

YEAR-END REPORT 2024

Reporting period January – December

- Net sales increased 6.9 per cent to SEK 26,137 (24,454) million. Organically, net sales declined -0.5 per cent.
- EBITA increased 4.5 per cent to SEK 5,917 (5,664) million.
- The EBITA margin declined 0.6 of a percentage point to 22.6 (23.2) per cent.
- Profit before tax grew 1.8 per cent to SEK 4,454 (4,374) million.
- Net profit for the period grew 0.8 per cent to SEK 3,349 (3,323) million.
- Earnings per share increased 1.0 per cent till SEK 7.27 (7.21).
- Cash flow from operating activities increased 0.6 per cent to SEK 4,485 (4,458) million.
- 13 new businesses were consolidated during the year with estimated total annual net sales of about SEK 2.0 billion on the acquisition dates.
- Dividend per share is proposed at SEK 2.40 (2.10) per share, corresponding to SEK 1,090.1 (953.9) million.

Reporting period October – December

- Net sales increased 10.6 per cent to SEK 7,125 (6,439) million. Organically, net sales grew 3.8 per cent.
- EBITA increased 9.4 per cent to SEK 1,633 (1,492) million.
- The EBITA margin declined 0.3 of a percentage point to 22.9 (23.2) per cent.
- Profit before tax grew 12.5 per cent to SEK 1,260 (1,120) million.
- Net profit for the period grew 7.8 per cent to SEK 978 (907) million.
- Cash flow from operating activities increased 3.5 per cent to SEK 1,554 (1,501) million.

Summary of financial performance

SEK million	TWELVE MONTHS			FOURTH QUARTER		
	2024	2023	change	2024	2023	change
Net sales	26,137	24,454	6.9%	7,125	6,439	10.6%
EBITA	5,917	5,664	4.5%	1,633	1,492	9.4%
EBITA margin	22.6%	23.2%	-0.6	22.9%	23.2%	-0.3
Profit before tax	4,454	4,374	1.8%	1,260	1,120	12.5%
Net profit for the period	3,349	3,323	0.8%	978	907	7.8%
Earnings per share	7.27	7.21	1.0%	2.13	1.97	8.1%
Return on capital employed	20.9%	22.6%	-1.7	20.9%	22.6%	-1.7
Return on capital employed excl. goodwill	128%	139%	-11.0	128%	139%	-11.0

COMMENTS FROM THE CEO

Lifco's primary goal is to increase its earnings every year through organic growth and acquisitions. Net sales increased 6.9 per cent in 2024 to SEK 26,137 (24,454) million through acquisitions. Organic growth amounted to -0.5 per cent during the year as a result of the weak market situation in Demolition & Tools.

In the fourth quarter, net sales increased 10.6 per cent to SEK 7,125 (6,439) million with organic growth of 3.8 per cent. The positive development in the fourth quarter was due to acquisitions in all business areas and organic growth in Dental and parts of Systems Solutions, with continuing major deliveries in the Contract Manufacturing division. The continued weak market situation in Demolition & Tools and parts of Systems Solutions had a negative impact.

EBITA increased 4.5 per cent to SEK 5,917 (5,664) million during the year as a result of acquisitions. The EBITA margin declined 0.6 of a percentage point to 22.6 (23.2) per cent due to negative organic growth in Demolition & Tools.

During the fourth quarter, EBITA increased 9.4 per cent to SEK 1,633 (1,492) million, mainly due to acquisitions in all three business areas and organic growth in parts of Systems Solutions. The EBITA margin declined 0.3 of a percentage point to 22.9 (23.2) per cent, primarily due to the negative volume trend in Demolition & Tools and lower profitability in Dental.

Earnings per share increased 1.0 per cent in 2024 to SEK 7.27 (7.21) and cash flow from operating activities increased 0.6 per cent to SEK 4,485 (4,458) million.

During the year, Lifco consolidated 13 acquisitions, of which three in the Dental business area, three in Demolition & Tools and seven in Systems Solutions. The acquisitions include three UK, three Italian, three Dutch, one Danish, one German, one Swiss and one Swedish company. These companies are highly specialised and market leaders in their respective niches. The acquisitions had a net positive impact on Lifco's results and financial position during the year.

Lifco has a loan framework of SEK 8 billion in its MTN programme and bonds outstanding totalling SEK 4,250 million. Lifco's financial position remains solid and interest-bearing net debt amounted to 1.2 times EBITDA at 31 December 2024, which is well in line with our target of interest-bearing net debt of a maximum of three times EBITDA and means that Lifco possesses the financial scope to make additional acquisitions.



Per Waldemarson
President and CEO

GROUP PERFORMANCE IN JANUARY – DECEMBER

Net sales increased 6.9 per cent to SEK 26,137 (24,454) million. Acquisitions contributed 7.7 per cent while exchange rate changes negatively impacted sales by 0.3 per cent. Due to weak market conditions in Demolition & Tools, the organic decline was 0.5 per cent. The Italian companies Brevetti Montolit, CFR and MCV, the UK companies Ascot Signs, Cardel Group and TDS (E&W), the Dutch companies Eurosteel, GMT Equipment and Ivium Technologies, the Danish company Pro-Dental, the Swiss company Polydentia, the Swedish company Expand Media and the German company Kögel Filter were consolidated during the year. These acquisitions had estimated total annual net sales of about SEK 2.0 billion on the acquisition dates.

