

INTERIM REPORT 2024

JANUARY-MARCH



Improvement in margins and strong financial position

FIRST QUARTER OF 2024 IN BRIEF

- › Sales totaled SEK 2,442 million (2,476)
- › Operating profit (EBITA) increased to SEK 238 million (193)
- › EBITA margin of 9.7% (7.8)
- › Profit after tax was SEK 162 million (136)
- › Earnings per share, basic and diluted, increased to SEK 0.60 (0.50)
- › Cash flow from operating activities amounted to SEK 136 million (75)
- › Net financial liabilities in relation to adjusted operating profit (EBITDA) totaled 0.8 times

Comments from the CEO - Improvement in margins and strong financial position

The efforts we have undertaken to improve margins, via the adjustment of total costs in each unit and through strategic price increases, have had the desired effect, although the Group's net sales were in line with the first quarter of 2023. The Group's EBITA margin increased by 1.9 percentage points to 9.7%.

In addition, as previously announced, from the start of this year we are reporting the Group's operations in two business areas. We are making this change because many of our customers are optimizing their resources and presence based on a global market approach and want suppliers with a globally coordinated local presence. We have merged Integrated Solutions with Industrial Solutions to create Engineered Solutions, to help realize the full potential of our current customer base. The EBITA margin for the business area improved by a full 3.6 percentage points in the first quarter, rising to 9.5%.



Christer Wahlquist, President and CEO, Nolato AB

In April, we signed a long-term cooperation agreement with a major existing customer to supply medical devices to administer medication, including to support weight loss and treat diabetes. At full-scale production, within a five-year period, it is estimated that this will generate annual sales in the region of SEK 700 million for Nolato. This cooperation marks a significant milestone for Nolato and is an endorsement of our business concept and our ability to grow alongside our large, globally successful customers that demand high standards of precision, quality and security of supply.

Our global presence, with our own production facilities on three continents, in-depth production expertise and close, long-standing customer relationships, enable us to continually harness business opportunities and advance our market positions. Combined with the flexibility that comes from a strong financial position, we have the ability to expand alongside our customers at a good level of profitability.

Group highlights

SEK million unless otherwise specified	Note	Q1 2024	Q1 2023	R12M	Full year 2023
Net sales	1	2,442	2,476	9,512	9,546
Operating profit (EBITDA)		374	326	1,301	1,253
Operating profit (EBITA)		238	193	746	701
EBITA margin, %		9.7	7.8	7.8	7.3
Operating profit (EBIT)	2	227	183	701	657
Profit after financial income and expense	2	209	173	652	616
Profit after tax		162	136	461	435
Earnings per share, basic and diluted, SEK	3	0.60	0.50	1.71	1.61
Cash flow from operating activities		136	75	842	781
Net investments affecting cash flow, excl. acquisitions and disposals		230	121	534	425
Cash conversion, %				57	65
Financial net debt in relation to adjusted operating profit EBITDA, times				0.8	0.7
Return on capital employed, %		9.5	11.5	9.5	9.0
Return on shareholders' equity, %		8.5	12.0	8.5	8.1
Equity/assets ratio, %		57	55	57	56
Net financial liabilities, excluding pension- & lease liabilities		1,026	763	1,026	895

See definitions of IFRS measures and alternative performance measures on page 17.

Including a non-recurring item of -60 MSEK in the operating profit in R12M and full year 2023 and -50 MSEK in the profit after tax in R12M and full year 2023.

This document is a translation from Swedish. In the event of any difference between this version and the Swedish original, the latter shall prevail.

First quarter 2024

- Consolidated sales totaled SEK 2,442 million (2,476), which, adjusted for currency, was a decrease of 2%
- Growth for Medical Solutions, while sales were lower for Engineered Solutions
- Operating profit (EBITA) increased to SEK 238 million (193)
- The EBITA margin saw an increase to 9.7% (7.8), primarily due to an improvement in Engineered Solutions

Sales

Consolidated sales totaled SEK 2,442 million (2,476); a decrease of 2% adjusted for currency and acquisitions.

Medical Solutions sales totaled SEK 1,355 million (1,324); adjusted for currency and acquisitions, sales grew by 2%. Most market areas experienced stable volumes. In vitro diagnostics (IVD) grew compared with a weak quarter last year. Volumes in the Other category were lower. During the quarter, one of Nolato's customers was affected by a product recall, which had a negative impact on Nolato. The product generates sales in the order of SEK 50 million on a full-year basis and will likely also affect Nolato in the coming quarters. Several products within the Drug Delivery market area experienced lower volumes due to customers adjusting inventories, which continued to affect certain products in Surgery as well.

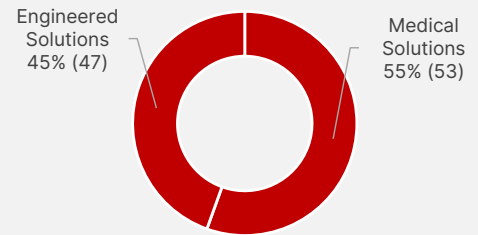
Engineered Solutions sales totaled SEK 1,087 million (1,153); a decrease of 7% adjusted for currency and acquisitions. Consumer Electronics volumes saw a sharp decline in this quarter as well; low volumes from a previously significant customer were primarily responsible for lower sales. Automotive continued to show healthy growth. Volumes within Hygiene grew strongly compared with a weak quarter last year. The Other category also saw good growth, with the consumer discretionary sector recovering somewhat from an extended period of pressure due to economic conditions.

Operations within Materials (formerly EMC) generated sales in line with last year. A good mix of new products and areas of technology within automotive, combined with new markets are resulting in increased market share and strong growth. This was offset by lower sales for telecom, with network equipment volumes slowing further during the quarter.

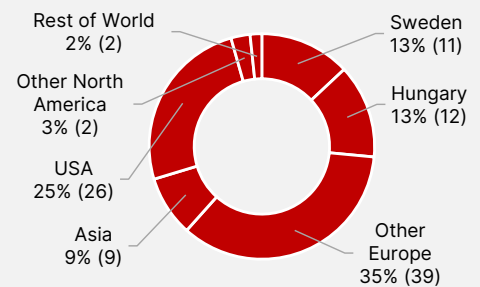
Growth for Medical Solutions, while sales were lower for Engineered Solutions



Business areas' share of sales



Sales by geographic markets



Profit

The Group's operating profit (EBITA) rose to SEK 238 million (193).

