



# Interim report Q3 2024

**RATOS**

# Interim report January–September 2024

## Q3 2024

- Adjusted<sup>1)</sup> EBITA amounted to SEK 469m (517)
- Operating profit amounted to SEK 159m<sup>2)</sup> (481)
- Profit for the period amounted to SEK -54m<sup>2)</sup> (287)
- Adjusted diluted earnings per share amounted to SEK 0.40 (0.57)
- Diluted earnings per share amounted to SEK -0.45<sup>2)</sup> (0.57)
- Cash flow from operating activities amounted to SEK 783m (862)

## January–September 2024

- Adjusted<sup>1)</sup> EBITA amounted to SEK 1,928m (1,918)
- Operating profit amounted to SEK 1,558m<sup>2)</sup> (1,804)
- Profit for the period amounted to SEK 806m<sup>2)</sup> (1,026)
- Adjusted diluted earnings per share amounted to SEK 2.32 (2.28)
- Diluted earnings per share amounted to SEK 1.47<sup>2)</sup> (2.28)
- Cash flow from operating activities amounted to SEK 2,042m (3,393)
- Adjusted leverage excluding finance leases amounted to 1.2x (1.3x)
- Leverage excluding finance leases was 0.7x<sup>3)</sup> (1.3x)

## Significant events during and after the end of the quarter

- On 22 August, Plantasjen filed for reconstruction for selected legal entities in Sweden, Norway and Finland. In September, Plantasjen's Finnish operations were declared bankrupt. The reconstruction decision resulted in an impairment of goodwill of SEK 246m being carried out in the quarter.
- The merger of the Ratos companies Knightec and Semcon commenced in the third quarter and is expected to be completed in early 2025. Following the merger, the new company will hold a leading position in the northern Europe within product development and digital services.
- During the quarter, Expin Group's operations were restructured to focus on the electrification of rail infrastructure.
- On 1 October, HL Display acquired Kost Klip Manufacturing Ltd., a Canadian manufacturer of in-store communication and shelf management solutions for the retail industry.

## Ratos Group, SEKm

	Q3	Q3	Change	Q1-3	Q1-3	Change	LTM	Full Year	Change
	2024	2023	%	2024	2023	%	Rolling	2023	%
Net sales	7,454	7,971	-6%	24,394	25,788	-5%	32,353	33,748	-4%
EBITDA	758	896	-15%	2,933	2,978	-2%	5,263	5,308	-1%
EBITA, adjusted <sup>1)</sup>	469	517	-9%	1,928	1,918	1%	2,254	2,244	0%
EBITA %, adjusted <sup>1)</sup>	6.3%	6.5%		7.9%	7.4%		7.0%	6.7%	
EBITA	435	517	-16%	1,894	1,918	-1%	3,877	3,901	-1%
EBITA %	5.8%	6.5%		7.8%	7.4%		12.0%	11.6%	
Operating profit <sup>4)</sup>	159	481	-67%	1,558	1,804	-14%	2,764	3,010	-8%
Profit before tax	1	309	-100%	1,091	1,231	-11%	2,133	2,273	-6%
Profit/loss for the period <sup>4)</sup>	-54	287	-119%	806	1,026	-22%	1,785	2,006	-11%
Basic earnings per share, SEK	-0.45	0.57	neg	1.47	2.28	-35%	2.93	3.73	-21%
Diluted earnings per share, SEK	-0.45	0.57	neg	1.47	2.28	-35%	2.92	3.72	-22%
Cash flow from operating activities	783	862	-9%	2,042	3,393	-40%	2,925	4,275	-32%
Leverage excl. financial leasing				0.7x	1.3x			0.7x	
Return on capital employed excl. financial leasing				10.2%	10.3%			10.0%	

<sup>1)</sup> For a reconciliation of adjusted EBITA, see page 21. For definitions, see page 23.

<sup>2)</sup> Negatively impacted by impairment of goodwill in Plantasjen of SEK -246m and other items affecting comparability of SEK -34m.

<sup>3)</sup> Positively impacted by a previous impairment of the holding in Aibel of SEK 1,656m in December 2023 and negatively impacted by other items affecting comparability of SEK -34m in Q3 2024.

<sup>4)</sup> Operating profit and profit for the period were impacted by impairment of goodwill in Plantasjen of SEK -246m and other items affecting comparability of SEK -34m in Q3 2024. Operating profit and profit for the period were positively affected, net, in December 2023 by a reversal of a previous impairment of the holding in Aibel of SEK 1,656m, and negatively affected by an impairment of goodwill and book values in Expin Group of SEK -524m, and impairment of goodwill in Plantasjen of SEK -250m.

## CEO comments on performance in the third quarter of 2024

### Strong cash flows and stable earnings trend in a weaker market

Overall, I am pleased with our performance in a busy third quarter. The Industry business area continued to deliver increased earnings, improved profitability and strong cash flows in a slightly weaker-than-expected market. We were particularly pleased with the impressive performance of our technology consultancy companies. Earnings in the Consumer business area also improved slightly in the quarter, while earnings in Construction & Services declined. The order intake increased, and the backlog of orders is now equivalent to nearly two years' worth of sales for the business area.

In August, we filed for reconstruction for selected legal entities in Plantasjen in Norway, Sweden and Finland. Following a decline in market demand over time, we need to create a smaller but profitable Plantasjen. The primary focus of the reconstruction is to downsize the store network, optimise lease contracts, and rightsize the organisation. These actions are necessary to transform Plantasjen into a financially viable business with favourable profitability going forward. Goodwill in Plantasjen was impaired in conjunction with the debt restructuring.

In September, work commenced on the merger of Knightec and Semcon (Knightec Group) to create a leading partner for the development of products and digital services. Following the merger, Knightec Group is expected to have a sales of approximately SEK 2.7 billion and about 2,400 employees. The merger process has started, and the results so far have exceeded our expectations. The organisational component of the merger will be completed in the first quarter of 2025 and is expected to create significant synergies.

Expin Group's operations were restructured during the quarter. Going forward, Expin Group's operations will focus on the electrification of rail infrastructure through its subsidiaries Ratatek, ES-Infra and TKBM. Its project planning, contracting and maintenance operations have been discontinued.

Overall, the actions taken in the quarter have laid a solid foundation for further earnings improvements and increased profitability in the future.

#### Development of Ratos's business areas

##### Industry

Earnings in the business area increased 21%. Adjusted EBITA amounted to SEK 235m (194). The EBITA margin was 9.7% (7.9).

The Industrial Services segment performed well during the quarter, with all companies reporting higher EBITA, corresponding to a total increase of 31%. The technology consultancy companies reported organic sales growth of 8% despite a slightly weaker market. Sales in the Industrial Services segment decreased in the quarter due to lower demand for clinical trials. Overall, this was a good quarter for Industrial Services.

The Product Solutions segment also delivered a strong performance during the quarter, with all companies reporting higher EBITA, corresponding to a total increase of 15%. Sales increased by 1% as a result of add-on acquisitions in HL Display and LEDiL. Diab, which accounted for the most significant EBITA growth in the quarter, continued to reduce its sales in wind power. HL Display continued to report organic sales and EBITA growth. The company also continued to deliver an impressive performance and strengthened its market-leading position in Europe. Overall, this was a good quarter for Product Solutions.

##### Construction & Services

Earnings in the business area declined 22%. Adjusted EBITA amounted to SEK 317m (408). The EBITA margin was 8.2% (9.8). The

LTM order intake for the business area increased 25% excluding Aibel.

The Construction segment's earnings were 19% lower in the quarter than in the corresponding period last year, which included several strong project completions. The order intake increased in the quarter, as did the backlog of orders, which mainly comprise government contracts. While demand in the construction market remained generally weak, strong order books and a high order intake mean that our prospects for a continued favourable performance are good. In the installation market, airteam continued to deliver favourable earnings.

The Critical Infrastructure segment's sales declined 26% due to the overstated reporting of Expin Group's earnings for the same period last year. A new structure is in place, and Expin Group's focus going forward will be on creating a profitable player in the Swedish market for the electrification of rail infrastructure. Presis Infra continued to deliver higher, strong earnings. Aibel, which reported slightly weaker earnings due to project phasing during the quarter, continues to perform very well.

##### Consumer

The business area's earnings improved slightly. Adjusted EBITA amounted to SEK -56m (-67), and the EBITA margin was -4.8% (-5.0).

Plantasjen's earnings improved as a result of the cost-saving programme initiated in 2023 and the sale of goods at a lower margin during the same period previous year to reduce tied-up capital. KVD's EBITA declined SEK 1m as a result of profitability improvement measures totalling approximately SEK 4m that were charged to adjusted EBITA in the quarter.

##### Sustainability within Ratos

During the quarter, we continued to focus on preparing for our future sustainability reporting in line with the new EU sustainability directive. Furthermore, the work with the Group's climate and sustainability targets continues. In the fourth quarter of 2024, we will submit our commitment to the Science Based Targets initiative (SBTi) and anticipate having our climate targets approved in 2025. Ratos's sustainability agenda is based both on scientific grounds and on the pursuit of value creation.

##### Strong performance in the first three quarters of 2024

All in all, Ratos performed well during the period in a market with slightly weaker demand overall. Adjusted EBITA increased slightly, profitability improved, and our cash flows are strong. The measures implemented during the quarter provide a good foundation for continued value creation in a market with varying demand. Our earnings and profitability continued to improve, our order intake was strong, and Ratos's financial position has been further strengthened.

