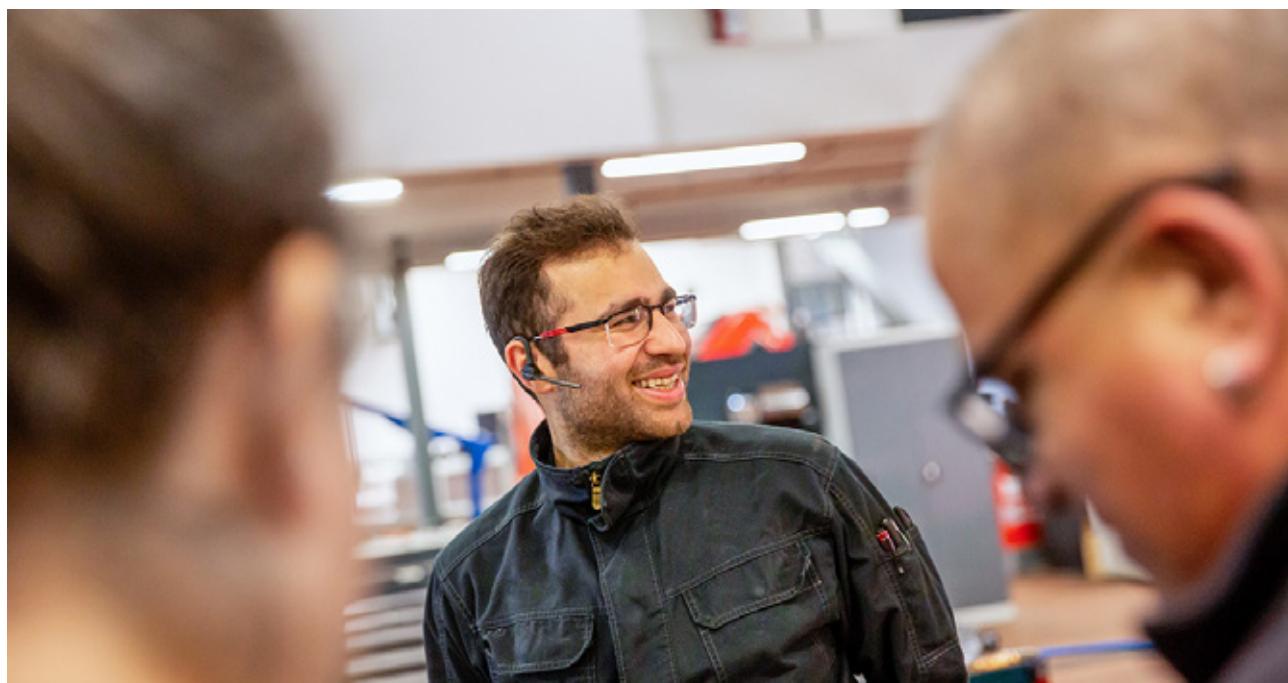
SEK M	Fourth quarter		Full year	
	2023	2022	2023	2022
Sweden	1,721	1,505	6,045	5,363
Norway	575	643	2,182	2,254
Western Europe	189	143	638	476
Total	2,485	2,291	8,865	8,093

Operational earnings by geographic market

SEK M	Fourth quarter		Full year	
	2023	2022	2023	2022
Sweden	260	284	876	879
Norway	30	68	138	227
Western Europe	30	16	83	55
Total	320	368	1,097	1,161

Margin by geographic market

Per cent	Fourth quarter		Full year	
	2023	2022	2023	2022
Sweden	15.2	18.9	14.5	16.4
Norway	5.2	10.7	6.3	10.1
Western Europe	15.7	10.8	13.0	11.5
Total	12.9	16.1	12.4	14.3



Higher results for used cars in the Car Business

Fourth quarter 2023

- Turnover amounted to SEK 7,967 M (8,438), an decrease of 6 per cent.
- Operational earnings amounted to SEK 144 M (240).
- The margin was 1.8 per cent (2.8).

Full year 2023

- Turnover amounted to SEK 30,632 M (27,913), an increase of 10 per cent.
- Operational earnings amounted to SEK 652 M (823).
- The margin was 2.1 per cent (2.9).

Turnover and earnings

Fourth quarter 2023

The Car Business's **deliveries** of new and used cars, adjusted for acquired and divested operations, were 19 per cent lower and 3 per cent higher respectively during the quarter compared to the previous year.

The **order intake** of new cars for the Group was 27 per cent lower than the previous year adjusted for acquired and divested operations, attributable to all three regions. The order intake from business customers was at a stable level, while orders from private individuals remained cautious due to high interest rates and high inflation. Demand for used cars remained good, particularly in Sweden and Norway.

The **order backlog** amounted to 14,262 cars, which was lower than the previous year but a normal level historically.



New cars by geographic market

Number of	Deliveries				Order backlog	
	Fourth quarter		Full year		31 Dec. 2023	31 Dec. 2022
	2023	2022	2023	2022		
Sweden ¹⁾	8,095	8,657	30,259	28,029	9,723	15,980
Norway ²⁾	1,904	3,775	8,139	10,039	1,937	6,707
Western Europe ³⁾	1,362	1,179	5,836	4,247	2,602	3,638
Total	11,361	13,611	44,234	42,315	14,262	26,325

¹⁾ Acquired operations are included in deliveries during the quarter with 699, during the full year with 3,088 and with 715 in order backlog. Divested operations are included in deliveries in the previous year with 472.

²⁾ Acquired operations are included in deliveries during the quarter with 78, during the full year with 79 and with 34 in order backlog. Divested operations are included in deliveries in the previous year with 501.

³⁾ Divested operations are included in deliveries in the previous year with 26.

Adjusted for acquired and divested operations and exchange rate fluctuations, **turnover** during the quarter was 9 per cent lower than the previous year. The lower turnover was attributable to fewer delivered cars, but at a higher average price.

