Annual Report 2023

HEDIN GROUP

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Hedin Group in brief

Hedin Group is a family-owned company that owns and manages companies with operations mainly in the automotive and mobility industry as well as the construction and real estate industry. The group has more than 12,500 staff in fourteen countries, with head office in Mölndal. The company is owned to 100 percent by CEO Anders Hedin.

The group's automotive business goes back all the way to 1985 when father and son Ingemar and Anders Hedin acquired a car dealership in Borås and founded I.A. Hedin Bil. Almost 40 years later this company, now called Hedin Mobility Group, has grown into a power-broker in the European automotive market with significant import and distribution operations as well as leading dealership groups in several countries all around Europe.

The Hedin Group also includes Hedin Construction (formerly Tuve Bygg, name change completed in January 2024) offering end-to-end solutions in contracting, project development, property maintenance and finish carpentry. In addition, Hedin Group owns and manages properties and securities and the company is also a partner in Consensus Asset Management and Ripam Invest.

Our business areas

Automotive

The business area Automotive consists of the operations in Hedin Mobility Group, where Hedin Group owns 71.5%. Hedin Mobility Group is one of Europe's largest automotive groups, with more than 12,500 staff in 14 countries.

Read more on page 8.

Construction and Real estate

Construction and Real estate consists mainly of the operations in the Hedin Construction-group, which is owned in full by Hedin Group. In addition, the business area includes management and development of properties that are used in Hedin Group's activities.

Read more on page 14.

Investments

In Investments, Hedin Group are active as partners in Consensus Asset Management and Ripam Invest, as well as in managing of and trading in securities.

Read more on page 18.

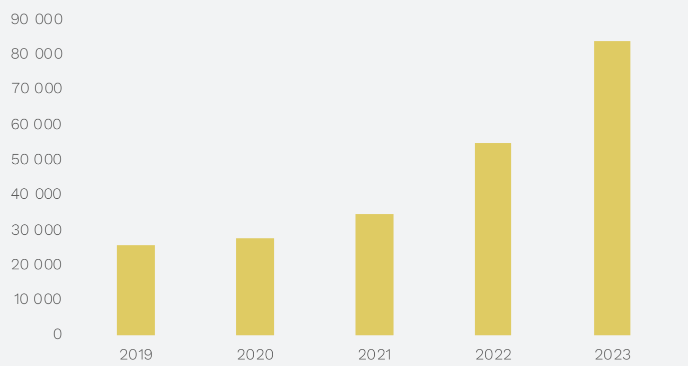
Financial development

84,190

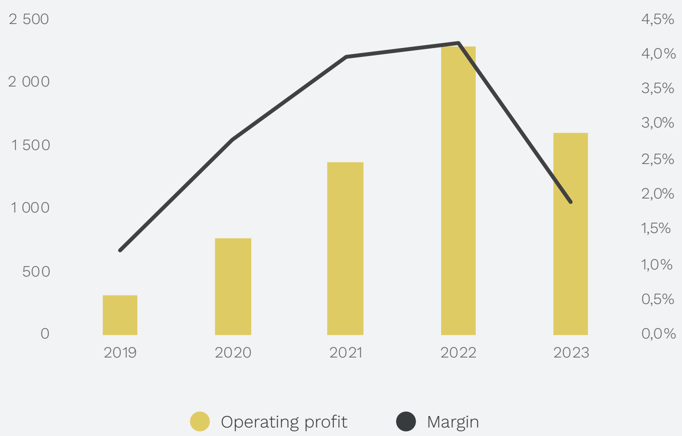
Net sales (MSEK)

+ 53%

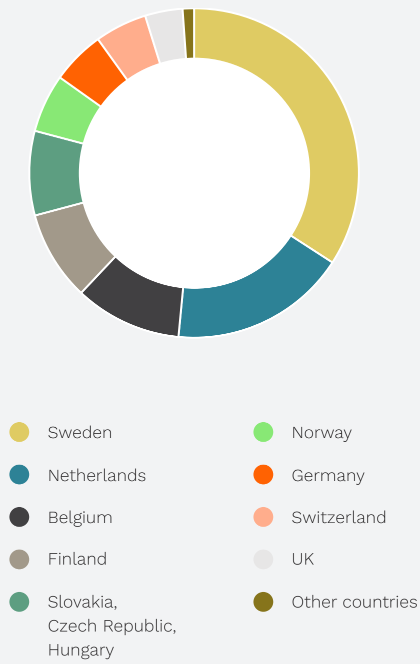
Net sales



Operating profit



Net sales by country



A word from our CEO

Diversification creates new business opportunities

Strong growth in Automotive
In recent years, we have continued to expand our business geographically and with new areas of business. We have expanded our partnership with several of the largest manufacturers in both existing geographic markets and new ones. With Mercedes Benz, we have expanded our cooperation by establishing ourselves in Europe's largest automotive markets, Germany and the UK. With BMW, we have expanded the partnership in the Netherlands, Sweden, Switzerland and Great Britain, and with Kia in Finland and the Netherlands.

We have also launched new car brands in the Swedish and European markets such as BYD, Hongqi, Ineos Grenadier and Ford F-150. This means that we now have a broad geographical presence in Europe and are well positioned to take advantage of the opportunities that tomorrow's mobility business brings. Net sales increased by 53% and exceeded BSEK 80. In the short term, both earnings and tied-up capital will be encumbered by this expansion. Earnings are also being squeezed by lower margins due to lower demand, currency effects and start-up costs in our new distribution operations and market establishments. We are working intensively on various initiatives to integrate operations, increase volumes and improve profitability.

We continue to take an active role in the green transition
The mobility market continues to evolve and requires us to evolve with it. In recent years, several countries have withdrawn the subsidies that previously existed for electric cars, which has created a drop in order take for new electric cars in several markets. At the end of 2023, we could see a clear decrease in order take for electric cars. Hedin Mobility Group wants to continue being a leader in the green transition and we have decided to expand the charging infrastructure for electric cars by building at least 100 superchargers for the general public directly adjacent to our dealerships. By making everyday life easier for electric car customers, we also welcome them in to us for new ideas.

During the year, we have invested in new business areas by buying a car dismantling company, the name of which we changed to Hedin Recycled. We have also acquired a wheel repair company in Great Britain. Both of these business areas create synergies with our existing service business by recycling, repairing and reselling existing car parts.

Pendragon
At the end of the year, we reduced our ownership stake in the British dealer group Pendragon following the company's divestment of its automotive business, and in February 2024 the remaining part of the holding was sold. The net proceeds from the holding, which has been an associated company since 2021, amount to approximately MSEK 1,690, and generated a total profit of approximately MSEK 700 during the holding period.

Construction business
Despite challenges in the construction industry, our construction group Hedin Construction has successfully delivered several major projects during the period, underlining its commitment to maintain high quality and strengthen its position in the market. The company's strategic efforts to improve efficiency, ensure quality and long-term profitability was expanded into a major restructuring completed in autumn. The restructuring means a new organisation that clearly defines product areas and brings management closer to customers and core operations. To underline the changes, the company name was changed from Tuve Bygg to Hedin Construction.

Consolidation to further strengthen our position
We have now established ourselves in the strategically important markets we intended to establish ourselves in, and will now place great emphasis on consolidation of companies and markets to take advantage of economies of scale in our various businesses, build a unified group and strengthen our position as a leading mobility provider in the European market.

Anders Hedin

Automotive

The business area Automotive consists of the operations in Hedin Mobility Group AB (publ) with subsidiaries. Hedin Group is majority owner in Hedin Mobility Group with a participating interest of 71.5%.


HEDIN

Hedin Mobility Group – A leading European mobility provider

The history of Hedin Mobility Group dates back to 1985 when father and son Ingemar and Anders Hedin acquired Philipsons Bil in Borås. I.A. Hedin Bil was founded and in the first year the company sold some 800 vehicles with net sales of SEK 45 million. Almost 40 years later we are now one of Europe's largest mobility providers, with more than BSEK 80 in net sales and more than 218,000 vehicles sold in the past year.

Our vision is to be a transformative force in the European automotive and mobility industry. By importing and distributing high-quality vehicles and providing retailing and workshop services with a high level of customer focus as well as innovative mobility solutions, we create value for our customers, employees and other stakeholders.

330+
Dealerships

14
Countries

40+
Brands

12,500+
Employees

Our business areas

Distribution
We act as an importer and/or distributor for eleven vehicle manufacturers in markets all around Europe, where we distribute vehicles both to our own as well as external retailers. Our distribution activities also include wholesale and distribution of spare parts, accessories, tyres and rims, as well as logistics solutions.

Retail
With more than 330 own dealerships in twelve countries, which offer customers end-to-end solutions for new and used cars and more than 40 brands, we are one of Europe's largest automotive retailers.

Mobility solutions
Within Mobility solutions we address new user needs and sales models in the automotive industry by providing and developing innovative services.

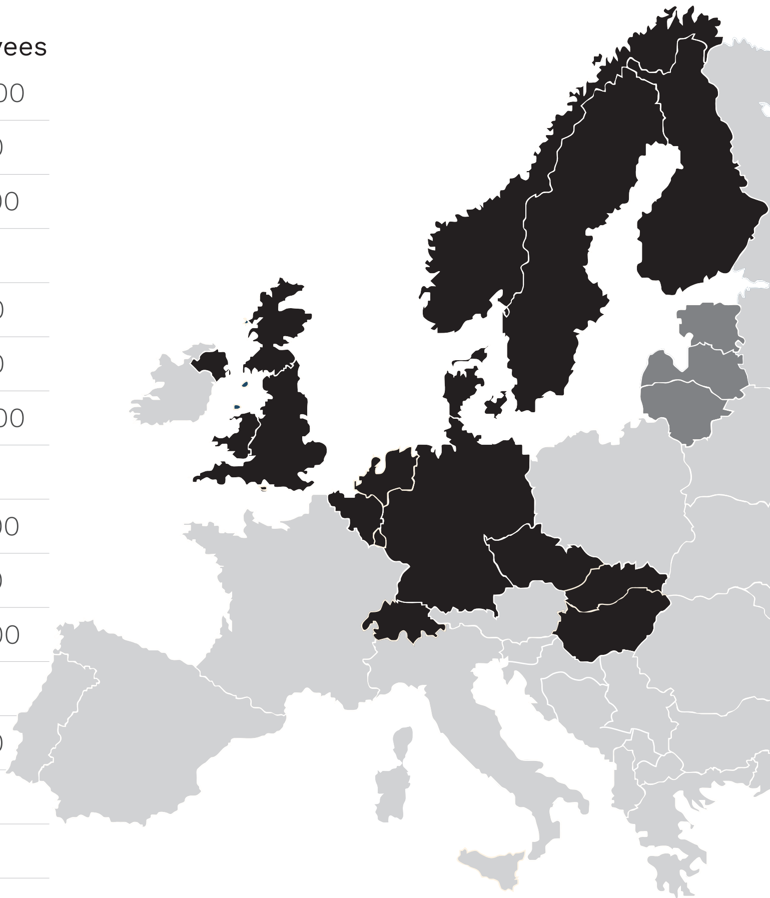
Our business also includes Hedin IT, which provides the Group with advanced operation, support and digital development, as well as strategic investments in Lasingoo Sweden, Casi (formerly Imove) and Mercedes-Benz Financial Services Slovakia.

Geographic markets

Distribution Retail Mobility solutions

	Distribution	Retail	Mobility solutions	Employees
Sweden	●	●	●	3,600
Norway	●	●	●	500
Finland	●	●	●	1,200
Denmark	●			70
UK	●	●	●	800
Belgium	●	●	●	800
Netherlands	●	●	●	2,300
Luxembourg	●	●		20
Germany	●	●	●	1,400
Switzerland	●	●	●	450
Slovakia		●		1,000
Hungary		●		100
Czech Republic		●		200
Estonia	*Under establishment*			
Latvia	*Under establishment*			
Lithuania	*Under establishment*			
USA	●			10

Total employees **12,500+**



Events during the year

2023 was a year characterized by continued strong growth for Hedin Mobility Group. The pace of acquisitions has been high and we have further strengthened our position as a leading mobility provider in the European market.

ACQUIRED DEALERSHIPS

- Torpedo-Gruppe, now Hedin Automotive – one of Germany's largest dealer groups with 21 dealerships
- Four Mercedes-Benz dealerships in London
- Stephen James Alliance Ltd, with five BMW dealerships in London
- Three Peugeot dealerships in the Netherlands
- Janssen-Kerres with 13 dealerships in the Netherlands
- Renova, with 5 BMW dealerships in the Netherlands
- Establishment in Luxembourg through the acquisition of a Mazda dealership
- Delta Motor Oy, one of Finland's major dealers
- A Ford dealership in Finland
- Three BMW dealerships and one Jaguar and Landrover dealership in Sweden
- A BMW dealership in Switzerland
- Partnership with Lotus for vehicle sales in Sweden
- Official agent for the car brand smart in Sweden
- RRT Ltd, a specialist in wheel refurbishment in the UK

ACQUIRED BUSINESSES IN DISTRIBUTION AND SPARE PARTS

- Onwheels Bildemontering AB, now Hedin Recycled, with car dismantling and recycling of spare parts

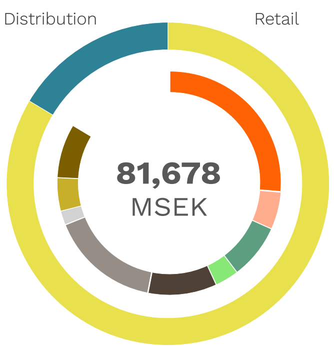
ONGOING

In addition, up to and including the end of April 2024, we had completed or agreed on, or signed a letter of intent for the acquisition of:

- Iveco Group's distribution and retail operations in Sweden, Norway, Finland and Denmark
- Distribution of MG in Finland
- Distribution of Ford in Finland
- Mercedes-Benz Försäljnings AB with a dealership in Malmö
- Dubbelsteyn's two BMW and Mini dealerships in the Netherlands

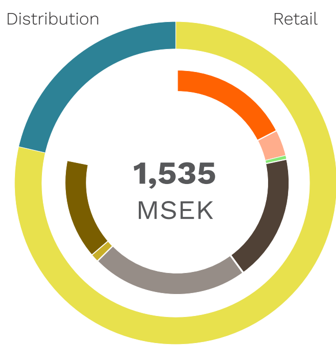
2023 in brief

Net sales



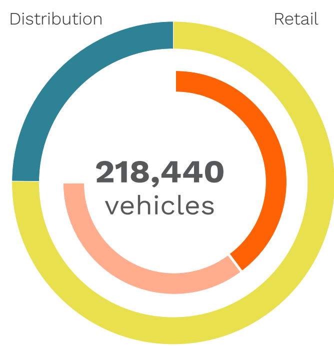
- Sweden
- Norway
- Finland
- UK
- Belgium, Luxembourg
- Netherlands
- Germany
- Switzerland
- Slovakia, Czech Republic, Hungary

Operational earnings



- Sweden
- Norway
- Finland
- UK
- Belgium, Luxembourg
- Netherlands
- Germany
- Switzerland
- Slovakia, Czech Republic, Hungary

Vehicles sold



- New vehicles
- Used vehicles

Retail: order take, new and used vehicles
(164,235)

Distribution: registered vehicles
(54,205)

The charts above cover operations after transferred acquisition in 2023: for Germany, four months of operations are included; Luxembourg seven months of operations; The UK nine months of operations.

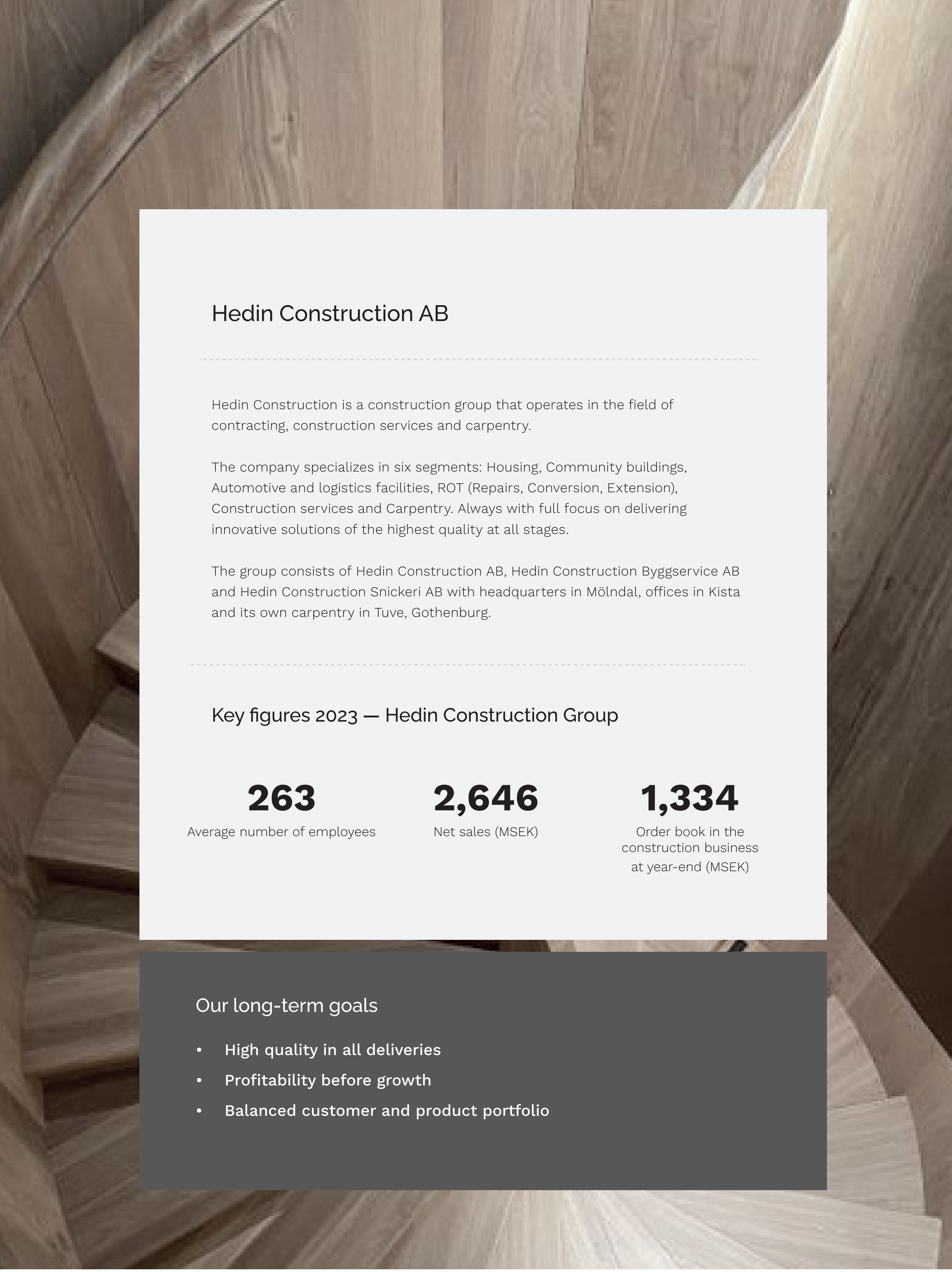
Operational earnings: *Operating profit excluding items affecting comparability and amortisation of consolidated surplus values.*

Read more about Hedin Mobility Group in the company's annual report and at www.hedinmobilitygroup.com

Construction and Real estate

Construction and Real estate is a major part of the Hedin Construction-group's operations, which is a wholly-owned subsidiary of Hedin Group. In addition, the business area includes management and development of properties that are used in Hedin Group's activities through the company I.A. Hedin Fastighet AB.

Hedin Construction has planned and built Hedin Group's headquarters in Mölndal, which was ready for occupancy in February 2023.



Hedin Construction AB

Hedin Construction is a construction group that operates in the field of contracting, construction services and carpentry.

