



# Year-End Report

## 2019

"Invest Receive's long-term success ultimately depends on our companies' ability to outperform global competition. As an engaged owner, we drive and support initiatives to achieve sustainable profitable growth through innovation, geographical expansion, operational excellence and structural changes."

**Johan Forssell, CEO of Invest Receive**

## Highlights during the fourth quarter

- Adjusted net asset value (NAV) amounted to SEK 485,019m (SEK 634 per share) on December 31, 2019, an increase of SEK 29,098m, or 6 percent during the quarter. Total shareholder return amounted to 7 percent during the quarter, compared to 10 percent for the SIXRX return index. This means that for 2019, adjusted net asset value grew by 33 percent and total shareholder return amounted to 40 percent, compared to 35 percent for the SIXRX return index.
- Listed Companies generated a total return of 9 percent. Invest Receive purchased shares in ABB for SEK 1.0bn.
- Based on estimated market values, the value of Patricia Industries, excluding cash, decreased by 3 percent, negatively affected by multiple contraction.
- Pro forma sales growth for the major subsidiaries amounted to 9 percent, of which 2 percent organic in constant currency. Reported EBITA grew by 3 percent. Adjusting for items affecting comparability, EBITA grew by 6 percent. Total distributions and exit proceeds to Patricia Industries amounted to SEK 6.8bn.
- Within Patricia Industries, Laborie and Piab announced the strategically important acquisitions of Clinical Innovations and TAWI Group respectively.
- The value of our EQT investments increased by 9 percent, driven by strong share price performance in EQT AB, while the value of our fund investments (reported with a one-quarter lag) was essentially flat. Net cash flow to Invest Receive amounted to SEK 2.7bn.
- Leverage (net debt/reported total assets) was 2.8 percent as of December 31, 2019 (6.1 as of December 31, 2018).
- The Board of Directors proposes a dividend per share of SEK 14.00 (13.00), to be paid in two installments, SEK 10.00 in May, 2020 and SEK 4.00 in November, 2020.

### Financial information\*

	12/31 2019	9/30 2019	12/31 2018
Adjusted NAV, SEK m*	485 019	455 921	372 004
Adjusted NAV, SEK per share*	634	596	486
Reported NAV <sup>1)</sup> , SEK m*	420 681	388 355	327 508
Reported NAV <sup>1)</sup> , SEK per share*	550	507	428
Market capitalization, excluding repurchased shares, SEK m	389 770	365 765	288 107
Share price (B-share), SEK	511.20	481.10	375.60
	<b>Q4 2019</b>	<b>2019</b>	
Adjusted NAV, sequential change, incl. dividend added back, SEK m* Adjusted		29 098	122 963
NAV, sequential change, incl. dividend added back, %*		6	33
Reported NAV <sup>1)</sup> , sequential change, incl. dividend added back, SEK m* Reported		32 326	103 121
NAV <sup>1)</sup> , sequential change, incl. dividend added back, %*		8	31
Market capitalization, sequential change, incl. dividend added back, SEK m*		27 067	111 611
Market capitalization, sequential change, incl. dividend added back, %*		7	39
	<b>Q4 2019</b>	<b>Q4 2018</b>	<b>2019</b>
Consolidated net sales, SEK m	9 994	11 982	42 239
Consolidated profit/loss, SEK m	33 713	-45 115	101 242
Basic earnings per share, SEK	44.07	-58.94	132.29

\* Financial measures that are not defined or specified in the applicable financial reporting framework. For more information, see page 17 and 28. Change in market capitalization with dividend added back reflects the change in total market capitalization with the dividend paid out added back. Change in net asset value with dividend added back includes the full dividend approved by the AGM as the part not already paid out is reported as a liability within Other assets & liabilities.

1) In the reported net asset value, the wholly-owned subsidiaries and partner-owned investments within Patricia Industries are reported according to the acquisition and equity method respectively. Methods are further described in Invest Receive AB's Annual Report.

### Overview annual average performance

	1 year	5 years	10 years	20 years
Adjusted NAV incl. dividend added back,	33.1	-	-	-
% Invest Receive B, total return, %SIXRX	40.0	15.8	18.2	11.2
return index, %	35.0	11.3	12.5	7.2

# CEO statement



Dear fellow shareholders,

During 2019, our adjusted net asset value grew by 33 percent. Our total shareholder return amounted to 40 percent, 5 percentage points ahead of the Swedish stock market (SIXRX return index +35 percent). Highlights during 2019 include.

- Patricia Industries' major subsidiaries generated strong EBITA growth of 18 percent. Laborie and Piab both announced significant strategic acquisitions
- EQT AB was successfully listed on NASDAQ Stockholm
- Electrolux proposed to list its Professionals business as a separate company during 2020
- We invested SEK 4.3bn in ABB
- Strong cash flow generated in all business areas
- We continued to strengthen our sustainability initiatives

## Listed Companies

The combined total return of our listed companies amounted to 30 percent during 2019, of which 9 percent during the fourth quarter. Atlas Copco, ABB and Saab generated the highest total returns during the quarter.

We invested SEK 1.0bn in ABB during the fourth quarter. During 2019, we invested SEK 4.3bn in total. ABB has strong market positions in attractive industry segments, and we see potential for operational improvements under the leadership of the new CEO Björn Rosengren.

During the fourth quarter it was announced that Helena Hedblom will become the new CEO of Epiroc. In early 2020, Henric Andersson was appointed new CEO of Husqvarna. They both have long and deep experience from their respective companies.

## Patricia Industries

Based on estimated market values, the value of Patricia Industries, excluding cash, increased by 23 percent during 2019, mainly driven by strong earnings growth and cash flow generation. Multiple expansion also supported the increase, but to a lesser extent. During the fourth quarter, the value decreased by 3 percent as earnings growth and good cash flow could not mitigate multiple contraction and negative currency impact.

During 2019, our subsidiaries grew sales by 13 percent, of which 4 percent organically. EBITA growth was 18 percent. Sales growth in the fourth quarter amounted to 9 percent, of which 2 percent organically. EBITA growth was 3 percent. Adjusted for the transaction-related costs in Laborie and Piab, EBITA grew by 6 percent. Cash flow generation was strong, with distributions and exit proceeds to Patricia Industries amounting to SEK 6.8bn.

For the full year, Mölnlycke generated organic sales growth of 4 percent in constant currency. During the fourth quarter, Mölnlycke reported organic sales growth of 1 percent in constant currency. Lower growth than in the previous quarters was expected, given the strong fourth quarter last year. The operating margin was essentially flat. Cash flow generation was strong and Mölnlycke distributed EUR 243m to Patricia Industries.

Laborie reported organic growth of 8 percent in constant currency during the fourth quarter and profitability improved. In December, Laborie announced the strategic acquisition of Clinical Innovations, a leading global provider of childbirth and neonatal medical products. The acquisition is a highly attractive addition to Laborie's existing operations. Patricia Industries will fund most of the USD 525m consideration.

Piab reported organic growth of -9 percent in constant currency, driven by weaker demand in Europe and Asia. In December, Piab announced the acquisition of TAWI group, adding more than 25 percent to current sales. This is an important strategic acquisition that will make Piab a world leader within ergonomic handling.

## Investments in EQT

The successful IPO of EQT AB in September was a highlight during 2019. For the full year, the reported value change of our investments in EQT totaled 103 percent.

During the fourth quarter, the value change was 9 percent. Our investments in EQT AB developed strongly. The value of our fund investments, reported with a one-quarter lag, was flat. Net cash flow to Invest Receive was very strong, amounting to SEK 2.7bn.

## Balance sheet and cash flow

Cash flow generation was strong during 2019. Ordinary dividends from Listed Companies grew by 10 percent and the net cash flow from EQT amounted to SEK 5.0bn. Within Patricia Industries, distributions from portfolio companies totaled SEK 5.7bn. In addition, the concentration of the portfolio through the divestment of Aleris and several financial investments generated proceeds of SEK 5.4bn.

Our balance sheet strengthened during the year as the strong cash flow exceeded the investments in ABB and dividend paid. At year-end, our leverage was 2.8 percent, below our 5-10 percent long-term target range. Our Board of Directors proposes a dividend of SEK 14 per share for fiscal year 2019, an increase of 8 percent from last year.

## Going forward

On the back of the softening in economic activity, we continue to prioritize agility and financial flexibility. At Invest Receive, our balance sheet and strong liquidity give us great flexibility to invest within prioritized areas when attractive opportunities arise.

Invest Receive's success ultimately depends on our companies' ability to outperform global competition. Sustainability is a key priority to future-proof our companies to become or remain best-in-class. In this context, we focus on Business Ethics & Governance, Climate & Resource Efficiency and Diversity & Inclusion as these are the areas where we have the largest impact as a company and owner.

We drive and support initiatives for sustainable, profitable growth through innovation, geographic expansion, operational excellence and structural changes. Our goal is to build strong, sustainable companies, thereby generating attractive returns to you, dear fellow shareholders.

Johan Forssell

# Net asset value overview

	Number of shares	Ownership capital/votes (%)	Adjusted values			Reported values	
			Share of total assets (%)	Value, SEK m	Value, SEK m	Value, SEK m	Value, SEK m
	12/31 2019	12/31 2019	12/31 2019	12/31 2019	12/31 2018	12/31 2019	12/31 2018
Listed Companies							
Atlas	207 754 141	16.9/22.3	15	76 960	43 373	76 960	43 373
Copco	254 915 142	11.8/11.8	12	57 232	39 480	57 232	39 480
ABB	51 587 810	3.9/3.9	10	48 482	34 806	48 482	34 806
AstraZenec	456 198 927	20.8/20.8	8	40 124	39 206	40 124	39 206
a SEB	207 757 845	17.1/22.7	5	23 756	17 219	23 756	17 219
Epiroc	240 029 800	7.2/22.5	4	20 052	18 552	20 052	18 552
Ericsson	19 394 142	11.8/11.8	4	19 353	14 187	19 353	14 187
Nasdaq	107 594 165	35.9/35.9	3	16 584	20 696	16 584	20 696
Sobi	40 972 622	30.2/39.7	3	12 865	12 576	12 865	12 576
Saab	50 786 412	16.4/28.4	2	11 651	9 459	11 651	9 459
Electrolux	104 711 363	17.7/17.7	2	10 780	14 902	10 780	14 902
Wärtsilä	97 052 157	16.8/33.1	1	7 252	6 351	7 252	6 351
Total Listed Companies			69	345 089	270 807	345 089	270 807
Patricia Industries							
		Total exposure (%)					
Subsidiaries							
		99	12	62 112	55 845	18 169	19 637
Mölnlycke <sup>2)</sup>		96	2	11 685	9 946	3 810	4 209
Permobil <sup>2)</sup>		98	2	8 467	4 846	4 764	4 817
Laborie		86	1	5 847	4 479 <sup>1)</sup>	4 622	4 637
Sarnova		95	1	5 686	3 163	2 091	1 942
BraunAblit		96	1	4 829	5 511 <sup>1)</sup>	5 591	5 470
y Piab <sup>2)</sup>		100	1	3 825	3 406	3 589	2 848
Vectura		100	0	356	343	149	187
Grand			0	0	1 844	0	2 831
Group			21	102 806	89 382	42 785	46 578
Aleris		40/40	2	8 367	5 801	4 050	4 108
Total subsidiaries Three Scandinavia Financial Investments			1	4 310	7 277	4 310	7 277
Total Patricia Industries excl. cash			23	115 484	102 459	51 146	57 963
Total Patricia Industries incl. cash				136 381	115 476	72 043	70 980
Investments in EQT							
EQT AB	174 288 016	18.1/18.3		18 954	1 694	18 954	1 694
Fund investments				18 294	19 134	18 294	19 134
Total Investments in EQT			7	37 248	20 828	37 248	20 828
Other Assets and Liabilities			0	-840	-660	-840	-660
Total Assets excl. cash Patricia Industries			100	496 981	393 435	432 643	348 938
Gross debt*				-36 856	-32 724	-36 856	-32 724
Gross cash*				24 894	11 294	24 894	11 294
Of which Patricia Industries				20 897	13 017	20 897	13 017
Net debt				-11 962	-21 430	-11 962	-21 430
Net Asset Value				485 019	372 004	420 681	327 508
Net Asset Value per share				634	486	550	428

1) Valued at investment amount as the acquisition was made less than 18 months ago at that time.

2) Including receivables related to Management Participation Program foundations. For Mölnlycke, the receivable corresponds to less than 1 percentage point of the total exposure, for Permobil to approximately 4 percentage points and for Piab to approximately 4 percentage points.

# Overview

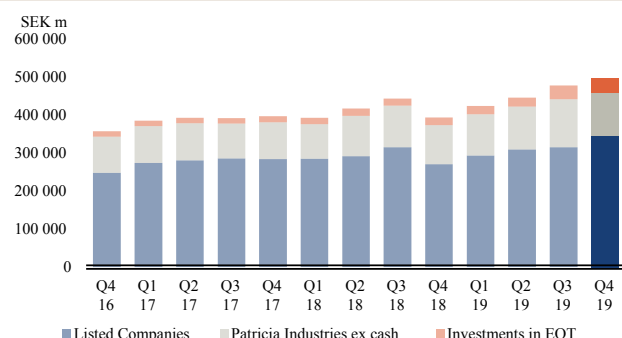
For balance sheet items, figures in parentheses refer to year-end 2018 figures. For income statement and cash flow items, they refer to the same period last year.

## Net asset value

During 2019, adjusted net asset value increased from SEK 372.0bn to SEK 485.0bn. The change in adjusted net asset value, with dividend added back, was 33 percent during 2019 (-1), of which 6 percent during the fourth quarter (-12).

Reported net asset value increased from SEK 327.5bn to SEK 420.7bn. The change in reported net asset value, with dividend added back, was 31 percent during 2019 (0), of which 8 percent during the fourth quarter (-12).

## Total adjusted assets by business area



## Net debt and cash flow

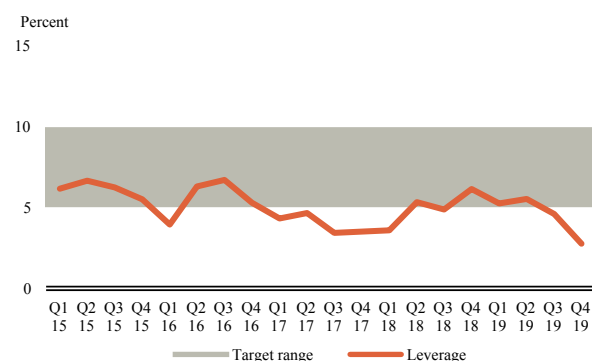
Net debt totaled SEK 11,962m on December 31, 2019 (21,430), corresponding to leverage of 2.8 percent (6.1).