EBITA increased 4.5 per cent to SEK 5,917 (5,664) million, driven by acquisitions. Exchange rate changes had a negative impact on EBITA of 0.2 per cent. The EBITA margin declined 0.6 of a percentage point to 22.6 (23.2) per cent. EBITA was negatively impacted by lower organic sales and earnings were therefore weaker in Demolition & Tools, while acquisitions in all business areas had a positive impact.

During the year, 46 (43) per cent of EBITA was generated in EUR, 18 (21) per cent in SEK, 14 (11) per cent in GBP, 11 (10) per cent in NOK, 5 (5) per cent in DKK, 3 (4) per cent in USD and 3 (5) per cent in other currencies.

Net financial items were SEK -442 (-379) million, negatively impacted primarily by higher interest expenses.

Profit before tax grew 1.8 per cent to SEK 4,454 (4,374) million. Net profit for the period grew 0.8 per cent to SEK 3,349 (3,323) million.

Average capital employed excluding goodwill increased SEK 544 million during the year to SEK 4,632 million at 31 December 2024, compared with SEK 4,088 million at 31 December 2023. EBITA in relation to average capital employed excluding goodwill was at 128 per cent at year-end and decreased 11.0 percentage points during the year.

The Group's net debt increased SEK 961 million from 31 December 2023 to SEK 11,594 million at 31 December 2024, of which liabilities related to put/call options for acquisitions increased SEK 31 million to SEK 2,636 million. Interest-bearing net debt increased during the year by SEK 901 million to SEK 7,750 million at 31 December 2024.

On 31 December 2024, Lifco had bonds outstanding totalling SEK 4,250 million. In addition to bonds outstanding, Lifco has standard short-term credit facilities.

The net debt/equity ratio at 31 December 2024 was 0.6, a decrease from 0.7 at 31 December 2023. Net debt/EBITDA was 1.8 (1.7) and interest-bearing net debt/EBITDA was 1.2 (1.1) times at 31 December 2024. At the end of 2024, 37 (41) per cent of the Group's interest-bearing liabilities were denominated in EUR.

Cash flow from operating activities increased 0.6 per cent to SEK 4,485 (4,458) million during the year. Cash flow from investing activities was SEK -3,338 (-4,158) million, which was mainly attributable to acquisitions.

GROUP PERFORMANCE IN THE FOURTH QUARTER

Net sales increased 10.6 per cent to SEK 7,125 (6,439) million in the fourth quarter. Acquisitions contributed 6.4 per cent and organic growth was 3.8 per cent. Exchange rate changes had a positive impact of 0.5 per cent. The positive development in the quarter was due to acquisitions in all business areas and organic growth in Dental and parts of Systems Solutions following major deliveries in the Contract Manufacturing division. The continued weak market situation in Demolition & Tools and parts of Systems Solutions had a negative impact.

EBITA increased 9.4 per cent to SEK 1,633 (1,492) million, driven by acquisitions and organic growth. Exchange rate changes had a positive impact on EBITA of 0.5 per cent. The EBITA margin declined 0.3 of a percentage point to 22.9 (23.2) per cent.

During the fourth quarter, 48 (42) per cent of EBITA was generated in EUR, 17 (24) per cent in SEK, 14 (11) per cent in GBP, 9 (11) per cent in NOK, 7 (5) per cent in DKK, 2 (3) per cent in USD and 3 (4) per cent in other currencies.

Net financial items were SEK -90 (-121) million, positively impacted primarily by lower interest expenses.

Profit before tax grew 12.5 per cent to SEK 1,260 (1,120) million. Net profit for the period grew 7.8 per cent to SEK 978 (907) million.

Average capital employed excluding goodwill increased SEK 136 million to SEK 4,632 million at 31 December 2024, compared with SEK 4,496 million at 30 September 2024. EBITA in relation to average capital employed excluding goodwill was unchanged from 30 September 2024 and amounted to 128 per cent.

From 30 September 2024, the Group's net debt decreased SEK 71 million to SEK 11,594 million at the end of the quarter. Interest-bearing net debt increased during the same period by SEK 68 million to SEK 7,750 million.

Cash flow from operating activities increased 3.5 per cent to SEK 1,554 (1,501) million. Cash flow from investing activities was SEK -1,499 (-1,658) million, which was mainly attributable to acquisitions.

FINANCIAL PERFORMANCE – BUSINESS AREAS

Dental

SEK million	TWELVE MONTHS			FOURTH QUARTER		
	2024	2023	change	2024	2023	change
Net sales	6,306	6,030	4.6%	1,636	1,592	2.8%
EBITA	1,307	1,248	4.7%	315	325	-3.1%
EBITA margin	20.7%	20.7%	0.0	19.3%	20.4%	-1.1

The companies in Lifco's Dental business area are leading suppliers of consumables, equipment and technical service to dentists across Europe, and the business area also has operations in the US. Lifco sells dental technology to dentists in the Nordic countries and Germany, and develops and sells medical record systems in Denmark, Sweden and Germany. The business area also includes a number of manufacturers which produce, inter alia, fitting products for dentures, disinfectants, saliva ejectors, bite registration and dental impression materials, bonding agents and other consumables that are sold to dentists through distributors around the world.

