

INTERIM REPORT 2023 | Q4



FOR A CIRCULAR AUTO PARTS INDUSTRY

Events in the fourth quarter of 2023

October:

The fourth quarter of 2023 marked the start of several strategic and important partnerships and cooperation agreements for Autocirc in the Nordic region.

We further expanded our central organization to enhance our operational capabilities including cash management, group accounting, operational development and IT & Tech. This allows for even closer cooperation with our subsidiaries, supporting their growth and development.

Additionally, 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.

November:

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.

Our Finnish operations were strengthened through the appointment of well-experienced Kenneth Långbacka as the new CEO for Autocirc Finland AB.

We successfully issued subsequent bonds in an amount of SEK 200 MSEK under the existing senior secured bond loan 2022/2025. The bond issue was met with strong demand from reputable Nordic institutional and private investors and the subsequent bonds were issued at 104,5% of the nominal amount adding 212 MSEK of cash to the group.

December:

Our presence in Europe was further expanded and strengthened through the acquisition of Auto Pièces Caréco in Reims during the last month of 2023. The company is part of leading Caréco Group in France.

Petteri Saarinen was appointed Chairman of the Board for Autocirc, following the successful leadership of Chairman Robert Wagman. Together they will lead Autocirc into further development and growth as Robert continues as Vice Chairman.

We introduced our new ESG strategy which was approved by our Board of Directors in December and will officially be effective on 1 January 2024.

A Whistleblowing channel was implemented in Autocirc as well as in our subsidiaries exceeding 50 employees, in compliance with the EU Whistleblowing Directive.

Events after the fourth quarter of 2023

We increased the pace of our French expansion through the acquisitions of Caréco Pontarlier and Caréco Louhans – both part of the French Caréco Group and prominent companies in their respective markets.

MSEK unless otherwise stated	Q4		Q1-Q4	
	2023	2022	2023	2022
Total Revenue	571	321	1 929	1 084
EBITDA*	58	39	217	119

*Earnings before interest, tax, depreciation and amortisation

Comments from our CEO

Together for change.

The past year has seen us solidifying our presence in Europe – something which is also evident when summarizing the last quarter of 2023 and the initial months of 2024. We have continued our expansion through several prominent acquisitions, but first and foremost we have formed new strategic partnerships and further increased the efficiency of our existing operations. It's only when we work together that we can accomplish large-scale change in leading the auto parts industry towards a sustainable future.

”We leave a rewarding quarter behind us and look forward to a promising future.”

We have reached several milestones regarding partnerships and collaboration agreements especially in the Nordic region during the fall of 2023. Cooperation agreements with external partners are based on our shared goal of maximising the utilization of original used spare parts in damage repairs. These collaboration agreements have already resulted in mutual benefits for us as well as for the involved partners through shared access to experiences, know-how and resources.

Market development

Successful new collaboration with insurance companies in Norway and Finland has positively affected the number of vehicles arriving at our dismantling facilities in these markets. In Norway we have had a significant increase in vehicles ready for dismantling which has challenged our storage and production capacity. This is balanced by the fact that our central warehouse outside of Oslo is now fully operational.

Many of our Norwegian dismantlers are reporting record sales figures for parts. Similarly, our vehicle recovery service is experiencing record revenues and a strong end to 2023.

In Finland, we have made significant progress towards establishing an operating procedure that replicates our Swedish model of direct sales of insurance write-offs to dismantling facilities. This transition is supported by the newly established partnerships on the Finnish market allowing us to substantially increase the use of original parts, saving costs and benefitting the environment. This has already resulted in the delivery of a considerable number of vehicles for dismantling and just before the New Year, we initiated sales of the redeemed parts and the development is very promising.

In addition to establishing new strategic partnerships, we continued our European expansion. Through the acquisition of Auto Pieces Caréco in Reims in December, followed by Caréco Pontarlier and Caréco Louhans in February of 2024, we have greatly increased our reach and influence in the French market. Including our previously acquired Caréco Group companies, Beck Export Automobile and Coram Auto, we now have a solid foundation to accelerate the circular transition of the auto parts industry in Europe.

In the past quarter, we also welcomed a new addition to our Board of Directors. Following the successful leadership of Robert Wagman, Petteri Saarinen has assumed the role of Chairman of the Board. Petteri has extensive leadership experience and a proven track record in successful international business execution. Robert remains active as Vice Chairman. Together, the pair will lead Autocirc into its next phase of growth and development.

Financial performance

Our financial performance in the fourth quarter demonstrates a strong continuous growth of 78%, mainly through acquired growth, continuing the positive trend established in the first three quarters of the year. For the full year we maintained growth in net sales at 78%, preserving good gross profit levels and a steady adjusted EBITDA margin around 15%.

Despite experiencing negative cash flow from operating activities, it was an improvement compared to the fourth quarter of 2022. We achieved a cash conversion rate of 87% in the quarter and 68% for the full year of 2023, compared to 79% for the full year of 2022.

Our profitability was negatively impacted by inflation on most cost items, including car prices. Additionally, our acquisition journey added transaction costs as well as one-off expenses as we continue to grow and scale our organization.

On a year-to-date basis, net sales increased by 78%, with most of the 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 two years.

ESG update

In December, we introduced our new ESG strategy. It positions Autocirc at the front of sustainable development within our industry and reflects our commitment of being a catalyst for positive change for society and the environment. The strategy covers our entire business, from carbon emissions avoidance to social responsibility and governance. In conjunction with this, we've updated our Code of Conduct and Equal Treatment Policy.

In compliance with the EU Whistleblowing Directive, we've launched a new Whistleblowing channel. As we strive to maintain a transparent and ethic business climate, whistleblowing gives all employees and external persons involved in work-related contexts the opportunity to report suspicions of misconduct.

