

Interim report 1 January–30 September

Continued stable development in Energy & Environment

The earnings trend has been weighed down by a decline in Technology & Distribution, where measures were initiated in the previous quarter. The Energy & Environment business area continued its profitable growth, however with slight different business mix. Group improved the year's EBITA margin during the quarter – a period with headwinds for order intake and sales.

Third quarter 2024

- Order intake totaled SEK 200.6 (241.1) million, down 16.8 percent.
- Net sales reached SEK 217.4 (223.7) million, down 2.8 percent.
- EBITA totaled SEK 14.9 (21.9) million, down 32 percent.
- EBITA margin was 6.8 percent (9.8).
- Earnings per share before and after dilution were SEK 0.51 (0.77).
- Cash flow from operating activities was SEK 6.8 (39.1) million. Total cash flow for the period was SEK 0.0 (27.2) million.

Significant events in the third quarter

- No significant events in the third quarter.

Nine months 2024

- Order intake fell 12.0 percent, totaling SEK 672.3 (763.7) million, down 12.0 percent.
- Net sales for the first nine months totaled SEK 715.4 (707.9) million, i.e., 1.1 percent growth, whereof 1.6 percentage points organic growth and 0.5 percentage points negative effect from subsidiaries in foreign currency.
- EBITA totaled SEK 44.9 (53.8) million, down 16.6 percent.
- EBITA margin was 6.2 percent (7.6).
- Earnings per share before and after dilution were SEK 1.52 (1.84).
- Cash flow from operating activities was SEK 63.0 (57.1) million. Total cash flow for the period was SEK -10.7 (22.3) million.
- Voluntary repayments of SEK 32.0 (0.0) million on the bank loan were made during the first nine months, with the purpose to keep unnecessary interest expenses down.

Significant events after the end of the reporting period

- Mattias Lysebring took over as the new Managing Director of the subsidiary Christian Berner AB on November 1.

Financial summary

SEK million	Jul–Sep			Jan–Sep			2023/24	Full-year	
	2024	2023	Δ %	2024	2023	Δ %	R12	2023	Δ %
Orders	200.6	241.1	-16.8	672.3	763.7	-12.0	883.9	975.2	-9.4
Net sales	217.4	223.7	-2.8	715.4	707.9	1.1	950.2	942.8	0.8
EBITA	14.9	21.9	-32.0	44.9	53.8	-16.6	60.6	69.5	-12.8
EBITA margin, %	6.8	9.8	-	6.2	7.6	-	6.3	7.3	-
EBIT	14.5	21.5	-32.6	43.6	52.9	-17.6	58.9	68.2	-13.6
Basic and diluted earnings per share	0.51	0.77	-34.0	1.52	1.84	-17.4	2.1	2.42	-13.3
Cash flow for the period	0.0	27.2	-100	-10.7	22.3	-148.0	-18.3	14.7	-224.4
Return on equity, %	20.9	35.2	-	30.8	28.0	-	20.9	26.8	-
Net interest-bearing debt, excluding IFRS 16	58.3	96.3	-39.5	58.3	96.3	-39.5	65.7	79.7	-17.5
Net interest-bearing debt, including IFRS 16	151.1	191.1	-20.9	151.1	191.1	-20.9	159.7	170.8	-6.5

Soft start that turned upwards

The year's streak of organic growth was broken in the quarter, with net sales falling by almost three percent. Order intake was the biggest disappointment but picked up towards the end of the quarter. The quarter was characterized by changes in Technology & Distribution, made with the aim of emerging even stronger.

The group has had weaker order intake for the last twelve months, due to somewhat softer market conditions and slower decision processes at our customers, but also strong comparable numbers. 2024 has been stronger than the fourth quarter 2023, but we have seen fewer of the really large orders and this has continued into the third quarter. Book-to-bill is 94 percent year to date, to compare with 108 percent during the same period last year. Order intake naturally varies depending on when the larger orders, that typically have a larger time horizon, come in, but of course we want to return to growth. Organic growth so far this year is + 1 percent, and we have experienced a higher level of quotation activity in the third quarter, which is of course a prerequisite for continued growth.

“Changes in one of the larger subsidiaries in order to release the power that exists internally”

Continued improvement work in the subsidiaries

We have now finalized the decentralization work and can now focus more on the areas of improvement in our subsidiaries that are now more apparent thanks to our new way of organizing ourselves. Work on the companies in Technology & Distribution began as early as the second quarter, and in the third quarter, we worked particularly intensively with the largest company in the business area, Christian Berner AB. This has resulted in some changes within the organization, to unleash the power that exists internally. On November 1, Mattias Lysebring took over as CEO. With his experience in growing and developing entrepreneurial companies, he will be able to build on the momentum started in the third quarter. We have continuously adjusted our organizations to our future needs, which has meant redundancies in some places, but also recruitment to accelerate the pace in growth areas. In sum, we have adapted operations to the current situation, but without harming our ability to continue growing with the existing organization. At the end of the quarter, we are three percent fewer employees compared to the same period last year.



Strong balance sheet

Our balance sheet remains strong. The Group's low investment needs beyond working capital, combined with the ongoing work on capital tied up and the optimization of the balance sheet as a whole, allow more and more of our earnings to be released as cash for future acquisition opportunities. Cash flow from operating activities is SEK 63 million so far this year, which is 10 percent higher than in the same period last year. This continues to give us good opportunities to act in the acquisition markets, and we are engaged in several exciting dialogues. We now have generally strong teams in place in our subsidiaries, freeing up capacity to focus more externally.

Caroline Reuterskiöld

President and CEO Berner Industrier AB

Berner Industrier in brief

Group development in the third quarter

Net sales

Net sales totaled SEK 217.4 (223.7) million, a decrease of SEK 6.3 million, of which SEK -7.4 million was organic and SEK 1.1 million was a positive currency effect from foreign subsidiaries. The Technology & Distribution business area continued to see sluggish customer decision-making, which reduced sales, while Energy & Environment showed continued growth during the quarter.