Operational earnings from sales of **used** cars remained at a good level and amounted to SEK 71 M (55). The higher result compared to the previous year was attributable to higher turnover and continued good gross profit margins, and related to Sweden and Norway.

Operational earnings from sales of **new** cars amounted to SEK 73 M (185). The lower figure was attributable to lower turnover, attributable to Norway, compared to the previous year.

Operational earnings for the Car Business in **Sweden** amounted to SEK 100 M (91). The higher results were primarily attributable to sales of used cars, which reported a result of SEK 60 M (49). The number of used cars in

stock was deemed to be at a good level at the end of the quarter.

Operational earnings for the Car Business in **Norway** amounted to SEK 8 M (112). The lower result was attributable to lower turnover from sales of new cars, a lower gross profit margin and higher relative costs. The market situation in Norway was challenging also during the fourth quarter. The new tax regulations and higher interest rates, along with a lower proportion of business sales, continued to have an adverse impact on the operation. Demand for used cars improved, however, and profit from the sale of used cars amounted to SEK 12 M (1). The higher result was attributable to higher turnover. The number of used cars in stock was deemed to be at a good level at the end of the quarter.

Operational earnings for the Car Business in **Western Europe** amounted to SEK 36 M (37). The result from sales of used cars amounted to SEK -1 M (5).

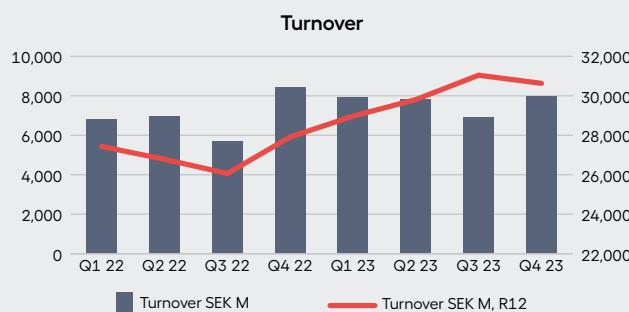
Deliveries of used cars by geographic market

Number of	Fourth quarter		Full year	
	2023	2022	2023	2022
Sweden ¹⁾	7,293	6,687	30,239	27,901
Norway ²⁾	3,008	2,833	12,753	11,828
Western Europe ³⁾	550	613	2,814	2,849
Total	10,851	10,133	45,806	42,578

¹⁾ Acquired operations are included in deliveries during the quarter with 377 and during the full year with 2,482. Divested operations are included in deliveries in the previous year with 802.

²⁾ Acquired operations are included in deliveries during the full year with 195. Divested operations are included in deliveries in the previous year with 579.

³⁾ Divested operations are included in deliveries in the previous year with 106.



Operational earnings and margin



Turnover by geographic market

SEK M	Fourth quarter		Full year	
	2023	2022	2023	2022
Sweden	5,021	4,471	18,941	15,442
Norway	2,098	3,253	8,175	9,815
Western Europe	848	714	3,516	2,656
Total	7,967	8,438	30,632	27,913

Operational earnings by geographic market

SEK M	Fourth quarter		Full year	
	2023	2022	2023	2022
Sweden	100	91	468	404
Norway	8	112	39	320
Western Europe	36	37	145	99
Total	144	240	652	823

Margin by geographic market

Per cent	Fourth quarter		Full year	
	2023	2022	2023	2022
Sweden	2.0	2.0	2.5	2.6
Norway	0.4	3.4	0.5	3.3
Western Europe	4.2	5.1	4.1	3.7
Total	1.8	2.8	2.1	2.9



Stable result in the Fuel Business

Fourth quarter 2023

- Turnover amounted to SEK 277 M (307), a decrease of 10 per cent.
- Operational earnings amounted to SEK 3 M (3).
- The margin was 1.0 per cent (1.0).

Full year 2023

- Turnover amounted to SEK 1,129 M (1,305), a decrease of 13 per cent.
- Operational earnings amounted to SEK 21 M (21).
- The margin was 1.9 per cent (1.6).

Turnover and earnings

Fourth quarter 2023

The Fuel Business encompasses fuel stations and car washes and is concentrated to Sweden. The result for the quarter amounted to SEK 3 M (3).



Fuel Business

	Fourth quarter		Full year	
	2023	2022	2023	2022
Turnover, SEK M	277	307	1,129	1,305
Operational earnings, SEK M	3	3	21	21
Margin, per cent	1.0	1.0	1.9	1.6

Sustainability

The automotive and transport industry is facing major challenges, for instance with the transition to non fossil dependent vehicles. In order to reduce the impact on the climate and achieve the sustainability goals, all of society needs to help out: politicians, companies, organisations and individuals. We all have a responsibility. As a company, we have a responsibility to reduce our own impact on the climate and the planet's resources, and to help customers reduce theirs.

Our circular business model

Bilia is a full-service supplier during the car's entire life cycle. The circular business model offers the customer help with everything from buying a new or used car, insurance, accessories, service, damage repair and rental car, to dismantling and recycling. The focus is on the customers, and the customer's needs and demand.

The focus is on developing new services relating to reuse and renovation of spare parts. As part of this strategy, we have acquired car dismantling companies and rim repair companies. In addition to car dismantling and reuse of spare parts, dismantled parts are also recycled.

Governance

Bilia works according to the UN's global Sustainable Development Goals, in the 2030 Agenda. We use an integrated management system, certified under ISO 9001 and ISO 14001. Bilia should be a company for everybody, which is why work based on the company's Code of Conduct and policy on equality of treatment is important. Bilia's Code of Conduct is published at bilia.com.