The company specializes in six segments: Housing, Community buildings, Automotive and logistics facilities, ROT (Repairs, Conversion, Extension), Construction services and Carpentry. Always with full focus on delivering innovative solutions of the highest quality at all stages.

The group consists of Hedin Construction AB, Hedin Construction Byggservice AB and Hedin Construction Snickeri AB with headquarters in Mölndal, offices in Kista and its own carpentry in Tuve, Gothenburg.

Key figures 2023 — Hedin Construction Group

263
Average number of employees

2,646
Net sales (MSEK)

1,334
Order book in the construction business at year-end (MSEK)

Our long-term goals

- **High quality in all deliveries**
- **Profitability before growth**
- **Balanced customer and product portfolio**

2023 in brief

The year 2023 marked a turning point for the company. There was a thorough review of the operations followed by intensive work to shape the organisation for the future. With a restructured organization, a new CEO and a new name, the company is ready to take on the future with a focus on making what is done well today even better in prioritized segments.

Forward-looking reorganization
Through a reorganization, the organization has been streamlined and now specializes in the segments of Housing, Community Buildings, Automotive & Logistics Facilities and ROT (Repairs, Conversion, Extension), Construction Services and Carpentry. Necessary adjustments have been made, which were required to meet the demands of the future and the desire to deliver high quality at all stages.

Main strength and most important resource
The company's employees are its main ambassadors and resource who, with genuine commitment, focus on constantly making things even better.

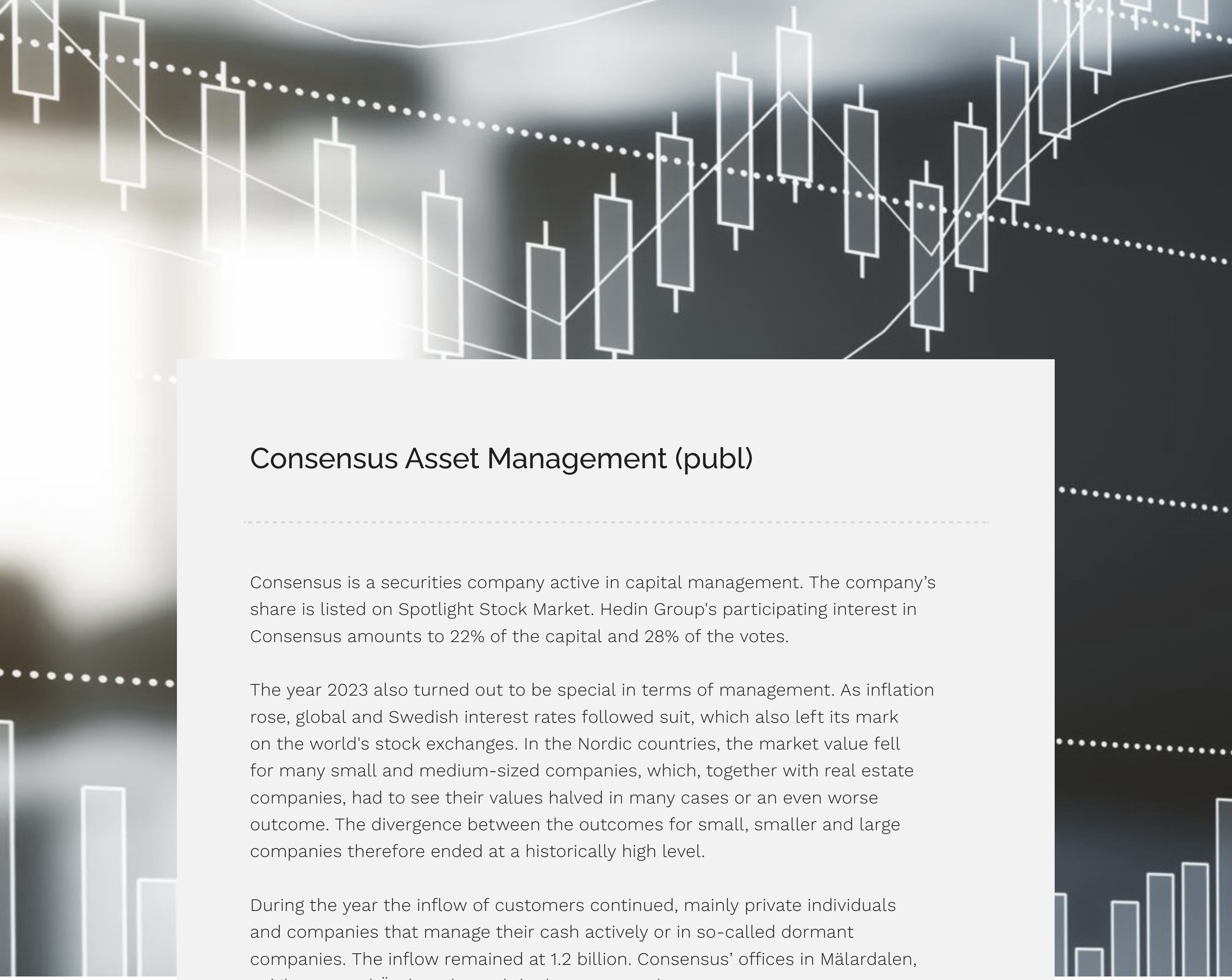
New CEO
Emil Löveryd took over as President and CEO in December 2023 for Hedin Construction AB.

New name
The company is a wholly-owned subsidiary of Hedin Group and the name change to Hedin Construction became a natural part following the review and a clear marker of the company's ambition and joint effort to deliver high quality and customer satisfaction.

Read more about Hedin Construction on the company's website www.hedinconstruction.se

Investments

Within Investments, Hedin Group is active as a partner in Consensus Asset Management and Ripam Invest. In addition, Hedin Group conducts activities in the management and trading of securities through A.H. Värdepapper AB.



Consensus Asset Management (publ)

Consensus is a securities company active in capital management. The company's share is listed on Spotlight Stock Market. Hedin Group's participating interest in Consensus amounts to 22% of the capital and 28% of the votes.

The year 2023 also turned out to be special in terms of management. As inflation rose, global and Swedish interest rates followed suit, which also left its mark on the world's stock exchanges. In the Nordic countries, the market value fell for many small and medium-sized companies, which, together with real estate companies, had to see their values halved in many cases or an even worse outcome. The divergence between the outcomes for small, smaller and large companies therefore ended at a historically high level.

During the year the inflow of customers continued, mainly private individuals and companies that manage their cash actively or in so-called dormant companies. The inflow remained at 1.2 billion. Consensus' offices in Mälardalen, Eskilstuna and Örebro showed the largest growth rate.

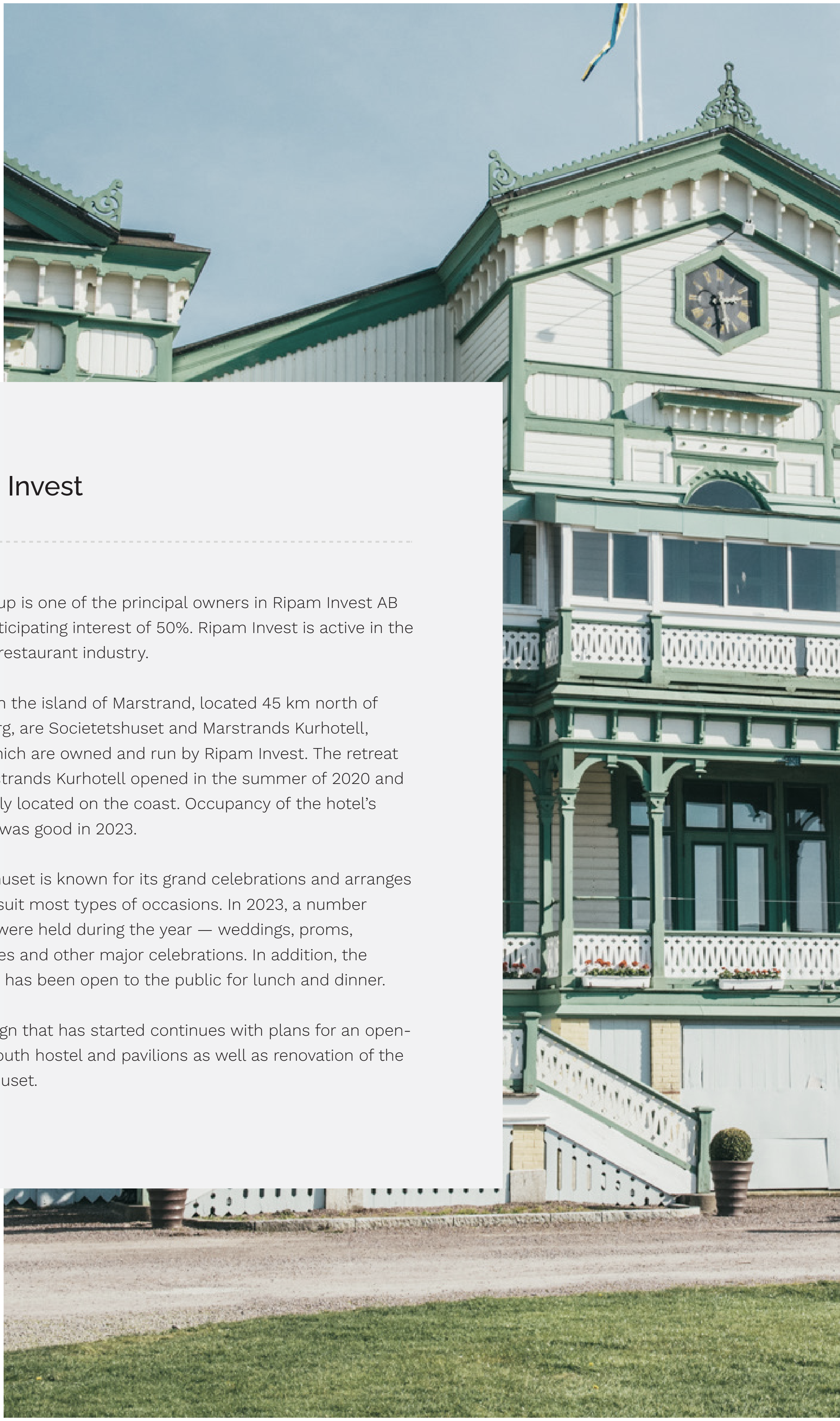
During the year, the head office moved to new premises in Hedin Group's head office in Mölndal. The move has brought improved opportunities for customer events and strengthened our brand locally. This makes it easier for the company to recruit and attract new customers.

Among our public products, Consensus World Technology (CWT) was top-performing with an increase of 50.7% and the mixed fund Consensus Lighthouse Asset had a good year with a return of 10%.

40
Average number of employees

10
Billions under management

60%
Equity ratio



Ripam Invest

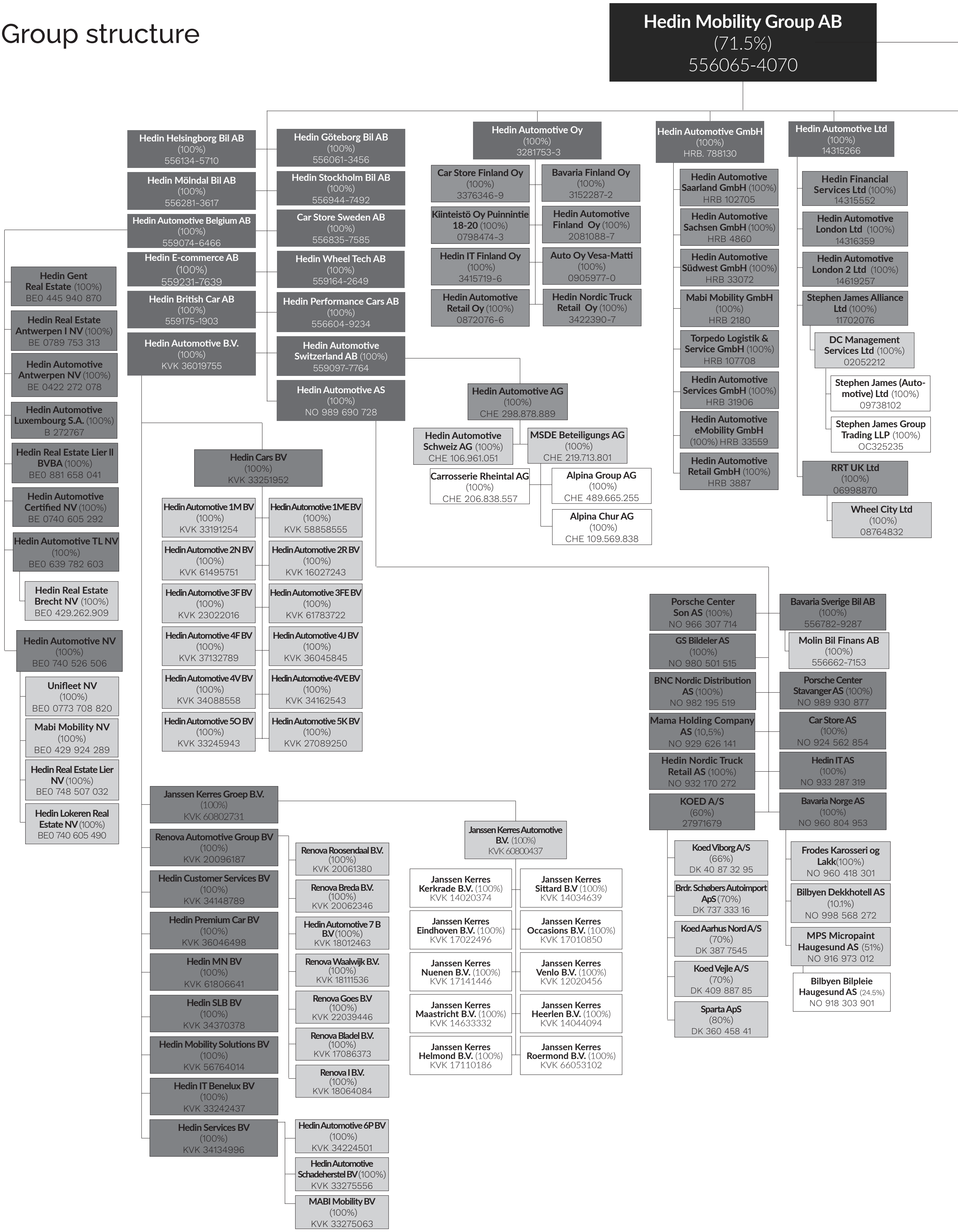
Hedin Group is one of the principal owners in Ripam Invest AB with a participating interest of 50%. Ripam Invest is active in the hotel and restaurant industry.

Located on the island of Marstrand, located 45 km north of Gothenburg, are Societetshuset and Marstrands Kurhotell, both of which are owned and run by Ripam Invest. The retreat hotel Marstrands Kurhotell opened in the summer of 2020 and is scenically located on the coast. Occupancy of the hotel's 40 rooms was good in 2023.

Societetshuset is known for its grand celebrations and arranges events to suit most types of occasions. In 2023, a number of events were held during the year — weddings, proms, conferences and other major celebrations. In addition, the restaurant has been open to the public for lunch and dinner.

The redesign that has started continues with plans for an open-air bath, youth hostel and pavilions as well as renovation of the Societetshuset.

Group structure



Hedin Group AB
556702-0655

- **Motor-Car Bratislava, spol.s r.o.** (100%) SK-35828161
  - **Motor-Car Košice s.r.o.** (100%) SK-36198595
  - **Motor-Car Nitra, s.r.o.** (51%) SK-36554049
  - **Motor-Car Nové Zámky, s.r.o.** (100%) SK-36528277
  - **Motor-Car Michalovce, s.r.o.** (100%) SK-36584231
  - **Motor-Car Prešov, s.r.o.** (90%) SK-36458236
  - **Motor-Car Banská Bystri-ca, spol. s r.o.** (100%) SK-36643947
  - **Motor-Car Zvolen s.r.o.** (100%) SK-36768162
  - **KIA Bratislava s.r.o.** (100%) SK-35873647
  - **BCI-S&T, s.r.o.** (34%) SK-30228573
  - **LEAS.SK, s.r.o.** (100%) SK-35849142
  - **MCW, s.r.o.** (100%) SK-35809655
  - **Autentik Motor-Car, Kft.** (51%) HU-08-09-015310
  - **Orientik Motor-Car, Kft.** (51%) HU-08-09-019122
  - **Carstore Slovakia, s.r.o.** (100%) SK-55649505
  - **Hošek Motor, a.s.** (100%) CZ-63484463
    - **Autocentrum hm, s.r.o.** (100%) CZ-26921294
- **Hedin MG Sweden AB** (100%) 559009-9429
- **Hedin MG Finland Oy** (100%) 3409606-3
- **Hedin HMC Motor Company AB** (100%) 556023-0053
- **Hedin Caetano AB** (50%) 559354-9651
  - **RN Nordic AB** (100%) 556713-6543
- **Hedin Electric Mobility AB** (100%) 556740-0857
- **Hedin Electric Mobility Gmbh** (100%) DE 355 782 414
- **Hedin Premium Car AB** (100%) 556042-0696
- **Hedin Adventure Car AB** (100%) 556371-6421
- **Hedin US Motor AB** (100%) 559124-2937
- **BNC Nordic Distribution AB** (100%) 556191-3798
- **Klintberg & Way Group AB** (100%) 559124-2945
  - **Klintberg & Way AB** (100%) 556563-6932
    - **KW Parts NV** (100%) BE 0453.881.311
    - **KW Parts GmbH** (100%) HRB.144881
    - **Pickup XL AB** (100 %) 559299-5376
    - **Klintberg & Way AS** (100%) 977515998
    - **Norrlands Custom AB** (100 %) 556785-7577
  - **Klintberg & Way Automotive SA** (100%) CHE-287.970.539
  - **KW Autohaus GmbH** (100 %) 29/405/01734
  - **KW Homologering AB** (80%) 556720-8300
    - **KW Technology Center Gmbh** (100%) HRB.30976
- **Hedin Parts and Logistics AB** (100%) 556602-9277
  - **Interwheel Sweden AB** (100%) 556437-9344
  - **Nyköpings Logistikpark AB** (100%) 559315-5640
  - **Hedin Parts & Logistics AG** (100%) CH-020.3.038.270-9
  - **Hedin Parts & Logistics Inc** (100%) 0801851184
  - **Hedin Parts & Logistics Ltd** (100%) 07848402
  - **Hedin Parts & Logistics GmbH** (100%) HRB 94950
  - **Hedin Recycled Halmstad AB** (100 %) 559365-1929
- **Car to Go Sweden AB** (100%) 556787-8052
- **Unifleet AB** (100%) 556254-5193
- **Mabi Mobility AB** (100%) 556675-9394
  - **Mabi Sverige AB** (100%) 556334-4901
  - **Mabi Mobility AG** (100%) CH 130.3.031.396-5
  - **Flexilease AB** (100%) 559061-2726
- **Hedin Real Estate AB** (100%) 556969-3624
  - **NL Projektbolag AB** (100%) 559346-9389
- **Hedin IT AB** (100%) 556954-4017
- **HMG Invest AB** (100%) 559390-0904
- **Hedin Nordic Truck Retail A/S** (100%) 44622130
- **Hedin BC i Malmö AB** (100%) 559056-0784
- **Hedin Supercharge AB** (100%) 556976-5737
- **Hedin Mobility Company 1 Ltd** (100%) 14519138
  - **Hedin Mobility Company 2 Ltd** (100%) 14519267
- **Lasingoo Sverige AB** (24.5%) 556973-1630
- **Mercedes-Benz Financial Services Slovakia s. r. o** (25%) SK-35728116

