investor

Interim Management Statement January-September 2023

Johan Forssell, CEO
Helena Saxon, CFO



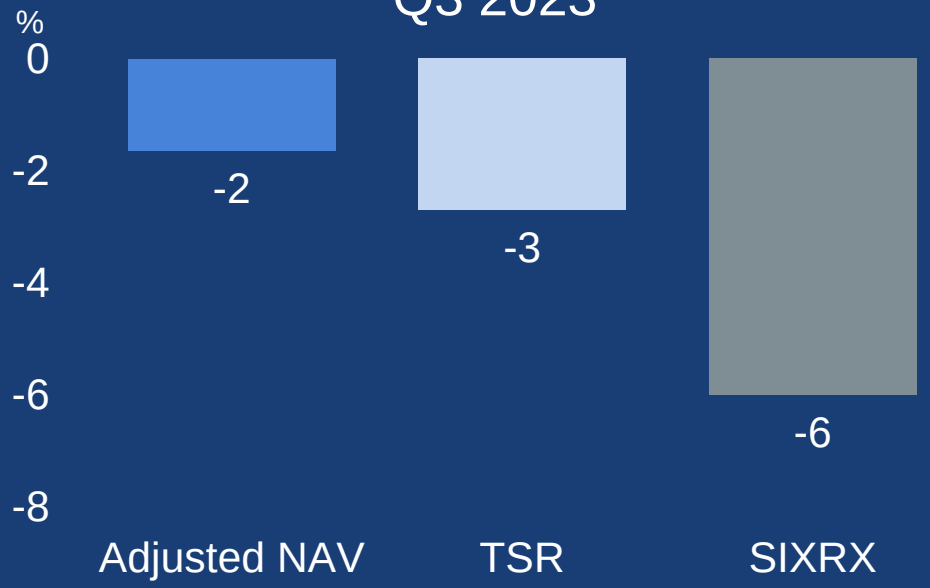
Stable performance despite challenging financial markets

Continued strong profit growth in the Patricia Industries subsidiaries

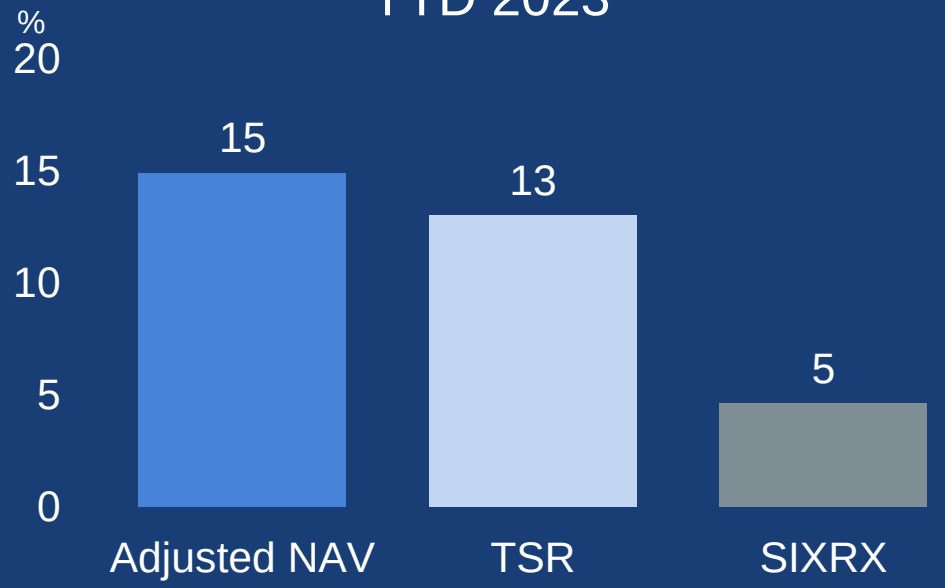
High activity across the portfolio



Q3 2023



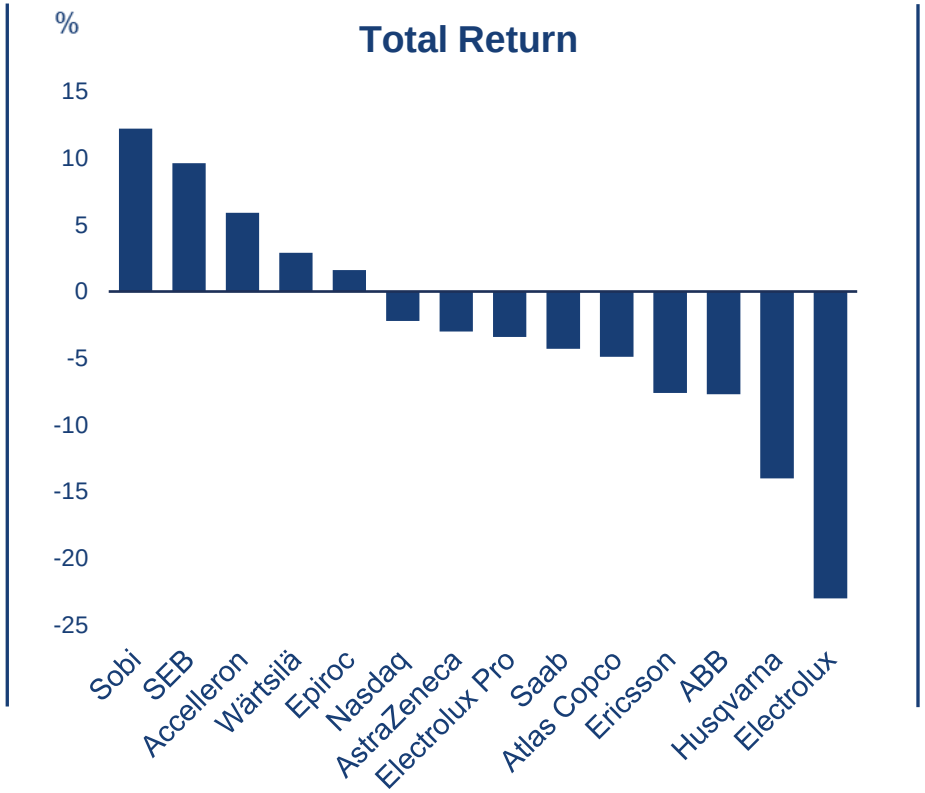
YTD 2023

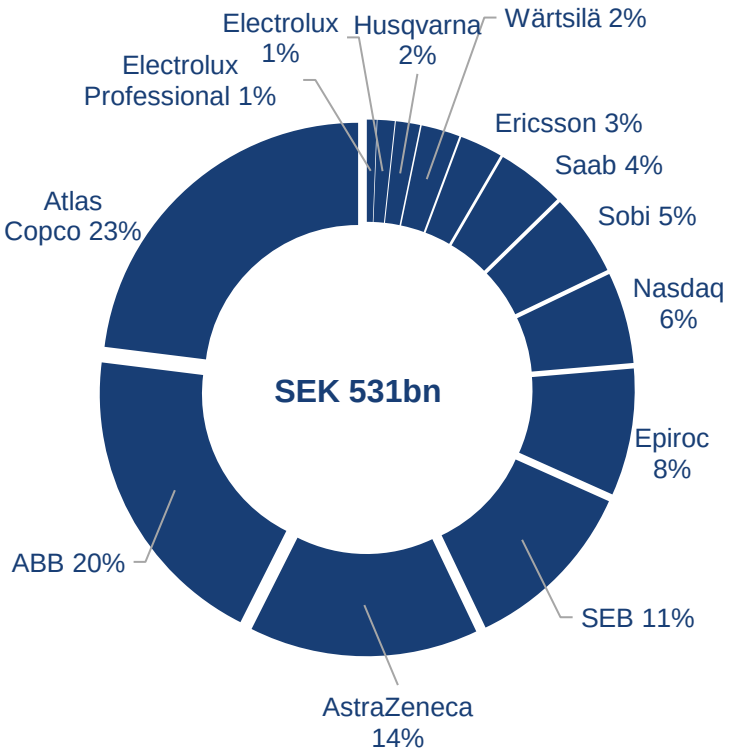


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Listed Companies - Performance

- Total return **-3**% (SIXRX -**6**%), relative outperformance supported by **Sobi** and **SEB**
- SEK 2.2bn (pro rata share) invested in **Sobi**'s rights issue
- Divestment of remaining holding in in **Accelleron** for SEK 2.6bn, total divestment proceeds SEK 3.6bn
- Focus on future-proofing activities in the portfolio companies





68%
of total adjusted assets

SEK **531**bn
market value

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Next Generation Center for AI-enabled Technologies

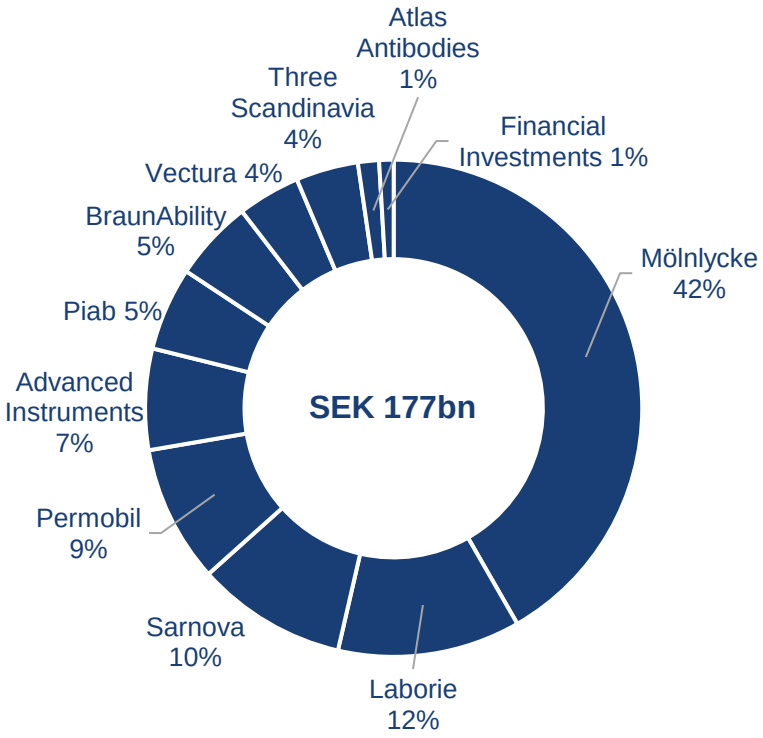
Future-proofing activities in our companies