Net sales in Dental increased 4.6 per cent to SEK 6,306 (6,030) million during the year as a result of acquisitions and organic growth.

EBITA increased 4.7 per cent to SEK 1,307 (1,248) million during the year and the EBITA margin amounted to 20.7 (20.7) per cent. EBITA was positively impacted by acquisitions and organic growth.

The Danish company Pro-Dental, which is a dental laboratory that manufactures prosthetics for Danish dentists, was consolidated as of July 2024. The company had net sales of about DKK 17 million in 2023 and has twelve employees. The Swiss company Polydentia, which is a manufacturer of dental consumables, was consolidated from October 2024. The company had net sales of about CHF 4.5 million in 2023 and has 31 employees. The UK company TDS (E&W), which introduces dental indemnity insurance to dentists and defends their members against claims, was consolidated from November 2024. The company had net sales of about GBP 3.8 million in the financial year ending in March 2024 and has 30 employees.

Demolition & Tools

SEK million	TWELVE MONTHS			FOURTH QUARTER		
	2024	2023	change	2024	2023	change
Net sales	6,444	7,097	-9.2%	1,675	1,729	-3.1%
EBITA	1,542	1,859	-17.1%	411	441	-6.7%
EBITA margin	23.9%	26.2%	-2.3	24.6%	25.5%	-0.9

The Demolition & Tools business area develops, manufactures and sells equipment for the infrastructure, demolition and construction industries. The Group is the world's leading supplier in the markets for demolition robots and crane attachments. The Group is also one of the leading global suppliers of forest machinery and excavator attachments. The business area's EBITA margin might fluctuate between quarters due to single, major special orders and changes to the product mix.

Net sales declined 9.2 per cent during the year to SEK 6,444 (7,097) million as a result of a weak market situation and thus a decline in organic sales, while acquisitions had a positive impact. The market situation remained weak in the fourth quarter.

During the year, EBITA decreased 17.1 per cent to SEK 1,542 (1,859) million and the EBITA margin decreased 2.3 percentage points to 23.9 (26.2) per cent, negatively impacted by lower organic sales, while acquisitions had a positive impact.

The Italian company Brevetti Montolit, which is a niche manufacturer of high-end professional tile cutting tools and accessories, was consolidated as of April 2024. The company had net sales of about EUR 18.5 million in 2023 and has 36 employees. The Dutch company Eurosteel, which is a niche manufacturer of attachments and tools for excavators and wheel loaders as well as other construction machinery, was consolidated as of July 2024. The company had net sales of about EUR 16.8 million in 2023 and has 49 employees. The Dutch company GMT Equipment, which is a manufacturer of grapple saws for tree cutting and tree removal, was consolidated as of October 2024. The company had net sales of about EUR 5.5 million in 2023 and has eleven employees.

Systems Solutions

SEK million	TWELVE MONTHS			FOURTH QUARTER		
	2024	2023	change	2024	2023	change
Net sales	13,387	11,328	18.2%	3,815	3,119	22.3%
EBITA	3,230	2,704	19.5%	955	760	25.7%
EBITA margin	24.1%	23.9%	0.2	25.0%	24.4%	0.6

Through its operating units, the Systems Solutions business area operates in industries offering systems solutions. Systems Solutions is divided into five divisions: Contract Manufacturing, Environmental Technology, Infrastructure Products, Special Products and Transportation Products.

Net sales in Systems Solutions increased 18.2 per cent to SEK 13,387 (11,328) million during the year due to acquisitions and organic growth.

In 2024, EBITA increased by 19.5 per cent to SEK 3,230 (2,704) million and the EBITA margin improved by 0.2 of a percentage point to 24.1 (23.9) per cent. Acquisitions and organic growth in parts of the business area contributed to the increased EBITA.

Contract Manufacturing reported strong organic sales growth for the year with stable profitability due to high deliveries in the second half of the year.

Environmental Technology reported a healthy sales trend for the year with stable profitability due to acquisitions.

Infrastructure Products reported lower net sales and profitability for the year, mainly as a result of a weaker market situation in the construction segment. The market situation remained weak in the fourth quarter.

Special Products reported a strong sales trend in the year with improved profitability as a result of acquisitions. Profitability was positively impacted in the fourth quarter by the completion of a major project.

Transportation Products saw good sales growth during the year with stable profitability as a result of organic growth and acquisitions.

The Italian company CFR, which is a niche manufacturer of electric drive systems for industrial applications, was consolidated into the Transportation Products division as of April 2024. The company had net sales of about EUR 38.5 million in 2023 and has 100 employees. UK Cardel Group, which is a global niche provider of lamination plates for products with high quality requirements such as ID, bank and SIM cards, was consolidated into the Contract Manufacturing division as of June 2024. The company had net sales of about GBP 16.5 million in 2023 and has 74 employees. In the Special Products division, the Swedish company Expand Media, which designs and produces portable event display and print solutions and sells to customers globally, was consolidated as of August 2024. The company had net sales of about SEK 196 million in 2023 and has 64 employees. The Dutch company Ivium Technologies, which develops and sells high-performance electrochemical measurement equipment, mainly used for research and development of batteries, solar cells and fuel cells, was consolidated into the Environmental Technology division as of September 2024. The company had net sales of about EUR 5.3 million in 2023 and has 15 employees. The UK company Ascot Signs, which designs, manufactures and installs bespoke signage and branding solutions, was consolidated into the Special Products division as of October 2024. The company had net sales of about GBP 16.1 million in 2023 and has 77 employees. The German company Kögel Filter, which is a specialist in process filtration and manufactures filters for the chemical and pharmaceutical industries, was consolidated as of November 2024. The company had net sales of about EUR 3.8 million in 2023 and has eight employees. The Italian company MCV, which is a manufacturer of chains and links for conveyors and transmissions, was consolidated from December 2024. The company had net sales of about EUR 22.9 million in 2023 and has 60 employees.