Looking ahead

We leave a rewarding quarter behind us and look forward to a promising future. We're particularly excited about our participation in the pioneering initiative hosted by RISE (Research Institutes of Sweden), named "The Circular Car". This collaborative effort engages stakeholders across the automotive industry's entire value chain, aiming to develop and initiate both short-term and long-term sustainable transitions. The project will span several years, and our involvement began in January. We will provide updates as the project progresses.

In closing, I would like to thank everyone at Autocirc and our partners for their support and dedication to our cause. It is clear that it is only through our shared efforts that we can realize the vision of a circular auto parts industry. The way forward is through collaboration – on a greater scale and with even better efficiency. This will continue to be our focus in 2024.

Johan Livered
CEO of Autocirc
Borås, February 2024

"Our new ESG strategy positions Autocirc at the front of sustainable development within our industry."



54
COMPANIES

900+
CO-WORKERS

Financial summary

October–December 2023 (Q4)

Total revenue for the Group amounted to SEK 571 million (321), an increase of 78% compared to the same quarter last year. Acquired sales have contributed with SEK 211 million, while organic revenue contributed with SEK 39 million.

The Group's EBITDA, amounted to SEK 58 million (39), equating to an EBITDA margin of 10,1% (12,1), which still have been affected by the higher cost structure through acquisitions, increased costs for premises as well as one-off costs.

After adjustment of non-recurring items, the adjusted EBITDA amounted to SEK 72 (39) million, which resulted in an adjusted EBITDA margin of 12,7% (12,1).

Full year 2023

Total revenue for the Group amounted to SEK 1929 (1084) million, an increase of 78% compared to the full year 2022. Acquired sales have contributed with SEK 587 million on total revenue while organic sales contributed with SEK 258 million.

The Group's EBITDA amounted to SEK 217 (119) million, equating to an EBITDA margin of 11,3% (11,0)

Adjusting for non-recurring items, the adjusted EBITDA amounted to SEK 278 (168) million, which resulted in an adjusted EBITDA margin of 14,4% (15,5)

Profitability is negatively impacted by inflation on most cost items including prices on cars.

LTM

Net sales for the Group amounted to SEK 2181 million, with acquired sales adding SEK 841 million and organic growth is SEK 255 million. The Group's adjusted EBITDA amounted to SEK 339 million, equating an EBITDA margin stable at 15,5% (15,5)

Financial position

Autocirc Group AB placed a bond in the market during Q2 2022 and tapped to this bond twice during the autumn, SEK 130 million in October and SEK 200 million in November,

both above nominal amount. The total aggregated nominal amount of the initial Bond was SEK 1 billion, with the possibility to issue additional Bonds up to the maximum aggregated amount of SEK 1,5 billion. After the last two taps the remaining additional issues is SEK 170 million. The prospectus Project – circularity terms and conditions have been updated for the taps and can be found on our homepage.

The terms 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 2023-12-31.

In addition, Autocirc AB have a super senior revolving credit facility which at end of the year was unused and was SEK 250 million, with a facility for guarantees at SEK 13.8 million available out of total SEK 25 million.

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

Financial summary	Q4			Full year			
	2023	2022	Δ%	2023	2022	Δ%	PF LTM ¹⁾
Total Revenue	571	321	78%	1929	1084	78%	2181
Organic growth	39	-	-	258	-	-	255
Acquired growth	211	-	-	587	-	-	841
Gross Profit	354	212	67%	1217	671	81%	1373
EBITDA	58	39	48%	217	119	82%	278
EBITDA-margin, %	10,1%	12,1%	-	11,3%	11,0%	-	12,7%
Adjusted EBITDA ¹⁾	72	39	86%	278	168	66%	339
Adj. EBITDA-margin, % ¹⁾	12,7%	12,1%	-	14,4%	15,5%	-	15,5%
EBITA	10	7	50%	87	61	42%	148
EBITA-margin, %	1,8%	2,2%	-	4,5%	5,7%	-	6,8%
Adjusted EBITA ¹⁾	25	18	40%	148	110	34%	208
Adj. EBITA-margin, % ¹⁾	4,4%	5,6%	-	7,7%	10,1%	-	9,5%
Cash flow from operating activities	-29	-31	-61%	-105	-35	154%	-88
Adjusted Cash flow from operating activities	44	8	664%	174	133	43%	251
Cash conversion ¹⁾	60%	20%	-	68%	79%	-	74%
Net Debt/ Adj. EBITDA ¹⁾	5,21x	-	-	5,21x	-	-	5,21x

¹⁾ These are alternative performance measures. Refer to Note 27, Alternative performance measures, for reconciliation and page 37 for definitions.



Authorisation of financial statements

The consolidated financial statement for the interim period ended December 31st, 2023 (including comparatives) were approved for publication by the board of directors on February 28th, 2024.

Borås, February 28th, 2024

Johan Livered

CEO

Petteri Saarinen

Chairman of the Board

Robert Louis Wagman

Vice Chairman of the Board

Mattias Pettersson

Boardmember

Joakim Lundvall

Boardmember

Owe Xie

Boardmember

Andreas Näsвик

Boardmember

This Q4 2023 Interim Report has not been audited.

