



Interim report Q1 2024

RATOS

Interim report January–March 2024

Q1 2024

- Adjusted¹⁾ EBITA amounted to SEK 359m (324)
- All business areas improved their EBITA. Industry reported EBITA of SEK 307m (303), Construction & Services reported EBITA of SEK 297m (284) and Consumer reported EBITA of SEK -194m (-213)
- Operating profit amounted to SEK 329m (285)
- Profit for the period amounted to SEK 125m (57)
- Diluted earnings per share amounted to SEK 0.06 (-0.09)
- Cash flow from operating activities amounted to SEK -137m (507)
- Leverage excluding finance leases was 0.8x (2.2x)
- New reporting structure for the business areas with breakdown by segment²⁾

Ratos Group, SEKm

	Q1 2024	Q1 2023	Change%	LTM Rolling	Full Year 2023	Change%
Net sales	7,825	7,817	0%	33,756	33,748	0%
EBITDA	717	661	8%	5,364	5,308	1%
EBITA, adjusted ¹⁾	359	324	11%	2,279	2,244	2%
EBITA %, adjusted ¹⁾	4.6%	4.1%		6.8%	6.7%	
EBITA	359	324	11%	3,935	3,901	1%
EBITA %	4.6%	4.1%		11.7%	11.6%	
Operating profit ³⁾	329	285	15%	3,054	3,010	1%
Profit before tax	176	90	94%	2,358	2,273	4%
Profit for the period ³⁾	125	57	120%	2,074	2,006	3%
Basic earnings per share, SEK	0.06	-0.09	pos	3.89	3.73	4%
Diluted earnings per share, SEK	0.06	-0.09	pos	3.87	3.72	4%
Cash flow from operating activities	-137	507	-127%	3,631	4,275	-15%
Leverage excl. financial leasing	0.8x	2.2x			0.7x	
Return on capital employed excl. financial leasing	10.4%	10.0%			10.0%	

1) For reconciliation of EBITA, adjusted see page 19. For definition see page 21.

2) Ratos Group consists of three business areas which are reported in five segments from Q1 2024. The Industry business area consists of two segments, Industrial Services and Product Solutions. Industrial Services consists of Aleido, Knightec, Semcon, Speed Group and TFS, while Product Solutions consists of Diab, HL Display, LEDiL and Oase Outdoors. The Construction & Services business area consists of two segments, Critical Infrastructure and Construction. Critical Infrastructure consists of Aibel, Expin Group and Presis Infra, and Construction Services consists of airteam, HENT and SSEA Group. The business area and segment Consumer consists of KVD and Plantasjen. See Note 5 for segment reporting.

3) Operating profit and profit for the period was net positively affected in december 2023 by a reversal of a previous impairment of the holding in Aibel of SEK 1,656m and negatively affected by an impairment of goodwill and book values in Expin Group of SEK -524m as well as an impairment of goodwill in Plantasjen of SEK -250m.

Strong start to 2024

EBITA increased 11% for the quarter. All business areas improved their earnings in the seasonally weakest quarter for Ratos. Sales in the quarter were at the same level as in the preceding year, while cash flow decreased. The Group's leverage remains low.

I am pleased with our performance in the quarter. The demand has been slightly better than I expected and all business areas improved their earnings, and our order intake was favourable. Cash flow was adversely impacted by major changes in working capital in our construction companies and the fact that Easter fell at the end of the quarter. The return on capital employed and invested capital improved. EBITA for the quarter includes restructuring costs of SEK 18m.

As of this quarter, we will be extending our reporting for Ratos's business areas. The Industry and Construction & Services business areas are each reported in two segments, where we now report key figures per segment in the interim report under Note 5. We also report the order intake and order backlog for Construction & Services.

Development of Ratos's business areas

Industry

The Industry business area consists of the **Industrial Services** and **Product Solutions** segments.

EBITA for the business area was SEK 307m (303). The EBITA margin was 11.3% (11.1). The improvement in earnings was attributable to the Product Solutions segment, which was positively impacted by both acquired and organic EBITA growth. HL Display continued to deliver an impressive performance, with strong EBITA growth both organically and through a synergistic add-on acquisition, strengthening its market-leading position in Europe. In the Industrial Services segment, earnings were negatively impacted by SEK -13m due to the calendar effect of one less working day than in the corresponding quarter last year. Adjusted for the calendar effect, EBITA rose 5% in Industrial Services. In summary, this was a good quarter for Industrial Services.

Negative organic growth in several Product Solutions companies, including a particularly weak wind market for Diab, impacted sales in the business area. Add-on acquisitions, primarily within HL Display, made a positive contribution of approximately 6%.

Construction & Services

The Construction & Services business area consists of the **Critical Infrastructure** and **Construction** segments.

EBITA for the business area was SEK 297m (284). The EBITA margin was 6.9% (6.7). The Critical Infrastructure and Construction segments both improved their earnings. Demand in

Critical Infrastructure was strong, while Construction increased its profitability in a challenging construction market.

Organic sales growth was positive and amounted to 2%, with strong organic growth reported for the Critical Infrastructure segment. Order intake exceeded sales in the quarter and the order backlog remained favourable.

Consumer

The Consumer business area consists of Plantasjen and KVD. EBITA amounted to SEK -194m (-213), and the EBITA margin was -23.0% (-25.6).

Plantasjen posted sales growth and improved earnings during the first quarter, which is the seasonally weakest quarter of the calendar year. The earnings improvement was attributable to higher sales volumes, with Easter falling in the first quarter, as well as the introduction of a savings programme that will continue for the rest of the year. KVD continued to perform well. Organic growth amounted to 3% for the business area.

Sustainability

We are increasing the focus on our sustainability reporting in line with the upcoming Corporate Sustainability Reporting Directive (CSRD) by setting and following up climate targets for the entire Group. At present, 29% of the Group's companies have set climate targets in line with the Paris Agreement that have been validated by the Science Based Targets initiative (SBTi). One inspiring example from the quarter was the news that Speed Group is achieving its target faster than expected by making conscious investments in renewable energy supply and sustainable transport. At the end of the year, the Ratos Group will have joint climate targets in place for all subsidiaries.

