

High acquisition pace brought strong growth

Third quarter 2021

- Net revenue increased by 28% to SEK 577 million (450).
- Adjusted EBITA increased to SEK 82 million (76), corresponding to an adjusted EBITA margin of 14.2% (16.8).
- EBIT amounted to SEK 11 million (73).
- Adjusted EBIT amounted to SEK 69 million (73).
- Adjusted profit for the period amounted to SEK 4 million (27).
- Earnings per share, basic and diluted, totalled SEK -0.45 (0.24).
- Cash flow from operating activities amounted to SEK 43 million (38).

First nine months of 2021

- Net revenue increased by 24% to SEK 1,609 million (1,302).
- Adjusted EBITA increased to SEK 258 million (226), corresponding to an adjusted EBITA margin of 16.0% (17.4).
- EBIT amounted to SEK 158 million (200).
- Adjusted EBIT amounted to SEK 228 million (205).
- Adjusted profit for the period amounted to SEK 72 million (74).
- Earnings per share, basic and diluted, totalled SEK 0.09 (0.64).
- Cash flow from operating activities amounted to SEK 207 million (200).

Costs affecting comparability amounted to SEK 58 million (0) in the third quarter of 2021 and related primarily to the stock exchange listing. For the first nine months of the year, costs affecting comparability amounted to SEK 71 million (5). With regard to alternative performance measures, see pages 20–21 for reconciliation and page 22 for definitions.

Significant events during the third quarter

- In July Autoklinik in Malmö was acquired, which specialises in auto body repair and achieved total revenue of around SEK 38 million in 2020.
- In July Auto Cristal Ralarsa ("Ralarsa") was acquired, Spain's second-largest automotive glass repair and replacement company. Total sales, including sales from franchise businesses, amounted to EUR 51 million and net sales attributable to the company totalled EUR 25 million in 2020.
- On 24 September, trading began in Cary Group's shares with its listing on Nasdaq Stockholm.
- During the quarter, Cary Group continued to explore additional acquisition opportunities in existing and new markets.

Financial summary

SEKm	Q3			Q1-3			Full-year	
	2021	2020	Δ%	2021	2020	Δ%	LTM 1)	2020
Net sales	577	450	28%	1,609	1,302	24%	1,958	1,651
Organic growth	-11	-1	-2%	69	-47	5%	69	-84
Acquisitions and divestments	134	39	30%	245	104	19%	245	130
Exchange rate effects	3	-6	1%	-7	-18	-1%	-7	-23
EBITDA ¹⁾	24	75	-68%	188	221	-15%	206	239
EBITA-margin, % ¹⁾	4.1%	16.8%	-	11.7%	17.0%	-	10.5%	14.5%
Adjusted EBITA ¹⁾	82	76	8%	258	226	14%	279	247
Adjusted EBITA-margin, % ¹⁾	14.2%	16.8%	-	16.0%	17.4%	-	14.2%	15.0%
Operating result (EBIT)	11	73	-84%	158	200	-21%	169	211
Adjusted EBIT	69	73	-5%	228	205	11%	241	219
Profit for the period	-42	27	-256%	17	70	-76%	-5	48
Adjusted profit for the period	4	27	-84%	72	74	-2%	53	54
Earnings per share before and after dilution, SEK	-0.45	0.24	-	0.09	0.64	-	-0.10	0.45
Cash flow from operating activities	43	38	14%	207	200	3%	212	205
Cash conversion ¹⁾	92.1%	95.5%	-	93.1%	93.8%	-	91.9%	92.3%
Net Debt/EBITDA ¹⁾	2.3	n.a.	-	2.3	n.a.	-	2.3	4.9
Return on Capital Employed ¹⁾	9.6%	n.a.	-	9.6%	n.a.	-	9.6%	11.5%

¹⁾These are alternative performance measures. Refer to Note 9, Alternative performance measures, page 20–21 for reconciliation and page 22 for definitions.

CEO's comments

Another important step in Cary Group's European expansion

In September, we reached an important milestone in our 73-year history with a successful listing on Nasdaq Stockholm. We are proud of the great interest in the company, both from institutional investors and from the general public, and we would like to extend a warm welcome to all new shareholders.

We are continuing our active acquisition strategy, which during the third quarter resulted in a net revenue growth of 28%. The acquisition of Ralarsa in Spain was completed during the quarter, representing another important step in our continued expansion in Europe. In its first two months, the company had a strong start within Cary Group, which further strengthens our conviction that the acquisition is a perfect fit both from a strategic and operational standpoint.

We are constantly working to increase profitability at Cary Group by reviewing and improving our business and the operational efficiency of our workshops as well as realising synergies from our acquisitions. We are now able to intensify this work as pandemic-related restrictions are relaxed. The growth of our Rest of Europe business area also gives us opportunities for further economies of scale.



Active acquisition strategy brings strong growth

Cary Group's net revenue increased by a total of 28% to SEK 577 million (450) in the third quarter of 2021. This growth is the result of our active acquisition agenda, which is an integral part of our strategy. We completed four acquisitions during the quarter, together representing annual revenue of just over SEK 300 million. During the year we have made 15 acquisitions in total, with annual revenue of just over SEK 500 million.

During the quarter, we completed an add-on acquisition and a smaller workshop acquisition in Sweden, as well as an add-on acquisition in the UK. In Europe, we completed a strategically important platform acquisition, entering a new geographic market, when we acquired Ralarsa. This acquisition is an important step in our continued expansion in Europe, where Spain is one of the leading markets. Ralarsa is Spain's second-largest automotive glass repair and replacement company. The company's profitability is in line with that of Cary Group and had a strong start in terms of growth and profitability during its first two months as part of Cary Group. We are now working with management to see how we can extract economies of scale and develop the strategy for continued expansion in the market.

The market for vehicle glass repairs is driven by the number of miles driven, the number of glass damage per mile driven and the development of calibration of ADAS systems. The market, and demand for our services, continued to stabilise during the third quarter. So far, we have seen organic growth of +5%, despite the continued impact of Covid-19. Organic growth in the third quarter was -2%, affected by the comparison being made to the recovery that took place during the third quarter of 2020. This year, however, we are seeing a more normalised seasonal pattern. We are still seeing the effects of pandemic-related measures, which led to society being locked down, resulting in fewer kilometres being driven, in turn affecting the demand for and use of our services. This was particularly noticeable during the quarter in Norway and the UK, where the toughest restrictions have been prevailing. This had a negative effect on the Group's total organic growth during the quarter.

Stable profitability and improved cash flow

We are continuously working to increase our profitability, through developing our existing business, improving operational efficiency in our workshops, as well as realising

synergies in our acquisitions. Adjusted EBITA increased to SEK 82 million (76) in the third quarter, corresponding to profitability measured in terms of EBITA margin of 14.2% (16.8). Profitability was negatively affected by lower market activity in Norway and the UK. We have consciously increased our marketing spend compared to last year to satisfy a more active future market. We also had a lower cost base last year because of the pandemic. In the second and third quarter we strengthened our central functions ahead of our continued expansion journey. Cash flow from operating activities improved during the third quarter, amounting to SEK 43 million (38). Cash flow was positively impacted by changes in working capital, although there was also a slight negative effect from costs relating to the company's listing.

During the third quarter, we saw no major impact from increased raw material prices or supply chain costs on our operations. However, increased uncertainty in the supply chain, higher raw material prices and transport costs may impact our purchasing costs in the future as seen in many other industries recently. Our organization stands prepared to handle this.

Continued focus on execution of our strategy

Cary Group has a sustainable strategy with the aim of being a leader in the independent car service industry in climate impact and digitalisation. In the quarter we started offering 100% climate-compensated glass services in the Nordics, a step towards our ambition to become climate neutral as a group. Aiming to repair a windscreen instead of replacing it is central to us. In the quarter, we repaired over 31,000 windscreens which saved approximately 1,400 tonnes of CO₂ in direct emissions. As part of our digital customer focus, we offer virtual damage assessment in the Nordics to reduce travel to the workshops, and the service was also launched in the UK in the quarter. We also took a first step towards a fossil-free courtesy car fleet in the quarter when we launched 54 electric courtesy cars in the Nordic region, corresponding to 17% of our total courtesy car fleet in Sweden and Norway. We operate in a non-cyclical market with good underlying growth. As pandemic related restrictions are being eased, we are positive of organic growth prospects. Acquisitions caters our market position and enables synergies and economies of scale. We are optimistic about the opportunities in our markets and to achieve our financial goals.

Anders Jensen, CEO, Cary Group

Group performance

Third quarter 2021

Net revenue

Net revenue increased by 28% during the third quarter, compared with last year, to SEK 577 million (450). Organic growth was -2% while growth through acquisitions totalled 30%. Exchange rate fluctuations had an effect of +1%.