SEK million

Jul-Sep 2023	Currency effect foreign subsidiaries	Acquired growth	Organic growth	Total growth	Jul-Sep 2024
223.7	0.5%	-	-3.3%	-2.8%	217.4

EBITA

EBITA for the third quarter reached SEK 14.9 (21.9) million. Gross margins in the quarter have remained stable compared to last year, while the decline in revenues has impacted earnings. In addition, non-recurring costs as temporary resources in the development of Technology & Distribution have been charged to the period.

Depreciation/amortization and investments

Depreciation/amortization totaled SEK 8.8 (8.5) million and primarily consisted of depreciation of right-of-use assets. During the quarter, the Group invested in machinery and equipment in the amount of SEK 0.0 (0.3) million. Investments in intangible assets totaled SEK 0.0 (0.1) million.

Net financial items

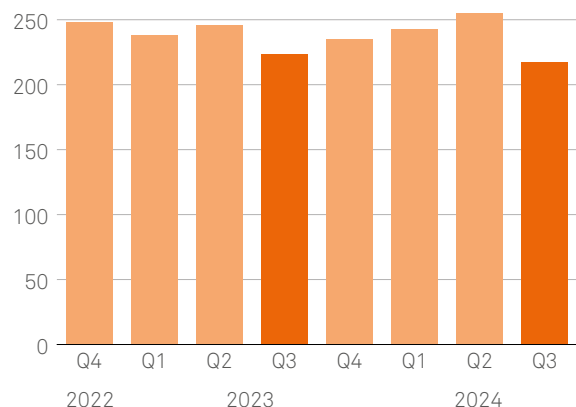
Consolidated net financial items for the third quarter were SEK -2.4 (-3.0) million. Repayments on the loan has reduced the interest expense on the bank loan, which has been offset by higher interest expenses on leases.

Tax

Consolidated tax expenses for the third quarter were SEK -2.6 (-4.1) million. The effective tax rate for the quarter was 21.9 percent.

Net sales

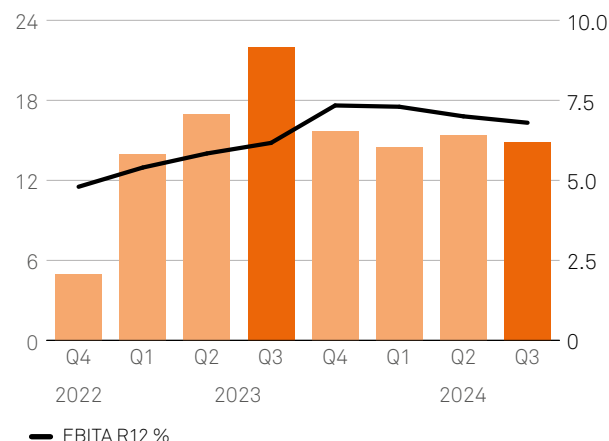
SEK million



EBITA

SEK million

%



Berner Industrier in brief

Group development January 1–September 30

Net sales

Net sales for the first nine months totaled SEK 715.4 (707.9) million, an increase of SEK 7.5 million, whereof organic growth of SEK 11.2 million and a negative impact of SEK 3.7 million in currency effects from foreign subsidiaries. In both business areas, net sales consisted of regular business volumes with normal coverage ratios, complemented by the few big individual deals in the first quarter.

SEK million

Jan–Sep 2023	Currency effect foreign subsidiaries	Acquired growth	Organic growth	Total growth	Jan–Sep 2024
707.9	-0.5%	–	1.6%	1.1%	715.4

EBITA

Consolidated EBITA for the first nine months totaled SEK 44.9 (53.8) million. Gross margins have remained stable during the period, and the variance compared to last year is the mix of business. Operating expenses are at a comparable level to the corresponding period in the previous year, thanks to efficiency improvements that offset one-off costs and inflationary increases.

Depreciation/amortization and investments

Depreciation/amortization was SEK 26.0 (25.3) million in the first nine months of the year. Depreciation/amortization primarily consists of depreciation of right-of-use assets. During the period, the Group invested in machinery and equipment in the amount of SEK 1.7 (2.1) million. Investments in intangible assets totaled SEK 0.5 (5.1) million.

Net financial items

Consolidated net financial items for the third quarter totaled SEK -7.8 (-8.6) million. Repayments of the loan has reduced the interest expense on the bank loan, which has been offset by higher interest expenses on leases.

Tax

Consolidated tax expenses for the third quarter were SEK 7.3 (9.8) million. The effective tax rate for the first nine months of the year was 20.4 percent.

Technology & Distribution

The Technology & Distribution business area combines distribution activities and own products in water treatment, packaging equipment, vibration damping, technical plastics and process technology. The business area helps customers in industry and the public sector to reduce resource consumption, improve their environmental footprint or streamline their own operations.



SUBSIDIARIES

Christian Berner AB
 Christian Berner Oy
 Christian Berner AS
 A/S Christian Berner
 Empakk

Development of the business area in the third quarter

Net sales

The business area's net sales for the third quarter fell by SEK 10.4 million, totaling SEK 113.9 (124.3) million. The business area has encountered hesitancy in certain sectors and has seen lower earnings as a result of the lower order intake of recent months.

SEK million

Jul–Sep 2023	Currency effect foreign subsidiaries	Acquired growth	Organic growth	Total growth	Jul–Sep 2024
124.3	0.9%	–	-9.3%	-8.4%	113.9

EBITA

The business area's EBITA in the third quarter was SEK 3.1 (8.5) million, a decrease of SEK 5.4 million. The gross margin for the period confirms the recovery from the previous quarter and has developed well compared to the third quarter previous year. The lower revenue levels result in lost earnings, and with increased operating costs, earnings have fallen. The high costs during the quarter are partly due to temporary resources to develop the business area, including measures in the Swedish Christian Berner company, but also the implementation of a new business system in one of the Norwegian companies.

Business area development, January 1–September 30

Net sales

The business area's net sales for the first nine months were SEK 372.5 (400.0) million, a decrease of SEK 27.5 million. The decline in the business area follows a series of quarters with challenging developments, partly explained by the economy, hesitance among customers, previously established contracts under delivery, and internal organization and development. The business acumen within the organizations confirms its strength through defended contribution margins in these times.