Favourable start to 2024 and a strong financial position

Our strong financial position is presenting good opportunities for achieving our goal of becoming a strong group that offers competitive technological and infrastructure solutions with improved profitability and a higher return on investment. Falling inflation combined with eventually lower interest rates will present opportunities for structural transactions in a more active market. This is essential for achieving our long-term targets. Geopolitical tensions are causing great uncertainty, however. We are ready to act when the transaction market improves. Until then, we will focus on continuing to improve earnings and return on investment in our existing structure, including more add-on acquisitions. All with the aim of creating shareholder value.

Jonas Wiström, President and CEO

Group performance Q1 2024

Net sales

Net sales for the period amounted to SEK 7,825m (7,817), up 0.1% year on year. Organic sales growth was negative and amounted to -0.8%. Construction & Services and Consumer posted organic growth of 2.4% and 2.7%, respectively, while Industry posted negative organic sales growth of -6.8%. Currency effects had a negative effect of SEK -85m (-1.1%) on net sales. The structural effect amounted to SEK 156m (2.0%) and was primarily attributable to add-on acquisitions in the Industry business area.

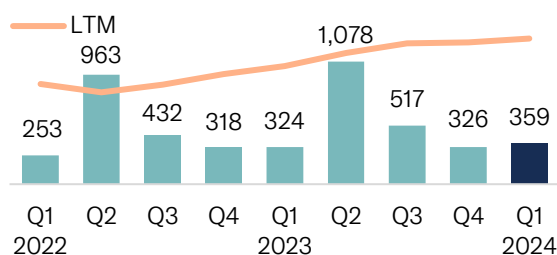
Profit

Adjusted EBITA during the quarter amounted to SEK 359m (324). The adjusted EBITA margin was 4.6% (4.1). Earnings growth was due to improved earnings in all business areas. The Industry business area reported earnings growth, with the Product Solutions segment continuing to perform well and reporting strong earnings driven by acquired and organic EBITA growth. The calendar effect had a negative impact on the Industrial Services segment during the quarter. The Construction & Services business area reported an increase in adjusted EBITA as a result of improved earnings for the Construction and Critical Infrastructure segments. Earnings for the Consumer business area was better than in the year-earlier period.

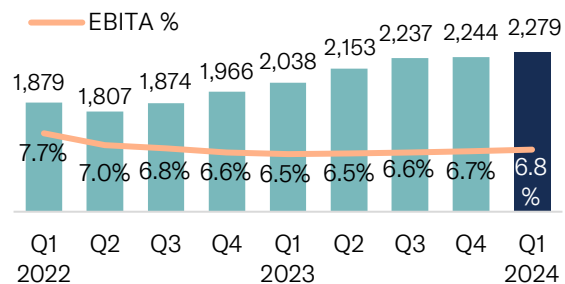
Financial performance Q1 2024

SEKm	Net sales					EBITA, adjusted				
	Q1 2024	Q1 2023	Change%	Rolling LTM	Full Year 2023	Q1 2024	Q1 2023	Change%	Rolling LTM	Full Year 2023
Industry	2,714	2,728	-1%	10,548	10,563	307	303	1%	967	963
Construction & Services	4,269	4,259	0%	17,308	17,298	297	284	5%	1,304	1,291
Consumer	843	830	2%	5,901	5,888	-194	-213	9%	154	136
Group costs						-51	-50	-3%	-147	-146
Elimination of internal sales	-2	-0		-2	-0					
Net sales and EBITA, adjusted	7,825	7,817	0%	33,756	33,748	359	324	11%	2,279	2,244
Items affecting comparability									1,656	1,656
Amortisation and impairment of intangible assets in connection with company acquisitions						-30	-39	23%	-881	-890
Consolidated operating profit						329	285	15%	3,054	3,010
Finance net						-153	-195	21%	-696	-737
Profit before tax						176	90	94%	2,358	2,273
Tax						-50	-33	-51%	-284	-267
Profit for the period						125	57	120%	2,074	2,006

Adjusted EBITA, quarterly and LTM, SEKm



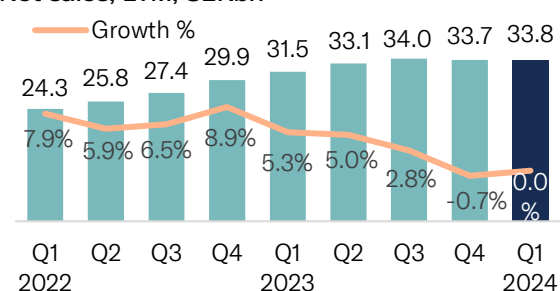
Adjusted EBITA, LTM, SEKm



Sales bridge Q1

	Net sales
2023, SEKm	7,817
Structure, %	2%
Currency, %	-1%
Organic growth, %	-1%
Total, %	0%
2024, SEKm	7,825

Net sales, LTM, SEKbn



Industry

The Industry business area consists of the Industrial Services and Product Solutions segments. See Note 5 for segment reporting.

Net sales

The business area's net sales for the first quarter amounted to SEK 2,714m (2,728), down -0.5% year on year, of which the structural effect accounted for a positive 5.7%, corresponding to SEK 156m that mainly pertained to add-on acquisitions within HL Display. The Product Solutions segment continued to perform well and reported sales growth of 4%. The Industrial Services segment were negatively impacted by the calendar effect of one less working day than in the same quarter last year.

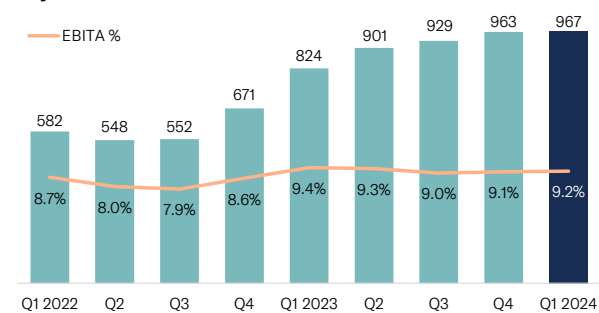
Profit

EBITA for the business area amounted to SEK 307m (303) for the quarter, up 1% year on year. The EBITA margin was 11.3% (11.1). The improvement in earnings was attributable to the Product Solutions segment, which was positively impacted by both acquired and organic EBITA growth. In the Industrial Services segment, earnings were negatively impacted by SEK -13m due to the calendar effect of one less working day than in the same quarter last year.