The Nordics segment increased its net revenue by 24% during the third quarter to SEK 347 million (279).

Net revenue in the Rest of Europe segment rose 35% to SEK 230 million (171) in the third quarter.

The number of jobs performed within the Group increased by 28% in the third quarter, compared with the same period last year, mainly attributable to Sweden and Spain. The number of workdays increased to 70 (68) and the number of FTEs rose to 1,484 (1,018).

Profit

Operating profit (EBIT) amounted to SEK 11 million (73) during the third quarter. Costs affecting comparability had an effect on EBIT of SEK 58 million (0). These costs relate mainly to the stock exchange listing of Cary Group.

The gross margin increased slightly in the third quarter, compared with the same quarter last year, amounting to 63.9% (63.2). This improvement was driven by a change in the geographic mix, partly through acquisitions in Norway and Spain. The share of calibration also increased compared with the previous year.

Adjusted EBITA rose to SEK 82 million (76) in the third quarter, corresponding to a margin of 14.2% (16.8). Reported EBITA amounted to SEK 24 million (75) and was affected by costs affecting comparability of SEK 58 million (0).

Adjusted EBITA in the Nordics segment rose to SEK 79 million (68), corresponding to a margin of 22.7% (24.5). Adjusted EBITA in the Rest of Europe segment rose to SEK 18 million (17), corresponding to a margin of 7.6% (10.1).

Net financial items and income tax

Net financial items during the period totalled SEK -79 million (-40). Tax on profit for the period totalled SEK +26 million (-6). The positive tax figure is attributable to the loss and a booked tax asset.

Profit and earnings per share for the period

Profit for the quarter amounted to SEK -42 million (27), equivalent to earnings per share, basic and diluted, of SEK -0.45 (0.24). Adjusted for costs affecting comparability, profit totalled SEK 16 million (12).

Cash flow

Cash flow from operating activities amounted to SEK 43 million (38) in the third quarter. The increase in cash flow was driven by improved working capital, although payments relating to listing costs had a negative impact.

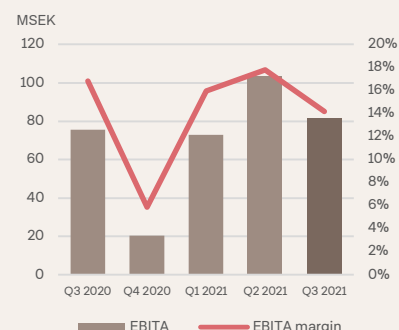
After investments in property, plant and equipment and intangible non-current assets, cash flow amounted to SEK 34 million (33). Investments, excluding acquisitions, totalled SEK 7 million (6).

Depreciation of property, plant and equipment totalled SEK 33 million (26). Net cash flow after cash received in connection with acquisitions amounted to SEK 357 million (-10), including the buyout of some non-controlling interests. Contingent considerations for previous acquisitions amounted to SEK 18 million (0) as at 30 September 2021.

Net revenue and growth (quarter)



Adjusted EBITA and adjusted EBITA margin (quarter)



Group performance

First nine months of 2021

Net revenue

Net revenue increased by 24% during the first nine months, compared with last year, to SEK 1,609 million (1,302). Organic growth was 5% while growth through acquisitions totalled 19%. Exchange rate fluctuations had an effect of -1%.

The Nordics segment was the main contributor to the Group's growth, increasing its revenue by 24% during the period to a total of SEK 1,061 million (855).

During the first nine months, net revenue in the Rest of Europe segment increased by 22% year-on-year, to SEK 547 million (447).

The number of jobs performed within the Group increased by 18% during the period, mainly attributable to Sweden and to the acquisition of Ralarsa in Spain. The number of workdays totalled 197 (196) and the number of FTEs rose to 1,484 (1,018).

Profit

Operating profit (EBIT) amounted to SEK 158 million (200) during the first nine months. Operating profit for the period includes costs affecting comparability of SEK 70 million (5), the majority of which relate to the listing of Cary Group.

The gross margin increased slightly during the first nine months to 65.0% (64.4). This improved margin was driven by a change in the geographic mix, partly as a result of acquisitions in Norway and the acquisition of Ralarsa in Spain. The share of calibration also increased compared with the previous year.

Adjusted EBITA totalled SEK 258 million (226) during the period, corresponding to a margin of 16.0% (17.4). Adjusted EBITA for the Nordics segment amounted to SEK 256 million (214) and for the Rest of Europe segment to SEK 44 million (40).

Net financial items and income tax

Net financial items during the period totalled SEK -132 million (-108). Tax on profit for the period totalled SEK -9 million (-22).

Profit and earnings per share for the period

Profit for the period amounted to SEK 17 million (70), equivalent to earnings per share, basic and diluted, of SEK 0.09 (0.64). Adjusted for costs affecting comparability, profit for the period totalled SEK 87 million (75).

Cash flow

Cash flow from operating activities increased during the first nine months and amounted to SEK 207 million (200).

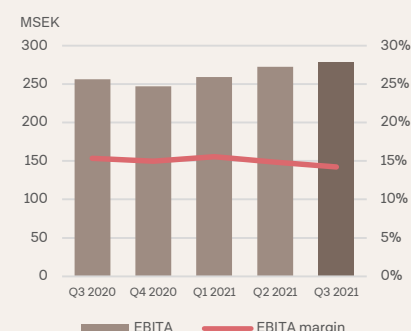
After investments in property, plant and equipment and intangible non-current assets, cash flow amounted to SEK 183 million (182). Investments, excluding acquisitions, totalled SEK 22 million (6).

Depreciation of property, plant and equipment totalled SEK 91 million (74). Net cash flow after cash received in connection with acquisitions amounted to SEK 456 million (14). Contingent considerations for previous acquisitions amounted to SEK 18 million (0) as at 30 September 2021.

Net revenue and growth (R12)



Adjusted EBITA and adjusted EBITA margin (R12)¹



¹ The transition to IFRS 16 has affected the periods up to and including the fourth quarter of 2019.

Performance by business segment

Cary Group reports its business in two business segments, Nordics and Rest of Europe.

Nordics

The Nordics segment carries out repairs and replacements of automotive glass, as well as some SMART (Small, Medium Area Repair Technology) repairs and bodywork repairs. The segment operates via workshops and mobile units in Sweden, Denmark and Norway, under the brands Ryds Bilglas Sweden, Svenska Bussglas, Ryds Bilglas Denmark, Danglas, Crashpoint, Cary Norway and Quick Car Fix.

SEKm	Q3			Q1-3			Full-year	
	2021	2020	Δ%	2021	2020	Δ%	LTM 1)	2020
Net sales	347	279	24%	1,061	855	24%	1,274	1,068
<i>Organic growth</i>	-1	-7	-0%	41	-19	5%	41	-38
<i>Acquisitions and divestments</i>	68	4	24%	166	14	19%	166	16
<i>Exchange-rate effects</i>	0	-3	0%	-0	-9	-0%	-0	-12
EBITA ¹⁾	79	68	15%	255	214	19%	283	242
EBITA-margin, % ¹⁾	22.7%	24.5%	-	24.0%	25.0%	-	22.2%	22.7%
Adjusted EBITA ¹⁾	79	68	15%	256	214	20%	285	242
Adjusted EBITA-margin, % ¹⁾	22.7%	24.5%	-	24.1%	25.0%	-	22.4%	22.7%

¹⁾These are alternative performance measures. Refer to Note 9, Alternative performance measures, page 20-21 for reconciliation and page 22 for definitions.

Third quarter 2021

Net revenue increased by 24% to SEK 347 million (279) in the third quarter. A normalizing demand for repairs and replacement of automotive glass in Sweden, made a positive contribution, as did acquisitions. Adjusted EBITA totalled SEK 79 million (68), 16% higher than in the previous year, driven by higher sales.

The adjusted EBITA margin decreased because of the continued negative impact of Covid-19 in Norway and the resulting lower levels of activity and sales. Profitability was also affected by higher marketing costs in order to begin to satisfy a more active market in all countries. Higher profitability was reported in the third quarter of 2020, driven by cost savings in connection with the outbreak of Covid-19.

In Sweden, the VGRR (Vehicle Glass Repair and Replacement) business reported a good underlying growth rate. Demand in the bus business of subsidiary Svenska Bussglas increased, driven by sales of Covid-19 bus driver protection kits to public transportation.

In Denmark, the VGRR business reported slightly lower demand than last year, while the body repair business performed better.

Organic sales declined in Norway, where Covid-19 continued to have a negative impact on the VGRR business.

