

## Weaker performance in a challenging market

Revenue increased by 8% to SEK 233 million and the operating profit, adjusted EBITA, amounted to SEK 19 million in Q3. Given the weak market development within construction and consumer-oriented products in particular, the Seafire Group showed stable performance in Q3.

Unless stated otherwise, the figures in this report concern continuing operations.

### Q3 2023

- Net sales amounted to SEK 233 million (215). Growth amounted to 8%, of which organic growth for comparable entities amounted to -5%, compared with the same period in 2022
- Operating profit (EBIT) amounted to SEK 9 million (27)
- EBITA amounted to SEK 27 million (33), corresponding to a margin of 12% (15)
- Adjusted EBITA amounted to SEK 19 million (21), corresponding to a margin of 8% (10)
- Earnings per share before and after dilution amounted to SEK -0.21 (0.13)<sup>3</sup>

### The period January – September 2023

- Net sales amounted to SEK 773 million (641). Growth amounted to 21%, of which organic growth for comparable entities amounted to -4%, compared with the same period in 2022
- Operating profit (EBIT) amounted to SEK 33 million (64)
- EBITA amounted to SEK 65 million (79), corresponding to a margin of 8% (12)
- Adjusted EBITA amounted to SEK 71 million (73), corresponding to a margin of 9% (11)
- Earnings per share before and after dilution amounted to SEK -1.06 (0.60)<sup>3</sup>

### Significant events in the reporting period

- On 1 September, Anders Martinsson took up his post as the new business area manager for the Industry segment. Anders has previously worked for Indutrade, where he was business development manager, as CEO within the Wilo Group and as CEO for BE Group AB
- On 29 September, Seafire corrected the purchase price allocation for SolidEngineer AB, which had a positive impact on both revenue and profit for previously reported periods. See Note 9 for more information
- As a result of disappointing profitability and challenging market conditions in the subsidiary Hedén Group, Seafire recognized impairment losses on goodwill of SEK 12 million during Q3.

## FINANCIAL SUMMARY<sup>1</sup>

	Q3	Q3	Jan–Sep	Jan–Sep	R12	Full year
SEK million	2023	2022	2023	2022	2023	2022
Net sales	233	215	773	641	983	851
Operating profit (EBIT)	9	27	33	64	50	81
EBITA <sup>2</sup>	27	33	65	79	87	101
EBITA margin, % <sup>2</sup>	12%	15%	8%	12%	9%	12%
Adjusted EBITA <sup>2</sup>	19	21	71	73	78	80
Adjusted EBITA margin, % <sup>2</sup>	8%	10%	9%	11%	7%	9%
Profit/loss after tax <sup>3</sup>	-9	4	-46	17	-49	14
Basic earnings per share, SEK <sup>3</sup>	-0.21	0.13	-1.06	0.60	-1.23	0.49
Diluted earnings per share, SEK <sup>3</sup>	-0.21	0.13	-1.06	0.60	-1.23	0.47
Cash flow from operating activities <sup>3</sup>	94	2	69	-8	17	-61
Net debt/adjusted EBITDA pro forma R12, times	2.1	3.0	2.1	3.0	2.1	1.7

1) The comparative figures have been restated. See Note 9 for more information.

2) Alternative performance measures. See Note 10 for reconciliation with financial reports in accordance with IFRS.

3) Key ratios inclusive of divested business

## THE CEO'S COMMENTS ON Q3

**The market situation is still weaker than in 2022, which means negative organic growth and an adjusted operating profit that is somewhat lower than in the previous year. We are still seeing lower levels of demand within construction and a cautious market for consumer-oriented products, but strong development for other companies. The efforts being made to reduce costs are continuing and are expected to achieve their full impact in early 2024. Cash flow from operating activities improved somewhat to SEK 14 million (12).**



Development in Q3 was in line with expectations, given market developments for companies within the construction sector and consumer-oriented products. The setbacks experienced by companies within the construction sector and consumer are continuing, although Nordbutiker, for example, saw signs of an upturn at the end of the period. The Group's companies that are aimed at manufacturing industry and plant are performing strongly, while for other companies the market is somewhat cautious. The altered market situation and weaker development faced by the Group has led us to both increase our sales initiatives and the pace with the aim of reducing costs and currency effects in order to improve results.

Cash flow continues to develop in the right direction and improved during the quarter. We can clearly see the effects of lower interest costs as a result of the refinancing, which in turn is enabling net debt to gradually be reduced. Inventory tied up is decreasing further and working capital tied up is being streamlined.

### *Products business area*

The market downturn for consumer-oriented products began at the start of Q4 2022 and the market situation remains sluggish, with lower revenue compared with the same period in 2022. With the exception of Hedén, there have been no signs of further deterioration, and instead we saw the first green shoots of improvement at the end of the period. Nordbutiker is showing signs of recovery, with increased revenue and improved results during the second half of the quarter. This recovery is partly the result of low comparative figures, but improved competitiveness with test winning products and a strong marketing and sales organization have also played a part. The improvement in revenue and improved margins, despite a weak Swedish currency, also continued during the early part of Q4.

SolidEngineer is undergoing a transformative journey, with streamlining with respect to the software business and consulting through the winding up of the 3D printing and Innovation management business areas, which was carried out at the start of 2023. The focus for 2023 is on improved marketing and sales and a transition from license sales to a SaaS model. The new platform will be in place in autumn 2023 and will provide a solid starting point ahead of 2024.

Since Q4 2022, OPO has encountered a more cautious market, primarily as a result of a reduction in inventory levels among optician chain stores. The marketing and sales organization has been strengthened and transformed to create a more forward-looking and flexible organization.

### *Industrial components business area*

Overall, the companies within this business area have developed in different directions. Construction-related companies in particular saw negative development, while companies within plant and manufacturing industry saw strong positive development. DOFAB is still encountering a sluggish market, although the level of interest and number of requests for bids for property maintenance and energy efficiency measures remains strong. Since H2 2022, DOFAB's customers have been cautious, resulting in reduced order intake and sales. Our assessment is that the market will not improve until interest rate rises cease and the new tax relief on costs associated with the repair and maintenance of domestic buildings is introduced in the second half of 2024.

Bara Mineraler is continuing to show strong revenue growth of over 40%, alongside a solid improvement in profitability. The company has benefited greatly from the market and organization investments that were initiated following the acquisition of the company.

Borö saw a reduction in revenue compared with 2022 as a result of a cautious market in Denmark, Germany and elsewhere, pending new subsidy packages. The long-term market outlook for Borö is very positive, with strong market growth in Europe together with leading players.

In many ways, 2023 is a year of transition, not just as a result of the refinancing and listing on the main Nasdaq list, but also with regard to the succession from previous owners and the transformative journey that many companies have been undertaking. These activities are resulting in short-term cost increases, yet they are essential and the sooner they are implemented, the better. On a company by company basis, we are now able to implement our model to maintain profitability levels in the current market, and in the long term develop the Group's subsidiaries with growth and higher profits. Through the strengthening of the team with the addition of business area manager Anders Martinsson, we now have more resources and expertise at our disposal, along with a stronger focus on operating profit and capital tied up – retaining profitability by driving sales and maintaining good cost control - and reducing debt.

*Johan Bennarsten, CEO*

## DEVELOPMENT OF THE GROUP<sup>1</sup>

### Net sales

#### Q3

During the quarter, revenue increased by 8% to SEK 233 million, compared with SEK 215 million during the same period of the previous year. Organic growth, excluding acquired companies, was -5%, compared with the same period of 2022.

#### The period January – September

During the period, revenue increased by 21% compared with 2022 to SEK 773 million (641). This increase is attributable to the acquisitions carried out over the past 12 months. Organic growth amounted to -4% compared with 2022.

### Gross margin

#### Q3

The gross margin, excluding the effects of earnout revaluation, increased to 46% (44%) during Q3. The increase in gross margin is explained by additional acquisitions, whose gross margin is higher than that of existing subsidiaries. In the comparable operations, the gross margin increased somewhat, primarily as a result of a favorable product mix.

#### The period January – September

The gross margin, excluding the effects of earnout revaluation, increased to 46% (44%) during the period. The increase in gross margin is primarily explained by additional acquisitions, whose gross margin is higher than that of existing subsidiaries. A changed product mix, where the Industrial components business area is showing positive development, is also contributing to the increase in gross margin.