Operating profit (EBITA) increased to SEK 140 million (132) for Medical Solutions and to SEK 103 million (68) for Engineered Solutions.

The EBITA margin for Medical Solutions increased to 10.3% (10.0). For Engineered Solutions, the EBITA margin rose to 9.5% (5.9). A favorable product mix and the effect of cost adjustments in the Chinese business, as planned, contributed to this positive margin trend. Overall, the Group's EBITA margin saw an increase to 9.7% (7.8).

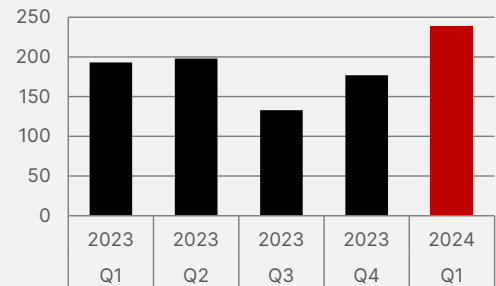
Operating profit (EBIT) grew to SEK 227 million (183).

Profit after net financial income/expense was SEK 209 million (173).

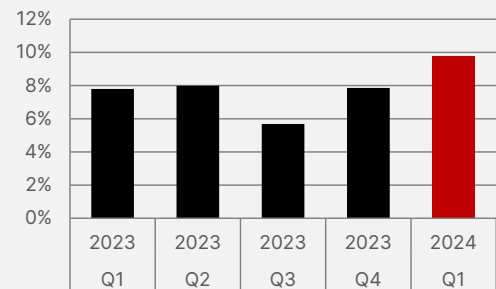
Profit after tax was SEK 162 million (136). Earnings per share, basic and diluted, rose to SEK 0.60 (0.50). The effective tax rate was 22.5% (21.4).

Return on capital employed was 9.5% for the last 12 months (9.0% for the 2023 calendar year). Return on equity was 8.5% for the last 12 months (8.1% for the 2023 calendar year).

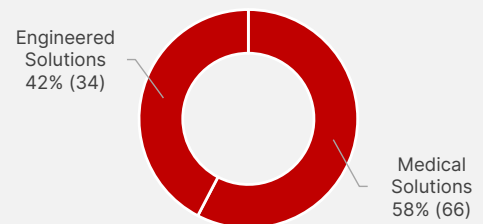
Operating profit (EBITA) SEKm



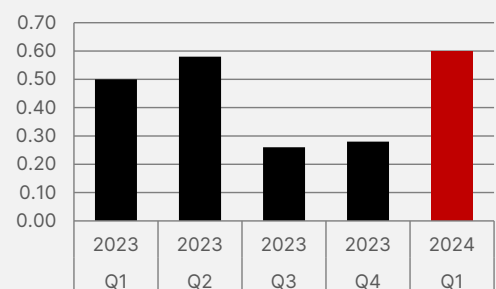
EBITA margin



Business areas' share of operating profit (EBITA)



Earnings per share SEK



Sales, operating profit (EBITA) and EBITA margin by business area

SEK million	Sales Q1/2024	Sales Q1/2023	EBITA Q1/2024	EBITA Q1/2023	EBITA marg. Q1/2024	EBITA marg. Q1/2023
Medical Solutions	1,355	1,324	140	132	10.3%	10.0%
Engineered Solutions	1,087	1,153	103	68	9.5%	5.9%
Intra-Gr. adjustm., Parent Co.	—	-1	-5	-7		
Group total	2,442	2,476	238	193	9.7%	7.8%

Operating profit (EBITA): Earnings before financial income and expense, taxes and amortization of intangible assets arising from acquisitions.

Medical Solutions - Sales and profit

SEK million	Q1 2024	Q1 2023
Sales	1,355	1,324
Operating profit (EBITA)	140	132
EBITA margin (%)	10.3%	10.0%
Operating profit (EBIT)	132	124

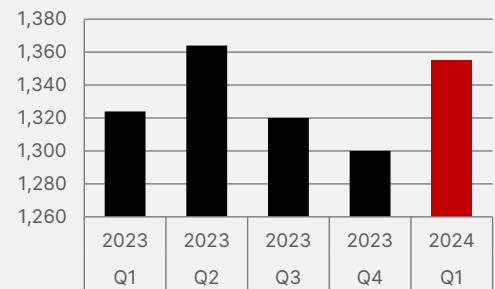
Medical Solutions sales totaled SEK 1,355 million (1,324); adjusted for currency and acquisitions, sales grew by 2%. Most market areas experienced stable volumes. In vitro diagnostics (IVD) grew compared with a weak quarter last year. Volumes in the Other category were lower. During the quarter, one of Nolato's customers was affected by a product recall, which had a negative impact on Nolato. The product generates sales in the order of SEK 50 million on a full-year basis and will likely also affect Nolato in the coming quarters. Several products within the Drug Delivery market area experienced lower volumes due to customers adjusting inventories, which continued to affect certain products in Surgery as well.

As announced in a press release on April 2, Nolato has signed a new long-term cooperation agreement with a major existing customer to supply medical devices to administer medication, including to support weight loss and treat diabetes. The supply agreement will have no material impact on Nolato's sales and profit over the next two years. At full-scale production, within a five-year period, it is estimated that this cooperation will generate annual sales in the region of SEK 700 million. The cooperation will result in Nolato investing, from the second quarter of 2024, a total of around SEK 600 million in new manufacturing capacity. Around one-fifth of the total amount will be invested during the current year.

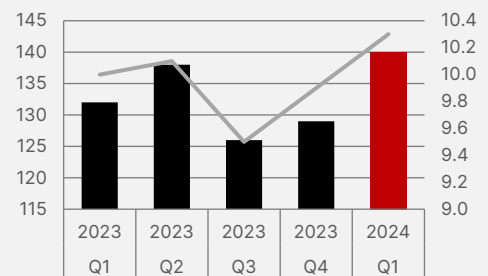
Operating profit (EBITA) for Medical Solutions rose to SEK 140 million (132).

The EBITA margin for Medical Solutions was 10.3% (10.0).