Rest of Europe

The Rest of Europe segment provides services in vehicle glass repair and replacement. The segment operates via workshops and mobile units under the brand National Windscreens in the UK, via Cary Group-owned Mobile Windscreens and subsidiaries and via the Ralarsa company in Spain.

The acquisition of Ralarsa was completed on 1 August and two months of the company's sales and profits are included in the third quarter.

SEKm	Q3			Q1-3			Full-year	
	2021	2020	Δ%	2021	2020	Δ%	LTM 1)	2020
Net sales	230	171	35%	547	447	22%	683	583
<i>Organic growth</i>	-9	6	-5%	28	-28	6%	28	-45
<i>Acquisitions and divestments</i>	66	35	38%	79	91	18%	79	114
<i>Exchange-rate effects</i>	3	-3	2%	-7	-9	-2%	-7	-12
EBITA ¹⁾	18	17	2%	44	40	11%	48	44
EBITA-margin, % ¹⁾	7.6%	10.1%	-	8.0%	8.8%	-	7.0%	7.5%
Adjusted EBITA ¹⁾	18	17	2%	45	40	15%	50	44
Adjusted EBITA-margin, % ¹⁾	7.6%	10.1%	-	8.3%	8.8%	-	7.3%	7.5%

¹⁾These are alternative performance measures. Refer to Note 9, Alternative performance measures, page 20-21 for reconciliation and page 23 for definitions.

Third quarter 2021

Net revenue increased by 35% to SEK 230 million (171) in the third quarter. The increase in net revenue was driven mainly by the acquired Spanish company Ralarsa. Adjusted EBITA was SEK 18 million (17).

The adjusted EBITA margin was negatively affected by reduced revenue in the UK. Challenges in the market resulting from Covid-19 measures and Brexit, including staffing and logistics issues relating to vehicle fuel, had an impact on revenue. Last year's third quarter profitability was positively impacted by short-term layoffs and government support in connection with Covid-19 in the UK.

Organic sales in the UK fell during the third quarter as a result of lower sales in the bus segment and a slightly lower level of market activity in general. During the beginning of the fourth quarter, the company in the UK was exposed to an IT intrusion that led to disruptions in operations. The problem, which has now been remedied, will not cause any long-term disruption. However, a minor impact on sales in the UK will take place during the fourth quarter.

As of 1 August, the acquired company Ralarsa in Spain is included in the figures for the Rest of Europe region. Sales developed well for the company during this period, as did profitability, which is in line with that of Cary Group.

cash issue.

Financial position

As at 30 September 2021, net debt totalled SEK 1,115 million (30 September 2020: SEK 2,138 million), resulting in a leverage ratio in terms of net debt/adjusted EBITDA (pro forma) of 2.3 times (full year 2020: 4.9). Long-term credit facilities amounted to SEK 893 million and lease liabilities to SEK 415 million. Unused credit facilities amounted to SEK 1,157 million as at 30 September 2021.

Equity, including non-controlling interests, amounted to SEK 1,565 million as at 30 September 2021 (SEK -81 million as at 30 September 2020) corresponding to an equity ratio of 44% (-4.3%). Cash and cash equivalents as at 30 September 2021 amounted to SEK 233 million (30 September 2020: SEK 138 million).

Stock exchange listing

On 23 September, trading began in Cary Group's shares through its listing on Nasdaq Stockholm. The offer comprised 65,527,949 shares, of which 17,857,142 were newly issued shares and 47,670,807 were shares sold by Cary Group's principal owner Cidron Legion S.à r.l, which is indirectly controlled by Nordic Capital VIII, and by the company's second-largest shareholder, Rydgruppen Sverige AB, which is controlled by the Ryd family, as well as by a number of other shareholders. The newly issued shares raised SEK 1,250 million for Cary Group before transaction costs. In connection with the listing of Cary Group's shares, the principal owner granted the Joint Global Coordinators an option to acquire up to 9,829,192 additional existing shares in Cary Group in order to cover any over-allotment in connection with the offer. The over-allotment option was exercised in full.

The total cost of the listing was SEK 106 million, of which SEK 49 million was charged to equity and SEK 51 million was recognised as operating expenses (costs affecting comparability) in the third quarter. SEK 6 million was recognised as operating expenses (costs affecting comparability) in the second quarter of 2021.

Capitalisation

To enable the continued rapid implementation of the company's strategic goals, Cary Group strengthened its financial position and liquidity with a new share issue worth SEK 1,250 million in connection with the stock exchange listing in September 2021. At the end of the quarter, the Group's equity stood at SEK 1,565 million, compared with SEK -81 million for the same period last year. In connection with the Group's stock exchange listing, all previous bank loans have been settled and the Group has signed a new credit facility agreement with Danske Bank. This facility consists of bank loans, acquisition loans and overdraft facilities. The new credit facility amounts to SEK 2,050 million and has a maturity of 3 years.

Shares

The total number of shares and votes changed as a result of the new share issue that was made in connection with the listing of the company's shares on the stock exchange on 23 September 2021. As at 30 September, the total number of shares and votes was 131,848,996. In connection with the listing of the company's shares on Nasdaq Stockholm, loans were converted to shares in the amount of SEK 426 million. The parent company also purchased shares from minority shareholders in the amount of SEK 972 million through a non-

Financial targets

On 17 June 2021, the company adopted the following financial targets and dividend policy:

Revenue growth: Cary Group's target is to achieve average annual total revenue growth of more than 15% in the medium term, at least half of which must be organic.

Profitability: Cary Group's target is to achieve an adjusted EBITA margin of 20% in the medium term.

Capital structure: Cary Group's capital structure must provide a high degree of financial flexibility and enable acquisitions to be made. Cary Group's target is to have a maximum net debt ratio in relation to adjusted EBITDA of 2.5. This ratio can temporarily exceed 2.5, however, in connection with acquisitions.

Dividend policy: Cary Group aims to pay out at least 20% of its net profit. Dividend decisions must take into account Cary Group's investment opportunities and financial position.

Personnel and organisation

The number of full-time employees was 1,484 (1,018) at the end of the third quarter of 2021.

Long-term share-based investment scheme

At an Extraordinary General Meeting on 22 September 2021, it was decided to issue warrants to certain senior executives and key personnel in the Group as part of an incentive scheme. The scheme covered a total of 30 individuals and 2,351,122 warrants. The increase in the company's share capital totals SEK 12,592. The maximum number of warrants subscribed for by the participants corresponds to approximately 1.8% of the total number of shares in the company after listing. Cary Group's costs for the incentive scheme, other than the administrative costs of operating the scheme, are limited to the costs of social security contributions for participants in countries where the incentive scheme is subject to income tax. These costs will depend on Cary Group's share price at the time the warrants are exercised and can amount to a maximum of approximately SEK 1.2 million. All options have been issued on market terms at the time of subscription. When the options are exercised, Cary Group issues new shares. Payments received after deductions for any transaction costs increase the share capital and other contributed capital.

Sustainability

Sustainability is at the heart of Cary Group's identity and strategy. The company strives to lead the way within the independent vehicle servicing industry with regard to climate impact and digitisation. Key tools for achieving this include: (i) continuously increasing the repair rate (the number of vehicle glass repairs as a proportion of the total number of vehicle glass jobs); (ii) digitising and automating the customer journey; and (iii) electrifying the courtesy car fleet, including offering electric bikes.

Continuously increasing the repair rate

Cary Group always aims to repair the customer's windscreen as far as possible, as replacing a windscreen involves total CO2

emissions of approximately 44 kg, including production, transport and recycling. The company continuously monitors the repair rate as one of its key measures of sustainability. In 2020, Cary Group's repair rate in Sweden was 41%, compared with the market average of 34%. Of all the windscreens that are replaced, around 90% can be recycled and reused for other purposes, mainly as insulation products for the construction industry. As of 2021, Cary Group compensates for the climate impact of all repairs and replacements of vehicle glass carried out in the Nordics. Carbon offsetting takes place through Plan Vivo-certified tree-planting projects.

Digitising and automating the customer journey

In the event of a stone chip, Cary Group's customers can analyse the damage caused using a service developed on the basis of artificial intelligence ("AI"). Whether the windscreen needs repairing or replacing, it is easy to book an appointment online for one of the workshops in Cary Group's dense workshop network. The AI-based assessment technology, combined with the dense workshop network and digital booking systems, reduces the number of kilometres driven to and from the workshops, which in turn reduces carbon emissions.

Electrifying the vehicle fleet

Cary Group has decided to offer electric courtesy cars to reduce the climate impact of customers while their vehicle is being serviced. In the quarter we took a first step towards a fossil-free courtesy car fleet when we launched 54 electric courtesy cars in the Nordic region, corresponding to 17% of our total courtesy car fleet in Sweden and Norway.

