

Interim Report

January 1 – March 31, 2024

- Net asset value on March 31, 2024, was SEK 166.8 bn, or SEK 386 per share. During the first quarter, net asset value increased by 11%, corresponding to SEK 38 per share.
- The total return for the period was 12% for the Class A shares, as well as for the Class C shares, compared with 8% for the Stockholm Stock Exchange's total return index (SIXRX).
- During the first quarter, shares were purchased for a total of SEK 0.9 bn, of which SEK 0.3 bn in Sandvik, SEK 0.3 bn in Volvo and SEK 0.3 bn in SCA.

	2024 March 31	2023 March 31	2023 Dec 31
Net asset value, SEK mn	166,794	138,305	150,252
Net asset value per share, SEK	386	320	348
Share price Industrivärden C, SEK	368.10	279.20	328.30
Debt-equities ratio	1%	4%	5%

SEK mn	2024 Jan – March	2023 Jan – March	2023 Jan – Dec
Earnings per share, SEK	38.25	27.35	62.15
Dividend income	7,258	2,832	6,418
Dividend paid	–	–	3,131
<i>Equities portfolio:</i>			
Purchases	887	432	2,854
Sales	–	–	–

Financial overview

For balance sheet items, figures in parentheses pertain to the value on December 31, 2023. For income statement and cash flow items, figures in parentheses pertain to the value for the corresponding period in the preceding year.

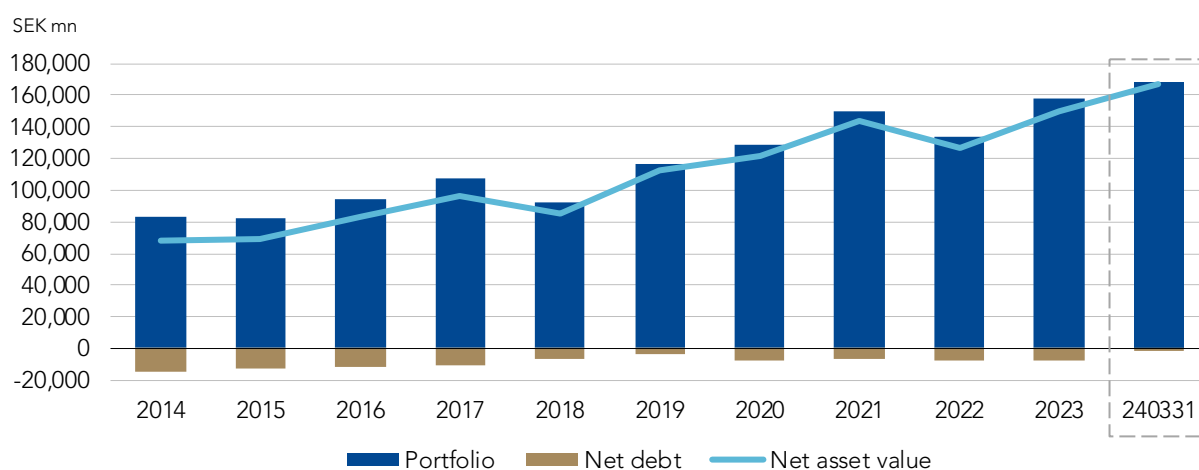
Net asset value

Net asset value consists of the market value of the equities portfolio less net debt. On March 31, 2024, net asset value was SEK 166,794 mn (150,252) or SEK 386 per share (348), an increase of SEK 38 per share during the first quarter.

Holdings	March 31, 2024					
	No. of shares	Ownership stake, %		Market value		Share of value
		Capital	Votes	SEK mn	SEK/share	%
Volvo A	166,600,000	9.2	27.9	49,114	127	33
Volvo B	19,600,000			5,686		
Sandvik	178,400,000	14.2	14.2	42,406	98	25
Handelsbanken A	228,200,000	11.5	11.7	24,703	57	15
Essity A	33,257,000	10.2	29.7	8,481	42	11
Essity B	38,400,000			9,761		
SCA A	33,785,290	10.7	29.6	5,548	29	7
SCA B	41,600,000			6,835		
Skanska A	12,667,500	7.7	24.5	2,413	14	4
Skanska B	19,500,000			3,715		
Ericsson A	86,052,615	2.6	15.1	5,025	12	3
Ericsson B	1,000,000			58		
Alleima	50,300,000	20.0	20.0	3,629	8	2
Other				486	1	0
Equities portfolio				167,858	389	100
Net debt				-1,064	-2	
Net asset value				166,794	386	
Debt-equities ratio				1%		