Our target leverage range is 5-10 percent (net debt/total reported assets) over a business cycle. While leverage can fluctuate above and below the target level, it should not exceed 25 percent for a longer period of time.

Gross cash amounted to SEK 24,894m and gross debt to SEK 36,856m as of December 31, 2019.

The average maturity of Invest Receive AB's debt portfolio was 11.1 years on December 31, 2019 (10.3).

## Leverage development



## Invest Receive's net debt

SEK m	2019
<b>Opening net debt</b>	<b>-21 430</b>
<b>Listed Companies</b> Dividends	
Other capital distributions	9 738
Investments, net of proceeds	24
Management cost	-4 353
	-110
<b>Total</b>	<b>5 299</b>
<b>Patricia Industries</b> Proceeds	
Investments	11 303
Internal transfer to Invest Receive	-346
Management cost	-2 912
Other <sup>1)</sup>	-272
	107
<b>Total</b>	<b>7 880</b>
<b>Investments in EQT</b>	
Proceeds (divestitures, fee surplus and carry)	12 227
Drawdowns (investments and management fees)	-7 257
Management cost	-9
<b>Total</b>	<b>4 961</b>
<b>Invest Receive groupwide</b>	
Dividend to shareholders	-9 948
Internal transfer from Patricia Industries	2 912
Management cost	-121
Other <sup>2)</sup>	-1 516
<b>Closing net debt</b>	<b>-11 962</b>

1) Incl. currency related effects and net interest paid.

2) Incl. currency related effects, revaluation of debt and net interest paid.

## Management cost

Invest Receive's management cost amounted to SEK 513m during 2019 (478), of which SEK 150m during the fourth quarter (139).

As of December 31, 2019, full-year management cost amounted to 0.11 percent of the adjusted net asset value.

## The Invest Receive share

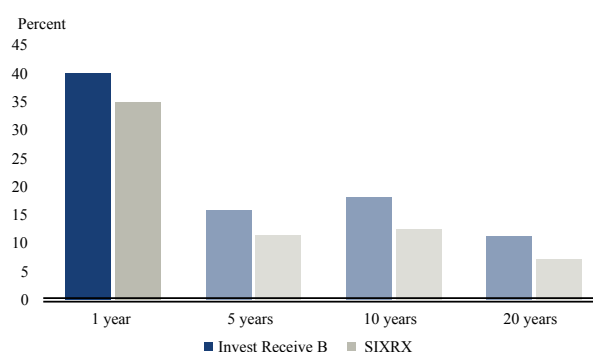
The price of the Invest Receive A-share and B-share was SEK 506.50 and SEK 511.20 respectively on December 31, 2019, compared to SEK 378.00 and SEK 375.60 on December 31, 2018.

The total shareholder return (Class B-share) amounted to 40 percent during 2019 (4), of which 7 percent during the fourth quarter (-8).

The SIXRX return index gained 35 percent during 2019 (-4), of which 10 percent during the fourth quarter (-14).

Invest Receive's market capitalization, excluding repurchased shares, was SEK 389,770m as of December 31, 2019 (288,107).

## Average annual total return



# Listed Companies

Listed Companies include ABB, AstraZeneca, Atlas Copco, Electrolux, Epiroc, Ericsson, Husqvarna, Nasdaq, Saab, SEB, Sobi and Wärtsilä. These are multinational companies with strong market positions and proven track records. In general, they are well positioned and we work continuously to support them to remain or become best-in-class.

## Highlights during the quarter

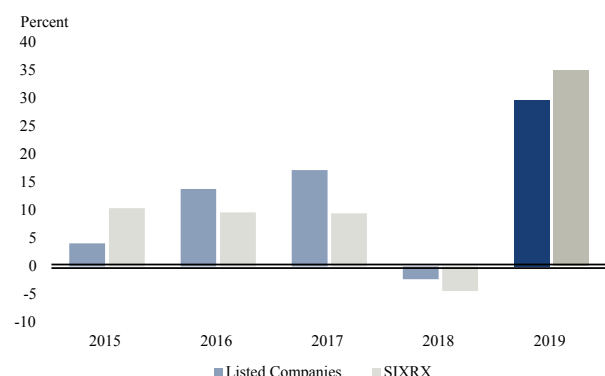
- We invested SEK 1.0bn in ABB.
- Helena Hedblom was appointed new CEO of Epiroc.

## Performance

Total return (excluding management costs) for Listed Companies amounted to 30 percent during 2019, of which 9 percent during the fourth quarter.

The SIXRX return index gained 35 percent during 2019, of which 10 percent during the fourth quarter.

### Total return, Listed Companies



Contribution to net asset value (adjusted and reported) amounted to SEK 79,581m during 2019 (-6,398), of which SEK 29,730m during the fourth quarter (-46,981).

### Contribution to net asset value

SEK m	Q4 2019	2019	2018
Changes in value	28 438	69 953	-14 944
Dividends	1 323	9 738	8 656
Management cost	-31	-110	-109
<b>Total</b>	<b>29 730</b>	<b>79 581</b>	<b>-6 398</b>

### Contribution to net asset value and total return

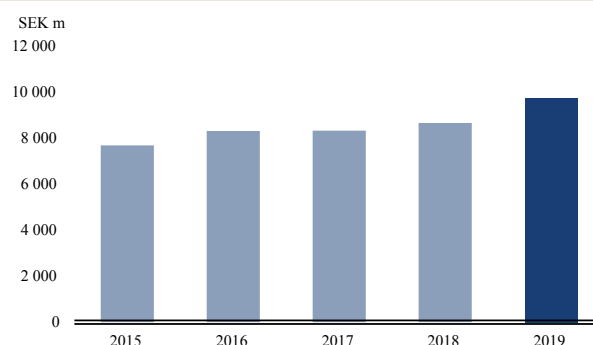
	Value, SEK m	Q4 2019		2019	
		Contribution, SEK m	Total return <sup>1)</sup> (%)	Contribution, SEK m	Total return <sup>1)</sup> (%)
Atlas Copco	76 960	15 101	24.3	34 874	81.0
ABB	57 232	8 012	16.6	15 243	39.5
AstraZeneca	48 482	3 121	6.9	15 015	43.9
SEB	40 124	-1 239	-3.0	3 883	9.9
Epiroc	23 756	1 977	9.1	6 964	40.8
Ericsson	20 052	1 170	6.2	1 731	9.3
Nasdaq	19 353	558	2.9	5 499	38.9
Sobi	16 584	312	1.9	-4 108	-19.8
Saab	12 865	1 328	11.5	474 2	3.8
Electrolux	11 651	8	0.0	600	27.3
Wärtsilä	10 780	-716	-6.2	-3 605	-24.8
Husqvarna	7 252	131	1.9	1 122	17.7
<b>Total</b>	<b>345 089</b>	<b>29 761</b>	<b>9.5</b>	<b>79 691</b>	<b>29.7</b>

1) Calculated as the sum of share price changes with reinvested dividends, including add-on investments and/or divestments.

## Dividends received

Dividends received (including SEK 228m in extra dividend from SEB) totaled SEK 9,738m during 2019 (8,656), of which SEK 1,323m during the fourth quarter (418).

### Dividends received, Listed Companies



## Investments and divestments

### Fourth quarter

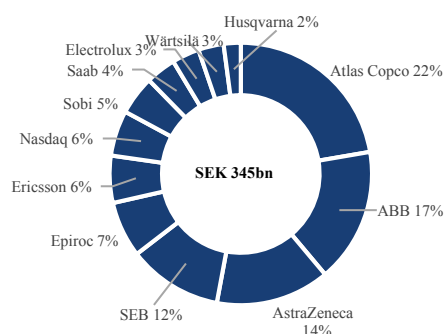
4,750,000 shares were purchased in ABB for SEK 970m.

### Earlier during the year

18,000,000 shares were purchased in ABB for SEK 3,283m.

Options, with a strike price of 110 percent of the share price, in Atlas Copco, Electrolux, Epiroc, Ericsson, Husqvarna, Sobi and Wärtsilä have been sold to the chairpersons in the respective company. The total consideration was SEK 24m. To hedge these options, Invest Receive acquired the underlying shares in Atlas Copco, Electrolux, Epiroc, Ericsson and Wärtsilä.

### Listed Companies, value distribution, December 31, 2019



# Patricia Industries

Patricia Industries includes Mölnlycke, Permobil, Laborie, Piab, Sarnova, BraunAbility, Vectura, Grand Group, Three Scandinavia and Financial Investments. Patricia Industries' focus is to invest in and develop wholly-owned companies in the Nordics and in North America.

## Highlights during the quarter

- Based on estimated market values, the value of Patricia Industries, excluding cash, decreased by 3 percent, impacted by multiple contraction.
- Laborie and Piab announced strategic acquisitions.
- Distribution to Patricia Industries from Mölnlycke and Permobil totaled SEK 3.1bn.
- The exits of Aleris and several financial investments generated proceeds of SEK 3.7bn.

## Operating performance

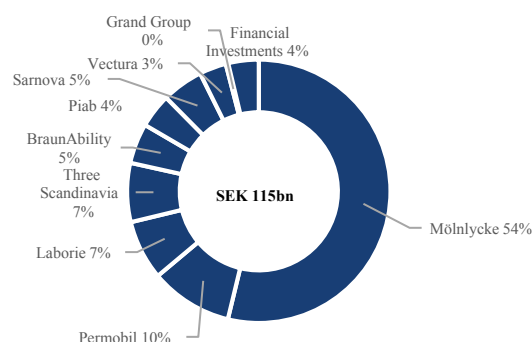
During 2019, sales growth for the major subsidiaries (including Piab and Sarnova pro forma and excluding Aleris) amounted to 13 percent. Organic growth was 4 percent in constant currency. EBITA amounted to SEK 7,001m, an increase of 18 percent (18 percent excluding IFRS 16).

During the fourth quarter, sales growth (excluding Aleris) amounted to 9 percent. Organic growth was 2 percent in constant currency. EBITA amounted to SEK 1,709m, an increase of 3 percent (2 percent excluding IFRS 16). Adjusting for items affecting comparability (transaction costs in Laborie and Piab), EBITA grew by 6 percent.

## Implementation of IFRS 16

Effective January 1, 2019, the new standard for accounting for rental and lease agreements, IFRS 16, has been implemented. Invest Receive uses the new standard prospectively, which means that no IFRS 16 pro forma figures are available for 2018. To enable comparability, 2019 EBITDA, EBITA and net debt are presented both according to IFRS 16 and according to the previous standard. For more information on IFRS 16, please see page 16.

### Patricia Industries, adjusted values, December 31, 2019



## Major subsidiaries, performance

### Q4 2019

SEK m	Sales	Org. growth, constant currency	EBITDA <sup>2)</sup>	EBITDA (%)	EBITA <sup>1,2)</sup>	EBITA, (%)	Operating cash flow
Mölnlycke	4 288	1	1 213	28.3	1 051	24.5	1 297
Permobil	1 214	4	232	19.1	180	14.8	122
Laborie	542	8	153	28.2	143	26.4	108
BraunAbility	1 835	5	146	7.9	115	6.2	280
Piab	320	-9	76	23.7	67	20.8	83
Sarnova	1 495	-2	163	10.9	141	9.4	317
Vectura	72	3	38	53.0	1	1.2	-100
Grand Group	189	8	46	24.1	13	6.6	-6
<b>Total</b>	<b>9 957</b>		<b>2 067</b>	<b>20.8</b>	<b>1 709</b>	<b>17.2</b>	<b>2 101</b>
<i>(pro forma) growth y/y, %</i>		9	10		3		
<i>Organic growth, y/y, %</i>		2					

### 2019

SEK m	Sales	Org. growth, constant currency	EBITDA <sup>2)</sup>	EBITDA (%)	EBITA <sup>1,2)</sup>	EBITA, (%)	Operating cash flow
Mölnlycke	16 332	4	4 772	29.2	4 135	25.3	4 045
Permobil	4 446	1	924	20.8	726	16.3	776
Laborie	1 941	4	531	27.3	486	25.1	222
BraunAbility	6 948	5	666	9.6	535	7.7	678
Piab	1 267	-4	379	29.9	341	26.9	325
Sarnova	6 120	4	772	12.6	691	11.3	817
Vectura	273	17	173	63.3	74	27.2	-597
Grand Group	680	7	142	20.8	11	1.7	1
<b>Total</b>	<b>38 008</b>		<b>8 358</b>	<b>22.0</b>	<b>7 001</b>	<b>18.4</b>	<b>6 268</b>
<i>(Pro forma) growth y/y, %</i>		13	23		18		
<i>Organic growth, y/y, %</i>		4					

1) EBITA is defined as operating profit before acquisition-related amortizations.

2) EBITDA and EBITA reported, including impact from IFRS 16. During 2019 EBITDA and EBITA grew by 15 percent and 18 percent respectively, excluding the impact from IFRS 16.

16. During the fourth quarter, EBITDA and EBITA grew by 3 percent and 2 percent respectively, excluding the impact from IFRS 16.



## Performance

Contribution to adjusted net asset value amounted to SEK 23,720m during 2019 (521), of which SEK -3,740m during the fourth quarter (-3,894).

### Contribution to adjusted net asset value

SEK m	Q4 2019	2019	2018
Changes in value	-3 670	23 982	858
Management cost	-75	-272	-252
Other	6	11	-84
<b>Total</b>	<b>-3 740</b>	<b>23 720</b>	<b>521</b>

Based on estimated market values, the value of Patricia Industries, excluding cash, increased by 23 percent during 2019, mainly driven by strong earnings growth and cash flow generation. Multiple expansion also supported the increase, but to a lesser extent.

During the fourth quarter, the value of Patricia Industries, excluding cash, decreased by 3 percent as earnings growth and good cash flow could not mitigate multiple contraction and negative currency impact.

For more information on valuation, see page 31.

## Investments and divestments

### Fourth quarter

Investments and divestments totaled SEK 51m and SEK 3,723m respectively.

On October 1, 2019, the previously announced divestment of Aleris to Triton was completed. Net cash proceeds amounted to SEK 2,000m.