ACQUISITIONS

Lifco made the following consolidations during the year:

Consolidated from month	Acquisitions	Business area	Net sales	Employees
April	Brevetti Montolit	Demolition & Tools	EUR 18.5 m	36
April	CFR	Systems Solutions	EUR 38.5 m	100
June	Cardel Group	Systems Solutions	GBP 16.5 m	74
July	Eurosteel	Demolition & Tools	EUR 16.8 m	49
July	Pro-Dental	Dental	DKK 17 m	12
August	Expand Media	Systems Solutions	SEK 196 m	64
September	Ivium Technologies	Systems Solutions	EUR 5.3 m	15
October	GMT Equipment	Demolition & Tools	EUR 5.5 m	11
October	Polydentia	Dental	CHF 4.5 m	31
October	Ascot Signs	Systems Solutions	GBP 16.1 m	77
November	TDS (E&W)	Dental	GBP 3.8 m	30
November	Kögel Filter	Systems Solutions	EUR 3.8 m	8
December	MCV	Systems Solutions	EUR 22.9 m	60

Further information on the acquisitions is provided on page 17. The figures for net sales and number of employees refer to estimated annual net sales and the number of employees at the acquisition date.

Taken together, the acquisitions had a positive impact on Lifco's results and financial position in 2024.

OTHER INFORMATION

Employees

The average number of employees calculated as full-time equivalents was 7,115 (6,753) for the year. At the end of the year, the number of employees calculated as full-time equivalents was 7,379 (6,899). Acquisitions added about 570 employees.

Events after the end of the reporting period

No significant events have occurred after the end of the year.

Proposed dividend

The Board of Directors and Chief Executive Officer propose that the Annual General Meeting authorise the payment of a dividend of SEK 2.40 (2.10) per share for 2024, representing a total distribution of SEK 1,090.1 million (953.9). This is equal to 33.0 (29.1) per cent of the net profit for the year attributable to shareholders of Lifco AB. The proposed record date is 29 April 2025. Euroclear Sweden expects to be able to distribute the dividend to the shareholders on 5 May 2025, subject to the resolution of the Annual General Meeting.

Related party transactions

No significant transactions with related parties took place during the period.

Risks and uncertainties

The risk factors which have the biggest impact for Lifco are global macroeconomic factors, the competitive situation, structural changes in the market and general level of economic activity. Lifco is also exposed to financial risks, including currency risks, interest rate risks, credit and counterparty risks.

Lifco is working actively to monitor and continually evaluate sustainability-related risks and their impact on the Group's operations and earnings. The Group has established a governance structure that involves Group management and the Board and works to continually improve the company's sustainability-related activities and minimise related risks. As part of this governance, Group management evaluates the compliance of, for example, the Code of Conduct, occupational injuries, IT security and legal disputes, for every subsidiary on a quarterly basis.

The Parent Company is affected by the above risks and uncertainties in its capacity as owner of the subsidiary companies. For further information on Lifco's risks and risk management, see the 2023 Annual Report.

Accounting policies

The Group's year-end report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. In respect of the Parent Company, the report has been prepared in accordance with the Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board. The accounting policies have been applied in accordance with those which are presented in the 2023 Annual Report and should be read in conjunction with these. The total figures in the tables and calculations do not always add up due to rounding differences. The aim is for each row to correspond to its original source and as such, rounding differences can affect the total figures.

This report has not been examined by the company's auditors.

DECLARATION OF THE BOARD OF DIRECTORS

The Board of Directors and Chief Executive Officer warrant and declare that this year-end report and report for the fourth quarter gives a true and fair view of the Parent Company's and Group's operations, financial positions and results, and that it describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Enköping, 31 January 2025

Carl Bennet
Chairman of the Board

Ulrika Dellby
Director

Dan Frohm
Vice Chairman

Erik Gabrielson
Director

Ulf Grunander
Director

Anna Hallberg
Director

Anders Lindström
Director, employee
representative

Tobias Nordin
Director, employee
representative

Caroline af Ugglas
Director

Axel Wachtmeister
Director

Per Waldemarson
President and CEO, Director

FINANCIAL CALENDAR

The Annual Report and Sustainability Report 2024 the week starting 17 March 2025.

Report for the first quarter 25 April 2025.

Report for the second quarter 14 July 2025.

Report for the third quarter 24 October 2025.

Year-end report and report for the fourth quarter 30 January 2026.

Annual Report and Sustainability Report 2025 the week starting 16 March 2026.

