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 **elanders**  
GROUP



**YEAR-END REPORT 2023**

*Delivering sustainable solutions*

# FROM END TO END AND BEYOND

*Elanders is a global logistics company with a broad range of services of integrated solutions in supply chain management.*

The business is mainly run through two business areas, Supply Chain Solutions and Print & Packaging Solutions. The Group has over 7,000 employees and operates in some 20 countries on four continents. The most important markets are China, Singapore, the United Kingdom, Sweden, Germany, and the USA. Our major customers are active in the areas Automotive, Electronics, Fashion, Health Care and Industrial.

## Contents

3	Bulletpoints
4	Comments by the CEO
5	Group
9	Parent company
9	Other information
11	Consolidated financial statements
19	Quarterly data
20	Five year overview
22	Reconciliation of alternative performance measures
26	Parent company's financial statements
27	Financial definitions

This document is a translation of the Swedish original. In the event of any discrepancies between this translation and the Swedish original, the latter shall prevail.

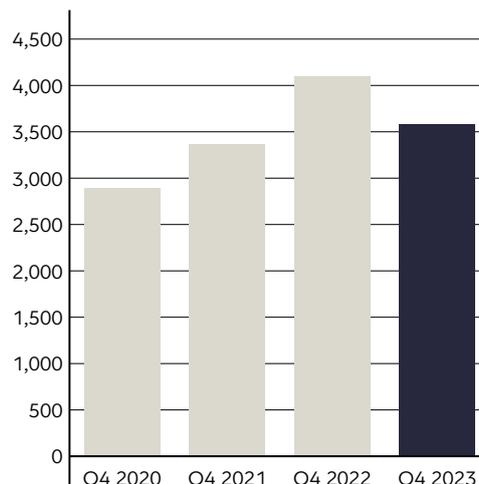
Further information can be found on Elanders' website [www.elanders.com](http://www.elanders.com) or requested via e-mail [info@elanders.com](mailto:info@elanders.com). Questions concerning this report can be addressed to:

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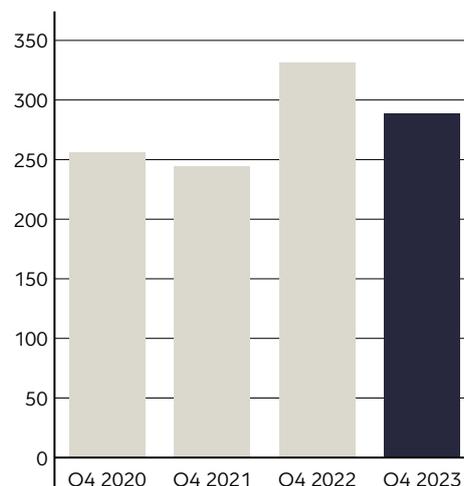
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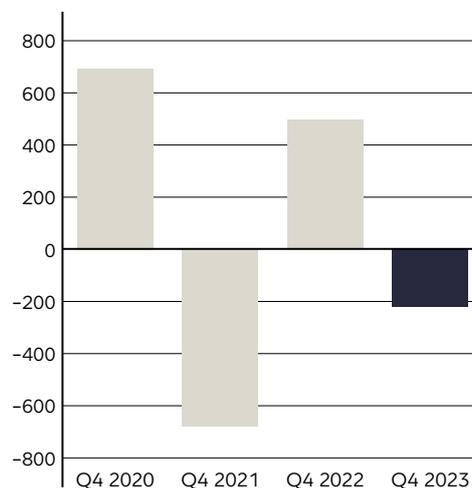
NET SALES, MSEK



ADJUSTED EBITA, MSEK



OPERATING CASHFLOW, MSEK



## Full year 2023

- Net sales amounted to MSEK 13,867 (14,974), which corresponded to an organic net sales reduction of nine percent, excluding acquisitions and discontinued operations, and using unchanged exchange rates. The reduction is mainly due to lower freight rates and linked to the Group's Air & Sea freight forwarding operations.
- Adjusted EBITA amounted to MSEK 927 (966), which equaled an adjusted EBITA margin of 6.7 (6.5) percent.
- The period's reported result included one-off items of MSEK –107 (–26). Most of these referred to errors discovered in one of the Group's companies in North America, which were corrected in the first quarter. The remaining part referred to a provision during the second quarter for additional consideration for an acquisition that has developed better than expected and in the fourth quarter for acquisitions.
- Adjusted net result amounted to MSEK 349 (499), corresponding to SEK 9.60 (13.63) per share. The reduction is primarily due to higher interest expenses.
- Operating cash flow increased to MSEK 1,338 (1,210). Excluding purchase prices for acquisitions, the operating cash flow increased to MSEK 2,170 (1,254).
- Cash conversion increased to 110 (65) percent, excluding purchase prices for acquisitions.
- The Board proposes a dividend of 4.15 (4.15) kronor per share for 2023.

## Fourth quarter 2023

- Net sales amounted to MSEK 3,574 (4,099), which corresponded to an organic net sales reduction of eleven percent, excluding acquisitions and discontinued operations, and using unchanged exchange rates. The reduction is primarily a result of a weaker market and lower freight rates in the Group's Air & Sea freight forwarding operations.
- Adjusted EBITA amounted to MSEK 289 (331), which equaled an adjusted EBITA margin of 8.1 (8.1) percent.
- The period's reported result included one-off items of MSEK –25 (–58), which mainly referred to acquisition costs.
- Adjusted net result amounted to MSEK 127 (184), corresponding to SEK 3.41 (5.11) per share.
- Operating cash flow was MSEK –221 (495). Excluding purchase prices for acquisitions, the operating cash flow increased to MSEK 593 (494).
- Cash conversion increased to 104 (92) percent, excluding purchase prices for acquisitions.
- In November 2023, Elanders acquired all the shares in the British contract logistics company Kammac Ltd. During the past twelve-month period, Kammac had net sales of MGBP 90 with very good profitability.

## Financial overview

	Full year		Fourth quarter	
	2023	2022	2023	2022
Net sales, MSEK	13,867	14,974	3,574	4,099
EBITDA, MSEK	1,967	1,940	569	538
EBITDA excl. IFRS 16, MSEK	929	1,068	294	306
EBITA adjusted, MSEK <sup>1) 3)</sup>	927	966	289	331
EBITA-margin adjusted, % <sup>1) 3)</sup>	6.7	6.5	8.1	8.1
EBITA, MSEK <sup>1)</sup>	820	940	264	273
EBITA-margin, % <sup>1)</sup>	5.9	6.3	7.4	6.7
Result after tax adjusted, MSEK <sup>3)</sup>	349	499	127	184
Earnings per share adjusted, SEK <sup>3)</sup>	9.60	13.63	3.41	5.11
Result after tax, MSEK	258	487	101	140
Earnings per share, SEK	7.02	13.29	2.70	3.87
Operating cash flow, MSEK	1,338	1,210	–221	495
Cash conversion, %	110.3	64.6	104.4	91.9
Net debt, MSEK	8,191	7,276	8,191	7,276
Net debt excl. IFRS 16, MSEK	3,655	3,022	3,655	3,022
Net debt/EBITDA ratio, times <sup>2)</sup>	4.2	3.7	3.6	3.4
Net debt/EBITDA ratio adjusted, times <sup>2) 4)</sup>	3.5	2.8	2.9	2.1

<sup>1)</sup> EBITA refers to operating result plus amortization of assets identified in conjunction with acquisitions.

<sup>2)</sup> Return ratios have been annualized (the result has been recalculated to correspond to the result for a 12-month period).

<sup>3)</sup> One-off items have been excluded in the adjusted measures.

<sup>4)</sup> Net debt/EBITDA ratio adjusted excludes IFRS 16 effects and one-off items.

## COMMENTS BY THE CEO

*The fourth quarter continued to be challenging with weaker demand in nearly all customer segments. A positive factor in the quarter was that we continued to improve the operating cash flow, in part due to reduced working capital, and we maintained an EBITA margin on the same level as last year despite lower net sales.*

The Group's strategic choices have continued to affect sales in the business area Supply Chain Solutions negatively. We made a conscious decision to discontinue business mainly in the customer segments Automotive and Electronics, and that has led to a drop in net sales. Apart from this, the rest of the reduction in net sales was largely attributable to the Group's Air & Sea freight forwarding operations due to a normalization of freight rates in the past year.

A certain amount of overcapacity in both the USA and Europe, which came about after the investments made before inflation began to soar, has entailed extra costs for operations and put some pressure on both profitability and result. These investments were primarily new and longer leases for more warehouse capacity in the business area Supply Chain Solutions and were decided on when the Group had double-digit growth figures.

