

Interim Report

January 1 – June 30, 2024

- Net asset value on June 30, 2024, was SEK 156.0 bn, or SEK 361 per share. During the first six months of the year, net asset value increased by 4%, corresponding to SEK 13 per share.
- The total return for the period was 12% for the Class A shares and 11% for the Class C shares, compared with 11% for the Stockholm Stock Exchange's total return index (SIXRX).
- During the first six months, shares were purchased for a total of SEK 2.1 bn, of which SEK 0.9 bn in Volvo, SEK 0.7 bn in Sandvik, SEK 0.5 bn in SCA and SEK 0.1 bn in Alleima.

	2024 June 30	2023 June 30	2023 Dec 31
Net asset value, SEK mn	156,047	136,785	150,252
Net asset value per share, SEK	361	317	348
Share price Industrivärden C, SEK	357.60	297.20	328.30
Debt-equities ratio	3%	4%	5%

SEK mn	2024 Jan – June	2023 Jan – June	2023 Jan – Dec
Earnings per share, SEK	21.16	30.98	62.15
Dividend income	8,467	6,300	6,418
Dividend paid	3,347	3,131	3,131
<i>Equities portfolio:</i>			
Purchases	2,122	1,098	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.

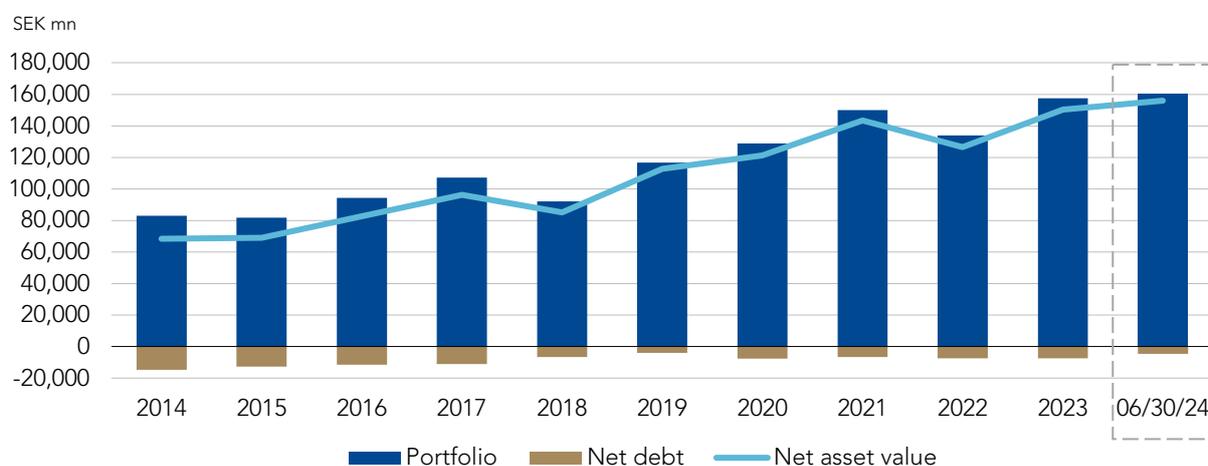
Net asset value

Net asset value consists of the market value of the equities portfolio less net debt. On June 30, 2024, net asset value was SEK 156,047 mn (150,252) or SEK 361 per share (348), an increase of SEK 13 per share during the first six months.

Holdings	June 30, 2024					
	No. of shares	Ownership stake, %		Market value		Share of value
		Capital	Votes	SEK mn	SEK/share	%
Volvo A	166,600,000	9.3	27.9	46,048	120	32
Volvo B	21,600,000			5,856		
Sandvik	179,900,000	14.3	14.3	38,211	88	24
Handelsbanken A	228,200,000	11.5	11.7	23,037	53	14
Essity A	33,257,000	10.2	29.7	8,996	45	12
Essity B	38,400,000			10,422		
SCA A	33,300,000	10.9	29.5	5,235	28	8
SCA B	43,600,000			6,826		
Skanska A	12,667,500	7.7	24.5	2,417	14	4
Skanska B	19,500,000			3,721		
Ericsson A	86,052,615	2.6	15.1	5,705	13	4
Ericsson B	1,000,000			66		
Alleima	51,200,000	20.4	20.4	3,523	8	2
Other				476	1	0
Equities portfolio				160,537	372	100
Net debt				-4,490	-10	
Net asset value				156,047	361	
Debt-equities ratio				3%		

During the last ten-year period, net asset value increased from SEK 67,521 mn on June 30, 2014, to SEK 156,047 mn on June 30, 2024. For the last five- and ten-year periods, the average annual growth of net asset value was 8% and 9%, respectively. The chart below illustrates net asset value at the respective year-ends as well as for the period ended on June 30, 2024.

