



## Second quarter 2023

### Stable results in Sweden and Western Europe

#### Second quarter 2023

- Net turnover amounted to SEK 9,826 M (8,945), an increase of 10 per cent.
- Operational earnings amounted to SEK 444 M (498).
- Sweden and Western Europe reported higher operational earnings while Norway reported SEK 93 M lower operational earnings compared to the previous year.
- Operating profit amounted to SEK 394 M (521). The previous year's operating profit included a profit from sale of operations of SEK 55 M.
- Net profit for the period amounted to SEK 262 M (385). The previous year's net profit included a profit after tax from sale of operations of SEK 44 M. Earnings per share amounted to SEK 2.85 (4.15).
- Operating cash flow amounted to SEK 519 M (246).

#### First six months 2023

- Net turnover amounted to SEK 19,698 M (17,629), an increase of 12 per cent.
- Operational earnings amounted to SEK 875 M (998).
- Sweden and Western Europe reported higher operational earnings while Norway reported SEK 175 M lower operational earnings compared to the previous year.
- Operating profit amounted to SEK 774 M (1,205). The previous year's operating profit included a profit from sale of operations of SEK 277 M.
- Net profit for the period amounted to SEK 513 M (979). The previous year's net profit included a profit after tax from sale of operations of SEK 266 M. Earnings per share amounted to SEK 5.58 (10.40).
- Operating cash flow amounted to SEK 27 M (594).

SEK M	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Net turnover	9,826	8,945	19,698	17,629	37,414	35,345
Operational earnings <sup>1)</sup>	444	498	875	998	1,783	1,906
Operational margin, %	4.5	5.6	4.4	5.7	4.8	5.4
Operating profit	394	521	774	1,205	1,671	2,102
Operating margin, %	4.0	5.8	3.9	6.8	4.5	5.9
Profit before tax	330	491	650	1,173	1,479	2,002
Net profit for the period	262	385	513	979	1,156	1,622
Earnings per share, SEK <sup>2)</sup>	2.85	4.15	5.58	10.40	12.57	17.43

<sup>1)</sup> For reconciliation of operational earnings with operating profit, see Note 3.

<sup>2)</sup> The number of shares used in the calculation is shown in the Consolidated Statement of Income and Other Comprehensive Income.

# Stable Service Business and good demand for used cars

## Second quarter

Operational earnings for the second quarter amounted to SEK 444 M, with a margin of 4.5 per cent. The Service Business's result was stable and amounted to SEK 275 M which, after adjusting for divested operations, was higher than the previous year. Organic growth in the Service Business was 10 per cent.

Sweden and Western Europe reported higher results compared to the previous year, while Norway reported a considerably lower result of SEK 47 M, compared to SEK 140 M the previous year. The lower result was attributable both to the Car Business and the Service Business and is explained partly by divested operations.

The order backlog for new cars in Sweden and Western Europe remained high from a historical perspective, while in Norway it was at a more normalised level.

## Stable demand in the Service Business

Uncertainty remains as to the future development of inflation and interest rates, and this is impacting on our customers. In Bilia's business, this has mainly affected the order intake for new cars. In the second quarter, the underlying order intake for new cars was 41 per cent lower than in the previous year. In Norway the underlying order intake was a full 78 per cent lower. In addition to inflation and interest rates, the situation in Norway is also adversely impacted by new tax regulations from 2023, which along with long delivery times has led to continued cancellations of orders. Generally speaking, orders from private persons were weak, while orders from fleet customers remained stable.

Demand for used cars, however, remained good, and we delivered slightly more cars during the second quarter compared to the previous year.

Demand for servicing was good also during the second quarter and affected to a minor extent by the economic

uncertainty. Organic growth was good in all countries where we operate. The Service Business is the segment least sensitive to the economic climate. For the full year 2022, the Service Business represented 22 per cent of our turnover and 58 per cent of our operational earnings.

## Focus on more women in the industry

One of our five sustainability goals is to increase the proportion of women in our sales operation to 30 per cent. In 2022, the figure was around 16 per cent. A diversified, gender-equal operation inspires a healthy corporate environment, greater creativity, innovation, and a more profitable business. We are working actively to increase the percentage of women in our operation through such measures as a reinforced recruitment policy, headhunting, recruitment bonuses and new ways of advertising.

We are working conscientiously with our core values and leadership in connection with these matters. We have included the sustainability goal of increasing the percentage of women in our three-year incentive programme for people in senior positions. During the women's tennis week in Båstad, Sweden, we organised a panel debate between key persons in the industry on how to attract more women into the automotive industry.

The automotive industry generally is undergoing major transformation; new services and new players, as well as altered customer behaviours, are bringing new demands, and it is a challenge to find the right skills and expertise. We hope that our engagement in bringing more women into the sector will help to increase gender equality, and also secure us a broader base for recruitment in the future.

**Per Avander**  
Managing Director and CEO

“Demand for servicing was good during the quarter”



# Group results

## Net turnover and earnings

### Second quarter 2023

**Net turnover** amounted to SEK 9,826 M (8,945). Adjusted for acquired and divested operations and for exchange rate fluctuations, net turnover increased by 9 per cent, mainly attributable to increased number of delivered cars. Exchange rate fluctuations had no significant impact on net turnover for the period compared to the previous year.

**Operating profit** amounted to SEK 394 M (521). The operating profit for the second quarter of 2022 included a profit from sale of operations of SEK 55 M.

**Operational earnings** amounted to SEK 444 M (498), and the operational margin was 4.5 per cent (5.6). Norway reported lower operational earnings attributable both to the Car Business and the Service Business and is partly explained by divested operations. Sweden and Western Europe reported higher operational earnings compared to the previous year.

The **Service Business** reported a result of SEK 275 M, compared to SEK 286 M the previous year, but adjusted for divested operations in Sweden and Norway, the Service Business's result was higher than the previous year. The **Car Business** reported a result of SEK 198 M, compared to SEK 239 M the previous year. The lower result was attributable to Norway. The **Fuel Business** reported a result of SEK 5 M which was on par with the previous year.

The operation in **Sweden** reported a result of SEK 369 M (352). The margin was 5.8 per cent (6.7). The operation in **Norway** reported a result of SEK 47 M (140). The margin was 2.0 per cent (4.8). The operation in **Western Europe** reported a result of SEK 61 M (38). The margin was 5.9 per cent (5.2). The higher result for Sweden was attributable to the Service Business. The lower result for Norway, adjusted for operations divested in 2022, was mainly attributable to the Car Business.

### Bilia's financial targets

- Total yearly growth higher than 5 per cent during a business cycle.
- Operating margin of 5 per cent during a business cycle.
- Net debt in relation to EBITDA, excluding IFRS 16, over time max 2.0 times.
- Dividend share of at least 50 per cent of earnings per share.

For Western Europe, the higher result was mainly attributable to the Car Business and was the highest result ever for a single quarter.

**Net financial items** amounted to SEK –64 M (–30). The higher net financial items is explained by higher interest costs.

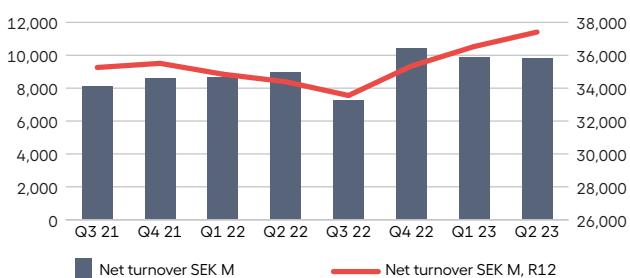
**Tax** amounted to SEK –68 M (–106), and the effective tax rate was 21 per cent (22).

**Net profit for the period** amounted to SEK 262 M (385). The previous year's net profit included a profit after tax from sale of operations of SEK 44 M. Earnings per share amounted to SEK 2.85 (4.15). Exchange rate fluctuations did not have a material impact on net profit for the period compared to the previous year.

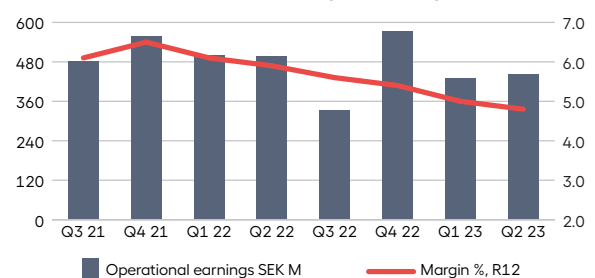
The **number of employees** increased by 31 during the quarter and totalled 5,201.

The operating result for the **Parent Company** during the quarter amounted to SEK –32 M (–34).

Net turnover



Operational earnings and margin



## First six months 2023

**Net turnover** amounted to SEK 19,698 M (17,629).

Adjusted for acquired and divested operations and for exchange rate fluctuations, net turnover increased by 12 per cent. Exchange rate fluctuations had no significant impact on net turnover for the period compared to the previous year.

**Operating profit** amounted to SEK 774 M (1,205). The operating profit for the first six months of 2022 included a profit from sale of operations of SEK 277 M.

**Operational earnings** amounted to SEK 875 M (998), and the operational margin was 4.4 per cent (5.7). Norway reported lower operational earnings attributable mainly to the Car Business while Sweden and Western Europe reported higher operational earnings compared to the previous year. Adjusted for divested operations, the Group's operational earnings was slightly below the previous year.

The **Service Business** reported a result of SEK 572 M, compared to SEK 601 M the previous year. Adjusted for divested operations in Sweden and Norway, the Service Business's result was higher than the previous year. The **Car Business** reported a result of SEK 357 M, compared to SEK 428 M the previous year. The lower result was attributable to sales of used cars. The **Fuel Business** reported a result of SEK 12 M compared to SEK 20 M the previous year.

The operation in **Sweden** reported a result of SEK 717 M (685). The margin was 5.8 per cent (6.5). The operation in **Norway** reported a result of SEK 116 M (291).