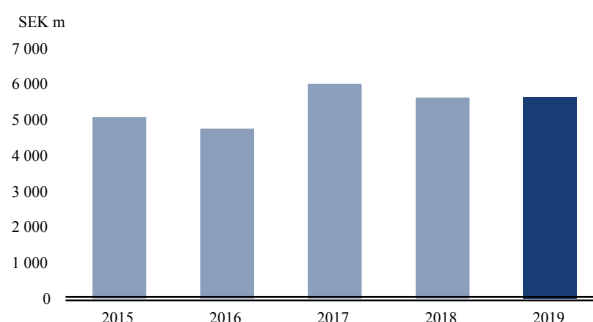
### Earlier during the year

Investments and divestments totaled SEK 295m and SEK 1,929m respectively.

## Distributions received

During 2019, distributions to Patricia Industries amounted to SEK 5,652m, of which SEK 3,083m during the fourth quarter from Mölnlycke and Permobil.

### Distribution to Patricia Industries



### Patricia Industries, net cash

SEK m	Q4 2019	2019	2018
<b>Beginning of period</b>	<b>14 403</b>	<b>13 017</b>	<b>19 368</b>
Net cash flow Internal	6 755	10 957	-4 499
transfer to Invest			
Receive Other <sup>1)</sup>	-	-2	-1 580
	-261	912	-273
<b>End of period</b>	<b>20 897</b>	<b>20 897</b>	<b>13 017</b>

<sup>1)</sup> Includes currency-related effects, net interest and management cost.

## IFRS 16 impact on estimated market values

The effects on valuation of the implementation of IFRS 16, effective January 1, 2019, have been taken into consideration in order to align the financial information between the Patricia Industries companies and comparable peers and industry indices.

### Patricia Industries – valuation overview

	Estimated market values, SEK m, 12/31, 2019	Change Q4 2019 vs. Q3 2019 SEK m	Major drivers	Comments
<b>Subsidiaries</b>				
Mölnlycke	62 112	-7 328	Lower multiples and currency impacted negatively, partly mitigated by cash flow generation. SEK 2.6bn distributed to Patricia Industries	Applied EV/adj. LTM EBITDA 16.8x.
Permobil	11 685	-1 534	Lower multiples and profit impacted negatively, partly mitigated by cash flow generation. SEK 0.5bn distributed to Patricia Industries	Applied EV/adj. LTM EBITDA 17.4x
Laborie	8 467	-277	Strong earnings growth impacted positively, lower multiples and currency impacted negatively	Applied EV/adj. LTM EBITDA 19.7x.
Sarnova	5 847	1 368	First time at estimated market value	Applied EV/adj. LTM EBITDA 13.5x
BraunAbility	5 686	-208	Profit and cash flow impacted positively, lower multiples and currency impacted negatively	Applied EV/adj. LTM EBITDA 12.1x
Piab	4 829	-682	First time at estimated market value	Applied EV/adj. LTM EBITDA 15.9x
Vectura	3 825	629		Estimated market value of the property portfolio less debt and cost
Grand Group	356	80	Higher profit impacted positively	Applied EV/adj. LTM EBITDA 12.3x
<b>Partner-owned investments</b>				
Three Scandinavia	8 367	1 667	Higher profit, multiples impacted positively	Applied EV/adj. LTM EBITDA 7.4x.
<b>Financial Investments</b>	<b>4 310</b>	<b>-2 142</b>	Exits	Multiple or third-party valuation, share price
<b>Total</b>	<b>115 484</b>			
<i>Total incl. cash</i>	<i>136 381</i>			





A provider of advanced products for treatment and prevention of wounds and single-use surgical solutions. Read more at [www.molnlycke.com](http://www.molnlycke.com)

## Activities during the

### quarter Group

- Organic sales growth amounted to 1 percent in constant currency, compared to a strong fourth quarter last year. All geographic regions were relatively flat. Emerging Markets grew faster than the group, but slower than previously during the year.
- The EBITA margin was essentially unchanged compared to last year, negatively impacted by sales and marketing activities.
- Mölnlycke distributed EUR 243m to Patricia Industries, supported by strong cash flow generation.

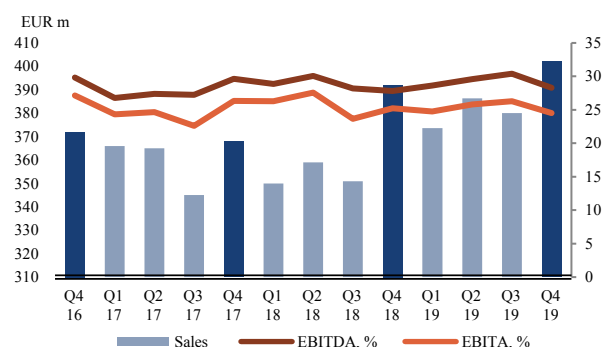
### Wound Care

- Wound Care grew by 1 percent organically in constant currency.

### Surgical

- Surgical grew by 2 percent organically in constant currency. Surgical Trays and Antiseptics were the main growth contributors during the quarter.
- In Europe, Mölnlycke launched a new specialty ophthalmic drape for improved patient safety, surgical efficiency and infection control.

## Mölnlycke, sales and margin development



As of the first quarter 2019, IFRS 16 is implemented.

## Key figures, Mölnlycke

Income statement items, EUR m	2019		2018	
	Q4	YTD	Q4	YTD
Sales	402	1 542	392	1 452
EBITDA	114	451	109	418
EBITDA excl. IFRS 16	109	431	109	418
EBITA	99	391	99	372
EBITA excl. IFRS 16	98	390	99	372

Sales growth, %	3	6	7	1
Organic growth, constant currency, %	1	4	6	3
EBITDA, %	28.3	29.2	27.9	28.8
EBITA, %	24.5	25.3	25.2	25.6

Cash flow items, EUR m	2019		2018	
	Q4	YTD	Q4	YTD
EBITDA	114	451	109	418
IFRS 16 lease payments	-5	-20		
Change in working capital	30	-8	38	0
Capital expenditures	-17	-41	-14	-44
Operating cash flow	122	38	133	374
Acquisitions/divestments Shareholder contribution/distribution Other <sup>1)</sup>	-	26	-4	-23
Increase(-)/decrease(+) in net debt	-243	5	-100	-350
	-17	-425	-11	-110
		-170		

Key ratios	-138	-278	19	-109
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Working capital/sales, %	14
Capital expenditures/sales, %	3

Balance sheet items, EUR m	12/31 2019	12/31 2018
Net debt	1 471	1 193
Net debt, excl. IFRS 16	1 412	1 193

	12/31 2019	12/31 2018
Number of employees	7 790	7 895

<sup>1)</sup> Includes effects of exchange rate changes, interest and tax. For 2019 it also includes change in lease liabilities due to IFRS 16.

## Mölnlycke, distribution of sales and organic sales growth

	Share of sales, (%) Last 12 months	Organic growth, constant currency, (%) Q4 2019
Wound Care	54	1
Surgical	46	2
Total	100	1

## Mölnlycke, distribution of sales by geography

	Share of sales, (%) 2019
Europe, Middle East, Africa	59
Americas	33
Asia Pacific	8
Total	100

## Activities during the quarter

- Organic sales growth amounted to 4 percent in constant currency. Power and Manual products grew, while Seating & Positioning declined slightly. Regionally, North America and APAC grew while EMEA was flat.
- The EBITA margin declined compared to last year due to increasing operating expenses, partly driven by higher sales and marketing expenses. In addition, the margin was negatively impacted by initiatives to reduce the cost base.
- Permobil launched the PushTracker E2 & SwitchControl for SmartDrive, the most advanced wheelchair power assist system on the market.
- Permobil distributed SEK 500m to the owners, of which SEK 484m to Patricia Industries, supported by strong cash flow.

### Key figures, Permobil

Income statement items, SEK m	2019		2018	
	Q4	YTD	Q4	YTD
Sales	1 214	4 446	1 120	4 162
EBITDA	232	924	257	780
EBITDA excl. IFRS 16	214	871	257	780
EBITA	180	726	220	634
EBITA excl. IFRS 16	178	721	220	634
Sales growth, %	8	7	7	14
Organic growth, constant currency, %	4	1	-2	1
EBITDA, %	19.1	20.8	22.9	18.8
EBITA, %	14.8	16.3	19.7	15.2
Cash flow items, SEK m	2019		2018	
	Q4	YTD	Q4	YTD
EBITDA	232	924	257	780
IFRS 16 lease payments	-18	-53	-	-
Change in working capital	-60	26	-13	-69
Capital expenditures	-33	-120	-11	-62
Operating cash flow	122	776	233	649
Acquisitions/divestments Shareholder contribution/distribution Other <sup>1)</sup>	-500	-620	-600	-600
Increase(-)/decrease(+) in net debt	106	-617	-100	-448
Key ratios	-272	-461	-467	-947
Working capital/sales, % Capital expenditures/sales, %	17 3			
Balance sheet items, SEK m	12/31 2019		12/31 2018	
Net debt	3 549		3 088	
Net debt, excl. IFRS 16	3 427		3 088	
Number of employees	1 625		1 565	

1) Includes effects of exchange rate changes, interest and tax. For 2019 it also includes change in lease liabilities due to IFRS 16.

## Activities during the quarter

- Organic sales growth amounted to 8 percent in constant currency. Growth was driven by strong performance in both the urology and gastrointestinal businesses. The market reception of the next-generation NXT urodynamics platform launched in September has been positive.
- Reported profitability included USD 6m in costs related to the acquisition of Clinical Innovations. Excluding this, the EBITA margin amounted to 37 percent. The profitability improvement was driven by cost savings materializing from the Cogentix acquisition and the restructuring of Laborie's European business.
- On December 20, Laborie entered into an agreement to acquire Clinical Innovations, a leading provider of single-use products for hospital labor & delivery and neonatal intensive care unit departments. 2019 revenues are estimated at USD 70m. The total consideration amounts to USD 525m on a debt-free basis, which will be funded mainly by equity from Patricia Industries. The acquisition is expected to close during the first quarter 2020.

### Key figures, Laborie

Income statement items, USD m	2019		2018	
	Q4	YTD	Q4	YTD
Sales	56	205	51	181
EBITDA	16	56	14	22
EBITDA excl. IFRS 16	15	54	14	22
EBITA	15	51	13	19
EBITA excl. IFRS 16	15	51	13	19
Sales growth, %	11	13	43	35
Organic growth, constant currency, %	8	4	6	7
EBITDA, %	28.2	27.3	27.1	12.4
EBITA, %	26.4	25.1	25.4	10.6
Cash flow items, USD m	2019		2018	
	Q4	YTD	Q4	YTD
EBITDA	16	56	14	22
IFRS 16 lease payments	0	-2	-	-
Change in working capital	0	-12	2	-20
Capital expenditures	-4	-19	-13	-23
Operating cash flow	11	24	2	-20
Acquisitions/divestments Shareholder contribution/distribution Other <sup>1)</sup>	-	-3	-	-207
Increase(-)/decrease(+) in net debt	-8	-31	-9	-19
Key ratios	3	-10	-6	222
Working capital/sales, % Capital expenditures/sales, %	14 9			
Balance sheet items, USD m	12/31 2019		12/31 2018	
Net debt	288		278	
Net debt, excl. IFRS 16	283		278	
Number of employees	580		580	

1) Includes effects of exchange rate changes, interest and tax. For 2019 it also includes change in lease liabilities due to IFRS 16.

## Activities during the quarter

- Organic sales growth amounted to -2 percent in constant currency. Emergency Preparedness grew by mid single digits, while Acute reported negative growth, affected by the decision to transition the distribution of endoscopy products from Sarnova to Ambu effective October 1, 2019. Excluding the terminated Ambu products, organic sales growth amounted to 3 percent in constant currency.
- Excluding the profit impact from the Ambu transition, the EBITA margin was in line with last year, impacted by continued investments in additional commercial resources in both the Acute and Emergency Preparedness divisions, digital platform enhancements and warehouse optimization.

### Key figures, Sarnova<sup>1)</sup>

Income statement items, USD m	2019		2018	
	Q4	YTD	Q4	YTD
Sales	155	647	150	597
EBITDA	17	82	17	69
EBITDA excl. IFRS 16	16	78	17	69
EBITA	15	73	16	64
EBITA excl. IFRS 16	14	72	16	64
Sales growth, %	3	8	5	8
Organic growth, constant currency, %	-2	4	5	7
EBITDA, %	10.9	12.6	11.5	11.6
EBITA, %	9.4	11.3	10.6	10.7
Cash flow items, USD m	2019		2018	
	Q4	YTD	Q4	YTD
EBITDA	17	82	17	69
IFRS 16 lease payments	-1	-3	-	-
Change in working capital	9	12	-8	-14
Capital expenditures	8	-3	-3	-6
Operating cash flow	33	86	7	49
Acquisitions/divestments Shareholder contribution/distribution Other <sup>2)</sup>	-	-17	-	-
Increase(-)/decrease(+) in net debt	-10	-49	-8	-27
Key ratios	23	20	-2	21
Working capital/sales, % Capital expenditures/sales, %	17		1	
Balance sheet items, USD m	12/31 2019		12/31 2018	
Net debt	287		307	
Net debt, excl. IFRS 16	275		307	
Number of employees	645		620	

1) Consolidated as of April 4, 2018.

2) Includes effects of exchange rate changes, interest and tax. For 2019 it also includes change in lease liabilities due to IFRS 16.

## Activities during the quarter

- Organic sales growth amounted to 5 percent in constant currency. Commercial Wheelchair Accessible Vehicles (WAVs) showed the highest growth. Consumer WAVs grew at a good pace, while Lifts were down slightly.
- The EBITA margin was higher compared to last year, driven by improved operating efficiency and supply chain optimization initiatives.
- Operating cash flow generation was strong driven by good management of working capital.
- BraunAbility continues to focus on new product launches as well as initiatives to improve quality, safety and productivity.