Jonas Wiström, President and CEO

## Group performance Q3 2024

### Net sales

Net sales for the period amounted to SEK 7,454m (7,971), down -6% year on year. Organic sales growth was negative for the period and amounted to -4%. The Critical Infrastructure segment displayed strong organic sales growth, while the other segments reported negative organic growth. Currency effects had a negative impact of SEK -281m (-4%) on net sales, primarily as a result of the weak NOK. The structural effect amounted to SEK 64m (1%) and was attributable to add-on acquisitions in the Product Solutions segment.

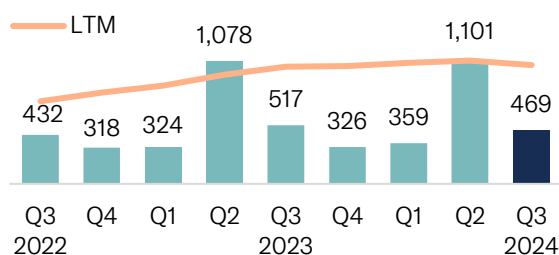
### Profit

Adjusted EBITA amounted to SEK 469m (517) for the period and the adjusted EBITA margin was 6.3% (6.5). The decline in earnings was attributable to lower earnings in Construction & Services, where the previous year was positively impacted by the completion of projects in Construction. For the Industrial Services and Product Solutions segments, earnings improved compared with the year-earlier period. The Consumer segment reported stronger earnings compared with the year-earlier quarter due to an earnings improvement in Plantasjen. Operating profit was negatively affected by an impairment of goodwill in Plantasjen of SEK 246m. Net financial items amounted to SEK -158m (-172). The Group's net interest was lower than in the year-earlier period due to lower market interest rates. The effective tax rate for the quarter, adjusted for items affecting comparability, was 20% (7).

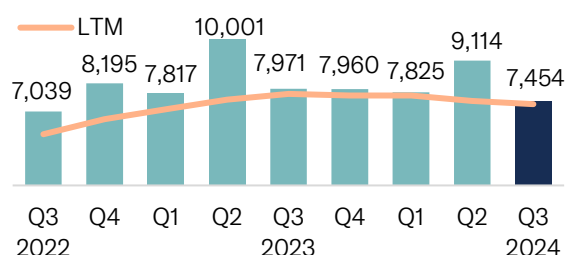
## Financial performance Q3 2024

SEKm	Net sales			EBITA, adjusted		
	Q3 2024	Q3 2023	Change %	Q3 2024	Q3 2023	Change %
Industry	2,428	2,465	-2%	235	194	21%
Construction & Services	3,873	4,155	-7%	317	408	-22%
Consumer	1,154	1,351	-15%	-56	-67	17%
Group costs				-28	-18	-55%
Elimination of internal net sales	-0					
<b>Net sales and EBITA, adjusted</b>	<b>7,454</b>	<b>7,971</b>	<b>-6%</b>	<b>469</b>	<b>517</b>	<b>-9%</b>
Items affecting comparability				-34		
Amortisation and impairment of intangible assets in connection with company acquisitions				-276	-35	neg
<b>Consolidated operating profit</b>				<b>159</b>	<b>481</b>	<b>-67%</b>
Finance net				-158	-172	8%
<b>Profit before tax</b>				<b>1</b>	<b>309</b>	<b>-100%</b>
Tax				-55	-22	neg
<b>Profit/loss for the period</b>				<b>-54</b>	<b>287</b>	<b>-119%</b>

### Adjusted EBITA, quarterly and LTM, SEKm



### Net sales, quarterly and LTM, SEKm



### Sales bridge, Q3

	Net sales
2023, SEKm	7,971
Structure, %	1%
Currency, %	-4%
Organic growth, %	-4%
Total, %	-6%
2024, SEKm	7,454

## Group performance January–September 2024

### Net sales

Net sales for the period amounted to SEK 24,394m (25,788), down -5% year on year. Organic sales growth was negative for the period and amounted to -5%. The Critical Infrastructure segment displayed strong organic sales growth, while the other segments reported negative organic growth. Currency effects had a negative impact of SEK -341m (-1%) on net sales, primarily as a result of the weak NOK. The structural effect amounted to SEK 277m (1%) and was mainly attributable to add-on acquisitions in the Industrial Services and Product Solutions segments.

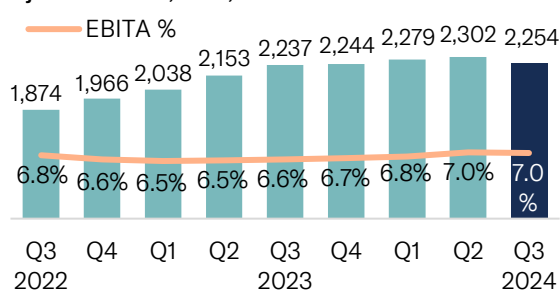
### Profit

Adjusted EBITA in the period amounted to SEK 1,928m (1,918), up 1% year on year. The adjusted EBITA margin was 7.9% (7.4). The Construction and Critical Infrastructure segments reported slightly weaker earnings compared with the year-earlier quarter, which was mainly the result of positive project completions in the preceding year and a decline in earnings in Expin Group. Earnings for the Industrial Services and Product Solutions segments increased by 6% and 10%, respectively. Earnings for the Consumer segment declined by 11% during the period as a result of weaker earnings in Plantasjen, where sales in the Norwegian market were negatively impacted by poor weather conditions in the second quarter. Operating profit was negatively affected by an impairment of goodwill in Plantasjen of SEK 246m. Net financial items amounted to SEK -467m (-573) and were negatively impacted in the year-earlier period by changes in exchange rates and the revaluation of synthetic options. The effective tax rate for the period, adjusted for items affecting comparability, was 21% (17).

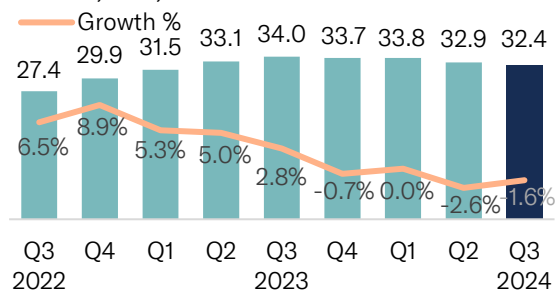
## Financial performance January–September 2024

SEKm	Net sales					EBITA, adjusted				
	Q1-3 2024	Q1-3 2023	Change %	Rolling LTM	Full Year 2023	Q1-3 2024	Q1-3 2023	Change %	Rolling LTM	Full Year 2023
Industry	7,837	7,991	-2%	10,409	10,563	819	754	9%	1,028	963
Construction & Services	12,180	12,987	-6%	16,491	17,298	967	984	-2%	1,274	1,291
Consumer	4,378	4,810	-9%	5,455	5,888	269	301	-11%	103	136
Group costs						-127	-121	-5%	-151	-146
Elimination of internal sales	-2	-0		-2	-0					
<b>Net sales and EBITA, adjusted</b>	<b>24,394</b>	<b>25,788</b>	<b>-5%</b>	<b>32,353</b>	<b>33,748</b>	<b>1,928</b>	<b>1,918</b>	<b>1%</b>	<b>2,254</b>	<b>2,244</b>
Items affecting comparability						-34			1,622	1,656
Amortisation and impairment of intangible assets in connection with company acquisitions						-337	-114	neg	-1,112	-890
<b>Consolidated operating profit</b>						<b>1,558</b>	<b>1,804</b>	<b>-14%</b>	<b>2,764</b>	<b>3,010</b>
Finance net						-467	-573	19%	-631	-737
<b>Profit before tax</b>						<b>1,091</b>	<b>1,231</b>	<b>-11%</b>	<b>2,133</b>	<b>2,273</b>
Tax						-285	-204	-40%	-348	-267
<b>Profit for the period</b>						<b>806</b>	<b>1,026</b>	<b>-22%</b>	<b>1,785</b>	<b>2,006</b>

### Adjusted EBITA, LTM, SEKm



### Net sales, LTM, SEKbn



### Sales bridge, January–September

	Net sales
2023, SEKm	25,788
Structure, %	1%
Currency, %	-1%
Organic growth, %	-5%
Total, %	-5%
2024, SEKm	24,394

## Industry

The Industry business area consists of the Industrial Services and Product Solutions segments. Industrial Services consists of Aleido, Knightec, Semcon, Speed Group and TFS, while Product Solutions consists of Diab, HL Display, LEDiL and Oase Outdoors. See Note 5 for segment reporting.

## Net sales

The business area's net sales for the third quarter amounted to SEK 2,428m (2,465), down 2%, of which structural effects accounted for a positive 3%, corresponding to SEK 64m pertaining to add-on acquisitions in HL Display and LEDiL. Organic sales growth was negative for the quarter and amounted to -2%. In Diab, volumes in the wind segment continued to decline in the quarter, which had a negative impact on organic growth. In the Industrial Services segment, the technology consultancy companies displayed positive organic sales growth of 8%.

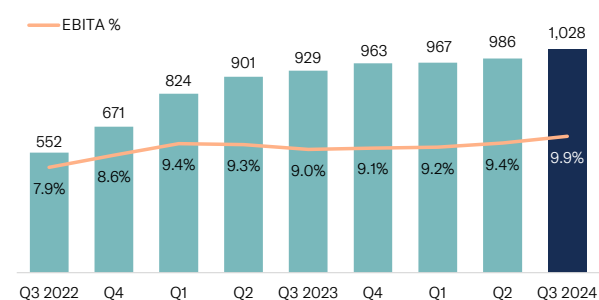
## Profit

Adjusted EBITA for the business area amounted to SEK 235m (194) for the quarter, up 21% year on year. The adjusted EBITA margin was 9.7% (7.9). Both Industrial Services and Product Solutions reported healthy increases in profit for the quarter. Earnings in the Industrial Services segment were positively impacted by the fact that the current quarter contained one more working day than in the preceding year. All companies in the Product Solutions segment reported healthy earnings improvements.

