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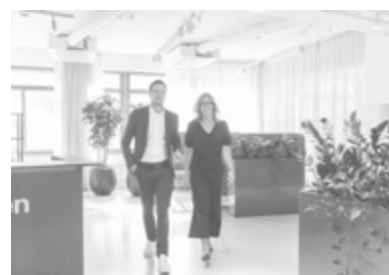
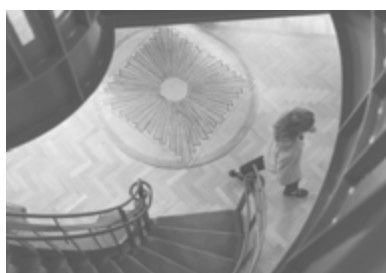
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The official Annual Report comprises the Report of the Board of Directors and the financial statements, plus the notes and comments on pages 22–29 and 47–99. The statutory sustainability report in accordance with the Annual Accounts Act is included in the Annual Report (pages 22–29 and notes 38 and 39 on pages 87–92). The consolidated income statement and balance sheet and the Parent Company's income statement and balance sheet will be subject to adoption by the Annual General Meeting.

This is Lundbergs

L E Lundbergföretagen AB is an investment company that manages and develops a number of companies based on long-term, active ownership. Clear leadership, responsibility and sound, sustainable business acumen, along with a solid financial positioning, are important values that characterize Lundbergs' approach. Through growth in dividends and net asset value, the objective is to generate a return for shareholders that comfortably meets the market's return requirement.

About Lundbergs

Lundbergs was founded in Norrköping in 1944 by Lars Erik Lundberg. Lundbergs originally focused on building residential housing, but over the years the company has evolved from a construction company into an investment company with interests in a range of industries, and always with a long-term approach to ownership.

The company has been listed on Nasdaq Stockholm since 1983.

Equity holdings

Lundbergs invests in real estate and publicly traded companies. The portfolio of assets includes the wholly owned business Lundbergs Fastigheter, the subsidiaries Holmen and Hufvudstaden and the associated companies Husqvarna, Industrivärden and Indutrade. Lundbergs also has major shareholdings in Alleima, Handelsbanken, Sandvik and Skanska.

Direct and indirect real estate exposure accounts for approximately 22% of our total assets. The remaining approximately 78% relates to publicly traded companies outside the real estate sector. There is a favorable balance between the assets, which are characterized by high quality and low risk.

LUNDBERGS	
WHOLLY OWNED BUSINESS	
Lundbergs Fastigheter	100
SUBSIDIARIES	
Holmen	35.0 (62.7)
Hufvudstaden	47.2 (88.6)
ASSOCIATED COMPANIES	
Husqvarna Group	7.6 (25.8)
Industrivärden	20.5 (26.0)
Indutrade	26.6 (26.6)
MAJOR SHAREHOLDINGS	
Alleima	10.0 (10.0)
Handelsbanken	3.1 (3.2)
Sandvik	3.1 (3.1)
Skanska	5.4 (13.1)

The figures denote the percentage of share capital (voting rights) held at February 18, 2025.

The Lundberg share

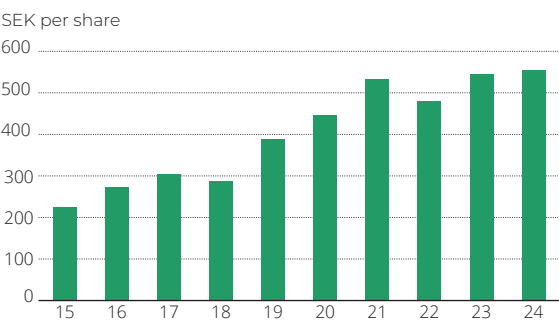
Through growth in dividends and net asset value, Lundbergs' objective is to generate a return for shareholders that comfortably meets the market's return requirement.

Net asset value (total assets less liabilities and deferred tax) amounted to SEK 555 per share at December 31, 2024. Net asset value per share over the past 10-year period has grown on average by 10.7% per year.

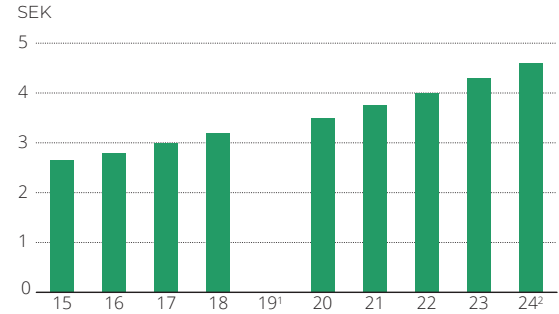
Lundbergs aims to provide shareholders with favorable and steady dividend growth over time. The Board of Directors' proposal to the 2025 Annual General Meeting (AGM) is a dividend of SEK 4.60 per share. Dividend growth over the past 10-year period has averaged 6.3% per year.

The Lundbergs share's total return over the past 10 years has grown on average by 12.4% per year. The Stockholm Stock Exchange's annual total return over the same period was 10.6% per year.

Net asset value after deferred tax



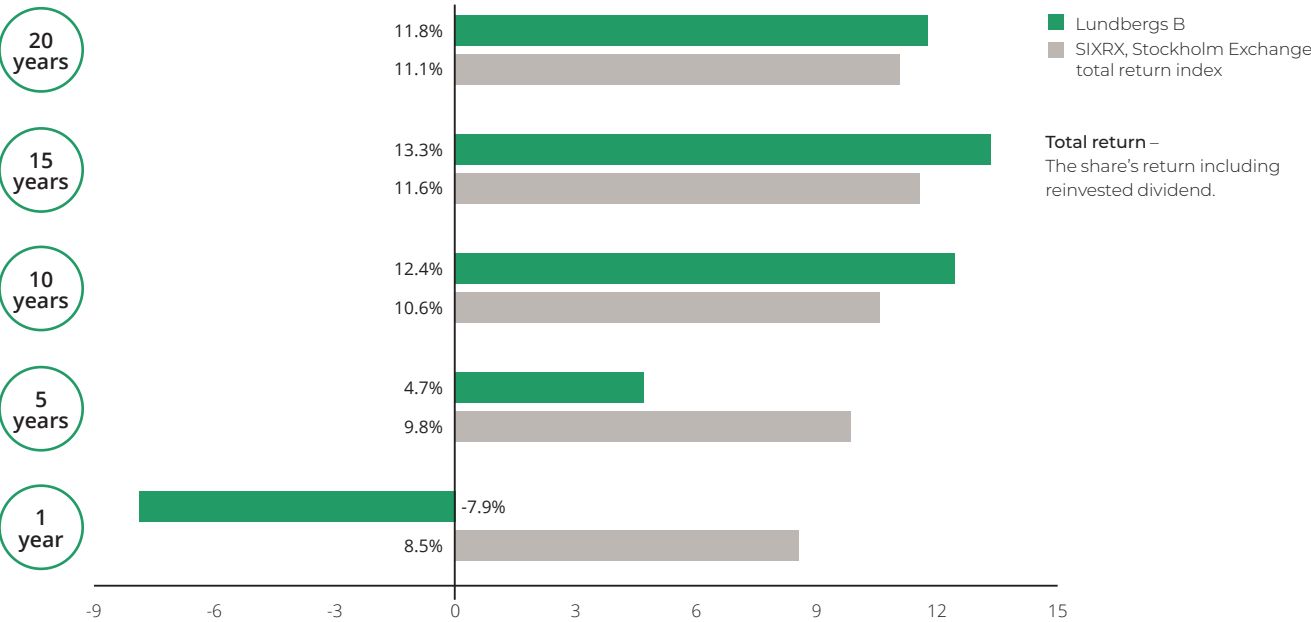
Dividend



¹) No dividend paid.
²) The Board of Directors' proposal.

Total return on the Lundberg share

AVERAGE PER YEAR (REFERS TO CALENDER YEAR)



The year in brief

- On December 31, 2024, net asset value after deferred tax amounted to SEK 555 per share (545).
- Consolidated net sales amounted to SEK 29,311 m. (28,664).
- Profit after financial items totaled SEK 9,808 m. (9,244).
- Profit after financial items excluding impairment losses and unrealized changes in value amounted to SEK 9,533 m. (13,690).
- A dividend of SEK 4.60 per share (4.30) is proposed.
- In the Parent Company, SEK 2,282 m. (1,681) was invested in publicly traded shares, and in the wholly owned business, Lundbergs Fastigheter, SEK 580 m. (576) was invested.

Earnings and key data

	2024	2023
Net asset value after deferred tax, SEK bn.	137.6	135.1
Net asset value per share after deferred tax, SEK	555	545
Shareholders' equity per share attributable to Parent Company's shareholders, SEK	459	434
Net sales, SEK m.	29,311	28,664
Profit after financial items, SEK m.	9,808	9,244
excluding impairment losses and unrealized changes in value, SEK m.	9,533	13,690
Profit after tax, SEK m.	8,383	8,678
of which, non-controlling interests, SEK m.	2,081	1,423
Earnings per share attributable to the Parent Company's shareholders, SEK	25.41	29.25
Dividend/share, SEK	4.60 ¹	4.30
Debt/equity ratio, multiple	0.12	0.11
Equity/assets ratio, %	74	74

¹⁾ The Board of Directors' proposal.

Letter from the CEO



We can look back on 2024 as another year of moderate growth in the global economy. Many of the challenges the global economy has faced in recent years, such as geopolitical tensions, political uncertainty and inflation, had an impact once again over the past year.

The global economic picture has been mixed. Economic development in Europe has been subdued, particularly in the larger economies such as Germany, France and Italy, where low growth and structural challenges continue to dominate. High production costs and low demand in the automotive industry, which is a key sector for Germany, has contributed to the weak performance. Growth in China has slowed, but India and several other Asian economies have shown good growth.

The economy in Sweden stabilized in 2024 and recorded weak but positive GDP growth, following negative growth in 2023. The recovery in private consumption has been slower than was expected at the beginning of the year, but a positive trend was observed toward the end of the year. Unemployment has increased, however, despite a decrease in redundancies during the fall.

The US economy has remained stable over the year, despite the extensive interest rate hikes of recent years. Household consumption has continued to grow and the labor market remains strong, with low unemployment.

The declining inflation trend that began in 2023 continued throughout the year, enabling several major central banks to cut their policy interest rates. The ECB and the Riksbank in particular have made relatively large interest rate cuts.

Equity markets experienced stable to slightly positive development in most places in 2024. The total return of the Swedish stock exchange was 9%. The stock market has performed particularly strongly in the US, with the tech sector behind much of the rise. Lower policy interest rates combined with the stable performance of the US economy are key reasons for the positive trend.

This year has begun well, with a strong stock market. The US economy continues to perform well. As the world's largest economy, the US is an important driver for the whole world. Sentiment and growth expectations among US business leaders have improved following the election results. This is important for the Swedish economy, and for the stock market in particular, as it often sets the tone for development.

Lundbergs is an investment company that has significant shareholdings in nine listed companies.

We also have a wholly owned real estate business with a property value of just over SEK 28 bn. We exercise active ownership in all our companies. We do this through participation in company boards and nomination committees. Through our principal ownership of Industrivärden, we indirectly have large ownership interests in a further four companies, as well as those directly owned by Lundbergs. This means that, directly and indirectly, we are a major shareholder in twelve publicly traded companies, alongside our wholly owned real estate operations. We have focused on these companies for many years and have continued to increase our holdings through share acquisitions. Over the past ten years, we have invested a total of SEK 14.3 bn. in shares.

During the same period, SEK 7.5 bn. has been invested in real estate operations. Our interest-bearing net debt has increased from SEK 4.8 bn. to SEK 6.0 bn., while net debt has decreased from 9% to 4%. The financial position therefore remains very strong. It has been possible to finance all investments predominantly out of profits. Last year, dividends received exceeded dividends paid to Lundbergs' shareholders by SEK 2.1 bn.

Our finance policy allows real estate operations to be leveraged up to a maximum of 50%, while investments in our portfolio companies must be unleveraged. All liabilities are therefore attributable to real estate operations, which at year-end had a leverage ratio of 21%. As an investment company, it is vital for us to have a strong financial position. We want to be in a position to increase our shareholdings when we deem it beneficial and to have the capacity to participate in capital contributions when justified. This is to ensure we have the best possible conditions for continued value creation in the portfolio companies. Equity investments in strong and healthy companies have provided good returns for a long time. I am convinced that this will continue to be the case in the future. As a major shareholder with influence, however, we must demonstrate competence and patience. Ownership is a demanding job and is vital for success and the character and values of the investor are of great importance here. Speculators have a very different attitude than investors of our type. Historically, long-term investors have received a real return on equities of 7%, which is a good result that doubles the capital in real terms in 10 years.

It is not uncommon for the media, analysts and shareholders to adopt opinions that aim to bring about a rapid change in the valuation of a company. This is not unreasonable for those wishing to sell shares, but for long-term investors it is not an optimal scenario. It is important for the latter that the company develops in the right way, which usually takes a long time. The payoff usually means that patience is worth it, however.

Splitting up companies can sometimes be the right thing to do, but that is certainly not always the case. The important question to ask is what benefit this achieves for the business. Short-term thinking about changing the valuation multiples may seem attractive, but this does not always materialize. Splitting off and listing Alleima separately from Sandvik in 2022 is an example of the successful demerger of a company. At the time of its separation from Sandvik, Alleima accounted for around 10% of the Sandvik Group and had somewhat different conditions than the other business areas within Sandvik. With the benefit of hindsight, we can see that this split has been highly beneficial for the business and value creation of Alleima. However, the change in valuation multiples that many argued for has yet to materialize.

In our work, we focus strongly on leadership, decentralization and financial strength. Broad accountability is important and establishes a good platform for success. Recruiting and appointing the right leaders is a priority and we prefer to recruit internally for a number of reasons. It motivates the organization and we usually have much greater knowledge of the person in question than in external recruitment. Nominating Board members at our portfolio companies is also a priority issue and we do so based on skills, experience and suitability. This is an important task, where our wide

network of contacts comes in very useful.

The dividends we receive from the portfolio companies are very important. They provide us with strong cash flow that establishes a platform for making new investments without increasing our debt. This builds net asset value over time and therefore also shareholder value. The key principle of compound interest adds great value over time. In the event of a capital adjustment, it may also be appropriate on occasion to buy back shares, although the timing and price must be right. Otherwise, it is better to pay an extra dividend and let each shareholder decide for themselves how to allocate their funds. In some of our portfolio companies, we have successfully participated in both buybacks and extra dividends when this was justified in order to adjust the capital structure.

Performance in 2024

In 2024, Lundbergs reported consolidated after-tax profit of SEK 8.4 bn. (8.7). After non-controlling interests, the figure was SEK 6.3 bn. (7.3). Excluding unrealized value changes, profit after financial items was SEK 9.5 bn. (13.7). Net asset value per share after deferred tax increased by 2% during the year to SEK 555 (545). On February 18 this year, the corresponding value was SEK 617. Lundbergs' shareholders received a total return of -8% (24) in 2024, compared with the corresponding stock

“Ownership is a demanding job and is vital for success.”

exchange index of 9% (19). This means that Lundbergs' net asset value at year-end was lower than the previous year. The discount to net asset value therefore returned. Over the past ten years, the Lundberg share has provided an average annual total return of 12.4%, compared with the corresponding stock exchange index of 10.6%. Inflation has averaged 2.9% per year, which means that Lundbergs' annual total return has averaged 9.5% in real terms. This is clearly a satisfactory level for an investor and one that I feel satisfied with.

The number of shareholders in Lundbergs has increased in recent years and now totals around 64,000. It is pleasing to see that so many investors have confidence in our business model and the way we run our business.

The fall of 2024 marked 80 years since Lundbergs launched its business. This was when my father, Lars Erik Lundberg, founded a construction company in Norrköping in 1944. The company subsequently developed real estate operations and an investment business. The construction business was divested in 1994.

Over the past three decades, the investment business has gradually taken shape. Investments are now fully concentrated in nine listed companies and our wholly owned real estate operations. The business model has worked well for a long time and feels very robust. The various companies operate in a wide range of sectors and are of high quality. Below, I will comment on the performance of each of the individual companies.

Lundbergs Fastigheter

Lundbergs' consolidated financial statements include Lundbergs Fastigheter with operating profit of SEK 1.1 bn. (0.0). This includes unrealized changes in value of SEK -0.1 bn. (-1.0) which, together with slightly higher net current assets under management, accounts for the improvement in profits during the year. The change in value is due to increased yields through higher rental income as a result of tenant-specific modifications and good cost control. Having increased in recent years, yield requirements in the real estate market stabilized during the year.

Our occupancy rate was at a high level at the beginning of the year but weakened slightly over the course of the year. The tougher rental market was particularly evident in the retail sector, but also in the office and residential markets in some places. There continues to be increased focus on city locations and high-quality properties. The trend of working from home some days of the week now seems to have reversed, with a gradual return to office workplaces now taking place. I believe this trend will continue in the coming years.

We have continued to carry out extensive refurbishments on a number of older residential properties built in the 1960s and 1970s with good results. The transformation of Norrköping city is also underway, including the conversion of retail space to office space. Among other things, a major lease has been agreed with a company that runs a co-working facility.

Lundbergs Fastigheter also carries out extensive maintenance and updating of older office properties to meet modern standards. The aim is to attract new tenants, retain existing ones and adapt to their space requirements.

For several years, I have highlighted social development as a serious threat to the real estate market. Unfortunately, it is clear that these problems have not diminished, but in fact escalated. Crime is very serious and dangerous for society. Politicians are trying to take action, of course, but the process is long and difficult. Investment in real estate and in companies depends on having a stable and secure society with good economic growth. It is therefore very important for us as investors that society addresses these issues.

In 2024, we invested a total of SEK 0.6 bn. in real estate operations. No new acquisitions were made.

Financing conditions in the real estate market improved during the year. Interest expenses, on the other hand, have increased, placing greater demands on the operating profit from current real estate operations. The result of this is a reduction in the realistic leverage ratio, which requires higher equity financing. I think this is a healthy development that curbs speculative bubbles. As on the stock market, investments should be financed with a sufficiently high proportion of equity.

The transaction volume on the real estate market remained relatively low last year, as buyers and sellers were unable to agree on terms. The tougher financing conditions are also having an impact on the transaction market.

In 2024, Johan Ladenberg took over as the new CEO of Lundbergs Fastigheter. He has settled into his new role well and done a good job. I would like to thank Johan and his staff for their dedicated work over the past year.

Portfolio companies

In 2024, the Parent Company acquired publicly traded shares for SEK 2,282 m., of which SEK 1,240 m. in Industrivärden, SEK 579 m. in Sandvik, SEK 267 m. in Alleima and SEK 197 m. in Handelsbanken. At the end of 2024, Lundbergs' holdings in the nine publicly traded portfolio companies represented a market value of SEK 116 bn., compared with SEK 114 bn. a year earlier. Adjusted for acquisitions during the year, the value was largely unchanged, which may be compared with a 5.6% rise in the SIX general index. I believe there are still good opportunities for significant value creation in these companies in the long term. Our ownership in Industrivärden also means there is no need for any further diversification.

Our wholly owned operation in L E Lundberg Kapitalförvaltning engages in asset management in both the short and medium term, as well as analytical activities. The company also serves as a support function for the Parent Company. The balance sheet is limited to less than 1% of that of the Parent Company. In 2024, another year of strong profit was reported, at SEK 155 m. L E Lundberg Kapitalförvaltning does not invest in shares in our portfolio companies or related instruments.

I would like to thank the company's CEO Claes Boustedt and his colleagues for their excellent work over the past year. Claes is also Executive Vice President of the Group and so my closest colleague and right-hand man. He also represents Lundbergs on the boards of several of our portfolio companies, including Sandvik and Alleima, as well as on several nomination committees. Claes is very knowledgeable and experienced and is therefore highly valued in these roles.

Holmen achieved strong earnings in 2024, although somewhat lower year-on-year. The newly merged Board and Paper business area continued to perform strongly. Despite a challenging market situation and a shortage of forest raw materials, Holmen managed to improve its positions in both paperboard and paper. Holmen's focus on niches that utilize virgin fiber has worked well. One of the paper machines at Braviken paper mill was converted so that it can also produce packaging paper. Its well-invested production facilities provide Holmen with excellent opportunities to continue creating good added value.

In recent years, forest raw materials have been unable to meet the growing demand from the forestry industry and the energy sector. Wood prices have risen by more than 50% over the past three years, increasing the return on forest assets. At the same time, it is becoming increasingly clear that forests have a key role to play in the transition to a fossil-free world.

The market for wood products continues to be affected by weak construction activity as well as by global raw material shortages. In the slightly longer term, however, there is major interest in building with wood. Holmen's well-invested sawmills and proprietary raw material base mean it is well positioned to take advantage of this.

Electricity prices were high at the beginning of the year, but dropped during the fall. Holmen is focusing on developing new wind power in locations with good wind conditions. There is a large project portfolio and it was decided during the year to invest SEK 1.5 bn. in Blisterliden wind farm. This investment will increase electricity generation from hydro and wind by around 20%.

Holmen's financial position remains strong, with a net debt to equity ratio of 6%.

The management team, led by CEO Henrik Sjölund and Deputy CEO Anders Jernhall, is highly competent. To further strengthen Holmen's position and competitiveness, Anders will now be focusing on strategic issues in a dedicated role as Deputy CEO. I would like to express my sincere thanks to Henrik,

Anders and the rest of the management team for their outstanding work.

The Board of Directors proposes to the Annual General Meeting an ordinary dividend of SEK 9.00 per share (8.50) and an extra dividend of SEK 3.00 per share (3.00).

Hufvudstaden's properties are located in the most attractive areas of central Stockholm and Gothenburg. The overall portfolio is unique and contains the premises the market wants. This has become increasingly evident in recent years. The properties are of a high standard, most of them with admired architecture. Hufvudstaden also focuses strongly on customer satisfaction. For the seventh year in a row, it topped the CSI, meaning it has

the industry's most satisfied office tenants in the large-cap category.

Hufvudstaden's current profit from property management increased slightly due to higher rental revenue. Changes in the value of the real estate portfolio remained negative, but at a much lower level. Overall, net profit for the year increased significantly compared with the previous year.

The office market in Stockholm was stable. There was also a growing demand for high-quality office premises in central Gothenburg, where rents were stable and new peak rents were recorded. Companies are increasingly

requiring a higher level of office attendance, which also increases the demands on the quality of premises, street environment and surroundings.

It was a challenging year for the retail sector in 2024, leading to continued downward pressure on retail rents. Thanks to its high-quality locations, however, Hufvudstaden fared relatively well. The NK department stores in both Stockholm and Gothenburg have performed well. The NK Retail operations run by Hufvudstaden have increased net sales, but profitability remains insufficient. A new CEO has been recruited for the NK business area and will take up the role in the first quarter of 2025.