SEK million

Jan–Sep 2023	Currency effect foreign subsidiaries	Acquired growth	Organic growth	Total growth	Jan–Sep 2024
400.0	-0.9%	–	-6.0%	-6.9%	372.5

EBITA

The business area's EBITA in the period was SEK 8.9 (23.1) million, a decrease of SEK 14.2 million. The decline in revenues, albeit with a retained gross margin, has generated lower gross profit that could not be fully compensated for with organizational changes.

SEK million	Jul–Sep			Jan–Sep			Full-year 2023
	2024	2023	Δ %	2024	2023	Δ %	
Net sales	113.9	124.3	-8.3	372.5	400.0	-6.9	532.7
EBITA	3.1	8.5	-63.8	8.9	23.1	-61.6	28.6
EBITA margin, %	2.7	6.8	–	2.4	5.8	–	5.3

Energy & Environment

The Energy & Environment business area combines large parts of the Group's pump activities and equipment targeting the energy and process industries. The business area increases the sustainability of the energy, process and manufacturing industry through reduced emissions, reduced energy losses and/or improved working environment.



SUBSIDIARIES

Zander & Ingeström
Swedenborg
Bullerbekämparen

Development of the business area in the third quarter

Net sales

The business area's net sales for the third quarter were SEK 104.4 (99.6) million, an increase of SEK 4.8 million, all organic growth. Sales are stable and meet competitive comparative figures, where the business is based on the main components boilers, dampers, pumps, related aftermarkets and noise control products. The mix among the different sub-segments is what differentiates it from the previous year, with overall growth that reflects order intake and sales backlog.

SEK million		Currency effect		Acquired growth	Organic growth	Total growth	Jul–Sep 2024
Jul–Sep 2023	foreign subsidiaries	foreign subsidiaries	foreign subsidiaries				
99.6	–	–	–	–	4.8%	104.4	

EBITA

The business area's EBITA in the third quarter was SEK 13.2 (17.0) million, a decrease of SEK 3.8 million. The quarter's gross margin, which is lower than last year, is explained by differences in the business mix between the years, where this year's mix resulted in a lower contribution margin comparatively. Increase in operating costs, including recruitment costs, have reduced the quarterly profit compared to the previous year.

Business area development January 1–September 30

Net sales

The business area's net sales for the first nine months were SEK 344.1 (308.6) million, an organic increase of SEK 35.4 million. Demand is strong across the business area's customer offerings, particularly in the base business.

The business volumes that are growing differ slightly in the subsegments compared to the previous year, due mainly to customers' delivery time requests.

SEK million		Currency effect		Acquired growth	Organic growth	Total growth	Jan–Sep 2024
Jan–Sep 2023	foreign subsidiaries	foreign subsidiaries	foreign subsidiaries				
308.6	–	–	–	–	11.5%	344.1	

EBITA

The business area's EBITA in the period was SEK 41.9 (47.7) million, a decrease of SEK 5.9 million. The decline in contribution margin due to the business mix reduces gross margins. In addition to normal cost increases, a change of business system and internal organization in one of the companies has had a negative impact on earnings. The increased revenues have not been able to compensate for the increased costs during the period, which is why earnings have decreased.

SEK million	Jul–Sep			Jan–Sep			Full-year 2023
	2024	2023	Δ %	2024	2023	Δ %	
Net sales	104.4	99.6	4.8	344.1	308.6	11.5	411.2
EBITA	13.2	17.0	-22.4	41.9	47.7	-12.3	57.0
EBITA margin, %	12.6	17.0	–	12.1	15.3	–	13.8

Other Information

Other financial information

In the continued work to optimize working capital, funds for voluntary amortization of loans of SEK 32.0 million have been released. As of 09/30/2024, the debt/equity ratio was 0.9x measured as Interest-bearing liabilities / EBITDA for the last 12 months.

Cash flow, investments and financial position

At the end of September, the Group had SEK 59.7 (78.7) million in cash and cash equivalents. The cash flow from operating activities during the third quarter was SEK 6.8 (39.1) million. During the third quarter, SEK 0.0 (0.4) million in investments were made.

The cash flow from operating activities for the first nine months was SEK 63.0 (57.1) million. During the period, SEK -2.3 million (-7.2) in investments were made. During the first nine months, dividends of SEK 16.9 (11.3) million were paid.

Employees

At the end of the period, there were 211 employees (217 at September 30, 2023), of which 48 (49) were women and 163 (168) were men.

Risks and risk management

Operations were affected by a wide range of factors, some of which are within the company's control and others outside. Market-related risks include cyclical risks. Financial risks include exchange rate risks and interest rate risks. Berner Industrier operates in four different countries, with a large number of customers in different industries and a large number of suppliers, which limits the business and financial risks.

The business environment has improved regarding the previous problems involving component shortages and long delivery times in the supply chain. However, it cannot be ruled out that it may affect our future business. These risks are carefully monitored, and communication with customers is ongoing to mitigate the effects of these risks and uncertainties. Other uncertainties are, of course, the wars in Ukraine and Israel and their impact on our operations. The Group has no operations in the countries directly impacted but is affected by price changes and may also be affected by a general economic downturn.

The Board of Directors and management closely monitor developments and update their assessment of the potential impact of the war on the company's operations based on how the situation develops. Furthermore, cybersecurity is high on the agenda, and the company is constantly working to improve security against potential intrusions.

Continued price increases on energy and fuel would entail a short-term risk for the Berner Industrier Group, before the new cost levels could be fully priced into business. The Group is working actively on pricing, both when there are cost increases, but also in order to be an attractive supplier when costs are adjusted downwards.

If inflation takes hold and remains high for an extended period of time, it will entail higher interest expenses for borrowing, which primarily affects the parent company. The liquidity and financing risk thereby increases but is deemed to remain at an acceptable level, taking realistic interest rate hikes into account.

For the subsidiaries, the effect of interest rate hikes is limited to lease and rental agreements. On the other hand, continued high inflation may entail a general economic downturn, which may ultimately affect the availability of business for the subsidiaries. However, the assessment is that the areas at which the Group mainly directs its offerings are in need of solutions, deliveries and products independently of economic cycles. Exposure to the residential building sector, which has already been affected by interest rate increases, is limited but partially visible in Technology & Distribution.