During the last ten-year period, net asset value increased from SEK 66,965 mn on March 31, 2014, to SEK 166,794 mn on March 31, 2024. For the last five- and ten-year periods, the average annual growth of net asset value was 11% and 10%, respectively. The chart below illustrates net asset value for the respective year-ends as well as for the period ended on March 31, 2024.

Development over time



Performance of the portfolio

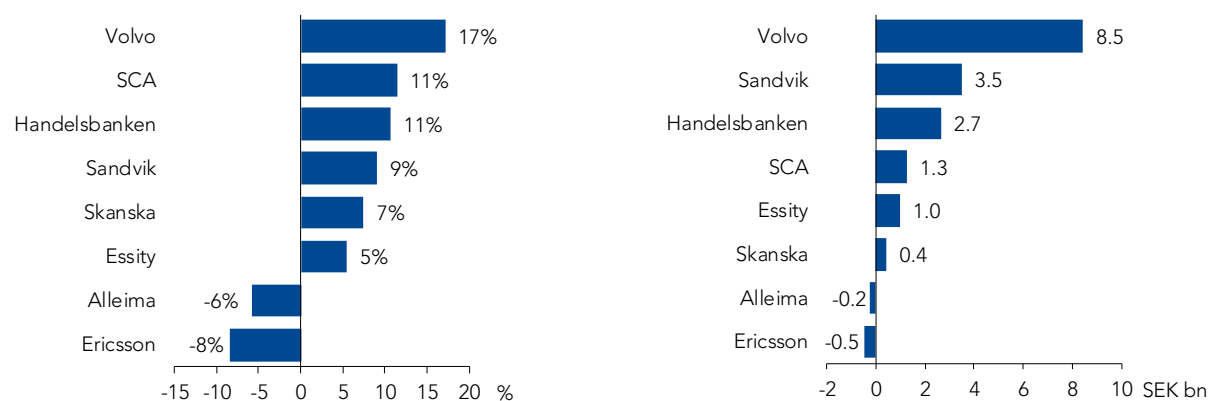
During the period, the value of the portfolio, adjusted for purchases and sales, increased by SEK 9,424 mn, or 6%. On March 31, 2024, the market value of the portfolio was SEK 167,858 mn. Net purchases amounted to SEK 887 mn.

Change in value, net purchases, dividend income

SEK mn	March 31, 2024		Jan – March 2024		Dividend
	Market value	Change in value	Purchase (+) / sales (-)		
Volvo	54,800	5,194	308	3,352	
Sandvik	42,406	3,500	324	–	
Handelsbanken	24,703	-274	–	2,967	
Essity	18,242	377	–	555	
SCA	12,382	1,053	255	207	
Skanska	6,128	262	–	177	
Ericsson	5,083	-470	–	–	
Alleima	3,629	-225	–	–	
Other	486	7	–	–	
Total	167,858	9,424	887	7,258	

Total return, shareholdings

January 1 – March 31



Investment activities

During the three first months of 2024, shares were purchased for a total of SEK 887 mn (432), of which SEK 324 mn in Sandvik, SEK 308 mn in Volvo B and SEK 255 mn in SCA B.

Dividends received

During the quarter, dividend income from the holdings amounted to SEK 7,258 mn (2,832) and pertains to dividends from Volvo, Handelsbanken, Essity, SCA and Skanska. Dividend payments received during the first quarter amounted to SEK 3,522 mn (1,770) and pertains to dividends from Handelsbanken and Essity. Dividends decided on for which payment has not yet been received are recognized as receivables on the balance sheet when the right to receive dividend has been determined (namely, the first day the stock is traded without the right to receive dividend).