ABB to invest USD 280m in its European Robotics hub in Sweden

Patricia Industries – Performance

- Total return, amounted to **0**% (excl. cash)
- Sales growth for the major subsidiaries amounted to **10**% of which **5**% organically in constant currency
- Adjusted EBITA grew **18**%
- **Laborie** - strategic acquisition of Urotronic



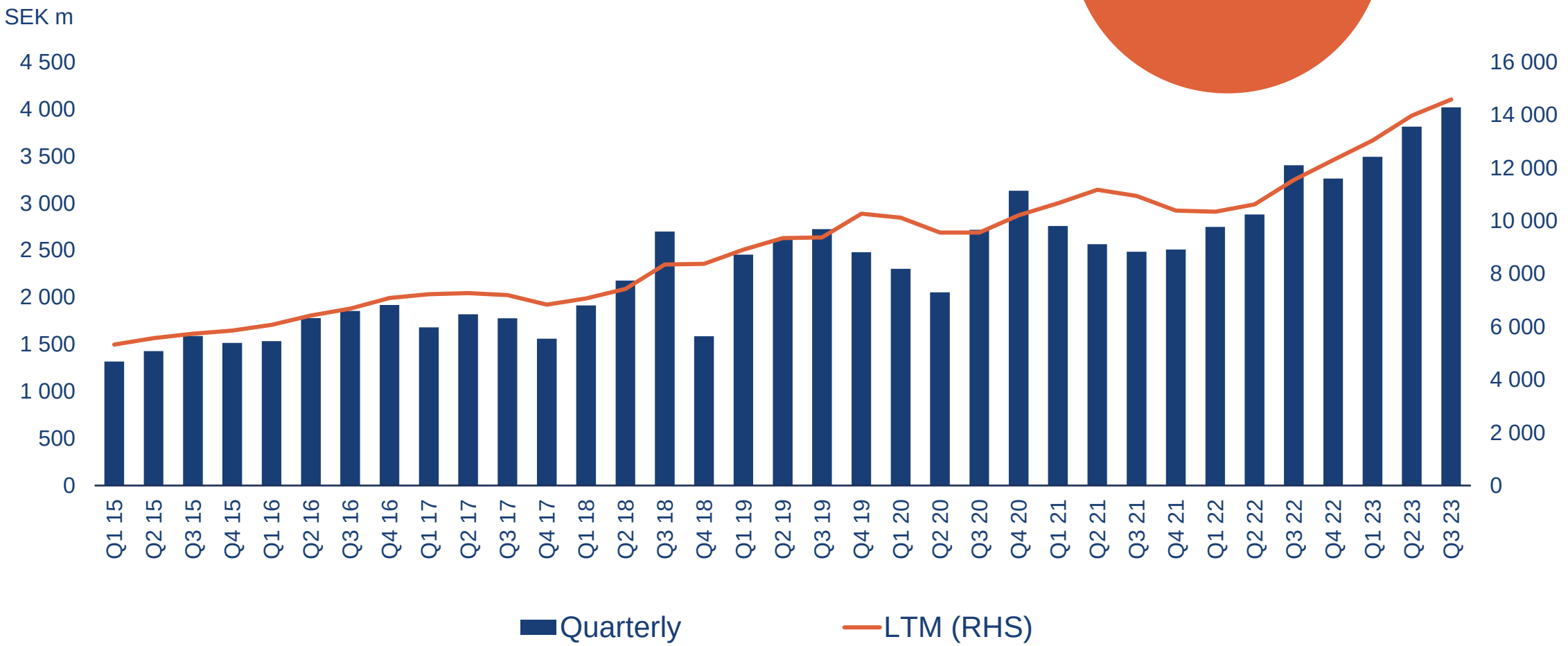
23%
of total adjusted assets

SEK 177 bn
adjusted market value

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Patricia Industries – EBITDA

12m rolling
Sales: SEK **61.1**bn
EBITDA: SEK **14.6**bn

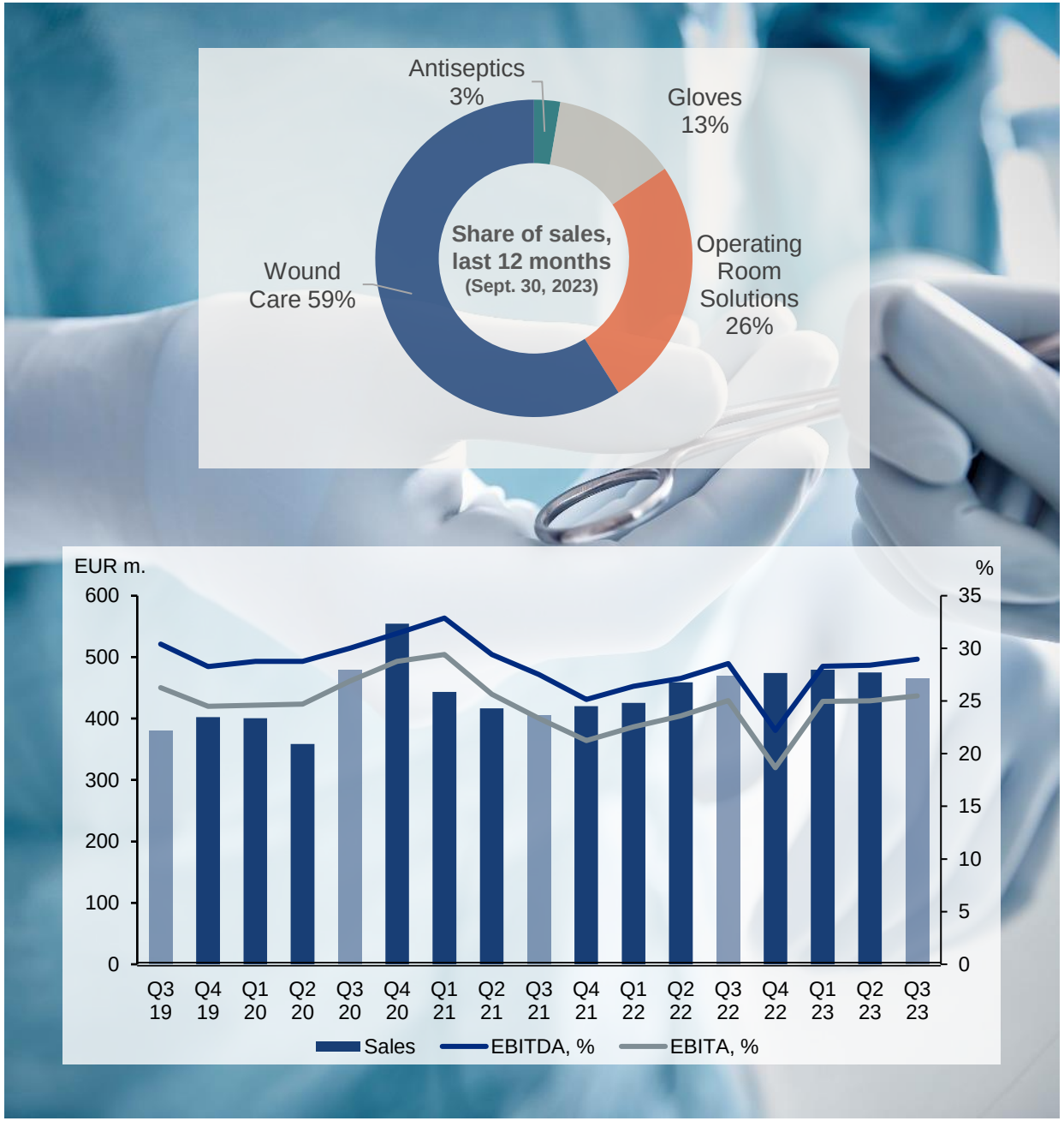


Reported EBITDA, including items affecting comparability, for subsidiaries and Three Scandinavia (40 percent ownership).
For Mölnlycke, Q3 2020-Q3 2021 were materially positively impacted by PPE contracts.
Q4 2018 negatively impacted by one-time Swedish tax authority decision relating to Three Scandinavia.

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Operating Performance

	Value, SEK bn	Organic growth,% Q3 2023		Margins, % Q3 2023	Change vs. Q3 2022
ADVANCED INSTRUMENTS	11.6	**10**	EBITDA EBITA	**42.6** **40.8**	**6.7** **6.5**
permobil	15.8	**8**	EBITDA EBITA	**25.3** **22.0**	**2.8** **3.1**
BraunAbility	9.3	**8**	EBITDA EBITA	**11.1** **9.3**	**1.8** **1.8**
piab	9.6	**6**	EBITDA EBITA	**29.4** **25.3**	**3.2** **2.9**
Mölnlycke®	73.8	**4**	EBITDA EBITA	**29.0** **25.5**	**0.4** **0.4**
Laborie	21.0	**4**	EBITDA EBITA	**33.0** **31.1**	**1.7** **1.6**
sarnova	17.3	**3**	EBITDA EBITA	**17.7** **15.7**	**2.8** **2.6**
ATLAS ANTIBODIES	2.4	**-36**	EBITDA EBITA	**28.7** **15.9**	**-23.6** **-30.5**
Vectura	7.2	**9**			



Activities during the quarter

Group

- Organic sales growth amounted to 4 percent in constant currency, mainly driven by Wound Care.
- The EBITA margin increased slightly, supported by lower logistics costs, partly offset by negative currency impact.
- Mölnlycke successfully issued a 5-year EUR 400m senior unsecured bond and bought back approximately 50 percent of the outstanding EUR 500m bond maturing in 2024.

