

Interim report Q3 2023



Interim report January–September 2023

Q3 2023

- Adjusted¹⁾ EBITA amounted to SEK 517m (432)
- Operating profit amounted to SEK 481m (406)
- Profit for the period amounted to SEK 287m (283) and was impacted by net financial items of SEK -172m (-63)
- Diluted earnings per share amounted to SEK 0.57 (0.61)
- Cash flow from operating activities amounted to SEK 862m (736)

January–September 2023

- Adjusted¹⁾ EBITA amounted to SEK 1,918m (1,648)
- Operating profit amounted to SEK 1,804m (1,336)²⁾
- Profit for the period amounted to SEK 1,026m (834) and was impacted by net financial items of SEK -573m (-267)
- Diluted earnings per share amounted to SEK 2.28 (1.79)
- Cash flow from operating activities amounted to SEK 3,393m (1,411)
- Leverage excluding finance leases was 1.3x (0.9x)

Significant events during and after the end of the quarter

- In October, Semcon completed the spin-off of its Product Information business area, which is now the new independent company Aleido. Both companies remain as wholly owned Ratos subsidiaries

Ratos Group, SEKm

	Q3 2023	Q3 2022	Change %	Q1-3 2023	Q1-3 2022	Change %	LTM Rolling	Full Year 2022	Change %
Net sales	7,971	7,039	13%	25,788	21,680	19%	33,984	29,875	14%
EBITDA	896	739	21%	2,978	2,312	29%	3,624	2,958	22%
EBITA, adjusted ¹⁾	517	432	20%	1,918	1,648	16%	2,237	1,966	14%
EBITA %, adjusted ¹⁾	6.5%	6.1%		7.4%	7.6%		6.6%	6.6%	
EBITA	517	432	20%	1,918	1,400	37%	2,237	1,718	30%
EBITA %	6.5%	6.1%		7.4%	6.5%		6.6%	5.8%	
Operating profit	481	406	18%	1,804	1,336	35%	2,086	1,618	29%
Profit before tax	309	343	-10%	1,231	1,069	15%	1,339	1,178	14%
Profit for the period	287	283	1%	1,026	834	23%	1,072	879	22%
Basic earnings per share, SEK	0.57	0.61	-7%	2.28	1.79	27%	2.17	1.69	28%
Diluted earnings per share, SEK	0.57	0.61	-7%	2.28	1.79	27%	2.17	1.68	29%
Cash flow from operating activities ³⁾	862	736	17%	3,393	1,411	141%	3,413	1,431	139%
Leverage excl. financial leasing				1.3x	0.9x		1.3x	2.5x	
Return on capital employed excl. financial leasing				10.3%	10.5%		10.3%	10.1%	

1) For reconciliation of EBITA, adjusted see page 19. For definition see page 22.

2) Operating profit in the year-earlier period was negatively impacted by an unrealised loss of SEK -118m related to the revaluation of shares in Dun & Bradstreet Holding Inc and restructuring costs of SEK -130m attributable to Diab.

3) Cash flow metric is changed from January 1st 2023 retroactively, for more information see page 16 "Note 1 Accounting principles".

CEO comments on performance in the third quarter of 2023

Strong cash flows, reduced leverage and 20% increase in EBITA

EBITA amounted to SEK 517m (432) for the quarter, up 20% year on year. Excluding the acquisition of Semcon, which was completed in the fourth quarter of 2022, EBITA increased 11%. The EBITA margin was 6.5% (6.1). The Group's sales in the period increased 13% to SEK 7,971m. Cash flow increased 17% to SEK 862m. Leverage declined to 1.3x, compared with 2.5x at year-end.

I'm pleased with the third quarter, we posted good EBITA growth and strong cash flows in an increasingly challenging market. Our financial position has continued to improve during the year.

Construction & Services and Industry, which will be our focus areas moving forward, both contributed to our strong performance in the quarter. Within Consumer cash flow improvements were prioritised over profitability in a weaker consumer market.

Construction & Services posted favourable organic growth and strong earnings. EBITA increased 52% and the return on capital employed was satisfactory. This positive performance applies not least to our construction operations (airteam, HENT and SSEA Group), which delivered strong earnings in a market that is gradually growing more difficult. The construction operations had good project closures and has limited exposure to the housing market. Demand within the infrastructure operations (Aibel, NVBS and Presis Infra) remained strong.

Industry increased its EBITA by 17%. The increase in earnings was mainly attributable to higher earnings in Diab, the acquired company Semcon and add-on acquisitions, primarily in HL Display. Altogether, we noted negative organic sales growth in our technology companies that develop, manufacture and sell their own products (Diab, HL Display, LEDiL and Oase Outdoors), with demand in the market generally showing signs of a slowdown. Overall, our companies that sell technological solutions for projects and consulting services (Knightec, Semcon,

Speed Group and TFS) continued to post positive organic growth despite one fewer work day in the quarter.

The focus within **Consumer** has been on improving operating cash flow in Plantasjen by reducing inventory levels through a sales campaign for specific product groups at a lower gross margin. The initiative has this year led to SEK 645m in cash flow improvements. Organic sales growth for the business area was negative. This was exclusively related to KVD that focused on increasing its auction business, which means that sales of cars from its own stock continue to decline.

Ratos's focus moving forward will be on solutions for technology and infrastructure (public buildings included), of which are markets with strong underlying growth. The increasing pace of technological development is a condition for a more sustainable society from every perspective, and our engineers will play an important role. Acquisitions and divestments will remain important for achieving our future structure.

As part of our focus on the technology consulting industry, we are separating out the aftermarket business of Semcon in the new company Aleido. I look forward to the continued development of this area.

In an increasingly worrisome and uncertain world, I'm confident that Ratos is well equipped and that our operational model Ratos Business System (RBS) will help us react quickly to changes in the market.

Jonas Wiström, President and CEO

Group performance Q3 2023

Net sales

Net sales for the period amounted to SEK 7,971m (7,039), up 13% year on year. Organic sales growth in the period amounted to 2%. Construction & Services reported organic sales growth, while Consumer and Industry's sales declined organically. Currency effects had a positive effect of SEK 88m (1%) on net sales. The structural effect amounted to SEK 676m (10%) and was primarily attributable to the acquisition of Semcon in the Industry business area and add-on acquisitions in the Industry and Construction & Services business areas.