- **I.A. Hedin Fastighet AB** (100%) 559015-6708
  - **Borås EKO 10 Fastighet AB** (50%) 559135-1266
  - **KB Fastigheten EKO 10** (50%) 969677-7813
- **A.H. VärdepapperAB** (100 %) 556707-7440
- **Ripam Invest AB** (50 %) 556870-7540
  - **Societetshuset Fastighet i Marstrand AB** (100%) 556450-8553
  - **Marstrands Kurbadhus AB** (100%) 556859-5325
  - **Marstrands Kulturfastighet AB** (100%) 556629-6199
- **Consensus Asset Management AB** (28%) 556474-6518
- **Foundation Accounting i Väst AB** (100%) 559304-5486
- **Hedin Construction Holding AB** (100%) 559010-4419
  - **Hedin Construction AB** (100%) 556202-1237
    - **Hedin Construction Byggservice AB** (100%) 556333-9745
    - **Hedin Construction Snickeri AB** (100%) 556284-3648
    - **KB Tuve Industri-byggnader** (100%) 916559-0630
    - **Tuve Förvaltning AB** (100%) 556633-1145
      - **Tuve KBA AB** (100%) 556850-7676
  - **Tuve Projektutveckling AB** (100%) 559276-0614
    - **TBP 1 AB** (100%) 559272-6029
    - **TBP3 AB** (100%) 559298-5013
  - **Tuve Projektutveckling 2 AB** (100%) 559276-0614
    - **TBP Askimsannexet AB** (100%) 556980-3736

Board of Directors and senior executives

Anders Hedin
CEO
Chairman of the Board

Jan Litborn
Board member

Hampus Hedin
Board member

Helena Hedin
Board member

HEDIN GROUP

Anders Hedin, President & CEO
Hampus Hedin, Vice President
Per Mårtensson, CFO
Victor Bernander, Finance & Treasury Manager
Andréas Joersjö, General Counsel
Charlotte Martinsson, HR Director
Jørn Heiersjø, Real Estate Director
Rasmus Hansen, Procurement Director
Patrick Olsson, CEO Hedin IT AB


HEDIN GROUP

5-YEAR SUMMARY

MSEK	2023	2022	2021	2020	2019
Net sales	84,190	55,049	34,410	27,486	25,949
Operating profit	1,601	2,290	1,368	766	315
Financial items	-817	-113	-200	-205	-232
Profit before tax	784	2,178	1,167	561	82
Tax	-38	-349	-251	-114	-31
Net profit for the year	746	1,829	916	447	51
Intangible fixed assets	4,311	3,208	2,193	2,060	2,110
Tangible fixed assets	29,152	22,818	12,924	9,339	7,989
Financial assets	1,998	2,018	1,163	534	491
Inventories	17,289	13,647	4,363	3,623	3,715
Accounts receivable	4,288	3,785	1,766	1,337	1,446
Other current assets	3,907	2,722	2,879	1,128	1,140
Total assets	60,945	48,198	25,288	18,021	16,891
Equity	9,220	8,836	6,814	2,084	1,803
Long-term liabilities	22,061	17,102	9,849	9,112	7,980
Accounts payable	9,293	7,320	2,745	2,446	2,312
Other current liabilities	20,371	14,940	5,880	4,379	4,796
Total equity and liabilities	60,945	48,198	25,288	18,021	16,891
Cash flow from operating activities	3,189	1,868	2,996	2,225	1,686
Cash flow from Investing activities	-5,141	-8,475	-4,868	-1,042	-1,679
Cash flow from Financing activities	2,359	5,488	3,444	-1,078	60
Cash flow for the year	407	-1,119	1,572	105	67
Equity ratio	15%	18%	27%	12%	11%
Return on equity	8%	23%	21%	23%	3%
Average number of employees	9,636	6,437	3,815	3,216	3,238

MEUR	2023	2022	2021	2020	2019
Net sales	7,587	4,947	3,365	2,738	2,488
Operating profit	144	206	134	76	30
Financial items	-74	-10	-20	-20	-22
Profit before tax	71	196	114	56	8
Tax	-3	-31	-25	-11	-3
Net profit for the year	67	164	90	45	5
Intangible fixed assets	389	288	214	205	202
Tangible fixed assets	2,627	2,051	1,264	931	766
Financial assets	180	181	114	53	47
Inventories	1,558	1,226	427	361	356
Accounts receivable	386	340	173	133	139
Other current assets	352	245	282	113	109
Total assets	5,493	4,331	2,473	1,796	1,619
Equity	831	794	666	208	173
Long-term liabilities	1,988	1,536	963	908	764
Accounts payable	838	658	268	244	222
Other current liabilities	1 836	1,343	575	436	460
Total equity and liabilities	5,493	4,331	2,473	1,796	1,619
Cash flow from operating activities	287	168	293	222	162
Cash flow from Investing activities	-463	-762	-476	-104	-161
Cash flow from Financing activities	213	493	-337	-107	6
Cash flow for the year	37	-101	154	11	7
Equity ratio	15%	18%	27%	12%	11%
Return on equity	8%	23%	21%	23%	3%
Average number of employees	9,636	6,437	3,815	3,216	3,238
Exchange rate SEK/EUR	11,096	11.13	10.23	10.04	10.43

Director's report

The Board and CEO for Hedin Group AB, corp. ID no. 556702-0655 herewith submit the Annual Report and consolidated accounts for the accounting year 01/01/2023 – 31/12/2023.

GENERAL INFORMATION ABOUT THE BUSINESS

The Hedin Group is a family-owned company active mainly in sales and service of vehicles, import and distribution of vehicles, spare parts and tyres as well as leasing and short-term rentals of vehicles plus construction and contracting business.

AUTOMOTIVE

Retail

In Retail we conduct retailing of passenger vehicles, trucks and commercial vehicles in several European countries. This is done using a full-service concept where both private and corporate customers are offered, in addition to vehicles, financing, service agreements, tyre hotels and insurance. The operations are conducted in Sweden, Norway, Finland, the Netherlands, Belgium, Switzerland, Slovakia, the Czech Republic and Hungary. During the year, Germany, Great Britain and Luxembourg were added, which means that we now cover 12 countries in northern and central Europe. In total, more than 40 car brands are offered, with Mercedes-Benz, BMW, Ford, KIA, BYD and MG among the largest. In Sweden the majority of sales take place under the trademark Hedin Bil. The Bavaria brand is used in Sweden, Norway and Finland for sales of BMW and Mini, while Hedin Performance Cars is used for sales of Porsche in dedicated Porsche Centres in Sweden and Norway. Hedin Automotive is used as a trademark for sales in other European countries except Slovakia, the Czech Republic and Hungary where the established name Motor-Car is used, and in the UK where the Stephen James brand is used for sales of BMW and Mini.

Distribution

In Distribution, import and distribution of vehicles, spare parts and tyres is conducted. The vehicles are distributed both through wholly-owned dealers in the business area Retail, as well as by external dealers. In Sweden the brands Ford, MG, BYD and Hongqi are distributed. Hongqi is also distributed in the Netherlands, Belgium and Luxembourg, and BYD is distributed in Germany. The operations relate to sales of new passenger and commercial vehicles as well as spare parts together with financing solutions, car damage warranties and private leasing offers. In Europe, import and distribution of the brands Dodge and RAM as well as Ford F-150 is conducted, including homologation under own management. For the trademark INEOS Grenadier distribution takes place in eleven European countries. Through the partly-owned company RN Nordic, distribution of Renault, Dacia and Alpine takes place in Sweden and Denmark.

Hedin Parts and Logistics is the exclusive global supplier of Saab original parts through a global network in Europe, North America, Asia and Australia. In addition to logistics services for external customers, they also handle spare parts distribution for several of our distribution brands.

Interwheel is one of Sweden's largest companies in the tyre sector and distributor for Alutec rims, Kumho tyres and Cooper's tyre range.

Since the beginning of 2023, car dismantling also takes place through the subsidiary Hedin Recycled Halmstad AB. This allows us to, among other things, offer used spare parts and thereby further strengthen our customer offer and our aftermarket.

The Group is an authorised spare parts distributor for General Motors North American Vehicles and Mopar (Chrysler, Jeep, Dodge, RAM), and one of Europe's largest spare parts wholesalers for American car parts with sales in 37 countries. Sales take place under the trademark KW Parts.

Distribution and sales of BMW spare parts for the Norwegian and Danish market takes place in GS Bildeler i Norway and Koed in Denmark.

Mobility Solutions

Mabi Mobility offers short-term rentals through a complete range of passenger vehicles, light trucks and minibuses. In addition, there is a concept with long-term rentals that is marketed under the name Flexilease. The business is run mainly through franchises and has a nationwide network of stations in Sweden, as well as operations in Belgium, Switzerland and the Netherlands.

Car To Go Sweden AB conducts brokering of passenger cars through the Carplus brand, which comprises the entire range of services including leasing, insurance and service. The company is the driving force in the digital transformation of the automotive business, where the customer has the option to make a comprehensive choice of brand, model, colour, dealer and delivery location online. Unifleet AB offers operational and financial leasing as well as vehicle administration services to the Swedish corporate market.

CONSTRUCTION AND REAL ESTATE

Hedin Construction (formerly Tuve Bygg) operates in the areas of building contract work, construction services and carpentry with full focus on delivering innovative solutions with the highest quality at all stages. Customers are both private and public property owners and the offer relates to housing, community buildings, automotive and logistics facilities and ROT (Repairs, Conversion, Extension). Hedin Construction Byggservice AB carries out construction services in the Gothenburg region for private real estate companies and public clients, as well as conversions and extensions in smaller construction contracts. Hedin Construction AB develops end-to-end solutions for carpentry orders and designs and installs special orders for customised interior furnishings for private and public environments.

I.A. Hedin Fastighet AB develops and manages properties that are used as part of the group's operations.

INVESTMENTS

The company has investments in Consensus Asset Management AB and Ripam Invest AB. The Group also has investments in Mercedes-Benz Financial Services Slovakia s.r.o in the business area Automotive.

PARENT COMPANY

Hedin Group AB's operations consist essentially of managing and developing ownership in existing subsidiaries. The company is owned to 100% by Anders Hedin.

Key Figures

Amounts in MSEK	2023	2022	2021	2020	2019
Net sales	84,190	55,049	34,410	27,486	25,949
Profit after financial items	784	2,178	1,167	561	82
Total assets	60,945	48,198	25,288	18,021	16,891
Return on equity %	8	23	21	23	3
Equity ratio %	15	18	27	12	11
Equity ratio % excluding IFRS 16	19	22	34	16	15
Average number of employees	9,636	6,437	3,815	3,216	3,238

Definitions
Return on equity: Net profit for the year after tax in relation to average equity
Equity ratio: Equity in relation to balance sheet total

EVENTS DURING THE YEAR

Retail

- The acquisitions of BMW dealers Mats Lindholms Bil AB and Molin Bil AB were completed on 1 February 2023. The transactions mean that Hedin Mobility Group expands the BMW business in Bavaria.

- Hedin Automotive Belgium AB continued to grow with Toyota thanks to the acquisition of Toyota dealer Van Dijck in Brecht with 10 employees. With the acquisition Hedin Automotive has strengthened its geographic presence in the province of Antwerp and the Campine region and with a total of 26 dealerships the company is now Belgium's largest retailer. Transfer of business was on 8 February 2023.

- The acquisition of four dealerships in South London from Mercedes-Benz Retail Group UK Ltd was completed on 1 April 2023. The transaction covers four attractive locations – Brooklands, Dartford, Croydon and West Bromley – with a combined broad portfolio of passenger vehicles, commercial vehicles and aftermarket services. With the acquisition, Hedin Mobility Group establishes its first own retail operations in the UK.

- Hedin Automotive B.V. acquired three Dutch Peugeot dealerships operated by Nefkens, a dealer who is part of the Emil Frey Group, in Assen, Groningen and Veendam. The dealerships together employ some 56 people in vehicle sales, workshop and spare parts. With the acquisition Hedin Automotive expands its network of dealers in the northern Netherlands and thus strengthens its position in the Dutch automotive market. Transfer of business was on 3 April 2023.

- Hedin British Car AB entered into an agreement to acquire all shares in Förenade Bil JL i Malmö AB, which is the exclusive dealer of Jaguar and Land Rover in Skåne with an authorized service workshop. Transfer of business was on 28 April 2023.

- Hedin Automotive AG acquired the BMW-dealer H.P. Schmid AG's business north of Zürich in Switzerland. The acquisition further strengthens Hedin Automotive's position as the second largest dealer group for BMW and MINI in Switzerland – and Hedin Mobility Group's position as one of Europe's largest dealers of BMW. Transfer of business was on 15 May 2023.

- Hedin Automotive Luxembourg S.A. acquired the Mazda business at the dealer Garage Pirsch s.à.r.l. in Luxembourg, The transaction covers the company's entire business in sales of new and used cars as well as aftermarket services. Through the acquisition, Hedin Mobility Group enters the Luxembourg market for the first time. The group's presence in Benelux is thus completed to consist of market-leading retail operations in Belgium, the Netherlands and Luxembourg through the brand Hedin Automotive. Transfer of business was on June 2 2023.

- Hedin Mobility Group entered into a partnership with Lotus Cars, through which Hedin Mobility Group becomes the official agent for Lotus in Sweden and the Netherlands. The agreement covers sales of Lotus cars and related aftermarket services. In Sweden, Hedin Mobility Group's dealer group Hedin Bil will represent Lotus, while Hedin Automotive will act as official agent for the brand in the Netherlands.

- Hedin Mobility Group's Swedish dealer group Hedin Bil was appointed as official agent for the car brand smart. The agreement covers both vehicle sales and aftermarket services for smart-cars in the Swedish market. Hedin Bil will represent smart with a full range of services in Stockholm, Gothenburg and Malmö and will also offer smart-customers authorized maintenance and workshop services in Helsingborg, Jönköping, Linköping and Uppsala.

- Hedin Automotive B.V. acquired Renova Automotive Group B.V. with 250 employees. The acquisition comprises the Dutch dealer group's entire BMW and MINI business, which includes sales of new and used vehicles as well as aftermarket services and claims business. Renova runs five full-service dealerships for BMW, three of which also represent MINI, as well as two independent auto repair shops. In 2022, Renova's market shares for BMW and MINI were both over 9% and the Group had a turnover of approximately MEUR 200. Transfer of business was on 18 August 2023.

- Hedin Automotive Ltd acquired the reputable BMW and MINI dealer Stephen James Group. The transaction comprises all of Stephen James Group's operations, which include sales of new and used cars as well as a broad-ranging aftermarket business. The Stephen James Group sells over 6,000 new and used cars annually and employs around 400 people across five BMW dealerships, three of which also represent MINI, in the London region. Transfer of business was on 25 August 2023.

- Hedin Automotive GmbH entered into an agreement with Torpedo Garage Holding GmbH & Co. KG and Torpedo LT Investment GmbH to acquire a total of eight companies, in which all vehicle-related operations are run under the brand Torpedo Gruppe. The Torpedo Gruppe represents Mercedes-Benz, smart, Hyundai, Land Rover and BYD in 21 locations in six federal states. The Group offers private and corporate customers an end-to-end concept with sales of new and used passenger cars, commercial vehicles and trucks, car rental, insurance and financing solutions as well as a complete aftermarket business. In 2022, Torpedo Gruppe sold a total of 12,000 new and used vehicles and had net sales of MEUR 526 (agent business included). Approximately 1,260 people are employed in the Group. Transfer of business was on 30 August 2023.

- Hedin Automotive Oy acquired the Finnish Ford dealer Auto Oy Vesa-Matti, which sells new and used Ford passenger cars and commercial vehicles, and is also active in authorized spare parts sales and service. Auto Oy Vesa-Matti has a turnover of approximately MEUR 10 and sells some 800 new and used cars annually. Transfer of business was on 31 August 2023.

- Hedin Automotive Oy entered into an agreement with Delta Motor Group Oy to acquire all shares in Delta Auto Oy as well as Delta Motor Group Oy's operating activities. The transaction comprises all business activities in Delta Auto, including the sale of new and used cars, aftermarket and spare parts and automotive support functions. Delta Auto is a significant player in the Finnish automotive market, with sales of MEUR 322 in 2022, and employed 315 staff at 13 dealerships in 12 cities and a brand portfolio consisting of nine vehicle brands. With this acquisition, Hedin Automotive continues its growth strategy in Finland and expands its presence to a nationwide network of dealers from Helsinki to Oulu. Transfer of business was on 4 September 2023.

- Hedin Automotive B.V. entered into an agreement with Janssen Automotive B.V. to acquire Janssen Kerres Groep B.V. and Janssen Kerres Lease B.V. The acquisitions include the Janssen Kerre dealer group's operations in vehicle retail, leasing and aftermarket. Janssen Kerres represents KIA, Renault, Dacia and Nissan and runs 13 dealerships in the North Brabant and Limburg regions. Janssen Kerres also provides authorised workshop services for Peugeot and Citroën. In 2022, Janssen Kerres had net sales of MEUR 200 and employed 300 staff in its retail operations. Transfer of business was on 4 October 2023.

- On 30 November 2023, Hedin Automotive Ltd acquired the British wheel refurbishment specialist RRT (UK) Ltd. The business is located in Luton and processes 20,000 wheels annually.

Distribution

- Hedin Parts and Logistics AB acquired OnWheels Bildemontering AB and its parent company OW Förvaltning och Fastighets AB. OnWheels Bildemontering is a state-of-the-art facility of 3,200 square meters that is at the forefront of dismantling cars and recycling parts in a sustainable way, including the latest technology for environmentally friendly and safe handling of fluids. The facility, which currently employs six people, was inaugurated in autumn 2020 and is located in Getinge in Halland. Transfer of business was on 17 February 2023.

- Hedin Mobility Group and Iveco Group signed an agreement to acquire Iveco Group's distribution and retail operations in Sweden, Norway, Finland and Denmark. Through the planned acquisition, Hedin Mobility Group will take over the business of marketing and distributing commercial vehicles of the brand IVECO, including spare parts, in the four Nordic countries. The transaction is subject to regulatory approval and is expected to be finalised in the second half of 2024.

- Hedin Mobility Group and Ford Motor Company have signed a non-binding Memorandum of Understanding regarding the acquisition of Ford's national sales company in Finland. Through the proposed transaction, which is expected to be completed in 2024, Hedin Mobility Group will take over the business for import and distribution of Ford passenger cars, commercial vehicles and spare parts and accessories in the Finnish market.

Other

- Hedin Mobility Group AB (publ) issued MSEK 1,000 of senior uncovered corporate bonds in Swedish kronor under a framework of MSEK 2,000. The bonds will have a floating interest rate of STIBOR 3 months + 5.75 percent per annum and mature in July 2026. The bonds are listed for trading on the corporate bond list of Nasdaq Stockholm.

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EVENTS AFTER THE END OF THE FINANCIAL YEAR

- On 12 February 2024, it was announced that Hedin Mobility Group during the period November 2023 to February 2024 had divested its entire holding in the listed company Pendragon PLC.

- On 4 January, Hedin Mobility Group was appointed distributor for MG in Finland. The sales and service network will initially consist of 13 full-service dealerships operated by Hedin Automotive Finland. Sales and customer deliveries are expected to begin in the second quarter of 2024.

- Hedin Mobility Group AB has entered into an agreement to acquire Mercedes-Benz Försäljnings AB, which includes all of Mercedes-Benz Malmö's vehicle sales and aftermarket services operations, as well as the property where the business is conducted. The business employs approximately 137 people and sells some 2,200 vehicles per year. Transfer of business was on 3 May, 2024.

EXPECTED FUTURE DEVELOPMENT

The market conditions and economic climate in Europe, including high market interest rates, mean that the assessment of how the market will develop becomes very uncertain. There is also great variation between the markets in which we operate. With our diversification of brands and presence in various markets we see opportunities to manage this and allow us to offer our customers good alternatives. We work continuously to develop and streamline our operations, and through our broad geographical presence in Europe we are well positioned to take advantage of the opportunities that tomorrow's mobility business brings.

