



# Year-end report 2023

**RATOS**

# Year-end report 2023

## Q4 2023

- Adjusted<sup>1)</sup> EBITA amounted to SEK 326m (318)
- Operating profit amounted to SEK 1,206m (282)<sup>2)</sup>
- Profit for the period amounted to SEK 980m (45)<sup>2)</sup>
- Adjusted diluted earnings per share amounted to SEK 0.15 (-0.11)<sup>3)</sup>
- Diluted earnings per share amounted to SEK 1.45 (-0.11)
- Cash flow from operating activities amounted to SEK 882m (21)

## Full-year 2023

- Adjusted<sup>1)</sup> EBITA amounted to SEK 2,244m (1,966)
- Operating profit amounted to SEK 3,010m (1,618)<sup>2)</sup>
- Profit for the period amounted to SEK 2,006m (879)<sup>2)</sup>
- Adjusted diluted earnings per share amounted to SEK 2.43 (2.08)<sup>3)</sup>
- Diluted earnings per share amounted to SEK 3.72 (1.68)
- Cash flow from operating activities amounted to SEK 4,275m (1,431)
- Adjusted leverage excluding finance leases was 1.1x (2.3x)
- Leverage excluding finance leases was 0.7x (2.5x)
- The Board of Ratos proposes a dividend for full-year 2023 of SEK 1.25 per share (0.84)

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

- The previous impairment of Aibel amounting to SEK 1,656m was reversed during the period and had a positive impact on EBITA
- As a result of accounting errors within NVBS Projekt and NVBS Anläggning (two subsidiaries of Expin Group), the acquisition analysis has been adjusted to increase the original recognised goodwill by SEK 308m. Expin Group has also decided to leave the engineering projects market. All in all, this resulted in impairment of goodwill of SEK 524m in the period
- Goodwill in Plantasjen was impaired by SEK 250m in conjunction with the annual impairment testing in the fourth quarter
- After the end of the quarter, HL Display signed an agreement to acquire pr trading-Flekota A/S, the company's distribution partner in Denmark

## Ratos Group, SEKm

	Q4 2023	Q4 2022	Change%	Q1-4 2023	Q1-4 2022	Change%
Net sales	7,960	8,195	-3%	33,748	29,875	13%
EBITDA	2,331	646	pos	5,308	2,958	79%
EBITA, adjusted <sup>1)</sup>	326	318	2%	2,244	1,966	14%
EBITA %, adjusted <sup>1)</sup>	4.1%	3.9%		6.7%	6.6%	
EBITA	1,982	318	pos	3,901	1,718	127%
EBITA %	24.9%	3.9%		11.6%	5.8%	
Operating profit/loss	1,206	282	pos	3,010	1,618	86%
Profit before tax	1,042	109	pos	2,273	1,178	93%
Profit for the period	980	45	pos	2,006	879	128%
Basic earnings per share, SEK	1.46	-0.11	pos	3.73	1.69	121%
Diluted earnings per share, SEK	1.45	-0.11	pos	3.72	1.68	121%
Cash flow from operating activities <sup>4)</sup>	882	21	pos	4,275	1,431	pos
Leverage excl. financial leasing				0.7x	2.5x	
Return on capital employed excl. financial leasing				10.0%	10.1%	

1) For reconciliation of EBITA, adjusted see page 20. For definition see page 23.

2) Operating profit and profit for the period 2023 was positively affected 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 as well as an impairment of goodwill in Plantasjen of SEK 250m. Operating profit and profit for the period in Q1 2022 was negatively impacted by restructuring costs of SEK -130m attributable to Diab and in Q1-2 2022 by revaluation and capital gain/loss of SEK -118m related to the shares in Dun & Bradstreet Holding Inc.

3) Earnings per share 2023 is adjusted for a reversal of a previous impairment of the holding in Aibel of SEK 1,060m, which refers to the share attributable to owners of the parent, as well as impairment of goodwill of SEK 633m.

4) 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 fourth quarter and full-year 2023

## Strong cash flow, low leverage and increased profit

Adjusted EBITA amounted to SEK 326m for the quarter and SEK 2,244m for the full year, up 2% and 14%, respectively. Sales totalled SEK 7,960m for the quarter and SEK 33,748m for the full year, down 3% and up 13%, respectively. Free cash flow amounted to SEK 3,073m for the full year and leverage ratio was 0.7x (2.5x). As a result of continued strong cash flows and low leverage, we can accelerate the pace of add-on acquisitions.

Although adjusted EBITA and sales were negatively affected by Expin Group's adjusted results, I am satisfied with our performance in the fourth quarter. The full year was a record-breaking year for us from several perspectives.

Ratos' financial position has further improved, with strong cash flows and reduced tied-up capital, providing us with favourable conditions for value-creating acquisitions. Net sales fell 3% in the fourth quarter, mainly due to Expin Group and SSEA Group. Currency effects also contributed to a certain extent to the lower sales in the quarter. Sales for the full year increased 13%, with healthy sales growth in Industry and Construction & Services. Adjusted EBITA increased 2% for the fourth quarter and EBITA rose 14% for the full year. Demand is showing signs of a slowdown, particularly in construction. However, we have a good starting point, with a strong order book in HENT.

Reported EBITA amounted to SEK 1,982m (318) as a result of the reversal of the previous impairment of Aibel's carrying amount. Aibel has delivered a strong performance in recent years. At the same time, goodwill impairment has been carried out in Expin Group and Plantasjen.

### Development of Ratos' business areas

#### Construction & Services

Adjusted EBITA (excluding the reversal of the previous impairment of Aibel) decreased by 13% to SEK 307m for the quarter. The decline in earnings is attributable to Expin Group. The performance in other infrastructure was positive, with strong results in both Aibel and Presis Infra. While the construction operations have been impacted by the weaker economy, HENT continued to increase its EBITA in the quarter and has a strong order book for 2024. SSEA Group, which operates exclusively on a partnering basis, saw a decline in sales and profit in the quarter. Sales decreased 10% to SEK 4,310m due to Expin Group, SSEA Group and negative currency effects. Demand in critical infrastructure remained favourable. Looking at the market for construction services, which is under considerable pressure, it is important to keep in mind that the exposure to residential construction is low (less than 3%) and that the business area mainly builds properties for public clients.

#### Consumer

The business area's EBITA for the quarter was in line with the previous year at SEK -165m (-166), with the strong performance of KVD offsetting lower earnings in Plantasjen. KVD, which implemented a restructuring programme in Q4 2022, has delivered a good performance throughout the year and ended the year with record-breaking earnings for the quarter. During the

year, Plantasjen focused on reducing its capital tied up in inventory through clearance sales with lower gross margins. Plantasjen reported positive cash flow of SEK 628m for the year, which is an improvement of SEK 719m compared with the previous year. In 2024, a programme will be implemented to reduce our operating expenses by SEK 175m. Sales for the business area declined 4%. This was related to KVD that focused on increasing its auction business, which means that sales of cars from its own stock continue to decline and Plantasjen that was negatively affected by currency effects. The fourth quarter is normally a slow season for this business area.

