

# INTERIM REPORT 2023 | Q3



**autocirc**

# FOR A CIRCULAR AUTO PARTS INDUSTRY

## Events in the third quarter of 2023

In July, we inaugurated the Esse Solar Energy Park. This collaborative venture between Esse Elektro-Kraft, Autocirc and the Pedersöre municipality in Finland is now fully operational and produced its first kilowatt of energy on July 1st.

In August, we established a new central warehouse just outside of Oslo, Norway. This will enhance our logistical efficiency across the whole Nordic region and Europe.

Also in August, we strengthened our central organisation by welcoming a new CFO and Business Controller for the Autocirc Group. These key recruitments will help support the integration and growth of our business units, providing the framework for the collective success of the Autocirc Group.

During September, we participated in two car racing events in collaboration with the Scandinavian Touring Car Championship (STCC). STCC 2023 is the first national championship driven with electric cars, making this partnership especially meaningful to us.

Additionally, September saw the launch of an innovative project involving our subsidiary Scandinavian Transmission Service AB, the Royal Institute of Technology (KTH) and Scania. The purpose is to explore the possibility of integrating refurbished gearboxes into the production of new trucks.

No new acquisitions took place during this quarter.

## Events after the third quarter of 2023

Throughout September and October, we expanded our central organisation to enhance our operational capabilities across several areas, including cash management, group accounting, operational development, IT & Tech.

In October, we issued 130 MSEK from a tap to the existing 2022/2025 bond loan at 104% price adding 135 MSEK of cash to the group.

A new partnership with If Skadeforsikring in Norway was initiated in late October. Through this collaboration, we aim to increase access to high-quality spare parts sourced from redeemed vehicles.

In November, we completed the acquisition of Swedish towing company Bärningstjänsten Sverige AB, marking a strategic enhancement of our value chain.

MSEK unless otherwise stated	Q3		Q1-Q3	
	2023	2022	2023	2022
Net Sales	476	265	1 358	763
EBITDA*	55	33	160	91

\*Earnings before interest, tax, depreciation and amortisation

Comments from our CEO



# Efficiency in numbers.

The transition to a circular economy is paramount in overcoming the pressing challenges of resource scarcity, price volatility, and climate change. At Autocirc, we remain committed to leading the vehicle parts industry through this transformation. Following our expansion in the first half of the year, we have focused on our operational efficiency during the third quarter. Step by step, we are building the framework for deeper collaboration and greater synergies within the Autocirc Group.

”The central organisation is now in a good position to support the full integration and growth of our business units.”

During the third quarter, we have moved forward with several ambitious projects that strengthen Autocirc’s position.

Firstly, our infrastructure was significantly improved through the establishment of a new central warehouse in Vestby, Norway. The 10,000 square metre facility is strategically located just outside Oslo, enabling us to serve 80% of our Norwegian customers within 24 hours. The new warehouse not only enhances our efficiency in Norway, but across the whole Nordic region, as well as our markets in Europe.

Secondly, we demonstrated our commitment to reuse and renewable energy. The Esse Solar Energy Park, our partnership with Esse Elektro-Kraft and the Pedersöre municipality in Finland, delivered its first kilowatt onto the grid. The facility is now running at full capacity, producing up to one megawatt of electricity, equivalent to that of a small hydroelectric plant. This is enough to power the adjacent Autocirc Battery Recycling facility, where we are already at work finding new solutions in battery reuse and recycling.

Thirdly, we launched an innovative project involving our subsidiary, Scandinavian Transmission Service AB, in partnership with the Royal Institute of Technology (KTH) and Scania. The purpose is to explore the integration of refurbished gearboxes into the production of new trucks, addressing the technical, legal, and customer-oriented challenges of incorporating reused parts into new production.

An increase in renovation rates across all sectors is of utmost importance and the integration of renovated parts into new production is a critical step towards achieving true circularity. At Autocirc, we are dedicated to leading this transformative journey.

Additional examples of our commitment to the circular transition are our partnerships with insurance companies. They will contribute to the inflow of redeemed vehicles to our dismantlers, and increase access to high-quality spare parts. We have already established a successful collaboration with Pohjola Försäkring in Finland, and in October we signed an agreement with IF Skadeforsikring in Norway. IF Skadeforsikring holds about 25% of the total volume of cars in Norway, which in turn will play an important role as we want to substantially increase the utilization of used spare parts in damage repairs.

During the third quarter, we also invested in our organisation. The Autocirc headquarters grew with several new employees, bringing competence that enhances our operational capabilities in cash management, group accounting, operational development, and IT & Tech. Key recruitments include Gunilla Andersson as the new CFO for the Autocirc Group and Magnus Hagberg as Business Controller. The central organisation is now in a good position to support the full integration and growth of our business units.

Additionally, in November we moved to strengthen our Finnish operations through the appointment of Kenneth Långbacka as the new CEO for Autocirc Finland AB. He has a profound industry experience and understanding of the business, making him well-positioned to lead the company through its next phase of growth and expansion.

As previously stated, in the past quarter we have focused on our operational efficiency, rather than growth. In November we made our first acquisition during the fall. The Swedish towing company Bärningstjänsten Sverige AB, based in Gothenburg. This is the fifth acquisition in our business area Vehicle transport and towing and contributes to strengthen our value chain and position in the market.

”An increase in renovation rates is of utmost importance and the integration of renovated parts into new production is a critical step towards achieving true circularity.”

### Financial performance

Our financial performance in the third quarter of 2023 demonstrates stability, continuing the positive trend established in the first two quarters of the year. We maintained growth in net sales at 80%, preserving good gross profit levels and a steady adjusted EBITDA margin around 15%.

Notably, this quarter yielded positive cash flow from operating activities and achieved a cash conversion rate above 300%, including adjustments for acquisition payments reported as operating cash flow in the first and second quarters.

However, profitability is negatively impacted due to elevated freight costs across all segments, coupled with higher car prices and a general decrease in car availability.

On a year-to-date basis, net sales have increased by 78%, with the majority of growth attributable to our acquired businesses. While our gross profit margins in 2023 have improved compared to 2022, increased cost levels have resulted in comparable EBITDA margins between the years. The operating cash flow for the first nine months is in the negative, primarily due to investments in inventory intended for sale in the subsequent quarter.

### ESG update

During the third quarter, we focused strongly on the preparations for the upcoming Corporate Sustainability Reporting Directive. We have initiated a proactive approach to ensure compliance and demonstrate our commitment to sustainable practices. A first draft of our double materiality analysis has been produced, we have identified reporting data points and started developing a reporting process.

### Looking ahead

As we look towards the final quarter of the year, we expect the current turbulence in the economy and the uncertain geopolitical climate to persist. Despite these challenges, our business model and offerings positions us favorably. The consistent, solid performance of Autocirc throughout 2023 is testament to this resilience and a direct result of the collective efforts of our subsidiaries.

Continuing to expand collaboration and fully leverage the synergies within the Autocirc Group will remain our focus in the near future. We are also looking forward to seeing the investments in our organisation, and several of our projects progress. In particular, the Autocirc Battery Recycling facility in Finland has a promising future that will not only improve our circular value chain, but also introduce new business areas, such as energy storage solutions, to our offering.

**Johan Livered**  
CEO of Autocirc  
Borås, November 2023



900+  
CO-WORKERS

53  
COMPANIES

# Financial summary

## July - Sept

Net sales for the Group amounted to SEK 476 million (265), an increase of 80% compared to the corresponding period last year. Acquired sales have contributed with SEK 187 million on net sales while organic sales with SEK 24 million. The Group's EBITDA earnings before interest, tax, depreciation and amortisation amounted to SEK 55 (33) million, equating to an EBITDA margin of 11,6% (12,4). The quarterly EBITDA has been affected by the higher cost structure through acquisitions and increased costs for premises as well as one-off costs. Non-recurring items burdened the quarterly profit mainly relating to developing the organisation and processes to meet future business requirements. After adjustment of non-recurring items the underlying EBITDA amounted to SEK 68 million, which resulted in an underlying adjusted EBITDA margin of 14,4% (17,2).

