

Improved margins

Volume additions from last year's acquisitions combined with positive, albeit modest, organic growth resulted in an 8 per cent increase in revenue compared to last year's first quarter. We saw effects of implemented cost adjustments and the profit outcome was significantly higher than in the corresponding period last year. Some market niches showed a certain degree of recovery, and we experienced a more general stabilisation in demand.

The first quarter

- Net revenue totalled SEK 893 million (825)
- Operating profit amounted to SEK 83 million (31)
- Profit before tax amounted to SEK 63 million (17)
- Net profit amounted to SEK 48 million (13)
- Earnings per share were SEK 0.81 (0.22)
- Cash flow from operating activities amounted to SEK 18 million (23)

Important events during the period

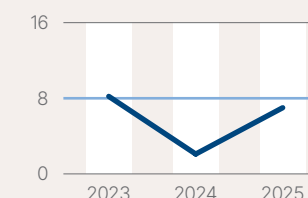
In February 2025, Marilyn Lindh, Chief Sustainability Officer at XANO, was appointed member of the Group Management, which since before included Lennart Persson, President and CEO, and Marie Ek Jonson, CFO.

Group summary	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024/25 12 mths Apr-Mar	2024 12 mths Jan-Dec
Net revenue, SEK million	893	825	3,383	3,315
Organic growth, %	+1.3	-11.4	-7.1	-10.3
Growth through acquisitions, %	+7.0	+3.5	+7.8	+6.9
Operating profit, SEK million	83	31	235	183
Operating margin, %	9.3	3.8	6.9	5.5
Adjusted operating profit, SEK million	83	31	226	174
Adjusted operating margin, %	9.3	3.8	6.7	5.3
Profit before tax, SEK million	63	17	161	115
Profit margin, %	7.0	2.1	4.7	3.5
Adjusted profit before tax, SEK million	63	17	152	106
Adjusted profit margin, %	7.0	2.1	4.5	3.2
Net profit, SEK million	48	13	135	100
Earnings per share, SEK	0.81	0.22	2.28	1.69
Cash flow from operating activities, SEK million	18	23	167	172
Equity/assets ratio, %	46	43	46	45

Profit margin %

TARGET
8 per cent over time

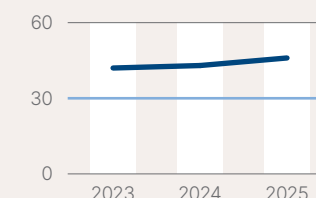
OUTCOME Q1 2025
7.0%



Equity/assets ratio %

TARGET
Exceed 30 per cent

OUTCOME Q1 2025
46%



CEO's comments

We are pleased to see a steady increase in the positive impact of the tough decisions and measures implemented throughout last year. The extensive restructuring and reorganisation activities that were carried out in terms of both operations and organisations represented a kind of reboot for several of our units. Some work remains to be done, but the focus going forward is to fully capitalise on the adjustments made so far.

Overall, the market situation for the Group's companies has somewhat stabilised, while investments related to the launch of new production for new customers have begun to deliver returns. However, continued weak demand in several segments, as well as projects being delayed, has prompted further cost-cutting activities.

Group revenue rose by 8 per cent in relation to the previous year's opening quarter. Operating profit improved by 164 per cent and the operating margin amounted to 9.3 per cent (3.8). The profit margin was 7.0 per cent (2.1). Cash flow from operating activities totalled SEK 18 million (23).

Performance

All three business units showed growth and significantly higher results compared to the first quarter last year. Most notable was the development for the Industrial Solutions business unit, where actions taken contributed to a significant strengthening of last year's weak margins and a 200 per cent improvement in operating profit. Within Industrial Products, performance varied across the business unit, but as a whole it also outperformed the comparative period. In Precision Technology, which had a good first quarter of 2024, several of the companies improved further and the business unit reported overall strengthened profitability.

Market conditions

During the period, our relevant markets have shown signs of demand stabilisation and an increase in optimism. Defence and medtech are among the sectors that have stood out positively. There continue to be very few major new automation projects to tender for, but the can manufacturing industry is showing some signs of recovery, as is the agricultural sector. In China, the overall business climate remains subdued, but our local unit has reversed the downward trend.

Looking to the future

The cautious attitude that has prevailed in several of our traditionally strong customer segments persists to a large extent, even though the mood around us is generally perceived as being more optimistic than it has been in a long time.

One additional source of insecurity is the new US trade policy – the consequences of this type of rapid and erratic decisions are difficult to predict. We have not yet seen any direct impact, and we are engaging in frequent discussions with our customers and suppliers to minimise negative effects as far as possible.

As a result, we face both ongoing and new challenges moving forward. However, we feel confident in the work that has been done and is still ongoing to adapt our operations to changing circumstances. We have further developed and broadened our overall offering while establishing ourselves in new business niches.

Lennart Persson
President and CEO



Key figures Q1	2025	2024
Net revenue, SEK million	893	825
Operating margin, %	9.3	3.8
Profit margin, %	7.0	2.1
Net profit, SEK million	48	13
Earnings per share, SEK	0.81	0.22

Summary of the period

Positive organic growth combined with added volumes from last year's acquisition resulted in an overall increase in sales of almost 9 per cent compared to the corresponding quarter of last year. Strong results in some of the business unit companies compensated for weaker performances in others, and the aggregate operating profit improved by 52 per cent. The operating margin was strengthened from 6.4 to 9.0 per cent.