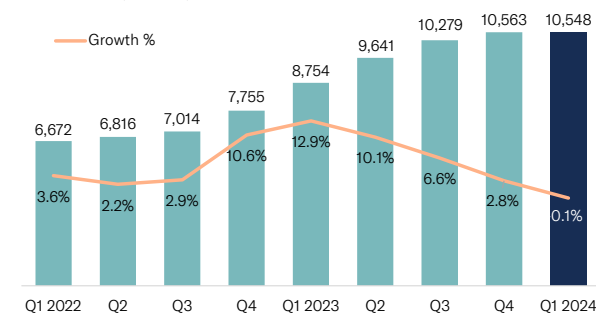
Financial performance

SEKm	Q1 2024	Q1 2023	Change%	LTM Rolling	Full Year 2023	Change%
Net sales	2,714	2,728	-1%	10,548	10,563	0%
EBITA, adjusted	307	303	1%	967	963	0%
<i>whereof Industrial Services</i>	140	146	-4%	417	423	-1%
<i>whereof Product Solutions</i>	168	157	6%	550	540	2%
EBITA %, adjusted	11.3%	11.1%		9.2%	9.1%	
EBITA	307	303	1%	967	963	0%
EBITA %	11.3%	11.1%		9.2%	9.1%	
Operating profit	289	284	2%	894	889	1%
Operating profit %	10.7%	10.4%		8.5%	8.4%	
Cash flow from operating activities	85	226	-62%	1,233	1,374	-10%
Return on capital employed, business area %	10.8%	10.6%			10.9%	
Average number of employees					6,785	

Adjusted EBITA, LTM, SEKm



Net sales, LTM, SEKm



Sales bridge, net sales

	Q1 2024
2023, SEKm	2,728
Structure, %	6%
Currency, %	1%
Organic growth, %	-7%
Total, %	-1%
2024, SEKm	2,714

Construction & Services

The Construction & Services business area consists of the Critical Infrastructure and Construction segments. See Note 5 for segment reporting.

Order situation

Order intake for the business area¹⁾ amounted to SEK 4,679m (SEK 4,870) for the quarter, an organic decrease of -1.5%. An increased order intake in the Critical Infrastructure segment was recognised for the quarter. At the end of the quarter, the LTM order intake for the business area amounted to SEK 14,755m and the order backlog to SEK 27,916m (30,231).

Net sales

Net sales for the first quarter amounted to SEK 4,269m (4,259), a year on year increase of 0.2%. Organic sales growth was positive and amounted to 2.4%, with strong organic growth reported for the Critical Infrastructure segment.

Profit and cash flow

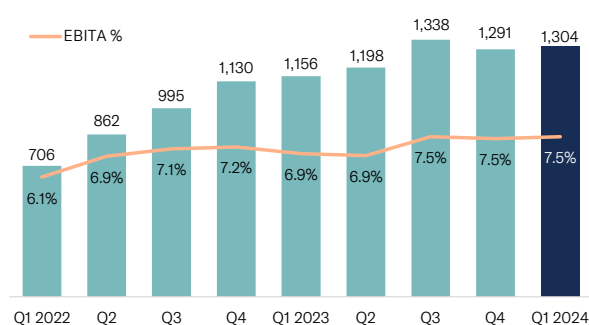
Adjusted EBITA for the business area amounted to SEK 297m (284) for the quarter, up 5%, and the EBITA margin was 6.9% (6.7). The Critical Infrastructure segment reported earnings growth of 2% for the quarter, and the Construction segment reported earnings growth of 8%. Cash flow from operating activities was negatively impacted by working capital fluctuations in Construction in the quarter.

Financial performance

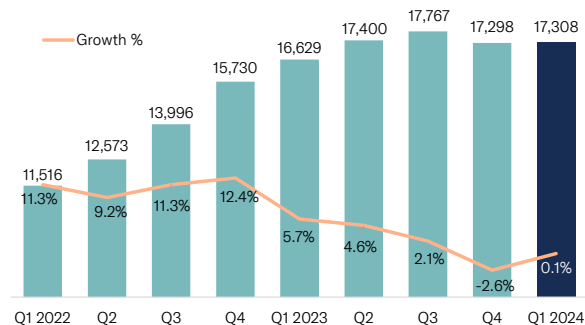
SEKm	Q1	Q1	Change%	LTM	Full Year	Change%
	2024	2023		Rolling	2023	
Net sales	4,269	4,259	0%	17,308	17,298	0%
EBITA, adjusted	297	284	5%	1,304	1,291	1%
<i>whereof Construction</i>	133	123	8%	789	779	1%
<i>whereof Critical Infrastructure</i>	164	161	2%	515	512	1%
EBITA %, adjusted	6.9%	6.7%		7.5%	7.5%	
EBITA	297	284	5%	2,960	2,947	0%
EBITA %	6.9%	6.7%		17.1%	17.0%	
Operating profit	286	265	8%	2,407	2,386	1%
Operating profit %	6.7%	6.2%		13.9%	13.8%	
Cash flow from operating activities	-6	496	-101%	1,726	2,228	-23%
Return on capital employed, business area %	17.8%	15.1%			17.2%	
Order intake ¹⁾	4,679	4,870		14,755	14,947	
Order backlog ¹⁾	27,916	30,231			26,792	
Average number of employees					7,464	

1) Aibel' s order intake and order backlog is not consolidated in the business area. Refer to note 5 for information about Aibel' s order intake and backlog.