RISKS

Risks and risk-taking are part of our business which, if properly managed, can provide benefits in a changing world. A general economic downturn at the global level or in one of the world's leading economies can reduce demand for the Group's products, solutions and services. War, terrorism and other hostilities, as well as natural disasters and disruptions in the world's financial markets, can also have a negative effect on demand for the Group's products and services.

Each unit and function is responsible for identifying risks in its own operations. During the year, group management participated in training to better understand and manage risks from an Enterprise Risk Management (ERM) perspective and thus create a better foundation for continued growth and profitability. Below is a description of the risks that are expected to have the greatest impact on the Group.

External risk and political risk

The last few years have shown the global consequences a pandemic, or a military conflict, can have on a society and its economy. Rising inflation, higher interest rates and increasing electricity prices bring a risk of reduced demand for new vehicles. Russia's invasion of Ukraine in February 2022 also contributed to creating uncertainty in Europe and the world. There are risks that the uncertain situation creates a decline in economic activity in the market and that we are entering a recession.

Official decisions that lead to changes in taxes, fees, subsidies and restrictions on the products and services sold by the Group may affect both the demand for and the valuation of cars in stock and cars sold with guaranteed residual values.

We are also seeing increased regulation and higher demands on manufacturers and producers as well as distributors and dealers in the automotive industry. In the short and long term, these requirements lead to increased costs and affect competition in our geographical area of operation.

However, we view these new requirements as mainly positive, as in the long term they are needed for sustainable development, in which we want to be an active player and contribute to continued benefit for our customers and partners.

The construction business is dependent on the economic trend and housing construction. Unexpected price hikes on material and salaries entail a risk in fixed price projects for the project's profitability even if we have interprofessional agreements that are supposed to cover this.

Risks related to market developments

There is a risk of the consumption of durable goods, including cars, dropping to a significantly lower level over a longer period of time. This is usually linked to the economic climate and the development of market interest rates for financing car purchases. Some parts of the business, such as the aftermarket and used vehicles, are less sensitive to changes in the economic climate. By diversifying our operations and our geographical presence, we allow the diversification of risks. When there is an oversupply in the market there is a risk of car prices being adjusted downwards.

Most contracts with general agents are rolling two-year or five-year contracts. This means that it is necessary to have a good relation between general agent and retailer and to build long-term cooperation. The group aims to be an important cooperation partner for the respective general agent and to build trust between the parties. Creating an end-to-end concept with financing, insurance, service, credit cards and different forms of ownership contributes to increased customer loyalty and less risk.

Stock values and deliverability

Vehicle sales are dependent on the economic trend and create sensitivity in the group's sales development. To reduce sensitivity in profitability, efficient processes and having the stock situation under control are necessary. We continuously analyse existing stock and trade-ins to ensure that current stock is competitive.

Lack of components from sub-suppliers has resulted in delayed deliveries for certain models. This can affect our delivery capability in the short term. The uncertain global situation increases the cost of transport and also weakens the Swedish currency. This means higher prices for consumers with a risk of lower demand as a result.

Financing and liquidity

If the economic downturn becomes protracted there is a risk that refinancing of the current credit portfolio cannot be done. Continuous dialogue with our creditors is held in order to ensure long-term cooperation.

Risks related to acquisitions

Businesses are acquired as part of the group's strategic growth objectives. If the conditions in the acquired businesses differ from what is known prior to the acquisition or if the integration of the acquired businesses were to fail, this could have a negative impact on the Group.

In connection with all acquisitions, a comprehensive review (Due Diligence) is carried out with the aim of identifying all risks in the company's operations, in which the relevant internal functions participate in collaboration with external legal expertise.

The Group's strategic growth targets can also be seen as long-term risk management, with a wide range of brands also reducing the risks that arise from overexposure to individual brands. The expansion in recent years with several new brands and in new markets makes it possible to spread the risks. The group's operations in various parts of the automotive industry such as distribution, retail and mobility create opportunities to diversify and spread the risks.

SUSTAINABILITY

The group's sustainability work is carried out through its subsidiaries Hedin Mobility Group AB and Hedin Construction AB, respectively, and sustainability reports can be found in each company's Annual Report.

The work with running all of the group's operations in a responsible and sustainable way is based in our values, code of conduct and the policies and governing documents that apply. We work actively to develop and improve our sustainability performance. The aim is to always act based on a holistic perspective in order to achieve as good results as possible in all aspects – environmental, social and economic. The focus is on efforts that are assessed as being the most material based on our business and our stakeholders' needs, such as:

- Reduced emissions from the transport sector, by being part of electrification.
- Reduced carbon footprint in the own operations, by minimising waste, environmental certification for new construction projects and installing solar cells.
- Management of resources and safety all throughout the vehicle's life cycle, through service and repairs at 300 workshops, and body and paint shops all around Europe, as well as operations in car disassembly and recycling of used car parts.
- Being a responsible and attractive employer by ensuring a safe, secure and developing workplace for our employees.
- Economic growth contributes to maintaining good business quality and profitability, which provides the conditions for continuing to create value through direct and indirect job opportunities and payments to financiers and the public sector.
- Competition for skilled labour is tough all throughout the industry, especially for vehicle technicians. Attracting driven, committed and skilled staff is absolutely crucial for us to continue developing, growing and creating value for both our customers and society at large.

NET SALES AND RESULT

Net sales for 2023 amounted to MSEK 84,190 (55,049), an increase of 53%. Profit before tax amounted to MSEK 784 (2,178) and net income to MSEK 746 (1,829).

FINANCIAL POSITION

As of 31 December 2023, liquid assets and current investments amounted to MSEK 1,356 (934). Together with unutilised overdraft facilities the available liquidity was MSEK 2,683 (2,139).

The group's total assets amounted to MSEK 60,945 (48,198). Investments for the year in tangible and intangible assets amounted to MSEK 988 (628) and business acquisitions amounted to MSEK 2,450 (2,767).

PARENT COMPANY

Hedin Group AB's operations consist essentially of managing and developing ownership in existing subsidiaries. Profit/loss after financial items amounted to MSEK -26 (14) and net profit for the year amounted to MSEK -5 (29).

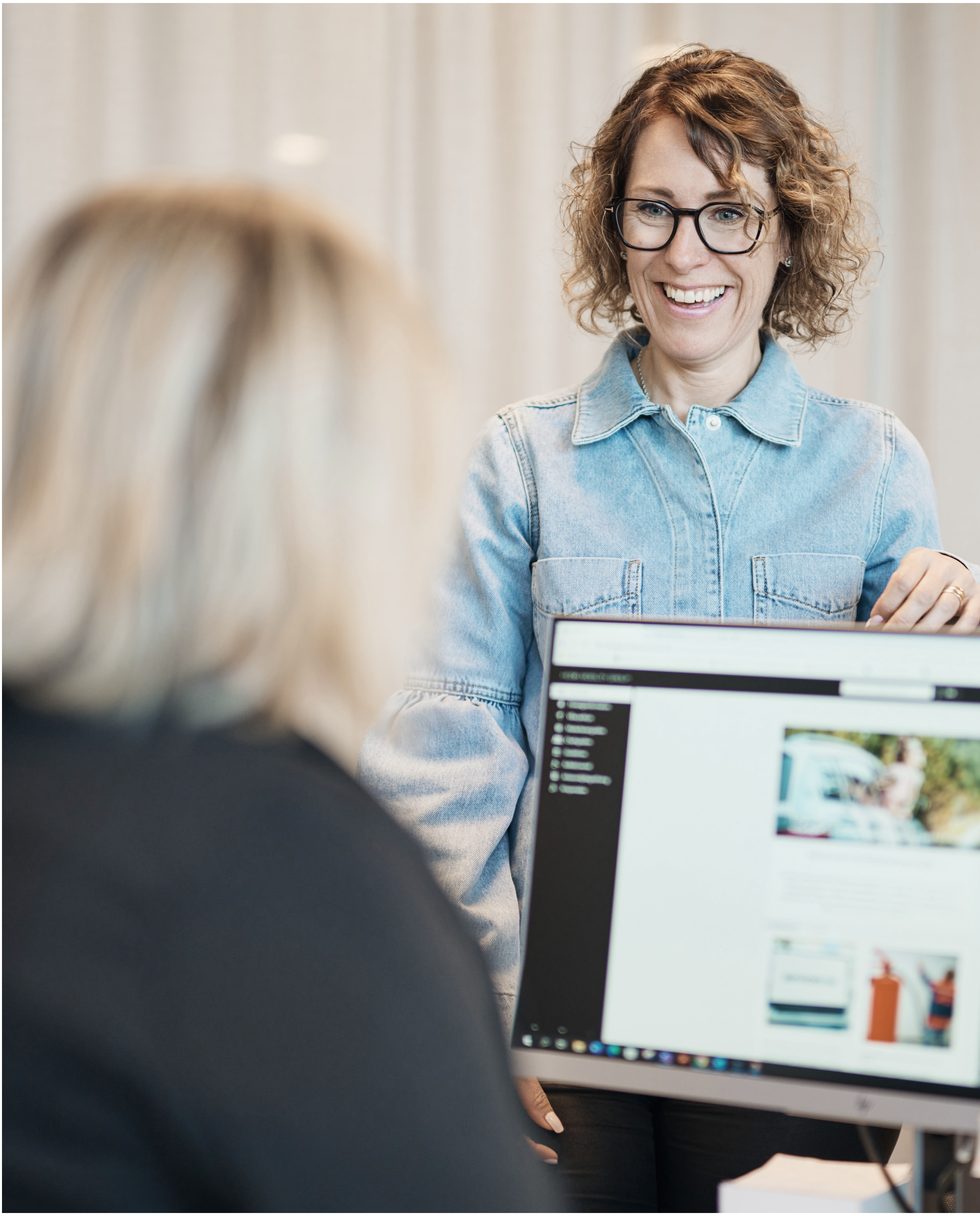
PROPOSED DISTRIBUTION OF UNAPPROPRIATED EARNINGS

The board proposes that earnings in the parent company at the disposal of the annual general meeting amounting to MSEK 1,318,717,036 be distributed as follows:

Dividend to shareholders	SEK 20,000,000
Balance carried forward	SEK 1,298,717,036

Dividend, subject to approval by the annual general meeting, will be provided at SEK 20,000,000, which means that non-restricted equity after paying dividend amounts to SEK 1,298,717,036. The proposed value transfer in form of dividend reduces the parent company's equity ratio to 95%. The equity ratio is, against the backdrop of the company's operations continuing to be run with profitability, assuring. Liquidity in the company is assessed as being able to be maintained on a similarly assuring level. The board's opinion is that the proposed dividend does not prevent the company from meeting its obligations in the short or long term, nor from completing required investments. The proposed value transfer can thus be justified with regard to what is stated in the Swedish Limited Companies Act chap. 17 § 3 sect. 2-3 (prudence rule)

For the company's financial position and performance, please refer to the following income statements and balance sheets with accompanying notes.



CONSOLIDATED INCOME STATEMENT AND TOTAL COMPREHENSIVE INCOME

Amounts in MSEK		2023	2022
Operating income			
Net sales	*4.8*	84,190	55,049
Other operating income	*5.12*	885	708
		85,075	55,757
Operating expenses			
Finished products and goods for resale	*3*	-67,778	-43,086
Other external expenses	*7*	-3,883	-2,628
Employee benefit expenses	*6*	-7,394	-4,781
Profit from participations in operational associated companies	*13*	56	7
Depreciation and amortisation of tangible and intangible fixed assets	*15.16*	-4,244	-2,664
Other operating expenses	*9.12*	-231	-315
Operating profit		**1,601**	**2,290**
Profit from financial items			
Profit from participations in associated companies	*13*	432	183
Financial income	*10,12*	40	19
Financial expenses	*11.12*	-1,289	-315
Profit before tax		**784**	**2,178**
Taxes	*14*	-38	-349
Net profit for the year		**746**	**1,829**
Net profit for the year attributable to:			
Parent company's shareholders		497	1,296
Holdings with non-controlling interests		249	533
Net profit for the year		**746**	**1,829**
Other comprehensive income			
Items that will not be classified to profit or loss for the period			
Remeasurements of pensions obligations, net after taxes		-41	46
Share of other comprehensive income from associated companies		-44	67
Items that may be reclassified to net profit for the period			
Cash flow hedging		-36	-46
Share of other comprehensive income from associated companies		0	1
Translation differences		-138	209
Total comprehensive income for the year		**487**	**2,106**
Comprehensive income attributable to:			
Parent company's shareholders		313	1,493
Holdings with non-controlling interests		174	613
Total comprehensive income for the year		**487**	**2,106**

CONSOLIDATED BALANCE SHEET

Amounts in MSEK	Note	31/12/2023	31/12/2022
ASSETS			
Fixed assets			
Intangible fixed assets			
Intangible rights	15	169	168
Customer relations	15	1,073	783
Goodwill	15	3,069	2,257
		4,311	3,208
Tangible fixed assets			
Land and buildings	16	1,117	1,927
Costs incurred on others' property	16	793	538
Equipment, tools and installations	16	1,523	807
Leasing vehicles	16	13,281	10,871
Right-of-use assets	16	12,219	8,521
Construction in progress	17	219	154
		29,152	22,818
Participations in associated companies	18	354	1,577
Other long-term securities	19	1,095	47
Deferred tax assets	14	507	381
Other long-term receivables		41	13
Total fixed assets		**35,461**	**28,044**
Current assets			
Inventories etc.	20		
Finished products and goods for resale		14,305	11,259
Goods in transit		2,984	2,388
		17,289	13,647
Current receivables			
Accounts receivable	21	4,288	3,785
Receivables from associated companies		17	24
Tax assets		38	17
Current investments	22	66	45
Other receivables		1,281	692
Prepaid expenses and accrued income	23	1,215	1,055
		6,905	5,618
Cash and cash equivalents	24	1,290	889
Total current assets		**25,484**	**20,154**
TOTAL ASSETS		**60,945**	**48,198**

CONSOLIDATED BALANCE SHEET

Amounts in MSEK	*Note*	**31/12/2023**	**31/12/2022**
EQUITY AND LIABILITIES			
Equity			
Share capital and other contributed capital		0	0
Reserves		7	129
Balanced earnings, including profit for the year		6,648	6,314
Equity attributable to the parent company's owners		**6,655**	**6,443**
Holdings with non-controlling interests	25	2,565	2,393
Total equity		**9,220**	**8,836**
Non-current liabilities			
Provisions for pensions	*26*	209	137
Deferred tax liabilities	*14*	420	392
Bond loans		993	0
Other liabilities to credit institutions	*33*	3,037	1,990
Lease liabilities	*33*	10,456	7,279
Other non-current liabilities	*27*	6,946	7,304
Total non-current liabilities		**22,061**	**17,102**
Current liabilities			
Overdraft facilities	33	1,928	787
Liabilities to credit institutions	33	1,707	2,876
Lease liabilities	33	1,801	1,263
Accounts payable		9,293	7,320
Tax liabilities		294	378
Other current liabilities	27	11,724	6,730
Accrued expenses and deferred income	28	2,917	2,906
Total current liabilities		**29,664**	**22,260**
TOTAL EQUITY AND LIABILITIES		**60,945**	**48,198**

CONSOLIDATED REPORT OF CHANGES IN EQUITY

Amounts in MSEK	Share capital	Reserves	Balanced earnings, incl. net profit for the year	Total	Holdings with non-controlling interests	Total equity
Opening balance 01/01/2022	**0**	**13**	**5,054**	**5,067**	**1,747**	**6,814**
Net profit for the year			1,296	1,296	533	1,829
Change in translation reserve for the year		149		149	61	210
Cash flow hedging		-33		-33	-13	-46
Share of other comprehensive income from associated companies			48	48	19	68
Revaluation of provisions for pensions			33	33	13	46
Other comprehensive income for the year		116	82	198	80	278
Transactions with owners						
Change in participating interest in subsidiaries			-17	-17	-20	-38
Acquisitions					54	54
Dividend to shareholders			-100	-100	-1	-101
Closing balance 31/12/2022	**0**	**129**	**6,314**	**6,443**	**2,393**	**8,836**
Net profit for the year			497	497	249	746
Change in translation reserve for the year		-96		-96	-41	-137
Cash flow hedging		-26		-26	-10	-36
Share of other comprehensive income from associated companies			-32	-32	-12	-44
Revaluation of provisions for pensions			-29	-29	-12	-41
Other comprehensive income for the year		-122	-61	-183	-75	-258
Transactions with owners						
Change in participating interest in subsidiaries			-2	-2	-1	-3
Dividend to shareholders			-100	-100		-100
Closing balance 31/12/2023	**0**	**7**	**6,648**	**6,655**	**2,565**	**9,220**

CONSOLIDATED CASH FLOW STATEMENT

Amounts in MSEK	Note	31/12/2023	31/12/2022
Operating activities	31		
Profit after financial items		784	2,178
Items not affecting cash flow		3,222	2,128
Income tax paid		-312	-228
Cash flow from operating activities before changes in working capital		**3,694**	**4,078**
Cash flow from changes in working capital			
Increase(-)/Decrease(+) in inventories		-941	-5,615
Increase(-)/Decrease(+) in operating receivables		-370	-1,233
Increase(+)/Decrease(-) in operating liabilities		806	4,638
Cash flow from operating activities		**3,189**	**1,868**
Investing activities			
Acquisition of subsidiaries	32	-2,450	-2,767
Acquisitions of associated companies		-10	-273
Purchase of intangible and tangible fixed assets		-988	-628
Sale of tangible assets		1,739	123
Purchase of leasing vehicles		-6,575	-6,309
Sale of leasing vehicles		2,624	1,396
Acquisition of financial assets		-88	-46
Sale of financial assets		607	29
Cash flow from investing activities		**-5,141**	**-8,475**
Financing activities			
Borrowings		3,315	2,650
Repayment of loans		-2,529	-278
Net change in overdraft facilities and similar credit facilities		1,134	649
Change in liability relating to repurchase agreements		1,930	3,542
Repayment of lease liability		-1,391	-975
Dividend paid to the parent company's shareholders		-100	-100
Cash flow from financing activities		**2,359**	**5,488**
Cash flow for the year		**407**	**-1,119**
Cash and cash equivalents at the beginning of the year		889	1,955
Exchange rate differences in cash and cash equivalents		-6	53
Cash and cash equivalents at year-end		**1,290**	**889**

Notes on the group's financial statements

Amounts in MSEK, unless otherwise stated.

NOTE 1 MATERIAL ACCOUNTING PRINCIPLES

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as they have been adopted by the EU. RFR 1 Complementary Accounting Regulations for Groups, issued by the Swedish Financial Reporting Board, have also been applied. Assets and liabilities have been valued at historical acquisition values with exception of certain disposable financial assets, as well as financial assets and liabilities valued at fair value through the income statement.

The board has, as of the date shown by the signatures, approved these consolidated financial statements for publication.

Preparing financial statements in accordance with IFRS requires the use of several important estimates for accounting purposes. Furthermore, management is required to make certain assessments when applying the Group's accounting principles. The areas that involve a high degree of assessment, which are complex, or are areas in which assumptions and estimates are of material significance to the consolidated accounts, are described in note 3.

Changes in reporting standards applied by the group in 2023
As of 1 January 2023, the group applies the amendments to IAS 12 Income Taxes relating to international tax reform - OECD Pillar 2 rules. The change had no effect on the amounts reported in either the comparison period or the current period.

There are no new standards, changes or interpretations that enter into force for the financial year starting 1 January 2023 that have had a significant impact on the group's financial reports.

New and changed reporting standards not yet effective
No new standards and interpretations that become effective after 31 December 2023 are expected to have any significant impact on the group's financial reports.