The overall market trend was cautiously positive, with higher demand in several sectors, while previously declining industries showed some recovery.

Sales and profit

Net sales for the first quarter totalled SEK 228 million, an increase of SEK 18 million from the previous year. Newly acquired company DRP contributed approximately SEK 14 million. Significantly higher volume of boats sold during the period also had a positive impact.

Operating profit improved by SEK 7 million and totalled just over SEK 20 million. Several of the companies reported good profitability. Overall performance continued to be held back by challenges for our Norwegian operations related to the automotive sector. The transfer of production between units and the postponement of a major automotive project in Sweden also had an impact.

Market trends

The trend of increasing order inflows intensified, and the value of the total order book at the end of the period slightly exceeded last year's level.

Boat sales continued the favourable development from the previous quarter, while sales of own products, mainly in infrastructure, were somewhat weaker.

Demand in the automotive sector was stable. Negotiations with automotive customers during the period resulted in retroactive compensation for previous cost increases and the extension of contracts with adjusted prices.

OUTCOME TREND Q1



Industrial Products summary	2025 Q1	2024 Q1	2024 Q1-Q4
Net sales, SEK million	227.6	209.5	834.1
Organic growth, %	+1.8	-10.4	-6.3
Growth through acquisitions, %	+6.9	–	+4.3
Operating profit, SEK million	20.4	13.4	32.3
Operating margin, %	9.0	6.4	3.9
Adjusted operating profit, SEK million	20.4	13.4	53.5
Adjusted operating margin, %	9.0	6.4	6.4
Average number of employees	388	389	398

SUSTAINABLE FUNCTIONALITY

Industrial Products is an innovative business unit specialising in customer-specific projects and in-house developed solutions in polymer processing. Advanced production methods and high technical expertise are used to create durable, functional products. By working closely with global manufacturers and engineering industries, this business unit ensures high quality and cost efficiency in every project. The largest customer segments are found within the automotive, infrastructure & environment and agriculture & forestry sectors. The business unit has operating entities in Sweden, Norway, Estonia, the Netherlands, Denmark, Poland and Finland.

Summary of the period

Sales increased in relation to the comparison quarter due to the addition of last year's new acquisition, while organic growth was slightly negative. In terms of results, the business unit's companies as a whole outperformed last year's opening quarter by 200 per cent. The operating margin improved from 3.5 to 9.9 per cent.

The period saw continued poor demand from the business unit's traditionally strong customer segments. Some indications of higher activity linked to the can manufacturing industry are emerging after the sector's previous sharp downward trend.

Sales and profit

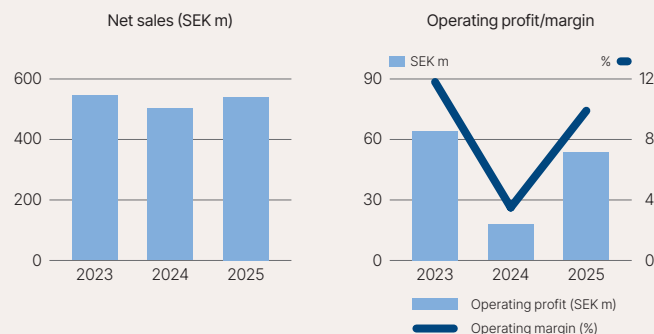
Net sales totalled SEK 540 million, an increase of SEK 38 million in relation to the comparison period and entirely due to the newly acquired company Graniten. In organic terms, volumes declined slightly across most of the business unit's companies.

In general, the measures implemented to adapt the activities to more lasting changes in traditional markets have gradually gained traction. With few exceptions, the companies in the business unit recorded improved profitability in the first quarter of the year and overall operating profit increased by just over SEK 35 million, totalling SEK 53 million.

Market trends

No major changes in market conditions were experienced during the period in the business unit's primary markets, but there were some signs of recovery in the can manufacturing industry. Customer willingness to invest in automation projects remained low, particularly in the packaging and sustainable energy sectors. In contrast, activities related to food handling saw a slight increase.

OUTCOME TREND Q1



Industrial Solutions summary	2025 Q1	2024 Q1	2024 Q1-Q4
Net sales, SEK million	539.8	501.9	2,032.6
Organic growth, %	-1.1	-13.3	-13.8
Growth through acquisitions, %	+8.7	+5.7	+9.4
Operating profit, SEK million	53.2	17.7	86.1
Operating margin, %	9.9	3.5	4.2
Adjusted operating profit, SEK million	53.2	17.7	122.4
Adjusted operating margin, %	9.9	3.5	6.0
Average number of employees	704	743	772

INNOVATIVE SOLUTIONS

Within the Industrial Solutions business unit, advanced automated solutions that optimise global production flows are created. Through customised conveyors, packaging machines and end-to-end solutions with digital control and traceability, business unit companies deliver innovation, efficiency and precision. Robotic integration and intelligent control systems ensure high quality, hygiene and flexibility for customers working in the packaging, food, pharmaceutical and infrastructure sectors. The business unit has operating entities in Sweden, Denmark, the Netherlands, the USA, China and Australia.

Summary of the period

Most of the business unit's companies reported higher sales for the first quarter of the year than in the comparison period and organic growth amounted to 11 per cent. In terms of profit, the outcome exceeded the corresponding period last year by more than 80 per cent. The operating margin improved from 9.7 to 15.7 per cent.