## YTD

Net sales for the Group amounted to SEK 1358 million. (763), an increase of 78% compared to the corresponding period last

year. Acquired sales have contributed with SEK 442 million on net sales while organic sales contributed with SEK 153 million. The Group's EBITDA amounted to SEK 160 (91) million, equating to an EBITDA margin of 11,8% (12,0). After adjusting for non-recurring items, the adjusted EBITDA amounted to SEK 206 (126) million, which resulted in an adjusted EBITDA margin of 15,1% (16,5). Profitability is negatively impacted by higher freight costs across all segments, as well as higher prices on cars but also lower availability on cars in general.

## PF LTM

Net sales for the Group amounted to SEK 2019 million, which is over SEK 2 billion for the first time.

Acquired sales have contributed with SEK 686 million on net sales while organic sales contributed with SEK 249 million. The Group's adjusted EBITDA amounted to SEK 328 million, equating to an EBITDA margin of 16,3%.

## Financial position

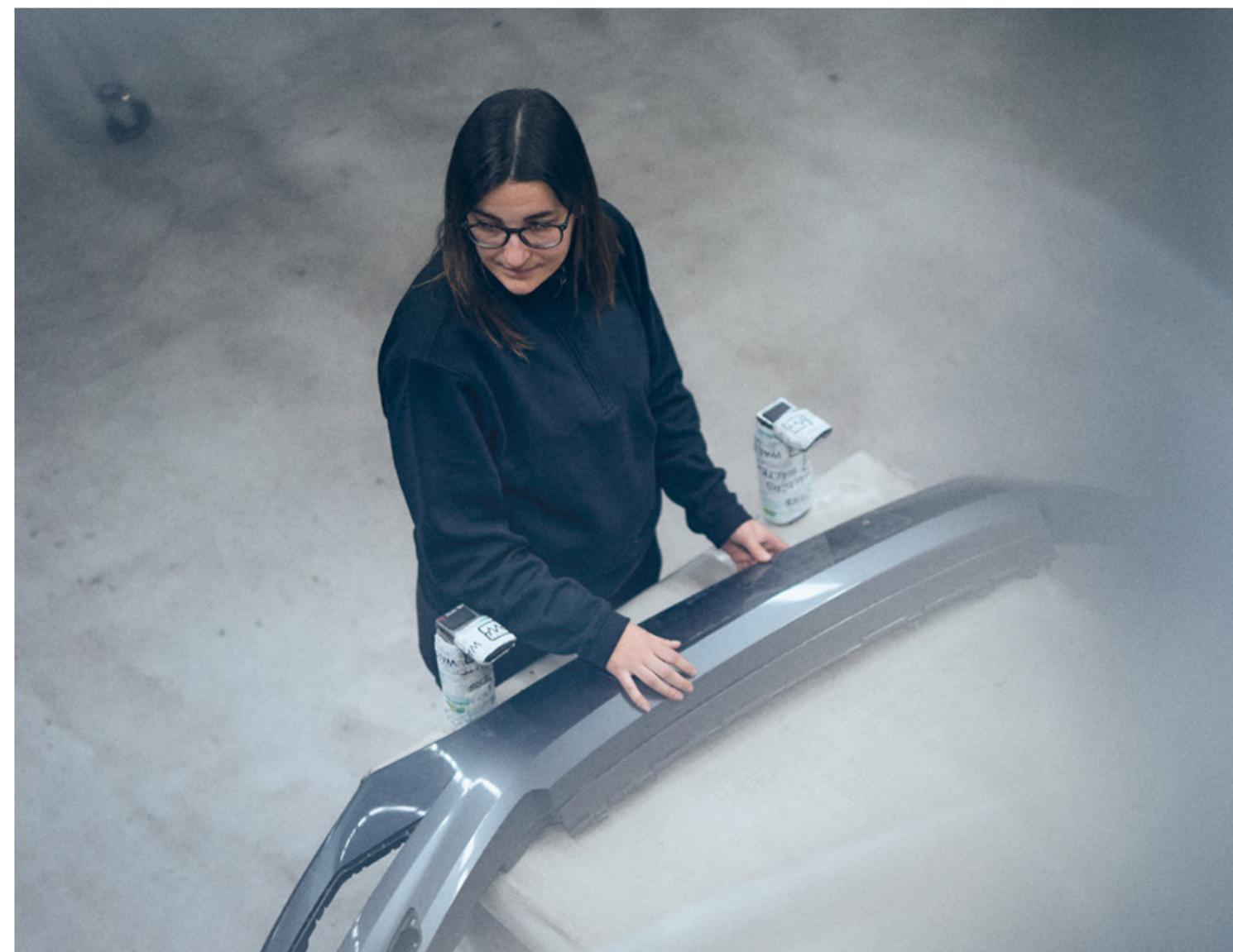
Autocirc Group AB placed a bond in the market during Q2 2022, and, in October, tapped another SEK 130 million to the existing 2022/2025 bond loan at 104% price adding 135 MSEK of cash to the group. The total aggregated nominal amount of the Initial Bond is SEK 1 billion with the possibility of issuing additional Bonds up to the maximum aggregated amount of SEK 1,5 SEK billion. The bond is, as of June 16th, 2023, admitted for trading on Nasdaq STO Corporate Bonds. The term of the bond is three years with an interest rate of 3-months STIBOR + 875 basis point. All conditions in the form of covenants are fulfilled as per 23-09-30. In addition, Autocirc AB have a super senior revolving credit facility which at the end of Q3 2023 was 250 MSEK, and another facility in total of SEK 25 million.

Complete Terms and Conditions can be found on our homepage:

<http://autocirc.com/wp-content/uploads/2022/07/Project-Circularity-Terms-and-Conditions.pdf>

Financial summary	Q3			Q1-Q3			Full-year	
	2023	2022	Δ%	2023	2022	Δ%	PF LTM <sup>1)</sup>	2022
Net Sales	476	265	80%	1358	763	78%	2019	1084
Organic growth	24	-	-	153	-	-	249	156
Acquired growth	187	-	-	442	-	-	686	476
Gross Profit	300	166	81%	862	459	88%	1276	671
EBITDA	55	33	67%	160	91	75%	262	126
EBITDA-margin, %	11,6%	12,4%	-	11,8%	12,0%	-	13,0%	11,6%
Adjusted EBITDA 1)	68	46	50%	206	126	63%	328	175
Adj. EBITDA-margin, % 1)	14,4%	17,2%	-	15,1%	16,5%	-	16,3%	16,1%
EBITA	25	12	103%	77	54	41%	151	68
EBITA-margin, %	5,3%	4,7%	-	5,6%	7,1%	-	7,5%	6,3%
Adjusted EBITA 1)	38	25	56%	123	89	38%	217	117
Adj. EBITA-margin, % 1)	8,1%	9,3%	-	9,0%	11,6%	-	10,7%	10,8%
Cash flow from operating activities	190	11	1699%	-45	17	-366%	-45	-38
Adjusted Cash flow from operating activities	225	62	264%	148	122	21%	271	126
Cash conversion 1)	329%	136%	-	72%	97%	-	83%	75%
Net Debt/ Adj. EBITDA 1)	4,43x	-	-	4,43x	-	-	4,43x	-

<sup>1)</sup> These are alternative performance measures. Refer to Note 21, Alternative performance measures, for reconciliation and page 33 for definitions.



## Authorisation of financial statements

The consolidated financial statement for the interim period ended September 30th, 2023 (including comparatives) were approved for publication by the board of directors on November 14th, 2023.

Borås, November 14th, 2023.

**Johan Livered**

CEO

**Robert Louis Wagman**

Chariman of the Board

**Joakim Lundvall**

Boardmember

**Mattias Pettersson**

Boardmember

**Owe Xie**

Boardmember

**Andreas Näsvik**

Boardmember

This Q3 2023 Interim Report has not been audited.