Income statements

Consolidated statements					
kSEK	Notes	2023-10-01 2023-12-31	2022-10-01 2022-12-31	2023-01-01 2023-12-31	2022-01-01 2022-12-31
Operating income etc.	24				
Revenue	6	572 989	324 260	1 888 832	1 069 681
Change in inventories of products in progress, finished goods and work in progress		-8 807	1 396	-	1 348
Work performed by the group for its own use and capitalised		6 338	-	6 338	-
Other operating income		866	-4 806	33 840	12 906
Total operating income etc.		571 386	320 850	1 929 010	1 083 935
Operating expenses					
Raw materials and consumables		-140 542	-22 522	-251 061	-6 016
Goods for resale		-76 402	-85 978	-461 343	-401 147
Other external expenses		-117 134	-74 305	-428 973	-233 514
Employee expenses		-182 421	-112 795	-568 635	-316 283
Depreciation, amortisation and impairment of tangible and intangible fixed assets		-47 264	-20 784	-130 317	-57 941
Impairment of goodwill	7	-47 405	-	-47 446	-
Other operating expenses		2 824	2 627	-1 615	-731
Total operating expenses		-608 344	-313 757	-1 889 390	-1 015 632
Operating profit		-36 958	7 093	39 620	68 303
Gain (loss) from financial items:					
Gain (loss) from participation in associates and joint ventures		-366	-	-352	70
Gain (loss) from other securities and receivables classified as fixed assets		-130	-74	-	2
Finance income	8	14 418	4 674	18 469	2 533
Finance costs	9, 16	-101 883	-40 330	-239 608	-99 794
Profit/Loss after financial items		-124 919	-28 637	-181 871	-28 886
Tax expense	10	11 829	-5 645	-14 258	-50 115
Earnings for the interim period/year		-113 090	-34 282	-196 129	-79 001

Other comprehensive income

Consolidated statements					
kSEK	Notes	2023-10-01 2023-12-31	2022-10-01 2022-12-31"	2023-01-01 2023-12-31	2022-01-01 2022-12-31
Profit/Loss for the year		-113 090	-34 282	-196 129	-79 001
Exchange differences on translating foreign operations		-3 851	15 361	-1 720	16 835
Other comprehensive income for the interim period/year, net of tax		-3 851	15 361	-1 720	16 835
Total comprehensive income for the interim period/year		-116 941	-18 921	-197 849	-62 166
Earnings for the interim period/year attributable to:					
Owners of the parent		-113 025	-34 290	-196 099	-79 116
Non-controlling interest		-65	8	-30	115
		-113 090	-34 282	-196 129	-79 001
Total comprehensive income for the interim period/year attributable to:					
Owners of the parent		-116 784	-19 063	-198 083	-62 415
Non-controlling interest		-157	142	234	249
		-116 941	-18 921	-197 849	-62 166

Balance sheets

Consolidated statements			
kSEK	Notes	2023-12-31	2022-12-31
ASSETS	24		
Fixed assets			
Intangible fixed assets			
Capitalised expenditure for development and similar work	13	9 314	145
Software, licences and similar rights		992	411
Rights to tenancy and similar rights		876	1 021
Goodwill	14, 26	1 716 569	1 192 986
Total intangible fixed assets		1 727 751	1 194 563
Tangible fixed assets			
Land and buildings		178 900	51 413
Right of use assets	15	630 966	431 881
Cost of improvements to leased property		13 779	–
Plant and machinery		172 122	48 539
Equipment, tools, fixtures and fittings		52 930	44 632
Construction in progress		41 976	969
Total tangible fixed assets		1 090 673	577 434
Financial fixed assets			
Shares in associated companies		2 156	2 504
Receivables from associates and joint ventures		–	60
Other participation interests		–	1 713
Other long-term securities		5 780	4 974
Deferred tax assets	18	7 916	–
Other long-term receivables		6 486	1 163
Total financial fixed assets		22 338	10 414
Total fixed assets		2 840 762	1 782 411

Consolidated statements			
kSEK	Notes	2023-12-31	2022-12-31
Current assets			
Inventories etc.			
Finished products and goods for resale		407 968	182 943
Total inventories etc		407 968	182 943
Current receivables			
Trade and other receivables		170 641	108 789
Receivables from group companies		30 818	21 003
Receivables from associates and joint ventures		1 110	–
Current tax receivable		26 721	957
Contract and other receivables		75 519	20 713
Prepaid expenses and accrued income		16 753	23 501
Total current receivables		321 562	174 963
Cash and cash equivalents		150 120	168 962
Total current assets		879 650	526 868
TOTAL ASSETS		3 720 412	2 309 279

Balance sheets

Consolidated statements			
kSEK	Notes	2023-12-31	2022-12-31
EQUITY AND LIABILITIES	24		
Equity			
Share capital		516	516
Other contributed capital		51 175	51 175
Reserves		9 199	19 926
Earnings brought forward		1 080 938	333 750
Earnings for the year		-196 099	-79 001
Equity attributable to owners of the parent company		945 729	326 366
Non-controlling interest		3 637	1 135
Total equity		949 366	327 501
Non-current liabilities			
Warranty provision		195	320
Pensions and other employee obligations		5 226	8 020
Other provisions		1 078	-
Bond loans	9, 16	1 315 769	962 885
Liabilities to credit institutions	17	60 731	14 991
Lease liabilities	15	550 285	404 268
Deferred tax liabilities	18	44 236	18 222
Other liabilities	26	286 190	183 650
Total non-current liabilities		2 263 710	1 592 356
Current liabilities			
Bank overdraft facilities		1 929	-
Liabilities to credit institutions	17	15 340	87 750
Lease liabilities	13	102 752	39 880
Advance payments from customers		10 331	5 928
Trade and other payables		132 316	74 071
Liabilities to group companies		40	-
Current tax liabilities		31 074	36 955
Other liabilities	26	119 424	81 156
Accrued expenses and deferred income		94 130	63 682
Total current liabilities		507 336	389 422
Total liabilities		2 771 046	1 981 778
TOTAL EQUITY AND LIABILITIES		3 720 412	2 309 279