Adjusted EBITA, LTM, SEKm



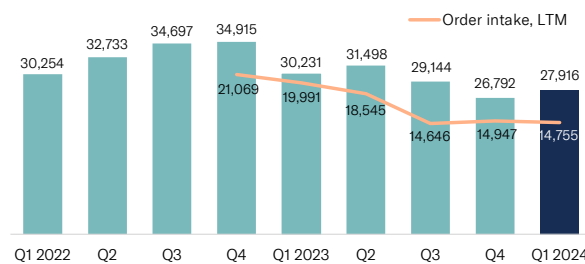
Net sales, LTM, SEKm



Sales bridge, net sales

	Q1 2024
2023, SEKm	4,259
Currency, %	-2%
Organic growth, %	2%
Total, %	0%
2024, SEKm	4,269

Order backlog and order intake, SEKm



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

Consumer

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

Net sales

The business area's net sales for the first quarter amounted to SEK 843m (830), a year on year increase of 1.6%. Organic sales growth was positive and amounted to 2.7%, due to positive organic growth in both Plantasjen and KVD. Plantasjen's net sales for the first quarter amounted to SEK 552m, up 2% year on year despite a weak consumer market.

Profit

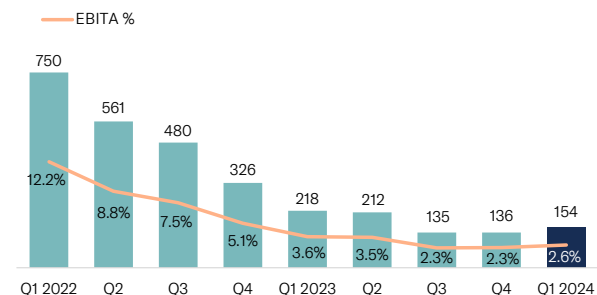
EBITA for the business area amounted to SEK -194m (-213) for the quarter, and the EBITA margin was -23.0% (-25.6). Plantasjen reported earnings of SEK -198m (-215) for the first quarter. The earnings improvement was due to a higher sales volume. Plantasjen's cost-saving programme for 2024 has begun and is proceeding according to plan.

Financial performance

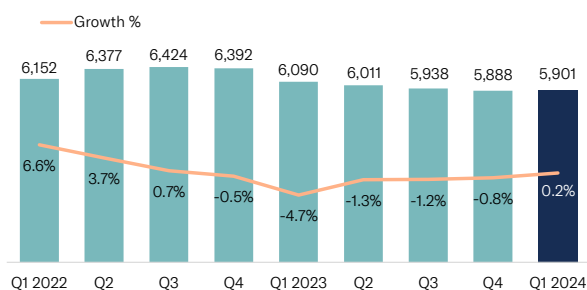
SEKm	Q1 2024	Q1 2023	Change%	LTM Rolling	Full Year 2023	Change%
Net sales	843	830	2%	5,901	5,888	0%
EBITA, adjusted	-194	-213	9%	154	136	14%
EBITA %, adjusted	-23.0%	-25.6%		2.6%	2.3%	
EBITA	-194	-213	9%	154	136	14%
EBITA %	-23.0%	-25.6%		2.6%	2.3%	
Operating profit/loss	-195	-214	9%	-100	-119	16%
Operating profit/loss %	-23.2%	-25.8%		-1.7%	-2.0%	
Cash flow from operating activities	-176	-202	13%	773	746	3%
Return on capital employed, business area %	-0.9%	1.3%			-1.3%	
Average number of employees					1,638	

1) Refer to page 16 for Plantasjens Net sales and EBITA, adjusted.

EBITA, LTM, SEKm



Net sales, LTM, SEKm



Sales bridge, net sales

	Q1 2024
2023, SEKm	830
Currency, %	-1%
Organic growth, %	3%
Total, %	2%
2024, SEKm	843

Financial overview, Ratos Group

Cash flow Q1

Cash flow from operating activities amounted to SEK -137m (507). Cash flow from investing activities amounted to SEK -289m (-163) and cash flow from financing activities to SEK -328m (-749). Cash flow for the quarter amounted to SEK -754m (-405).

The change in cash flow for the quarter was mainly due to an increase of SEK -884m (-54) in working capital and was negatively impacted by working capital fluctuations in Construction, SEK -174m (-48) in acquired companies, SEK -69m (-494) in changes in external loans and SEK 317m (122) in dividends from associates.

Financial position and leverage

The Group's cash and cash equivalents at the end of the period amounted to SEK 1,639m (2,360 at 31 December 2023) and interest-bearing net debt excluding financial lease liabilities totalled SEK 3,346m (2,720 at 31 December 2023). The Group's leverage excluding financial lease liabilities at the end of the period amounted to 0.8x (0.7x at 31 December 2023). The adjusted leverage as of 31 March 2024 amounted to 1.4x (1.1x on 31 December 2023) after a reversal of impairment totalling SEK 1,656m pertaining to the holding in Aibel. The Group's interest-bearing net debt including financial lease liabilities totalled SEK 9,057m (8,118 at 31 December 2023). The Group's leverage including financial lease liabilities at the end of the period amounted to 1.7x (1.5x at 31 December 2023). The total translation effect of currency tied to interest-bearing liabilities amounted to SEK 58m, of which SEK 31m related to liabilities to credit institutions and SEK 28m to financial lease liabilities.

At the end of the period, the Group's interest-bearing liabilities to credit institutions amounted to SEK 4,479m (4,509 at 31 December 2023).

Net financial items Q1

Net financial items amounted to SEK -153m (-195). Net financial items in the year-earlier period were negatively impacted by changes in exchange rates and the revaluation of synthetic options.

Tax Q1

The tax expense for the Group amounted to SEK -50m (-33) and profit before tax to SEK 176m (90). The effective tax rate for the quarter was 29% (37). The lower effective tax rate is primarily attributable to higher capitalisation of loss carry-forwards in the Parent Company, though it was also negatively impacted by uncapitalised tax loss carry-forwards in certain countries.

Ratos's equity

At 31 March 2024, Ratos's equity (attributable to owners of the parent) amounted to SEK 11,945m (12,314 at 31 December 2023), corresponding to SEK 37 (38) per share outstanding.

Parent company

The parent company's operating loss amounted to SEK -51m (-49) for the period. The parent company's loss before tax amounted to SEK -43m (132). The previous year's earnings were positively impacted by dividends from Group companies of SEK 192m. Cash and cash equivalents in the parent company amounted to SEK 673m (876 at 31 December 2023).