ANNUAL GENERAL MEETING 2025

The Annual General Meeting of Lifco AB will be held on Friday 25 April 2025, at 11 a.m. CEST, at Bonnierhuset, Torsgatan 21, Stockholm. Shareholders wishing to raise an issue for discussion at the AGM may do so by submitting their proposal to the Chairman of Lifco by e-mail: ir@lifco.se or by post to: Lifco AB, Attn: Bolagsstämмоärenden, Verkmästaregatan 1, SE-745 85 Enköping, Sweden. To ensure their inclusion in the notice and thus on the agenda for the AGM, proposals must be received by the Company no later than Friday 7 March 2025.

FURTHER INFORMATION

Media and investor relations: Åse Lindskog, ir@lifco.se, telephone: +46 730 24 48 72.

ONLINE PRESENTATION

An online presentation with Per Waldemarson, CEO, and Therése Hoffman, CFO, will take place on Friday, 31 January 2025 at 9:00 a.m. CET. The presentation can be listened to online or by calling in to the telephone conference. Questions can be asked at the telephone conference.

Time: Friday, 31 January at 9:00 a.m. CET

Link to the presentation: <https://lifco.events.inderes.com/q4-report-2024>

If you wish to participate at the telephone conference, you can register using the link below. Following registration, you will receive a telephone number and a conference ID to log in to the conference.

Link to register for the telephone conference:

<https://conference.inderes.com/teleconference/?id=50050299>

LIFCO IN BRIEF

Lifco offers a safe haven for small and medium-sized businesses. Lifco's business concept is to acquire and develop market-leading niche businesses with the potential to deliver sustainable earnings growth and robust cash flows. Lifco is guided by a clear philosophy centred on long-term growth, a focus on profitability and a strongly decentralised organisation. The Group has three business areas: Dental, Demolition & Tools and Systems Solutions. At year-end, the Lifco Group consisted of 257 operating companies in 34 countries. In 2024, Lifco reported EBITA of SEK 5.9 billion on net sales of SEK 26.1 billion. The EBITA margin was 22.6 per cent. Read more at www.lifco.se.

This information constitutes information that Lifco AB is required to publish under the EU's Market Abuse Regulation. The information was submitted for publication through the aforementioned contact person on 31 January 2025, at 7:30 a.m. CET.

CONDENSED CONSOLIDATED INCOME STATEMENT

SEK million	TWELVE MONTHS			FOURTH QUARTER		
	2024	2023	change	2024	2023	change
Net sales	26,137	24,454	6.9%	7,125	6,439	10.6%
Cost of goods sold	-14,548	-13,637	6.7%	-3,947	-3,569	10.6%
Gross profit	11,589	10,817	7.1%	3,178	2,870	10.7%
Selling expenses	-3,014	-2,645	14.0%	-909	-696	30.5%
Administrative expenses	-3,468	-3,252	6.7%	-844	-871	-3.1%
Development costs	-254	-196	30.0%	-82	-61	33.6%
Other income and expenses	44	28	55.1%	7	-1	-1,029%
Operating profit	4,896	4,753	3.0%	1,350	1,240	8.8%
Net financial items	-442	-379	16.5%	-90	-121	-25.6%
Profit before tax	4,454	4,374	1.8%	1,260	1,120	12.5%
Tax	-1,105	-1,051	5.2%	-282	-212	32.8%
Net profit for the period	3,349	3,323	0.8%	978	907	7.8%
Profit attributable to:						
Parent Company shareholders	3,301	3,274	0.8%	968	894	8.3%
Non-controlling interests	49	49	-1.3%	9	13	-27.8%
Earnings per share before and after dilution for the period, attributable to Parent Company shareholders	7.27	7.21	1.0%	2.13	1.97	8.1%
EBITA	5,917	5,664	4.5%	1,633	1,492	9.4%
Depreciation of tangible assets	676	600	12.7%	157	169	-6.7%
Amortisation of intangible assets	25	24	6.1%	7	7	5.6%
Amortisation of intangible assets arising from acquisitions	983	859	14.5%	267	237	12.3%

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	TWELVE MONTHS			FOURTH QUARTER		
	2024	2023	change	2024	2023	change
Net profit for the period	3,349	3,323	0.8%	978	907	7.8%
Other comprehensive income						
<i>Items which can later be reclassified to profit or loss:</i>						
Hedge of net investment	-83	-2	3,776%	-20	71	-129%
Translation differences	767	-254	-402%	395	-663	-160%
Tax related to other comprehensive income	20	1	1,356%	4	-15	-130%
Total comprehensive income for the period	4,053	3,069	32.1%	1,356	300	352%
<i>Comprehensive income attributable to:</i>						
Parent Company shareholders	4,002	3,024	32.3%	1,345	292	361%
Non-controlling interests	50	44	13.6%	12	8	36.5%
	4,053	3,069	32.1%	1,356	300	352%

SEGMENT OVERVIEW

Lifco's operations are monitored and evaluated by the CEO and resources are allocated based on information from the three operating segments Dental, Demolition & Tools and Systems Solutions. The defined quantitative limits have been exceeded only by Dental and Demolition & Tools. One further operating segment, Systems Solutions, is presented. This operating segment consists of a merger of those divisions which have similar economic characteristics and which do not individually meet the defined quantitative limits. These divisions are Infrastructure Products, Contract Manufacturing, Environmental Technology, Transportation Products and Special Products.