#### Industry

EBITA increased 19% to SEK 209m for the quarter. The improvement in earnings is mainly attributable to a strong development in Diab and HL Display in particular, which performed well during both the quarter and the full year. Along with Knightec, Semcon-Aleido, which was acquired on 1 November 2022, performed well in a somewhat weaker consulting market. Speed Group's earnings declined in the quarter due to continued lower volumes from a key customer. Measures have been taken to adapt the organisation to lower volumes going forward. Sales in the business area increased 12%, mainly as a result of add-on acquisitions in HL Display and the acquisition of Semcon-Aleido.

### The Ratos Group is in a strong position to reach targets for 2025

By the start of 2026, Ratos will be a strongly decentralised group within technology and infrastructure solutions, with EBITA exceeding SEK 3 billion and a healthy return on capital employed. Our strong financial position will enable us to accelerate growth through add-on acquisitions in companies that form the basis of the more cohesive group. Technology and infrastructure solutions are crucial for the urgent transition to a more sustainable society, where the demand for engineers will increase further. Good infrastructure solutions are essential if Sweden and the EU are to achieve their environmental objectives. In addition, we are currently facing a nearly urgent situation when it comes to existing infrastructure – such as the maintenance and expansion of existing railways in Sweden. The large infrastructure debt in the Nordic region means that the industry has excellent potential for growth in the future. It is also clear that technological solutions, such as lightweight structures and digital solutions featuring AI, will be of significant importance. Ratos' journey of growth towards a more cohesive group continues.

Jonas Wiström, President and CEO

## Group performance Q4 2023

### Net sales

Net sales for the period amounted to SEK 7,960m (8,195), down 3% year on year. Organic sales growth was negative and amounted to -3%. All business areas displayed negative organic sales growth. Currency effects had a negative effect of SEK 149m (-2%) on net sales. The structural effect amounted to SEK 334m (4%) and was primarily attributable to add-on acquisitions in HL Display and the acquisition of Semcon, all in the Industry business area.

### Profit

Adjusted EBITA during the quarter amounted to SEK 326m (318). The adjusted EBITA margin was 4.1% (3.9). The earnings increase was due to an improved performance in the Industry business area, as Diab continued to perform well and HL Display posted strong growth driven by organic and acquired EBITA growth. Earnings for the Consumer business area were at the same level as the year-earlier period. The Construction & Services business area posted a decrease in adjusted EBITA primarily due to impairment of inaccurate project balances. Corrections were made both to previous years and in Q4 2023 for the NVBS companies in Expin Group. Reported EBITA during the quarter amounted to SEK 1,982m (318) and was positively affected by a reversal of a previous impairment of the holding in Aibel of SEK 1,656m. Operating profit was negatively affected by an impairment of goodwill in Expin Group of SEK -524m as well as an impairment of goodwill in Plantasjen of SEK 250m.

### Financial performance Q4 2023

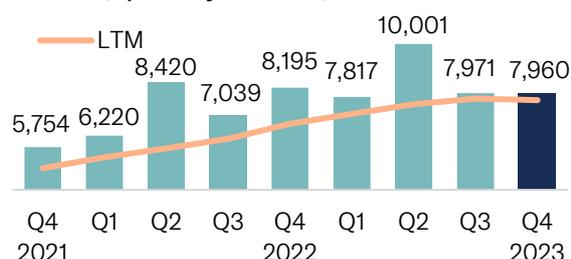
SEKm	Net sales			EBITA, adjusted		
	Q4 2023	Q4 2022	Change%	Q4 2023	Q4 2022	Change%
Construction & Services	4,310	4,780	-10%	307	353	-13%
Consumer	1,077	1,127	-4%	-165	-166	0%
Industry	2,572	2,288	12%	209	175	19%
Group costs				-24	-44	45%
Elimination of internal net sales		-0				
<b>Net sales and adjusted EBITA</b>	<b>7,960</b>	<b>8,195</b>	<b>-3%</b>	<b>326</b>	<b>318</b>	<b>2%</b>
Items affecting comparability				1,656		
Amortisation and impairment of intangible assets in connection with company acquisitions				-776	-36	neg
<b>Consolidated operating profit</b>				<b>1,206</b>	<b>282</b>	<b>pos</b>
Finance net				-164	-173	5%
<b>Profit before tax</b>				<b>1,042</b>	<b>109</b>	<b>pos</b>
Tax				-63	-63	1%
<b>Profit for the period</b>				<b>980</b>	<b>45</b>	<b>pos</b>

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 Q4

	Net sales
2022, SEKm	8,195
Structure, %	4%
Currency, %	-2%
Other, %	-2%
Organic growth, %	-3%
Total, %	-3%
2023, SEKm	7,960

## Group performance January–December 2023

### Net sales

Net sales for the period amounted to SEK 33,748m (29,875), up 13% year on year. Organic sales growth in the period amounted to 3%. Construction & Services reported organic sales growth, while Consumer and Industry's sales declined organically. Currency effects had a negative effect of SEK 112m (0%) on net sales. The structural effect amounted to SEK 3,164m (11%) and was primarily attributable to the acquisitions of Knightec and Semcon in the Industry business area and add-on acquisitions in Industry and Construction & Services.

### Profit

Adjusted EBITA in the period amounted to SEK 2,244m (1,966). The adjusted EBITA margin was 6.7% (6.6). The improvement in earnings was primarily due to higher earnings in the Industry and Construction & Services 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 a weaker performance in Plantasjen. Reported EBITA during the quarter amounted to SEK 3,901m (1,718) and was positively affected by a reversal of a previous impairment of the holding in Aibel of SEK 1,656m. Operating profit was negatively affected by an impairment of goodwill in Expin Group of SEK -524m as well as an impairment of goodwill in Plantasjen of SEK 250m.