### Profit

#### Q3

The Group's operating profit (EBIT) amounted to SEK 9 million (27) during the quarter. Impairment of goodwill for the subsidiary Hedén had a negative impact on the profit in the amount of SEK 12 million. Operating profit before amortization attributable to acquired surplus values (EBITA) amounted to SEK 27 million (33). Items affecting comparability, primarily attributable to the revaluation of earnout and acquisition costs, of SEK 8 million (11) had a positive effect on the profit. Loss after tax amounted to SEK -9 million (4).

#### The period January – September

The Group's operating profit (EBIT) amounted to SEK 33 million (64) during the period. The negative development is explained partly by the impairment of goodwill of SEK 12 million (0), and partly by lower profitability in consumer-related operations and companies with exposure to the construction market. Operating profit before amortization attributable to acquired surplus values (EBITA) amounted to SEK 65 million (79). Items affecting comparability, primarily attributable to the revaluation of earnout, acquisition costs and costs for change of listing and refinancing, of SEK -5 million (7) had a negative effect on profit. Loss after tax for the continuing operation amounted to SEK -23 million (15), while the loss from all operations amounted to SEK -46 million (17).

### Net financial items and tax

#### Q3

Net financial items during Q3 amounted to SEK -11 million (-20). Interest expenses amounted to SEK -7 million (-13), financial expenses for the revaluation of earnout, etc. amounted to SEK -6 million (-11), exchange rate fluctuations to SEK -2 million (3) and interest income and financial income to SEK 4 million (1). Tax for the period amounted to SEK -7 million (-2).

#### The period January – September

Net financial items for the period amounted to SEK -51 million (-39). Interest and financial expenses amounted to SEK -54 million (-44), exchange rate fluctuations to SEK -5 million (2) and interest income and financial income to SEK 9 million (4). Non-recurring costs linked to the refinancing amounted to SEK -18 million (0). Tax for the period amounted to SEK -5 million (-10).

#### Summary of financial performance measures

SEK million	Q3 2023	Q3 2022	Jan–Sep 2023	Jan–Sep 2022	R12 2023	Full year 2022
Net sales	233	215	773	641	983	851
EBITDA	35	38	86	95	114	123
EBITA	27	33	65	79	87	101
EBIT	9	27	33	64	50	81

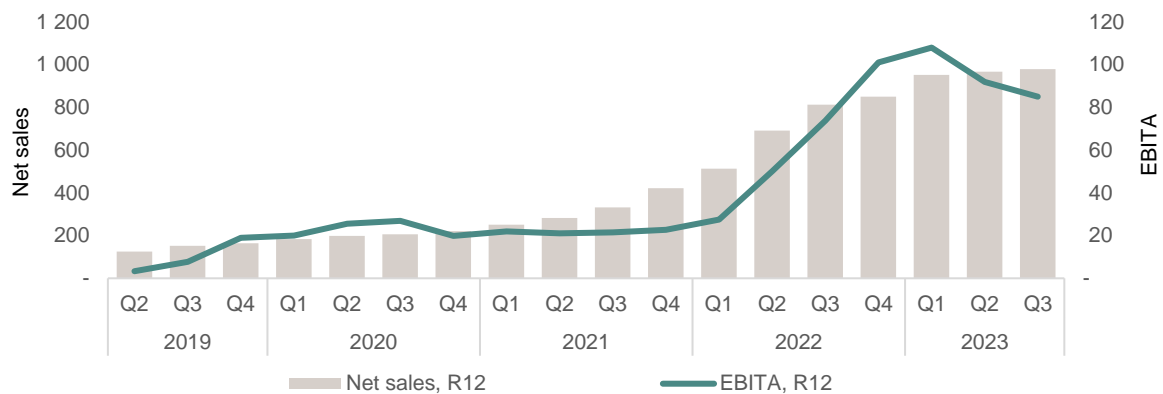
1) The comparative figures have been restated. See Note 9 for more information.

#### Effect of items affecting comparability on the income statement

SEK million	Q3 2023	Jan-Sep 2023
Other income (revaluation of earnout)	10	10
Other external expenses (acquisitions, change of listing and refinancing)	-2	-13
<b>Effect on EBITDA &amp; EBITA</b>	<b>8</b>	<b>-3</b>

#### Financial development

SEK million



## Cash flow

### Q3

Operating activities generated a cash flow of SEK 14 million (12) during Q3 2023. Cash flow from operating activities, including changes in working capital, amounted to SEK 94 million (2), primarily explained by the granting of deferment of tax payments of SEK 94 million. Cash flow from investing activities amounted to SEK -3 million (-3), as a result of investments in tangible and intangible non-current assets. Cash flow from financing activities amounted to SEK -95 million (-4), which is explained by the repayment of loans and lease liabilities. Total cash flow amounted to SEK -4 million (-4) during Q3.

### The period January – September

Operating activities generated a cash flow of SEK 8 million (42) during the period. Cash flow from operating activities, including changes in working capital, amounted to SEK 69 million (-8). Cash flow from investing activities amounted to SEK -90 million (-428), as a result of the acquisition of Borö-Pannan AB and investments in tangible and intangible non-current assets. Cash flow from financing activities amounted to SEK -384 million (503), which is explained by completion of the refinancing, where bond loans were repaid and new bank loans taken out. Total cash flow amounted to SEK -405 million (67).

## Investments

### Q3

Total cash flow from investing activities during the quarter amounted to SEK -3 million (-3), which is attributable to investments in intangible and tangible non-current assets.

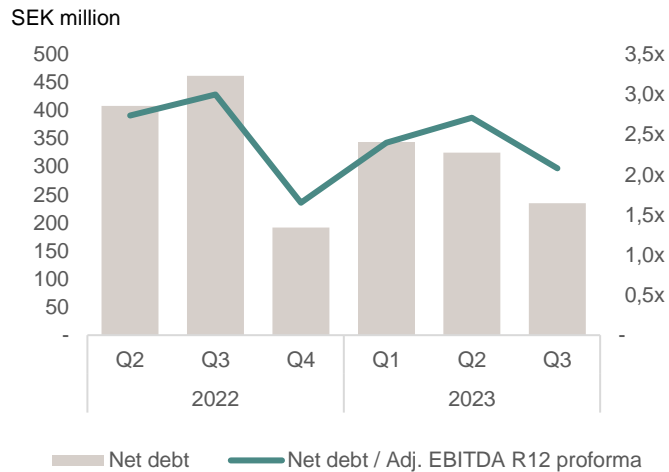
### The period January – September

Total cash flow from investing activities during the period amounted to SEK -90 million (-428), which is attributable to business combinations and investments in intangible and tangible non-current assets. Investments attributable to intangible and tangible non-current assets amounted to SEK -10 million (-15).

## Financing

Interest-bearing liabilities at the end of the period amounted to SEK 254 million (612) and, including lease liabilities, to SEK 292 million (644). Of the liabilities, SEK 254 million (603) concerned liabilities to credit institutions and SEK 38 million (32) concerned lease liabilities. Earnout with maturity within 12 months amounted to SEK 10 million (12). Cash and cash equivalents at the end of the period amounted to SEK 63 million (243). The Group's net debt therefore amounted to SEK 201 million (381) and, including lease liabilities, to SEK 239 million (413).

### Nettoskuldsättning<sup>1</sup>



Note: 1) For definitions, see Note 10. The comparative figures have been restated to include the component of liability for earnouts that matures within 12 months.

## BUSINESS AREAS

### Industrial components

The Industrial components business area offers products and solutions to companies within a number of market niches - paints, fans, construction materials and the production of sheet metal components for customers within a wide range of sectors. For more information about the business area, see Note 3.

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
Net sales	148	130	516	409	660	553
EBIT*	18	17	65	60	82	77
EBIT margin, %	12%	13%	13%	15%	12%	14%

\* The profit excludes IFRS 16 and the management fee payable to the Parent Company, which is distributed between the subsidiaries based on net sales.