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
Opening balance								
2022-01-01		516	51 175	3 225	139 302	194 218	886	195 104
Shareholders' contribution		-	-	-	194 563	194 563	-	194 563
Transactions with owners		-	-	-	194 563	194 563	-	194 563
Balance at								
2022-12-31		516	51 175	3 225	333 865	388 781	886	389 667
Profit/loss for the period		-	-	-	-79 116	-79 116	115	-79 001
Other comprehensive profit/loss for the period		-	-	16 701	-	16 701	134	16 835
Total comprehensive income/(loss) for the period		-	-	16 701	-79 116	-62 415	249	-62 166
Balance at								
2022-12-31		516	51 175	19 926	254 749	326 367	1 135	327 501
Opening balance								
2023-01-01		516	51 175	19 926	254 749	326 367	1 135	327 501
Shareholders' contribution		-	-	-	825 000	825 000	919	825 919
Transactions with non-controlling interest		-	-	-	-	-	1 379	1 379
Transactions with owners		-	-	-	825 000	825 000	2 298	827 298
Diversion within equity		-	-	-8 654	8 654	-	-	-
Profit/loss for the period		-	-	-	-196 099	-196 099	-30	-196 129
Correction of errors		-	-	-89	-7 465	-7 554	-30	-7 584
Other comprehensive profit/loss for the period		-	-	-1 984	-	-1 984	264	-1 720
Total comprehensive income/(loss) for the period		-	-	-10 727	-194 910	-205 637	204	-205 433
Balance at								
2023-12-31		516	51 175	9 199	884 839	945 729	3 637	949 366

Cash flow statements

Consolidated statements					
kSEK	Notes	2023-10-01 2023-12-31	2022-10-01 2022-12-31	2023-01-01 2023-12-31	2022-01-01 2022-12-31
Profit/Loss after financial items		-124 919	-28 636	-181 870	-28 886
Non-cash adjustment		102 911	27 724	198 149	59 340
Income tax paid		-21 866	-15 368	-47 960	-26 565
Cash flow from operating activities before changes in working capital		-43 874	-16 280	-31 681	3 889
<i>Changes in working capital:</i>					
Change in inventories		-16 039	-18 626	-101 290	-32 097
Change in trade and other receivables		-43 943	-35 121	-12 032	-14 792
Change in trade and other payables		31 195	22 686	8 798	5 306
Net cash flow from operating activities		-72 661	-47 341	-136 205	-37 694
Investing activities					
Acquisition of participations in subsidiaries net of cash acquired		-25 599	-134 990	-693 096	-824 887
Acquisition of intangible fixed assets		-130	-	-509	-615
Acquisition of tangible fixed assets		-22 227	-15 881	-141 284	-19 578
Disposal of tangible fixed assets		9 706	-	21 126	189 230
Cash flow from investing activities		-38 250	-150 871	-813 763	-655 850
Financing activities					
Shareholders' contribution received		-	-	825 000	156 063
New borrowings and lease liabilities		357 516	85 000	357 516	1 036 631
Repayment of borrowings and lease liabilities		-210 351	-28 509	-253 319	-367 838
Change in bank overdraft facilities		-194	-	1 929	-51 696
Cash flow from financing activities		146 970	56 491	931 125	773 160
Cash flow for the period		36 060	-141 721	-18 842	79 616
Cash and cash equivalents at the beginning of the period	25	114 060*	310 683	168 962	89 346
Cash and cash equivalents at end of period		150 120	168 962	150 120	168 962

* Adjusted amount (-50 627) compared to previous reporting in Q3 2023. The adjustment also affects the period's change in overdraft facilities. The adjustments has been made to better reflect the cash pool in the Group.

Income statements

Parent company					
kSEK	Notes	2023-10-01 2023-12-31	2022-10-01 2022-12-31	2023-01-01 2023-12-31	2022-01-01 2022-12-31
<i>Operating income etc.</i>					
Other operating income/Other income		4 958	-	11 516	-
Total operating income etc.		4 958	0	11 516	0
<i>Operating expenses</i>					
Other external expenses		-8 104	4 176	-16 955	-1 957
Employee benefit expenses		273	-	-754	-
Total operating expenses		-7 831	4 176	-17 709	-1 957
Operating profit		-2 873	4 176	-6 193	-1 957
<i>Gain (loss) from financial items:</i>					
Other interest income and similar items	8	42 204	23 296	123 829	42 029
Interest expense and similar items	9	-50 899	-29 173	-148 378	-59 456
Loss after financial items		-11 569	-1 701	-30 742	-19 384
Appropriations		5 790	-	5 790	-
Profit/loss of the year from continuing operations		-5 779	-1 701	-24 952	-19 384
<i>Loss for the year from discontinued operations</i>					
Profit/loss and total comprehensive income for the interim period/year		-5 779	-1 701	-24 952	-19 384

Balance sheets

Parent company			
kSEK	Notes	2023-12-31	2022-12-31
ASSETS			
Financial fixed assets			
Participations in group companies	22	1 264 892	439 892
Receivables from group companies		1 263 066	900 692
Total financial fixed assets		2 527 958	1 340 584
Total fixed assets		2 527 958	1 340 584
Current assets			
Current receivables			
Receivables from group companies		20 959	4 257
Contract and other receivables		882	–
Total current receivables		21 841	4 257
Cash and bank		116	43 069
Total current assets		21 957	47 326
TOTAL ASSETS		2 549 915	1 387 910

Balance sheets

Parent company			
kSEK	Notes	2023-12-31	2022-12-31
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital		516	516
Total restricted equity		516	516
<i>Non-restricted equity</i>			
Share premium		51 175	51 175
Profit/loss brought forward		1 194 039	388 423
Profit/loss for the year		-24 952	-19 384
Total non-restricted equity		1 220 263	420 214
Total equity		1 220 779	420 730
Non-current liabilities			
Bond loans	16	1 315 769	962 885
Total long-term liabilities/Total non-current liabilities		1 315 769	962 885
Current liabilities			
Trade and other payables		190	236
Liabilities to group companies		6 198	–
Contract and other liabilities		336	–
Accrued expenses and deferred income		6 642	4 059
Total current liabilities		13 367	4 295
Total liabilities		1 329 136	967 180
TOTAL EQUITY AND LIABILITIES		2 549 915	1 387 910