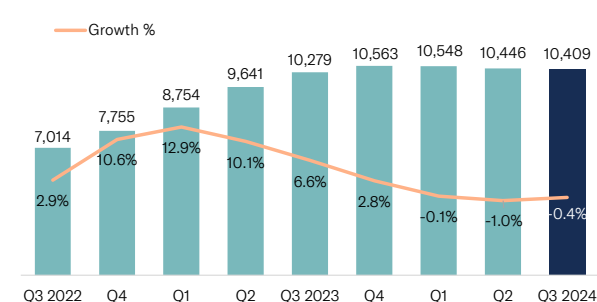
## Financial performance

SEKm	Q3 2024	Q3 2023	Change %	Q1-3 2024	Q1-3 2023	Change %	LTM Rolling	Full Year 2023	Change %
Net sales	2,428	2,465	-2%	7,837	7,991	-2%	10,409	10,563	-1%
EBITA, adjusted	235	194	21%	819	754	9%	1,028	963	7%
<i>whereof Industrial Services</i>	104	80	31%	332	313	6%	442	423	4%
<i>whereof Product Solutions</i>	131	114	15%	487	441	10%	586	540	8%
EBITA %, adjusted	9.7%	7.9%		10.5%	9.4%		9.9%	9.1%	
EBITA	215	194	11%	799	754	6%	1,008	963	5%
EBITA %	8.9%	7.9%		10.2%	9.4%		9.7%	9.1%	
Operating profit	196	175	12%	743	698	6%	933	889	5%
Operating profit %	8.1%	7.1%		9.5%	8.7%		9.0%	8.4%	
Cash flow from operating activities	395	337	17%	958	977	-2%	1,355	1,374	-1%
Return on capital employed, business area %				11.3%	10.3%			10.9%	
Average number of employees								6,785	

### Adjusted EBITA, LTM, SEKm



### Net sales, LTM, SEKm



### Sales bridge, net sales

	Q3 2024	Q1-3 2024
2023, SEKm	2,465	7,991
Structure, %	3%	3%
Currency, %	-2%	-0%
Organic growth, %	-2%	-5%
Total, %	-2%	-2%
2024, SEKm	2,428	7,837

## Construction & Services

The Construction & Services business area consists of the Critical Infrastructure and Construction segments. Critical Infrastructure consists of Aibel, Expin Group and Presis Infra, and Construction Services consists of airteam, HENT and SSEA Group. See Note 5 for segment reporting.

### Order status

At the end of the quarter, the LTM order intake<sup>1)</sup> for the business area amounted to SEK 18,326m (14,646) and the order backlog to SEK 29,580m (29,144). The order intake during the quarter amounted to SEK 1,401m (1,470) and was negatively impacted by currency effects totalling SEK 154m (-10%). Organic growth in order intake was positive in the quarter and amounted to 6%.

### Net sales

Net sales in the business area for the third quarter amounted to SEK 3,873m (4,155), down -7% year on year. Organic sales growth was negative and amounted to -2%. Currency effects had a negative impact of SEK -180m (-4) on net sales, primarily as a result of the weak NOK. Strong organic sales growth was reported for the Critical Infrastructure segment, while the Construction segment delivered negative organic growth.

### Profit

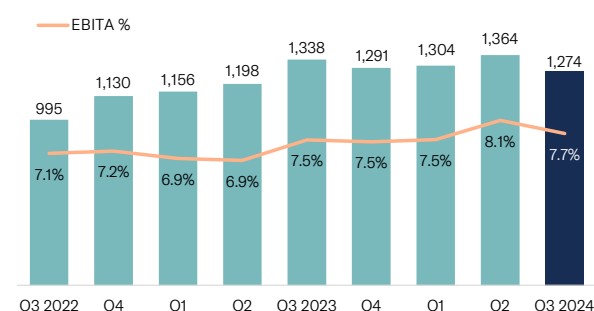
Adjusted EBITA for the business area amounted to SEK 317m (408) for the quarter, a decline of -22%, and the adjusted EBITA margin was 8.2% (9.8). In the Critical Infrastructure segment, Presis Infra reported strong earnings, while Expin Group posted weaker earnings compared with the year-earlier quarter. The decline in earnings in the Construction segment was attributable to the fact that the preceding year's earnings were heavily impacted by the completion of projects.

### Financial performance

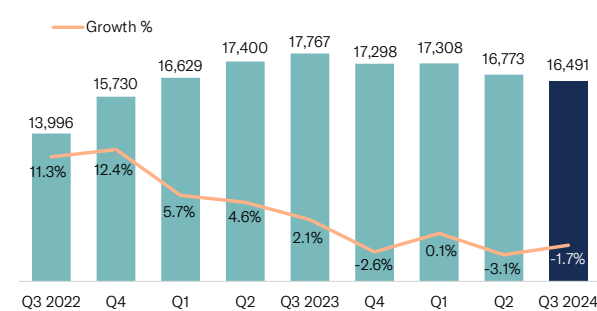
SEKm	Q3 2024	Q3 2023	Change %	Q1-3 2024	Q1-3 2023	Change %	LTM Rolling	Full Year 2023	Change %
Net sales	3,873	4,155	-7%	12,180	12,987	-6%	16,491	17,298	-5%
EBITA, adjusted	317	408	-22%	967	984	-2%	1,274	1,291	-1%
<i>whereof Construction</i>	183	225	-19%	494	500	-1%	773	779	-1%
<i>whereof Critical Infrastructure</i>	135	183	-26%	473	485	-2%	501	512	-2%
EBITA %, adjusted	8.2%	9.8%		7.9%	7.6%		7.7%	7.5%	
EBITA	339	408	-17%	989	984	0%	2,951	2,947	0%
EBITA %	8.7%	9.8%		8.1%	7.6%		17.9%	17.0%	
Operating profit	328	392	-16%	957	929	3%	2,414	2,386	1%
Operating profit %	8.5%	9.4%		7.9%	7.2%		14.6%	13.8%	
Cash flow from operating activities	500	798	-37%	648	1,779	-64%	1,097	2,228	-51%
Return on capital employed, business area %				15.1%	19.7%			17.2%	
Order intake <sup>1)</sup>	1,401	1,470	-5%	14,807	11,427	30%	18,326	14,947	23%
Order backlog <sup>1)</sup>	29,580	29,144						26,792	
Average number of employees								7,464	

<sup>1)</sup> Aibel's order intake and order backlog are not consolidated in the business area. See Note 5 for information about Aibel's order intake and order backlog.

### Adjusted EBITA, LTM, SEKm



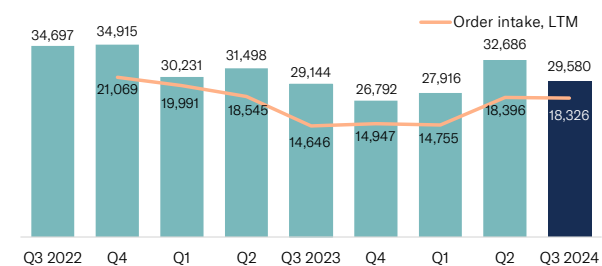
### Net sales, LTM, SEKm



### Sales bridge, net sales

	Q3 2024	Q1-3 2024
2023, SEKm	4,155	12,987
Currency, %	-4%	-2%
Organic growth, %	-2%	-4%
Total, %	-7%	-6%
2024, SEKm	3,873	12,180

### Order backlog and order intake, SEKm



Order intake has been reported from January 1, 2022. The first period with 12 reported months is thus Q4 2022.

# Consumer

The Consumer business area and segment consists of KVD and Plantasjen. See Note 5 for segment reporting.

## Net sales

Net sales in the business area for the third quarter amounted to SEK 1,154m (1,351), down -15% year on year. Organic sales growth was negative and amounted to -11%, mainly due to Plantasjen, where sales from the preceding year were positively impacted by sales campaigns to reduce capital tied up in inventories. Plantasjen's net sales for the period amounted to SEK 730m (904), down -19% year on year. Plantasjen was negatively impacted by a challenging market during the quarter.

## Profit

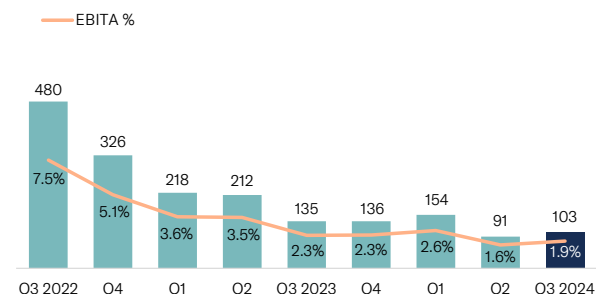
Adjusted EBITA for the business area amounted to SEK -56m (-67) for the quarter, and the adjusted EBITA margin was -4.8% (-5.0). Plantasjen reported earnings of SEK -86m (-100) for the period. The earnings improvement was a result of the negative impact of sales campaigns on goods at lower margins in the preceding year and the positive impact on earnings in the current quarter from the ongoing cost-saving programme. Operating profit was negatively affected by an impairment of goodwill in Plantasjen of SEK 246m.