The margin was 2.2 per cent (5.3). The operation in **Western Europe** reported a result of SEK 108 M (73). The margin was 5.4 per cent (4.9). The higher result for Sweden was attributable to both the Service Business and the Car Business. The lower result for Norway, adjusted for operations divested in 2022, was mainly attributable to the Car Business. For Western Europe, the higher result was mainly attributable to the Car Business.

**Net financial items** amounted to SEK -124 M (-32). The higher net financial items is explained by higher interest costs and that the net financial items for the previous year was positively affected by approximately SEK 30 M from a one-off item from shares in associated companies.

**Tax** amounted to SEK -137 M (-194), and the effective tax rate was 21 per cent (17). Adjusted for profit from the sale of operations in the previous year, the effective tax rate for previous year amounted to 20 per cent.

**Net profit for the period** amounted to SEK 513 M (979). The previous year's net profit after tax included a profit from sale of operations of SEK 266 M. Earnings per share amounted to SEK 5.58 (10.40). Exchange rate fluctuations did not have a material impact on net profit for the period compared to the previous year.

The **number of employees** increased by 209 compared to last year and totalled 5,201. Adjusted for acquired operations, the number of employees increased by 32.

The operating result for the **Parent Company** during the first six months amounted to SEK -71 M (-52).



### Net turnover by geographic market

SEK M	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Sweden	6,415	5,274	12,451	10,606	22,747	20,902
Norway	2,378	2,922	5,219	5,525	11,062	11,368
Western Europe	1,026	739	2,012	1,480	3,578	3,046
Parent Company, other	7	10	16	18	27	29
<b>Total</b>	<b>9,826</b>	<b>8,945</b>	<b>19,698</b>	<b>17,629</b>	<b>37,414</b>	<b>35,345</b>

### Operational earnings by geographic market

SEK M	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Sweden	369	352	717	685	1,336	1,304
Norway	47	140	116	291	372	547
Western Europe	61	38	108	73	189	154
Parent Company, other	-33	-32	-66	-51	-114	-99
<b>Total</b>	<b>444</b>	<b>498</b>	<b>875</b>	<b>998</b>	<b>1,783</b>	<b>1,906</b>

### Operational margin by geographic market

Per cent	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Sweden	5.8	6.7	5.8	6.5	5.9	6.2
Norway	2.0	4.8	2.2	5.3	3.4	4.8
Western Europe	5.9	5.2	5.4	4.9	5.3	5.0
<b>Total</b>	<b>4.5</b>	<b>5.6</b>	<b>4.4</b>	<b>5.7</b>	<b>4.8</b>	<b>5.4</b>



## A better experience

At Bilja we strive for continuous development, to be a little better each day, whatever our title or position. Working in a goal-conscious way founded on our vision, core values and customer promise creates a positive spiral, enabling us to exceed expectations and provide a better experience for customers and colleagues alike.





## Operating cash flow

Operating cash flow for the second quarter amounted to SEK 519 M (246). After acquisitions and divestment of operations and changes in financial assets, cash flow for the quarter amounted to SEK 515 M (256).

## Financial position

The **balance sheet total** decreased by SEK 404 M during the year and amounted to SEK 19,597 M. The decrease was mainly attributable to inventory, trade receivables and trade payables.

**Equity** decreased by SEK 371 M during the period, amounting to SEK 4,516 M. During the second quarter, a dividend of SEK 809 M was decided to the shareholders, of which SEK 202 M has been paid out. The total holding of own shares as of 30 June 2023 was 4,315,709 shares.

The **equity/assets ratio** amounted to 23 per cent (25).

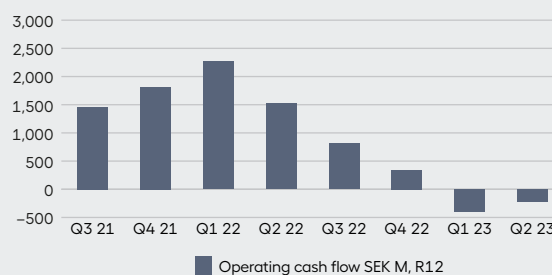
**Net debt** increased by SEK 750 M during the year and amounted to SEK 6,516 M. Excluding lease liabilities attributable to IFRS 16, net debt amounted to SEK 2,205 M, an increase of SEK 419 M since December 2022. The ratio of net debt to EBITDA, excluding IFRS 16, amounted to 1.1 times compared with 0.8 times at the end of 2022.

At the end of the quarter, SEK 1,014 M of Bilias credit with the banks (Nordea and DNB) was utilised. The credit limit with Nordea and DNB totals SEK 2,300 M. During June, outstanding bond loans of SEK 800 M with regular maturity in October 2023 were renewed with a maturity of 5 years.

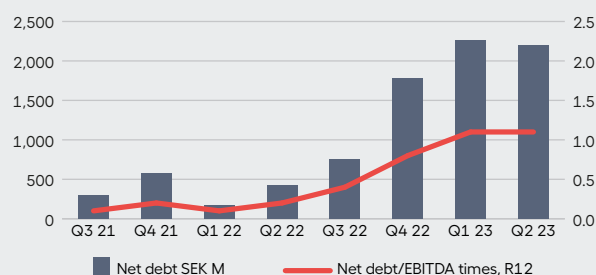
## Investments excluding right-of-use assets

**Acquisitions of non-current assets** during the quarter amounted to SEK 91 M (182) excluding lease vehicles and SEK 453 M (405) including lease vehicles. By geographical market, the investments amounted to SEK 261 M (238) in Sweden, SEK 153 M (137) in Norway, SEK 21 M (15) in Western Europe and SEK 18 M (15) for the Parent Company and other central operations.

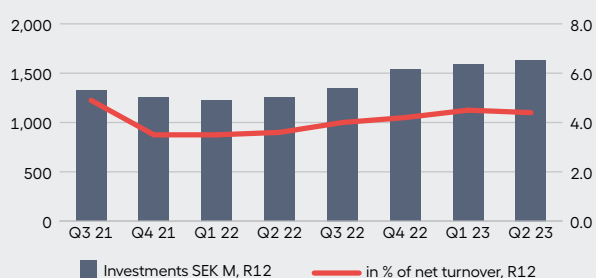
Operating cash flow



Net debt and net debt/EBITDA, excl. IFRS 16



Investments in non-current assets, excl. IFRS 16



# Notable events

## Events during the second quarter

- On 5 April Bilia announced that the collaboration with Nissan Sweden is expanding, sales and service of Nissan cars will be offered at several facilities in Sweden. From January 1, 2024, Nissan Sweden will change to an agency model. The new distribution model will be implemented with Bilia as an agent for the brand.
- On 16 June Bilia announced that a repurchase had taken place of SEK 768 M of the total outstanding unsecured bond loan of SEK 800 M with regular maturity in October 2023. The repurchases took place at a price of 100.5 per cent. At the same time, a new senior unsecured bond loan was issued for an amount of SEK 800 M. The new bond loan has a variable interest rate of 3m STIBOR plus 275 bps and has a final maturity in June 2028.

## Events during the first quarter

- On 23 January Bilia signed an agreement with Great Wall Motor to be an importer and dealer in Norway. Great Wall Motor is a listed company in Hong Kong which in 2021 has sold 1.3 million vehicles and is now establishing in Europe.

## Events after the balance sheet date

- There are no significant events after the balance sheet date.

Further information about the above mentioned events along with other press information is available at [bilia.com](http://bilia.com).



We offer services for everything related to car ownership during the car's entire life cycle, from the purchase of a new car to recycling parts from a dismantled car.

- Car purchase**  
Financing, insurance, the Bilia-card, service subscriptions, tyre hotels, paint shops, accessory and tyre and wheel sales.
- Store**  
Accessories, spare parts and e-commerce.
- Stations**  
Fuels and car washes.
- Tyre centres**  
Tyre hotels, wheel change, tyre and wheel sales and workshop services.
- Rim repair**  
Renovation of rims.
- Service**  
Original service, personal service technicians and repairs.
- Car glass**  
Glass treatment, glass repair and windscreen replacement.
- Car care**  
Reconditioning and AC-cleaning.
- Damage**  
Roadside assistance, body shop, paint shop and dent removal.
- Rental cars**  
Rentals and Flexlease.
- Car dismantling**  
Dismantling, reuse and sales of used car parts.

# Stable results and good growth in the Service Business

## Second quarter 2023

- Turnover amounted to SEK 2,190 M (2,033), an increase of 8 per cent.
- Operational earnings amounted to SEK 275 M (286).
- The margin was 12.5 per cent (14.1).

## First six months 2023

- Turnover amounted to SEK 4,447 M (4,089), an increase of 9 per cent.
- Operational earnings amounted to SEK 572 M (601).
- The margin was 12.9 per cent (14.7).

## Turnover and earnings

### Second quarter 2023

During the quarter, the **turnover** for the Service Business increased organically by 10 per cent. In Sweden and Norway, the organic growth during the quarter was 9 and 8 per cent respectively, while Western Europe's organic growth was as much as 26 per cent. The organic growth is adjusted for acquired and divested operations, exchange rate changes and the number of working days compared to last year.

For the quarter, there was one less working day in Sweden and Norway and the same number of working days in Western Europe, compared to the previous year.