Other information

Seasonal variations

Cary Group's net sales earnings fluctuate across the seasons and this should be taken into consideration when making assessments based on quarterly financial information. The seasonal variations are attributable to the increased demand for Vehicle Glass Repair and Replacement services late in the first quarter and throughout the second quarter.

Parent company

The main functions of Cary Group Holding AB consist of business development, acquisitions, financing and business control and analysis. The parent company's revenues comprise internal invoicing of services. The parent company's financial assets as at 30 September 2021 consisted solely of shares in subsidiaries.

The parent company's total revenue in the third quarter amounted to SEK 0 million (0). No services were invoiced

during the third quarter, as the parent company organisation was mostly appointed during this period in connection with the listing of Cary Group. The parent company incurred other external expenses of SEK -55 million (0) in the third quarter. These increased expenses are attributable to costs related to the listing of Cary Group in September 2021.

Significant events during the quarter

In July, Cary Group acquired Autoklinik in Malmö, which specialises in auto body servicing and repair. The company had total revenue of approximately SEK 38 million in 2020.

In July, Cary Group also acquired Auto Cristal Ralarsa, Spain's second-largest automotive glass repair and replacement company. In 2020, Ralarsa operated more than 235 workshops, of which 155 are franchise-owned and 85 are mobile units. Total sales in 2020, including sales from franchise businesses, amounted to EUR 51 million, with net sales attributable to the company totalling EUR 25 million.

Annual General Meeting 2022

Cary Group's Annual General Meeting will be held on 17 May 2022 in Stockholm.

Nomination Committee

In accordance with the resolution of the Extraordinary General Meeting of 13 August 2021, the Nomination Committee for the Annual General Meeting 2022 shall consist of representatives of the three largest shareholders in terms of voting rights, as well as the Chair of the Board of Directors. More information about the Nomination Committee can be found on our website: www.carygroup.com.

Extraordinary General Meeting

As was announced on 14 September 2021, the current Chair of the Board, Magnus Lindquist, wishes to relinquish this role. Board member Juan Vargues has announced that he is prepared to take over as the new Chair of the Board. Cary Group's principal owner, Cidron Legion S.à r.l., which is indirectly controlled by Nordic Capital VIII, has also informed the Board of Directors that it intends to convene an Extraordinary General Meeting to decide on the changes to the Board.

Acquisitions

In July, Cary Group acquired 90% of Autoklinik in Malmö, which specialises in auto body repair. The company had total revenue of approximately SEK 38 million in 2020.

In July, Cary Group also acquired 100% of Auto Cristal Ralarsa, Spain's second-largest automotive glass repair and replacement company. In 2020, Ralarsa operated more than 235 workshops, of which 155 are franchise-owned and 85 are mobile units. Total sales in 2020, including sales from franchise businesses, amounted to EUR 51 million, with net sales attributable to the company totalling EUR 25 million.

In August, 100% of Phoenix Windscreens Ltd was acquired. The company has revenue of GBP 1.6 million, equivalent to approximately SEK 20 million. Phoenix Windscreens operates a VGRR (Vehicle Glass Repair and Replacement) business.

During the quarter, the company also acquired the vehicle glass business of Falköpings Glasmästeri AB. The four acquisitions completed during the quarter together represent annual revenue of SEK 326 million. The acquisitions made come under the respective Nordics and Rest of Europe segments.

Company	Business segment	Included from	Acquired share	Net sales (SEKm)	Acquisition-related intangible assets
Opening balance					
RG Bilglas1 AB ¹⁾	Nordics	2021-01-01	100%	69	73
Bilglasmästarna i Nynäshamn AB ¹⁾	Nordics	2021-01-01	100%	4	5
Ryds Bilglas i Uppland AB ¹⁾	Nordics	2021-01-01	100%	9	6
Ryds Bilglas Malmfälten AB	Nordics	2021-03-01	75%	5	2
Crash Point A/S	Nordics	2021-03-01	80%	47	50
Total acquisitions January-March 2021				133	
Skadevekk Holding AS	Nordics	2021-04-01	80%	55	50
Bilvård i Handen AB	Nordics	2021-05-01	75%	10	7
Rehnglas AB Tyresö	Nordics	2021-06-01	Tillgång	4	3
Borås Glas	Nordics	2021-06-01	Tillgång	1	1
GK Glas AB Nacka	Nordics	2021-06-01	Tillgång	3	2
KG Glasmästeri AB Hammarby	Nordics	2021-06-01	75%	3	2
Total acquisitions April-June 2021				74	
Autoklinik i Malmö AB	Nordics	2021-07-01	90%	39	46
Falköpings Glasmästeri AB	Nordics	2021-07-01	Tillgång	3	2
Phoenix Windscreens Ltd	Rest of Europe	2021-08-01	100%	19	11
Ralarsa S.U.	Rest of Europe	2021-08-01	100%	265	300
Total acquisitions July-September 2021				326	560
Amortization of acquisition-related intangible assets					-6
Closing balance					554

¹⁾RG Bilglas 1 AB, Bilglasmästarna i Nynäshamn AB, Ryds Bilglas i Uppland AB and Ryds Bilglas i Borlänge AB merged with Ryds Bilglas AB during the second quarter 2021.

Financial statements

Condensed consolidated income statement

SEKm	Q3		Q1-3		Full-year
	2021	2020	2021	2020	2020
Net sales	577	450	1,609	1,302	1,651
Revenue	577	450	1,609	1,302	1,651
Goods for resale	-208	-166	-562	-463	-585
Other external costs	-134	-52	-280	-160	-219
Employee benefit expense	-178	-131	-488	-383	-506
Depreciation, amortization and impairment	-45	-28	-121	-96	-129
Operating expenses	-565	-377	-1,451	-1,102	-1,440
Operating profit*	11	73	158	200	211
Finance income	9	0	9	0	0
Finance costs	-88	-40	-141	-108	-139
Finance costs - net	-79	-40	-132	-108	-139
Profit before income tax	-68	33	26	92	72
Income tax expense	26	-6	-9	-22	-24
Profit for the period	-42	27	17	70	48
Other comprehensive income					
Items that may be reclassified to profit or loss					
Exchange differences on translation of foreign operations	6	5	8	-5	-10
Items that will not be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations	-	-	-	-	-3
Other comprehensive income for the period, net of tax	6	5	8	-5	-12
Total comprehensive income for the period	-36	32	25	65	36
Profit/loss for the period attributable to:					
Owners of the parent	-43	24	11	62	46
Non-controlling interest	1	3	6	8	3
Earnings per share before and after dilution, SEK	-0.45	0.24	0.09	0.64	0.45
Operating profit includes:					
Depreciation	-33	-26	-91	-74	-101
Amortization of other intangibles	-0	-1	-3	-3	-4
Amortization of right-of-use assets	-12	-1	-28	-18	-24
Depreciation and amortization	-45	-28	-121	-96	-129

Condensed consolidated balance sheet

SEKm	30/09/2021	30/09/2020	31/12/2020
Assets			
Non-current assets			
Goodwill	1,977	1,608	1,632
Other intangible assets	288	81	77
Right-of-use assets	438	319	309
Property, plant and equipment	60	84	70
Other long-term receivables	3	1	1
Deferred tax assets	54	3	2
Total non-current assets	2,820	2,096	2,091
Current assets			
Inventories	96	51	49
Accounts receivable	282	198	161
Other receivables	30	9	24
Prepaid expenses and accrued income	95	53	63
Cash and cash equivalents	233	138	96
Total current assets	736	449	394
Total assets	3,557	2,545	2,485
Equity and liabilities			
Equity attributable to Parent Company shareholders			
Share capital	1	0	0
Additional paid-in capital	1,862	434	209
Reserves	3	0	-4
Retained earnings (incl. Profit/loss for the period)	-306	-521	-316
company	1,560	-87	-111
Equity attributable to minority	6	6	5
Non-current liabilities			
Liabilities to credit institutions	893	1,562	1,538
Lease liabilities	305	237	227
Provisions	-0	-	5
Deferred tax liabilities	101	41	42
Other interest-bearing liabilities	38	396	403
Total non-current liabilities	1,336	2,235	2,215
Current liabilities			
Liabilities to credit institutions	2	-	-
Lease liabilities	111	82	82
Accounts payable	217	121	126
Current tax liability	65	9	24
Other current liabilities	81	71	45
Accrued expenses and deferred income	179	107	98
Total current liabilities	655	391	376
Total liabilities	1,991	2,626	2,591
Total equity and liabilities	3,557	2,545	2,485