## Financial performance January–December 2023

SEKm	Net sales			EBITA, adjusted		
	Q1-4 2023	Q1-4 2022	Change%	Q1-4 2023	Q1-4 2022	Change%
Construction & Services	17,298	15,730	10%	1,291	1,130	14%
Consumer	5,888	6,392	-8%	136	326	-58%
Industry	10,563	7,755	36%	963	671	44%
Group costs				-146	-160	9%
Elimination of internal sales	-0	-1				
<b>Net sales and adjusted EBITA</b>	<b>33,748</b>	<b>29,875</b>	<b>13%</b>	<b>2,244</b>	<b>1,966</b>	<b>14%</b>
Revaluation and gain/loss listed shares					-118	100%
Items affecting comparability				1,656	-130	pos
Amortisation and impairment of intangible assets in connection with company acquisitions				-890	-100	neg
<b>Consolidated operating profit</b>				<b>3,010</b>	<b>1,618</b>	<b>86%</b>
Finance net				-737	-440	-68%
<b>Profit before tax</b>				<b>2,273</b>	<b>1,178</b>	<b>93%</b>
Tax				-267	-299	11%
<b>Profit for the period</b>				<b>2,006</b>	<b>879</b>	<b>128%</b>

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–December

	Net sales
2022, SEKm	29,875
Structure, %	11%
Currency, %	0%
Other, %	-1%
Organic growth, %	3%
Total, %	13%
2023, SEKm	33,748

# Construction & Services

## Net sales

Net sales for the fourth quarter amounted to SEK 4,310m (4,780), a year on year decrease of 10%. Organic sales growth was negative and amounted to -2%, mainly due to a decrease in sales for SSEA Group in the quarter. Currency effects had a negative effect of -4%. Other companies within Construction Services (airteam and HENT) and Critical Infrastructure (Aibel and Presis Infra) posted positive organic sales growth.

## Profit

Adjusted EBITA for the business area amounted to SEK 307m (353) for the quarter, down 13%, and the EBITA margin was 7.1% (7.4). Impairment of balance sheet items due to confirmed accounting errors within Expin Group had a negative impact on the business area's adjusted EBITA. Aibel posted strong operating earnings and was positively impacted by currency effects. The previous impairment of the holding in Aibel was reversed, which had a positive impact of SEK 1,656m on the business area's reported EBITA for the quarter.

## Financial performance

SEKm	Q4			Q1-4		
	2023	2022	Change%	2023	2022	Change%
Net sales	4,310	4,780	-10%	17,298	15,730	10%
EBITA, adjusted	307	353	-13%	1,291	1,130	14%
EBITA %, adjusted	7.1%	7.4%		7.5%	7.2%	
EBITA	1,963	353	pos	2,947	1,130	pos
EBITA %	45.5%	7.4%		17.0%	7.2%	
Operating profit	1,457	335	pos	2,386	1,061	125%
Operating profit %	33.8%	7.0%		13.8%	6.7%	
Cash flow from operating activities <sup>1)</sup>	449	114	pos	2,228	1,490	50%
Return on capital employed, business area %				17%	15%	
Average number of employees				7,464	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".

## Adjusted EBITA, LTM, SEKm



## Net sales, LTM, SEKm



## Sales bridge, net sales

	Q4 2023	Q1-4 2023
2022, SEKm	4,780	15,730
Structure, %	0%	2%
Currency, %	-4%	-2%
Other, %	-4%	-1%
Organic growth, %	-2%	11%
Total, %	-10%	10%
2023, SEKm	4,310	17,298

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

# Consumer

## Net sales

Net sales in the business area for the fourth quarter amounted to SEK 1,077m (1,127), down 4% year on year. Organic sales growth was negative and amounted to -2% due to negative organic growth in Plantasjen as well as KVD. Plantasjen's net sales for the fourth quarter amounted to SEK 703m, down 5% year on year, primarily driven by lower prices to reduce inventory levels. Plantasjen's market remained weak during the fourth quarter.

## Profit/loss

EBITA for the business area amounted to SEK -165m (-166) for the quarter. The EBITA margin was -15.3% (-14.7). Plantasjen reported earnings of SEK -188m (-142) in the fourth quarter. The decline in earnings pertains mainly to a lower gross margin as a result of deliberate clearance sales of inventory to reduce tied-up capital as well as higher rental costs. KVD continued to improve its earnings during the quarter and posted a strong performance in the auction business and lower overhead costs as a result of a previously introduced cost savings programme.

## Financial performance

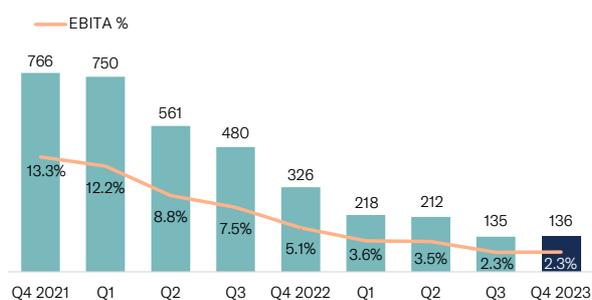
SEKm	Q4			Q1-4		
	2023	2022	Change%	2023	2022	Change%
Net sales <sup>1)</sup>	1,077	1,127	-4%	5,888	6,392	-8%
EBITA, adjusted <sup>1)</sup>	-165	-166	0%	136	326	-58%
EBITA %, adjusted	-15.3%	-14.7%		2.3%	5.1%	
EBITA	-165	-166	0%	136	326	-58%
EBITA %	-15.3%	-14.7%		2.3%	5.1%	
Operating profit/loss	-416	-167	-150%	-119	321	-137%
Operating profit/loss %	-38.7%	-14.8%		-2.0%	5.0%	
Cash flow from operating activities <sup>2)</sup>	-1	-80	99%	746	-45	pos
Return on capital employed, business area %				-1%	4%	
Average number of employees				1,638	1,521	

1) Refer to page 21 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

	Q4 2023	Q1-4 2023
2022, SEKm	1,127	6,392
Structure, %	0%	0%
Currency, %	-3%	-2%
Organic growth, %	-2%	-6%
Total, %	-4%	-8%
2023, SEKm	1,077	5,888

The Consumer business area consists of KVD and Plantasjen

# Industry

## Net sales

Net sales in the business area for the fourth quarter amounted to SEK 2,572m (2,288), a year on year increase of 12%. Organic growth was negative and amounted to -4% for the quarter. The structural effect amounted to 14%. The sales increase was primarily due to add-on acquisitions and organic growth in HL Display as well as the acquisition of Semcon, which was completed on 1 November 2022. One of Speed Group's main customers continued to have lower volumes during the quarter, which had a negative impact on organic growth.

## Profit

EBITA for the business area amounted to SEK 209m (175) for the quarter, up 19% year on year. The EBITA margin was 8.1% (7.6). The improvement in earnings was mainly attributable to higher earnings in Diab and HL Display.