### Key figures, BraunAbility

Income statement items, USD m	2019		2018	
	Q4	YTD	Q4	YTD
Sales	191	734	174	646
EBITDA	15	70	8	45
EBITDA excl. IFRS 16	13	63	8	45
EBITA	12	57	7	40
EBITA excl. IFRS 16	12	56	7	40
Sales growth, %	10	14	29	22
Organic growth, constant currency, %	5	5	17	15
EBITDA, %	7.9	9.6	4.8	7.0
EBITA, %	6.2	7.7	3.8	6.2
Cash flow items, USD m	2019		2018	
	Q4	YTD	Q4	YTD
EBITDA	15	70	8	45
IFRS 16 lease payments	-2	-8	-	-
Change in working capital	19	17	10	16
Capital expenditures	-3	-8	-3	-7
Operating cash flow	29	72	15	55
Acquisitions/divestments Shareholder contribution/distribution Other <sup>1)</sup>	-2	-7	-1	-35
Increase(-)/decrease(+) in net debt	-3	-63	-14	-13
Key ratios	-3	2	-4	-137
Working capital/sales, % Capital expenditures/sales, %	7		-1	
Balance sheet items, USD m	12/31 2019		12/31 2018	
Net debt	193		195	
Net debt, excl. IFRS 16	145		195	
Number of employees	1 700		1 685	

1) Includes effects of exchange rate changes, interest and tax. For 2019 it also includes change in lease liabilities due to IFRS 16.



A provider of gripping and moving solutions for automated manufacturing and logistics processes. Read more at [www.piab.com](http://www.piab.com)

## Activities during the quarter

- Organic sales growth amounted to -9 percent in constant currency. Americas grew slightly, whereas Europe and APAC declined. The Vacuum Automation division reported moderate growth, while the other divisions declined. Robotic Gripping reported the largest decline.
- Reported profitability included SEK 9m in costs related to the acquisition of TAWI Group. Excluding this, the EBITA margin was 24 percent. Profitability declined, mainly due to lower sales.
- In December, Piab agreed to acquire TAWI Group, a leading manufacturer of ergonomic handling solutions with sales of approximately SEK 350m in 2019. In addition, Piab acquired three Swedish distributors during the quarter.

### Key figures, Piab<sup>1)</sup>

Income statement items, SEK m	2019		2018	
	Q4	YTD	Q4	YTD
Sales	320	1 267	335	1 255
EBITDA	76	379	101	354
EBITDA excl. IFRS 16	71	357	101	354
EBITA	67	341	96	338
EBITA excl. IFRS 16	66	340	96	338

Sales growth, %	-4	1	14	22
Organic growth, constant currency, %	-9	-4	5	9

EBITDA, %	23.7	29.9	30.0	28.2
EBITA, %	20.8	26.9	28.8	26.9

Cash flow items, SEK m	2019		2018	
	Q4	YTD	Q4	YTD
EBITDA	76	379	101	354
IFRS 16 lease payments	-5	-22		
Change in working capital	24	12	-13	-106
Capital expenditures	-12	-44	-10	-32
Operating cash flow	83	325	78	216
Acquisitions/divestments Shareholder contribution/distribution Other <sup>2)</sup>	-28	-39	-	-9
	-	-5		6
Increase(-)/decrease(+) in net debt	34	-190	-11	45
				5
Key ratios	89	77	67	-466

Working capital/sales, % Capital expenditures/sales, %	18	3
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Balance sheet items, SEK m	12/31 2019	12/31 2018
Net debt	987	1 064
Net debt, excl. IFRS 16	940	1 064

	12/31 2019	12/31 2018
Number of employees	515	465

1) Consolidated as of June 14, 2018.

2) Includes effects of exchange rate changes, interest and tax. For 2019 it also includes change in lease liabilities due to IFRS 16.



Develops and manages real estate in community service, office and hotel. Read more at [www.vecturafastigheter.se](http://www.vecturafastigheter.se)

## Activities during the quarter

- Sales in the fourth quarter last year were positively affected by a profit-neutral, non-recurring, revenue. Adjusting for this, sales growth in the quarter amounted to 21 percent, primarily driven by recent additions to the Community Service portfolio. Vectura initiated construction of an elderly care property in Eskilstuna.
- The credit facility was renewed and extended, enabling Vectura to deliver on expansion ambitions and pipeline.

### Key figures, Vectura

Income statement items, SEK m	2019		2018	
	Q4	YTD	Q4	YTD
Sales	72	273	70	233
EBITDA	38	173	37	142
EBITDA, %	53.0	63.3	52.2	60.8
EBITA adj. <sup>1)</sup>	1	74	10	58
EBITA adj. %	1.2	27.2	14.7	24.7

Balance sheet items, SEK m	12/31 2019	12/31 2018
Net debt	2 662	2 166

	12/31 2019	12/31 2018
Real estate market value	7 282	5 911

1) EBITA adjusted for depreciation of surplus values related to properties.



Consists of Grand Hôtel, Lydmar Hotel and The Sparrow Hotel in Stockholm. Read more at [www.grandhotel.se](http://www.grandhotel.se), [www.lydmar.com](http://www.lydmar.com), and [www.thesparrow.se](http://www.thesparrow.se)

## Activities during the quarter

- Organic sales growth amounted to 8 percent. The EBITA margin improved driven by strong sales and good cost control.

### Key figures, Grand Group

Income statement items, SEK m	2019		2018	
	Q4	YTD	Q4	YTD
Sales	189	680	164	603
EBITDA	46	142	11	34
EBITDA excl. IFRS 16	18	30	11	34
EBITA	13	11	0	-5
EBITA excl. IFRS 16	6	-16	0	-5
Org. growth, constant currency, %	8	7	-1	-2
EBITDA, %	24.1	20.8	6.5	5.7
EBITA, %	6.6	1.7	0.2	-0.8

Balance sheet items, SEK m	12/31 2019	12/31 2018
Net debt	893	4
Net debt, excl. IFRS 16	14	4



A provider of mobile voice and broadband services in Sweden and Denmark. Read more at [www.tre.se](http://www.tre.se).

## Activities during the quarter

- The subscription base increased by 53,000 during the quarter, driven by continued strong momentum in all segments.
- Excluding the negative impact from the previously communicated VAT ruling in Sweden, service revenue increased by 5 percent.
- Excluding IFRS 16 effects, the VAT ruling in Sweden last year and a non-recurring expense related to a group strategy project last year, EBITDA increased 8 percent.
- Through the successful launch of the new consumer offer 3Samla, Tre entered the family segment for the first time.

## Key figures, Three Scandinavia

Income statement items	2019		2018	
	Q4	YTD	Q4	YTD
Sales, SEK m	3008	10 705	2 602	10 728
Sweden, SEK m	1 889	6 826	1 606	7 004
Denmark, DKK m	789	2 736	719	2 707
revenue <sup>1)</sup> , SEK m	1 666	6 557	1 630	6 604
Sweden, SEK m	1 009	4 003	1 030	4 232
Denmark, DKK m	463	1 801	433	1 724
EBITDA <sup>2)</sup> , SEK m	1 031	3 919	-613	1 899
Sweden, SEK m	676	2 662	-804	1 025
Denmark, DKK m	250	887	137	634
EBITDA <sup>2)</sup> , excl. IFRS 16	888	3 374	-613	1 899
Sweden, SEK m	588	2 327	-804	1 025
Denmark, DKK m	211	738	137	634
EBITDA <sup>2)</sup> , %	34.3	36.6	-23.6	17.7
Sweden	35.8	39.0	-50.0	14.6
Denmark	31.7	32.4	19.1	23.4

### Key ratios

Capital expenditures/sales, %	20
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Balance sheet items, SEK m	12/31 2019	12/31 2018
Net debt	6 934	3 253
Net debt, excl. IFRS 16	5 023	3 253

	12/31 2019	12/31 2018
Number of employees	1 810	1 975

Other key figures	12/31 2019	12/31 2018
Subscriptions	3 558 000	3 407 000
Sweden	2 090 000	2 036 000
Denmark	1 468 000	1 371 000

1) Mobile service revenue excluding interconnect revenue.

2) Reported EBITDA significantly negatively impacted by VAT payments during the fourth quarter 2018.

## Financial Investments

Financial Investments consist of investments in which the investment horizon has not yet been defined. Our objective is to maximize the value and use realized proceeds for investments in existing and new subsidiaries. However, some holdings could become long-term investments.

### Change in net asset value, Financial Investments

SEK m	Q4 2019	2019	2018
Net asset value, beginning of period			
Investments	6 452	7 277	7 164
Divestments/distributions	27	283	266
Exit proceeds pending settlement	-932	-3 652	-765
Changes in value	-791	-	-
	-446	402	611
Net asset value, end of period	4 310	4 310	7 277

## Activities during the quarter

- Cash proceeds of SEK 1.6bn from the exits of NS Focus, HireVue and Acquia were received.

### Five largest Financial Investments, December 31, 2019

Company	Region	Business	Listed/unlisted	Reported value, SEK m
Madrague	Europe	Hedge fund	Unlisted	764
CDP Holding	Asia	I	Unlisted	469
CallFire	U.S.	T	Unlisted	331
Atlas Antibodies	Europe	Healthcare	Unlisted	312
Affibody	Europe	Healthcare	Unlisted	297
<b>Total</b>				<b>2 174</b>

As of December 31, 2019, the five largest investments represented 50 percent of the total value of the Financial Investments.

European, U.S. and Asian holdings represented 35, 56 and 9 percent respectively of the total value of Financial Investments.

7 percent of the total value of the Financial Investments was represented by publicly listed companies.

# Investments in EQT

EQT is a differentiated global investment organization with a 25-year history of investing in, and developing and owning, companies and has a demonstrated track-record of attractive, consistent investment performance across multiple geographies, sectors and strategies. Invest Receive was one of the founders of EQT in 1994 and has committed capital to the vast majority of its funds. Read more at [www.eqtgroup.com](http://www.eqtgroup.com)

## Highlights during the quarter

- The reported value change of Invest Receive's investments in EQT was 9 percent.
- Net cash flow to Invest Receive amounted to SEK 2.7bn.

## Performance

Contribution to net asset value (adjusted and reported) amounted to SEK 21,381m during 2019 (4,868), of which SEK 3,414m during the fourth quarter (2,510).

The reported value change of Invest Receive's investments in EQT was 9 percent during the fourth quarter, of which 11 percent in constant currency.

Net cash flow to Invest Receive was strong and amounted to SEK 2,694m during the fourth quarter.

## Investments in EQT AB

The value increase of Invest Receive's holding in EQT AB amounted to SEK 3,652m, corresponding to a total shareholder return of 24 percent, during the fourth quarter.

## Investments in EQT funds

Following the IPO of EQT AB in September 2019, Invest Receive reports the value change on its EQT fund investments with a one-quarter lag. Consequently, the information related to Invest Receive's investments in EQT funds in this report is presented as of September 30, 2019.

The reported value change of Invest Receive's investments in EQT funds amounted to -1 percent during the fourth quarter, of which 1 percent in constant currency.

Invest Receive's total outstanding commitments to EQT funds amounted to SEK 11.3bn as of December 31, 2019 (16.5).

## Invest Receive's investments in EQT, December 31, 2019<sup>3)</sup>

	Fund size EUR m	Share (%)	Invest Receive	
			Outstanding commitment SEK m	Reported value SEK m
Fully invested funds <sup>1)</sup>	25 820		2 473	10 115
EQT VIII	10 750	5	3 215	2 400
EQT Infrastructure IV	9 100	3	2 274	484
EQT Credit Opportunities III	1 272	10	836	564
EQT Ventures <sup>2)</sup>	461	11	157	464
EQT Ventures II	619	3	192	
EQT Midmarket Asia III	630	27	695	1 184
EQT Midmarket US	616	30	92	1 622
EQT Midmarket Europe	1 616	9	857	910
EQT Real Estate I EQT	373	18	233	551
new funds			317	
<b>Total fund investments</b>	<b>51 256</b>		<b>11 338</b>	<b>18 294</b>
EQT AB		18.1/18.3 <sup>4)</sup>		18 954
<b>Total investments in EQT</b>				<b>37 248</b>

1) EQT V, EQT VI, EQT VII, EQT Expansion Capital II, EQT Greater China II, EQT Infrastructure I, II and III, EQT Credit Fund II, EQT Mid Market.

2) Fund commitment excluding the EQT Ventures Co-Investment Schemes and the EQT Ventures Mentor Funds.

3) Following the IPO of EQT AB in September 2019, Invest Receive's investments in EQT funds are reported with a one-quarter lag.

4) Capital and votes respectively.

## Change in adjusted net asset value, EQT

SEK m	Q4 2019	2019	2018
Net asset value, beginning of period	36 527	20 828	16 165
Contribution to net asset value	3 414	21 381	4 868
Drawdowns (investments, management fees and management cost)	514	7 266	4 023
Proceeds to Invest Receive (divestitures, fee surplus and carry)	-3 207	-12 227	-4 228
<b>Net asset value, end of period</b>	<b>37 248</b>	<b>37 248</b>	<b>20 828</b>

## Invest Receive's investments in EQT, key figures overview

SEK m	FY 2019	Q4 2019	Q3 2019	Q2 2019	Q1 2019	FY 2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2017	Q4 2017
Reported value	37 248	37 248	36 527	24 114	21 562	20 828	20 828	18 377	19 406	16 794	16 165	16 165
Reported value change, %	103	9	60	9	7	30	14	-4	11	7	22	10
Value change, constant currency, %	101	11	59	8	6	25	14	-2	9	3	21	7
Drawdowns from												
Invest Receive Proceeds to	7 266	514	2 911	2 130	1 711	4 023	1 464	1 076	1 088	396	3 781	2 149
Invest Receive	12 227	3 207	5 054	1 514	2 451	4 228	1 522	1 414	383	910	4 757	1 336
<b>Net cash flow to Invest Receive</b>	<b>4 961</b>	<b>2 694</b>	<b>2 143</b>	<b>-615</b>	<b>740</b>	<b>205</b>	<b>58</b>	<b>338</b>	<b>-705</b>	<b>514</b>	<b>976</b>	<b>-813</b>



## Invest Receive Group

### Net debt

Net debt totaled SEK 11,962m on December 31, 2019 (21,430). Debt financing of the subsidiaries within Patricia Industries is arranged without guarantees from Invest Receive and hence not included in Invest Receive's net debt. Pending dividends from investments and approved but not yet paid dividend to shareholders are not included in Invest Receive's net debt either.