Consolidated accounts

The consolidated annual accounts have been prepared in accordance with the principles described in IFRS 10, consolidated financial statements. The consolidated annual accounts cover the parent company Hedin Group AB and all companies in which the parent company, directly or indirectly, holds more than 50% of voting rights, or otherwise has controlling influence. The group has controlling influence over a company when it is exposed to, or has the right to, variable returns on its participations in the company, and can affect returns by way of its controlling influence over the company. Companies are included in the consolidated accounts on the date controlling influence is transferred to the Group. They are excluded from the consolidated accounts on the date the controlling influence ends. Intragroup transactions, balance sheet items and unrealised gains and losses deriving from intragroup transactions are eliminated. The group applies IFRS10 for sale and lease-back transactions when disposing of subsidiaries that substantially own and manage properties where the group continues to lease and use the property after the disposal. This means that the capital gain/loss is recorded in full at the time of disposal.

Acquisition method
The acquisition method is used for recording the group's business acquisitions. The purchase price for the acquisition of a subsidiary consists of the fair value of transferred assets and liabilities. The purchase price also includes the fair value of all assets and liabilities that result from an agreement on a conditional purchase price. Subsequent fair value adjustments of a conditional purchase price that is classified as an asset or liability are recorded either in the income statement or in other comprehensive income. Conditional purchase price classified as equity is not revalued and subsequent settlement is recorded in equity. If the purchase price exceeds fair value of identifiable acquired net assets, the difference is recorded as goodwill. If the amount is below fair value for the acquired net assets, in case of an acquisition at a low price, the difference is recorded directly in the income statement.

Costs relating to acquisitions are carried as an expense as they arise.

Changes in participating interest in subsidiaries without changes in controlling influence
Transactions with owners without controlling influence that do not result in a loss of controlling influence are recorded as equity transactions, i.e., as transactions with the owners in their role as owners. A change in participating interest is recorded via an adjustment of the book values for the holdings with and without controlling influence in order to reflect changes in their relative holdings in the subsidiaries. For acquisitions from owners without controlling influence the difference between fair value of the purchase price paid and the actual acquired share of the book value of the subsidiary's net assets is recorded in equity.

Associated companies
Associated companies are all companies in which the group has a significant but not controlling influence, which generally applies to shareholdings that comprise between 20% and 50% of the votes. Holdings in associated companies are recorded in accordance with the equity method. When applying the equity method, the investment is initially valued at acquisition value and the book value is increased or decreased accordingly with the purpose of taking into account the Group's share of the associated company's profit or loss after the acquisition date. The group's reported value of participations in associated companies includes goodwill identified in conjunction with the acquisition. The group's share of profit that has arisen after the acquisition is recorded in the income statement, and its share of changes in other comprehensive income after the

acquisition is recorded in other comprehensive income with corresponding adjustments to holding's book value. When the group's share in an associated company's losses amounts to or exceeds its holdings in the associated company, including any receivables without security, the group does not record further losses unless the group has accepted legal liability or informal obligations, or has otherwise made payments on behalf of the associated company.

Translation of foreign currency

The parent company's functional currency is the Swedish krona, which also is the reporting currency for the parent company and group. Income items are translated at the average exchange rate. Translation differences that arise are carried directly to equity and reported in other comprehensive income.

Transactions in foreign currencies are translated into the functional currency using the exchange rates on the date of the transaction or the date the items are revalued. Exchange gains and losses that arise from payment of such transactions and when translating monetary assets and liabilities in foreign currencies at the rate on the balance sheet date, are reported in the income statement.
Exchange gains and losses that are related to loans and cash and cash equivalents are recorded in the income statement as financial income or expense. Loans related to acquisitions of foreign subsidiaries in the same currency are recorded in accordance with the principle for currency hedging. These exchange rate differences are accounted against the translation differences that arise when translating subsidiaries, and are carried directly to equity and recorded in other comprehensive income. All other currency exchange gains and losses are recorded in the operating profit.

Intangible fixed assets

Goodwill
Goodwill that arises as a result of business acquisitions is included in intangible assets. Goodwill is not amortised, instead an impairment test is conducted annually or more frequently if events or changes in conditions indicate a possible fall in value. Goodwill is recorded at cost, less accumulated write-downs. In the event of the sale of a unit, the book value of goodwill is included in the resulting gain/loss.

In order to conduct an impairment test, goodwill arising from business acquisitions is distributed to cash-generating units or groups of cash-generating units that can be expected to benefit from synergies of the acquisition. Each unit or group of units to which goodwill is distributed represents the lowest level in the Group at which the relevant goodwill is monitored by internal management.

Customer relations
Customer relations that are acquired in business acquisitions are reported at fair value. The acquisition value is calculated through cash flow valuation at the time of acquisition.

Intangible rights
Intangible rights consist primarily of investment in and development of IT systems, software and licenses. Maintenance costs for software are carried as an expense as they arise. Software development costs and costs for improved operating systems are recognised as an asset if they are technically usable and there are enough resources to complete development and thereafter use it. The acquisition value of software acquired through business acquisitions is recorded at fair value at the time of the acquisition. Depreciation of intangible fixed assets with the purpose of breaking down their acquisition value or revalued amount to the estimated residual value over the estimated useful life, is made straight-line as follows:

Customer relations	7 years
Intangible rights	3 - 5 years

Tangible fixed assets

Tangible fixed assets are recorded at cost less depreciation. The acquisition value includes expenses that are directly attributable to the acquisition of the asset. Additional costs are included in the asset's book value or are recorded as an individual asset, depending on which is appropriate, only when there is a likelihood of the Group benefiting from future financial benefits that are associated with the asset, and the asset's acquisition value can be measured reliably. The book value of the replaced part is removed from the balance sheet. All other forms of repairs and maintenance are reported as costs in the income statement during the period in which they arise.
Depreciation of assets with the purpose of breaking down their acquisition value or revalued amount to the estimated residual value over the estimated useful life, is made straight-line as follows:

Buildings	20 - 50 years
Costs incurred on others' property	10 - 15 years
Machinery	5 - 10 years
Inventory, equipment, fixtures and fittings	3 - 5 years

Land and art are not depreciated.

The assets' residual value and useful life are tested at the end of each accounting period and adjusted as necessary. An asset's book value is written down immediately to its recoverable value if the asset's book value exceeds its estimated recoverable value. Gains and losses that arise from sales are determined by comparing sales revenue and the book value and are recorded under other operating income or other operating expenses in the income statement.

Leasing vehicles

Assets that are leased under operating leases are reported as tangible fixed assets. These assets consist of sold cars combined with commitments for future repurchases at a guaranteed residual value. Depreciation is made at guaranteed residual value during the useful period, usually 3 years.

Write-down of non-financial assets

Intangible assets that have an undefined useful life or intangible assets that are not ready for use are not depreciated, but are tested for impairment annually. Depreciated assets are assessed for impairment whenever events or changes in circumstances indicate that the book value may not be recoverable. A write-down is made by the amount by which the asset's book value exceeds its recoverable amount.

The recoverable amount is the higher of the asset's fair value less selling expenses and its value in use. When assessing the write-down, all assets are grouped at the lowest levels where there are essentially independent cash flows (cash-generating units). For assets (other than goodwill) that have been previously written down, an assessment is made on each balance sheet date to determine whether a reversal should be made.

Financial instruments

Financial assets valued at amortised cost
Interest-bearing assets (debt instruments) that are held in order to collect contractual cash flows and where these cash flows consist solely of principal and interest are valued at amortised cost. The book value of these assets is adjusted by any expected credit losses recorded (see paragraph impairment below). The interest income from these financial assets is recorded using the effective interest method and is recorded as financial income. The group's financial assets that are valued at amortised cost consist of receivables from group companies, accounts receivable, other receivables and cash equivalents.

Financial liabilities at amortized cost
the Group's other financial liabilities are classified as valued at amortised cost, using the effective interest method. Financial liabilities at amortised cost consist of borrowings, loans from group companies, accounts payable and liabilities to group companies. Borrowings are initially recorded at fair value, net after transaction costs. Borrowing is subsequently recorded at amortised cost and any differences between the amount received (net after transaction costs) and the repayment amount is recorded in the statement of other comprehensive income, distributed over the loan term, applying the effective interest method. Borrowing is classified as short-term in the balance sheet if the Company does not have an unconditional right to postpone the debt settlement for at least twelve months after the reporting period. Dividends provided are recorded as a liability after the general meeting has approved the dividend. Accounts payable and other operating liabilities have expected short terms and are valued without discounting to nominal amounts.

Financial assets and liabilities valued at fair value via the income statement
Financial assets valued at fair value via the income statement consist of investments and conditional additional purchase price. Financial liabilities valued at fair value via the income statement are also recorded in subsequent periods at fair value and the change in value is recorded in net profit for the year. Liabilities in this category are classified as current liabilities if they fall due within 12 months from the balance sheet date. If they fall due later than 12 months from the balance sheet date they are classified as long-term liabilities.

Financial assets valued at fair value over comprehensive income
Long-term securities are classified as Equity instruments and recorded in accordance with the main principle at fair value in the balance sheet with actual changes in value in the income statement if the instrument does not fulfil the conditions for being recorded at fair value with actual changes in value in other comprehensive income. This is applied if the purpose of the holding at the first time of recording is not to sell it in the near term. In this case, the instrument is recorded at fair value in the balance sheet with actual changes in value in other comprehensive income. Dividends on instruments in this category are recorded in the income statement while the profit from the sale is recorded in other comprehensive income.

Impairment testing of financial assets
On each reporting date, the Group assesses the future expected loan losses that are linked to assets recorded at amortised cost based on forward-looking information. The group's financial assets, for which credit losses are expected, are assessed as consisting essentially of accounts receivable. The group's provision method is based on whether there has been a significant change in credit risk or not. The group records a credit provision for expected credit losses on each reporting date. For the group's financial assets, essentially accounts receivable, the group applies the simplified approach for credit provision, that is, the provision will correspond to the expected loss over the entire life of the accounts receivable. In order to measure the expected credit losses, accounts receivable have been classified based on distributed credit risk properties and overdue days. the Group uses forward-looking variables for expected credit losses.

Inventories

Inventories are reported at the lower of the acquisition value and net realisable value. The acquisition value is determined using the first-in, first-out method (FIFO). The net realisable value represents the estimated selling price in the current operations, less applicable variable selling costs. The assessment of the net realisable value is based on an individual assessment of vehicle inventories. In the case of spare parts stocks, an assessment of the stock is made based on age analysis. Vehicles acquired before delivery has been completed are recorded as goods in transit.

Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is reported in the income statement, unless the tax relates to items recorded under other comprehensive income or directly in equity. In those cases, the tax is also recorded under other comprehensive income or equity. The current tax cost is calculated based on the tax rules that are decided or decided in practice on the balance sheet date in the countries where the parent company and its subsidiaries are active and generate taxable income.

Deferred tax is recorded on all temporary differences arising between the taxable value of assets and liabilities and their book values in the consolidated accounts. However, a deferred tax liability is not recorded if it arises as a result of the initial recording of goodwill. Deferred tax is also not recorded if it arises as a result of a transaction that represents the initial recording of an asset or liability that is not a business acquisition and that, at the time of the transaction, does not affect the recorded or taxable income. Deferred income tax is calculated using tax rates that have been decided or announced as of the balance sheet date and which are expected to apply when the relevant deferred tax asset is realised, or the deferred tax liability is settled. Deferred tax assets are recorded to the extent that it is likely that future taxable surpluses will be available, against which temporary changes can be utilised.

Remuneration to employees

Plans for post-employment benefits are classified as either defined contribution plans or defined benefit plans. In defined contribution plans, fixed fees are paid to another company, usually an insurance company, and there is no further obligation to the employee once the contribution is paid. The extent of the employee’s post-employment benefits depends on the contributions paid and the return on capital that the contributions yield.

Obligations under defined benefit plans are met partly through the PRI system and partly through an insurance policy with Alecta. Defined benefit pension commitments via insurance taken out with Alecta are recorded as defined contribution pension plans. All pension premiums are carried as an expense during the period they were earned.

The liability recorded in the balance sheet relating to defined benefit pension plans is based on the current value of the defined benefit plan obligation at the end of the reporting period. The defined benefit pension plan obligation is calculated annually by independent actuaries using the so-called projected unit credit method.

The current value of the defined benefit plan is established by means of discounting of estimated future cash flows using interest rates for first-class housing bonds that have been issued in the same currency in which payments will be made and in accordance with terms that are comparable to the current pension plan obligation.

Revaluation gains and losses that arise as a result of experience-based adjustments and changes in actuarial assumptions are accounted for under other comprehensive income for the period in which they arise. They are included in profit brought forward in the report on changes in equity and in the balance sheet. Costs related to services performed in previous periods are recorded directly in the income statement.

Provisions

Provisions are recorded in the balance sheet in the event the Group has a legal or informal commitment that has resulted from previous events, and when there is a likelihood that an outflow of resources may be required to settle the commitment, and the amount can be calculated reliably. No provisions are made for future operating losses.

Revenue recognition

Net sales mainly include revenue from sales of vehicles and service. Sales of vehicles include sales of new vehicles as well as sales of used vehicles.

Vehicles

Customers can pay for vehicles at the time of sale or enter into agreements about various financing solutions such as instalment purchase and financial leasing. The financing solutions are then passed on to various finance companies.

Revenue is recognised when control of the vehicle has been transferred to the customer. The time of transferring control relates to the day of delivery of the vehicle. The value of provided discounts and other variable compensation has been taken into account as part of the revenue recognition. An assessment regarding variable compensation such as residual value guarantees is made at the beginning of the contract with ongoing revaluation at each reporting period. Commissions on transferred financial assets are recognised continuously during the term of the contract.

In cases where a vehicle sale is combined with a repurchase agreement and there is a financial incentive for the customer to resell the vehicle, control is not considered to be transferred to the customer. The revenue and the cost are then recorded over the residual value commitment period in accordance with operational leasing. An asset, a residual value debt and a prepaid lease income are recorded in the balance sheet. The asset is depreciated over the contract period and the prepaid lease income is distributed over the contract period. The residual debt remains unchanged until the end of the contract.

Aftermarket

Aftermarket includes sales of spare parts, maintenance service, extended warranty and other aftermarket products. The revenue is recorded when control has been transferred to the customer, which generally is when I.A. Hedin Bil has carried out service and a cost for the performance has arisen so that the customer can benefit from the service delivered. For spare parts, revenue is recorded at the time they are delivered to the customer. For maintenance service and other aftermarket products, the revenue is recognised over the contract period. In case payment is made in advance relating to service contracts a contract liability is recorded.

Vehicles, spare parts and tyres to retailers (Distribution)

Sales of vehicles, spare parts and tyres are recorded in accordance with IFRS15. Revenue is recognised at fair value of what has been received, or will be received, for goods and services sold after deduction for returns, discounts and VAT. Sales of vehicles take place via finance companies that offer consignment stock financing to the customer. The customer and finance company in some cases have the right to return the vehicles. An assessment is made about how large a share of the sale that will be returned, whereby this share is not taken up as revenue. Generally, this share is non-existent.

Leasing

Revenue is recognised at the end of the rental period when it is possible to calculate the revenue reliably and it is likely that the economic benefits will accrue to the company.

Construction

For performed service contracts or construction contracts in the construction business, the income and expenses related to the contract are recorded as income or cost, respectively, in relation to the percentage of completion (gradual income recognition). A contract's percentage of completion is determined by posted expenses on the balance sheet date being compared with estimated total expenses.
In case a service contract or a construction contract cannot be reliably calculated, the income is recorded only to the extent that is matched by the incurred expenses that will likely be reimbursed by the client. An anticipated loss on the contract is recorded as an expense.

Reporting of government grants

Grants from the government are recorded at actual value when there is reasonable certainty that the grant will be received and that the Group will meet the conditions associated with the grant. Government grants relating to cost recovery are distributed over a period of time and taken up as income in the income statement over the same period as the costs the grants are intended to cover. Government grants are presented as other income in the Group's income statement.

Leasing

The group as a lessor

For the lessor, the terms financial and operational leasing remains. Leasing in which a significant proportion of the risks and benefits of ownership are retained by the lessor are classified as operating leases. Payments made during the lease period are carried as an expense in the income statement straight-line over the lease period. Financial leasing exists when the economic risks and benefits associated with the ownership are transferred to the lessee.

The group as lessee

The group leases premises, equipment and vehicles. At the time when the leased asset is available for use in the group, the leasing agreement is reported as right-of-use asset with a corresponding lease liability. Lease payments are divided between repayment of this debt and financial expense. The right-of-use asset is depreciated on a straight-line basis over the asset's useful life, which normally corresponds to the length of the lease agreement. In cases where an assessment is made that the lease agreement will most certainly be extended, the useful life may be longer than the term of the agreement. The lease liability corresponds to the discounted present value of future lease payments until the agreement expires. The lease payment includes fixed fees and variable leasing fees that depend on index. Lease agreements with a term of less than 12 months, short-term leasing, and assets of low value are excluded and the leasing cost is carried as an expense under other external costs.

Cash flow statement

The cash flow statement is prepared in accordance with the indirect method. The recorded cash flow only includes transactions that involve incoming or outgoing payments. In addition to cash in hand, the Company classifies cash and cash equivalents as balances with banks and other credit institutions, as well as current liquid investments listed on a marketplace and with a maturity of less than three months from the acquisition date. Blocked funds are not classified as cash and cash equivalents. Changes in blocked funds are recorded in the investing activities.

The parent company's accounting principles

The parent company applies RFR2 Accounting for Legal Entities, and the Annual Accounts Act. The parent company applies other accounting principles than the group in the cases listed below.

Income statements and balance sheets follow the Annual Accounts Act's format. The report of changes in equity follows the Group's format but shall include the columns stated in the Annual Accounts Act. Furthermore, this involves a difference in terminology, compared to the consolidated accounts, primarily with regard to financial income and costs and equity.

Participations in subsidiaries are recorded at cost after deduction of any write-downs. Group contributions are recorded in the income statement under appropriations.

Financial instruments are recorded at cost, and the parent company thus applies the exception in accordance with RFR2 and does not report as a legal person in accordance with IFRS9. On every balance sheet date, the company assesses whether there is any indication for a write-down requirement in any of the financial assets. Write-down is done when the depreciation is assessed as being permanent. Write-down is recorded in the income statement item Result from other securities accounted for as fixed assets. All lease agreements are reported as operational leases, including the additional initial rent, but excluding costs for services such as insurance and maintenance, straight-line over the lease period.

RFR 2 allows exceptions from IFRS 16 Lease agreements for legal entities, which the parent company as lessee has applied. Lease agreements are herewith recorded as operational leasing.

NOTE 2 FINANCIAL RISK MANAGEMENT

Financial risk factors

The group is exposed through its operations to a number of financial risks, such as market risks (currency risks, interest risks) credit risks and liquidity risks. The group's overall risk management policy includes carefully monitoring developments in the financial markets and taking appropriate measures to minimise potentially unfavourable effects on the group's financial earnings.

Risk management is handled by a central finance division in accordance with policies adopted by the board. The CEO approves the risk management measures undertaken in accordance with the policy and does so in close collaboration with the group's operating units.

Currency risk

the group is exposed to currency risks that arise as a result of exposure to foreign currencies. The main currency risk for the group are the currency fluctuations that arise when the assets and liabilities of the foreign subsidiaries are translated. Net assets in foreign currency amounted to MSEK 1,849 (993) in EUR, MSEK 160 (209) in CHF, and MSEK 1,352 (1,357) in NOK. Purchases are made primarily in local currency in the respective country. In the import business, purchases are made in USD and EUR. Currency risks arise as a result of future business transactions, reported assets and liabilities and net investments in operations abroad. In order to limit the impact of currency fluctuations, purchases in USD and EUR are hedged with forward exchange agreements, based on cash flow forecast. If the Swedish krona had weakened or strengthened by 10% in relation to the US dollar, with all other variables constant, profit for the year as of 31 December 2023 would have been MSEK 236 (174) lower/higher as a result of changes in purchase and sales prices. If the Swedish krona had weakened or strengthened by 10% in relation to the EUR, with all other variables constant, profit for the year as of 31 December 2023 would have been MSEK 574 (752) lower/higher as a result of changes in purchase prices.