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
Balance at						
2022-01-01		516	51 175	193 862	-2	245 551
Transfer of previous years profit or loss		-	-	-2	2	-
Shareholders contribution		-	-	194 563	-	194 563
Profit/loss for the period		-	-	-	-19 384	-17 683
Balance at						
2022-12-31		516	51 175	388 423	-19 384	420 730
Opening balance						
2023-01-01		516	51 175	388 423	-19 384	420 730
Transfer of previous years profit or loss		-	-	-19 384	19 384	-
Shareholders' contribution		-	-	825 000	-	825 000
Profit/loss for the period		-	-	-	-24 952	-24 952
Balance at						
2023-12-31		516	51 175	1 194 039	-24 952	1 220 779

Cash flow statements

Parent company	Notes	2023-10-01 2023-12-31	2022-10-01 2022-12-31	2023-01-01 2023-12-31	2022-01-01 2022-12-31
kSEK					
Operating activities					
Profit/loss after financial items		-11 568	-1 701	-30 742	-19 384
Non-cash adjustment		2 163	-	8 451	-
Cash flow from operating activities before changes in working capital		-9 405	-1 701	-22 291	-19 384
<i>Changes in working capital:</i>					
Change in trade and other receivables		-15 599	-766	-17 585	-4 232
Change in trade and other payables		-395	1 024	2 875	4 292
Net cash flow from operating activities		-25 399	-1 443	-37 001	-19 324
Investing activities					
Group loan provided		-324 684	-105 116	-358 913	-900 692
Group loan repaid		197	-	6 198	-
Shareholders' contribution paid		-	-	-825 000	-155 863
Cash flow from investing activities		-324 487	-105 116	-1 177 715	-1 056 555
Financing activities					
Shareholders' contribution received		-	-	825 000	156 063
New borrowings		346 763	-2 815	346 763	962 885
Cash flow from financing activities		346 763	-2 815	1 171 763	1 118 948
Cash flow for the period		-3 123	-109 374	-42 953	43 069
Cash and cash equivalents at the beginning of the period		3 239	152 443	43 069	-
Cash and cash equivalents at end of period		116	43 069	116	43 069



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 merchandise, service/repair and freight. As the majority relates to merchandise 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 31 December 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 28 of February 2024.

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

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.

Correction of errors

To comply with the accounting principle correction of errors in prior years 2021 and 2022 has been made and corresponding comparison periods has been adjusted. For more information please see note 15 and 26.

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 with the addition below.

The Group has harmonised the inventory valuation principle across the group for all companies defined as Business Area dismantler, in order to more accurately reflect the actual acquisition cost of purchased cars for dismantling. This has had a positive impact on the inventory balance at year end of mSEK 32.4.

NOTE 6 Revenue

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

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

	2023-10-01	2022-10-01	2023-01-01	2022-01-01
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Sweden	224 494	174 664	794 803	636 101
Norway	89 376	30 921	273 817	111 952
Finland	107 954	19 843	197 200	71 846
France	27 061	-	173 005	-
Germany	7 125	4 799	45 259	5 336
Poland	12 470	587	51 555	4 459
Europe excl countries above	85 481	82 257	299 645	222 094
Other countries outside Europe	19 028	11 189	53 548	17 893
Total	572 989	324 260	1 888 832	1 069 681

NOTE 7 Impairment of goodwill

For indefinite assets an impairment test is performed on an annual basis as well as if there are indications of impairments during the year. The impairment is made on the cash generated units which in the Autocirc Group are identified as segments. The valuation is based on the business plan over a forecasted period of five years. In 2023, the recoverable amount for segment Germany did not meet the requirement thus an impairment was recognised through the income statement.

NOTE 8 Finance income

	Group			
	2023-10-01	2022-10-01	2023-01-01	2022-01-01
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Interest income	17 269	930	18 469	1 026
Exchange gains	-828	705	-	1 414
Exchange losses	60	3 039	-	-53
Other finance income	-2 083	-	-	146
Total	14 418	4 674	18 469	2 533
	Parent company			
	2023-10-01	2022-10-01	2023-01-01	2022-01-01
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Interest income	31	237	31	237
Interest income from group companies	42 173	23 059	123 798	41 792
Total	42 204	23 296	123 829	42 029

NOTE 9 Finance costs

	Group			
	2023-10-01	2022-10-01	2023-01-01	2022-01-01
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Interest expenses for leasing arrangements	-11 820	-6 738	-34 870	-17 435
Interest expenses, bond loans	-42 423	-29 173	-139 861	-59 456
Other interest expenses	-13 007	-2 861	-21 704	-12 528
Exchange gains	1 122	-	1 732	-
Exchange losses	-31 243	-	-32 194	-
Bank expenses	-	-	-4 128	-
Other financial expenses*	-4 512	-1 558	-8 583	-10 375
Total	-101 883	-40 330	-239 608	-99 794
	Parent company			
	2023-10-01	2022-10-01	2023-01-01	2022-01-01
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Interest expenses, bond loans	-42 423	-29 173	-139 861	-59 456
Other financial expenses*	-8 476	-	-8 517	-
Total	-50 899	-29 173	-148 378	-59 456

* Other financial expenses mainly consist of allocation of transaction costs in accordance with the effective interest method.