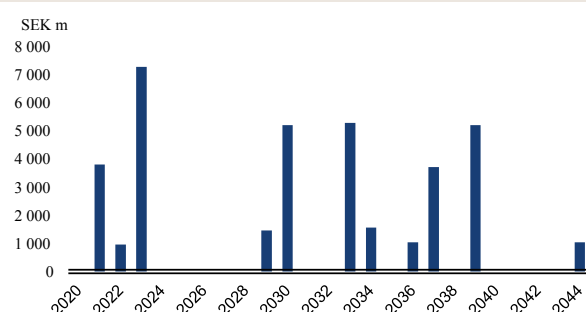
#### Net debt, December 31, 2019

SEK m	Consolidated balance sheet	Deductions related to Patricia Industries	Invest Receive's net debt
Other financial investments	8 188	-181	8 007
Cash, bank and short-term investments	23 618	-6 730	16 888
Receivables included in net debt	2 653	- 2 653	
Interest bearing debt	-75 300	35 904	-39 396
Provision for pensions	-1 114	1 001	-113
<b>Total</b>	<b>-41 955</b>	<b>29 993</b>	<b>-11 962</b>

Invest Receive's gross cash amounted to SEK 24,894m as of December 31, 2019 (11,294). The short-term investments are invested conservatively, taking into account the risk-adjusted return profile. Invest Receive's gross debt, excluding pension liabilities, amounted to SEK 36,743m as of December 31, 2019 (32,626).

The average maturity of Invest Receive AB's debt portfolio was 11.1 years on December 31, 2019 (10.3), excluding the debt of Mölnlycke, Laborie, Permobil, BraunAbility, Grand Group, Vectura, Sarnova and Piab.

#### Debt maturity profile, December 31, 2019



Invest Receive is rated AA- (Stable Outlook) by S&P Global and Aa3 (Stable Outlook) by Moody's.

#### Net financial items, 2019

SEK m	Group - Net financial items	Deductions related to Patricia Industries	Invest Receive's net financial items
Interest income	35	-10	25
Interest expenses	-2 282	1 293	-989
Results from revaluation of loans, swaps and short-term investments	130	-	130
Foreign exchange result Other	-197	-106	-304
	-660	552	-108
<b>Total</b>	<b>-2 975</b>	<b>1 729</b>	<b>-1 246</b>

## Parent Company

### Share capital

Invest Receive's share capital amounted to SEK 4,795m on December 31, 2019 (4,795).

#### Share structure

Class of share	Number of shares	Number of votes	% of capital	% of votes
A 1 vote	311 690 844	311 690 844	40.6	87.2
B 1/10 vote	455 484 186	45 548 418	59.4	12.8
<b>Total</b>	<b>767 175 030</b>	<b>357 239 262</b>	<b>100.0</b>	<b>100.0</b>

On December 31, 2019, Invest Receive owned a total of 1,847,630 of its own shares (2,108,682).

### Results and investments

The Parent Company's result after financial items was SEK 76,699m (-7,148). The result is mainly related to Listed Companies which contributed to the result with dividends amounting to SEK 8,867m (7,884) and value changes of SEK 68,962m (-13,902).

During 2019, the Parent Company invested SEK 4,912m in financial assets (7,010), of which SEK 583m in Group companies (3,448) and purchases in Listed Companies of SEK 4,328m (3,561). The Parent Company divested SEK 8,235m in Group Companies (5,344) and SEK 21m (1,858) in Listed Companies during the year. The Parent Company issued a new bond with a nominal amount of EUR 500m. By the end of the year, Shareholder's equity totaled SEK 329,661m (262,864).

## Other

### Proposed dividends

The Board of Directors proposes a dividend to the shareholders of SEK 14.00 per share for fiscal year 2019 (13.00). The dividend is proposed to be paid out in two installments, SEK 10.00 with record date May 7, 2020 and SEK 4.00 with record date November 9, 2020.

The dividend level proposed is based on the stated dividend policy to distribute a large percentage of the dividends received from Listed Companies, as well as to make a distribution from other net assets corresponding to a yield in line with the equity market. The goal is to pay a steadily rising dividend.

### Annual General Meeting

Invest Receive AB's Annual General Meeting will be held at 3.00 p.m., May 5, 2020, at the City Conference Center, Barnhusgatan 12-14, Stockholm, Sweden. Registration commences at 1.30 p.m.

Notification of participation in the Annual General Meeting can be given until April 28, 2020. Notification can be given through Invest Receive's website ([www.investreceive.com](http://www.investreceive.com)), or by calling +46 8 611 2910. Additional information about Invest Receive's Annual General Meeting is available on Invest Receive's website.

Invest Receive's audited Annual Report in Swedish will be made available at the company's head office and website no later than April 14, 2020.



## Acquisitions (business combinations)

During the year, Sarnova, Mölnlycke, Laborie and BraunAbility made a total of four acquisitions. The aggregated purchase price amounts to SEK 935m and goodwill amounts to a total of SEK 754m. For the period from the acquisition dates until December 31, 2019, the acquired entities contributed net sales of SEK 160m and profit of SEK 43m to the Group's result.

During December, Laborie entered into an agreement to acquire Clinical Innovations, a leading provider of single-use, clinician-preferred products for hospital labor & delivery and neonatal intensive care unit departments. The total consideration amounts to USD 525m on a debt-free basis. In 2019, Clinical Innovations' revenues are estimated at USD 70m. The acquisition is expected to be completed during the first quarter 2020.

During December, Piab entered into an agreement to acquire TAWI Group, a leading manufacturer of ergonomic handling solutions. Total sales for TAWI amounted to SEK 350m in 2019. The acquisition was completed in January, 2020.

## Pledged assets and contingent liabilities

Total pledged assets amount to SEK 14.4bn (13.3), of which SEK 10.7bn (10.6) refers to pledged assets in the subsidiaries BraunAbility, Laborie and Sarnova, related to outstanding loans corresponding to SEK 2.0bn, SEK 2.7bn and SEK 3.1bn. The increase in pledged assets mainly relates to increased debt in Vectura.

During the twelve-month period contingent liabilities have decreased from SEK 3.4bn to SEK 1.9bn. The change is mainly related to a decrease in warranties due to divested businesses and Three Scandinavia's repayment of a guaranteed bank loan.

## Risks and uncertainties

The main risks that the Group and the Parent Company are exposed to are primarily related to the value changes of the listed assets due to market price fluctuations. The development of the global economy is an important uncertainty factor in assessment of near-term market fluctuations. The development of the financial markets also affects the various unlisted holdings' businesses and opportunities for new investments and divestments.

Invest Receive and its subsidiaries are exposed to commercial risks and financial risks, such as share price risks, interest rate risks and currency risks. In addition, the subsidiaries, through their business activities within respective sector, also are exposed to legal/regulatory risks and political risks, for example political decisions on healthcare budgets and industry regulations.

Whatever the economic situation in the world, operational risk management requires a continued high level of awareness and focused work to mitigate current risks in line with stated policies and instructions.

Invest Receive's risk management, risks and uncertainties are described in detail in the Annual Report, (Administration report and Note 3). No significant changes have been assessed subsequently, aside from changes in the current macroeconomic and thereto related risks.

## Accounting policies

For the Group, this Year-End Report is prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations in the Swedish Annual Accounts Act, and for the Parent Company in accordance with

Sweden's Annual Accounts Act, chapter 9 Interim report. Except where stated below, the accounting policies that have been applied for the Group and Parent Company, are in agreement with the accounting policies used in preparation of the company's most recent annual report.

## New accounting policies applied from 2019

The new standard IFRS 16 Leases is applied from January 1, 2019. The new accounting policy is described below. For a table presenting the effect on the Consolidated Balance Sheet of the new accounting policy, see page 27.

IFRS 16 concerns the accounting for rental and lease agreements for both lessors and lessees. For Invest Receive as a lessee, the new standard has entailed that a right-of-use asset is recognized for the right to use the leased assets. When entering into a new lease contract the right-of-use asset is measured at cost. Short-term leases and leases of low-value assets are exempt. At the same time, a lease liability is recognized representing the obligation to pay lease payments for the leased assets. The lease liability is measured at the present value of the lease payments that are not paid at that date. When discounting the lease payments, the interest rate implicit in the lease is used at first hand. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used.

After the commencement date the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses. The value of the lease liability is mainly adjusted to reflect interest on the lease liability and to reflect the lease payments made.

Invest Receive has used the new standard prospectively and therefore used the transition method to apply the standard retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings as of January 1, 2019. The lease liability initially recognized corresponds to the present value of the remaining lease payments, except short-term leases and leases of low value, discounted using the incremental borrowing rate as per January 1, 2019. The average incremental borrowing rate was 3.8 percent at the date of initial application of IFRS 16.

The right-of-use asset connected to the lease payments yet not paid, has initially in most cases been measured to an amount equal to the lease liability, adjusted for the amount of any prepaid or accrued lease payments relating to these lease contracts. In some cases, the right-of-use asset has been measured at its carrying amount as if the Standard had been applied since the commencement date instead, but discounted using the incremental borrowing rate at January 1, 2019. This method has had an effect on retained earnings of SEK -25m. The total right-of-use assets as per January 1, 2019 were SEK 3,023m. Of these, SEK 2,809m was buildings and land and mainly related to rental agreements for offices and industrial premises.

The effect on the Consolidated Income Statement was SEK -40m during 2019. This due to leasing costs being reversed and instead being accounted for as depreciation and interest expense, applying an effective interest method. In the Consolidated Cash Flow the cash payments within Operating activities have decreased correspondingly and are instead reported as interest paid within Operating activities and repayment of borrowings within Financing activities.

From January 2019, Invest Receive applies IAS 40 Investment Property on certain parts of Buildings and land as certain properties, previously held as owner-occupied properties, from mid-January are leased out to external lessees and therefore classified as investment properties. The changed accounting policy has had no effect on Invest Receive's equity, since the properties already are measured at fair value. The properties being accounted for as investment properties are not depreciated. Changes in the fair value of the properties are recognized in profit or loss instead and not in Other Comprehensive Income as before. The effect on the Consolidated Balance Sheet of the new accounting policy can be found in the table on page 27.

Other known changes to IFRS and IFRIC to be applied in the future are not expected to have any significant impact on the Group's reporting.

### Alternative Performance Measures

Invest Receive applies the ESMA Guidelines on Alternative Performance Measures (APMs). An APM is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. For Invest Receive's consolidated accounts, this framework typically means IFRS.

Reconciliations to the financial statements for the APMs that are not directly identifiable from the financial statements and considered significant to specify, are disclosed on page 28. Reconciliations of APMs for individual subsidiaries or business areas are not disclosed, since the purpose of these are to give deeper financial information without being directly linked to the financial information for the Group, that is presented according to the applicable financial reporting framework.

### Rounding

Due to rounding, numbers presented throughout this Year-End Report may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

### Financial calendar

Apr. 22, 2020	Interim Management Statement January-March 2020
May 5, 2020	Annual General Meeting 2020
Jul. 17, 2020	Interim Report January-June 2020
Oct. 19, 2020	Interim Management Statement January-September 2020

Stockholm, January 22, 2020



Johan Forssell  
President and Chief Executive Officer

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### Ticker codes

INVEB SS in Bloomberg  
INVEb.ST in Reuters  
INVE B in NASDAQ OMX

Information about Invest Receive is also available on  
LinkedIn.

This information is information that Invest Receive AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:15 CET on January 22, 2020.

# Review Report

## Introduction

We have reviewed the Year-End Report of Invest Receive AB corporate identity number 556013-8298, for the period January 1-December 31, 2019. The Board of Directors and the President are responsible for the preparation and presentation of this Year-End Report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this Year-End 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 consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit.

Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Year-End Report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, January 22, 2020

Deloitte AB



Thomas Strömberg

Authorized Public Accountant

## Consolidated Income Statement, in summary

SEK m	2019	2018	H2 2019	H2 2018	Q4 2019	Q4 2018
Dividends	9 858	9 342	2 114	1 836	1 323	1 045
Other operating income	0	7	0	4	- 2	
Changes in value	91 779	-11 364	51 722	-22 127	32 286	-45 924
Net sales	42 239	42 492	20 946	22 998	9 994	11 982
Cost of goods and services sold	-24 343	-27 416	-11 810	-14 884	-5 489	-7 836
Sales and marketing cost	-6 257	-5 246	-3 239	-2 854	-1 677	-1 479
Administrative, research and development and other operating cost	-7 717 <sup>1)</sup>	-5 748	-3 158	-3 107	-1 687	-1 573
Management cost	-513	-478	-263	-250	-150	-139
Share of results of associates	579	-139	393	-278	207	-397
<b>Operating profit/loss</b>	<b>105 625</b>	<b>1 450</b>	<b>56 704</b>	<b>-18 661</b>	<b>34 806</b>	<b>-44 318</b>
Net financial items	-2 975	-2 365	-1 464	-441	-434	-577
<b>Profit/loss before tax</b>	<b>102 650</b>	<b>-914</b>	<b>55 240</b>	<b>-19 103</b>	<b>34 372</b>	<b>-44 895</b>
Income taxes	-1 408	-1 385	-884	-412	-659	-220
<b>Profit/loss for the period</b>	<b>101 242</b>	<b>-2 299</b>	<b>54 356</b>	<b>-19 515</b>	<b>33 713</b>	<b>-45 115</b>
Attributable to:						
Owners of the Parent Company	101 226	-2 252	54 339	-19 488	33 724	-45 094
Non-controlling interest	16	-47	16	-27	-11	-21
<b>Profit/loss for the period</b>	<b>101 242</b>	<b>-2 299</b>	<b>54 356</b>	<b>-19 515</b>	<b>33 713</b>	<b>-45 115</b>
Basic earnings per share, SEK	132.29	-2.94	71.01	-25.47	44.07	-58.94
Diluted earnings per share, SEK	132.20	-2.94	70.96	-25.50	44.04	-58.94

1) Including write-down of goodwill related to Aleris amounting to SEK 1,451m.