### Growth in the Service Business

Per cent	Second quarter				First six months			
	Sweden	Norway	Western Europe	Total	Sweden	Norway	Western Europe	Total
Reported growth	13.6	-11.2	36.6	7.7	11.8	-3.2	33.1	8.8
Underlying growth	7.7	6.6	24.8	8.5	7.3	12.4	27.9	10.0
Calendar effect	1.7	1.7	0.8	1.6	0.0	0.0	-0.8	-0.1
<b>Organic growth</b>	<b>9.4</b>	<b>8.3</b>	<b>25.6</b>	<b>10.1</b>	<b>7.3</b>	<b>12.4</b>	<b>27.1</b>	<b>9.9</b>

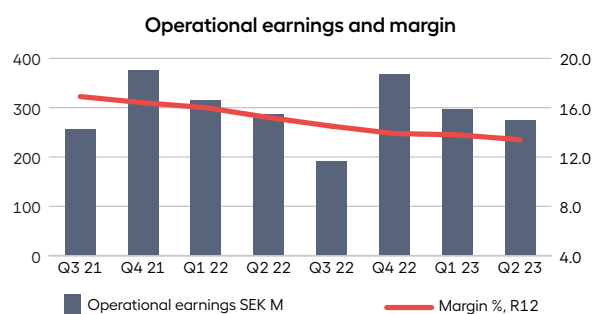
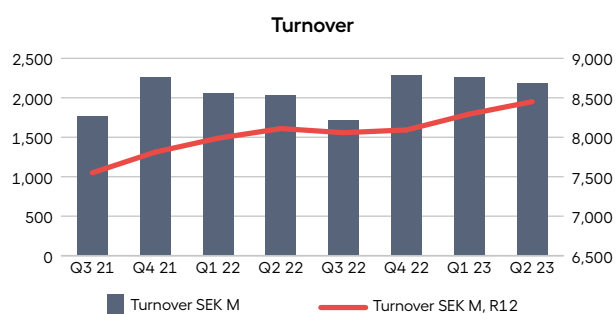
At the end of the quarter, the number of service subscriptions amounted to 118,000 (106,000 at year-end 2022) compared with our long-term target of 130,000. The number of wheels stored on behalf of our customers amounted to 397,000 (393,000 at year-end 2022) compared with our long-term target of 1,000,000.

**Operational earnings** amounted to SEK 275 M (286). Adjusted for operations divested in Sweden and Norway, the Service Business's result was higher than the previous year.

In **Sweden**, operational earnings amounted to SEK 220 M (199). In **Norway** operational earnings amounted to SEK 31 M (72). The results in Sweden and Norway were negatively affected by divested operations. The result in Norway was also negatively affected by new establishment and relocation of operations as well as higher cost levels compared to the previous year. Improvement activities and actions are ongoing. In **Western Europe**, operational earnings amounted to SEK 24 M (15).



## SERVICE BUSINESS



### Turnover by geographic market

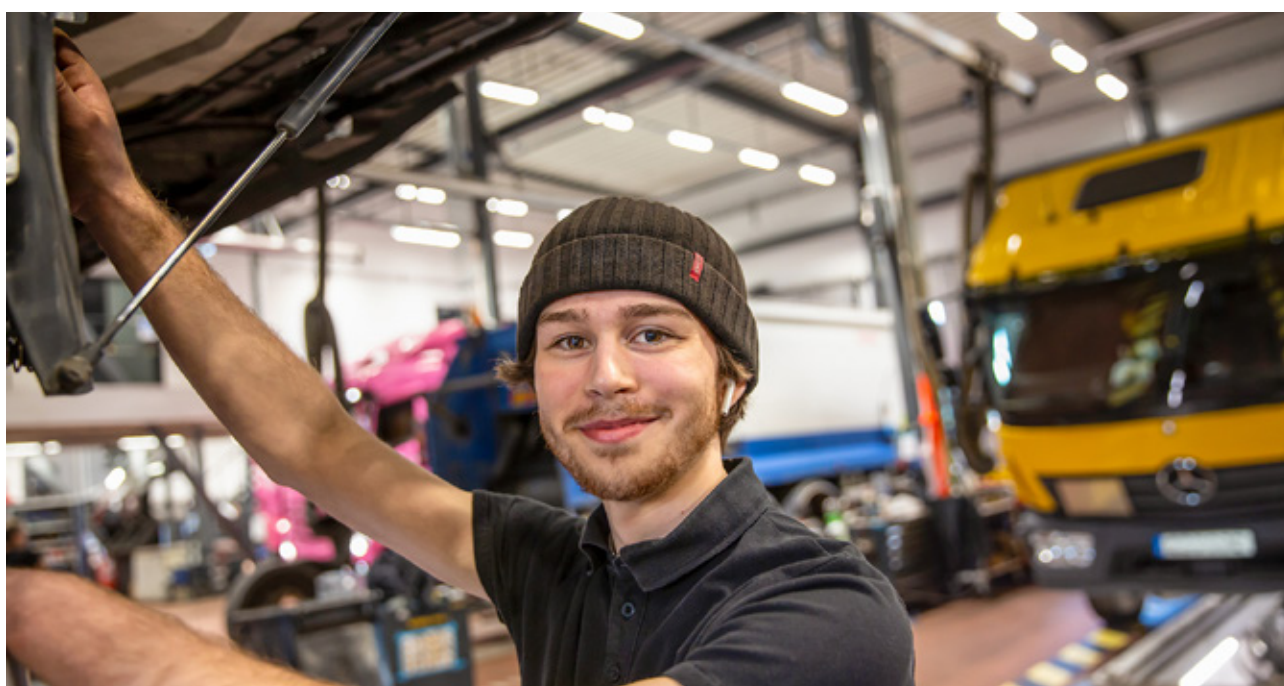
SEK M	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Sweden	1,529	1,346	3,048	2,727	5,684	5,363
Norway	514	579	1,100	1,137	2,217	2,254
Western Europe	147	108	299	225	551	476
<b>Total</b>	<b>2,190</b>	<b>2,033</b>	<b>4,447</b>	<b>4,089</b>	<b>8,451</b>	<b>8,093</b>

### Operational earnings by geographic market

SEK M	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Sweden	220	199	446	423	902	879
Norway	31	72	85	145	167	227
Western Europe	24	15	41	33	63	55
<b>Total</b>	<b>275</b>	<b>286</b>	<b>572</b>	<b>601</b>	<b>1,132</b>	<b>1,161</b>

### Margin by geographic market

Per cent	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Sweden	14.4	14.8	14.7	15.5	15.9	16.4
Norway	6.0	12.3	7.7	12.7	7.6	10.1
Western Europe	15.8	14.3	13.5	14.6	11.3	11.5
<b>Total</b>	<b>12.5</b>	<b>14.1</b>	<b>12.9</b>	<b>14.7</b>	<b>13.4</b>	<b>14.3</b>



# Good demand for used cars in the Car Business

## Second quarter 2023

- Turnover amounted to SEK 7,832 M (6,993), an increase of 12 per cent.
- Operational earnings amounted to SEK 198 M (239).
- The margin was 2.5 per cent (3.4).

## First six months 2023

- Turnover amounted to SEK 15,745 M (13,789), an increase of 14 per cent.
- Operational earnings amounted to SEK 357 M (428).
- The margin was 2.3 per cent (3.1).

## Turnover and earnings

### Second quarter 2023

The Car Business's **deliveries** of new and used cars, adjusted for acquired and divested operations, were 10 and 2 per cent higher respectively compared with the previous year.

The **order intake** of new cars for the Group was 41 per cent lower than the previous year adjusted for acquired and divested operations, mainly attributable to Norway and Sweden. Order intake was adversely affected by the economic conditions with high interest rates and high inflation. In Norway, the order intake decreased by a full 78 per cent and was also negatively affected by changed tax rules and further price reductions for certain car brands. This together with long delivery times have meant continued, but in the second quarter fewer, cancellations of ordered cars in Norway. In Western Europe, order intake increased by 22 per cent compared to the previous year.

The **order backlog** amounted to 19,847 cars, which was a lower level than the previous year but at high level historically. For Sweden and Western Europe, the



order backlog remained at a high level from a historical perspective, while the order backlog for Norway was at a normalised level.

### New cars by geographic market

Number of	Deliveries				Order backlog			
	Second quarter		First six months quarter		July 22– June 23	Full year 2022	30 June 2023	30 June 2022
Sweden <sup>1)</sup>	8,077	6,809	15,556	14,550	29,035	28,029	13,288	16,194
Norway <sup>2)</sup>	2,116	2,546	4,664	4,613	10,090	10,039	2,838	9,460
Western Europe <sup>3)</sup>	1,462	968	3,106	2,042	5,311	4,247	3,721	3,369
<b>Total</b>	<b>11,655</b>	<b>10,323</b>	<b>23,326</b>	<b>21,205</b>	<b>44,436</b>	<b>42,315</b>	<b>19,847</b>	<b>29,023</b>

<sup>1)</sup> Acquired operations are included in deliveries during the quarter with 854, during the first six months with 1,534 and with 1,167 in order backlog. Divested operations are included in deliveries in the previous year during the quarter with 224, during the first six months with 461 and with 144 in order backlog.

<sup>2)</sup> Acquired operations are included in deliveries during the quarter with 22, during the first six months with 41 and with 0 in order backlog. Divested operations are included in deliveries in the previous year during the quarter with 318, during the first six months with 501 and with 856 in order backlog.

<sup>3)</sup> Divested operations are included in deliveries in the previous year during the quarter with 0 and during the first six months with 26.

**Turnover** during the quarter was, adjusted for acquired and divested operations and exchange rate fluctuations, 10 per cent higher than last year.

Operational earnings from sales of **used** cars remained on a good level and amounted to SEK 101 M (120). The lower result compared to the previous year was attributable to a lower gross profit margin and operations divested in 2022.

Operational earnings from sales of **new** cars amounted to SEK 97 M (119). The lower result was explained by lower gross profit margin compared to last year and was attributable to Norway.

The Car Business in **Sweden** reported an operating profit on a par with the previous year, which amounted to SEK 145 M (148). The result from sales of used cars

amounted to SEK 92 M (94). The number of used cars in stock was assessed to be at a good level at the end of the quarter.

Operational earnings for the Car Business in **Norway** amounted to SEK 16 M (68). The lower result was primarily attributable to lower gross profit margin and divested operations. The result from sales of used cars amounted to SEK 6 M (22). The lower result was attributable to lower gross profit margin. The number of used cars in stock is assessed to be at a somewhat too high level at the end of the quarter.