## Financial performance

SEKm	Q4			Q1-4		
	2023	2022	Change%	2023	2022	Change%
Net sales	2,572	2,288	12%	10,563	7,755	36%
EBITA, adjusted	209	175	19%	963	671	44%
EBITA %, adjusted	8.1%	7.6%		9.1%	8.6%	
EBITA	209	175	19%	963	540	78%
EBITA %	8.1%	7.6%		9.1%	7.0%	
Operating profit	191	158	20%	889	514	73%
Operating profit %	7.4%	6.9%		8.4%	6.6%	
Cash flow from operating activities <sup>1)</sup>	397	17	pos	1,374	430	pos
Return on capital employed, business area %				11%	10%	
Average number of employees				6,785	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

	Q4 2023	Q1-4 2023
2022, SEKm	2,288	7,755
Structure, %	14%	36%
Currency, %	2%	5%
Other, %	0%	0%
Organic growth, %	-4%	-4%
Total, %	12%	36%
2023, SEKm	2,572	10,563

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 Q4

Cash flow from operating activities amounted to SEK 882m (21). Cash flow from investing activities amounted to SEK -66m (-2,751) and cash flow from financing activities to SEK -282m (3,316). Cash flow for the quarter amounted to SEK 534m (585).

The change in cash flow for the quarter was mainly due to a decrease of SEK 582m (-323) in working capital, a decrease of SEK -66m (-2,751) in investing activities and a decrease of SEK -282m (3,316) in financing activities. Investing activities were mainly affected by lower purchase prices of SEK -22m (-2,627) as a result of fewer acquired companies.

## Cash flow January–December

Cash flow from operating activities amounted to SEK 4,275m (1,431). Cash flow from investing activities amounted to SEK -542m (-4,257) and cash flow from financing activities to SEK -3,798m (2,991). Cash flow for the period amounted to SEK -65m (165).

The change in cash flow for the period attributable to operating activities amounted to SEK 4,275m (1,431), with operating profit amounting to SEK 3,010m (1,618), dividends received from associates amounting to SEK 122m (-) and changes in working capital amounting to SEK 1,446m (-636). Investing activities were mainly affected by lower purchase prices of SEK -333m (-4,542) as a result of fewer acquired companies. In the year-earlier period, cash flow was positively affected by the sale of listed shares (SEK 685m). Financing activities were mainly impacted by the change in external loans, which amounted to SEK -2,257m (4,438).

## Financial position and leverage

The Group's cash and cash equivalents at the end of the period amounted to SEK 2,360m (2,532) and interest-bearing net debt excluding financial lease liabilities totalled SEK 2,720m (4,798). The Group's leverage excluding financial lease liabilities at the end of the period amounted to 0.7x (2.5x). The adjusted leverage as of 31 December 2023 amounted to 1.1x after a reversal of impairment totalling SEK 1,656m pertaining to the holding in Aibel. Adjusted leverage as of 31 December 2022 amounted to 2.3x after adjustment for revaluation and capital gain/loss of SEK -118m related to the shares in Dun & Bradstreet Holding Inc as well as restructuring costs of SEK -130m pertaining to Diab. The Group's interest-bearing net debt including financial lease liabilities totalled SEK 8,118m (10,468). The Group's leverage including financial lease liabilities at the end of the period amounted to 1.5x (3.5x). The total translation effect of currency for interest-bearing liabilities amounted to approximately SEK -220m, of which approximately SEK -60m related to liabilities to credit institutions and approximately SEK -160m to financial lease liabilities.

At the end of the period, the Group's interest-bearing liabilities to credit institutions amounted to SEK 4,509m (6,869).

## Net financial items Q4

Net financial items amounted to SEK -164m (-173). Net financial items were impacted by higher interest expenses as a result of rising market interest rates and the revaluation of

synthetic options. Net financial items in the year-earlier period were negatively impacted by changes in exchange rates.

## Net financial items January–December

Net financial items amounted to SEK -737m (-440). Net financial items were impacted by higher interest expenses as a result of increased financing in the beginning of the period and rising market interest rates, negative exchange rate effects and the revaluation of synthetic options.

## Tax Q4

The tax expense for the Group amounted to SEK -63m (-63) and profit before tax to SEK 1,042m (109). The effective tax rate for the quarter was 6% (58). Adjusted for the reversal of impairment of associates and impairment of goodwill, the effective tax rate was 39% (58). 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–December

The tax expense for the Group amounted to SEK -267m (-299) and profit before tax to SEK 2,273m (1,178). The effective tax rate for the year was 12% (25). Adjusted for the reversal of impairment of associates and impairment of goodwill, the effective tax rate was 19% (25).

## Ratos's equity

At 31 December 2023, Ratos's equity (attributable to owners of the parent) amounted to SEK 12,314m (12,289), corresponding to SEK 38 (38) per share outstanding.

## Parent company

The parent company's operating loss amounted to SEK -142m (-135) for January–December. The parent company's profit before tax amounted to SEK 217m (264) and was positively impacted by dividends from Group companies of SEK 192m (102). Cash and cash equivalents in the parent company amounted to SEK 876m (410).

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 year amounted to SEK 3.73 (1.69) before dilution and to SEK 3.72 (1.68) after dilution. The closing price for Ratos's Class B shares on 31 December 2023 was SEK 36.08. The total return on Class B shares for the year amounted to -10.6%, compared with the performance for the SIX Return Index, which was 19.2%.

## Number of shares and repurchased/sold shares

Ratos owned no treasury shares during the year. During the year, 617,500 new Class B shares were issued in connection with the exercise/conversion of warrants and a convertible debenture. At 31 December 2023, the total number of shares and shares outstanding in Ratos (Class A and B shares) amounted to 326,516,488 and the number of votes to 108,825,003.

## Incentive programmes

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

## Annual General Meeting 2024

The Annual General Meeting of Ratos will be held on 26 March 2024 at the Grand Hôtel, Spegelsalen entrance, Studio Stockholm in Stockholm. The Annual Report will be available on the company's website, [www.ratos.com](http://www.ratos.com), on 5 March 2024.

## Proposed dividend for Class A and B shares

The Board proposes a dividend for the 2023 financial year of SEK 1.25 (0.84) per Class A and Class B share. The record date for the dividend is proposed as 28 March 2024 and dividends are expected to be paid from Euroclear Sweden on 4 April 2024.

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

Aibel has developed very positively in recent years and a transformation from fossil to renewable energy is ongoing. A

majority of the order book currently consists of contracts related to offshore wind and electrification. For 2023, EBITA amounted to NOK 899m and the company ended the year with a net cash position of NOK 1,865m and an order backlog of NOK 32 billion. As a result of this, the impairment of the holding in Aibel that took place in 2016 is no longer justified and was therefore reversed in the period.

