



Third quarter 2022

Stable result considering divested operations and a shortage of cars

Third quarter 2022

- Net turnover amounted to SEK 7,291 M (8,129), a decrease of 10 per cent.
- Operational earnings amounted to SEK 334 M (482).
- The lower operational earnings are explained mainly by divested operations, lower result for Norway and the sale of used cars.
- Operating profit amounted to SEK 386 M (433) and was positively affected by profit from divestment of operations of SEK 92 M.
- Net profit for the period amounted to SEK 285 M (325) and earnings per share to SEK 3.14 (3.35).
- Operating cash flow amounted to SEK –133 M (582).

Nine months 2022

- Net turnover amounted to SEK 24,920 M (26,875), a decrease of 7 per cent.
- Operational earnings amounted to SEK 1,332 M (1,584).
- Operating profit amounted to SEK 1,591 M (1,478) and was positively affected by profit from divestment of operations of SEK 369 M.
- Net profit for the period amounted to SEK 1,264 M (1,108) and earnings per share to SEK 13.54 (11.30).

Events after the balance sheet date

- No significant events have occurred since the balance sheet date.

SEK M	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Net turnover	7,291	8,129	24,920	26,875	33,554	35,509
Operational earnings ¹⁾	334	482	1,332	1,584	1,890	2,142
Operational margin, %	4.6	5.9	5.3	5.9	5.6	6.0
Operating profit	386	433	1,591	1,478	2,038	1,925
Operating margin, %	5.3	5.3	6.4	5.5	6.1	5.4
Profit before tax	359	410	1,532	1,406	1,956	1,830
Net profit for the period	285	325	1,264	1,108	1,613	1,457
Earnings per share, SEK ²⁾	3.14	3.35	13.54	11.30	17.14	14.90

¹⁾ For reconciliation of operational earnings with operating profit, see Note 3.

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

Stable result considering divested operations and a shortage of cars

Third quarter

Operational earnings for the quarter amounted to SEK 334 M with a margin of 4.6 per cent, a stable result considering divestments of operations and a shortage of new and used cars.

Turnover in the Service Business increased organically by 4 per cent and the result amounted to SEK 192 M. The result from sales of used cars remained strong at SEK 112 M, a high level historically. The order backlog for new cars was once again at a record high level of 29,429 cars, just over 12,000 cars more than last year. Earnings per share amounted to SEK 3.14 and were boosted by gains of around SEK 80 M after tax from sales of operations during the quarter.

Times are changing – and so are we

We are continuing our investment in our new operational area, Mobility Care, and during the quarter we acquired DäckAtt AB, which sells wheels, rims and related services in Gothenburg. Mobility Care is an aspect in our focus on expanding our Service Business, and currently includes wheels, spare parts recycling, car glass and repair workshops.

During the quarter, we expanded our service network for trucks in fast-growing northern Sweden, with the acquisition of Holmgrens Truck-Motor AB in Gällivare, and Hellgrens Lastvagnsservice AB and Skellefteå Bil-lackering AB in Skellefteå. These acquisitions enable us to develop our truck operations for Mercedes-Benz and further bolster our Service Business.

We are pleased to be welcoming five new car brands to the Bilja family during the fourth quarter, after signing an agreement to acquire Söderbergs Personbilar i Norrköping AB. The company sells and services Volkswagen, Audi, Skoda, Seat and Cupra cars, as well as Volkswagen

transport vehicles. The business is run at seven facilities in Norrköping and Nyköping, and had a turnover of approximately SEK 1 Bn in 2021.

Also during the fourth quarter we will be welcoming M Bilar Group AB, a BMW and MINI dealer, into the Bilja family. The business had a turnover of SEK 1.3 Bn last year and comprises five facilities in Västerås, Eskilstuna, Borlänge, Örebro and Mora.

Our acquisition strategy is to identify operations that supplement and strengthen our existing Service and Car Business, to secure our sustainable business strategy for the future – and our acquisitions in the last year have actively contributed to this.

We also divested four Volvo and Renault facilities during the quarter: three in Oslo and one in Uppsala.

Improved access to new cars ahead

The economic environment with high inflation, rising interest rates and high energy prices will affect our operations moving forward, and we are now taking cost-cutting measures to prepare the business for the new situation. On the positive side, we are now seeing signs of higher deliveries of new cars during the fourth quarter, which would mean we can deliver some of our record order backlog to customers.

While we are working actively to meet the challenges in the wider world, we are strengthening our business and customer experience so that we can continue to deliver sustainable, attractive and innovative total solutions for the mobile human in future.

Despite tough conditions, from a historical perspective we have delivered a stable result for the quarter, the third highest ever.

Per Avander
Managing Director and CEO

“Third highest result ever”



Group results

Net turnover and earnings

Third quarter 2022

Net turnover amounted to SEK 7,291 M (8,129). Adjusted for acquired and divested operations and for exchange rate fluctuations, net turnover decreased by 2 per cent. Exchange rate fluctuations had a positive impact of approximately SEK 170 M on net turnover for the period compared to last year.

Operating profit amounted to SEK 386 M (433). Operating profit for the quarter included gains from sales of operations in Norway and Sweden of SEK 92 M.

Operational earnings amounted to SEK 334 M (482), and the operational margin was 4.6 per cent (5.9). The lower result was mainly attributable to Norway, but also to Sweden, and is explained foremost by divested operations and shortage of new and used cars. The **Service Business** reported a result of SEK 192 M, which was SEK 65 M lower than last year, mainly attributable to Sweden and Norway. The **Car Business** reported a result of SEK 155 M, which was SEK 71 M lower than last year, mainly attributable to sales of used cars. The **Fuel Business** reported a loss of SEK 2 M due to change in fuel prices.

The Group's underlying overheads increased by 7 per cent on last year. Overheads amounted to 13.2 per cent of net turnover, which was 1.6 percentage points higher than last year.

The operation in **Sweden** reported a result of SEK 240 M (300). The margin was 5.5 per cent (6.4). The operation in **Norway** reported a result of SEK 76 M (171). The margin was 3.5 per cent (6.7). The operation in **Western Europe** reported a result of SEK 29 M (20), which was the highest third quarter ever. The margin was 3.9 per cent (2.3). For Sweden, the lower result was mainly attributable to the Car Business. For Norway, the lower result was attributable both to the Car Business and the Service Business. For Western Europe, the higher result was attributable to the Car Business.

Net profit for the period amounted to SEK 285 M (325). Earnings per share amounted to SEK 3.14 (3.35). Exchange rate fluctuations did not have a material impact on net profit for the period compared to last year.

Our 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.

The **number of employees** decreased by 150 during the quarter and amounted to 4,842. The change is attributable to divested operations.

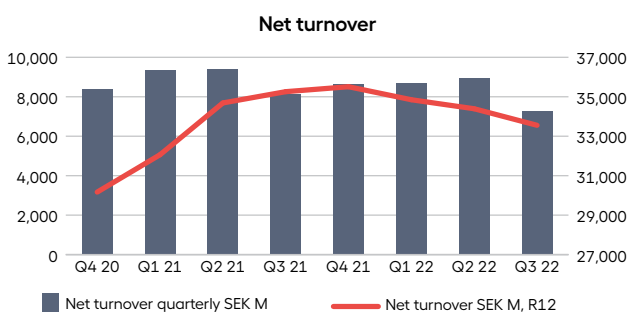
Operating result for the **Parent Company** during the quarter amounted to SEK -11 M (-11).

Nine months 2022

Net turnover amounted to SEK 24,920 M (26,875). Adjusted for acquired and divested operations and for exchange rate fluctuations, net turnover decreased by 10 per cent. Exchange rate fluctuations had a positive impact of approximately SEK 490 M on net turnover for the period compared to last year.

Operating profit amounted to SEK 1,591 M (1,478). Operating profit for 2022 included gains from sales of operations in Sweden and Norway of SEK 369 M.