Consolidated statement of changes in equity

SEKm	Share capital	Other paid-in capital	Translation reserves	Retained earnings	Total	Non-controlling interests	Total Equity
Opening balance 2021-01-01	0	209	-4	-316	-111	5	-106
Profit for the period	-	-	-	11	11	6	17
Other comprehensive income	-	-	-	-	-	-	-
Translation difference	-	-	7	-	7	1	8
Total comprehensive income for the year	0	-	7	11	18	7	25
Transactions with owners:							
Issue of shares	0	1,250	-	-	1,250	-	1,250
Offset issue	0	426	-	-	427	-	427
Bonus issue	0	-	-	-0	-	-	-
Share exchange in connection with listing	0	2	-	-	2	-2	-0
Transaction costs net after tax in connection with new share issue	-	-39	-	-	-39	-	-39
Share-based payments	-	15	-	-	15	-	15
Dividends	-	-	-	-	-	-2	-2
Transactions with non-controlling interests	-	-	-	-1	-1	-2	-3
	1	1,653	-	-2	1,652	-6	1,647
Closing balance 2021-09-30	1	1,862	3	-306	1,560	6	1,565

SEKm	Share capital	Other paid-in capital	Translation reserves	Retained earnings	Total	Non-controlling interests	Total Equity
Opening balance 2020-01-01	0	209	4	-357	-144	5	-139
Profit for the period	-	-	-	62	62	8	70
Other comprehensive income	-	-	-	-	-	-	-
Translation difference	-	-	-4	-	-4	-1	-5
Total comprehensive income	-	-	-4	62	58	7	65
Transactions with owners							
Issue of shares	-	-	-	-	-	6	6
Dividends	-	-	-	-	-	-2	-2
Transactions with non-controlling interests	-	-	-	-1	-1	-10	-12
	-	-	-	-1	-1	-6	-8
Closing balance 2020-09-30	0	209	0	-296	-87	6	-81

Condensed consolidated statement of cash flows

SEKm	Q3		Q1-3		Full-year
	2021	2020	2021	2020	2020
Profit after financial items	-68	33	26	92	72
Adjustments to cash flow	98	47	186	152	187
Income taxes paid	-17	-7	-41	-40	-56
Cash flow before changes in working capital	13	73	170	204	204
Decrease(+)/increase(-) in inventories	-3	-1	-9	-0	2
Decrease(+)/increase(-) in other current receivables	-5	-7	-23	65	73
Decrease(-)/increase(+) in other current liabilities	38	-26	70	-68	-74
Cash flow from changes in working capital	30	-35	37	-4	2
Cash flow from operating activities	43	38	207	200	205
Investments in intangible assets	-1	-11	-2	-14	-8
Investments in tangible assets	-8	6	-22	-5	-19
Disposal of tangible assets	-	-	-	-	11
Investments in subsidiaries, net received	-348	-6	-502	-115	-140
Cash flow from investing activities	-357	-10	-526	-134	-156
New share issue	1,209	6	1,209	6	6
Transactions with non-controlling interests in subsidiaries	-15	-	-6	-	0
Paid borrowing costs	-	-	-	-	-11
Borrowings	1,257	-	1,391	62	62
Amortizations of borrowings	-2,111	-18	-2,154	-52	-71
Dividend paid to the company's shareholders	-	-2	-	-2	-2
Cash flow from financing activities	356	-14	456	14	-15
Cash flow for the period	42	14	138	80	34
Cash and cash equivalents at beginning of period	191	126	96	60	60
Translation difference	-	-1	-	-2	2
Cash and cash equivalents at end of period	233	138	233	138	96

Condensed parent company income statement

SEKm	Q3		Q1-3		Full-year 2020
	2021	2020	2021	2020	
Other operating expenses	-55	-0	-57	-0	-0
Operating profit	-55	-0	-57	-0	-0
Finance cost - net	-9	16	-15	1	-6
Profit or loss after financial items	-64	-	-72	-	-
Tax on profit for the period	17	-	17	-	-
Profit or loss for the period	-47	16	-55	1	-6

Condensed parent company balance sheet

SEKm	30/09/2021	30/09/2020	31/12/2020
Financial assets			
Shares in subsidiary	1,680	704	703
Total financial assets	1,680	704	703
Deferred tax assets	17	-	-
Total non-current assets	1,696	704	703
Current receivables from group companies	2,086	-	-
Other current receivables	10	-	-
Prepaid expenses and accrued income	8	-	-
Cash and cash equivalents	64	30	31
Total current assets	2,169	30	31
Total assets	3,865	734	734
Share capital	1	0	0
Additional paid-in capital	2,818	434	209
Retained earnings	137	-97	128
Profit or loss for the period	-55	1	-6
Total equity	2,900	339	331
Liabilities to credit institutions	893	-	
Other interest-bearing liabilities	-	396	403
Total non-current liabilities	893	396	403
Accounts payable	12	-	-
Current liabilities to group companies	35	-	-
Other current liabilities	0	-	-
Accrued expenses and deferred income	26	-	-
Total current liabilities	72	-	-
Total equity and liabilities	3,865	734	734

Key performance indicators – Group

SEKm	Q3		Q1-3		Full-year	
	2021	2020	2021	2020	LTM	2020
Net sales	577	450	1,609	1,302	1,958	1,651
Organic growth	-11	-1	69	-47	33	-84
Acquisitions and divestments	134	39	245	104	270	130
Exchange-rate effects	3	-6	-7	-18	-13	-23
Operating result (EBIT)	11	73	158	200	169	211
Adjusted EBIT	69	73	228	205	241	219
EBITDA ¹⁾	57	101	279	296	323	340
EBITDA-margin, % ¹⁾	9.8%	22.5%	17.3%	22.7%	16.5%	20.6%
Adjusted EBITDA ¹⁾	114	102	349	301	396	348
Adjusted EBITDA-margin, % ¹⁾	19.9%	22.6%	21.7%	23.1%	20.2%	21.1%
EBITA ¹⁾	24	75	188	221	206	239
EBITA-margin, % ¹⁾	4.1%	16.8%	11.7%	17.0%	10.5%	14.5%
Adjusted EBITA ¹⁾	82	76	258	226	279	247
Adjusted EBITA-margin, % ¹⁾	14.2%	16.8%	16.0%	17.4%	14.2%	15.0%
Profit for the period	-42	27	17	70	-5	48
Adjusted profit for the period	4	27	72	74	53	54
Capital employed ¹⁾	2,913	2,196	2,913	2,196	2,913	2,144
ROCE ¹⁾	9.6%	n.a.	9.6%	n.a.	9.6%	11.5%
Shareholders' equity	1,565	-81	1,565	-81	1,565	-106
ROE ¹⁾	-0.3%	n.a.	-0.3%	n.a.	-0.3%	-43.6%
Net Debt ¹⁾	1,115	2,138	1,115	2,138	1,115	2,155
Net Debt/Equity ratio ¹⁾	1	-26	1	-26	1	-20
Net Debt/Adjusted LTM EBITDA (Pro forma) ¹⁾	2.3	n.a.	2.3	n.a.	2.3	4.9
Number of acquisitions	4	1	15	4	19	8
FTE's at end of period	1,484	1,018	1,484	1,018	1,109	1,029
Number of workdays	70	68	197	196	253	261
Number of jobs	154,463	121,126	438,879	371,048	520,752	474,121
Number of workshops (incl. Mobile units)	935	541	935	541	935	580

¹⁾These are alternative performance measures. Refer to Note 9, Alternative performance measures, page 20-21 for reconciliation and page 22 for definitions.

Notes to the financial statements

Note 1 – Summary of significant accounting policies

This interim report has been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 and IAS 34 Interim Financial Reporting. The parent company's interim report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.

The accounting policies and methods of calculation applied in the interim financial statements are the same as those applied in the financial statements published in the company's prospectus issued on 14 September 2021. The IASB has issued several amended accounting standards that have been adopted by the EU and entered into force on 1 January 2021. None of these have any material effect on Cary Group Holding's financial statements.

Note 2 – Risks and uncertainties

A description of the Group's material financial and business risks can be found in the company's prospectus, which was published on 14 September 2021.

Risks related to the effects of the Covid-19 pandemic

Wide-ranging measures designed to contain the spread of Covid-19 have been imposed, including business closures, travel restrictions, quarantines and cancellations of gatherings and events, in all the markets where Cary Group operates. Covid-19 has had, and continues to have, a significant adverse effect on the global economy, and on demand for Cary Group's service offering. Demand is largely driven by the total number of kilometres driven in society, and Covid-19 restrictions such as lock-downs and quarantine measures have led to a reduction in car use. As a result, customers have not needed Cary Group's services to the same extent as in the past, as restrictions have limited both private motoring and professional traffic. Strict lockdowns and other Covid-19 measures, as imposed in the UK and Norway, for example, have negatively affected Cary Group's operations, as they have prevented people from following their normal daily driving routines. An increase in the spread or new outbreaks or mutations of Covid-19, as well as an inability to limit the pandemic and its effects, could adversely affect the Group's operations, overall vehicle kilometres driven, the ability of local

workshops to remain open and the health of workshop employees.