The extensive central development project in the Johanna district of Gothenburg is progressing according to plan. The project will be completed in 2026 and high-intensity leasing work is under way and achieving good results.

Hufvudstaden's CEO Anders Nygren is a solid professional and is doing a very good job. Under difficult circumstances, he has implemented a series of changes aimed at improving efficiency and performance. I would like to thank Anders and his organization for their great work that bodes well for the future.

The Board of Directors proposes a small increase in the dividend to SEK 2.80 per share (2.70).

**“Broad
accountability is
important and
establishes a good
platform for
success.”**

Husqvarna occupies strong market positions and is one of the world's leading companies in products for the upkeep of forests, parks and gardens. The company has a history of innovative and successful product development and has several strong brands, principally Husqvarna and Gardena, that cover a range of product and market segments.

Performance has been weak in recent years. The year 2024 was another in which the company failed to meet its financial targets, whether in terms of growth, margins or capital efficiency. The company adjusted expectations downwards on two occasions during the fall, owing to challenging market conditions. A restructuring program was also launched in October to reduce the fixed cost base and so mitigate the weak performance.

With a high-quality product offering and strong brands, the conditions should be right for reversing this trend. In the fall, the nomination committee announced its intention to propose Torbjörn Lööf as the new Chair of the Board after Tom Johnstone declined re-election. I would like to wish Torbjörn the very best of luck in his challenging change work.

The Board of Directors proposes a reduced dividend of SEK 1.00 per share (3.00).

Industrivärden's portfolio companies achieved strong operational performance overall in 2024. Many of the companies also enjoyed favorable share price performance, which made a strong contribution to increasing Industrivärden's net asset value by 6%. The total return for both the A and C shares was 9%, on a par with the Stockholm Stock Exchange's corresponding index.

Dividends received from the portfolio companies in 2024 exceeded dividends paid to Industrivärden's shareholders by SEK 5.2 bn. This enabled continued investment in the shares of the portfolio companies without increasing debt, which strengthens the potential for future value creation. Total investments amounted to SEK 4.6 bn.

Industrivärden's portfolio companies are of very high quality and are market leaders in several different industries. The concentrated portfolio focuses strongly on these companies, which creates good conditions for continued positive development.

The portfolio companies are generally characterized by strong market positions, proven business models and good cash flows. They have also been well established for a long time. Industrivärden's ownership role is also managed in a highly professional manner.

CEO Helena Stjernholm is doing an excellent job and is well respected by the various portfolio companies. She took up her first Chair position at SCA in 2024 and has been highly valued there. I would like to express my thanks to her and to Deputy CEO Karl Åberg, who has taken on increasing responsibilities in recent years. The Board of Directors proposes a dividend of SEK 8.25 per share (7.75) to the Annual General Meeting.

Indutrade is continuing its growth journey with good profitability, both organically and through acquisitions. Profits were on a par with the previous year. There were 16 acquisitions made during the year, with combined net sales of SEK 1.6 bn. Operating cash flow was strong and the company's financial position is robust. The business model has now been working well and evolving since 1978. At its core is decentralization with strong local ownership and leadership. There are over 200 companies in the Indutrade Group and they each know their markets and customers well and are able to act quickly to adapt to the prevailing market conditions. It is impressive to see that this group of companies and business model are so stable and resilient.

The new group structure introduced last year, with five business areas focused on market segments and technology areas, has been implemented in an exemplary manner. This has improved the organizational conditions for continuing to grow the group, both organically and through acquisitions.

CEO Bo Annvik leads the group very well and helps the dynamic forces in the organization to flourish.

The Board of Directors proposes a dividend of SEK 3.00 per share (2.85) to the Annual General Meeting.

Alleima has performed well during its relatively short time as a listed company. At the core of Alleima's business is advanced materials technology. The company's products are used in a large number of applications in several different customer segments, which provides stability in the business.

Alleima has performed well during the year, with an order backlog that remains strong. Investment decisions have been made on the refurbishment and reopening of a production facility for steam generator tubes for the nuclear industry. Several orders were also signed in this segment during the year. In Kanthal, the med-tech sector has shown strong growth in recent years. A decision was taken in the fall to establish a production presence in Asia and increase the company's production capacity for medical wire.

Göran Björkman has grown exceptionally well into his role as CEO of a listed company. He has sound industrial knowledge and has developed and strengthened the management team in recent years. He is also well respected both within the company and in the market.

In view of the continued stable profit trend and the very strong financial situation, the Board of Directors has proposed a dividend of SEK 2.30 per share (2.00).

Handelsbanken stands out as one of the world's most stable banks, as reflected in the fact that no other privately owned bank in the world has a higher overall credit rating from the leading rating agencies. The reason for this is the bank's locally rooted, long-term and customer-oriented business model with low risk tolerance and financial strength.

The decentralized branch operations are at the heart of the bank, where customer relationships are established and devel-

oped. This has been very successful over a long period of time and has enabled a high-quality credit portfolio to be built up gradually. Credit losses at group level have again been entirely avoided in 2024. The bank takes a long-term view in its work and has a customer offering and service level that has given the bank satisfied customers and creates value.

In 2024, work began to reduce the number of staff and consultants in central units and so increase cost efficiency. In contrast, the number of customer-facing staff in branches increased slightly. A presence was also established in new locations.

Michael Green took over as the new President and CEO in 2024. He has had a long and successful career with the bank and has quickly grown into the role of CEO in a reassuring manner.

Handelsbanken reported very strong profits for 2024, on a par with the previous year. The bank's capital position also remains very strong.

The Board of Directors proposes to the Annual General Meeting a higher ordinary dividend of SEK 7.50 per share (6.50) and an extra dividend of SEK 7.50 per share (6.50).

Sandvik is a very interesting company that occupies world-leading positions in its business areas. The "shift to growth" strategy has continued to be implemented. Innovation and product development are providing new products and solutions. Complementary acquisitions are strengthening the product and service offerings and increasing the company's presence in key emerging markets.

Demand in the mining segment has continued to develop at a stable, high level. The aftermarket business, which accounts for around two-thirds of the mining business, continued to perform strongly with good growth and stable margins. The offering within mining continued to be developed and strengthened during the year, including within automation, battery-electric solutions and surface drilling rigs.

It has been a challenging year for the tools business, with weak economic development in Europe in particular. Despite falling volumes, the business has managed to defend its margins in an exemplary manner. This is also in line with the strategic objective of establishing greater stability over the business cycle. In order to strengthen its position on the Chinese market, primarily in the local premium segment, the company has acquired Chinese firm Suzhou Ahno.

Despite a challenging year, CEO Stefan Widing has steered the company commendably. A well-executed restructuring program was launched at the beginning of the year and has improved resilience. Cash flow has also been strong during the year, reducing the company's debt.

The Board of Directors proposes to the Annual General Meeting that the dividend be increased to SEK 5.75 per share (5.50).

Skanska operates a very successful business in construction and property development. It has also begun to build up its own portfolio of investment properties in recent years. Its financial position is strong and enables major undertakings in various kinds of projects.

In 2024, Skanska's profits increased considerably. It was pleasing to see the construction margin rise to its highest level in a long time. The company's US operations now account for just over half of all business and have a good market and order intake. The corporate culture at Skanska is strong, with a focus on efficiency and profitability. The company has a competent

organization and a lot of talented people. In a project-driven business, this is particularly important for achieving success.

The construction industry is generally characterized by low barriers to entry and intensive price competition. As a result, profitability in the sector is weak and many companies go out of business. It is therefore pleasing to see Skanska stand out from the crowd for so long. Expertise, financial strength and a long-term approach are key reasons for this.

CEO Anders Danielsson leads the business with aplomb. He is an experienced professional with good leadership skills.

The Board of Directors proposes to the Annual General Meeting that the dividend be increased to SEK 8.00 per share (5.50).

After 14 years on the Board, I will be stepping down at the 2025 Annual General Meeting. It has been a very stimulating job in an exciting industry. I am pleased to say that Skanska is now stronger than ever and has good prospects for continued success. I wish the Board of Directors, the management and the entire organization the very best of luck.

Outlook

Lundbergs' business model is clear and stable and has worked well for many years. There has always been satisfactory growth in the net asset value. This is the reason why the total return for shareholders has been good and has exceeded the corresponding stock market index for a long period of time, while at the same time the financial risk has been very low.

We have gradually grown into the role of responsible shareholder in our various companies, which has required a significant accumulation of knowledge. This has been achieved through our operational organization and also by driving the recruitment of suitable board members in the various companies. In doing so, we have gradually expanded our network in the business community and in society at large.

**“Lundbergs’
cash flow is strong
and enables
new investments
to be made
without increasing
our debt.”**

The quality of company management at the portfolio companies is of a consistently very high level. This is absolutely vital for success and is therefore something we are closely monitoring. Our focus on decentralized responsibility aligns well with the importance of leadership.

A strong balance sheet provides resilience when times are hard. It also enables us to seize business opportunities. As an investment company, we therefore want our various portfolio companies to work toward this and to attach significant value to financial stability. We believe this will pay off over time.

Lundbergs' cash flow is strong and enables new investments to be made without increasing our debt. We intend to do this again in 2025 and beyond by increasing our shareholdings in some of our portfolio companies. In addition, we will continue to work to develop our existing property portfolio and potentially also make complementary acquisitions.

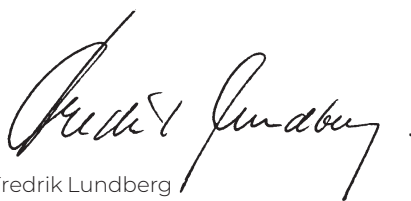
We believe there are good opportunities for continued value creation at our existing portfolio companies. Our ownership of Industrivärden also indirectly increases our exposure to a number of companies, giving us sufficient breadth in our investment portfolio. There is no need to overcomplicate things, as our twelve portfolio companies are entirely sufficient. Further diversification would only create more risk. In terms of timing,

obviously we aim to invest at the most favorable times possible, but this is difficult to judge and it is easy to fall out of step. I therefore believe that the best way to invest is to do so regularly and not risk being left behind on the platform as the train departs.

Esteemed shareholders, our business model endures. My belief and ambition is that in the coming years we will continue to provide a competitive return to our shareholders with limited risk.

Finally, I would like to extend my sincere thanks to all the Boards of Directors, company management teams and other employees of our portfolio companies and of Lundbergs for their good work.

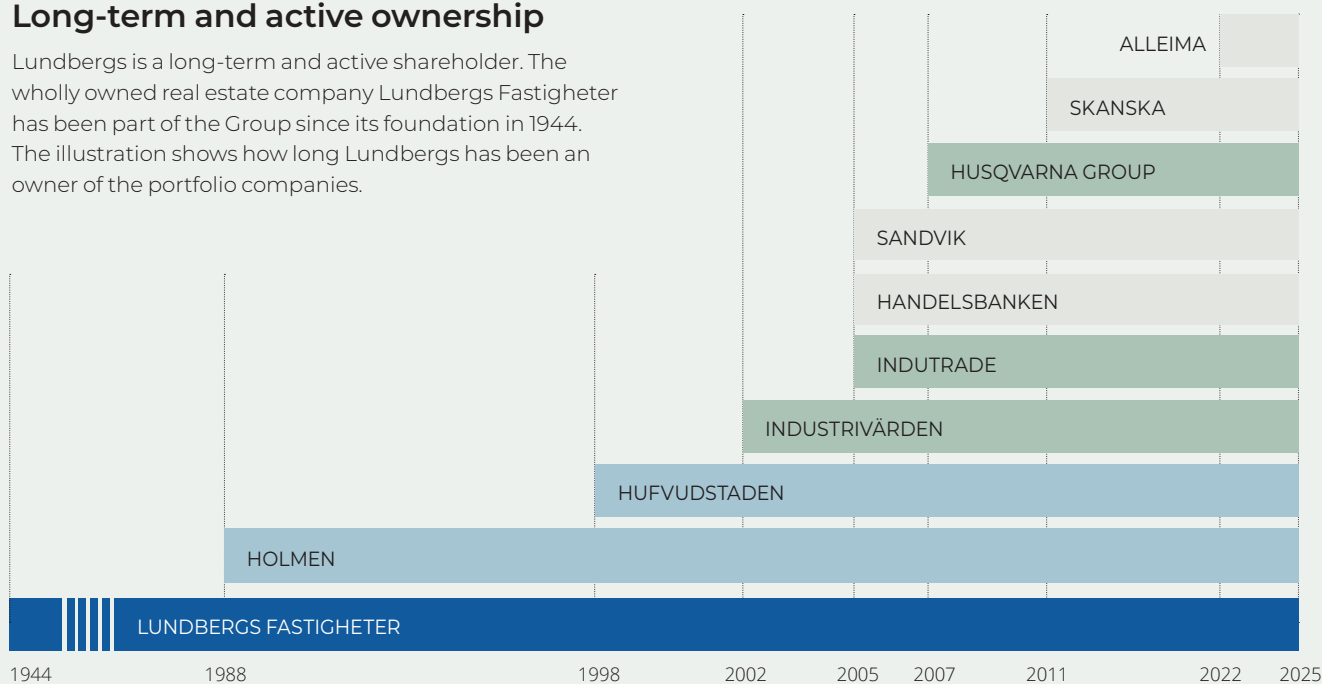
Stockholm, February 2025



Fredrik Lundberg

Long-term and active ownership

Lundbergs is a long-term and active shareholder. The wholly owned real estate company Lundbergs Fastigheter has been part of the Group since its foundation in 1944. The illustration shows how long Lundbergs has been an owner of the portfolio companies.



Lundbergs as an investment company

By being a long-term, active owner, Lundbergs manages and develops a number of portfolio companies. Clear leadership, accountability and sound, sustainable business acumen are important values that characterize Lundbergs' activities.

Responsible, long-term ownership is a key prerequisite for enabling the companies to develop and invest in sustainable and profitable operations.

Objective, business concept, strategy and value creation

Objective

Lundbergs' objective is to generate a return for shareholders that comfortably meets the market's return requirement. This is achieved through growth in dividends and net asset value.

Business concept

Lundbergs is an investment company that manages and develops a number of companies based on long-term active ownership.

Strategy

A favorable return and value growth are to be achieved by Lundbergs

- being an active owner in its portfolio companies
- investing in accordance with clear criteria
- having a strong financial position that creates freedom of action.

Long-term, active ownership

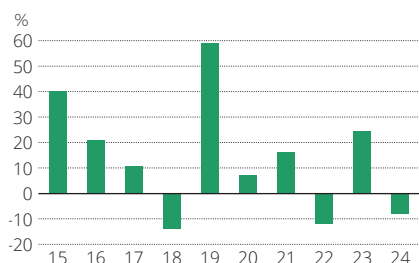
Lundbergs invests to develop companies and values over a long period of time. Through long-term, stable ownership, the portfolio companies and their respective management teams are provided with the opportunity to achieve strengthened market positions, increased competitiveness and sustainable value creation. In this way, Lundbergs also has the opportunity to promote sustainable development and value creation outside the borders of its own company.

Lundbergs' ownership takes its starting point in a sound understanding of its portfolio companies and the conditions under which they operate. The boards of directors of the portfolio companies play an important role in their companies' development and take decisions on overall strategies.

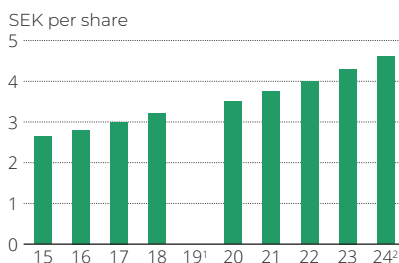
Lundbergs' active ownership is effected through genuine and committed work on the companies' boards. A board of directors that possesses broad competence has greater potential to see the big picture and, at the same time, identify material risks and opportunities. Being engaged in the nomination committees' work to appoint the companies' boards of directors is thus one of Lundbergs' priority areas for promoting sustainable value creation. Lundbergs places particular emphasis on the selection of the chair of the board in the respective companies.

Ownership is also characterized by a strong belief in the management's importance to the success of the companies and in competent leaders taking and being given responsibility. Decentralization is crucial for the companies' successful development.

TOTAL RETURN



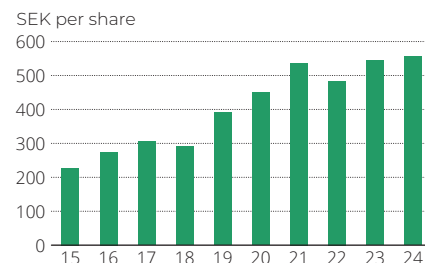
DIVIDEND



¹ No dividend paid.

² The Board of Directors' proposal.

NET ASSET VALUE AFTER DEFERRED TAX



Investment criteria

Investments focus on wholly owned businesses and in publicly traded Swedish companies that have solid market positions, strong and stable cash flows and their own products and brands. Lundbergs has sound knowledge of the companies and industries in which it invests. This knowledge, in combination with the organization's collective experience and in-depth analysis, constitutes the foundation for investment decisions.

Financial freedom of action and preparedness

Lundbergs places a high priority on work to ensure it has the financial capacity to leverage opportunities and address challenges. The financial risk is minimized by combining low indebtedness with good access to funds. Lundbergs Fastigheter's properties are leveraged to a maximum of 50% of the market value; listed shareholdings must be unleveraged. In addition to bank loans, operations are financed through corporate bonds and commercial papers.

Favorable and even growth in dividends and net asset value

Lundbergs' mission is to generate a healthy absolute return for its shareholders. This is achieved through growth in dividends and net asset value. Over the past ten years, net asset value per share, excluding dividends and after deferred tax, has grown by an average of 10.7% annually. Annual dividend growth over the same period has been 6.3%¹⁾.

During 2024, net asset value per share after deferred tax decreased by 1.9%. The total annual return on the share has averaged 4.7% per year over the past five years and 12.4% over the past ten years. The total annual return over the past 20-year period has averaged 11.8%.

Management expenses in relation to the market value of holdings during 2024 amounted to 0.06% (0.08).

Cash flows reinvested in operations

One of the fundamental criteria for a Lundbergs investment is to be an owner in companies with strong cash flows.

During the year, Lundbergs received a total of SEK 4,488 m. in dividends from portfolio companies and funds from real estate operations, as well as sales of securities and properties. SEK 2,282 m. was invested in shares and SEK 580 m. in properties.

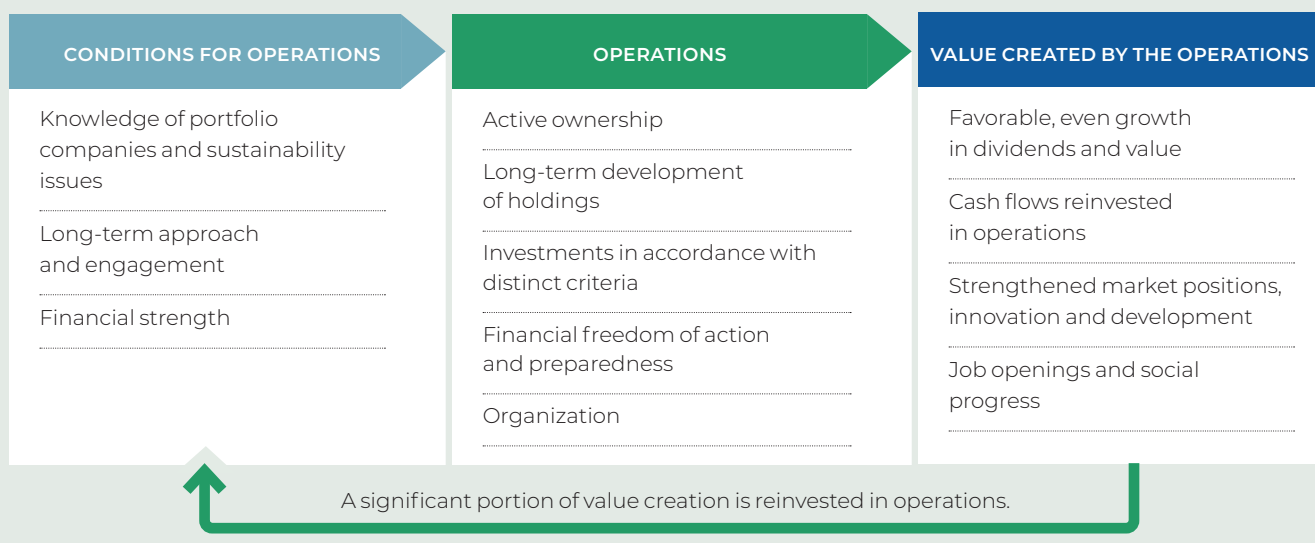
Organization

Lundbergs' investment activities are performed in a small organization with many years of collective experience and solid expertise. The organization consists of some ten employees, including the personnel of the subsidiary L E Lundberg Kapitalförvaltning AB. Organizationally, the wholly owned real estate company is separated from the Parent Company and is assigned the same status as the Group's other portfolio companies.

¹⁾ Including proposed dividend to the 2025 AGM of SEK 4.60 per share.

A model for responsible and sustainable ownership

Lundbergs invests for the long term, based on financial strength and a solid understanding of its portfolio companies. This creates stability and freedom of action for the companies to develop and to invest in sustainable, profitable operations. Active ownership aimed at developing the companies over the long term promotes value creation for shareholders, the portfolio companies and society.



Assets and investment activities

Assets

Lundbergs' assets are concentrated to a few major holdings. On February 18, 2025, property-related holdings through the wholly owned business Lundbergs Fastigheter, as well as shares in Hufvudstaden, represented a value of SEK 34.0 bn. This corresponds to 22% of the total holdings, measured at market value. Lundbergs interest-bearing net debt has been attributed to Lundbergs Fastigheter. The shareholdings in Alleima, Handelsbanken, Holmen, Husqvarna, Industrivärden, Indutrade, Sandvik and Skanska accounted for SEK 120.2 bn., corresponding to 77%.

Investment activities

During the year, the Parent Company invested SEK 2,282 m. in publicly traded shares.

Of these investments, Alleima accounted for SEK 267 m., Handelsbanken for SEK 197 m., Industrivärden for SEK 1,240 m. and Sandvik for SEK 579 m.

Lundbergs Fastigheter invested SEK 534 m. in new builds and refurbishment of investment properties during the year.