The market mood was generally less hesitant, as reflected in an overall higher inflow of orders than in the corresponding period last year. Customers in the defence sector continued to be the most active ones.

Sales and profit

Net sales in the first quarter totalled SEK 126 million, an increase of just over SEK 12 million in relation to the comparative period. Growth was primarily related to higher volumes in defence and medtech.

Operating profit totalled SEK 20 million, an improvement of SEK 9 million compared with the first quarter of 2024. The majority of the business unit companies showed enhanced profitability during the period.

Market trends

The overall picture of market conditions is cautiously positive. All business unit companies have assignments in the defence sector, which continues to develop strongly. Demand from medtech customers has also increased. In the other sectors concerned, order placement and volume levels are generally stabilising.

OUTCOME TREND Q1



Precision Technology summary

	2025 Q1	2024 Q1	2024 Q1-Q4
Net sales, SEK million	125.8	113.4	448.9
Organic growth, %	+11.0	-4.8	-1.4
Growth through acquisitions, %	–	–	–
Operating profit, SEK million	19.8	11.0	36.2
Operating margin, %	15.7	9.7	8.1
Adjusted operating profit, SEK million	19.8	11.0	36.2
Adjusted operating margin, %	15.7	9.7	8.1
Average number of employees	227	238	229

PRECISE PRECISION

Precision Technology offers advanced machining in metal and polymeric materials for demanding industrial segments. High-tech CNC processes, industrial 3D printing and laser welding are used to manufacture complex components with maximum precision and quality. With end-to-end solutions from project management to production and verification, Precision Technology serves global operators in the medtech, defence, aerospace, automotive and energy sectors. The business unit has operating entities in Sweden.

General information

All amounts are reported in millions of Swedish kronor and relate to the Group, unless otherwise indicated. Amounts in brackets refer to the corresponding period last year. Definitions are found on page 12.

Revenue and profit

Net revenue totalled SEK 893 million (825). Adjusted operating profit amounted to SEK 83 million (31), corresponding to an adjusted operating margin of 9.3 per cent (3,8). Operating profit amounted to SEK 83 million (31), corresponding to an operating margin of 9.3 per cent (3,8). Profit before tax was SEK 63 million (17).

Items affecting comparability

No items affecting comparability have affected the profit in the period.

Share data and key figures

Basic earnings per share were SEK 0.81 (0.22). Equity per share was SEK 29.51 (28.36). The average number of outstanding shares was 59,310,608 (59,131,166). The equity/assets ratio was 46 per cent (43) at the end of the period. The average number of employees was 1,331 (1,391).

Important events during the period

In February 2025, Marilyn Lindh, Chief Sustainability Officer at XANO, was appointed member of the Group Management, which since before included Lennart Persson, President and CEO, and Marie Ek Jonson, CFO.

Events after the end of the period

There are no individual events of major significance to report after the closing day.

Investments

Net investments in non-current assets came to SEK 14 million (96), of which SEK 2 million related to intangible assets, SEK 9 million to property, plant and equipment, SEK -1 million to financial assets and SEK 4 million to right-of-use assets.

Cash flow and liquidity

Cash flow from operating activities amounted to SEK 18 million (23). Improved profit performance and lower tax payments largely compensate for the higher level of capital tied up compared with the corresponding period last year.

Liquid assets, including lines of credit granted but not utilised, totalled SEK 1,352 million (1,390) on the closing day.

Risks and uncertainty factors

The Group's main risks and uncertainty factors include operational risks associated with customers and suppliers and other external factors such as price risks for input goods. In addition, there are financial risks as a result of changes in exchange rates and interest rate levels.

The Group's operations span many different sectors and customer segments, which generally entails a good spreading of risk. Our level of preparedness to make adjustments is also high. The willingness to invest on the part of some of the Group's major customers is closely

linked to the development of the global economy. We are not witnessing any quick turnaround and recovery in the established markets where we have been experiencing declining trends. Geopolitical turmoil in several parts of the world may contribute to increased inflation and price risks, as well as disruptions in supply chains. In addition, uncertainty surrounds the future of global trade due to ongoing U.S. tariffs and reciprocal measures from other countries. XANO works with proactive price and contract management to meet cost increases.

A statement on the Group's other main financial and operational risks can be found on pages 87–88 of the 2024 annual report.

Annual general meeting 2025

The Annual General Meeting will take place at Elmia Kongress & Konferthus in Jönköping at 4 p.m. on Thursday 15 May 2025.

Next report date

The interim report for the period 1 January to 30 June 2025 will be presented on Thursday 10 July 2025.

Jönköping, 8 May 2025

Lennart Persson
President and CEO

This report has not been reviewed by the company's auditor.