Development over time



Performance of the portfolio

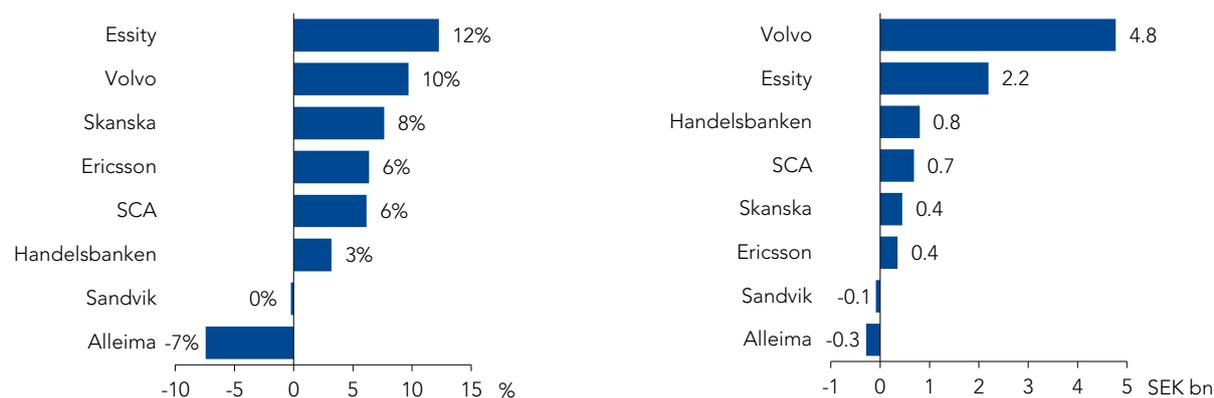
During the period, the market value of the portfolio, adjusted for purchases and sales, increased by SEK 867 mn, or 1%. Net purchases amounted to SEK 2,122 mn. On June 30, 2024, the market value of the portfolio was SEK 160,537 mn.

Change in value, net purchases, dividend income

SEK mn	June 30, 2024		Jan – June 2024		Dividend
	Market value	Change in value	Purchase (+) / sales (-)		
Volvo	51,904	1,722	884	3,352	
Sandvik	38,211	-1,039	667	989	
Handelsbanken	23,037	-1,940	–	2,967	
Essity	19,418	1,553	–	555	
SCA	12,060	478	508	207	
Skanska	6,138	272	–	177	
Ericsson	5,771	218	–	118	
Alleima	3,523	-394	63	102	
Other	476	-3	–	–	
Total	160,537	867	2,122	8,467	

Total return, shareholdings

January 1 – June 30



Investment activities

During the first six months, shares were purchased for a total of SEK 2,122 mn (1,098), of which SEK 884 mn in Volvo B, SEK 667 mn in Sandvik, SEK 508 mn in SCA B and SEK 63 mn in Alleima.

Dividends received

During the period, dividend income from the holdings amounted to SEK 8,467 mn (6,300).

Net income for the period

During the first six months of the year, dividend income amounted to SEK 8,467 mn (6,300) and change in value of shares, etc. to SEK 863 mn (7,295). Management cost amounted to SEK 64 mn (64), which on a yearly basis corresponds to 0.08% (0.09%) of the equities portfolio on June 30, 2024. Financial items and tax amounted to SEK -67 mn (-75) and SEK -59 mn (-74), respectively. Net income for the period was SEK 9,140 mn (13,382), or SEK 21.16 per share (30.98).

Financing

Net debt amounted to SEK 4,490 mn (7,295) on June 30, 2024, corresponding to a debt-equities ratio of 3% (5%).