SHAREHOLDINGS

Percent ¹	Feb 18, 2025		Dec 31, 2024		Dec 31, 2023	
	Share capital	Voting rights	Share capital	Voting rights	Share capital	Voting rights
Alleima	10.0	10.0	10.0	10.0	8.5	8.5
Handelsbanken	3.1	3.2	3.1	3.2	3.0	3.1
Holmen	35.0	62.7	35.0	62.7	34.7	62.6
Hufvudstaden	47.2	88.6	47.2	88.6	47.2	88.6
Husqvarna	7.6	25.8	7.6	25.8	7.6	25.6
Industrivärden	20.5	26.0	20.5	26.0	19.7	25.1
Indutrade	26.6	26.6	26.6	26.6	26.6	26.6
Sandvik	3.1	3.1	3.1	3.1	2.9	2.9
Skanska	5.4	13.1	5.4	13.1	5.5	13.1

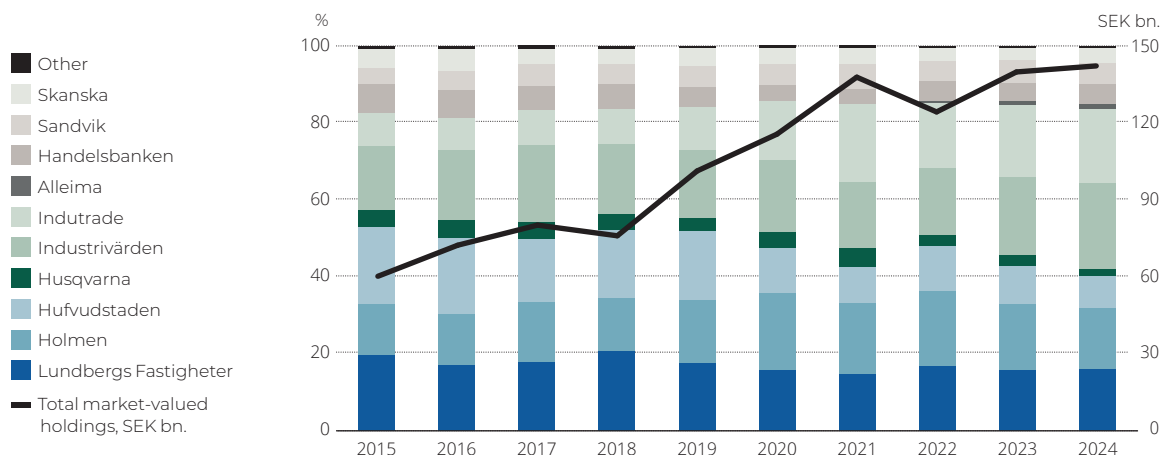
SEK m.	Feb 18, 2025		Dec 31, 2024		Dec 31, 2023	
	Market value ²	Acquisition value ³	Market value ²	Acquisition value ³	Market value ²	Acquisition value ³
Alleima	2,449	1,045	1,893	1,045	1,628	778
Handelsbanken	8,187	4,788	7,080	4,788	6,567	4,591
Holmen	23,392	3,828	22,201	3,828	23,461	3,828
Hufvudstaden	11,736	3,098	11,564	3,098	13,569	3,098
Husqvarna	2,482	2,011	2,515	2,011	3,586	2,021
Industrivärden	36,350	15,411	30,932	15,411	27,962	14,172
Indutrade	32,073	2,510	26,824	2,510	25,353	2,510
Sandvik	9,512	4,562	7,833	4,562	8,026	3,983
Skanska	5,745	2,961	5,208	2,961	4,081	2,961
Övriga aktier	982	522	913	522	981	634
Total	132,909	40,737	116,963	40,737	115,215	38,576

¹ The proportion of shareholding is calculated after a deduction for treasury shares.

² Publicly traded assets have been entered at the current market price. Market value for unlisted shares in Hufvudstaden and Skanska is calculated based on the value of the corresponding listed shares in the respective company.

³ Acquisition value for accounting purposes, where applicable, after impairment losses and write-ups resulting from shareholdings having switched to being recognized as associated companies.

ALLOCATION OF HOLDINGS, DECEMBER 31 OF RESPECTIVE YEAR



Net asset value

On December 31, 2024, net asset value after deferred tax amounted to SEK 137,643 m. (135,086), corresponding to SEK 555 per share (545).

On February 18, 2025, estimated net asset value after deferred tax amounted

to SEK 153,098 m. corresponding to SEK 617 per share. Lundbergs Fastigheter's net asset value was measured at December 31, 2024, with additions for investments carried out in 2025.

Net asset value includes properties at

a value of SEK 28.8 bn., of which investment properties SEK 28.2 bn. The interest-bearing net debt of the Parent Company and the wholly owned subsidiaries has been attributed in its entirety to Lundbergs Fastigheter.

COMPOSITION OF NET ASSET VALUE

	December 31, 2024						December 31, 2023		
	Shareholding, %			Net asset value			Net asset value		
	Number of shares	Share capital	Voting rights	SEK m.	SEK per share	Share of value, %	SEK m.	SEK per share	Share of value, %
Alleima	25,200,000	10.0	10.0	1,893	8	1	1,628	7	1
Handelsbanken A	62,000,000	3.1	3.2	7,080	29	5	6,567	26	5
Holmen A	33,244,000	35.0	62.7	13,264	53	16	14,095	57	17
Holmen B	22,000,000			8,936	36		9,365	38	
Hufvudstaden A	87,311,335	47.2	88.6	10,573	43	8	12,407	50	10
Hufvudstaden C	8,177,680			990	4		1,162	5	
Husqvarna A	39,400,000	7.6	25.8	2,289	9	2	3,243	13	3
Husqvarna B	3,915,208			226	1		344	1	
Industrivärden A	64,600,000	20.5	26.0	22,571	91	22	21,905	88	20
Industrivärden C	23,950,000			8,361	34		6,057	24	
Indutrade	96,840,000	26.6	26.6	26,825	108	19	25,353	102	19
Sandvik	39,500,000	3.1	3.1	7,833	32	6	8,026	32	6
Skanska A	6,032,000	5.4	13.1	1,404	6	4	1,100	4	3
Skanska B	16,350,000			3,805	15		2,981	12	
Other securities				913	4	1	981	4	1
Portfolio				116,963	472	84	115,215	465	84
Lundbergs Fastigheter									
Value of properties				28,759			28,279		
Interest-bearing net debt ¹				-6,048			-6,159		
Other net, including deferred tax ²				-558			-581		
Lundbergs Fastigheter				22,153	89	16	21,539	87	16
Total market-valued holdings				139,117	561	100	136,754	551	100
Other net, including deferred tax ²				-1,474	-6		-1,668	-7	
Net asset value after deferred tax ³				137,643	555		135,086	545	
Market value				124,248	501		135,954	548	
Price/NAV, %					90			101	

Publicly traded assets have been entered at the current market price. Market value for unlisted shares in Hufvudstaden and Skanska is calculated based on the value of the corresponding listed shares in the respective companies. The shareholding proportion is calculated after a deduction for treasury shares.

¹ The interest-bearing net debt of the Parent Company and its wholly owned subsidiaries has been attributed in its entirety to Lundbergs Fastigheter, which thereby has net indebtedness of 21% (22) of the market value of the properties.

² Other assets, provisions and liabilities have been entered at carrying amounts. No deferred tax on the difference between calculated market value and tax value of the properties is calculated. In accordance with current legislation, no tax is charged for business-related participations.

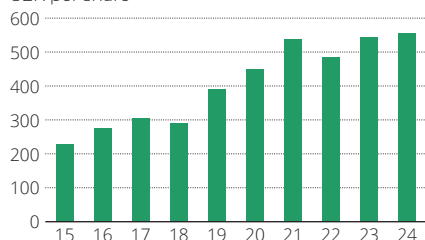
KEY FIGURES

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net asset value, SEK m.	137,643	135,086	119,936	133,142	111,450	96,969	71,977	75,893	68,088	56,275
Net asset value/share, SEK	555	545	484	537	449	391	290	306	276	227
Change in net asset value, %	2	13	-10	19	15	35	-5	11	21	13

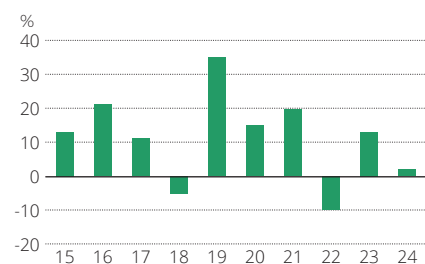
Net asset value, cash flow and financial position presented in this spread pertain to the Parent Company and wholly owned subsidiaries. Other alternative performance measures and other key figures are presented on page 20.

NET ASSET VALUE AFTER DEFERRED TAX

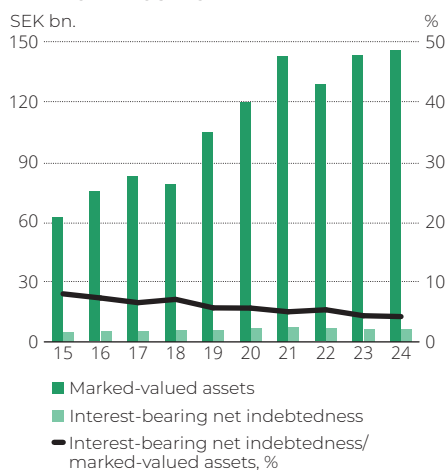
SEK per share



CHANGE IN NET ASSET VALUE



FINANCIAL POSITION



Cash flow

During 2024, dividends totaling SEK 3,146 m. (3,000) were received. Funds from L E Lundberg Kapitalförvaltning AB amounted to SEK 155 m. (64). Funds received from real estate operations totaled SEK 1,188 m. (1,085), of which divestments accounted for SEK 62 m. (31). Accordingly, total funds received amounted to SEK 4,488 m. (4,149).

During the year, SEK 2,282 m. (1,681) was invested in shares and SEK 580 m. (576) in properties. Dividend paid by Lundbergs amounted to SEK 1,066 m. (992). Interest-bearing assets increased by SEK 120 m. and interest-bearing liabilities increased by SEK 9 m. Accordingly, interest-bearing net debt decreased by SEK 111 m. to SEK 6,048 m. (6,159) at December 31, 2024.

SEK m.	2024	2023	2022	2021	2020
Dividends					
Alleima	50	22			
Handelsbanken	780	480	290	230	
Holmen	635	884	635	594	193
Hufvudstaden	258	258	246	236	364
Husqvarna	130	131	131	105	98
Industrivärden	663	611	547	640	
Indutrade	276	252	223	174	
Sandvik	209	173	162	205	
Skanska	123	168	221	210	69
Other	21	23	23	22	9
	3,146	3,000	2,476	2,415	733
L E Lundberg Kapitalförvaltning AB	155	64	13	-60	-153
Real estate operations	1,126	1,054	957	900	875
Sales, real estate operations	62	31	99	257	148
Total assets contributed	4,488	4,149	3,545	3,512	1,604
Investments, equity management					
Alleima	267	273	312		
Handelsbanken	197	208	189	85	410
Hufvudstaden			114	153	
Industrivärden	1,240	733	383	858	583
Sandvik	579	468	93	887	
Skanska			52	104	297
	2,282	1,681	1,143	2,088	1,289
Investments, equity management	580	576	809	790	748
Own dividend	1,066	992	930	868	
Corporate overheads	40	39	33	32	36
Taxes paid	237	176	181	142	81
Financial items	121	111	78	138	73
Others	93	50	-55	30	-18
Total assets used	4,420	3,625	3,120	4,088	2,209
Change in net debt	68	525	425	-575	-605
Closing net debt	-6,882	-6,950	-7,474	-7,900	-7,325
of which, interest-bearing	-6,048	-6,159	-6,785	-7,062	-6,663

The Lundberg share

Series B Lundbergs shares are listed on Nasdaq OMX Nordic, Large Cap. On average, 110,665 Series B shares were traded per trading day in 2024. Share turnover totaled 27.8 million Series B shares, corresponding to 18% of the total number of Series B shares. The lowest price paid for the share in 2024 was SEK 491.00 and the highest was SEK 592.00.

Market capitalization

Market capitalization at year-end was SEK 124,248 m. (135,954). The share price decreased 9% during the year.

Ownership structure

The share capital of L E Lundbergföretagen AB (publ) amounted to SEK 2,480 m. at year-end. On December 31, 2024, the total number of shares was 248 million, each with a quotient value of SEK 10.

The shares are divided into 96 million Series A shares, carrying ten votes per share and 152 million Series B shares, carrying one vote per share. The number of shareholders in Lundbergs totals approximately 64,000 (65,300). Of the total shareholders, some 63,600 (64,100) are registered in a nominee's name and about 400 (1,200) in the owner's own name. Foreign ownership accounts for 9.4% (8.8) of the share capital.

Repurchase of own shares

No own shares were repurchased during the year, which means that on December 31, 2024 the company held no shares in treasury. The Board of Directors has been authorized to purchase Lundbergs shares. For more detailed information, see page 53.

Return

Total return, meaning the share's return including reinvested dividend, for the Lundberg share in 2024 amounted to -7.9%, while the SIXRX return index increased 8.6%. The average annual total return has been 12.4% over the past 10 years and 11.8% over the past 20 years. The corresponding performance of the SIXRX return index was 10.6% and 11.1%, respectively.

Proposed dividend

The Board of Directors proposes a dividend of SEK 4.60 per share, corresponding to SEK 1,141 m. The average annual dividend growth has been 6.3% over the past 10 years.

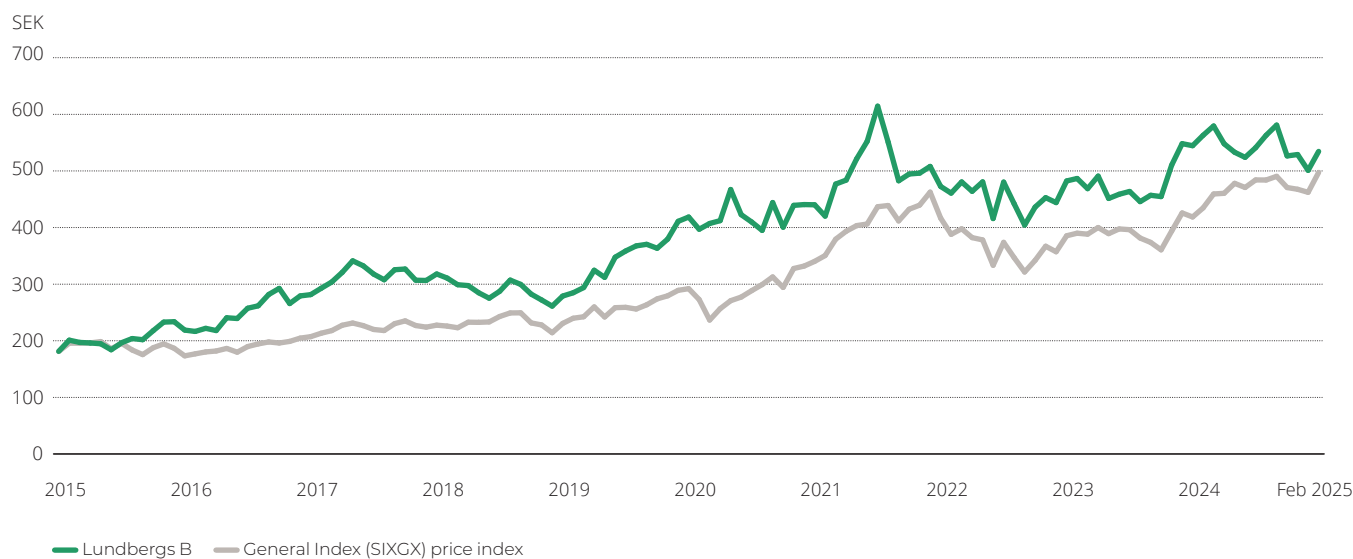
THE LARGEST SHAREHOLDERS

	Feb 2025 Holdings as % of		Feb 2024 Holdings as % of	
	share capital	voting rights	share capital	voting rights
Fredrik Lundberg including companies and spouse	40.8	70.6	40.8	70.6
Louise Lindh including family	14.8	11.4	14.8	11.4
Katarina Martinson including family	14.8	11.4	14.8	11.4
Spiltan Funds	3.0	0.7	3.0	0.7
SEB Funds and Pension	0.8	0.2	0.5	0.1
Handelsbanken Funds	0.8	0.2	0.7	0.2
Kvartil Investment company+Calculus	0.7	0.2	0.0	0.0
Avanza pension	0.6	0.1	0.6	0.1
Alecta Pension Funds	0.6	0.1	0.4	0.1
AFA Insurance	0.5	0.1	0.4	0.1
Other	22.3	5.0	22.9	5.1
Total	100.0	100.0	100.0	100.0
Swedish shareholders	90.6	97.9	91.2	98.0
Foreign shareholders	9.4	2.1	8.8	2.0
Total	100.0	100.0	100.0	100.0

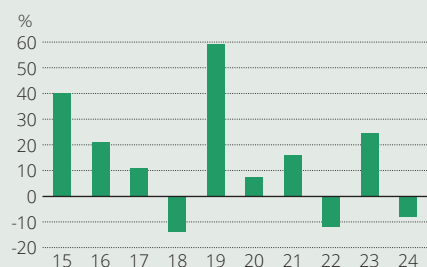
SHARE DISTRIBUTION, FEBRUARY 2025

No. of shares	No. of shareholders	As % of all shareholders
1 – 500	56,926	89.0
501 – 2,000	4,934	7.7
2,001 – 5,000	1,129	1.8
5,001 – 20,000	674	1.1
20,001 – 50,000	130	0.2
50,001 –	138	0.2
Total	63,931	100

SHARE PRICE PERFORMANCE

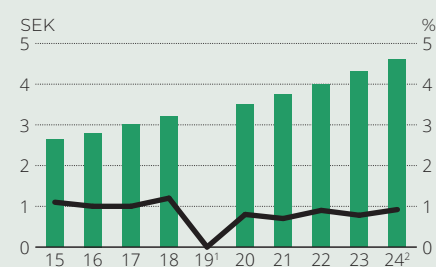


TOTAL RETURN



Total return –
The share's return
including reinvested
dividend.

DIVIDEND AND DIVIDEND YIELD



Dividend yield –
Dividend per share as
a percentage of share
price on December 31.

¹) No dividend paid.

²) The Board of Directors' proposal.

KEY FIGURES

	2024	2023	2022	2021	2020	2019 ¹	2018	2017	2016	2015
Dividend per share, SEK	4.60 ²	4.30	4.00	3.75	3.50	0.00	3.20	3.00	2.80	2.65
Growth in dividend, %	7.0	7.5	6.7	7.1	-	-	6.7	7.1	5.7	6.0
Dividend yield, %	0.9	0.8	0.9	0.7	0.8	-	1.2	1.0	1.0	1.1
Total return, %	-7.9	24.5	-11.9	16.1	7.2	59.0	-13.9	10.8	20.9	40.0
Stock market price, Dec 31, SEK	501.00	548.20	444.10	508.00	440.60	411.00	261.0	306.50	279.25	233.70

¹) Considering the uncertainty surrounding the COVID-19 pandemic and that only limited dividends were received from portfolio companies, no dividend was paid 2020.

²) The Board of Directors' proposal.

Key figures

KEY FIGURES FOR THE GROUP

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net asset value after deferred tax ¹ , SEK bn.	137.6	135.1	119.9	133.1	111.4	96.7	72.0	75.9	68.1	56.3
Net asset value per share after deferred tax ¹ , SEK	555	545	484	537	449	391	290	306	275	227
Shareholders' equity per share attributable to Parent Company's shareholders, SEK	459	434	402	402	344	327	259	252	230	194
Net sales etc, SEK m.	29,311	28,664	29,193	24,832	19,887	21,655	20,219	20,404	19,357	20,347
Profit after financial items, SEK m. excluding impairment losses and unrealized changes in value, SEK m.	9,808	9,244	7,679	17,134	4,471	23,335	8,230	11,236	17,419	8,258
Profit after tax, SEK m. of which, non-controlling interests, SEK m.	8,383 2,081	8,678 1,423	5,773 4,259	14,924 3,556	4,108 517	19,535 7,607	7,483 3,893	9,467 2,785	15,457 3,215	6,652 2,276
Earnings per share attributable to the Parent Company's shareholders, SEK	25.41	29.25	6.10	45.84	14.48	48.09	14.48	26.94	49.36	17.65
Dividend per share, SEK	4.60 ²	4.30	4.00	3.75	3.50	0.00	3.20	3.00	2.80	2.65
Debt/equity ratio, multiple	0.12	0.11	0.12	0.14	0.15	0.14	0.15	0.16	0.18	0.21
Equity/assets ratio, %	74	74	73	73	72	72	71	71	69	67

¹⁾ The values have been calculated according to the procedure on page 16.

²⁾ The Board of Directors' proposal.

ADJUSTED PROFIT AFTER FINANCIAL ITEMS

SEK m.	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Profit after financial items	9,808	9,244	7,679	17,134	4,471	23,335	8,230	11,236	17,419	8,258
Impairment losses			87			109	25		122	555
Changes in value of investment properties/ derivatives	674	5,132	626	-4,604	2,212	-4,079	-4,446	-4,083	-5,693	-4,782
Changes in value of biological assets	-907	-562	-509	-464	-579	-9,566	-425	-415	-315	-267
Other changes in value	-42	-123	104	-154	-46	-38	61	-26	-23	19
Total	9,533	13,690	7,988	11,912	6,058	9,760	3,445	6,712	11,511	3,783

NET INTEREST-BEARING DEBT

SEK m.	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Long-term liabilities	14,051	14,130	14,265	17,806	17,123	13,218	10,133	8,533	8,499	10,933
Long-term liabilities, right-of-use assets	844	855	840	855	856	907				
Pension obligations	165	143	145	204	224	210	194	162	313	234
Current financial liabilities	5,873	4,783	5,796	3,593	3,164	5,936	6,405	6,515	7,939	5,069
Current liabilities, right-of-use assets	99	96	98	80	121	54				
Long-term financial receivables	-66	-83	-122	-292	-313	-474	-486	-55	-51	-53
Current financial receivables	-17	-69	-21	-39	-44	-15	-36	-34	-89	-61
Cash and cash equivalents	-1,271	-2,030	-2,790	-2,211	-1,608	-2,628	-1,466	-880	-1,491	-818
Total	19,677	17,825	18,210	19,995	19,522	17,208	14,743	14,240	15,120	15,303

Alternative performance measures

For the purpose of illustrating the Group's financial position and development, Lundbergs uses performance measures as a complement to metrics defined under IFRS.

Some of the calculations to enable the tracking of key ratios used in the Group are presented above. Also refer to definitions on page 57 for more information. Alternative performance measures are not to be viewed as substitutes for finan-

cial metrics defined in accordance with IFRS regulations, but as a complement. They need not be comparable with performance measures with the same name presented by other companies.

Ten-year overview



2024

Shares in Alleima, Handelsbanken, Industrivärden and Sandvik were acquired for a total of SEK 2,282 m. SEK 580 m. was invested in Lundbergs Fastigheter. Lundbergs celebrates 80 years.

2023

Shares in Alleima, Handelsbanken, Industrivärden and Sandvik were acquired for a total of SEK 1,681 m. SEK 576 m. was invested in Lundbergs Fastigheter.