Consolidated statement of comprehensive income		2025	2024	2024/25	2024
(summary, SEK million)	Note	3 mths Jan-Mar	3 mths Jan-Mar	12 mths Apr-Mar	12 mths Jan-Dec
Net revenue	3	893	825	3,383	3,315
Cost of goods sold		-691	-667	-2,704	-2,680
Gross profit		202	158	679	635
Selling expenses		-77	-85	-359	-367
Administrative expenses		-42	-45	-168	-171
Other operating income		5	7	98	100
Other operating expenses		-5	-4	-15	-14
Profit from participations in associated companies		0	0	0	0
Operating profit	2	83	31	235	183
Financial income	2	27	6	64	43
Financial expenses	2	-47	-20	-138	-111
Profit before tax	3	63	17	161	115
Tax	4	-15	-4	-26	-15
Net profit for the period	8	48	13	135	100
– of which attributable to shareholders of the Parent Company		48	13	135	100
Other comprehensive income					
Items that may be reclassified to net profit for the period					
Change in hedging reserve including tax	5	1	1	-2	-2
Translation differences	5	-19	12	-19	12
Other comprehensive income		-18	13	-21	10
Comprehensive income for the period		30	26	114	110
– of which attributable to shareholders of the Parent Company		30	26	114	110
Basic earnings per share, SEK	6	0.81	0.22	2.28	1.69
Diluted earnings per share, SEK	6	0.81	0.22	2.28	1.69

Consolidated statement of financial position		2025	2024	2024
(summary, SEK million)	Note	31 Mar	31 Mar	31 Dec
ASSETS				
Goodwill		1,184	1,153	1,204
Other intangible non-current assets		181	168	190
Property, plant and equipment		693	724	720
Right-of-use assets		134	123	148
Other non-current assets		21	9	22
Total non-current assets		2,213	2,177	2,284
Inventories		504	505	501
Current receivables	7	851	872	771
Cash and cash equivalents	7	213	311	227
Total current assets		1,568	1,688	1,499
TOTAL ASSETS		3,781	3,865	3,783
EQUITY AND LIABILITIES				
Equity		1,750	1,677	1,720
Non-current liabilities	7	1,137	1,240	1,191
Current liabilities	7	894	948	872
TOTAL EQUITY AND LIABILITIES		3,781	3,865	3,783

Reporting of liabilities has been adjusted compared with the 2024 year-end report.

Consolidated statement of changes in equity (summary, SEK million)	2025 31 Mar	2024 31 Mar	2024 31 Dec
Opening balance	1,720	1,651	1,651
Net profit for the period	48	13	100
Other comprehensive income	-18	13	10
Comprehensive income for the period	30	26	110
Effect of convertible loan issued	–	–	3
Transfer of treasury shares	–	–	15
Cash dividends paid	–	–	-59
Total transactions with shareholders	–	–	-41
Closing balance	1,750	1,677	1,720
– of which attributable to shareholders of the Parent Company	1,750	1,677	1,720

Consolidated cash flow statement (summary, SEK million)	Note	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024/25 12 mths Apr-Mar	2024 12 mths Jan-Dec
Operating profit		83	31	235	183
Interest and income tax paid/received and adjustments for non-cash items		36	-6	56	14
Change in working capital		-101	-2	-124	-25
Cash flow from operating activities		18	23	167	172
Investments					
Acquisition/sale of subsidiaries	8	–	-15	-10	-25
Other		-10	-11	-107	-108
Cash flow after investments		8	-3	50	39
Cash dividends paid		–	–	-59	-59
Cash flow from other financing activities		2	-13	-63	-78
Cash flow for the period		10	-16	-72	-98
Cash and cash equivalents at the start of the period		227	309	311	309
Exchange rate differences in cash and cash equivalents		-24	18	-26	16
Cash and cash equivalents at the end of the period		213	311	213	227

NOTES, GROUP

■ NOTE 1

Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations of the Swedish Annual Accounts Act. The Group and the Parent Company apply the same accounting policies as described in the 2024 annual report with the exceptions of new or revised standards, interpretations and improvements, which are applied as from 1 January 2025. The critical assessments and the sources of estimates when preparing this interim report are the same as in the most recent annual report.

■ NOTE 2

Comments on items reported in the consolidated income statement

In this interim report, the Group presents certain financial indicators that are not defined in IFRS. These indicators aim to provide supplementary information as they contribute to the understanding of the Group's financial development.

Items affecting comparability are non-recurring items that have a material financial impact. These may include transactions related to restructuring activities and business combinations. The table below shows a break-down of items affecting comparability by period.

Items affecting comparability (SEK million)	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024/25 12 mths Apr-Mar	2024 12 mths Jan-Dec
Costs for restructuring activities ¹⁾	–	–	-35	-35
Items related to business combinations ²⁾	–	–	75	75
Other items ³⁾	–	–	-31	-31
Total	–	–	9	9

¹⁾ The 2024 full-year amount includes, inter alia, redundancy costs for personnel, impairment of right-of-use assets and relocation costs when transferring production between units.

²⁾ The 2024 full-year amount includes adjusted conditional purchase price for Integrated Packaging Solutions, LLC amounting to SEK 10.5 million and capital gain of SEK 66 million from divestment of XANO Fastigheter Ljungarum AB.

³⁾ The 2024 full-year amount refers to impairment of accounts receivable.

Financial items include exchange rate effects amounting to SEK -4.3 million (0.8) for the interim period and SEK 1.1 million for the 2024 full year.

■ NOTE 3

Net revenue and profit/loss before tax

Net revenue refers to revenue from contracts with customers. The information on segments is provided from the management's perspective, which means that reporting corresponds to the way in which the information is presented internally. The Group reports on the following segments: Industrial Products, Industrial Solutions and Precision Technology. The operations within each segment are described on pages 3–5. The segments are reported in accordance with the same accounting policies as the Group. Market conditions are applied to transactions between the segments.