In 2020, 65% of the Group's income was derived from its operations in the Nordics (Sweden, Norway and Denmark) and 35% from the Rest of Europe segment (the UK). If customers restrict their expenditure to receive only the most basic services as a result of unfavourable economic conditions, Cary Group may suffer a decline in income. Hence, a severe economic deterioration due, for example, to continued and prolonged restrictions during the Covid-19 pandemic or persistent political uncertainties in any of Cary Group's markets, could therefore have a material adverse effect on the Group's total income and growth.

No further significant risks are deemed to have arisen during the period.

Note 3 – Segment and revenue information

Description of segments

The CEO oversees the business from a business area perspective and has identified two operating segments:

1. Nordics
2. Rest of Europe

SEKm	2021 Q3				2021 Q1-3			
	Nordics	Rest of Europe	Group functions	Total	Nordics	Rest of Europe	Group functions	Total
Segment revenue	347	231	-	577	1,061	550	-	1,611
Inter-segment revenue	-	-1	-	-1	-	-3	-	-3
Revenue from external customers	347	230	-	577	1,061	547	-	1,609
Time of revenue recognition								
Adjusted EBITA	79	18	-14	82	256	45	-44	258
Add-back of depreciation	24	9	-	33	71	20	-	91
Adjusted EBITDA	103	26	-14	114	327	65	-44	349

SEKmn	2020 Q3				2020 Q1-3			
	Nordics	Rest of Europe	Group functions	Total	Nordics	Rest of Europe	Group functions	Total
Segment revenue	279	171	-	451	855	450	-	1,304
Inter-segment revenue	-	-1	-	-1	-	-3	-	-3
Revenue from external customers	279	171	-	450	855	447	-	1,302
Time of revenue recognition								
Adjusted EBITA	68	17	-10	76	214	40	-27	226
Add-back of depreciation	20	6	0	26	57	17	0	74
Adjusted EBITDA	88	23	-10	102	271	56	-26	301

Sales between segments are carried out on an arm's length basis and are eliminated on consolidation. The amounts reported to the CEO with respect to segment revenue are measured in a manner consistent with that of the financial statements.

Note 4 – Related party transactions

In connection with the listing of the company's shares on Nasdaq Stockholm, loans were converted to shares in the amount of SEK 426 million. The parent company also purchased shares from minority shareholders in the amount of SEK 972 million through a non-cash issue.

Otherwise there have been no transactions with related companies that have had a material effect on the Group's profit or position.

Note 5 – Shares and calculation of earnings per share

The average number of shares during the third quarter was 97,336,844, compared with 94,010,371 shares as at 31 December. The company's share capital amounted to SEK 706,000 as 30 September 2021.

any interest attributable to preference shares, by the weighted average number of shares outstanding during the period.

Earnings per share are calculated by dividing the profit for the period attributable to the shareholders of the parent company, excluding

SEKmn	Q3		Q1-3		Full-year	
	2021	2020	2021	2020	LTM	2020
Earnings per share before and after dilution, SEK	-0,45	0,24	0,09	0,64	-0,10	0,45
Performance measures used in the calculation of earnings per share:						
Profit for the period, attributable to owners of the parent	(43)	24	11	62	(6)	46
Interest rate on preference shares	(1)	(1)	(3)	(2)	(3)	(3)
Total	-44	23	8	60	-9	42
Weighted average number of shares	97 336 844	94 010 371	95 119 195	94 010 371	95 119 195	94 010 371

Note 6 – Recognition of financial instruments at fair value

Cary Group's financial assets are essentially non-interest-bearing and interest-bearing receivables, in which cash flows represent only payment for the initial investment and, where applicable, interest. Their value is intended to be held to maturity and is carried at amortised cost, which is a reasonable estimate of fair value. Financial liabilities are for the most part recognised at amortised cost.

Financial instruments measured at fair value on the balance sheet are contingent considerations consisting of liabilities with a value of SEK 17.5 million (-). Contingent consideration liabilities are recognised at fair value based on management's best estimate of the most likely outcome (level 3, as defined in IFRS 13). Other assets and liabilities are recognised at amortised cost.

Note 7 – Acquisitions

Acquisitions announced, January–September 2021

Company	Business segment	Included from	Acquired share	Net sales (SEKm)	Acquisition-related intangible assets
Opening balance					
RG Bilglas1 AB ¹⁾	Nordics	2021-01-01	100%	69	73
Bilglasmästarna i Nynäshamn AB ¹⁾	Nordics	2021-01-01	100%	4	5
Ryds Bilglas i Uppland AB ¹⁾	Nordics	2021-01-01	100%	9	6
Ryds Bilglas Malmfälten AB	Nordics	2021-03-01	75%	5	2
Crash Point A/S	Nordics	2021-03-01	80%	47	50
Total acquisitions January–March 2021				133	
Skadevekk Holding AS	Nordics	2021-04-01	80%	55	50
Bilvård i Handen AB	Nordics	2021-05-01	75%	10	7
Rehnglas AB Tyresö	Nordics	2021-06-01	Tillgång	4	3
Borås Glas	Nordics	2021-06-01	Tillgång	1	1
GK Glas AB Nacka	Nordics	2021-06-01	Tillgång	3	2
KG Glasmästeri AB Hammarby	Nordics	2021-06-01	75%	3	2
Total acquisitions April–June 2021				74	
Autoklinik i Malmö AB	Nordics	2021-07-01	90%	39	46
Falköpings Glasmästeri AB	Nordics	2021-07-01	Tillgång	3	2
Phoenix Windscreens Ltd	Rest of Europe	2021-08-01	100%	19	11
Ralarsa S.U.	Rest of Europe	2021-08-01	100%	265	300
Total acquisitions July–September 2021				326	560
Amortization of acquisition-related intangible assets					-6
Closing balance					554

¹⁾RG Bilglas 1 AB, Bilglasmästarna i Nynäshamn AB, Ryds Bilglas i Uppland AB and Ryds Bilglas i Borlänge AB merged with Ryds Bilglas AB during the second quarter 2021.

Acquisitions January–September 2021

Purchase considerations paid in the period totalled SEK 646 million on a cash-free and debt-free basis, excluding any potential contingent considerations. The businesses acquired contributed revenue of SEK 178 million to the Group in the period January–September 2021.

On 1 January 2021, Cary Group acquired RG Bilglas 1 AB. The company operated an automotive glass business under licence from Ryds Bilglas in 15 locations in Sweden. The company had total revenue of approximately SEK 69 million in 2020.

On 1 March 2021, Cary Group acquired CrashPoint A/S. CrashPoint is Denmark's largest damage repair chain with a focus on higher-end vehicles. The company had total revenue of approximately DKK 33 million in 2020, corresponding to approximately SEK 47 million. CrashPoint has partnerships with several major car brands on the Danish market.

On 1 April 2021, Cary Group acquired 80% of the Norwegian company Quick Car Fix, which specialises in SMART Repair – Small to Medium Area Repair Techniques. The company had total revenue of approximately NOK 57 million in 2020, corresponding to approximately SEK 55 million. Through the acquisition, Cary Group is broadening its operations and further expanding its presence in the Norwegian car care market.

In July, Cary Group acquired 90% of Autoklinik in Malmö, which specialises in auto body repair. The company had total revenue of approximately SEK 38 million in 2020.

In July, Cary Group acquired 100% of Auto Cristal Ralarsa, Spain's second-largest automotive glass repair and replacement company. In 2020, Ralarsa operated more than 235 workshops, of which 155 are franchise-owned and 85 are mobile units. Total sales in 2020, including sales from franchise businesses, amounted to EUR 51 million, with net sales attributable to the company totalling EUR 25 million.

In August, 100% of Phoenix Windscreens Ltd was acquired. The company has revenue of GBP 1.6 million, equivalent to approximately SEK 20 million. Phoenix Windscreens operates a VGRR (Vehicle Glass Repair and Replacement) business.

Other companies and assets listed in the table above refer to acquired automotive glass workshops and businesses in the Swedish market. These acquisitions give Cary Group improved geographical coverage of the market, thereby providing better access to the company's services for customers.