Operational earnings for the Car Business in **Western Europe** amounted to SEK 37 M (23). The higher result was mainly explained by higher turnover for new cars. The result from sales of used cars amounted to SEK 3 M (5).

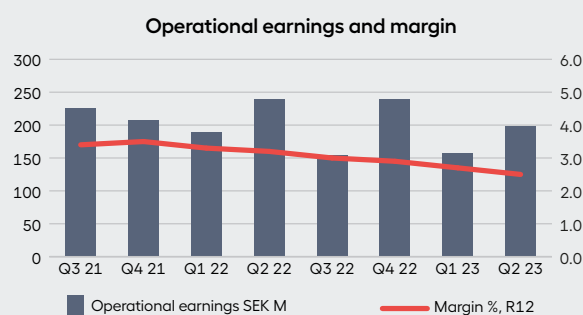
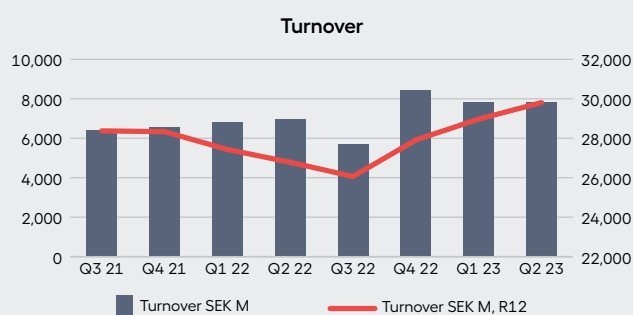
### Deliveries of used cars by geographic market

Number of	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Sweden <sup>1)</sup>	7,658	7,177	15,802	14,614	29,089	27,901
Norway <sup>2)</sup>	3,389	3,296	6,642	6,260	12,210	11,828
Western Europe <sup>3)</sup>	682	743	1,585	1,516	2,918	2,849
<b>Total</b>	<b>11,729</b>	<b>11,216</b>	<b>24,029</b>	<b>22,390</b>	<b>44,217</b>	<b>42,578</b>

<sup>1)</sup> Acquired operations are included in deliveries during the quarter with 759 and during the first six months with 1,415. Divested operations are included in deliveries in the previous year during the quarter with 293 and during the first six months with 688.

<sup>2)</sup> Acquired operations are included in deliveries during the quarter with 73 and during the first six months with 195. Divested operations are included in deliveries in the previous year during the quarter with 277 and during the first six months with 579.

<sup>3)</sup> Divested operations are included in deliveries in the previous year during the quarter with 106.



**Turnover by geographic market**

SEK M	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Sweden	4,945	3,843	9,540	7,811	17,171	15,442
Norway	1,990	2,505	4,453	4,675	9,593	9,815
Western Europe	897	645	1,752	1,303	3,105	2,656
<b>Total</b>	<b>7,832</b>	<b>6,993</b>	<b>15,745</b>	<b>13,789</b>	<b>29,869</b>	<b>27,913</b>

**Operational earnings by geographic market**

SEK M	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Sweden	145	148	259	242	421	404
Norway	16	68	31	146	205	320
Western Europe	37	23	67	40	126	99
<b>Total</b>	<b>198</b>	<b>239</b>	<b>357</b>	<b>428</b>	<b>752</b>	<b>823</b>

**Margin by geographic market**

Per cent	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Sweden	2.9	3.9	2.7	3.1	2.5	2.6
Norway	0.8	2.7	0.7	3.1	2.1	3.3
Western Europe	4.2	3.6	3.8	3.1	4.1	3.7
<b>Total</b>	<b>2.5</b>	<b>3.4</b>	<b>2.3</b>	<b>3.1</b>	<b>2.5</b>	<b>2.9</b>



# Lower volumes and fewer fuel stations

## Second quarter 2023

- Turnover amounted to SEK 287 M (359), a decrease of 20 per cent.
- Operational earnings amounted to SEK 5 M (5).
- The margin was 1.6 per cent (1.3).

## First six months 2023

- Turnover amounted to SEK 564 M (686), a decrease of 18 per cent.
- Operational earnings amounted to SEK 12 M (20).
- The margin was 2.1 per cent (2.9).

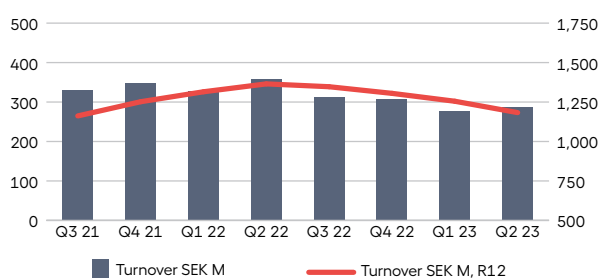
## Turnover and earnings

### Second quarter 2023

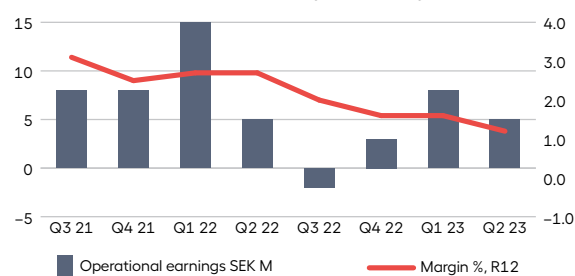
The Fuel Business encompasses fuel stations and car washes and is concentrated to Sweden. The result for the quarter amounted to SEK 5 M (5).



Turnover



Operational earnings and margin



### Fuel Business

	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Turnover, SEK M	287	359	564	686	1,183	1,305
Operational earnings, SEK M	5	5	12	20	13	21
Margin, per cent	1.6	1.3	2.1	2.9	1.1	1.6



# Sustainability

The automotive and transport industry is facing major challenges, for instance with the transition to non fossil-dependent vehicles. In order to reduce the impact on the climate and achieve the sustainability goals, all of society needs to help out: politicians, companies, organisations and individuals. We all have a responsibility. As a company, we have a responsibility to reduce our own impact on the climate and the planet's resources, and to help customers reduce theirs.

## Our circular business model

Bilia is a full-service supplier during the car's entire life cycle. The circular business model offers the customer help with everything from buying a new or used car, insurance, accessories, service, damage repair and rental car, to dismantling and recycling. The focus is on the customers, and the customer's needs and demand.

The focus is on developing new services relating to reuse and renovation of spare parts. As part of this strategy, we have acquired car dismantling companies and rim repair companies. In addition to car dismantling and reuse of spare parts, dismantled parts are also recycled.

## Governance

Bilia works according to the UN's global Sustainable Development Goals, in the 2030 Agenda. We use an integrated management system, certified under ISO 9001 and ISO 14001. Bilia should be a company for everybody, which is why work based on the company's Code of Conduct and policy on equality of treatment is important. Bilia's Code of Conduct is published at bilia.com.

## Activities during the quarter related to Bilia's sustainability targets

The sustainability targets are the basis for specific improvement activities in this year's action plan. Examples of activities during the second quarter were:

- Sustainable growth – the three-year incentive programme that's being introduced for around 60 managers in the Group includes two sustainability goals: customer satisfaction, and increasing the percentage of women in the sales operation.
- Circular economy – efforts continue to develop and implement systems and processes to facilitate the use of used parts in our workshops.
- Human care – events to increase the number of women in the car industry, such as a panel debate on how we can encourage more women into the sector.
- Climate care – preparations for a double materiality analysis and the establishment of climate goals as a step in implementing CSRD reporting requirements for 2024.

## Sustainable growth

Customer satisfaction to be 3 points higher than the average for each brand in their country.

## Circular economy

Increased share of used spare parts in our repair shops.

## Human care

Proportion of committed employees above the benchmark and annual improvement.

Proportion of women in sales operations should exceed 30 per cent.

## Climate care

Contribute to lower climate impact among our customers when using the products and services we provide.

## Nine key SDGs in the 2030 Agenda

Bilia has four focus areas for our sustainability work: Human care, Climate care, Sustainable growth and Circular business model. The focus areas are linked to the following of the UN's global Sustainable Development Goals in the 2030 Agenda.

Global SDGs	Bilia Focus areas	Global SDGs	Bilia Focus areas
	Human care		Climate care
	Human care		Circular economy
	Climate care		Sustainable growth
	Sustainable growth		All four areas
	Climate care		



# Other information

## Risks and opportunities

Risks and risk takings are a natural part of Bilia's business operations. A good understanding of the risks together with an efficient way of identifying, evaluating and managing the risks are important for Bilia's short-term and long-term success. Bilia has a formal yearly process at Group level to identify, plan and reduce identified risks in the business. Please refer to the Annual Report for a description of the risks and Bilia's risk management.

With the exception of the general economic environment, high inflation and rising interest rates, the events that have transpired in the wider world since publication of the annual report are not judged to entail any new material risks or changes in working methods compared with the description in the Annual Report for 2022. It is not possible to estimate the impact of the general economic environment, high inflation and rising interest rates on Bilia's future operations, but a future negative impact cannot be ruled out.

## Related party transactions

For a description of related party transactions, see page 97, "Note 30" of the 2022 Annual Report.

## Seasonal variations and number of working days

Bilia's business and operating profit are affected by seasonal variations to a limited extent. The number of working days for the reporting periods is affected by when national holidays fall in different years. Business and operating profit in mainly the Service Business, but also the Car Business, are affected by the number of working days.

## Parent Company

Bilia AB is responsible for the Group's management, strategic planning, purchasing, public relations, business development, legal, marketing, HR, real estate activities, accounting and financing.

## Annual General Meeting 2023

The Annual General Meeting was held on 26 April 2023. The Board decided on a dividend of SEK 8.80 (8.00) per share, to be paid in four instalments of SEK 2.20 per share. The proposed dividend is in line with Bilia's policy that the dividend should be at least 50 per cent of earnings per share.