Adjusted EBITA

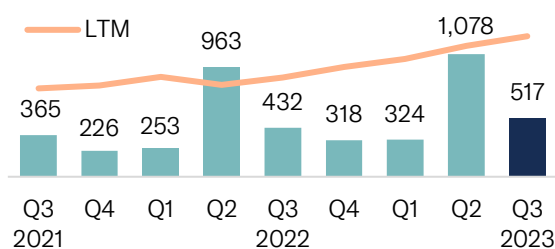
Adjusted EBITA during the quarter amounted to SEK 517m (432). The adjusted EBITA margin was 6.5% (6.1). The improvement in earnings was due to higher earnings in the Construction & Services and Industry business areas and pertains to organic EBITA growth as well as acquired EBITA in Industry, primarily through Semcon. In Construction & Services, the construction company HENT reported a positive earnings development, and Aibel's earnings increased compared with the same quarter last year. Earnings in the Consumer business area were lower due to sale campaigns at lower gross margins to reduce Plantasjen's inventory levels. In the Industry business area, Diab reported a strong improvement in earnings driven by a favourable performance in Marine, Industry and Aerospace (MIA) despite a challenging wind market.

Financial performance Q3 2023

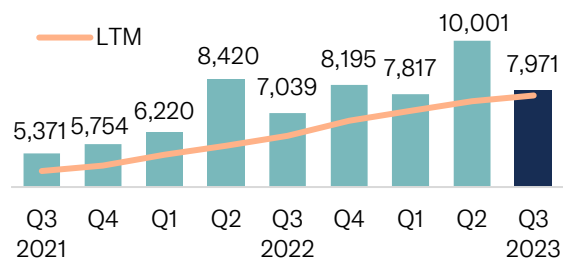
SEKm	Net sales			EBITA, adjusted		
	Q3 2023	Q3 2022	Change %	Q3 2023	Q3 2022	Change %
Construction & Services	4,155	3,788	10%	408	268	52%
Consumer	1,351	1,424	-5%	-67	10	neg
Industry	2,465	1,827	35%	194	166	17%
Group costs				-18	-12	-50%
Elimination of internal net sales		-0				
Net sales and adjusted EBITA	7,971	7,039	13%	517	432	20%
Amortisation and impairment of intangible assets in connection with company acquisitions				-35	-26	-35%
Consolidated operating profit				481	406	18%
Finance net				-172	-63	neg
Profit before tax				309	343	-10%
Tax				-22	-60	63%
Profit for the period				287	283	1%

From Q2 2023, Ratos has changed the composition of its business areas. For more information see page 16 "Note 1 Accounting principles".

Adjusted EBITA, quarterly and LTM, SEKm



Net sales, quarterly and LTM, SEKm



Sales bridge Q3

	Net sales
2022, SEKm	7,039
Structure, %	10%
Currency, %	1%
Other, %	0%
Organic growth, %	2%
Total, %	13%
2023, SEKm	7,971

Group performance January–September 2023

Net sales

Net sales for the period amounted to SEK 25,788m (21,680), up 19% year on year. Organic sales growth in the period amounted to 6%. Construction & Services reported organic sales growth, while Consumer and Industry's sales declined organically. Currency effects had a positive effect of SEK 37m (0%) on net sales. The structural effect amounted to SEK 2,831m (13%) and was primarily attributable to the acquisition of Semcon in the Industry business area and add-on acquisitions in the Industry and Construction & Services business areas.

Adjusted EBITA

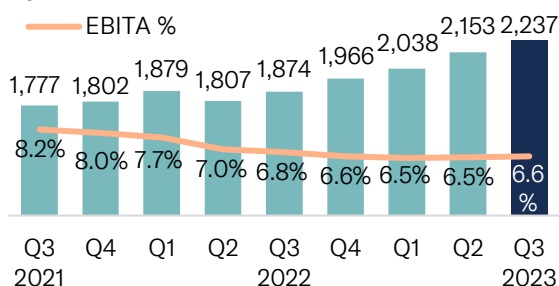
Adjusted EBITA in the period amounted to SEK 1,918m (1,648). The adjusted EBITA margin was 7.4% (7.6). The improvement in earnings was primarily due to higher earnings in the Construction & Services and Industry business areas and pertains to organic EBITA growth as well as acquired EBITA. Earnings in the Consumer business area declined during the period due to Plantasjen.

Financial performance January–September 2023

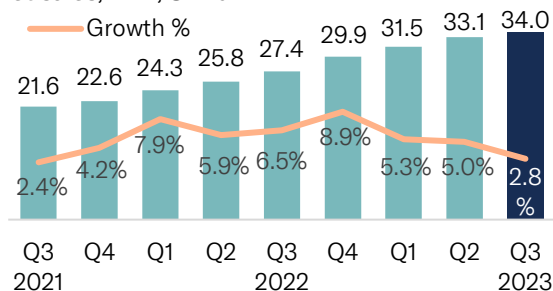
SEKm	Net sales					EBITA, adjusted				
	Q1-3 2023	Q1-3 2022	Change %	Rolling LTM	Full Year 2022	Q1-3 2023	Q1-3 2022	Change %	Rolling LTM	Full Year 2022
Construction & Services	12,987	10,950	19%	17,767	15,730	984	777	27%	1,338	1,130
Consumer	4,810	5,265	-9%	5,938	6,392	301	492	-39%	135	326
Industry	7,991	5,467	46%	10,279	7,755	754	496	52%	929	671
Group costs						-121	-116	-4%	-165	-160
Elimination of internal sales	-0	-1		-0	-1					
Net sales and adjusted EBITA	25,788	21,680	19%	33,984	29,875	1,918	1,648	16%	2,237	1,966
Revaluation and gain/loss listed shares							-118	100%		-118
Items affecting comparability							-130	100%		-130
Amortisation and impairment of intangible assets in connection with company acquisitions						-114	-64	-80%	-151	-100
Consolidated operating profit						1,804	1,336	35%	2,086	1,618
Finance net						-573	-267	-115%	-747	-440
Profit before tax						1,231	1,069	15%	1,339	1,178
Tax						-204	-236	13%	-268	-299
Profit for the period						1,026	834	23%	1,072	879

From Q2 2023, Ratos has changed the composition of its business areas. For more information see page 16 "Note 1 Accounting principles".

Adjusted EBITA, LTM, SEKm



Net sales, LTM, SEKbn



Sales bridge, January–September

	Net sales
2022, SEKm	21,680
Structure, %	13%
Currency, %	0%
Other, %	0%
Organic growth, %	6%
Total, %	19%
2023, SEKm	25,788

Construction & Services

Net sales

Net sales for the third quarter amounted to SEK 4,155m (3,788), a year on year increase of 10%. This increase was driven by organic growth of 10%, stemming from services in Critical Infrastructure (Aibel, NVBS and Presis Infra) and Construction Services (airteam, HENT and SSEA Group).

EBITA

EBITA for the business area amounted to SEK 408m (268) for the quarter, up 52%, and the EBITA margin was 9.8% (7.1). This positive performance was primarily due to strong profit growth in HENT and higher earnings in Aibel as a result of the phase of its projects.