Operational earnings amounted to SEK 1,332 M (1,584), and the operational margin was 5.3 per cent (5.9). The **Service Business** reported a result of SEK 793 M, which was SEK 109 M lower than last year. The **Car Business** reported a result of SEK 583 M, which was SEK 148 M lower than last year. The **Fuel Business** reported a result of SEK 18 M, which was SEK 11 M lower than last year.



The Group's underlying overheads increased by 3 per cent on last year. Overheads amounted to 12.6 per cent of net turnover, which was 1.9 percentage points higher than last year.

The operation in **Sweden** reported a result of SEK 925 M (993). The margin was 6.2 per cent (6.5). The operation in **Norway** reported a result of SEK 367 M (613). The margin was 4.8 per cent (7.2). The operation in **Western Europe** reported a result of SEK 102 M (56). The margin was 4.6 per cent (1.9). For Sweden and Norway, primarily the Car Business but also the Service Business reported a lower result related to divested operations and shortage of cars. For Western Europe, the higher result was mainly attributable to the divestment of operations that had previously reported losses.

Profit before tax amounted to SEK 1,532 M (1,406) and was positively affected, not only by a gain from sales of operations but also by SEK 30 M attributable to a higher profit than usual from shares in associated companies, Volvofinans Bank.

Net profit for the period amounted to SEK 1,264 M (1,108). Earnings per share amounted to SEK 13.54 (11.30). Exchange rate fluctuations did not have a material impact on net profit for the period compared to last year.

The **number of employees** decreased by 489 during the year and amounted to 4,842. The decrease was attributable to divested operations.

The operating loss for the **Parent Company** amounted to SEK -63 M (-80). The result was positively affected by approximately SEK 10 M due to the revaluation of endowment policies for pensions compared with last year.

► BUSINESS AREAS

Service

- Service centres
- Damage centres
- Spare parts
- Stores and e-commerce
- Tyre centres
- Tyre hotels
- Rim repair
- Glass centres
- Car dismantling

Car

- Sales of new and used cars
- Financing and insurance
- Sales of accessories
- Car rental

Fuel

- Fuel sales
- Car washes



Car purchase
Financing, insurance, the Billa-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.

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.

Net turnover by geographic market

SEK M	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Sweden	4,360	4,706	14,966	15,377	20,131	20,542
Norway	2,196	2,548	7,721	8,511	10,460	11,250
Western Europe	728	869	2,208	2,967	2,930	3,689
Parent Company, other	7	6	25	20	33	28
Total	7,291	8,129	24,920	26,875	33,554	35,509

Operational earnings by geographic market

SEK M	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Sweden	240	300	925	993	1,350	1,418
Norway	76	171	367	613	511	757
Western Europe	29	20	102	56	125	79
Parent Company, other	-11	-9	-62	-78	-96	-112
Total	334	482	1,332	1,584	1,890	2,142

Operational margin by geographic market

Per cent	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Sweden	5.5	6.4	6.2	6.5	6.7	6.9
Norway	3.5	6.7	4.8	7.2	4.9	6.7
Western Europe	3.9	2.3	4.6	1.9	4.3	2.1
Total	4.6	5.9	5.3	5.9	5.6	6.0



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.



Net financial items and tax

Net financial items for the quarter amounted to SEK –27 M (–23). Tax for the quarter amounted to SEK –74 M (–85), and the effective tax rate was 21 per cent (21).

Operating cash flow

Operating cash flow for the quarter amounted to SEK –133 M (582). After acquisitions and divestments of operations and changes in financial assets, cash flow for the quarter amounted to SEK 81 M (201). Cash flow for the year has been boosted by SEK 797 M relating to divestments of operations in Sweden, Norway and Germany. Acquisitions affected cash flow by SEK 153 M during the year.

Financial position

The **balance sheet total** decreased by SEK 1,011 M during the year and amounted to SEK 16,189 M. The decrease was mainly attributable to lease vehicles and right-of-use assets.

Equity increased by SEK 58 M during the year, amounting to SEK 4,475 M. A dividend to the shareholders of SEK 740 M was decided on during the second quarter, of which SEK 372 M has been paid out. During the year, 3,792,419 shares were bought back for a total purchase price of SEK 525 M. During the second quarter, 6,500,000 of the company's repurchased shares were withdrawn. The total holding of own shares as of 30 September 2022 was 4,315,709 shares.

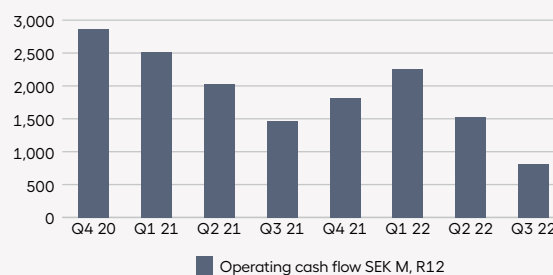
The **equity/assets ratio** amounted to 28 per cent (27).

Net debt increased by SEK 125 M during the year and amounted to SEK 4,127 M. Excluding lease liabilities attributable to IFRS 16, net debt amounted to SEK 758 M, an increase of SEK 176 M since December 2021. The ratio of net debt to EBITDA, excluding IFRS 16, amounted to 0.4 times compared with 0.2 times at year-end. Liquidity remained good, and at the end of the period a bank balance of SEK 149 M (814) was reported from the banks (Nordea and DNB). Bilia's combined credit limit with Nordea and DNB amounts to SEK 1,500 M.

Investments excluding right-of-use assets

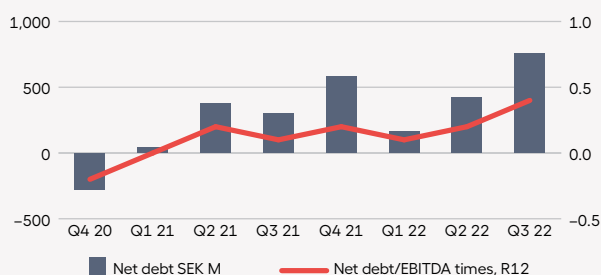
Acquisitions of non-current assets during the quarter amounted to SEK 57 M (68) excluding lease vehicles and SEK 305 M (204) including lease vehicles. Broken down by geographical market, the investments amounted to SEK 244 M (150) in Sweden, SEK 7 M (29) in Norway, SEK 35 M (6) in Western Europe and SEK 19 M (19) for the Parent Company and other central operations.

Operating cash flow



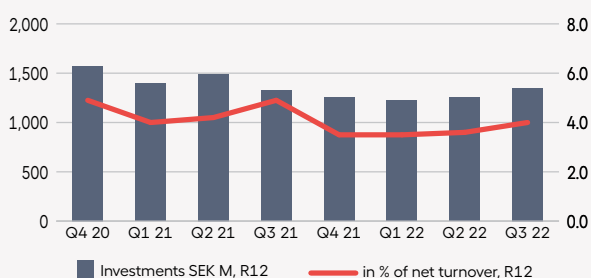
Operating cash flow SEK M, R12

Net debt and net debt/EBITDA



Net debt SEK M Net debt/EBITDA times, R12

Investments in non-current assets



Investments SEK M, R12 in % of net turnover, R12

Notable events

Events during the third quarter

- On 1 July Bilia sold three facilities in Oslo to Volvo Car Stor-Oslo AS. These facilities conduct sales of new cars, used cars and service operations for Volvo. The divested operation has reported a yearly turnover around NOK 1.9 Bn and operational earnings of approximately NOK 175 M for the past two years.
- On 31 August Bilia signed an agreement to acquire Hellgrens Lastvagnsservice AB and Skellefteå Billackering AB. The companies operate a full-service facility in Skellefteå within repair, service, bodywork and painting of transport vehicles and trucks and reported for 2021 a turnover of approximately SEK 28 M. The acquisition was effectuated 31 August.
- On 1 September Bilia signed an agreement to acquire 80 per cent of the shares in Holmgrens Truck-Motor AB in Gällivare that conducts repair and customisation of construction equipment as well as service of trucks. The company reported for 2021 a turnover of approximately SEK 25 M. The acquisition was effectuated 1 September.
- On 15 September Bilia signed an agreement to acquire Söderbergs Personbilar i Norrköping AB. The operation is conducted in seven facilities located in Norrköping and Nyköping. Söderbergs Personbilar i Norrköping AB is a dealer of Volkswagen, Audi, Skoda, Seat and Cupra cars as well as Volkswagen transport vehicles with associated sales of used cars and service operations. The company reported for 2021 a turnover of approximately SEK 1 Bn with an operational margin of 3.3 per cent. The capital employed plus agreed surplus values amounts to approximately SEK 300 M. The agreement is subject to approval from the Swedish Competition Authority and due diligence. The deal is expected to take place on 15 December 2022.
- On 30 September Bilia sold one facility in Uppsala to Bilbolaget Invest Sundsvall AB. The facility conducts sale of new cars, used cars and service operations for Volvo and Renault. The divested operation has reported a yearly turnover of approximately SEK 400 M and operational earnings of approximately SEK 35 M over the past two years.