Net revenue and breakdown of income by segment	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024 12 mths Jan-Dec
<i>(SEK million)</i>			
INDUSTRIAL PRODUCTS	228	210	834
Breakdown by geographic market ¹⁾			
Sweden	79	88	328
Rest of the Nordic countries	59	29	174
Rest of Europe	87	92	325
Rest of the world	3	1	7
Breakdown by type of product			
Proprietary products	67	44	226
Customer-specific manufacturing	161	166	608
Breakdown by timing of revenue recognition			
Goods and services transferred at a point in time	228	210	834
INDUSTRIAL SOLUTIONS	540	502	2,033
Breakdown by geographic market ¹⁾			
Sweden	186	117	543
Rest of the Nordic countries	40	26	123
Rest of Europe	211	241	856
Rest of the world	103	118	511
Breakdown by type of product			
Proprietary products	395	380	1,565
Customer-specific manufacturing	145	122	468
Breakdown by timing of revenue recognition			
Goods and services transferred at a point in time	198	174	712
Services transferred over time	25	28	119
Projects transferred over time	317	300	1,202

Net revenue and breakdown of income by segment	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024 12 mths Jan-Dec
<i>(SEK million)</i>			
PRECISION TECHNOLOGY	126	113	449
Breakdown by geographic market ¹⁾			
Sweden	106	93	374
Rest of the Nordic countries	1	3	6
Rest of Europe	8	13	42
Rest of the world	11	4	27
Breakdown by type of product			
Proprietary products	–	–	2
Customer-specific manufacturing	126	113	447
Breakdown by timing of revenue recognition			
Goods and services transferred at a point in time	126	113	449
GROUP TOTAL	893	825	3,315
Breakdown by geographic market ¹⁾			
Sweden	371	298	1,245
Rest of the Nordic countries	100	58	303
Rest of Europe	306	346	1,222
Rest of the world	116	123	545
Breakdown by type of product			
Proprietary products	462	424	1,792
Customer-specific manufacturing	431	401	1,523
Breakdown by timing of revenue recognition			
Goods and services transferred at a point in time	551	497	1,995
Services transferred over time	25	28	119
Projects transferred over time	317	300	1,201

¹⁾ Revenue by geographic market refers to revenue from customers according to where the customers are located.

Net revenue by segment	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024/25 12 mths Apr-Mar	2024 12 mths Jan-Dec
<i>(SEK million)</i>				
Industrial Products	228	210	852	834
Industrial Solutions	540	502	2,071	2,033
Precision Technology	126	113	462	449
Eliminations	-1	–	-2	-1
Group total	893	825	3,383	3,315

Profit/loss before tax by segment ¹⁾	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024/25 12 mths Apr-Mar	2024 12 mths Jan-Dec
(SEK million)				
Industrial Products	14	9	14	9
Industrial Solutions	36	4	58	26
Precision Technology	17	8	30	21
Undistributed items	-4	-4	59	59
Group total	63	17	161	115

¹⁾ The segment figures refer to the profit/loss before the distribution of group-wide costs and tax in accordance with internal reporting. Undistributed items mainly refer to the Parent Company.

■ NOTE 4

Tax

Tax amounts to 23 per cent (23) of profit before tax for the interim period.

■ NOTE 5

Other comprehensive income

Change in hedging reserve including tax refers to the effective component of the change in value of derivative instruments used for hedge accounting. Translation differences refer to the effects of changes in exchange rates when net investments in non-Swedish subsidiaries are translated to SEK. The amount is reported net of hedging contracts.

■ NOTE 6

Earnings per share

Basic earnings per share	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024/25 12 mths Apr-Mar	2024 12 mths Jan-Dec
Net profit for the period, SEK million	48.2	13.2	135.0	100.0
Average number of outstanding shares, thousands ¹⁾	59,310	59,131	59,309	59,264
Basic earnings per share, SEK ¹⁾	0.81	0.22	2.28	1.69

Diluted earnings per share	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024/25 12 mths Apr-Mar	2024 12 mths Jan-Dec
Net profit for the period, SEK million	48.2	13.2	135.0	100.0
Interest expense on convertible bonds, SEK million ²⁾	0.5	–	1.1	0.6
Issue expenses for convertible bonds, SEK million	0.0	–	0.0	0.0
Adjusted income, SEK million	48.7	13.2	136.1	100.6
Average number of outstanding shares, thousands ¹⁾	59,310	59,131	59,309	59,264
Adjustment for presumed conversion of convertible bonds, thousands	330	–	164	83
Average number of outstanding shares after dilution, thousand ¹⁾	59,640	59,131	59,473	59,347
Diluted earnings per share, SEK ¹⁾	0.81	0.22	2.28	1.69

¹⁾ 179,442 own shares were transferred in connection with business combinations in April 2024.

²⁾ Constitutes current interest for convertible loan adjusted to market interest rate.

On the closing day, the total number of shares stands at 59,640,298, divided between 14,577,600 Class A shares and 45,062,698 Class B shares. After deduction for the company's own holding, 329,690 Class B shares, the number of outstanding shares is 59,310,608. The average number of outstanding shares was 59,310,608 during the interim period. The average number of shares in the company's custody was 329,690 during the period. Each Class A share entitles ten votes, and each Class B share entitles one vote. The number of votes, following deductions for the company's own holding, is 190,509,008 on the closing day.