#### Q3

During the quarter, revenue increased by 14% to SEK 148 million, compared with SEK 130 million during the same quarter of the previous year. Organic growth, excluding acquired companies, was -7%, compared with the same period of 2022. Acquired growth amounted to 22% during the quarter. Existing subsidiaries in the business area showed somewhat weaker development compared with the same period of the previous year. Borö-Pannan, which is consolidated from 1 February, is still experiencing strong demand for its components for sustainable energy systems.

During Q3 2023, the gross margin was somewhat higher than during the same period of 2022 as a result of the acquisition of Borö-Pannan.

During the quarter, operating profit after depreciation, amortization and impairment (EBIT), increased by 6% to SEK 18 million (17), which corresponds to an operating margin of 12% (13). The increase in profit is explained by the acquisition of Borö-Pannan AB.

#### The period January – September

During the period, revenue increased by 26% to SEK 516 million, compared with SEK 409 million during the same period of the previous year. Organic growth, excluding acquired companies, was 1%, compared with the same period of 2022. Acquired growth amounted to 25% during the period.

During the period January to September, the gross margin was on a par with the same period of 2022.

During the period, operating profit after depreciation, amortization and impairment (EBIT), increased by 8% to SEK 65 million (60), which corresponds to an operating margin of 13% (15). The increase in profit is primarily explained by completion of the acquisition of Borö-Pannan AB.

## Products<sup>1</sup>

The Products business area offers products and solutions to companies within a number of market niches - lightweight electric vehicles, software sales, glasses and monitoring equipment for customers within a wide range of sectors. For more information about the business area, see Note 3.

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
Net sales	84	85	256	232	322	298
EBIT*	5	6	14	18	13	16
EBIT margin, %	6%	7%	6%	8%	3%	5%

\* The profit excludes IFRS 16, impairment of goodwill and the management fee payable to the Parent Company, which is distributed between the subsidiaries based on net sales.

### Q3

During the quarter, revenue fell by 1% to SEK 84 million, compared with SEK 85 million during the same quarter of the previous year. Organic growth, excluding acquired companies, was -9%, compared with the same period of 2022. The reduction in revenue in comparable components is primarily explained by a reduction in demand and consumer-oriented products.

The gross margin among comparable companies was stable during Q3 2023 compared with the same period in the previous year.

During Q3, operating profit after depreciation, amortization and impairment (EBIT) amounted to SEK 5 million (6), which corresponds to an operating margin of 6% (7). The deterioration in profit is explained by a reduction in revenue as a result of lower demand.

### The period January – September

During the period, revenue increased by 10% to SEK 256 million, compared with SEK 232 million during the same period of the previous year. Organic growth, excluding acquired companies, was -15%, compared with the same period of 2022. The reduction in revenue in comparable companies is primarily explained by a reduction in demand and consumer-oriented products such as electric bikes.

The gross margin of comparable companies improved during the period January to September 2023 as a result of a changed product mix compared with the same period of the previous year.

Operating profit after depreciation, amortization and impairment (EBIT) amounted to SEK 14 million (18), which corresponds to an operating margin of 6% (8). The profit was positively affected by the full-year effect of the acquisitions of OPO and SolidEngineer. The negative development in the profit is primarily explained by reduced demand for consumer-oriented products in existing businesses, offset by a positive effect from acquisitions completed in 2022.

1) The comparative figures have been restated. See Note 9 for more information.



## OTHER INFORMATION

### Related party transactions

Since Q4 2022, Kenpo Sandwich AB has been purchasing consultancy services from Claes Jagborn, which is a related party of the CEO of Kenpo Sandwich, Denice Jagborn. The consultancy agreement was established on market terms and conditions. As of September, the cost paid amounted to SEK 0.6 million.

Since 16 January 2019, subsidiary Åkerstedts Verkstad AB has been leasing premises from Perpressa Fastigheter AB, which is partly owned by Jesper Åkerstedt, who is CEO of Åkerstedts Verkstad. The lease agreement was established on market terms and conditions. Services are also purchased from a company that is related to Jesper Åkerstedt. As of September, the rent paid and cost of services purchased amounted to SEK 0.8 million.

### Share information

At the end of the reporting period, the number of shares in the Company was 42,846,569. All shares are of the same type and afford the same voting rights. As of 30 September 2023, the largest shareholders were Creades with approx. 18% of the shares, Protector Forsikring with approx. 9%, and Berenberg with approx. 8%.

Since 11 May 2023, the Company's shares have been listed on Nasdaq Stockholm and are traded under the short name 'SEAF'. Before this date, the shares had been listed on Nasdaq First North Growth Market since 25 July 2019. The smallest trading unit is one (1) share. The closing price of the share on 29 September 2023 was SEK 7.92 per share, which corresponds to a market value of approximately SEK 339 million.

### About Seafire

Seafire is a company group founded in 2016 with the aim of creating growth through the acquisition of profitable companies and developing these through active and long-term ownership.

Seafire creates value by being an active owner with a decentralized operational model and independent subsidiaries. Long-term strategies are based on development of the business model, broadening of the market and service and product development, and are executed alongside new initiatives within sales and marketing. This boosts the growth and profitability of the acquired companies.

Seafire always acquires a majority of the shares in any company.

Seafire operates in two business fields: Industrial components and Products. During the period, the Group had eight subsidiaries within Industrial components and five subsidiaries within Products. At the end of the period, the Group had a total of 339 employees, of whom 66 were women. For more information about Seafire's subsidiaries, visit [www.seafireab.com](http://www.seafireab.com).

### Financial calendar

Year-end report 2023	22 February 2024	08.00 CET
Interim report 1 2024	24 April 2024	08.00 CET
Annual General Meeting 2024	24 April 2024	
Interim report 2 2024	22 August 2024	08.00 CET
Interim report 3 2024	25 October 2024	08.00 CET
Year-end report 2024	21 February 2025	08.00 CET

### Contact details

Johan Bennarsten  
Chief Executive Officer  
+46 (0)70 749 56 59  
[johan.bennarsten@seafireab.com](mailto:johan.bennarsten@seafireab.com)

Jacob Persson  
CFO  
+46 (0)70 864 07 52  
[jacob.persson@seafireab.com](mailto:jacob.persson@seafireab.com)

Seafire AB (publ)  
Mäster Samuelsgatan 9, 111 44 Stockholm  
Corporate identity number 556540-7615  
[www.seafireab.com](http://www.seafireab.com)



**DECLARATION BY THE BOARD OF DIRECTORS**

The Board of Directors and CEO hereby assure that this interim report gives a true and fair view of the Group's operations, financial position and performance, and describes the material risks and uncertainties facing the Group.

Stockholm, October 30, 2023

Joachim Berner  
*Chairman of the Board*

Lennart Jacobsson  
*Board member*

Louise Nicolin  
*Board member*

Stina Wollenius  
*Board member*

Marcus Söderberg  
*Board member*

Johan Bennarsten  
*Chief Executive Officer*

## Auditor's report on review of interim report

*To the Board of Directors of Seafire AB (publ), reg.nr. 556540-7615*

### Introduction

We have reviewed the condensed interim financial information (interim report) for Seafire AB (publ) as of September 30, 2023 and the nine-month period which ended on this 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.