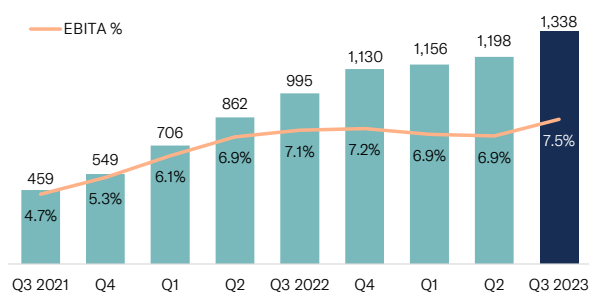
Financial performance

SEKm	Q3 2023	Q3 2022	Change %	Q1-3 2023	Q1-3 2022	Change %	LTM Rolling	Full Year 2022	Change %
Net sales	4,155	3,788	10%	12,987	10,950	19%	17,767	15,730	13%
EBITA, adjusted	408	268	52%	984	777	27%	1,338	1,130	18%
EBITA %, adjusted	9.8%	7.1%		7.6%	7.1%		7.5%	7.2%	
EBITA	408	268	52%	984	777	27%	1,338	1,130	18%
EBITA %	9.8%	7.1%		7.6%	7.1%		7.5%	7.2%	
Operating profit	392	250	57%	929	727	28%	1,264	1,061	19%
Operating profit %	9.4%	6.6%		7.2%	6.6%		7.1%	6.7%	
Cash flow from operating activities ¹⁾	798	907	-12%	1,779	1,376	29%	1,893	1,490	27%
Return on capital employed, business area %				20%	17%		20%	15%	
Average number of employees								6,798	

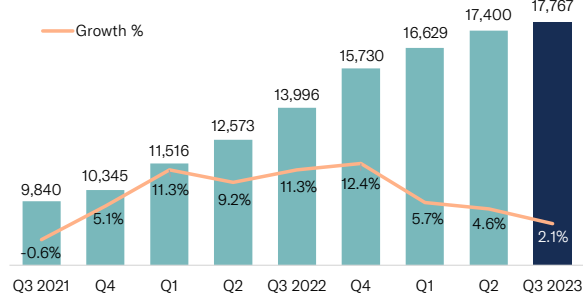
1) Cash flow metric is changed from January 1st 2023 retroactively, for more information see page 16 "Note 1 Accounting principles".

From Q2 2023, Speed Group is included in the business area Industry. For more information see page 16 "Note 1 Accounting principles".

EBITA, LTM, SEKm



Net sales, LTM, SEKm



Sales bridge, net sales

	Q3 2023	Q1-3 2023
2022, SEKm	3,788	10,950
Structure, %	0%	3%
Currency, %	-1%	-2%
Other, %	0%	0%
Organic growth, %	10%	17%
Total, %	10%	19%
2023, SEKm	4,155	12,987

The Construction & Services business area consists of the Critical Infrastructure (Aibel, NVBS and Presis Infra) and Construction Services (airteam, HENT and SSEA Group) sub-segments

Consumer

Net sales

Net sales in the business area for the third quarter amounted to SEK 1,351m (1,424), down 5% year on year. Organic sales growth was negative and amounted to -5% due to a planned lower share of sales from kvdbil's own inventory. Plantasjen's net sales for the third quarter amounted to SEK 904m, up 2% year on year. The increase in sales was due to sale campaigns at lower gross margins to reduce inventory levels.

Plantasjen's underlying market was somewhat weaker during the third quarter due to a general sense of caution among consumers.

EBITA

EBITA for the business area amounted to SEK -67m (10) for the quarter. The EBITA margin was -5.0% (0.7). Plantasjen reported earnings of SEK -100m (6) in the third quarter. The decrease in earnings is primarily due to inventory downsizing and higher rent costs. KVD improved its earnings during the quarter, with a continued strong performance in the auction business and lower overhead costs.

Financial performance

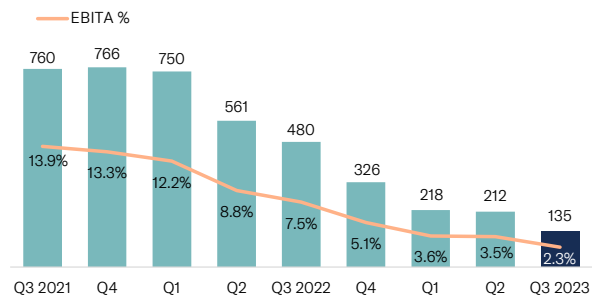
SEKm	Q3 2023	Q3 2022	Change %	Q1-3 2023	Q1-3 2022	Change %	LTM Rolling	Full Year 2022	Change %
Net sales	1,351	1,424	-5%	4,810	5,265	-9%	5,938	6,392	-7%
EBITA, adjusted	-67	10	neg	301	492	-39%	135	326	-58%
EBITA %, adjusted	-5.0%	0.7%		6.3%	9.3%		2.3%	5.1%	
EBITA	-67	10	neg	301	492	-39%	135	326	-58%
EBITA %	-5.0%	0.7%		6.3%	9.3%		2.3%	5.1%	
Operating profit/loss	-68	9	neg	298	488	-39%	131	321	-59%
Operating profit/loss %	-5.0%	0.6%		6.2%	9.3%		2.2%	5.0%	
Cash flow from operating activities ²⁾	-247	-331	25%	747	35	pos	667	-45	pos
Return on capital employed, business area %				-1%	9%		-1%	4%	
Average number of employees								1,521	

1) Refer to page 20 for Plantasjens Net sales and EBITA, adjusted.

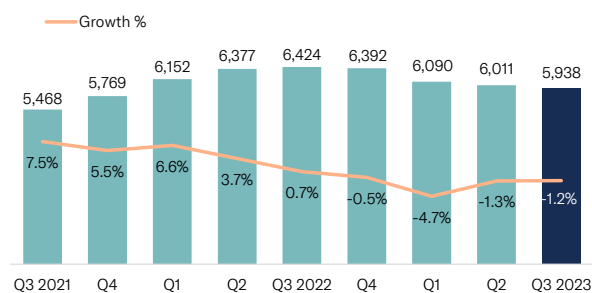
2) Cash flow metric is changed from January 1st 2023 retroactively, for more information see page 16 "Note 1 Accounting principles".

From Q2 2023, Oase Outdoors is included in the business area Industry. For more information see page 16 "Note 1 Accounting principles".

EBITA, LTM, SEKm



Net sales, LTM, SEKm



Sales bridge, net sales

	Q3 2023	Q1-3 2023
2022, SEKm	1,424	5,265
Structure, %	0%	0%
Currency, %	0%	-1%
Organic growth, %	-5%	-7%
Total, %	-5%	-9%
2023, SEKm	1,351	4,810

The Consumer business area consists of KVD and Plantasjen

Industry

Net sales

Net sales in the business area for the third quarter amounted to SEK 2,465m (1,827), up 35%. Organic growth was negative and amounted to -8% for the quarter. The structural effect amounted to 37%. The sales increase was mainly attributable to the acquisitions of Semcon and Knightec as well as add-on acquisitions, in for example HL Display.