During the period, Ratos identified accounting errors within NVBS Projekt and NVBS Anläggning (two subsidiaries of Expin Group), which are mostly attributable to the time before Ratos' acquisition of the company. Ratos is now investigating whether the now-corrected errors arose due to irregularities. As a result, the acquisition analysis has been adjusted, which increased the originally reported goodwill by SEK 308m. Expin Group has also decided to leave the market for civil engineering projects and focus its operations on railway, electrification, signal and telecom projects. All in all, this resulted in impairment of goodwill of SEK 524m in the period. Expin Group operates in a market with strong growth, and the identified, now-corrected, errors are not judged to affect the company's long-term earning capacity. Overall, the amount of goodwill attributable to the acquisition decreased from SEK 666m to SEK 450m after the implemented adjustments.

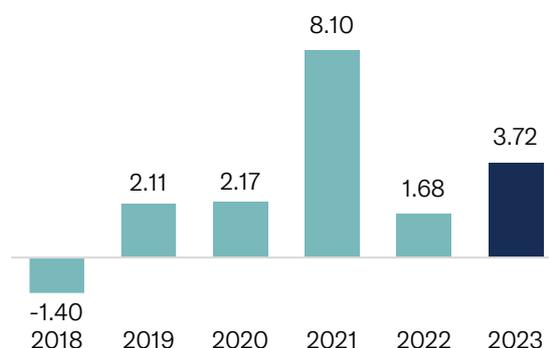
During the last two years, Plantasjen has had a weak financial development. In connection with the annual impairment testing in the fourth quarter, goodwill was impaired by SEK 250m. In 2024, a comprehensive cost-saving program will be implemented.

After the end of the quarter, HL Display signed an agreement to acquire pr trading-Flekota A/S, their distribution partner in Denmark. This acquisition will expand HL Display's footprint in Europe and further strengthen its position as a leading supplier for in-store merchandising and communication solutions to grocery and non-food retailers in Europe.

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



## Diluted earnings per share, SEK



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

# Financial statements

## Summary consolidated income statement

SEKm	Q4 2023	Q4 2022	Q1-4 2023	Q1-4 2022
Net sales	7,960	8,195	33,748	29,875
Other operating income	49	17	223	155
Cost of goods and services sold	-4,588	-4,961	-19,102	-18,186
Employee benefit costs	-2,261	-1,969	-8,657	-6,494
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets and right-of-use assets	-1,124	-364	-2,298	-1,340
Other external costs	-682	-704	-2,997	-2,529
Capital gain/loss from Group companies	3	0	3	-0
Reversal of a previous impairment for investments recognised according to the equity method	1,656		1,656	
Share of profit/loss from investments recognised according to the equity method	194	68	433	255
Revaluation and capital gain/loss listed shares				-118
<b>Operating profit</b>	<b>1,206</b>	<b>282</b>	<b>3,010</b>	<b>1,618</b>
Net financial items <sup>1)</sup>	-164	-173	-737	-440
<b>Profit before tax</b>	<b>1,042</b>	<b>109</b>	<b>2,273</b>	<b>1,178</b>
Income tax	-63	-63	-267	-299
<b>Profit for the period, continuing operations</b>	<b>980</b>	<b>45</b>	<b>2,006</b>	<b>879</b>
<i>Profit/loss for the period attributable to:</i>				
Owners of the parent	475	-34	1,218	548
Non-controlling interests	505	79	788	331
Earnings per share, SEK				
- basic earnings per share	1.46	-0.11	3.73	1.69
- diluted earnings per share	1.45	-0.11	3.72	1.68

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

## Consolidated statement of comprehensive income

SEKm	Q4 2023	Q4 2022	Q1-4 2023	Q1-4 2022
<b>Profit for the period</b>	<b>980</b>	<b>45</b>	<b>2,006</b>	<b>879</b>
<i>Items that will not be reclassified to profit or loss:</i>				
Remeasurement of defined benefit pension obligations, net	-24	-18	-25	46
Tax attributable to items that will not be reclassified to profit or loss	3	1	1	-4
	<b>-21</b>	<b>-17</b>	<b>-24</b>	<b>42</b>
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Translation differences for the period	-384	159	-432	392
Change in hedging reserve for the period	6	4	-53	-9
Tax attributable to items that may be reclassified subsequently to profit or loss	3	-1	-2	1
	<b>-375</b>	<b>162</b>	<b>-487</b>	<b>384</b>
<b>Other comprehensive income for the period</b>	<b>-396</b>	<b>145</b>	<b>-510</b>	<b>426</b>
<b>Total comprehensive income for the period</b>	<b>583</b>	<b>190</b>	<b>1,496</b>	<b>1,305</b>
<i>Total comprehensive income for the period attributable to:</i>				
Owners of the parent	148	91	828	913
Non-controlling interest	435	99	667	392

## Summary consolidated statement of financial position

SEKm	2023-12-31	2022-12-31
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	14,047	14,811
Other intangible non-current assets	1,931	2,096
Property, plant and equipment	1,617	1,725
Right-of-use assets	4,816	5,100
Financial assets	3,307	1,675
Deferred tax assets	477	357
<b>Total non-current assets</b>	<b>26,195</b>	<b>25,764</b>
<b>Current assets</b>		
Inventories	1,868	2,477
Accounts receivable	3,277	3,699
Current receivables	2,430	2,703
Cash and cash equivalents	2,360	2,532
<b>Total current assets</b>	<b>9,935</b>	<b>11,411</b>
<b>Total assets</b>	<b>36,129</b>	<b>37,175</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity including non-controlling interests</b>	<b>14,451</b>	<b>13,788</b>
<b>Non-current liabilities</b>		
Interest-bearing liabilities	9,141	11,318
Non-interest bearing liabilities	1,875	1,668
Pension provisions	65	60
Other provisions	45	44
Deferred tax liabilities	801	742
<b>Total non-current liabilities</b>	<b>11,927</b>	<b>13,832</b>
<b>Current liabilities</b>		
Interest-bearing liabilities	1,306	1,723
Non-interest bearing liabilities	7,936	7,393
Provisions	509	439
<b>Total current liabilities</b>	<b>9,751</b>	<b>9,555</b>
<b>Total liabilities</b>	<b>21,678</b>	<b>23,387</b>
<b>Total equity and liabilities</b>	<b>36,129</b>	<b>37,175</b>