NOTE 7

Financial assets and liabilities

Financial assets and liabilities comprise cash and cash equivalents, accounts receivable, loan claims, loan liabilities, accounts payable and any derivatives. The financial assets and liabilities are distributed by category as stated below.

DISTRIBUTION BY CATEGORY 2025-03-31 (2024-03-31)	Loan and accounts receivable valued at accrued acquisition value		Financial assets/ liabilities measured at fair value through other comprehensive income		Other financial liabilities valued at accrued acquisition value		Total carrying amount		Fair value ¹⁾	
(SEK million)										
Accounts receivable	528	(529)	–	(–)			528	(529)	528	(529)
Derivative instruments ²⁾	–	–	6	(9)			6	(9)	6	(9)
Cash and cash equivalents	213	(311)	–	(–)			213	(311)	213	(311)
Total financial assets	741	(840)	6	(9)			747	(849)		
Loan liabilities			–	(–)	892	(1,031)	892	(1,031)	892	(1,031)
Lease liabilities			–	(–)	148	(125)	148	(125)		
Convertible loan			–	(–)	33	(–)	33	(–)	35	(–)
Bank overdraft facilities			–	(–)	31	(2)	31	(2)	31	(2)
Total interest-bearing liabilities			–	(–)	1,104	(1,158)	1,104	(1,158)		
Accounts payable			–	(–)	274	(287)	274	(287)	274	(287)
Total financial liabilities			–	(–)	1,378	(1,445)	1,378	(1,445)		

¹⁾ The fair value of financial assets and liabilities, with the exception of the convertible loan and lease liabilities, is estimated to be the same as their carrying amount in all material respects.

²⁾ Current receivables presented in the consolidated statement of financial position include interest derivatives measured at fair value of SEK 6 million (9) for the interim period and SEK 5 million for the full year. The derivatives are used for hedging purposes and belong to value level 2 under IFRS 13. The fair value measurement is based on a number of factors, including forward interest rates produced on the basis of observable yield curves.

NOTE 8

Business combinations

No business combinations or divestments have taken place in 2025.

Graniten Engineering AB is included in the consolidated results from 22 March 2024. Dansk Rotations Plastic ApS is included in the consolidated results from 5 April 2024. If the acquired entities had been part of the Group throughout 2024, revenue would have amounted to SEK 3,354 million, while net profit would have been approx. SEK 102 million.

All the shares in XANO Fastigheter Ljungarum AB were divested as per 28 October 2024.

Share data, Group	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024/25 12 mths Apr-Mar	2024 12 mths Jan-Dec
Average number of outstanding shares, thousands	59,310	59,131	59,309	59,264
Average number of outstanding shares after dilution, thousands	59,640	59,131	59,473	59,347
Basic earnings per share, SEK	0.81	0.22	2.28	1.69
Diluted earnings per share, SEK	0.81	0.22	2.28	1.69
Cash flow from operating activities per share, SEK	0.30	0.39	2.82	2.91
Total number of shares on closing day, thousands	59,640	59,640	59,640	59,640
Number of shares in own custody on closing day, thousands	330	509	330	330
Number of outstanding shares on closing day, thousands	59,310	59,131	59,310	59,310
Equity per share on closing day, SEK	29.51	28.36	29.51	28.99
Share price on closing day, SEK	59.00	84.60	59.00	56.20

179,442 own shares were transferred in connection with business combinations in April 2024.

Key figures, Group	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024/25 12 mths Apr-Mar	2024 12 mths Jan-Dec
Operating margin, %	9.3	3.8	6.9	5.5
Adjusted operating margin, %	9.3	3.8	6.7	5.3
Profit margin, %	7.0	2.1	4.7	3.5
Adjusted profit margin, %	7.0	2.1	4.5	3.2
Interest-bearing liabilities, SEK million	1,104	1,158	1,104	1,146
Deferred tax liabilities, SEK million	109	105	109	108
Lines of credit granted but not utilised, SEK million	1,139	1,079	1,139	1,146
Return on equity p.a., %	11.1	3.2	8.0	6.0
Return on capital employed p.a., %	15.3	5.4	10.4	7.9
Return on total capital p.a., %	11.6	3.9	7.7	5.9
Average equity, SEK million	1,735	1,664	1,692	1,672
Average capital employed, SEK million	2,860	2,800	2,867	2,849
Average total capital, SEK million	3,782	3,813	3,860	3,856
Interest coverage ratio, multiple	2.3	1.8	2.2	2.0
Equity/assets ratio, %	46	43	46	45
Depreciation and amortisation, SEK million	43	35	177	169
EBITDA, SEK million	126	66	412	352
Adjusted EBITDA, SEK million	126	66	392	332
Net investments in non-current assets, SEK million	14	96	250	332
Employees, average number	1,331	1,391	1,396	1,411