The table below summarises the considerations paid for the acquisitions in the period and the fair value at the acquisition date of assets acquired and liabilities assumed:

SEKm	30/09/2021	31/12/2020
Purchase price		
Cash and cash equivalents	619	171
Additional purchase price	27	-
Total purchase price	646	171

The acquisition analyses are provisional and may be adjusted in future quarters. The acquisition analysis is provisional mainly in relation to the allocation of surplus value. The surplus value recognised as goodwill relates to the future profit generation and profit synergies of the acquired companies that the acquisitions bring and does not meet the conditions for separate reporting. Other intangible non-current assets amount to SEK 235 million and are provisionally

allocated mainly to brands and customer relations. As at 30 September 2021, unsettled purchase considerations relate partly to contingent considerations valued on the basis of outcomes and partly to unpaid agreed purchase considerations.

SEKm	30/09/2021	31/12/2020
Cash and cash equivalents	115	31
Customer relationships	108	6
Brands	127	-
Tangible fixed assets	16	10
Rights of use	151	17
Inventory	38	7
Accounts receivables and other receivables	131	36
Long-term liabilities (incl. Leasing and Deferred tax)	-213	-19
Accounts payable and other current liabilities	-151	-26
Total assets and liabilities acquired	321	63
Goodwill	324	108
Acquired net assets	645	171

Acquisition-related expenses of SEK 11.1 million for the first nine months of the year are included in other external

expenses in the consolidated income statement and in operating activities in the statement of cash flows.

Purchase consideration – cash flow

The acquisitions in the period had an impact of SEK 503 million on the Group's cash flow.

SEKm	30/09/2021	31/12/2020
Cash flow information		
Cash and cash equivalents paid for acquisitions during the year	646	171
Acquired cash and cash equivalents	-115	-31
Purchase price, not yet paid	-27	-
Sum cash flow from investments activities	503	140

Note 8 – Reconciliation of adjusted EBITA to operating profit before income tax for the Group

SEKm	Q3		Q1-3		LTM	Full-year 2020
	2021	2020	2021	2020		
Adjusted EBITA	82	76	258	226	279	247
Transaction costs	-6	-	-7	-5	-7	-5
Consulting costs	-1	-0	-1	-0	-3	-2
Rebranding costs	-0	-	-3	-	-4	-1
Non-Recurring Personnel Costs	-	-	-3	-	-3	-
IPO costs	-51	-	-57	-	-57	-
Amortization	-12	-2	-30	-21	-37	-28
Finance costs, net	-79	-40	-132	-108	-163	-139
Profit before income tax	-68	33	26	92	5	72

Note 9 – Alternative performance measures

Some of the information provided in this interim report that management and analysts use to assess the Group's performance is not defined in IFRS. Management believes that this information makes it easier for investors to analyse the Group's earnings performance and financial position.

Investors should consider this information as supplementary to, rather than replacing, financial reporting in accordance with IFRS.

Adjusted EBITA and adjusted EBITA margin, %

SEKm	Q3		Q1-3		LTM	Full-year 2020
	2021	2020	2021	2020		
Operating result (EBIT)	11	73	158	200	169	211
Depreciation	12	2	30	21	37	28
EBITA	24	75	188	221	206	239
Items affecting comparability	58	0	70	5	73	8
Adjusted EBITA	82	76	258	226	279	247
Net sales	577	450	1,609	1,302	1,958	1,651
Adjusted EBITA, %	14.2%	16.8%	16.0%	17.4%	14.2%	15.0%

Operating cash flow and cash generation, %

SEKm	Q3		Q1-3		LTM	Full-year 2020
	2021	2020	2021	2020		
Adjusted EBITA	82	76	258	226	279	247
Depreciation	33	26	91	74	117	101
Adjusted EBITDA	114	102	349	301	396	348
Investments in intangible assets	-1	-11	-2	-14	4	-8
Investments in tangible assets	-8	6	-22	-5	-36	-19
Operating cash flow	105	97	325	282	364	321
Cash conversion, %	92.1%	95.5%	93.1%	93.8%	91.9%	92.3%

Net debt and net debt/adjusted EBITDA

SEKm	Q3		Q1-3		Full-year	
	2021	2020	2021	2020	LTM	2020
Liabilities to credit institutions	893	1,562	893	1,562	893	1,538
Other interest-bearing liabilities	38	396	38	396	38	403
Non-current lease liabilities	305	237	305	237	305	227
Current lease liabilities	111	82	111	82	111	82
Short-term liabilities to credit institutions	2	-	2	-	2	-
Total interest-bearing liabilities	1,348	2,277	1,348	2,277	1,348	2,250
Cash and cash equivalents	233	138	233	138	233	96
Net debt	1,115	2,138	1,115	2,138	1,115	2,155
Adjusted EBITA	82	76	258	226	271	247
Depreciation	33	26	91	74	124	101
Adjusted EBITDA	114	102	349	301	396	348
Adjusted LTM EBITDA Pro forma	477	n.a.	477	n.a.	477	440
Net debt/Adjusted EBITDA LTM Pro forma	2.3	n.a.	2.3	n.a.	2.3	4.9

Net debt/equity

SEKm	Q3		Q1-3		Full-year	
	2021	2020	2021	2020	LTM	2020
Net debt	1,115	2,138	1,115	2,138	1,115	2,155
Equity attributable to Parent Company shareholders	1,560	-87	1,560	-87	1,560	-111
Equity attributable to minority	6	6	6	6	6	5
Total shareholders' equity	1,565	-81	1,565	-81	1,565	-106
Net debt in relation to Shareholder's equity	0.7	-26.5	0.7	-26.5	0.7	-20.3

Return on capital employed (ROCE)

SEKm	Q3		Q1-3		Full-year	
	2021	2020	2021	2020	LTM	2020
Adjusted EBITA LTM	279	n.a.	279	n.a.	279	247
Total equity	1,565	-81	1,565	-81	1,565	-106
Total interest-bearing liabilities	1,348	2,277	1,348	2,277	1,348	2,250
Capital employed	2,913	2,196	2,913	2,196	2,913	2,144
ROCE, %	9.6%	n.a.	9.6%	n.a.	9.6%	11.5%

Return on equity (ROE)

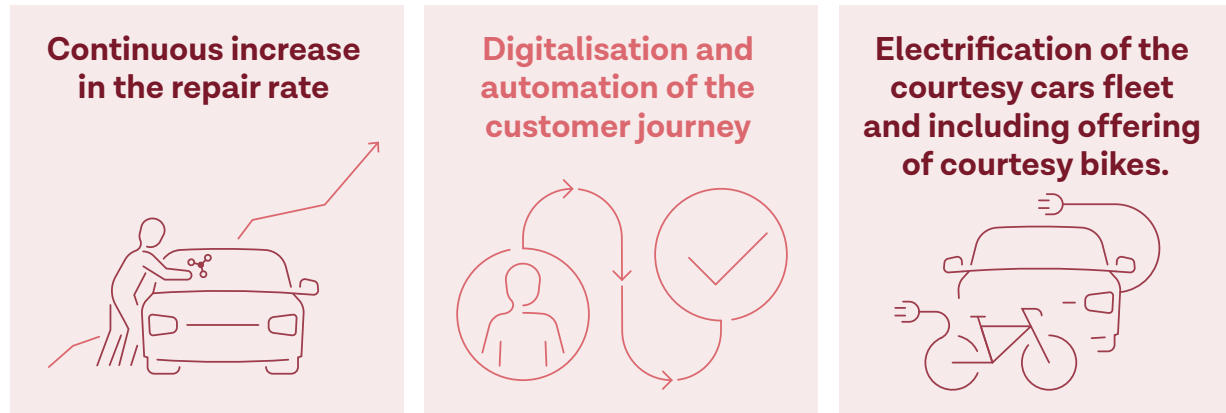
SEKm	Q3		Q1-3		Full-year	
	2021	2020	2021	2020	LTM	2020
Profit for the period, LTM	-5	n.a.	-5	n.a.	-5	48
Equity attributable to Parent Company shareholders	1,560	-87	1,560	-87	1,560	-111
Return on equity, %	-0.3%	n.a.	-0.3%	n.a.	-0.3%	-43.6%