Activities during the quarter related to Bilia's sustainability targets

The sustainability targets are the basis for specific improvement activities in this year's action plan. Examples of activities during the fourth quarter were:

- Sustainable growth – ongoing efforts regarding the double materiality analysis as a step in implementing CSRD reporting requirements for 2024.
- Circular economy – development of IT-systems to facilitate the use of used parts in the Service Business.
- Human care – employee surveys were carried out in Norway and Western Europe. Individual performance reviews took place in all our countries. Trainings were conducted regarding our Code of Conduct.
- Climate care – decision on activities to reduce future climate impact. The activities aim at lower energy consumption and include conversion of own transport vehicles, own production of electricity and alternative energy sources for heating.

Sustainable growth

Customer satisfaction to be 3 percentage points higher than the average for each brand in their country.

Circular economy

Increased share of used spare parts in our repair shops.

Human care

Proportion of committed employees above the benchmark and annual improvement.

Proportion of women in sales operations should exceed 30 per cent.

Climate care

Contribute to lower climate impact among our customers when using the products and services we provide.

Nine key SDGs in the 2030 Agenda

Bilia has four focus areas for our sustainability work: Human care, Climate care, Sustainable growth and Circular business model. The focus areas are linked to the following of the UN's global Sustainable Development Goals in the 2030 Agenda.

Global SDGs	Bilia Focus areas	Global SDGs	Bilia Focus areas
 3 GOOD HEALTH AND WELL-BEING	Human care	 11 SUSTAINABLE CITIES AND COMMUNITIES	Climate care
 5 GENDER EQUALITY	Human care	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Circular economy
 7 AFFORDABLE AND CLEAN ENERGY	Climate care	 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Sustainable growth
 8 DECENT WORK AND ECONOMIC GROWTH	Sustainable growth	 17 PARTNERSHIPS FOR THE GOALS	All four areas
 6 CLEAN WATER AND SANITATION	Climate care		

Other information

Risks and opportunities

Risks and risk takings are a natural part of Bilia's business operations. A good understanding of the risks together with an efficient way of identifying, evaluating and managing the risks are important for Bilia's short-term and long-term success. Bilia has a formal yearly process at Group level to identify, plan and reduce identified risks in the business. Please refer to the Annual Report for a description of the risks and Bilia's risk management.

With the exception of the general economic environment, high inflation and rising interest rates, the events that have transpired in the wider world since publication of the annual report are not judged to entail any new material risks or changes in working methods compared with the description in the Annual Report for 2022. It is not possible to estimate the impact of the general economic environment, high inflation and rising interest rates on Bilia's future operations, but a future negative impact cannot be ruled out.

Seasonal variations and number of working days

Bilia's business and operating profit are affected by seasonal variations to a limited extent. The number of working days for the reporting periods is affected by when national holidays fall in different years. Business and operating profit in mainly the Service Business, but

also the Car Business, are affected by the number of working days.

Related party transactions

For a description of related party transactions, see page 97, "Note 30" of the 2022 Annual Report.

Parent Company

Bilia AB is responsible for the Group's management, strategic planning, purchasing, public relations, business development, legal, marketing, HR, real estate activities, accounting and financing.

Annual General Meeting 2023

The Annual General Meeting is held on 24 April 2024. Shareholders who wish to have a matter dealt with at the meeting must contact Bilia by 6 March 2024 at the latest if the matter is to be included in the summons. The Annual report for 2023 will be published on Bilia's website bilia.com no later than three weeks before the Annual General Meeting. Notice of the Annual General Meeting will take place in due order.

The Board proposes a dividend of SEK 6.60 (8.80) per share, to be paid in four instalments of SEK 1.65 per share. The proposed dividend is in line with historical levels of dividend share and in accordance Bilia's dividend policy.

► VISION AND BUSINESS IDEA

The best service company in the business – through consideration for customers, colleagues and the world we live in.

Bilia will create a sustainable business through consideration and pride by offering attractive and innovative solutions for the mobile human being.

► CULTURE AND CORE VALUES

Dedication, Competence, Genuine, Respect.

At Bilia we are engaged in the meeting with customers, with each other and with suppliers. Competence gives solutions and suggestions that benefit the customer the most. Being genuine and showing respect build confidence in Bilia and our employees.

► CUSTOMER PROMISE

A better experience.

Our general goal is to create an experience that exceeds the customer's expectations, and adds value that distinguishes Bilia from its competitors.

► OUR CAR BRANDS

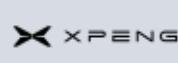
VOLVO



PORSCHE



SKODA



Consolidated Statement of Income and Other Comprehensive Income

SEK M	Fourth quarter		Full year	
	2023	2022	2023	2022
Net turnover	10,108	10,425	38,514	35,345
Costs of goods sold	-8,460	-8,704	-32,374	-29,287
Gross profit	1,648	1,721	6,140	6,058
Other operating income	11	2	46	415
Selling and administrative expenses	-1,272	-1,188	-4,724	-4,328
Other operating expenses	-33	-24	-45	-43
Operating profit¹⁾	354	511	1,416	2,102
Financial income	2	1	15	4
Financial expenses	-88	-60	-360	-193
Profit from shares in associated companies	25	18	88	89
Profit before tax	293	470	1,159	2,002
Tax	-43	-112	-228	-380
Net profit for the period	250	358	931	1,622
Other comprehensive income				
<i>Items that can be reclassified to profit or loss</i>				
Translation differences attributable to foreign operations	-69	30	-93	90
Change in fair value of cash flow hedges, net after tax	13	49	-45	49
Other comprehensive income after tax	-56	79	-138	139
Comprehensive income for the period	193	437	793	1,761
Net profit attributable to:				
- Parent Company's shareholders	250	358	931	1,622
- Non-controlling interests	0	0	0	0
Comprehensive income attributable to:				
- Parent Company's shareholders	193	437	793	1,761
- Non-controlling interests	0	0	0	0
Basic earnings per share, SEK	2.71	3.89	10.12	17.43
Diluted earnings per share, SEK	2.71	3.89	10.10	17.41
Average number of shares, '000	91,984	91,984	91,984	93,017
Average number of shares, after dilution, '000	92,224	92,089	92,188	93,126
¹⁾ Amortisation and depreciation according to plan by asset class:				
- Intellectual property	-52	-48	-209	-180
- Land and buildings	-17	-18	-84	-73
- Equipment, tools, fixtures and fittings	-41	-37	-145	-140
- Leased vehicles	-86	-82	-380	-387
- Right-of-use assets	-141	-133	-585	-531
Total	-338	-318	-1,404	-1,311