NOTE 10 Income tax on profit for the year

The main components of income tax on profit for the year and the relationship between expected tax expense is based on a effective tax rate for the Group 20,6 % (20,6%) and recorded tax expense in profit or loss as follows:

	Group		Parent company	
	2023	2022	2023	2022
Net profit for the year before tax	-181 871	-28 886	-24 952	-19 384
Domestic tax rate for the parent company	20,6%	20,6%	20,6%	20,6%
Expected tax expense	37 465	5 951	5 140	3 993
Adjustment for tax rate differences in foreign jurisdictions	2 409	-1 165	-	-
Other taxable income	-2 043	-27 274	-	-
Tax-exempt income	6 923	63	-	-
Non tax-deductible expenses	-15 272	-5 951	-	-
Adjustment of prior years' tax	1 599	-346	-	-
Deferred tax asset on losses carry-forward not recognised	-46 780	-22 732	-5 140	-3 993
Used loss carried forward not previously recorded as assets	1 441	1 339	-	-
Actual tax expense in profit or loss	-14 258	-50 115	0	0

Income tax on profit for the year consists of:

Current tax	-	-	-	-
On profit for the year	-14 317	-41 324	-	-
Adjustment prior years' tax	1 599	-346	-	-
Deferred tax	-	-	-	-
Change in temporary differences	-1 512	-8 445	-	-
Used losses carried-forward	-28	-	-	-
Income tax expense in profit or loss	-14 258	-50 115	0	0

Income tax expense is calculated according to Swedish tax rate amounting to 20,6% (20,6%). The effective tax rate for the Group amounted to -7,8% (-173,5%).

NOTE 11 Acquisitions**Acquisition of 18 companies**

During the period January – December 2023 the group acquired 100% of the equity instruments of 18 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	Norway	Finland	France	Total
	2023-12-31	2023-12-31	2023-12-31	2023-12-31	2023-12-31
Purchase price					
Amount settled in cash	170 302	92 773	218 878	297 754	779 707
Promissory note loan	10 000	–	–	–	10 000
Fair value of contingent consideration	51 500	35 294	40 150	18 109	145 053
Total sum	231 802	128 067	259 028	315 863	934 760
Recognized amounts of identifiable net assets					
Cash and cash equivalents	25 056	1 387	78 098	41 602	146 143
Total non-current assets	45 612	2 810	26 373	42 026	116 821
Total current assets	52 514	16 745	37 297	111 604	218 160
Liabilities to credit institutions	-15 512	–	–	-35 380	-50 892
Deferred tax liabilities	-7 147	-140	-3 201	-3 037	-13 525
Trade and other payables	-31 486	-6 311	-22 551	-61 920	-122 268
Identifiable Net Assets	69 037	14 288	116 016	94 895	294 439
Excess value in tow trucks (net of tax)	7 209	–	17 587	–	24 796
Goodwill on acquisition	155 556	113 779	125 425	220 968	615 728
Consideration transferred settled in cash	170 302	92 773	218 878	297 754	779 707
Cash and cash equivalents acquired	-25 056	-1 387	-78 098	-41 602	-146 143
Net cash outflow on acquisition	145 246	91 386	140 780	256 152	633 564
Acquisition costs charged to expenses	4 571	6 135	8 325	4 894	23 925
Net payment on acquisition	149 817	97 521	149 105	261 046	657 489

Acquisition-related costs

Acquisition-related costs amounting to MSEK 23,9 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 24,0 to the reporting date. Revenue for the months when the companies have been within the group to 31st of December 2023 was MSEK 587,2. If the companies had been acquired on 1 January 2023, revenue for the Group would have been MSEK 2 136, and profit (before tax) for the year would have increased by MSEK 53,9.

Acquisition after Q4 2023

On February 1st 2024 the Group acquired 2 companies in France, for which the purchase price analysis is not yet finalized and therefore not presented in this report.



NOTE 12 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 main 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:

	2023-01-01 – 2023-12-31							
	Sweden	Norway	Finland	France	Others	IFRS 16	Intercompany transactions	Total
Revenue								
Revenue, external	919 009	301 085	213 966	281 286	173 486	-	-	1 888 832
Revenue, inter-company	61 298	5 342	20 918	11 355	16 707	-	-14 364	101 256
Elimination of inter-company revenue within the segment	-53 099	-4 033	-20 218	-11 355	-1 981	-	-10 570	-101 256
Work performed by the Group for its own use and capitalised	6 252	-	86	-	-	-	-	6 338
Other operating income	18 996	2 165	3 183	8 163	1 342	-	-	33 840
Segment total revenue	952 457	304 550	217 935	289 449	189 553	-	-24 934	1 929 010
Segment operating profit	58 830	17 342	3 409	3 169	-66 865	23 735	-	39 620
Segment assets	1 242 213	572 704	389 116	410 737	478 059	627 583	-	3 720 412
Segment liabilities	206 364	107 803	92 612	100 158	1 611 072	653 037	-	2 771 046

	2022-01-01 – 2022-12-31						
	Sweden	Norway	Finland	Others	IFRS16	Intercompany transaction	Total
Revenue							
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
Segment total revenue	699 067	142 912	78 262	198 479	-8 867	-25 919	1 083 934
Segment operating profit	52 847	21 276	3 725	-15 296	5 751	-	68 303
Segment assets	1 080 186	495 523	107 700	193 989	431 881	-	2 309 279*
Segment liabilities	149 166	62 187	18 776	1 310 028	441 621	-	1 981 778*

* See Note 26 for correction of errors in prior periods

NOTE 13 Capitalised expenditure for development and similar work

The movements in the net carrying amount of capitalized development work and similar are as follows:

	Group	
	2023-12-31	2022-12-31
Balance brought forward	2 029	1 227
Acquired through business combinations	53	20
Acquisitions	9 271	-
Sales/disposals	-125	-
Exchange differences	-3	-
Reclassification	-	782
Balance carried forward	11 225	2 029
Accumulated depreciation brought forward	-1 884	-1 227
Reclassification	-	-550
Depreciation for the year	-27	-107
Accumulated depreciation carried forward	-1 911	-1 884
Carrying amount	9 314	145

The change in Capital expenditures are mainly related to further investments in Autocirc Battery Recycling Finland AB.