Definitions

Net revenue growth, %	Change in reported net revenue compared with the same period in the preceding year.
Organic growth, %	Net revenue growth, adjusted for net revenue attributable to businesses acquired, in the first twelve months after the acquisition date.
EBITDA	Operating profit before depreciation/amortisation of property, plant and equipment and intangible non-current assets.
EBITDA margin	EBITDA as a percentage of the company's net revenue.
Adjusted EBITDA	Operating profit before depreciation/amortisation of property, plant and equipment and intangible non-current assets, adjusted for items affecting comparability.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of the company's net revenue.
EBITA	Operating profit before amortisation of intangible assets.
EBITA margin, %	EBITA as a percentage of the company's net revenue.
Adjusted EBITA	Operating profit before amortisation of intangible assets, adjusted for items affecting comparability.
Adjusted EBITA margin, %	Adjusted EBITA as a percentage of the company's net revenue.
Capital employed	The total of equity and interest-bearing liabilities. Average capital employed is calculated as the average of the opening balance and the closing balance for the period concerned.
Return on capital employed (ROCE), %	Adjusted EBITA as a percentage of average capital employed.
Return on equity (ROE)	Profit for the period divided by average equity attributable to the parent company's shareholders. The average is calculated as the average of the opening balance and the closing balance for the period concerned.
Cash generation, %	Operating cash flow divided by Adjusted EBITDA.
Net debt	Interest-bearing liabilities (due to credit institutions and lease liabilities), less cash and cash equivalents.
Net debt/Adjusted EBITDA	Net debt divided by Adjusted EBITDA, pro forma.
Number of workdays	Number of workdays per country weighted by the country's share of total sales.
Number of jobs	Total number of jobs carried out by the Group.
Number of workshops (incl. mobile units)	Total number of workshops owned by the Group, franchise-owned and mobile units.
Net Promoter Score (NPS)	The Net Promoter Score (NPS) is a measure of customer loyalty and customer satisfaction. The result is obtained from asking customers how likely, on a scale of 0–10, they are to recommend the company's product or service to others. Cary Group bases its NPS on Sweden and the UK, with a weighting based on its income.
R12 – Rolling 12 months	Refers to the past twelve months reported, including the period reported on in the interim report.

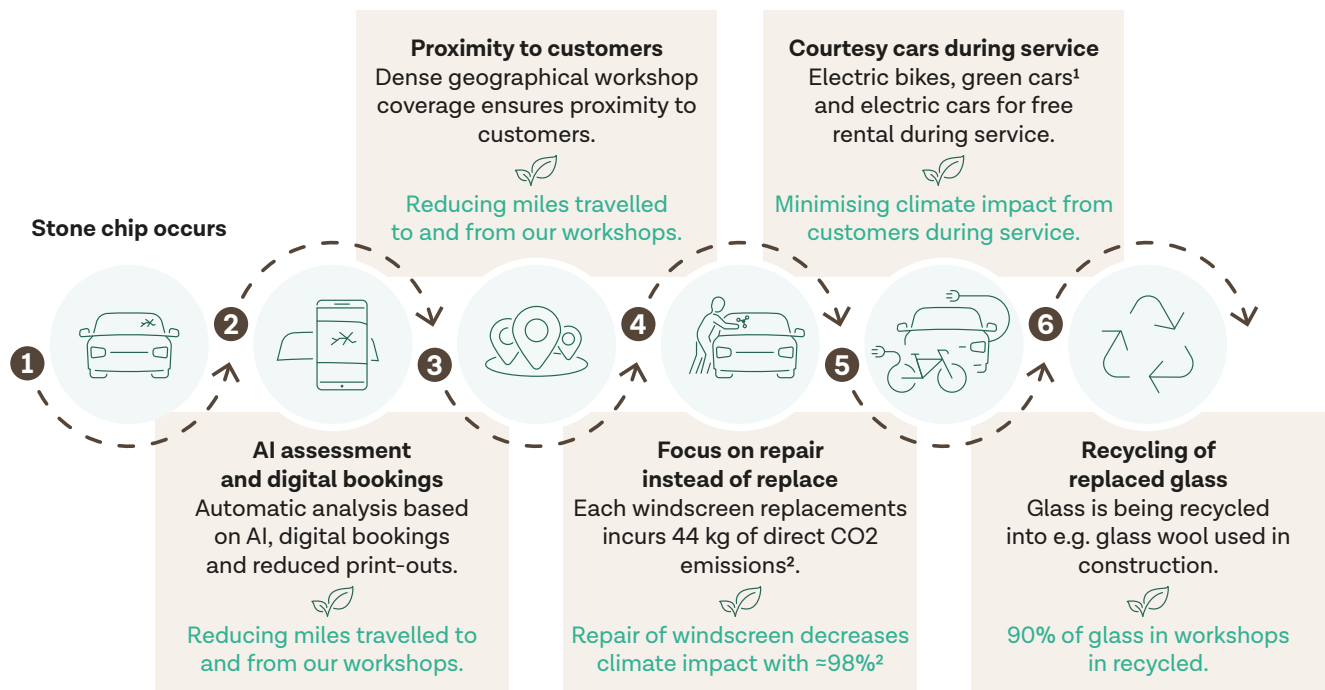
Sustainability at the core

Sustainability is at the very core of Cary Group's identity as well as its strategy. The Company strives to have top of mind brands for sustainable car care in each market and to be an admired frontrunner within the independent car service industry with regards to climate impact and digitalisation. Key levers to achieve this include:



Sustainability is integrated in each step of the wind-screen's journey

Cary Group always strives to repair the customer's windshield to the greatest possible extent as replacing a windshield means a total emission of approximately 44 kg CO₂, including production, transport and recycling. We continuously monitor the repair rate as one of the most important sustainability measures. As of 2020, the repair rate for Cary Group was 41 percent in Sweden, compared to a market average of 34 percent. Approximately 90 percent of the discarded windshield can be recycled.



Compensating for our carbon footprint

As a part of taking our responsibility when it comes to our carbon footprint, Cary Group compensates for all car glass services in the Nordics – no matter if the windscreen can be repaired or needs replacing. The carbon offsetting is performed through Plan Vivo certified three planting projects.

1) With a maximum environmental impact of 115 CO₂e g/km. 2) Based on Nordic estimate of direct emissions

For more information, please contact:

Anders Jensen, CEO

+46 10 121 96 12

Joakim Rasiwala, CFO

+46 10 121 96 12

Helene Gustafsson, Head of IR & Corporate Communication

Helene.gustafsson@carygroup.com

+46 70 868 40 50

Investor and analyst information

Financial calendar

11 February 2022

Year-end report: January–December 2021

10 May 2022

Interim report: January–March 2022

12 April 2022

Annual report 2021

17 May 2022

Annual General Meeting 2021

Telephone conference

A videoconference will be held on 12 November 2021 at 11:00.

To follow the conference call by telephone and to participate in the Q&A session, please call the relevant number below:

- UK: +443333009273
- USA: +1 6319131422 PIN US: 74641908#
- Sweden: +46850558356

You can follow the video broadcast of the conference via

<https://tv.streamfabriken.com/cary-group-q3-2021>.

A recording of the video broadcast will be available afterwards at www.carygroup.com.

This information is such that Cary Group Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person indicated above, on 12 November 2021 at 08:15 CET.

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

The undersigned hereby declares that the interim report gives a true and fair view of the business, financial position and performance of the parent company and of the Group and describes the significant risks and uncertainties faced by the parent company and the constituent companies of the Group.

Anders Jensen, CEO, Cary Group

Stockholm, 12 November 2021

Auditor's review report

Auditor's review report

To the Board of Directors of Cary Group Holding AB, company registration number 559040-9388

Introduction

We have conducted a review of the summarised interim financial information (the interim report) for Cary Group Holding AB as at 30 September 2021 and the nine-month period that ended on that date. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express an opinion on this interim report based on our review.

Scope and focus of the review

We have conducted our review in accordance with the International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially smaller in scope and has a different focus compared with the scope and focus of an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards.

The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. The opinion expressed based on a review therefore does not provide the same level of assurance as an opinion expressed based on an audit.

Opinion

Based on our review, nothing has come to our attention that would cause us to believe that this interim report has not, in all material respects, been prepared on behalf of the Group in accordance with IAS 34 and the Swedish Annual Accounts Act, and on behalf of the parent company in accordance with the Swedish Annual Accounts Act.

Stockholm, 12 November 2021

Ernst & Young AB

Stefan Andersson Berglund
Authorised Public Accountant

Cary Group in brief

Cary Group offers sustainable damage and car care services in Sweden, Denmark, Norway, the UK and Spain. We specialise in the repair and replacement of automotive glass with a complementary range of services in auto body repair. We provide car care services that sustain the life, value and safety features of motorised vehicles by always aiming to repair instead of replace. With workshops in convenient locations, high-quality products and smart solutions, we help our customers make simplified and sustainable choices. For more information, visit www.carygroup.com.

Key performance indicators

Revenue

R12 SEK million, (Q3 2021)

1,958



No. of employees

(30 September 2021)

1,484



No. of workshops

(30 September 2021)

935

Of which, 198 are franchise-owned
and 409 are mobile units

No. of countries

5



Repair rate

(Sweden)

41%



Cary Group Holding AB
Company registration number
559040-9388 Hammarby Kaj
10D
SE-120 32 Stockholm
www.carygroup.com