Consolidated Statement of Financial Position, Summary

SEK M	31 December 2023	31 December 2022
Assets		
Non-current assets		
Intangible assets		
Intellectual property	972	1,157
Goodwill	1,496	1,520
	2,468	2,677
Property, plant and equipment		
Leased vehicles	2,515	2,390
Right-of-use assets	3,960	3,855
Other tangible assets	1,968	1,784
	8,443	8,029
Financial assets	726	700
Deferred tax assets	150	172
Total non-current assets	11,788	11,578
Current assets		
Inventories	4,789	5,247
Other receivables	2,554	2,720
Cash and cash equivalents	264	456
Total current assets	7,607	8,423
TOTAL ASSETS	19,395	20,001
Equity and liabilities		
Equity	4,841	4,887
Non-current liabilities		
Bond issue	1,295	498
Interest-bearing liabilities	24	47
Lease liabilities	3,791	3,529
Other liabilities and provisions	2,030	2,272
	7,139	6,346
Current liabilities		
Bond issue	—	800
Interest-bearing liabilities	1,762	1,328
Lease liabilities	818	737
Other liabilities and provisions	4,835	5,903
	7,415	8,768
TOTAL EQUITY AND LIABILITIES	19,395	20,001

Statement of Changes in Group Equity, Summary

SEK M	Full year 2023	Full year 2022
Opening balance	4,887	4,417
Decided dividend	-809	-740
Incentive programme	2	6
Buy-back of own shares	—	-525
Revaluation of put option	-32	-32
Comprehensive income for the period	793	1,761
Equity at end of period	4,841	4,887
Equity attributable to:		
- Parent Company's shareholders	4,841	4,887
- Non-controlling interests	0	0

Consolidated Statement of Cash Flows

SEK M	Fourth quarter		Full year	
	2023	2022	2023	2022
Operating activities				
Profit before tax	293	470	1,159	2,002
Depreciation and impairment losses	342	360	1,407	1,353
Other items not affecting cash	-32	-10	-179	-492
Tax paid	-17	-171	-380	-491
Change in inventories	132	-1,221	274	-1,350
Change in operating receivables	-298	-520	169	-658
Change in operating liabilities	14	1,257	-859	312
Cash flow from operating activities	434	165	1,591	676
Investing activities				
Acquisition of non-current assets (intangible and tangible)	-200	-101	-520	-390
Disposal of non-current assets (intangible and tangible)	0	0	41	19
Acquisition of leased vehicles	-649	-423	-1,569	-1,148
Disposal of leased vehicles	562	243	1,084	1,188
Operating cash flow	147	-116	627	345
Investment in financial assets	0	1	-2	-1
Disposal of financial assets	8	0	23	3
Acquisition of subsidiary/operation, net	-22	-658	-29	-811
Disposal of subsidiary/operation, net	—	—	—	797
Cash flow from investing activities	-301	-938	-972	-343
Financing activities				
Borrowings	0	49	840	111
Repayment of loans	-63	32	-842	0
Repayment of lease liabilities	-96	-162	-538	-618
Net change in short-term credit facilities	165	1,056	521	935
Buy-back of own shares	—	—	—	-525
Dividend paid to the company's shareholders	-202	-184	-791	-556
Cash flow from financing activities	-197	791	-810	-653
Change in cash and cash equivalents, excluding translation differences	-63	18	-191	-320
Exchange difference in cash and cash equivalents	-6	10	-1	22
Change in cash and cash equivalents	-68	28	-192	-298
Cash and cash equivalents at start of period	333	428	456	754
Cash and cash equivalents at end of period	264	456	264	456

Note 1 Accounting principles

This interim report has been prepared in accordance with International Financial Accounting Standards (IFRSs) IAS 34 and applicable provisions of the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, "Interim Reports". The same accounting policies and calculation methods have been applied for the Group and the Parent Company as in the most recent Annual Report.

New or revised IFRS to be used in future are not expected to have any material effect on the consolidated financial statements.

Disclosures in accordance with IAS 34, paragraph 16, are made not only in the financial statements and related notes, but also in other parts of this interim report.

Note 2 Fair value of financial instruments

Valuation principles and classifications of Bilia's financial instruments as described in the annual report for 2022 have been applied consistently during the reporting period.

To hedge electricity costs, Bilia has decided to use electricity derivatives to even out price variations on the electricity market. Bilia hedges gradually up to five years and builds up the volume of electricity contracts for each delivery date. The hedges meet the requirements for effectiveness, which means that the changes in value are recognised in other comprehensive income. The forward agreements used to hedge contracted purchases of electricity are classified as cash flow hedges and amounted to a receivable of SEK 5 M.

Bilia's financial instruments in the form of currency derivatives are valued at fair value over the statement

of income and are valued according to valuation level 2. The value of the currency derivatives was not material and did not constitute a significant item in the statement of financial position for the Group. Valuation of the currency derivatives at fair value has resulted in a cost of SEK 6 M, which was matched by a income for the revaluation of assets in foreign currency. The effect on the Group's result was therefore SEK 0 M.

Bilia's financial instruments valued at fair value over equity consist of put/call options issued in connection with acquisitions and are valued at fair value based on future exercise price according to valuation level 3. The options are reported as provisions in the statement of financial position and amounted to SEK 159 M.

Note 3 Revenues and costs that affect comparability

Acquisition-related expenses and value adjustments relate to costs for acquiring operations.