Net income for the period

During the first three months of 2024, dividend income amounted to SEK 7,258 mn (2,832) and change in value of shares, etc. to SEK 9,416 mn (9,096). Management cost amounted to SEK 30 mn (32), which on a yearly basis corresponds to 0.07% (0.09%) of the equities portfolio on March 31, 2024. Financial items and tax amounted to SEK -54 mn (-43) and SEK -70 mn (-39), respectively. Net income for the period was SEK 16,520 mn (11,814), or SEK 38.25 per share (27.35).

Financing

Net debt amounted to SEK 1,064 mn (7,295) on March 31, 2024, corresponding to a debt-equities ratio of 1% (5%). The lower net debt at the end of the first quarter is, in part, due to dividends from several portfolio companies being decided on while the Annual General Meeting of Industrivärden has not yet decided on dividend. The dividend proposed by the Board of Directors amounts to SEK 3,347 mn, with April 15, 2024, as the record date.

Industrivärden's debt financing consists primarily of MTN loans and commercial paper. The average maturity of the debt portfolio was 23 months (25) on March 31, 2024. Information about debt financing, such as framework amounts and term sheets, is available on Industrivärden's website. No part of Industrivärden's debt financing is dependent on certain criteria in relation to financial performance measures (covenants) being met.

Net debt

SEK mn	2024 March 31	2023 March 31	2023 Dec 31
Non-current financial liabilities	5,008	7,001	6,509
Current financial liabilities	3,185	1,182	1,691
Provisions for pensions	0	0	0
Current financial receivables	-3,771	-1,098	-36
Cash and cash equivalents	-3,358	-2,009	-869
Total	1,064	5,076	7,295

Credit rating

S&P Global Ratings has assigned Industrivärden a credit rating of A+/Stable/A-1. This rating was confirmed on March 27, 2024.

Shareholders' equity

The Group's shareholders' equity at the end of the period was SEK 166,394 mn (149,880), corresponding to an equity ratio of 95% (95%).

Share structure

At the 2011 Annual General Meeting, a share conversion clause was added to the Articles of Association. Shareholders have the right at any time to request conversion of Class A shares to Class C shares. During the quarter, 7,011,239 shares were converted.

Share structure on March 31, 2024

Share class	No. of shares	No. of votes	Capital, %	Votes, %
A (1 vote)	247,778,255	247,778,255.0	57.4	93.1
C (1/10 vote)	184,120,853	18,412,085.3	42.6	6.9
Total	431,899,108	266,190,340.3	100.0	100.0

Industrivärden's stock

Stock performance

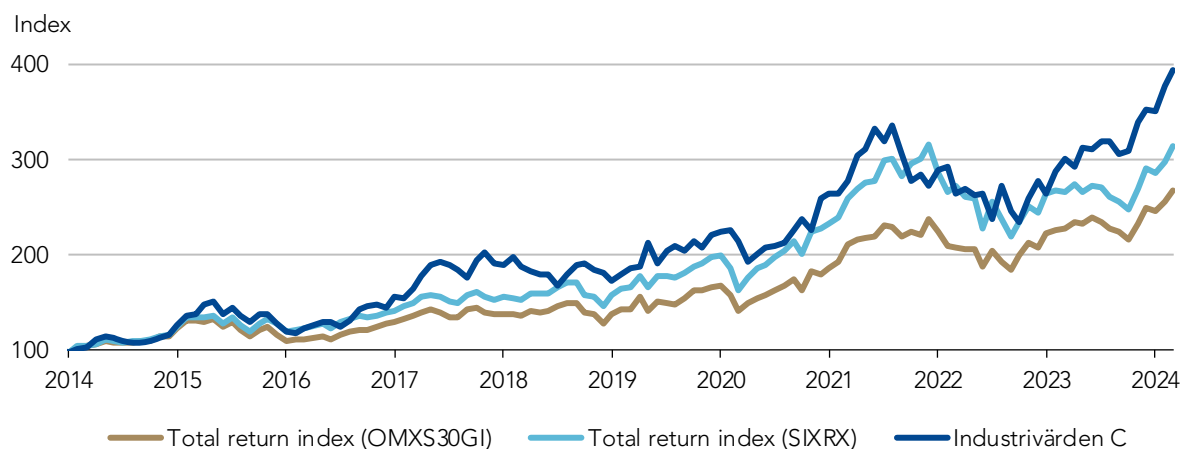
On the last day of trading in the period, March 28, 2024, the price of Industrivärden's Class A and Class C shares was SEK 368.10 and SEK 368.10, respectively. Corresponding share prices on the last day of trading in 2023, December 29, were SEK 328.90 and SEK 328.30, respectively.