### ► VISION AND BUSINESS IDEA

**The best service company in the business – through consideration for customers, colleagues and the world we live in.**

Bilia will create a sustainable business through consideration and pride by offering attractive and innovative solutions for the mobile human being.

### ► CULTURE AND CORE VALUES

**Dedication, Competence, Genuine, Respect.**

At Bilia we are engaged in the meeting with customers, with each other and with suppliers. Competence gives solutions and suggestions that benefit the customer the most. Being genuine and showing respect build confidence in Bilia and our employees.

### ► CUSTOMER PROMISE

**A better experience.**

Our general goal is to create an experience that exceeds the customer's expectations, and adds value that distinguishes Bilia from its competitors.

### ► NINETEEN CAR BRANDS



## Consolidated Statement of Income and Other Comprehensive Income

SEK M	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Net turnover	9,826	8,945	19,698	17,629	37,414	35,345
Costs of goods sold	-8,265	-7,370	-16,572	-14,545	-31,314	-29,287
<b>Gross profit</b>	<b>1,561</b>	<b>1,575</b>	<b>3,126</b>	<b>3,084</b>	<b>6,100</b>	<b>6,058</b>
Other operating income	26	71	31	316	130	415
Selling and administrative expenses	-1,189	-1,123	-2,372	-2,180	-4,520	-4,328
Other operating expenses	-5	-2	-11	-15	-39	-43
<b>Operating profit <sup>1)</sup></b>	<b>394</b>	<b>521</b>	<b>774</b>	<b>1,205</b>	<b>1,671</b>	<b>2,102</b>
Financial income	2	0	3	1	6	4
Financial expenses	-86	-45	-168	-89	-273	-193
Profit from shares in associated companies	20	15	41	56	74	89
<b>Profit before tax</b>	<b>330</b>	<b>491</b>	<b>650</b>	<b>1,173</b>	<b>1,479</b>	<b>2,002</b>
Tax	-68	-106	-137	-194	-323	-380
<b>Net profit for the period</b>	<b>262</b>	<b>385</b>	<b>513</b>	<b>979</b>	<b>1,156</b>	<b>1,622</b>
<b>Other comprehensive income</b>						
<i>Items that can be reclassified to profit or loss</i>						
Translation differences attributable to foreign operations	49	-31	-18	36	37	90
Change in fair value of cash flow hedges, net after tax	-2	—	-40	—	9	49
<b>Other comprehensive income after tax</b>	<b>47</b>	<b>-31</b>	<b>-58</b>	<b>36</b>	<b>45</b>	<b>139</b>
<b>Comprehensive income for the period</b>	<b>310</b>	<b>354</b>	<b>456</b>	<b>1,015</b>	<b>1,202</b>	<b>1,761</b>
<b>Net profit attributable to:</b>						
- Parent Company's shareholders	262	385	513	979	1,156	1,622
- Non-controlling interests	0	—	0	—	0	0
<b>Comprehensive income attributable to:</b>						
- Parent Company's shareholders	310	354	456	1,015	1,202	1,761
- Non-controlling interests	0	—	0	—	0	0
Basic earnings per share, SEK	2.85	4.15	5.58	10.40	12.57	17.43
Diluted earnings per share, SEK	2.84	4.15	5.57	10.40	12.55	17.41
Average number of shares, '000	91,984	92,976	91,984	94,067	91,984	93,017
Average number of shares, after dilution, '000	92,179	93,084	92,133	94,179	92,111	93,126
<sup>1)</sup> Amortisation and depreciation according to plan by asset class:						
- Intellectual property	-52	-44	-104	-87	-197	-180
- Land and buildings	-21	-18	-41	-37	-77	-73
- Equipment, tools, fixtures and fittings	-37	-35	-75	-69	-146	-140
- Leased vehicles	-129	-90	-213	-218	-382	-387
- Right-of-use assets	-149	-132	-295	-267	-559	-531
<b>Total</b>	<b>-387</b>	<b>-320</b>	<b>-728</b>	<b>-678</b>	<b>-1,362</b>	<b>-1,311</b>

## Consolidated Statement of Financial Position, Summary

SEK M	30 June 2023	31 December 2022	30 June 2022
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Intellectual property	1,066	1,157	966
Goodwill	1,525	1,520	1,208
	<b>2,591</b>	<b>2,677</b>	<b>2,174</b>
<b>Property, plant and equipment</b>			
Leased vehicles	2,455	2,390	2,354
Right-of-use assets	4,160	3,855	3,254
Other tangible assets	1,792	1,784	1,719
	<b>8,407</b>	<b>8,029</b>	<b>7,327</b>
Financial assets	701	700	575
Deferred tax assets	169	172	180
<b>Total non-current assets</b>	<b>11,869</b>	<b>11,578</b>	<b>10,256</b>
<b>Current assets</b>			
Inventories	4,993	5,247	3,674
Other receivables	2,399	2,720	1,885
Cash and cash equivalents	337	456	820
<b>Total current assets</b>	<b>7,729</b>	<b>8,423</b>	<b>6,379</b>
<b>TOTAL ASSETS</b>	<b>19,597</b>	<b>20,001</b>	<b>16,635</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>4,516</b>	<b>4,887</b>	<b>4,173</b>
<b>Non-current liabilities</b>			
Bond issue	1,294	498	1,297
Interest-bearing liabilities	41	47	225
Lease liabilities	3,789	3,529	2,967
Other liabilities and provisions	2,303	2,272	2,011
	<b>7,426</b>	<b>6,346</b>	<b>6,500</b>
<b>Current liabilities</b>			
Bond issue	32	800	—
Interest-bearing liabilities	1,584	1,328	282
Lease liabilities	828	737	523
Other liabilities and provisions	5,211	5,903	5,157
	<b>7,655</b>	<b>8,768</b>	<b>5,962</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>19,597</b>	<b>20,001</b>	<b>16,635</b>

## Statement of Changes in Group Equity, Summary

SEK M	First six months 2023	Full year 2022	First six months 2022
Opening balance	4,887	4,417	4,417
Cash dividend to shareholders	-202	-556	-188
Decided but not yet paid dividend	-607	-184	-552
Incentive programme	2	6	3
Buy-back of own shares	—	-525	-518
Revaluation of put option	-19	-32	-4
Comprehensive income for the period	456	1,761	1,015
<b>Equity at end of period</b>	<b>4,516</b>	<b>4,887</b>	<b>4,173</b>
<b>Equity attributable to:</b>			
- Parent Company's shareholders	4,516	4,887	4,173
- Non-controlling interests	0	0	—

## Consolidated Statement of Cash Flows

SEK M	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
<b>Operating activities</b>						
Profit before tax	330	491	650	1,173	1,479	2,002
Depreciation and impairment losses	387	320	728	679	1,403	1,353
Other items not affecting cash	-57	-81	-112	-360	-245	-492
Tax paid	-149	-120	-296	-240	-547	-491
Change in inventories	104	152	109	18	-898	-990
Change in operating receivables	160	-17	314	-64	-640	-1,018
Change in operating liabilities	-37	-514	-993	-682	1	312
<b>Cash flow from operating activities</b>	<b>739</b>	<b>231</b>	<b>394</b>	<b>524</b>	<b>552</b>	<b>676</b>
<b>Investing activities</b>						
Acquisition of non-current assets (intangible and tangible)	-91	-182	-165	-232	-323	-390
Disposal of non-current assets (intangible and tangible)	25	17	25	19	25	19
Acquisition of leased vehicles	-362	-223	-641	-477	-1,311	-1,148
Disposal of leased vehicles	208	403	408	760	836	1,188
<b>Operating cash flow</b>	<b>519</b>	<b>246</b>	<b>27</b>	<b>594</b>	<b>-221</b>	<b>345</b>
Investment in financial assets	-2	-2	-2	-2	-2	-1
Disposal of financial assets	6	1	6	2	7	3
Acquisition of subsidiary/operation, net	-8	-110	-8	-110	-709	-811
Disposal of subsidiary/operation, net	—	121	—	541	255	797
<b>Cash flow from investing activities</b>	<b>-224</b>	<b>25</b>	<b>-378</b>	<b>501</b>	<b>-1,223</b>	<b>-343</b>
<b>Financing activities</b>						
Borrowings	32	—	426	—	1,563	1,137
Repayment of loans	-66	-17	-66	-49	-108	-91
Repayment of lease liabilities	-207	-131	-308	-212	-713	-618
Buy-back of own shares	—	-280	—	-518	-7	-525
Dividend paid to the company's shareholders	-202	-188	-202	-188	-570	-556
<b>Cash flow from financing activities</b>	<b>-443</b>	<b>-616</b>	<b>-150</b>	<b>-967</b>	<b>165</b>	<b>-653</b>
<b>Change in cash and cash equivalents, excl. translation differences</b>	<b>71</b>	<b>-360</b>	<b>-128</b>	<b>58</b>	<b>-505</b>	<b>-320</b>
Exchange difference in cash and cash equivalents	9	0	9	8	22	22
<b>Change in cash and cash equivalents</b>	<b>80</b>	<b>-360</b>	<b>-128</b>	<b>66</b>	<b>-483</b>	<b>-298</b>
Cash and cash equivalents at start of period	257	1,180	456	754	820	754
Cash and cash equivalents at end of period	337	820	337	820	337	456

## Note 1 Accounting principles

This interim report has been prepared in accordance with International Financial Accounting Standards (IFRSs) IAS 34 and applicable provisions of the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, "Interim Reports". The same accounting policies and calculation methods have been applied for the Group and the Parent Company as in the most recent Annual Report.

### New accounting policies from 1 January 2023

New or revised IFRS to be used in future are not expected to have any material effect on the consolidated financial statements.

Disclosures in accordance with IAS 34, paragraph 16, are made not only in the financial statements and related notes, but also in other parts of this interim report.