### Scope of 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 of interim report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

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

*Stockholm, October 30<sup>th</sup>, 2023*

BDO Mälardalen AB

Johan Pharmanson  
Authorized Public Accountant

Hanna Sewén  
Authorized Public Accountant

## CONSOLIDATED INCOME STATEMENT IN SUMMARY<sup>1</sup>

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
<b>Operating income</b>						
Net sales	233	215	773	641	983	851
Other income	13	14	18	16	38	36
<b>Total operating income</b>	<b>246</b>	<b>229</b>	<b>791</b>	<b>657</b>	<b>1,021</b>	<b>887</b>
Change in work in progress	-16	-13	-51	-10	-61	-19
Merchandise	-112	-109	-370	-354	-477	-461
Other external expenses	-34	-25	-112	-71	-144	-103
Personnel costs	-48	-42	-168	-125	-221	-178
Other operating costs	-1	-1	-2	-2	-3	-3
Depreciation, amortization and impairment	-26	-12	-54	-31	-65	-43
<b>Total operating expenses</b>	<b>-237</b>	<b>-202</b>	<b>-758</b>	<b>-593</b>	<b>-971</b>	<b>-807</b>
<b>Operating profit</b>	<b>9</b>	<b>27</b>	<b>33</b>	<b>64</b>	<b>50</b>	<b>81</b>
Financial income	4	4	9	6	9	6
Financial expenses	-15	-24	-60	-45	-73	-59
<b>Profit/loss before tax</b>	<b>-2</b>	<b>6</b>	<b>-18</b>	<b>25</b>	<b>-15</b>	<b>28</b>
Taxes	-7	-2	-5	-10	-11	-16
<b>Profit/loss from continuing operations</b>	<b>-9</b>	<b>4</b>	<b>-23</b>	<b>15</b>	<b>-26</b>	<b>12</b>
Profit/loss from discontinued operations	-	-	-23	2	-23	2
<b>Profit/loss for the period</b>	<b>-9</b>	<b>4</b>	<b>-46</b>	<b>17</b>	<b>-49</b>	<b>14</b>

1) The comparative figures have been restated. See Note 9 for more information.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY<sup>1</sup>

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
Profit/loss for the period, continuing operations	-9	4	-23	15	-26	12
Profit/loss for the period, discontinued operations	-	-	-23	2	-23	2
<b>Profit/loss for the period</b>	<b>-9</b>	<b>4</b>	<b>-46</b>	<b>17</b>	<b>-49</b>	<b>14</b>
<b>Other comprehensive income</b>						
Items that may later be reclassified to profit or loss	-	-	-	-	-	-
Translation differences	-	-	-	-	-	-
<b>Other comprehensive income after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Comprehensive income for the period</b>	<b>-9</b>	<b>4</b>	<b>-46</b>	<b>17</b>	<b>-49</b>	<b>14</b>
<b>Comprehensive income for the period attributable to:</b>						
Parent Company shareholders	-9	4	-46	17	-49	14

## EARNINGS PER SHARE<sup>1</sup>

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
Basic earnings per share in SEK	-0.21	0.13	-1.06	0.60	-1.23	0.49
Average number of shares before dilution <sup>2</sup>	42,847	29,417	42,816	28,735	39,835	29,305
Diluted earnings per share in SEK	-0.21	0.13	-1.06	0.60	-1.23	0.47
Average number of shares after dilution <sup>2</sup>	43,749	29,417	43,718	28,735	40,737	30,805

1) The comparative figures have been restated. See Note 9 for more information.

2) Average number of shares in thousands

## CONSOLIDATED BALANCE SHEET IN SUMMARY<sup>1</sup>

SEK million	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>Non-current assets</b>			
Goodwill	690	647	648
Other intangible non-current assets	69	80	74
Property, plant and equipment	143	127	127
Right-of-use assets	39	32	35
Deferred tax assets	1	-	1
Non-current receivables	2	2	2
Other financial non-current assets	-	1	1
<b>Total non-current assets</b>	<b>944</b>	<b>889</b>	<b>887</b>
<b>Current assets</b>			
Inventory	236	204	216
Trade receivables	122	125	115
Tax assets	24	4	8
Other current receivables	17	11	4
Prepaid expenses and accrued income	41	47	50
Cash and cash equivalents	63	243	468
<b>Total current assets</b>	<b>503</b>	<b>635</b>	<b>861</b>
<b>TOTAL ASSETS</b>	<b>1,446</b>	<b>1,524</b>	<b>1,748</b>
<b>Equity</b>			
Share capital	7	5	7
Other contributed capital	849	604	845
Warrants	2	-	2
Retained earnings, including profit/loss for the period	-113	-64	-68
<b>Total equity</b>	<b>745</b>	<b>545</b>	<b>786</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	44	37	40
Bonds	-	600	596
Non-current liabilities to credit institutions	203	9	4
Non-current lease liabilities	21	18	19
Other non-current liabilities	40	30	23
<b>Total non-current liabilities</b>	<b>308</b>	<b>694</b>	<b>681</b>
<b>Current liabilities</b>			
Current liabilities to credit institutions	41	-	-
Advances from customers	5	7	5
Trade payables	67	56	70
Current tax liabilities	16	8	8
Utilized bank overdraft facilities	10	3	-
Current lease liabilities	17	14	14
Other current liabilities	141	92	72
Accrued expenses and deferred income	97	104	112
<b>Total current liabilities</b>	<b>393</b>	<b>284</b>	<b>281</b>
<b>Total liabilities</b>	<b>701</b>	<b>976</b>	<b>962</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,446</b>	<b>1,524</b>	<b>1,748</b>

1) The comparative figures have been restated. See Note 9 for more information.

CONSOLIDATED CHANGES IN EQUITY IN SUMMARY<sup>1</sup>

SEK million	Share capital	Other contributed capital	Retained earnings, including profit/loss for the period	Total equity
<b>Opening balance, 1/1/2022</b>	<b>3</b>	<b>297</b>	<b>-81</b>	<b>219</b>
Comprehensive income for the period	-	-	17	17
<u>Transactions with shareholders</u>				
New share issue	2	320	-	322
New share issue expenses	-	-13	-	-13
<b>Closing balance, 9/30/2022</b>	<b>5</b>	<b>604</b>	<b>-64</b>	<b>545</b>

SEK million	Share capital	Other contributed capital	Retained earnings, including profit/loss for the period	Total equity
<b>Opening balance, 1/1/2023</b>	<b>7</b>	<b>847</b>	<b>-68</b>	<b>786</b>
Comprehensive income for the period	-	-	-46	-46
<u>Transactions with shareholders</u>				
New share issue	-	5	-	5
New share issue expenses	-	-1	-	-1
<b>Closing balance, 9/30/2023</b>	<b>7</b>	<b>851</b>	<b>-113</b>	<b>745</b>

1) The comparative figures have been restated. See Note 9 for more information.

## CONSOLIDATED STATEMENT OF CASH FLOWS IN SUMMARY<sup>1</sup>

SEK million	Q3 2023	Q3 2022	Jan–Sep 2023	Jan–Sep 2022	R12 2023	Full year 2022
<u>Cash flow from operating activities</u>						
Profit/loss before tax	-2	6	-41	28	-38	30
of which interest received	-	-	2	-	3	1
of which interest paid	-7	-13	-49	-28	-66	-45
Adjustment for non-cash items	20	12	71	36	54	20
Tax paid	-4	-6	-22	-22	-25	-25
<b>Cash flow from operating activities before changes in working capital</b>	<b>14</b>	<b>12</b>	<b>8</b>	<b>42</b>	<b>-9</b>	<b>25</b>
<u>Cash flow from changes in working capital</u>						
Change in inventory	1	6	15	-26	4	-38
Change in current receivables	12	-2	-	-15	8	-7
Change in current liabilities	67	-14	46	-9	13	-41
<b>Cash flow from change in working capital</b>	<b>80</b>	<b>-10</b>	<b>61</b>	<b>-50</b>	<b>27</b>	<b>-86</b>
<b>Cash flow from operating activities</b>	<b>94</b>	<b>2</b>	<b>69</b>	<b>-8</b>	<b>17</b>	<b>-61</b>
<u>Cash flow from investing activities</u>						
Business combinations	-	-	-81	-421	-27	-367
Investments in property, plant and equipment	-3	-11	-8	-14	-11	-17
Investments in intangible non-current assets	-1	-	-2	-1	-2	-2
Divestment of financial non-current assets	-	8	-	8	6	14
<b>Cash flow from investing activities</b>	<b>-3</b>	<b>-3</b>	<b>-90</b>	<b>-428</b>	<b>-34</b>	<b>-372</b>
<u>Cash flow from financing activities</u>						
New share issue	-	-	-	322	250	572
New share issue expenses	-	-	-1	-13	-9	-22
Premiums for incentive program	-	-	-	-	2	2
Borrowings	-	1	250	208	249	207
Repayment of borrowings	-10	-	-630	-	-641	-11
Change in bank overdraft facilities	-80	-1	-10	-5	-6	-9
Repayment of lease liabilities	-4	-4	-13	-9	-19	-15
<b>Cash flow from financing activities</b>	<b>-95</b>	<b>-4</b>	<b>-384</b>	<b>503</b>	<b>-164</b>	<b>724</b>
<b>Total cash flow</b>	<b>-4</b>	<b>-4</b>	<b>-405</b>	<b>67</b>	<b>-180</b>	<b>291</b>
Cash and cash equivalents at start of period	67	247	468	176	243	176
Translation differences	-	-	-	-	-	-
<b>Cash and cash equivalents at end of period</b>	<b>63</b>	<b>243</b>	<b>63</b>	<b>243</b>	<b>63</b>	<b>468</b>

1) Including discontinued operations. See Note 6 for statement of cash flows in summary for divested operations. The comparative figures have been restated. See Note 9 for more information.