Events during the first six months

- On 19 January the Board of Directors of Bilia AB decided to recall the current share repurchase program of a maximum of 4,000,000 own shares in which 918,635 own shares had been repurchased, and start a new repurchase program of a maximum of 3,000,000 own shares at a total amount not exceeding SEK 500 M. The repurchase program was carried out in accordance with the Market Abuse Regulation and the Commission Delegated Regulation "the Safe Harbour Regulation".
- On 1 February Bilia sold four facilities in Skaraborg, Sweden to Bröderna Brandt Personbilar AB. These facilities conduct sales of new cars, used cars and service operations for Volvo and Renault. The divested operation has reported a yearly turnover of approximately SEK 1 Bn and operational earnings of approximately SEK 70 M over the past two years.
- On 1 February Bilia sold the remaining four BMW/MINI facilities in Germany to Autohaus Krah + Enders GmbH & Co. KG, a BMW dealer in Germany. The business being disposed of in Germany has reported turnover in the region of SEK 800 M and an operational loss of approximately SEK 30 M yearly for the past two years.
- On 10 February Bilia signed an agreement with XPENG regarding sale of new cars and service operations for XPENG cars in Sweden. The cooperation with XPENG regarding sale of new cars will be conducted in the form of an agency agreement.
- On 15 March Bilia announced that the collaboration with the French car brand Alpine is expanded by offering sales and service at two more Bilia facilities. Alpine aims to become a leader among electric sports cars and by 2026 expects to be able to offer a complete model program of three fully electric sports cars.
- On 16 March Bilia reached an agreement to acquire LB's Lastbilar AB, a company that conducts repair and service of Mercedes-Benz transport vehicles and trucks. The operation is conducted in its own property in Norrköping. Bilia took over the operation on 1 April 2022. The acquired business reported for 2021 a turnover of about SEK 40 M.

- On 7 April the AGM resolved in favour of a dividend of SEK 8 per share divided into four quarterly payments and cancellation of 6,500,000 own shares repurchased by the company. The cancellation of the own shares was registered on 3 May.
- On 8 April Board of Directors of Bilia AB decided to start a repurchase program of a maximum of 1,100,000 own shares at a total amount not exceeding SEK 185 M. This repurchase program was a continuation of the repurchase program that was decided on 19 January 2022 based on the authorisation received from the AGM 2021. The previous repurchase program comprised a maximum of 3,000,000 shares, of which about 1,900,000 shares had been repurchased. The repurchase program was carried out in accordance with the Market Abuse Regulation and the Commission Delegated Regulation "the Safe Harbour Regulation" and was completed on 30 May.
- On 13 April Bilia announced that together with Porsche Sweden, the next step in the expansion of the collaboration is being prepared by planning for a new facility for sales and service of Porsche in Kristianstad. The new Porsche Center Kristianstad will increase Bilia's presence in the region and enable even better service for new and existing Porsche customers.
- On 27 April Bilia reached an agreement to acquire Kokstad Autosenter AS, which conducts sales of used cars and a brand-independent service workshop. Operations are conducted in two facilities in Bergen, Norway. The acquired business reported for 2021 a turnover of about NOK 110 M with an operating margin of 3 per cent. The operation's capital employed plus agreed surplus values amount to NOK 16 M, with the possibility of additional purchase price of a maximum of NOK 12 M in 2027.
- On 1 May Bilia sold five facilities in Bergslagen, Sweden to Bilkompaniet i Dalarna AB. These facilities conducts sales of new cars, used cars and service operations for Volvo and Renault. The divested operation has reported a yearly turnover of approximately SEK 500 M and an operating profit of approximately SEK 30 M in the last two years.
- On 5 May Bilia reached an agreement to acquire 50.1 percent of Bil1Din Holding AS, which conducts dismantling operations in Norway. The acquired business reported for 2021 a turnover of approximately NOK 55 M with an operating margin of 2 percent. The purchase price amounts to NOK 30 M for 50.1 per cent of the shares in the company. Bilia has committed to buy an additional 39.9 per cent of the shares until the year 2032.
- On 10 May, Bilia presented updated financial targets and sustainability targets in connection with a Capital Markets Day. The financial targets are presented on page 3 and the sustainability targets on page 15 in this report.
- On 10 May Board of Directors of Bilia AB decided to start a repurchase program of a maximum of 800,000 own shares at a total amount not exceeding SEK 100 M. This repurchase program was a continuation of the repurchase program that was decided on 8 April 2022 based on the authorisation received from the AGM 2021. The program was launched on 31 May when the ongoing repurchase program of a maximum of 1,100,000 shares was completed. The new program was completed on the 30 June and the total number of repurchased own shares then amounted to 4,315,709.
- On 13 May Bilia reached an agreement to acquire AS Insignia, which conducts sales and service operations for the car brands Jaguar, Land Rover and Morgan in Oslo, Norway. The acquired business reported for 2021 a turnover of approximately NOK 450 M and an operating loss of NOK 5 M. The operation's capital employed plus agreed surplus values amount to approximately NOK 55 M.
- On 1 June Bilia sold a facility in Stenungsund, Sweden to Stendahls Bil AB. The facility conducts sales of new cars, used cars and service operations for Volvo and Renault. The divested operation has reported a yearly turnover of approximately SEK 80 M and an operating profit of approximately SEK 7 M in the last two years.
- On 16 June Bilia reached an agreement to acquire M Bilar Group AB, which conducts sales and service operations for the car brands BMW and MINI in Västerås, Eskilstuna, Borlänge and Mora. The acquired business reported for 2021 a turnover of approximately SEK 1.3 Bn and an average operating margin for the past three years of 4.5 percent. The deal is expected to take place on 1 November 2022 and the agreement is conditional on due diligence of the business and approval from the Swedish Competition Authority.

Events after the balance sheet date

- No significant events have occurred since the balance sheet date.

Further information about the above-mentioned events along with other press information is available at bilia.com.

Positive organic growth in the third quarter

Third quarter 2022

- Turnover amounted to SEK 1,712 M (1,764), a decrease of 3 per cent.
- Operational earnings amounted to SEK 192 M (257).
- The margin was 11.2 per cent (14.6).

Nine months 2022

- Turnover amounted to SEK 5,801 M (5,555), an increase of 4 per cent.
- Operational earnings amounted to SEK 793 M (902).
- The margin was 13.7 per cent (16.2).

Turnover and earnings

Third quarter 2022

During the quarter, **turnover** for the Service Business increased organically by 4 per cent compared with last year, despite fewer new cars delivered. Three Volvo facilities in Norway and one Volvo and Renault facility in Sweden were divested during the quarter. There was one less working day during the quarter in Belgium and Luxembourg and the same number of working days in the other countries.