## Financial performance

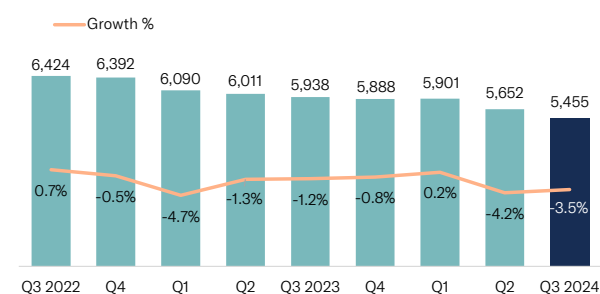
SEKm	Q3 2024	Q3 2023	Change %	Q1-3 2024	Q1-3 2023	Change %	LTM Full Year Rolling 2023	Change %	
Net sales	1,154	1,351	-15%	4,378	4,810	-9%	5,455	5,888	-7%
EBITA, adjusted	-56	-67	17%	269	301	-11%	103	136	-24%
EBITA %, adjusted	-4.8%	-5.0%		6.1%	6.3%		1.9%	2.3%	
EBITA	-90	-67	-34%	234	301	-22%	68	136	-50%
EBITA %	-7.8%	-5.0%		5.3%	6.3%		1.3%	2.3%	
Operating profit/loss	-337	-68	neg	-16	298	-105%	-432	-119	neg
Operating profit/loss %	-29.2%	-5.0%		-0.4%	6.2%		-7.9%	-2.0%	
Cash flow from operating activities	-89	-247	64%	585	747	-22%	585	746	-22%
Return on capital employed, business area %				-2.9%	-1.1%			-1.3%	
Average number of employees								1,638	

<sup>1</sup> See Note 5 for Plantasjen's adjusted net sales and EBITA.

## EBITA, LTM, SEKm



## Net sales, LTM, SEKm



## Sales bridge, net sales

	Q3 2024	Q1-3 2024
2023, SEKm	1,351	4,810
Currency, %	-3%	-1%
Organic growth, %	-11%	-8%
Total, %	-15%	-9%
2024, SEKm	1,154	4,378



# Financial overview, Ratos Group

## Cash flow Q3

Cash flow from operating activities amounted to SEK 783m (862). Cash flow from investing activities amounted to SEK -116m (-41) and cash flow from financing activities to SEK -305m (-887). Cash flow for the quarter amounted to SEK 362m (-67).

The change in cash flow for the quarter was mainly due to changes in external loans of SEK 52m (-542) as well as divested non-current assets of SEK 2m (110). During the quarter, a new loan of SEK 3,300m was secured, while two existing loans of SEK 3,246 million were redeemed.

## Cash flow January–September

Cash flow from operating activities amounted to SEK 2,042m (3,393). Cash flow from investing activities amounted to SEK -693m (-476) and cash flow from financing activities to SEK -1,566m (-3,516). Cash flow for the period amounted to SEK -216m (-599).

The change in cash flow for the period was mainly due to changes in working capital of SEK -405m (864) and was negatively impacted by changes in working capital in Construction and changes in external loans of SEK -39m (-2,316). During the period, a new loan of SEK 3,300m was secured, while two existing loans of SEK 3,246 million were redeemed.

## Financial position and leverage

The Group's cash and cash equivalents at the end of the period amounted to SEK 2,121m (2,360 at 31 December 2023) and interest-bearing net debt excluding financial lease liabilities totalled SEK 2,755m (2,720 at 31 December 2023). The Group's leverage excluding financial lease liabilities at the end of the period amounted to 0.7x (0.7x at 31 December 2023). The adjusted leverage as of 30 September 2024 amounted to 1.2x (1.1x at 31 December 2023) after a reversal of impairment pertaining to the holding in Aibel that was carried out in December 2023 and the reconstruction of Plantasjen and the restructuring of Aleido, Semcon and Expin Group in the third quarter of 2024. The Group's interest-bearing net debt including financial lease liabilities totalled SEK 7,550m (8,118 at 31 December 2023). The Group's leverage including financial lease liabilities at the end of the period amounted to 1.4x (1.5x at 31 December 2023). The total translation effect of currency tied to interest-bearing liabilities amounted to SEK -23, of which SEK 16 related to liabilities to credit institutions and SEK -39 to financial lease liabilities.

At the end of the period, the Group's interest-bearing liabilities to credit institutions amounted to SEK 4,511m (4,509 at 31 December 2023).

## Net financial items Q3

Net financial items amounted to SEK -158m (-172). The preceding year's net financial items were negatively impacted by the revaluation of synthetic options.

## Net financial items January–September

Net financial items amounted to SEK -467m (-573). Net financial items in the year-earlier period were negatively impacted by changes in exchange rates and the revaluation of synthetic options.

## Tax Q3

The tax expense for the Group amounted to SEK -55m (-22) and profit before tax to SEK 1m (309). The effective tax rate for the quarter was negative (7%). Adjusted for the impairment of goodwill (SEK -246m) and items affecting comparability (SEK -34m), the effective tax rate was 20%. The higher effective tax rate was mainly attributable to a lower share of capitalised loss carry-forwards in the current quarter.

## Tax January–September

The tax expense for the Group amounted to SEK -285m (-204) and profit before tax to SEK 1,091m (1,231). The effective tax rate for the period was 26% (17). Adjusted for the impairment of goodwill (SEK -246) and items affecting comparability (SEK -34), the effective tax rate was 21%, which is in line with the Group's nominal tax rate of approximately 20%.

## Ratos's equity

At 30 September 2024, Ratos's equity (attributable to owners of the parent) amounted to SEK 12,234m (12,314 at 31 December 2023), corresponding to SEK 37 (38) per share outstanding.

## Parent company

The parent company's operating loss amounted to SEK -127m (-119) for the January–September period. The parent company's loss before tax amounted to SEK -110m (69). Cash and cash equivalents in the parent company amounted to SEK 1,037m (876 at 31 December 2023).

The parent company has a related party relationship with its Group companies. For more information, refer to Note 28 in the 2023 Annual Report. No significant transactions were carried out with related parties during the year compared with those presented in the most recent Annual Report.

## Ratos share data

Earnings per share for the period amounted to SEK 1.47 (2.28) before dilution and to SEK 1.47 (2.28) after dilution. The closing price for Ratos's Class B shares on 30 September 2024 was SEK 34.66. The total return on Class B shares in the first quarter amounted to -0.3%, compared with the performance for the SIX Return Index, which was 15.2%.

## Number of shares

During the period, 869,200 new Class B shares were issued in connection with the exercise/conversion of warrants and a convertible debenture. At 30 September 2024, the total number of shares and shares outstanding in Ratos (Class A and B shares) amounted to 327,385,688 and the number of votes to 108,911,923.

## Incentive programmes

During the period, the parent company issued warrants and a convertible debenture in accordance with the resolution of the Annual General Meeting (AGM) on 26 March 2024. In total, 650,000 warrants and 1,070,000 convertibles were issued.

## Significant events during and after the end of the quarter

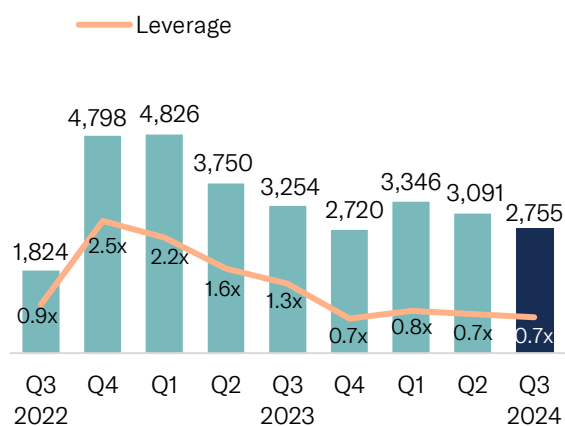
On 22 August, Plantasjen filed for reconstruction for selected legal entities in Sweden, Norway and Finland. In September, Plantasjen's Finnish operations were declared bankrupt as a result of failing to agree on rent reductions that would allow the company to achieve profitability under the prevailing market conditions. The primary objectives of the reconstruction are to downsize the store network, optimise lease contracts, and rightsize the organisation. These actions were necessary to transform Plantasjen into a financially viable business going forward. The reconstruction decision resulted in an impairment of goodwill of SEK 246m being carried out in the quarter.

The merger of the Ratos companies Knightec and Semcon commenced in the third quarter and is expected to be completed in early 2025. Following the merger, the new company will hold a leading position in the northern Europe within product development and digital services.

During the quarter, Expin Group's operations were restructured to focus on the electrification of rail infrastructure.

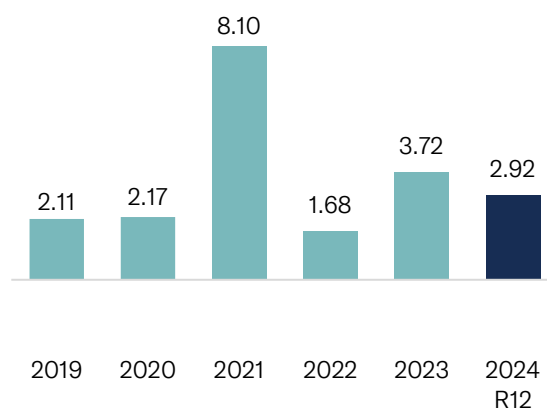
On 1 October, HL Display acquired Kost Klip Manufacturing Ltd., a Canadian manufacturer of in-store communication and shelf management solutions for the retail industry. This acquisition will expand HL Display's footprint in North America and further strengthen its position as a leading supplier of in-store merchandising and communication solutions.