## Summary statement of changes in consolidated equity

SEKm	2023-12-31			2022-12-31		
	Owners of the parent	Non-controlling interest	Total equity	Owners of the parent	Non-controlling interest	Total equity
<b>Opening equity</b>	<b>12,289</b>	<b>1,499</b>	<b>13,788</b>	<b>11,940</b>	<b>1,387</b>	<b>13,326</b>
Total comprehensive income for the period	828	667	1,496	913	392	1,305
Dividends	-274	-177	-451	-390	-262	-651
Non-controlling interests' share of capital contribution and new issue		1	1		-0	-0
Transfer of treasury shares				2		2
Conversion of convertible loan to shares	15		15	33		33
The value of the conversion option of the convertible debentures	3		3	7		7
Option premiums	6		6	9		9
Put options, future acquisitions from non-controlling interests <sup>1)</sup>	-549	200	-349	-227	-567	-794
Acquisition of shares in subsidiaries from non-controlling interests	-6	-64	-70	4	-10	-6
Disposal of shares in subsidiaries to non-controlling interests	2	11	13	-1	36	35
Non-controlling interests at acquisition					522	522
<b>Closing 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>

<sup>1)</sup> For 2023, SEK -86m is related to the adjusted acquisition analysis for Expin Group

## Summary consolidated statement of cash flows

SEKm	Q4 2023	Q4 2022	Q1-4 2023	Q1-4 2022
<b>Operating activities</b>				
Operating profit	1,206	282	3,010	1,618
Adjustment for non-cash items	-673	234	565	1,227
	533	516	3,575	2,845
Received dividends from associated companies			122	
Interest and financial items, net	-117	-101	-552	-476
Income tax paid	-116	-71	-316	-301
<b>Cash flow from operating activities before change in working capital</b>	<b>300</b>	<b>343</b>	<b>2,829</b>	<b>2,068</b>
Cash flow from change in working capital				
Increase (-)/Decrease (+) in inventories	239	119	571	-487
Increase (-)/Decrease (+) in operating receivables	-539	-676	25	-1,062
Increase (+)/Decrease (-) in operating liabilities	882	234	850	913
<b>Cash flow from operating activities</b>	<b>882</b>	<b>21</b>	<b>4,275</b>	<b>1,431</b>
<b>Investing activities</b>				
Acquisition, group companies	-22	-2,627	-333	-4,542
Disposal, group companies	-2		-2	5
Investments and disposal, intangible assets/property, plant and equipment	-69	-126	-231	-405
Investments and disposal, financial assets	26	1	24	685
<b>Cash flow from investing activities</b>	<b>-66</b>	<b>-2,751</b>	<b>-542</b>	<b>-4,257</b>
<b>Financing activities</b>				
Non-controlling interests' share of issue/capital contribution	1		1	0
Transfer of treasury shares				2
Option premiums paid		1		17
Repurchase/final settlements options	-80	-2	-80	-11
Acquisition and disposal of shares in subsidiaries from non-controlling interests	3	0	-24	-0
Dividends paid			-274	-390
Dividends paid, non-controlling interests	-65	-59	-194	-248
Borrowings	49	6,487	1,884	9,957
Amortisation of loans	-26	-2,939	-4,141	-5,519
Amortisation of financial lease liabilities	-164	-173	-970	-816
<b>Cash flow from financing activities</b>	<b>-282</b>	<b>3,316</b>	<b>-3,798</b>	<b>2,991</b>
<b>Cash flow for the period</b>	<b>534</b>	<b>585</b>	<b>-65</b>	<b>165</b>
Cash and cash equivalents at the beginning of the period	1,895	1,901	2,532	2,230
Exchange differences in cash and cash equivalents	-69	47	-108	138
Cash and cash equivalents at the end of the period	2,360	2,532	2,360	2,532

## Summary parent company income statement

SEKm	Q4 2023	Q4 2022	Q1-4 2023	Q1-4 2022
Other operating income	9	8	9	15
Administrative expenses	-32	-33	-151	-149
Depreciation of property, plant and equipment	-0	-0	-1	-1
<b>Operating profit/loss</b>	<b>-23</b>	<b>-25</b>	<b>-142</b>	<b>-135</b>
Gain from sale of participating interests in group companies		110		110
Dividends from group companies		102	192	102
Net financial items <sup>1)</sup>	12	15	9	94
<b>Profit/loss after financial items</b>	<b>-11</b>	<b>202</b>	<b>59</b>	<b>172</b>
Group contribution, recieved	158	92	158	92
<b>Profit/loss before tax</b>	<b>147</b>	<b>294</b>	<b>217</b>	<b>264</b>
Income tax	10	9	75	56
<b>Profit/loss for the period</b>	<b>158</b>	<b>303</b>	<b>292</b>	<b>320</b>

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

## Parent company statement of comprehensive income

SEKm	Q4 2023	Q4 2022	Q1-4 2023	Q1-4 2022
<b>Profit/loss for the period</b>	<b>158</b>	<b>303</b>	<b>292</b>	<b>320</b>
<b>Other comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>	<b>158</b>	<b>303</b>	<b>292</b>	<b>320</b>

## Summary parent company balance sheet

SEKm	2023-12-31	2022-12-31
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4	3
Financial assets	10,736	10,150
Receivables from group companies	3,919	6,180
Deferred tax assets	205	130
<b>Total non-current assets</b>	<b>14,864</b>	<b>16,464</b>
<b>Current assets</b>		
Current receivables	38	48
Receivables from group companies	2,975	1,741
Cash and cash equivalents	876	410
<b>Total current assets</b>	<b>3,889</b>	<b>2,199</b>
<b>Total assets</b>	<b>18,752</b>	<b>18,663</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>10,016</b>	<b>9,975</b>
<b>Non-current liabilities</b>		
Interest-bearing liabilities, group companies	150	206
Interest-bearing liabilities	4,423	6,237
Convertible debentures	110	79
Deferred tax liabilities	3	3
<b>Total non-current liabilities</b>	<b>4,687</b>	<b>6,524</b>
<b>Current provisions</b>	<b>16</b>	<b>86</b>
<b>Current liabilities</b>		
Interest-bearing liabilities, group companies	3,940	1,464
Interest-bearing liabilities	24	590
Non-interest bearing liabilities, group companies	0	
Non-interest bearing liabilities	69	25
<b>Total current liabilities</b>	<b>4,033</b>	<b>2,079</b>
<b>Total equity and liabilities</b>	<b>18,752</b>	<b>18,663</b>

## Summary parent company statement of changes in equity

SEKm	2023-12-31	2022-12-31
<b>Opening equity</b>	<b>9,975</b>	<b>9,994</b>
Comprehensive income for the period	292	320
Dividends	-274	-390
Transfer of treasury shares		2
Conversion of convertible loan to shares	15	33
The value of the conversion option of the convertible debentures	4	8
Deferred tax, conversion option	-1	-2
Option premiums	6	9
<b>Closing equity</b>	<b>10,016</b>	<b>9,975</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.

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

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.

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 31 December 2023, the net value of derivatives (level two) amounted to SEK -14m (1), of which SEK 5m (7) was recognised as an asset and SEK 18m (6) as a liability.