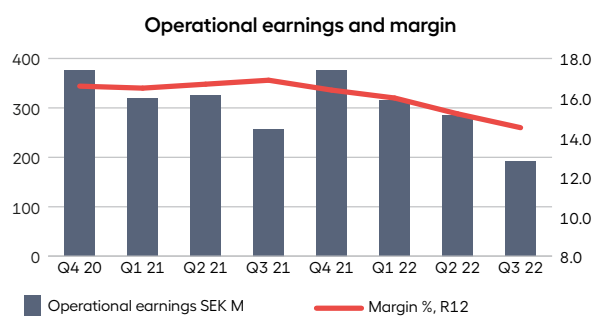
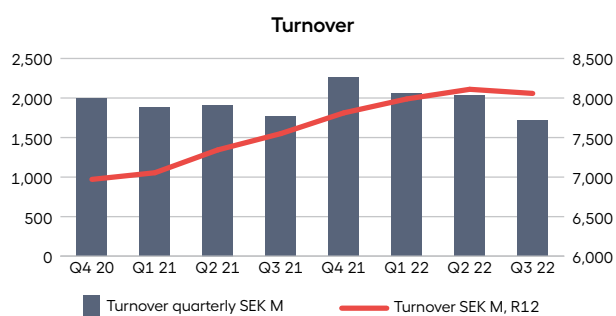
Growth in the Service Business

Per cent	Third quarter				Nine months			
	Sweden	Norway	Western Europe	Total	Sweden	Norway	Western Europe	Total
Reported growth	-1.2	-2.1	-20.2	-2.9	8.1	1.9	-18.2	4.4
Underlying growth	5.7	-1.2	3.0	3.7	2.5	-7.0	3.7	-0.1
Calendar effect	0.0	0.0	1.0	0.1	0.0	-0.5	0.0	-0.1
Organic growth	5.7	-1.2	4.0	3.8	2.5	-7.5	3.7	-0.2

At the end of the quarter, the number of service subscriptions amounted to 110,000 (125,000 at the end of 2021) compared with our long-term target of 130,000. The number of wheels stored on behalf of our customers amounted to 364,000 (406,000 at the end of 2021) compared with our long-term target of 600,000. The decreases were attributed to divested operations in Sweden, Norway and Germany.

Operational earnings during the quarter were SEK 65 M lower than last year.

In **Sweden**, operational earnings amounted to SEK 171 M (183), which was negatively affected by fewer new cars delivered and divested operations. In **Norway** operational earnings amounted to SEK 15 M (61), a change explained mainly by around 30 per cent fewer new cars delivered, divested operations and higher energy expenses. In **Western Europe**, operational earnings amounted to SEK 6 M (13) and the change is explained mainly by divested operations.



Turnover by geographic market

SEK M	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Sweden	1,131	1,145	3,858	3,568	5,377	5,087
Norway	474	485	1,611	1,581	2,198	2,168
Western Europe	107	134	332	406	483	557
Total	1,712	1,764	5,801	5,555	8,058	7,812

Operational earnings by geographic market

SEK M	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Sweden	171	183	594	615	894	915
Norway	15	61	160	246	224	310
Western Europe	6	13	39	41	52	54
Total	192	257	793	902	1,170	1,279

Margin by geographic market

Per cent	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Sweden	15.1	16.0	15.4	17.2	16.6	18.0
Norway	3.1	12.6	9.9	15.6	10.2	14.3
Western Europe	5.8	9.7	11.8	10.1	10.7	9.7
Total	11.2	14.6	13.7	16.2	14.5	16.4



Continued high order backlog and shortage of cars

Third quarter 2022

- Turnover amounted to SEK 5,686 M (6,406), a decrease of 11 per cent.
- Operational earnings amounted to SEK 155 M (226).
- The margin was 2.7 per cent (3.5).

Nine months 2022

- Turnover amounted to SEK 19,475 M (21,747), a decrease of 10 per cent.
- Operational earnings amounted to SEK 583 M (731).
- The margin was 3.0 per cent (3.4).

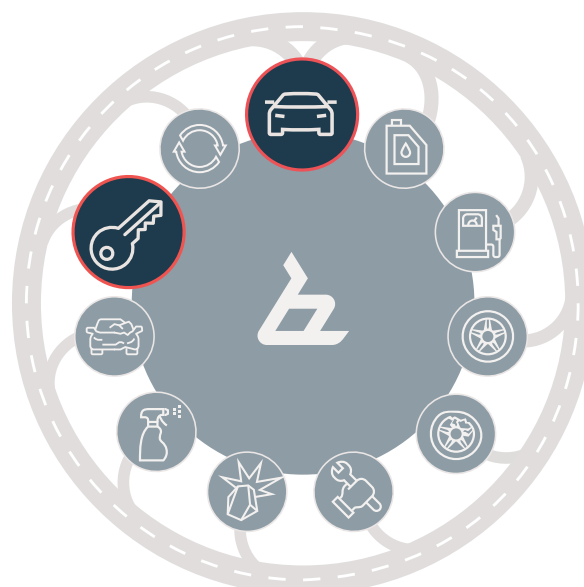
Turnover and earnings

Third quarter 2022

The Car Business's **deliveries** of new and used cars, adjusted for acquired and divested operations, were 11 and 20 per cent lower respectively during the quarter compared with last year. The lower car deliveries were attributable mainly to Norway, but also to Sweden. Production disruptions among car manufacturers has led to a shortage of new cars, which in turn has led to a shortage of used cars.

The **order intake** of new cars for the Group was 37 per cent lower than last year adjusted for acquired and divested operations, attributable to Norway and Sweden. The order intake declined towards the latter part of the quarter due to the economic environment.

The **order backlog** was once again the highest figure ever at 29,429 cars. Adjusted for acquired and divested operations, the order backlog was just over 12,000 cars higher than last year. The increase is mainly explained by fewer incoming cars from car manufacturers due to production disruptions. During the quarter, three Volvo facilities in Norway and one Volvo and Renault facility in Sweden were divested.



New cars by geographic market

Number of	Deliveries				Order backlog			
	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021	30 Sept. 2022	30 Sept. 2021
Sweden ¹⁾	4,822	5,238	19,372	21,020	27,590	29,238	17,428	10,792
Norway ²⁾	1,651	2,750	6,264	9,674	9,367	12,777	8,712	6,854
Western Europe ³⁾	1,026	1,194	3,068	4,724	4,113	5,769	3,289	1,957
Total	7,499	9,182	28,704	35,418	41,070	47,784	29,429	19,603

¹⁾ Acquired operations are included in deliveries during the first nine months with 1,833 (—). Divested operations are included in deliveries during the quarter with — (233), during the first nine months with — (870) and with — (933) in order backlog.

²⁾ Acquired operations are included in deliveries during the quarter with 63 (—), during the first nine months with 307 (—) and with 98 (—) in order backlog. Divested operations are included in deliveries during the quarter with — (382), during the first nine months with — (382) and with — (780) in order backlog.

³⁾ Divested operations are included in deliveries during the quarter with — (242), during the first nine months with — (775) and with — (201) in order backlog.

Adjusted for acquired and divested operations and exchange rate fluctuations, **turnover** during the quarter was 8 per cent lower than last year.

Operational earnings from sales of **used** cars remained on a high level and amounted to SEK 112 M (174). The lower result was mainly attributable to lower turnover due to shortage of cars. The number of used cars in stock remained at too low a level. Operational earnings from sales of **new** cars amounted to SEK 44 M (53). The lower result for new cars was also mainly attributable to lower turnover.

Operational earnings for the Car Business in **Sweden** amounted to SEK 71 M (109) and the lower result was attributable to sales of used cars. The result from sales of used cars did however remain strong at SEK 64 M (101)

despite lower turnover. The number of used cars in stock was at a low level at the end of the quarter.

Operational earnings for the Car Business in **Norway** amounted to SEK 62 M (111). The lower result was primarily attributable to a lower turnover and divested operations. The result from sales of used cars amounted to SEK 41 M (65). The lower result was attributable to a lower turnover and a lower gross profit margin. The number of used cars in stock was at a good level at the end of the quarter.