# Income statements

Consolidated statements						
kSEK	Notes	2023-07-01 2023-09-30	2022-07-01 2022-09-30	2023-01-01 2023-09-30	2022-01-01 2022-09-30	2022-01-01 2022-12-31
<b>Operating income etc.</b>						
Revenue	6	466 311	257 059	1 315 843	745 420	1 069 681
Change in inventories of products in progress, finished goods and work in progress		4 224	-71	8 807	-48	1 348
Other operating income		5 276	8 042	32 974	17 712	12 906
<b>Total operating income etc.</b>		<b>475 811</b>	<b>265 030</b>	<b>1 357 624</b>	<b>763 084</b>	<b>1 083 935</b>
<b>Operating expenses</b>						
Raw materials and consumables		-38 919	-	-110 518	-	-6 016
Goods for resale		-136 471	-99 291	-384 942	-304 341	-401 147
Other external expenses		-103 804	-54 896	-311 839	-159 209	-233 514
Employee benefit expenses		-139 562	-76 657	-386 214	-204 839	-316 283
Depreciation, amortisation and impairment of tangible and intangible fixed assets		-29 928	-20 918	-83 093	-37 157	-57 941
Other operating expenses		-1 940	-1 248	-4 439	-3 359	-731
Total operating expenses		-450 624	-253 010	-1 281 045	-708 905	-1 015 632
<b>Operating profit</b>		<b>25 187</b>	<b>12 020</b>	<b>76 579</b>	<b>54 179</b>	<b>68 303</b>
<b>Gain (loss) from financial items:</b>						
Gain (loss) from participation in associates and joint ventures		16	-	14	-	70
Gain (loss) from other securities and receivables classified as fixed assets		-	-	130	-	2
Finance income	7	-1 554	-2 185	4 051	-1 995	2 533
Finance costs	8	-45 439	-31 929	-137 725	-59 464	-99 794
<b>Profit/Loss after financial items</b>		<b>-21 790</b>	<b>-22 094</b>	<b>-56 951</b>	<b>-7 280</b>	<b>-28 886</b>
Tax expense		-8 473	-3 131	-26 088	-46 940	-50 115
<b>Profit/Loss for the interim period/year</b>		<b>-30 263</b>	<b>-25 225</b>	<b>-83 039</b>	<b>-54 220</b>	<b>-79 001</b>

# Other comprehensive income

Consolidated statements						
kSEK	Notes	2023-07-01 2023-09-30	2022-07-01 2022-09-30	2023-01-01 2023-09-30	2022-01-01 2022-09-30	2022-01-01 2022-12-31
<b>Profit/Loss for the interim period/year</b>						
Exchange differences on translating foreign operations		-7 736	6 374	2 131	6 765	16 835
<b>Other comprehensive income for the interim period/year, net of tax</b>		<b>-7 736</b>	<b>6 374</b>	<b>2 131</b>	<b>6 765</b>	<b>16 835</b>
<b>Total comprehensive income for the interim period/year</b>		<b>-37 999</b>	<b>-18 851</b>	<b>-80 908</b>	<b>-47 455</b>	<b>-62 166</b>
<b>Earnings for the interim period/year attributable to:</b>						
Owners of the parent		-30 283	-25 340	-83 075	-54 327	-79 116
Non-controlling interest		20	115	36	107	115
		-30 263	-25 225	-83 039	-54 220	-79 001
<b>Total comprehensive income for the interim period/year attributable to:</b>						
Owners of the parent		-38 374	-18 966	-81 299	-47 562	-62 415
Non-controlling interest		375	115	391	107	249
		-37 999	-18 851	-80 908	-47 455	-62 166

# Balance sheets

Consolidated statements				
kSEK	Notes	2023-09-30	2022-09-30	2022-12-31
<b>ASSETS</b>				
<b>Fixed assets</b>				
<b>Intangible fixed assets</b>				
Capitalised expenditure for development and similar work		77	-	145
Software, licences and similar rights		1 011	444	411
Rights to tenancy and similar rights		984	765	1 021
Goodwill	11	1 919 839	1 136 737	1 283 246
<b>Total intangible fixed assets</b>		<b>1 921 911</b>	<b>1 137 946</b>	<b>1 284 823</b>
<b>Tangible fixed assets</b>				
Land and buildings		138 219	56 089	51 413
Right of use assets	12	614 506	389 711	431 881
Cost of improvements to leased property		237	-	-
Plant and machinery		125 308	39 690	48 539
Equipment, tools, fixtures and fittings		70 126	34 922	44 632
Construction in progress		19 316	1 570	969
<b>Total tangible fixed assets</b>		<b>967 712</b>	<b>521 982</b>	<b>577 434</b>
<b>Financial fixed assets</b>				
Shares in associated companies		2 589	-	2 504
Receivables from associates and joint ventures		60	-	60
Other participation interests		3	-	1 713
Other long-term securities		3 311	1 640	4 974
Deferred tax assets	14	-	2 792	-
Other long-term receivables		8 675	4 801	1 163
<b>Total financial fixed assets</b>		<b>14 638</b>	<b>9 233</b>	<b>10 414</b>
<b>Total fixed assets</b>		<b>2 904 261</b>	<b>1 669 161</b>	<b>1 872 671</b>

Consolidated statements				
kSEK	Notes	2023-09-30	2022-09-30	2022-12-31
<b>Current assets</b>				
<b>Inventories etc.</b>				
Finished products and goods for resale		356 721	141 528	182 943
Work in progress		923	-	-
Advance payments to suppliers		6 433	-	-
<b>Total inventories etc</b>		<b>364 077</b>	<b>141 528</b>	<b>182 943</b>
<b>Current receivables</b>				
Trade and other receivables		167 215	89 839	108 789
Receivables from group companies		33 761	-	21 003
Current tax receivable		8 723	223	957
Contract and other receivables		59 713	14 272	20 713
Prepaid expenses and accrued income		24 225	18 366	23 501
<b>Total current receivables</b>		<b>293 637</b>	<b>122 700</b>	<b>174 963</b>
<b>Cash and cash equivalents</b>	<b>20</b>	164 687	310 683	168 962
<b>Total current assets</b>		<b>822 401</b>	<b>574 911</b>	<b>526 868</b>
<b>TOTAL ASSETS</b>		<b>3 726 662</b>	<b>2 244 072</b>	<b>2 399 539</b>

## Balance sheets

Consolidated statements				
kSEK	Notes	2023-09-30	2022-09-30	2022-12-31
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		516	516	516
Other contributed capital		51 175	51 175	51 175
Reserves		27 374	9 990	19 926
Earnings brought forward		1 074 041	333 758	333 750
Earnings for the interim period/year		-83 039	-54 220	-79 001
Equity attributable to owners of the parent company		1 070 067	341 219	326 366
Non-controlling interest		3 824	1 169	1 135
<b>Total equity</b>		<b>1 073 891</b>	<b>342 388</b>	<b>327 501</b>
<b>Non-current liabilities</b>				
Warranty provision		3 087	320	320
Pensions and other employee obligations		5 878	246	8 020
Bond loans	13	969 173	965 700	962 885
Liabilities to credit institutions		111 470	24 587	14 991
Lease liabilities	12	568 242	369 098	404 268
Deferred tax liabilities	14	32 960	9 748	18 222
Other liabilities		499 811	274 604	273 910
<b>Total non-current liabilities</b>		<b>2 190 621</b>	<b>1 644 303</b>	<b>1 682 616</b>
<b>Current liabilities</b>				
Bank overdraft facilities	20	52 750	-	-
Liabilities to credit institutions		12 118	833	87 750
Lease liabilities	12	63 567	31 539	39 880
Advance payments from customers		4 659	4 899	5 928
Trade and other payables		112 731	55 767	74 071
Current tax liabilities		42 976	47 993	36 955
Other liabilities		104 436	72 101	81 156
Accrued expenses and deferred income		68 913	44 249	63 682
<b>Total current liabilities</b>		<b>462 150</b>	<b>257 381</b>	<b>389 422</b>
<b>Total liabilities</b>		<b>2 652 771</b>	<b>1 901 684</b>	<b>2 072 038</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3 726 662</b>	<b>2 244 072</b>	<b>2 399 539</b>