2022

Alleima became a new portfolio holding due to Sandvik's distribution of the company to the shareholders. Shares in Alleima, Handelsbanken, Hufvudstaden, Industrivärden, Sandvik and Skanska were acquired for a total of SEK 1,143 m. SEK 809 m. was invested in Lundbergs Fastigheter.

2021

Shares in Handelsbanken, Hufvudstaden, Industrivärden, Sandvik and Skanska were acquired for a total of SEK 2,088 m. SEK 790 m. was invested in Lundbergs Fastigheter. The LINK Business Center project in Linköping was completed.

2020

Shares in Handelsbanken, Industrivärden and Skanska were acquired for a total of SEK 1,289 m. SEK 748 m. was invested in Lundbergs Fastigheter. The Elitsegelaren residential project in Linköping was completed.

2019

Shares in Handelsbanken, Husqvarna and Industrivärden were acquired for a total of SEK 1,026 m. SEK 1,174 m. was invested in Lundbergs Fastigheter. The Kvarnbacken residential project in Norrköping was completed.

2018

Shares in Handelsbanken, Indutrade and Skanska totaling SEK 957 m. were acquired. Construction of new rental units continues in Lundbergs Fastigheter.

2017

Shares in Handelsbanken and Industrivärden totaling SEK 785 m. were acquired. New construction of rental units at a total value of about SEK 1.6 bn. is under way in Lundbergs Fastigheter.

2016

Continued acquisitions of shares in Industrivärden, Handelsbanken, Indutrade and Skanska. In total, some SEK 2,075 m. was invested in shares and just over SEK 629 m. in properties. The real estate holdings in Katrineholm and Uppsala were divested at a total value of SEK 911 m.

2015

Shares in Industrivärden were acquired for SEK 1,012 m.

Sustainable value creation

A great deal has changed since Lundbergs was founded as a construction company in 1944 but today's investment company is still characterized by the same fundamental values.

Creating value over time requires a comprehensive approach to sustainability. Long-term responsibility, sound business sense and a stable financial position are equally important guiding stars today as when Lars Erik Lundberg founded the company in 1944.

Lundbergs' Sustainability Report encompasses the operations of the Parent Company L E Lundbergföretagen AB and subsidiaries. The performance of other publicly traded portfolio companies is not consolidated in the sustainability report.

The section *Wholly owned operations* below comprises the operations of the Parent Company and its wholly owned companies. The purpose of Lundbergs' consolidated sustainability work and the overriding principles guiding the activities that are implemented are described in this section, as are the results of the work.

Long-term perspective

Lundbergs began as a construction business, and developed into a real estate owner with its own real estate portfolio. Since the purpose was to own, manage and develop real estate over the long term, it was natural right from the start to place great emphasis on sustainability. Creating attractive residential environments in resource-efficient properties made with durable materials at a reasonable cost laid the foundation for long-term value creation.

Today's Lundbergs has evolved into an investment company which, in addition to wholly owned real estate operations, has major holdings in nine publicly listed companies. The long-term perspective continues to be a guiding principle in the company's investment operations. Through active ownership, Lundbergs wants to contribute to create conditions for long-term sustainable value generation in the portfolio companies.

Responsible ownership

Sustainable business is about using resources more efficiently, paying attention to social and environmental issues and developing profitability. A prerequisite for a long-term competitive return is the efficient management of sustainability risks and the ability to develop and capitalize on opportunities that arise when conditions change. Lundbergs believes that long-term profitability and sustainability are closely connected.

Lundbergs invests in companies and operations in areas where it has expertise and, as a long-term owner, takes a clear

responsibility. Investments focus on companies that have solid market positions, strong and stable cash flows as well as their own products and brands.

Through active ownership, financial strength and access to funds, stability and freedom of action are created for the companies to develop and invest in innovations, products and services that generate sustainable and profitable operations. In this way, Lundbergs takes its societal responsibility through sound values and stable finances.

Direct and indirect sustainability impacts

Lundbergs comprises of wholly owned companies and shareholdings in publicly listed companies. These two types of ownership form the foundation for managing sustainability issues.

In the wholly owned companies, Lundbergs has direct influence over sustainability issues in terms of strategies, operational implementation and reporting. Lundbergs influences its publicly listed portfolio companies through its active ownership. The management and responsibility for sustainability strategies, implementation and reporting lay with the boards of directors and management teams of the respective companies. Accordingly, Lundbergs' sustainability impact occurs indirectly through its work on the boards of directors of the publicly listed companies.



The sustainability perspective is an important and integrated part of Lundbergs' business model, in which a long-term approach and sustainability are interdependent. The purpose of this committed and active ownership is to create long-term value and growth.

About the sustainability report

Lundbergs' annual Sustainability Report satisfies the requirements of the Swedish Annual Accounts Act for statutory sustainability reporting and the expectations of sustainability information requested by stakeholders, such as shareholders, investors, analysts, employees and customers. The report covers the 2024 calendar year. Also see Notes 38 and 39, pages 87-92, for further sustainability information.

Significant sustainability issues

To develop the portfolio companies and their values over time, it is important for Lundbergs to understand how the business climate develops and changes. Global trends such as globalization, urbanization and digitalization, as well as opportunities and risks that result from climate change are all features of the continuous business intelligence analysis under way in the company.

The most material and business-critical sustainability issues for Lundbergs have been identified on basis of a risk and opportunity perspective through business intelligence, industry analysis, sustainability analysis in the value chain and discussions in Lundbergs' management. The issues are dealt with in regular risk-management and organizational-development processes.

The portfolio companies differ in type and span varying operations and geographic areas. The sustainability challenges are complex and each company needs to analyze the sustainability of its operations. The operation-critical sustainability topics listed below have been deemed as the most relevant for Lundbergs' key stakeholders:

- Shareholder value
- Financial stability
- Long-term and sustainable business models that contribute to long-term and sustainable profitability
- Responsible governance by encouraging the utilization of sustainability-related business opportunities and managing sustainability risks
- Climate and gender equality work conducted on the basis of distinct goals within a specific time frame
- Responsible investments through active ownership and stakeholder dialogs
- Responsible employer

For the wholly owned operations' material sustainability topics, see below under *Wholly owned operations*.

Sustainability-related risks

For Lundbergs Fastigheter, see below under *Wholly owned operations*. For more comprehensive descriptions than below of Holmen's and Hufvudstaden's sustainability-related risks, refer to the separate Annual Reports of these two companies.

Holmen

Holmen is well positioned for the ongoing and necessary climate transition by providing its customers with wood-based products and renewable energy replacing fossil-based alternatives. There is a risk that increasingly demanding permit processes will impede the development of the industry and the production of renewable energy. There is also a risk that the political decisions taken could affect how the forest can be utilized.

Hufvudstaden

Hufvudstaden's risks are mainly found within its project operations, particularly in respect of labor conditions and unfair competition. There are also risks in the supplier chain within the retail area, since fashion is an industry facing a number of sustainability risks. There are also risks concerning negative environmental impact, since the property sector accounts for a large share of society's energy consumption and emissions.

Hufvudstaden continuously assesses the real estate portfolio to take into account the effects of climate change. The climate-related risks encompass transition risks and physical risks.

Objectives

Lundbergs, like all the holding companies, works actively to contribute to their parts of the UN's 17 global goals for sustainable development. Lundbergs follows the development of sustainability-related issues, regulations and external requirements, for example from the EU's Sustainable Finance Action Plan which includes the EU taxonomy regulation and the sustainability reporting directive Corporate Sustainability Reporting Directive (CSRD), as well as voluntary reporting requirements in the form of the Task Force on Climate-related Financial Disclosure's (TCFD) and the Science Based Target initiative (SBTi).

Climate change is one of the most important issues of our time and the business world have a great responsibility to limit the global heating and change to a circular consumption and production. In addition, the business must be conducted in a way so that the Earth's planetary boundaries are not exceeded.

Lundbergs encourages portfolio companies to company-specific goals that align with the goals of the Paris Agreement. The company believes that it is a prerequisite for continued competitiveness and long-term value creation, regardless of industry affiliation. In addition, Lundbergs themselves have adopted the target of having climate-neutral operations by 2030 in the entire value chain (scope 1, 2 and 3) in the wholly owned business. This serves both as inspiration and support for other companies in their own decisions.

Managing sustainability work

Through dedicated ownership and good knowledge of the individual companies' business conditions, Lundbergs influences the publicly listed companies primarily through its work on their boards of directors and nomination committees. Our representatives on the companies' boards of directors must act on the basis of Lundbergs' principles and be a clear imposer of demands on the companies concerning their sustainability efforts. A good ability to manage risks and opportunities related to the environment, social responsibility and business ethics contributes to the companies' success.

The long-term ownership that Lundbergs represents provides its portfolio companies with the opportunity to focus on



innovation and further development, and to build sustainably strong market positions and improved competitiveness. Decisions and responsibility for sustainability strategies, their implementation and reporting though rest with the boards of directors and management teams of the respective companies. As an active owner, we support our portfolio companies in their development toward more sustainable operations.

In all of our operations, we believe in an open business climate where high morals and business ethics serve as our lodestars. Sustainability work is conducted within the framework of Lundbergs' model for active ownership.

The starting point for the work is Lundbergs' Code of Conduct. Through the respective boards of directors, Lundbergs works to ensure that the spirit of the Code permeates the operations of all the portfolio companies.

The Code of Conduct means that representatives of Lundbergs are expected to:

- Act in line with the relevant legal requirements where the company operates
- Act in line with the UN Global Compact by complying with applicable laws, regulations and international guidelines and policies governing the environment, anti-corruption, labor law and human rights
- Undertake investments by taking into account their long-term economic, social and environmental impact
- Have relations that are characterized by high business ethics
- Have workplaces that are characterized by openness, responsiveness and mutual respect and that distance themselves from any form of discrimination
- Strive for openness, clarity and reliability in external communications

The Code of Conduct is based on the ten international principles of the UN Global Compact on human rights, labor rights, environmental considerations and anticorruption. Lundbergs adopted the UN Global Compact in 2016 and has supported it since then, thereby committing itself to realizing and integrating these principles in its operations.

Lundbergs aims to contribute toward the SDGs that are most closely related to its business operations and are most material to the company.

The following SDGs have been identified as the most material for both Lundbergs' investing activities and its property company:

- Goal 3: Good health and well-being
- Goal 5: Gender equality
- Goal 7: Affordable and clean energy
- Goal 8: Decent work and economic growth
- Goal 9: Industry, innovation and infrastructure
- Goal 11: Sustainable cities and communities
- Goal 12: Responsible consumption and production
- Goal 13: Climate action

Policies and governing documents

Lundbergs applies a number of policies and governing documents, in addition to the Code of Conduct, to support both managers and employees and to ensure compliance with the UN Global Compact and its principles regarding human rights, labor conditions, environment and anticorruption.

The policies are included in the introduction of new employees and are available on the company's intranet. Education in the policies is provided continuously to the entire real estate company in the form of education programs. In recent years, the company has also provided education in digital security and GDPR. Lundbergs protects its stakeholders' integrity and manages information in a responsible manner.

Lundbergs is against all forms of corruption and it is all employees' obligation to try to prevent all forms of fraudulent activities. Corruption is not only illegal but it has serious negative effects on society and Lundbergs has well-developed anti-corruption work. We set high standards demands on our partners and does not work with any who are involved in corrupt activities. The Code of Conduct, the Code of Conduct for suppliers and careful procurement procedures contribute to the reduction of corruption risk.

A whistleblower function has been established to make it easier for anyone who wants to provide information about irregularities that contravene prevailing legislation, ethics, moral codes or Lundbergs' policies. The function enables employees, customers, suppliers and business partners to provide information and simultaneously be guaranteed anonymity. All reports are received and investigated by an external party. No reports were received in 2024.

Sustainability-related policies and governing documents

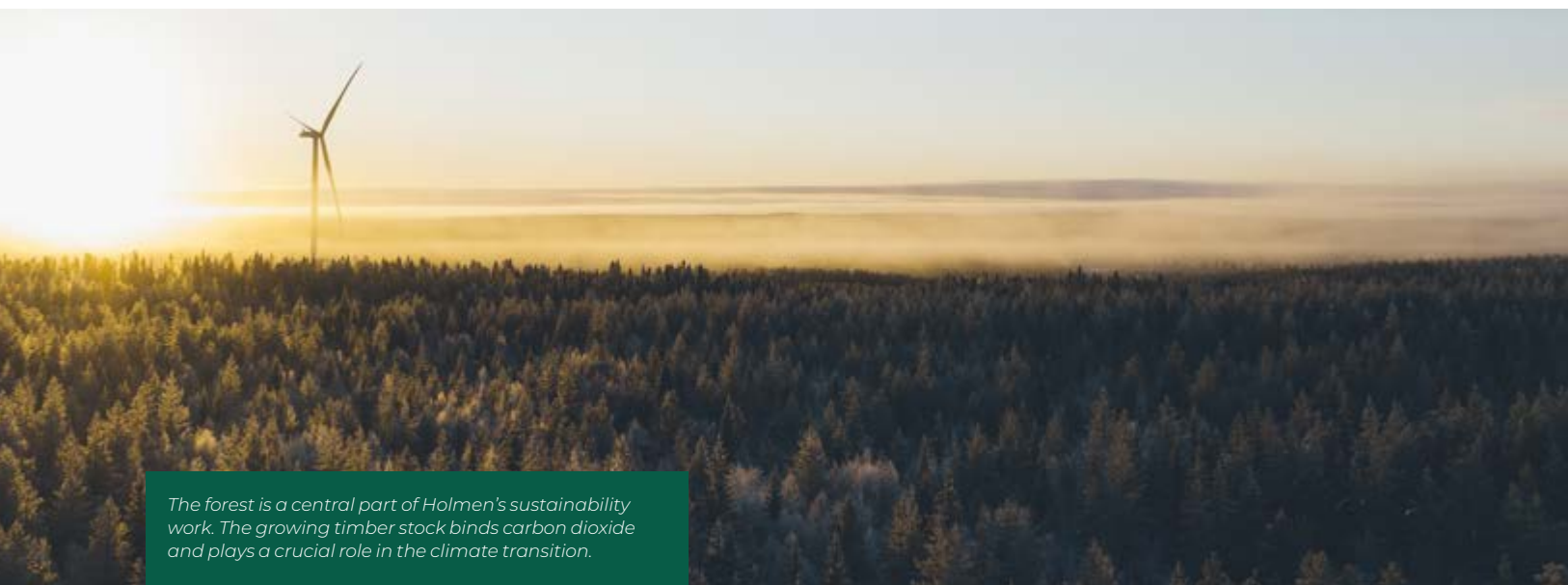
- Code of Conduct
- Alcohol and drug policy
- Discrimination policy
- Diversity policy
- Gender equality plan
- Information policy
- Insider policy
- IT-security policy
- Whistleblower function

Key stakeholders

Main stakeholders publicly traded operations:

- Shareholders
- Employees in the Parent Company and portfolio companies
- Board members and management groups in portfolio companies
- Creditors, investors and financial market
- Society

For key stakeholders in the wholly owned operations, see below under *Wholly owned operations*.



The forest is a central part of Holmen's sustainability work. The growing timber stock binds carbon dioxide and plays a crucial role in the climate transition.

EU's taxonomy

The EU has introduced a taxonomy with the aim of making it easier for investors and companies to identify and compare investments from an environmental sustainability perspective by having companies assess their activities against the Regulation's screening criteria.

For 2024, the proportion of net sales, investments and operating expenses that are covered (taxonomy-eligible) is reported, along with whether or not these are sustainable (taxonomy-aligned).

For the Group, the assessment is that the real estate operations are taxonomy-eligible, principally through the acquisition and ownership of buildings, the renovation of existing buildings and the construction of new buildings. At Holmen, this concerns harvest of own forest, electricity generation from wind power, electricity generation from hydropower and electricity generation from bioenergy, which are also adjudged to be taxonomy-eligible. More detailed information about the Group's taxonomy-related reporting can be found in Note 39 on page 88.

The table below shows the Group's taxonomy compliance.

TAXONOMY ASSESSMENT 2024

	Total (SEK m.)	Aligned (%)	Non-aligned (%)	Non-Eligible (%)
Group				
Net sales/revenues	29,855	13	9	79
Investments	3,863	31	28	40
Operating expenses	2,078	29	9	62
Lundbergs				
Net sales	1,917	56	40	4
Investments	561	57	38	5
Operating expenses	247	49	51	0
Holmen				
Net sales/revenues	24,759	9	-	91
Investments	2,311	34	-	66
Operating expenses	1,747	27	-	73
Hufvudstaden				
Net sales	3,179	15	56	29
Investments	991	9	89	2
Operating expenses	84	11	64	25

Definition of taxonomy-eligible

Net sales/revenues Net sales that derive from products and services that are associated with one or several of the taxonomy's financial operations.

Investments Capital expenditures that are associated with one or several of the taxonomy's financial operations.

Operating expenses Operating expenses that are associated with one or several of the taxonomy's financial operations.

Wholly owned operations

Since L E Lundbergföretagen AB's investment organization consists of around ten employees and has no manufacturing operations, the impact on the environment and the wider world is limited. The direct impacts on the environment and the external world occur primarily through the wholly owned operation Lundbergs Fastigheter.

Almost 100,000 people are in some way affected by the company's real estate operations each day. This includes people who live in its apartments, work in its offices and visit its retail properties.

Direct sustainability impact

Lundbergs' real estate operations play an important role in the daily lives of people, and we have built, managed and developed urban environments in 80 years. The combination of offices, residential, retail and meeting places is important for creating attractive urban environments. Lundbergs' direct contribution to the creation of a sustainable society is based on commitment, participation and interaction around urban development.

Significant sustainability issues

On the basis of implemented materiality and stakeholder analyses, the following operation-critical sustainability topics have been deemed as the most relevant for Lundbergs' key stakeholders:

- Shareholder value
- Responsible governance by capitalizing on sustainability-related business opportunities and managing sustainability risks
- A sustainable business with reduced environmental and climate impact throughout the value chain
- Satisfied customers and commitment in the market areas served by Lundbergs Fastigheter
- Our customers' perceived security
- Committed and development-oriented employees
- Developed anti-corruption work

Key stakeholders

- Customers and their stakeholders
- Shareholders
- Employees
- Suppliers
- Creditors

Sustainability-related risks

Lundbergs' greatest sustainability risks are related to its real estate business's operations and the purchasing process within property management. These risks mainly involve the environment and working environment, but they can also occur in the areas of working conditions and corruption. Although Lundbergs has not identified any risks in its operations related to human rights, such risks may exist in its supply chain. During this year, Lundbergs Fastigheter has worked on evaluating processes for purchasing and supplier assessment for increased control and management of risks in the value chain.

With a changing climate comes an increased risk of extreme weather. All properties have undergone a risk screening regarding climate-related risks and those with an elevated risk image have been mapped to enable work with preventive climate adaptation measures. Lundbergs Fastigheter has a central safety committee and every place of work has a safety officer. Safety inspections are implemented and documented, and any shortcomings are rectified.

Sustainability work

Lundbergs Fastigheter's long-term vision is to be the leading developer of sustainable urban environments where people, companies and organizations can develop in cooperation. Through commitment, inquisitiveness, openness and by taking responsibility, the real estate company wants to take the lead in the development of attractive and sustainable urban environments. Long-term profitability is a fundamental requirement for being able to implement the company's strategies and achieve its goals. Another requirement for sustainable development is balanced economic growth and profitability that takes into account people and the environment.

With its stable financial position, Lundbergs is a reliable business partner for both customers and suppliers. Tenants feel secure with a property owner that honors its contracts and has the ability to invest in its properties.

Environment and climate impact

Lundbergs protects the environment, both its immediate surroundings and from a systems perspective. The aim is to take care of the assets the company possesses and to look after its properties and the areas around them – to create sustainable urban development. The company also wants to take part in the development of future sustainable solutions and aims to be at the cutting edge when it comes to developing new products and services.

The climate crisis is one of the most important issues of our time and Lundbergs Fastigheter, like other parts of society, needs to swiftly adapt its operations to minimize its climate impact. Lundbergs Fastigheter has already ratified the construction and civil engineering sector's roadmap for fossil-free competitiveness. Due to the company's responsibility as a large-scale client and its major impact on the surroundings, however, it has raised its level of ambition. Lundbergs carries out regular measurements of all of the operations' emissions connected to Scope 1, 2 and 3; i.e. emissions throughout the value chain. The objective is that the operations will be climate neutral throughout the value chain by 2030.

GREENHOUSE GAS EMISSIONS, TONS CO₂e

Lundbergs	2024	2023	2022	2021
Scope 1	51	30	51	41
Scope 2	6,480	6,784	5,791	6,363
Scope 3	12,895	15,763	16,318	22,567
Total emissions	19,426	22,576	22,160	28,971
<i>of which, new builds</i>	-	-	-	5,050

Scope 2 and 3 figures for district heating and cooling are always recalculated in the second quarter of the following year, which is why the values for 2023 are revised in the above table.

Our own roadmap to climate neutrality by 2030 includes a multitude of various projects and transitional measures. In the near future, for example, there are projects whereby building materials of a lower quality will be replaced by more sustainable alternatives. Longer term, there are more structural challenges involving methods and processes to facilitate, for example, the possibility for the efficient reuse of materials. These are issues that Lundbergs Fastigheter cannot resolve by itself, but where the company can be a driving force for change.



In the Tulpanen property in Örebro, the inner courtyard has been transformed into a pleasant gathering place with boules, greenery and barbecue areas. With improved lighting it contributes to increased security and community.

Lundbergs Fastigheter has broken down its overriding objective into three distinct directions:

1. Reduce emissions connected to construction projects
2. Reduce energy consumption
3. Influence the customers' own sustainability activities

The most important tool in the transition is to have a high level of awareness in every decision. Concrete climate benefit is created by challenging the traditional way of building and the material used. By taking inventory of premises and housing and primarily preserve and reuse materials the value of existing material and resource efficiency increases. When new material is purchased, this must be climate and environmentally assessed. To be able to evaluate a construction method or a material relatively quickly is central to creating the fastest possible change and measuring the emissions is essential to be able to follow up and evaluate emission reduction measures that the company takes.

The work to improve data quality and reduce uncertainties in the climate calculations is a work in progress. In 2023 the company took a big step when climate calculations were integrated into financial calculations for tenant adaptations and home renovations. In 2024, this approach has been further developed to cover more types of construction projects. In this way, project-specific climate calculations are now obtained for all these projects. This information is collected and analyzed in the company's business intelligence tools and used as decision support in strategy and control work and for reporting purposes.

The company sets clear and tough environmental rules for entrepreneurs, subcontractors, material suppliers and consultants. The goods delivered must, among other things, be approved or recommended in any of the environmental assessment systems (Svanen, Basta, Byggarubedömningen or Sunda Hus). The application of the environmental regulations is followed up during annual internal audits.