Operational earnings for the Car Business in **Western Europe** amounted to SEK 22 M (6). The result from sales of used cars amounted to SEK 7 M (8). The higher result can mainly be explained by divested operations that reported losses in previous years.

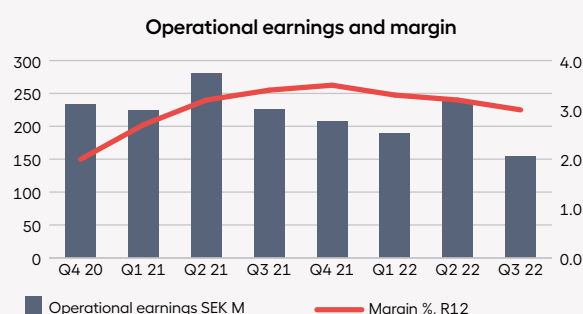
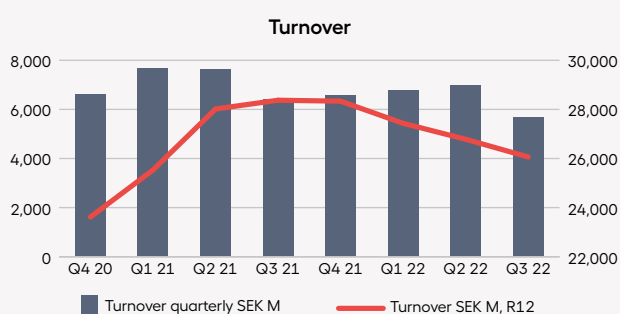
Deliveries of used cars by geographic market

Number of	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Sweden ¹⁾	6,600	8,918	21,214	25,835	28,770	33,391
Norway ²⁾	2,735	3,683	8,995	10,196	12,066	13,267
Western Europe ³⁾	720	1,205	2,236	4,093	3,291	5,148
Total	10,055	13,806	32,445	40,124	44,127	51,806

¹⁾ Acquired operations are included during the first nine months with 1,409 (—). Divested operations are included during the quarter with — (775) and during the first nine months with — (1,936).

²⁾ Acquired operations are included during the quarter with 141 (—) and during the first nine months with 671 (—). Divested operations are included during the quarter with — (332) and during the first nine months with — (332).

³⁾ Divested operations are included during the quarter with — (369) and during the first nine months with — (1,180).



Turnover by geographic market

SEK M	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Sweden	3,160	3,472	10,971	11,770	14,620	15,419
Norway	1,887	2,180	6,562	7,350	8,903	9,691
Western Europe	639	754	1,942	2,627	2,540	3,225
Total	5,686	6,406	19,475	21,747	26,063	28,335

Operational earnings by geographic market

SEK M	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Sweden	71	109	313	349	430	466
Norway	62	111	208	368	287	447
Western Europe	22	6	62	14	73	25
Total	155	226	583	731	790	938

Margin by geographic market

Per cent	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Sweden	2.2	3.1	2.9	3.0	2.9	3.0
Norway	3.3	5.1	3.2	5.0	3.2	4.6
Western Europe	3.5	0.8	3.2	0.5	2.9	0.8
Total	2.7	3.5	3.0	3.4	3.0	3.3



Price fluctuations had a negative impact

Third quarter 2022

- Turnover amounted to SEK 312 M (330), a decrease of 6 per cent.
- Operational earnings amounted to SEK –2 M (8).
- The margin was –0.6 per cent (2.4).

Nine months 2022

- Turnover amounted to SEK 998 M (903), an increase of 11 per cent.
- Operational earnings amounted to SEK 18 M (29).
- The margin was 1.8 per cent (3.2).

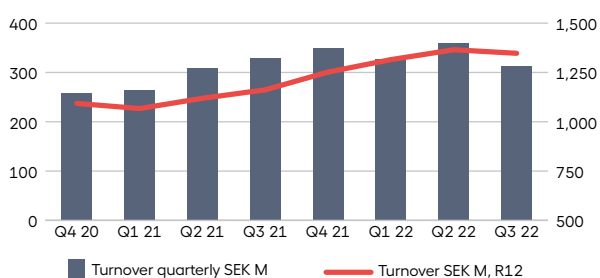
Turnover and earnings

Third quarter 2022

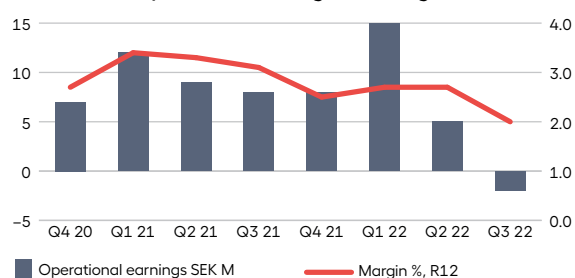
The Fuel Business encompasses fuel stations and car washes and is concentrated to Sweden. The result for the quarter amounted to SEK –2 M (8). The weaker result during the quarter can be explained by revaluation effects due to changes in fuel prices.



Turnover



Operational earnings and margin



Fuel Business

	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Turnover, SEK M	312	330	998	903	1,347	1,252
Operational earnings, SEK M	–2	8	18	29	26	37
Margin, per cent	–0.6	2.4	1.8	3.2	2.0	3.0

Sustainability

Our circular business model

The world is constantly changing, and Bilia needs to change with it. Our circular business model is the foundation of our sustainability work. It makes it possible to adapt operations and businesses to future requirements and the demand, needs and altered behaviour of our customers.

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 their impact. With this as the point of departure, Bilia wants to be the industry's best service company by showing consideration for customers, colleagues and the world we live in. We want to create sustainable solutions for the mobile human's need to move around, by having a culture characterised by pride and consideration.

Bilia is a full-service supplier that offers services and products for the car ownership 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.

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, values and customer promise creates a positive spiral. The foundations of this work are management by objectives, monitoring and quality processes. Bilia wants to create an experience that exceeds its customers' and colleagues' expectations. This is the foundation of our sustainable way of doing business.

Ongoing activities related to Bilia's sustainability targets

The sustainability targets form the basis for specific improvement activities in this year's action plan. Examples of ongoing activities are:

- Sustainable growth – activities to improve customer satisfaction, a new code of conduct for suppliers has been adopted.
- Circular business model – identify and create more business, where used parts from our car dismantlings are used in the Service Business.
- Human care – implementation of our employee survey.
- Climate care – how is the climate impact of our customers reduced when they use our services and products, and what is the climate impact of our journeys.

SUSTAINABILITY TARGETS

Sustainable growth

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

Circular business model

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 business model
	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 war in Ukraine, 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 2021. It is not possible to estimate the impact of the war in Ukraine, the general economic environment, high inflation and rising interest rates on Bilia's future operations, but a future negative impact cannot be ruled out.

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.

Related party transactions

For a description of related party transactions, see page 91, "Note 30" of the 2021 Annual Report.

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.

► 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. At Bilia, we strive to be the best service company in the business, with full-service workshops, showrooms and a customer service offering high availability.

► CULTURE AND CORE VALUES

Dedication, Competence, Genuine, Respect.

Bilia's culture and core values govern our attitude and the way we interact. At Bilia we are engaged in the meeting with customers, with each other and with suppliers. We show competence by using our expertise to find solutions and suggestions that benefit the customer the most. Being genuine and showing mutual respect build confidence in Bilia and our employees.

► CUSTOMER PROMISE

A better experience.

Through management by objectives, monitoring and quality processes, we work goal-consciously to be a little better every day. Our general goal is to create an experience that exceeds the customer's expectations, and adds value that distinguishes Bilia from its competitors.