## Consolidated statement of changes in equity

Group	Notes	Share capital	Other contributed capital	Reserves	Retained earnings	Total attributable to owners of parent	Non-controlling interest	Total equity
<b>Opening balance</b>								
<b>2022-01-01</b>		<b>516</b>	<b>51 175</b>	<b>3 225</b>	<b>139 302</b>	<b>194 218</b>	<b>886</b>	<b>195 104</b>
Shareholders' contribution		-	-	-	194 563	194 563	-	194 563
<b>Transactions with owners</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>194 563</b>	<b>194 563</b>	<b>-</b>	<b>194 563</b>
Profit/loss for the period		-	-	-	-54 327	-54 327	107	-54 220
Other comprehensive profit/loss for the period		-	-	6 765	-	6 765	176	6 941
<b>Total comprehensive income/(loss) for the period</b>		<b>-</b>	<b>-</b>	<b>6 765</b>	<b>-28 988</b>	<b>-22 223</b>	<b>-8</b>	<b>-22 231</b>
<b>Balance at</b>								
<b>2022-09-30</b>		<b>516</b>	<b>51 175</b>	<b>9 990</b>	<b>279 538</b>	<b>341 219</b>	<b>1 169</b>	<b>342 388</b>
Profit/loss for the period		-	-	-	-24 789	-24 789	8	-24 781
Other comprehensive profit/loss for the period		-	-	9 936	-	9 936	-42	9 894
<b>Total comprehensive income/(loss) for the period</b>		<b>-</b>	<b>-</b>	<b>9 936</b>	<b>-24 789</b>	<b>-14 853</b>	<b>-34</b>	<b>-14 887</b>
<b>Balance at</b>								
<b>2022-12-31</b>		<b>516</b>	<b>51 175</b>	<b>19 926</b>	<b>254 749</b>	<b>326 366</b>	<b>1 135</b>	<b>327 501</b>
<b>Opening balance at</b>								
<b>2023-01-01</b>		<b>516</b>	<b>51 175</b>	<b>19 926</b>	<b>254 749</b>	<b>326 366</b>	<b>1 135</b>	<b>327 501</b>
Shareholders' contribution		-	-	-	825 000	825 000	919	825 919
Transactions with non-controlling interest		-	-	-	-	-	1 379	1 379
<b>Transactions with owners</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>825 000</b>	<b>825 000</b>	<b>2 298</b>	<b>827 298</b>
Diversion within equity		-	-	5 672	-5 672	-	-	-
Profit/loss for the period		-	-	-	-83 075	-83 075	36	-83 039
Other comprehensive profit/loss for the period		-	-	1 776	-	-	355	2 131
<b>Total comprehensive income/(loss) for the period</b>		<b>-</b>	<b>-</b>	<b>7 448</b>	<b>-88 747</b>	<b>-83 075</b>	<b>391</b>	<b>-80 908</b>
<b>Balance at</b>								
<b>2023-09-30</b>		<b>516</b>	<b>51 175</b>	<b>27 374</b>	<b>991 002</b>	<b>1 070 067</b>	<b>3 824</b>	<b>1 073 891</b>

# Cash flow statements

Consolidated statements						
kSEK	Notes	2023-07-01 2023-09-30	2022-07-01 2022-09-30	2023-01-01 2023-09-30	2022-01-01 2022-09-30	2022-01-01 2022-12-31
Profit/Loss after financial items		-21 790	-22 094	-56 951	-7 279	-28 886
Non-cash adjustment		50 433	25 335	95 238	44 417	59 340
Income tax paid		4 573*	-8 918	-26 094	-16 701	-26 565
Cash flow from operating activities before changes in working capital		33 216	-5 678	12 193	20 437	3 889
<i>Changes in working capital:</i>						
Change in inventories		-24 269	-2 360	-66 651	-7 647	-32 097
Change in trade and other receivables		78 672	36 043	31 910	20 329	-14 792
Change in trade and other payables		102 139	-17 458	-22 396	-16 217	5 306
<b>Net cash flow from operating activities</b>		<b>189 758</b>	<b>10 547</b>	<b>-44 944</b>	<b>16 902</b>	<b>-37 694</b>
<b>Investing activities</b> <span style="float: right;">20</span>						
Acquisition of participations in subsidiaries net of cash acquired		-133 813	-109 698	-667 497	-689 897	-824 887
Acquisition of intangible fixed assets		-	-	-509	-7 775	-615
Disposal of intangible fixed assets		-	-	130	-	-
Acquisition of tangible fixed assets		-75 802	-34 592	-137 656	-34 592	-19 578
Disposal of tangible fixed assets		7 238	-3 509	11 420	220 030	189 230
Acquisition of financial assets		-	-1 745	-	-	-
<b>Cash flow from investing activities</b>		<b>-202 377</b>	<b>-149 544</b>	<b>-794 113</b>	<b>-512 234</b>	<b>-655 850</b>
<b>Financing activities</b> <span style="float: right;">20</span>						
Shareholders' contribution received		-	-	825 000	156 063	156 063
New borrowings and lease liabilities		-	-	-	951 631	1 036 631
Repayment of borrowings and lease liabilities		-122 881	-111 071	-42 968	-339 329	-367 838
Change in bank overdraft facilities		51 653	-	52 750	-51 696	-51 696
<b>Cash flow from financing activities</b>		<b>-71 228</b>	<b>-111 071</b>	<b>834 782</b>	<b>716 669</b>	<b>773 160</b>
<b>Cash flow for the period</b>		<b>-83 847</b>	<b>-250 068</b>	<b>-4 275</b>	<b>221 337</b>	<b>79 616</b>
Cash and cash equivalents at the beginning of the period		248 534	560 751	168 962	89 346	89 346
<b>Cash and cash equivalents at end of period</b>		<b>164 687</b>	<b>310 683</b>	<b>164 687</b>	<b>310 683**</b>	<b>168 962</b>

\* Income tax paid is a positive amount which mainly is due to the Group's total tax liabilities are higher at the end of quarter 3 than in the beginning of the same period.

\*\* Adjusted amount compared to previous reporting in Q3 2022 which was reported at 420 563 TSEK. See note 20 for further information.

# Income statements

Parent company						
kSEK	Notes	2023-07-01 2023-09-30	2022-07-01 2022-09-30	2023-01-01 2023-09-30	2022-01-01 2022-09-30	2022-01-01 2022-12-31
<i>Operating income etc.</i>						
Other operating income/Other income		1 562	-	6 558	-	-
Total operating income etc.		1 562	0	6 558	0	0
<i>Operating expenses</i>						
Other external expenses		-2 075	-6 105	-8 850	-6 133	-1 957
Employee benefit expenses		-1 028	-	-1 028	-	-
Total operating expenses		-3 103	-6 105	-9 878	-6 133	-1 957
<b>Operating profit</b>		<b>-1 541</b>	<b>-6 105</b>	<b>-3 320</b>	<b>-6 133</b>	<b>-1 957</b>
<i>Gain (loss) from financial items:</i>						
Other interest income and similar items	7	28 297	17 691	81 625	18 733	42 029
Interest expense and similar items	8	-34 189	-27 420	-97 479	-30 283	-59 456
<b>Loss after financial items</b>		<b>-7 433</b>	<b>-15 834</b>	<b>-19 174</b>	<b>-17 683</b>	<b>-19 384</b>
<b>Profit/loss and total comprehensive income for the interim period/year</b>		<b>-7 433</b>	<b>-15 834</b>	<b>-19 174</b>	<b>-17 683</b>	<b>-19 384</b>

# Balance sheets

Parent company				
kSEK	Notes	2023-09-30	2022-09-30	2022-12-31
<b>ASSETS</b>				
<b>Financial fixed assets</b>				
Participations in group companies	18	1 264 892	439 892	439 892
Receivables from group companies		928 920	795 576	900 692
<b>Total financial fixed assets</b>		<b>2 193 812</b>	<b>1 235 468</b>	<b>1 340 584</b>
<b>Total fixed assets</b>		<b>2 193 812</b>	<b>1 235 468</b>	<b>1 340 584</b>
<b>Current assets</b>				
<b>Current receivables</b>				
Receivables from group companies		5 945	3 491	4 257
Contract and other receivables		298	-	-
<b>Total current receivables</b>		<b>6 243</b>	<b>3 491</b>	<b>4 257</b>
<b>Cash and bank</b>		<b>3 239</b>	<b>152 443</b>	<b>43 069</b>
<b>Total current assets</b>		<b>9 482</b>	<b>155 934</b>	<b>47 326</b>
<b>TOTAL ASSETS</b>		<b>2 203 294</b>	<b>1 391 402</b>	<b>1 387 910</b>