## PARENT COMPANY INCOME STATEMENT IN SUMMARY

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
Net sales	-	-	-	-	-	-
Other income	5	4	14	12	19	17
<b>Total operating income</b>	<b>5</b>	<b>4</b>	<b>14</b>	<b>12</b>	<b>19</b>	<b>17</b>
Other external expenses	-4	-1	-16	-6	-24	-14
Personnel costs	-3	-2	-9	-7	-11	-10
Depreciation and amortization	-	-	-	-	-	-
<b>Total expenses</b>	<b>-7</b>	<b>-3</b>	<b>-25</b>	<b>-13</b>	<b>-35</b>	<b>-24</b>
<b>Operating profit/loss</b>	<b>-2</b>	<b>1</b>	<b>-10</b>	<b>-1</b>	<b>-16</b>	<b>-7</b>
Financial income	2	-	4	-	6	2
Financial expenses	-23	-17	-81	-36	-82	-54
<b>Profit/loss before tax</b>	<b>-23</b>	<b>-16</b>	<b>-87</b>	<b>-37</b>	<b>-91</b>	<b>-58</b>
Group contributions	-	-	-	-	17	17
Income tax	-	-	-	-	-	-
<b>Profit/loss for the period</b>	<b>-23</b>	<b>-16</b>	<b>-87</b>	<b>-37</b>	<b>-75</b>	<b>-41</b>

## PARENT COMPANY BALANCE SHEET SUMMARY

SEK million	30 Sep 2023	30 Sep 2022	31 Dec 2022
Intangible non-current assets	-	-	-
Property, plant and equipment	1	-	-
Receivables from Group companies	1,047	-	1,003
Financial non-current assets	23	8	23
<b>Total non-current assets</b>	<b>1,071</b>	<b>8</b>	<b>1,027</b>
Receivables from Group companies	204	1,039	53
Other current receivables	-	-	2
Prepaid expenses and accrued income	1	1	1
Cash and cash equivalents	58	136	458
<b>Total current assets</b>	<b>264</b>	<b>1,176</b>	<b>514</b>
<b>TOTAL ASSETS</b>	<b>1,335</b>	<b>1,184</b>	<b>1,541</b>
Share capital	7	5	7
Other contributed capital	881	638	877
Warrants	2	-86	2
Retained earnings, including profit/loss for the period	-215	-37	-127
<b>Total equity</b>	<b>675</b>	<b>520</b>	<b>758</b>
Non-current liabilities to credit institutions	200	600	596
Other non-current liabilities	18	22	14
<b>Total non-current liabilities</b>	<b>218</b>	<b>622</b>	<b>610</b>
Current interest-bearing liabilities	50	-	-
Trade payables	1	-	4
Liabilities to Group companies	372	6	140
Other current liabilities	17	31	21
Accrued expenses and deferred income	2	5	8
<b>Total current liabilities</b>	<b>442</b>	<b>42</b>	<b>173</b>
<b>Total liabilities</b>	<b>660</b>	<b>664</b>	<b>783</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,335</b>	<b>1,184</b>	<b>1,541</b>

## NOTES

### Note 1. Accounting policies

Seafire AB (publ) applies International Financial Reporting Standards (IFRS) as adopted by the European Union. This interim report has been prepared in accordance with IAS 34 Interim Financing Reporting and applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act. Information in accordance with IAS 34.16A is disclosed both in the financial statements and their associated notes and elsewhere in the interim report. The accounting policies are consistent with the policies that were applied in the previous financial year. For more information on these, see Note K2 in the 2022 Consolidated Annual Report. The interim report should be read together with the 2022 Annual Report. Preparation of financial statements in accordance with IFRS requires Group management to make accounting assessments and estimates, and to make assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expenses. The actual outcome may deviate from these estimates and assessments. For information on the Company's critical assessments and sources of uncertainty, see the 2022 Consolidated Annual Report.

#### *Discontinued operations*

On June 9, subsidiary Lingua Communications Nordic AB filed for bankruptcy following discovery of a case of gross embezzlement. The case is accounted for in accordance with IFRS 5, which means that the subsidiary has been excluded from the relevant individual lines in the consolidated income statement and that net income is instead reported as "Profit/loss from discontinued operations". The consolidated statement of cash flows includes a comprehensive statement of cash flows, including the discontinued operations. The balance sheet as at September 30, 2023 contains no balances related to the subsidiary, while balance sheets for previous periods must not be restated in accordance with IFRS and therefore remain unchanged. The income statement, balance sheet and cash flow concerning discontinued operations are presented in Note 6.

### Note 2. Risks and uncertainties

For a description of the Group's material risks and uncertainties, see the detailed statement in the 2022 Annual Report. No material new or changed risks or uncertainties have been identified since the publication of the 2022 Annual Report. The Parent Company's risks are covered by the description presented for the Group. The effects of the war in Ukraine are such that the Company is unable to make reasonable advance assessments of the effects on the Company's operations and financial performance. Higher inflation and higher prices of input goods will impact demand for goods and services provided by Seafire's subsidiaries. Furthermore, higher interest rates could impact future financing costs and discount rates in connection with the valuation of assets and liabilities. In order to manage the increase in financing costs, Seafire secured long-term bank financing during Q1 2023 and significantly reduced its interest expenses. Goodwill is continually monitored for impairment as a result of the changes in macroeconomic factors. The Board of Directors assists management in the ongoing monitoring of the performance of the business in this context in order to rapidly and effectively manage any risks and situations that could arise.

### Note 3. Segment reporting<sup>1</sup>

Seafire's operations are divided into two segments: Industrial components and Products. The Group management has adopted these segments based on the information considered by the highest executive decision-maker, i.e. the CEO. The operations are divided on the basis of a sales and product content perspective. During the reporting period, no customer accounted for more than ten (10) percent of the Group's net sales.

The Industrial components segment comprises Bara Mineraler, Borö-Pannan, DOFAB, Färg-In, Kenpo Sandwich, Pexymek, Thor Ahlgren and Åkerstedts. The Products segment comprises Hedén, Ludafarm, Nordbutiker, OPO and SolidEngineer. For more information about these subsidiaries, visit [www.seafireab.com](http://www.seafireab.com). In addition to the business segment reporting, "Group-wide" is included, which comprise group-wide costs. IFRS adjustment comprise group accounting adjustments related to the IFRS-framework. Liabilities and goodwill are not included in segment reporting.

Net sales by segment	Q3	Q3	Jan-Sep	Jan-Sep	R12	Full year
SEK million	2023	2022	2023	2022	2023	2022
Industrial components	148	130	516	409	660	553
Products	84	85	256	232	322	298
<b>Total net sales</b>	<b>233</b>	<b>215</b>	<b>773</b>	<b>641</b>	<b>983</b>	<b>851</b>

1) The comparative figures have been restated. See Note 9 for more information.

Operating profit/loss by segment SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
Industrial components	18	17	65	60	82	77
Products	5	6	15	18	13	16
IFRS adjustments	-8	7	-21	-1	-10	10
Group-wide	-6	-4	-27	-13	-36	-23
<b>Total operating profit/loss</b>	<b>9</b>	<b>27</b>	<b>33</b>	<b>64</b>	<b>50</b>	<b>81</b>
Net financial items	-12	-21	-52	-38	-66	-53
<b>Profit/loss before tax</b>	<b>-3</b>	<b>6</b>	<b>-19</b>	<b>25</b>	<b>-16</b>	<b>28</b>

#### Note 4. Revenue from contracts with customers<sup>1</sup>

Net sales by geographical area SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
Sweden	174	148	561	459	720	618
Nordic region (excl. Sweden)	39	32	123	76	145	98
Europe (excl. the Nordic region and Sweden)	18	31	84	95	109	120
World (excl. Europe, the Nordic region and Sweden)	1	3	6	11	10	15
<b>Total net sales</b>	<b>233</b>	<b>215</b>	<b>773</b>	<b>641</b>	<b>983</b>	<b>851</b>

1) The comparative figures have been restated. See Note 9 for more information.