Related-party transactions

During the first nine months, the Group had the following transactions with affiliated parties. The services were purchased on normal business terms on a commercial basis.

Transactions in the amount of SEK 0.7 (0.6) million concerning the lease of premises for Swedenborg have taken place between Berner Industrier AB's subsidiary AB GF Swedenborg Ingeniörsfirma (Swedenborg) and PSW Fastighets AB, which is owned by a board member of Swedenborg.

The Group has sublet a small part of the office in Stockholm to Gårdaverken AB for SEK 0.4 (0.3) million. The Group also leases art, located in a subsidiary's office, from Gårdaverken AB for a small sum.

Other Information

Parent company

The main functions of the parent company Berner Industrier AB (BERNER) are to work with business development, acquisitions, financing, governance, analysis and communication. At the end of September, there were two employees (two on September 30, 2023).

The parent company's sales, which consists of intra-Group invoicing of services, totaled SEK 3.3 (3.3) million in the third quarter. During the third quarter, operating expenses totaled SEK -5.1 (-6.6) million, which was related to personnel expenses and current external costs. EBIT for the third quarter totaled SEK -1.8 (-3.3) million, financial items totaled -0.8 (-2.4) million, and profit/loss and comprehensive income for the period was SEK -2.1 (-4.5) million.

For the first nine months of the year, the parent company's sales totaled SEK 10.0 million (8.9), and operating expenses totaled SEK -17.4 (-19.7) million. EBIT totaled SEK -7.4 (-10.8) million. Financial items totaled SEK 1.2 (-7.3) million, and profit/loss and comprehensive income for the period totaled SEK -3.7 (-14.4) million.

Pledged assets

The parent company has pledged shares in subsidiaries as collateral. Pledged shares total SEK 143.5 (143.5) million in the parent company. For the Group, pledged assets total SEK 203.3 million (203.3 million at September 30, 2023).

The share and owners

Warrants

In April 2022, the Annual General Meeting decided to issue a maximum of 400,000 warrants to staff in senior positions within the Group over 2022/2025. The warrants have been offered against market remuneration according to Black & Scholes. The strike price for the warrants is SEK 34.03. Subscription for the shares may take place during the period 09/01/2025–09/30/2025. The share price as of 09/30/2024 was SEK 37.40, with an average price of 37.49 in the first half of the year. As of September 30, 2024, the number of outstanding warrants is 310,000, as well as 90,000 in own custody. The warrant program has a marginal dilution effect as of 09/30/2024.

Authorization of the Board of Directors

In April 2024, the Annual General Meeting authorized the Board to decide on a new issue of a maximum of 1,875,400 shares, corresponding to 10 percent dilution, with or without preferential rights for the company's shareholders. Furthermore, the Board of Directors was authorized, for the period until the next Annual General Meeting, to decide on the repurchase and transfer of own shares for a maximum of 10 percent of all outstanding shares.

Owners

The ten largest shareholders at the September 30 are shown in the table below. As of the end of September 2024, the company had 3,203 shareholders, and the closing price of the share on that date was SEK 37.40.

Shares

The number of outstanding shares at the end of the period amounted to 18,759,398 divided into 1,250,000 A shares and 17,509,398 B shares. A shares have a voting value of 10 per share, and B shares have a value of 1 per share. The share is listed on Nasdaq OMX Stockholm's main list Small Cap with the ticker "BERNER".

Name	Number of shares	Percentage of capital	Percentage of votes
Gårdaverken AB	4,462,383	23.8	52.4
Cervantes Capital	2,108,149	11.2	7.0
Concejo AB	1,932,323	10.3	6.4
Isolde Stensdotter Berner	1,630,572	8.7	5.4
Lannebo Fonder	970,558	5.2	3.2
Ksenia Berner	781,420	4.2	2.6
Unionen	745,000	4.0	2.5
Avanza Pension	716,675	3.8	2.4
Mikael Gunnarsson	480,000	2.6	1.6
Nordnet Pensionsförsäkringar	449,035	2.4	1.5
Others	4,493,042	23.9	14.9
Total	18,759,398	100.0	100.0

Consolidated Statement of Comprehensive Income

SEK thousand	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
Sales					
Net sales	217,432	223,690	715,374	707,901	942,756
Other sales	954	1,385	3,578	3,865	4,657
Total sales	218,386	225,075	718,952	711,766	947,413
Operating expenses					
Goods for resale	-132,491	-134,903	-440,652	-426,738	-566,031
Other external costs	-19,285	-17,950	-60,063	-60,209	-80,671
Personnel costs	-42,887	-42,460	-147,433	-145,095	-195,664
Depreciation of property, plant and equipment and amortization of intangible assets ¹⁾	-8,784	-8,492	-26,031	-25,323	-34,133
Other operating expenses	-444	232	-1,171	-1,515	-2,763
Total operating expenses	-203,891	-203,573	-675,350	-658,880	-879,262
EBIT	14,495	21,502	43,602	52,886	68,151
Financial income	536	188	1,837	445	2,056
Financial expenses	-2,898	-3,174	-9,642	-9,047	-12,263
Net financial items	-2,362	-2,986	-7,805	-8,602	-10,207
Profit/loss before tax	12,133	18,516	35,797	44,284	57,944
Income tax	-2,641	-4,140	-7,292	-9,757	-12,552
Profit/loss for the period	9,492	14,376	28,505	34,527	45,392
Other comprehensive income					
Items that may later be transferred to profit and loss for the period					
Translation differences for the period on translation of foreign subsidiaries	-2,048	84	-934	-1,310	-4,446
Change in hedging reserves for the period	403	-	-889	-	818
Other comprehensive income for the period	-1,645	84	-1,823	-1,310	-3,628
Comprehensive income for the period	7,847	14,460	26,682	33,217	41,764
Earnings per share					
Earnings per share before and after dilution, SEK	0.51	0.77	1.52	1.84	2.42

1) The item depreciation/amortization consists of the following sub items:

SEK thousand	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
Depreciation of property, plant and equipment	-1,082	-1,260	-3,364	-4,322	-5,554
Amortization of intangible assets	-440	-446	-1,283	-912	-1,359
Depreciation of right-of-use assets	-7,262	-6,786	-21,384	-20,089	-27,220
Total depreciation/amortization	-8,784	-8,492	-26,031	-25,323	-34,133

Condensed Consolidated Statement of Financial Position

SEK thousand	09/30/2024	09/30/2023	12/31/2023
ASSETS			
Fixed assets			
Intangible assets			
Goodwill	195,686	197,406	196,279
Distribution rights	540	935	825
Trademark	32,497	32,497	32,497
Internally developed software	529	765	703
Other intangible assets	12,808	12,913	13,090
Total intangible assets	242,060	244,516	243,394
Machinery and equipment	13,680	16,868	15,691
Right-of-use assets	91,815	95,206	90,792
Financial assets			
Noncurrent receivables	971	982	969
Deferred tax assets	707	550	1,282
Total financial assets	1,678	1,532	2,251
Total noncurrent assets	349,233	358,122	352,128
Current assets			
Inventories	81,815	83,614	85,478
Advance payments to suppliers	2,097	3,838	8,143
Contract assets	2,514	8,623	7,799
Current tax assets	315	–	0
Trade receivables	136,148	131,901	133,952
Prepaid expenses and accrued income	6,734	3,415	5,877
Derivative instruments	278	–	1,325
Other receivables	1,624	1,669	6,046
Cash and cash equivalents	59,698	78,690	70,347
Total current assets	291,233	311,750	318,967
TOTAL ASSETS	640,466	669,872	671,095

Condensed Consolidated Statement of Financial Position

SEK thousand	09/30/2024	09/30/2023	12/31/2023
EQUITY AND LIABILITIES			
Equity			
- attributable to the parent company's shareholders	241,439	223,093	231,640
- attributable to noncontrolling interests	-	-	-
Total equity	241,439	223,093	231,640
Liabilities			
Noncurrent liabilities			
Lease liability	65,549	71,828	68,592
Other provisions	2,517	2,316	2,047
Deferred tax liabilities	8,342	7,967	9,261
Derivative instruments	106	-	108
Total noncurrent liabilities	76,514	82,111	80,008
Current liabilities			
Borrowings from credit institutions	118,000	175,000	150,000
Lease liability	27,254	22,922	22,592
Advance payments from customers	13,372	11,810	12,891
Accounts payable	56,949	60,159	63,266
Contract liabilities	29,842	12,318	22,638
Current tax liabilities	11,663	7,655	10,113
Other liabilities	25,913	28,334	26,322
Accrued expenses and prepaid income	39,278	46,470	51,225
Derivative instruments	242	-	400
Total current liabilities	322,513	364,668	359,447
TOTAL EQUITY AND LIABILITIES	640,466	669,872	671,095

Condensed Consolidated Statement of Changes in Equity

SEK thousand	09/30/2024	09/30/2023	12/31/2023
Beginning of period	231,640	201,068	201,068
Comprehensive income for the period	26,682	33,217	41,764
Transactions with shareholders			
Dividend	-16,883	-11,256	-11,256
Option premiums received	–	64	64
End of period	241,439	223,093	231,640

Consolidated Statement of Cash Flows

SEK thousand	Jul–Sep		Jan–Sep		Full-year
	2024	2023	2024	2023	2023
Profit/loss before tax	12,132	18,516	35,798	44,284	57,944
Adjustment for noncash items	9,239	8,470	25,984	25,902	34,548
Income tax paid	-826	119	-6,392	-5,785	-5,470
Cash flow from operating activities before changes in working capital	20,545	27,105	55,390	64,401	87,022
Changes to:					
Inventories	-1,196	1,362	9,558	-6,419	-13,439
Operating receivables	-8,884	23,645	8,983	18,503	8,456
Operating liabilities	-3,644	-13,010	-10,884	-19,393	-515
Total change in working capital	-13,724	11,997	7,657	-7,309	-5,498
Cash flow from operating activities	6,821	39,102	63,047	57,092	81,524
Investing activities					
Investments in property, plant and equipment	-47	-336	-1,747	-2,106	-2,527
Sales of property, plant and equipment	15	184	899	2,285	2,408
Investments in intangible assets	0	-92	-536	-5,072	-5,537
Investments in financial assets	–	–	–	-36	-36
Cash flow from investing activities	-32	-244	-1,384	-4,929	-5,692
Financing activities					
Option premiums	–	64	–	64	64
Loan amortization	–	–	-32,000	–	-25,000
Amortization of lease liabilities	-6,794	-6,058	-23,461	-18,708	-24,958
Dividend paid	–	-5,628	-16,883	-11,256	-11,256
Cash flow from financing activities	-6,794	-11,622	-72,344	-29,900	-61,150
Cash flow for the period	-5	27,236	-10,681	22,263	14,682
Cash and cash equivalents, beginning of period	59,748	51,507	70,347	56,866	56,866
Effect of exchange rate changes on cash	-45	-53	32	-439	-1,201
Cash and cash equivalents, end of period	59,698	78,690	59,698	78,690	70,347

Parent Company Income Statement

SEK thousand	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
Sales					
Net sales	3,199	3,109	9,620	8,478	11,566
Other sales	122	202	366	431	553
Total sales	3,321	3,311	9,986	8,909	12,119
Operating expenses					
Other external costs	-1,785	-3,201	-7,047	-9,551	-12,922
Personnel costs	-3,343	-3,387	-10,284	-10,058	-14,510
Depreciation of property, plant and equipment	-19	-18	-55	-52	-70
Other operating expenses	-3	-	-3	-23	-23
Total operating expenses	-5,150	-6,606	-17,389	-19,684	-27,525
EBIT	-1,829	-3,295	-7,403	-10,775	-15,406
Financial items					
Profit from participations in Group companies	-	-	6,279	-	-
Interest and similar income	1,016	1	1,616	1	986
Interest and similar expenses	-1,767	-2,386	-6,736	-7,332	-9,922
Total profit/loss from financial items	-751	-2,385	1,159	-7,331	-8,936
Appropriations	-	-	-	-	44,500
Profit/loss before tax	-2,580	-5,680	-6,244	-18,106	20,158
Income tax	525	1,161	2,511	3,710	-4,207
Profit/loss for the period	-2,055	-4,519	-3,733	-14,396	15,951