With the acquisition of Kammac Ltd. in November 2023, we significantly strengthened our market position in contract logistics in the United Kingdom. Through the acquisition, the United Kingdom became Elanders' fourth largest market, which is strategically important since the United Kingdom is one of Europe's largest logistics markets. The acquisition of Kammac is also a vital step in the Group's strategy to continually develop our offer, broaden our geographic horizon and improve the EBITA margin.

The business area Print & Packaging Solutions presented better profitability in the fourth quarter compared to the same period last year, despite a challenging market with an increasing number of bankruptcies in the industry. We continue to see a strong demand for online print products, which compensates for the declining demand for more traditional printed matter.

In both of our business areas, most customers are signaling a continued very uncertain market situation. This means that we continuously review cost levels and act when necessary.

The higher interest rates and current net debt mean high interest expenses and weigh on the result on the bottom line. In order to counteract the negative effects of this, we continue to work actively to improve cash flow and reduce working capital. The latter decreased by more than MSEK 370 in 2023. This can be clearly seen in the Group's cash conversion, i.e. the Group's ability to generate cash flows from the results that are reported. This has improved significantly compared to the same period last year.

The Group's sustainability work and preparations for CSRD are progressing well. In connection with publishing the Annual Report, we will present the carbon emissions generated in the Group's value chain, i.e. the Group's scope 3 emissions. In December 2023, we also made a commitment to Science Based Targets initiative with the ambition to get our climate targets approved in the coming years.



Magnus Nilsson  
President and Chief Executive Officer

# GROUP

## NET SALES AND RESULT

### Full year

Net sales decreased by MSEK 927 to MSEK 13,867 (14,794) compared to the same period last year. Cleared of exchange rate fluctuations, discontinued operations and acquisitions, net sales decreased organically by nine percent. The organic net sales reduction was mainly linked to the business area Supply Chain Solutions and due to lower freight rates in the Group's Air & Sea operations. Discontinued operations refer to the closure of some road transportation operations in Germany, which were announced in the fourth quarter 2022, and the Group's buy and sell business in components. Both these businesses have had very low or negative margins.

The market continues to be uncertain in general. Many Group customers are finding it difficult to maintain volumes or grow at the same pace as before.

With the acquisition of Kammac Ltd. in November 2023, Elanders significantly strengthened its market position in contract logistics in the United Kingdom. As a result of the acquisition, the United Kingdom became Elanders' fourth largest market, which is strategically important since the United Kingdom is one of Europe's largest logistics markets. The acquisition of Kammac is also a vital step in the Group's strategy to continually develop the offer, broaden the geographic horizon and improve the EBITA margin. During the past twelve-month period, Kammac had net sales of more than MGBP 90 with very good profitability. The company was consolidated into the Elanders Group as of November 2023.

The business area Print & Packaging Solutions presented a better result than for the same period last year. This is partly a result of price increases implemented with most customers to compensate for higher energy and material costs, and partly because the supply of materials has stabilized, which increases efficiency in production.

Adjusted EBITA, i.e. the operating result adjusted for amortization of assets identified in conjunction with acquisitions and one-off items, amounted to MSEK 927 (966). The adjusted EBITA margin increased from 6.5 to 6.7 percent. Including one-off items, EBITA decreased from MSEK 940 to MSEK 820. There is a certain amount of overcapacity in both the USA and Europe after the investments made before inflation began to soar. These investments were primarily new and longer leases for more warehouse capacity in the business area Supply Chain Solutions and were decided on when the Group had double-digit growth figures. Overcapacity combined with a weaker demand from some customers in Fashion and

Electronics have put some pressure on both profitability and the result.

One-off items amounted to net MSEK -107 (-26). They were mainly a result of correcting historical errors in the reporting from a subsidiary in the business area Print & Packaging Solutions. These errors were corrected in the first quarter. The remaining part refers to a provision during the second quarter for additional consideration for an acquisition that has developed better than expected and acquisition costs in the fourth quarter. Last year's one-off items mainly referred to the cost of structural measures in Germany and a positive result from a revaluation of shares in associated companies in connection with a merger during the second quarter.

Higher interest expenses, as an effect of current net debt in combination with higher interest rates, continued to have a negative impact on the bottom line compared to last year.

### Fourth quarter

Net sales decreased by MSEK 525 to MSEK 3,574 (4,099) compared to the same period last year. Cleared of exchange rate fluctuations, discontinued operations and acquisitions, net sales decreased organically by eleven percent. The decrease is mainly due to a weaker market and lower freight rates in the Group's Air & Sea operations. Discontinued operations refer to the closure of some road transportation operations in Germany, which were announced in the fourth quarter 2022, and the Group's buy and sell business in components.

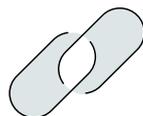
Adjusted EBITA, i.e. the operating result adjusted for amortization of assets identified in conjunction with acquisitions and one-off items, decreased by MSEK 42 to MSEK 289 (331). However, the adjusted EBITA margin remained unchanged at 8.1 (8.1) percent. There is a certain amount of overcapacity in both the USA and Europe after the investments made before inflation began to soar. These investments were primarily new and longer leases for more warehouse capacity in the business area Supply Chain Solutions and were decided on when the Group had double-digit growth figures. Overcapacity combined with a weaker demand from some customers in Fashion and Electronics have put some pressure on both profitability and the result.

The period's one-off items amounted to MSEK -25 (-58) and were mainly acquisition costs. The one-off items in the comparable period refers to costs for structural measures in Germany and a provision for additional consideration for an acquisition that developed better than expected.

Higher interest expenses, as an effect of current net debt in combination with higher interest rates, continued to have a negative impact on the bottom line compared to the same period last year.

## Net sales – Organic growth

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
<b>Comparison periods</b>	<b>14,974</b>	<b>11,733</b>	<b>4,099</b>	<b>3,364</b>
Currency exchange rate fluctuations	887	1,008	104	362
Discontinued operations/businesses	-820	-	-350	-
Acquisitions	213	1,516	183	183
Organic change	-1,387	717	-462	190
<b>Current period</b>	<b>13,867</b>	<b>14,974</b>	<b>3,574</b>	<b>4,099</b>
Organic growth, %	-9.3	6.1	-11.3	5.6



## Supply Chain Solutions

**Elanders is one of the leading companies in the world in global solutions for supply chain management. The range of services includes, among other things, taking responsibility for and optimizing customers' material and product flows, everything from sourcing and procurement combined with warehousing to after sales service.**

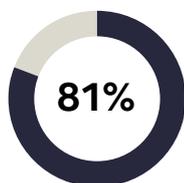
Net sales decreased organically in the business area Supply Chain Solutions by 13 percent compared to the same quarter last year, excluding exchange rate fluctuations, discontinued operations and acquisitions. The reduction in net sales in the business area was primarily due to lower freight rates in Air & Sea but also due to a weaker market in general. Subscription box operations, which were previously part of business area Print & Packaging Solutions, are as of January 1, 2023, part of Supply Chain Solutions. This has been taken into consideration in the calculation of organic growth.

The market outlook continues to be uncertain. In the fourth quarter, weaker demand was seen in all major customer segments and markets. Several customers in Automotive are still struggling with disturbances regarding material and component flows.

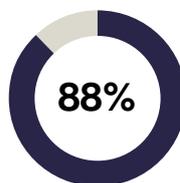
The closure of the unprofitable parts of road transportation operations in Germany, which was announced in the fourth quarter 2022, was concluded at the end of the second quarter. This business worked primarily with customers in Automotive and Industrial.

Adjusted EBITA, i.e. the operating result adjusted for amortization of assets identified in conjunction with acquisitions and one-off items, decreased during the quarter by MSEK 47 to MSEK 208 (255). At the same time, the adjusted EBITA margin decreased from 7.8 to 7.3 percent. There is a certain amount of overcapacity in both the USA and Europe after the investments made before inflation began to soar. These investments were primarily new and longer leases for more warehouse capacity in the business area Supply Chain Solutions and were decided on when the Group had double-digit growth figures. Overcapacity combined with a weaker demand from some customers in Fashion and Electronics have put some pressure on both profitability and the result.

The quarter's one-off items amounted to MSEK -20 (-48) and pertained to acquisition costs. The one-off items in the comparable period were costs for structural measures in Germany.