Industrivärden's debt financing consists primarily of MTN loans. The average maturity of the debt portfolio was 23 months (25) on June 30, 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 June 30	2023 June 30	2023 Dec 31
Non-current financial liabilities	5,007	7,000	6,509
Current financial liabilities	2,285	1,184	1,691
Provisions for pensions	0	0	0
Current financial receivables	-34	-35	-36
Cash and cash equivalents	-2,768	-2,693	-869
Total	4,490	5,456	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 155,660 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 first six months, 11,712,550 shares were converted.

Share structure on June 30, 2024

Share class	No. of shares	No. of votes	Capital, %	Votes, %
A (1 vote)	243,076,944	243,076,944.0	56.3	92.8
C (1/10 vote)	188,822,164	18,882,216.4	43.7	7.2
Total	431,899,108	261,959,160.4	100.0	100.0

Industrivärden's stock

Stock performance

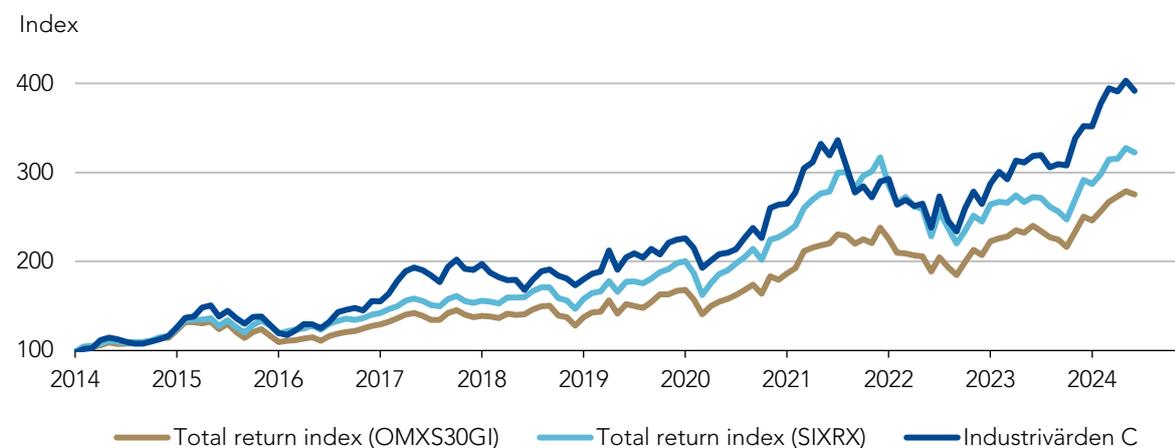
On the last day of trading in the period, June 28, 2024, the price of Industrivärden's Class A and Class C shares was SEK 360.60 and SEK 357.60, respectively. Corresponding share prices on the last day of trading in 2023, December 29, were SEK 328.90 and SEK 328.30, respectively.

The total return during the period was 12% for the Class A shares and 11% for the Class C shares. During the last five- and ten-year periods, the average annual total return for the Class C shares was 14% and 13%, 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.

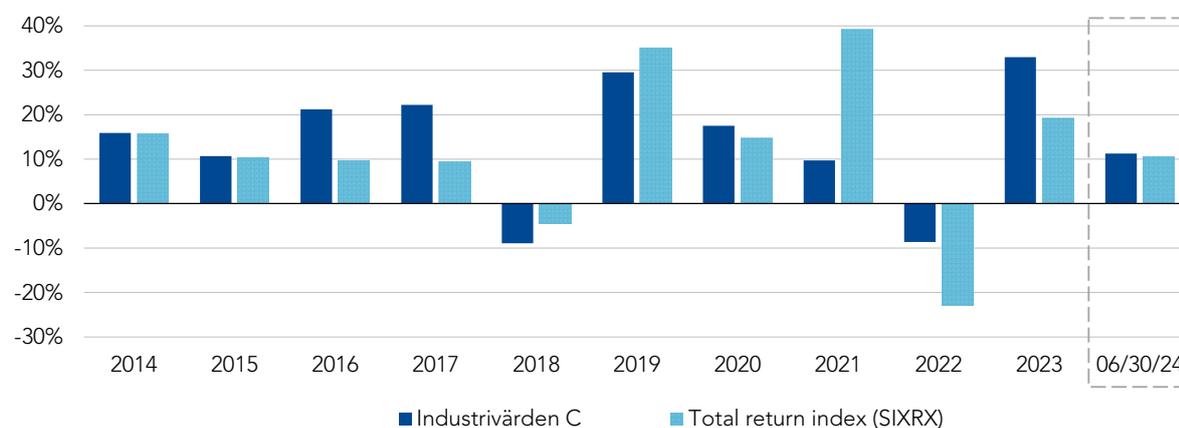
Average annual growth in value for respective period