Interest rate risk in borrowing

The group's interest rate risk arises as a result of long-term borrowings. As a main principle, the group does not use derivatives to adjust underlying interest rate exposure. Other borrowings are at variable interest rates in SEK and EUR. Average interest rate is between 5.0% - 9.75%. If the interest rates on borrowings in Swedish kronor as of 31 December 2023 had been 1 percentage point higher/lower, with all other variables constant, the estimated profit after tax for the financial year would have been MSEK 10 (1) lower/higher, mainly as a result of higher/lower interest rates for loans with variable interest rates. If the interest rates for borrowings in Euro had been 1 percentage point higher/lower, the estimated profit would have been MSEK 43 (43) lower/higher.

Credit risk

Credit risks are managed at group level, with exception of credit risks relating to outstanding accounts receivable. Each company within the group is responsible for following up and analysing credit risks for each new customer prior to offering standard terms and conditions for payment and delivery. Credit risks arise as a result of cash and cash equivalents, balances with financial institutions and banks, as well as credit exposure to customers, including outstanding receivables and agreed transactions.
The use of credit limits is followed up regularly. The credit risk in trade debtors is specified in note 21.

Liquidity risk

Cash flow forecasts are prepared by the group's operating companies and aggregated by the group's Finance & Treasury Manager. The group's Finance & Treasury Manager and CFO carefully monitors current projections for the group's liquidity reserves in order to ensure that the group has sufficient liquidity to meet the requirements in current operations while at the same time maintaining sufficient room in agreed credit facilities that have not been utilised to ensure that the group does not exceed the credit limits of any of its loan facilities.

The table below analyses the group's financial liabilities distributed over the period remaining on the balance sheet date up to the agreed due date. The amounts in the tables are the contractual, and undiscounted cash flows.

Maturity structure on liabilities - Group	< 1 year	1-2 years	> 2 years
Bond loans	98	98	1,049
Liabilities to credit institutions	1,992	2,114	1,242
Overdraft facility	2,024	0	0
Lease liabilities	2,046	2,010	10,136
Accounts payable - trade	9,293	0	0
Other liabilities	7,343	4,491	2,315
Accrued expenses	306	0	0
Total	**23,102**	**8,713**	**14,742**

Financing agreements

Some of the Group's financing agreements include commitments of net debt in relation to EBITDA and Equity ratio. According to the agreements, the lender has the right to terminate the agreement for renegotiation or termination if the above commitments are not met. As of December 31, 2023, all conditions were met. In addition to net debt in relation to EBITDA, the bond agreement also includes commitments relating to interest coverage ratio. The latter condition is not fulfilled by 31 December 2023, which means that the Group is prevented from adding more debt or pay dividends.

NOTE 3 ESTIMATES AND ASSESSMENTS

Estimates and assessments are reviewed continuously and are based on historical experience and other factors, including expectations of future events that are seen as being reasonable under current circumstances. The group makes estimates and assessments about the future. The resulting estimates for accounting purposes will, by definition, seldom match the actual results The estimates and assumptions that carry a significant risk of essential adjustments in book values for assets and liabilities during the coming financial year are outlined below.

Impairment testing of goodwill

Every year, the Group examines whether any impairment testing of goodwill exists, in accordance with the Group's accounting principles. The recoverable amounts of cash-generating units have been determined by calculating the value in use. Certain estimates must be made for these calculations (note 15).

Repurchase agreements

When selling cars, the group may occasionally enter into repurchase agreements, which entail a commitment to repurchase a sold vehicle at a pre-agreed residual value. This occurs primarily in conjunction with private leasing transactions. The leases are reported as operational leases in accordance with the Group's accounting principles. The agreements entail a residual value risk in that the Group may be forced to sell pre-owned vehicles at a loss in the future, if the value of these then is weaker than predicted at the time the agreement was concluded. Ongoing assessments of these vehicles' future net realisable value are made along with random checks of the resale value of the returned cars against the market value. The cars are recorded as vehicles in tangible fixed assets and the repurchase commitment in Other liabilities.

Contract liabilities exist in form of cars sold with repurchase agreements, see note 27.

Inventories

Cars are valued to the lowest of acquisition value and net realisable value. Net sales value is determined based on estimated sales value reduced by selling expenses, see note 18.

NOTE 4 NET SALES

	2023	2022
Net sales distribution		
Retail	73,775	45,233
Distribution	14,495	13 274
Construction	2,646	2,531
Mobility Solutions	633	495
Elimination, other	-7,360	-6,484
	84,190	55,049
Net sales by geographic market		
Sweden	28,750	26,536
Norway	4,819	6,709
Finland	7,427	3,376
UK	3,099	62
Belgium, Luxembourg	8,844	5,552
Netherlands	14,622	7,954
Switzerland	4,305	2,218
Germany	4,410	718
Slovakia, Czech Republic, Hungary	6,974	1,490
Other countries	940	433
	84,190	**55,049**

NOTE 5 OTHER OPERATING INCOME

	2023	2022
Rental income	51	34
Support/contributions received	21	5
Exchange rate differences	269	318
Profit on sales of fixed assets	544	2
Negative goodwill	0	349
Total	**885**	**708**

The group applies IFRS10 for sale and lease-back transactions when disposing of subsidiaries that substantially own and manage properties where the group continues to lease and use the property after the disposal. This means that capital gain is recorded in full upon disposal, the capital gain for the year amounts to MSEK 528 (0).

NOTE 6 EMPLOYEES AND PERSONNEL COSTS

Average number of employees	2023	Of which men	2022	Of which men
Sweden	3,072	84%	2,784	85%
Norway	513	86%	517	87%
Belgium	771	87%	701	88%
Germany	537	80%	72	86%
Switzerland	431	81%	254	79%
Denmark	53	81%	42	86%
Netherlands	1,754	88%	1,308	89%
Finland	883	83%	474	83%
UK	417	73%	2	50%
USA	10	50%	7	57%
Slovakia	895	82%	211	82%
Hungary	109	72%	26	69%
Czech Republic	166	87%	39	86%
Luxembourg	26	92%	0	0
Group total	**9,636**	84%	**6,437**	86%

Salaries, other remuneration and social security costs	2023	2022
Board of Directors, CEO and other senior executives	15	10
(of which bonuses)	*(1)*	*(0)*
Other employees	5,507	3,407
Total Salaries and other remuneration	**5,522**	**3,417**
Social security costs	1 077	710
Pension costs	367	251
	6,966	4,378

Salaries and remuneration to the parent company's CEO and board that have been paid during the year amount to MSEK 3 (3) for 2 persons (2). Corresponding pension costs amount to MSEK 1 (1). The CEOs in subsidiaries have an agreement for a mutual period of notice of up to 6 months. No remuneration is paid to board members. One board member invoices for services rendered.

NOTE 7 REMUNERATION TO AUDITORS

	2023	2022
PwC		
Audit assignment	16	11
Tax consulting	1	2
Other assignments	9	13
	26	26
Other		
Audit assignment	6	3
Other assignments	2	1
	8	4
Total	**34**	**30**

The audit assignment involves examination of the Annual Report and financial statements as well as the administration by the Board of Directors and the CEO, other tasks that the company's auditor is responsible for performing as well as advice or other assistance that is prompted by observations during such review or the implementation of such tasks. Everything else is other assignments.

NOTE 8 LEASES

Amounts recorded on the balance sheet in accordance with IFRS 16

Recorded on the balance sheet are the following amounts related to leases:

	31/12/2023	31/12/2022
Right-of-use assets		
Properties	12,063	8,350
Equipment and vehicles	156	171
	12,219	8,521
Lease liabilities		
Short-term	1,801	1,263
Long-term	10,456	7,279
	12,256	8,542

Amounts recorded in the income statement in accordance with IFRS 16

Recorded in the income statement are the following amounts related to leases:

	2023	2022
Depreciation of right-of-use assets		
Properties	-1,343	-903
Equipment and vehicles	-56	-59
	-1,399	-962
Interest expenses (included in financial expenses)		
Properties	-241	-98
Equipment and vehicles	-2	-2
	-243	-100

Total cash flow relating to lease contracts was MSEK 1,516 (1,037).

The group as a lessor

Assets that are leased under operating leases are reported as tangible fixed assets. These assets consist of letting of premises, plus sold cars combined with future repurchase commitments at a guaranteed residual value. Lease income for the year amounts to MSEK 2,076 (1,778).

Future minimum lease income as of year-end was:	31/12/2023	31/12/2022
Within one year	1,139	1,128
Between one and five years	1,275	1,480
Later than five years	23	0
	2,437	2 608

NOTE 9 OTHER OPERATING EXPENSES

	2023	2022
Loss on sales of fixed assets	-5	-1
Exchange rate difference	-226	-314
Total	**-231**	**-315**

NOTE 10 FINANCIAL INCOME

	2023	2022
Profit from sale and revaluation of securities	0	6
Dividends	3	1
Exchange rate differences	0	11
Interest income	37	1
Total	**40**	**19**

NOTE 11 FINANCIAL EXPENSES

	2023	2022
Loss from sale and revaluation of securities	-7	0
Interest expenses	-973	-215
Interest expenses IFRS 16	-243	-100
Exchange rate differences	-66	0
Total	**-1,289**	**-315**

NOTE 12 EXCHANGE RATE DIFFERENCES

	2023	2022
Other operating income	269	318
Other operating expenses	-226	-314
Financial income	0	11
Financial expenses	-66	0
Total	**-23**	**15**

NOTE 13 PROFIT FROM PARTICIPATIONS IN ASSOCIATED COMPANIES

	2023	2022
Result from participations in associated companies, after tax:		
- Hedin Caetano AB	56	7
- Ripam Invest AB	-3	-2
- Pendragon PLC	124	188
- Consensus Asset Management AB	-2	-3
- Mercedes-Benz Financial Services Slovakia s.r.o	19	0
Capital gain on sales of shares - Pendragon PLC	183	0
Revaluation of shares - Pendragon PLC	111	0
Total	**488**	**190**

NOTE 14 TAXES

	2023	2022
Income tax		
Current tax on profit for the year	-240	-386
Adjustment of tax relating to previous years	11	-4
	-229	-390
Deferred tax	191	41
Total	**-38**	**-349**
Reconciliation of effective tax:		
Profit before tax	784	2,178
Tax according to applicable tax rate for the parent company (20.6%)	-162	-449
Effect of foreign tax rates	-8	-32
Non-deductible costs	-43	-17
Non-taxable income	195	131
Utilised tax losses carried forward, previously not recognised	25	21
Uncapitalized tax losses	-41	0
Other permanent differences	-4	-3
	-38	-349

Change in deferred tax assets and liabilities, net	2023	2022
Deferred tax assets and liabilities, net, opening balance	-11	-81
Reported in the income statement	191	41
Reported in other comprehensive income	9	35
Translation difference	6	-8
Business acquisitions / sales	-108	2
Deferred tax assets and liabilities, net, 31 December	**87**	**-11**

	Deferred tax asset		*Deferred tax liability*		*Net*	
Specification of deferred tax assets and tax liabilities	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Lease liabilities	2,592	1,802	0	0	2,592	1,802
Right-of-use assets	0	0	2,525	1,760	-2,525	-1,760
Other fixed assets	83	90	283	249	-200	-159
Current assets	23	9	27	29	-5	-20
Provisions	44	29	0	0	44	29
Unutilised tax losses carried forward	144	108	0	0	144	108
Untaxed reserves	0	1	108	114	-108	-113
Saved interest deductions	48	0	0	0	48	0
Other temporary differences	98	101	1	0	97	101
Offset of deferred tax assets and liabilities	-2,525	-1,760	-2,525	-1,760	0	0
Deferred tax assets and tax liabilities, net	**507**	**381**	**420**	**392**	**87**	**-11**

Maturity date, tax losses carried forward, net	2023
No maturity date	99
1-5 years	35
> 5 years	83
Total	**217**
Valuation reserve	-73
Deferred tax asset on tax losses carried forward	**144**

As of 1 January 2024, the Group is subject to the OECD Model Rules and the EU Directive for Pillar 2. According to the legislation, the Group is liable to pay additional tax on the difference between the effective tax rate calculated in accordance with the so-called "GloBE Rules" for each jurisdiction and the minimum tax rate of 15%. The Group is therefore currently assessing its exposure to additional taxes pursuant to Pillar 2. This assessment indicates that the Group will be able to use the simplification rules that are included in the regulations in all countries where the Group operates. As a result, no significant exposure to additional tax is expected. However, due to the complexity of the application of the legislation and the calculation of the so-called GloBE income, the potential quantitative effect of the adopted legislation is difficult to fully estimate. Going forward, the Group will continue to evaluate the potential effects of the new regulations and, if necessary, update the Group's assessments of the potential future impact of the regulations on current taxes.

NOTE 15 INTANGIBLE FIXED ASSETS

	Intangible assets	Customer relations	Goodwill
Acquisition cost			
Opening balance 1 January 2022	170	587	1,806
Purchases	57	0	0
Business acquisitions	67	553	363
Sales/disposals	-1	-6	0
Translation differences	9	49	88
Closing balance, 31 December 2022	302	1,183	2,257
Purchases	111	0	0
Business acquisitions	20	520	891
Transfers	-82	2	0
Sales/disposals	-53	0	0
Translation differences	-1	-42	-79
Closing balance, 31 December 2023	297	1,663	3,069
Accumulated depreciation			
Opening balance 1 January 2022	-87	-283	0
Depreciation for the year	-42	-110	0
Sales/disposals	0	6	0
Translation differences	-5	-13	0
Closing balance, 31 December 2022	-134	-400	0
Depreciation for the year	-52	-209	0
Transfers	20	0	0
Sales/disposals	37	0	0
Translation differences	1	19	0
Closing balance, 31 December 2023	-128	-590	0
Book value 31 December 2022	168	783	2,257
Book value 31 December 2023	**169**	**1,073**	**3,069**

Impairment testing of goodwill
Goodwill is monitored by management at a Group level. Impairment testing of goodwill attributable to cash-generating units and other intangible assets is conducted annually. Estimated recoverable amounts are based on management's expectations of future earnings and cash flow. The estimated cash flows are based on five-year forecasts using estimated market trends. After the five-year period, the cash flow is based on a permanent growth rate of 2% (2%).

When calculating the recoverable amount for cash-generating units, a discount factor of 13.3% (9.4%) before tax has been used, based on WACC (weighted average cost of capital) and value in use, as the basis for the recoverable amount. The recoverable amount exceeds goodwill for all cash-generating units. There is no need to write down goodwill even with reasonable changes in the assumptions.

The following cash-generating units have recorded goodwill values:	31/12/2023	31/12/2022
Retail	2,881	2,074
Distribution	57	52
Mobility Solutions	48	48
Construction	83	83
Total	**3,069**	**2,257**

NOTE 16 TANGIBLE FIXED ASSETS

	Land and buildings	Costs incurred on others' property	Equipment, tools and installations	Leasing vehicles	Right-of-use assets
Acquisition cost					
Opening balance 1 January 2022	699	379	918	7,562	7,103
Purchases	199	159	181	6,309	1,321
Business acquisitions	1,085	159	448	663	2,788
Sales/disposals	-51	-13	-76	-2,300	-80
Transfers and other	5	0	-10	0	0
Translation differences	85	52	40	213	198
Closing balance, 31 December 2022	2,022	736	1,501	12,447	11,330
Purchases	38	252	397	6,575	2,375
Business acquisitions	223	74	716	131	2,262
Sales/disposals	-1,120	-121	-197	-3,559	-50
Transfers and other	38	183	135	573	577
Translation differences	44	-8	-36	82	-123
Closing balance, 31 December 2023	1,245	1,115	2,516	16,249	16,371
Accumulated depreciation					
Opening balance 1 January 2022	-55	-98	-551	-1,156	-1 903
Depreciation for the year	-33	-67	-180	-1,269	-962
Sales/disposals	7	2	32	904	79
Transfers and other	-2	0	12	0	0
Translation differences	-12	-34	-8	-55	-23
Closing balance, 31 December 2022	-95	-197	-695	-1,576	-2,809
Depreciation for the year	-51	-119	-303	-2,110	-1,399
Sales/disposals	46	15	76	935	45
Transfers and other	0	-26	-95	-192	0
Translation differences	-28	5	24	-25	11
Closing balance, 31 December 2023	-128	-322	-993	-2,968	-4,152
Book value 31 December 2022	1,927	539	806	10,871	8,521
Book value 31 December 2023	**1,117**	**793**	**1,523**	**13,281**	**12,219**

NOTE 17 CONSTRUCTION IN PROGRESS

	31/12/2023	31/12/2022
At the beginning of the year	154	27
Investments	189	63
Business acquisitions	30	72
Transfers	-153	-11
Translation difference	-1	3
Total	**219**	**154**

NOTE 18 PARTICIPATIONS IN ASSOCIATED COMPANIES

	Capital share	*Voting share*	*Carrying amount*	
Associated company / Corp. ID no. / Registered office			**31/12/2023**	**31/12/2022**
Hedin Caetano AB, 559354-9651, Mölndal	50%	50%	187	131
Ripam Invest AB, 556870-7540, Mölndal	50%	50%	0	1
Borås EKO 10 Fastighet AB, 559135-1266, Gothenburg	50%	50%	32	23
BCI-S&T s.r.o, 30228573, Slovakia	34%	34%	4	4
Pendragon PLC, UK 2304195, Nottingham, UK*	-	-	0	1,290
WellColl Heerlen B.V., 14047545, Heerlen, Netherlands	50%	50%	2	0
Schadebedrijf De Kade B.V., 50282700, Eindhoven, Netherlands	50%	50%	2	0
Lasingoo Sverige AB, 556973-1630, Stockholm	24.5%	24.5%	8	8
Mercedes-Benz Financial Services Slovakia s.r.o	25%	25%	97	97
Consensus Asset Management, 556474-6518, Mölndal	22.1%	28.3%	22	23
			354	1,577
Accumulated acquisition costs:				
Opening carrying amount			1,577	987
Business acquisitions			5	0
Purchases for the year			9	289
Sales for the year			-490	0
Revaluation			111	0
Reclassifications			-1,049	0
Dividend from associated companies			-19	-13
Shareholders' contributions			3	0
Result from participations in associated companies, after tax			194	190
Share of other comprehensive income, after tax			-44	68
Translation difference			57	56
Closing carrying amount			354	1,577

* Share in profits relating to Pendragon PLC is reported in the Group with a delay of one quarter, after the company's financial statements are published. As of 31 December 2023, the Group's share in Pendragon PLC is 17.8% (27.6%) and the shares are no longer reported as associated companies but as other long-term securities.

NOTE 19 OTHER LONG-TERM SECURITIES

	Carrying amount	
	31/12/2023	**31/12/2022**
Listed shares (Pendragon PLC)	1,049	-
Unlisted shares	46	47
	1,095	47
Accumulated acquisition costs:		
Opening carrying amount	47	34
Business acquisitions	0	2
Purchases for the year	1	10
Translation differences	-2	1
Transfers	1,049	-
Closing carrying amount	1,095	47

NOTE 20 INVENTORIES

	31/12/2023	**31/12/2022**
New cars	6,458	5,080
Used cars	4,885	3,715
Demo cars	1,267	925
Spare parts and tyres	1,432	1,168
Goods in transit	2,984	2,388
Other	262	372
	17,289	13,647

Of which impairment of inventories:

	31/12/2023	**31/12/2022**
New cars	-15	-6
Used cars	-168	-84
Demo cars	-104	-51
Spare parts and tyres	-138	-132
Goods in transit	-6	-8
Other	-14	-9
	-445	-290

NOTE 21 ACCOUNTS RECEIVABLES

Due date	**31/12/2023**	**31/12/2022**
Not due	2,723	2,553
Past due up to 30 days	1,043	960
Past due 30-60 days	196	143
Past due more than 60 days	326	129
	4,288	3,785

The maximum exposure for credit risk as of the balance sheet date for accounts receivable is the amount above. The fair value of accounts receivable is equivalent to its book value, since the discounting effect is not significant. No accounts receivable have been pledged as collateral for any liabilities apart from what can be seen under Pledged assets, note 29. The credit loss provision amounts to MSEK 69 (27).