NET SALES TO EXTERNAL CUSTOMERS

No sales are made between the segments.

SEK million	TWELVE MONTHS			FOURTH QUARTER		
	2024	2023	change	2024	2023	change
Dental	6,306	6,030	4.6%	1,636	1,592	2.8%
Demolition & Tools	6,444	7,097	-9.2%	1,675	1,729	-3.1%
Systems Solutions	13,387	11,328	18.2%	3,815	3,119	22.3%
Group	26,137	24,454	6.9%	7,125	6,439	10.6%

Net sales by significant type of income:

SEK million	TWELVE MONTHS			FOURTH QUARTER		
	2024	2023	change	2024	2023	change
Dental products	6,306	6,030	4.6%	1,636	1,592	2.8%
Machinery and tools	6,444	7,097	-9.2%	1,675	1,729	-3.1%
Infrastructure Products	1,777	1,907	-6.8%	461	494	-6.7%
Contract Manufacturing	2,878	2,213	30.1%	951	562	69.1%
Environmental Technology	3,414	3,152	8.3%	956	875	9.2%
Transportation Products	3,374	2,740	23.2%	882	737	19.6%
Special Products	1,943	1,316	47.6%	565	450	25.5%
Group	26,137	24,454	6.9%	7,125	6,439	10.6%

EBITA

A breakdown of results by segment is made up to and including EBITA. EBITA is reconciled to profit before tax in accordance with the following table:

SEK million	TWELVE MONTHS			FOURTH QUARTER		
	2024	2023	change	2024	2023	change
Dental	1,307	1,248	4.7%	315	325	-3.1%
Demolition & Tools	1,542	1,859	-17.1%	411	441	-6.7%
Systems Solutions	3,230	2,704	19.5%	955	760	25.7%
Central Group functions	-162	-148	9.6%	-49	-34	44.1%
EBITA before acquisition costs	5,917	5,664	4.5%	1,633	1,492	9.4%
Acquisition costs	-38	-52	-26.9%	-17	-14	15.3%
EBITA	5,879	5,612	4.8%	1,616	1,478	9.4%
Amortisation of intangible assets arising from acquisitions	-983	-859	14.5%	-267	-237	12.3%
Net financial items	-442	-379	16.5%	-90	-121	-25.6%
Profit before tax	4,454	4,374	1.8%	1,260	1,120	12.5%

CONDENSED CONSOLIDATED BALANCE SHEET

SEK million	31 Dec 2024	31 Dec 2023
ASSETS		
Intangible assets	25,400	21,927
Tangible assets	3,035	2,723
Financial assets	454	380
Inventories	4,256	3,906
Accounts receivable - trade	3,334	2,940
Current receivables	894	824
Cash and cash equivalents	1,517	1,591
TOTAL ASSETS	38,889	34,291
EQUITY AND LIABILITIES		
Equity	18,409	15,332
Non-current interest-bearing liabilities incl. pension provisions	3,657	3,337
Other non-current liabilities and provisions	5,403	5,101
Current interest-bearing liabilities	6,817	6,282
Accounts payable - trade	1,671	1,396
Other current liabilities	2,932	2,844
TOTAL EQUITY AND LIABILITIES	38,889	34,291

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to Parent Company shareholders

SEK million	31 Dec 2024	31 Dec 2023
Opening equity	15,212	13,238
Comprehensive income for the period	4,002	3,024
Change in value, owner transactions	-3	-233
Dividend	-954	-818
Closing equity	18,257	15,212
<i>Equity attributable to:</i>		
Parent Company shareholders	18,257	15,212
Non-controlling interests	152	119
	18,409	15,332

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

SEK million	TWELVE MONTHS		FOURTH QUARTER	
	2024	2023	2024	2023
Operating activities				
Operating profit	4,896	4,753	1,350	1,240
Depreciation of right-of-use assets	309	276	66	76
Other non-cash items	1,199	1,212	184	373
Interest and financial items, net	-442	-379	-90	-121
Tax paid	-1,571	-1,343	-346	-452
Cash flow before changes in working capital	4,391	4,519	1,164	1,117
<i>Changes in working capital</i>				
Inventories	53	146	247	424
Current receivables	165	-25	220	154
Current liabilities	-124	-182	-77	-193
Cash flow from operating activities	4,485	4,458	1,554	1,501
Business acquisitions and sales, net	-2,891	-3,718	-1,426	-1,524
Net investment in tangible assets	-409	-387	-61	-115
Net investment in intangible assets	-38	-52	-12	-19
Cash flow from investing activities	-3,338	-4,158	-1,499	-1,658
Borrowings/repayment of borrowings, net	-175	627	-216	340
Dividends paid	-954	-818	0	0
Dividends paid to non-controlling interests	-275	-155	-37	-36
Cash flow from financing activities	-1,404	-346	-253	304
Cash flow for the period	-257	-46	-197	147
Cash and cash equivalents at beginning of period	1,591	1,703	1,615	1,560
Translation differences in cash	183	-67	99	-117
Cash and cash equivalents at end of period	1,517	1,591	1,517	1,591

ACQUISITIONS IN 2024

13 new businesses were consolidated in 2024. The operations that were consolidated comprise the Italian companies Brevetti Montolit, CFR and MCV, the UK companies Ascot Signs, Cardel Group and TDS (E&W), the Dutch companies Eurosteel, GMT Equipment and Ivium Technologies, the Swedish company Expand Media, the German company Kögel Filter, the Swiss company Polydentia and the Danish company Pro-Dental.