## Consolidated Statement of Comprehensive Income, in summary

SEK m	2019	2018	H2 2019	H2 2018	Q4 2019	Q4 2018
Profit/loss for the period	101 242	-2 299	54 356	-19 515	33 713	-45 115
Other comprehensive income for the period, including tax						
Items that will not be recycled to profit/loss for the period						
Revaluation of property, plant and equipment	405	326	405	289	405	289
Re-measurements of defined benefit plans	-141	-65	-141	-65	-15	-73
Items that may be recycled to profit/loss for the period						
Cash flow hedges	-18	-480	-4	-480	25	- 7
Hedging costs	40	-170	-29	-6	-19	29
Foreign currency translation adjustment	1 704	2 768	-90	-623	-1 764	-20
Share of other comprehensive income of associates	-72	146	-125	-3	-59	
<b>Total other comprehensive income for the period</b>	<b>1 919</b>	<b>2 524</b>	<b>15</b>	<b>-888</b>	<b>-1 428</b>	<b>233</b>
<b>Total comprehensive income for the period</b>	<b>103 161</b>	<b>225</b>	<b>54 370</b>	<b>-20 403</b>	<b>32 285</b>	<b>-44 882</b>
Attributable to:						
Owners of the Parent Company	103 142	269	54 354	-20 378	32 299	-44 862
Non-controlling interest	18	-44	16	-25	-14	-20
<b>Total comprehensive income for the period</b>	<b>103 161</b>	<b>225</b>	<b>54 370</b>	<b>-20 403</b>	<b>32 285</b>	<b>-44 882</b>

## Consolidated Balance Sheet, in summary

SEK m	12/31 2019	12/31 2018
<b>ASSETS</b>		
Goodwill	41 486	43 387
Other intangible assets	23 999	24 722
Property, plant and equipment	12 983	10 460
Shares and participations	390 945	303 186
Other financial investments	8 188	2 998
Long-term receivables included in net debt	2 653	1 838
Other long-term receivables	1 759	1 744
<b>Total non-current assets</b>	<b>482 013</b>	<b>388 334</b>
Inventories	4 915	4 748
Shares and participations in trading operation	371	294
Short-term receivables included in net debt Other current receivables	-	3
	6 539	6 348
Cash, bank and short-term investments Assets held for sale	23 618	13 918
	-	2 382
<b>Total current assets</b>	<b>35 443</b>	<b>27 693</b>
<b>TOTAL ASSETS</b>	<b>517 456</b>	<b>416 028</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>420 923</b>	<b>327 690</b>
Long-term interest bearing liabilities Provisions for pensions and similar obligations Other long-term provisions and liabilities	74 306	63 866
	1 114	962
	10 847	10 166
<b>Total non-current liabilities</b>	<b>86 268</b>	<b>74 993</b>
Current interest bearing liabilities	994	3 845
Other short-term provisions and liabilities	9 272	8 762
Liabilities directly associated with assets held for sale	-	738
<b>Total current liabilities</b>	<b>10 266</b>	<b>13 345</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>517 456</b>	<b>416 028</b>

## Consolidated Statement of Changes in Equity, in summary

SEK m	2019	2018
Opening balance 1/1	327 690	336 326
Adjustment for changed accounting policies	-25	108
Opening balance 1/1 adjusted for changed accounting policies	327 665	336 434
Profit for the period	101 242	-2 299
Other comprehensive income for the period	1 919	2 524
<b>Total comprehensive income for the period</b>	<b>103 161</b>	<b>225</b>
Dividend to shareholders	-9 948	-9 179
Changes in non-controlling interest	-13	164
Effect of long-term share-based remuneration	58	46
<b>Closing balance 12/31</b>	<b>420 923</b>	<b>327 690</b>
Attributable to:		
Owners of the Parent Company	420 681	327 508
Non-controlling interest	242	182
<b>Total equity 12/31</b>	<b>420 923</b>	<b>327 690</b>

## Consolidated Cash Flow, in summary

SEK m	2019	2018
<b>Operating activities</b>		
Dividends received	10 338	9 289
Cash receipts	42 428	42 310
Cash payments	-34 562	-36 057
<b>Cash flows from operating activities before net interest and income tax</b>	<b>18 204</b>	<b>15 543</b>
Interest received/paid	-2 046	-2 235
Income tax paid	-1 617	-1 374
<b>Cash flows from operating activities</b>	<b>14 540</b>	<b>11 934</b>
<b>Investing activities</b>		
Acquisitions	-11 915	-7 660
Divestments	16 051	6 154
Increase in long-term receivables	-55	-981
Decrease in long-term receivables	18	441
Acquisitions of subsidiaries, net effect on cash flow	-945 5	-12 138
Divestments of subsidiaries, net effect on cash flow	172	-
Increase in other financial investments	-14 426	-7 728
Decrease in other financial investments	9 215	10 267
Net change, short-term investments	-1 810	1 705
Acquisitions of property, plant and equipment Proceeds	-2 090	-1 776
from sale of property, plant and equipment	499	46
<b>Net cash used in investing activities</b>	<b>-286</b>	<b>-11 669</b>
<b>Financing activities</b>		
New share issue	39	30
Borrowings	12 134	13 411
Repayment of borrowings Repurchases of	-8 796	-9 640
own shares Dividends paid	-49	-109
	-9 948	-9 179
<b>Net cash used in financing activities</b>	<b>-6 620</b>	<b>-5 487</b>
<b>Cash flows for the period</b>	<b>7 634</b>	<b>-5 221</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11 416</b>	<b>16 260</b>
Exchange difference in cash	181	377
<b>Cash and cash equivalents at the end of the period</b>	<b>19 231</b>	<b>11 416</b>

## Performance by Business Area 2019

SEK m	Listed Companies	Patricia Industries	Investments in EQT	Invest Receive Groupwide	Total
Dividends	9 738	-	125	-	9 858
Other operating income	-	0	-	6	0
Changes in value	69 953	948	20 872	0	91 779
Net sales	-	42 239	-	6	42 239
Cost of goods and services sold	-	-24 343	-	-	-24 343
Sales and marketing cost	-	-6 257	-	-	-6 257
Administrative, research and development and other operating cost	-	-7 684	-6	-26	-7 717
Management cost	-110	-272	-9	-121	-513
Share of results of associates	-	579	-	-	579
<b>Operating profit/loss</b>	<b>79 581</b>	<b>5 209</b>	<b>20 981</b>	<b>-147</b>	<b>105 625</b>
Net financial items	-	-1 729	-	-1 246	-2 975
Income tax	-	-1 017	-	-391	-1 408
<b>Profit/loss for the period</b>	<b>79 581</b>	<b>2 463</b>	<b>20 981</b>	<b>-1 783</b>	<b>101 242</b>
Non-controlling interest	-	-16	-	-	-16
<b>Net profit/loss for the period attributable to the Parent Company</b>	<b>79 581</b>	<b>2 447</b>	<b>20 981</b>	<b>-1 783</b>	<b>101 226</b>
Dividend to shareholders	-	-	-	-9 948	-9 948
Other effects on equity	-	1 431	400	64	1 895
<b>Contribution to net asset value</b>	<b>79 581</b>	<b>3 878</b>	<b>21 381</b>	<b>-11 667</b>	<b>93 173</b>
<b>Net asset value by business area 12/31 2019</b>					
Carrying amount	345 089	51 146	37 248	-840	432 643
Invest Receive net debt/-cash	-	20 897	-	-32 859	-11 962
<b>Total net asset value including net debt/-cash</b>	<b>345 089</b>	<b>72 043</b>	<b>37 248</b>	<b>-33 699</b>	<b>420 680</b>

## Performance by Business Area 2018

SEK m	Listed Companies	Patricia Industries	Investments in EQT	Invest Receive Groupwide	Total
Dividends	8 656	10	676	0	9 342
Other operating income	-	7	-	-	7
Changes in value	-14 944	108	3 516	-44	-11 364
Net sales	-	42 492	-	-	42 492
Cost of goods and services sold	-	-27 416	-	-	-27 416
Sales and marketing cost	-	-5 246	-	-	-5 246
Administrative, research and development and other operating cost	-	-5 707	-7	-33	-5 748
Management cost	-109	-252	-9	-108	-478
Share of results of associates	-	-51	-	-88	-139
<b>Operating profit/loss</b>	<b>-6 398</b>	<b>3 945</b>	<b>4 176</b>	<b>-273</b>	<b>1 450</b>
Net financial items	-	-764	-	-1 601	-2 365
Income tax	-	-745	-	-640	-1 385
<b>Profit/loss for the period</b>	<b>-6 398</b>	<b>2 436</b>	<b>4 176</b>	<b>-2 514</b>	<b>-2 299</b>
Non-controlling interest	-	47	-	-	47
<b>Net profit/loss for the period attributable to the Parent Company</b>	<b>-6 398</b>	<b>2 483</b>	<b>4 176</b>	<b>-2 514</b>	<b>-2 252</b>
Dividend to shareholders	-	-	-	-9 179	-9 179
Other effects on equity	-	2 026	692	-42	2 676
<b>Contribution to net asset value</b>	<b>-6 398</b>	<b>4 510</b>	<b>4 868</b>	<b>-11 734</b>	<b>-8 755</b>
<b>Net asset value by business area 12/31 2018</b>					
Carrying amount	270 807	57 963	20 828	-660	348 938
Invest Receive net debt/-cash	-	13 017	-	-34 447	-21 430
<b>Total net asset value including net debt/-cash</b>	<b>270 807</b>	<b>70 980</b>	<b>20 828</b>	<b>-35 107</b>	<b>327 508</b>



## Performance by Business Area Q4 2019

SEK m	Listed Companies	Patricia Industries	Investments in EQT	Invest Receive Groupwide	Total
Dividends	1 323	-	0	-1	1 323
Other operating income	-	-	-	-	-
Changes in value	28 438	49	3 796	3	32 286
Net sales	-	9 994	-	-	9 994
Cost of goods and services sold	-	-5 489	-	-	-5 489
Sales and marketing cost	-	-1 677	-	-	-1 677
Administrative, research and development and other operating cost	-	-1 678	-2	-7	-1 687
Management cost	-31	-75	-3	-41	-150
Share of results of associates	-	207	-	-	207
<b>Operating profit/loss</b>	<b>29 730</b>	<b>1 330</b>	<b>3 791</b>	<b>-46</b>	<b>34 806</b>
Net financial items	-	-776	-	342	-434
Income tax	-	-261	-	-398	-659
<b>Profit/loss for the period</b>	<b>29 730</b>	<b>293</b>	<b>3 791</b>	<b>-102</b>	<b>33 713</b>
Non-controlling interest	-	11	-	-	11
<b>Net profit/loss for the period attributable to the Parent Company</b>	<b>29 730</b>	<b>304</b>	<b>3 791</b>	<b>-102</b>	<b>33 724</b>
Dividend to shareholders	-	-	-	0	0
Other effects on equity	-	-816	-377	-204	-1 397
<b>Contribution to net asset value</b>	<b>29 730</b>	<b>-512</b>	<b>3 414</b>	<b>-306</b>	<b>32 326</b>
<b>Net asset value by business area 12/31 2019</b>					
Carrying amount	345 089	51 146	37 248	-840	432 643
Invest Receive net debt/-cash	-	20 897	-	-32 859	-11 962
<b>Total net asset value including net debt/-cash</b>	<b>345 089</b>	<b>72 043</b>	<b>37 248</b>	<b>-33 699</b>	<b>420 680</b>

## Performance by Business Area Q4 2018

SEK m	Listed Companies	Patricia Industries	Investments in EQT	Invest Receive Groupwide	Total
Dividends	418	0	627	0	1 045
Other operating income	-	2	-	-	2
Changes in value	-47 366	-480	1 916	6	-45 924
Net sales	-	11 982	-	-	11 982
Cost of goods and services sold	-	-7 836	-	-	-7 836
Sales and marketing cost	-	-1 479	-	-	-1 479
Administrative, research and development and other operating cost	-	-1 563	-2	-7	-1 573
Management cost	-32	-75	-3	-29	-139
Share of results of associates	-	-397	-	-	-397
<b>Operating profit/loss</b>	<b>-46 981</b>	<b>155</b>	<b>2 538</b>	<b>-30</b>	<b>-44 318</b>
Net financial items	-	-387	-	-190	-577
Income tax	-	-228	-	8	-220
<b>Profit/loss for the period</b>	<b>-46 981</b>	<b>-460</b>	<b>2 538</b>	<b>-213</b>	<b>-45 115</b>
Non-controlling interest	-	21	-	-	21
<b>Net profit/loss for the period attributable to the Parent Company</b>	<b>-46 981</b>	<b>-439</b>	<b>2 538</b>	<b>-213</b>	<b>-45 094</b>
Dividend to shareholders	-	-	-	-1 11	-1
Other effects on equity	-	248	-28	-	231
<b>Contribution to net asset value</b>	<b>-46 981</b>	<b>-191</b>	<b>2 510</b>	<b>-202</b>	<b>-44 864</b>
<b>Net asset value by business area 12/31 2018</b>					
Carrying amount	270 807	57 963	20 828	-660	348 938
Invest Receive net debt/-cash	-	13 017	-	-34 447	-21 430
<b>Total net asset value including net debt/-cash</b>	<b>270 807</b>	<b>70 980</b>	<b>20 828</b>	<b>-35 107</b>	<b>327 508</b>

### Parent Company Income Statement, in summary

SEK m	2019	2018	H2 2019	H2 2018
Dividends	8 867	7 884	1 672	753
Changes in value	68 962	-13 902	34 652	-18 222
Net sales	12	12	6	5
Operating cost	-387	-371	-202	-190
<b>Operating profit/loss</b>	<b>77 453</b>	<b>-6 378</b>	<b>36 128</b>	<b>-17 654</b>
<b>Profit/loss from financial items</b>				
Net financial items	-754	-770	-13	-46
<b>Profit/loss after financial items</b>	<b>76 699</b>	<b>-7 148</b>	<b>36 115</b>	<b>-17 700</b>
Income tax	-	-	-	-
<b>Profit/loss for the period</b>	<b>76 699</b>	<b>-7 148</b>	<b>36 115</b>	<b>-17 700</b>

### Parent Company Balance Sheet, in summary

SEK m	12/31 2019	12/31 2018
<b>ASSETS</b>		
Intangible assets and Property, plant and equipment	13	15
Financial assets	376 121	309 702
<b>Total non-current assets</b>	<b>376 134</b>	<b>309 717</b>
Current receivables	1 998	1 580
Cash and cash equivalents	-	-
<b>Total current assets</b>	<b>1 998</b>	<b>1 580</b>
<b>TOTAL ASSETS</b>	<b>378 132</b>	<b>311 297</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>329 661</b>	<b>262 864</b>
Provisions	138	160
Non-current liabilities	47 397	41 204
<b>Total non-current liabilities</b>	<b>47 534</b>	<b>41 363</b>
Current liabilities	937	7 070
<b>Total current liabilities</b>	<b>937</b>	<b>7 070</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>378 132</b>	<b>311 297</b>

## Financial instruments

The numbers below are based on the same accounting and valuation policies as used in the preparation of the company's most recent annual report. For information regarding financial instruments in level 2 and level 3, see Note 30, Financial Instruments, in Invest Receive's Annual Report 2018.