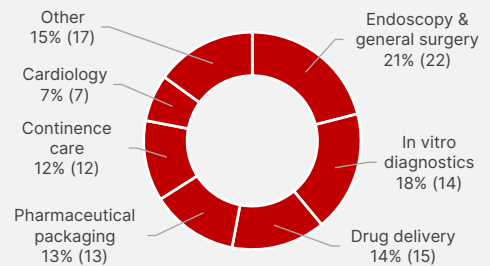
Medical Solutions - Sales SEKm



Medical Solutions - EBITA SEKm & EBITA margin %



Medical Solutions - Sales by customer areas



Engineered Solutions - Sales and profit

SEK million	Q1 2024	Q1 2023
Sales	1,087	1,153
Operating profit (EBITA)	103	68
EBITA margin (%)	9.5%	5.9%
Operating profit (EBIT)	100	66

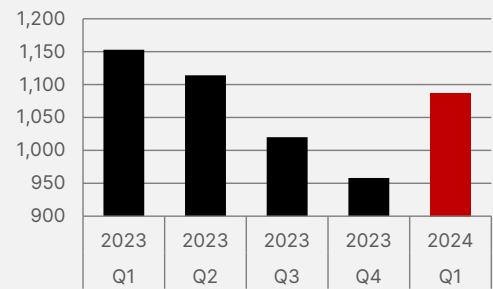
Engineered Solutions sales totaled SEK 1,087 million (1,153); a decrease of 7% adjusted for currency and acquisitions. Consumer Electronics volumes saw a sharp decline in this quarter as well; low volumes from a previously significant customer were primarily responsible for lower sales. Automotive continued to show healthy growth. Volumes within Hygiene grew strongly compared with a weak quarter last year. The Other category also saw good growth, with the consumer discretionary sector recovering somewhat from an extended period of pressure due to economic conditions.

Operations within Materials (formerly EMC) generated sales in line with last year. A good mix of new products and areas of technology within automotive, combined with new markets, are resulting in increased market share and strong growth. This was offset by lower sales for telecom, with network equipment volumes further slowing during the quarter.

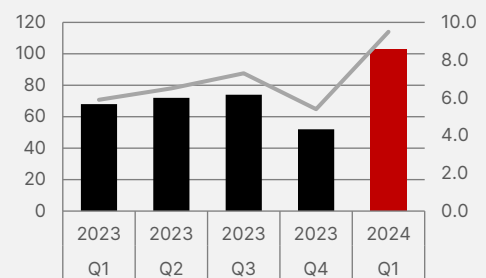
Operating profit (EBITA) for Engineered Solutions was SEK 103 million (68).

The EBITA margin for Engineered Solutions rose to 9.5% (5.9). A favorable product mix and the effect of cost adjustments in the Chinese business, as planned, had a positive impact on the margin.

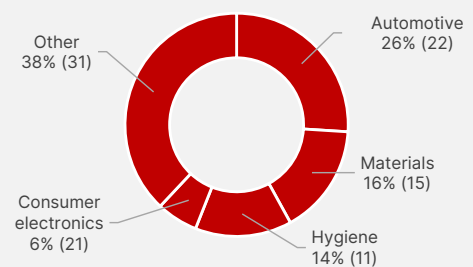
Engineered Solutions - Sales SEKm



Engineered Solutions - EBITA SEKm & EBITA margin %



Engineered Solutions - Sales by customer areas



Cash flow

Cash flow from operating activities amounted to SEK 136 million (75) during the first quarter. The improvement in profit boosted cash flow before changes in working capital. Working capital requirements were lower than last year, amounting to SEK -155 million (-204), which also had a positive impact.

Net investments affecting cash flow rose to SEK 230 million (121). During the quarter, an operating property in Sweden was acquired within Medical Solutions for SEK 141 million. Excluding this acquisition, investments were lower than for the period last year. Cash flow after investments, excluding acquisitions and disposals totaled SEK -92 million (-46) in the first quarter.

Cash conversion for the last 12 months was 57% (65% for the 2023 calendar year).

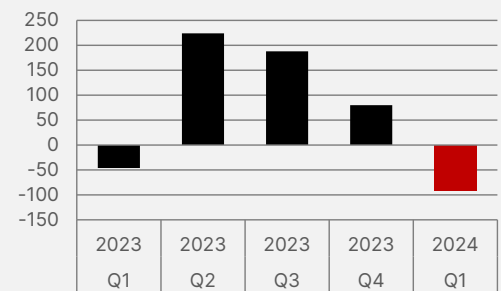
Financial position

Interest-bearing assets decreased to SEK 664 million (932), and interest-bearing financial liabilities to credit institutions amounted to SEK 1,690 million (1,695). Net financial liabilities consequently totaled SEK 1,026 million (763). The increase in net financial liabilities was largely attributable to the dividend payment in 2023 and investments. There are also interest-bearing pension liabilities of SEK 226 million (167) and interest-bearing lease liabilities of SEK 231 million (329). Shareholders' equity was SEK 5,540 million (5,534). The equity/assets ratio increased to 57% (55). Adjusted for the proposed dividend of SEK 404 million, the equity/assets ratio amounted to 55%.

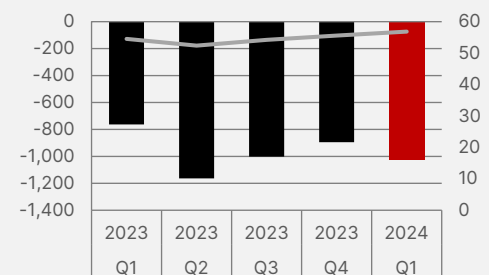
Financial position

SEK million	Mar 2024	Mar 2023	Dec 2023
Interest-bearing liabilities, credit institutions	1,690	1,695	1,583
Cash and bank	664	932	688
Net financial liabilities	1,026	763	895
Interest-bearing pension liabilities	226	167	228
Net financial liabilities, incl. pension liabilities	1,252	930	1,123
Lease liabilities	231	329	293
Net financial liabilities, incl. pension- & lease liabilities	1,483	1,259	1,416
Working capital	1,586	1,321	1,381
As a percentage of sales (average) (%)	15.3	9.6	13.0
Capital employed	7,691	7,726	7,275
Return on capital employed (average) (%)	9.5	11.5	9.0
Shareholders' equity	5,540	5,534	5,171
Return on shareholders' equity (average) (%)	8.5	12.0	8.1

Cash flow after investments, excluding acquisitions and disposals SEKm



Net financial liabilities SEKm & equity/assets ratio %



Personnel

The average number of employees during the period was 5,552 (5,815). The decrease in the number of employees was mainly attributable to Engineered Solutions' operations in China.