Wound Care

- Organic sales growth amounted to 8 percent in constant currency, with strong growth in all regions.

Operating Room Solutions

- Organic sales growth amounted to 5 percent in constant currency, supported by pricing. The trays category showed the strongest growth, partly driven by increased value-add in the product offering.

Gloves

- Organic sales growth amounted to -14 percent in constant currency. The decline was related to the US market where sales remained weak as distributors continued to reduce excess inventory.

Antiseptics

- Organic sales growth amounted to 10 percent in constant currency, driven by an improved supply situation in the European market.

Laborie makes Strategic Acquisition of Urotronic

Future-proofing activities in our companies

- Medical device company offering the Optilume™ drug-coated balloon technology
- Significant potential within the large and growing global BPH* market
- Strong clinical data
- Clear synergies with Laborie's current urology offering
- USD 232m upfront payment, potential additional USD 314m milestone payments
- Patricia Industries to fund the vast majority of the upfront payment
- Closing expected in late October 2023

*Benign prostatic hyperplasia

Investments in EQT

Performance

Total return **1**%

Net cash flow
SEK **-1.1**bn to Investor

EQT AB

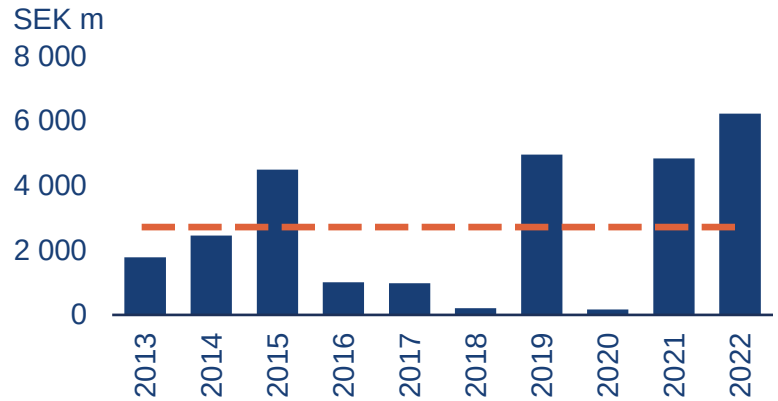
Total return **5**%

Fund investments

Reported value growth **-2**%

Outstanding commitment
SEK **21.7**bn

Net annual cash flow to Investor



9%
of total adjusted assets

SEK **72**bn
market value

investor



Driving Value Creation

Drive strategic initiatives to future-proof our companies

Manage the current market environment, focus on agility and capturing opportunities

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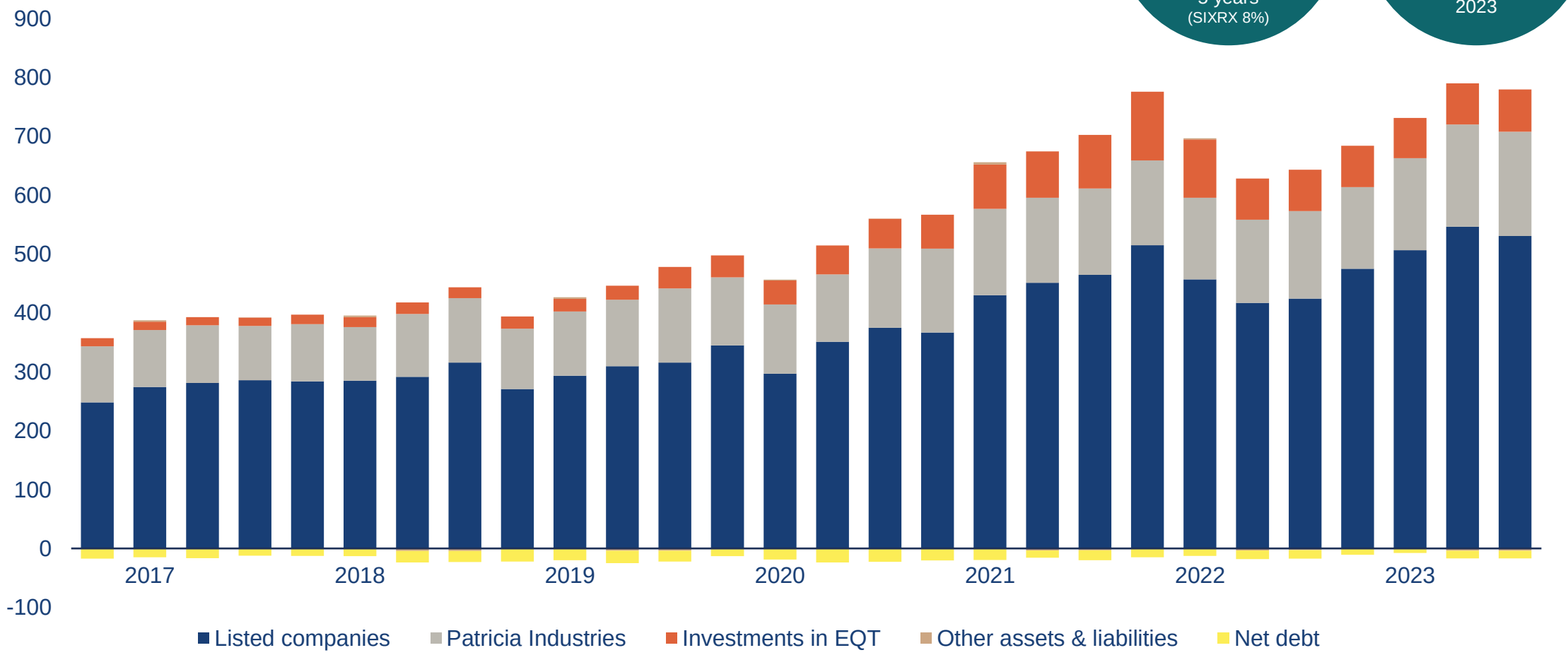
Interim Management Statement January-September 2023

Helena Saxon, CFO

Adjusted Net Asset Value

15%
Average annual growth, with dividend added back, 5 years
(SIXRX 8%)

760
SEK bn, adjusted net asset value September 30, 2023



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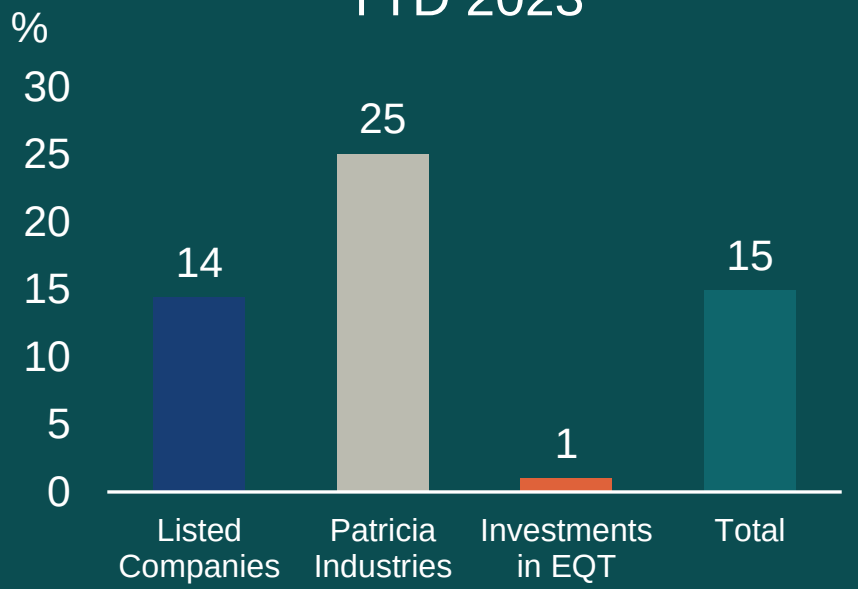


Adjusted Net Asset Value Growth

Q3 2023



YTD 2023



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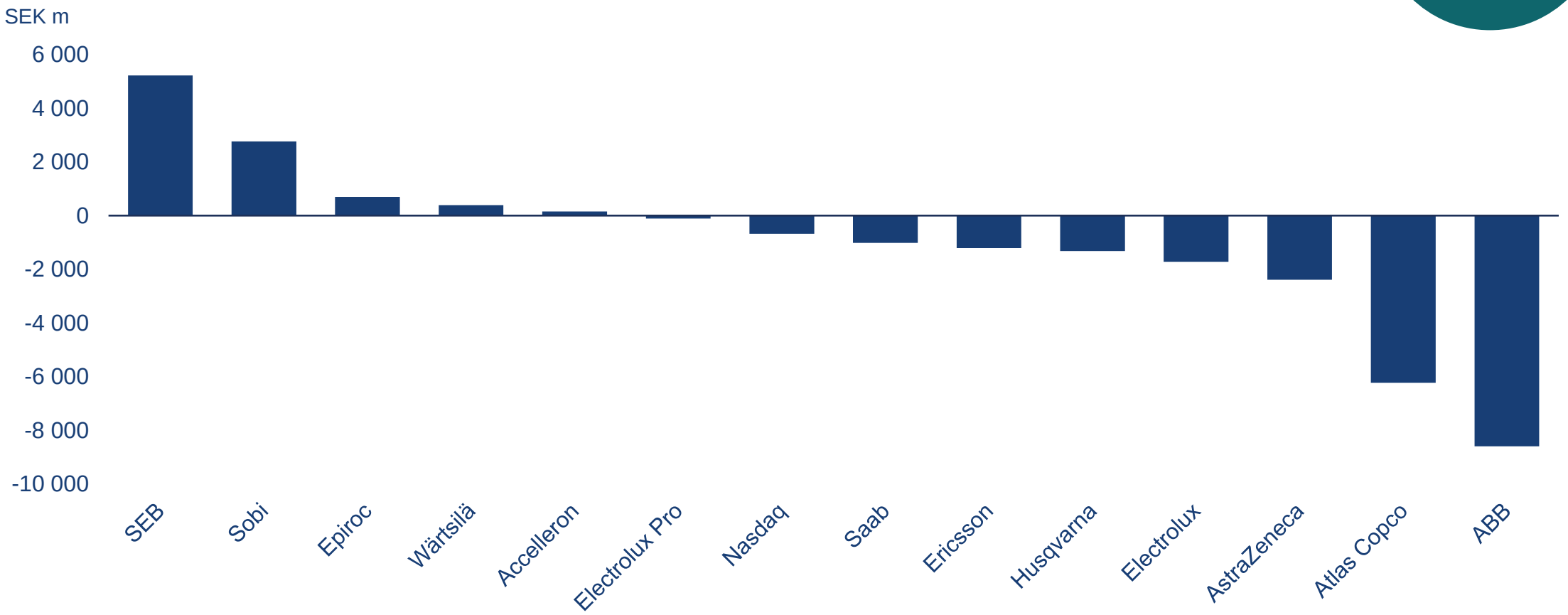