Quarterly summary, Group

	2025 Q1	2024 Q1	2024 Q4	2023 Q4	2024 Q3	2023 Q3	2024 Q2	2023 Q2
Net revenue, SEK m	893	825	857	836	737	757	896	942
Gross profit, SEK m	202	158	159	179	132	159	186	214
Operating profit, SEK m	83	31	78	54	13	58	61	102
Adjusted operating profit, SEK m	83	31	64	54	27	61	52	92
Profit before tax, SEK m	63	17	64	23	-8	44	42	86
Net profit for the period, SEK m	48	13	61	18	-7	33	33	67
Operating margin, %	9.3	3.8	9.1	6.5	1.7	7.7	6.8	10.7
Adjusted operating margin, %	9.3	3.8	7.5	6.5	3.6	8.1	5.8	9.8
Profit margin, %	7.0	2.1	7.5	2.9	-1.2	5.7	4.7	9.1
Adjusted profit margin, %	7.0	2.1	5.9	2.9	0.6	6.1	3.8	8.1
Equity/assets ratio, %	46	43	45	44	42	41	42	40
Basic earnings per share, SEK	0.81	0.22	1.03	0.30	-0.11	0.57	0.55	1.15
Cash flow from operating activities per share, SEK	0.30	0.39	0.56	5.58	2.18	2.45	-0.22	0.20

Definitions

ADJUSTED EBITDA

Operating profit less items affecting comparability plus depreciation and amortisation of tangible and intangible non-current assets.

ADJUSTED OPERATING MARGIN

Operating profit less items affecting comparability in relation to net revenue.

ADJUSTED OPERATING PROFIT

Operating profit less items affecting comparability.

ADJUSTED PROFIT BEFORE TAX

Profit before tax less items affecting comparability.

ADJUSTED PROFIT MARGIN

Profit before tax less items affecting comparability in relation to net revenue.

AVERAGE NUMBER OF EMPLOYEES

Average number of employees during the period based on working hours. Employees who are covered by short-term work/temporary layoffs are only included to the extent that relates to actually worked time.

BASIC EARNINGS PER SHARE

Net profit in relation to the average number of outstanding shares.

CAPITAL EMPLOYED

Balance sheet total less non-interest-bearing liabilities.

CASH FLOW FROM OPERATING ACTIVITIES PER SHARE

Cash flow from operating activities in relation to the average number of outstanding shares.

DILUTED EARNINGS PER SHARE

Net profit plus costs relating to convertible loan in relation to the average number of outstanding shares plus the average number of shares added at conversion of outstanding convertibles.

EBITDA

Operating profit plus depreciation and amortisation of tangible and intangible non-current assets.

EQUITY PER SHARE

Equity in relation to the number of outstanding shares on the closing day.

EQUITY/ASSETS RATIO

Equity in relation to total capital.

INTEREST COVERAGE RATIO

Profit before tax plus financial expenses in relation to financial expenses.

NET INVESTMENTS

Closing balance less opening balance plus amortisation/depreciation, impairment costs and translation differences relating to non-current assets.

ITEMS AFFECTING COMPARABILITY

Events or transactions that have a material financial impact and whose effects on earnings are important to note when comparing the financial results for the period with results for previous periods.

OPERATING MARGIN

Operating profit in relation to net revenue.

ORGANIC GROWTH

Growth in net revenue generated by the Group's own efforts and in existing structure. The amount has not been adjusted for exchange rate fluctuations.

PROFIT MARGIN

Profit before tax in relation to net revenue.

RETURN ON CAPITAL EMPLOYED

Profit before tax plus financial expenses in relation to average capital employed.

RETURN ON EQUITY

Net profit in relation to average equity.

RETURN ON TOTAL CAPITAL

Profit before tax plus financial expenses in relation to average total capital.

REVENUE GROWTH

Net revenue for the period in relation to net revenue for a comparative period.

TOTAL CAPITAL

Total equity and liabilities (balance sheet total).

Key figures

Key figures included in this report derive primarily from the disclosure requirements according to IFRS. Other performance indicators, known as alternative key figures, describe e.g. the profit trend, financial strength and how the Group has invested its capital. The Group is of the opinion that these indicators provide valuable complementary information as they contribute to the understanding of the Group's financial development. Performance indicators are calculated in accordance with the definitions presented in this interim report.

Presented key figures take the nature of the business into account and are deemed to provide relevant information to shareholders and other stakeholders for assessing the Group's potential to carry out strategic investments, fulfil financial commitments and provide yield for shareholders at the same time as achieving comparability with other companies. The margin measures are also presented internally for each segment. For reconciliation of key figures, see page 90 in the 2024 annual report.

Income statement, Parent Company <i>(summary, SEK million)</i>	Note	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024 12 mths Jan-Dec
Net revenue	1	8.1	7.9	33.0
Selling and administrative expenses		-11.5	-11.1	-41.4
Operating profit/loss		-3.4	-3.2	-8.4
Profit from participations in Group companies		–	–	91.9
Other financial items		5.7	7.2	21.4
Profit/loss after financial items		2.3	4.0	104.9
Appropriations		–	–	30.8
Tax	2	-0.5	-0.8	-6.7
Net profit for the period		1.8	3.2	129.0
<i>Statement of comprehensive income</i>				
Net profit for the period		1.8	3.2	129.0
Other comprehensive income		–	–	–
Comprehensive income for the period		1.8	3.2	129.0

Reporting of Group contribution received has been adjusted compared with the 2024 year-end report.