► FIFTEEN CAR BRANDS



Consolidated Statement of Income and Other Comprehensive Income

SEK M	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Net turnover	7,291	8,129	24,920	26,875	33,554	35,509
Costs of goods sold	-6,038	-6,752	-20,583	-22,497	-27,585	-29,499
Gross profit	1,253	1,377	4,337	4,378	5,969	6,010
Other operating income	97	1	413	3	449	39
Selling and administrative expenses	-960	-936	-3,140	-2,870	-4,330	-4,060
Other operating expenses	-4	-9	-19	-33	-50	-64
Operating profit ¹⁾	386	433	1,591	1,478	2,038	1,925
Financial income	2	2	3	5	3	5
Financial expenses	-44	-40	-133	-118	-170	-155
Profit from shares in associated companies	15	15	71	41	85	55
Profit before tax	359	410	1,532	1,406	1,956	1,830
Tax	-74	-85	-268	-298	-343	-373
Net profit for the period	285	325	1,264	1,108	1,613	1,457
Other comprehensive income						
<i>Items that can be reclassified to profit or loss</i>						
Translation differences attributable to foreign operations	24	12	60	53	84	77
Other comprehensive income after tax	24	12	60	53	84	77
Comprehensive income for the period	309	337	1,324	1,161	1,697	1,534
Net profit attributable to:						
- Parent Company's shareholders	285	325	1,264	1,108	1,613	1,457
- Non-controlling interests	0	—	0	—	0	—
Comprehensive income attributable to:						
- Parent Company's shareholders	309	337	1,324	1,161	1,697	1,534
- Non-controlling interests	0	—	0	—	0	—
Basic earnings per share, SEK	3.14	3.35	13.54	11.30	17.14	14.90
Diluted earnings per share, SEK	3.12	3.35	13.52	11.30	17.12	14.90
Average number of shares, '000	91,984	97,550	93,365	98,029	94,255	97,743
Average number of shares, after dilution, '000	92,091	97,667	93,476	98,075	94,367	97,807
¹⁾ Amortisation and depreciation according to plan by asset class:						
- Intellectual property	-45	-45	-132	-111	-176	-155
- Land and buildings	-18	-19	-55	-54	-76	-75
- Equipment, tools, fixtures and fittings	-34	-35	-103	-93	-137	-127
- Leased vehicles	-87	-92	-305	-285	-439	-419
- Right-of-use assets	-131	-130	-398	-360	-532	-494
Total	-315	-321	-993	-903	-1,360	-1,270

Consolidated Statement of Financial Position, Summary

SEK M	30 September 2022	31 December 2021	30 September 2021
Assets			
Non-current assets			
Intangible assets			
Intellectual property	941	1,003	1,033
Goodwill	1,269	1,175	1,193
	2,210	2,178	2,226
Property, plant and equipment			
Leased vehicles	2,266	2,851	2,869
Right-of-use assets	3,227	3,686	3,640
Other tangible assets	1,706	1,646	1,673
	7,199	8,183	8,182
Financial assets	590	533	519
Deferred tax assets	177	171	164
Total non-current assets	10,176	11,065	11,091
Current assets			
Inventories	3,712	3,781	3,425
Other receivables	1,873	1,600	1,480
Cash and cash equivalents	428	754	1,244
Total current assets	6,013	6,135	6,149
TOTAL ASSETS	16,189	17,200	17,240
Equity and liabilities			
Equity	4,475	4,417	4,597
Non-current liabilities			
Bond issue	1,297	1,296	1,296
Interest-bearing liabilities	215	194	253
Lease liabilities	2,831	3,104	3,049
Other liabilities and provisions	1,978	2,556	2,716
	6,321	7,150	7,314
Current liabilities			
Interest-bearing liabilities	253	366	505
Lease liabilities	537	566	563
Other liabilities and provisions	4,603	4,701	4,261
	5,393	5,633	5,329
TOTAL EQUITY AND LIABILITIES	16,189	17,200	17,240

Statement of Changes in Group Equity, Summary

SEK M	Nine months 2022	Full year 2021	Nine months 2021
Opening balance	4,417	3,968	3,968
Cash dividend to shareholders	-372	-587	-294
Decided but not yet paid dividend	-368	—	—
Use of shares in own custody as payment in business combinations	—	45	45
Incentive programme	5	4	2
Buy-back of own shares	-525	-517	-256
Revaluation of put option	-6	-30	-29
Comprehensive income for the period	1,324	1,534	1,161
Equity at end of period	4,475	4,417	4,597
Equity attributable to:			
- Parent Company's shareholders	4,475	4,417	4,597
- Non-controlling interests	0	—	—

Consolidated Statement of Cash Flows

SEK M	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Operating activities						
Profit before tax	359	410	1,532	1,406	1,956	1,830
Depreciation and impairment losses	314	321	993	903	1,455	1,365
Other items not affecting cash	-122	-157	-482	-166	-513	-197
Tax paid	-80	-57	-320	-278	-351	-309
Change in inventories	-147	506	-129	726	-477	378
Change in operating receivables	-74	593	-138	589	-284	443
Change in operating liabilities	-263	-1,026	-945	-1,690	-778	-1,523
Cash flow from operating activities	-13	590	511	1,490	1,008	1,987
Investing activities						
Acquisition of non-current assets (intangible and tangible)	-57	-68	-289	-201	-373	-285
Disposal of non-current assets (intangible and tangible)	0	7	19	46	48	75
Acquisition of leased vehicles	-248	-136	-725	-719	-978	-972
Disposal of leased vehicles	185	189	945	851	1,103	1,009
Operating cash flow	-133	582	461	1,467	808	1,814
Investment in financial assets	0	-1	-2	-1	-3	-2
Disposal of financial assets	1	0	3	1	4	2
Acquisition of subsidiary/operation, net	-43	-380	-153	-1,072	-156	-1,075
Disposal of subsidiary/operation, net	256	—	797	—	797	—
Cash flow from investing activities	94	-389	595	-1,095	442	-1,248
Financing activities						
Borrowings	—	140	—	140	107	247
Repayment of loans	-42	-222	-91	-408	-331	-648
Repayment of lease liabilities	-244	-142	-456	-402	-597	-543
Buy-back of own shares	-7	—	-525	-256	-786	-517
Dividend paid to the company's shareholders	-184	—	-372	-294	-665	-587
Cash flow from financing activities	-477	-224	-1,444	-1,220	-2,272	-2,048
Change in cash and cash equivalents, excl. translation differences	-396	-23	-338	-825	-822	-1,309
Exchange difference in cash and cash equivalents	4	0	12	6	6	0
Change in cash and cash equivalents	-392	-23	-326	-819	-816	-1,309
Cash and cash equivalents at start of period	820	1,267	754	2,063	1,244	2,063
Cash and cash equivalents at end of period	428	1,244	428	1,244	428	754

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 2022

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 2021 have been applied consistently during the reporting period.

Bilia's financial instruments valued at fair value over the statement of income mainly consist of currency derivatives and are valued at fair value 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 an income of SEK 2 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 99 M (51).

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 includes profit from the divestment of Volvo and Renault facilities in Sweden and

Norway. Amortisation and impairment losses of surplus values in the full year 2021 includes a write-down of intangible assets in Norway amounting to SEK 35 M.