### Interest-bearing net debt and leverage<sup>1)</sup>, SEKm



<sup>1)</sup> Excluding financial lease liabilities

### Diluted earnings per share, SEK



# Financial statements

## Summary consolidated income statement

SEKm	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Full Year 2023
Net sales	7,454	7,971	24,394	25,788	33,748
Other operating income	38	106	93	173	223
Cost of goods and services sold	-4,642	-4,496	-13,769	-14,513	-19,102
Employee benefit costs	-1,987	-2,027	-6,453	-6,396	-8,657
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets and right-of-use assets	-600	-415	-1,375	-1,174	-2,298
Other external costs	-257	-747	-1,692	-2,314	-2,997
Capital gain/loss from Group companies	63		63		3
Reversal of a previous write-down for investments recognised according to the equity method					1,656
Share of profit/loss from investments recognised according to the equity method	88	89	297	239	433
<b>Operating profit</b>	<b>159</b>	<b>481</b>	<b>1,558</b>	<b>1,804</b>	<b>3,010</b>
Net financial items <sup>1)</sup>	-158	-172	-467	-573	-737
<b>Profit before tax</b>	<b>1</b>	<b>309</b>	<b>1,091</b>	<b>1,231</b>	<b>2,273</b>
Income tax	-55	-22	-285	-204	-267
<b>Profit/loss for the period</b>	<b>-54</b>	<b>287</b>	<b>806</b>	<b>1,026</b>	<b>2,006</b>
<i>Profit/loss for the period attributable to:</i>					
Owners of the parent	-146	184	482	743	1,218
Non-controlling interests	92	103	323	284	788
Earnings per share, SEK					
- basic earnings per share	-0.45	0.57	1.47	2.28	3.73
- diluted earnings per share	-0.45	0.57	1.47	2.28	3.72

<sup>1)</sup> See page 22 for a specification of the finance net

## Consolidated statement of comprehensive income

SEKm	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Full Year 2023
<b>Profit/loss for the period</b>	<b>-54</b>	<b>287</b>	<b>806</b>	<b>1,026</b>	<b>2,006</b>
<i>Items that will not be reclassified to profit or loss:</i>					
Remeasurement of defined benefit pension obligations, net	0	8	-1	-1	-25
Tax attributable to items that will not be reclassified to profit or loss		-2		-2	1
	<b>0</b>	<b>7</b>	<b>-1</b>	<b>-2</b>	<b>-24</b>
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Translation differences for the period	-200	-65	-68	-47	-432
Change in hedging reserve for the period	94	115	109	-59	-53
Tax attributable to items that may be reclassified subsequently to profit or loss	2	-1	0	-5	-2
	<b>-104</b>	<b>49</b>	<b>41</b>	<b>-112</b>	<b>-487</b>
<b>Other comprehensive income for the period</b>	<b>-104</b>	<b>55</b>	<b>40</b>	<b>-114</b>	<b>-510</b>
<b>Total comprehensive income for the period</b>	<b>-158</b>	<b>343</b>	<b>846</b>	<b>912</b>	<b>1,496</b>
<i>Total comprehensive income for the period attributable to:</i>					
Owners of the parent	-233	200	531	680	828
Non-controlling interest	74	143	315	233	667

## Summary consolidated statement of financial position

SEKm	2024-09-30	2023-09-30	2023-12-31
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	14,015	14,779	14,047
Other intangible non-current assets	1,799	2,044	1,931
Property, plant and equipment	1,582	1,686	1,617
Right-of-use assets	4,449	5,031	4,816
Financial assets	3,321	1,640	3,307
Deferred tax assets	553	467	477
<b>Total non-current assets</b>	<b>25,719</b>	<b>25,647</b>	<b>26,195</b>
<b>Current assets</b>			
Inventories	1,839	2,135	1,868
Accounts receivable	2,915	3,166	3,277
Current receivables	2,229	2,653	2,430
Cash and cash equivalents	2,121	1,895	2,360
<b>Total current assets</b>	<b>9,105</b>	<b>9,848</b>	<b>9,935</b>
<b>Total assets</b>	<b>34,824</b>	<b>35,495</b>	<b>36,129</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity including non-controlling interests</b>			
<b>Non-current liabilities</b>			
Interest-bearing liabilities	8,267	9,274	9,141
Non-interest bearing liabilities	1,068	1,928	1,875
Pension provisions	66	53	65
Other provisions	41	45	45
Deferred tax liabilities	898	833	801
<b>Total non-current liabilities</b>	<b>10,340</b>	<b>12,133</b>	<b>11,927</b>
<b>Current liabilities</b>			
Interest-bearing liabilities	1,412	1,432	1,306
Non-interest bearing liabilities	7,818	7,244	7,936
Provisions	662	694	509
<b>Total current liabilities</b>	<b>9,891</b>	<b>9,371</b>	<b>9,751</b>
<b>Total liabilities</b>	<b>20,231</b>	<b>21,503</b>	<b>21,678</b>
<b>Total equity and liabilities</b>	<b>34,824</b>	<b>35,495</b>	<b>36,129</b>

## Summary statement of changes in consolidated equity

	2024-09-30			2023-09-30			2023-12-31		
	Owners of the parent	Non-controlling interest	Total equity	Owners of the parent	Non-controlling interest	Total equity	Owners of the parent	Non-controlling interest	Total equity
<b>SEKm</b>									
<b>Opening equity</b>	<b>12,314</b>	<b>2,137</b>	<b>14,451</b>	<b>12,289</b>	<b>1,499</b>	<b>13,788</b>	<b>12,289</b>	<b>1,499</b>	<b>13,788</b>
Total comprehensive income for the period	531	315	846	680	233	912	828	667	1,496
Dividends	-409	-280	-689	-274	-113	-386	-274	-177	-451
Non-controlling interests' share of capital contribution and new issue		24	24		0	0		1	1
Conversion of options/convertible loan to shares	21		21	3		3	15		15
The value of the conversion option of the convertible debentures	4		4	3		3	3		3
Option premiums	6		6	6		6	6		6
Put options, future acquisitions from non-controlling interests	-34	-38	-72	-305	34	-272	-549	200	-349
Acquisition of shares in subsidiaries from non-controlling interests	-39	-11	-49	-6	-64	-70	-6	-64	-70
Disposal of shares in subsidiaries to non-controlling interests	-4	55	51	3	4	7	2	11	13
Non-controlling interests share of dividends from associated companies	-156	156							
<b>Closing equity</b>	<b>12,234</b>	<b>2,358</b>	<b>14,592</b>	<b>12,399</b>	<b>1,593</b>	<b>13,992</b>	<b>12,314</b>	<b>2,137</b>	<b>14,451</b>

## Summary consolidated statement of cash flows

SEKm	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Full Year 2023
<b>Operating activities</b>					
Operating profit	159	481	1,558	1,804	3,010
Adjustment for non-cash items	570	349	1,238	1,238	565
	729	830	2,796	3,042	3,575
Received dividends from associated companies	2		318	122	122
Interest and financial items, net	-105	-136	-412	-435	-552
Income tax paid	-50	5	-255	-200	-316
<b>Cash flow from operating activities before change in working capital</b>	<b>576</b>	<b>699</b>	<b>2,448</b>	<b>2,529</b>	<b>2,829</b>
Cash flow from change in working capital					
Increase (-)/Decrease (+) in inventories	155	222	30	333	571
Increase (-)/Decrease (+) in operating receivables	75	190	501	563	25
Increase (+)/Decrease (-) in operating liabilities	-24	-249	-936	-32	850
<b>Cash flow from operating activities</b>	<b>783</b>	<b>862</b>	<b>2,042</b>	<b>3,393</b>	<b>4,275</b>
<b>Investing activities</b>					
Acquisition, group companies	-24	-74	-412	-312	-333
Disposal, group companies	-25		-25		-2
Investments and disposal, intangible assets/property, plant and equipment	-70	33	-223	-162	-231
Investments and disposal, financial assets	3	-0	-33	-2	24
<b>Cash flow from investing activities</b>	<b>-116</b>	<b>-41</b>	<b>-693</b>	<b>-476</b>	<b>-542</b>
<b>Financing activities</b>					
Non-controlling interests' share of issue/capital contribution	24		24	0	1
Transfer of treasury shares	-2		-2		
Transactions regarding options	-11		-21	-0	-80
Acquisition and disposal of shares in subsidiaries from non-controlling interests	-1	-0	3	-27	-24
Dividends paid			-409	-274	-274
Dividends paid, non-controlling interests	-26	-1	-278	-129	-194
Borrowings	3,315	6	3,387	1,835	1,884
Amortisation of loans	-3,263	-548	-3,381	-4,114	-4,141
Amortisation of financial lease liabilities	-341	-345	-889	-806	-970
<b>Cash flow from financing activities</b>	<b>-305</b>	<b>-887</b>	<b>-1,566</b>	<b>-3,516</b>	<b>-3,798</b>
<b>Cash flow for the period</b>	<b>362</b>	<b>-67</b>	<b>-216</b>	<b>-599</b>	<b>-65</b>
Cash and cash equivalents at the beginning of the period	1,819	1,987	2,360	2,532	2,532
Exchange differences in cash and cash equivalents	-60	-26	-23	-39	-108
Cash and cash equivalents at the end of the period	2,121	1,895	2,121	1,895	2,360

## Summary parent company income statement

SEKm	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Full Year 2023
Other operating income	0	0	0	0	9
Administrative expenses	-28	-18	-127	-119	-151
Depreciation of property, plant and equipment	-0	-0	-1	-0	-1
<b>Operating profit/loss</b>	<b>-28</b>	<b>-18</b>	<b>-127</b>	<b>-119</b>	<b>-142</b>
Dividends from group companies				192	192
Net financial items <sup>1)</sup>	2	-1	18	-4	9
<b>Profit/loss after financial items</b>	<b>-26</b>	<b>-19</b>	<b>-110</b>	<b>69</b>	<b>59</b>
Group contribution, recieved					158
<b>Profit/loss before tax</b>	<b>-26</b>	<b>-19</b>	<b>-110</b>	<b>69</b>	<b>217</b>
Income tax	0	25	48	65	75
<b>Profit/loss for the period</b>	<b>-26</b>	<b>7</b>	<b>-62</b>	<b>134</b>	<b>292</b>