Listed Companies

Listed Companies – Contribution to NAV

TSR **-3**%
SIXRX **-6**%

2023 Q3



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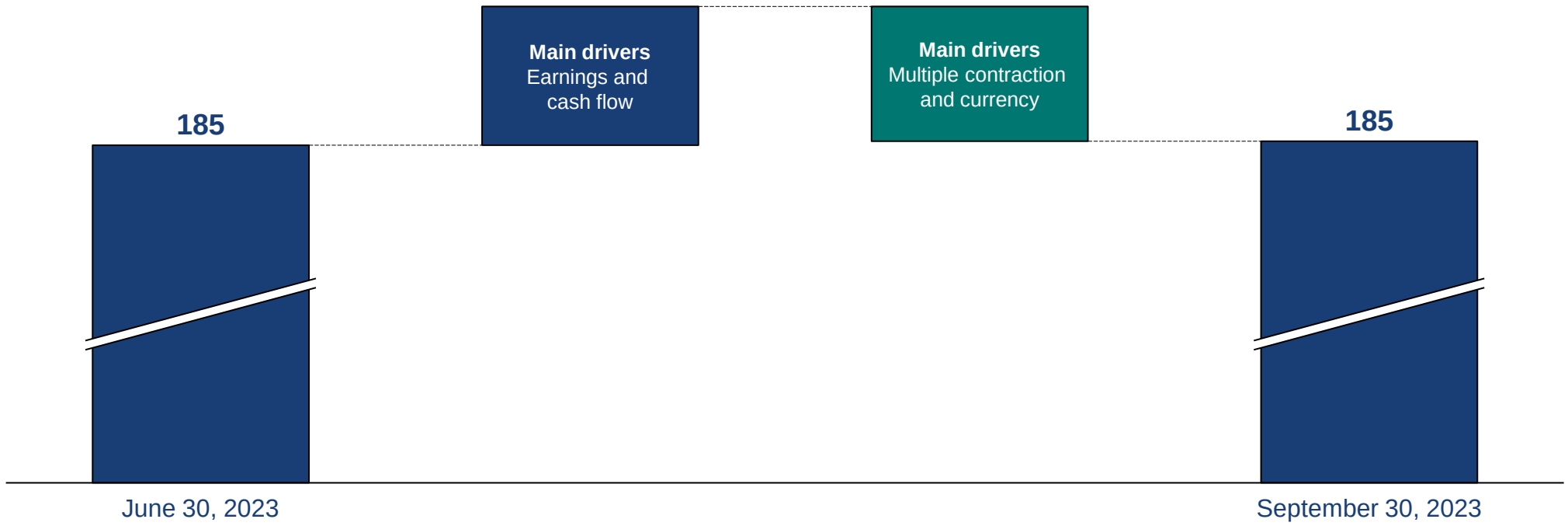
Patricia Industries

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Patricia Industries – Drivers of Estimated Market Values

SEK bn

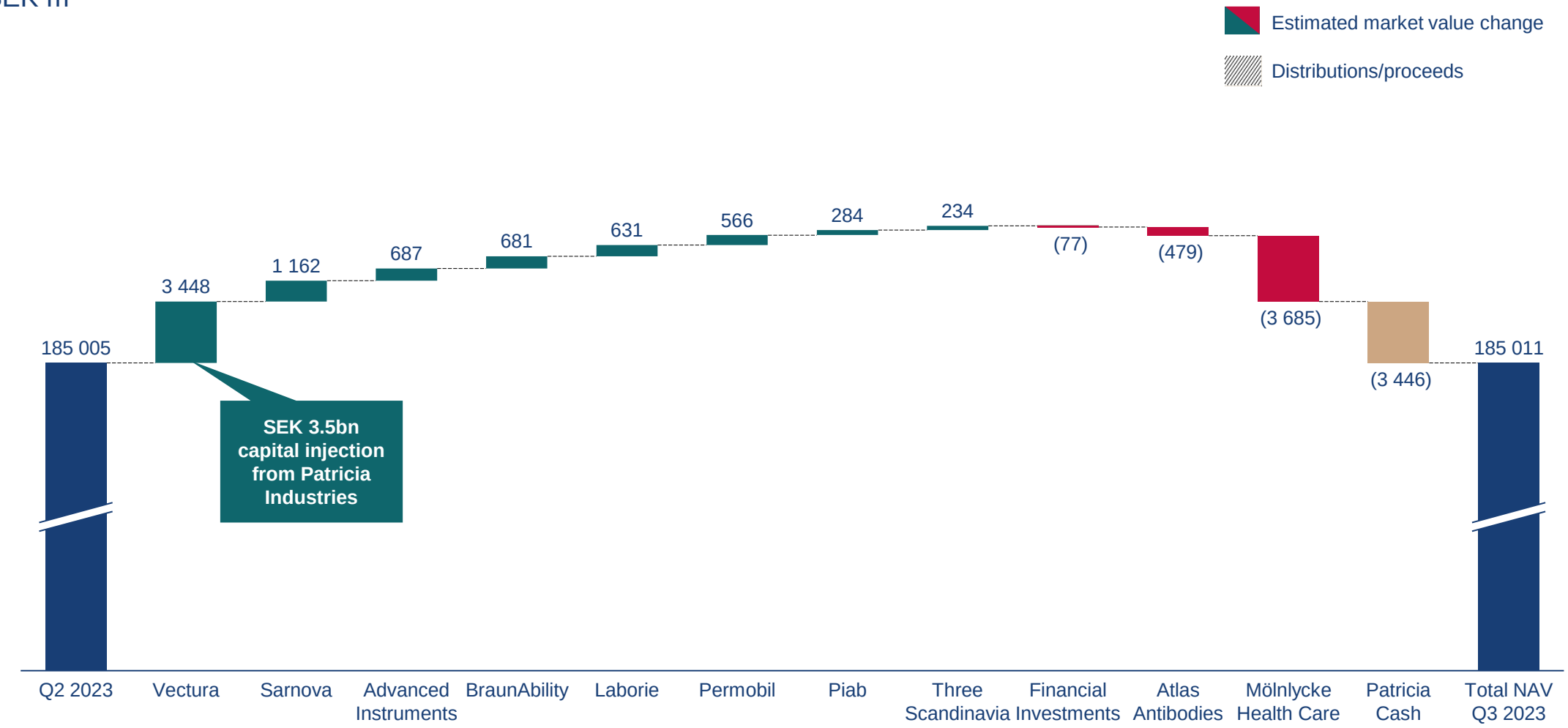
Total Return
0%
(0% incl. cash)



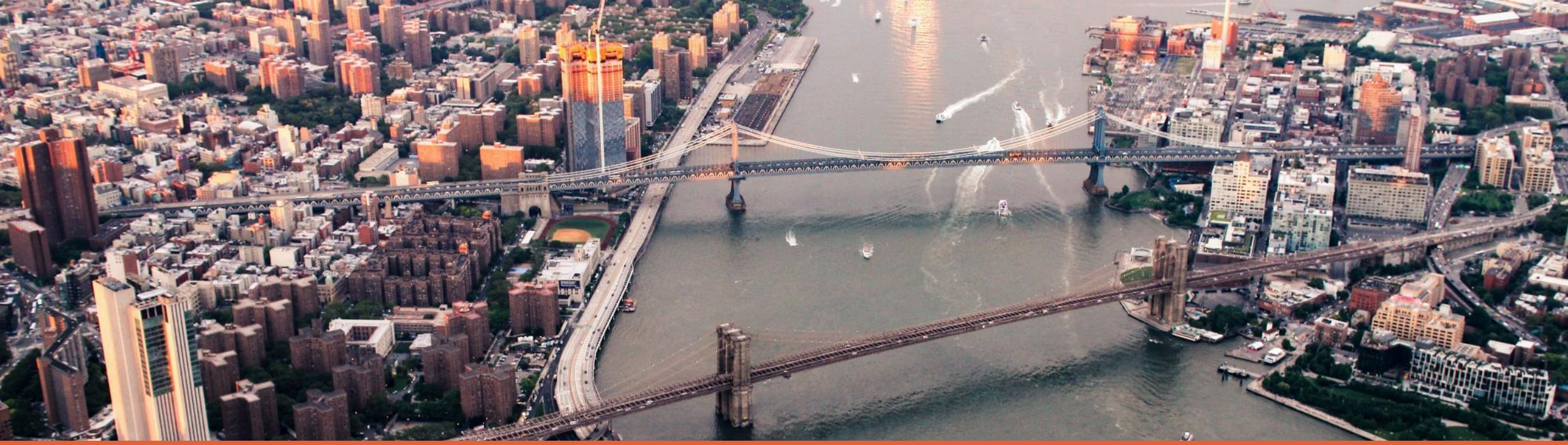
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Patricia Industries – Change in Estimated Market Values