NOTE 22 CURRENT INVESTMENTS

	31/12/2023	31/12/2022
Listed shares	66	45
	66	45
Accumulated acquisition costs:		
Opening carrying amount	45	22
Purchases for the year	81	36
Change in value	–13	12
Disposals for the year	–47	–25
Closing carrying amount	66	45

NOTE 23 PREPAID EXPENSES AND ACCRUED INCOME

	31/12/2023	31/12/2022
Accrued bonus from suppliers	231	375
Accrued income construction contracts	141	112
Other accrued income	289	201
Other items	554	367
	1,215	1,055

NOTE 24 CASH AND CASH EQUIVALENTS

	31/12/2023	31/12/2022
Cash and cash equivalents	1,290	889
	1,290	889

The Group has been granted overdraft facilities and revolving credit facilities of MSEK 3,889 (2,488), which are renegotiated annually. Of the facilities granted, MSEK 2,562 (1,283) were utilized as of 31 December 2023.

NOTE 25 HOLDINGS WITH NON-CONTROLLING INTEREST

The group owns 71.5 % in Hedin Mobility Group AB. Below is a summary of financial information for Hedin Mobility Group AB. The information refers to amounts before intercompany eliminations.

Summarised information from the balance sheet	**31/12/2023**	**31/12/2022**
Fixed assets	35,175	27,633
Current assets	24,759	19,463
Long-term liabilities	-21,994	-17,052
Current liabilities	-29,180	-21,844
Net assets	8,760	8,200

Summarised information on profit and loss	**31/12/2023**	**31/12/2022**
Net sales	81,678	52,522
Profit after financial items	880	2,194
Net profit for the year	820	1,846

Summary of cash flow statement	**31/12/2023**	**31/12/2022**
Cash flow from operating activities	3,165	1,861
Cash flow from investing activities	-5,222	-8,465
Cash flow from financing activities	2,424	5,531
Cash flow for the year	367	-1,073

NOTE 26 PENSIONS

	2023	**2022**
Opening carrying amount	137	162
Business acquisitions	36	23
Pension costs	9	14
Pension payments	-24	-18
Interest	1	1
Return on plan assets excluding amounts included in interest expenses	1	26
Revaluation as a result of changed financial assumptions	52	-92
Revaluation as a result of experience-based adjustments	-6	11
Translation difference	3	10
	209	137

Defined benefit pension plans
For white-collar employees in Sweden, the ITP 2 plan's defined benefit pension commitments for retirement and family pensions are secured through an insurance with Alecta. According to a statement from the Financial Reporting Board, UFR 10 Classification of ITP plans funded through an insurance in Alecta, this is a defined benefit plan that covers several employers. The Company has not had access to information and therefore could not report its proportional share of the plan's obligations, management assets and expenses, which has meant that is not been possible to record the plan as a defined benefit plan. Therefore, the pension plan ITP 2, secured through an insurance in Alecta, is reported as a defined contribution plan. The premium for the defined-benefit retirement and family pension is individually calculated and depends, i.a., on the salary, previously earned retirement and expected remaining employment period. The annual contributions for pension insurance in Alecta amount to MSEK 33 (MSEK 36).

The Group also has defined benefit plans in Sweden, which are secured via FPG/PRI. These plans are closed and no new earnings are made. The pension liabilities for these amount to MSEK 66 (MSEK 63). For the actuarial calculations, a discount rate of 3.1% (4.0%) and an inflation rate of 1.6% (1.9%) have been applied. The duration of the commitment is about 8 years.

The Group has defined benefit obligations in Switzerland, which are secured through collective pension foundations. The commitment depends on salary, age and period of service. The difference between the commitment and the value of the assets in the insurance is recorded as a pension commitment. For the actuarial calculations, a discount rate of 1.3% (2.15%) and an inflation rate of 1.25% (1.25%) and future salary increases of 1.75% (1.5%) have been applied. The duration of the commitment is estimated to be about 16 years.

Through the acquisition of Torpedo Gruppe in 2023, the Group also has defined benefit pension plans in Germany. For the actuarial calculations, a discount rate of 3.47%, inflation of 2.0% and future salary increases of 2.5% have been applied. The duration of the commitment is estimated to be about 8 years..

The table below shows the obligation's composition by country:

	2023				2022		
	Sweden	Switzerland	Germany	Total	Sweden	Switzerland	Total
Present value of defined benefit obligation	66	517	25	608	63	436	499
Fair value of plan assets		-399		-399		-362	-362
Provisions for pensions	**66**	**118**	**25**	**209**	**63**	**74**	**137**

Sensitivity analysis	Assumption	Change
Discount rate	+0.5%	-33
Inflation	+0.5%	17
Life span	+1 year	10

NOT 27 OTHER LIABILITIES

	31/12/2023	31/12/2022
Other non-current liabilities		
Liabilities relating to cars sold with repurchase agreements	6,806	6,818
Other liabilities	140	486
	6,946	7,304
Other current liabilities		
Value added tax	709	428
Employees' withholding tax	149	128
Liabilities relating to cars sold with repurchase agreements	5,635	2,816
Consignment vehicles with repurchase agreements	1,708	1,761
Advances from customers	236	357
Other liabilities	3,287	725
	11,724	6,215

NOTE 28 ACCRUED EXPENSES AND PREPAID INCOME

	31/12/2023	31/12/2022
Liabilities relating to employees	815	704
Interest expenses	56	12
Prepaid income	202	715
Currency hedging	55	9
Service agreements	216	208
Accrued expenses sold vehicles	475	383
Other items	1,098	875
	2,917	2,906

NOTE 29 PLEDGED ASSETS

	31/12/2023	31/12/2022
Floating charges	3,301	2,536
Land and buildings	580	2,031
Inventories, accounts receivable and equipment	5,116	3,650
Securities	32	23
Net assets in subsidiaries	2,683	2,242
	11,712	10,481

NOTE 30 CONTINGENT LIABILITIES

	31/12/2023	31/12/2022
Guarantee commitments FPG/PRI	1	1
Guarantees	267	267
	268	268

NOTE 31 SPECIFICATIONS OF THE CASH FLOW

Items not affecting cash flow	2023	2022
Depreciation	4,244	2,664
Unrealised exchange rate differences	-3	14
Gains/losses on sales of fixed assets	-539	-1
Profit from participations in associated companies	-472	-190
Provisions/receivables relating to pensions	-16	-7
Negative goodwill	0	-349
Other items not affecting cash flow	8	-3
	3,222	2,128

Financial liabilities	31/12/2023	31/12/2022
Opening carrying amount	24,514	13,014
Cash flow	2,458	5,776
Business acquisitions	2,754	4,311
Lease liability	3,005	1,291
Transfers and other	-80	0
Translation differences	-148	122
	32,503	24,514

Interest payments	2023	2022
Interest paid	-929	-403
Interest received	37	1

NOTE 32 BUSINESS ACQUISITIONS

Business acquisitions 2023
The acquisitions of BMW dealers Mats Lindholms Bil AB and Molin Bil AB, which were announced on 15 December 2022, were completed on 1 February 2023. The transactions include all vehicle sales and aftermarket operations at three full-service dealerships. The purchase price amounted to MSEK 132, including goodwill of MSEK 57.

Hedin Automotive Belgium AB acquired the Toyota dealership Van Dijck in Brecht with 10 employees. The purchase price amounted to MEUR 1, whereof goodwill of MEUR 0.4. Transfer of business was on 8 February 2023.

Hedin Parts and Logistics AB acquired OnWheels Bildemontering AB and its parent company OW Förvaltning och Fastighets AB. The business of car dismantling and recycling of spare parts is now conducted under the name Hedin Recycled Halmstad. The purchase price amounted to MSEK 13 including property and goodwill of MSEK 4. Transfer of business was on 17 February 2023.

The acquisition of four dealerships in South London from Mercedes-Benz Retail Group UK Ltd, announced on 24 November 2022, was completed on 1 April 2023. The transaction comprises three full-service dealerships and one workshop with about 360 employees in total. The purchase price for the asset deal amounted to MGBP 43, whereof customer relations amounted to MGBP 8. Goodwill amounted to MGBP 10, attributable to synergies with correspondng brands within present business.

Hedin Automotive B.V. acquired the Peugeot operations at three Dutch dealerships. The dealerships together employ some 56 people in vehicle sales, workshop and spare parts. Transfer of business was on 3 April 2023 and the purchase price amounted to MEUR 7 whereof customer relations amounted to MEUR 1.

Hedin British Car AB acquired Förenade Bil JL i Malmö AB, the exclusive dealer of Jaguar and Land Rover in Skåne with an authorized service workshop. The purchase price amounted to MSEK 20, including goodwill of MSEK 15. Transfer of business was on 28 April 2023.

Hedin Automotive AG acquired the BMW-dealer H.P. Schmid AG in Switzerland, with operations in vehicle sales and aftermarket, including a complete repair shop. The purchase price amounted to MCHF 2.6, whereof goodwill of MCHF 0.6. Transfer of business was on 15 May 2023.

Hedin Automotive Luxembourg S.A. acquired the Mazda business at the Garage Pirsch s.à.r.l. dealership in Luxembourg. The transaction includes all of Mazda's vehicle sales and aftermarket business. The purchase price amounted to MEUR 1.6, whereof goodwill of MEUR 1.2. Transfer of business was on 2 June 2023.

Hedin Automotive B.V. acquired Renova Automotive Group B.V. with 250 employees. The acquisition covers the Dutch dealer group's entire BMW and MINI business, which includes vehicle sales, aftermarket and claims business. Renova runs five full-service dealerships for BMW, three of which also represent MINI, as well as two independent auto repair shops. In 2022, Renova's market shares for BMW and MINI were both over 9% and the Group had a turnover of approximately MEUR 200. The purchase price amounted to MEUR 25, whereof acquired customer relations amounted to MEUR 3. Goodwill amounted to MEUR 10, attributable to synergies with correspondng brands within present business. Transfer of business was on 18 August 2023.

Hedin Automotive Ltd acquired the British dealer group Stephen James Group's operations in vehicle sales and aftermarket. Stephen James sells over 6,000 new and used cars annually and employs around 400 people across five BMW dealerships, three of which also represent MINI, in the London region. The purchase price amounted to MGBP 30, whereof MGBP 12 relates to customer relations. Goodwill of MGBP 12 is attributable to corresponing brands within present business and also synergies with present business in UK. Transfer of business was on 25 August 2023.

Hedin Automotive GmbH acquired a total of eight companies in which all vehicle-related activities of the German dealer group Torpedo Gruppe are conducted. Torpedo Gruppe runs a complete business in vehicle sales and aftermarket with presence in 21 locations in six federal states and approximately 1,260 employees. In 2022, the Group sold a total of 12,000 new and used vehicles with net sales of MEUR 526 (including the agent business). The purchase price amounted to MEUR 72, whereof acquired customer relations amounted to MEUR 17. Goodwill of MEUR 27 is attributable to synergies within corresponding brands within present business. Transfer of business was on 30 August 2023.

Hedin Automotive Oy acquired the Finnish Ford dealer Auto Oy Vesa-Matti, whose full-service dealership has a turnover of approximately MEUR 10 and sells some 800 new and used cars annually. The purchase price amounted to MEUR 0.8 and the transfer of business was on 31 August 2023.

Hedin Automotive Oy acquired Delta Auto Oy and Delta Motor Group's operations in vehicle sales and aftermarket. Delta Auto has 315 employees at 13 dealerships in 12 cities and sells some 13,000 cars per year. In 2022, net sales were MEUR 322. The purchase price amounted to MEUR 2 including goodwill on MEUR 1. Transfer of business was on 4 September 2023.

Hedin Automotive B.V. acquired Janssen Kerres Groep B.V. and Janssen Kerres Lease B.V. The acquisitions include the Janssen Kerre dealer group's vehicle operations in vehicle retail, leasing and aftermarket. Janssen Kerres represents KIA, Renault, Dacia and Nissan and runs 13 dealerships in the North Brabant and Limburg regions. Janssen Kerres also provides authorised workshop services for Peugeot and Citroën. In 2022, Janssen Kerres had net sales of MEUR 200. A total of 300 people are employed in its retail operations. The purchase price amounted to MEUR 11. Goodwill on MEUR 3 is attributable to synergies within present business in the Netherlands. Transfer of business was on 4 October 2023.

On 30 November 2023, Hedin Automotive Ltd acquired the British wheel refurbishment specialist RRT (UK) Ltd. The business is located in Luton and processes 20,000 wheels annually. The purchase price amounted to MGBP 0.4.

In 2023, the acquired operations contributed some MSEK 8,981 in net sales and MSEK -43 in operating loss. If the acquired companies had been consolidated as of 1 January 2023, the consolidated income statement would show net sales of a total of MSEK 93,201 and operating profit of MSEK 1,850.

During the year, no additional purchase price has been paid in connection with business acquisitions. There is also no ongoing acquisition agreement where an additional purchase price may be paid at a later time. All acquisitions of shares have resulted in an acquired share of equity and voting power of 100%.

	Mercedes-Benz, London (United Kingdom)	Stephen James Group (United Kingdom)	Torpedo Gruppe (Germany)	Other acquisitions	Total 2023
Intangible fixed assets	104	161	213	62	540
Tangible fixed assets	225	704	1,202	1,304	3,435
Financial assets	0	0	14	49	63
Inventories	254	438	794	1,396	2,883
Operating receivables	74	33	364	479	949
Cash and cash equivalents	0	76	11	29	116
Operating liabilities	-5	-422	-1,477	-1,459	-3,363
Acquired net assets	**652**	**989**	**1,122**	**1,861**	**4,623**
Goodwill	127	171	324	269	891
Provisions	-26	-45	-99	-26	-196
Non-controlling interests	0	0	0	2	2
Financial liabilities	-206	-701	-497	-1,351	-2,754
Purchase price	**548**	**414**	**850**	**755**	**2,566**
Cash and cash equivalents in acquired businesses	0	-76	-11	-29	-116
Impact on the Group's cash and cash equivalents	**548**	**338**	**839**	**726**	**2,450**

Business acquisitions 2022
On 6 January, the acquisition of Toyota de Laat in Belgium was completed. On 7 January, the Toyota and Lexus dealer Klaasen & Co, located in Turnhout, Belgium, was acquired. On 13 January the Toyota-dealer Trullemans, located in Dilbeek, Belgium, was acquired. The acquisition price amounted to MEUR 4 in total, of which surplus value of MEUR 0.5 relates to synergies with our existing operations in Belgium.

On 16 March, the acquisition of all shares in Stern Facilitair BV from the listed retailer Stern Group N.V. in the Netherlands was completed. The acquisition includes all parts of Stern's core business in the areas of retail, aftermarket, rental car, and leasing operations. Stern is one of the largest car dealers in the Netherlands and represents some 25 brands. The business is now run under the name Hedin Automotive. The purchase price amounted to MEUR 102, which includes negative goodwill of MEUR 33.

A total of six Ford dealerships in Sweden, which altogether employ over 90 people in car sales, workshop services and car parts, were acquired during the first half of the year. The acquisitions amounted to MSEK 23, of which surplus value of MSEK 8 is recorded as goodwill and relates to synergies with our existing Ford operations.

During the second quarter, Hedin Mobility Group entered the Finnish market for the first time with the acquisition of the renowned Laakkonen Group's automotive business. Laakkonen represents eight brands and is one of the largest car dealers in Finland, operating in 21 dealerships in 15 cities. Transfer took place on 31 May. The business is now run under the names Hedin Automotive and Bavaria Finland. Purchase price amounted to MEUR 47 of which acquired customer relations amounted to MEUR 8, which are recorded as intangible fixed assets. Goodwill of MEUR 10 relates to synergies with existing multi-brand and BMW operations in the Group.

On 9 June, the Company acquired all shares in Orio AB. Orio is a logistics company whose roots lie in the Swedish car industry, and is the exclusive global supplier of Saab Original spare parts through a global network in Europe, North America, Asia, and Australia. The company's head office as well as logistics and distribution centre, including the central warehouse of 57,000 sqm with a high rate of automation tailor-made for spare parts operations, is located in Nyköping, Sweden. At the start of 2023, the company changed name to Hedin Parts and Logistics AB. The purchase price amounted to MSEK 388 including real estate. Negative goodwill amounted to MSEK 10.

On 15 September, the acquisition of MB Antwerpen NV from the Mercedes-Benz Group was completed. The company's activities include sales and workshops at four Mercedes-Benz dealerships in Antwerp, Belgium. The purchase price amounted to MEUR 28 of which MEUR 2 relates to acquired customer relations, which are recorded as intangible fixed assets. Goodwill of MEUR 7 relates to synergies with existing operations in Belgium.

The acquisition of Motor-Car Group from Wiesenthal Autohandels AG, announced on 19 May, 2022, was completed on 5 October. Motor-Car is a leading retailer in East Central Europe with 17 dealerships and an extensive aftersales business in Slovakia, Hungary and the Czech Republic. In 2021, Motor-Car employed 1,100 people, sold 11,257 vehicles and had total net sales of approx. MEUR 453.8. The purchase price amounted to MEUR 68, of which acquired customer relations amounted to MEUR 34. Goodwill of MEUR 7 relates to synergies with corresponding brands in existing operations.

Hedin Automotive AG's acquisition of Alpina Group, which was announced in September 2022, was completed on October 20. Alpina Group is the largest dealer group for BMW and MINI in Eastern Switzerland and employs a total of about 140 staff in three full-service dealerships, with net sales in 2021 of some MEUR 117.5. The purchase price amounted to MCHF 17, of which acquired customer relations amounted to MCHF 7. Goodwill of MCHF 6 relates to synergies with existing BMW operations in Switzerland.

Hedin Automotive Belgium AB acquired the Mercedes-Benz Trucks Center in Sint-Pieters-Leeuw, which has approx. 40 employees and which in 2021 sold 348 vehicles, of which 167 trucks and 181 commercial vehicles, with net sales of MEUR 26.9. Transfer took place on 16 December and the purchase price was MEUR 7. A surplus value of MEUR 2 is recorded as goodwill and relates to synergies with existing operations.

	Hedin Automotive BV (Netherlands)	Hedin Automotive Oy (Finland)	Motor-Car Bratislava spol. s.r.o (Slovakia)	Other acquisitions	Total 2022
Intangible fixed assets	0	143	370	107	620
Tangible fixed assets	2,351	964	996	903	5,214
Financial assets	102	64	8	47	220
Inventories	1,206	777	794	637	3,414
Operating receivables	592	396	319	304	1,611
Cash and cash equivalents	209	137	200	107	653
Operating liabilities	-1,125	-1,108	-1,028	-500	-3,759
Acquired net assets	**3,336**	**1,373**	**1,659**	**1,605**	**7,973**
Goodwill	0	104	79	180	363
Negative goodwill	-349	0	0	-10	-359
Provisions	0	-16	-93	-121	-230
Non-controlling interests	0	0	-53	37	-16
Financial liabilities	-1,908	-965	-853	-585	-4,311
Purchase price	**1,079**	**496**	**739**	**1,106**	**3,420**
Cash and cash equivalents in acquired businesses	-209	-137	-200	-107	-653
Impact on the Group's cash and cash equivalents	**870**	**359**	**539**	**999**	**2,767**

NOTE 33 FINANCIAL INSTRUMENTS

The table below shows financial instruments by category.