## Note 2 Fair value of financial instruments

Valuation principles and classifications of Bilia's financial instruments as described in the annual report for 2022 have been applied consistently during the reporting period.

To hedge electricity costs, Bilia has decided to use electricity derivatives to even out price variations on the electricity market. Bilia hedges gradually up to five years and builds up the volume of electricity contracts for each delivery date. The hedges meet the requirements for effectiveness, which means that the changes in value are recognised in other comprehensive income. The forward agreements used to hedge contracted purchases of electricity are classified as cash flow hedges and amounted to SEK 11 M.

Bilia's financial instruments in the form of currency

derivatives are valued at fair value over the statement of income and are valued according to valuation level 2. The value of the currency derivatives was not material and did not constitute a significant item in the statement of financial position for the Group. Valuation of the currency derivatives at fair value has resulted in a cost of SEK 1 M, which was matched by a cost for the revaluation of assets in foreign currency. The effect on the Group's result was therefore SEK 0 M.

Bilia's financial instruments valued at fair value over equity consist of put/call options issued in connection with acquisitions and are valued at fair value based on future exercise price according to valuation level 3. The options are reported as provisions in the statement of financial position and amounted to SEK 144 M.

## Note 3 Revenues and costs that affect comparability

Acquisition-related expenses and value adjustments relate to costs for acquiring operations.

Result from sale of operations in the previous year includes profit from the divestment of Volvo and Renault facilities in Sweden and Norway.

SEK M	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Operational earnings	444	498	875	998	1,783	1,906
– Result from sale of operations	—	55	—	277	91	368
– Structural costs etc.	–2	9	–7	8	–24	–9
– Acquisition-related costs and value adjustments	0	–2	0	–2	–3	–5
– Amortisation of surplus values	–47	–39	–93	–76	–175	–158
<b>Operating profit</b>	<b>394</b>	<b>521</b>	<b>774</b>	<b>1,205</b>	<b>1,671</b>	<b>2,102</b>

## Note 4 Group's operating segments

### Second quarter 2023

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
<b>Net turnover</b>						
External sales	1,700	7,832	287	9,819	7	9,826
Internal sales	490	—	—	490	-491	—
<b>Total net turnover</b>	<b>2,190</b>	<b>7,832</b>	<b>287</b>	<b>10,309</b>	<b>-484</b>	<b>9,826</b>
Depreciation/amortisation	-140	-229	-2	-371	-18	-389
<b>Operational earnings/Operating profit</b>	<b>275</b>	<b>198</b>	<b>4</b>	<b>477</b>	<b>-83</b>	<b>394</b>
<i>Revenue and costs that affect comparability:</i>						
- Structural costs etc	-1	-1	—	-2	—	-2
- Acquisition-related costs and value adjustments	—	—	—	—	—	—
- Amortisation of surplus values	-27	-20	—	-47	—	-47
<b>Total</b>	<b>-28</b>	<b>-21</b>	<b>—</b>	<b>-49</b>	<b>—</b>	<b>-49</b>

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
<b>Net turnover</b>						
External sales	1,182	388	130	4,945	1,990	897
Internal sales	347	126	17	—	—	—
<b>Total net turnover</b>	<b>1,529</b>	<b>514</b>	<b>147</b>	<b>4,945</b>	<b>1,990</b>	<b>897</b>
Depreciation/amortisation	-91	-37	-12	-133	-84	-12
<b>Operational earnings</b>	<b>220</b>	<b>31</b>	<b>24</b>	<b>145</b>	<b>16</b>	<b>37</b>
<i>Revenue and costs that affect comparability:</i>						
- Structural costs etc	-1	—	—	-1	—	—
- Acquisition-related costs and value adjustments	—	—	—	—	—	—
- Amortisation of surplus values	-14	-6	-7	-10	-5	-5
<b>Total</b>	<b>-15</b>	<b>-6</b>	<b>-7</b>	<b>-11</b>	<b>-5</b>	<b>-5</b>

### Second quarter 2022

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
<b>Net turnover</b>						
External sales	1,583	6,993	359	8,935	10	8,945
Internal sales	450	—	—	450	-953	—
<b>Total net turnover</b>	<b>2,033</b>	<b>6,993</b>	<b>359</b>	<b>9,385</b>	<b>-943</b>	<b>8,945</b>
Depreciation/amortisation	-123	-179	-1	-303	-16	-319
<b>Operational earnings/Operating profit</b>	<b>286</b>	<b>239</b>	<b>5</b>	<b>530</b>	<b>-9</b>	<b>521</b>
<i>Revenue and costs that affect comparability:</i>						
- Result from sale of operations	11	27	17	55	—	55
- Structural costs etc.	5	4	—	9	—	9
- Acquisition-related costs and value adjustments	-2	—	—	-2	—	-2
- Amortisation of surplus values	-19	-20	—	-39	—	-39
<b>Total</b>	<b>-5</b>	<b>11</b>	<b>17</b>	<b>23</b>	<b>—</b>	<b>23</b>

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
<b>Net turnover</b>						
External sales	1,072	417	94	3,843	2,505	645
Internal sales	274	162	14	—	—	—
<b>Total net turnover</b>	<b>1,346</b>	<b>579</b>	<b>108</b>	<b>3,843</b>	<b>2,505</b>	<b>645</b>
Depreciation/amortisation	-76	-35	-12	-124	-43	-12
<b>Operational earnings</b>	<b>199</b>	<b>72</b>	<b>15</b>	<b>148</b>	<b>68</b>	<b>23</b>
<i>Revenue and costs that affect comparability:</i>						
- Result from sale of operations	11	—	—	27	—	—
- Structural costs etc.	—	5	—	—	4	—
- Acquisition-related costs and value adjustments	-1	-1	—	—	-1	1
- Amortisation of surplus values	-9	-4	-6	-9	-5	-6
<b>Total</b>	<b>1</b>	<b>—</b>	<b>-6</b>	<b>18</b>	<b>-2</b>	<b>-5</b>



**ADDITIONAL DISCLOSURES – GROUP**
**First six months 2023**

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
<b>Net turnover</b>						
External sales	3,373	15,745	564	19,682	16	19,698
Internal sales	1,074	—	—	1,074	-1,074	—
<b>Total net turnover</b>	<b>4,447</b>	<b>15,745</b>	<b>564</b>	<b>20,756</b>	<b>-1,058</b>	<b>19,698</b>
Depreciation/amortisation	-280	-410	-3	-693	-35	-728
<b>Operational earnings/Operating profit</b>	<b>572</b>	<b>357</b>	<b>12</b>	<b>941</b>	<b>-167</b>	<b>774</b>
<i>Revenue and costs that affect comparability:</i>						
- Structural costs etc	-3	-2	—	-5	-2	-7
- Acquisition-related costs and value adjustments	—	—	—	—	—	—
- Amortisation of surplus values	-50	-43	—	-93	—	-93
<b>Total</b>	<b>-53</b>	<b>-45</b>	<b>—</b>	<b>-98</b>	<b>-2</b>	<b>-100</b>

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
<b>Net turnover</b>						
External sales	2,347	766	260	9,540	4,453	1,752
Internal sales	701	334	39	—	—	—
<b>Total net turnover</b>	<b>3,048</b>	<b>1,100</b>	<b>299</b>	<b>9,540</b>	<b>4,453</b>	<b>1,752</b>
Depreciation/amortisation	-179	-76	-25	-264	-123	-23
<b>Operational earnings</b>	<b>446</b>	<b>85</b>	<b>41</b>	<b>259</b>	<b>31</b>	<b>67</b>
<i>Revenue and costs that affect comparability:</i>						
- Structural costs etc	-2	—	-1	-2	—	—
- Acquisition-related costs and value adjustments	—	—	—	—	—	—
- Amortisation of surplus values	-26	-11	-13	-22	-10	-11
<b>Total</b>	<b>-28</b>	<b>-11</b>	<b>-14</b>	<b>-24</b>	<b>-10</b>	<b>-11</b>

**First six months 2022**

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
<b>Net turnover</b>						
External sales	3,136	13,789	686	17,611	18	17,629
Internal sales	953	—	—	953	-953	—
<b>Total net turnover</b>	<b>4,089</b>	<b>13,789</b>	<b>686</b>	<b>18,564</b>	<b>-935</b>	<b>17,629</b>
Depreciation/amortisation	-250	-393	-2	-645	-33	-678
<b>Operational earnings/Operating profit</b>	<b>601</b>	<b>428</b>	<b>20</b>	<b>1,049</b>	<b>156</b>	<b>1,205</b>
<i>Revenue and costs that affect comparability:</i>						
- Result from sale of operations	55	170	52	277	—	277
- Structural costs etc.	5	4	0	9	-1	8
- Acquisition-related costs and value adjustments	-2	0	—	-2	—	-2
- Amortisation of surplus values	-39	-37	—	-76	—	-76
<b>Total</b>	<b>19</b>	<b>137</b>	<b>52</b>	<b>208</b>	<b>-1</b>	<b>207</b>

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
<b>Net turnover</b>						
External sales	2,109	850	177	7,811	4,675	1,303
Internal sales	618	287	48	—	—	—
<b>Total net turnover</b>	<b>2,727</b>	<b>1,137</b>	<b>225</b>	<b>7,811</b>	<b>4,675</b>	<b>1,303</b>
Depreciation/amortisation	-153	-72	-25	-254	-115	-24
<b>Operational earnings</b>	<b>423</b>	<b>145</b>	<b>33</b>	<b>242</b>	<b>146</b>	<b>40</b>
<i>Revenue and costs that affect comparability:</i>						
- Result from sale of operations	55	—	—	170	—	—
- Structural costs etc.	0	5	0	0	4	0
- Acquisition-related costs and value adjustments	-1	-1	0	0	-1	1
- Amortisation of surplus values	-18	-9	-12	-17	-9	-11
<b>Total</b>	<b>36</b>	<b>-5</b>	<b>-12</b>	<b>153</b>	<b>-6</b>	<b>-10</b>

## Note 5 Acquisitions and divestments of operations

### Acquisitions and divestments in 2023

There have been no acquisitions or divestments during 2023.