SEK m



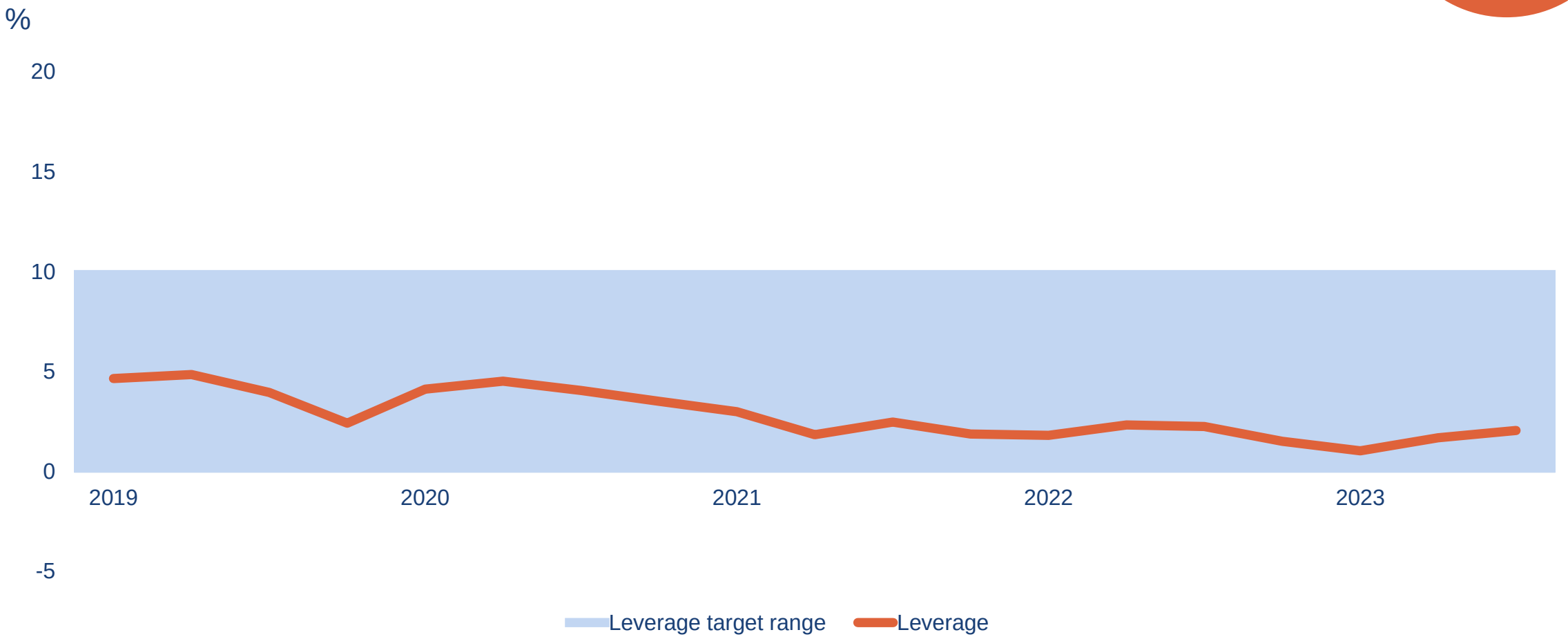
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Strong Financial Flexibility

Leverage in the Lower End of the Range

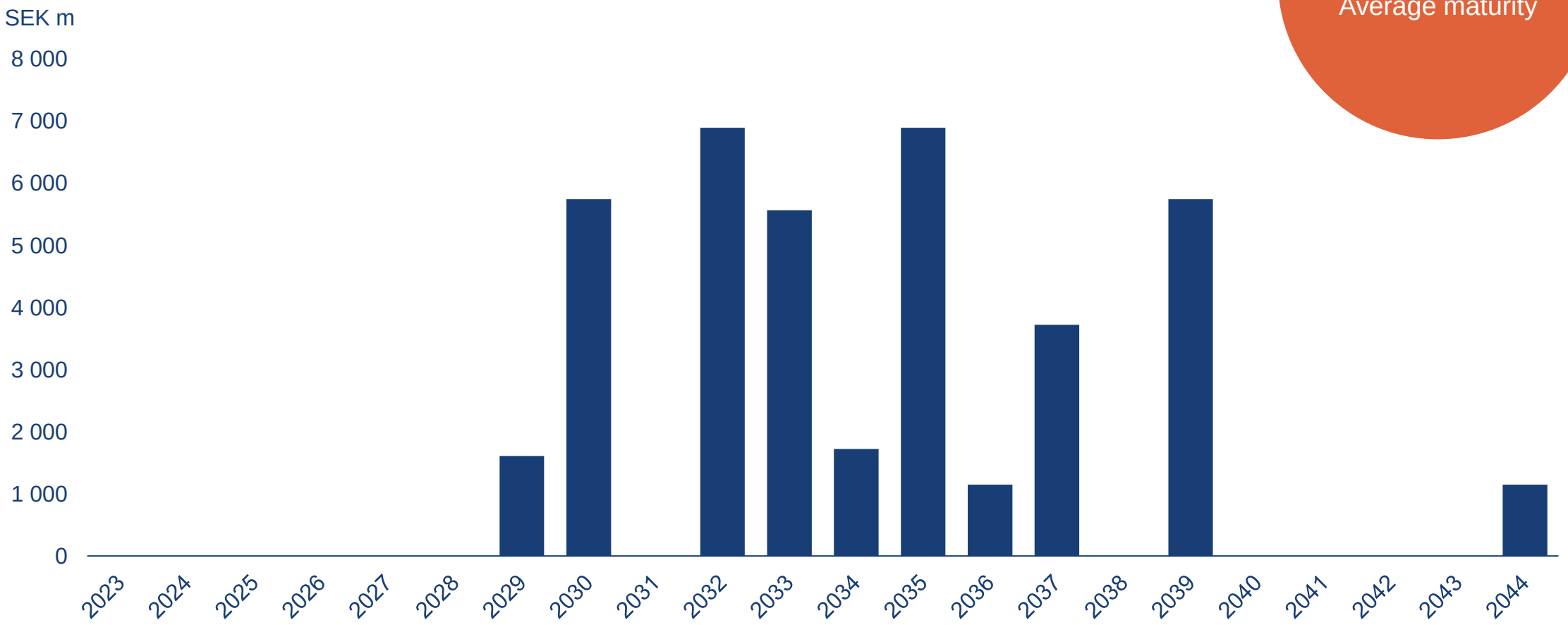
AA-/Aa3
Ratings S&P/
Moody's



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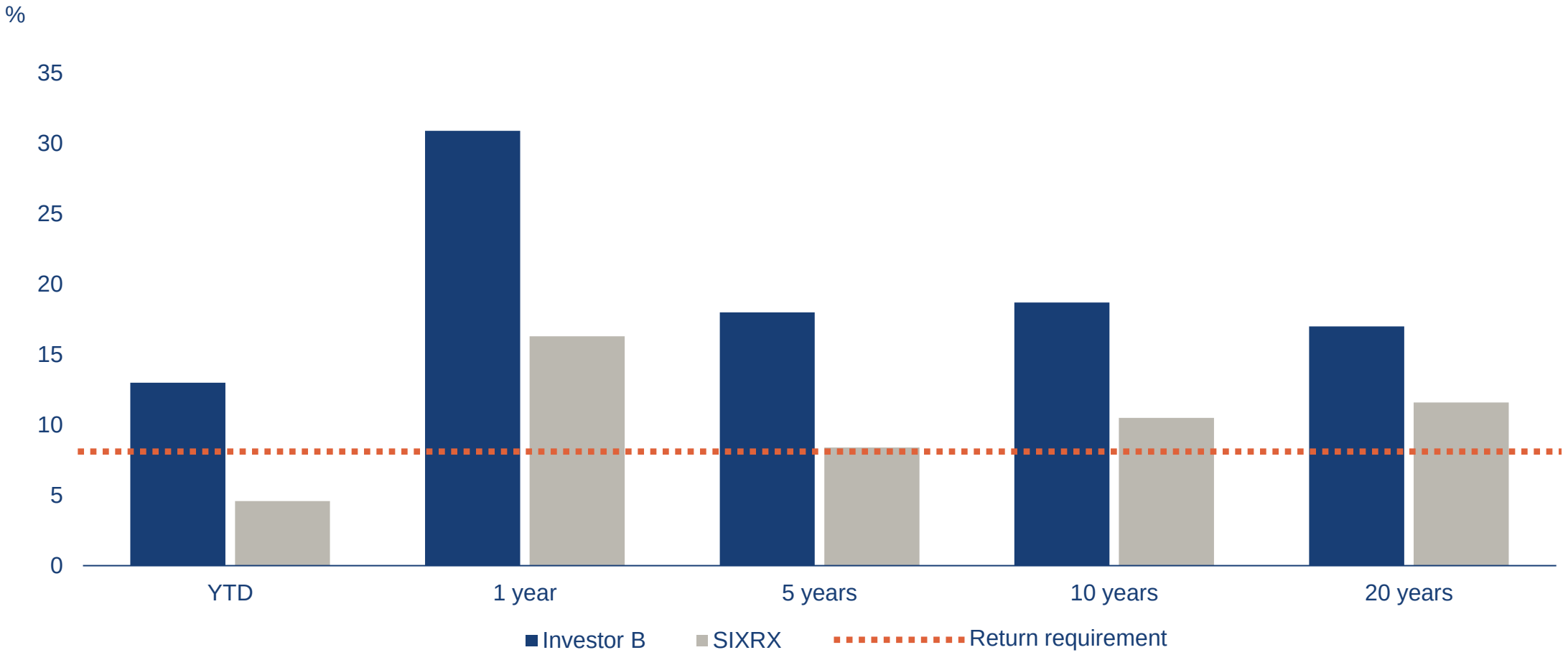
Strong Balance Sheet - No Maturities until 2029

11.1 years
Average maturity



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Average Annual Total Return, September 30, 2023



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Viveka Hirdman-Ryrberg
Head of Corporate Communication & Sustainability