In the statement of financial position at 31 December 2023, the total value of financial instruments measured at fair value in accordance with level three was SEK 2,158m (2,058). The change is presented in the table below.

Change, level 3 SEKm	Synthetic options		Call and put options		Contingent considerations	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Opening balance	153	144	1,669	830	236	194
Recognised in comprehensive income	76	18	-63	44	23	12
Recognised against equity			263	221		
Newly issued/subsequent expenditure		2		566	69	49
Acquisitions, Group companies				8		26
Settlements	-80	-11			-187	-46
<b>Closing balance</b>	<b>149</b>	<b>153</b>	<b>1,869</b>	<b>1,669</b>	<b>141</b>	<b>236</b>

## 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	84
Cash and cash equivalents	14
Deferred tax liability	-18
Non-current liabilities	
Current liabilities	-92
<b>Net identifiable assets and liabilities</b>	<b>199</b>
Goodwill	54
<b>Purchase price</b>	<b>252</b>
of which, paid in cash	195
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
<b>Net identifiable assets and liabilities</b>	<b>609</b>
Goodwill	2,125
<b>Purchase price</b>	<b>2,734</b>
of which, paid in cash	2,734

### Adjusted acquisition analysis Expin Group

During the period, Ratos identified accounting errors within NVBS Projekt and NVBS Anläggning (two subsidiaries of Expin Group), which are mostly attributable to the time before Ratos' acquisition of the company in the second quarter of 2022. As a result of this, assets and liabilities identified at the time of acquisition have been corrected, which increased the original recognised goodwill by SEK 308m. Expin Group has

also decided to leave the market for civil engineering projects and focus its operations on railway, electrification, signal and telecom projects. All in all, this resulted in impairment of goodwill of SEK 524m in the period. Overall, the amount of goodwill attributable to the acquisition decreased from SEK 666m to SEK 450m after the implemented adjustments.

### Adjusted acquisition analysis Expin Group (former NVBS)

SEKm	Preliminary	Final
Intangible assets	79	1
Property, plant and equipment	14	14
Right-of-use assets	25	25
Financial assets	1	1
Deferred tax asset	11	11
Trade receivables	65	65
Current assets	383	51
Cash and cash equivalents	4	4
Deferred tax liability	-24	-8
Non-current liabilities	-114	-114
Current liabilities	-391	-391
<b>Net identifiable assets and liabilities</b>	<b>53</b>	<b>-341</b>
Recognised put- and call option issued to owners with non-controlling interests	-173	-87
Goodwill	666	974
<b>Purchase price</b>	<b>546</b>	<b>546</b>
of which, paid in cash	546	546

### Divestments within business areas

There was only one minor divestment of a subsidiary in Semcon. The capital gain amounted to SEK 4m.

## Key figures

For definitions, see page 23

SEKm	Q1-4 2023	Q1-4 2022
Leverage excl. financial leasing	0.7x	2.5x
Leverage	1.5x	3.5x
Equity ratio, %	40.0	37.1
Return on equity, %	10.0	4.6
Return on capital employed excl. financial leasing, %	10.0	10.1
Return on capital employed, %	8.8	8.5
<b>Key figures per share<sup>1)</sup></b>		
Total return, %	-10.6	-26.6
Dividend yield, %	3.5	2.0
Market price, SEK	36.08	41.49
Dividend, SEK <sup>4)</sup>	1.25	0.84
Equity attributable to owners of the parent, SEK <sup>2)</sup>	37.71	37.71
Basic earnings per share, SEK	3.73	1.69
Diluted earnings per share, SEK	3.72	1.68
Average number of ordinary shares outstanding:		
– before dilution	326,042,022	325,223,889
– after dilution	329,731,610	326,442,359
Total number of registered shares	326,516,488	325,898,988
Number of shares outstanding <sup>3)</sup>	326,516,488	325,898,988
– of which, Class A shares	84,637,060	84,637,060
– of which, Class B shares	241,879,428	241,261,928

<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

<sup>4)</sup> Proposed dividend for 2023

## 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](http://www.ratos.com) and on page 23 of this report.

### Organic growth

	Q4 2023	Q4 2022	Q1-4 2023	Q1-4 2022
<b>SEKm</b>				
<b>Growth Net Sales, %</b>	<b>-3%</b>	<b>42%</b>	<b>13%</b>	<b>32%</b>
<b>Net sales</b>	<b>7,960</b>	<b>8,195</b>	<b>33,748</b>	<b>29,875</b>
Acquired net sales	336	1,525	3,166	4,629
Effects from change in currency	-149	228	-112	914
Other*	-190	-15	-194	-39
<b>Net sales, adjusted</b>	<b>7,963</b>	<b>6,458</b>	<b>30,888</b>	<b>24,371</b>
Divested net sales in the comparison period	2	2	2	7
<b>Net sales, adjusted in the comparison period</b>	<b>8,194</b>	<b>5,752</b>	<b>29,873</b>	<b>22,544</b>
<b>Organic growth</b>	<b>-231</b>	<b>706</b>	<b>1,014</b>	<b>1,827</b>
<b>Organic growth, %</b>	<b>-3%</b>	<b>12%</b>	<b>3%</b>	<b>8%</b>

\*Corrections related to Expin Group of SEK -193m in Q4 2023 and Q1-4 2023

### EBITDA, EBITA and operating profit

	Q4 2023	Q4 2022	Q1-4 2023	Q1-4 2022
<b>SEKm</b>				
<b>EBITDA</b>	<b>2,331</b>	<b>646</b>	<b>5,308</b>	<b>2,958</b>
Depreciations and impairment	-349	-328	-1,408	-1,240
<b>EBITA</b>	<b>1,982</b>	<b>318</b>	<b>3,901</b>	<b>1,718</b>
Reversal of write-down in associates	1,656		1,656	
Revaluation and capital gain/loss listed shares				-118
Restructuring costs				-130
<b>Adjusted EBITA</b>	<b>326</b>	<b>318</b>	<b>2,244</b>	<b>1,966</b>
Amortisation and impairment of intangible assets in connection with company acquisitions	-776	-36	-890	-100
<b>Operating profit/loss</b>	<b>1,206</b>	<b>282</b>	<b>3,010</b>	<b>1,618</b>

### Interest-bearing net debt

	2023-12-31	2022-12-31
<b>SEKm</b>		
Interest-bearing liabilities, other	5,049	7,371
Provisions for pensions	65	60
Interest-bearing assets	-34	-101
Cash and cash equivalents	-2,360	-2,532
<b>Interest-bearing net debt excl. financial leasing</b>	<b>2,720</b>	<b>4,798</b>
Financial leasing liabilities	5,398	5,670
<b>Interest-bearing net debt inc. financial leasing</b>	<b>8,118</b>	<b>10,468</b>