### Valuation techniques, level 3

Group 12/31 2019	Fair value, SEK m	Valuation technique	Input	Range
Shares and participations	22 347	Last round of financing	n/a	n/a
		Comparable companies	EBITDA multiples	n/a
		Comparable companies	Sales multiples	1.3 – 5.2
		Comparable transactions	Sales multiples	1.1 – 3.6
		NAV	n/a	n/a
Other financial investments	71	Discounted cash flow	Market interest rate	n/a
Long-term and current receivables	3 542	Discounted cash flow	Market interest rate	n/a
Long-term interest bearing liabilities	56	Discounted cash flow	Market interest rate	n/a
Other provisions and liabilities	3 415	Discounted cash flow		n/a

All valuations in level 3 are based on assumptions and judgments that management considers to be reasonable based on the circumstances prevailing at the time. Changes in assumptions may result in adjustments to reported values and the actual outcome may differ from the estimates and judgments that were made.

The unlisted part of Financial Investments' portfolio companies, corresponds to 93 percent of the portfolio value. Part of the unlisted portfolio is valued based on comparable companies, and the value is dependent on the level of the multiples. The multiple ranges provided in the note show the minimum and maximum value of the actual multiples applied in these valuations. A 10 percent change of the multiples would have an effect on the Financial Investments portfolio value of approximately SEK 100m. For the derivatives, a parallel shift of the interest rate curve by one percentage point would affect the value by approximately SEK 1,000m.

### Financial assets and liabilities by level

The table below indicates how fair value is measured for the financial instruments recognized at fair value in the Balance Sheet. The financial instruments are presented in three categories, depending on how the fair value is measured:

Level 1: According to quoted prices in active markets for identical instruments

Level 2: According to directly or indirectly observable inputs that are not included in level 1

Level 3: According to inputs that are unobservable in the market

### Financial instruments - fair value

Group 12/31 2019, SEK m	Level 1	Level 2	Level 3	Other <sup>1)</sup>	Total carrying amount
<b>Financial assets</b>					
Shares and participations	362 170	2 222	22 347	4 205	390 945
Other financial investments	8 009	19	71	89	8 188
Long-term receivables included in net debt Other long-term receivables		231	2 423		2 653
Shares and participations in trading operation	371		1 109	650	1 759
Short-term receivables included in net debt Other current receivables	12		10	6 517	6 539
Cash, bank and short-term investments	17 244			6 374	23 618
<b>Total</b>	<b>387 806</b>	<b>2 472</b>	<b>25 960</b>	<b>17 836</b>	<b>434 074</b>
<b>Financial liabilities</b>					
Long-term interest bearing liabilities Other long-term provisions and liabilities Short-term interest bearing liabilities Other short-term provisions and liabilities	243	257	56	73 993	74 306 <sup>2)</sup>
		10	3 326	7 277	10 847
	339	141	89	984	994
				8 702	9 272
<b>Total</b>	<b>582</b>	<b>408</b>	<b>3 472</b>	<b>90 956</b>	<b>95 419</b>

1) To enable reconciliation with balance sheet items, financial instruments not valued at fair value as well as other assets and liabilities that are included within balance sheet items have been included within Other.

2) The Group's loans are valued at amortized cost. Fair value on long-term loans amounts to SEK 80,106m.

## Changes in financial assets and liabilities in Level 3

Group 2019, SEK m	Shares and participations	Other financial investments	Long-term receivables included in net debt	Other current receivables	Long-term interest bearing liabilities	Other long- term provisions and liabilities	Other current liabilities
Opening balance at the beginning of the year	25 936	67	2 553		47	2 798	86
Total gain or losses in profit or loss statement							
in line Changes in value	3 123	2	87	10		-9	
in line Net financial items			850		9	419	
Reported in other comprehensive income							
in line Foreign currency translation adjustment	403	2	4			51	3
Acquisitions	6 886		55			102	
Divestments	-11 261		-18			-33	
Revaluation in Equity							
Transfer in to Level 3							
Transfer out of Level 3	-2 739						
<b>Carrying amount at end of the year</b>	<b>22 347</b>	<b>71</b>	<b>3 531</b>	<b>10</b>	<b>56</b>	<b>3 326</b>	<b>89</b>
<i>Total gains/losses for the period included in profit/loss for financial instruments held at the end of the period (unrealized results)</i>							
Changes in value	1 109					4 818	
Net financial items			850		-9		
<b>Total</b>	<b>1 109</b>		<b>850</b>		<b>-9</b>	<b>4 818</b>	

## Revenue from contracts with customers

Group 2019, SEK m	Field of operation					Total
	Healthcare equipment	Healthcare services	Hotel	Real estate	Gripping and moving solutions	
Geographical market						
Sweden	720	2 016	678	123	26	3 564
Scandinavia, excl.	1 196	2 028			17	3 240
Sweden Europe, excl.	9 333	8			558	9 900
Scandinavia U.S.	21 179	217			350	21 746
North America, excl.	688				79	767
U.S. South America	376				43	419
Africa	399				3	401
Australia	834				7	842
Asia	1 175				184	1 360
Total	35 900	4 270	678	123	1 267	42 239
Category						
Sales of products	35 390	6			1 267	36 663
Sales of services	449	4 260	678			5 387
Revenues from Leasing	58	2		120		181
Other income	3	2		3		9
Total	35 900	4 270	678	123	1 267	42 239
Sales channels						
Through	20 871		515		697	22 083
distributors	15 029	4 270	163	123	570	20 156
Directly to customers	35 900	4 270	678	123	1 267	42 239
Timing of revenue recognition						
Goods and services transferred at a point of time	35 506	94			1 231	36 831
Goods and services transferred over time	394	4 176	678	123	36	5 408
Total	35 900	4 270	678	123	1 267	42 239

## Effects of changes in accounting policies

### IFRS 16 Leases

From January 1, 2019 Invest Receive applies IFRS 16 Leases. In the below table the effects of the new accounting policy are disclosed. On page 16, the new accounting policy is described.

Balance sheet items affected by changed accounting policy:

SEK m	Reported as per 12/31 2018	Adjustment due to IFRS 16	Adjusted as per 1/1 2019
Property, plant and equipment	10 460	3 023	13 483
<i>Whereof buildings and land</i>	111 <sup>1)</sup>	2 809	2 920
<i>Whereof machinery and equipment</i>	17 <sup>1)</sup>	214	231
Shares and participations	303 186	-25 <sup>2)</sup>	303 161
Other current receivables	6 348	-41 <sup>3)</sup>	6 307
Equity	327 690	-25	327 665
Long-term interest bearing liabilities	63 866	2 380	66 246
<i>Whereof lease liabilities</i>	106 <sup>1)</sup>	2 380	2 487
Current interest bearing liabilities	3 845	602	4 447
<i>Whereof lease liabilities</i>	16 <sup>1)</sup>	602	618

1) Finance leases according to IAS 17.

2) Increase in shares and participations in associates due to the effect of changed accounting policy in Three Scandinavia.

3) Adjustment for prepaid lease payments.

Reconciliation of operating lease commitments (IAS 17) and reported lease liabilities (IFRS 16): SEK m

<b>Non-cancellable future lease payments as of December 31, 2018</b>	<b>4 537</b>
Financial lease liability as of December 31, 2018	123
Short-term lease contracts	-36
Low value lease contracts	-33
Effects of extension options	485
Effects of reclassification of lease contracts	-24
Effects of adjustments of indexes or other variable fees	-90
Effects due to discounting	-764
Effects due to divested operations	-1 133
Exchange rate differences	40
<b>Lease liability as of January 1, 2019</b>	<b>3 105</b>

### IAS 40 Investment Property

From mid-January 2019 certain properties are classified as Investment Property according to IAS 40 due to the properties being leased out to external lessees after that time. These properties were previously used for services within the Group and therefore classified as owner-occupied property reported according to the revaluation model less accumulated depreciation and revaluation adjustments. The effect on the Consolidated Balance Sheet at the time for reclassification was as follows:

SEK m

Buildings and land reported as owner-occupied property	-1 794
Investment Property	1 794
<b>Property, plant and equipment</b>	<b>-</b>

More information about the changed accounting policy can be found on page 17.

## Reconciliations of significant Alternative Performance Measures

In the financial statements issued by Invest Receive, Alternative Performance Measures (APMs) are disclosed, which complete measures that are defined or specified in the applicable financial reporting framework, such as revenue, profit or loss or earnings per share.

APMs are disclosed when they complement performance measures defined by IFRS. The basis for disclosed APMs are that they are used by management to evaluate the financial performance and in so believed to give analysts and other stakeholders valuable information.

Invest Receive AB discloses the definitions of all APMs used on [www.investreceive.com](http://www.investreceive.com) and in the Annual Report 2018. Below reconciliations of significant APMs to the most directly reconcilable line item, subtotal or total presented in the financial statements of the corresponding period are disclosed.

### Gross cash

Gross cash or Invest Receive's cash and readily available placements are defined as the sum of cash and cash equivalents, short-term investments and interest-bearing current and long-term receivables. Deductions are made for items related to subsidiaries within

Patricia Industries.

Group 12/31 2019, SEK m	Consolidated balance sheet	Deductions related to Patricia Industries	Invest Receive's gross cash	Group 12/31 2018, SEK m	Consolidated balance sheet	Deductions related to Patricia Industries	Invest Receive's gross cash
Other financial investments	8 188	-181	8 007	Other financial investments	2 998	-152	2 845
Cash, bank and short-term investments	23 618	-6 730	16 888	Cash, bank and short-term investments	13 918	-5 470	8 449
<b>Gross cash</b>	<b>31 806</b>	<b>-6 912</b>	<b>24 894</b>	<b>Gross cash</b>	<b>16 916</b>	<b>-5 622</b>	<b>11 294</b>

### Gross debt

Gross debt is defined as interest-bearing current and long-term liabilities, including pension liabilities, less derivatives with positive value related to the loans. Deductions are made for items related to subsidiaries within Patricia Industries.

Group 12/31 2019, SEK m	Consolidated balance sheet	Deductions related to Patricia Industries	Invest Receive's gross debt	Group 12/31 2018, SEK m	Consolidated balance sheet	Deductions related to Patricia Industries	Invest Receive's gross debt
Receivables included in net debt	2 653	- 2 653		Receivables included in net debt	1 841	-	1 841
Loans	-75 300	35 904	-39 396	Loans	-67 711	33 244	-34 467
Provision for pensions	-1 114	1 001	-113	Provision for pensions	-962	863	-98
<b>Gross debt</b>	<b>-73 761</b>	<b>36 905</b>	<b>-36 856</b>	<b>Gross debt</b>	<b>-66 832</b>	<b>34 108</b>	<b>-32 724</b>

### Net debt

Gross debt less gross cash at Balance Sheet date.

Group 12/31 2019, SEK m	Invest Receive's gross cash	Invest	Group 12/31 2018, SEK m	Invest Receive's gross cash	Invest
Invest Receive's gross cash	-24 894		Invest Receive's gross cash	-11 294	
Receive's gross debt	36 856		Receive's gross debt	32 724	
<b>Invest Receive's net debt</b>	<b>11 962</b>		<b>Invest Receive's net debt</b>	<b>21 430</b>	

### Total assets

The net of all assets and liabilities not included in net debt.

Group 12/31 2019, SEK m	Consolidated balance sheet	Deductions related to non- controlling interest	Invest Receive's net asset value	Group 12/31 2018, SEK m	Consolidated balance sheet	Deductions related to non- controlling interest	Invest Receive's net asset value
Equity	420 923	-242	420 681	Equity	327 690	-182	327 508
Invest Receive's net debt			11 962	Invest Receive's net debt			21 430
<b>Total assets</b>			<b>432 643</b>	<b>Total assets</b>			<b>348 938</b>

### Net debt ratio (leverage)

Net debt ratio or leverage is defined as Net debt/Net cash as a percentage of total assets.

Group 12/31 2019, SEK m	Invest Receive's net asset value	Net debt ratio	Group 12/31 2018, SEK m	Invest Receive's net asset value	Net debt ratio
Invest Receive's net debt	11 962		Invest Receive's net debt	21 430	
Total assets	432 643	= 2.8%	Total assets	348 938	= 6.1%

### Reported net asset value, SEK per share

Equity attributable to shareholders of the Parent Company in relation to the number of shares outstanding at the Balance Sheet date.

Group 12/31 2019, SEK m	Invest Receive's net asset value	Net asset value, SEK per share	Group 12/31 2018, SEK m	Invest Receive's net asset value	Net asset value, SEK per share
Invest Receive's reported net asset value	420 681		Invest Receive's reported net asset value	327 508	
Number of shares, excluding own shares	765 327 400	= 550	Number of shares, excluding own shares	765 066 348	= 428

### Adjusted net asset value, SEK per share

Total assets, including estimated market values for Patricia Industries' major subsidiaries and partner-owned investments, less net debt in relation to the number of shares outstanding at the Balance Sheet date.