+46 70 550 3500
Viveka.hirdman-ryrberg@investorab.com



Magnus Dalhammar
Head of Investor Relations

+46 73 524 2130
Magnus.dalhammar@investorab.com

Financial Calendar

2023-12-08
Capital Markets Update

2024-01-19
Year-End Report 2023

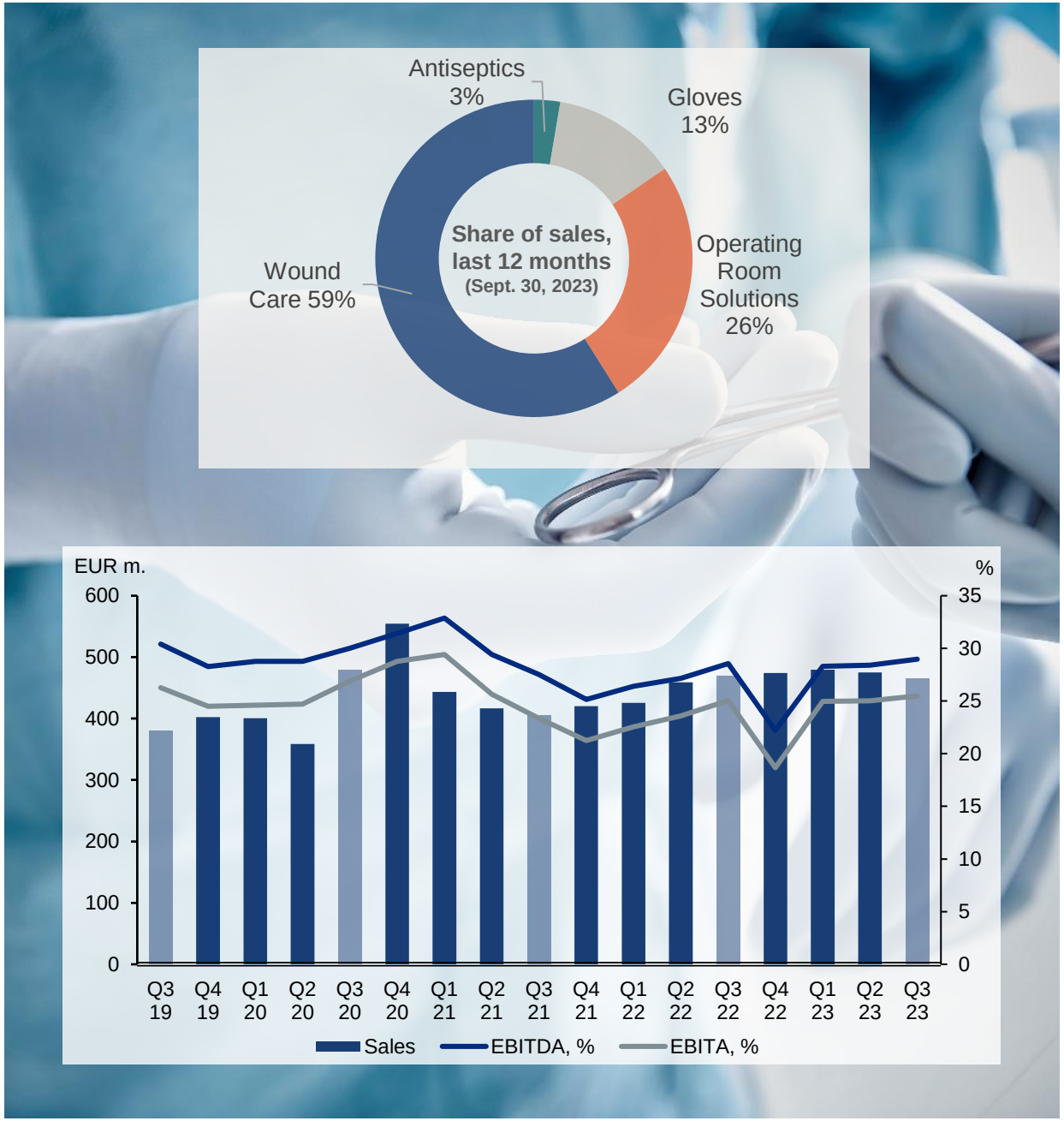
2024-04-18
Interim Management Statement
January-March 2024

2024-05-07
Annual General Meeting

2024-07-17
Interim Report
January-June 2024

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Appendix



Activities during the quarter

Group

- Organic sales growth amounted to 4 percent in constant currency, mainly driven by Wound Care.
- The EBITA margin increased slightly, supported by lower logistics costs, partly offset by negative currency impact.
- Mölnlycke successfully issued a 5-year EUR 400m senior unsecured bond and bought back approximately 50 percent of the outstanding EUR 500m bond maturing in 2024.

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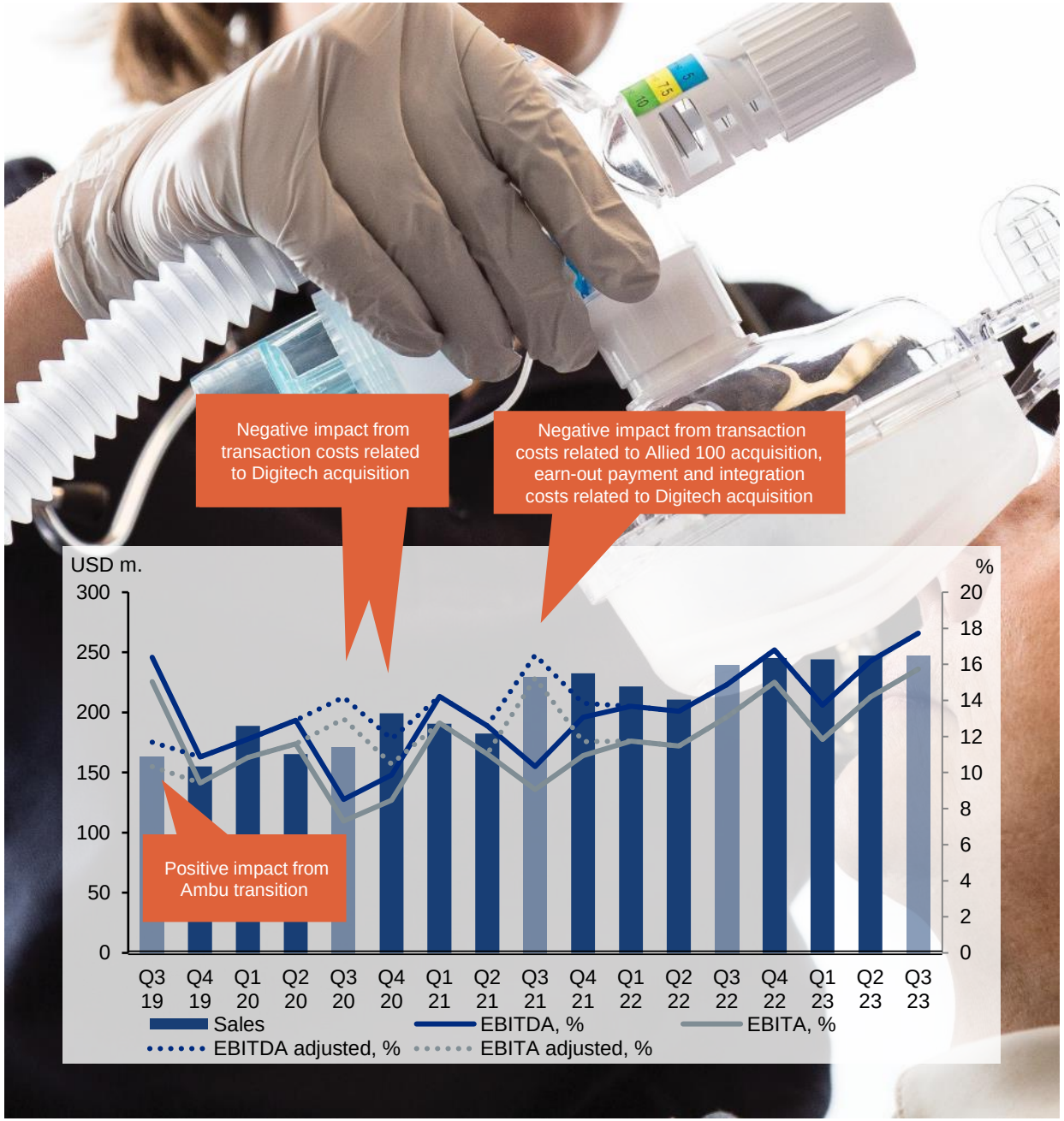
Antiseptics

- Organic sales growth amounted to 10 percent in constant currency, driven by an improved supply situation in the European market.



Activities during the quarter

- Organic sales growth amounted to 4 percent in constant currency. Growth was driven by the Optilume™ urethral strictures product and the GI (Gastrointestinal) business, while UR (Urology) capital equipment faced headwinds due to a more conservative capital expenditure posture among physician customers. Additionally, growth was impacted by a notably strong prior year comparison.
- Driven by operating leverage the EBITA margin increased, despite significant investments in R&D and several new product launches, including Optilume™ urethral strictures.
- Laborie announced the acquisition of the remaining 91 percent of Urotronic, including the recently approved Optilume™ benign prostatic hyperplasia (BPH) product, for an upfront payment of USD 232m and up to USD 314m in additional payments contingent on the achievement of revenue and reimbursement milestones. The transaction is expected to close in late October, assuming approval by antitrust authorities. Patricia Industries will fund the vast majority of the upfront payment with an equity investment.
- In conjunction with the Urotronic acquisition, Laborie has completed a USD 5m strategic equity investment into GIE Medical, a clinical stage company spun out of Urotronic developing drug-coated balloon technology for treatment of strictures within the gastrointestinal tract which could, like OptilumeTM urethral strictures, offer a highly differentiated and innovative solution for treatment of these conditions.