**Share of net sales**  
(Last 12 months)



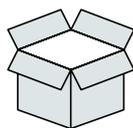
**Share of EBITA**  
(Last 12 months)

### Supply Chain Solutions

	Full year		Fourth quarter	
	2023	2022	2023	2022
Net sales, MSEK	11,385	12,267	2,855	3,259
EBITDA, MSEK	1,732	1,682	450	431
EBITA adjusted, MSEK <sup>1) 2)</sup>	774	843	208	255
EBITA-margin adjusted, % <sup>1) 2)</sup>	6.8	6.9	7.3	7.8
EBITA, MSEK <sup>1)</sup>	754	835	188	207
EBITA-margin, %	6.6	6.8	6.6	6.4
Cash conversion, %	112.5	59.2	148.6	105.7
Average number of employees	5,964	5,897	6,168	5,933

<sup>1)</sup> EBITA refers to operating result plus amortization of assets identified in conjunction with acquisitions.

<sup>2)</sup> One-off items have been excluded in the adjusted measures.



## Print & Packaging Solutions

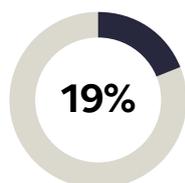
Through its innovative force and global presence, the business area Print & Packaging Solutions offers cost-effective solutions that can handle customers' local and global needs for printed material and packaging, often in combination with advanced order platforms on the Internet, value-added services and just-in-time deliveries.

The subscription box operations, which were previously part of the business area Print & Packaging Solutions, are as of January 1, 2023, part of Supply Chain Solutions.

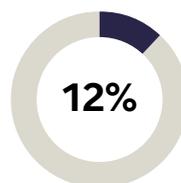
Net sales decreased organically in the business area Print & Packaging by nine percent compared to the same quarter last year, considering the above change, exchange rate fluctuations and any acquisitions. For the full year, net sales decreased organically by three percent, considering the same items as above. The prioritized area online print continued to develop positively during the quarter. Excluding one-off items, the business area reported a result for the quarter that was slightly lower compared to the same period last year. Adjusted EBITA, i.e. the operating result adjusted for amortization of assets identified in conjunction with acquisitions and one-off items, amounted to MSEK 86 (88). At the same

time, profitability improved and the adjusted EBITA margin increased from 10.1 to 11.3 percent. The fourth quarter's operating result included one-off items of MSEK -5 (-10). The comparable period's one-off item referred to a provision for additional consideration for an acquisition that developed better than expected.

Otherwise, work on optimizing the business area's production apparatus continues. Traditional offset capacity suited for long series is successively being replaced by digital print equipment that provides greater flexibility and is better suited to shorter series. Investing in online print is a crucial component in this transition. There is a considerable demand in this area which partially or completely compensates for the dwindling demand for more traditional printed matter.



Share of net sales  
(Last 12 months)



Share of EBITA  
(Last 12 months)

### Print & Packaging Solutions

	Full year		Fourth quarter	
	2023	2022	2023	2022
Net sales, MSEK	2,630	2,839	757	874
EBITDA, MSEK	266	304	123	118
EBITA adjusted, MSEK <sup>1) 2)</sup>	186	171	86	88
EBITA-margin adjusted, % <sup>1) 2)</sup>	7.1	6.0	11.3	10.1
EBITA, MSEK <sup>1)</sup>	99	152	81	78
EBITA-margin, %	3.8	5.4	10.6	9.0
Cash conversion, %	126.7	32.0	95.2	78.0
Average number of employees	1,225	1,339	1,237	1,346

<sup>1)</sup> EBITA refers to operating result plus amortization of assets identified in conjunction with acquisitions.

<sup>2)</sup> One-off items have been excluded in the adjusted measures.

## IMPORTANT EVENTS DURING THE PERIOD

### Historical errors in USA

Elanders has had historical errors in the reporting from one of its subsidiaries. This was attributable to the operations in Atlanta, USA, which belongs to the business area Print & Packaging Solutions.

The errors amount to MSEK -67 and the operating result for the first quarter of 2023 was charged with the corresponding amount. Half of the effect related to year 2022 and the remainder to the years 2019–2021. This will not have a negative impact on future cash flows.

### Structural measures in Germany

In December 2022, it was decided that parts of the Group's road transport operations in Germany would be discontinued. The business was part of the business area Supply Chain Solutions and had had profitability problems for a long time. These structural measures entailed one-off costs of approximately MSEK 50, which were charged to last year's earnings. These costs related to termination wages, provision for onerous contracts as well as remaining rental costs for existing premises.

At the end of the second quarter, the closure was fully concluded. As a result of this closure, sales will decrease by MSEK 400 on an annual basis, of which MSEK 200 during 2023, with start in the second quarter.

### The war in Ukraine and its aftermath

Russia invaded Ukraine in February 2022. Some of the Group's customers have subcontractors in Ukraine and Russia. These customers have therefore experienced problems with their supply chain. In the wake of the war, inflation has increased sharply and an energy crisis has emerged.

There is still a great deal of uncertainty about how long this will last and the extent of it. It is thus difficult to predict the exact impact going forward. Increased sanctions, scope of the war and electricity shortage could have a significant impact on the Group's operations.

### Semiconductor and raw material shortage

The semiconductor and raw material shortage that has existed in some industries has had a negative impact on the Group's business in recent years. The shortage has at times created uneven capacity utilization in production when shift patterns have changed on short notice.

### Acquisition

#### *Kammac Ltd*

In November 2023, Elanders acquired all the shares in Kammac Ltd ("Kammac"). Kammac is a fast-growing company that in the last twelve-month period had net sales of more than MGBP 90 with very good profitability.

Kammac is part of business area Supply Chain Solutions and was consolidated into the Group per November 2023. The initial valuation, including the earn-out, amounts to just over MGBP 100 on a cash- and debt-free basis, of which around two thirds affect cash flow negatively in the fourth quarter 2023. The earn-out will be paid during the second quarter 2025 and is based on the outcome of 2024. The acquisition-related were around MSEK 20.

## INVESTMENTS AND DEPRECIATION

### Full year

Net investments for the period amounted to MSEK 1,012 (274), of which purchase prices for acquisitions accounted for MSEK 832 (44). Depreciation, amortization and write-downs amounted to MSEK 1,243 (1,091).

### Fourth quarter

Net investments for the period amounted to MSEK 893 (94), of which purchase prices for acquisitions accounted for MSEK 814 (-1). Depreciation, amortization and write-downs amounted to MSEK 331 (287).

## FINANCIAL POSITION, CASH FLOW AND FINANCING

### Full year

Excluding purchase prices for acquisitions, the operating cash flow increased to MSEK 2,170 (1,254), mainly due to a decrease in tied up working capital this year compared with an increase in tied up working capital in the previous year. Including acquisitions, the operating cash flow for the period increased to MSEK 1,338 (1,210).

Net debt also includes liabilities connected to put and call options measured at fair value, as well as earn-outs. Net debt increased by MSEK 915 to MSEK 8,191 compared to MSEK 7,276 at the beginning of the year. Of the increase in net debt, MSEK 1,004 consisted of acquired net debt and earn-outs. The change also included a decrease of MSEK 151 attributable to exchange rate fluctuations.

On a rolling twelve-month period, the net debt/EBITDA ratio increased to 4.2 compared to 3.7 at the beginning of the year. This change was mainly due to an increase in net debt attributable to the purchase price of Kammac, which was acquired late in 2023.

Excluding effects from IFRS 16, net debt increased to MSEK 3,655 compared to MSEK 3,022 at the beginning of the year. The increase was mainly due to the acquisition of Kammac, which took place late in 2023 and increased net debt by MSEK 1,192. Changes in exchange rates reduced net debt by MSEK 93. Reduced working capital decreased net debt by MSEK 362 during the year. Excluding IFRS 16 effects, the net debt/EBITDA ratio was 2.8 (2.7) on a rolling twelve-month basis, excluding one-off items and adjusted for proforma results for acquisitions.

The Group's credit agreements contain financial covenants that must be met to secure the financing. The most important covenant is the net debt/EBITDA ratio that is calculated excluding IFRS 16 effects but adjusted for proforma results in acquisitions and excluding one-off items. This financial covenant was met by a good margin per the balance sheet date.

Several central banks have kept their interest rates at a high level, which will result in continued high interest costs going forward, as the Group's financing is largely based on variable interest rates.

### Fourth quarter

Excluding purchase prices for acquisitions, operating cash flow increased to MSEK 593 (494), mainly due to a reduction in tied up working capital this year compared with the same period last year. Including acquisitions, operating cash flow for the period was MSEK -221 (495).

## PERSONNEL

### Full year

The average number of employees during the period was 7,203 (7,248), whereof 164 (167) in Sweden. At the end of the period the Group had 7,474 (7,245) employees, whereof 166 (176) in Sweden.

### Fourth quarter

The average number of employees during the period was 7,419 (7,292), whereof 163 (172) in Sweden.