Balance sheet, Parent Company <i>(summary, SEK million)</i>	2025 31 Mar	2024 31 Mar	2024 31 Dec
ASSETS			
Non-current assets	169.3	206.9	168.9
Current assets	1,290.9	1,171.9	1,317.5
EQUITY AND LIABILITIES			
Equity	706.8	620.7	705.0
Untaxed reserves	28.2	59.0	28.2
Non-current liabilities	283.0	250.0	282.8
Current liabilities	442.2	449.1	470.4
BALANCE SHEET TOTAL	1,460.2	1,378.8	1,486.4

Statement of changes in equity, Parent Company <i>(summary, SEK million)</i>	2025 31 Mar	2024 31 Mar	2024 31 Dec
Opening balance	705.0	617.5	617.5
Comprehensive income for the period	1.8	3.2	129.0
Effect of convertible loan issued	–	–	2.4
Transfer of treasury shares	–	–	15.4
Cash dividends paid	–	–	-59.3
Closing balance	706.8	620.7	705.0

Cash flow statement, Parent Company <i>(summary, SEK million)</i>	2025 3 mths Jan-Mar	2024 3 mths Jan-Mar	2024 12 mths Jan-Dec
Operating profit/loss	-3.4	-3.2	-8.4
Interest and income tax paid/received and adjustments for non-cash items	0.2	-2.8	165.6
Change in working capital	-12.5	5.0	-170.8
Cash flow from operating activities	-15.7	-1.0	-13.6
Investments	-0.5	–	-0.4
Cash flow after investments	-16.2	-1.0	-14.0
Financing	16.4	–	5.2
Cash flow for the period	0.2	-1.0	-8.8
Cash and cash equivalents at the start of the year	0.0	8.7	8.7
Exchange rate differences in cash and cash equivalents	-0.2	0.5	0.1
Cash and cash equivalents at the end of the period	0.0	8.2	0.0

■ NOTE 1

Net revenue

Net revenue refers to revenue from contracts with customers. 100 per cent (100) of the Parent Company's net revenue comes from invoicing to subsidiaries.

■ NOTE 2

Tax

Income tax amounts to 21 per cent (21) for the interim period.

About us

We develop, acquire and run niche engineering companies on the basis of entrepreneurship. Our vision is to create strong units that are sustainable in the long term from companies where economies of scale are utilised optimally. We aim to be a leading player that actively facilitates the transition to a more sustainable society and enterprise.

The Group companies offer unique products and solutions with associated services. There is a strong drive for innovation and development in each of the niche engineering companies in the XANO family. Our decentralised business model promo-

tes the assumption of responsibility and contributes to preserving entrepreneurial drive, safeguarding expertise and making it possible for each individual company to achieve success by focusing on the things they do best.

We value a high level of further development, as well as an endeavour to achieve sustainable technical innovations and constantly improve at what we do. By using our combined knowledge and experience, we are ensuring that all the companies within the XANO Group will remain at the forefront in their respective markets.

Our core values

Entrepreneurship

XANO is built on a strong entrepreneurial spirit and a culture where every employee takes ownership and demonstrates personal commitment to driving progress.

With a culture rooted in the willingness to take initiative, innovate, and take results-driven action, we strengthen our own competitiveness while fostering the growth of our employees and partners.

Innovate for the future

We are driven by a desire to remain at the forefront, and combine advanced technical expertise with a strong capacity for innovation.

We leverage our technical expertise and long-term vision to develop solutions that drive value today while contributing to a sustainable future.

Better together

We firmly believe that success is built on collaboration – both within the Group and with our partners.

We also know that our people are our most important resource, and we believe in empowering each other to reach our full potential. Together, we create an inclusive culture where each individual plays an important role and where we are strongest as a team.

Our objectives

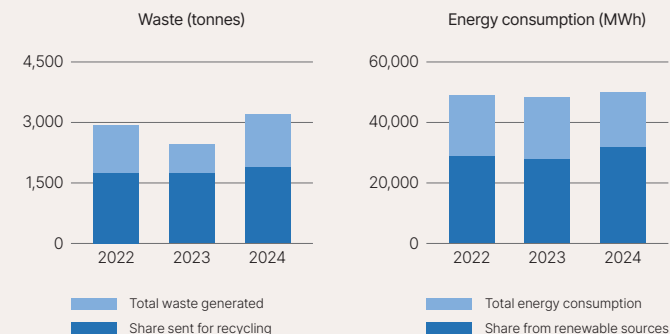
Financial targets

XANO's organic growth shall outpace general market growth. Growth will also be achieved through the acquisition of businesses and companies. The profit margin shall reach 8 per cent over time. The equity/assets ratio shall exceed 30 per cent.

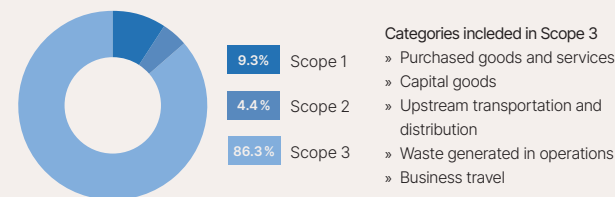
Dividend policy

It is the aim of the Board of Directors that dividends over an extended period will follow the earnings trend and correspond to at least 30% of net profit. The annual dividend proportion must however be viewed in relation to investment needs and any repurchase of shares.

Sustainability information



GHG emissions in 2024 distributed by scope



Related climate targets 2030

- » 50% reduction of climate emissions from purchased electricity
- » 50% reduction in climate emissions from incineration of gas and oil
- » 40% reduction in production waste and 30% reduction in climate emissions from incinerating waste

The Parent Company, XANO Industri AB (publ) with corporate identity number 556076-2055, is a public limited liability company with its registered office in Jönköping, Sweden.

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