31/12/2023	Valued at fair value through the income statement	Valued at fair value through other comprehensive income	Valued at amortised cost	Total
Assets				
Securities held as non-current assets	1,086	47		1,133
Accounts receivable and other receivables			5,627	5,627
Investments	66			66
Cash and cash equivalents			1,290	1,290
Total Assets	**1,152**	**47**	**6,917**	**8,116**

31/12/2023	Valued at amortised cost	Total
Liabilities		
Borrowings	7,805	7,805
Accounts payable	9,293	9,293
Accrued expenses	306	306
Other liabilities	35	35
Total Liabilities	**17,439**	**17,439**

31/12/2022	Valued at fair value through the income statement	Valued at fair value through other comprehensive income	Valued at amortised cost	Total
Assets				
Securities held as non-current assets		47		47
Accounts receivable and other recei-vables			4,515	4,515
Investments	45			45
Cash and cash equivalents			889	889
Total Assets	**45**	**47**	**5,404**	**5,496**

31/12/2022	Valued at amortised cost	Total
Liabilities		
Borrowings	6,168	6,168
Accounts payable	7,320	7,320
Accrued expenses	269	269
Other liabilities	266	266
Total Liabilities	**14,023**	**14,023**

The fair value of the loans corresponds to the carrying value, as the discount effect is insignificant. All borrowings are at a variable interest rate. For accounts receivable and accounts payable, the reported value correspond to the fair value when the maturity is less than one year.

The Group has been granted overdraft facilities and revolving credit facilities totalling MSEK 3,849 (2,488), which are renegotiated annually. Of the facilities granted, MSEK 2,562 (1,283) were utilized as of 31 December 2023.

NOTE 34 TRANSACTIONS WITH RELATED PARTIES

The Group has loans from partners and related parties to partners of MSEK 35 (77). Interest is paid at the government borrowing rate plus 3 percentage points. A large part of the properties are rented by Fastighets AB Balder. Erik Selin, CEO in Balder, is a board member and shareholder in Hedin Mobility Group AB.

NOTE 35 EVENTS AFTER THE END OF THE FINANCIAL YEAR

On 12 February 2024, it was announced that Hedin Mobility Group in the period November 2023 to February 2024 had disposed of all of its holdings in the listed company Pendragon PLC.

On 4 January, Hedin Mobility Group was appointed distributor for MG in Finland. The sales and service network will initially consist of 13 full-service dealerships operated by Hedin Automotive Finland. Sales and customer deliveries are expected to begin in the second quarter of 2024.

Hedin Mobility Group AB has entered into an agreement to acquire Mercedes-Benz Sales AB, which includes all of Mercedes Benz Malmö's business in vehicle sales and aftermarket services and the property where the business is conducted. The business employs approximately 137 employees and sells about 2,200 vehicles a year. Transfer of business was on 3 May, 2024.

INCOME STATEMENT - PARENT COMPANY

Amounts in MSEK	Note	2023	2022
Operating income			
Net sales	*1*	40	36
Other operating income		4	0
		44	**36**
Operating expenses			
Other external costs	*2.3*	-67	-44
Employee benefit expenses	*4*	-5	-5
Operating profit/loss		**-28**	**-13**
Profit/loss from financial items			
Result from securities	*5*	-7	18
Interest income and similar items	*6*	16	38
Interest expenses and similar items	*7*	-7	-29
Profit/loss after financial items		**-26**	**14**
Appropriations	*8*	19	22
Profit/loss before tax		**-7**	**36**
Income tax	*9*	2	-7
Net profit/loss for the year		**-5**	**29**

There is no other comprehensive income in the parent company.

BALANCE SHEET – PARENT COMPANY

Amounts in MSEK	Note	31/12/2023	31/12/2022
ASSETS			
Fixed assets			
Intangible fixed assets			
Intangible rights	*10*	1	1
		1	1
Tangible fixed assets			
Equipment, tools and installations	*11*	30	30
		30	30
Financial fixed assets			
Shares in Group companies	*12*	1,059	1,007
Shares in associated companies	*13*	12	12
Receivables from Group companies	*14*	0	260
Deferred tax asset	*15*	13	10
Other long-term receivables		8	0
		1,092	1,289
Total fixed assets		**1,123**	**1,320**
Current assets			
Current receivables			
Accounts receivable		0	1
Receivables from Group companies		4	229
Receivables from associated companies		17	18
Tax assets		12	8
Investments	*16*	66	45
Prepaid expenses and accrued income		65	85
		164	386
Cash and cash equivalents		81	13
Total current assets		**245**	**399**
TOTAL ASSETS		**1,368**	**1,719**

BALANCE SHEET – PARENT COMPANY

Amounts in MSEK	Note	31/12/2023	31/12/2022
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital, 1,000 shares		0	0
		0	0
Non-restricted equity			
Profit and loss brought forward		1,324	1,395
Net profit/loss for the year		-5	29
		1,319	1,424
Total equity		**1,319**	**1,424**
Untaxed reserves			
Untaxed reserves	*17*	0	19
Total untaxed reserves		**0**	**19**
Current liabilities			
Accounts payable		0	3
Liabilities to Group companies		8	2
Other current liabilities		34	267
Accrued expenses and deferred income		7	4
Total current liabilities		**49**	**276**
TOTAL EQUITY AND LIABILITIES		1,368	1,719

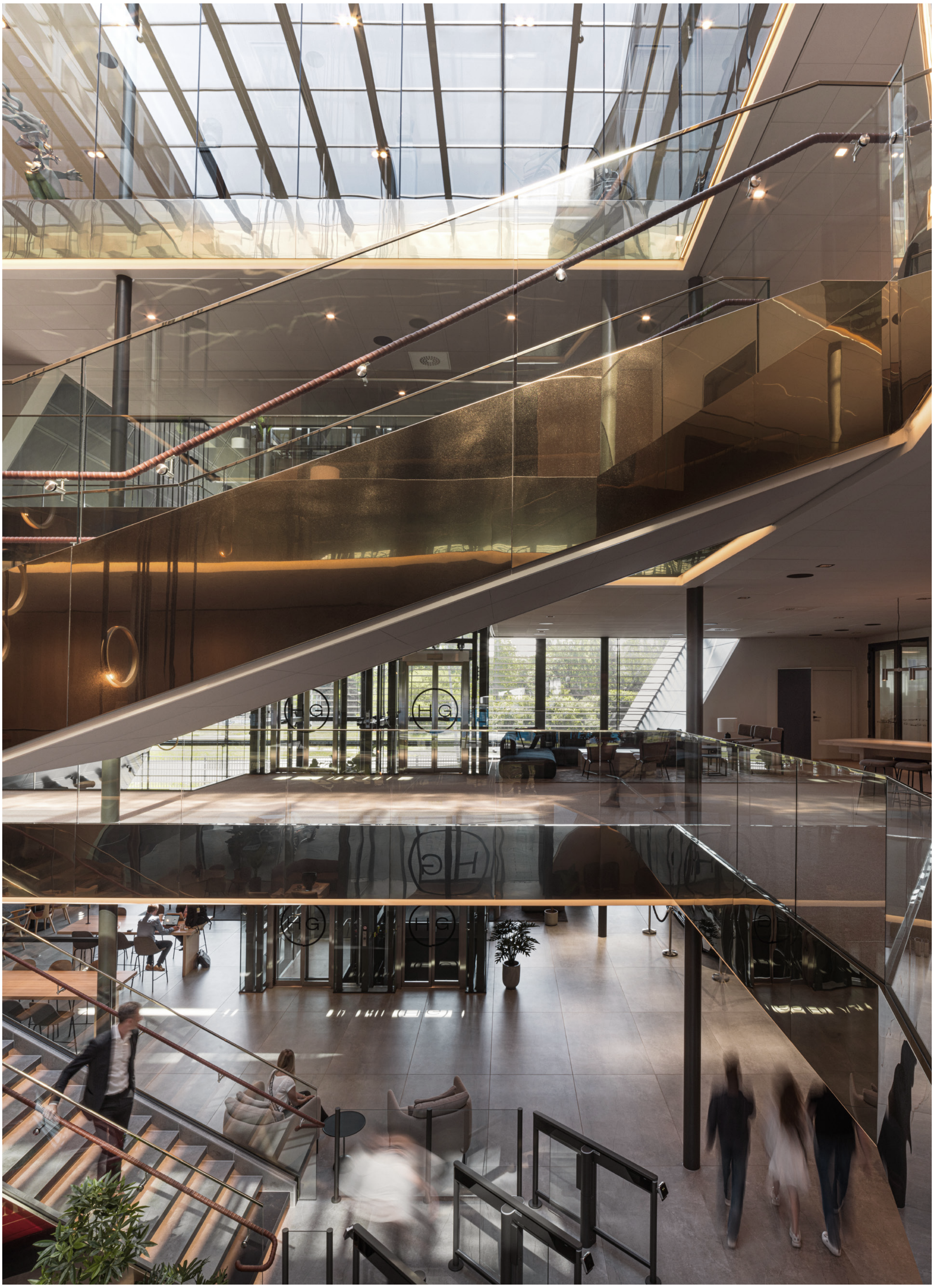
REPORT OF CHANGES IN EQUITY – PARENT COMPANY

Amounts in MSEK	*Share capital**	*Non-restricted equity*	*Total*
Opening Equity as of January 1 2022	**0**	**1,495**	**1,495**
Net profit/loss for the year		29	29
Dividend to shareholders		-100	-100
Closing equity as of December 31 2022	**0**	**1,424**	**1,424**
Net profit/loss for the year	0	-5	-5
Dividend to shareholders		-100	-100
Closing equity as of December 31 2023	**0**	**1,319**	**1,319**

* The share capital amounts to SEK 100,000 (100,000) and consists of 1,000 shares

CASH FLOW STATEMENT – PARENT COMPANY

Amounts in MSEK	Note	2023	2022
Operating activities			
Profit/loss after financial items		-26	14
Adjustments for non-cash items	*19*	9	-15
Income tax paid		-4	-22
Cash flow from operating activities before changes in working capital		**-21**	**-23**
Cash flow from changes in working capital			
Increase(-)/Decrease(+) in operating receivables		246	-25
Increase(+)/Decrease(-) in operating liabilities		-226	-19
Cash flow from operating activities		**-1**	**-67**
Investing activities			
Shareholders' contributions		-53	0
Acquisition of subsidiaries		-3	-3
Change in intercompany loans		260	90
Acquisition of financial assets		-89	-36
Sale of financial assets		54	29
Cash flow from investing activities		**169**	**80**
Financing activities			
Repayment of loans		0	-35
Dividend		-100	-100
Cash flow from financing activities		**-100**	**-135**
Cash flow for the year		**68**	**-122**
Cash and cash equivalents at the beginning of the year		13	135
Cash and cash equivalents at year-end		**81**	**13**



Notes on the parent company's financial statements

Amounts in MSEK, unless otherwise stated.

NOTE 1 NET SALES

Net sales relate mainly to debiting of group-wide services.

NOTE 2 REMUNERATION TO AUDITORS

The audit fee for the parent company amounts to MSEK 0,3 (0,3).

NOTE 3 OPERATING LEASES

Annual expenses for operating leases amounted to MSEK 32 (22).

Future minimum lease payments as of the closing day amounted to:	2023	2022
Within one year	15	20
Between one and five years	0	16
Later than five years	0	0
	15	36

NOTE 4 EMPLOYEES AND EMPLOYEE BENEFIT EXPENSES

Average number of employees	2023	2022
Sweden		
Men	2	2
Women	0	0
Total	**2**	**2**

The board consists of 4 (4) persons, of which 1 (1) woman.

Salaries, other remuneration and social security costs	2023	2022
Board of Directors, CEO and other senior executives	3	3
Other employees	0	0
Total Salaries and other remuneration	**3**	**3**
Social security costs	1	1
Pension costs	1	1
Total	**5**	**5**

NOTE 5 RESULT FROM SECURITIES

	2023	2022
Unrealised changes in value in securities	-13	12
Capital gain/loss	7	-8
Impairment of shares in associated companies	-3	0
Dividend	2	14
Total	**-7**	**18**

NOTE 6 INTEREST INCOME AND SIMILAR ITEMS

	2023	2022
Interest income, Group companies	13	16
Exchange rate differences	3	22
Total	**16**	**38**

NOTE 7 INTEREST EXPENSES AND SIMILAR ITEMS

	2023	2022
Interest expenses, external	-4	-8
Interest expenses, Group companies	0	0
Exchange rate differences	-3	-21
Total	**-7**	**-29**

NOTE 8 APPROPRIATIONS

	2023	2022
Tax allocation reserve	19	22
Total	**19**	**22**

NOTE 9 TAX ON PROFIT/LOSS FOR THE YEAR

	2023	2022
Current tax on profit/loss for the year	-1	-4
Deferred tax	3	-3
	2	**-7**
Reconciliation of effective tax		
Profit/loss before tax	-7	36
Tax according to applicable tax rate for the parent company (20.6%)	2	-7
Non-deductible costs	-1	-3
Non-taxable income	1	3
	2	-7

NOTE 10 CONCESSIONS, PATENTS, LICENCES AND SIMILAR RIGHTS

	31/12/2023	31/12/2022
Acquisition cost		
Opening balance	1	1
Purchases	0	0
Closing balance	1	1
Accumulated depreciation		
Opening balance	0	0
Depreciation for the year	0	0
Closing balance	0	0
Book value	1	1

NOTE 11 EQUIPMENT, TOOLS AND INSTALLATIONS

	31/12/2023	31/12/2022
Acquisition cost		
Opening balance	30	30
Purchases	0	0
Closing balance	30	30
Accumulated depreciation		
Opening balance	0	0
Depreciation for the year	0	0
Closing balance	0	0
Book value	30	30

NOTE 12 SHARES IN GROUP COMPANIES

	31/12/2023	31/12/2022
Accumulated acquisition costs:		
At beginning of the year	1,007	1,004
Purchases	3	3
Shareholders’ contributions	50	0
Closing carrying amount	**1,059**	**1,007**

Specification of the parent company's and group's participations in group companies
The ownership share of the capital also corresponds to the percentage of votes for the total number of shares.

Subsidiary / Corp. ID no. / Registered office	%	Carrying amount
Hedin Mobility Group AB, 556065-4070, Mölndal	71.5	818
Hedin Construction Holding AB, 559010-4419, Mölndal	100	241
AH Värdepapper AB, 556707-7440, Mölndal	100	0
I.A. Hedin Fastighet AB, 559015-6708, Mölndal	100	0
Foundation Accounting i Väst AB, 559304-5486, Mölndal	100	0
Total		1,059

NOTE 13 SHARES IN ASSOCIATED COMPANIES

	Capital share	Voting share	Carrying amount	
Associated company / Corp. ID no. / Registered office			31/12/2023	31/12/2022
Consensus Asset Management, 556474-6518, Mölndal	22%	28%	12	12
Ripam Invest AB, 556870-7540, Mölndal	50%	50%	0	0
			12	12
Accumulated acquisition costs:				
Opening carrying amount			12	12
Purchases for the year			0	0
Shareholders' contributions			3	0
Impairments			-3	0
Closing carrying amount			12	12

NOTE 14 RECEIVABLES FROM GROUP COMPANIES

	31/12/2023	31/12/2022
Opening carrying amount	260	350
Repayment of loans	-260	-90
Closing carrying amount	0	260

NOTE 15 DEFERRED TAX ASSET

	31/12/2023	31/12/2022
Opening carrying amount	10	13
Reported in the income statement	3	-3
	13	10

NOTE 16 INVESTMENTS

	31/12/2023	31/12/2022
Listed shares	66	45
	66	45
Accumulated acquisition costs:		
Opening carrying amount	45	22
Investments for the year	81	36
Unrealised changes in value in securities	-13	12
Disposals for the year	-47	-25
Closing carrying amount	66	45

NOTE 17 UNTAXED RESERVES

	31/12/2023	31/12/2022
Tax allocation reserve fiscal year 2020	0	19
	0	19

NOTE 18 CONTINGENT LIABILITIES

	31/12/2023	31/12/2022
Contingent liabilities		
Guarantee for subsidiaries	254	68
Guarantee for associated companies	230	230

NOTE 19 CASH FLOW

Items not affecting cash flow	31/12/2023	31/12/2022
Impairment of shares in associated companies	3	0
Write-down securities	13	-12
Capital loss from sales of fixed assets	-7	-3
	9	-15

Financial liabilities	2023	2022
Opening carrying amount	0	35
Cash flow	0	-35
	0	0

Interest payments	2023	2022
Interest paid	-4	-8
Interest received	13	17

NOTE 20 GROUP INFORMATION

Of the parent company's total purchases and sales measured in SEK, 0% (0%) of the purchases and 91% (100%) of the sales relate to other companies in the entire company group the company belongs to.

NOTE 21 PROPOSED DISTRIBUTION OF UNAPPROPRIATED EARNINGS

At the disposal of the Annual General Meeting in the Parent company is.

Profit and loss brought forward	SEK 1,324,164,832
Net profit/loss for the year	SEK -5,447,796
Total	**SEK 1,318,717,036**

The Board of Directors proposes that unappropriated earnings be distributed as follows:

Dividend to shareholders	SEK 20,000,000
Balance carried forward	SEK 1,298,717,036
Total	**SEK 1,318,717,036**

Dividends will be paid in the amount of SEK 20,000,000 subject to approval by the Annual General Meeting, which means that non-restricted equity after dividends paid amounts to SEK 1,298,717,036. The proposed value transfer in form of dividend reduces the parent company's equity ratio to 95%. The equity ratio is, in light of the company's operations continuing to be run with profitability, satisfactory. Liquidity in the company is assessed as being able to be maintained on a similarly assuring level. The board's view is that the proposed dividend does not prevent the company from fulfilling its obligations in the short and long term, nor from completing required investments. The proposed value transfer can thus be justified with regard to what is stated in the Swedish Limited Companies Act chap. 17 § 3 sect. 2-3 (prudence rule)

The board and the CEO certify that the annual report has been prepared in accordance with generally accepted accounting principles and that the consolidated accounts have been prepared in accordance with the international accounting standards referred to in the European Parliament's and Council's Regulation (EC) No 1606/2002 of the European Parliament and of the Council on 19 July 2002 on the application of international accounting standards.

The annual report and consolidated accounts give a true and fair view of the position and profit or loss of the company and the group, and that the director's report for the company and for the group gives a fair view of the development and performance of the business, position and profit or loss and describes the principal risks and uncertainties that the company and the companies in the group face.

Signatures

Mölndal, May 28, 2024

Anders Hedin
CEO
Chairman of the Board

Jan Litborn
Board member

Hampus Hedin
Board member

Helena Hedin
Board member

My auditor's report was submitted on May 28 2024

Johan Palmgren
Authorised public accountant

Auditor's report

To the general meeting of the shareholders of Hedin Group AB,
corporate identity number 556702-0655

Report on the annual accounts and consolidated accounts

Opinions

I have audited the annual accounts and consolidated accounts of Hedin Group AB for the year 2023. The annual accounts and consolidated accounts of the company are included on pages 28-74 in this document.

In my opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

I therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

I conducted my audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the Auditor's Responsibilities section. I am independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and can be found on pages 1-27 and 77-78. The Board of Directors and the Managing Director are responsible for the other information.

My opinion on the annual accounts and consolidated accounts does not cover this other information and I do not express any form of assurance conclusion regarding this other information.

In connection with my audit of the annual accounts and consolidated accounts, my responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure I also take into account my knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If I, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

My objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: *www.revisorsinspektionen.se/revisornsansvar*. This description is part of the auditor's report.

Report on other legal and regulatory requirements

Opinions

In addition to my audit of the annual accounts and consolidated accounts, I have also audited the administration of the Board of Directors and the Managing Director of Hedin Group AB for the year 2023 and the proposed appropriations of the company's profit or loss.

I recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

I conducted the audit in accordance with generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the Auditor's Responsibilities section. I am independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

My objective concerning the audit of the administration, and thereby my opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

My objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby my opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: *www.revisorsinspektionen.se/revisornsansvar.* This description is part of the auditor's report.

Gothenburg, May 28, 2024

Johan Palmgren
Authorized Public Accountant

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