# PARENT COMPANY

The parent company has provided intragroup services. The average number of employees during the period was 14 (13) and at the end of the period 14 (13).

# OTHER INFORMATION

## ELANDERS' OFFER

Elanders offers integrated and customized solutions for handling all or part of our customers' supply chain. The Group can take complete responsibility for complex and global deliveries that may include purchasing, storage, configuration, production and distribution. We also offer order management solutions, payment flows and aftermarket services for our customers.

The services are provided by business-minded employees who, with their expertise and aided by intelligent IT solutions, contribute to developing our customers' offers which are often totally dependent on efficient product, component and service flows as well as traceability and information. In addition to our offer to the B2B market the Group sells photo products directly to consumers via our own brands, fotokasten and myphotobook.

## GOAL AND STRATEGY

Elanders' overall goal is to be a leader in global solutions in supply chain management with a world class integrated offer. Our strategy is to work in niches in each business area where the company can attain a leading position in the market. We will achieve this goal by being best at meeting customers' demands for efficiency and delivery. Acquisitions play an important role in our company's development and provide competence, broader product and service offers and enlarge our customer base.

Sustainability is an integrated part of Elanders' business and strategy and Elanders considers it a responsibility and a business opportunity that provides great opportunities to create value and improve profitability. Not only for Elanders or the Group's customers but society at large.

## RISKS AND UNCERTAINTIES

Elanders divides risks into business risks (customer concentration, operational risk, risks in operating expenses, contracts and disputes), financial risks (currency, interest, financing/liquidity and credit risk) as well as circumstantial risks (pandemics, business cycle sensitivity and wars and conflicts). These risks, together with a sensitivity analysis, are described in detail in the Annual Report 2022.

In conjunction with the war in Ukraine, the inflation has increased sharply and an energy crisis has emerged. These are also risks that may have a significant impact on the Group's operations.

In addition to what has been described above, other external circumstances that has occurred since the Annual Report was published are not believed to have caused any significant risks or influenced the way in which the Group works with these compared to the description in the Annual Report 2022.

## SUSTAINABILITY

Sustainability is an integral part of Elanders' business and strategy. Elanders considers it both a responsibility and a business opportunity that provides great opportunities to create value and improve profitability. Elanders' subsidiaries are largely governed by the growing supplier demands from clients and customers.

With the investments that Elanders is making in sustainable services, such as Renewed Tech, Elanders can take an active role and contribute to a circular economy. Within Renewed Tech, discarded IT equipment is reset and restored. The equipment is then sold on to end customers, who thus reduce their environmental impact. As part of this initiative, Elanders has made two acquisitions in recent years within Renewed Tech.

### Reduction targets for greenhouse gas emissions

Elanders has committed to targets regarding reduction of greenhouse gas (GHG) emissions. The GHG reduction targets are both medium- and long term.

- By year 2030, Elanders will reduce GHG emissions within scope 1 and 2 by 50 percent and scope 3 emissions related to own operations by 30 percent.
- By year 2040, Elanders will reduce GHG emissions within scope 1 and 2 by 75 percent.
- By year 2050, Elanders will achieve net zero over the entire value chain.

The baseline for the above targets is 2021 for scope 1 and 2 and 2022 for scope 3. Due to major acquisitions and refined calculation methods, work is currently underway to revise the data for the base year 2021. This work is planned to be completed in time for the Annual and Sustainability Report for 2023, which will be published on 25 March 2024. In connection with this, updated emission figures will be shared. Collection and analysis of data related to the Group's scope 3 emissions is also currently ongoing.

## SEASONAL VARIATIONS

The Group's net sales, and thereby income, are affected by seasonal variations. Historically the fourth quarter has been somewhat stronger than the other quarters.

## TRANSACTION WITH RELATED PARTIES

The following significant transactions with related parties have occurred during the period:

- One of the members of the Board, Erik Gabrielson, is a partner in the law firm Vinge, which provides the company with legal services.
- The Group leases properties in two subsidiaries, where the properties are wholly or partly owned by minority shareholders within the Elanders Group.

Remuneration is considered on par with the market for all of these transactions.

#### EVENTS AFTER THE BALANCE SHEET DATE

Besides what have been described in this report, no other major events have taken place between the balance sheet date and the date this report was signed.

#### FORECAST

No forecast is given for 2024.

#### ACCOUNTING PRINCIPLES

The quarterly report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting and for the parent company in accordance with the Annual Accounts Act. The same accounting principles and calculation methods as those in the last Annual Report have been used.

#### REVIEW BY COMPANY AUDITORS

The company auditors have not reviewed this report.

#### NOMINATION COMMITTEE FOR THE ANNUAL GENERAL MEETING 2024

The nomination committee for the Annual General Meeting on 19 April 2024 is as follows:

Dan Frohm, Chairman of the Board  
Carl Bennet, Carl Bennet AB  
Johan Ståhl, Svolder AB  
Jannis Kitsakis, Fourth Swedish National Pension Fund  
Dag Marius Nereng, Protector Forsikring ASA

Shareholders who would like to submit proposals to Elanders' 2024 Nomination Committee, can contact the Nomination Committee by e-mail at [valberedning@elanders.com](mailto:valberedning@elanders.com) or by mail: Elanders AB, Att: Nomination Committee, Flöjelbergsgatan 1C, SE-431 35 Mölndal, Sweden. (New postal code from 2024-03-04 – 431 37 Mölndal, Sweden.)

#### ANNUAL GENERAL MEETING 2024

Elanders AB's Annual General Meeting will be held on April 19, 2024, Södra Porten Konferenscenter, Flöjelbergsgatan 1C, Mölndal, Sweden. Shareholders wishing to have a matter addressed at the Annual General Meeting can submit their proposal to Elanders' Board Chairman by e-mail: [arsstamma@elanders.com](mailto:arsstamma@elanders.com), or by mail: Elanders AB, Flöjelbergsgatan 1C, SE-431 35 Mölndal, Sweden. (New postal code from 2024-03-04 – 431 37 Mölndal, Sweden) To ensure inclusion in the notice and thus in the Annual General Meeting's agenda, proposals must be received by the company not later than February 29, 2024.

#### FINANCIAL CALENDAR

Annual Report 2023	25 March 2024
First quarter 2024	19 April 2024
Annual General Meeting 2024	19 April 2024
Second quarter 2024	12 July 2024
Third quarter 2024	18 October 2024
Fourth quarter 2024	25 January 2025

#### CONFERENCE CALL

In connection with issuing the Year-End Report for 2023, Elanders will hold a press and analysts conference call on 31 January 2024, at 09:30 CET, hosted by Magnus Nilsson, President and CEO, and Andréas Wikner, CFO.

We invite fund managers, analysts and the media to participate in the conference call.

To join, register your details using the registration link below.

Once registered, you will receive a separate email containing dial in number(s) and PINs.

[Register for the conference call here.](#)

#### Agenda

09:20 Conference number is opened  
09:30 Presentation of the Year-End Report  
09:50 Q&A  
10:30 End of the conference

During the conference call a presentation will be held. To access the presentation, please use this link:

<https://www.elanders.com/presentations>

# CONSOLIDATED FINANCIAL STATEMENTS

## Income statements

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
Net sales	13,867	14,974	3,574	4,099
Cost of products and services sold	-11,519	-12,744	-2,906	-3,448
<b>Gross profit</b>	<b>2,348</b>	<b>2,231</b>	<b>668</b>	<b>651</b>
Sales and administrative expenses	-1,651	-1,484	-432	-410
Other operating income	130	197	55	51
Other operating expenses	-103	-95	-54	-41
<b>Operating result</b>	<b>724</b>	<b>849</b>	<b>237</b>	<b>251</b>
Net financial items	-326	-183	-94	-70
<b>Result after financial items</b>	<b>398</b>	<b>666</b>	<b>143</b>	<b>181</b>
Income tax	-140	-180	-42	-41
<b>Result for the period</b>	<b>258</b>	<b>487</b>	<b>101</b>	<b>140</b>
<b>Result for the period attributable to:</b>				
– parent company shareholders	248	470	95	137
– non-controlling interests	10	17	6	3
<i>Earnings per share, SEK <sup>1)2)</sup></i>	<i>7.02</i>	<i>13.29</i>	<i>2.70</i>	<i>3.87</i>
<i>Average number of shares, in thousands</i>	<i>35,358</i>	<i>35,358</i>	<i>35,358</i>	<i>35,358</i>
<i>Outstanding shares at the end of the year, in thousands</i>	<i>35,358</i>	<i>35,358</i>	<i>35,358</i>	<i>35,358</i>

<sup>1)</sup> Earnings per share before and after dilution.