The purchase price allocation includes all acquisitions consolidated in 2024.

Acquisition-related expenses of SEK 38 million are included in administrative expenses in the consolidated income statement for 2024. Since the respective consolidation dates, the acquired companies have added SEK 722 million to consolidated net sales and SEK 179 million to EBITA. If the businesses had been consolidated as of 1 January 2024, consolidated net sales for the year would have increased by a further SEK 1,076 million and EBITA would have increased by a further SEK 329 million.

Acquired net assets

Net assets, SEK million	Carrying amount	Value adjustment	Fair value
Trademarks, customer relationships, licences	29	2,074	2,103
Tangible assets	181	-	181
Inventories, accounts receivable and other receivables	770	-22	748
Accounts payable and other liabilities ¹	-926	-565	-1,491
Cash and cash equivalents	459	-	459
Net assets	513	1,487	2,000
Goodwill	-	1,664	1,664
Total net assets	513	3,151	3,664

Effect on cash flow, SEK million

Consideration	3,664
Considerations not paid	-636
Cash and cash equivalents in acquired companies	-459
Consideration paid relating to acquisitions from previous years	321
Total cash flow effect	2,891

¹ Of which SEK 471 million refers to external interest-bearing liabilities.

FINANCIAL INSTRUMENTS

SEK million	31 Dec 2024	31 Dec 2023
Financial assets at amortised cost		
Accounts receivable - trade	3,334	2,940
Other non-current financial receivables	25	25
Cash and cash equivalents	1,517	1,591
Total	4,876	4,556
Liabilities at fair value		
Other liabilities ¹	2,636	2,605
Financial liabilities at amortised cost		
Interest-bearing borrowings	10,357	9,520
Accounts payable - trade	1,671	1,396
Total	14,663	13,521

¹ Other liabilities classified as financial instruments refer to mandatory put/call options related to non-controlling interests.

The carrying amount is the same as the fair value. Financial instruments at fair value are classified into different levels depending on how fair value is determined. All financial instruments at fair value in the Lifco Group have been classified as level 3, i.e. non-observable inputs. The fair value of short-term borrowings is equal to the carrying amount, as the discount effect is insignificant.

KEY PERFORMANCE INDICATORS

	2024 31 DEC	2023 31 DEC
Net sales, SEK million	26,137	24,454
Change in net sales, %	6.9	13.5
EBITA, SEK million	5,917	5,664
EBITA margin, %	22.6	23.2
EBITDA, SEK million	6,618	6,287
EBITDA margin, %	25.3	25.7
Capital employed, SEK million	28,372	25,007
Capital employed excl. goodwill and other intangible assets, SEK million	4,632	4,088
Return on capital employed, %	20.9	22.6
Return on capital employed excl. goodwill, %	128	139
Return on equity, %	19.5	22.4
Net debt, SEK million	11,594	10,633
Net debt/equity ratio	0.6	0.7
Net debt/EBITDA	1.8	1.7
Interest-bearing net debt, SEK million	7,750	6,849
Interest-bearing net debt/EBITDA	1.2	1.1
Equity/assets ratio, %	47.3	44.7
Number of shares, thousands	454,216	454,216
Average number of employees	7,115	6,753

CONDENSED PARENT COMPANY INCOME STATEMENT

SEK million	TWELVE MONTHS		FOURTH QUARTER	
	2024	2023	2024	2023
Administrative expenses	-128	-113	-26	-20
Other operating income ¹	77	67	76	68
Operating profit	-51	-46	50	48
Net financial items ²	2,050	1,626	69	132
Profit after financial items	1,999	1,580	119	180
Appropriations	207	389	207	389
Tax	5	-42	-33	-78
Net profit for the period	2,210	1,927	293	490

¹ Invoicing of Group-wide services.

² Net financial items include SEK 1,891 (1,461) million in dividends received during the 12-month period.

CONDENSED PARENT COMPANY BALANCE SHEET

SEK million	31 Dec 2024	31 Dec 2023
ASSETS		
Financial assets	9,520	8,318
Current receivables	12,525	10,415
Cash and cash equivalents	539	469
TOTAL ASSETS	22,584	19,203
EQUITY AND LIABILITIES		
Equity	6,015	4,759
Untaxed reserves	4	-
Provisions	6	12
Non-current interest-bearing liabilities	2,585	2,203
Current interest-bearing liabilities	6,487	5,985
Current non-interest-bearing liabilities	7,487	6,244
TOTAL EQUITY AND LIABILITIES	22,584	19,203