Overall demand in Product Solutions (Diab, HL Display and LEDiL, Oase Outdoors) declined during the quarter, which was reflected in negative organic growth. Industrial Services (Knightec, Semcon, Speed Group and TFS) posted organic growth, with the exception of Speed Group, which saw lower volumes from one of the company's main customers, resulting in negative organic growth.

Adjusted EBITA

Adjusted EBITA for the business area amounted to SEK 194m (166) for the quarter, up 17% year on year. The adjusted EBITA margin was 7.9% (9.1). The improvement in earnings was mainly attributable to higher earnings in Diab, the acquired company Semcon and add-on acquisitions.

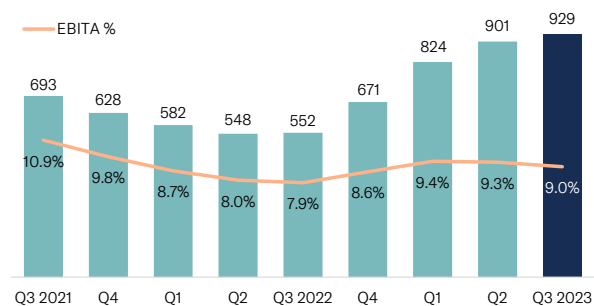
Financial performance

SEKm	Q3 2023	Q3 2022	Change %	Q1-3 2023	Q1-3 2022	Change %	LTM Rolling	Full Year 2022	Change %
Net sales	2,465	1,827	35%	7,991	5,467	46%	10,279	7,755	33%
EBITA, adjusted	194	166	17%	754	496	52%	929	671	39%
EBITA %, adjusted	7.9%	9.1%		9.4%	9.1%		9.0%	8.6%	
EBITA	194	166	17%	754	366	106%	929	540	72%
EBITA %	7.9%	9.1%		9.4%	6.7%		9.0%	7.0%	
Operating profit	175	160	10%	698	355	97%	856	514	67%
Operating profit %	7.1%	8.7%		8.7%	6.5%		8.3%	6.6%	
Cash flow from operating activities ¹⁾	337	273	24%	977	413	136%	994	430	131%
Return on capital employed, business area %				10%	9%		10%	10%	
Average number of employees								6,765	

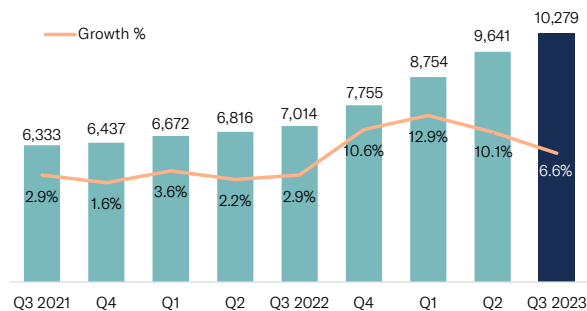
1) Cash flow metric is changed from January 1st 2023 retroactively, for more information see page 16 "Note 1 Accounting principles".

From Q2 2023, Speed Group and Oase Outdoors is included in the business area Industry. For more information see page 16 "Note 1 Accounting principles".

Adjusted EBITA, LTM, SEKm



Net sales, LTM, SEKm



Sales bridge, net sales

	Q3 2023	Q1-3 2023
2022, SEKm	1,827	5,467
Structure, %	37%	45%
Currency, %	6%	6%
Other, %	0%	0%
Organic growth, %	-8%	-4%
Total, %	35%	46%
2023, SEKm	2,465	7,991

The Industry business area consists of the Industrial Services (Aleido, Knightec, Semcon, Speed Group and TFS) and Product Solutions (Diab, HL Display, LEDiL and Oase Outdoors) sub-segments

Financial overview, Ratos Group

Cash flow Q3

Cash flow from operating activities amounted to SEK 862m (736). Cash flow from investing activities amounted to SEK -41m (-1,219) and cash flow from financing activities to SEK -887m (1,052). Cash flow for the quarter amounted to SEK -67m (569).

The change in cash flow for the quarter was mainly due to financing activities, with the decrease in external loans amounting to SEK -542m (1,312). Investing activities were mainly affected by lower purchase prices of SEK -74m (-1,147) as a result of fewer acquired companies.

Cash flow January–September

Cash flow from operating activities amounted to SEK 3,393m (1,411) Cash flow from investing activities amounted to SEK -476m (-1,506) and cash flow from financing activities to SEK -3,516m (-324). Cash flow for the period amounted to SEK -599m (-420).

The change in cash flow for the period attributable to operating activities amounted to SEK 3,393m (1,411), with operating profit amounting to SEK 1,804m (1,336), dividends received from associates amounting to SEK 122m (-) and changes in working capital amounting to SEK 864m (-314). Investing activities were mainly affected by lower purchase prices as a result of fewer acquired companies of SEK -312m (-1,916). In the year-earlier period, cash flow was positively affected by the sale of listed shares (SEK 690m). Financing activities were mainly impacted by the change in external loans, which amounted to SEK -2,279m (890).

Net financial items Q3

Net financial items amounted to SEK -172m (-63). Net financial items were impacted by higher interest expenses as a result of increased financing and rising market interest rates, and the revaluation of synthetic options. Net financial items in the year-earlier period were positively impacted by changes in exchange rates.

Net financial items January–September

Net financial items amounted to SEK -573m (-267). Net financial items were impacted by higher interest expenses as a result of increased financing and rising market interest rates, negative exchange rate effects, and the revaluation of synthetic options.

Tax Q3

The tax expense for the Group amounted to SEK -22m (-60) and profit before tax to SEK 309m (343). The effective tax rate for the quarter was 7% (17). The lower effective tax rate is primarily attributable to a larger share of earnings from associates during the quarter and higher capitalisation of loss carry-forwards.

Tax January–September

The tax expense for the Group amounted to SEK -204m (-236) and profit before tax to SEK 1,231m (1,069). The effective tax rate for the period was 17% (22).

Financial position and leverage

The Group's cash and cash equivalents at the end of the period amounted to SEK 1,895m (2,532 at 31 December 2022) and interest-bearing net debt excluding financial lease liabilities totalled SEK 3,254m (4,798 at 31 December 2022). The Group's leverage excluding financial lease liabilities at the end of the period amounted to 1.3x (2.5x at 31 December 2022). The Group's interest-bearing net debt including financial lease liabilities totalled SEK 8,762m (10,468 at 31 December 2022). Including financial lease liabilities, the Group's leverage at the end of the period amounted to 2.4x (3.5x at 31 December 2022). The total translation effect of currency for interest-bearing liabilities amounted to approximately SEK -90m, of which approximately SEK -30m related to liabilities to credit institutions and approximately SEK -60m to financial lease liabilities.

At the end of the period, the Group's interest-bearing liabilities to credit institutions amounted to SEK 4,569m (6,869 at 31 December 2022).