### Acquisitions in 2022

On 1 June Bilia acquired AS Insignia in Norway, which conducts sales and service operations for the car brands Jaguar, Land Rover and Morgan. The acquired operation had a turnover of approximately NOK 450 M for 2021 and reported an operating loss of NOK 5 M. The number of employees is 43 people. Acquisition-related expenses attributable to the acquisition amounted to NOK 1 M and relate to fees to consultants in connection with due diligence and have been reported as other operating expenses. Acquired customer relations and distribution rights of NOK 17 M respectively NOK 22 M are reported as intangible assets and are amortised over 10 respectively 5 years.

On 1 July Bilia acquired 50.1 per cent of Bil1Din Holding AS in Norway which conducts car dismantling operations. Bilia has committed to buy another 49.9 per cent of the shares. The obligation is recognised as a financial liability, which replaces the item Non-controlling interests within equity. The business acquired reported a turnover of about NOK 55 M for 2021, with an operating margin of 1.7 per cent. The number of employees is about 30 people. Acquisition-related expenses attributable to the acquisition amounted to NOK 1 M and relate to fees to consultants in connection with due diligence and have been reported as other operating expenses. Reported goodwill amounts to NOK 49 M.

On 1 November Bilia acquired M Bilar Group AB, which conducts sales and service operations for the car brands BMW and MINI. The acquired operation had a turnover of approximately SEK 1,3 Bn for 2021 with an average operating margin for the past three years of 4.5 per cent. The number of employees was 101 people by the end of 2021. Acquisition-related expenses attributable to the acquisition amounted to SEK 1 M and relate to fees to consultants in connection with due diligence and have been reported as other operating expenses. Acquired customer relations of SEK 141 M are reported as intangible assets and are amortised over 10 years. Acquired goodwill amounts to SEK 147 M.

On 15 December Bilia acquired Söderbergs Personbilar i Norrköping AB, which conducts sales and service operations for the car brands Volkswagen, Audi, Skoda, Seat and Cupra cars as well as Volkswagen transport

vehicles. The acquired operation had a turnover of approximately SEK 1 Bn for 2021 and reported an operating margin of 3.3 per cent. The number of employees was 210 people by the end of 2021. Acquisition-related expenses attributable to the acquisition amounted to SEK 1 M and relate to fees to consultants in connection with due diligence and have been reported as other operating expenses. Acquired customer relations and distribution rights of SEK 52 M respectively SEK 37 M are reported as intangible assets and are amortised over 10 respectively 5 years. Acquired goodwill amounts to SEK 86 M.

The acquisitions of LB's Lastbilar AB and Kokstad Autosenter AS, DäckAtt AB, Hellgrens Lastvagnsservice AB, Skellefteå Billackering AB and Holmgrens Truck-Motor AB have not had any significant impact on the Group's financial position.

All acquisition analyses are preliminary pending final completion of the financial statements for the day of taking possession.

### Divestments in 2022

During the year, eleven facilities in Sweden that sell new cars, used cars and service operations for Volvo and Renault and three facilities in Norway that sell new cars, used cars and service operations for Volvo have been divested. On 1 February, Bilia sold four facilities in Skaraborg to Bröderna Brandt Personbilar AB. On 1 May, Bilia sold five facilities in Bergslagen to Bilkompaniet i Dalarna AB. On 1 June, Bilia sold a facility in Stenungsund to Stendahls Bil AB. On 30 September, Bilia sold one facility in Uppsala to Bilbolaget Invest Sundsvall AB. On 1 July, Bilia sold three facilities in Oslo to Volvo Car Stor-Oslo AS. The divested operations have reported turnover in the region of SEK 4 Bn and an operational profit of approximately SEK 325 M yearly for the past two years. The divestments resulted in a gain of SEK 222 M, reported in the first quarter, SEK 55 M in the second quarter, SEK 92 M in the third quarter and a loss of SEK 1 M in the fourth quarter which is reported as Other operating income.

On 1 February, Bilia sold the remaining four BMW and MINI facilities in Germany to Autohaus Krah + Enders GmbH & Co. KG. The divested operation in Germany reported turnover in the region of SEK 800 M and an operational loss of approximately SEK 30 M yearly for the past two years. The divestment resulted in a loss of approximately SEK 30 M, which was reported in the fourth quarter of 2021 when the agreement to sell the facilities was made.

## Note 6 Specification of interest-bearing net debt and EBITDA

### Specification of interest-bearing net debt

SEK M	30 June 2023	31 December 2022	30 June 2022
Current interest-bearing liabilities	1,791	2,261	282
Non-current interest-bearing liabilities	1,472	700	1,525
Lease liabilities IFRS 16	4,311	3,980	3,490
Cash and cash equivalents	-337	-456	-820
Interest-bearing assets	-104	-129	-9
Shares in associated companies	-618	-590	-557
<b>Net debt at end of the period</b>	<b>6,516</b>	<b>5,766</b>	<b>3,911</b>
<b>Net debt at end of the period, excluding IFRS 16</b>	<b>2,205</b>	<b>1,786</b>	<b>421</b>

### The ratio of net debt to EBITDA

SEK M	July 22– June 23	Full year 2022	July 21– June 22
Operating profit	1,671	2,102	2,085
Result from sale of operations, structural costs, acquisition costs and impairment losses	-61	-353	-201
Total depreciation and amortisation	1,362	1,311	1,366
– depreciation of leased vehicles with repurchase agreements	-290	-301	-359
<b>EBITDA</b>	<b>2,682</b>	<b>2,759</b>	<b>2,891</b>
<b>Net debt to EBITDA ratio, times</b>	<b>2.4</b>	<b>2.1</b>	<b>1.4</b>
Operating profit excluding IFRS 16	1,638	2,031	2,014
Result from sale of operations, structural costs, acquisition costs and impairment losses	-61	-353	-201
Total depreciation and amortisation	1,362	1,311	1,366
– depreciation of leased vehicles with repurchase agreements	-290	-301	-359
– depreciation of right-of-use assets	-559	-531	-531
<b>EBITDA excluding IFRS 16</b>	<b>2,090</b>	<b>2,157</b>	<b>2,289</b>
<b>Net debt to EBITDA ratio excluding IFRS 16, times</b>	<b>1.1</b>	<b>0.8</b>	<b>0.2</b>

## Income Statement for Parent Company

SEK M	Second quarter		First six months		July 22– June 23	Full year 2022
	2023	2022	2023	2022		
Net turnover	204	175	395	344	737	687
Administrative expenses	-236	-209	-466	-396	-858	-788
<b>Operating result <sup>1)</sup></b>	<b>-32</b>	<b>-34</b>	<b>-71</b>	<b>-52</b>	<b>-121</b>	<b>-101</b>
<i>Result from financial items</i>						
Profit from shares in Group companies	0	368	0	368	-11	357
Interest income from Group companies	31	11	59	20	92	53
Other interest income and similar line items	1	0	1	0	3	1
Interest expenses to Group companies	-2	—	-3	—	-7	-5
Interest expenses and similar line items	-38	-13	-65	-25	-99	-58
<b>Result after financial items</b>	<b>-41</b>	<b>332</b>	<b>-80</b>	<b>311</b>	<b>-144</b>	<b>247</b>
Appropriations	2	—	2	—	1,050	1,048
<b>Result before tax</b>	<b>-39</b>	<b>332</b>	<b>-78</b>	<b>311</b>	<b>906</b>	<b>1,295</b>
Tax	-7	2	-3	-5	-204	-207
<b>Net result for the period</b>	<b>-45</b>	<b>334</b>	<b>-81</b>	<b>306</b>	<b>701</b>	<b>1,088</b>
<sup>1)</sup> Amortisation and depreciation according to plan by asset class:						
- Intellectual property	0	—	0	—	0	—
- Buildings	-6	-8	-12	-14	-23	-24
- Equipment, tools, fixtures and fittings	-1	0	-1	0	-4	-2
<b>Total</b>	<b>-7</b>	<b>-8</b>	<b>-13</b>	<b>-14</b>	<b>-27</b>	<b>-26</b>

## Balance Sheet for Parent Company, Summary

SEK M	30 June 2023	31 December 2022	30 June 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	184	193	176
Shares in Group companies	3,137	3,136	2,423
Other tangible assets	66	69	81
<b>Total non-current assets</b>	<b>3,387</b>	<b>3,398</b>	<b>2,680</b>
<b>Current assets</b>			
Receivables from Group companies	1,753	2,145	417
Other receivables	272	189	236
Cash and cash equivalents	8	65	974
<b>Total current assets</b>	<b>2,033</b>	<b>2,399</b>	<b>1,627</b>
<b>TOTAL ASSETS</b>	<b>5,420</b>	<b>5,797</b>	<b>4,307</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>525</b>	<b>1,413</b>	<b>635</b>
<b>Untaxed reserves</b>	<b>1,417</b>	<b>1,418</b>	<b>1,218</b>
<b>Provisions</b>			
Deferred tax liability	10	10	14
	<b>10</b>	<b>10</b>	<b>14</b>
<b>Non-current liabilities</b>			
Bond issue	1,294	498	1,297
Other liabilities	148	156	165
	<b>1,441</b>	<b>654</b>	<b>1,462</b>
<b>Current liabilities</b>			
Bond issue	32	800	—
Short-term interest bearing liabilities	1,014	703	—
Liabilities to Group companies	144	240	93
Other liabilities	838	559	885
	<b>2,028</b>	<b>2,302</b>	<b>978</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,420</b>	<b>5,797</b>	<b>4,307</b>