<sup>2)</sup> Earnings per share calculated by dividing the result for the period attributable to parent company shareholders by the average number of outstanding shares during the period.

## Statements of comprehensive income

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
<b>Result for the period</b>	<b>258</b>	<b>487</b>	<b>101</b>	<b>140</b>
<i>Items that will not be reclassified to the income statement</i>				
Remeasurements after tax	4	18	4	21
<i>Items that will be reclassified to the income statement</i>				
Translation differences after tax	-89	371	-213	-106
Hedging of net investment abroad after tax	24	-65	44	33
<b>Other comprehensive income</b>	<b>-61</b>	<b>324</b>	<b>-165</b>	<b>-52</b>
<b>Total comprehensive income for the period</b>	<b>197</b>	<b>811</b>	<b>-64</b>	<b>88</b>
<b>Total comprehensive income attributable to:</b>				
– parent company shareholders	187	794	-70	85
– non-controlling interests	10	17	6	3

## Statements of cash flow

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
<b>Result after financial items</b>	<b>398</b>	<b>666</b>	<b>143</b>	<b>181</b>
Adjustments for items not included in cash flow	1,255	1,112	273	353
Paid tax	-242	-196	-69	-85
Changes in working capital	371	-476	162	-14
<b>Cash flow from operating activities</b>	<b>1,782</b>	<b>1,106</b>	<b>510</b>	<b>435</b>
Net investments in intangible and tangible assets	-178	-229	-79	-93
Acquired and divested operations	-832	-44	-814	1
Change in long-term receivables	-2	-2	0	-2
<b>Cash flow from investing activities</b>	<b>-1,012</b>	<b>-274</b>	<b>-893</b>	<b>-94</b>
Amortization of borrowing debts	-129	-121	-32	-26
Amortization of lease liabilities	-929	-774	-249	-204
New loans	885	-5	885	-5
Other changes in long- and short-term borrowing	-194	138	31	-119
Dividend to shareholders	-165	-136	-18	-9
<b>Cash flow from financing activities</b>	<b>-533</b>	<b>-898</b>	<b>617</b>	<b>-363</b>
<b>Cash flow for the period</b>	<b>237</b>	<b>-67</b>	<b>234</b>	<b>-22</b>
Liquid funds at the beginning of the period	904	898	931	956
Translation difference	-35	72	-59	-30
<b>Liquid funds at the end of the period</b>	<b>1,107</b>	<b>904</b>	<b>1,107</b>	<b>904</b>
<b>Net debt at the beginning of the period</b>	<b>7,276</b>	<b>5,249</b>	<b>7,022</b>	<b>7,227</b>
Translation difference	-151	665	-411	-43
Acquired and divested operations	1,026	11	1,026	-
Changes with cash effect	-399	-401	567	-314
Changes with no cash effect	438	1,753	-13	406
<b>Net debt at the end of the period</b>	<b>8,191</b>	<b>7,276</b>	<b>8,191</b>	<b>7,276</b>
<b>Operating cash flow</b>	<b>1,338</b>	<b>1,210</b>	<b>-221</b>	<b>495</b>

## Statements of financial position

MSEK	31 Dec.	
	2023	2022
<b>ASSETS</b>		
Intangible assets	5,813	4,923
Tangible assets	5,279	4,970
Other fixed assets	459	453
<b>Total fixed assets</b>	<b>11,551</b>	<b>10,345</b>
Inventories	349	619
Accounts receivable	2,038	2,139
Other current assets	586	567
Cash and cash equivalents	1,107	904
<b>Total current assets</b>	<b>4,080</b>	<b>4,229</b>
<b>Total assets</b>	<b>15,630</b>	<b>14,574</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>	<b>3,864</b>	<b>3,870</b>
<b>LIABILITIES</b>		
Non-interest-bearing long-term liabilities	408	271
Interest-bearing long-term liabilities	7,676	7,229
<b>Total long-term liabilities</b>	<b>8,084</b>	<b>7,500</b>
Non-interest-bearing short-term liabilities	2,061	2,253
Interest-bearing short-term liabilities	1,621	951
<b>Total short-term liabilities</b>	<b>3,682</b>	<b>3,204</b>
<b>Total equity and liabilities</b>	<b>15,630</b>	<b>14,574</b>

## Statements of changes in equity

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
<b>Opening balance</b>	<b>3,870</b>	<b>3,304</b>	<b>3,893</b>	<b>3,780</b>
Dividend to parent company shareholders	-147	-127	-	-
Dividend to non-controlling interests	-18	-9	-18	-9
Change in fair value of put and call option to acquire non-controlling interest	-38	-108	53	11
Total comprehensive income for the period	197	811	-64	88
<b>Closing balance</b>	<b>3,864</b>	<b>3,870</b>	<b>3,864</b>	<b>3,870</b>
<b>Equity attributable to</b>				
- parent company shareholders	3,836	3,834	3,836	3,834
- non-controlling interests	28	36	28	36

## Segment reporting

The Group has defined two operating segments which are the same as the two business areas Supply Chain Solutions and Print & Packing Solutions. The reporting is consistent with the internal reporting provided to the highest executive decision-maker in the Group, the Chief Executive Officer of the Elanders Group. The operations

within each operating segment have similar economic characteristics and resemble each other regarding the nature of their products and services, production processes and customer types. Sales between segments takes place on market terms and have been eliminated in the Group's total sales.

### NET SALES PER SEGMENT

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
Supply Chain Solutions	11,385	12,267	2,855	3,259
Print & Packaging Solutions	2,630	2,839	757	874
Group functions	47	45	12	11
Eliminations	-196	-177	-50	-45
<b>Group net sales</b>	<b>13,867</b>	<b>14,974</b>	<b>3,574</b>	<b>4,099</b>

### OPERATING RESULT PER SEGMENT

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
Supply Chain Solutions	667	755	164	187
Print & Packaging Solutions	90	142	79	76
Group functions	-33	-47	-5	-12
<b>Group operating result</b>	<b>724</b>	<b>849</b>	<b>237</b>	<b>251</b>

## Disaggregation of revenue

Revenue has been divided into geographic markets, main revenue streams and customer segments since these are the categories the Group uses to present and analyze revenue in other contexts. Revenue for each category is presented per reportable segment. The Group's customer contracts are easy to identify and products and services in a contract are largely connected and dependent on each other, and therefore part of an integrated offer.

Main revenue streams are presented based on the internal names used in the Group. Sourcing & Procurement services refer to the purchase and procurement of products for customers as well as hand-

ling the flows connected to these products. Freight and transportation services refer to revenue from freight and transportation with our own trucks as well as pure freight forwarding. Other supply chain services such as fulfilment, kitting, warehousing, assembly and after sales services are presented under Other contract logistics services. Other work/services refer to pure print services and other services that do not fit into any of the first three categories.

Intra-group invoicing regarding group functions is reported net in net sales to group companies.

### FULL YEAR

MSEK	Supply Chain Solutions		Print & Packaging Solutions		Total	
	2023	2022	2023	2022	2023	2022
Total net sales	11,385	12,267	2,630	2,839	14,015	15,106
Less: net sales to group companies	-78	-75	-70	-56	-148	-131
<b>Net sales</b>	<b>11,307</b>	<b>12,192</b>	<b>2,560</b>	<b>2,782</b>	<b>13,867</b>	<b>14,974</b>

MSEK	Supply Chain Solutions		Print & Packaging Solutions		Total	
	2023	2022	2023	2022	2023	2022
<b>Customer segments</b>						
Automotive	2,312	2,268	527	453	2,839	2,721
Electronics	3,431	4,022	62	84	3,494	4,106
Fashion	3,626	3,630	275	585	3,901	4,215
Health Care	517	517	40	94	557	611
Industrial	1,024	1,277	566	537	1,589	1,814
Other	396	479	1,090	1,029	1,486	1,508
<b>Net sales</b>	<b>11,307</b>	<b>12,192</b>	<b>2,560</b>	<b>2,782</b>	<b>13,867</b>	<b>14,974</b>
<b>Main revenue streams</b>						
Sourcing and procurement services	1,939	2,562	-	-	1,939	2,562
Freight and transportation services	3,396	4,091	-	235	3,396	4,326
Other contract logistics services	5,471	5,068	312	414	5,783	5,483
Other work/services	501	471	2,248	2,133	2,748	2,605
<b>Net sales</b>	<b>11,307</b>	<b>12,192</b>	<b>2,560</b>	<b>2,782</b>	<b>13,867</b>	<b>14,974</b>
<b>Geographic markets</b>						
Europe	6,619	6,801	2,186	2,003	8,806	8,804
Asia	2,122	2,886	36	42	2,158	2,928
North and South America	2,548	2,486	330	731	2,878	3,217
Other	17	19	8	6	25	25
<b>Net sales</b>	<b>11,307</b>	<b>12,192</b>	<b>2,560</b>	<b>2,782</b>	<b>13,867</b>	<b>14,974</b>

