

## Note 3 Alternative performance measures

### 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. The tables displayed with a tinted background are APMs. 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 29 of this report.

#### Net sales

SEKm	Q3 2021	Q3 2020	Q1-3 2021	Q1-3 2020	Full Year 2020
<b>Ratos business group, Net sales</b>	<b>5,560</b>	<b>5,577</b>	<b>17,175</b>	<b>18,385</b>	<b>24,053</b>
Net sales in subsidiaries, holding not owned by Ratos	835	1,062	2,562	3,303	4,419
Subsidiaries divested during current year		-864		-2,707	-3,673
Investments recognised according to the equity method	-1,023	-906	-2,939	-2,873	-3,846
Eliminations	-0	-0	-0	-11	-12
<b>Ratos Group, Net sales continued operations</b>	<b>5,371</b>	<b>4,868</b>	<b>16,797</b>	<b>16,098</b>	<b>20,941</b>

#### Organic growth, Ratos's holding

SEKm	Q3 2021	Q3 2020	Q1-3 2021	Q1-3 2020	Full Year 2020
<b>Ratos business group, Growth Net Sales, %</b>	<b>-0.3%</b>	<b>-6.2%</b>	<b>-6.6%</b>	<b>0.7%</b>	<b>-1.8%</b>
<b>Ratos business group, Net sales</b>	<b>5,560</b>	<b>5,577</b>	<b>17,175</b>	<b>18,385</b>	<b>24,053</b>
Acquired net sales	424	4	612	35	40
Effects from change in currency	57	-382	-87	-896	-1,227
<b>Ratos business group, adjusted Net Sales</b>	<b>5,078</b>	<b>5,955</b>	<b>16,649</b>	<b>19,246</b>	<b>25,240</b>
Divested net sales in the comparison period	604	50	1,892	231	231
<b>Ratos business group, adjusted Net Sales in the comparison period</b>	<b>4,973</b>	<b>5,898</b>	<b>16,494</b>	<b>18,026</b>	<b>24,251</b>
<b>Ratos business group, Organic growth</b>	<b>106</b>	<b>57</b>	<b>156</b>	<b>1,220</b>	<b>989</b>
<b>Ratos business group, Organic growth, %</b>	<b>1.9%</b>	<b>1.0%</b>	<b>0.8%</b>	<b>6.8%</b>	<b>4.0%</b>

#### EBITDA, EBITA and Group operating profit

SEKm	Q3 2021	Q3 2020	Q1-3 2021	Q1-3 2020	Full Year 2020
<b>Ratos business group, EBITDA</b>	<b>606</b>	<b>718</b>	<b>2,311</b>	<b>2,426</b>	<b>3,041</b>
Depreciation and impairment	-247	-292	-723	-847	-1,131
<b>Ratos business group, EBITA</b>	<b>360</b>	<b>426</b>	<b>1,588</b>	<b>1,579</b>	<b>1,910</b>
<b>Ratos business group, EBITA margin</b>	<b>6.5%</b>	<b>7.6%</b>	<b>9.2%</b>	<b>8.6%</b>	<b>7.9%</b>
EBITA in subsidiaries, holding not owned by Ratos	55	78	159	218	308
Subsidiaries divested during current year		-109		-321	-504
Investments recognised according to the equity method	-26	-29	-68	-94	-100
Income and expenses attributable to the parent company and central companies	-173	-45	-386	-117	-151
Other	1	1	3	3	3
<b>Ratos Group, EBITA continued operations</b>	<b>217</b>	<b>321</b>	<b>1,296</b>	<b>1,267</b>	<b>1,468</b>
Amortisation and impairment of intangible assets in connection with company acquisitions	-9	-3	-20	-9	-12
<b>Ratos Group, Operating profit/loss continued operations</b>	<b>208</b>	<b>318</b>	<b>1,277</b>	<b>1,259</b>	<b>1,457</b>

## Cash flow from operations

SEKm	Q3 2021	Q3 2020	Q1-3 2021	Q1-3 2020	Full Year 2020
<b>Ratos business group, Cash flow from operations</b>	<b>-56</b>	<b>205</b>	<b>525</b>	<b>1,329</b>	<b>1,768</b>
Cash flow from operations in subsidiaries, holding not owned by Ratos	55	107	29	267	327
Cash flow from operations, holdings divested during current year	-0		40		
Investments recognised according to the equity method	-210	-92	-112	5	-140
Investment and disposals, intangible assets/property, plant and equipment	110	155	304	459	664
Lease payment	272	235	575	704	932
Income tax paid	-14	-57	-151	-189	-223
Attributable to the parent company and central companies	14	-16	71	-99	51
Eliminations	-30	-0	-68	-0	-180
<b>Ratos Group, Cash flow from operating activities</b>	<b>142</b>	<b>536</b>	<b>1,214</b>	<b>2,476</b>	<b>3,201</b>

## Interest-bearing net debt

SEKm	2021-09-30	2020-09-30	2020-12-31
<b>Ratos business group, Interest-bearing net debt</b>	<b>7,024</b>	<b>7,953</b>	<b>8,149</b>
Interest-bearing net debt in subsidiaries, holding not owned by Ratos	230	764	777
Investments recognised according to the equity method	-567	-786	-620
Internal loans	-2,680		
Attributable to the parent company and central companies	-896	-1,133	-1,061
Other	9	22	23
<b>Ratos Group, Interest-bearing net debt</b>	<b>3,120</b>	<b>6,820</b>	<b>7,269</b>

	2021-09-30	2020-09-30	2020-12-31
Interest-bearing liabilities, other	832	4,530	4,503
Interest-bearing liabilities, leasing	5,082	4,865	5,362
Provisions for pensions	85	697	629
Interest-bearing assets	-93	-53	-43
Cash and cash equivalents	-2,788	-3,218	-3,182
<b>Ratos Group, Interest-bearing net debt</b>	<b>3,120</b>	<b>6,820</b>	<b>7,269</b>