The total return during the period was 12% for the Class A shares, as well as for the Class C shares. During the last five- and ten-year periods, the average annual total return for the Class C shares was 16% and 14%, respectively. The stock's total return, compared with the total return for the Stockholm Stock Exchange (SIXRX) and the total return for the OMXS30 (OMXS30GI), is shown in the table and charts below.

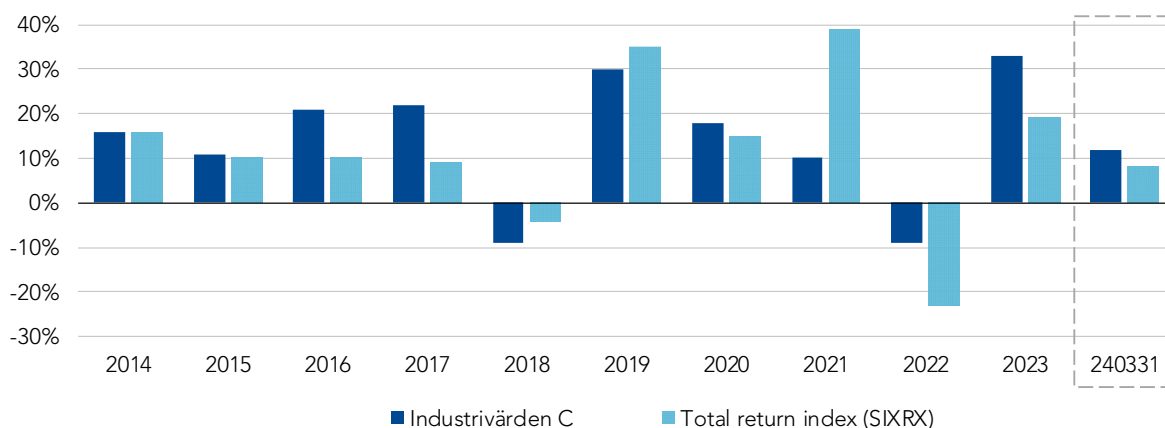
Average annual growth in value for respective period

	March 31, 2024		
	Total return		
	Industrivärden C	Index (SIXRX)	Index (OMXS30GI)
3 months	12%	8%	7%
1 year	35%	18%	17%
3 years	9%	7%	8%
5 years	16%	14%	13%
7 years	12%	11%	10%
10 years	14%	12%	10%

Total return over time



Total return for the respective year/period



Other report information

Annual General Meeting and dividend

The 2024 Annual General Meeting (AGM) will be held on April 11, in Vinterträdgården, at Grand Hôtel, in Stockholm. Shareholders also have the opportunity to exercise their voting rights through postal voting before the AGM. Notification for participation and postal voting shall be conducted as specified in the Notice of AGM.

The Board of Directors proposes a dividend of SEK 7.75 per share for the 2023 financial year, with April 15, 2024, as the record date. In total the proposed dividend amounts to SEK 3,347 mn.

Further disclosures and information about the AGM, including the Board's and Nominating Committee's complete proposals, are available on Industrivärden's website.

Events after the balance sheet date

No significant events have occurred after March 31, 2024.