Ratos's equity

At 30 September 2023, Ratos's equity (attributable to owners of the parent) amounted to SEK 12,399m (12,289 at 31 December 2022), corresponding to SEK 38 (38) per share outstanding.

Parent company

The parent company's operating loss amounted to SEK -119m (-109) for the January–September period. The parent company's profit before tax amounted to SEK 69m (-30) and was positively impacted by dividends from Group companies of SEK 192m. Cash and cash equivalents in the parent company amounted to SEK 1,164m (410 at 31 December 2022).

The parent company has a related party relationship with its Group companies. For more information, refer to Note 28 in the 2022 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 January–September period amounted to SEK 2.28 (1.79) before dilution and to SEK 2.28 (1.79) after dilution. The closing price for Ratos's Class B shares on 30 September 2023 was SEK 32.62. The total return on Class B shares in the January–September period amounted to -19.2%, compared with the performance for the SIX Return Index, which was 4.6%.

Number of shares and repurchased/sold shares

Ratos owned no treasury shares during the period. During the second quarter, 117,500 new Class B shares were issued in connection with the exercise/conversion of warrants and a convertible debenture. At 30 September 2023, the total number of shares and shares outstanding in Ratos (Class A and B shares) amounted to 326,016,488 and the number of votes to 108,775,003.

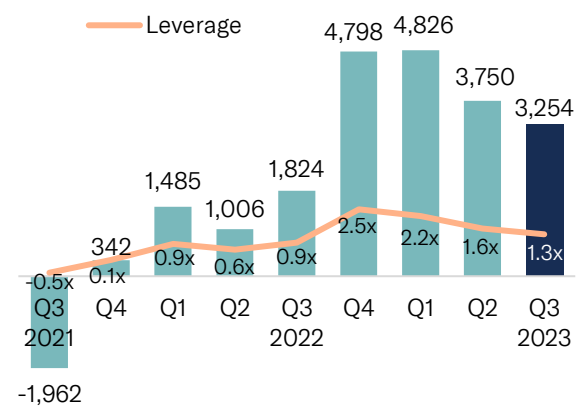
Incentive programmes

During the period, the parent company issued warrants and a convertible debenture in accordance with the resolution of the Annual General Meeting (AGM) on 28 March 2023. In total, 650,000 warrants and 990,000 convertibles were issued.

Significant events during and after the end of the quarter

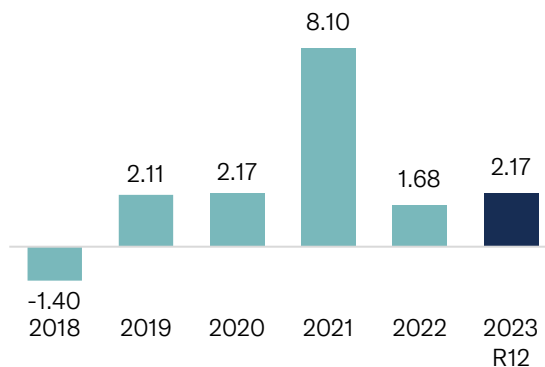
In October, Semcon completed the spin-off of its Product Information business area, which marks the official launch of the new and independent company Aleido. This strategic step was taken to strengthen both operations and to continue to develop the companies' services and profitability. Both companies remain as wholly owned Ratos subsidiaries.

Interest-bearing net debt and leverage¹⁾, SEKm



¹⁾ Excluding financial lease liabilities

Diluted earnings per share, SEK



Financial statements

Summary consolidated income statement

SEKm	Q3 2023	Q3 2022	Q1-3 2023	Q1-3 2022	Full Year 2022
Net sales	7,971	7,039	25,788	21,680	29,875
Other operating income	106	51	173	137	155
Cost of goods and services sold	-4,496	-4,313	-14,513	-13,224	-18,186
Employee benefit costs	-2,027	-1,490	-6,396	-4,525	-6,494
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets and right-of-use assets	-415	-333	-1,174	-976	-1,340
Other external costs	-747	-585	-2,314	-1,824	-2,529
Capital gain/loss from Group companies		-0		-0	-0
Share of profit/loss from investments recognised according to the equity method	89	37	239	187	255
Revaluation and capital gain/loss listed shares				-118	-118
Operating profit	481	406	1,804	1,336	1,618
Net financial items ¹⁾	-172	-63	-573	-267	-440
Profit before tax	309	343	1,231	1,069	1,178
Income tax	-22	-60	-204	-236	-299
Profit for the period, continuing operations	287	283	1,026	834	879
<i>Profit/loss for the period attributable to:</i>					
Owners of the parent	184	200	743	583	548
Non-controlling interests	103	83	284	251	331
Earnings per share, SEK					
- basic earnings per share	0.57	0.61	2.28	1.79	1.69
- diluted earnings per share	0.57	0.61	2.28	1.79	1.68

¹⁾ See page 21 for a specification of the finance net

Consolidated statement of comprehensive income

SEKm	Q3 2023	Q3 2022	Q1-3 2023	Q1-3 2022	Full Year 2022
Profit for the period	287	283	1,026	834	879
<i>Items that will not be reclassified to profit or loss:</i>					
Remeasurement of defined benefit pension obligations, net	8	5	-1	64	46
Tax attributable to items that will not be reclassified to profit or loss	-2	-5	-2	-5	-4
	7	0	-2	59	42
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Translation differences for the period	-65	90	-47	233	392
Change in hedging reserve for the period	115	-3	-59	-13	-9
Tax attributable to items that may be reclassified subsequently to profit or loss	-1	0	-5	2	1
	49	87	-112	222	384
Other comprehensive income for the period	55	87	-114	281	426
Total comprehensive income for the period	343	371	912	1,115	1,305
<i>Total comprehensive income for the period attributable to:</i>					
Owners of the parent	200	273	680	822	913
Non-controlling interest	143	98	233	293	392

Summary consolidated statement of financial position

SEKm	2023-09-30	2022-09-30	2022-12-31
ASSETS			
Non-current assets			
Goodwill	14,779	12,517	14,811
Other intangible non-current assets	2,044	1,676	2,096
Property, plant and equipment	1,686	1,683	1,725
Right-of-use assets	5,031	5,072	5,100
Financial assets	1,640	1,611	1,675
Deferred tax assets	467	382	357
Total non-current assets	25,647	22,941	25,764
Current assets			
Inventories	2,135	2,549	2,477
Accounts receivable	3,166	3,318	3,699
Current receivables	2,653	1,914	2,703
Cash and cash equivalents	1,895	1,901	2,532
Total current assets	9,848	9,682	11,411
Total assets	35,495	32,623	37,175
EQUITY AND LIABILITIES			
Equity including non-controlling interests			
13,992	13,805	13,788	
Non-current liabilities			
Interest-bearing liabilities	9,274	8,306	11,318
Non-interest bearing liabilities	1,928	1,504	1,668
Pension provisions	53	57	60
Other provisions	45	35	44
Deferred tax liabilities	833	549	742
Total non-current liabilities	12,133	10,451	13,832
Current liabilities			
Interest-bearing liabilities	1,432	1,071	1,723
Non-interest bearing liabilities	7,244	6,770	7,393
Provisions	694	526	439
Total current liabilities	9,371	8,367	9,555
Total liabilities	21,503	18,818	23,387
Total equity and liabilities	35,495	32,623	37,175