Condensed Balance Sheet for the Parent Company

SEK thousand	09/30/2024	09/30/2023	12/31/2023
ASSETS			
Fixed assets			
Property, plant and equipment			
Machinery and equipment	233	306	287
Total property, plant and equipment	233	306	287
Financial assets			
Shares in Group companies	315,484	315,484	315,484
Other noncurrent receivables	630	630	630
Total financial assets	316,114	316,114	316,114
Total noncurrent assets	316,347	316,420	316,401
Current assets			
Receivables from Group companies	1,666	13,965	69,129
Current tax assets	–	1,671	–
Other current receivables	248	109	170
Prepaid expenses and accrued income	1,396	799	737
Cash and cash equivalents	47,154	42,489	58,182
Total current assets	50,464	59,033	128,218
TOTAL ASSETS	366,811	375,453	444,619
EQUITY AND LIABILITIES			
Equity			
Total restricted equity	37,625	37,689	37,625
Total nonrestricted equity	106,756	96,961	127,373
Total equity	144,381	134,650	164,998
Liabilities			
Current liabilities			
Borrowings from credit institutions	118,000	175,000	150,000
Accounts payable	205	900	687
Liabilities to Group companies	98,663	59,061	115,939
Current tax liabilities	1,009	–	6,152
Other liabilities	587	730	417
Accrued expenses and prepaid income	3,966	5,112	6,426
Total current liabilities	222,430	240,803	279,621
Total liabilities	222,430	240,803	279,621
TOTAL EQUITY AND LIABILITIES	366,811	375,453	444,619

NOTE 1 Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and RFR 1 Supplemental Accounting Rules for Corporate Groups. The parent company's financial statements are prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's RFR 2 Accounting for Legal Entities. Disclosures in accordance with IAS 34.16A are presented, in addition to the financial statements and its associated notes, in the other parts of the interim report, as well.

New standards entering into effect in 2024

There are no new accounting standards entering into effect in 2024 that impact the Group.

For further information regarding Berner Industrier's accounting principles, refer to the company's annual report for 2023, Note 2 Accounting Principles and previously in this note.

NOTE 2 Leasing

Assets, SEK thousand	09/30/2024	09/30/2023	12/31/2023
Right-of-use assets	91,815	95,206	90,792
Total	91,815	95,206	90,792
Lease liabilities, SEK thousand	09/30/2024	09/30/2023	12/31/2023
Current	27,254	22,922	22,592
Noncurrent	65,549	71,828	68,592
Total	92,803	94,750	91,184

SEK thousand	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
Depreciation of right-of-use assets	-7,262	-6,786	-21,384	-20,089	-27,220
Interest expenses	-843	-778	-2,538	-1,694	-2,499
Total	-8,105	-7,564	-23,822	-21,783	-29,719

NOTE 3 Distribution of revenue

Berner Industrier's revenue streams are presented by business area, where the business area corresponds to the market for the revenue.

Both the Technology & Distribution and Energy & Environment business areas have revenues from all three categories below.

Berner Industrier has revenue in three categories:

1. Commission sales, where Berner Industrier subsidiaries act as sales channels for suppliers through contact with the end customer. The revenue is an agreed commission that our subsidiaries receive from the suppliers and is usually received from suppliers in connection with or after the product is delivered to the end customer. The respective subsidiary does not check the sales flow and is normally dependent on suppliers and customers agreeing and closing the deal in order for us to be able to receive final payment from the supplier.

2. Project sales refer to the revenue streams where Berner Industrier subsidiaries have several performance commitments, i.e., it is not only comprised of one service or product, but the agreement comprises several different parts.

The revenue is mainly comprised of remuneration agreed in advance for the projects and usually paid through advance invoicing and invoicing at various milestones in the projects, depending on the size of the projects. These projects can run for a long time, and depending on their nature, the income and expenses are also recognized gradually as the degree of completion advances. The earnings outcome for larger projects depends on the estimate holding and the project being successful. Accordingly, there is always an uncertainty regarding the profitability of the project before it is completed.

3. Sales of goods and services. This category pertains to the goods and services sold separately. It may concern a service or installation, a product or spare part from our inventory. These goods are sold at the amounts agreed with the customer. The time for revenue recognition of these goods and services is usually when control is transferred to the customer, at which time our undertaking is fulfilled. Invoicing usually takes place in connection with delivery. The largest uncertainty here would be if the customer did not have payment capacity to pay us for services rendered or products delivered.

SEK million	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
Goods and services recorded at a given time	199.5	204.5	659.3	649.8	852.0
Goods and services recognized over time	17.9	19.2	56.1	58.1	90.8
Total	217.4	223.7	715.4	707.9	942.8

NOTE 4 Segment information

Net sales, SEK thousand	Jul–Sep		Jan–Sep		Full-year
	2024	2023	2024	2023	2023
Business area					
Technology & Distribution	113,915	124,274	372,525	400,034	532,741
Energy & Environment	104,440	99,623	344,046	308,598	411,221
Other + intra-Group	-923	-207	-1,197	-711	-1,206
Total Group	217,432	223,690	715,374	707,901	942,756

EBITA, SEK thousand	Jul–Sep		Jan–Sep		Full-year
	2024	2023	2024	2023	2023
Business area					
Technology & Distribution	3,072	8,484	8,883	23,108	28,585
Energy & Environment	13,226	17,033	41,897	47,747	56,793
Other + intra-Group	-1,364	-3,569	-5,895	-17,057	-16,048
Total Group	14,934	21,948	44,885	53,798	69,510

EBIT, SEK thousand	Jul–Sep		Jan–Sep		Full-year
	2024	2023	2024	2023	2023
Business area					
Technology & Distribution	3,061	8,472	8,848	23,074	28,540
Energy & Environment	13,110	16,948	41,588	47,491	56,632
Other + intra-Group	-1,678	-3,918	-6,834	-17,679	-17,021
Total Group	14,495	21,502	43,602	52,886	68,151