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

Stockholm, April 8, 2024

Helena Stjernholm
Chief Executive Officer

Financial statements

Group, condensed

Income statement

SEK mn	2024	2023	2023
	Jan – March	Jan – March	Jan – Dec
Dividend income	7,258	2,832	6,418
Change in value of shares, etc.	9,416	9,096	20,851
Management cost	-30	-32	-126
Operating income	16,644	11,896	27,143
Financial items	-54	-43	-156
Income after financial items	16,590	11,853	26,987
Tax	-70	-39	-143
Net income for the period	16,520	11,814	26,844
Earnings per share (no dilution effect exists), SEK	38.25	27.35	62.15

Statement of comprehensive income

SEK mn	2024	2023	2023
	Jan – March	Jan – March	Jan – Dec
Net income for the period	16,520	11,814	26,844
Other comprehensive income			
<i>Items that are not to be reclassified in the income statement</i>			
Actuarial gains and losses on pensions	-8	-4	-9
Comprehensive income for the period	16,512	11,810	26,835

Balance sheet

SEK mn	2024	2023	2023
	March 31	March 31	Dec 31
Tangible fixed assets	24	13	25
Equities	167,858	143,381	157,547
Total non-current assets	167,882	143,394	157,572
Current financial receivables	3,771	1,098	36
Other current receivables	34	37	49
Cash and cash equivalents	3,358	2,009	869
Total current assets	7,163	3,144	954
Total assets	175,045	146,538	158,526
Shareholders' equity	166,394	137,991	149,880
Non-current financial liabilities	5,008	7,001	6,509
Provisions for pensions	0	0	0
Deferred tax liability	268	172	228
Other non-current liabilities	50	71	40
Total non-current liabilities	5,326	7,244	6,777
Current financial liabilities	3,185	1,182	1,691
Other current liabilities	140	121	178
Total current liabilities	3,325	1,303	1,869
Total shareholders' equity and liabilities	175,045	146,538	158,526

Group, condensed (continuation)

Change in shareholders' equity

SEK mn	2024	2023	2023
	Jan – March	Jan – March	Jan – Dec
Opening shareholders' equity as per balance sheet	149,880	126,180	126,180
Net income for the period	16,520	11,814	26,844
Other comprehensive income	-8	-4	-9
Comprehensive income for the period	16,512	11,810	26,835
Dividend to shareholders	-	-	-3,131
Share savings program	2	1	-4
Closing shareholders' equity as per balance sheet	166,394	137,991	149,880

Cash flow

SEK mn	2024	2023	2023
	Jan – March	Jan – March	Jan – Dec
Dividend received	3,522	1,770	6,418
Management cost paid	-25	-43	-159
Other	-113	-80	-202
Cash flow from operating activities	3,384	1,647	6,057
Purchases of shares	-887	-432	-2,854
Sales of shares	-	-	-
Cash flow from investing activities	-887	-432	-2,854
Loans raised	991	1,499	1,499
Amortization of debt	-999	-1,499	-1,497
Dividend paid	-	-	-3,131
Cash flow from financing activities	-8	0	-3,129
Cash flow for the period	2,489	1,215	74
Cash and cash equivalents at end of period	3,358	2,009	869

Parent Company, condensed

Income statement

SEK mn	2024	2023	2023
	Jan – March	Jan – March	Jan – Dec
Operating income	11,452	10,489	23,429
Income after financial items	11,356	10,429	23,133
Income for the period	11,356	10,429	23,133
Comprehensive income for the period	11,348	10,425	23,124

Balance sheet

SEK mn	2024	2023	2023
	March 31	March 31	Dec 31
Non-current assets	111,733	91,705	103,032
Current assets	3,451	586	764
Total assets	115,184	92,291	103,796
Shareholders' equity	102,638	81,725	91,288
Non-current liabilities	5,058	7,072	6,549
Current liabilities	7,488	3,494	5,959
Total shareholders' equity and liabilities	115,184	92,291	103,796

Notes

Note 1 Accounting policies

This interim report has been prepared in accordance with IAS 34 – Interim Financial Reporting. Disclosures in accordance with IAS 34.16A are provided – in addition to the financial statements and their accompanying notes – also in other parts of the interim report. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU and the Swedish Annual Accounts Act. The Parent Company financial statements have been prepared in accordance with RFR 2 – Accounting for Legal Entities, and the Swedish Annual Accounts Act. New or revised IFRSs and interpretations from the IFRS Interpretations Committee (IFRIC) have not had any material effect on the Group's or Parent Company's reporting.