#### Note 5. Business combinations

During the financial year, Seafire completed the acquisition of Borö-Pannan AB.

##### *Borö-Pannan*

The acquisition of all shares in Borö-Pannan AB, which manufactures accumulator tanks for heat pumps, was completed on 1 February 2023. In addition to the initial purchase consideration of SEK 100 million, an earnout is payable based on the development of EBITDA, subject to a maximum of SEK 30 million during the period 2023-2025. According to measurement at fair value, the total purchase consideration amounts to SEK 124 million. The earnout will amount to SEK 10 million per year if EBITDA amounts to at least SEK 20 million during each of the years 2023 – 2025, amounting to a total of SEK 30 million. The initial purchase consideration for Borö-Pannan AB was paid partly in the form of cash and cash equivalents and partly in the form of a private placement of SEK 5 million at a price of SEK 18.37. If the acquisition had been carried out on 1 January 2023, the company would have contributed SEK 114 million in revenue and SEK 15 million to profit/loss before tax. Transaction costs of SEK 1 million have been recognized as other external expenses in the Group.

A preliminary purchase price allocation has been prepared. The purchase price allocation is considered to be preliminary as regards the valuation of intangible assets such as right-of-use assets. The purchase price allocation is expected to be completed by no later than Q4 2023. The goodwill of SEK 73 million arising in the acquisition corresponds to the unique production knowledge relating to accumulator tanks that the Company possesses. There are no significant credit losses in the acquired company.

##### *Net assets of acquired companies at the date of acquisition*

SEK million	Borö-Pannan
Property, plant and equipment	20
Right-of-use assets (IFRS 16)	10
Customer contracts	11
Trade receivables	25
Inventory	36
Cash and cash equivalents	13
Interest-bearing liabilities (IFRS 16)	-10
Current liabilities	-48
Deferred tax	-6
<b>Total identifiable net assets</b>	<b>51</b>
Goodwill	73
<b>Purchase consideration for shares</b>	<b>124</b>

## Note 6. Discontinued operations

On 17 May 2023, a suspected case of embezzlement by the then CEO was disclosed in the subsidiary Lingua Communications Nordic AB. The CEO was dismissed from his position with immediate effect. Following an investigation, it was assessed that it was not possible to continue the business and an application for bankruptcy in respect of the subsidiary was submitted to Nacka District Court on June 9, 2023.

As the subsidiary operated as an independent branch within the Group and Seafire has decided to discontinue its involvement in the translation industry in connection with the bankruptcy, we have decided to account for the subsidiary as a discontinued operation in accordance with IFRS 5. The Group effects that arose as a result of the discontinuation are presented below. Profit and loss and cash flow information concerning the discontinued operation relates to the period through until the shut-down date, while the impact on the balance sheet applies as of the shut-down date.

<b>Profit/loss attributable to discontinued operations</b>	<b>Q3 2023</b>	<b>Q3 2022</b>	<b>Jan-Sep 2023</b>	<b>Jan-Sep 2022</b>	<b>R12 2023</b>	<b>Full year 2022</b>
Net sales	-	15	17	51	36	69
Operating expenses	-	-14	-43	-49	-59	-66
<b>EBITDA</b>	<b>-</b>	<b>1</b>	<b>-23</b>	<b>2</b>	<b>-21</b>	<b>4</b>
Depreciation and amortization	-	-	-	-	-1	-1
<b>EBITA</b>	<b>-</b>	<b>1</b>	<b>-23</b>	<b>2</b>	<b>-22</b>	<b>3</b>
Impairment	-	-	-	-	-	-
<b>EBIT</b>	<b>-</b>	<b>1</b>	<b>-23</b>	<b>2</b>	<b>-22</b>	<b>3</b>
Appropriations	-	-	-	-	-1	-1
<b>Profit/loss before tax</b>	<b>-</b>	<b>1</b>	<b>-23</b>	<b>2</b>	<b>-23</b>	<b>2</b>
Income tax	-	-	-	-	-	-
<b>Profit/loss attributable to discontinued operations</b>	<b>-</b>	<b>1</b>	<b>-23</b>	<b>2</b>	<b>-23</b>	<b>2</b>

### Impact of discontinued operations on the balance sheet at the time of applying for bankruptcy

Property, plant and equipment	-
Current operating assets	6
<b>Total assets</b>	<b>6</b>
Current operating liabilities	25
<b>Total liabilities</b>	<b>25</b>
Net assets	-19

### Cash flow from discontinued operations

	<b>Q3 2023</b>	<b>Q3 2022</b>	<b>Jan-Sep 2023</b>	<b>Jan-Sep 2022</b>	<b>R12 2023</b>	<b>Full year 2022</b>
From operating activities	-	-1	2	-11	5	-8
From investing activities	-	-	-	-	-	-
From financing activities	-	-	1	-	-	-1
<b>Total cash flow</b>	<b>-</b>	<b>-1</b>	<b>3</b>	<b>-11</b>	<b>5</b>	<b>-9</b>

## Note 7. Fair value of financial instruments

SEK million	30 Sep 2023	30 Sep 2022	Classification according to valuation hierarchy					
			1		2		3	
			30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
<b>Assets</b>								
Currency derivatives	2	3	-	-	2	3	-	-
<b>Liabilities</b>								
Currency derivatives	-	-	-	-	-	-	-	-
Earnouts	29	53	-	-	-	-	29	53

### Financial liabilities at fair value per level in valuation hierarchy

Fair value and carrying amount are recognized in the balance sheet in accordance with the table above. For listed securities, fair value is determined based on the asset's listed price on an active market, level 1. For current contracts and embedded derivatives, fair value is determined based on observable market data, level 2. For

contingent considerations, a cash flow-based valuation is carried out which is not based on observable market data, level 3.

### Note 8. Contingent consideration

Earnouts are variable based on the financial performance of the companies concerned and are determined based on the future financial performance of each company, according to the management's best assessments and forecasts. Earnouts are recognized at fair value. Reversed earnouts are recognized under 'Other income', while revaluations of contingent considerations on the basis of changes in discounting are recognized under 'Financial expenses'.

SEK million	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>Opening balance (1 January)</b>	<b>30</b>	<b>33</b>	<b>33</b>
Acquisitions during the year	24	36	36
Reversed via the income statement	-13	-12	-31
Purchase considerations paid	-18	-9	-9
Interest expenses	6	5	1
<b>Closing balance (30 September)</b>	<b>29</b>	<b>53</b>	<b>30</b>

## Note 9. Correction of purchase price allocation

Following consultation with external parties and a review of the completed purchase price allocation for the acquisition of SolidEngineer AB ("the Company"), Seafire has concluded that the final purchase price allocation prepared by the Group, as examined by the Group's auditors, contains significant errors and must therefore be corrected. The correction means that revenues from sold but not executed service agreements prior to completion on 1 April 2022 must be recognized in the purchase price allocation and balance sheet as deferred revenue, in accordance with IFRS 15 Revenue from Contracts with Customers, and then recognized as revenue on an ongoing basis over the term of the service agreement. The adjustments have no effect on cash flow.