Result from sale of operations in the previous year includes profit from the divestment of Volvo and Renault facilities in Sweden and Norway.

SEK M	Fourth quarter		Full year	
	2023	2022	2023	2022
Operational earnings	414	574	1,623	1,906
– Result from sale of operations	—	-1	—	368
– Structural costs etc.	-14	-17	-21	-9
– Acquisition-related costs and value adjustments	—	-2	—	-5
– Amortisation of surplus values	-46	-43	-186	-158
Operating profit	354	511	1,416	2,102

Note 4 Group's operating segments

Fourth quarter 2023

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
Net turnover						
External sales	1,858	7,967	277	10,102	6	10,108
Internal sales	627	—	—	627	-627	—
Total net turnover	2,485	7,967	277	10,729	-621	10,108
Depreciation/amortisation	-137	-183	-1	-321	-17	-338
Operational earnings/Operating profit	320	144	3	467	-113	354
<i>Revenue and costs that affect comparability:</i>						
- Structural costs etc	-7	-3	-2	-12	-2	-14
- Amortisation of surplus values	-19	-27	—	-46	—	-46
Total	-26	-30	-2	-58	-2	-60

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
Net turnover						
External sales	1,255	441	162	5,021	2,098	848
Internal sales	466	134	27	—	—	—
Total net turnover	1,721	575	189	5,021	2,098	848
Depreciation/amortisation	-91	-33	-13	-133	-39	-11
Operational earnings	260	30	30	100	8	36
<i>Revenue and costs that affect comparability:</i>						
- Structural costs etc	-3	-4	—	1	-4	—
- Amortisation of surplus values	-7	-5	-7	-17	-4	-6
Total	-10	-9	-7	-16	-8	-6

Fourth quarter 2022

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
Net turnover						
External sales	1,676	8,438	307	10,421	4	10,425
Internal sales	616	—	—	616	-616	—
Total net turnover	2,291	8,438	307	11,037	-612	10,425
Depreciation/amortisation	-126	-173	-2	-301	-17	-318
Operational earnings/Operating profit	368	240	3	611	-100	511
<i>Revenue and costs that affect comparability:</i>						
- Result from sale of operations	2	-1	-2	-1	—	-1
- Structural costs etc.	-13	-3	—	-16	-1	-17
- Acquisition-related costs and value adjustments	-1	-1	—	-2	—	-2
- Amortisation of surplus values	-21	-22	—	-43	—	-43
Total	-33	-27	-2	-62	-1	-63

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
Net turnover						
External sales	1,158	394	123	4,471	3,253	714
Internal sales	347	249	20	—	—	—
Total net turnover	1,505	643	143	4,471	3,253	714
Depreciation/amortisation	-77	-36	-13	-124	-36	-13
Operational earnings	284	68	16	91	112	37
<i>Revenue and costs that affect comparability:</i>						
- Result from sale of operations	2	—	—	-1	—	—
- Structural costs etc.	-12	—	-1	-3	—	—
- Acquisition-related costs and value adjustments	-1	—	—	-1	—	—
- Amortisation of surplus values	-10	-5	-6	-11	-5	-6
Total	-21	-5	-7	-16	-5	-6

ADDITIONAL DISCLOSURES – GROUP

Full year 2023

SEK M	Service	Car	Fuel	Total	Segment	Group
					reconciliation	
Net turnover						
External sales	6,724	30,632	1,129	38,485	29	38,514
Internal sales	2,141	—	—	2,141	-2,141	—
Total net turnover	8,865	30,632	1,129	40,626	-2,112	38,514
Depreciation/amortisation	-551	-778	-5	-1,334	-70	-1,404
Operational earnings/Operating profit	1,097	652	21	1,770	-354	1,416
<i>Revenue and costs that affect comparability:</i>						
– Structural costs etc	-10	-5	-2	-17	-4	-21
– Amortisation of surplus values	-94	-92	—	-186	—	-186
Total	-104	-97	-2	-203	-4	-207

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
Net turnover						
External sales	4,583	1,588	553	18,941	8,175	3,516
Internal sales	1,462	594	85	—	—	—
Total net turnover	6,045	2,182	638	18,941	8,175	3,516
Depreciation/amortisation	-360	-140	-51	-530	-203	-45
Operational earnings	876	138	83	468	39	145
<i>Revenue and costs that affect comparability:</i>						
– Structural costs etc	-5	-4	-1	-1	-4	—
– Amortisation of surplus values	-46	-21	-27	-50	-19	-23
Total	-51	-25	-28	-51	-23	-23

Full year 2022

SEK M	Service	Car	Fuel	Total	Segment	Group
					reconciliation	
Net turnover						
External sales	6,098	27,913	1,305	35,316	29	35,345
Internal sales	1,995	—	—	1,995	-1,995	—
Total net turnover	8,093	27,913	1,305	37,311	-1,966	35,345
Depreciation/amortisation	-502	-738	-5	-1,245	-66	-1,311
Operational earnings/Operating profit	1,161	823	21	2,005	97	2,102
<i>Revenue and costs that affect comparability:</i>						
– Result from sale of operations	103	215	50	368	—	368
– Structural costs etc.	-8	1	—	-7	-2	-9
– Acquisition-related costs and value adjustments	-4	-1	—	-5	—	-5
– Amortisation of surplus values	-78	-80	—	-158	—	-158
Total	13	135	50	198	-2	196

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
Net turnover						
External sales	4,155	1,553	390	15,442	9,815	2,656
Internal sales	1,208	701	86	—	—	—
Total net turnover	5,363	2,254	476	15,442	9,815	2,656
Depreciation/amortisation	-306	-146	-50	-502	-187	-49
Operational earnings	879	227	55	404	320	99
<i>Revenue and costs that affect comparability:</i>						
– Result from sale of operations	55	48	—	167	48	—
– Structural costs etc.	-12	5	-1	-3	4	—
– Acquisition-related costs and value adjustments	-2	-2	—	-1	-1	1
– Amortisation of surplus values	-36	-19	-23	-37	-20	-23
Total	5	32	-24	126	31	-22

Note 5 Acquisitions and divestments of operations

Acquisitions and divestments in 2023

On 1 November Bilia acquired the operations in Bilcentergruppen Sörmland AB, which conducts sales and service operations for Mercedes-Benz cars and transport vehicles. The acquired operation had a turnover of approximately SEK 100 M in 2022. The number of employees was 24 at the end of 2022. Acquired customer relations of SEK 14 M are reported as intangible assets and are amortised over 10 years.