SEK M	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Operational earnings	334	482	1,332	1,584	1,890	2,142
– Result from sale of operations	92	—	369	—	369	—
– Structural costs etc.	0	0	8	–3	–28	–39
– Acquisition-related costs and value adjustments	–1	–10	–3	–11	–4	–12
– Amortisation/impairment losses of surplus values	–39	–39	–115	–92	–189	–166
Operating profit	386	433	1,591	1,478	2,038	1,925

Note 4 Group's operating segments

Third quarter 2022

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
Net turnover						
External sales	1,286	5,686	312	7,284	7	7,291
Internal sales	426	—	—	426	-426	0
Total net turnover	1,712	5,686	312	7,710	-419	7,291
Depreciation/amortisation	-126	-172	-1	-299	-16	-315
Operational earnings/Operating profit	192	155	-2	345	41	386
<i>Revenue and costs that affect comparability:</i>						
- Result from sale of operations	46	46	—	92	—	92
- Structural costs etc	0	0	—	0	—	0
- Acquisition-related costs and value adjustments	-1	0	—	-1	—	-1
- Amortisation of surplus values	-18	-21	—	-39	—	-39
Total	27	25	—	52	—	52

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
Net turnover						
External sales	888	309	89	3,160	1,887	639
Internal sales	243	165	18	—	—	—
Total net turnover	1,131	474	107	3,160	1,887	639
Depreciation/amortisation	-76	-38	-12	-124	-36	-12
Operational earnings	171	15	6	71	62	22
<i>Revenue and costs that affect comparability:</i>						
- Result from sale of operations	-2	48	—	-2	48	—
- Structural costs etc	0	0	—	0	0	—
- Acquisition-related costs and value adjustments	0	-1	—	0	0	—
- Amortisation of surplus values	-8	-5	-5	-9	-6	-6
Total	-10	42	-5	-11	42	-6

Third quarter 2021

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
Net turnover						
External sales	1,386	6,406	330	8,122	7	8,129
Internal sales	378	—	—	378	-378	0
Total net turnover	1,764	6,406	330	8,500	-371	8,129
Depreciation/amortisation	-122	-180	-2	-304	-17	-321
Operational earnings/Operating profit	257	226	8	491	-58	433
<i>Revenue and costs that affect comparability:</i>						
- Structural costs etc.	0	0	—	0	—	0
- Acquisition-related costs and value adjustments	-5	-5	—	-10	—	-10
- Amortisation of surplus values	-20	-19	—	-39	—	-39
Total	-25	-24	—	-49	—	-49

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
Net turnover						
External sales	903	368	115	3,472	2,180	754
Internal sales	242	117	19	—	—	—
Total net turnover	1,145	485	134	3,472	2,180	754
Depreciation/amortisation	-75	-34	-13	-144	-27	-9
Operational earnings	183	61	13	109	111	6
<i>Revenue and costs that affect comparability:</i>						
- Structural costs etc.	0	—	—	0	—	—
- Acquisition-related costs and value adjustments	-5	0	—	-5	—	—
- Amortisation of surplus values	-8	-7	-5	-7	-7	-5
Total	-13	-7	-5	-12	-7	-5

ADDITIONAL DISCLOSURES – GROUP
Nine months 2022

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
Net turnover						
External sales	4,422	19,475	998	24,895	25	24,920
Internal sales	1,379	—	—	1,379	-1,379	0
Total net turnover	5,801	19,475	998	26,274	-1,354	24,920
Depreciation/amortisation	-376	-565	-3	-944	-49	-993
Operational earnings/Operating profit	793	583	18	1,394	197	1,591
<i>Revenue and costs that affect comparability:</i>						
- Result from sale of operations	101	216	52	369	—	369
- Structural costs etc	5	4	—	9	-1	8
- Acquisition-related costs and value adjustments	-3	0	—	-3	—	-3
- Amortisation of surplus values	-57	-58	—	-115	—	-115
Total	46	162	52	260	-1	259

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
Net turnover						
External sales	2,997	1,159	266	10,971	6,562	1,942
Internal sales	861	452	66	—	—	—
Total net turnover	3,858	1,611	332	10,971	6,562	1,942
Depreciation/amortisation	-229	-110	-37	-378	-151	-36
Operational earnings	594	160	39	313	208	62
<i>Revenue and costs that affect comparability:</i>						
- Result from sale of operations	53	48	—	168	48	—
- Structural costs etc	—	5	—	—	4	—
- Acquisition-related costs and value adjustments	-1	-2	—	0	-1	1
- Amortisation of surplus values	-26	-14	-17	-26	-15	-17
Total	26	37	-17	142	36	-16

Nine months 2021

SEK M	Service	Car	Fuel	Total	Segment reconciliation	Group
Net turnover						
External sales	4,204	21,747	903	26,854	21	26,875
Internal sales	1,351	—	—	1,351	-1,351	0
Total net turnover	5,555	21,747	903	28,205	-1,330	26,875
Depreciation/amortisation	-329	-518	-4	-851	-52	-903
Operational earnings/Operating profit	902	731	29	1,662	-184	1,478
<i>Revenue and costs that affect comparability:</i>						
- Structural costs etc.	-2	-1	—	-3	—	-3
- Acquisition-related costs and value adjustments	-7	-4	—	-11	—	-11
- Amortisation of surplus values	-47	-45	—	-92	—	-92
Total	-56	-50	—	-106	—	-106

SEK M	Service			Car		
	Sweden	Norway	Western Europe	Sweden	Norway	Western Europe
Net turnover						
External sales	2,703	1,161	340	11,770	7,350	2,627
Internal sales	865	420	66	—	—	—
Total net turnover	3,568	1,581	406	11,770	7,350	2,627
Depreciation/amortisation	-194	-95	-40	-399	-77	-42
Operational earnings	615	246	41	349	368	14
<i>Revenue and costs that affect comparability:</i>						
- Structural costs etc.	-2	—	—	-1	—	—
- Acquisition-related costs and value adjustments	-6	-1	—	-5	—	1
- Amortisation of surplus values	-16	-15	-16	-15	-14	-16
Total	-24	-16	-16	-21	-14	-15

Note 5 Acquisitions and divestments of operations

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 distribution rights of NOK 17 M are reported as intangible assets and are amortised over 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.

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.

Preliminary net assets in the acquired operations

SEK M

Intangible assets, customer relations	37
Property, plant and equipment	236
Deferred tax asset	3
Inventories	141
Trade receivables and other receivables	114
Cash and cash equivalents	24
Interest-bearing liabilities	-121
Trade payables and other liabilities	-318
Deferred tax liability	-16
Net identifiable assets and liabilities	100
Consolidated goodwill	77
Net identifiable assets and liabilities, including goodwill	177
Purchase consideration	-177
Less: Cash and cash equivalents in acquired operations	24
Net effect on cash and cash equivalents	-153

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, Bilvia sold four facilities in Skaraborg to Bröderna Brandt Personbilar AB. On 1 May, Bilvia sold five facilities in Bergslagen to Bilkompaniet i Dalarna AB. On 1 June, Bilvia sold a facility in Stenungsund to Stendahls Bil AB. On 30 September, Bilvia sold one facility in Uppsala to Bilbolaget Invest Sundsvall AB. On 1 July, Bilvia 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 approximately SEK 222 M, reported in the first quarter, approximately SEK 55 M in the second quarter and approximately SEK 92 M in the third quarter which is reported as Other operating income.

On 1 February, Bilvia sold the remaining four BMW and MINI facilities in Germany to Autohaus Krahe + 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.

Preliminary net assets in the divested operations

SEK M

Intangible assets	9
Property, plant and equipment	456
Inventories	374
Trade receivables and other receivables	44
Interest-bearing liabilities	-182
Trade payables and other liabilities	-278
Net identifiable assets and liabilities	423
Purchase consideration	808
Less: Purchase consideration not yet received	-11
Net effect on cash and cash equivalents	797

Note 6 Specification of interest-bearing net debt and EBITDA

Specification of interest-bearing net debt

SEK M	30 September 2022	31 December 2021	30 September 2021
Current interest-bearing liabilities	252	366	505
Non-current interest-bearing liabilities	1,515	1,494	1,553
Lease liabilities IFRS 16	3,369	3,670	3,612
Cash and cash equivalents	-428	-754	-1,244
Interest-bearing assets	-8	0	0
Shares in associated companies	-573	-524	-510
Net debt at end of the period	4,127	4,252	3,916
Net debt at end of the period, excluding IFRS 16	758	582	304