NOTE 14 Goodwill

Changes in the carrying amount for goodwill is as follows:

	Group	
	2023-12-31	2022-12-31
Balance brought forward**	1 192 986	387 926
Aquisitions through business combinations	615 728	784 594
Acquisitions	10 103	-
Exchange rate differences	-25 189	20 466
Write-downs	-47 446	-
Reclassifications*	-29 613	-
Balance carried forward	1 716 569	1 192 986
Carrying amount	1 716 569	1 192 986

* An excess value has been identified in assets related to acquisition. 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.

** See Note 26 for correction of errors in prior periods.

NOTE 15 Right of use assets

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

	Group	
	2023-12-31	2022-12-31
Balance brought forward	477 173	207 550
Correction of errors	14 512	0
Added contracts through business combinations	149 275	121 234
This years added contracts	119 880	-
This year changes of contracts	36 441	-
Reclassifications	-29 071	209 611
Cancelled contracts	-9 073	-12 353
Exchange rate differences	-10 366	3 301
Effect from changed incremental borrowing rate	-	-52 170
Balance carried forward	748 771	477 173
Accumulated depreciation brought forward	-45 292	-11 134
Correction IFRS 16*	-5 616	-
Reclassifications	1 338	-
Cancelled contracts	6 596	2 360
Exchange rate differences	1 782	-
Depreciation for the interim period/year	-76 613	-36 518
Accumulated depreciation carried forward	-117 805	-45 292
Carrying amount	630 966	431 881

* During the year the Group has implemented a new system to manage accounting according to IFRS 16. The effect of this, related to previous years have been reported in equity, while the current year's effect is reported through profit/loss.

	Amount	Remaining term	Group	
			2023-12-31	2022-12-31
<i>Right of use assets</i>				
Buildings	82	2–20 years	596 352	418 931
Machinery	50	1–4 years	13 087	4 347
Vehicles	52	0-3 years	21 527	8 603
Total balance			630 966	431 881
<i>Lease liabilities</i>				
Long term			550 285	404 268
Short term			102 752	39 880
Total balance			653 037	444 148

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

	2023-10-01 2023-12-31	2022-10-01 2022-12-31	2023-01-01 2023-12-31	2022-01-01 2022-12-31
<i>Depreciation of Right of use assets</i>				
Buildings	22 956	9 871	65 539	33 193
Machinery	2 283	864	4 269	1 249
Vehicles	3 139	1 469	6 804	2 076
Total amount	28 378	12 204	76 612	36 518
<i>Finance charges</i>				
Total amount	11 915	6 738	34 870	17 435

NOTE 16 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 2023-12-31.

Complete Terms and Conditions can be found on our homepage:

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

As per 2023-12-31 the outstanding bond loan amounted to 1 330 MSEK, in accordance with effective interest method the capitalised transaction costs related to the bond loan amount to 31 MSEK. The capitalised costs is offset by the fair value of 16,8 MSEK related to increase of the bond loan in Q4. Amortization of transaction costs for year 2023 affect the result by 8,5 MSEK, reported as finance costs.

NOTE 17 Liabilities to credit institutions

	Changes during year						2023-12-31
	2023-01-01	Hire-purchase contracts	Covid-related liabilities	Other liabilities to credit institutions	Repayment Revolving Credit Facility	Change in existing liabilities	
Liabilities to credit institutions, short- and longterm	102 741	16 274	19 328	8 354	-85 000	14 374	76 071

NOTE 18 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	Equity	Profit or loss	2023-12-31
Deferred tax assets					
Unused tax losses carried forward	220	-	-	-28	192
Right of use assets	-88 967	-	-	-40 430	-129 397
Lease liabilities	91 495	-	2 536	43 090	137 121
Amount	-	-	-	-	7 916
Deferred tax liabilities					
Untaxed reserves	-20 970	-5 351	-	2 140	-24 181
Tangible fixed assets	-	-13 917	-	2 204	-11 713
Current assets	-	-	-	-8 233	-8 233
Translation difference	-	174	-	-283	-109
Amount	-18 222	-19 094	2 536	-1 540	-44 236

Changes during year:	Recorded in				
	2022-01-01	From acquisitions	Equity	Profit or loss	2022-12-31
Deferred tax assets					
Unused tax losses carried forward	220	-	-	-	220
Lease liabilities	-	-	-	91 495	91 495
Deferred tax liabilities					
Untaxed reserves	-3 505	-6 492	-	-10 973	-20 970
Right-of-use assets	-	-	-	-88 967	-88 967
Amount	-3 285	-6 492	-	-8 445	-18 222

NOTE 19 Pledged assets and contingent liabilities

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

	Group	
	2023-12-31	2022-12-31
Pledged assets		
<i>For own provisions and liabilities:</i>		
Property mortgage	5 750	-
Floating charge	9 480	-
Pledged shares in subsidiaries	1 046 922	308 486
Assets with ownership reservations	90 565	31 267
Others	670	353
Amount	1 153 387	340 106
Contingent liabilities		
Bank guarantee in favour of group companies	11 171	5 450
Bank guarantee	6 060	-
Others	356	4 012
Amount	17 587	9 462

NOTE 20 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	
	2023-12-31	2022-12-31
Sales of goods and services between subsidiaries	101 256	86 519
Rent of premises from related party	37 854	25 805
Contracted managing director from related party	9 679	55
Other contracted staff from related party	3 592	2 553
Other services from related party	167	-
Liabilities to related party	7 116	17 140*
Claims on related parties	696	-

* Liabilities to related party not recorded in annual report 2022

NOTE 21 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:

	Group	
	2023-12-31	2022-12-31*
Earn-outs	315 857	218 095

Bond loan, fair value as of December 31, 2023: 105,1% of the nominal amount 1 330 MSEK.