The acquisition analysis is preliminary pending the final completion of the financial statements for the day of taking possession.

Acquisitions in 2022

On 1 June Bilia acquired AS Insignia in Norway, which conducts sales and service operations for the car brands Jaguar, Land Rover and Morgan. The acquired operation had a turnover of approximately NOK 450 M for 2021 and reported an operating loss of NOK 5 M. The number of employees is 43 people. Acquisition-related expenses attributable to the acquisition amounted to NOK 1 M and relate to fees to consultants in connection with due diligence and have been reported as other operating expenses. Acquired customer relations and distribution rights of NOK 17 M respectively NOK 22 M are reported as intangible assets and are amortised over 10 respectively 5 years.

On 1 July Bilia acquired 50.1 per cent of Bil1Din Holding AS in Norway which conducts car dismantling operations. Bilia has committed to buy another 49.9 per cent of the shares. The obligation is recognised as a financial liability, which replaces the item Non-controlling interests within equity. The business acquired reported a turnover of about NOK 55 M for 2021, with an operating margin of 1.7 per cent. The number of employees is about 30 people. Acquisition-related expenses attributable to the acquisition amounted to NOK 1 M and relate to fees to consultants in connection with due diligence and have been reported as other operating expenses. Reported goodwill amounts to NOK 49 M.

On 1 November Bilia acquired M Bilar Group AB, which conducts sales and service operations for the car brands BMW and MINI. The acquired operation had a turnover of approximately SEK 1,3 Bn for 2021 with an average operating margin for the past three years of 4.5 per cent. The number of employees was 101 people by the end of 2021. Acquisition-related expenses attributable to the acquisition amounted to SEK 1 M and relate to fees to consultants in connection with due diligence and have been reported as other operating expenses. Acquired customer relations of SEK 141 M are reported as intangible assets and are amortised over 10 years. Acquired goodwill amounts to SEK 147 M.

On 15 December Bilia acquired Söderbergs Personbilar i Norrköping AB, which conducts sales and service operations for the car brands Volkswagen, Audi, Skoda, Seat and Cupra cars as well as Volkswagen transport vehicles. The acquired operation had a turnover of approximately SEK 1 Bn for 2021 and reported an operating margin of 3.3 per cent. The number of employees was 210 people by the end of 2021. Acquisition-related expenses attributable to the acquisition amounted to SEK 1 M and relate to fees to consultants in connection with due diligence and have been reported as other operating expenses. Acquired customer relations and distribution rights of SEK 52 M respectively SEK 37 M are reported as intangible assets and are amortised over 10 respectively 5 years. Acquired goodwill amounts to SEK 86 M.

The acquisitions of LB's Lastbilar AB and Kokstad Autosenter AS, DäckAtt AB, Hellgrens Lastvagnsservice AB, Skellefteå Billacking AB and Holmgrens Truck-Motor AB have not had any significant impact on the Group's financial position.

Divestments in 2022

During the year, eleven facilities in Sweden that sell new cars, used cars and service operations for Volvo and Renault and three facilities in Norway that sell new cars, used cars and service operations for Volvo have been divested. On 1 February, Bilia sold four facilities in Skaraborg to Bröderna Brandt Personbilar AB. On 1 May, Bilia sold five facilities in Bergslagen to Bilkompaniet i Dalarna AB. On 1 June, Bilia sold a facility in Stenungsund to Stendahls Bil AB. On 30 September, Bilia sold one facility in Uppsala to Bilbolaget Invest Sundsvall AB. On 1 July, Bilia sold three facilities in Oslo to Volvo Car Stor-Oslo AS. The divested operations have reported turnover in the region of SEK 4 Bn and an operational profit of approximately SEK 325 M yearly for the past two years. The divestments resulted in a gain of SEK 222 M, reported in the first quarter, SEK 55 M in the second quarter, SEK 92 M in the third quarter and a loss of SEK 1 M in the fourth quarter which is reported as Other operating income.

On 1 February, Bilia sold the remaining four BMW and MINI facilities in Germany to Autohaus Krah + Enders GmbH & Co. KG. The divested operation in Germany reported turnover in the region of SEK 800 M and an operational loss of approximately SEK 30 M yearly for the past two years. The divestment resulted in a loss of approximately SEK 30 M, which was reported in the fourth quarter of 2021 when the agreement to sell the facilities was made.

Note 6 Specification of interest-bearing net debt and EBITDA

Specification of interest-bearing net debt

SEK M	31 December 2023	31 December 2022
Current interest-bearing liabilities	1,934	2,261
Non-current interest-bearing liabilities	1,515	700
Lease liabilities IFRS 16	4,246	3,980
Cash and cash equivalents	-264	-456
Interest-bearing assets	-76	-129
Shares in associated companies	-665	-590
Net debt at end of the period	6,689	5,766
Net debt at end of the period, excluding IFRS 16	2,443	1,786

The ratio of net debt to EBITDA

SEK M	Full year 2023	Full year 2022
Operating profit	1,416	2,102
Result from sale of operations, structural costs, acquisition costs and impairment losses	21	-353
Total depreciation and amortisation	1,404	1,311
- depreciation of leased vehicles with repurchase agreements	-288	-301
EBITDA	2,552	2,759
Net debt to EBITDA ratio, times	2.6	2.1
Operating profit excluding IFRS 16	1,337	2,031
Result from sale of operations, structural costs, acquisition costs and impairment losses	21	-353
Total depreciation and amortisation	1,404	1,311
- depreciation of leased vehicles with repurchase agreements	-288	-301
- depreciation of right-of-use assets	-585	-531
EBITDA excluding IFRS 16	1,888	2,157
Net debt to EBITDA ratio excluding IFRS 16, times	1.3	0.8