The Group has corrected the purchase price allocation prepared in connection with the acquisition of SolidEngineer AB (which was completed on 4/1/2022) as follows:

Goodwill	SEK 13 million
Prepaid expenses	SEK 20 million
Deferred tax liabilities	SEK 3 million
Deferred income	SEK 36 million

SEK million	Q2 2022	Corr.	Q2 2022	Q3 2022	Corr.	Q3 2022	Q4 2022	Corr.	Q4 2022
Net sales	264	10	274	208	7	215	205	5	210
Other income	2	-	2	14	-	14	20	-	20
<b>Total operating income</b>	<b>266</b>	<b>10</b>	<b>276</b>	<b>222</b>	<b>7</b>	<b>229</b>	<b>225</b>	<b>5</b>	<b>230</b>
Change in work in progress	1	-	1	-13	-	-13	-9	-	-9
Merchandise	-151	-5	-156	-105	-4	-109	-104	-3	-107
Other external expenses	-26	-	-26	-25	-	-25	-32	-	-32
Personnel costs	-50	-	-50	-42	-	-42	-53	-	-53
Other operating costs	-1	-	-1	-1	-	-1	-1	-	-1
Depreciation, amortization and impairment	-11	-	-11	-12	-	-12	-12	-	-12
<b>Total operating expenses</b>	<b>-238</b>	<b>-</b>	<b>-243</b>	<b>-198</b>	<b>-4</b>	<b>-202</b>	<b>-211</b>	<b>-3</b>	<b>-214</b>
<b>Operating profit/loss</b>	<b>28</b>	<b>5</b>	<b>33</b>	<b>23</b>	<b>3</b>	<b>26</b>	<b>14</b>	<b>2</b>	<b>16</b>
Financial income	2	-	2	4	-	4	-1	-	-1
Financial expenses	-11	-	-11	-24	-	-24	-14	-	-14
<b>Profit/loss before tax</b>	<b>19</b>	<b>5</b>	<b>24</b>	<b>3</b>	<b>3</b>	<b>6</b>	<b>-</b>	<b>2</b>	<b>2</b>
Taxes	-6	-1	-7	-2	-1	-3	-5	-	-5
<b>Profit/loss from continuing operations</b>	<b>13</b>	<b>4</b>	<b>17</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>-6</b>	<b>2</b>	<b>-4</b>
Profit/loss from discontinued operations	1	-	1	-	-	-	1	-	1
<b>Profit/loss for the period</b>	<b>14</b>	<b>4</b>	<b>18</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>-5</b>	<b>2</b>	<b>-3</b>

SEK million	Q1 2023	Corr.	Q1 2023	Q2 2023	Corr.	Q2 2023
Net sales	250	2	252	286	2	288
Other income	2	-	2	2	-	2
<b>Total operating income</b>	<b>252</b>	<b>2</b>	<b>254</b>	<b>288</b>	<b>2</b>	<b>290</b>
Change in work in progress	-19	-	-19	-16	-	-16
Merchandise	-114	-1	-115	-142	-1	-143
Other external expenses	-40	-	-40	-39	-	-39
Personnel costs	-57	-	-57	-63	-	-63
Other operating costs	-1	-	-1	-	-	-
Depreciation, amortization and impairment	-13	-	-13	-14	-	-14
<b>Total operating expenses</b>	<b>-244</b>	<b>-1</b>	<b>-245</b>	<b>-275</b>	<b>-1</b>	<b>-276</b>
<b>Operating profit</b>	<b>8</b>	<b>1</b>	<b>10</b>	<b>14</b>	<b>1</b>	<b>15</b>
Financial income	2	-	2	3	-	3
Financial expenses	-37	-	-37	-8	-	-8
<b>Profit/loss before tax</b>	<b>-26</b>	<b>1</b>	<b>-25</b>	<b>8</b>	<b>1</b>	<b>9</b>
Taxes	1	-	1	1	-	1
<b>Profit/loss from continuing operations</b>	<b>-25</b>	<b>1</b>	<b>-24</b>	<b>9</b>	<b>1</b>	<b>10</b>
Profit/loss from discontinued operations	-	-	0	-23	-	-23
<b>Profit/loss for the period</b>	<b>-25</b>	<b>1</b>	<b>-24</b>	<b>-14</b>	<b>1</b>	<b>-13</b>

SEK million	30 Jun		30 Jun		30 Sep		31 Dec		31 Dec	
	2022	Corr.	2022	2022	Corr.	2022	2022	Corr.	2022	
Goodwill	624	13	637	634	13	647	635	13	648	
Other intangible non-current assets	119	-	119	112	-	112	109	-	109	
Property, plant and equipment	120	-	120	127	-	127	127	-	127	
Financial non-current assets	17	-	17	3	-	3	3	-	3	
<b>Total non-current assets</b>	<b>880</b>	<b>13</b>	<b>893</b>	<b>876</b>	<b>13</b>	<b>889</b>	<b>874</b>	<b>13</b>	<b>887</b>	
Inventory	210	-	210	204	-	204	216	-	216	
Trade receivables	122	-	122	125	-	125	115	-	115	
Tax assets	6	-	6	4	-	4	8	-	8	
Other current receivables	1	-	1	11	-	11	4	-	4	
Prepaid expenses and accrued income	21	14	35	37	10	47	43	8	50	
Cash and cash equivalents	247	-	247	243	-	243	468	-	468	
<b>Total current assets</b>	<b>607</b>	<b>14</b>	<b>621</b>	<b>625</b>	<b>10</b>	<b>635</b>	<b>853</b>	<b>8</b>	<b>861</b>	
<b>TOTAL ASSETS</b>	<b>1,487</b>	<b>27</b>	<b>1,514</b>	<b>1,500</b>	<b>23</b>	<b>1,524</b>	<b>1,727</b>	<b>21</b>	<b>1,748</b>	
Share capital	5	-	5	5	-	5	7	-	7	
Other contributed capital	604	-	604	604	-	604	845	-	845	
Warrants	-	-	-	-	-	-	2	-	2	
Retained earnings, including profit/loss for the period	-70	4	-66	-69	6	-63	-76	8	-68	
<b>Total equity</b>	<b>538</b>	<b>4</b>	<b>542</b>	<b>539</b>	<b>6</b>	<b>545</b>	<b>778</b>	<b>8</b>	<b>786</b>	
<b>Non-current liabilities</b>										
Deferred tax liabilities	45	-2	43	39	-2	37	41	-1	40	
Other non-current liabilities	647	-	647	657	-	657	641	-	641	
<b>Current liabilities</b>										
Advances from customers	8	-	8	7	-	7	5	-	5	
Trade payables	73	-	73	56	-	56	70	-	70	
Current tax liabilities	49	-	49	8	-	8	8	-	8	
Current lease liabilities	13	-	13	14	-	14	14	-	14	
Other current liabilities	66	-	66	96	-	96	72	-	72	
Accrued expenses and deferred income	48	26	74	84	19	103	98	14	112	
<b>Total liabilities</b>	<b>949</b>	<b>24</b>	<b>973</b>	<b>961</b>	<b>17</b>	<b>978</b>	<b>949</b>	<b>13</b>	<b>962</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,487</b>	<b>27</b>	<b>1,514</b>	<b>1,500</b>	<b>23</b>	<b>1,523</b>	<b>1,727</b>	<b>21</b>	<b>1,748</b>	

SEK million	31 Mar		31 Mar		30 Jun		30 Jun	
	2023	Corr.	2023	2023	Corr.	2023		
Goodwill	706	13	720	688	13	701		
Other intangible non-current assets	120	-	120	110	-	110		
Property, plant and equipment	145	-	145	144	-	144		
Financial non-current assets	3	-	3	3	-	3		
<b>Total non-current assets</b>	<b>975</b>	<b>13</b>	<b>988</b>	<b>946</b>	<b>13</b>	<b>959</b>		
Inventory	249	-	249	237	-	237		
Trade receivables	145	-	145	128	-	128		
Tax assets	19	-	19	26	-	26		
Other current receivables	4	-	4	8	-	8		
Prepaid expenses and accrued income	48	6	54	43	5	48		
Cash and cash equivalents	78	-	78	67	-	67		
<b>Total current assets</b>	<b>543</b>	<b>6</b>	<b>549</b>	<b>510</b>	<b>5</b>	<b>515</b>		
<b>TOTAL ASSETS</b>	<b>1,518</b>	<b>19</b>	<b>1,537</b>	<b>1,455</b>	<b>18</b>	<b>1,473</b>		
Share capital	7	-	7	7	-	7		
Other contributed capital	849	-	849	849	-	849		
Warrants	2	-	2	2	-	2		
Retained earnings, including profit/loss for the period	-100	9	-91	-114	10	-104		
<b>Total equity</b>	<b>758</b>	<b>9</b>	<b>767</b>	<b>744</b>	<b>10</b>	<b>754</b>		
<b>Non-current liabilities</b>								
Deferred tax liabilities	48	-1	47	46	-1	45		
Other non-current liabilities	409	-	409	393	-	393		
<b>Current liabilities</b>								
Advances from customers	6	-	6	5	-	5		
Trade payables	77	-	77	69	-	69		
Current tax liabilities	8	-	8	8	-	8		
Current lease liabilities	17	-	17	16	-	16		
Other current liabilities	89	-	89	71	-	71		
Accrued expenses and deferred income	107	12	119	104	9	113		
<b>Total liabilities</b>	<b>760</b>	<b>10</b>	<b>770</b>	<b>711</b>	<b>8</b>	<b>719</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,518</b>	<b>19</b>	<b>1,537</b>	<b>1,455</b>	<b>18</b>	<b>1,473</b>		



**Note 10. Alternative performance measures<sup>1</sup>**

In this interim report, Seafire presents certain financial performance measures that are not defined in accordance with IFRS, also known as alternative performance measures. The Company believes that these performance measures provide valuable additional information for stakeholders and investors, as they offer a different perspective on financial performance and financial position.