## Disaggregation of revenue (cont.)

## FOURTH QUARTER

MSEK	Supply Chain Solutions		Print & Packaging Solutions		Total	
	2023	2022	2023	2022	2023	2022
Total net sales	2,855	3,259	757	874	3,612	4,133
Less: net sales to group companies	-19	-19	-18	-15	-38	-34
<b>Net sales</b>	<b>2,835</b>	<b>3,241</b>	<b>739</b>	<b>858</b>	<b>3,574</b>	<b>4,099</b>

MSEK	Supply Chain Solutions		Print & Packaging Solutions		Total	
	2023	2022	2023	2022	2023	2022
<b>Customer segments</b>						
Automotive	525	551	123	140	648	691
Electronics	804	1,112	14	20	818	1,132
Fashion	922	1,016	76	166	997	1,182
Health Care	168	124	10	27	178	151
Industrial	264	326	131	144	395	471
Other	153	111	385	361	538	472
<b>Net sales</b>	<b>2,835</b>	<b>3,241</b>	<b>739</b>	<b>858</b>	<b>3,574</b>	<b>4,099</b>
<b>Main revenue streams</b>						
Sourcing and procurement services	420	719	-	-	420	719
Freight and transportation services	801	1,076	-	68	801	1,145
Other contract logistics services	1,469	1,311	127	102	1,596	1,413
Other work/services	145	134	612	688	757	822
<b>Net sales</b>	<b>2,835</b>	<b>3,241</b>	<b>739</b>	<b>858</b>	<b>3,574</b>	<b>4,099</b>
<b>Geographic markets</b>						
Europe	1,753	1,736	645	647	2,399	2,383
Asia	444	797	8	12	451	809
North and South America	633	703	84	197	717	900
Other	5	5	2	2	7	7
<b>Net sales</b>	<b>2,835</b>	<b>3,241</b>	<b>739</b>	<b>858</b>	<b>3,574</b>	<b>4,099</b>

## Disaggregation of revenue (cont.)

## NET SALES PER QUARTER

MSEK	2023				2022	
	Fourth quarter	Third quarter	Second quarter	First quarter	Fourth quarter	Third quarter
<b>Customer segments</b>						
Automotive	648	692	732	768	691	657
Electronics	818	812	994	869	1,132	1,246
Fashion	997	942	943	1,018	1,182	1,058
Health Care	178	130	120	130	151	157
Industrial	395	372	367	455	471	461
Other	538	305	294	349	472	399
<b>Net sales</b>	<b>3,574</b>	<b>3,253</b>	<b>3,450</b>	<b>3,589</b>	<b>4,099</b>	<b>3,979</b>

## Financial assets and liabilities measured at fair value

The financial instruments recognized at fair value in the Group's report on financial position consist primarily of derivatives, contingent considerations related to acquisitions and conditional put and call options regarding non-controlling interests.

The derivatives consist of forward contracts and are used for hedging purposes. Valuation at fair value of forward contracts is based on published forward rates on an active market. Derivatives for hedging purposes are recognized at fair value and are presented under other current assets and non-interest-bearing current liabilities. Changes in the value of cash flow hedges are reported in particular categories under other comprehensive income until the hedged item is recorded in the income statement. Any result on hedge instruments attributable to the effective part of the hedge are recorded as equity under hedge provisions. Any result on hedge instruments attributable to the ineffective part of the hedge are recorded in the income statement. These items are less than MSEK 1 both as of December 31, 2023, and the comparison periods.

Contingent considerations are recognized as financial liabilities and at fair value on the acquisition date. Contingent considerations

are remeasured at each reporting period with any change recognized in profit or loss for the year. As of December 31, 2023, the fair value of contingent considerations amounts to MSEK 432, compared with MSEK 53 as of December 31, 2022. The increase is mainly due to additional contingent considerations that was added in connection with the acquisition during the fourth quarter. At the end of the period, MSEK 50 was recognized as current liabilities.

Mandatory put/call options related to acquisitions of non-controlling interests are initially recognized as a financial liability at the present value of the strike price applicable at the period where the option can first be exercised. Changes in fair value for these liabilities are recognized in equity. As of December 31, 2023, the fair value of contingent earn-outs amounts to MSEK 499, compared with MSEK 486 as of December 31, 2022. The increase is due to revaluations made as well as exchange rate fluctuations. At the end of the period, MSEK 478 was recognized as current liabilities.

The fair value of other financial assets and liabilities valued at their amortized purchase price is estimated to be equivalent to their book value.

## Acquisitions and divestments of operations

### Kammac Ltd

In November 2023, Elanders acquired all the shares in Kammac Ltd ("Kammac"). Kammac is a fast-growing company that in the last twelve-month period had net sales of more than GBP 90 million with very good profitability.

Kammac is part of the business area Supply Chain Solutions and was consolidated into the Group per November 2023. Since the acquisition the company has contributed to Group net sales by 184 MSEK. The initial valuation, including the earn-out, amounts to just

over GBP 100 million on a cash- and debt-free basis, of which around two thirds affected cash flow negatively in the fourth quarter 2023. The earn-out will be paid during the second quarter 2025 and is based on the outcome of 2024. The acquisition-related costs were around SEK 20 million.

The purchase price allocation is preliminary.

### PRELIMINARY PURCHASE PRICE ALLOCATION (PPA) KAMMAC

MSEK	Acquired book value	Adjustments to fair value	Recorded value in the Group
Intangible assets	–	220	220
Other assets <sup>1)</sup>	726	–	726
Current assets excluding cash and cash equivalents	343	–	343
Cash and cash equivalents	57	–	57
Other non-interest bearing liabilities	–223	–55	–278
Interest bearing liabilities <sup>2)</sup>	–667	–	–667
<b>Net assets acquired</b>	<b>236</b>	<b>165</b>	<b>401</b>
Goodwill			864
<b>Total</b>	<b>236</b>	<b>165</b>	<b>1,266</b>
<b>Less:</b>			
Unpaid purchase price			–396
Cash and cash equivalents in acquisitions			–57
<b>Negative effect on cash and cash equivalents for the Group</b>			<b>813</b>

<sup>1)</sup> Whereof right-of-use assets MSEK 620.

<sup>2)</sup> Whereof liabilities relating to right-of-use assets MSEK 620.

# QUARTERLY DATA

## Quarterly data

	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4
Net sales, MSEK	3,574	3,253	3,450	3,589	4,099	3,979	3,525	3,371	3,364
EBITDA, MSEK	569	500	479	420	538	466	507	430	456
EBITDA excl. IFRS 16, MSEK	294	238	222	175	306	246	295	220	266
EBITA adjusted, MSEK	289	211	210	217	331	224	224	187	244
EBITA-margin adjusted, %	8.1	6.5	6.1	6.0	8.1	5.6	6.3	5.5	7.3
EBITA, MSEK	264	211	195	149	273	216	264	187	228
EBITA-margin, %	7.4	6.5	5.7	4.2	6.7	5.4	7.5	5.5	6.8
Operating result, MSEK	237	188	172	127	251	193	241	165	209
Operating margin, %	6.6	5.8	5.0	3.5	6.1	4.8	6.8	4.9	6.2
Result after financial items, MSEK	143	105	99	50	181	150	206	129	181
Result after tax, MSEK	101	66	65	25	140	115	143	88	120
Earnings per share, SEK <sup>1)</sup>	2.70	1.83	1.80	0.69	3.87	3.10	3.91	2.42	3.28
Operating cash flow, MSEK	-221	510	536	512	495	229	187	300	-680
Cash flow per share, SEK <sup>2)</sup>	14.42	12.04	11.59	12.34	12.31	7.08	4.42	7.47	13.50
Depreciation and write-downs, MSEK	331	312	306	294	287	273	266	265	247
Net investments, MSEK	893	51	37	31	94	98	43	39	1,222
Goodwill, MSEK	4,452	3,767	3,827	3,674	3,655	3,685	3,505	3,347	3,305
Total assets, MSEK	15,630	14,316	14,904	14,562	14,574	14,792	13,148	12,131	11,800
Equity, MSEK	3,864	3,893	3,910	3,849	3,870	3,780	3,522	3,440	3,304
Equity per share, SEK	108.50	109.00	109.52	107.85	108.46	105.72	98.60	96.44	92.67
Net debt, MSEK	8,191	7,022	7,449	7,283	7,276	7,227	6,304	5,377	5,249
Net debt excl. IFRS 16, MSEK	3,655	2,875	3,055	2,895	3,022	3,231	3,005	2,532	2,539
Capital employed, MSEK	12,055	10,915	11,359	11,132	11,147	11,007	9,826	8,817	8,553
Return on total assets, % <sup>3)</sup>	11.5	4.7	5.9	4.1	6.8	6.3	8.7	5.8	8.4
Return on equity, % <sup>3)</sup>	9.9	6.7	6.6	2.5	14.5	12.1	16.0	10.2	14.6
Return on capital employed, % <sup>3)</sup>	8.3	6.7	6.1	4.6	9.1	7.4	10.4	7.6	11.2
Debt/equity ratio	2.1	1.8	1.9	1.9	1.9	1.9	1.8	1.6	1.6
Equity ratio, %	24.7	27.2	26.2	26.4	26.6	25.6	26.8	28.4	28.0
Interest coverage ratio <sup>4)</sup>	2.2	2.4	2.8	3.6	4.5	5.5	6.0	6.0	6.3
Number of employees at the end of the period	7,474	7,106	7,065	7,275	7,245	7,337	7,273	7,182	7,019

<sup>1)</sup> There is no dilution.