The bond loan is reported at amortized cost with information of the fair value as of December 31st, 2023. The fair value of the bond loan is at level 1.

* See Note 26 for correction of errors in prior periods.

NOTE 22 Shares in subsidiary

The parent company holds shares in the following subsidiary:

Name	Corp. Id No.	Domicile	Number of shares	Parent company	
				2023-12-31	2022-12-31
Autocirc AB	559214-4314	Borås, Sweden	1 032	1 264 892	439 892
				2023-12-31	2022-12-31
Balance brought forward				439 892	245 529
Shareholders' contribution				825 000	194 363
Balance carried forward				1 264 892	439 892

NOTE 23 Significant events after the reporting period

In February 2024 the Group acquired Caréco Pontarlier and Caréco Louhans, two French companies.

NOTE 24 Adjustments made in the comparison period Q4 2022 and annual report 2022

An adjustment has been made in the income statement and balance sheet for the comparison period Q4 2022 with regards to the acquisition of Kerstingjöhänner GmbH in Q4 2022 where Inventory was revaluated in the purchase price analysis between reporting date for Q4 report and annual report for 2022.

Income statement	2022-12-31	2022-12-31*
Raw materials and consumables	-6 016	-22 522
Goods for resale	-96 806	-85 978
Employee benefit expenses	-111 444	-112 795
Tax expenses	-3 175	-5 645
Profit/Loss for the year	-24 781	-34 281
Balance sheet		
Goodwill	1 283 246	1 279 038
Equity		
-Reserves	19 926	25 217
- Profit/Loss for the year	-79 001	-88 500

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

NOTE 25 Adjustments made in the cash flow comparison period Q4 2022 and annual report 2022

A reclassification of MSEK 85 from Longterm liabilities to credit institutions to Shortterm liabilities to credit institutions has been made for 2022.

	2022-12-31	2022-12-31*
Longterm liabilities to credit institutions	14 991	99 991
Shortterm liabilities to credit institutions	87 750	2 750

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

NOTE 26 Correction of errors in prior periods 2021 and 2022

Within the closing procedures for 2023 we discovered inconsistency in our treatment of earnouts with relation to acquisitions. These corrections (tSEK 90 260 in total) are made due to correction of valuation methodology.

	2021-12-31	Correction amount*	2021-12-31***
Goodwill	406 426	-71 600	478 186
Other liabilities	65 470	-71 600	137 230

	2022-12-31	Correction amount**	2022-12-31***
Goodwill	1 192 986	-90 260	1 283 246
Other liabilities	183 650	-90 260	273 910

* Premier European Group Lmted, UBD Cleantech AB

** Premier European Group Lmted, UBD Cleantech AB, Bil & Skadeservice i Klippan AB

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

NOTE 27 Alternative performance measure**1. Adjusted EBITA and adjusted EBITA margin, %**

mSEK	Q4		Full year		PF LTM ¹⁾
	2023	2022	2023	2022	
Operating result (EBIT)	-37	7	40	61	100
Amortisation	47	-	47	-	47
EBITA	10	7	87	61	148
Items affecting comparability	15	11	61	49	61
Adjusted EBITA	25	18	148	110	208
Net sales	571	321	1929	1084	2181
Adjusted EBITA, %	4%	6%	8%	10%	10%

2. Adjusted operating cash flow and cash generation, %

mSEK	Q4		Full year		PF LTM ¹⁾
	2023	2022	2023	2022	
Adjusted EBITA	25	18	148	110	208
Depreciation	47	21	130	58	130
Adjusted EBITDA	72	39	278	168	339
Change in working capital	-29	-31	-105	-35	-88
Adjusted operating cash flow	44	8	174	133	251
Cash conversion, %	60%	20%	62%	79%	74%

3. Items affecting comparability

mSEK	Q4		Full year		PF LTM ¹⁾
	2023	2022	2023	2022	
Transaction costs	9	5	41	19	41
One-time costs	6	6	20	29	20
Items affecting comparability	15	11	61	49	61

4. Net debt / adjusted EBITDA

mSEK	Q4		Full year		PF LTM ¹⁾
	2023	2022	2023	2022	
Bond loans	1330		1330		1330
Non-current liabilities to credit institutions	48		48		48
Non-current lease liabilities	550		550		550
Non-current vendor loans in owner's company	5		5		5
Other liabilities	277		277		277
Current liabilities to credit institutions	8		8		8
Current lease liabilities	103		103		103
Current other liabilities	41		41		41
Total interest-bearing liabilities	2 363		2 363		2 363
Cash and cash equivalents	150		150		150
Net Debt	2 213		2 213		2 213
Adjustments to net debt:					
Removal of lease liabilities related to premises	-653		-653		-653
Removal of performance based commitments	-318		-318		-318
Adjusted Net Debt	1 242		1 242		1 242
Adjusted LTM EBITDA proforma	339		339		339
Removal of leasing costs for premises & items affecting comparability	-100		-100		-100
Adjusted LTM EBITDA proforma excl. IFRS 16	238		238		238
Net debt / Adjusted LTM EBITDA proforma	5,21x		5,21x		5,21x

NOTE 28 Definiton of business ratios

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 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.
Non-recurring items	Non-recurring items contains of transaction costs connected to the acquisitions and one time costs such as project costs, recruitment costs etc.