The table below contains definitions of Seafire's performance measures. The measurements are presented separately below.

<b>Non-IFRS performance measure</b>	<b>Description</b>	<b>Purpose</b>
<b>Organic growth, %</b>	Increase in net sales in the period adjusted for acquisitions and divestments/Net sales in the comparative period.	This performance measure is used in connection with analyses of underlying growth in revenue driven by comparable entities between different periods.
<b>Acquired growth, %</b>	Increase in net sales from acquisitions in the period/Net sales in the comparative period.	This performance measure is used to monitor the proportion of the increase in the Company's sales that is generated through acquisitions.
<b>Gross margin</b>	Gross profit expressed as a percentage of net sales in the period.	The gross margin is used to monitor the gross contribution after direct expenses for goods and services.
<b>EBITDA</b>	Operating profit before depreciation, amortization and impairment.	EBITDA is a measure that is used to monitor operational performance and facilitates comparisons of profitability between different companies and sectors.
<b>Adjusted EBITDA</b>	Operating profit before depreciation, amortization and impairment after the elimination of items affecting comparability.	Items affecting comparability are adjusted to facilitate a fair comparison between two comparable time periods and to show the underlying trend in operational performance excluding non-recurring items.
<b>Adjusted EBITDA pro forma R12</b>	Operating profit before depreciation, amortization and impairment after the elimination of items affecting comparability for the previous 12 months, including the outcome of completed acquisitions	This performance measure is determined in relation to net debt in order to monitor developments in the Company's level of indebtedness.
<b>EBITA</b>	Operating profit before depreciation, amortization and impairment attributable to acquired surplus values.	Together with EBITDA, EBITA provides a picture of the profit that is generated by operating activities.
<b>Adjusted EBITA</b>	Adjusted operating profit before amortization and impairment of intangible non-current assets and acquired surplus values, after the elimination of items affecting comparability.	Items affecting comparability are adjusted to facilitate a fair comparison between two comparable time periods and to show the underlying trend in operational performance excluding non-recurring items.
<b>Adjusted EBITA margin</b>	EBITA result expressed as a percentage of net sales during the period.	EBITA margin is used to monitor the profitability of the business.
<b>Items affecting comparability</b>	Transaction-related costs, restructuring costs, revaluations of purchase considerations, capital gains from the sale of businesses and non-current assets, as well as other income and costs which are considered to be non-recurring in nature.	Items affecting comparability represent income and costs that are not attributable to the underlying performance of the business.

<b>Net debt</b>	Interest-bearing liabilities less interest-bearing receivables less cash and cash equivalents.	This performance measure is an indicator of the Company's level of indebtedness and is used by the Company to assess the scope to fulfill financial obligations.
<b>Organic growth</b>	Increase in net sales in the period adjusted for acquisitions and divestments divided by net sales during the Comparative period.	This performance measure is used in connection with analyses of underlying growth in revenue driven by comparable entities between different periods.
<b>Pro forma</b>	Outcome for the period adjusted to include the outcome of acquisitions for the previous 12 months.	Used to facilitate comparisons between full year periods by adjusting for the full-year effect of completed acquisitions.

1) The comparative figures have been restated. See Note 9 for more information.

Calculations of the alternative performance measures are presented in the tables shown below.

#### Calculation of organic growth

Percentage points	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
Organic growth	-5%	24%	-4%	22%	2%	13%
Acquired growth	13%	121%	25%	143%	49%	120%
<b>Recognized growth</b>	<b>8%</b>	<b>144%</b>	<b>21%</b>	<b>165%</b>	<b>52%</b>	<b>133%</b>

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
Revenue, base	215	88	640	242	637	366
Revenue, income growth	-10	21	-25	53	16	48
<b>Total organic growth</b>	<b>-5%</b>	<b>24%</b>	<b>4%</b>	<b>22%</b>	<b>2%</b>	<b>13%</b>

#### EBITA and adjusted EBITA

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
<b>EBIT</b>	<b>9</b>	<b>27</b>	<b>33</b>	<b>64</b>	<b>50</b>	<b>81</b>
Reversal of amortization and impairment attributable to acquired surplus values	19	5	32	15	37	20
<b>EBITA</b>	<b>27</b>	<b>33</b>	<b>65</b>	<b>79</b>	<b>87</b>	<b>101</b>
Items affecting comparability	-8	-11	5	-7	-9	-21
<b>Adjusted EBITA</b>	<b>19</b>	<b>21</b>	<b>71</b>	<b>73</b>	<b>78</b>	<b>80</b>

#### EBITDA and adjusted EBITDA

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
<b>EBIT</b>	<b>9</b>	<b>27</b>	<b>33</b>	<b>64</b>	<b>50</b>	<b>81</b>
Reversal of depreciation, amortization and impairment of tangible and intangible non-current assets	26	12	54	31	65	42
<b>EBITDA</b>	<b>35</b>	<b>38</b>	<b>86</b>	<b>95</b>	<b>114</b>	<b>123</b>
Items affecting comparability	-8	-11	5	-7	-9	-21
<b>Adjusted EBITDA</b>	<b>27</b>	<b>27</b>	<b>91</b>	<b>88</b>	<b>105</b>	<b>101</b>

*Items affecting comparability*

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
Transaction costs	2	1	7	5	8	6
Costs for change of listing	-	-	8	-	12	5
Revaluation of earnouts	-10	-12	-10	-12	-29	-31
Restructuring costs	-	-	-	-	-	-
<b>Items affecting comparability</b>	<b>-8</b>	<b>-11</b>	<b>5</b>	<b>-7</b>	<b>-9</b>	<b>-21</b>

*Adjusted EBITDA pro forma R12*

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
<b>EBITDA R12</b>	<b>114</b>	<b>106</b>	<b>114</b>	<b>106</b>	<b>114</b>	<b>123</b>
Items affecting comparability	-9	-3	-9	-3	-9	-21
<b>Adjusted EBITDA R12</b>	<b>105</b>	<b>103</b>	<b>105</b>	<b>103</b>	<b>105</b>	<b>101</b>
Acquired companies	8	32	8	32	8	15
<b>Adjusted EBITDA pro forma R12</b>	<b>113</b>	<b>135</b>	<b>113</b>	<b>135</b>	<b>113</b>	<b>116</b>

*Net debt, net debt/Adjusted EBITDA pro forma R12*

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	R12 2023	Full year 2022
Interest-bearing liabilities*	254	612	254	612	254	604
Lease liabilities	38	32	38	32	38	34
Earnouts payable within 12 months	10	12	10	12	10	21
Excluded: cash and cash equivalents	-63	-243	-63	-243	-63	-468
<b>Net debt</b>	<b>239</b>	<b>413</b>	<b>239</b>	<b>413</b>	<b>239</b>	<b>192</b>
Adjusted EBITDA R12	113	135	113	135	113	116
<b>Net debt/Adjusted EBITDA pro forma R12, times</b>	<b>2.1</b>	<b>3.0</b>	<b>2.1</b>	<b>3.0</b>	<b>2.1</b>	<b>1.7</b>

\*Interest-bearing liabilities from credit institutions, excluding deferrals with interest expenses from the Swedish Tax Agency