DEFINITIONS AND OBJECTIVES

Return on equity	Net profit for the period divided by average equity.
Return on capital employed	EBITA before acquisition costs divided by capital employed.
Return on capital employed excluding goodwill and other intangible assets	EBITA before acquisition costs divided by capital employed excluding goodwill and other intangible assets.
EBITA	EBITA is a measure which Lifco considers relevant for investors who wish to understand the earnings generated after investments in tangible and intangible assets requiring reinvestment but before investments in intangible assets attributable to acquisitions. Lifco defines earnings before interest, tax and amortisation (EBITA) as operating profit before amortisation and impairment of intangible assets arising from acquisitions excluding acquisition costs.
EBITA margin	EBITA divided by net sales.
EBITDA	EBITDA is a measure which Lifco considers relevant for investors who wish to understand the earnings generated before investments in non-current assets. Lifco defines earnings before interest, tax, depreciation and amortisation (EBITDA) as operating profit before depreciation, amortisation and impairment of tangible and intangible assets excluding acquisition costs.
EBITDA margin	EBITDA divided by net sales.
Net debt/equity ratio	Net debt divided by equity.
Net debt	Lifco uses the alternative KPI net debt. Lifco considers that this is a useful additional KPI which allows users of the financial reports to assess the Group's ability to pay dividends, make strategic investments and meet its financial obligations. Lifco defines the KPI as follows: current and non-current liabilities to credit institutions, bonds, interest-bearing pension provisions, liabilities related to put/call options relating to acquisitions as well as lease liabilities less cash and cash equivalents.
Earnings per share	Profit after tax attributable to Parent Company shareholders, divided by the average number of shares outstanding.

Interest-bearing net debt

Lifco uses the alternative KPI interest-bearing net debt. Lifco considers that this is a useful additional KPI which allows users of the financial reports to assess the Group's ability to pay dividends, make strategic investments and meet its financial obligations. Lifco defines the KPI as follows: current and non-current liabilities to credit institutions, bonds as well as interest-bearing pension provisions less cash and cash equivalents.

Equity/assets ratio

Equity divided by total assets (balance sheet total).

Capital employed

Capital employed is a measure which Lifco uses for calculating the return on capital employed and for measuring how efficient the Group is. Lifco considers that capital employed is useful in helping users of the financial reports to understand how the Group finances itself. Lifco defines capital employed as total assets less cash and cash equivalents, interest-bearing pension provisions and non-interest-bearing liabilities with the exception of liabilities related to put/call options relating to acquisitions, calculated as the average of the last four quarters.

Capital employed excluding goodwill and other intangible assets

Capital employed excluding goodwill and other intangible assets is a measure which Lifco uses for calculating the return on capital employed and for measuring how efficient the Group is. Lifco considers that capital employed excluding goodwill and other intangible assets is useful in helping users of the financial reports to understand the impact of goodwill and other intangible assets on that capital which requires a return. Lifco defines capital employed excluding goodwill and other intangible assets as total assets less cash and cash equivalents, interest-bearing pension provisions, non-interest-bearing liabilities with the exception of liabilities related to put/call options relating to acquisitions, goodwill and other intangible assets, calculated as the average of the last four quarters.

RECONCILIATION OF ALTERNATIVE KEY PERFORMANCE INDICATORS

The year-end report presents alternative key performance indicators for assessing the Group's performance. The primary alternative KPIs presented in this year-end report are EBITA, EBITDA, net debt and capital employed. Definitions of the alternative KPIs are presented on pages 20–21.

EBITA compared with financial statements in accordance with IFRS

SEK million	TWELVE MONTHS 2024	TWELVE MONTHS 2023
Operating profit	4,896	4,753
Amortisation of intangible assets arising from acquisitions	983	859
EBITA	5,879	5,612
Acquisition costs	38	52
EBITA before acquisition costs	5,917	5,664

EBITDA compared with financial statements in accordance with IFRS

SEK million	TWELVE MONTHS 2024	TWELVE MONTHS 2023
Operating profit	4,896	4,753
Depreciation of tangible assets	676	600
Amortisation of intangible assets	25	24
Amortisation of intangible assets arising from acquisitions	983	859
EBITDA	6,580	6,235
Acquisition costs	38	52
EBITDA before acquisition costs	6,618	6,287

Net debt compared with financial statements in accordance with IFRS

SEK million	31 Dec 2024	31 Dec 2023
Non-current interest-bearing liabilities including pension provisions	2,762	2,432
Current interest-bearing liabilities	6,505	6,008
Cash and cash equivalents	-1,517	-1,591
Interest-bearing net debt	7,750	6,849
Put/call options	2,636	2,605
Lease liability	1,207	1,179
Net debt	11,594	10,633

Capital employed and capital employed excluding goodwill and other intangible assets compared with financial statements in accordance with IFRS

SEK million	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024
Total assets	38,889	37,603	37,462	35,521
Cash and cash equivalents	-1,517	-1,615	-1,707	-1,560
Interest-bearing pension provisions	-118	-109	-110	-103
Non-interest-bearing liabilities	-7,369	-7,333	-7,410	-7,033
Capital employed	29,885	28,545	28,235	26,825
Goodwill and other intangible assets	-25,400	-23,654	-23,524	-22,383
Capital employed excluding goodwill and other intangible assets	4,485	4,891	4,711	4,441

Capital employed and capital employed excluding goodwill and other intangible assets calculated as the average of the last four quarters compared with financial statements in accordance with IFRS

SEK million	Average	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Capital employed	28,372	29,885	28,545	28,235	26,825
Capital employed excluding goodwill and other intangible assets	4,632	4,485	4,891	4,711	4,441
Total	5,917	1,633	1,398	1,608	1,278
EBITA	5,917	1,633	1,398	1,608	1,278
Return on capital employed	20.9%				
Return on capital employed excluding goodwill and other intangible assets	128%				