Note 2 Financial instruments

In accordance with IFRS 13, financial instruments are carried at fair value based on a 3-level hierarchy. The classification is based on the input data used in the valuation of the instruments. Instruments in Level 1 are valued at quoted prices for identical instruments in an active market. Instruments in Level 2 are valued in a valuation model which uses input data that is directly or indirectly observable in the market. Input data used in the valuation model in Level 2 includes interest rates, volatility, and dividend estimates. Instruments in Level 3 are valued using a valuation technique based on input data that is not observable in a market. The valuation technique that is used for the financial instruments in Level 3 is based on net assets in the respective subsidiaries measured at fair value. No changes between the levels occurred compared with the preceding year.

Financial instruments measured at fair value

SEK mn	March 31, 2024				Dec 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<i>Assets</i>								
Equities	167,372	–	486	167,858	157,068	–	479	157,547
Derivatives, etc.	–	2	–	2	–	2	–	2
Total assets	167,372	2	486	167,860	157,068	2	479	157,549
<i>Liabilities</i>								
Derivatives, etc.	–	30	–	30	–	21	–	21
Total liabilities	–	30	–	30	–	21	–	21

Note 3 Risks and uncertainties

The most significant risk in Industrivärden's operations is share price risk, i.e., the risk of a change in value due to changes in share prices. A change of 1% in the prices of the holdings in the equities portfolio on March 31, 2024, would have affected the portfolio's market value by approximately +/- SEK 1,700 mn. Further information on risks and uncertainties is provided in the 2023 Annual Report.

Note 4 Related-party transactions

No significant transactions with related parties were made during the period.

Definitions and alternative performance measures

This report includes financial key ratios that are based on IFRS, such as earnings per share. In addition, other Alternative Performance Measures (APMs) are used by the Company and other stakeholders to describe the Group's operations and which cannot be discerned or derived from the financial statements. These APMs are to be regarded as a complement to the financial reporting presented in accordance with IFRS. It should be noted that the APMs defined below may differ somewhat from other companies' definitions of the same terms. Reconciliation of APMs is provided on Industrivärden's website under the menu *Investors – Industrivärden in figures*.

Market value of equities portfolio

The value of the equities portfolio based on the companies' share prices on the balance sheet date.

Net debt

Financial liabilities and provisions for pensions less financial receivables and cash and cash equivalents.

Earnings per share

Net income for the period divided by the weighted average number of shares outstanding.

Debt–equities ratio

Net debt in relation to the market value of the equities portfolio.

Equity ratio

Shareholders' equity as a share of total assets.

Net asset value

The market value of the equities portfolio less net debt.

Total return, shares

Change in the share price taking into account reinvested dividends. The total return is compared with the total return for the Stockholm Stock Exchange (SIXRX) and the total return for the OMXS30 (OMXS30GI).

Total return shareholdings

Change in value of a shareholding including calculated reinvested dividend. Reported only for the current reporting period.

Change in value of shareholdings

For shares held at both the start and end of the period, the change in market value consists of the difference in value between these two points in time. For shares sold during the period, the change in market value consists of the difference between the payment received for the shares and their value at the start of the period. For shares acquired during the period, the change in market value consists of the difference between the cost of the shares and their value at the end of the period.

Information

Financial calendar

Annual General Meeting: April 11, 2024
Interim Report Jan – June: July 8, 2024
Interim Report Jan – Sept: October 17, 2024

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Ticker codes, Class C shares

INDUC:SS in Bloomberg
INDUc.ST in Reuters
INDU C in Nasdaq Stockholm

Additional information

Additional information, including interim reports, annual reports and press releases, is available on Industrivärden's website: www.industrivarden.net.

This report is a translation of the Swedish original. In the event of any difference between the two versions, the Swedish version shall take precedence.

Publication

This information is such that AB Industrivärden is required to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the named Head of Corporate Communications and Sustainability, at 11:00 a.m. CEST on April 8, 2024.

Value creating active ownership

Industrivärden is a listed holding company that invests in and works long-term to develop and create value in its portfolio companies. Active ownership is exercised through sizable ownership stakes in a selection of listed companies with strong market positions, good cash flows, financial strength and clear development capacity.