<sup>2)</sup> Cash flow per share refers to cash flow from operating activities.

<sup>3)</sup> Return ratios have been annualized (the result has been recalculated to correspond to the result for a 12 month period).

<sup>4)</sup> Interest coverage ratio calculation is based on the last 12 month period.

# FIVE YEAR OVERVIEW

## Five year overview – Full year

	2023	2022	2021	2020	2019
Net sales, MSEK	13,867	14,974	11,733	11,050	11,254
EBITDA, MSEK	1,967	1,940	1,468	1,431	1,285
EBITA adjusted, MSEK	927	966	658	598	563
EBITA-margin adjusted, %	6.7	6.5	5.6	5.4	5.0
EBITA, MSEK	820	940	641	598	413
EBITA-margin, %	5.9	6.3	5.5	5.4	3.7
Result after financial items, MSEK	398	666	482	414	216
Result after tax, MSEK	258	487	331	292	153
Earnings per share, SEK <sup>1)</sup>	7.02	13.29	9.12	8.12	4.19
Cash flow from operating activities per share, SEK	50.39	31.27	30.07	48.80	37.81
Equity per share, SEK	108.50	108.46	92.67	81.65	78.54
Dividends per share, SEK <sup>2)</sup>	4.15	4.15	3.60	3.10	–
Return on total assets, %	6.5	11.6	6.3	6.4	4.2
Return on equity, %	6.5	13.0	10.4	9.9	5.3
Return on capital employed, %	6.4	8.3	8.5	8.6	5.0
Net debt/EBITDA ratio, times	4.2	3.7	3.6	2.0	3.1
Net debt/EBITDA excl. IFRS 16 ratio, times	3.9	2.8	3.3	1.5	3.7
Debt/equity ratio, times	2.1	1.9	1.6	1.0	1.4
Equity ratio, %	24.7	26.6	28.0	33.6	30.2
Average number of shares, in thousands	35,358	35,358	35,358	35,358	35,358

<sup>1)</sup> There is no dilution.

<sup>2)</sup> Dividend proposed by the board for the year 2023.

## Five year overview – Fourth quarter

	2023	2022	2021	2020	2019
Net sales, MSEK	3,574	4,099	3,364	2,886	2,904
EBITDA, MSEK	569	538	456	466	215
EBITA adjusted, MSEK	289	331	244	256	169
EBITA-margin adjusted, %	8.1	8.1	7.3	8.9	5.8
EBITA, MSEK	264	273	228	256	-11
EBITA-margin, %	7.4	6.7	6.8	8.9	-0.4
Result after tax, MSEK	101	140	120	156	-44
Earnings per share, SEK <sup>1)</sup>	2.70	3.87	3.28	4.33	-1.26
Cash flow from operating activities per share, SEK	14.42	12.31	13.50	20.04	9.51
Equity per share, SEK	108.50	108.46	92.67	81.65	78.54
Return on equity, % <sup>2)</sup>	9.9	14.5	14.6	21.2	neg.
Return on capital employed, % <sup>2)</sup>	8.3	9.1	11.2	15.9	neg.
Operating margin, %	6.6	6.1	6.2	8.4	-0.8
Average number of shares, in thousands	35,358	35,358	35,358	35,358	35,358

<sup>1)</sup> There is no dilution.

<sup>2)</sup> Return ratios have been annualized (the result has been recalculated to correspond to the result for a 12 month period).

# RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

## Reconciliation of alternative performance measures – Financial overview

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
Operating result	724	849	237	251
Depreciation, amortization and write-downs	1,243	1,091	331	287
<b>EBITDA</b>	<b>1,967</b>	<b>1,940</b>	<b>569</b>	<b>538</b>
Operating result	724	849	237	251
Amortization of assets identified in conjunction with acquisitions	96	90	26	23
<b>EBITA</b>	<b>820</b>	<b>940</b>	<b>264</b>	<b>273</b>
Adjustments for one-off items	107	26	25	58
<b>EBITA adjusted</b>	<b>927</b>	<b>966</b>	<b>289</b>	<b>331</b>
EBITA-margin, %	5.9	6.3	7.4	6.7
EBITA-margin adjusted, %	6.7	6.5	8.1	8.1
Cash flow from operating activities	1,782	1,106	510	435
Net financial items	326	183	94	70
Paid tax	242	196	69	85
Net investments	-1,012	-274	-893	-94
<b>Operating cash flow</b>	<b>1,338</b>	<b>1,210</b>	<b>-221</b>	<b>495</b>
Cash conversion, %	110.3	64.6	104.4	91.9
Interest-bearing long-term liabilities	7,676	7,229	7,676	7,229
Interest-bearing short-term liabilities	1,621	951	1,621	951
Cash and cash equivalents	-1,107	-904	-1,107	-904
<b>Net debt</b>	<b>8,191</b>	<b>7,276</b>	<b>8,191</b>	<b>7,276</b>
Net debt/EBITDA ratio, times	4.2	3.7	3.6	3.4
Operating result excl. IFRS 16	628	775	214	230
Depreciation, amortization and write-downs excl. IFRS 16	301	293	80	76
<b>EBITDA excl. IFRS 16</b>	<b>929</b>	<b>1,068</b>	<b>294</b>	<b>306</b>
Interest-bearing long-term liabilities excl. IFRS 16	4,070	3,747	4,070	3,747
Interest-bearing short-term liabilities excl. IFRS 16	691	179	691	179
Cash and cash equivalents	-1,107	-904	-1,107	-904
<b>Net debt excl. IFRS 16</b>	<b>3,655</b>	<b>3,022</b>	<b>3,655</b>	<b>3,022</b>
Net debt/EBITDA ratio excl. IFRS 16, times	3.9	2.8	3.1	2.5

## Reconciliation of alternative performance measures – EBITA adjusted

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
Supply Chain Solutions	754	835	188	207
Print & Packaging Solutions	99	152	81	78
Group functions (incl. eliminations)	-33	-48	-5	-12
<b>EBITA</b>	<b>820</b>	<b>940</b>	<b>264</b>	<b>273</b>
Supply Chain Solutions	20	7	20	48
Print & Packaging Solutions	87	19	5	10
Group functions (incl. eliminations)	-	-	-	-
<b>Adjustments of EBITA</b>	<b>107</b>	<b>26</b>	<b>25</b>	<b>58</b>
Supply Chain Solutions	774	843	208	255
Print & Packaging Solutions	186	171	86	88
Group functions (incl. eliminations)	-33	-48	-5	-12
<b>EBITA adjusted</b>	<b>927</b>	<b>966</b>	<b>289</b>	<b>331</b>
<i>Specification of items affecting comparability that impact EBITA</i>				
Revaluation of shares in associated companies, Supply Chain Solutions	-	-50	-	-
Acquisition-related costs, Supply Chain Solutions	20	1	20	-
Restructuring costs, Supply Chain Solutions	-	56	-	48
Historical errors, Print & Packaging Solutions	68	-	-	-
Revaluation of additional consideration, Print & Packaging Solutions	14	19	-	10
Other items affecting comparability, Print & Packaging Solutions	5	-	5	-
<b>Total</b>	<b>107</b>	<b>26</b>	<b>25</b>	<b>58</b>