# Balance sheets

Parent company				
kSEK	Notes	2023-09-30	2022-09-30	2022-12-31
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
<i>Restricted equity</i>				
Share capital		516	516	516
<b>Total restricted equity</b>		<b>516</b>	<b>516</b>	<b>516</b>
<i>Non-restricted equity</i>				
Share premium		51 175	51 175	51 175
Profit (loss) brought forward		1 194 039	388 423	388 423
Profit (loss) for the year		-19 174	-17 683	-19 384
<b>Total non-restricted equity</b>		<b>1 226 040</b>	<b>421 915</b>	<b>420 214</b>
<b>Total equity</b>		<b>1 226 556</b>	<b>422 431</b>	<b>420 730</b>
<b>Non-current liabilities</b>				
Bond loans	13	969 173	965 700	962 885
<b>Total non-current liabilities</b>		<b>969 173</b>	<b>965 700</b>	<b>962 885</b>
<b>Current liabilities</b>				
Trade and other payables		2 995	-	236
Accrued expenses and deferred income		4 570	3 271	4 059
<b>Total current liabilities</b>		<b>7 565</b>	<b>3 271</b>	<b>4 295</b>
<b>Total liabilities</b>		<b>976 738</b>	<b>968 971</b>	<b>967 180</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2 203 294</b>	<b>1 391 402</b>	<b>1 387 910</b>

# Statement of changes in equity

Parent company	Notes	Share capital	Share premium	Profit or loss brought forward	Net profit/loss for the period	Total equity
<b>Balance at</b>						
<b>2022-01-01</b>		<b>516</b>	<b>51 175</b>	<b>193 862</b>	<b>-2</b>	<b>245 551</b>
Transfer of previous years profit or loss		-	-	-2	2	-
Shareholders' contribution		-	-	156 063	-	156 063
Profit/loss for the period		-	-	-	-17 683	-17 683
<b>Balance at</b>						
<b>2022-09-30</b>		<b>516</b>	<b>51 175</b>	<b>349 923</b>	<b>-17 683</b>	<b>383 931</b>
Shareholders' contribution		-	-	38 500	-	38 500
Profit/loss for the period		-	-	-	-1 701	-1 701
<b>Balance at</b>						
<b>2022-12-31</b>		<b>516</b>	<b>51 175</b>	<b>388 423</b>	<b>-19 384</b>	<b>420 730</b>
<b>Opening balance</b>						
<b>2023-01-01</b>		<b>516</b>	<b>51 175</b>	<b>388 423</b>	<b>-19 384</b>	<b>420 730</b>
Transfer of previous years profit or loss		-	-	-19 384	19 384	-
Shareholders' contribution		-	-	825 000	-	825 000
Profit/loss for the period		-	-	-	-19 174	-19 174
<b>Balance at</b>						
<b>2023-09-30</b>		<b>516</b>	<b>51 175</b>	<b>1 194 039</b>	<b>-19 174</b>	<b>1 226 556</b>

# Cash flow statements

Parent company	Notes	2023-07-01 2023-09-30	2022-07-01 2022-09-30	2023-01-01 2023-09-30	2022-01-01 2022-09-30	2022-01-01 2022-12-31
<b>kSEK</b>						
<b>Operating activities</b>						
Profit/loss after financial items		-7 433	-15 834	-19 174	-17 683	-19 384
Non-cash adjustment		2 096	-610	6 288	-	-
Cash flow from operating activities before changes in working capital		-5 337	-16 444	-12 886	-17 683	-19 384
<i>Changes in working capital:</i>						
Change in trade and other receivables		4 305	-2 424	-1 986	-3 466	-4 232
Change in trade and other payables		-2 858	1 020	3 270	3 268	4 292
<b>Net cash flow from operating activities</b>		<b>-3 890</b>	<b>-17 848</b>	<b>-11 602</b>	<b>-17 881</b>	<b>-19 324</b>
<b>Investing activities</b>						
Group loan paid		-	-94 000	-28 228	-795 576	-900 692
Group loan recieved		6 001	-	-	-	-
Shareholders' contribution paid		-	-	-825 000	-155 863	-155 863
<b>Cash flow from investing activities</b>		<b>6 001</b>	<b>-94 000</b>	<b>-853 228</b>	<b>-951 439</b>	<b>-1 056 555</b>
<b>Financing activities</b>						
Shareholders' contribution received		-	-	825 000	156 063	156 063
New borrowings		-	2 450	-	965 700	962 885
<b>Cash flow from financing activities</b>		<b>-</b>	<b>2 450</b>	<b>825 000</b>	<b>1 121 763</b>	<b>1 118 948</b>
<b>Cash flow for the period</b>						
		<b>2 111</b>	<b>-109 398</b>	<b>-39 830</b>	<b>152 443</b>	<b>43 069</b>
Cash and cash equivalents at the beginning of the period		1 128	261 841	43 069	-	-
<b>Cash and cash equivalents at end of period</b>		<b>3 239</b>	<b>152 443</b>	<b>3 239</b>	<b>152 443</b>	<b>43 069</b>



# Notes to the interim consolidated financial statements

## NOTE 1 Nature of operations

The Autocirc Group was formed in 2019 and its main activities is to develop and take advantage of the aftermarket found within the auto parts industry. By gathering individual actors under one roof, a traditionally fragmented industry could be tied together. The group's operations aim to create a cycle where the group reuses and extends the life of used spare parts. In the long term, this means that all parts of the vehicle can be utilized and used for a longer period of time. The principal activities of Autocirc Group AB (publ) and subsidiaries (the Group) include selling of parts, service/repair and towing. As the majority relates to parts sales, no such division (as required by IFRS 15) has been made.

## NOTE 2 General information, basis of preparation and statement of compliance with IFRS

The Interim Financial Statements are for the nine months ended 30 September 2023 and are presented in Swedish krona (SEK), which is the accounting currency of the parent company. They have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2022.

Autocirc Group AB (publ) is a wholly-owned subsidiary of Autocirc Industriutveckling AB (corp id no 559267-3452), which in turn is owned by Circauto BidCo AB (corp id no 559382-5689). Circauto BidCo AB is owned by Nordic Capital together with representatives from Autocirc's management. The consolidated accounts include Autocirc Group AB (publ) and its subsidiaries. It is a limited liability company incorporated and domiciled in Sweden. The address of its registered office and principal place of business is Österlånggatan 69, 503 37 Borås, Sweden. Autocirc Group AB (publ) has a bond issued on the Nasdaq Stockholm stock exchange.

The Interim Financial Statements were approved for issue by the Board of Directors on 13th of November 2023.

## NOTE 3 New Standards adopted at 1 January 2023

There are no accounting pronouncements which have become effective from 1 January 2023 that have a significant impact on the Group's interim condensed consolidated financial statements.

## NOTE 4 Significant accounting policies

The Interim Financial Statements have been prepared in accordance with the accounting policies adopted in the Group's most recent annual financial statements for the year ended 31 December 2022.

## NOTE 5 Estimates and judgements

When preparing the Interim Financial Statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements and the assessments made in the Interim Financial Statements, including the key sources of estimation uncertainty, are the same as those applied in the Group's previous annual financial statements for the year ended 31 December 2022.

**NOTE 6 Revenue**

According to IFRS 15, the note to revenue must contain a breakdown of the distribution between Sales of parts, Service/repair and Towing. As the majority relates to parts sales, no such division has been made.