	June 30, 2024		
	Total return		
	Industrivärden C	Index (SIXRX)	Index (OMXS30GI)
6 months	11%	11%	10%
1 year	23%	18%	15%
3 years	7%	5%	8%
5 years	14%	13%	13%
7 years	11%	11%	10%
10 years	13%	11%	10%

Total return over time



Total return for the respective year/period



Other report information

Annual General Meeting

The 2024 Annual General Meeting (AGM) was held on April 11, whereby the following decisions were made, among others:

- The AGM voted in favor of the proposal to pay a dividend of SEK 7.75 per share.
- The AGM decided to increase the number of members of the Board of Directors to nine ordinary directors and no deputy directors. Pär Boman, Christian Caspar, Marika Fredriksson, Bengt Kjell, Fredrik Lundberg, Katarina Martinson, Lars Pettersson and Helena Stjernholm were re-elected as directors. Fredrik Persson was elected as new director. In addition, Fredrik Lundberg was re-elected as Chairman of the Board.
- The AGM voted on directors' fees in accordance with the Nominating Committee's proposal.
- The AGM resolved to re-elect Deloitte AB as the auditing firm for a term until the end of the 2025 AGM.
- The AGM approved the Board of Directors' proposal for new guidelines for compensation of senior executives.
- The AGM approved the Board of Directors' remuneration report pursuant to Chapter 8, Section 53 a of the Swedish Companies Act.
- The AGM voted in favor of the Board of Directors' proposal for a long-term share savings program for employees of Industrivärden.

Events after the balance sheet date

No significant events have occurred after June 30, 2024.

This interim report has been subject to review by the Company's auditors.

Assurance

The Board of Directors and the Chief Executive Officer certify that this interim report gives a true and fair presentation of the Parent Company's and the Group's business, financial position and the result of operations, and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, July 8, 2024
AB Industrivärden (publ)

Fredrik Lundberg
Chairman

Pär Boman
Vice Chairman

Christian Caspar
Director

Marika Fredriksson
Director

Bengt Kjell
Director

Katarina Martinson
Director

Fredrik Persson
Director

Lars Pettersson
Director

Helena Stjernholm
Chief Executive Officer
Director

Review Report

Introduction

We have reviewed the interim report for AB Industrivärden (publ) as of 30 June 2024 and for the period then ended. The Board of Directors and the Chief Executive Officer are responsible for the preparation and fair presentation of this interim report in accordance with IAS 34 and the Swedish 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 (ISA) 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, in accordance with IAS 34 and the Swedish Annual Accounts Act for the Group and with the Swedish Annual Accounts Act for the Parent Company.

Stockholm, July 8, 2024

Deloitte AB

Hans Warén

Authorized Public Accountant

Financial statements

Group, condensed

Income statement

SEK mn	2024		2023		2023 Jan – Dec
	April – June	April – June	Jan – June	Jan – June	
Dividend income	1,209	3,468	8,467	6,300	6,418
Change in value of shares, etc.	-8,553	-1,801	863	7,295	20,851
Management cost	-34	-32	-64	-64	-126
Operating income	-7,378	1,635	9,266	13,531	27,143
Financial items	-13	-32	-67	-75	-156
Income after financial items	-7,391	1,603	9,199	13,456	26,987
Tax	11	-35	-59	-74	-143
Net income for the period	-7,380	1,568	9,140	13,382	26,844
Earnings per share (no dilution effect exists), SEK	-17.09	3.63	21.16	30.98	62.15

Statement of comprehensive income

SEK mn	2024		2023		2023 Jan – Dec
	April – June	April – June	Jan – June	Jan – June	
Net income for the period	-7,380	1,568	9,140	13,382	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	-8	-16	-12	-9
Comprehensive income for the period	-7,388	1,560	9,124	13,370	26,835