Activities during the quarter

- Organic sales grew by 3 percent in constant currency. The highest growth was generated by the EMS (Emergency Medical Services) RCM (Revenue Cycle Management) business, which benefitted from higher volumes of EMS transports. Despite a notably strong prior-year quarter, the Cardiac Response business showed high growth.
- The EBITA margin increased, driven by operating leverage and favorable product mix, offset by continued investments in the commercial organization, digital platform enhancement and warehouse optimization.



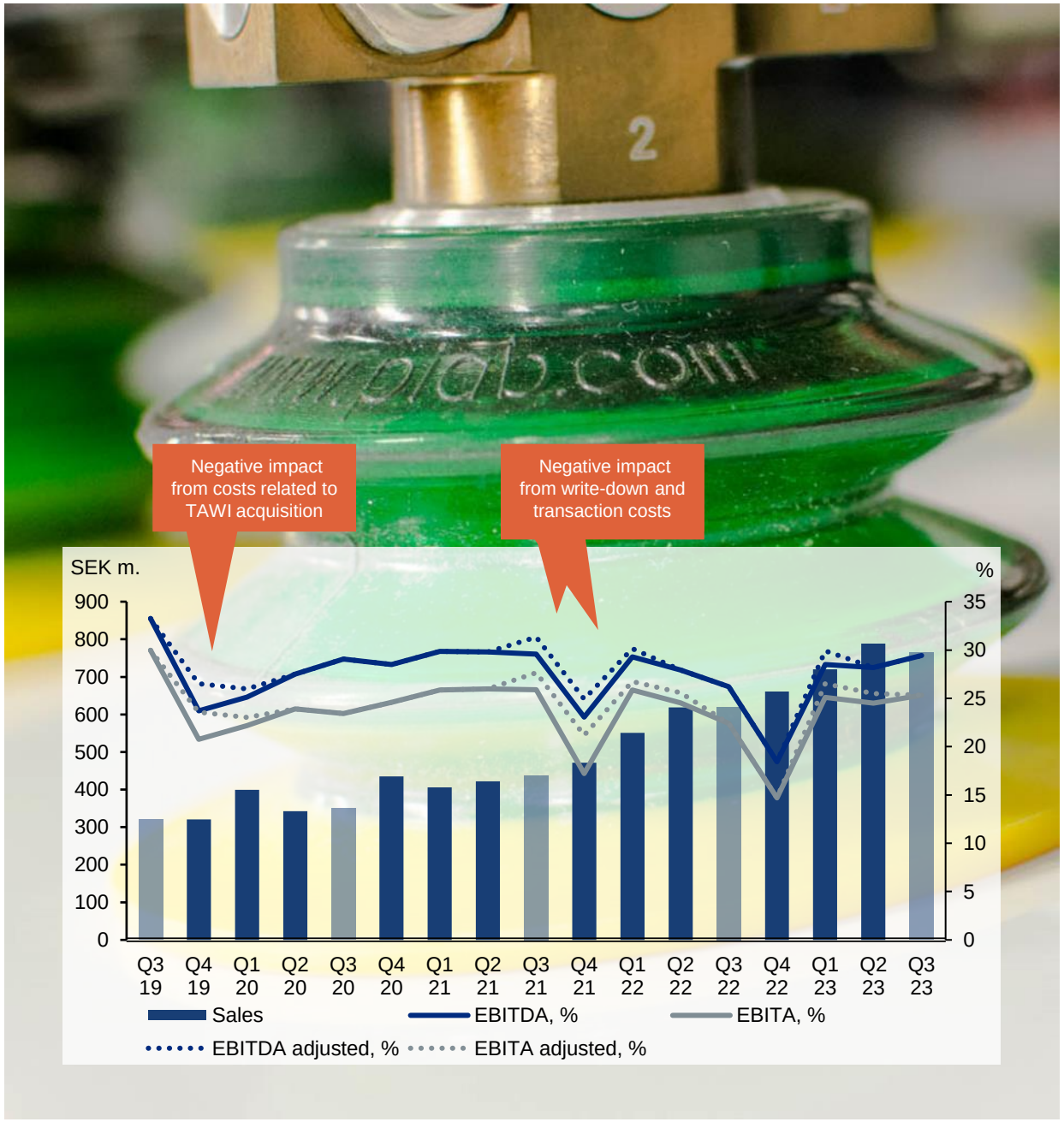
Activities during the quarter

- Organic sales growth amounted to 8 percent in constant currency, driven by Americas and EMEA.
- The EBITA margin increased driven by improved supply chain.
- Permobil acquired Canada-based PDG Mobility, a leading provider of manual tilt-in-space wheelchairs with sales of approximately SEK 120m, thereby strengthening its product portfolio. The transaction was completed in September 2023.



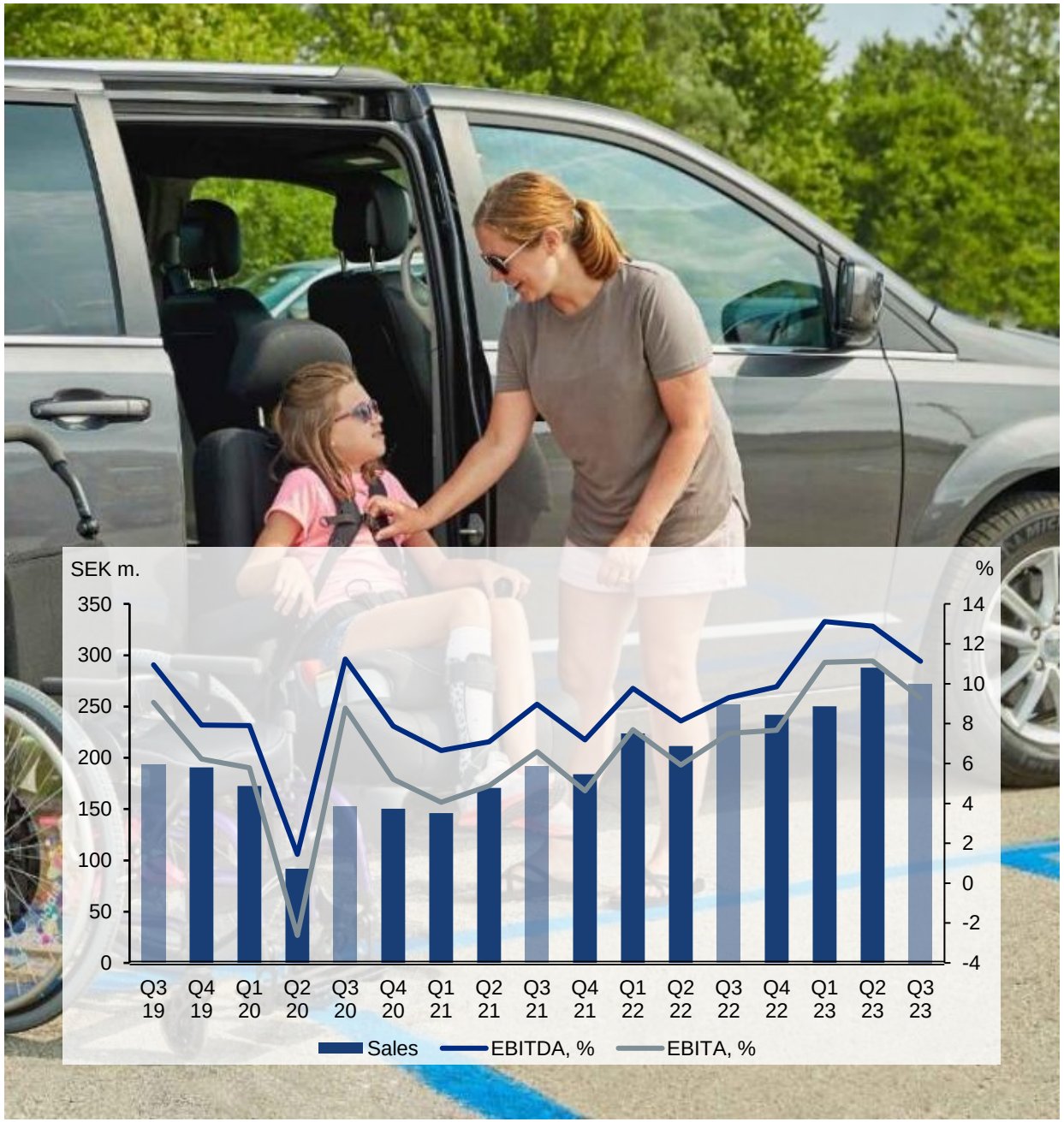
Activities during the quarter

- Organic sales growth amounted to 10 percent in constant currency. Instrument sales to the biopharmaceutical end market were lower compared to last year, but the decline was smaller than in previous quarters as the comparison period was more favorable. The company continued to see strong organic growth across consumables and services.
- The EBITA margin increased by 7 percentage points. The higher margin is mainly explained by operating leverage and efficiency improvements, partially offset by continued significant investments in the global commercial organization and R&D.
- In July, Advanced Instruments made a strategic equity investment into Applied Biosensors, which is leveraging its proprietary and innovative biosensors and analytical technology platform to develop a disruptive multi-analyte, in-line sensing instrument to simultaneously monitor glucose, lactate, osmolality, and pH during bioproduction. If successfully developed, the technology would be highly complementary to Advanced Instruments' bioprocessing product portfolio. The initial financial impact of the investment is limited.