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

Ratos share data

Earnings per share for the period amounted to SEK 0.06 (-0.09) before dilution and to SEK 0.06 (-0.09) after dilution. The closing price for Ratos's Class B shares on 31 March 2024 was SEK 35.18. The total return on Class B shares for the period amounted to 1.2%, compared with the performance for the SIX Return Index, which was 7.9%.

Number of shares and repurchased/sold shares

At the beginning of the year, Ratos owned no treasury shares. During the period, 569,200 new Class B shares were issued in connection with the exercise/conversion of warrants and a convertible debenture. At 31 March 2024, the total number of shares and shares outstanding in Ratos (Class A and B shares) amounted to 327,085,688 and the number of votes to 108,881,923.

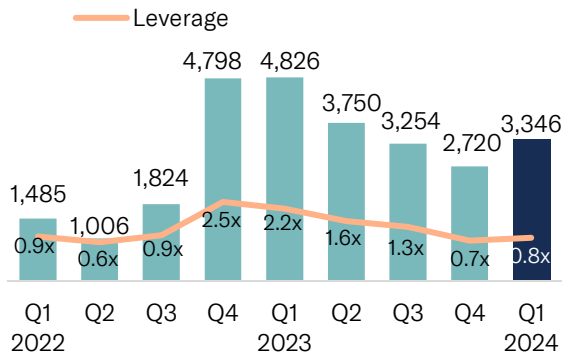
Resolutions at the 2024 Annual General Meeting

Information on resolutions passed at the 2024 Annual General Meeting is available at www.ratos.com. The Annual General Meeting resolved on a dividend for the 2023 financial year of SEK 1.25 (0.84) per Class A and B share, in total amount to SEK 409m. The dividend was paid through Euroclear Sweden on 4 April 2024. The Annual General Meeting resolved on changes to the Board of Directors where Mats Granryd and Cecilia Sjöstedt were elected as new Board members and Karsten Slotte declined re-election. The meeting resolved, in accordance with the proposal from the Board, to introduce the long-term incentive programme 2024/2028 for the CEO and other key personnel, which will include convertibles and warrants.

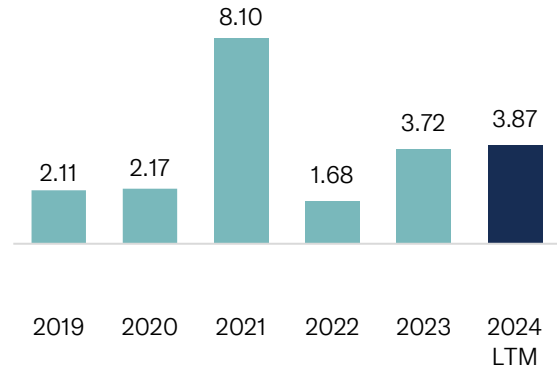
Significant events during and after the end of the quarter

No significant events to report.

Interest-bearing net debt and leverage¹⁾, SEKm



Diluted earnings per share, SEK



¹⁾ Excluding financial lease liabilities

Financial statements

Summary consolidated income statement

SEKm	Q1 2024	Q1 2023	Full Year 2023
Net sales	7,825	7,817	33,748
Other operating income	31	31	223
Cost of goods and services sold	-4,255	-4,393	-19,102
Employee benefit costs	-2,170	-2,102	-8,657
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets and right-of-use assets	-388	-376	-2,298
Other external costs	-812	-762	-2,997
Capital gain/loss from Group companies			3
Reversal of a previous write-down for investments recognised according to the equity method			1,656
Share of profit/loss from investments recognised according to the equity method	98	69	433
Operating profit	329	285	3,010
Net financial items ¹⁾	-153	-195	-737
Profit/loss before tax	176	90	2,273
Income tax	-50	-33	-267
Profit/loss for the period, continuing operations	125	57	2,006
<i>Profit/loss for the period attributable to:</i>			
Owners of the parent	21	-28	1,218
Non-controlling interests	105	85	788
Earnings per share, SEK			
- basic earnings per share	0.06	-0.09	3.73
- diluted earnings per share	0.06	-0.09	3.72

¹⁾ See page 20 for a specification of the finance net

Consolidated statement of comprehensive income

SEKm	Q1 2024	Q1 2023	Full Year 2023
Profit/loss for the period	125	57	2,006
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurement of defined benefit pension obligations, net			-25
Tax attributable to items that will not be reclassified to profit or loss			1
			-24
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Translation differences for the period	-147	-342	-432
Change in hedging reserve for the period	5	5	-53
Tax attributable to items that may be reclassified subsequently to profit or loss	-2	-1	-2
	-144	-339	-487
Other comprehensive income for the period	-144	-339	-510
Total comprehensive income for the period	-19	-282	1,496
<i>Total comprehensive income for the period attributable to:</i>			
Owners of the parent	-19	-280	828
Non-controlling interest	-0	-2	667

Summary consolidated statement of financial position

SEKm	2024-03-31	2023-03-31	2023-12-31
ASSETS			
Non-current assets			
Goodwill	14,301	14,580	14,047
Other intangible non-current assets	1,899	2,027	1,931
Property, plant and equipment	1,647	1,726	1,617
Right-of-use assets	5,121	5,228	4,816
Financial assets	2,820	1,410	3,307
Deferred tax assets	507	376	477
Total non-current assets	26,295	25,348	26,195
Current assets			
Inventories	2,263	2,661	1,868
Accounts receivable	3,476	3,640	3,277
Current receivables	2,537	2,691	2,430
Cash and cash equivalents	1,639	2,072	2,360
Total current assets	9,915	11,063	9,935
Total assets	36,210	36,411	36,129
EQUITY AND LIABILITIES			
Equity including non-controlling interests	13,963	13,099	14,451
Non-current liabilities			
Interest-bearing liabilities	9,415	11,358	9,141
Non-interest bearing liabilities	1,221	1,669	1,875
Pension provisions	65	59	65
Other provisions	45	45	45
Deferred tax liabilities	837	741	801
Total non-current liabilities	11,584	13,871	11,927
Current liabilities			
Interest-bearing liabilities	1,289	1,374	1,306
Non-interest bearing liabilities	8,812	7,586	7,936
Provisions	562	480	509
Total current liabilities	10,663	9,440	9,751
Total liabilities	22,247	23,312	21,678
Total equity and liabilities	36,210	36,411	36,129