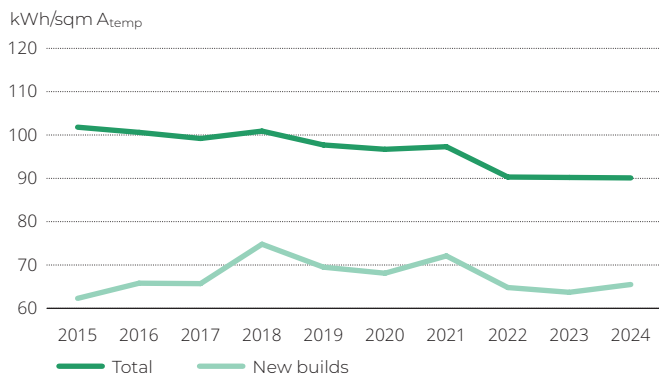
Energy use

The business shall be conducted with the least possible negative environmental impact. In close dialogue with energy suppliers, the aim is to increase the proportion of renewable or recycled energy used in the company's properties. Lundbergs only sources electricity generated from wind energy.

Long-term energy efficiency investments are a key feature of its sustainability work. By continuously seeking improvements in construction techniques and installing increasingly modern technology, the proactive work to improve the quality of its properties and reduce energy consumption continues. We are proud to report that we are at the forefront in this area.

Lundbergs Fastigheter continues to invest in solar cells on the roofs of our properties, which combines climate benefits with favorable profitability. At the end of 2024, the company had installations with a total capacity of 1,400 kW.

ENERGY USE IN LUNDBERGS FASTIGHETER



Atemp = space heated to above ten degrees Celsius.

Circular economy

The linear flow of resources that characterized the construction and property industry has meant and means a large environmental burden when new material is used to build new properties and renovate existing ones. In addition, large amounts of waste are generated. Lundberg's conviction is that the transition to a circular economy is crucial to achieving climate goals, maintaining competitiveness and reduce costs. Since 2020, Lundbergs Fastigheter has increased control of generated construction and demolition waste. Quantities and fraction type must always be reported at the end of the project.

The property business constantly strives to reuse materials to the greatest extent possible during renovations. Systems are needed for effective internal recycling work and processes for material inventory and product management. The company has a digital system for managing recycling and has continued to develop the work during the year through both development of the system and staff training. During the year, the quantity of recycled material has increased in the company's conversions.

A clear way to reduce environmental impact is to create offices and homes that fit as many people as possible. This reduces the need to rebuild or renovate premises and housing when a new tenant moves in. A way to systematize and reduce tenant adaptations over time has been to create a uniform office and residence standard where each product is assessed based on its quality, climate and environmental impact. This is a high-quality office product with good basic functionality which can be adapted based on specific needs.

Pollution

Biodiversity is under heavy pressure and the business needs to be conducted with as few chemicals as possible. Chemical products are used by the property managers for maintenance of the properties. Chemicals marked with the hazard symbol Environmentally hazardous may not be used. If it is not possible to source the best product for the purpose, the least environmentally hazardous product is selected and the deviation is noted. Compliance with the routine is followed up at annual internal audits.

Satisfied customers

Lundbergs is dependent on its customers being satisfied with the company as a landlord. As customer feedback is of the utmost importance, customer satisfaction is measured in three segments: residential, offices and retail. In residential, the company has been top ranked by AktivBo for many years, and the Customer Satisfaction Index (CSI) score for offices has similarly been highly positive over the years that Lundbergs has participated in the index. In 2024, Lundbergs Fastigheter achieved a top-three ranking in both of these surveys, a unique achievement for a company in the property sector.

Quality and attention to detail have always been a cornerstone of Lundbergs' operations. This applies to everything from the selection of materials to interaction with customers. It is in the detail that our commitment becomes visible. Lundbergs attaches considerable value to long-term customer relations. If customers are retained over the long term, the need for refurbishment is reduced and the operations become more sustainable.

Committed and development-oriented employees

Lundbergs' corporate culture is based on the values of commitment, sound business sense, innovation and respect. As an employer, the company aims to accept responsibility and provide a safe and secure work environment and a healthy working atmosphere where employees thrive and develop. To focus further on management and employeeship, Lundbergs Fastigheter's headquarters in Norrköping have been activity-based for several years.

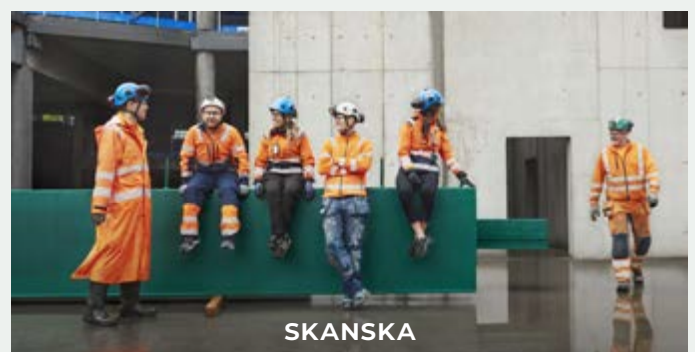
Great Place to Work

A development-oriented and responsive organization is a prerequisite for sustainability. Prosperous and committed employees are the company's main resource for achieving set goals.

Lundbergs Fastigheter cooperates with the Great Place to Work organization, which works with employee satisfaction surveys. The method is based on more than 30 years of studies of employee experiences at various workplaces. Two types of studies – employee perspective and manager perspective – are implemented and the focus is on how committed employees are. The survey provides insight into potential problem areas that must be addressed. Lundbergs Fastigheter conducts this survey every second year, and the survey conducted in 2023 showed that a full 93% of the employees rank Lundbergs overall as a very good workplace, which is an increase of 1 percentage point since the most recent measurement. No cases of employee discrimination were reported during the year.



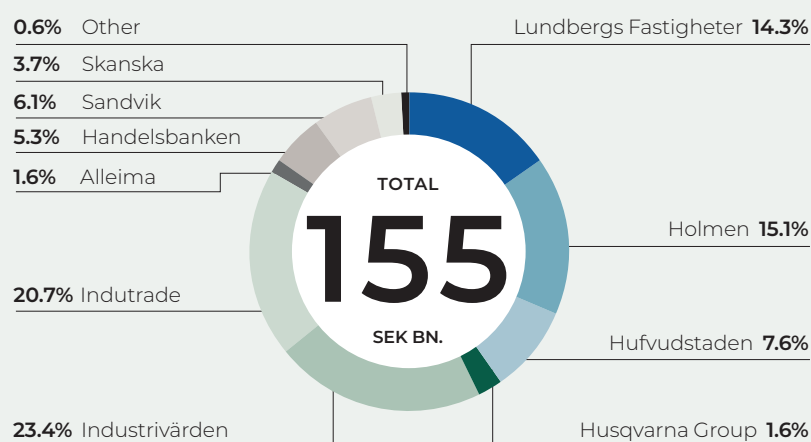
Apartment in the Eken property, Norrköping, renovated with a focus on reuse. Everything from wooden floor to stove and sink has been reused to reduce the climate impact.



Portfolio companies

The portfolio of assets includes the wholly owned business Lundbergs Fastigheter, the subsidiaries Holmen and Hufvudstaden and the associated companies Husqvarna, Industrivärden and Indutrade. Lundbergs also has major shareholdings in Alleima, Handelsbanken, Sandvik and Skanska.

Share of Lundbergs' holdings



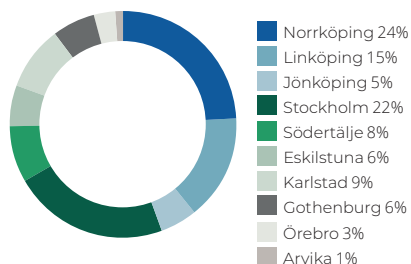
The listed holdings are measured at market value at February 18, 2025. Lundbergs Fastigheter is recognized at net asset value, refer to page 16.



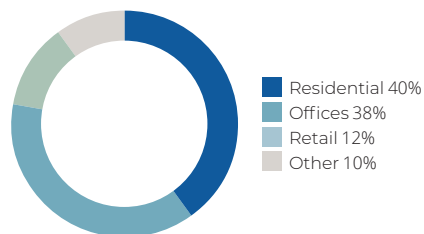
Lundbergs Fastigheter

Founded in 1944

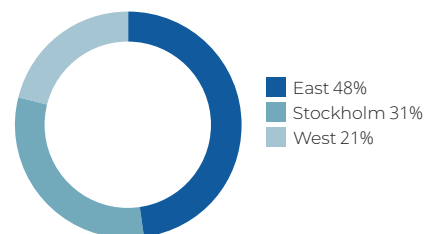
FAIR VALUE BY
MARKET AREA



ANNUAL RENTAL REVENUES
BY CATEGORY



ANNUAL RENTAL REVENUES
BY REGION



Lundbergs Fastigheter was founded in 1944 and has developed into one of Sweden's large private property owners with a property value of over SEK 28 bn. The company has operations in ten cities in Sweden, from Stockholm in the east to Gothenburg in the west. The business concept is to engage in the long-term ownership, management and development of residential and commercial properties. Lundbergs Fastigheter wants to contribute to people having the opportunity to live a better life. Therefore, the company develops attractive, sustainable urban environments where people want to live, work and enrich their leisure time. In recent years, the operations have developed through active management, acquisitions and new-build projects.

The real estate portfolio, which the company has largely built up itself, consists of about one million square meters of leasable area across 130 properties. The space consists of about 50% residential units and the rest is commercial premises – mainly office and retail space, but also restaurants, gyms, movie theaters, warehouses, industrial premises and community properties such as nursing homes and schools.

Our world is facing major challenges – climate, environment and, not least, security are issues where the construction and real estate industries have great responsibility. A responsibility that provides opportunities to contribute to change and promote positive development. Lundbergs Fastigheter conducts extensive sustainability work and in 2020 adopted the goal of achieving climate-neutral operations throughout the value chain by 2030. The sustainability work is described in greater detail in Lundbergs' sustainability report on page 22.

Organization

On February 15, 2024, Johan Ladenberg took over as the new CEO of Lundbergs Fastigheter. Louise Lindh thus left the role of CEO, which she had held since 2017, to take over from Fredrik Lundberg as Chair of the Board of Lundbergs Fastigheter. Fredrik Lundberg remains on the company's Board. On the change of CEO, Christian Claesson and Johan Sandborgh were appointed Deputy CEOs.

The number of employees within Lundbergs Fastigheter amounted to 173 people at the end of 2024. As an employer, the company aims to provide a safe work environment and a good working atmosphere where employees experience satisfaction and professional development. Employeeship is about mutual respect and that all employees play an active and responsible role for jointly creating a healthy, productive and customer-centric culture. Management, rental activities and property upkeep are handled locally in the respective market areas by a distinctly decentralized organization. All of the central resources that support the operational activities are located in the Norrköping headquarters. The Executive Management Team consists of the CEO, regional managers, the Chief Accountant and the Market and Communication Manager.

Operations

The business activities are divided into three regions where the company offers attractive city locations in housing and offices as well as retail and meeting places.

The *Stockholm Region* comprises Stockholm/Solna, where the property portfolio consist of commercial premises, as well as management units in Södertälje and Eskilstuna, which largely consist of residential units. The *West Region* comprises Arvika, Gothenburg, Karlstad and Örebro. The property portfolio in Gothenburg essentially comprises offices, while the remainder of the region largely consists of residential units. The *East Region* comprises Jönköping, Linköping and Norrköping, where the portfolio consists of both residential units and offices, as well as the largest part of the company's retail properties.

An organizational change was approved at the end of 2024, dividing the ten market areas of the business into two regions instead of three, with effect from January 1, 2025.

Residential

Lundbergs Fastigheter develops and offers residential units that facilitate simple and secure living. The company owns almost 7,000 high-quality rental apartments in attractive locations with property management occurring close to the tenants. In the midst of the current eco-

SHARE OF LUNDBERGS' HOLDINGS

14.3%

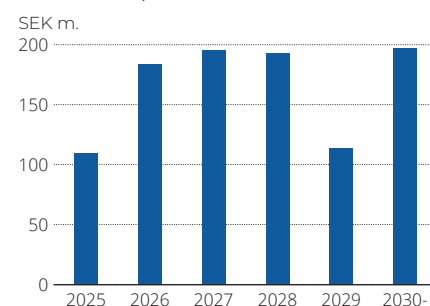
Chair Louise Lindh

CEO Johan Ladenberg

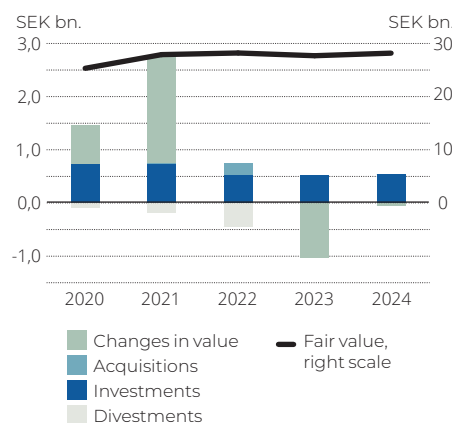
Board members associated with Lundbergs

Lars Johansson, Fredrik Lundberg, Katarina Martinson, Sten Peterson

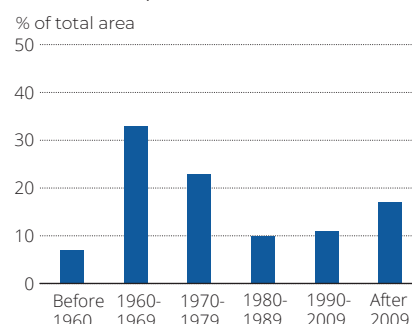
MATURITY STRUCTURE OF RENTAL CONTRACTS, COMMERCIAL PREMISES



FAIR VALUE TREND FOR INVESTMENT PROPERTIES



PROPERTIES, BREAKDOWN BY AGE¹⁾



¹⁾ Based on assessed value year.

conomic slowdown, in 2024 the company has observed strong demand for older housing stock, while there is a large supply and fierce competition within newly constructed apartments. Both rents and relocation rates are higher in these newly built homes.

Good property maintenance requires that the properties are subject to a high standard of care and that the condition of the properties are monitored. To ensure that the properties are sustainable over time, Lundbergs Fastigheter has a long-term plan for renovation, refurbishment and extension works, known as ROT projects.

Lundbergs Fastigheter places considerable focus on being receptive and maintaining good dialogue with its tenants. Year after year, the operations achieve highly favorable results in the AktivBo customer survey, and Lundbergs Fastigheter is very well liked as a landlord. In February 2024, Lundbergs Fastigheter won AktivBo's Customer Crystal award for the fourth year in a row in the categories Highest Service Index (4,000–10,999+ apartments) and Highest Profile (4,000+ apartments). The company was also awarded a third Customer Crystal in the category Highest Product Index (4,000+ apartments).

Offices

Lundbergs Fastigheter develops and offers offices that help companies and employees to achieve their goals. The company owns and manages approximately 227,000 sqm of office space. Long-term tenant relationships are created through high service levels and personal meetings, thus increasing awareness of the tenants' needs and wishes. Through good knowledge of the tenants' operations, Lundbergs Fastigheter can offer solutions that are optimized for the customers' requirements and that give the tenant security, comfort and a good work environment – in both the short and the long term. Lundbergs Fastigheter participates in the Fastighetsbarometer customer survey and the result for 2024, with a customer satisfaction index (CSI) of 79, indicates a high level of customer satisfaction.

The role and function of the office has been the subject of much discussion in recent years. The digitalization of society, combined with several other factors, is changing the needs, expectations and



desires of customers, which is driving development towards offices that provide a greater number of more varied functions, according to the operations and profile of the tenant. The traditional office is very much alive but has been joined by increased demand for meeting places, flexibility and services linked to the office. This development challenges and develops both business models and offerings. As before, accessibility and an attractive location are key considerations when choosing an office. Demand for office premises remained good during the year, although greater caution is evident with longer letting processes and a more reserved approach, which has led to increased vacancies.

Retail and Meeting places

Lundbergs Fastigheter develops and offers retail premises and meeting places that enrich people's lives and ensure a vibrant city environment. Leasable area for retail premises and meeting places amounted to approximately 92,000 sqm. The company has retail premises in all of its market areas, with emphasis in Norrköping and Linköping, where over 120 concepts within retail, restaurants, cafés etc. can be found in the company's city blocks. The physical retail trade, cafés and restaurants are once again facing major challenges due to the economic downturn and a largely uncertain world. The current high level of economic uncertainty is spilling over into the consumer market, resulting in emptier wallets and greater caution. Despite this, Lundbergs Fastigheter has leased premises to several new concepts in 2024 and the trend for pop-up stores continues. In 2024, the shopping malls in Norrköping and Linköping had more than 10 million visits.

Value-creating property development

Property valuation

The fair value of the investment properties at December 31, 2024 was estimated at SEK 28,173 m. (27,690). The unrealized change in value, excluding completed investments, was SEK -51 m. during the year, corresponding to -0.2%. The average value per square meter of rentable space was SEK 31,791 (31,274) and the average yield was 4.5% (4.4). The valuation of the real estate portfolio was conducted by assessing the fair value of each individual property. The valuations were based on both location-price data and the sum total of the present value of estimated future payment flows. The required yield is based on information obtained on the market's yield requirement pertaining to current purchases and sales of comparable properties in similar locations. The required yields vary among different market areas. The properties' net operating income is calculated on the basis of rental revenues at market price, long-term rental vacancy rate and normalized operating and maintenance costs. Type of property, technical standard, building design and major investment requirements are also taken into consideration. For more information, refer to page 74.

Projects

Lundbergs Fastigheter contributes actively to urban development in its various market areas. The company focuses intently on developing both new and existing properties of high quality, thus adding value and offering what the customers demand.

During 2024, Lundbergs Fastigheter invested SEK 534 m. (511) in investment properties. Over time, new-build projects are an important part of value growth for



the company. Properties are built in prime locations with good yields and where development opportunities are deemed to be favorable. Lundbergs Fastigheter continuously evaluates the opportunities that exist for new production on the market, but the company is careful to build only when the conditions are right. No new projects for new production were launched in 2024.

In 2022, work began on renewing and developing the company's city block in Norrköping, which includes a major redevelopment of the Tulpanen 18 and Liljan 6 properties, which together form the Spiralen shopping mall. The project is a collaboration between Lundbergs Fastigheter and Förvaltnings AB Lunden and involves a total investment of around SEK 320 m. The contractor is Peab. The former retail space on the upper floor of the mall has been converted to become Sweden's largest co-working facility outside the major cities, with an area of approximately 3,000 sqm. The first phase was completed at the end of 2023 and the second phase was launched in September 2024 and includes an auditorium with capacity for 100 people. The building exteriors have a beautiful new facade that gives the neighborhood a character and feeling that it previously lacked. The project will continue with facade works in 2025, with ground works also expected to begin during the year. The project is due to be fully completed in 2026. As part of the development, major tenant-specific modifications are being carried out for Handelsbanken, along with the extension and development of an existing ICA store. At the end of October 2024, O'Learys opened a new establishment in the Linden property. This is a 3,500 sqm entertainment project that will make the

area more attractive and bring it to life for more hours of the day.

In Linköping, development work has begun on the company's Gyllen city mall, which is part of a major urban development project in the municipality. An extension containing offices is planned, with construction provisionally scheduled to begin in 2027. The investment value is estimated at around SEK 400 m.

Lundbergs Fastigheter invests heavily in ROT (renovation, refurbishment and extension) works, which are carried out on an ongoing basis according to a multi-year plan. This includes, for example, properties being provided with new roofs, windows, heating systems, frames, kitchens and bathrooms. ROT projects were under way in Södertälje, Norrköping, Eskilstuna and Linköping in 2024. The project in Södertälje, which covers nearly 1,000 apartments, has been ongoing since 2017 and is scheduled for completion in 2025. The projects in Norrköping and Eskilstuna contain around

140 apartments in each city, along with 32 apartments in Linköping. Investments in ROT totaled SEK 196 m. in 2024. Estimated investment in 2025 is approximately SEK 127 m.

Development properties

The company's development properties are located in central Sweden. At year-end, the estimated value of the development properties was SEK 586 m. (589). Developable land for various types of small houses was sold for a total of SEK 62 m., with a result of SEK 39 m. During the year, development work was completed for 110 homes in Svalsta and Nyköping, as well as a phase for 32 small houses in Ekeby-Almby, Örebro. Street expansion in the new Storskogen district of Enköping has also begun as part of phase 2.

Sales and earnings

Net sales totaled SEK 1,917 m. (1,808). Rental revenues rose SEK 78 m. to SEK 1,768 m. (1,690). Rental revenues increased by 4.6 %. The vacancy rate totaled 4.3% (3.4) during the year, of which residential units accounted for 2.2% (1.3) and commercial premises etc. for 5.7% (4.7).

Operating costs, excluding property tax, amounted to SEK 290 m. (277). Property tax amounted to SEK 93 m. (92). Maintenance costs totaled SEK 192 m. (199). Operating profit before changes in value amounted to SEK 1,162 m. (1,053). Operating profit including changes in value was SEK 1,110 m. (29).

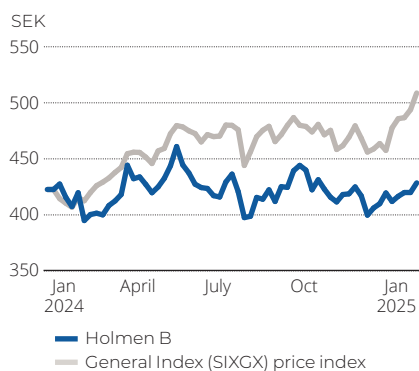
KEY FIGURES 2024	Stockholm Region	West Region	East Region	Total
Number of properties	28	44	58	130
Fair value, SEK m.	10,147	5,514	12,513	28,173
Number of apartments	2,168	1,966	2,858	6,992
Residential, sqm	163,217	137,306	201,011	501,534
Residential, rent per sqm, SEK	1,476	1,432	1,637	1,529
Residential, rental value, SEK m.	241	197	329	767
Residential, rent-based vacancy rate, %	1.2	1.2	3.6	2.2
Office and retail, sqm	56,608	80,755	176,151	313,514
Other commercial premises, sqm	40,274	32,913	126,322	199,509
Office/retail, rent per sqm, SEK	5,307	2,227	2,762	3,084
Other commercial premises, rent per sqm, SEK	1,359	799	863	952
Office/retail, rental value, SEK m.	300	180	487	967
Other commercial premises, rental value, SEK m.	55	26	109	190
Office/retail, rent-based vacancy rate, %	6.3	3.4	6.6	5.9
Commercial premises, number of rental contracts	271	236	771	1,278



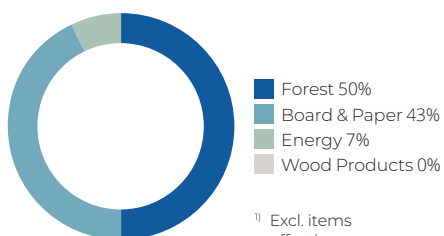
Holmen

Holding since 1988

THE HOLMEN SHARE

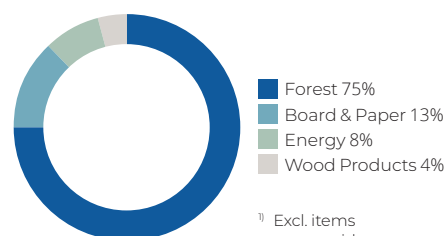


OPERATING PROFIT BY BUSINESS AREA¹⁾



¹⁾ Excl. items affecting comparability and items group-wide.