Summary statement of changes in consolidated equity

SEKm	2023-09-30			2022-09-30			2022-12-31		
	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
Opening equity	12,289	1,499	13,788	11,940	1,387	13,326	11,940	1,387	13,326
Total comprehensive income for the period	680	233	912	822	293	1,115	913	392	1,305
Dividends	-274	-113	-386	-390	-189	-579	-390	-262	-651
Non-controlling interests' share of capital contribution and new issue		0	0		0	0		-0	-0
Transfer of treasury shares				2		2	2		2
Conversion of convertible loan to shares	3		3	29		29	33		33
The value of the conversion option of the convertible debentures	3		3	7		7	7		7
Option premiums	6		6	9		9	9		9
Put options, future acquisitions from non-controlling interests	-305	34	-272	-64	-556	-620	-227	-567	-794
Acquisition of shares in subsidiaries from non-controlling interests	-6	-64	-70		-2	-2	4	-10	-6
Disposal of shares in subsidiaries to non-controlling interests	3	4	7	-2	33	31	-1	36	35
Non-controlling interests at acquisition					486	486		522	522
Closing equity	12,399	1,593	13,992	12,354	1,451	13,805	12,289	1,499	13,788

Summary consolidated statement of cash flows

SEKm	Q3 2023	Q3 2022	Q1-3 2023	Q1-3 2022	Full Year 2022
Operating activities					
Operating profit	481	406	1,804	1,336	1,618
Adjustment for non-cash items	349	271	1,238	994	1,227
	830	677	3,042	2,329	2,845
Received dividends from associated companies			122		
Interest and financial items, net	-136	-131	-435	-375	-476
Income tax paid	5	-58	-200	-230	-301
Cash flow from operating activities before change in working capital	699	488	2,529	1,724	2,068
Cash flow from change in working capital					
Increase (-)/Decrease (+) in inventories	222	-16	333	-606	-487
Increase (-)/Decrease (+) in operating receivables	190	52	563	-386	-1,062
Increase (+)/Decrease (-) in operating liabilities	-249	212	-32	678	913
Cash flow from operating activities	862	736	3,393	1,411	1,431
Investing activities					
Acquisition, group companies	-74	-1,147	-312	-1,916	-4,542
Disposal, group companies		0		5	5
Investments and disposal, intangible assets/property, plant and equipment	33	-69	-162	-279	-405
Investments and disposal, financial assets	-0	-2	-2	684	685
Cash flow from investing activities	-41	-1,219	-476	-1,506	-4,257
Financing activities					
Non-controlling interests' share of issue/capital contribution			0	0	0
Transfer of treasury shares		-0		2	2
Option premiums paid				15	17
Repurchase/final settlements options		-2	-0	-9	-11
Acquisition and disposal of shares in subsidiaries from non-controlling interests	-0	-2	-27	-1	-0
Dividends paid			-274	-390	-390
Dividends paid, non-controlling interests	-1	-28	-129	-189	-248
Borrowings	6	1,490	1,835	3,470	9,957
Amortisation of loans	-548	-178	-4,114	-2,580	-5,519
Amortisation of financial lease liabilities	-345	-228	-806	-643	-816
Cash flow from financing activities	-887	1,052	-3,516	-324	2,991
Cash flow for the period	-67	569	-599	-420	165
Cash and cash equivalents at the beginning of the period	1,987	1,267	2,532	2,230	2,230
Exchange differences in cash and cash equivalents	-26	64	-39	91	138
Cash and cash equivalents at the end of the period	1,895	1,901	1,895	1,901	2,532

Summary parent company income statement

SEKm	Q3 2023	Q3 2022	Q1-3 2023	Q1-3 2022	Full Year 2022
Other operating income	0	0	0	7	15
Administrative expenses	-18	-27	-119	-116	-149
Depreciation of property, plant and equipment	-0	-0	-0	-0	-1
Operating profit/loss	-18	-27	-119	-109	-135
Gain from sale of participating interests in group companies					110
Dividends from group companies			192		102
Net financial items ¹⁾	-1	53	-4	79	94
Profit/loss after financial items	-19	26	69	-30	172
Group contribution, recieved					92
Profit/loss before tax	-19	26	69	-30	264
Income tax	25	9	65	47	56
Profit/loss for the period	7	35	134	17	320

¹⁾ See page 21 for a specification of the finance net

Parent company statement of comprehensive income

SEKm	Q3 2023	Q3 2022	Q1-3 2023	Q1-3 2022	Full Year 2022
Profit/loss for the period	7	35	134	17	320
Other comprehensive income for the period	0	0	0	0	0
Total comprehensive income for the period	7	35	134	17	320

Summary parent company balance sheet

SEKm	2023-09-30	2022-09-30	2022-12-31
ASSETS			
Non-current assets			
Property, plant and equipment	4	3	3
Financial assets	10,736	8,801	10,150
Receivables from group companies	4,124	5,682	6,180
Deferred tax assets	195	121	130
Total non-current assets	15,058	14,608	16,464
Current assets			
Current receivables	37	58	48
Receivables from group companies	2,505	1,878	1,741
Cash and cash equivalents	1,164	858	410
Total current assets	3,706	2,794	2,199
Total assets	18,764	17,402	18,663
EQUITY AND LIABILITIES			
Equity			
	9,847	9,668	9,975
Non-current liabilities			
Interest-bearing liabilities, group companies	75	1,906	206
Interest-bearing liabilities	4,453	3,055	6,237
Convertible debentures	110	97	79
Deferred tax liabilities	3	3	3
Total non-current liabilities	4,641	5,060	6,524
Current provisions			
	21	76	86
Current liabilities			
Interest-bearing liabilities, group companies	4,100	2,428	1,464
Interest-bearing liabilities	104	10	590
Non-interest bearing liabilities, group companies	0	133	
Non-interest bearing liabilities	50	27	25
Total current liabilities	4,254	2,598	2,079
Total equity and liabilities	18,764	17,402	18,663

Summary parent company statement of changes in equity

SEKm	2023-09-30	2022-09-30	2022-12-31
Opening equity			
	9,975	9,994	9,994
Comprehensive income for the period	134	17	320
Dividends	-274	-390	-390
Transfer of treasury shares		2	2
Conversion of convertible loan to shares	3	29	33
The value of the conversion option of the convertible debentures	4	8	8
Deferred tax, conversion option	-1	-2	-2
Option premiums	6	9	9
Closing equity	9,847	9,668	9,975

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.