## Segments by quarter, summary

	Q1	Q2	Q4	Q4	Full Year	Q1	Q2	Q4	Q4	Full Year
	2023	2023	2023	2023	2023	2022	2022	2022	2022	2022
<b>Net sales, SEKm</b>										
Construction & Services	4,259	4,573	4,155	4,310	17,298	3,360	3,802	3,788	4,780	15,730
Consumer	830	2,630	1,351	1,077	5,888	1,132	2,709	1,424	1,127	6,392
- whereof Plantasjen	542	2,132	904	703	4,281	661	2,118	887	740	4,407
Industry	2,728	2,798	2,465	2,572	10,563	1,728	1,911	1,827	2,288	7,755
Elimination of internal net sales	0				0	0	-1	0	0	-1
<b>Ratos group</b>	<b>7,817</b>	<b>10,001</b>	<b>7,971</b>	<b>7,960</b>	<b>33,748</b>	<b>6,220</b>	<b>8,420</b>	<b>7,039</b>	<b>8,195</b>	<b>29,875</b>
	Q1	Q2	Q4	Q4	Full Year	Q1	Q2	Q4	Q4	Full Year
	2023	2023	2023	2023	2023	2022	2022	2022	2022	2022
<b>EBITDA, SEKm</b>										
Construction & Services	349	358	477	2,037	3,221	309	310	333	418	1,370
Consumer	-67	724	84	-17	723	31	721	145	-19	877
Industry	427	391	353	334	1,505	274	279	272	290	1,115
Revaluation and capital gain/loss listed shares						-100	-18			-118
Items affecting comparability				1,656	1,656	-130				-130
Group costs	-48	-52	-17	-23	-141	-49	-53	-11	-43	-156
<b>Ratos group</b>	<b>661</b>	<b>1,421</b>	<b>896</b>	<b>2,331</b>	<b>5,308</b>	<b>334</b>	<b>1,239</b>	<b>739</b>	<b>646</b>	<b>2,958</b>
	Q1	Q2	Q4	Q4	Full Year	Q1	Q2	Q4	Q4	Full Year
	2023	2023	2023	2023	2023	2022	2022	2022	2022	2022
<b>EBITA, adjusted, SEKm</b>										
Construction & Services	284	293	408	307	1,291	258	250	268	353	1,130
Consumer	-213	581	-67	-165	136	-105	587	10	-166	326
- whereof Plantasjen	-215	543	-100	-188	40	-103	565	6	-142	325
Industry	303	258	194	209	963	150	180	166	175	671
Group costs	-50	-53	-18	-24	-146	-50	-54	-12	-44	-160
<b>Ratos group</b>	<b>324</b>	<b>1,078</b>	<b>517</b>	<b>326</b>	<b>2,244</b>	<b>253</b>	<b>963</b>	<b>432</b>	<b>318</b>	<b>1,966</b>
	Q1	Q2	Q4	Q4	Full Year	Q1	Q2	Q4	Q4	Full Year
	2023	2023	2023	2023	2023	2022	2022	2022	2022	2022
<b>Operating profit/loss, SEKm</b>										
Construction & Services	265	272	392	1,457	2,386	244	233	250	335	1,061
Consumer	-214	580	-68	-416	-119	-106	586	9	-167	321
Industry	284	239	175	191	889	148	178	160	158	644
Revaluation and capital gain/loss listed shares						-100	-18			-118
Items affecting comparability				1,656	1,656	-130				-130
Group costs	-50	-53	-18	-24	-146	-50	-54	-12	-44	-160
<b>Ratos group</b>	<b>285</b>	<b>1,038</b>	<b>481</b>	<b>1,206</b>	<b>3,010</b>	<b>5</b>	<b>925</b>	<b>406</b>	<b>282</b>	<b>1,618</b>
	Q1	Q2	Q4	Q4	Full Year	Q1	Q2	Q4	Q4	Full Year
	2023	2023	2023	2023	2023	2022	2022	2022	2022	2022
<b>Profit/loss before tax, SEKm</b>										
Construction & Services	230	235	358	1,433	2,256	211	215	221	300	947
Consumer	-308	482	-152	-506	-483	-162	517	-46	-268	41
Industry	230	158	123	-32	478	119	153	127	10	410
Revaluation and capital gain/loss listed shares						-100	-18			-118
Items affecting comparability				1,656	1,656	-130				-130
Group costs	-62	-45	-19	148	22	-36	-42	40	67	29
<b>Ratos group</b>	<b>90</b>	<b>831</b>	<b>309</b>	<b>1,042</b>	<b>2,273</b>	<b>-98</b>	<b>825</b>	<b>343</b>	<b>109</b>	<b>1,178</b>

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

	Q4	Q4		Q1-4	Q1-4	
<b>Ratos Group, SEKm</b>	<b>2023</b>	<b>2022</b>	<b>Change%</b>	<b>2023</b>	<b>2022</b>	<b>Change%</b>
Interest income	20	10	90%	76	15	pos
Interest expense	-86	-60	-44%	-340	-124	neg
Interest expense financial leasing	-68	-70	3%	-276	-266	-4%
<b>Net interest</b>	<b>-134</b>	<b>-119</b>	<b>-13%</b>	<b>-540</b>	<b>-375</b>	<b>-44%</b>
Net exchange rate effects	-1	-46	97%	-70	-9	neg
Other financial items	-28	-8	neg	-127	-56	-128%
<b>Net financial items</b>	<b>-164</b>	<b>-173</b>	<b>5%</b>	<b>-737</b>	<b>-440</b>	<b>-68%</b>

	Q4	Q4		Q1-4	Q1-4	
<b>Parent company, SEKm</b>	<b>2023</b>	<b>2022</b>	<b>Change%</b>	<b>2023</b>	<b>2022</b>	<b>Change%</b>
Net interest	17	40	-57%	79	149	-47%
Net exchange rate effects	-2	-13	81%	-21	-19	-8%
Other financial items	-3	-12	79%	-49	-36	-38%
<b>Net financial items</b>	<b>12</b>	<b>15</b>	<b>-19%</b>	<b>9</b>	<b>94</b>	<b>-91%</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.

## **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.

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**Investor presentation**

12 February at 9:00 a.m.

Webcast: <https://www.youtube.com/watch?v=7Hg1raV2EpQ>

**Financial calendar****2024**

Publication of Ratos's 2023 Annual Report	5 March
Annual General Meeting	26 March
Interim report Q1 2024	29 April
Interim report Q2 2024	18 July
Interim report Q3 2024	22 October

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Stockholm, 12 February 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 Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out above, at 7:00 a.m. CET on 12 February 2024.

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