CAPITAL EMPLOYED BY BUSINESS AREA¹⁾



¹⁾ Excl. items group-wide.

Holmen's business concept is to own and add value to forests. The forest holdings constitute the basis for the operations, which form a sustainable closed circuit whereby raw materials grow and are processed into everything from wood for climate-smart construction to renewable packaging, magazines and books. In addition, hydroelectric and wind power is generated on land owned by the company.

Business areas

Forest is responsible for the management and development of Holmen's forest holdings and for the efficient supply of timber to Swedish production units. Holmen's land holding amounts to just over one million hectares of productive forest land in Sweden, and harvesting in wholly owned forests largely satisfies the Swedish production units. The forest is a stable source of revenue for Holmen and contributes considerable climate value by binding carbon dioxide. The climate value is doubled when the renewable forest raw materials are used to replace fossil-based alternatives. The revenue and value of the forest will increase through active, sustainable forestry in which the harvest is utilized and processed into climate-smart products.

Board and Paper develops products based on virgin wood raw materials in a largely fossil-free production process. Solid board and folding boxboard are produced at one mill in Sweden and one in the UK, with the products marketed under the Invercote, Incada and Inverform brands. Paperboard operations will grow on the basis of the position as market leader in the premium renewable consumer packaging segment, in which high quality, customized solutions and first-class service are combined with large-scale production. Paper products are manufactured at two Swedish mills. Here, the properties of the virgin fiber are utilized, providing cost-effective and resource-efficient alternatives to traditional paper choices for books, packaging and graphic publications.

Wood Products supplies sawn and processed wood products for the construction trade, carpentry and construction industry at five sawmills located close to own forests. Holmen also offers customized solutions for climate-smart, large-scale timber construction. The positioning of the sawmills close to the sea, railways and roads facilitates effective logistics solutions to customers. The operations will be developed through increased processing and improved utilization of timber raw materials in combination with large-scale production.

Energy accounts for the Holmen Group's hydroelectric power and wind power assets, as well as electricity supply to Holmen's Swedish units. In a normal year, Holmen supplies 1.9 TWh of renewable electricity from hydro and wind power. Together with the electricity produced at the mills, the production of hydroelectric and wind power currently accounts for approximately 60% of the group's electricity consumption. Holmen's production of renewable hydroelectric and wind power contributes to sustainable energy supply in Sweden and to the European transition to fossil-free energy sources.

Sustainability

Holmen's business model is circular, whereby the foundation is the company's sustainably managed forests. The growing trees are processed in the company's own industrial facilities into everything from wood for climate-smart construction to renewable packaging, magazines and books, at the same time as hydroelectric and wind power electricity are generated on the company's own land. All paperboard and paper mills are certified to guarantee traceability, environmental standards and quality. The operations as a whole, with in-house energy production and resource-efficient production units, contribute to long-term value growth and significant climate benefits by annually reducing the amount of carbon dioxide released into the atmosphere. Holmen's business creates value for both shareholders and customers while contributing to a better climate and a flourishing countryside.

Financial objectives

The forest is managed sustainably to provide a healthy annual return and stable value growth. Growth and the harvest should increase over time. The production of renewable energy will be increased by supplementing current hydroelectric power with wind power on the company's own land. Industrial operations are conducted with a focus on long-term profitability and the objective is to sustainably achieve a return on capital employed of more than 10%. Financial net debt must not exceed 25% of shareholders' equity. Holmen aims to generate a favorable annual dividend to the shareholders. The level is adapted to the group's profitability situation, investment plans and financial position. Dividends are complemented with share buybacks when this is considered to add long-term value for the shareholders.

SHARE OF LUNDBERGS' HOLDINGS

15.1%

Chair Fredrik Lundberg
CEO Henrik Sjölund
Board member associated with Lundbergs Louise Lindh

LUNDBERGS' HOLDINGS

Feb 18, 2025

Number of Series A shares	33,244,000
Number of Series B shares	22,000,000

KEY FINANCIAL DATA

	2024	2023
Net sales, SEK m.	22,759	22,795
Operating profit, SEK m.	3,721	4,755
Earnings per share, SEK	18.0	23.0
Debt/equity ratio, multiple	0.06	0.03
Average number of employees	3,498	3,546
Dividend per share, SEK	12.00 ¹	11.50 ²
Share price, Series B, Dec 31, SEK	406.20	425.70

¹ The Board of Directors' proposal, of which extra dividend of SEK 3.00.

² Of which extra dividend of SEK 3.00.

LARGEST SHAREHOLDERS¹

Dec 31, 2024	share capital, %	voting rights, %
Lundbergs	35.0	62.7
Norges Bank	7.9	2.2
Kempe Foundations	7.6	17.6
Carnegie Funds	2.9	0.8
SEB Investment Management	2.4	0.7

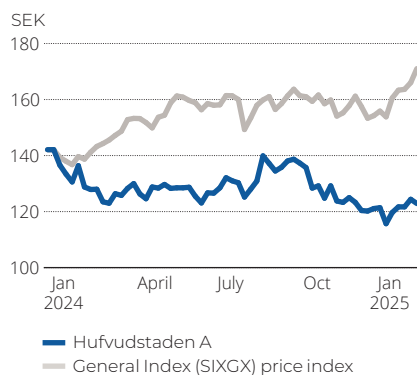
¹ The proportion is calculated after a deduction for treasury shares.



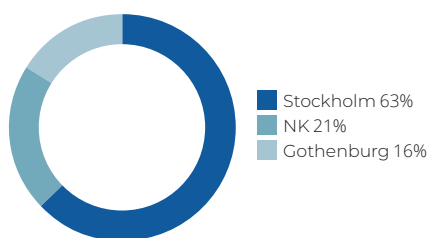
Hufvudstaden

Holding since 1998

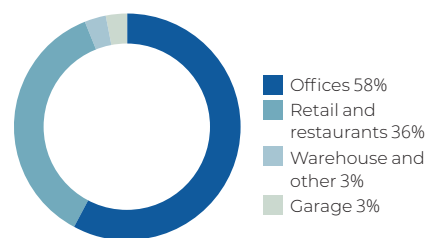
THE HUFVUDSTADEN SHARE



ANNUAL RENTAL REVENUES BY BUSINESS AREA



ANNUAL RENTAL REVENUES BY TYPE OF PREMISES



Hufvudstaden is one of Sweden's leading real estate companies. The company's business concept is to use its own properties in central Stockholm and central Gothenburg to offer successful companies high-quality office and retailing premises in attractive market-places.

Hufvudstaden's properties are situated in prime locations in Stockholm and Gothenburg. The company owns commercial office and retail properties in the central business districts, including Hamngatan, Norrmalmstorg, Kungsgatan and Bibliotekstan in Stockholm and Inom Vallgraven and Östra Nordstan in Gothenburg. This makes Hufvudstaden one of the most specialized and geographically concentrated real estate companies in Sweden. Rentable space totals 390,800 sqm, with an annual rental value of SEK 2.5 bn. The real estate portfolio was market valued at SEK 47.1 bn. at the end of 2024.

Business areas

The operation is divided into three business areas. The *Stockholm business area* consists of 22 properties with total rentable space of 210,900 sqm. This area has constituted the core of the real estate portfolio since the company was founded in 1915. The portfolio is entirely commercial and consists of office and retail properties. The business area also includes Cecil Coworking, which offers flexible workplaces in an attractive location with first-class service. The *NK business area* consists of three properties with total rentable space of 91,200 sqm. This business area includes the NK properties in Stockholm and Gothenburg and owns the NK trademark. It also includes the parking operations of the subsidiary Parkaden AB. NK Retail AB, which is a wholly owned subsidiary of AB Nordiska Kompaniet, operates a total of 33 fashion, beauty and accessories departments at the NK department stores. NK's online store represents a digital complement to the department stores. The *Gothenburg business area* has four properties with total rentable space of 88,700 sqm. Hufvudstaden is one of the largest owners in the Nordstans shopping mall, one of Sweden's largest shopping malls with

attractive retail, parking and modern offices in the best commercial location.

Hufvudstaden works actively to develop the high quality of its real estate portfolio in respect of existing commercial premises and also by developing and creating new development rights. Through a methodology that focuses on sustainability and long-term thinking, the premises gain a higher technical standard and more flexible floor plans, thus contributing to an improved net operating income and higher returns. The intention is to create favorable value growth and to adapt offices and stores together with customers in accordance with their conditions and needs. The company focuses on providing a high level of service, which requires close collaboration with tenants. All properties are located within walking distance of Hufvudstaden's offices and the company's own operational engineers are responsible for management and maintenance of the properties. Hufvudstaden has a business development unit that identifies and implements strategic initiatives for the company's growth and competitiveness. Market analysis and business strategies are used to develop new opportunities, products and partnerships to increase profitability.

Sustainability

Hufvudstaden works actively and on a long-term basis to achieve economic, environmental and social sustainability. This is done by minimizing the climate impact, future-proofing the business and collaborating with partners. Hufvudstaden's sustainability plan has been formulated to comply with the UN Sustainable Development Goals (SDGs). The established sustainability targets include such actions as reduced energy consumption, climate-neutral property management and environmental certification of properties.

Financial objectives

Hufvudstaden's financial objective is to achieve good dividend growth over time and provide a dividend that accounts for more than half of the net profit from current operations. Over time, the equity/assets ratio should be at least 40%.

SHARE OF LUNDBERGS' HOLDINGS

7.6%

Chair Fredrik Lundberg

CEO Anders Nygren

Board members associated with Lundbergs

Claes Boustedt, Louise Lindh, Sten Peterson

LUNDBERGS' HOLDINGS

Feb 18, 2025

Number of Series A shares	87,311,335
Number of Series C shares	8,177,680

KEY FINANCIAL DATA

	2024	2023
Net sales ¹ , SEK m.	3,179	2,962
Operating profit, before items affecting comparability and value changes, SEK m.	1,498	1,416
Profit after net financial items, SEK m.	563	-2,535
Earnings per share, SEK	1.80	-9.53
Debt/equity ratio, multiple	0.4	0.3
Net asset value/share (EPRA NRV), SEK	185	185
Dividend per share, SEK	2.80 ²	2.70
Share price, Series A, Dec 31, SEK	121.10	142.10

¹ Including other segments.

² The Board of Directors' proposal.

LARGEST SHAREHOLDERS¹

Dec 31, 2024	share capital, %	voting rights, %
Lundbergs	47.2	88.6
AMF Pensions & Funds	9.4	1.9
State Street Bank and Trust	3.2	0.6
BNY Mellon	2.1	0.4
JP Morgan Chase Bank	2.0	0.4

¹ The proportion is calculated after a deduction for treasury shares.



Husqvarna Group

Holding since 2007

Husqvarna, which was founded as early as 1689, is a world-leading manufacturer of innovative products and solutions for the upkeep of forests, parks and gardens. The product range includes robotic lawnmowers, ride-on mowers, chainsaws and trimmers. The group is also European market leader in garden irrigation and leads the global market in cutting tools and surface treatment equipment for the construction industry.

Husqvarna Group consists of three divisions. *Husqvarna Forest & Garden* focuses on products and services for green spaces for both consumers and professionals, *Gardena* on consumers with its home and garden products and *Husqvarna Construction* on professionals with its equipment, service and support for users in the construction industry. The group has a broad and global distribution network, a competitive product range and high technological expertise. The focus is on premium products and solutions under strong brands, which are sold primarily through specialist and retail trade. More than 25,000 resellers in over 100 countries represent the Husqvarna and Gardena brands. The group has exposure to rapidly growing segments such as battery-powered products, robotic lawnmowers,

digitization and other garden automation solutions.

Sustainability

Customers are increasingly prioritizing sustainability, something that the group encourages and promotes. The Sustainovate 2025 sustainability plan is designed to maximize the group's contribution to addressing climate change and resource scarcity. The framework focuses on three areas: driving the transition to low-carbon solutions, rethinking and redesigning for a resource-smart customer experience and inspiring activities that make a lasting difference. The framework also includes specifically designed targets, such as reducing absolute carbon dioxide emissions in the value chain.

Financial objectives

The group's objective is that sales will grow organically by 5% annually. The operating margin should reach 13% and operational working capital in relation to net sales should be 20%. In addition to the financial objectives, the company also aims to double sales of robotic lawnmowers and increase the share of electrified products to two-thirds, as well as double the number of connected products within five years from 2021.

SHARE OF LUNDBERGS' HOLDINGS

1.6%

Chair Tom Johnstone

CEO Pavel Hajman

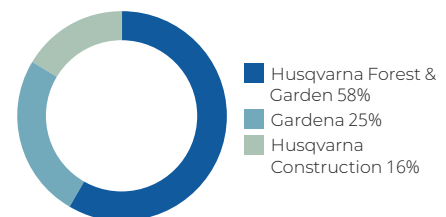
Board members associated with Lundbergs
Katarina Martinson, Lars Pettersson

LUNDBERGS' HOLDINGS

Feb 18, 2025

Number of Series A shares	39,400,000
Number of Series B shares	3,915,208

NET SALES BY DIVISION



KEY FINANCIAL DATA

	2024	2023
Net sales, SEK m.	48,352	53,261
Adjusted operating profit ¹ , SEK m.	3,195	4,970
Earnings per share, SEK	2.31	3.81
Debt/equity ratio, multiple	0.59	0.66
Average number of employees	13,353	13,755
Dividend per share, SEK	1.00 ²	3.00
Share price, Series A, Dec 31, SEK	58.10	82.30

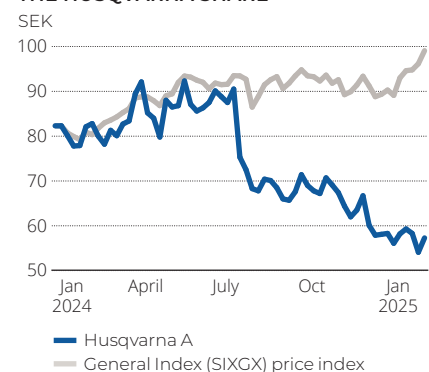
¹ Excluding items affecting comparability of SEK -598 m. (-1,090).

² The Board of Directors' proposal.

LARGEST SHAREHOLDERS

Dec 31, 2024	share capital, %	voting rights, %
Investor	16.8	33.9
Robert Bosch	12.0	4.4
Lundbergs	7.6	25.8
Silchester International Investors LLP	5.0	1.9
Swedbank Robur Funds	3.0	1.1

THE HUSQVARNA SHARE



SHARE OF LUNDBERGS' HOLDINGS

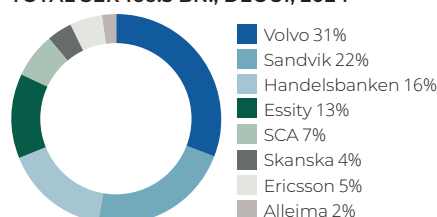
23.4%

Chair Fredrik Lundberg
 CEO Helena Stjernholm
 Board members associated with Lundbergs
 Katarina Martinson, Lars Pettersson

LUNDBERGS' HOLDINGS

Feb 18, 2025

Number of Series A shares	64,600,000
Number of Series C shares	23,950,000

STOCK PORTFOLIO, MARKET VALUE,
TOTAL SEK 166.5 BN., DEC 31, 2024

KEY FINANCIAL DATA

	2024	2023
Profit after tax, SEK m.	12,654	26,844
Net asset value, SEK bn.	159.6	150.3
Net asset value per share, SEK	370	348
Debt/equity ratio, multiple	0.04	0.05
Dividend per share, SEK	8.25 ¹⁾	7.75
Share price, Series A, Dec 31, SEK	349.40	328.90

¹⁾ The Board of Directors' proposal.

LARGEST SHAREHOLDERS

Dec 31, 2024	share capital, %	voting rights, %
Lundbergs	20.5	26.0
Jan Wallanders & Tom Hedelius Foundation	6.4	10.8
Spiltan Funds	5.6	1.5
Lundberg, Fredrik (incl. wholly owned companies)	3.5	2.2
BlackRock	2.7	2.1

THE INDUSTRIVÄRDEN SHARE



Industrivärden

Holding since 2002

Industrivärden is a publicly traded holding company that contributes, through active ownership, to the long-term development and value creation of its holdings. The operations are based on a portfolio of listed Swedish companies with strong market positions and favorable value potential. Based on strong positions of influence, a long-term approach and extensive knowledge, Industrivärden contributes to the operational and strategic development of the portfolio companies. The goal is to generate an attractive long-term return at a balanced risk.

Industrivärden's portfolio is primarily exposed to commercial vehicles, industrial equipment, bank operations and consumer products. The portfolio companies occupy strong positions in their particular areas and the share portfolio is estimated to have attractive long-term return potential.

The business model is based on Industrivärden's relative strength factors in the form of a long-term investment perspective, strong positions of influence, a well-developed ownership model, depth of industrial knowledge and experience, financial strength and an extensive skills network. The long-term investment perspective entails a natural focus on sustainable development and long-term value-adding measures in the portfolio companies.

In its ownership role, Industrivärden aims to contribute to the portfolio

companies establishing and ultimately strengthening their leading positions in their respective industries. Considerable importance is attached to distinct management, strategic focus, decentralization, flexibility and financial strength. Active ownership is exercised primarily through involvement in nomination committees, representation on boards of directors and continuous evaluation of companies, boards of directors, CEOs and company management.

Sustainability

Industrivärden achieves the greatest impact on sustainability in its role as an active owner of its portfolio companies. The company therefore acts as an informed owner that imposes demands and has high ambitions to contribute to sustainable operations. This concerns, on the one hand, minimizing sustainability-related risks and, on the other, capitalizing on sustainability-related opportunities.

Financial policies

Industrivärden's dividend policy stipulates that the company is to generate a positive cash flow before portfolio changes and after payment of dividends. The aim of this is to build investment capacity over time and to be able to support portfolio companies when needed. As a rule, the debt/equity ratio is to range from 0-10%, but may periodically differ from this range.



Indutrade

Holding since 2005

Indutrade is an international technology and industrial group that develops and acquires companies characterized by high technological expertise. Its business philosophy is based on entrepreneurship and decentralized leadership.

The group comprises over 200 subsidiaries in more than 30 countries on six continents. The four principal geographic markets are Sweden, the UK & Ireland, Benelux and Denmark. Indutrade has widespread representation in various customer segments, primarily medical technology and pharmaceutical, infrastructure/construction, engineering, energy and water and sewerage. Operations are concentrated in two main areas: companies with sales of industrial technology and companies with own manufacture of products under their own brands.

The organization is strongly decentralized and the subsidiaries operate within clearly defined market niches. The group's structure is divided into five international business areas: *Industrial & Engineering, Infrastructure & Construction, Life Science, Technology & System Solutions* and *Process, Energy & Water*.

Indutrade has long-standing experience of company acquisitions. Through its strong history of acquisitions,

Indutrade has the size and the favorable reputation, experience and prerequisites needed to implement value-creating acquisitions. In 2024, 16 new companies were acquired, with total annual sales of around SEK 1.6 bn.

Sustainability

Indutrade has a strategic framework that outlines the company's focus areas for sustainable development. The company works with overall objectives in the areas of people, environment, products and customers, with annual follow-up. Specific targets to be achieved by 2030 are reducing greenhouse gas emissions in scopes 1 and 2 by 50% and in scope 3 by 25%, compared with the base year of 2023. The climate targets are validated by SBTi.

Financial objectives

Indutrade's financial objective is that average annual sales growth will be at least 10% over a business cycle. The EBITA margin is to amount to at least 14% annually over a business cycle. The return on capital employed is to average at least 20% annually over a business cycle. The net debt/equity ratio should normally not exceed 100%. Dividend payments should be between 30 and 50% of profit after tax.

SHARE OF LUNDBERGS' HOLDINGS

20.7%

Chair Katarina Martinson

CEO Bo Annvik

Board members associated with Lundbergs

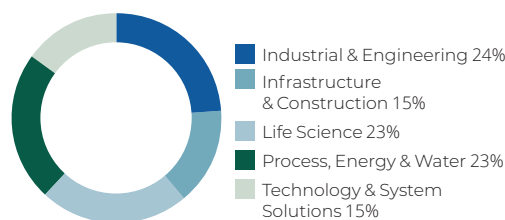
Anders Jernhall, Lars Pettersson

LUNDBERGS' HOLDINGS

Feb 18, 2025

Number of shares	96,840,000
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NET SALES BY BUSINESS AREA



KEY FINANCIAL DATA

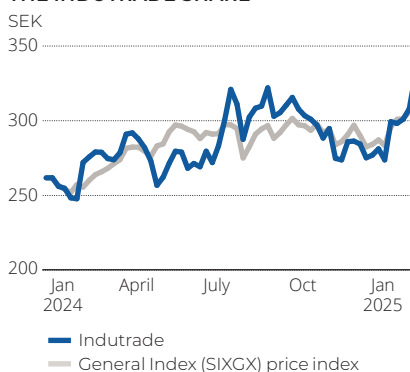
	2024	2023
Net sales, SEK m.	32,544	31,835
Operating profit, SEK m.	4,033	4,158
Earnings per share, SEK	7.55	7.86
Net debt/equity ratio, multiple	0.49	0.53
Average number of employees	9,563	9,262
Dividend per share, SEK	3.00 ¹⁾	2.85
Share price, Dec 31, SEK	277.00	261.80

¹⁾ The Board of Directors' proposal.

LARGEST SHAREHOLDERS

Dec 31, 2024	share capital and voting rights, %
Lundbergs	26.6
Fidelity Investments	8.7
AMF Pensions & Funds	8.1
Alecta Pension Funds	4.6
Swedbank Robur Funds	3.2

THE INDUTRADE SHARE



SHARE OF LUNDBERGS' HOLDINGS

1.6%

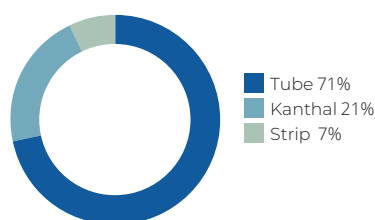
Chair Andreas Nordbrandt
 CEO Göran Björkman
 Board member associated with Lundbergs
 Claes Boustedt

LUNDBERGS' HOLDINGS

Feb 18, 2025

Number of shares	25,200,000
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REVENUES BY DIVISION



KEY FINANCIAL DATA

	2024	2023
Revenues, SEK m.	19,691	20,669
Adjusted operating profit ¹ , SEK m.	1,944	2,141
Adjusted earnings per share, SEK	6.27	6.56
Debt/equity ratio, multiple	-0.04	-0.02
Number of employees	6,309	6,110
Dividend per share, SEK	2.30 ²	2.00
Share price, Dec.31, SEK	75.10	76.62

¹ Exclusive metal price effects SEK -446 m. (-95).² The Board of Directors' proposal.