## The Group

	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Net turnover, SEK M	8,129	8,634	8,684	8,945	7,291	10,425	9,871	9,826
EBITDA, SEK M	691	776	715	709	547	788	670	677
EBITDA excl. IFRS 16, SEK M	545	626	559	561	399	638	503	550
Operational earnings, SEK M	482	558	500	498	334	574	431	444
Operational margin, %	5.9	6.5	5.8	5.6	4.6	5.5	4.4	4.5
Operating profit, SEK M	433	447	684	521	386	511	380	394
Operating margin, %	5.3	5.2	7.9	5.8	5.3	4.9	3.8	4.0
Profit before tax, SEK M	410	424	682	491	359	470	320	330
Profit/loss for the period, SEK M	325	349	594	385	285	358	251	262
The ratio of net debt to EBITDA excl. IFRS 16, times <sup>1)</sup>	0.1	0.2	0.1	0.2	0.4	0.8	1.1	1.1
Return on capital employed, % <sup>1)</sup>	21.1	20.5	22.0	21.9	21.4	21.5	17.4	15.7
Return on equity, % <sup>1)</sup>	34.2	33.8	37.4	37.1	35.8	36.2	27.8	25.5
Equity/assets ratio, %	27	26	28	25	28	24	26	23
Earnings per share, SEK	3.35	3.60	6.25	4.15	3.14	3.89	2.73	2.85
Equity per share, SEK	47	46	52	45	49	53	55	49
Average number of shares, '000	97,550	96,894	95,170	92,976	91,984	91,984	91,984	91,984
Number of shares, '000	97,550	95,777	93,947	91,984	91,984	91,984	91,984	91,984
Holdings of own shares, '000 <sup>2)</sup>	5,250	7,023	8,853	4,316	4,316	4,316	4,316	4,316

<sup>1)</sup> Rolling 12 months.

<sup>2)</sup> On 3 May 2022, repurchased own shares amounting to 6,500,000 were withdrawn.

## Business area – Service Business

	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Turnover, SEK M	1,764	2,257	2,056	2,033	1,712	2,291	2,257	2,190
Operational earnings, SEK M	257	377	315	286	192	368	297	275
Margin, %	14.6	16.7	15.3	14.1	11.2	16.1	13.2	12.5
Reported growth in Sweden and Norway, %	16.2	15.3	11.3	8.3	-1.5	-1.5	8.6	6.1
Organic growth in Sweden and Norway, %	-3.8	-4.7	-5.0	0.5	3.8	9.6	8.6	9.1

## Business area – Car Business

	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Turnover, SEK M	6,406	6,588	6,796	6,993	5,686	8,438	7,913	7,832
Operational earnings, SEK M	226	207	189	239	155	240	158	198
Margin, %	3.5	3.1	2.8	3.4	2.7	2.8	2.0	2.5
New cars delivered, number <sup>1)</sup>	9,182	11,515	10,882	10,323	7,499	13,611	11,671	11,655
Order backlog of new cars, number	19,603	22,775	27,178	29,023	29,429	26,325	23,536	19,847
Used cars delivered, number	13,806	11,682	11,174	11,216	10,055	10,133	12,300	11,729

<sup>1)</sup> First quarter 2021 has been recalculated.

## Business area – Fuel Business

	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Turnover, SEK M	330	349	327	359	312	307	277	287
Operational earnings, SEK M	8	8	15	5	-2	3	8	5
Margin, %	2.4	2.3	4.7	1.3	-0.6	1.0	2.7	1.6



# Definitions and performance measures

Bilia applies guidelines from ESMA (European Securities and Markets Authority) concerning alternative performance measures (APMs). Even though these performance measures are not defined or specified by IFRSs, Bilia believes that they provide valuable information to investors and Bilia's management as a complement to IFRSs for assessing Bilia's performance.

## Acquisition-related costs and value adjustments

Pertains to costs for legal consultants and other external costs associated directly with an acquisition, and value adjustments regarding acquired inventory assets, which are depreciated over the turnover rate of the asset.

## Amortisation of surplus values

Occurs in connection with acquisitions of operations and is recognised under intangible assets. Normally these surplus values are amortised over a 10-year period.

## Capital employed

Balance sheet total less non-interest-bearing current liabilities and provisions as well as deferred tax liabilities.

## Comparable operations

Financial information and number of units that are adjusted for operations that have been acquired or disposed of during one of the periods.

## Deliveries

Cars that have been physically turned over to the customer and invoiced and are included in reported net turnover.

## EBITDA

Operational earnings plus total depreciation/amortisation less amortisation of surplus values and depreciation of leased vehicles with repurchase agreements.

## Equity/assets ratio

Equity in relation to balance sheet total.

## Excluding IFRS 16

Information excluding the accounting standard IFRS 16 Leases.

## Gain from sale of operation

Difference between purchase consideration and the operation's consolidated carrying amount, less selling costs.

## Growth

Increase or decrease of net turnover in relation to the preceding year.

## Liquidity

Unutilised credit with Nordea and DNB and cash and cash equivalents.

## Net debt

Net debt consists of interest-bearing liabilities less cash and cash equivalents, interest-bearing current and long-

term receivables, interests in associated companies and leased vehicles, long-term.

## Operating cash flow

Cash flow from operating activities plus investments in and disposals of intangible assets and property, plant and equipment.

## Operating margin

Operating profit in relation to net turnover.

## Operational earnings

Operating profit, excluding revenues and costs that affect comparability between accounting periods and/or operating segments. They include, but are not limited to, acquisition-related expenses, value adjustments, restructurings and amortisation of surplus values. For the business areas operational earnings are the only result measurement.

## Operational margin

Operational earnings in relation to net turnover. For the business areas the operational margin is called "Margin".

## Order backlog

New cars ordered by the customer but not yet delivered.

## Organic growth

Net turnover is adjusted for operations that have been acquired or disposed of during one of the periods. Adjustment is also made for exchange rate differences and for calendar effect. Organic growth reported under Quarterly review for the Service Business relates to Sweden and Norway.

## Return on capital employed

Operating profit plus interest expense included in the business and financial income in relation to average capital employed.

## Return on equity

Net profit for the year in relation to average equity.

## Structural costs

Costs that significantly alter the thrust and/or scope of the operation. Examples of structural costs may be costs for reducing the number of employees and costs for vacating a leased facility before the expiration of the lease.

## The ratio of net debt to EBITDA

Net debt in relation to EBITDA.

## Underlying values

Values that are adjusted for operations that have been acquired or disposed of during one of the periods. Adjustment is made for exchange rate differences, where applicable.

Reconciliation of performance measures can be found at [bilia.com/en/investors/financial-information/](http://bilia.com/en/investors/financial-information/)

# Additional disclosures

## Press and analyst meeting

On Friday 21 July 2023 Bilia arranges press and analyst meetings via Financial Hearings, where CEO Per Avander and CFO Kristina Franzén will present the report and answer questions.

The presentation starts at 09:00 CEST. If you wish to participate via webcast, please use the link below. Via the webcast you can ask written questions.

<https://ir.financialhearings.com/bilia-q2-2023>

If you wish to participate via teleconference, please register on the link below. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

<https://conference.financialhearings.com/teleconference/?id=200876>

## Contact

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## Auditor review

This interim report has not been subject to review by the auditors.

## Prospective information

Prospective information in this report is based on management's expectations at the time of the report. Even if the Board of Directors and management find the expectations to be reasonable, there is no guarantee that these expectations are or will turn out to be correct. Consequently, future outcomes may vary considerably compared with those foreseen in the prospective information due to such circumstances as a changed market situation for the Group's services or more generally changed conditions relating to the economy, markets and competition, changes in legal requirements and other political measures, as well as fluctuations in exchange rates. The company does not undertake to update or correct such prospective information other than what is stipulated by law.

## Translation

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

## Calendar

Interim Report July–September 2023:	24 October 2023
Interim Report October–December 2023:	7 February 2024
Interim Report January–March 2024:	24 April 2024
Interim Report April–June 2024:	18 July 2024

This is information that Bilia AB (publ) is obliged to make public pursuant to the EU's Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, on 21 July 2023, at 08:00 CEST.

# Declaration

The interim report provides a true and fair summary of the Parent Company's and the Group's activities, financial position and results of operations while describing significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Gothenburg, 21 July 2023

Mats Qviberg  
Chairman

Jan Pettersson  
Deputy chairman

Ingrid Jonasson Blank  
Board member

Gunnar Blomkvist  
Board member

Anna Engebretsen  
Board member

Nicklas Paulson  
Board member

Jon Risfelt  
Board member

Caroline af Ugglas  
Board member

Dragan Mitrasinovic  
Board member appointed  
by employee organisation

Patrik Nordvall  
Board member appointed  
by employee organisation

Per Avander  
Managing Director

**Bilia** is one of Europe's largest full-service suppliers for everything related to car ownership, with a leading position in servicing and sales of cars, transport vehicles and trucks. We offer the car owner service, repair, fuel, car wash, rental cars, tyres and wheels, rim repair, car accessories, car care, paint work, windscreen replacements, car dismantling and more. Bilia has about 160 facilities in Sweden, Norway, Luxembourg and Belgium plus one online auction site in Sweden.

**Bilia's Service Business** comprises a well-developed range of services and service concepts that are continuously developed to simplify car ownership for the customers. Bilia offers accessories and spare parts, original services and repairs, tyre hotels, rim repair, car glass repair along with other workshop services, store sales and e-commerce.

**Bilia's Car Business** comprises sales of new and used cars, transport vehicles and trucks, plus supplementary services such as financing and insurance. Bilia sells cars from Volvo, BMW, MINI, Toyota, Lexus, Mercedes-Benz, Porsche, Volkswagen, Audi, Skoda, Seat, Cupra, Nissan, Jaguar, Land Rover, XPENG, Renault, Dacia, and Alpine, as well as transport vehicles from Toyota, Mercedes-Benz, Volkswagen, Nissan and Renault and trucks from Mercedes-Benz.

**Bilia's Fuel Business** comprises fuel sales and car washes in Sweden.



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