Summary statement of changes in consolidated equity

	2024-03-31			2023-03-31			2023-12-31		
	Owners of the parent	Non-controlling interest	Total equity	Owners of the parent	Non-controlling interest	Total equity	Owners of the parent	Non-controlling interest	Total equity
SEKm									
Opening equity	12,314	2,137	14,451	12,289	1,499	13,788	12,289	1,499	13,788
Total comprehensive income for the period	-19	-0	-19	-280	-2	-282	828	667	1,496
Dividends	-409	-93	-502	-274	-61	-335	-274	-177	-451
Non-controlling interests' share of capital contribution and new issue					0	0		1	1
Conversion of options/convertible loan to shares	14		14				15		15
The value of the conversion option of the convertible debentures							3		3
Option premiums							6		6
Put options, future acquisitions from non-controlling interests	54	-25	29	-64	32	-33	-549	200	-349
Acquisition of shares in subsidiaries from non-controlling interests	-10	-1	-11	-1	-39	-40	-6	-64	-70
Disposal of shares in subsidiaries to non-controlling interests							2	11	13
Closing equity	11,945	2,018	13,963	11,670	1,429	13,099	12,314	2,137	14,451

Summary consolidated statement of cash flows

SEKm	Q1 2024	Q1 2023	Full Year 2023
Operating activities			
Operating profit	329	285	3,010
Adjustment for non-cash items	382	423	565
	711	708	3,575
Received dividends from associated companies	317	122	122
Interest and financial items, net	-158	-138	-552
Income tax paid	-123	-132	-316
Cash flow from operating activities before change in working capital	747	560	2,829
Cash flow from change in working capital			
Increase (-)/Decrease (+) in inventories	-361	-330	571
Increase (-)/Decrease (+) in operating receivables	-34	90	25
Increase (+)/Decrease (-) in operating liabilities	-489	187	850
Cash flow from operating activities	-137	507	4,275
Investing activities			
Acquisition, group companies	-174	-48	-333
Disposal, group companies			-2
Investments and disposal, intangible assets/property, plant and equipment	-80	-114	-231
Investments and disposal, financial assets	-35	-0	24
Cash flow from investing activities	-289	-163	-542
Financing activities			
Non-controlling interests' share of issue/capital contribution		0	1
Transactions regarding options	9	-0	-80
Acquisition and disposal of shares in subsidiaries from non-controlling interests	-10	-4	-24
Dividends paid			-274
Dividends paid, non-controlling interests	-2	-15	-194
Borrowings	17	777	1,884
Amortisation of loans	-86	-1,271	-4,141
Amortisation of financial lease liabilities	-257	-236	-970
Cash flow from financing activities	-328	-749	-3,798
Cash flow for the period	-754	-405	-65
Cash and cash equivalents at the beginning of the period	2,360	2,532	2,532
Exchange differences in cash and cash equivalents	33	-56	-108
Cash and cash equivalents at the end of the period	1,639	2,072	2,360

Summary parent company income statement

SEKm	Q1 2024	Q1 2023	Full Year 2023
Other operating income		0	9
Administrative expenses	-51	-49	-151
Depreciation of property, plant and equipment	-0	-0	-1
Operating profit/loss	-51	-49	-142
Dividends from group companies		192	192
Net financial items ¹⁾	8	-12	9
Profit/loss after financial items	-43	132	59
Group contribution, recieved			158
Profit/loss before tax	-43	132	217
Income tax	25	14	75
Profit/loss for the period	-18	145	292

¹⁾ See page 20 for a specification of the finance net

Parent company statement of comprehensive income

SEKm	Q1 2024	Q1 2023	Full Year 2023
Profit/loss for the period	-18	145	292
Other comprehensive income for the period	0	0	0
Total comprehensive income for the period	-18	145	292

Summary parent company balance sheet

SEKm	2024-03-31	2023-03-31	2023-12-31
ASSETS			
Non-current assets			
Property, plant and equipment	3	4	4
Financial assets	10,736	10,754	10,736
Receivables from group companies	4,458	4,875	3,919
Deferred tax assets	230	144	205
Total non-current assets	15,427	15,776	14,864
Current assets			
Current receivables	34	47	38
Receivables from group companies	2,921	2,728	2,975
Cash and cash equivalents	673	956	876
Total current assets	3,628	3,730	3,889
Total assets	19,056	19,507	18,752
EQUITY AND LIABILITIES			
Equity			
	9,604	9,846	10,016
Non-current liabilities			
Interest-bearing liabilities, group companies	147	81	150
Interest-bearing liabilities	4,447	6,178	4,423
Convertible debentures	111	79	110
Deferred tax liabilities	3	3	3
Total non-current liabilities	4,707	6,341	4,687
Current provisions			
	31	95	16
Current liabilities			
Interest-bearing liabilities, group companies	4,213	2,781	3,940
Interest-bearing liabilities	24	100	24
Non-interest bearing liabilities, group companies	1	0	0
Non-interest bearing liabilities	475	344	69
Total current liabilities	4,713	3,225	4,033
Total equity and liabilities	19,056	19,507	18,752

Summary parent company statement of changes in equity

SEKm	2024-03-31	2023-03-31	2023-12-31
Opening equity	10,016	9,975	9,975
Comprehensive income for the period	-18	145	292
Dividends	-409	-274	-274
Conversion of options/convertible loan to shares	14		15
The value of the conversion option of the convertible debentures			4
Deferred tax, conversion option			-1
Option premiums			6
Closing equity	9,604	9,846	10,016

Note 1 Accounting principles

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

From the first quarter of 2024, Ratos has changed its segment reporting to better reflect the Group's business focus. The new segments are Industrial Services, Product Solutions, Construction, Critical Infrastructure and Consumer. They comprise the Group's business areas, which are presented on pages 4–6. The change does not entail any restatement of previous financial reports, but rather provides additional information about the new segments that reflects how operations are monitored. In all other respects, the reporting and measurement principles are unchanged compared with those applied in Ratos's 2023 Annual Report.