Revenue from external customers broken down by country, based on where the customers are located:

	2023-07-01 2023-09-30	2022-07-01 2022-09-30	2023-01-01 2023-09-30	2022-01-01 2022-09-30	2022-01-01 2022-12-31
Sweden	176 783	104 312	570 309	417 618	636 101
Norway	51 982	65 753	184 441	102 756	111 952
Finland	32 372	13 709	89 246	54 911	71 846
Europe excl countries above	192 561	67 434	437 328	157 248	231 889
Other countries	12 613	5 851	34 519	12 887	17 893
<b>Total</b>	<b>466 311</b>	<b>257 059</b>	<b>1 315 843</b>	<b>745 420</b>	<b>1 069 681</b>

**NOTE 7 Finance income**

	Group				
	2023-07-01 2023-09-30	2022-07-01 2022-09-30	2023-01-01 2023-09-30	2022-01-01 2022-09-30	2022-01-01 2022-12-31
Interest income	679	67	1 200	96	1 026
Exchange gains	-1 797	3 057	828	1 001	1 414
Exchange losses	-52	-5 309	-60	-3 092	-53
Other finance income	-384	-	2 083	-	146
<b>Total</b>	<b>-1 554</b>	<b>-2 185</b>	<b>4 051</b>	<b>-1 995</b>	<b>2 533</b>
	Parent company				
	2023-07-01 2023-09-30	2022-07-01 2022-09-30	2023-01-01 2023-09-30	2022-01-01 2022-09-30	2022-01-01 2022-12-31
Interest income from group companies	28 297	17 691	81 625	18 733	42 029
<b>Total</b>	<b>28 297</b>	<b>17 691</b>	<b>81 625</b>	<b>18 733</b>	<b>42 029</b>

**NOTE 8 Finance costs**

	Group				
	2023-07-01 2023-09-30	2022-07-01 2022-09-30	2023-01-01 2023-09-30	2022-01-01 2022-09-30	2022-01-01 2022-12-31
Interest expenses for leasing arrangements	8 625	3 884	23 050	10 697	17 435
Interest expenses, bond loans	34 147	27 220	97 438	30 283	59 456
Exchange gains	-911	-	-610	-	-
Exchange losses	328	-	951	-	-
Other interest expenses	2 677	825	8 697	9 667	12 528
Other financial expenses	573	-	8 199	8 817	10 375
<b>Total</b>	<b>45 439</b>	<b>31 929</b>	<b>137 725</b>	<b>59 464</b>	<b>99 794</b>
	Parent company				
	2023-07-01 2023-09-30	2022-07-01 2022-09-30	2023-01-01 2023-09-30	2022-01-01 2022-09-30	2022-01-01 2022-12-31
Interest expenses, bond loans	-34 189	27 420	-97 438	30 283	59 456
Other financial expenses	-	-	-41	-	-
<b>Total</b>	<b>-34 189</b>	<b>27 420</b>	<b>-97 479</b>	<b>30 283</b>	<b>59 456</b>

**NOTE 9 Acquisitions****Acquisition of 16 companies**

During the period January - September 2023 the group acquired 100% of the equity instruments of 16 companies with businesses in dismantling, remanufacturing and towing, thereby obtaining control. The companies are based in Sweden, Finland, Norway and France. The table below summarizes the purchase price paid for these companies as well as the fair value of acquired assets and assumed liabilities which are reported on the date of acquisition.

	Sweden 2023-09-30	Norway 2023-09-30	Finland 2023-09-30	France 2023-09-30	Total 2023-09-30
<b>Purchase price</b>					
Amount settled in cash	146 302	92 773	218 251	225 348	682 674
Fair value of contingent consideration	51 000	35 294	40 071	112 674	239 039
<b>Total sum</b>	<b>197 302</b>	<b>128 067</b>	<b>258 322</b>	<b>338 022</b>	<b>921 713</b>
<b>Recognized amounts of identifiable net assets</b>					
Cash and cash equivalents	19 605	1 387	77 864	22 981	121 837
Total non-current assets	25 192	2 810	48 190	27 875	104 067
Total current assets	46 819	16 775	37 294	97 789	198 677
Loans	-4 732	-	-	-28 610	-33 342
Deferred tax liabilities	-3 291	-139	-7 696	-132	-11 258
Trade and other payables	-24 863	-6 311	-22 517	-51 191	-104 882
<b>Identifiable Net Assets</b>	<b>58 730</b>	<b>14 521</b>	<b>133 135</b>	<b>68 712</b>	<b>275 098</b>
<b>Goodwill on acquisition</b>	<b>138 572</b>	<b>113 546</b>	<b>125 187</b>	<b>269 310</b>	<b>646 615</b>
Consideration transferred settled in cash	146 302	92 773	218 251	225 348	682 674
Cash and cash equivalents acquired	-19 605	-1 387	-77 864	-22 981	-121 837
<b>Net cash outflow on acquisition</b>	<b>126 697</b>	<b>91 386</b>	<b>140 387</b>	<b>202 367</b>	<b>560 837</b>
Acquisition costs charged to expenses	12 818	8 245	7 642	3 140	31 845
Net payment on acquisition	139 515	99 631	148 029	205 507	592 682

**Acquisition-related costs**

Acquisition-related costs amounting to MSEK 32 are not included as part of consideration transferred and have been recognised as an expense in the consolidated statement of profit or loss, as part of other expenses and as well as in the ongoing operations in the cash flow statement.

**Goodwill**

Goodwill is attributable to large synergy effects, above all in the form of increased market shares, high profitability in acquired businesses, specific skills of the employees in the acquired companies and expected synergy effects on the cost side. No part of reported goodwill is expected to be tax deductible.

**The companies contribution to the Group results**

The acquired companies incurred a profit (before tax) of MSEK 22 to the reporting date. Revenue for the months when the companies have been within the group to 30th of September 2023 was MSEK 336. If the companies had been acquired on 1 January 2023, revenue for the Group would have been MSEK 1 503, and profit (before tax) for the year would have increased by MSEK 16.

**Acquisition after Q3 2023**

On November 1st 2023 the Group acquired Bärningstjänsten i Sverige AB, a Swedish towing company, for which the purchase price analysis is not yet finalized and therefore not presented in this report.

**NOTE 10 Segment reporting**

The Group operating segments are reported in a manner consistent with the internal reporting provided to the operating decision makers. As a result of the organisational development in the Group, Country managers has been assigned with the responsibility to monitor the performance and drive the business improvements. Thereby the operating segments are defined by Country.

The chief operating decision makers, who are responsible for financial performance follow up and resource allocation, has been identified as Group Executive members and Country managers.

Each of the Country segments is managed separately as the segment requires different technologies, resources and marketing strategies. These Country segments are managed and strategic

decision are made based on the operating result for each Country segment.

The Group comprise of the following Country operating segments; Sweden, Norway, Finland and France. In addition, a segment named “Other segment”, which does not reach the quantified limit amounts for separate reporting, has been added. The income for this segment is related to core trading, property rent and services provided to the main operating segments.

Revenues and results from each segment as well as the segments assets and liabilities are summarized below:

Interim period 2023-01-01 – 2023-09-30								
	Sweden	Norway	Finland	France	Others	IFRS 16	Intercompany transactions	Total
<b>Revenue</b>								
Revenue, external	629 937	207 108	130 590	181 326	166 882	-	-	1 315 843
Revenue, inter-company	73 272	11 170	16 171	26 052	2 125	-	-	128 790
Elimination of inter-company revenue within the segment	-47 976	-9 999	-12 263	-26 052	-2 125	-	-30 375	-128 790
Change in inventories of products in progress, finished goods and work in progress	-	8 807	-	-	-	-	-	8 807
Other operating income	7 880	4 651	7 911	5 074	7 458	-	-	32 974
<b>Segment total revenue</b>	<b>663 113</b>	<b>221 737</b>	<b>142 409</b>	<b>186 400</b>	<b>174 340</b>	<b>-</b>	<b>-30 375</b>	<b>1 357 624</b>
<b>Segment operating profit</b>	<b>62 776</b>	<b>14 997</b>	<b>4 102</b>	<b>2 248</b>	<b>-25 480</b>	<b>17 936</b>	<b>-</b>	<b>76 579</b>
<b>Segment assets</b>	<b>1 244 230</b>	<b>590 162</b>	<b>373 738</b>	<b>436 675</b>	<b>467 351</b>	<b>614 506</b>	<b>-</b>	<b>3 726 662</b>
<b>Segment liabilities*</b>	<b>-112 075</b>	<b>43 814</b>	<b>57 233</b>	<b>192 307</b>	<b>1 713 096</b>	<b>758 396</b>	<b>-</b>	<b>2 652 771</b>