Events after the balance sheet date

No significant events have occurred since the end of the period, but geopolitical tensions are, of course, also affecting Nolato's business and its customers. It is not currently possible to foresee the extent of this or how long it is likely to continue, nor is it possible to quantify its effects on the Group.

Significant risks and uncertainty factors

The Group's and parent company's business risks and risk management, as well as the management of financial risks, are described on pages 119–121 and in Note 30 on pages 149–151 of the 2023 annual report.

No events of material significance occurred in the period that materially affect or change these descriptions of the Group's and parent company's risks and their management.

Seasonal effects

Nolato does not experience any significant seasonal variations. However, the third quarter can be negatively affected by the fact that the holiday period falls in this quarter both for Nolato and its customers.

Ownership and legal structure

Nolato AB (publ), Swedish corporate identity number 556080-4592, is the Parent Company of the Nolato Group.

Nolato's Class B shares are listed on Nasdaq Stockholm in the Large Cap segment, where they are included in the Industrials sector.

There were 15,328 shareholders at 31 March. The largest shareholders are the Jorlén family, the Boström family, the Hamrin family and Första AP-fonden with 9% each, Nordea Fonder with 8% and Handelsbanken Fonder and Andra AP-fonden with 5% each of the capital.

The Parent Company

For the parent company, which has no operating activities, sales amounted to SEK 24 million (19). Profit after financial income and expense was SEK 2 million (-7).

Contingent liabilities totaled SEK 284 million (278).

Accounting and valuation principles

Nolato's consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU.

The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions of the Swedish Annual Accounts Act. Publication of this interim report is subject to the Swedish Securities Market Act.

The consolidated accounts have been prepared according to the same principles as in the most recent annual accounts, as set out in the Annual Report 2023.

IASB and the IFRS Interpretations Committee have issued new standards and statements that apply to financial years starting January 1, 2024, or later. There are no plans for early adoption of new or amended standards for future application. None of the standards or interpretations published by IASB are expected to have a material impact on the Group or Parent Company's financial statements.

Legislation on Pillar Two has been adopted or essentially adopted in some of the jurisdictions in which the Group conducts operations. The legislation will enter into force for the Group's financial year beginning January 1, 2024. The Group is subject to the adopted or essentially adopted legislation and has carried out an assessment of the Group's potential exposure to income taxes from Pillar Two.

However, there is a limited number of jurisdictions where the transitional safe harbor rules do not apply, and the effective tax rate for Pillar Two is close to 15%. The Group does not anticipate any significant exposure to income taxes from Pillar Two in these jurisdictions.

The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act.

Financial information schedule

- 2024 Annual General Meeting: May 6, 2024
- Six-month interim report 2024: July 18, 2024
- Nine-month interim report 2024: October 24, 2024
- Year-end report 2024: February 6, 2025

Torekov, May 6 2024

Nolato AB (publ)

Christer Wahlquist, President and CEO

Contact

Christer Wahlquist,
President and CEO,
telephone +46705 804848.

Per-Ola Holmström,
Executive Vice President and CFO,
telephone +46705 763340.

Prior to publication this information constituted inside information that Nolato AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the above contact persons, at 1 p.m. CET on 6 May 2024.

This report has not been audited by the Company's auditors.

Webcast conference call on 6 May

In connection with the interim report, Nolato will hold a webcast conference call in English at 1.30 p.m. CET.

Nolato will be represented by President and CEO Christer Wahlquist and CFO Per-Ola Holmström, who will present the interim report and answer questions.

Information regarding telephone numbers and website is available at:

<https://www.finwire.tv/webcast/nolato/presentation-2024/>

The presentation will be available at:

www.nolato.com/ir

after publication of the interim report.

The webcast will be available at the same address after the live broadcast.

Consolidated income statement - condensed

SEK million unless otherwise specified	Note	Q1 2024	Q1 2023	R12M	Full year 2023
Net sales	1	2,442	2,476	9,512	9,546
Cost of goods sold		-2,039	-2,128	-8,121	-8,210
Gross profit		403	348	1,391	1,336
Selling expenses		-59	-55	-231	-227
Administrative expenses		-118	-111	-469	-462
Other operating income and operating expenses, net		—	1	9	10
		-177	-165	-691	-679
Operating profit	2	227	183	701	657
Financial income and expense	2	-18	-10	-49	-41
Profit after financial income and expense	2	209	173	652	616
Tax		-47	-37	-191	-181
Profit after tax		162	136	461	435
All earnings are attrib. to the Parent Co.'s shareholders					
Depreciation/amortization regarding non-current assets		-147	-143	-600	-596
Earnings per share, basic and diluted, SEK	3	0.60	0.50	1.71	1.61
Number of shares at the end of the period, before dilution		269,377,080	269,377,080	269,377,080	269,377,080
Number of shares at the end of the period, after dilution		269,377,080	269,377,080	269,377,080	269,377,080
Average number of shares, before dilution		269,377,080	269,377,080	269,377,080	269,377,080
Average number of shares, after dilution		269,377,080	269,377,080	269,377,080	269,377,080

At the end of the period, the Group had two incentive programmes, see note 4.

Consolidated comprehensive income

SEK million	Q1 2024	Q1 2023	R12M	Full year 2023
Profit after tax	162	136	461	435
Other comprehensive income				
<i>Items that cannot be transferred to profit for the period</i>				
Revaluations of defined benefit pension plans	—	6	-63	-57
Tax attributable to items that cannot be transferred to profit for the period	—	-1	10	9
	—	5	-53	-48
<i>Items that have been converted or can be converted into profit for the period</i>				
Translation diff. for the period on translation of foreign operations	213	-1	105	-109
Changes in the fair value of cash flow hedges for the period	-7	3	-4	6
Tax attributable to changes in the fair value of cash flow hedges	1	-1	1	-1
	207	1	102	-104
Other comprehensive income, net of tax	207	6	49	-152
Total comp. income for the period attrib. to the Parent Co.'s shareholders	369	142	510	283

Financial instruments are measured at fair value in the statement of financial position, pursuant to measurement hierarchy Level 2.