<sup>1)</sup> See page 22 for a specification of the finance net

## Parent company statement of comprehensive income

SEKm	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Full Year 2023
<b>Profit/loss for the period</b>	<b>-26</b>	<b>7</b>	<b>-62</b>	<b>134</b>	<b>292</b>
Other comprehensive income for the period	0	0	0	0	0
<b>Total comprehensive income for the period</b>	<b>-26</b>	<b>7</b>	<b>-62</b>	<b>134</b>	<b>292</b>

## Summary parent company balance sheet

SEKm	2024-09-30	2023-09-30	2023-12-31
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	4	4
Financial assets	10,794	10,736	10,736
Receivables from group companies	3,257	4,124	3,919
Deferred tax assets	252	195	205
<b>Total non-current assets</b>	<b>14,306</b>	<b>15,058</b>	<b>14,864</b>
<b>Current assets</b>			
Current receivables	32	37	38
Receivables from group companies	2,935	2,505	2,975
Cash and cash equivalents	1,037	1,164	876
<b>Total current assets</b>	<b>4,004</b>	<b>3,706</b>	<b>3,889</b>
<b>Total assets</b>	<b>18,310</b>	<b>18,764</b>	<b>18,752</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>9,577</b>	<b>9,847</b>	<b>10,016</b>
<b>Non-current liabilities</b>			
Interest-bearing liabilities, group companies		75	150
Interest-bearing liabilities	4,131	4,453	4,423
Convertible debentures	111	110	110
Deferred tax liabilities	4	3	3
<b>Total non-current liabilities</b>	<b>4,246</b>	<b>4,641</b>	<b>4,687</b>
<b>Current provisions</b>	<b>26</b>	<b>21</b>	<b>16</b>
<b>Current liabilities</b>			
Interest-bearing liabilities, group companies	3,980	4,100	3,940
Interest-bearing liabilities	408	104	24
Non-interest bearing liabilities, group companies	30	0	0
Non-interest bearing liabilities	43	50	69
<b>Total current liabilities</b>	<b>4,461</b>	<b>4,254</b>	<b>4,033</b>
<b>Total equity and liabilities</b>	<b>18,310</b>	<b>18,764</b>	<b>18,752</b>

## Summary parent company statement of changes in equity

SEKm	2024-09-30	2023-09-30	2023-12-31
<b>Opening equity</b>	<b>10,016</b>	<b>9,975</b>	<b>9,975</b>
Comprehensive income for the period	-62	134	292
Dividends	-409	-274	-274
Conversion of options/convertible loan to shares	21	3	15
The value of the conversion option of the convertible debentures	5	4	4
Deferred tax, conversion option	-1	-1	-1
Option premiums	6	6	6
<b>Closing equity</b>	<b>9,577</b>	<b>9,847</b>	<b>10,016</b>



## Note 1 Accounting principles

Ratos's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and associated interpretations (IFRIC), as endorsed by the EU. This interim report was prepared in accordance with IAS 34, Interim Financial Reporting, and applicable provisions in the Swedish Annual Accounts Act. The parent company also applies RFR 2 Accounting for Legal Entities.

From the first quarter of 2024, Ratos has changed its segment reporting to better reflect the Group's business focus. The new segments are Industrial Services, Product Solutions, Construction, Critical Infrastructure and Consumer. They comprise the Group's business areas, which are presented on pages 5–7. The change does not entail any restatement of previous financial reports, but rather provides additional information about the new segments that reflects how operations are monitored. In all other respects, the reporting and measurement principles are unchanged compared with those applied in Ratos's 2023 Annual Report.

The new and revised IFRS standards which came into force in 2024 have not had any material effect on the Ratos Group's financial statements.

Amounts are presented in SEK million (SEKm) unless otherwise stated. Rounding may apply in tables and calculations, which means that the stipulated total amounts are not always an exact amount of the rounded amounts.

## Note 2 Risks and uncertainties

Operations at Ratos Group include inherent risks attributable to both the parent company and companies in the business areas. These mainly comprise market, operational and transaction risks and can include both general risks, such as external factors and macroeconomic development, as well as company and sector-specific risks.

The financial risks consist of liquidity risk, interest rate risk, credit risk and currency risk. There are several financial risks to which most of the companies are exposed, primarily related to loans, trade receivables, trade payables and derivative instruments. The risks to which the companies are exposed are managed by each individual company.

Ratos is exposed to financial risks, mainly in terms of value changes in the companies and liquidity risk. Ratos's future earnings development is dependent to a large extent on the success of the underlying companies, which in turn is dependent on, among other things, how successful each company's management group and board of directors are at developing the company and implementing value-adding initiatives.

As a result of the reconstruction of Plantasjen, the company's recoverable amount was tested in the third quarter of 2024. Plantasjen has decided to close all of its stores in Finland and selected stores in Norway and Sweden, which will result in a significant reduction in sales in the years ahead. This gave rise to an impairment requirement, and an impairment loss of SEK 246m was recognised in the third quarter. Due to the impairment of goodwill in Plantasjen, the carrying amount is in line with the recoverable amount and is therefore sensitive to changes in material assumptions.

A more detailed description of the material risks and uncertainties to which the Group and the parent company are exposed is provided in the Directors' Report and in Notes 25 and 31 in the 2023 Annual Report.

## Note 3 Financial instruments

Ratos applies fair value measurements to a limited extent and mainly for derivatives, synthetic options, contingent considerations and put options. These items are measured according to levels two and three, respectively, in the fair value hierarchy.

In the statement of financial position at 30 September 2024, the net value of derivatives (level two) amounted to SEK 2m (-14 at 31 December 2023), of which SEK 9m (5 at 31 December 2023) was recognised as an asset and SEK 7m (18 at 31 December 2023) as a liability.

In the statement of financial position at 30 September 2024, the total value of financial instruments measured at fair value in accordance with level three was SEK 2,111m (2,158 at 31 December 2023). The change is presented in the table below.

Change, level 3 SEKm	Synthetic options		Call and put options		Contingent considerations	
	2024-09-30	2023-12-31	2024-09-30	2023-12-31	2024-09-30	2023-12-31
Opening balance	149	153	1,869	1,669	141	236
Recognised in comprehensive income	29	76	-10	-63	-3	23
Recognised against equity			71	263		
Newly issued/subsequent expenditure					5	69
Acquisitions, Group companies						
Settlements	-43	-80			-97	-187
<b>Closing balance</b>	<b>135</b>	<b>149</b>	<b>1,930</b>	<b>1,869</b>	<b>46</b>	<b>141</b>

## Note 4 Acquired and divested companies

### Acquisitions within business areas

In March, HL Display completed the acquisition of pr trading-Flekota A/S (pr trading), which had been its distribution partner in Denmark. pr trading delivers standard and customised display and store solutions to Danish grocery retailers as well as specialist retailers and brand manufacturers. The company has 38 employees and sales of approximately DKK 160m.

In June, LEDiL completed the acquisition of Ingemann Components A/S. The company is a Denmark-based, northern European leader in light output, luminaire efficiency, light distribution, and glare control for large-scale optics. The company has approximately DKK 90m in annual sales.

In the third quarter, two minor acquisitions were carried out in HL Display and Speed Group.

The preliminary acquisition analyses for the add-on acquisitions carried out during the period are presented to the right.

	SEKm
Intangible assets	1
Property, plant and equipment	17
Right-of-use assets	8
Financial assets	2
Trade receivables	74
Current assets	43
Cash and cash equivalents	5
Non-controlling interest	-0
Deferred tax liability	-0
Current liabilities	-92
<b>Net identifiable assets and liabilities</b>	<b>58</b>
Goodwill	266
<b>Purchase price</b>	<b>324</b>
of which, paid in cash	319
of which, contingent consideration	5
Cash in the acquired companies	-5
Paid contingent consideration	97
<b>Effect on Group' s cash and cash equivalents</b>	<b>412</b>

### Divestments within business areas

In September, Plantasjen filed for bankruptcy for its Finnish subsidiary as a result of the ongoing reconstruction proceedings. Plantasjen reported capital gains totalling SEK 27m as a result of the bankruptcy in Finland.

In September, Expin Group filed for bankruptcy for three subsidiaries as a result of the ongoing restructuring and divested its Norwegian subsidiary to employees in the company. Expin Group reported capital gains totalling SEK 35m as a result of the divestments.

The impact on the consolidated statement of financial position and statement of cash flows as a result of the divestments carried out during the period are presented to the right.

	SEKm
Intangible assets	0
Property, plant and equipment	21
Right-of-use assets	342
Financial assets	3
Trade receivables	79
Current assets	189
Cash and cash equivalents	25
Non-current liabilities and provisions	-423
Current liabilities and provisions	-313
<b>Net assets and liabilities</b>	<b>-76</b>
Sales price	0
Cash in the divested companies	-25
<b>Effect on Group' s cash and cash equivalents</b>	<b>-25</b>

## Note 5 Segment reporting

The Industry business area consists of two segments, Industrial Services and Product Solutions, that develop and sell their own products. The companies in this segment are active in markets with strong underlying growth such as technology consultancy services, energy-efficient lighting, sustainable lightweight structures and renewable energy, modern grocery retail, pharmacology and aftermarket solutions. Industrial Services consists of Aleido, Knightec, Semcon, Speed Group and TFS, while Product Solutions consists of Diab, HL Display, LEDIL and Oase Outdoors.