As of 1 January 2023, Ratos has changed the presentation of its cash flow statement to harmonise its reporting against comparable companies. The difference entails that, as of 1 January 2023, interest rates and other incoming and outgoing financial payments are classified as operating activities rather than investing and financing activities, as was previously the case. The operational key figure "Cash flow from operations" has been replaced with "Cash flow from operating activities" in the tables for the Group and the business areas.

From the second quarter of 2023, Ratos has changed the composition of its business areas to better reflect the companies' business focus. Speed Group, which was previously part of the Construction & Services business area, and Oase Outdoors, which was previously part of the Consumer business area, now belong to the Industry business area. From the second quarter of 2023, Ratos's central holding companies are reported in their respective business areas rather than as "Group costs" as was the case in the past.

All comparative figures have been retroactively restated in accordance with the above changes, and in all other respects, the reporting and measurement principles are unchanged compared with those applied in Ratos's 2022 Annual Report.

The new and revised IFRS standards which came into force in 2023 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

Ratos is a group that makes it possible for independent mid-sized companies to develop more rapidly by being a part of something larger. A focus on people, leadership, culture and values is a key component of Ratos. These operations include inherent risks attributable to both Ratos and the companies. 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.

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 2022 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 2023, the net value of derivatives (level two) amounted to SEK -4m (1 at 31 December 2022), of which SEK 6m (7 at 31 December 2022) was recognised as an asset and SEK 10m (6 at 31 December 2022) as a liability.

In the statement of financial position at 30 September 2023, the total value of financial instruments measured at fair value in accordance with level three was SEK 2,336m (2,058 at 31 December 2022). The change is presented in the table below.

Change, level 3 SEKm	Synthetic options		Call and put options		Contingent considerations	
	2023-09-30	2022-12-31	2023-09-30	2022-12-31	2023-09-30	2022-12-31
Opening balance	153	144	1,669	830	236	194
Recognised in comprehensive income	67	18	-12	44	16	12
Recognised against equity				221		
Newly issued/subsequent expenditure		2	273	566	68	49
Acquisitions, Group companies				8		26
Settlements		-11			-134	-46
Closing balance	220	153	1,930	1,669	186	236

Note 4 Acquired and divested companies

Acquisitions within business areas

Construction & Services

In 2022, NVBS acquired the companies Ratatek and TKBM Entreprenad AB. The preliminary acquisition analyses were updated in 2023 after the final acquisition balances were determined. This has not entailed any significant effects for the Group.

In 2022, SSEA Group acquired the company Kiruna Målbygg AB. The preliminary acquisition analysis was updated in 2023 after the final acquisition balance was determined. This has not entailed any significant effects for the Group.

In 2022, airteam acquired the company Grundströms Plåt i Kiruna AB. The preliminary acquisition analysis was updated in 2023 after the final acquisition balance was determined. This has not entailed any significant effects for the Group.

Consumer

In 2022, Plantasjen acquired Flyinge Plantshop AB. The preliminary acquisition analysis was updated in the first quarter of 2023 after the final acquisition balance was determined. This has not entailed any significant effects for the Group.

Industry

On 15 February, HL Display acquired the Swedish company Akriform Plast AB. The company is a producer of bulk bins and custom-made solutions for grocery retail and branded goods suppliers throughout the Nordics. The company's sales for the last 12 months amounted to SEK 85m at 31 March 2023.

In the first quarter of 2023, TFS conducted a minor acquisition of assets and liabilities in its subsidiary in Israel. The total purchase price amounted to EUR 0.2m.

On 3 April, HL Display acquired the company Oechsle Display Systems, a manufacturer of communication and shelf management solutions, and its sister company werba print & display, a provider of print and display solutions. Both companies have annual sales of EUR 13m.

On 2 June, Speed Group acquired the Swedish company Supplier Partner, a Gothenburg-based company in industrial logistics with annual sales of approximately SEK 60m.

In 2022, TFS acquired the company Appletree CI Group AG. The preliminary acquisition analysis was updated in 2023 after the final acquisition balance was determined. This has not entailed any significant effects for the Group.

The preliminary acquisition analyses for the add-on acquisitions carried out during the year and updated items pertaining to established acquisition analyses for previous acquisitions are presented below.

	SEKm
Intangible assets	80
Property, plant and equipment	34
Right-of-use assets	40
Financial assets	0
Deferred tax asset	0
Trade receivables	56
Current assets	85
Cash and cash equivalents	14
Deferred tax liability	-16
Non-current liabilities	-5
Current liabilities	-99
Net identifiable assets and liabilities	189
Goodwill	60
Purchase price	249
of which, paid in cash	192
of which, contingent consideration	57

Acquisition of Semcon

In 2022, Ratos acquired Semcon AB (publ) through a public offer. The preliminary acquisition analysis was updated in the first quarter of 2023 after the final acquisition balance was determined. No material changes were identified.

During the second quarter, Ratos concluded the process for a compulsory buy-out of the remaining shares in Semcon. As of 30 June 2023, the company is a wholly owned subsidiary.

Final acquisition analysis Semcon

	SEKm
Intangible assets	427
Property, plant and equipment	23
Right-of-use assets	66
Deferred tax asset	3
Trade receivables	306
Current assets	249
Cash and cash equivalents	203
Non-controlling interest	-36
Deferred tax liability	-157
Non-current liabilities and provisions	-36
Current liabilities and provisions	-440
Net identifiable assets and liabilities	609
Goodwill	2,125
Purchase price	2,734
of which, paid in cash	2,734

Key figures

For definitions, see page 22

SEKm	Q1-3 2023	Q1-3 2022	Full Year 2022
Leverage excl. financial leasing	1.3x	0.9x	2.5x
Leverage	2.4x	2.5x	3.5x
Equity ratio, %	39.4	42.3	37.1
Return on equity, %	5.8	7.5	4.6
Return on capital employed excl. financial leasing, %	10.3	10.5	10.1
Return on capital employed, %	8.9	8.7	8.5
Key figures per share¹⁾			
Total return, %	-19.2	-32.6	-26.6
Dividend yield, %			2.0
Market price, SEK	32.62	38.09	41.49
Dividend, SEK			0.84
Equity attributable to owners of the parent, SEK ²⁾	38.03	37.92	37.71
Basic earnings per share, SEK	2.28	1.79	1.69
Diluted earnings per share, SEK	2.28	1.79	1.68
Average number of ordinary shares outstanding:			
– before dilution	325,957,221	325,010,394	325,223,889
– after dilution	328,333,600	327,787,875	326,442,359
Total number of registered shares	326,016,488	325,786,488	325,898,988
Number of shares outstanding ³⁾	326,016,488	325,786,488	325,898,988
– of which, Class A shares	84,637,060	84,637,060	84,637,060
– of which, Class B shares	241,379,428	241,149,428	241,261,928

¹⁾ Relates to Class B shares unless specified otherwise

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

³⁾ After redemption and transfer of Ratos own shares

Reconciliations between alternative performance measures 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 and on page 22 of this report.