SEK thousand	09/30/2024			09/30/2023			12/31/2023		
	Total assets	Including fixed assets*	Liabilities	Total assets	Including fixed assets*	Liabilities	Total assets	Including fixed assets*	Liabilities
Business area									
Technology & Distribution	142,336	103,111	119,211	167,084	109,528	138,602	172,909	104,512	150,781
Energy & Environment	253,892	47,422	149,920	220,096	47,535	116,466	246,557	46,547	171,627
Other + intra-Group	244,238	197,022	129,896	282,692	66,029	191,711	251,629	80,579	117,047
Total Group	640,466	347,555	399,027	669,872	223,093	446,779	671,095	231,640	439,455

* Tangible and intangible

NOTE 5 Financial instruments by category

Financial assets measured at cost and fair value

Assets on the Balance Sheet	09/30/2024	09/30/2023	12/31/2023
Trade receivables	136,148	131,901	133,952
Cash and cash equivalents	59,698	78,690	70,347
Other noncurrent receivables	971	982	969
Total	196,817	211,573	205,268

Financial liabilities measured at amortized cost	09/30/2024	09/30/2023	12/31/2023
Borrowings from credit institutions	118,000	175,000	150,000
Lease liabilities	92,803	94,750	91,184
Accounts payable	56,949	60,159	63,266
Accrued expenses and prepaid income	39,728	46,470	51,225
Total	307,480	376,379	355,675

Derivative instruments recognized at fair value	09/30/2024	09/30/2023	12/31/2023
Current receivables	278	–	1,321
Noncurrent liabilities	106	–	108
Current liabilities	242	–	399
Net	-70	–	818

Berner Industrier holds various financial instruments, and all are measured at their amortized cost with one exception. The derivative instruments related to currency futures have been recognized at fair value as at 09/30/2024. These have

been recognized in other comprehensive income and accumulated in the hedging reserve in equity.

Quarterly Data

AMOUNT IN SEK MILLIONS	2024				2023			2022	
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep
Sales									
Net sales	217.4	254.8	222.3	234.9	223.7	245.9	238.3	247.7	199.2
Total sales	218.4	256.4	243.2	235.6	225.1	247.2	239.5	248.6	199.4
EBITA	14.9	15.4	14.5	15.7	21.9	17.5	14.3	5.4	17.3
EBITA margin, %	6.8	6.0	5.9	6.7	9.8	7.1	6.0	2.2	8.7
Balance sheet total	640.5	639.3	687.5	671.1	669.9	672.7	643.9	637.7	612.2
Equity	241.4	233.6	239.9	231.6	223.1	208.6	206.8	201.1	198.1
Total sales growth	-3.0	3.7	2.0	-5.2	12.9	15.5	31.1	27.3	-2.5
Gross margin, %	39.1	38.8	37.4	40.7	39.7	40.0	39.5	35.6	38.0
Equity ratio, %	37.7	36.5	34.9	34.5	33.3	31.0	32.1	31.5	32.4
Return on equity (R12)	20.9	23.1	19.5	25.3	35.2	29.4	22.7	6.1	31.6
Net debt (+)/Net cash (-) excl. IFRS 16	58.3	58.3	36.1	79.7	96.3	123.5	112.9	118.1	129.4
Net debt (+)/Net cash (-) incl. IFRS 16	151.1	154.4	130.2	170.8	191.1	221.1	184.1	188.2	201.1
Average number of employees, # FTE	211	216	216	214	217	219	219	215	218
Number of shares, end of period	18,759,398	18,759,398	18,759,398	18,759,398	18,759,398	18,759,398	18,759,398	18,759,398	18,759,398
Number of shares end of period, including dilution	18,788,088	18,759,398	18,759,398	18,759,398	18,759,398	18,759,398	18,759,398	18,759,398	18,759,398
Earnings per share before dilution (SEK)	0.51	0.54	0.47	0.58	0.77	0.60	0.47	0.10	0.64
Earnings per share after dilution (SEK)	0.51	0.54	0.47	0.58	0.77	0.60	0.47	0.10	0.64

Definitions of terms and alternative key figures

Terms and alternative key figures	Description	Objective
Sales	Net sales and other sales.	Total sales is a combination of how the company's various business areas and markets perform.
Total sales growth	Increase in sales as a percentage of the revenue of the previous year.	Indicator of the company's growth relative to the previous period, which illustrates the company's direction and enables the underlying driving forces to be tracked.
EBITA	Earnings before impairment of goodwill and impairment and amortization of other intangible assets that arose in connection with business combinations and equivalent transactions (Earnings Before Interest, Tax and Amortization).	As a manufacturing company, EBITA is an important indicator of the company's profitability before interest payments, taxes and impairments.
EBITA margin	EBITA as a percentage of sales.	The EBITA margin illustrates the company's profit generation before interest, taxes and amortization, relative to sales. A performance indicator that is appropriate for companies such as Berner Industrier.
EBIT	EBIT before financial items and taxes.	EBIT gives an overall picture of the company's profit generation in its operating activities.
Earnings margin	EBIT before financial items and taxes as a percentage of sales.	The earnings margin is a traditional comparison indicator that illustrates the company's profit generation relative to sales.
Net financial items	The difference between financial income and financial expenses.	Net financial items shows the difference between financial income and financial expenses.
Profit/loss for the period	Profit after tax.	Profit/loss for the period: This indicator is relevant because it is the profit for the period that the Board of Directors decides to distribute to shareholders or reinvest in the company.
Balance sheet total	The company's total assets.	Total assets indicates the company's total assets that are at the disposal of the company in order to generate returns for shareholders.
Equity ratio	Equity as a percentage of total assets.	A traditional indicator showing financial risk expressed as the proportion of adjusted equity that is financed by the shareholders.
Return on equity	Profit/loss after financial items as a percentage of average equity.	Shows the return on the shareholders' invested capital from the perspective of the shareholders.
Cash flow for the period	Total of the cash flow from operating activities, cash flow from investing activities and cash flow from financing activities.	The cash flow for the period is an indicator of how much cash and cash equivalents the company generates or loses in each period.
Number of shares, end of period	The number of outstanding shares at the end of the reporting period.	The number of shares in the company is important, as it forms the basis of the calculation of earnings per share.
Average equity	The average of the total of opening equity for the period added to closing equity for the period.	Average equity is a more conventional comparison indicator and is used as a component in a number of other key performance indicators.
Net interest-bearing debt, excluding IFRS 16	Interest-bearing liabilities, excluding lease liabilities (IFRS 16), less cash and cash equivalents at the end of the period.	This indicator should be seen as a complement to Net interest-bearing debt, including IFRS 16, as lease liabilities in certain contexts and by certain stakeholders can be seen as a special type of debt.
Net interest-bearing debt, including IFRS 16	Interest-bearing liabilities, including lease liabilities (IFRS 16), less cash and cash equivalents at the end of the period.	Net debt/net cash and cash equivalents is a key performance indicator that shows the company's total debt/equity ratio.
Gross margin / Contribution margin	Net sales minus goods for resale through net sales.	Gross margin provides a picture of the contribution margin generated by operating activities.
Average number of employees	The number of employees in the company translated into full-time positions, i.e., the number of full-time employees who worked during the period.	This key performance indicator can be analyzed in relation to total revenue to assess the company's efficiency based on the number of employees.
Earnings per share (SEK)	Profit for the period attributable to the parent company's shareholders divided by the average number of shares.	Earnings per share (SEK), the measure is relevant because it shows how much of the profit for the period is allocated to each share.