The Construction & Services business area's focus is on building and maintaining a sustainable society. The business area is divided into two segments – Construction, which focuses on community building (such as hospitals, schools and commercial buildings), and Critical Infrastructure, with a service offering primarily comprising maintenance of infrastructure within railway, road and energy solutions. Critical Infrastructure consists of Aibel, Expin Group and Presis Infra, and Construction Services consists of airteam, HENT and SSEA Group. Consumer consists of KVD and Plantasjen.

	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Rolling LTM	Full Year 2023
<b>Net sales, SEKm</b>						
Industrial Services	1,233	1,279	3,987	4,183	5,403	5,598
Product Solutions	1,203	1,190	3,880	3,815	5,046	4,981
Elimination of internal net sales	-8	-4	-30	-7	-39	-17
<b>Industry</b>	<b>2,428</b>	<b>2,465</b>	<b>7,837</b>	<b>7,991</b>	<b>10,409</b>	<b>10,563</b>
Construction	2,858	3,318	9,020	10,456	12,246	13,682
Critical Infrastructure	1,015	838	3,160	2,531	4,245	3,616
<b>Construction &amp; Services</b>	<b>3,873</b>	<b>4,155</b>	<b>12,180</b>	<b>12,987</b>	<b>16,491</b>	<b>17,298</b>
<b>Consumer</b>	<b>1,154</b>	<b>1,351</b>	<b>4,378</b>	<b>4,810</b>	<b>5,455</b>	<b>5,888</b>
- whereof Plantasjen	730	904	3,210	3,579	3,912	4,281
Elimination of internal net sales	-0		-2	-0	-2	-0
<b>Ratos group</b>	<b>7,454</b>	<b>7,971</b>	<b>24,394</b>	<b>25,788</b>	<b>32,353</b>	<b>33,748</b>
	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Rolling LTM	Full Year 2023
<b>EBITA, adjusted, SEKm</b>						
Industrial Services	104	80	332	313	442	423
Product Solutions	131	114	487	441	586	540
<b>Industry</b>	<b>235</b>	<b>194</b>	<b>819</b>	<b>754</b>	<b>1,028</b>	<b>963</b>
Construction	183	225	494	500	773	779
Critical Infrastructure	135	183	473	485	501	512
<b>Construction &amp; Services</b>	<b>317</b>	<b>408</b>	<b>967</b>	<b>984</b>	<b>1,274</b>	<b>1,291</b>
<b>Consumer</b>	<b>-56</b>	<b>-67</b>	<b>269</b>	<b>301</b>	<b>103</b>	<b>136</b>
- whereof Plantasjen	-86	-100	194	229	6	40
Group costs	-28	-18	-127	-121	-151	-146
<b>Ratos group</b>	<b>469</b>	<b>517</b>	<b>1,928</b>	<b>1,918</b>	<b>2,254</b>	<b>2,244</b>
	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Rolling LTM	Full Year 2023
<b>EBITA %, adjusted</b>						
Industrial Services	8.4%	6.2%	8.3%	7.5%	8.2%	7.6%
Product Solutions	10.9%	9.6%	12.6%	11.6%	11.6%	10.8%
<b>Industry</b>	<b>9.7%</b>	<b>7.9%</b>	<b>10.5%</b>	<b>9.4%</b>	<b>9.9%</b>	<b>9.1%</b>
Construction	6.4%	6.8%	5.5%	4.8%	6.3%	5.7%
Critical Infrastructure	13.3%	21.8%	15.0%	19.1%	11.8%	14.2%
<b>Construction &amp; Services</b>	<b>8.2%</b>	<b>9.8%</b>	<b>7.9%</b>	<b>7.6%</b>	<b>7.7%</b>	<b>7.5%</b>
<b>Consumer</b>	<b>-4.8%</b>	<b>-5.0%</b>	<b>6.1%</b>	<b>6.3%</b>	<b>1.9%</b>	<b>2.3%</b>
<b>Ratos group<sup>1)</sup></b>	<b>6.3%</b>	<b>6.5%</b>	<b>7.9%</b>	<b>7.4%</b>	<b>7.0%</b>	<b>6.7%</b>

<sup>1)</sup> Ratos Group's adjusted EBITA margin also includes the parent company and central companies

## Note 5, cont.

	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Rolling LTM	Full Year 2023
<b>Operating profit/loss, SEKm</b>						
Industrial Services	65	61	257	257	347	349
Product Solutions	131	114	487	441	586	540
<b>Industry</b>	<b>196</b>	<b>175</b>	<b>743</b>	<b>698</b>	<b>933</b>	<b>889</b>
Construction	183	225	494	491	774	770
Critical Infrastructure	145	167	463	438	1,640	1,616
<b>Construction &amp; Services</b>	<b>328</b>	<b>392</b>	<b>957</b>	<b>929</b>	<b>2,414</b>	<b>2,386</b>
<b>Consumer</b>	<b>-337</b>	<b>-68</b>	<b>-16</b>	<b>298</b>	<b>-432</b>	<b>-119</b>
Group costs	-28	-18	-127	-121	-151	-146
<b>Ratos group</b>	<b>159</b>	<b>481</b>	<b>1,558</b>	<b>1,804</b>	<b>2,764</b>	<b>3,010</b>
	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Rolling LTM	Full Year 2023
<b>Cash flow from operating activities, SEKm</b>						
Industrial Services	175	106	433	442	609	617
Product Solutions	221	231	524	535	746	757
<b>Industry</b>	<b>395</b>	<b>337</b>	<b>958</b>	<b>977</b>	<b>1,355</b>	<b>1,374</b>
Construction	505	766	303	1,636	755	2,089
Critical Infrastructure	-5	32	345	143	342	139
<b>Construction &amp; Services</b>	<b>500</b>	<b>798</b>	<b>648</b>	<b>1,779</b>	<b>1,097</b>	<b>2,228</b>
<b>Consumer</b>	<b>-89</b>	<b>-247</b>	<b>585</b>	<b>747</b>	<b>585</b>	<b>746</b>
Parent company and central companies	-23	-27	-149	-110	-112	-74
<b>Ratos group</b>	<b>783</b>	<b>862</b>	<b>2,042</b>	<b>3,393</b>	<b>2,925</b>	<b>4,275</b>
	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Rolling LTM	Full Year 2023
<b>Order intake, SEKm</b>						
Construction	1,356	1,055	10,934	8,144	13,671	10,882
Critical Infrastructure	45	415	3,872	3,283	4,655	4,065
<b>Construction &amp; Services</b>	<b>1,401</b>	<b>1,470</b>	<b>14,807</b>	<b>11,427</b>	<b>18,326</b>	<b>14,947</b>
<i>Aibel<sup>2)</sup></i>	<i>2,339</i>	<i>2,034</i>	<i>12,764</i>	<i>17,309</i>	<i>12,820</i>	<i>17,365</i>
	Q3 2024	Q3 2023	Full Year 2023			
<b>Order backlog, SEKm</b>						
<b>Construction</b>						
Construction	20,791	20,141	19,212			
Critical Infrastructure	8,790	9,003	7,580			
<b>Construction &amp; Services</b>	<b>29,580</b>	<b>29,144</b>	<b>26,792</b>			
<i>Aibel<sup>2)</sup></i>	<i>30,783</i>	<i>37,257</i>	<i>32,041</i>			
	Q3 2024	Q3 2023	Full Year 2023			
<b>Return on capital employed, %</b>						
Industrial Services	14.1%	14.7%	14.3%			
Product Solutions	9.9%	8.1%	9.2%			
<b>Industry</b>	<b>11.3%</b>	<b>10.3%</b>	<b>10.9%</b>			
Construction	21.0%	26.4%	26.1%			
Critical Infrastructure	11.0%	15.1%	11.1%			
<b>Construction &amp; Services</b>	<b>15.1%</b>	<b>19.7%</b>	<b>17.2%</b>			
<b>Consumer</b>	<b>-2.9%</b>	<b>-1.1%</b>	<b>-1.3%</b>			
<b>Ratos group<sup>1)</sup></b>	<b>10.2%</b>	<b>10.3%</b>	<b>10.0%</b>			

<sup>1)</sup> Ratos Group's return on capital employed also includes the parent company and central companies.

<sup>2)</sup> Aibel's order intake and order backlog are not consolidated in the Critical Infrastructure segment.

## Key figures

For definitions, see page 23

SEKm	Q1-3 2024	Q1-3 2023	Full Year 2023
Leverage excl. financial leasing	0.7x	1.3x	0.7x
Leverage	1.4x	2.4x	1.5x
Equity ratio, %	41.9	39.4	40.0
Return on equity, %	7.8	5.8	10.0
Return on capital employed excl. financial leasing, %	10.2	10.3	10.0
Return on capital employed, %	9.1	8.9	8.8
Return on invested capital, %	7.3	7.7	7.4
<b>Key figures per share<sup>1)</sup></b>			
Total return, %	-0.3	-19.2	-10.6
Dividend yield, %			3.5
Market price, SEK	34.66	32.62	36.08
Dividend, SEK			1.25
Equity attributable to owners of the parent, SEK <sup>2)</sup>	37.37	38.03	37.71
Basic earnings per share, SEK	1.47	2.28	3.73
Diluted earnings per share, SEK	1.47	2.28	3.72
Average number of ordinary shares outstanding:			
– before dilution	327,114,930	325,957,221	326,042,022
– after dilution	327,348,795	328,333,600	329,761,727
Total number of registered shares	327,385,688	326,016,488	326,516,488
Number of shares outstanding <sup>3)</sup>	327,385,688	326,016,488	326,516,488
– of which, Class A shares	84,637,060	84,637,060	84,637,060
– of which, Class B shares	242,748,628	241,379,428	241,879,428

<sup>1)</sup> Relates to Class B shares unless specified otherwise

<sup>2)</sup> Equity attributable to owners of the parent divided by the number of outstanding ordinary shares at the end of the period

<sup>3)</sup> After redemption and transfer of Ratos own shares

## Reconciliations between alternative performance measures (APM) and IFRS

Ratos applies financial measures that are not defined in IFRS but are so-called alternative performance measures (APMs).