Consolidated balance sheet - condensed

SEK million	Mar 2024	Mar 2023	Dec 2023
Assets			
Non-current assets			
Non-current intangible assets	2,492	2,450	2,401
Property, plant and equipment	3,013	2,869	2,812
Rights of use	221	321	282
Non-current financial assets	2	2	2
Other non-current receivables	1	1	1
Deferred tax assets	14	88	14
Total non-current assets	5,743	5,731	5,512
Current assets			
Inventories	1,177	1,293	1,196
Accounts receivable	1,723	1,723	1,525
Other current assets ²	439	468	379
Cash and bank	664	932	688
Total current assets	4,003	4,416	3,788
Total assets	9,746	10,147	9,300
Shareholders' equity and liabilities			
Shareholders' equity	5,540	5,534	5,171
Liabilities and provisions			
Long-term liabilities and provisions ¹	2,051	1,931	2,056
Deferred tax liabilities	237	292	237
Current liabilities and provisions ^{1,3}	1,918	2,390	1,836
Total liabilities and provisions	4,206	4,613	4,129
Total shareholders' equity and liabilities	9,746	10,147	9,300
¹Interest-bearing/non-interest-bearing liabilities and provisions:			
Interest-bearing liabilities and provisions	2,147	2,191	2,104
Non-interest-bearing liabilities and provisions	2,059	2,422	2,025
Total liabilities and provisions	4,206	4,613	4,129
Financial instruments are measured at fair value in the statement of financial position, pursuant to measurement hierarchy Level 2.			
² Derivative assets are included in other current assets at	8	6	13
³ Derivative liabilities are included in current liabilities and provisions at	7	15	5

Changes in consolidated shareholders' equity - condensed

SEK million	Mar 2024	Mar 2023	Dec 2023
Shareholders' equity at the beginning of the period	5,171	5,392	5,392
Total comprehensive income for the period	369	142	283
Dividends	—	—	-512
Share warrants included in incentive programmes	—	—	8
Shareholders' equity at the end of period attrib. to Parent Co's shareholders	5,540	5,534	5,171

At the end of the period, the Group had two incentive programmes, see note 4.

Consolidated cash flow statement - condensed

SEK million	Q1 2024	Q1 2023	R12M	Full year 2023
Cash flow from operating activities before changes in working capital	291	279	1,021	1,009
Changes in working capital	-155	-204	-179	-228
Cash flow from operating activities	136	75	842	781
Cash flow from investment activities	-230	-121	-553	-444
Cash flow before financing activities	-94	-46	289	337
Cash flow from financing activities	45	-38	-548	-631
Cash flow for the period	-49	-84	-259	-294
Cash and cash equivalents at the beginning of the period	688	1,011		1,011
Exchange rate difference in liquid assets	25	5		-29
Cash and cash equivalents at the end of the period	664	932		688

Note 1 - Revenue

SEK million	January - March - 2024				January - March - 2023				Full year - 2023			
	Group	Elim.	Med. Sol.	Eng. Sol.	Group	Elim.	Med. Sol.	Eng. Sol.	Group	Elim.	Med. Sol.	Eng. Sol.
Total	2,442	—	1,355	1,087	2,476	-1	1,324	1,153	9,546	-10	5,308	4,248
Europe	1,505	—	757	748	1,527	-1	705	823	5,613	-4	2,766	2,851
Sweden	318	—	60	258	275	-1	38	238	1,040	-4	152	892
Hungary	329	—	193	136	290	—	173	117	1,183	—	680	503
Other Europe	858	—	504	354	962	—	494	468	3,390	—	1,934	1,456
North America	684	—	529	155	692	—	535	157	2,826	—	2,200	626
USA	617	—	489	128	640	—	509	131	2,596	—	2,085	511
Oth. North Am.	67	—	40	27	52	—	26	26	230	—	115	115
Asia	212	—	34	178	213	—	44	169	915	-6	171	750
Rest of World	41	—	35	6	44	—	40	4	192	—	171	21

The above table essentially covers products transferred at a specific date.

For the first three months of the year, the Group recognized an unchanged provision of impaired trade receivables.

Note 2 - Reconciliation of consolidated income before tax

SEK million	Q1 2024	Q1 2023	R12M	Full year 2023
Operating profit (EBIT)				
Medical Solutions	132	124	502	494
Engineered Solutions	100	66	287	253
Group adjustments, Parent Company	-5	-7	-88	-90
Consolidated operating profit (EBIT)	227	183	701	657
Financial income and expense (not distrib. by business areas)	-18	-10	-49	-41
Consolidated profit before tax	209	173	652	616

Including a non-recurring item of SEK -60 million in operating profit in R12M and full year 2023. The non-recurring items have been recognised at Group level and has therefore not affected the earnings of the business areas.

Note 3 - Earnings per share (IFRS measures/alternative performance measures)

SEK million	Q1 2024	Q1 2023	R12M	Full year 2023
Profit after tax	162	136	461	435
Average number of shares, before dilution	269,377,080	269,377,080	269,377,080	269,377,080
Basic earnings per share (SEK)	0.60	0.50	1.71	1.61
Non-recurring items	—	—	110	110
Profit after tax excl. non-recurring items	162	136	571	545
Basic earnings per share excl. non-recurring items (SEK)	0.60	0.50	2.12	2.02
Average number of shares, after dilution	269,377,080	269,377,080	269,377,080	269,377,080
Diluted earnings per share (SEK)	0.60	0.50	1.71	1.61
Diluted earnings per share excl. non-recurring items (SEK)	0.60	0.50	2.12	2.02
Number of shares at the end of the period, before dilution	269,377,080	269,377,080	269,377,080	269,377,080
Number of shares at the end of the period, after dilution	269,377,080	269,377,080	269,377,080	269,377,080