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

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

Note 2 Risks and uncertainties

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

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

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

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

Note 3 Financial instruments

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

In the statement of financial position at 31 March 2024, the net value of derivatives (level two) amounted to SEK 3m (-14 at 31 December 2023), of which SEK 8m (5 at 31 December 2023) was recognised as an asset and SEK 5m (18 at 31 December 2023) as a liability.

In the statement of financial position at 31 March 2024, the total value of financial instruments measured at fair value in accordance with level three was SEK 2,151m (2,158 at 31 December 2023). The change is presented in the table below.

Change, level 3 SEKm	Synthetic options		Call and put options		Contingent considerations	
	2024-03-31	2023-12-31	2024-03-31	2023-12-31	2024-03-31	2023-12-31
Opening balance	149	153	1,869	1,669	141	236
Recognised in comprehensive income	5	76	26	-63	2	23
Recognised against equity			-30	263		
Newly issued/subsequent expenditure						69
Acquisitions, Group companies						
Settlements		-80			-9	-187
Closing balance	153	149	1,864	1,869	134	141

Note 4 Acquired and divested companies

Acquisitions within business areas

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

The preliminary acquisition analysis for the add-on acquisition carried out during the period is presented to the right.

	SEKm
Intangible assets	0
Property, plant and equipment	2
Right-of-use assets	8
Financial assets	2
Deferred tax asset	
Trade receivables	40
Current assets	19
Cash and cash equivalents	5
Deferred tax liability	-0
Non-current liabilities	
Current liabilities	-45
Net identifiable assets and liabilities	30
Goodwill	140
Purchase price	170
of which, paid in cash	170

Note 5 Segment reporting

The Industry business area consists of two segments, Industrial Services and Product Solutions, that develop and sell their own products. The companies in this segment are active in markets with strong underlying growth such as technology consultancy services, energy-efficient lighting, sustainable lightweight structures and renewable energy, modern grocery retail, pharmacology and aftermarket solutions. Industrial Services consists of Aleido, Knightec, Semcon, Speed Group and TFS, while Product Solutions consists of Diab, HL Display, LEDiL and Oase Outdoors. The Construction & Services business area's focus is on building and maintaining a sustainable society. The business area is divided into two segments – Construction, which focuses on community building (such as hospitals, schools and commercial buildings), and Critical Infrastructure, with a service offering primarily comprising maintenance of infrastructure within railway, road and energy solutions. Critical Infrastructure consists of Aibel, Expin Group and Presis Infra, and Construction Services consists of airteam, HENT and SSEA Group. Consumer consists of KVD and Plantasjen.

	Q1 2024	Q1 2023	LTM Rolling	Full Year 2023
Net sales, SEKm				
Industrial Services	1,416	1,472	5,542	5,598
Product Solutions	1,310	1,256	5,035	4,981
Construction	3,039	3,359	13,362	13,682
Critical Infrastructure	1,231	900	3,947	3,616
Consumer	843	830	5,901	5,888
- whereof Plantasjen	552	542	4,291	4,281
Elimination of internal net sales	-13	-0	-30	-17
Ratos group	7,825	7,817	33,756	33,748
	Q1 2024	Q1 2023	LTM Rolling	Full Year 2023
EBITA, adjusted, SEKm				
Industrial Services	140	146	417	423
Product Solutions	168	157	550	540
Construction	133	123	789	779
Critical Infrastructure	164	161	515	512
Consumer	-194	-213	154	136
- whereof Plantasjen	-198	-215	57	40
Group costs	-51	-50	-147	-146
Ratos group	359	324	2,279	2,244

EBITA %, adjusted	Q1 2024	Q1 2023	LTM Rolling	Full Year 2023
Industrial Services	9.9%	9.9%	7.5%	7.6%
Product Solutions	12.8%	12.5%	10.9%	10.8%
Construction	4.4%	3.7%	5.9%	5.7%
Critical Infrastructure	13.3%	17.9%	13.1%	14.2%
Consumer	-23.0%	-25.6%	2.6%	2.3%
Ratos group ¹⁾	4.6%	4.1%	6.8%	6.7%

Operating profit/loss, SEKm	Q1 2024	Q1 2023	LTM Rolling	Full Year 2023
Industrial Services	122	126	344	349
Product Solutions	168	157	550	540
Construction	133	118	786	770
Critical Infrastructure	153	147	-35	-41
Consumer	-195	-214	-100	-119
Items affecting comparability			1,656	1,656
Group costs	-51	-50	-147	-146
Ratos group	329	285	3,054	3,010

Cash flow from operating activities, SEKm	Q1 2024	Q1 2023	LTM Rolling	Full Year 2023
Industrial Services	94	220	491	617
Product Solutions	-9	6	742	757
Construction	-433	318	1,338	2,089
Critical Infrastructure	427	178	388	139
Consumer	-176	-202	773	746
Parent company and central companies	-40	-12	-101	-74
Ratos group	-137	507	3,631	4,275

Order intake, SEKm	Q1 2024	Q1 2023	LTM Rolling	Full Year 2023
Construction	2,871	4,072	9,681	10,882
Critical Infrastructure	1,807	798	5,074	4,065
Construction & Services	4,679	4,870	14,755	14,947
<i>Aibel²⁾</i>	<i>6,052</i>	<i>11,823</i>	<i>11,594</i>	<i>17,365</i>

Order backlog, SEKm	Q1 2024	Q1 2023	LTM Rolling	Full Year 2023
Construction	19,217	22,340	19,217	19,212
Critical Infrastructure	8,699	7,891	8,699	7,580
Construction & Services	27,916	30,231	27,916	26,792
<i>Aibel²⁾</i>	<i>33,836</i>	<i>38,207</i>	<i>33,836</i>	<i>32,041</i>

Return on capital employed, %	Q1 2024	Q1 2023	Full Year 2023
Industrial Services	13.8%	19.0%	14.3%
Product Solutions	9.3%	6.8%	9.2%
Construction	26.8%	15.3%	26.1%
Critical Infrastructure	11.6%	15.0%	11.1%
Consumer	-0.9%	1.3%	-1.3%
Ratos group ¹⁾	10.4%	10.0%	10.0%

1) The Ratos Group's EBITA-margin, adjusted and return on capital employed also includes the parent company and central companies.