The alternative performance measures presented are considered to be valuable supplementary information for analysts and other stakeholders for the evaluation and assessment of the Group's financial performance and position. Ratos's definitions of these performance measures may differ from other companies and, accordingly, these are

not always comparable with similar performance measures used in other companies.

The following reconciliations and accounts pertain to sub-components included in the material alternative performance measures used in this report. Reconciliation is made against the most reconcilable item, subtotal or total provided in the financial statements for the corresponding period. Definitions are available at [www.ratos.com](http://www.ratos.com) and on page 23 of this report.

### Organic growth

SEKm	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Full Year 2023
<b>Growth Net Sales, %</b>	<b>-6%</b>	<b>13%</b>	<b>-5%</b>	<b>19%</b>	<b>13%</b>
<b>Net sales</b>	<b>7,454</b>	<b>7,971</b>	<b>24,394</b>	<b>25,788</b>	<b>33,748</b>
Acquired net sales	67	676	287	2,830	3,166
Effects from change in currency	-281	88	-341	37	-112
Other*		0		-4	-194
<b>Net sales, adjusted</b>	<b>7,669</b>	<b>7,207</b>	<b>24,448</b>	<b>22,925</b>	<b>30,888</b>
Divested net sales in the comparison period	3		10		2
<b>Net sales, adjusted in the comparison period</b>	<b>7,967</b>	<b>7,039</b>	<b>25,778</b>	<b>21,680</b>	<b>29,873</b>
<b>Organic growth</b>	<b>-299</b>	<b>167</b>	<b>-1,331</b>	<b>1,245</b>	<b>1,014</b>
<b>Organic growth, %</b>	<b>-4%</b>	<b>2%</b>	<b>-5%</b>	<b>6%</b>	<b>3%</b>

\* Corrections related to Expin Group of SEK -193m for Full Year 2023

### EBITDA, EBITA and operating profit

SEKm	Q3 2024	Q3 2023	Q1-3 2024	Q1-3 2023	Full Year 2023
<b>EBITDA</b>	<b>758</b>	<b>896</b>	<b>2,933</b>	<b>2,978</b>	<b>5,308</b>
Depreciations and impairment	-323	-379	-1,038	-1,059	-1,408
<b>EBITA</b>	<b>435</b>	<b>517</b>	<b>1,894</b>	<b>1,918</b>	<b>3,901</b>
Reversal of write-down in associates					1,656
Reconstruction	-35		-35		
Restructuring*	1		1		
<b>Adjusted EBITA</b>	<b>469</b>	<b>517</b>	<b>1,928</b>	<b>1,918</b>	<b>3,901</b>
Amortisation and impairment of intangible assets in connection with company acquisitions	-276	-35	-337	-114	-890
<b>Operating profit/loss</b>	<b>159</b>	<b>481</b>	<b>1,558</b>	<b>1,804</b>	<b>3,010</b>

\* Of which, SEK -20m pertains to the Industry business area and SEK 21m to the Construction & Services business area

### Interest-bearing net debt

SEKm	2024-09-30	2023-09-30	2023-12-31
Interest-bearing liabilities, other	4,883	5,198	5,049
Provisions for pensions	66	53	65
Interest-bearing assets	-74	-102	-34
Cash and cash equivalents	-2,121	-1,895	-2,360
<b>Interest-bearing net debt excl. financial leasing</b>	<b>2,755</b>	<b>3,254</b>	<b>2,720</b>
Financial leasing liabilities	4,796	5,508	5,398
<b>Interest-bearing net debt inc. financial leasing</b>	<b>7,550</b>	<b>8,762</b>	<b>8,118</b>

## Specification of net financial items

Ratos Group, SEKm	Q3	Q3	Change%	Q1-3	Q1-3	Change%	Full Year
	2024	2023		2024	2023		2023
Interest income	17	19	-13%	54	56	-3%	76
Interest expense	-71	-84	16%	-229	-254	10%	-340
Interest expense financial leasing	-69	-71	3%	-213	-208	-2%	-276
<b>Net interest</b>	<b>-123</b>	<b>-136</b>	<b>10%</b>	<b>-387</b>	<b>-406</b>	<b>5%</b>	<b>-540</b>
Net exchange rate effects	-2	1	neg	-10	-69	86%	-70
Other financial items	-32	-37	13%	-70	-98	29%	-127
<b>Net financial items</b>	<b>-158</b>	<b>-172</b>	<b>8%</b>	<b>-467</b>	<b>-573</b>	<b>19%</b>	<b>-737</b>

Parent company, SEKm	Q3	Q3	Change%	Q1-3	Q1-3	Change%	Full Year
	2024	2023		2024	2023		2023
Net interest	7	17	-58%	41	61	-34%	79
Net exchange rate effects	5	-1	pos	1	-19	106%	-21
Other financial items	-10	-16	39%	-24	-46	48%	-49
<b>Net financial items</b>	<b>2</b>	<b>-1</b>	<b>pos</b>	<b>18</b>	<b>-4</b>	<b>pos</b>	<b>9</b>

# Definitions

## **Dividend yield**

Proposed dividend on ordinary shares expressed as a percentage of the Class B share's closing price at the period's last trading day.

## **Total return**

Price development of Class B shares including reinvested dividends (this year's paid dividend) on ordinary shares.

## **Return on equity**

Profit for the period attributable to owners of the parent for the last 12 months divided by average equity attributable to owners of the parent during the five most recent quarters.

## **Internal rate of return**

Adjusted EBITA less tax paid for the last 12 months as a percentage of average capital invested during the five most recent quarters.

## **Return on capital employed**

Adjusted EBITA for the last 12 months as a percentage of average capital employed during the five most recent quarters.

## **Return on capital employed, business area and segment**

Adjusted EBITA for operating companies for the last 12 months as a percentage of average capital employed excluding financial lease liabilities during the five most recent quarters.

## **EBITDA**

EBITA with depreciation, amortisation and impairment reversed (Earnings Before Interest, Tax, Depreciation and Amortisation).

## **EBITDA margin**

EBITDA expressed as a percentage of net sales.

## **EBITA**

Operating profit before impairment of goodwill as well as amortisation and impairment of other intangible assets that arose in conjunction with company acquisitions and similar transactions (Earnings Before Interest, Tax and Amortisation).

## **EBITA margin**

EBITA expressed as a percentage of net sales.

## **Equity per share**

Equity attributable to owners of the parent divided by the number of outstanding ordinary shares at the end of the period.

## **Invested capital**

Non-current assets (including goodwill) and working capital.

## **Adjusted EBITA**

EBITA adjusted for non-recurring items affecting comparability at the business area level.

## **Adjusted EBITA margin**

Adjusted EBITA expressed as a percentage of net sales.

## **Cash flow from operating activities**

Includes cash flow from operating profit, dividends received from associates, interest and financial items, income tax paid, and changes in working capital.

## **Average number of employees**

Total number of hours worked during the most recent full year restated as full-time positions. Also includes average number of employees in key associates.

## **Order intake**

The value of projects and contracts received, as well as changes in the value of existing projects and agreements during the current period. Order intake is only reported for the Construction & Services business area since it is considered a key performance measure for its operations.

## **Order backlog**

The value of the remaining unearned project revenue in pending assignments at the end of the period. Order backlog is only reported for the Construction & Services business area since it is considered a key performance measure for its operations.

## **Organic growth**

Net sales growth in comparable units. The effects of acquisitions, divestments and exchange rate changes are excluded.

## **Basic earnings per share**

Profit for the period attributable to owners of the parent company divided by the average number of outstanding ordinary shares.

## **Diluted earnings per share**

When calculating diluted earnings per share, earnings and the average number of shares are adjusted to take into account the effects of potential ordinary shares, which, for the reported periods, pertain to convertible debt instruments and warrants issued to employees.

## **Interest-bearing net debt**

Interest-bearing liabilities (including financial lease liabilities) and pension provisions minus interest-bearing assets and cash and cash equivalents.

## **Capital employed**

Equity, non-controlling interests and interest-bearing liabilities.

## **Leverage excl. finance leases**

Interest-bearing net debt excluding finance leases in relation to EBITDA for the last 12 months.

## **Leverage**

Interest-bearing net debt in relation to EBITDA for the last 12 months.

## **Equity ratio**

Reported equity expressed as a percentage of total assets. Non-controlling interests are included in equity.

## **Last 12-month period**

The most recent 12 months.



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**Investor presentation**

22 October 9:00 a.m.

Webcast:

<https://youtube.com/live/2ZQv4BDWQb0?feature=share>

**Financial calendar**

**2025**

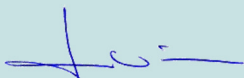
Year-end report 2024

17 February

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Stockholm, 22 October 2024

Ratos AB (publ)



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This report has not been reviewed by Ratos's auditors

This is information that Ratos 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 persons set out above, at 7:00 a.m. CEST on 22 October 2024.

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