Balance sheet

SEK mn	2024		2023	
	June 30	June 30	June 30	Dec 31
Tangible fixed assets	22	12	25	
Equities	160,537	142,241	157,547	
Total non-current assets	160,559	142,253	157,572	
Current financial receivables	34	35	36	
Other current receivables	31	26	49	
Cash and cash equivalents	2,768	2,693	869	
Total current assets	2,833	2,754	954	
Total assets	163,392	145,007	158,526	
Shareholders' equity	155,660	136,422	149,880	
Non-current financial liabilities	5,007	7,000	6,509	
Provisions for pensions	0	0	0	
Deferred tax liability	239	179	228	
Other non-current liabilities	45	67	40	
Total non-current liabilities	5,291	7,246	6,777	
Current financial liabilities	2,285	1,184	1,691	
Other current liabilities	156	155	178	
Total current liabilities	2,441	1,339	1,869	
Total shareholders' equity and liabilities	163,392	145,007	158,526	

Group, condensed (continuation)

Change in shareholders' equity

SEK mn	2024	2023	2023
	Jan – June	Jan – June	Jan – Dec
Opening shareholders' equity as per balance sheet	149,880	126,180	126,180
Net income for the period	9,140	13,382	26,844
Other comprehensive income	-16	-12	-9
Comprehensive income for the period	9,124	13,370	26,835
Dividend to shareholders	-3,347	-3,131	-3,131
Share savings program	3	3	-4
Closing shareholders' equity as per balance sheet	155,660	136,422	149,880

Cash flow

SEK mn	2024	2023	2023
	Jan – June	Jan – June	Jan – Dec
Dividend received	8,467	6,300	6,418
Management cost paid	-65	-87	-159
Other	-128	-88	-202
Cash flow from operating activities	8,274	6,125	6,057
Purchases of shares	-2,122	-1,098	-2,854
Sales of shares	-	-	-
Cash flow from investing activities	-2,122	-1,098	-2,854
Loans raised	0	1,499	1,499
Amortization of debt	-906	-1,497	-1,497
Dividend paid	-3,347	-3,131	-3,131
Cash flow from financing activities	-4,253	-3,129	-3,129
Cash flow for the period	1,899	1,898	74
Cash and cash equivalents at end of period	2,768	2,693	869

Parent Company, condensed

Income statement

SEK mn	2024	2023	2023
	Jan – June	Jan – June	Jan – Dec
Operating income	5,284	12,648	23,429
Income after financial items	5,096	12,521	23,133
Income for the period	5,096	12,521	23,133
Comprehensive income for the period	5,080	12,509	23,124

Balance sheet

SEK mn	2024	2023	2023
	June 30	June 30	Dec 31
Non-current assets	105,373	90,917	103,032
Current assets	26	1,177	764
Total assets	105,399	92,094	103,796
Shareholders' equity	93,024	80,680	91,288
Non-current liabilities	5,052	7,067	6,549
Current liabilities	7,323	4,347	5,959
Total shareholders' equity and liabilities	105,399	92,094	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	June 30, 2024				Dec 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<i>Assets</i>								
Equities	160,061	–	476	160,537	157,068	–	479	157,547
Derivatives, etc.	–	–	–	–	–	2	–	2
Total assets	160,061	–	476	160,537	157,068	2	479	157,549
<i>Liabilities</i>								
Derivatives, etc.	–	26	–	26	–	21	–	21
Total liabilities	–	26	–	26	–	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 June 30, 2024, would have affected the portfolio's market value by approximately +/- SEK 1,600 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

Interim Report Jan – Sept: October 17, 2024

Contact persons

Sverker Sivall
*Head of Corporate Communications
and Sustainability*
+46-8-666 64 19
ssl@industrivarden.se

Karl Åberg
*Deputy Chief Executive Officer, Head of
the Investment Organization and the
Finance Function*
+46-8-666 64 06
kag@industrivarden.se

Contact information

AB Industrivärden (publ)
Box 5403
SE-114 84 Stockholm

Registered office: Stockholm
Reg. no.: 556043-4200
Switchboard: +46-8-666 64 00
info@industrivarden.se

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 and the Swedish Securities Market Act. The information was submitted for publication, through the agency of the named Head of Corporate Communications and Sustainability, at 10:00 a.m. CEST on July 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.