Note 4 - Incentive programmes

	Mar 2024	Mar 2023	Dec 2023
Incentive Programme 2019/2024			
Series 2020/2023			
Redemption 01/05/2023 - 15/12/2023 with subscription price SEK		92.88	
Maximum new class B shares		287,500	
Series 2021/2024			
Redemption 01/05/2024 - 15/12/2024 with subscription price SEK	140.20	140.20	140.20
Maximum new class B shares	257,000	257,000	257,000
Incentive Programme 2022/2028			
Series 2022/2026			
Redemption 15/12/2025 - 15/06/2026 with subscription price SEK	57.80	57.80	57.80
Maximum new class B shares	1,685,000	1,685,000	1,685,000
Series 2023/2027			
Redemption 15/12/2026 - 15/06/2027 with subscription price SEK	59.20		59.20
Maximum new class B shares	1,750,000	2,660,000	1,750,000
Series 2024/2028			
Redemption 15/12/2027 - 15/06/2028			
Maximum new class B shares	2,660,000	2,660,000	2,660,000
Maximum new class B shares in the programmes	6,352,000	7,549,500	6,352,000

Five-year overview

	2023	2022	2021	2020	2019
IFRS measures					
Operating profit (EBIT) (SEK million)	657	867	1,333	1,048	887
Basic earnings per share (SEK)	1.61	2.59	4.32	3.03	2.66
Diluted earnings per share (SEK)	1.61	2.59	4.32	3.02	2.66
Alternative performance measures					
Net sales (SEK million)	9,546	10,774	11,610	9,359	7,919
Operating profit (EBITA) (SEK million)	701	908	1,369	1,066	895
EBITA margin (%)	7.3	8.4	11.8	11.4	11.3
Profit after financial income and expense (SEK million)	616	875	1,401	1,014	857
Profit after tax (SEK million)	435	697	1,160	806	703
Cash flow after investments, excl. acq. and disposals (SEK million)	446	8	446	905	800
Cash conversion (%)	65	1	35	87	88
Return on capital employed (%)	9.0	12.8	22.8	20.7	23.1
Return on shareholders' equity (%)	8.1	13.6	28.0	23.9	25.5
Net financial liabilities (-) / financial assets (+), excl. pension- & lease liabilities (SEK million)	-895	-708	-51	-298	666
Equity/assets ratio (%)	56	54	47	43	48
Dividend per share (2023 proposal) (SEK)	1.50	1.90	1.90	1.60	—
Average number of employees	5,732	6,627	8,669	6,721	5,941

Including any non-recurring items.

Quarterly data (summary)

	Note	Year	Q1	Q2	Q3	Q4	Full year
IFRS measures							
Operating profit (EBIT) (SEK million)	2	2024	227				
	2	2023	183	186	123	165	657
		2022	258	252	205	152	867
Earnings per share, basic & diluted (SEK)	2	2024	0.60				
	2	2023	0.50	0.58	0.26	0.28	1.61
		2022	0.75	0.71	0.59	0.54	2.59
Alternative performance measures							
Net sales (SEK million)	1	2024	2,442				
	1	2023	2,476	2,478	2,340	2,252	9,546
		2022	2,879	2,905	2,626	2,364	10,774
Operating profit (EBITDA) (SEK million)		2024	374				
		2023	326	333	276	318	1,253
		2022	386	386	343	296	1,411
Operating profit (EBITA) (SEK million)		2024	238				
		2023	193	198	133	177	701
		2022	267	264	214	163	908
EBITA margin (%)		2024	9.7				
		2023	7.8	8.0	5.7	7.9	7.3
		2022	9.3	9.1	8.1	6.9	8.4
Profit after financial income and exp. (SEK million)		2024	209				
		2023	173	192	102	149	616
		2022	251	241	197	186	875
Profit after tax (SEK million)		2024	162				
		2023	136	155	69	75	435
		2022	201	190	160	146	697
Net financial liabilities, excluding pension- and lease liabilities (SEK million)		2024	1,026				
		2023	763	1,163	1,002	895	895
		2022	101	640	580	708	708

Including a non-recurring item of SEK -60 million in operating profit in Q3-2023 and a non-recurring item of SEK -50 million in profit after tax in Q4-2023. Including a non-recurring item of SEK 41 million in profit after financial income and expense and profit after tax in Q4-2022.

Quarterly data (summary)

	Note	Year	Q1	Q2	Q3	Q4	Full year
Alternative performance measures							
Cash flow from operating activities (SEK million)		2024	136				
		2023	75	240	280	186	781
		2022	89	131	275	-89	406
Cash flow from operations per share before dilution (SEK)		2024	0.50				
		2023	0.28	0.89	1.04	0.69	2.90
		2022	0.33	0.49	1.02	-0.33	1.51
Net investments affecting cash flow, excluding acquisitions and disposals (SEK million)		2024	-230				
		2023	-121	-106	-92	-106	-425
		2022	-130	-113	-109	-99	-451
Cash flow after investments, excluding acquisitions and disposals (SEK million)		2024	-92				
		2023	-46	224	188	80	446
		2022	-41	71	166	-188	8
Cash flow after investments, excl. acquisitions and disposals per share before dilution (SEK)		2024	-0.34				
		2023	-0.17	0.83	0.70	0.30	1.66
		2022	-0.15	0.26	0.62	-0.70	0.03
Cash conversion (%)		2024	57				
		2023	0	21	25	65	65
		2022	27	1	5	1	1
Return on total capital (%)		2024	7.4				
		2023	8.4	7.9	7.0	6.9	6.9
		2022	14.8	13.3	11.6	9.1	9.1
Return on capital employed (%)		2024	9.5				
		2023	11.5	10.7	9.4	9.0	9.0
		2022	21.6	19.4	16.7	12.8	12.8
Return on operating capital (%)		2024	10.2				
		2023	12.5	11.0	9.5	9.7	9.7
		2022	25.3	21.8	18.3	14.4	14.4
Return on shareholders' equity (%)		2024	8.5				
		2023	12.0	11.2	9.4	8.1	8.1
		2022	25.8	22.5	19.2	13.6	13.6
Shareholders' equity per share, before dilution (SEK)		2024	21				
		2023	21	20	20	19	19
		2022	19	19	20	20	20
Closing share price Nolato B (Nasdaq Stockholm)		2024	47.84				
		2023	52.55	50.70	44.82	52.90	52.90
		2022	70.00	55.00	50.85	54.65	54.65
Average number of employees		2024	5,552				
		2023	5,815	5,919	5,727	5,732	5,732
		2022	7,377	7,279	7,004	6,627	6,627