Income Statement for Parent Company

SEK M	Fourth quarter		Full year	
	2023	2022	2023	2022
Net turnover	193	172	781	687
Administrative expenses	-245	-210	-943	-788
Operating result¹⁾	-52	-38	-162	-101
<i>Result from financial items</i>				
Profit from shares in Group companies	-10	-11	-10	357
Interest income and similar line items	28	21	131	54
Interest expenses and similar line items	-37	-24	-169	-63
Result after financial items	-70	-52	-209	247
Appropriations	978	1,048	980	1,048
Result before tax	908	996	771	1,295
Tax	-161	-197	-160	-207
Net result for the period	747	799	611	1,088
¹⁾ Amortisation and depreciation according to plan by asset class:				
- Buildings	-7	-6	-25	-24
- Equipment, tools, fixtures and fittings	-1	0	-2	-2
Total	-8	-6	-27	-26

Balance Sheet for Parent Company, Summary

SEK M	31 December 2023	31 December 2022
Assets		
Non-current assets		
Property, plant and equipment	246	193
Shares in Group companies	3,140	3,136
Receivables from Group companies	447	—
Other non-current assets	76	69
Total non-current assets	3,908	3,398
Current assets		
Receivables from Group companies	3,083	2,145
Other receivables	196	189
Cash and cash equivalents	1	65
Total current assets	3,280	2,399
TOTAL ASSETS	7,188	5,797
Equity and liabilities		
Equity		
Untaxed reserves	1,216	1,413
Provisions		
Deferred tax liability	1,553	1,418
	9	10
	9	10
Non-current liabilities		
Bond issue	1,295	498
Liabilities to Group companies	447	—
Other liabilities	139	156
	1,881	654
Current liabilities		
Bond issue	—	800
Short-term interest bearing liabilities	1,136	703
Liabilities to Group companies	816	240
Other liabilities	577	559
	2,529	2,302
TOTAL EQUITY AND LIABILITIES	7,188	5,797

The Group

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Net turnover, SEK M	8,684	8,945	7,291	10,425	9,871	9,826	8,708	10,108
EBITDA, SEK M	715	709	547	788	670	677	562	643
EBITDA excl. IFRS 16, SEK M	559	561	399	638	503	550	412	423
Operational earnings, SEK M	500	498	334	574	431	444	335	414
Operational margin, %	5.8	5.6	4.6	5.5	4.4	4.5	3.8	4.1
Operating profit, SEK M	684	521	386	511	380	394	288	354
Operating margin, %	7.9	5.8	5.3	4.9	3.8	4.0	3.3	3.5
Profit before tax, SEK M	682	491	359	470	320	330	216	293
Profit/loss for the period, SEK M	594	385	285	358	251	262	169	250
The ratio of net debt to EBITDA excl. IFRS 16, times ¹⁾	0.1	0.2	0.4	0.8	1.1	1.1	1.1	1.3
Return on capital employed, % ¹⁾	22.0	21.9	21.4	21.5	17.4	15.7	14.3	12.5
Return on equity, % ¹⁾	37.4	37.1	35.8	36.2	27.8	25.5	22.4	23.2
Equity/assets ratio, %	28	25	28	24	26	23	24	25
Earnings per share, SEK	6.25	4.15	3.14	3.89	2.73	2.85	1.83	2.71
Equity per share, SEK	52	45	49	53	55	49	51	53
Average number of shares, '000	95,170	92,976	91,984	91,984	91,984	91,984	91,984	91,984
Number of shares, '000	93,947	91,984	91,984	91,984	91,984	91,984	91,984	91,984
Holdings of own shares, '000 ²⁾	8,853	4,316	4,316	4,316	4,316	4,316	4,316	4,316

¹⁾ Rolling 12 months.

²⁾ On 3 May 2022, repurchased own shares amounting to 6,500,000 were withdrawn.

Business area – Service Business

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Turnover, SEK M	2,056	2,033	1,712	2,291	2,257	2,190	1,933	2,485
Operational earnings, SEK M	315	286	192	368	297	275	205	320
Margin, %	15.3	14.1	11.2	16.1	13.2	12.5	10.6	12.9
Reported growth in Sweden and Norway, %	11.3	8.3	-1.5	-1.5	8.6	6.1	11.0	6.9
Organic growth in Sweden and Norway, %	-5.0	0.5	3.8	9.6	8.6	9.1	9.1	8.1

Business area – Car Business

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Turnover, SEK M	6,796	6,993	5,686	8,438	7,913	7,832	6,920	7,967
Operational earnings, SEK M	189	239	155	240	158	198	151	144
Margin, %	2.8	3.4	2.7	2.8	2.0	2.5	2.2	1.8
New cars delivered, number	10,882	10,323	7,499	13,611	11,671	11,655	9,547	11,361
Order backlog of new cars, number	27,178	29,023	29,429	26,325	23,536	19,847	17,858	14,262
Used cars delivered, number	11,174	11,216	10,055	10,133	12,300	11,729	10,926	10,851

Business area – Fuel Business

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Turnover, SEK M	327	359	312	307	277	287	288	277
Operational earnings, SEK M	15	5	-2	3	8	5	6	3
Margin, %	4.7	1.3	-0.6	1.0	2.7	1.6	2.2	1.0

Definitions and performance measures

Bilia applies guidelines from ESMA (European Securities and Markets Authority) concerning alternative performance measures (APMs). Even though these performance measures are not defined or specified by IFRSs, Bilia believes that they provide valuable information to investors and Bilia's management as a complement to IFRSs for assessing Bilia's performance.