LARGEST SHAREHOLDERS

Dec 31, 2024	share capital and voting rights, %
Industrivärden	20.4
Lundbergs	10.0
First AP-fund	4.7
Swedbank Robur Funds	4.4
AFA Insurance	3.5

THE ALLEIMA SHARE



Alleima

Holding since 2022

Alleima is a world-leading developer, producer and supplier of high value-added products in advanced stainless steels and special alloys, as well as industrial heating products.

With its products and expertise in materials technology, metallurgy and industrial processes, Alleima enables its customers to become more efficient, profitable, safer and more sustainable. The fully integrated value chain, from R&D and primary melting to end-product, enables them to offer high-quality products and a flexible range. The company has a strong market position in a large number of niche end-markets. The offering includes over 900 active alloy recipes and a wide range of products for various customer segments, such as pipe products, heating elements, wire for med-tech equipment and precision strip steel. Products are sold in around 80 countries.

Alleima is organized into three divisions. *Tube* develops and manufactures tubular products and other long products from advanced stainless steels and special alloys that are used primarily in power generation, chemicals, oil and gas and renewable energy, as well as automotive and aerospace. *Kanthal* delivers products and services within industrial heating, resistance materials and other applications where materials are required to toler-

ate high temperatures and aggressive conditions. *Strip* develops and manufactures a wide range of precision strip steel products, primarily for the consumer, industrial, transport and renewable energy sectors.

Sustainability

The company has a number of long-term sustainability goals, divided into four focus areas that cover climate and circularity, market leadership, being a responsible employer and ethical business conduct. Alleima has committed to set targets in line with the Science Based Targets initiative, consistent with the Paris Agreement.

Financial objectives

Alleima's financial objectives are to deliver profitable organic revenue growth that is on a par with, or exceeds, the growth of prioritized end-markets, as well as an adjusted EBIT margin (excluding metal price effects and items affecting comparability) in excess of 9% on average over a business cycle. The net debt/equity ratio should be lower than 0.3. The dividend should amount on average to 50% of the profit for the period, adjusted for metal price effects, over a business cycle. The dividend shall take into account the financial position, cash flow and outlook.



Handelsbanken

Holding since 2005

Handelsbanken was founded in 1871 and is today considered one of the world's most secure banks. The bank offers a wide variety of financial services. It has a decentralized work method with a strong local presence and a major focus on customer requirements.

Handelsbanken's model, with a local market presence, long-term customer relationships and strong local decision-making power, is particularly suitable for customers with stable cash flows seeking a long-term relationship with their bank. The bank's offering is particularly targeted at private customers, real estate companies and other owner-operated companies.

The credit policy is always based on the customer's repayment capacity. For a long time, the bank has been operating with a low loan-loss ratio, high customer satisfaction and strong profitability. The bank's credit rating with the leading rating agencies is one of the best in the world and according to Global Finance's annual ranking, Handelsbanken is the safest commercial bank in Europe.

Handelsbanken is the largest overall lender to households and companies in the Swedish market.

Sustainability

Handelsbanken has long integrated sustainability as a natural part of its business, with a focus on long-term responsibility and close customer relationships. The bank aims to ensure that its operations can fully support its customers in their green transition, in line with prevailing scientific and climate objectives in its home markets and in the EU. The bank's goal is to provide capital and liquidity that meet its customers' financing needs and to offer products, services and advice that create the conditions for a sustainable transition. This will make it easier for Handelsbanken to integrate sustainability into all its dealings with customers, wherever and however customers choose to reach out to the bank.

Financial objectives

Handelsbanken's objective is to achieve higher profitability than the average for comparable competitors in its home markets. The aim is to be achieved primarily by having more satisfied customers and lower costs than competing banks.

SHARE OF LUNDBERGS' HOLDINGS

5.3%

Chair Pär Boman

CEO Michael Green

Board members associated with Lundbergs

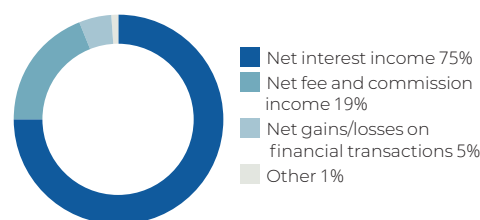
Louise Lindh, Fredrik Lundberg

LUNDBERGS' HOLDINGS

Feb 18, 2025

Number of series A shares	62,000,000
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INCOME BY TYPE OF REVENUE



KEY FINANCIAL DATA

	2024	2023
Revenues, SEK m.	62,345	62,249
Operating profit, SEK m.	35,016	36,322
Return on shareholders' equity, %	14.6	15.9
C/I ratio, %	40.4	37.2
Earnings per share, SEK	13.86	14.70
Common equity tier 1 ratio, %	18.8	18.8
Average number of employees	12,224	11,683
Dividend per share, SEK	15.00 ¹	13.00 ²
Share price, Series A, Dec 31, SEK	114.20	109.45

¹ The Board of Directors' proposal, of which extra dividend of SEK 7.50.

² Of which extra dividend of SEK 6.50.

LARGEST SHAREHOLDERS

Dec 31, 2024	share capital, %	voting rights, %
Industrivärden	11.5	11.7
Oktogonen Foundation	8.0	8.2
BlackRock	3.4	3.4
Lundbergs	3.1	3.2
Vanguard	2.9	2.9

THE HANDELSBANKEN SHARE



SHARE OF LUNDBERGS' HOLDINGS

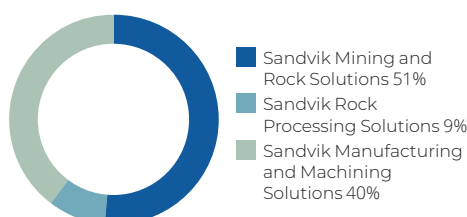
6.1%

Chair Johan Molin
 CEO Stefan Widing
 Board member associated with Lundbergs
 Claes Boustedt

LUNDBERGS' HOLDINGS
 Feb 18, 2025

Number of shares	39,500,000
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REVENUES BY BUSINESS AREA



KEY FINANCIAL DATA

	2024	2023
Revenues, SEK m.	122,878	126,503
Adjusted EBITA ¹ , SEK m.	23,583	25,240
Adjusted earnings per share, SEK	11.90	12.69
Net debt/equity ratio, multiple	0.42	0.50
Number of employees	41,447	40,877
Dividend per share, SEK	5.75 ²	5.50
Share price, Dec 31, SEK	198.30	218.10

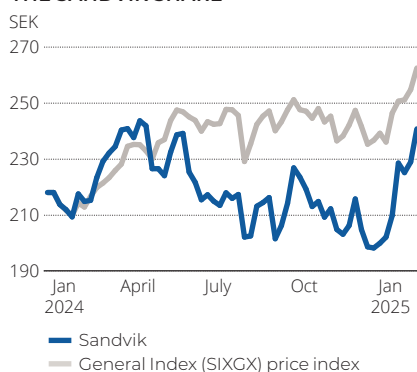
¹ Excluding items affecting comparability of SEK -3,090 m. (-710).

² The Board of Directors' proposal.

LARGEST SHAREHOLDERS

Dec 31, 2024	share capital and voting rights, %
Industrivärden	14.6
Alecta Pension Insurance	4.5
BlackRock	3.5
Swedbank Robur Funds	3.4
Vanguard	3.3
Lundbergs	3.1

THE SANDVIK SHARE



Sandvik

Holding since 2005

Sandvik is a high-tech and global industrial group with sales in more than 150 countries, with a strong focus on improving the customers' productivity, profitability and sustainability. The group combines products, software and digital solutions to provide a unique offering for the mining, infrastructure and manufacturing industries.

A decentralized decision-making process close to the customers is the key to Sandvik's success. The group's strategy is designed to achieve growth, both organically and through acquisitions. Sandvik is divided into three business areas and 23 divisions. The divisions have complete profit responsibility, which creates an entrepreneurial environment. Sandvik's dominating customer segments are Mining, Engineering Industry, Infrastructure, Automotive and Aerospace.

The business area *Sandvik Mining and Rock Solutions* is a world-leading supplier of equipment, tools, spare parts, services and solutions for crushing, screening, mining, breaking and recycling for customers in the mining and construction industries. Areas of application include rock drilling, rock cutting, loading and transportation. *Sandvik Rock Processing Solutions* is a leading supplier of equipment, tools, parts, service and solutions for crushing, screening, mining and

demolition in the mining and construction industries. *Sandvik Manufacturing and Machining Solutions* is a global market-leading manufacturer of tools and tool systems for advanced metal cutting. The business area also offers solutions for digital manufacturing, industrial metrology and metal powders.

Sustainability

Sandvik has six focus areas for sustainability: developing sustainable solutions, achieving net zero emissions in the value chain, promoting circularity and resource efficiency and working towards circular value chains, restoring biodiverse ecosystems, ensuring responsible business practices in the value chain, and protecting and promoting people and communities. The company is included in several sustainability indexes. Sandvik's climate targets are approved by the Science Based Targets initiative.

Financial objectives

Sandvik's financial objective is to achieve growth of 7% over a business cycle. The adjusted EBITA margin should be in the range of 20-22% over an economic cycle. Financial net debt to EBITDA should be lower than 1.5, excluding larger acquisitions. The dividend should amount to 50% of adjusted earnings per share over an economic cycle.



Skanska

Holding since 2011

Skanska is one of the world's largest construction and project development companies and operates on selected home markets in the Nordic region, Europe and the US. Trends such as urbanization and the transition to a more sustainable built environment benefit Skanska, which delivers sustainable buildings and infrastructure that contribute to a better society.

Construction is the group's largest business area and includes the construction and renovation of residential and industrial buildings, as well as infrastructure and civil construction. Construction assignments are conducted both for external customers and for Skanska's development activities. *Residential development* buys land, carries out project and zone planning, and develops and builds residential projects primarily for sale to private customers. *Commercial property development* initiates, develops, leases and sells commercial real estate projects, with a main focus on offices. The aim of *Investment Properties* is to generate stable cash flows and create value through the long-term management of office properties it develops in Stockholm, Gothenburg and Malmö.

Financial synergies are created as construction is conducted with negative working capital and generates positive cash flow over time. This cash flow

together with the profits generated by the group are invested in project-development operations, thus creating a healthy return on invested capital and generating new assignments for the construction operations.

Sustainability

The sustainability strategy focuses on the areas of responsibility, climate and resilience. Targets include a 70% reduction in CO₂ emissions from own operations between 2015 and 2030 as well as a 50% reduction in CO₂ emissions from the value chain between 2020 and 2030. In addition is the long-term goal of having net zero CO₂ emissions in own operations and the value chain by 2045. Skanska's climate targets have been scientifically validated by the Science Based Targets initiative.

Financial objectives

Skanska's financial objectives are that the group will achieve an annual return on equity of at least 18% and that the operating margin for construction will be at least 3.5%. In addition, project development will aim to generate an annual return on capital employed of at least 10% and Investment Properties at least 6%. Skanska's target for financial strength is that its adjusted interest-bearing net debt should not exceed SEK 10 bn. Dividend payments should be between 40% and 70% of profit after tax.

SHARE OF LUNDBERGS' HOLDINGS

3.7%

Chair Hans Björck

CEO Anders Danielsson

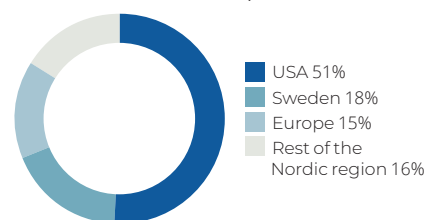
Board members associated with Lundbergs
Fredrik Lundberg, Henrik Sjölund

LUNDBERGS' HOLDINGS

Feb 18, 2025

Number of Series A shares	6,032,000
Number of Series B shares	16,350,000

REVENUES BY MARKET, CONSTRUCTION



KEY FINANCIAL DATA

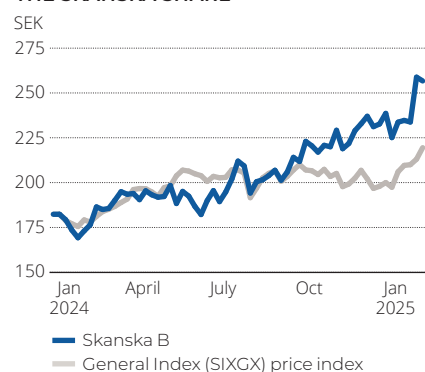
	2024	2023
Revenues, SEK m.	177,208	157,052
Operating profit, SEK m.	7,087	3,231
Earnings per share, SEK	14.12	7.89
Net debt/equity ratio, multiple	-0.20	-0.20
Average number of employees	26,276	27,256
Dividend per share, SEK	8.00 ¹	5.50
Share price, Series B, Dec 31, SEK	232.70	182.35

¹⁾ The Board of Directors' proposal.

LARGEST SHAREHOLDERS

Dec 31, 2024	share capital, %	voting rights, %
Industrivärden	7.7	24.5
Lundbergs	5.3	12.9
AMF Pensions & Funds	5.0	3.5
BlackRock	3.5	2.5
Handelsbanken Funds	3.3	2.3

THE SKANSKA SHARE



2024

Annual Report

The Board of Directors and President of L E Lundbergföretagen AB (publ), whose corporate registration number is 556056-8817, hereby submit their Annual Report for fiscal year 2024 for the Group and the Parent Company.

Report of the Board of Directors	48	PARENT COMPANY	
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The statutory sustainability report in accordance with the Annual Accounts Act is presented on pages 22-29 and in Notes 38 and 39 on pages 87-92

Report of the Board of Directors

Lundbergs is an investment company with a portfolio of assets comprising a wholly owned real estate operation and a number of major holdings in publicly traded companies. Two of these publicly traded companies, Holmen and Hufvudstaden, are subsidiaries and are thus consolidated in the financial statements for the Group.

Group

The business consists of real estate operations, forest and power operations, the manufacture and sale of paperboard, paper and sawn timber products, as well as equity management (including securities trading). The Group's operations are described below. Information about the Group's business sectors (Lundbergs, Holmen and Hufvudstaden) is presented on pages 48–52. The Parent Company is described on pages 52–53. The Corporate Governance Report appears on pages 54–57. The Sustainability Report is presented on pages 22–29 and in Notes 38 and 39.

Sales and earnings

Consolidated net sales amounted to SEK 29,311 m. (28,664).

Operating profit amounted to SEK 10,334 m. (9,699), of which profit from participations in associated companies accounted for SEK 3,392 m. (6,228). Unrealized value changes profit by SEK 275 m. (-4,446).

Net financial items amounted to an expense of SEK 526 m. (expense: 445).

Profit after financial items totaled SEK 9,808 m. (9,244). Profit after tax was SEK 8,383 m. (8,678). Earnings per share attributable to the Parent Company's shareholders was SEK 25.41 (29.25).

Tax

The Group's tax cost amounted to SEK 1,425 m. (566)

Investments

Investments are recognized under the various business sectors and the Parent Company below.

Shareholders' equity

The Group's shareholders' equity increased by SEK 6,373 m. The change primarily comprised profit for the year of SEK 8,383 m., other comprehensive income of SEK 1,162 m., dividends paid amounted to SEK 2,551 m. and repurchase of shares in Holmen to an expense of SEK 647 m.

The Group's shareholders' equity amounted to SEK 166,705 m. (160,332), of which non-controlling interests accounted for SEK 52,972 m. (52,773).

Financing

Interest-bearing net debt increased by SEK 1,851 m. to SEK 19,677 m. (17,825). Interest-bearing liabilities amounted to SEK 21,032 m. (20,007) and interest-bearing assets to SEK 1,355 m. (2,182). The equity/assets ratio was 74% (74). The debt/equity ratio was 0.12 (0.11).

Information about risks and uncertainties

The manner in which financial risks are managed is determined by the board of directors of Lundbergs, Holmen and Hufvudstaden, respectively. Risk management is conducted in accordance with the finance policy adopted by the boards of the respective companies, with the shared aim of achieving a low level of risk.

In all three companies, risk management is centralized in a special department. For a more detailed account of the management of financial risks, refer to Note 35 on page 83. Other information about risks and uncertainties is presented under the various business sectors. Information on important accounting assumptions and estimates is presented in Note 34 on page 82.

Business sectors

LUNDBERGS

In this context, Lundbergs is defined as the Parent Company, L E Lundbergföretagen AB, its wholly owned subsidiaries and, where appropriate, their groups of companies active within real estate operations and equity management (securities trading). The operations are divided into two business sectors, Real Estate Operations and Equity Management.

Sales and earnings

Net sales totaled SEK 3,373 m. (2,907) and operating profit was SEK 5,770 m. (7,241).

Real Estate Operations

Net sales totaled SEK 1,917 m. (1,808) and operating profit was SEK 1,111 m. (29).

The increase in operating profit was primarily due to less unrealized changes in the value of investment properties, which amounted to SEK -51 m. (-1,024). The total vacancy rate was 4.3% (3.4).

Investments in investment properties amounted to SEK 534 m. (511), and in equipment to SEK 2 m. (1).

An internal valuation was conducted of the real estate portfolio at December 31, 2024, by assessing the fair value of each individual property. The valuations were based on both the location-price method and the present value of estimated future payment flows.

To confirm this valuation, external valuations were commissioned for part of the real estate portfolio. The external valuations conducted at year-end comprised 36 properties, corresponding to 47% of the internally estimated market value. The external valuations of these properties were SEK 13.4 bn. and the internal valuations were SEK 13.1 bn. The total fair value is estimated at SEK 28,173 m. (27,690). The valuation method and assumptions are described in Note 17 on page 74.

Development properties are recognized in the balance sheet in an amount of SEK 210 m. (190), constituting the lower of the acquisition value and net realizable value. Development properties were sold for SEK 62 m. (31).

The estimated fair value at December 31, 2024 amounted to SEK 586 m. (589).

Equity management

Net sales totaled SEK 1.456 m. (1,100) and operating profit was SEK 4,659 m. (7,212).

Operating profit includes profit from shares in associated companies amounting to SEK 3,384 m. (6,222), of which

Husqvarna accounted for SEK 100 m. (165), Industrivärden for SEK 2,554 m. (5,296) and Indutrade for SEK 731 m. (762).

During the year, the Parent Company invested a total of SEK 2,282 m. (1,681) in listed shares. The investments consisted of 3,950,000 shares in Alleima for SEK 267 m., 2,000,000 series A shares in Handelsbanken for SEK 197 m., 3,500,000 series C shares in Industrivärden for SEK 1,240 m. and 2,700,000 shares in Sandvik for SEK 579 m. During the year 2,000,000 shares of series A in Industrivärden was converted to series C shares.

Net investments in shares amounted to SEK 2,073 m. (1,554).

Information about risks and uncertainties

Real estate operations

Changes in the real estate market, such as those that result from economic fluctuations, affect the fair value of the properties, which constitutes both a risk and an opportunity.

Over the short term, opportunities to influence earnings from current operations are limited. Revenues from the commercial premises are regulated by relatively long-term leases, normally three to five years. The residential properties are rented under contracts that apply until further notice, with the tenant entitled to terminate the contract with three months' notice.

Operating expenses are difficult to change over the short term while maintaining service and quality. Profitability, operating activities and new projects are impacted by the business environment and interest rates, and also by political decisions. Accordingly, successful management of the opportunities and risks arising in a real estate company requires a long-term approach and active work to develop existing properties.

Lundbergs' real estate portfolio consists of centrally situated residential and commercial properties. The properties are concentrated mainly in large cities characterized by positive development. Residential properties account for 60% of total rentable space in the real estate portfolio and commercial premises for 40%. The even division between residential and commercial premises adds stability to the operations.

The company works actively to optimize the properties' consumption, thereby reducing operating costs. The company also monitors and controls costs for each individual property.

All properties are covered by full-value insurance.

Equity Management

Share risk pertains to the share-price risk and liquidity risk. Share-price risk pertains to the risk of value loss due to movements in share prices on the stock market. A liquidity risk may arise if a shareholding is difficult to divest. Lundbergs' policy is to hold large shareholdings in a limited number of companies. These shareholdings may change over time. At present, Lundbergs' shareholdings are partly in companies with operations in the same or similar industries. The portfolio focus on certain industries could continue in the future, which could give rise to greater risk exposure to individual industries and/or companies.

Non-financial profit indicators

Lundbergs has collective bargaining agreements with both white-collar and blue-collar employees. Sickness absence and employee turnover are low. There are distinct guidelines for ensuring that no discrimination or unfounded wage differences arise.

The company offers well-maintained and attractively located residential and commercial premises in properties where the focus is on security and safety. Long-term tenant relations are created through high service standards and personal meetings. All aspects of the company's operations are to be hallmarked by customer value, efficiency and profitability. The work conducted should be systematic with short decision-making routes. Good living and work environments reduce tenant relocation and thus also the use of materials and chemicals.

The company's carbon footprint will be reduced through continuous improvements. The greatest environmental impact derives from use of energy for operating the properties. The business shall be conducted with the least possible negative effect on the environment and the company is working proactively to reduce environmental impact. In close dialogue with energy suppliers, the share of renewable or recycled energy used in the properties will increase.

The work is carried out with clear goals and with high standards of implementation. Long-term investments in energy efficiency are an important part of creating a sustainable future. In order to constantly seek improvements in construction technology and by installing more modern technology, efforts to actively improve the quality of the properties and reduce energy consumption are continuing.

No operations were conducted that require permits or notification in accordance with Chapter 9, Section 6 of the Swedish Environmental Code (1998:808) and the Swedish Environmental Impact Assessment Ordinance (2013:251) during 2024.

Outlook

Because the real estate portfolio is concentrated to central locations in major cities, demand for residential, office and retail properties is stable.

However, there are reasons to pay attention to digitalisation impact on physical trade where the trend for a long time has been towards smaller spaces. Lundbergs must have a high readiness to work with densification of spaces but also alternative use of such premises.

HOLMEN

Holmen operates in forestry and energy and manufactures paper-board, paper and sawn timber products.

For a more detailed description than provided below, refer to Holmen's 2024 annual report.

Sales and earnings

Net sales amounted to SEK 22,759 m. (22,795).

Operating profit amounted to SEK 3,721 m. (4,755).