2) Aibel's order intake and order backlog is not consolidated in the segment Critical Infrastructure

Key figures

For definitions, see page 21

SEKm	Q1 2024	Q1 2023	Full Year 2023
Leverage excl. financial leasing	0.8x	2.2x	0.7x
Leverage	1.7x	3.2x	1.5x
Equity ratio, %	38.6	36.0	40.0
Return on equity, %	10.4	6.1	10.0
Return on capital employed excl. financial leasing, %	10.4	10.0	10.0
Return on capital employed, %	9.1	8.6	8.8
Return on invested capital, %	7.6	7.1	7.4
Key figures per share¹⁾			
Total return, %	1.2	-21.7	-10.6
Dividend yield, %			3.5
Market price, SEK	35.18	31.62	36.08
Dividend, SEK			1.25
Equity attributable to owners of the parent, SEK ²⁾	36.52	35.81	37.71
Basic earnings per share, SEK	0.06	-0.09	3.73
Diluted earnings per share, SEK	0.06	-0.09	3.72
Average number of ordinary shares outstanding:			
– before dilution	326,719,890	325,898,988	326,042,022
– after dilution	327,173,966	326,024,625	329,731,610
Total number of registered shares	327,085,688	325,898,988	326,516,488
Number of shares outstanding ³⁾	327,085,688	325,898,988	326,516,488
– of which, Class A shares	84,637,060	84,637,060	84,637,060
– of which, Class B shares	242,448,628	241,261,928	241,879,428

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 (APM) and IFRS

Ratos applies financial measures that are not defined in IFRS but are so-called alternative performance measures (APMs). The alternative performance measures presented are considered to be valuable supplementary information for analysts and other stakeholders for the evaluation and assessment of the Group's financial performance and position. Ratos's definitions of these performance measures may differ from other companies and, accordingly, these are

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

The following reconciliations and accounts pertain to sub-components included in the material alternative performance measures used in this report. Reconciliation is made against the most reconcilable item, subtotal or total provided in the financial statements for the corresponding period. Definitions are available at www.ratos.com and on page 21 of this report.

Organic growth

SEKm	Q1 2024	Q1 2023	Full Year 2023
Growth Net Sales, %	0%	26%	13%
Net sales	7,825	7,817	33,748
Acquired net sales	160	1,083	3,166
Effects from change in currency	-85	6	-112
Other*		-3	-194
Net sales, adjusted	7,750	6,730	30,888
Divested net sales in the comparison period	3		2
Net sales, adjusted in the comparison period	7,813	6,220	29,873
Organic growth	-63	511	1,014
Organic growth, %	-1%	8%	3%

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

EBITDA, EBITA and operating profit

SEKm	Q1 2024	Q1 2023	Full Year 2023
EBITDA	717	661	5,308
Depreciations and impairment	-358	-337	-1,408
EBITA	359	324	3,901
Reversal of write-down in associates			1,656
Adjusted EBITA	359	324	2,244
Amortisation and impairment of intangible assets in connection with company acquisitions	-30	-39	-890
Operating profit/loss	329	285	3,010

Interest-bearing net debt

SEKm	2024-03-31	2023-03-31	2023-12-31
Interest-bearing liabilities, other	4,993	6,943	5,049
Provisions for pensions	65	59	65
Interest-bearing assets	-74	-106	-34
Cash and cash equivalents	-1,639	-2,072	-2,360
Interest-bearing net debt excl. financial leasing	3,346	4,826	2,720
Financial leasing liabilities	5,711	5,789	5,398
Interest-bearing net debt inc. financial leasing	9,057	10,614	8,118

Specification of net financial items

Ratos Group, SEKm	Q1 2024	Q1 2023	Change%	Full Year 2023
Interest income	19	18	4%	76
Interest expense	-78	-81	3%	-340
Interest expense financial leasing	-71	-71	0%	-276
Net interest	-131	-134	2%	-540
Net exchange rate effects	-0	-27	99%	-70
Other financial items	-22	-34	34%	-127
Net financial items	-153	-195	21%	-737

Parent company, SEKm	Q1 2024	Q1 2023	Change%	Full Year 2023
Net interest	18	26	-28%	79
Net exchange rate effects	-1	-16	91%	-21
Other financial items	-9	-22	59%	-49
Net financial items	8	-12	pos	9

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 invested capital

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

Return on capital employed

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

Return on capital employed, business area and segment

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

EBITDA

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

EBITDA margin

EBITDA expressed as a percentage of net sales.

EBITA

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

EBITA margin

EBITA expressed as a percentage of net sales.

Equity per share

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

Invested capital

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

Adjusted EBITA

EBITA adjusted for 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.

Order intake

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

Order backlog

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

Organic growth

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

Basic earnings per share

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

Diluted earnings per share

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

Interest-bearing net debt

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

Capital employed

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

Leverage excl. finance leases

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

Leverage

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

Equity ratio

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

Last 12-month period

The most recent 12 months.

Investor presentation

29 April 9:00 a.m.

Webcast: <https://youtube.com/live/m1pxBSsaufo?feature=share>

Financial calendar**2024**

Interim report Q2 2024

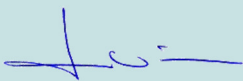
Interim report Q3 2024

18 July

22 October

Stockholm, 29 April 2024

Ratos AB (publ)



Jonas Wiström

President and CEO

For further information, please contact:

Jonas Wiström, President and CEO, +46 8 700 17 00

Jonas Ågrup, CFO and IR, +46 8 700 17 00

Josefine Uppling, Vice President Communication & Sustainability,

+46 8 700 17 00

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 29 April 2024.

Ratos AB (publ)

Sturegatan 10, Mailbox 511 SE-114 11 Stockholm

Tel: +46 8 700 17 00

www.ratos.com

Reg. no. 556008-3585