Organic growth

	Q3 2023	Q3 2022	Q1-3 2023	Q1-3 2022	Full Year 2022
SEKm					
Growth Net Sales, %	13%	31%	19%	29%	32%
Net sales	7,971	7,039	25,788	21,680	29,875
Acquired net sales	676	1,058	2,830	3,032	4,629
Effects from change in currency	88	243	37	864	914
Other	0	-12	-4	-24	-39
Net sales, adjusted	7,207	5,750	22,925	17,807	24,371
Divested net sales in the comparison period		2		5	7
Net sales, adjusted in the comparison period	7,039	5,369	21,680	16,792	22,544
Organic growth	167	381	1,245	1,015	1,827
Organic growth, %	2%	7%	6%	6%	8%

EBITDA, EBITA and operating profit

	Q3 2023	Q3 2022	Q1-3 2023	Q1-3 2022	Full Year 2022
SEKm					
EBITDA	896	739	2,978	2,312	2,958
Depreciations and impairment	-379	-307	-1,059	-913	-1,240
EBITA	517	432	1,918	1,400	1,718
Revaluation and capital gain/loss listed shares				-118	-118
Restructuring costs				-130	-130
Adjusted EBITA	517	432	1,918	1,648	1,966
Amortisation and impairment of intangible assets in connection with company acquisitions	-35	-26	-114	-64	-100
Operating profit	481	406	1,804	1,336	1,618

Interest-bearing net debt

SEKm	2023-09-30	2022-09-30	2022-12-31
Interest-bearing liabilities, other	5,198	3,804	7,371
Provisions for pensions	53	57	60
Interest-bearing assets	-102	-136	-101
Cash and cash equivalents	-1,895	-1,901	-2,532
Interest-bearing net debt excl. financial leasing	3,254	1,824	4,798
Financial leasing liabilities	5,508	5,573	5,670
Interest-bearing net debt inc. financial leasing	8,762	7,397	10,468

Segments by quarter, summary

	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Full Year
	2023	2023	2023	2022	2022	2022	2022	2022
Net sales, SEKm								
Construction & Services	4,259	4,573	4,155	3,360	3,802	3,788	4,780	15,730
Consumer	830	2,630	1,351	1,132	2,709	1,424	1,127	6,392
- whereof Plantasjen	542	2,132	904	661	2,118	887	740	4,407
Industry	2,728	2,798	2,465	1,728	1,911	1,827	2,288	7,755
Elimination of internal net sales	0			0	-1	0	0	-1
Ratos group	7,817	10,001	7,971	6,220	8,420	7,039	8,195	29,875
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Full Year
	2023	2023	2023	2022	2022	2022	2022	2022
EBITDA, SEKm								
Construction & Services	349	358	477	309	310	333	418	1,370
Consumer	-67	724	84	31	721	145	-19	877
Industry	427	391	353	274	279	272	290	1,115
Revaluation and capital gain/loss listed shares				-100	-18			-118
Items affecting comparability				-130				-130
Group costs	-48	-52	-17	-49	-53	-11	-43	-156
Ratos group	661	1,421	896	334	1,239	739	646	2,958
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Full Year
	2023	2023	2023	2022	2022	2022	2022	2022
EBITA, adjusted, SEKm								
Construction & Services	284	293	408	258	250	268	353	1,130
Consumer	-213	581	-67	-105	587	10	-166	326
- whereof Plantasjen	-215	543	-100	-103	565	6	-142	325
Industry	303	258	194	150	180	166	175	671
Group costs	-50	-53	-18	-50	-54	-12	-44	-160
Ratos group	324	1,078	517	253	963	432	318	1,966
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Full Year
	2023	2023	2023	2022	2022	2022	2022	2022
Operating profit/loss, SEKm								
Construction & Services	265	272	392	244	233	250	335	1,061
Consumer	-214	580	-68	-106	586	9	-167	321
Industry	284	239	175	148	178	160	158	644
Revaluation and capital gain/loss listed shares				-100	-18			-118
Items affecting comparability				-130				-130
Group costs	-50	-53	-18	-50	-54	-12	-44	-160
Ratos group	285	1,038	481	5	925	406	282	1,618
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Full Year
	2023	2023	2023	2022	2022	2022	2022	2022
Profit/loss before tax, SEKm								
Construction & Services	230	235	358	211	215	221	300	947
Consumer	-308	482	-152	-162	517	-46	-268	41
Industry	230	158	123	119	153	127	10	410
Revaluation and capital gain/loss listed shares				-100	-18			-118
Items affecting comparability				-130				-130
Group costs	-62	-45	-19	-36	-42	40	67	29
Ratos group	90	831	309	-98	825	343	109	1,178

From Q2 2023, Ratos has changed the composition of its business areas. For more information see page 16 "Note 1 Accounting principles".

Specification of net financial items

	Q3 2023	Q3 2022	Change %	Q1-3 2023	Q1-3 2022	Change %	Full Year 2022
Ratos Group, SEKm							
Interest income	19	3	pos	56	5	pos	15
Interest expense	-84	-26	neg	-254	-64	neg	-124
Interest expense financial leasing	-71	-64	-11%	-208	-196	-6%	-266
Net interest	-136	-87	-56%	-406	-256	-59%	-375
Net exchange rate effects	1	33	-97%	-69	36	neg	-9
Other financial items	-37	-9	neg	-98	-47	-108%	-56
Net financial items	-172	-63	neg	-573	-267	-115%	-440

	Q3 2023	Q3 2022	Change %	Q1-3 2023	Q1-3 2022	Change %	Full Year 2022
Parent company, SEKm							
Net interest	17	43	-60%	61	109	-44%	149
Net exchange rate effects	-1	15	-109%	-19	-7	neg	-19
Other financial items	-16	-5	neg	-46	-23	-99%	-36
Net financial items	-1	53	-102%	-4	79	-104%	94

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.

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

Adjusted EBITA for the business area's 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.

Adjusted EBITA

EBITA adjusted for capital gains and the revaluation of listed shares and 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.

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.

Investor presentation

23 October 9:00 a.m.

Webcast: <https://youtube.com/live/zmOVIGWY3fg?feature=share>

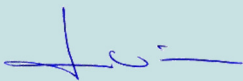
Financial calendar

2023

Year-end report 2023

12 February

Stockholm, 23 October 2023
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 23 October 2023.

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Ratos is a business group consisting of 17 companies divided into three business areas: Construction & Services, Consumer and Industry. Our business concept is to own and develop companies that are or can become market leaders. We have a distinct corporate culture and strategy – everything we do is based on our core values: Simplicity, Speed in Execution and It's All About People. We enable independent companies to excel by being part of something larger. People, leadership, culture and values are key focus areas.