Quarterly data business areas

	Note	Year	Q1	Q2	Q3	Q4	Full year
Alternative performance measures							
Net sales (SEK million)							
Medical Solutions	1	2024	1,355				
	1	2023	1,324	1,364	1,320	1,300	5,308
		2022	1,088	1,214	1,245	1,312	4,859
Engineered Solutions	1	2024	1,087				
	1	2023	1,153	1,114	1,020	958	4,245
		2022	1,792	1,693	1,382	1,055	5,922
Group adjustments, Parent Company	1	2024	—				
	1	2023	-1	—	—	-6	-7
		2022	-1	-2	-1	-3	-7
Group total	1	2024	2,442				
	1	2023	2,476	2,478	2,340	2,252	9,546
		2022	2,879	2,905	2,626	2,364	10,774
Operating profit (EBITA) (SEK million)							
Medical Solutions		2024	140				
		2023	132	138	126	129	525
		2022	106	121	104	126	457
Engineered Solutions		2024	103				
		2023	68	72	74	52	266
		2022	163	146	110	43	462
Group adjustments, Parent Company		2024	-5				
		2023	-7	-12	-67	-4	-90
		2022	-2	-3	—	-6	-11
Group total		2024	238				
		2023	193	198	133	177	701
		2022	267	264	214	163	908
EBITA margin (%)							
Medical Solutions		2024	10.3				
		2023	10.0	10.1	9.5	9.9	9.9
		2022	9.7	10.0	8.4	9.6	9.4
Engineered Solutions		2024	9.5				
		2023	5.9	6.5	7.3	5.4	6.3
		2022	9.1	8.6	8.0	4.1	7.8
Group total		2024	9.7				
		2023	7.8	8.0	5.7	7.9	7.3
		2022	9.3	9.1	8.1	6.9	8.4
Depreciation/write-downs/amortization (SEK million)							
Medical Solutions		2024	-90				
		2023	-84	-87	-93	-92	-356
		2022	-69	-74	-79	-86	-308
Engineered Solutions		2024	-57				
		2023	-59	-60	-60	-61	-240
		2022	-58	-60	-59	-58	-235
Group adjustments, Parent Company		2024	—				
		2023	—	—	—	—	—
		2022	-1	—	—	—	-1
Group total		2024	-147				
		2023	-143	-147	-153	-153	-596
		2022	-128	-134	-138	-144	-544

Including a non-recurring item of SEK -60 million in operating profit in Q3 2023. The non-recurring item has been recognized at Group level and has therefore not affected the earnings of the business areas.

Definitions - IFRS measures

Earnings per share

Earnings for the period that are attributable to the parent company's owners divided by the average number of outstanding shares.

Definitions - Alternative performance measures

Nolato presents certain financial measures in this report that are not defined according to IFRS. Nolato considers that these measures provide valuable supplementary information for investors and company management, as they enable an assessment of trends and the company's performance. Since not all companies calculate financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should not therefore be regarded as substitutes for measures defined according to IFRS.

Average number of shares

The average basic number of shares comprises the parent company's weighted average number of outstanding shares during the period. After dilution, a weighted average of the shares that may be issued under the ongoing share warrant programme is added, if they are in-the-money, but only insofar as the average listed share price for the period exceeds the subscription price of the warrants.

Cash conversion

Cash flow after investments, excl. acquisitions and disposals, divided by operating profit (EBIT). Cash flow and operating profit have been adjusted by non-recurring items, if any.

Cash flow after investments, excl. acquisitions and disposals per share

Cash flow after investing activities excl. acquisitions and disposals, divided by the average number of shares.

Cash flow from operating activities per share

Cash flow from operating activities, divided by the average number of shares.

Debt/equity ratio

Interest-bearing liabilities and provisions divided by shareholders' equity.

EBITA margin

Operating profit (EBITA) as a percentage of net sales.

Equity/assets ratio

Shareholders' equity as a percentage of total capital in the balance sheet.

Financial net debt in relation to adjusted operating profit (EBITDA)

Interest-bearing short- and long-term liabilities, excl. net provisions for pensions and leasing, with a deduction for cash and cash equivalents, divided by R12M EBITDA adjusted for any non-recurring items.

Forward-looking information

Some of the items reported relate to future events and actual outcomes may differ materially. In addition to those factors explicitly commented on, other factors may also materially affect the actual outcome, such as economic conditions, exchange rates and interest rate levels, political risks, competition and pricing, product development, commercialisation and technical difficulties, supply problems and customer credit losses.

Operating profit (EBIT)

Earnings before financial income and expense and taxes.

Net financial assets/liabilities

Interest-bearing liabilities from credit institutions less interest-bearing assets.

Operating profit (EBITA)

Earnings before financial income and expense, taxes and amortization of intangible assets arising from acquisitions.

Operating profit (EBITDA)

Earnings before financial income and expense, taxes and depreciation/amortization.

Profit margin

Profit after financial income and expense as a percentage of net sales.

Return on capital employed

Profit after financial income and expense, plus financial expenses as a percentage of average capital employed. Capital employed consists of total capital less non-interest-bearing liabilities and provisions.

Return on operating capital

Operating profit as a percentage of average operating capital. Operating capital consists of total capital less non-interest-bearing liabilities and provisions, less interest-bearing assets.

Return on shareholders' equity

Profit after tax as a percentage of average shareholders' equity.

Return on total capital

Profit after financial income and expense, plus financial expenses as a percentage of average total capital in the balance sheet.