## Reconciliation of alternative performance measures – Quarterly data

	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4
<b>MSEK</b>									
Operating result	237	188	172	127	251	193	241	165	209
Depreciation, amortization and write-downs	331	312	306	294	287	273	266	265	247
<b>EBITDA</b>	<b>569</b>	<b>500</b>	<b>479</b>	<b>420</b>	<b>538</b>	<b>466</b>	<b>507</b>	<b>430</b>	<b>456</b>
Operating result excl. IFRS 16	214	163	149	102	230	173	224	148	196
Depreciation, amortization and write-downs excl. IFRS 16	80	75	73	73	76	73	71	72	70
<b>EBITDA excl. IFRS 16</b>	<b>294</b>	<b>238</b>	<b>222</b>	<b>175</b>	<b>306</b>	<b>246</b>	<b>295</b>	<b>220</b>	<b>266</b>
Operating result	237	188	172	127	251	193	241	165	209
Amortization of assets identified in conjunction with acquisitions	26	24	23	23	23	23	22	22	19
<b>EBITA</b>	<b>264</b>	<b>211</b>	<b>195</b>	<b>149</b>	<b>273</b>	<b>216</b>	<b>264</b>	<b>187</b>	<b>228</b>
Cash flow from operating activities	510	426	410	436	435	250	156	264	477
Net financial items	94	82	73	77	70	42	36	36	28
Paid tax	69	52	91	30	85	34	38	39	37
Net investments	-893	-51	-37	-31	-94	-98	-43	-39	-1,222
<b>Operating cash flow</b>	<b>-221</b>	<b>510</b>	<b>536</b>	<b>512</b>	<b>495</b>	<b>229</b>	<b>187</b>	<b>300</b>	<b>-680</b>
Cash conversion, %	104.4	105.7	112.0	121.9	91.9	58.6	36.8	69.8	103.9
Average total assets	14,973	14,610	14,733	14,568	14,683	13,970	12,640	11,965	10,551
Average cash and cash equivalents	-1,019	-981	-976	-913	-930	-860	-796	-863	-842
Average non-interest-bearing liabilities	-2,469	-2,492	-2,512	-2,516	-2,676	-2,694	-2,522	-2,417	-2,246
<b>Average capital employed</b>	<b>11,485</b>	<b>11,137</b>	<b>11,245</b>	<b>11,139</b>	<b>11,077</b>	<b>10,417</b>	<b>9,321</b>	<b>8,685</b>	<b>7,464</b>
Annualized operating result	949	751	690	507	1,003	770	965	659	837
<b>Return on capital employed, %</b>	<b>8.3</b>	<b>6.7</b>	<b>6.1</b>	<b>4.6</b>	<b>9.1</b>	<b>7.4</b>	<b>10.4</b>	<b>7.6</b>	<b>11.2</b>
Interest-bearing long-term liabilities	7,676	6,370	7,421	7,182	7,229	7,238	6,191	5,371	5,326
Interest-bearing short-term liabilities	1,621	1,583	1,058	1,022	951	945	877	835	821
Cash and cash equivalents	-1,107	-931	-1,030	-921	-904	-956	-764	-828	-898
<b>Net debt</b>	<b>8,191</b>	<b>7,022</b>	<b>7,449</b>	<b>7,283</b>	<b>7,276</b>	<b>7,227</b>	<b>6,304</b>	<b>5,377</b>	<b>5,249</b>

### Reconciliation of alternative performance measures – Full year

MSEK	2023	2022	2021	2020	2019
Operating result	724	849	580	546	359
Depreciation, amortization and write-downs	1,243	1,091	888	885	927
<b>EBITDA</b>	<b>1,967</b>	<b>1,940</b>	<b>1,468</b>	<b>1,431</b>	<b>1,285</b>
Operating result	724	849	580	546	359
Amortization of assets identified in conjunction with acquisitions	96	90	61	52	54
<b>EBITA</b>	<b>820</b>	<b>940</b>	<b>641</b>	<b>598</b>	<b>413</b>
Average total assets	14,853	13,661	9,741	9,198	9,677
Average cash and cash equivalents	-997	-847	-815	-944	-749
Average non-interest-bearing liabilities	-2,491	-2,599	-2,127	-1,912	-1,808
<b>Average capital employed</b>	<b>11,365</b>	<b>10,215</b>	<b>6,799</b>	<b>6,342</b>	<b>7,120</b>
Operating result	724	849	580	546	359
<b>Return on capital employed, %</b>	<b>6.4</b>	<b>8.3</b>	<b>8.5</b>	<b>8.6</b>	<b>5.0</b>

### Reconciliation of alternative performance measures – Fourth quarter

MSEK	2023	2022	2021	2020	2019
Operating result	237	251	209	243	-25
Amortization of assets identified in conjunction with acquisitions	26	23	19	13	14
<b>EBITA</b>	<b>264</b>	<b>273</b>	<b>228</b>	<b>256</b>	<b>-11</b>
Average total assets	14,973	14,683	10,551	8,961	9,568
Average cash and cash equivalents	-1,019	-930	-842	-997	-772
Average non-interest-bearing liabilities	-2,469	-2,676	-2,246	-1,848	-1,826
<b>Average capital employed</b>	<b>11,485</b>	<b>11,077</b>	<b>7,464</b>	<b>6,116</b>	<b>6,970</b>
Annualized operating result	949	1,003	837	971	-98
<b>Return on capital employed, %</b>	<b>8.3</b>	<b>9.1</b>	<b>11.2</b>	<b>15.9</b>	<b>neg.</b>

# PARENT COMPANY'S FINANCIAL STATEMENTS

## Income statements

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
Net sales	47	45	12	11
Operating expenses	-80	-96	-17	-23
<b>Operating result</b>	<b>-33</b>	<b>-50</b>	<b>-5</b>	<b>-12</b>
Net financial items	313	13	245	69
<b>Result after financial items</b>	<b>280</b>	<b>-37</b>	<b>239</b>	<b>57</b>
Income tax	-1	14	-10	-8
<b>Result for the period</b>	<b>279</b>	<b>-24</b>	<b>230</b>	<b>49</b>

## Statements of comprehensive income

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
<b>Result for the period</b>	<b>279</b>	<b>-24</b>	<b>230</b>	<b>49</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>279</b>	<b>-24</b>	<b>230</b>	<b>49</b>

## Balance sheets

MSEK	31 Dec.	
	2023	2022
<b>ASSETS</b>		
Fixed assets	5,765	5,335
Current assets	541	467
<b>Total assets</b>	<b>6,306</b>	<b>5,802</b>
<b>EQUITY, PROVISIONS AND LIABILITIES</b>		
Equity	1,998	1,866
Provisions	2	2
Long-term liabilities	3,611	3,170
Short-term liabilities	696	765
<b>Total equity, provisions and liabilities</b>	<b>6,306</b>	<b>5,802</b>

## Statements of changes in equity

MSEK	Full year		Fourth quarter	
	2023	2022	2023	2022
<b>Opening balance</b>	<b>1,866</b>	<b>2,017</b>	<b>1,768</b>	<b>1,816</b>
Dividend	-147	-127	-	-
Total comprehensive income for the period	279	-24	230	49
<b>Closing balance</b>	<b>1,998</b>	<b>1,866</b>	<b>1,998</b>	<b>1,866</b>

# FINANCIAL DEFINITIONS

## Average number of employees

The number of employees at the end of each month divided number of months.

## Average number of shares

Weighted average number of shares outstanding during the period.

## Capital employed

Total assets less liquid funds and non-interest bearing liabilities.

## Cash conversion

Operating cash flow, excluding considerations paid for acquisitions, in relation to EBITDA.

## Debt/equity ratio

Net debt in relation to reported equity, including non-controlling interests.

## Earnings per share

Result for the period attributable to parent company shareholders divided by the average number of shares.

## EBIT

Earnings before interest and taxes; operating result.

## EBITA

Earnings before interest, taxes and amortization; operating result plus amortization of assets identified in conjunction with acquisitions.

## EBITA adjusted

Earnings before interest, taxes and amortization; operating result plus amortization of assets identified in conjunction with acquisitions adjusted for one-off items.

## EBITDA

Earnings before interest, taxes, depreciation and amortization; operating result plus depreciation, amortization and write-downs of intangible assets and tangible fixed assets.

## Equity ratio

Equity, including non-controlling interests, in relation to total assets.

## Interest coverage ratio

Operating result plus interest income divided by interest costs.

## Net debt

Interest bearing liabilities less liquid funds.

## Operating cash flow

Cash flow from operating activities and investing activities, adjusted for paid taxes and financial items.

## Operating margin

Operating result in relation to net sales.

## Return on capital employed (ROCE)

Operating result in relation to average capital employed.

## Return on equity

Result for the year in relation to average equity.

## Return on total assets

Operating result plus financial income in relation to average total assets.

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