\* Positive liabilities in segment Sweden due to Cashpool

Interim period 2022-01-01 – 2022-09-30							
	Sweden	Norway	Finland	Others	IFRS16	Intercompany transaction	Total
<b>Revenue</b>							
Revenue, external	512 922	84 626	51 585	96 287	-	-	745 420
Revenue, inter-company	15 059	4 341	1 347	-	-	-	20 747
Elimination of inter-company revenue within the segment	-14 956	-122	-248	-	-	-5 421	-20 747
Other operating income	5 233	1 793	5 521	5 117	-	-	17 664
<b>Segment total revenue</b>	<b>518 258</b>	<b>90 638</b>	<b>58 205</b>	<b>101 404</b>	<b>0</b>	<b>-5 421</b>	<b>763 084</b>
<b>Segment operating profit</b>	<b>74 759</b>	<b>6 736</b>	<b>2 075</b>	<b>-38 528</b>	<b>9 137</b>	<b>-</b>	<b>54 179</b>
<b>Segment assets</b>	<b>1 050 921</b>	<b>482 843</b>	<b>59 735</b>	<b>258 661</b>	<b>391 912</b>	<b>-</b>	<b>2 244 072</b>
<b>Segment liabilities</b>	<b>131 678</b>	<b>61 466</b>	<b>12 909</b>	<b>1 295 238</b>	<b>400 393</b>	<b>-</b>	<b>1 901 684</b>

Interim period 2022-01-01 – 2022-12-31							
	Sweden	Norway	Finland	Others	IFRS16	Intercompany transaction	Total
<b>Revenue</b>							
Revenue, external	685 677	141 623	67 029	175 352	-	-	1 069 681
Revenue, inter-company	31 531	594	12 902	41 492	-	-	86 519
Elimination of inter-company revenue within the segment	-25 172	-436	-9 432	-25 560	-	-25 919	-86 519
Other operating income	7 031	1 131	7 763	7 195	-8 867	-	14 253
<b>Segment total revenue</b>	<b>699 067</b>	<b>142 912</b>	<b>78 262</b>	<b>198 479</b>	<b>-8 867</b>	<b>-25 919</b>	<b>1 083 934</b>
<b>Segment operating profit</b>	<b>52 847</b>	<b>21 276</b>	<b>3 725</b>	<b>-15 296</b>	<b>5 751</b>	<b>-</b>	<b>68 303</b>
<b>Segment assets</b>	<b>1 158 686</b>	<b>495 523</b>	<b>107 700</b>	<b>205 749</b>	<b>431 881</b>	<b>-</b>	<b>2 399 539</b>
<b>Segment liabilities</b>	<b>149 166</b>	<b>62 187</b>	<b>18 776</b>	<b>1 400 288</b>	<b>441 621</b>	<b>-</b>	<b>2 072 038</b>

**NOTE 11 Goodwill**

Changes in the carrying amount for goodwill is as follows:

	Group		
	2023-09-30	2022-09-30	2022-12-31
Balance brought forward	1 283 246	478 186	478 186
Aquisitions through business combinations	646 840	648 699	784 594
Exchange rate differences	13 573	9 852	20 466
Reclassifications*	-23 820	-	-
Balance carried forward	1 919 839	1 136 737	1 283 246
Carrying amount	1 919 839	1 136 737	1 283 246

\* An excess value has been identified in assets in an acquisition made in 2022. The excess value has only been calculated on assets that existed at the time of acquisition and this matter is handled as a changed assessment. Deferred tax has been considered.

**NOTE 12 Right of use assets**

The balance sheet of the Group contains the following amounts regarding the group's leasing agreement.

	Group		
	2023-09-30	2022-09-30	2022-12-31
Accumulated cost brought forward	477 173	207 550	207 550
Aquisitions through business combinations	96 448	281 539	121 234
Aquisitions	133 297	-	-
Reclassifications	-	-	209 611
Sales/disposals	-799	-11 761	-12 353
Exchange rate differences	1 114	-	3 301
Effect from changed incremental borrowing rate	-	-52 170	-52 170
Accumulated cost carried forward	707 233	425 158	477 173
Accumulated depreciation brought forward	-45 292	-11 134	-11 134
Sales/disposals	799	798	2 360
Depreciation for the interim period/year	-48 234	-25 111	-36 518
Accumulated depreciation carried forward	-92 727	-35 447	-45 292
Carrying amount	614 506	389 711	431 881

	Amount	Remaining term	Group		
			2023-09-30	2022-09-30	2022-12-31
<i>Right of use assets</i>					
Buildings	77	2–20 years	584 741	386 925	418 931
Machinery	25	1–4 years	8 303	2 080	4 347
Vehicles	64	0–3 years	21 462	706	8 603
Total balance			614 506	389 711	431 881
<i>Lease liabilities</i>					
Long term			568 242	369 098	404 268
Short term			63 567	31 539	39 880
Total balance			631 809	400 637	444 148

The income statement includes the following amounts related to lease agreements:

	2023-07-01	2022-07-01	2023-01-01	2022-01-01	2022-01-01
	2023-09-30	2022-09-30	2023-09-30	2022-09-30	2022-12-31
<i>Depreciation of Right of use assets</i>					
Buildings	15 720	13 431	42 583	23 322	33 193
Machinery	711	105	1 986	385	1 249
Vehicles	1 591	210	3 665	607	2 076
<b>Total amount</b>	<b>18 022</b>	<b>13 746</b>	<b>48 234</b>	<b>24 314</b>	<b>36 518</b>
<i>Finance charges</i>					
Total amount	8 629	3 885	22 955	10 697	17 435

**NOTE 13 Bond loans**

During Q2 2022 the Group placed a bond in the market. The amount is SEK 1 billion with the possibility of increasing to SEK 1,5 SEK billion.

The bond was listed in Frankfurt. The bond is, as of June 16th 2023, admitted for trading on Nasdaq STO Corporate Bonds. The term of the bond is three years and interest is market-based. All conditions in the form of covenants are fulfilled as of 2023-09-30.

Complete Terms and Conditions can be found on our homepage:

<http://autocirc.com/wp-content/uploads/2022/07/Project-Circularity-Terms-and-Conditions.pdf>

**NOTE 14 Deferred tax assets and liabilities**

Deferred taxes arising from temporary differences and unused tax losses are summarised as follows:

Changes during year:	Recorded in				
	2023-01-01	From acquisitions	Other comprehensive income	Profit or loss	2023-09-30
Tangible fixed assets	-	12 882	-	-1 586	11 296
Right of use assets	88 967	-	-	37 621	126 588
Lease liabilities	-91 495	-	-	-38 657	-130 152
From untaxed reserves	20 970	2 716	-	-	23 686
Unused tax losses carried forward	-220	-	-	-131	-351
Other	-	1 893	-	-	1 893
	18 222	17 491	-	-2 753	32 960

Changes during year:	Recorded in				
	2022-01-01	From acquisitions	Other comprehensive income	Profit or loss	2022-12-31
Right of use assets	-	-	-	88 967	88 967
Lease liabilities	-	-	-	-91 495	-91 495
From untaxed reserves	3 505	6 492	-	10 973	20 970
Others	-220	-	-	-	-220
	3 285	6 492	-	8 445	18 222

**NOTE 15 Pledged assets and contingent liabilities**

The changes for the Group during the year/interim period are as follows:

Pledged assets	Group	
	2023-09-30	2022-09-30
<i>For own provisions and liabilities:</i>		
Property mortgage	5 750	-
Floating charge	9 816	-
Pledged shares in subsidiaries	1 043 405	311 449
Assets with ownership reservations	60 631	-
Others	700	-
Amount	1 120 302	311 449
<b>Contingent liabilities</b>		
Bank guarantee in favour of group companies	11 400	-
Bank guarantee	7 923	5 450
Others	-	2 619
Amount	19 323	8 069

**NOTE 16 Related party transactions**

Autocirc Industriutveckling AB owns 100% of the parent company's shares and has controlling influence over the group. Related parties are all subsidiaries within the group as well as senior executives in the group and their relatives. Transactions take place on market terms. The following transactions have taken place with related parties (normal transactions with key management personnel are excluded):

	Group		
	2023-09-30	2022-09-30	2022-12-31
Sales of goods and services between subsidiaries	142 459	20 747	86 519
Rent of premises from related party	27 081	3 474	25 805
Contracted managing director from related party	10 762	55	55
Other contracted staff from related party	6 397	1 527	2 553
Other services from related party	585	-	-
Liabilities to related party	6 654	3 571	17 140
Claims on related parties	12	-	-

**NOTE 17 Fair value measurement of financial instruments**

Debt regarding additional considerations regarding acquisitions is continuously measured at fair value and are included in the statement of profit/loss. The item has been classified to Level 3, ie where there are no observable inputs for liabilities. The amounts are as follows:

Earn-outs	Group		
	2023-09-30	2022-09-30	2022-12-31
Earn-outs	507 807	298 025	308 355

Bond loan, fair value as of September 30, 2023: 103,7% of the nominal amount 1 000 MSEK.