Calculation of Key Performance Indicators

	Jul–Sep		Jan–Sep		2023/2024	Full-year
SEK thousand	2024	2023	2024	2023	R12	2023
Business area						
Technology & Distribution	113,915	124,274	372,525	400,034	505,232	532,741
Energy & Environment	104,440	99,623	344,046	308,598	446,669	411,221
Other + intra-Group	-923	-207	-1,197	-731	-1,672	-1,206
Total net sales	217,432	223,690	715,374	707,901	950,229	942,756
EBITA						
EBIT	14,495	21,502	43,602	52,886	58,867	68,151
Amortization of intangible assets	440	446	1,283	912	1,730	1,359
EBITA	14,915	21,948	44,885	53,798	60,597	69,510
EBITA margin, %						
Total revenue	218,386	225,075	718,952	711,766	954,599	947,413
EBITA	14,935	21,948	44,885	53,798	60,597	69,510
EBITA margin, %	6.8	9.8	6.2	7.6	6.3	7.3
Gross margin, %						
Net sales	217,432	223,690	715,374	707,901	950,229	942,756
Goods for resale	-132,491	-134,903	-440,652	-426,738	-579,945	-566,031
Gross margin, %	39.1	39.7	38.4	39.7	39.0	40.0
Equity ratio, %						
Balance sheet total	640,466	669,872	640,466	669,872	661,661	671,095
Closing balance equity	241,439	223,093	241,439	223,093	233,925	231,640
Equity ratio, %	37.7	33.3	37.7	33.3	35.4	34.5
Net interest-bearing debt, excluding IFRS 16						
Total interest-bearing liabilities	210,803	269,750	210,803	269,750	232,799	241,184
Less lease liabilities	-92,803	-94,750	-92,803	-94,750	-93,999	-91,184
Less cash and cash equivalents	-59,698	-78,690	-59,698	-78,690	-73,071	-70,347
Net interest-bearing debt, excluding IFRS 16	58,302	96,310	58,302	96,310	65,729	79,653
Net interest-bearing debt, including IFRS 16						
Total interest-bearing liabilities	210,803	269,750	210,803	269,750	232,799	241,184
Less cash and cash equivalents	-59,698	-78,690	-59,698	-78,690	-73,071	-70,347
Net interest-bearing debt, including IFRS 16	151,105	191,060	151,105	191,060	159,728	170,837
Earnings per share, SEK						
Profit/loss for the period	9,492	14,376	28,505	34,527	39,370	45,392
Number of shares end of period, before dilution	18,759,398	18,759,398	18,759,398	18,759,398	18,759,398	18,759,398
Earnings per share before dilution, SEK	0.51	0.77	1.52	1.84	2.12	2.42
Number of shares end of period, after dilution	18,788,008	18,759,398	18,788,008	18,759,398	18,788,008	18,759,398
Earnings per share before dilution, SEK	0.51	0.77	1.52	1.84	2.10	2.42

Statement by the Board of Directors

The Board of Directors and CEO certify that the interim report for Berner Industrier AB (publ), 556026-3666, gives a true and fair view of the parent company's and the Group's operations, position and results and describes the significant risks and uncertainties facing the parent company and the Group companies.

Stockholm, November 5, 2024

Joachim Berner
Chairman of the Board

Caroline Reuterskiöld
Chief Executive Officer

Lars Gatenbeck
Board Member

Kerstin Gillsbro
Board Member

Helena Grubb
Board Member

Pia Irell
Board Member

Carl Adam Rosenblad
Board Member

Audit report

**To the Board of Directors at
Berner Industrier AB (publ)
Registration no. 556026-3666**

Introduction

We have reviewed the condensed interim financial information (interim report) of Berner Industrier AB (publ) as of September 30, 2024, and the nine-month period ending on that date. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Focus and scope of the review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and performing analytical and other review procedures. A review has a different focus and is substantially smaller in scope than

an audit conducted in accordance with ISA and other generally accepted auditing standards. The procedures performed in a review do not enable us to obtain assurance that we are aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not have the same level of assurance as an expressed conclusion based on an audit.

Conclusion

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

Stockholm, November 5, 2024
KPMG AB

Mathias Arvidsson
Authorized accountant

The information in this report is published under the EU Market Abuse Regulation 596/2014. The information was submitted by the below-mentioned contact persons for publication on November 5, 2024, at 8:00 a.m. CEST.

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Upcoming events

February 7, 2025
Year-end report Q4 2024

April 29, 2025
Interim report, Q1 2025

July 18, 2025
Interim report Q2 2025

November 4, 2025
Interim report Q3 2025



English convenience translation from Swedish original. In case of discrepancies between the Swedish original and the English translation, the Swedish original shall prevail.