Alternative performance measures

SEK million unless otherwise specified	Note	Q1 2024	Q1 2023	R12M	Full year 2023
Operating profit (EBITDA)		374	326	1,301	1,253
Non-recurring items		—	—	60	60
Adjusted operating profit (EBITDA)		374	326	1,361	1,313
Operating profit (EBIT)	2	227	183	701	657
Reversal of amortization of intangible assets arising in connection with acquisitions		11	10	45	44
Operating profit (EBITA)		238	193	746	701
Non-recurring items		—	—	60	60
Adjusted operating profit (EBITA)		238	193	806	761
EBITA margin (%)		9.7	7.8	7.8	7.3
Adjusted EBITA margin (%)		9.7	7.8	8.5	8.0
Profit after financial income and expense	2	209	173	652	616
Non-recurring items		—	—	60	60
Adjusted profit after financial income and expense		209	173	712	676
Profit margin (%)		8.6	7.0	6.9	6.5
Adjusted profit margin (%)		8.6	7.0	7.5	7.1
Profit after tax		162	136	461	435
Non-recurring items		—	—	110	110
Adjusted profit after tax		162	136	571	545
Cash flow after investments, excluding acquisitions and disposals				400	446
Non-recurring items (affecting cash flow)				34	18
Adjusted cash flow after investments, excluding acq. and disp.				434	464
Operating profit (EBIT)	2			701	657
Non-recurring items				60	60
Adjusted operating profit (EBIT)				761	717
Cash conversion (%)				57	65

Including a non-recurring item of -60 MSEK in the operating profit in R12M and full year 2023 and -50 MSEK in the profit after tax in R12M and full year 2023. The non-recurring items have been recognized at Group level and has therefore not affected the earnings of the business areas.

Alternative performance measures

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
SEK million unless otherwise specified									
Profit after financial income and exp., roll. 12 months	652	616	653	748	797				
Financial expense, rolling 12 months	74	70	65	64	59				
Adj. profit after financial inc. and exp., roll. 12 months	726	686	718	812	856				
Total capital, at the end of period	9,746	9,300	9,924	10,212	10,147	10,007	10,635	10,221	9,984
Average total capital, last 5 quarters	9,866	9,918	10,185	10,244	10,199				
Return on total capital (%)	7.4	6.9	7.0	7.9	8.4				
Adj. profit after financial inc. and exp., roll. 12 months	726	686	718	812	856				
Capital employed, at the end of period	7,691	7,275	7,581	7,826	7,726	7,597	7,659	7,220	7,074
Average capital employed, last 5 quarters	7,620	7,601	7,678	7,606	7,455				
Return on capital employed (%)	9.5	9.0	9.4	10.7	11.5				
Operating profit (EBIT), rolling 12 months	701	657	644	726	792				
Capital employed, at the end of period	7,691	7,275	7,581	7,826	7,726	7,597	7,659	7,220	7,074
Cash and bank, at the end of period	664	688	720	815	932	1,011	1,193	1,115	1,408
Operating capital, at the end of period	7,027	6,587	6,861	7,011	6,794	6,586	6,466	6,105	5,666
Average operating capital, latest 5 quarters	6,856	6,768	6,744	6,592	6,323				
Return on operating capital (%)	10.2	9.7	9.5	11.0	12.5				
Profit after tax, rolling 12 months	461	435	506	597	632				
Shareholders' equity, at the end of period	5,540	5,171	5,382	5,349	5,534	5,392	5,398	4,998	5,010
Average shareholders' equity, latest 5 quarters	5,395	5,366	5,411	5,334	5,266				
Return on shareholders' equity (%)	8.5	8.1	9.4	11.2	12.0				

Parent Company income statement - condensed

SEK million	Q1 2024	Q1 2023	R12M	Full year 2023
Net sales	24	19	86	81
Selling expenses	-1	-1	-6	-6
Administrative expenses	-22	-19	-77	-74
Other operating income	3	2	7	6
Other operating expenses	-11	-12	-49	-50
Operating profit	-7	-11	-39	-43
Profit from participations in Group companies	—	—	42	42
Financial income	20	12	62	54
Financial expenses	-11	-8	-82	-79
Profit after financial income and expense	2	-7	-17	-26
Appropriations	—	—	390	390
Tax	—	1	-69	-68
Profit after tax	2	-6	304	296
Depreciation is included	—	—	—	—
Transactions with related parties				
Services sold	24	19	86	81
Services bought	-9	-7	-31	-29
Interest income	12	12	51	51
Interest expenses	—	—	-6	-6
Profit from participations in Group companies	—	—	42	42

Parent Company balance sheet - condensed

SEK million	Mar 2024	Mar 2023	Dec 2023
Assets			
Property, plant and equipment	1	1	1
Financial assets	4,253	4,063	4,236
Deferred tax assets	5	—	5
Total non-current assets	4,259	4,064	4,242
Current assets			
Other receivables	645	882	690
Cash and bank	39	17	3
Total current assets	684	899	693
Total assets	4,943	4,963	4,935
Shareholders' equity and liabilities			
Shareholders' equity	2,790	2,999	2,788
Liabilities and provisions			
Untaxed reserves	296	247	296
Other provisions	9	5	7
Long-term liabilities	1,491	1,506	1,454
Current liabilities	357	206	390
Total liabilities and provisions	2,153	1,964	2,147
Total shareholders' equity and liabilities	4,943	4,963	4,935
Transactions with related parties			
Receivables from related parties on balance sheet day	1,447	1,586	1,471
Payables to related parties on balance sheet day	273	217	365

None of the company's Board members or senior executives currently have, or have previously had, any direct or indirect involvement in any business transaction with the company which is, or was, of an unusual character in terms of its conditions. Nor has the Group issued any loans, pledged any guarantees or entered into any surety arrangements for any of the company's Board members or senior executives.

VISION

Nolato aims to be the customer's first choice of innovative partner in sustainable design and production.

Nolato's business model

Nolato's business model is based on two decentralized business areas, which with their own decision-making and shared ambitions endeavour to fulfil our vision and the financial and sustainable goals. In this way, secure workplaces are created for employees and value is generated for the owners. With solid experience and broad expertise, close, long-term, and innovative partnerships are established and developed with customers. With well-developed and leading technology, broad development and design expertise, qualified project management, and highly efficient production, added value is created with minimal climate impact for both customers and owners.

Nolato's shared core values - Professional, Well organized, Responsible - inform all aspect of our business and are central to the sustainable development strategy.

Nolato is a Swedish group with operations in Europe, Asia and North America.

We develop and manufacture products in polymer materials such as plastic, silicone and thermoplastic elastomers (TPE) for leading customers within medical technology, pharmaceuticals, consumer electronics, telecom, automotive, hygiene and other selected industrial fields. Our offering spans the entire value chain - from solutions-oriented development focused on sustainability to product delivery.

Nolato's shares are listed on Nasdaq Stockholm Exchange in the Industrials sector of the Large Cap segment.

www.nolato.com