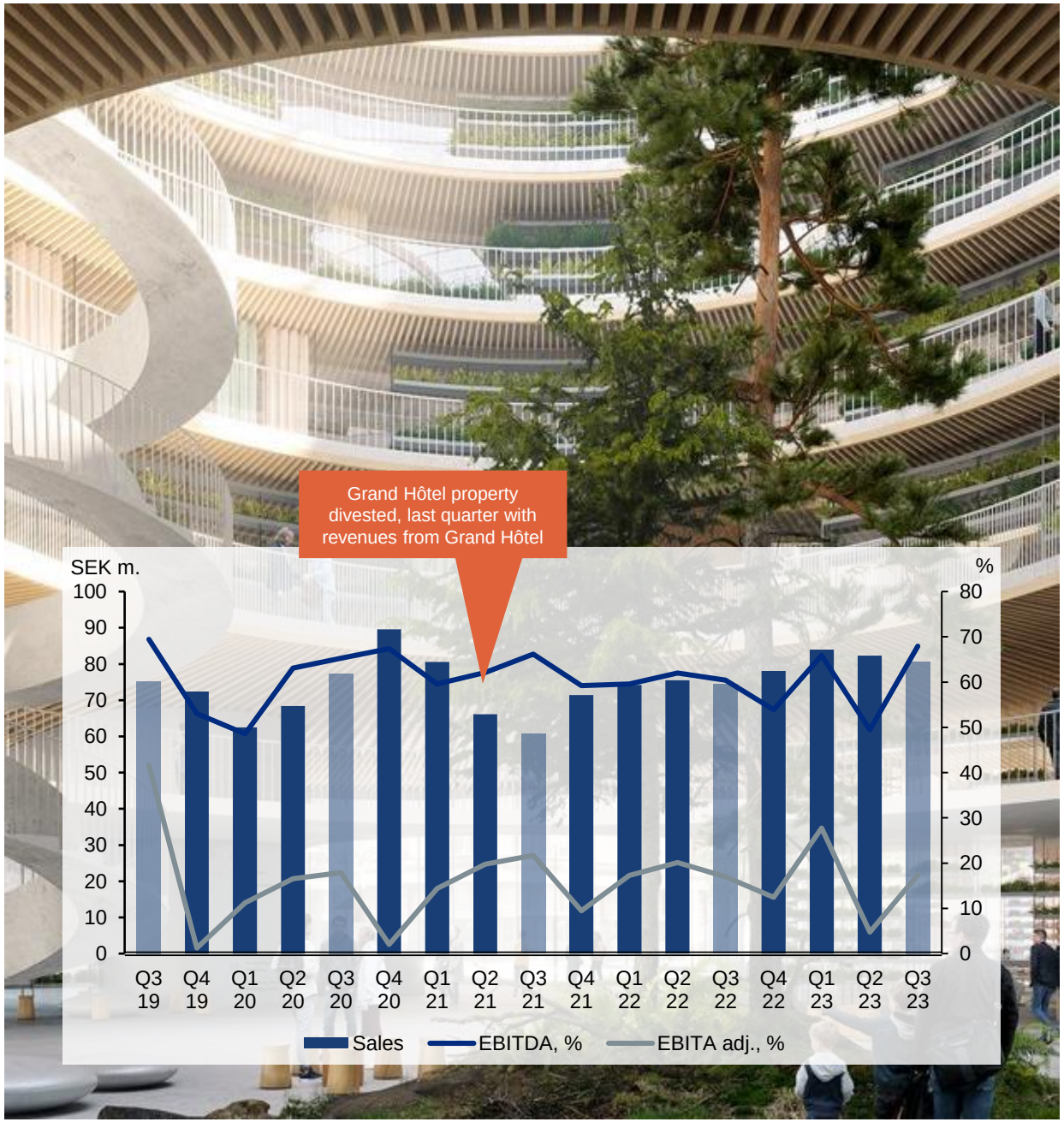
Activities during the quarter

- Organic sales growth amounted to 6 percent in constant currency, mainly driven by Vacuum Automation. All geographies contributed to growth, with Americas showing the highest growth.
- The EBITA margin increased, mainly driven by mix and a higher gross margin.
- Within Lifting Automation, Piab launched the Container Unloader, a hand-operated vacuum lift and adjustable conveyor belt, ideal for handling objects in tight spaces such as trucks and shipping containers. The mobile solution improves worker ergonomics, safety and efficiency within the warehouse logistics industry.



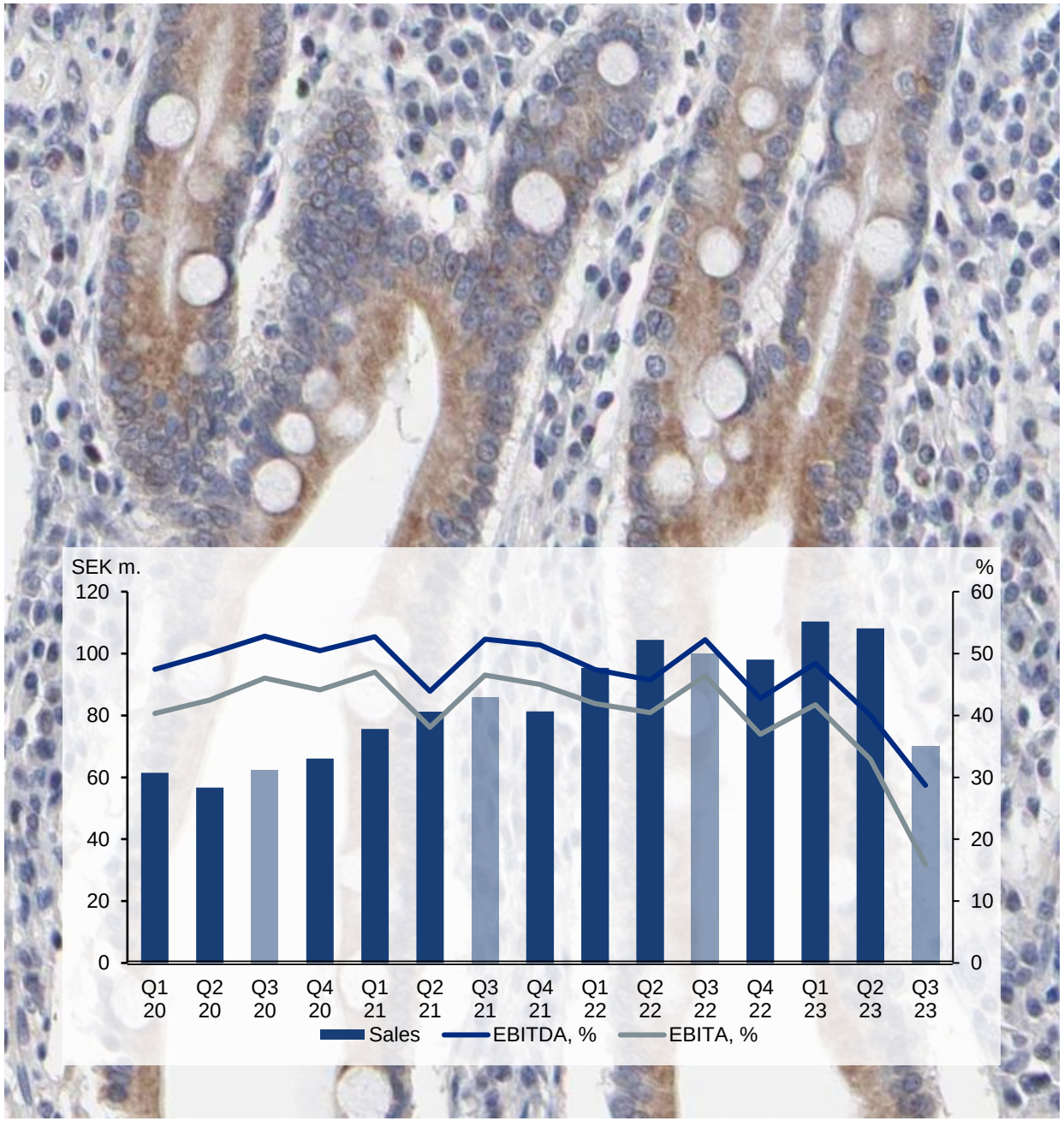
Activities during the quarter

- Organic sales growth amounted to 8 percent in constant currency, led by strong demand across the product portfolio and particularly in lifts and the Q'straint business.
- The EBITA margin improved, driven by operating leverage, cost efficiency improvements, and favorable product mix.
- Keith McLoughlin was appointed new Chairperson, effective July 2023, succeeding Nick Gutwein, who will remain on the Board.



Activities during the quarter

- Total sales growth amounted to 9 percent, mainly driven by rent increases due to annual indexation.
- The EBITDA margin increased by 8 percentage points, mainly driven by growth and operating leverage.
- New rental agreements were signed in both Forskaren in Hagastaden and new innovation hub The Loop in Lund, both in Sweden. The pace of leasing is in line with expectations.
- A capital contribution of SEK 3.5bn was made by Patricia Industries to support growth and strengthen the balance sheet, with the majority to be repaid upon closing of the previously announced Community Service transaction, expected during the first quarter 2024.



Activities during the quarter

- Organic sales declined by 36 percent in constant currency, driven by both the evitria and Atlas Antibodies businesses, although the former with a greater impact. Demand from smaller biotechnology companies, especially those focused on early stages in drug discovery in the US, continued to decline following funding constraints. Demand from larger biopharmaceutical companies, academia and diagnostic companies was less impacted.
- The EBITDA margin declined as a result of lower sales.
- Operating cash flow was negatively impacted by investments in a new production facility for the evitria business.



Activities during the quarter

- The subscription base increased by 47,000, of which 36,000 in Sweden and 11,000 in Denmark.
- Service revenue increased by 10 percent and EBITDA increased by 15 percent, driven by price increases and operating leverage.
- In the spectrum auction in September, Three Sweden successfully acquired 20 MHz of the 900 MHz spectrum, 40 MHz of the 2.1 GHz spectrum, 20 MHz in the 2.6 GHz spectrum (FDD) and 40 MHz in the 2.6 GHz spectrum (TDD), allowing the company to continue providing its customers with a high-quality network and experience. The total price for the spectrum amounts to SEK 1,211m, which is to be paid in two equal installments with the first due in the fourth quarter this year and the second in the end of 2025. Patricia Industries will contribute SEK 240m to support the financing of the first payment instalment.
- The iPhone 15 was launched successfully in September.
- Three offers customers the option to hand in their pre-owned mobile phone for a discount on a new phone. These phones are quality tested and refurbished, and offered to new customers at a discount. Online sales of recycled phones have increased by 46 percent compared to last year.