Acquisition-related costs and value adjustments

Pertains to costs for legal consultants and other external costs associated directly with an acquisition, and value adjustments regarding acquired inventory assets, which are depreciated over the turnover rate of the asset.

Amortisation of surplus values

Occurs in connection with acquisitions of operations and is recognised under intangible assets. Normally these surplus values are amortised over a 10-year period.

Capital employed

Balance sheet total less non-interest-bearing liabilities and provisions as well as deferred tax liabilities.

Comparable operations

Financial information and number of units that are adjusted for operations that have been acquired or disposed of during one of the periods.

Deliveries

Cars that have been physically turned over to the customer and invoiced and are included in reported net turnover.

EBITDA

Operational earnings plus total depreciation/amortisation less amortisation of surplus values and depreciation of leased vehicles with repurchase agreements.

Equity/assets ratio

Equity in relation to balance sheet total.

Excluding IFRS 16

Information excluding the accounting standard IFRS 16 Leases.

Gain from sale of operation

Difference between purchase consideration and the operation's consolidated carrying amount, less selling costs.

Growth

Increase or decrease of net turnover in relation to the preceding year.

Liquidity

Unutilised credit with Nordea and DNB and cash and cash equivalents.

Net debt

Net debt consists of interest-bearing liabilities less cash and cash equivalents, interest-bearing current and long-term receivables, interests in associated companies and leased vehicles.

Operating cash flow

Cash flow from operating activities plus investments in and disposals of intangible assets and property, plant and equipment.

Operating margin

Operating profit in relation to net turnover.

Operational earnings

Operating profit, excluding revenues and costs that affect comparability between accounting periods and/or operating segments. They include, but are not limited to, acquisition-related expenses, value adjustments, restructurings and amortisation of surplus values. For the business areas operational earnings are the only result measurement.

Operational margin

Operational earnings in relation to net turnover. For the business areas the operational margin is called "Margin".

Order backlog

New cars ordered by the customer but not yet delivered.

Organic growth

Net turnover is adjusted for operations that have been acquired or disposed of during one of the periods. Adjustment is also made for exchange rate differences and for calendar effect. Organic growth reported under Quarterly review for the Service Business relates to Sweden and Norway.

Return on capital employed

Operating profit plus interest expense included in the business and financial income in relation to average capital employed.

Return on equity

Net profit for the year in relation to average equity.

Service subscriptions

Service subscriptions where customers have or are thought to have their servicing done at a Bilia facility.

Structural costs

Costs that significantly alter the thrust and/or scope of the operation. Examples of structural costs may be costs for reducing the number of employees and costs for vacating a leased facility before the expiration of the lease.

The ratio of net debt to EBITDA

Net debt in relation to EBITDA.

Underlying values

Values that are adjusted for operations that have been acquired or disposed of during one of the periods. Adjustment is made for exchange rate differences, where applicable.

Reconciliation of performance measures can be found at bilia.com/en/investors/financial-information/

Additional disclosures

Press and analyst meeting

On Wednesday 7 February 2024 Bilia arranges press and analyst meetings via Financial Hearings, where CEO Per Avander and CFO Kristina Franzén will present the report and answer questions.

The presentation starts at 09:00 CET. If you wish to participate via webcast, please use the link below. Via the webcast you can ask written questions.

<https://ir.financialhearings.com/bilia-q4-2023>

If you wish to participate via teleconference, please register on the link below. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

<https://conference.financialhearings.com/teleconference/?id=5008048>

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Auditor review

This full year report has not been subject to review by the auditors

Prospective information

Prospective information in this report is based on management's expectations at the time of the report. Even if the Board of Directors and management find the expectations to be reasonable, there is no guarantee that these expectations are or will turn out to be correct. Consequently, future outcomes may vary considerably compared with those foreseen in the prospective information due to such circumstances as a changed market situation for the Group's services or more generally changed conditions relating to the economy, markets and competition, changes in legal requirements and other political measures, as well as fluctuations in exchange rates. The company does not undertake to update or correct such prospective information other than what is stipulated by law.

Translation

This document is a translation of the Swedish original. In the event of any discrepancies between this translation and the Swedish original, the latter should prevail.

Calendar

Interim Report	
January–March 2024:	24 April 2024
Annual General Meeting 2024:	24 April 2024
Interim Report	
April–June 2024:	18 July 2024
Interim Report	
July–September 2024:	23 October 2024
Interim Report	
October–December 2024:	5 February 2025

This is information that Bilia AB (publ) is obliged to make public pursuant to the EU's Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, on 7 February 2024, at 08:00 CET.

Bilia is one of Europe's largest full-service suppliers for everything related to car ownership, with a leading position in servicing and sales of cars, transport vehicles and trucks. We offer the car owner service, repair, fuel, car wash, rental cars, tyres and wheels, rim repair, car accessories, car care, paint work, windscreen replacements, car dismantling and more. Bilia has about 170 facilities in Sweden, Norway, Luxembourg and Belgium plus one online auction site in Sweden.

Bilia's Service Business comprises a well-developed range of services and service concepts that are continuously developed to simplify car ownership for the customers. Bilia offers accessories and spare parts, original services and repairs, tyre hotels, rim repair, car glass repair along with other workshop services, store sales and e-commerce.

Bilia's Car Business comprises sales of new and used cars, transport vehicles and trucks, plus supplementary services such as financing and insurance. Bilia sells cars from Volvo, BMW, MINI, Toyota, Lexus, Mercedes-Benz, Porsche, Volkswagen, Audi, Skoda, Seat, Cupra, Nissan, Jaguar, Land Rover, XPENG as well as transport vehicles from Toyota, Mercedes-Benz, Volkswagen, Nissan and trucks from Mercedes-Benz.

Bilia's Fuel Business comprises fuel sales and car washes in Sweden.



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