Group 12/31 2019, SEK m	Invest Receive's net asset value	Net asset value, SEK per share	Group 12/31 2018, SEK m	Invest Receive's net asset value	Net asset value, SEK per share
Invest Receive's adjusted net asset value	485 019		Invest Receive's adjusted net asset value	372 004	
Number of shares, excluding own shares	765 327 400	= 634	Number of shares, excluding own shares	765 066 348	= 486

**Patricia Industries, key figures overview<sup>1)</sup>**

	FY 2019	Q4 2019	Q3 2019	Q2 2019	Q1 2019	FY 2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2017	Q4 2017
<b>Mölnlycke (EUR m)</b>												
Sales	1 542	402	380	386	374	1 452	392	351	359	350	1 443	368
Sales growth	6	3	8	8	7	1	7	2	-1	-4	1	-1
Organic growth, constant currency, %	4	1	7	5	4	3	6	2	3	2	2	2
EBITDA	451	114	115	114	107	418	109	99	108	101	400	109
EBITDA, %	29.2	28.3	30.4	29.6	28.7	28.8	27.9	28.3	30.2	28.9	27.7	29.6
EBITA <sup>2)</sup>	391	99	100	100	92	372	99	83	99	92	355	97
EBITA, %	25.3	24.5	26.3	25.8	24.7	25.6	25.2	23.7	27.5	26.1	24.6	26.3
Operating cash flow	382	122	115	87	58	374	133	93	83	65	326	128
Net debt	1 471	1 471	1 333	1 402	1 296	1 193	1 193	1 211	1 264	1 073	1 084	1 084
Employees	7 790	7 790	7 810	7 965	7 850	7 895	7 895	7 795	7 715	7 650	7 570	7 570
<b>Permobil (SEK m)</b>												
Sales	4 446	1 214	1 141	1 086	1 005	4 162	1 120	1 062	1 065	915	3 649	1 048
Sales growth	7	8	7	2	10	14	7	24	18	9	9	12
Organic growth, constant currency, %	1	4	3	-3	0	1	-2	1	5	5	4	9
EBITDA	924	232	265	229	198	780	257	192	202	129	692	203
EBITDA, %	20.8	19.1	23.2	21.0	19.7	18.8	22.9	18.1	19.0	14.1	19.0	19.4
EBITA <sup>2)</sup>	726	180	216	179	151	634	220	156	165	93	558	169
EBITA, %	16.3	14.8	18.9	16.5	15.0	15.2	19.7	14.7	15.5	10.2	15.3	16.1
Operating cash flow	776	122	235	223	196	649	233	196	122	98	605	181
Net debt	3 549	3 549	3 277	3 265	3 262	3 088	3 088	2 621	2 799	2 682	2 141	2 141
Employees	1 625	1 625	1 610	1 580	1 575	1 565	1 565	1 590	1 700	1 660	1 620	1 620
<b>Laborie (USD m)</b>												
Sales	205	56	50	50	48	181	51	50	47	33	134	36
Sales growth, %	13	11	-1	8	46	35	43	56	45	-3	9	13
Organic growth, constant currency, %	4	8	-2	1	7	7	6	15	11	-6	5	7
EBITDA	56	16	17	13	10	22	14	13	-4	0	29	7
EBITDA, %	27.3	28.2	33.4	26.4	21.2	12.4	27.1	26.0	-9.5	-0.2	21.6	18.7
EBITA <sup>2)</sup>	51	15	15	12	9	19	13	12	-5	-1	26	6
EBITA, %	25.1	26.4	31.1	23.1	19.4	10.6	25.4	24.3	-11.4	-2.1	19.5	15.7
Operating cash flow	24	11	6	8	-1	-20	2	1	-24	0	23	5
Net debt	288	288	291	296	295	278	278	272	267	67	57	57
Employees	580	580	625	650	645	580	580	640	675	49	470	470
<b>Sarnova<sup>3)</sup> (USD m)</b>												
Sales	647	155	163	166	162	597	150	144	148	155	555	142
Sales growth, %	8	3	14	12	5	8	5	6	8	11	10	14
Organic growth, constant currency, %	4	-2	8	8	2	7	5	6	8	10	9	13
EBITDA	82	17	27	19	19	69	17	16	18	18	61	16
EBITDA, %	12.6	10.9	16.4	11.6	11.5	11.6	11.5	11.1	11.9	11.8	11.1	11.3
EBITA <sup>2)</sup>	73	15	25	17	17	64	16	15	16	18	57	15
EBITA, %	11.3	9.4	15.0	10.4	10.2	10.7	10.6	10.2	10.6	11.4	10.3	10.8
Operating cash flow	86	33	28	16	10	49	7	15	7	20	29	6
Net debt	287	287	310	322	332	307	307	305	314	316	328	328
Employees	645	645	645	650	645	620	620	605	605	675	605	605
<b>BraunAbility (USD m)</b>												
Sales	734	191	193	190	161	646	174	167	168	131	531	135
Sales growth, %	14	10	15	13	23	22	29	9	28	19	17	17
Organic growth, constant currency, %	5	5	6	3	5	15	17	3	22	20	1	2
EBITDA	70	15	21	20	14	45	8	11	16	10	36	9
EBITDA, %	9.6	7.9	10.9	10.7	8.5	7.0	4.8	6.8	9.4	7.4	7.0	6.5
EBITA <sup>2)</sup>	57	12	18	17	10	40	7	10	15	9	29	6
EBITA, %	7.7	6.2	9.1	8.9	6.4	6.2	3.8	6.0	8.7	6.5	5.5	4.3
Operating cash flow	72	29	24	22	-4	55	15	17	31	-7	27	9
Net debt	193	193	190	210	225	195	195	50	55	68	58	58
Employees	1 700	1 700	1 705	1 700	1 670	1 685	1 685	1 575	1 530	1 295	1 310	1 310
<b>Piab<sup>4)</sup> (SEK m)</b>												
Sales	1 267	320	320	315	312	1 255	335	312	309	299	1 028	293
Sales growth, %	1	-4	3	2	4	22	14	28	23	24	32	38
Organic growth, constant currency, %	-4	-9	-1	-3	-2	9	5	6	10	15	16	18
EBITDA	379	76	107	92	104	354	101	93	83	78	289	66
EBITDA, %	29.9	23.7	33.3	29.2	33.4	28.2	30.0	29.7	26.9	26.0	28.1	22.4
EBITA <sup>2)</sup>	341	67	96	84	94	338	96	89	79	74	275	62
EBITA, %	26.9	20.8	30.0	26.7	30.2	26.9	28.8	28.4	25.6	24.7	26.8	21.2
Operating cash flow	325	83	86	83	73	216	78	22	75	41	245	83
Net debt	987	987	1 076	1 046	1 105	1 064	1 064	1 132	1 123	1 640	1 525	1 525
Employees	515	515	490	485	470	465	465	475	475	460	425	425



	FY 2019	Q4 2019	Q3 2019	Q2 2019	Q1 2019	FY 2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2017	Q4 2017
<b>Vectura (SEK m)</b>												
Sales	273	72	75	71	54	233	70	64	56	44	208	53
Sales growth, %	17	3	18	29	23	12	32	14	3	-2	13	8
EBITDA	173	38	52	47	35	142	37	46	36	23	134	32
EBITDA, %	63.3	53.0	69.5	66.2	64.5	60.8	52.2	72.3	65.6	51.7	64.5	60.4
EBITA adjusted <sup>2)</sup>	74	1	31	26	16	58	10	28	17	3	48	6
EBITA, %	27.2	1.2	41.6	36.0	30.4	24.7	14.7	43.4	31.0	5.7	23.0	10.7
Operating cash flow	-458	38	-145	-135	-216	-298	-103	-10	-59	-127	-194	-11
Net debt	2 662	2 662	2 827	2 672	392	2 166	166	2 013	1 999	917	1 809	1 809
Real estate, market value	7 282					5 911					5 040	
Employees	22	22	21	21	21	22	22	21	22	18	17	17
<b>Grand Group (SEK m)</b>												
Sales	680	189	189	182	119	603	164	173	163	102	646	170
Sales growth, %	13	15	9	12	16	-7	-3	-7	-4	-15	2	1
EBITDA	7	8	3	5	13	-2	-1	3	-1	-13	0	1
EBITDA, %	142	46	47	41	9	34	11	22	15	-13	55	13
EBITA adjusted <sup>2)</sup>	20.8	24.1	24.7	22.3	7.2	5.7	6.5	12.6	9.2	-13.1	8.5	7.8
EBITA, %	11	13	14	7	-22	-5	0	12	6	-23	24	2
Operating cash flow	1.7	6.6	7.5	3.6	-18.4	-0.8	0.2	7.0	3.4	-22.6	3.7	1.4
Net debt	1	-6	18	19	-31	-42	-33	0	18	-27	-52	-43
Real estate, market value	893	893	898	930	964	4	4	-28	-30	-14	-42	-42
Employees	380	380	375	375	335	380	380	345	345	305	355	355
<b>Three Scandinavia</b>												
Sales, SEK m	10 705	3 008	2 646	2 586	2 465	10 728	2 602	2 744	2 720	2 662	11 444	3 035
Sweden, SEK m	6 826	1 889	1 663	1 675	1 599	7 004	1 606	1 779	1 819	1 800	7 723	2 028
Denmark, DKK m	2 736	789	684	641	622	2 707	719	691	651	647	2 865	756
EBITDA, SEK m	3 919	1 031	1 011	928	948	1 899	-613	852	838	822	2 639	200
Sweden, SEK m	2 662	676	684	653	648	1 025	-804	603	601	625	2 280	524
Denmark, DKK m	887	250	228	194	216	634	137	178	171	147	292	-239
EBITDA, %	36.6	34.3	38.2	35.9	38.5	17.7	-23.6	31.0	30.8	30.9	23.1	6.6
Sweden	39.0	35.8	41.2	39.0	40.5	14.6	-50.0	33.9	33.0	34.7	29.5	25.8
Denmark	32.4	31.7	33.3	30.3	34.7	23.4	19.1	25.8	26.3	22.8	10.2	-31.6
Net debt, SEK m	6 934	6 934	6 593	7 392	6 960	3 253	253	3 193	3 862	4 341	4 101	4 101
Employees	1 810	1 810	1 840	1 870	1 890	1 975	975	1 955	1 960	1 980	2 070	2 070
<b>Financial Investments (SEK m)</b>												
Net asset value, beginning of period	7 277	6 452	7 351	7 714	7 277	7 164	7 959	8 029	7 608	7 164	10 024	7 289
Investments	283	27	22	173	61	266	53	119	50	44	397	239
Divestments/ distribution	-3 652	-932	-1 517	-2 037	-41	-765	-411	-139	-71	-143	-1 736	-352
Exit proceeds												
pend. settlement	-791		-1 667									
Changes in value	402	-446	597	-166	418	611	-324	-49	441	543	-1 519	-12
Net asset value, end of period	4 310	4 310	6 452	7 351	7 714	7 277	7 277	7 959	8 029	7 608	7 164	7 164

1) For information regarding Alternative Performance Measures in the table, see page 17. Definitions can be found on Invest Receive's website.

2) EBITA is defined as operating profit before acquisition-related amortizations.

3) Consolidated as of April 4, 2018.

4) Consolidated as of June 14, 2018.

## Valuation methodology

<b>Listed Companies</b>	Share price (bid) for the class of shares held by Invest Receive, with the exception of Saab and Electrolux for which the most actively traded share class is used. Ownership calculated in accordance with the disclosure of regulations of Sweden's Financial Instruments Trading Act (LHF). ABB, AstraZeneca, Nasdaq and Wärtsilä in accordance with Swiss, British, U.S. and Finnish regulations. Includes market value of derivatives related to investments if applicable.
<b>Patricia Industries</b>	
Subsidiaries	Reported value based on the acquisition method. As supplementary information, subsidiaries are also presented at estimated market values, mainly based on valuation multiples for relevant listed peers and indices. Other methodologies may also be used, for example relating to real estate assets. New investments valued at invested amount during the first 18 months following the acquisition.
Partner-owned investments	Reported value based on the equity method. As supplementary information, partner-owned investments are also presented at estimated market values, mainly based on valuation multiples for relevant listed peers and indices.
Financial Investments	Unlisted holdings at multiple or third-party valuation, listed shares at share price (bid).
<b>Investments in EQT</b>	Unlisted holdings at multiple or third-party valuation, listed shares at share price (bid).

## Patricia Industries, overview of estimated market values

<b>Supplementary information</b>	In addition to reported values, which are in accordance with IFRS, Invest Receive provides estimated market values for the wholly-owned subsidiaries and partner-owned investments within Patricia Industries in order to facilitate the evaluation of Invest Receive's net asset value. This supplementary, non-GAAP information also increases the consistency between the valuation of Listed Companies and our major wholly-owned subsidiaries and partner-owned Three Scandinavia.
<b>Estimated market values</b>	While the estimated market values might not necessarily reflect our view of the intrinsic values, they reflect how the stock market values similar companies.
<b>Methodology</b>	The estimated market values are mainly based on valuation multiples, typically Enterprise value (EV)/Last 12 months' operating profit, for relevant listed peers and indices. While we focus on EBITA when evaluating the performance of our companies, for valuation purposes, EBITDA multiples are more commonly available, and therefore often used. From the estimated EV, net debt is deducted, and the remaining equity value is multiplied with Patricia Industries' share of capital.
<b>Adjustments</b>	Operating profit is adjusted to reflect, for example, pro forma effects of completed add-on acquisitions and certain non-recurring items. An item is only viewed as non-recurring if it exceeds a certain amount set for each company, is unlikely to affect the company again, and does not result in any future benefit or cost. Acquisitions made less than 18 months ago are valued at the invested amount.

# Invest Receive in brief

*Invest Receive, founded by the Wallenberg family in 1916, is an engaged owner of high-quality, global companies. We have a long-term investment perspective. Through board representation, as well as industrial experience, our network and financial strength, we work continuously to support our companies to remain or become best-in-class. Our holdings include, among others, ABB, Atlas Copco, Ericsson, Mölnlycke and SEB.*

## Our purpose

We create value for people and society by building strong and sustainable businesses.

## Engaged ownership

We are an engaged, long-term owner that actively supports the building and development of best-in-class companies. Through substantial ownership and board representation, we drive the initiatives that we believe will create the most value for each individual company. Ultimately, this creates value for our shareholders and thus society as a whole.

## Investment philosophy

Our investment philosophy is “buy-to-build”, and to develop our companies over time, as long as we see further value creation potential. Our goal is for our companies to maintain or achieve best-in-class positions, and for all of them to outperform peers and reach full potential.

## Sustainability

We have a long tradition of being a responsible owner and company. We firmly believe that sustainability is a prerequisite for creating long-term value.

## Our operating priorities

- **Grow net asset value**  
To achieve attractive net asset value growth, we own high-quality companies and are an engaged owner, supporting our companies to achieve profitable growth. We strive to allocate our capital wisely.
- **Operate efficiently**  
We maintain cost discipline to remain efficient and in order to maximize our operating cash flow.
- **Pay a steadily rising dividend**  
Our dividend policy is to distribute a large percentage of the dividends received from our listed core investments, as well as to make a distribution from other net assets corresponding to a yield in line with the equity market. The goal is to pay a steadily rising dividend.

## Our financial targets

- **Return requirement**  
Our long-term return requirement is the risk free interest rate plus an equity risk premium, in total 8-9 percent annually.
- **Leverage policy**  
Our target leverage range is 5-10 percent (net debt/reported total assets) over a business cycle. While leverage can fluctuate above and below the target level, it should not exceed 25 percent for any longer period of time. Our leverage policy allows us to capture investment opportunities and to support our companies.