The ratio of net debt to EBITDA

SEK M	Oct. 21– Sept. 22	Full year 2021	Oct. 20– Sept. 21
Operating profit	2,038	1,925	1,919
Result from sale of operations, structural costs, acquisition costs and impairment losses	-302	87	126
Total depreciation and amortisation	1,360	1,270	1,186
– depreciation of leased vehicles with repurchase agreements	-349	-340	-307
EBITDA	2,747	2,942	2,924
Net debt to EBITDA ratio, times	1.5	1.4	1.3
Operating profit excluding IFRS 16	1,968	1,864	1,852
Result from sale of operations, structural costs, acquisition costs and impairment losses	-302	87	126
Total depreciation and amortisation	1,360	1,270	1,186
– depreciation of leased vehicles with repurchase agreements	-349	-340	-307
– depreciation of right-of-use assets	-532	-494	-464
EBITDA excluding IFRS 16	2,145	2,387	2,393
Net debt to EBITDA ratio excluding IFRS 16, times	0.4	0.2	0.1

Income Statement for Parent Company

SEK M	Third quarter		Nine months		Oct. 21– Sept. 22	Full year 2021
	2022	2021	2022	2021		
Net turnover	171	163	515	476	694	655
Administrative expenses	-182	-174	-578	-556	-790	-768
Operating result ¹⁾	-11	-11	-63	-80	-96	-113
<i>Result from financial items</i>						
Profit from shares in Group companies	—	—	368	102	270	4
Interest income from Group companies	12	9	32	28	39	35
Other interest income and similar line items	1	0	1	2	2	3
Interest expenses to Group companies	-1	0	-1	0	-1	0
Interest expenses and similar line items	-13	-7	-38	-24	-45	-31
Result after financial items	-12	-9	299	28	169	-102
Appropriations	—	—	—	—	1,020	1,020
Result before tax	-12	-9	299	28	1,189	918
Tax	-5	-5	-10	19	-185	-156
Net result for the period	-17	-14	289	47	1,004	762
¹⁾ Amortisation and depreciation according to plan by asset class:						
- Buildings	-4	-6	-18	-19	-26	-27
- Equipment, tools, fixtures and fittings	-2	0	-2	-1	-3	-2
Total	-6	-6	-20	-20	-29	-29

Balance Sheet for Parent Company, Summary

SEK M	30 September 2022	31 December 2021	30 September 2021
Assets			
Non-current assets			
Property, plant and equipment	178	207	221
Shares in Group companies	2,423	2,424	2,546
Other tangible assets	76	85	81
Total non-current assets	2,677	2,716	2,848
Current assets			
Receivables from Group companies	423	1,480	520
Other receivables	278	157	254
Cash and cash equivalents	631	559	638
Total current assets	1,332	2,196	1,412
TOTAL ASSETS	4,009	4,912	4,260
Equity and liabilities			
Equity	612	1,582	1,420
Untaxed reserves	1,218	1,218	1,016
Provisions			
Deferred tax liability	14	14	15
	14	14	15
Non-current liabilities			
Bond issue	1,297	1,296	1,296
Other liabilities	165	165	174
	1,462	1,461	1,470
Current liabilities			
Liabilities to Group companies	95	376	58
Other liabilities	608	261	281
	703	637	339
TOTAL EQUITY AND LIABILITIES	4,009	4,912	4,260

The Group

	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Net turnover, SEK M	8,382	9,344	9,402	8,129	8,634	8,684	8,945	7,291
EBITDA, SEK M	758	712	763	691	776	715	709	547
EBITDA excl. IFRS 16, SEK M	632	582	634	545	626	559	561	399
Operational earnings, SEK M	577	528	574	482	558	500	498	334
Operational margin, %	6.9	5.6	6.1	5.9	6.5	5.8	5.6	4.6
Operating profit, SEK M	441	504	541	433	447	684	521	386
Operating margin, %	5.3	5.4	5.8	5.3	5.2	7.9	5.8	5.3
Profit before tax, SEK M	422	480	516	410	424	682	491	359
Profit/loss for the period, SEK M	323	377	406	325	349	594	385	285
The ratio of net debt to EBITDA excl. IFRS 16, times ¹⁾	-0.2	0.0	0.2	0.1	0.2	0.1	0.2	0.4
Return on capital employed, % ¹⁾	16.7	19.1	21.4	21.1	20.5	22.0	21.9	21.4
Return on equity, % ¹⁾	27.5	31.6	35.0	34.2	33.8	37.4	37.1	35.8
Equity/assets ratio, %	24	25	24	27	26	28	25	28
Earnings per share, SEK	3.25	3.85	4.10	3.35	3.60	6.25	4.15	3.14
Equity per share, SEK	40	44	44	47	46	52	45	49
Average number of shares, '000	99,959	98,414	98,117	97,550	96,894	95,170	92,976	91,984
Number of shares, '000	98,914	98,134	97,550	97,550	95,777	93,947	91,984	91,984
Holdings of own shares, '000 ²⁾	3,886	4,666	5,250	5,250	7,023	8,853	4,316	4,316

¹⁾ Rolling 12 months.

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

Business area – Service Business

	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Turnover, SEK M	1,995	1,880	1,911	1,764	2,257	2,056	2,033	1,712
Operational earnings, SEK M	376	319	326	257	377	315	286	192
Margin, %	18.8	16.9	17.1	14.6	16.7	15.3	14.1	11.2
Reported growth in Sweden and Norway, %	2.4	6.6	18.8	16.2	15.3	11.3	8.3	-1.5
Organic growth in Sweden and Norway, %	5.2	7.8	9.0	-3.8	-4.7	-5.0	0.5	3.8

Business area – Car Business

	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Turnover, SEK M	6,627	7,698	7,643	6,406	6,588	6,796	6,993	5,686
Operational earnings, SEK M	234	225	280	226	207	189	239	155
Margin, %	3.5	2.9	3.7	3.5	3.1	2.8	3.4	2.7
New cars delivered, number	13,259	13,718	12,518	9,182	12,366	10,882	10,323	7,499
Order backlog of new cars, number	13,458	13,741	13,495	19,603	22,775	27,178	29,023	29,429
Used cars delivered, number ¹⁾	10,948	12,275	14,043	13,806	11,682	11,174	11,216	10,055

¹⁾ Year 2020 has been recalculated.

Business area – Fuel Business

	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Turnover, SEK M	259	264	309	330	349	327	359	312
Operational earnings, SEK M	7	12	9	8	8	15	5	-2
Margin, %	2.9	4.7	2.9	2.4	2.3	4.7	1.3	-0.6

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/

Additional disclosures

Press and analyst meeting

On Wednesday 26 October 2022 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. To participate, please call in via telephone number or follow the presentation on the web link as below.

Phone number +46 (0)8 505 163 86

PIN code 0962124#

<https://financialhearings.com/event/44351>

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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.

Calendar

Interim Report

October–December 2022: 8 February 2023

Annual General Meeting 2023: 5 April 2023

Interim Report

January–March 2023: 26 April 2023

Interim Report

April–June 2021: 21 July 2023

Interim Report

July–September 2023: 24 October 2023

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 26 October 2022, at 08:00 CEST.

Auditor's Review report

Bilia AB (publ) corp. id. 556112-5690

Introduction

We have reviewed the condensed interim financial information (interim report) of Bilia AB as of 30 September 2022 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Göteborg 26 October 2022
PricewaterhouseCoopers AB

Fredrik Göransson
Authorized Public Accountant

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

Bilia is one of Europe's largest car dealers, with a leading position in servicing and sales of cars, transport vehicles and trucks plus supplementary services such as financing and insurance. Bilia has about 150 facilities in Sweden, Norway, Luxembourg and Belgium plus two online auction sites, one in Sweden and one in Norway.

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 both new and used cars, transport vehicles and trucks, plus supplementary services such as financing and insurance. Bilia sells cars from Volvo, BMW, Toyota, Mercedes-Benz, Renault, Lexus, MINI, Porsche, Nissan, Dacia, Smart, Alpine, Jaguar, Land Rover and XPENG as well as transport vehicles from Renault, Toyota, Mercedes-Benz, Nissan and Dacia and trucks from Mercedes-Benz.

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



bilias

VOLVO

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