The bond loan is reported at amortized cost with information of the fair value as of September 30, 2023. The fair value of the bond loan is at level 1.

**NOTE 18 Shares in subsidiary**

The parent company holds shares in the following subsidiary:

Name	Corp. Id No.	Domicile	Number of shares	Parent company		
				2023-09-30	2022-09-30	2022-12-31
Autocirc AB	559214-4314	Borås, Sweden	1 032	1 264 892	401 431	439 892
				2023-09-30	2022-09-30	2022-12-31
Balance brought forward				439 892	245 529	245 529
Shareholders' contribution				825 000	194 403	194 363
Balance carried forward				1 264 892	439 932	439 892
Total balance carried forward				<b>1 264 892</b>	<b>439 432</b>	<b>439 892</b>

**NOTE 19 Significant events after the reporting period**

In the beginning of October Autocirc Group has issued 130 MSEK, at 104% price adding 135 MSEK of cash to the group, of subsequent bonds under the Company's existing 2022/2025 senior secured

callable floating rate bond loan. On November 1st 2023 the Group acquired Bärningstjänsten i Sverige AB, a Swedish towing company.

**NOTE 20 Adjustments made in the comparison period Q3 2022**

An adjustment has been made in the balance sheet for the comparison period Q3 2022 with regards to cash and cash equivalents and bank overdraft facilities. The adjustment has been made to better reflect the cash pool in the Group. Accordingly,

the cash flow statements for the same period have been updated to better reflect events in the investment and financing activities, through clearer gross reporting.

	2022-09-30	2022-09-30*
Cash and cash equivalents	310 683	420 563
Bank overdraft facilities	0	109 880

\* previous reporting, published at <https://autocirc.com/sv/investerare/>

**NOTE 21 Alternative performance measure****1. Adjusted EBITA and adjusted EBITA margin, %**

SEKm	Q3		Q1-Q3		PF LTM <sup>1)</sup>	Full-year 2022
	2023	2022	2023	2022		
Operating result (EBIT)	25	12	77	54	151	61
<b>EBITA</b>	<b>25</b>	<b>12</b>	<b>77</b>	<b>54</b>	<b>151</b>	<b>61</b>
Items affecting comparability	13	12	46	35	66	49
<b>Adjusted EBITA</b>	<b>38</b>	<b>25</b>	<b>123</b>	<b>89</b>	<b>217</b>	<b>110</b>
Net sales	476	265	1358	763	2019	1084
<b>Adjusted EBITA, %</b>	<b>8%</b>	<b>9%</b>	<b>9%</b>	<b>12%</b>	<b>11%</b>	<b>10%</b>

**2. Adjusted operating cash flow and cash generation, %**

SEKm	Q3		Q1-Q3		PF LTM <sup>1)</sup>	Full-year 2022
	2023	2022	2023	2022		
Adjusted EBITA	38	25	123	89	217	110
Depreciation	30	21	83	37	112	58
<b>Adjusted EBITDA</b>	<b>68</b>	<b>46</b>	<b>206</b>	<b>126</b>	<b>328</b>	<b>168</b>
Change in working capital	157	16	-57	-4	-57	-42
<b>Adjusted operating cash flow</b>	<b>225</b>	<b>62</b>	<b>148</b>	<b>122</b>	<b>271</b>	<b>126</b>
<b>Cash conversion, %</b>	<b>329%</b>	<b>136%</b>	<b>72%</b>	<b>97%</b>	<b>83%</b>	<b>75%</b>

**3. Items affecting comparability**

SEKm	Q3		Q1-Q3		PF LTM <sup>1)</sup>	Full-year 2022
	2023	2022	2023	2022		
Transaction costs	8	3	32	12	40	19
One-time costs	5	9	14	23	26	29
<b>Items affecting comparability</b>	<b>13</b>	<b>12</b>	<b>46</b>	<b>35</b>	<b>66</b>	<b>49</b>

**4. Net debt / adjusted EBITDA**

SEKm	Q3		Q1-Q3		PF LTM <sup>1)</sup>	Full-year 2022
	2023	2022	2023	2022		
Bond loans	1000	-	1000	-	1000	-
Non-current liabilities to credit institutions	108	-	108	-	108	-
Non-current lease liabilities	568	-	568	-	568	-
Non-current vendor loans in owner's company	13	-	13	-	13	-
Other liabilities	483	-	483	-	483	-
Current liabilities to credit institutions	58	-	58	-	58	-
Current lease liabilities	64	-	64	-	64	-
Current other liabilities	28	-	28	-	28	-
<b>Total interest-bearing liabilities</b>	<b>2 321</b>	<b>-</b>	<b>2 321</b>	<b>-</b>	<b>2 321</b>	<b>-</b>
Cash and cash equivalents	165	-	165	-	165	-
<b>Net Debt</b>	<b>2 157</b>	<b>-</b>	<b>2 157</b>	<b>-</b>	<b>2 157</b>	<b>-</b>

**Adjustments to net debt:**

Removal of lease liabilities related to premises	-632	-	-632	-	-632	-
Removal of performance based commitments	-508	-	-508	-	-508	-
<b>Adjusted Net Debt</b>	<b>1 017</b>	<b>-</b>	<b>1 017</b>	<b>-</b>	<b>1 017</b>	<b>-</b>
Adjusted LTM EBITDA proforma	328	-	328	-	328	-
Removal of leasing costs for premises & items affecting comparability	-99	-	-99	-	-99	-
<b>Adjusted LTM EBITDA proforma excl. IFRS 16</b>	<b>230</b>	<b>-</b>	<b>230</b>	<b>-</b>	<b>230</b>	<b>-</b>
Net debt / Adjusted LTM EBITDA proforma	4,43x	-	4,43x	-	4,43x	-

**NOTE 22 Definitions**

Net revenue growth, %	Change in reported net revenue compared with the same period in the preceding year.
Organic growth, %	Net revenue growth, adjusted for net revenue attributable to businesses acquired in the first twelve months after the acquisition date.
EBITDA	Operating profit before interest, tax, depreciation/amortisation of property, plant and equipment and intangible non-current assets.
EBITDA margin	EBITDA as a percentage of the company's net revenue.
Adjusted EBITDA	Operating profit before depreciation/amortisation of property, plant and equipment and intangible non-current assets, adjusted for items affecting comparability.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of the company's net revenue.
EBITA	Operating profit before amortisation of intangible assets.
EBITA margin, %	EBITA as a percentage of the company's net revenue.
Adjusted EBITA	Operating profit before amortisation of intangible assets, adjusted for items affecting comparability.
Adjusted EBITA margin, %	Adjusted EBITA as a percentage of the company's net revenue.
Net debt	Interest-bearing liabilities (due to credit institutions and lease liabilities), less cash and cash equivalents.
Adjusted Net debt	Interest-bearing liabilities (due to credit institutions and lease liabilities), less cash and cash equivalents, calculated according to the terms and conditions set forth in the compliance certificate.
PF LTM	Last twelve months reported figures adjusted for the contribution of the businesses contractually acquired or completed acquisitions by the Group as if they had been owned during the full last twelve months period