Operating profit decreased by SEK 1,034 m. mainly as a result of lower paper prices and that the previous year benefited from income from the sale of surplus electricity. The reported value of Holmen's forest assets, which is calculated based on market prices for forest properties, increased at the annual revaluation by 3%.

Investments

Investments totaled SEK 2,123 m. (1,706).

Information about risks and uncertainties

Demand for Holmen's products is affected by macroeconomic factors, among other things and political factors as well as competitiveness with mainly European producers. Changes in demand for Holmen's products affect the potential to produce at full capacity in the company's industrial plants and may lead to lower revenue. Revenue could also be impacted if the harvest from own forests has to be limited and to variations in precipitation and wind, which dictate the production of hydroelectric and wind power. Holmen endeavors to maintain a favorable cost position through large-scale production in well-invested production facilities, efficient logistics solutions and effective control over timber supply. Together with long-term customer relations and strong product brands, this increases the potential to maintain high production even under more difficult market conditions.

The market balance in the various product segments dictates the selling price and influences revenues. Holmen has limited opportunities to rapidly implement major changes in its product range in the event of price changes, but it adapts its product focus to the products and markets that are adjudged to have the best long-term prerequisites, and by having a broad customer base and an offering that extends over a number of product areas.

Timber, electricity and chemicals are the principal input materials and price fluctuations impact profitability. Holmen's costs depend on the price trend for input materials and how well Holmen succeeds in increasing its production and administration efficiency. There is a risk that costs will increase in the event of a shortage of raw materials and an elevated price scenario for input goods. Half of the company's timber requirement is covered by the harvesting of own forests, while purchases from private forest owners account for the remainder. Thanks to the integrated production process, Holmen is largely in balance in respect of pulp. Paperboard operations generate almost all of the electricity needed by Holmen's own mills, while external purchases account for paper production needs. Physical fixed-price agreements and financial hedges are used to manage the price risk associated with this consumption. At the same time Holmen sells hydro and wind power electricity to the electricity grid.

Holmen operates in a global market and sells products to a large number of countries worldwide. Due to this geographical reach, Holmen is exposed to political risks, conflicts, natural disasters, epidemics and pandemics.

Holmen's earnings are affected by changes in exchange rates. The risk associated with transaction exposure pertains to considerable amounts of sales in currencies other than the cost currency. The risk associated with translation exposure derives from translation of the non-Swedish subsidiaries' assets, liabilities and earnings to SEK. To reduce the impact on earnings of changes in exchange rates, net flows are hedged using currency forward contracts.

Holmen insures its facilities for damage to property and interruption in the event of unforeseen events. The group also has liability insurance that covers sudden, unexpected environmental damage affecting third parties. Holmen's forest holdings is not insured as it is spread over large parts of Sweden and the risk of significant damage occurring at the same time is considered low, therefore do not justify the cost of insurance.

Holmen's right to use its own forest is essential to maintain its value. There is a risk that the requirements to use the forest as a

carbon sink will increase in the future. Such a development could affect the possible use of the forest and thus the availability of raw materials. Requirements for changed forestry methods could lead to reduced harvest and increased costs.

The active management of forests and land is regulated, both nationally and at the EU level. To be able to conduct active and sustainable forestry, it is vital that laws do not inhibit the prerequisites for sustainable operations. Holmen participates in national and international industry organizations to influence relevant political and regulatory issues.

During the year, the implementation of a number of EU regulations and Sweden's competitiveness has been in focus. An overly ambitious implementation from Sweden's side risks affecting Sweden's and Holmen's opportunities to contribute to climate change. Holmen has, both under its own management and through trade associations, continuously taken part in the debate to influence the EU's regulations and the Swedish government's planning for implementation, including by highlighting the positives the climate effects as a cultivated forest and the substitution as products from the forest entail.

Non-financial profit indicators

Employees

Holmen's values of courage, commitment and responsibility develop individuals and builds a strong culture and makes Holmen better. In Holmen the values are clearly present. Every day they must support and develop behaviours, priorities, decisions and the management of the business. The values are integrated into processes and tools, such as in the recruitment process, employee performance dialogues, in the management-by-objectives model and as a foundation for internal leadership and employee programs. Based on current and future skills needs employees at all levels are further developed.

For Holmen to continue to be a business that innovates and development is in focus, the right employees need to be attracted and retained. An attractive employer offer and recruitment according to a competence-based methodology helps attract employees who represent a diversity of insights, experiences and cultures. Holmen has zero visions for workplace accidents, discrimination and harassment.

Environment

Holmen's renewable products contribute to reducing the need for fossil-based products alternatives and the active environmental work ensures compliance with the rules and conditions imposed on the business. The operation gives rise to emissions to air and water and environmental work is about managing the impact on people and the environment. In order to be able to carry out industrial production, environmental permits are required which specifies approved emission levels of various substances. The business total environmental impact is regulated in the individual permit examination according to the Environmental Code, as well as through the Industrial Emissions Ordinance which states that best available techniques shall be applied.

Holmen conducts production operations at nine plants that require environmental permits. Permits include specifications of terms for permitted production volumes as well as permissible emissions to air and water.

At the end of 2024, all operations at Holmen's production facilities were certified according to environmental management systems. Work is ongoing to include the Linghem, Bygdsiljum and Kroksjön sawmills facilities in other sawmill ISO 9001 certificates. All of Holmen's facilities at which wood raw material is used have chain-of-custody certification.

Outlook

Demand for timber is high despite a weak construction economy. Despite production limitations at Nordic mills is the competition for pulpwood good as a result of a combination of closed Russian borders, expansion of pulp mills and that the heating plants has increased their use of biofuel. Holmen's position on the timber market, with good control over the raw material and the entire value chain, provides long-term secured raw material supply and good conditions to continue develop the industries. At the same time, it is becoming increasingly clear that the forest has an important role to play in the transition to a fossil-free world.

The need for renewable electricity is great and Holmen continues to control hydropower production towards times when it is most needed and offers services to stabilize the power grid. The focus is also on the development of permits for new wind power for projects with good wind conditions and low cost of connecting to the electricity grid.

Interest in building in wood is great based on its positive climate footprint, but the construction economy is weak with a low rate of new construction. With well-invested sawmills and expanded capacity within processing, there are good opportunities to develop the wood products business in step with increasing demand for sustainable building materials.

The market for consumer cardboard improved in 2024, but consumption in Europe is still lower than historically. Demand for paper is falling structurally and prices depend above all on the development of production costs on the continent where you are dependent on recycled fiber and fossil energy. With strong market positions within selected niches and well invested production facilities there are good opportunities to create good value added.

HUFVUDSTADEN

Hufvudstaden's business concept is to offer, in its own properties in central Stockholm and central Gothenburg, successful companies of high quality office and retail premises in prime market places. For a more detailed description than provided below, refer to Hufvudstaden's 2024 annual report.

Sales and earnings

Net sales totaled SEK 3,179 m. (2,962). The operating result was SEK 884 m. (-2,257), where the improvement is mainly explained by lower negative unrealized value changes in the property portfolio. The result before unrealized value changes increased by SEK 82 m.

The total year-end vacancy rate was 7.1% (8.8).

Investment properties

During the year, SEK 975 m. (1,238) was invested in existing properties and SEK 16 m. (63) in other fixed assets.

An internal valuation was conducted of the real estate portfolio at December 31, 2024, by assessing the fair value of each individual property. The value was established through utilization of a varia-

tion on the location-price method termed the net capitalization method. This method means that the market's yield requirement is placed in relation to the properties' net operating income. To confirm this valuation, external valuations were commissioned of nine properties, corresponding to 39% of the internally estimated market value. The external valuations of these properties were SEK 19.0 bn. Hufvudstadens internal valuation of the same properties were SEK 18.2 bn.

The fair value is estimated at SEK 47,115 m. (46,743). The valuation method and assumptions are described in Note 17 on page 74.

Information about risks and uncertainties

Hufvudstaden strives to have long leases for stores with a high guaranteed minimum rent that limits the risk of rent loss, supplemented with an income potential from turnover allowances. Continuous environment monitoring and risk assessment precedes signing of new agreements. By offering a diversified product range in the premium and luxury segment the retail business in NKI Retail is more resilient.

Hufvudstaden concentrates its holdings on attractive commercial properties situations to limit the rental risk. Lease agreement with longer maturities are tied to the consumer price index and often include minimum indexing. A certain vacancy is kept to offer expansion opportunities and test the market's tolerance for higher rent levels. A close dialogue and regular NKI surveys is carried out to understand the tenants' needs and satisfaction, in order to meet their needs and reduce the risk of departure.

Hufvudstaden works actively with continuous operational optimization and energy efficiency. Procurement of electric power is done on a forward price basis to reduce sensitivity to fluctuations in energy prices. Regular self-checks, risk inspections and maintenance planning carried out to identify and remedy potential at an early stage problem. A large part of costs for electricity, heating and property tax are billed to the tenants.

Non-financial profit indicators

Risk management is an integrated part of the business strategy and includes identification, assessment and management of risks that can affect the ability to reach set goals. Continuous work with to monitor and analyze both financial and operational risks to limit their potential negative consequences is ongoing. Prioritized areas for risk management include property value, financing, leasing, project operations and sustainability.

Hufvudstaden works for economic, environmental and social sustainability. Focus on reducing the climate footprint, future-proof properties and businesses and collaborate to create the conditions for sustainable development.

Hufvudstaden is a value-driven company that, among other things, works on further developing the employees and having good leaders in an equal working environment with an investment in competence development and health at centrally located workplaces.

Outlook

Hufvudstaden's properties are well looked after and maintains high quality, the majority with appreciated, and sustainable architecture. This, together with other actors in the city, creates and

develops attractive marketplaces. The company has internal competence within most functions. The employees are highly committed and works in close collaboration with customers to continuously contribute to improving their business opportunities and competitiveness.

The properties' climate impact must be reduced and advantage must be taken of tenants' increased interest in reuse and sustainability. In 2025, the management of the properties shall become climate neutral and to future-proof the properties, materials and robustness technical solutions with a long service life are chosen.

In recent years, the market for offices has changed. Office worker work more flexibly and to some extent the work is carried out on places other than the office. One effect of this is that the location of the office and design have become even more important. This trend favors Hufvudstaden's attractive properties in central locations with proximity to services, shops, restaurants and culture as well as good transport links. The demand for flexible office solutions remains and the work by developing the three office concepts Own office, turnkey offices REDO and Cecil Coworking will continue as well going forward.

The conditions for the retail trade are challenging and the profitability in mainly the middle segment is weak. At the same time, one notices increased optimism for the future in line with interest rate cuts, decided tax cuts and forecasted real wage increases. More players show interest in establishing new stores in good street level locations in the central properties. In the NK operations a change work has begun, which will gradually improve profitability.

Hufvudstaden's strong financial position and low risk profile must be maintained, the result from the current operations must increase and over time the shareholders should receive good dividend growth.

Parent Company

The Parent Company is an investment company that owns, manages and develops companies.

Net profit for the year amounted to SEK 3,192 m. (2,898). Profit includes dividends of SEK 3,525 m. (3,177).

Net investments in publicly traded shares amounted to SEK 2,266 m. (1,681).

For company information regarding L E Lundbergföretagen AB, refer to Note 2 on page 64.

Guidelines for remuneration to senior executives

The 2024 Annual General Meeting decided on the following guidelines regarding the terms of employment for the executive director, deputy executive director and other senior executives in L E Lundbergföretagen AB who reports directly to the executive director. The guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2024 AGM. These guidelines do not apply to any remuneration decided by the AGM.

Remuneration for board work in listed subsidiaries, and for Board members and senior executives of L E Lundbergföretagen AB, is resolved on by the AGMs of the respective subsidiary.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

Lundbergs' strategy is to achieve a healthy return and value growth by being an active owner in the portfolio companies, investing according to clear criteria having a strong financial position that creates freedom of action. For further information about the company's business concept and strategy, please visit the company's website.

A prerequisite for successful implementation of the company's business strategy and achievement of the company's long-term interests, including its sustainability, is that the company is able to attract the right employees. To this end, it is necessary that the company offers competitive remuneration. The intention of these guidelines is to give Lundbergs prerequisites to recruit and retain qualified employees.

Types of remuneration, etc.

Remuneration of senior executives may consist of fixed salary, other benefits and pension. For the Deputy CEO (who is employed by the wholly-owned, unlisted L E Lundberg Kapitalförvaltning AB) variable compensation must also be payable. The total remuneration should be competitive in the market and be proportionate to each executive's performance, responsibility and authority. No remuneration is to be provided in the form of options or other share-based incentive programs.

The criteria for variable remuneration shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by, for example, being clearly linked to the business strategy or promoting the executive's long-term development. The criteria may be financial or non-financial and may constitute individualized, quantitative or qualitative objectives. Any variable remuneration to the Deputy CEO must be based on the results of activities in L E Lundberg Kapitalförvaltning AB, whereby the remuneration will be capped at approximately 15% of the reported result over time. The remuneration amount is to cover social security contributions and other payroll expenses that are incurred on the payment. The remuneration will be divided into two rounds so that half of accrued remuneration for the first year will be disbursed in January of year two and the remainder will be disbursed in January of year three. Should the remuneration-based result be negative in year two, this will be deducted from the remaining remuneration for year one, which was intended to be disbursed in January of year three. If, after the deduction, the remuneration-based result continues to be negative, this will be deducted from future remuneration-based results until such time as the accumulated result is no longer negative. Other benefits may include medical insurance and company cars. Such benefits may amount to not more than 10% of the fixed annual cash salary.

Pension benefits for the President and other senior executives apply from age 65, with benefits corresponding to the ITP plan. Pensions must be defined-benefit or defined-contribution. Should the ITP plan entail that the pension of a senior executive is defined-contribution, the premiums must not significantly exceed what is stipulated in the ITP plan, currently 30% of fixed cash salary. Variable remuneration will not qualify for pension benefits, with the exception of the cases that result from the regulations of the Swedish ITP plan.

Salary during notice period and severance pay

Upon termination of an employment, the notice period may not exceed 12 months. During the period of notice, the combined value of cash salary during the notice period and severance pay may not exceed an amount corresponding to fixed cash salary for two years. When termination is made by the executive, the notice period may not exceed six months, without any right to severance pay.

Decision-making process to determine, review and implement the guidelines

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total remuneration, the components of the remuneration and increase and growth rate over time in the Board of Directors' decision basis when evaluating whether the guidelines are reasonable.

The Board has considered the matter of whether to establish a remuneration committee but has decided not to establish one and to instead address this matter within the framework of regular Board work. This means that the entire Board of Directors, apart from the CEO, fulfill the duties that fall upon a remuneration committee, including monitoring and evaluating programs for variable remuneration of Executive Management Team, the application of guidelines for executive remuneration and applicable remuneration structures and remuneration levels in the company.

Neither the CEO nor other members of the executive management participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters. The Board shall prepare a proposal for new guidelines at least every fourth year and submit it for resolution to the AGM. The guidelines shall be in force until these new guidelines have been adopted by the AGM.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The CEO is responsible for the assessment regarding any variable compensation for the Deputy CEO. For financial objectives, the evaluation shall be based on the latest financial information made public by the company concerned.

Derogation from the guidelines

The Board shall be entitled to partly or fully deviate from the guidelines if there is special reason to do so in an individual case and such deviation is necessary to satisfy the company's long-term interests, including its sustainability, and to safeguard the company's financial solidity.

Other information

For guidelines concerning senior executives of the publicly traded subsidiaries Holmen AB and Hufvudstaden AB, refer to their respective annual reports.

Share information

The year-end share capital of L E Lundbergföretagen AB amounted to SEK 2,480 m. The total number of shares was 248,000,000, each with a quotient value of SEK 10. The shares are divided into 96,000,000 Series A shares, carrying ten votes per share, and 152,000,000 Series B shares, carrying one vote per share. At the request of owners of Series A shares, it will be possible to convert Series A shares into Series B shares.

The Articles of Association do not impose any limitations on share transfers. There is no limitation on the number of votes each shareholder is entitled to cast at the AGM. The largest shareholder is Fredrik Lundberg (including companies and spouse), who owns a total of 40.76% of the share capital and 70.60% of the voting rights. Fredrik Lundberg is followed by Louise Lindh (including family) and Katarina Martinson (including family), who each own 14.79% of the share capital and 11.39% of the voting rights. The holdings of all other respective shareholders amounted to less than 10% of the voting rights.

Employees do not have any shareholdings through pension funds or other pledges.

The Articles of Association stipulate that, in addition to members appointed by an authority other than the AGM, the Board of Directors shall comprise a minimum of five and maximum of ten members, with a maximum of three deputies. Members and deputy members are elected at the AGM.

Fredrik Lundberg (including companies), Louise Lindh and Katarina Martinson have entered into a shareholder agreement under which, for example, constraints are placed on the transfer of shares should a party other than Fredrik Lundberg (including companies) wish to reduce their holding of Series A shares. Otherwise, there are no known agreements that would be affected by a public takeover offer.

Repurchase of own shares

The AGM on April 10, 2024 resolved to renew the Board's authorization to make decisions regarding the buyback of up to 10% of the company's Series B shares. The authorization was not exercised, however. The Board proposes that the 2025 AGM also authorize the Board to buy back up to 10% of the company's Series B shares.

Sustainability Report

The Sustainability Report according to Chapter 6, Section 11 of the Annual Accounts Act is available on pages 22-29 and Notes 38 and 39 of the Annual Report.

Corporate governance report

Introduction

Corporate Governance in L E Lundbergföretagen AB is based on, inter alia, the Articles of Association, the Swedish Companies Act, the rules and regulations for issuers as published by Nasdaq Stockholm (the Exchange), the Swedish Code of Corporate Governance (available at www.bolagsstyrning.se) ("the Code") and other applicable laws and regulations. The Code is a form of self-regulation within Swedish industry based on the "comply or explain" principle, whereby companies that apply the Code may deviate from individual rules but, in such cases, must explain the reason for each deviation, while also describing the solution adopted instead.

Division of responsibilities

The shareholders exercise their influence over L E Lundbergföretagen AB at the AGM, which is the highest decision-making body in the company, while responsibility for the management and control of the company rests with the Board of Directors and the President, in accordance with the Swedish Companies Act, other laws and regulations, pertinent rules for stock market companies, the Articles of Association and the Board's internal control instruments.

Shareholders

In February 2025, the company had 63,931 shareholders. The ten largest owners had total holdings corresponding to 77.7% of the share capital. Foreign investors owned about 9.4% of the share capital. For further information, refer to Share information, page 18.

General Meeting

The General Meeting is the highest decision-making body in L E Lundbergföretagen AB. The Annual General Meeting (AGM), which is held in Stockholm or Norrköping within six months of the close of the fiscal year, adopts the income statement and balance sheet, passes resolutions regarding dividends and the discharge of Board members and the CEO from personal liability, elects members of the Board and approves their fees, and, when applicable, elects auditors and approves their fees, while dealing with other statutory matters and making resolutions on guidelines for remuneration of senior executives and on other proposals submitted by the Board of Directors and shareholders.

All shareholders who are listed in the share register on a given record day, and who have notified the company of their intention to participate in the meeting within the allotted time period, are entitled to participate in the meeting and exercise voting rights equal to the total number of shares they hold. Shareholders may participate via proxy. To be able to exercise their voting rights at the AGM, shareholders whose shares are trustee-registered must temporarily re-register their shares in their own name in accordance with the terms in the notification of the AGM.

The 2024 AGM was held on April 10, 2024. The annual accounts and auditors' report, as well as the consolidated financial statements and auditors' report on the consolidated financial statements, were presented at the meeting.

The AGM resolved to adopt the presented income statement and balance sheet and the consolidated income statement and consolidated balance sheet and to pay a dividend of SEK 4.30 per share to the shareholders. The AGM discharged the Board mem-

bers and the President and CEO from liability and resolved on the fees to be paid to Board members and auditors. In addition, Bo Selling, Carl Bennet, Sofia Frändberg, Louise Lindh, Fredrik Lundberg, Katarina Martinson, Krister Mattsson, Sten Peterson and Lars Pettersson was re-elected as board members and the auditor was re-elected for the period until the end of the next annual general meeting.

Furthermore, the meeting decided on approval of the remuneration report for 2023, on guidelines for remuneration to senior executives in accordance with what appears on pages 52-53 and authorized the board to decide on the acquisition of own shares.

Official notification of the AGM is to take the form of an announcement in Post- och Inrikes Tidningar and on the company's website. The fact that notification has been sent is to be announced in Dagens Nyheter. Notification of the AGM and of extraordinary general meetings that will address amendments to the Articles of Association must be provided no earlier than six weeks and no later than four weeks prior to the meeting.

Nomination committee

In view of the composition of shareholders, it has not been deemed necessary to appoint a nomination committee. Accordingly, proposals for the election of a Chairperson for the AGM, elections of Board members and, when appropriate, of the auditors, as well as proposals concerning the remuneration to be paid to Board members and the auditors are submitted by the company's major shareholders and presented in the official notification of the AGM and on the company's website. On this point, the company does not comply with the rules of the Code concerning nomination committees.

Board of Directors and its work

Composition of the Board

In accordance with the Articles of Association, the Board of Directors shall consist of not less than five and not more than ten members, and a maximum of three deputy members elected by the AGM for the period extending to the next AGM. L E Lundbergföretagen AB's Board of Directors, which was elected by the 2024 AGM, consists of nine members, including the President and CEO.

Chairman Bo Selling is chairman of Sydholms Kapitalförvaltning and has previous experience in share management among other as equity manager at Alecta. Carl Bennet is, among other things, CEO and chairman of the board of Carl Bennet AB as well as chairman of Lifco. Sofia Frändberg is chairman of the board of Volvo Penta and VE Commercial Vehicles Ltd and has for many years worked as general counsel and member of the group management within the Volvo Group. Louise Lindh is chairman of Fastighets AB L E Lundberg and board member in Handelsbanken, Holmen and Hufvudstaden and was previously managing director of Fastighets AB L E Lundberg. Fredrik Lundberg is executive Director of L E Lundbergföretagen AB. Katarina Martinson is, among other things, chairman of the board of Indutrade and board member of Husqvarna and Industrivärden and has previously experience from, among other things, investment strategy and macroeconomics. Krister Mattsson is a board member of the Ingka Foundation (owner of Ingka group), Imas Foundation and IKEA Foundation and has for many years been active within the Ingka group, with a range of leading positions, including as CEO of Ingka Investments. Sten Peterson is vice chairman of Fastighets

AB L E Lundberg and Förvaltnings AB Lunden and has previously been managing director in Förvaltnings AB Lunden. Lars Pettersson has, among other things, been managing director and CEO of Sandvik. A presentation of the assignments that the board members currently holds see the Board of Directors on pages 104-105.

All of the members of the Board, with the exception of Fredrik Lundberg (in his capacity as President and CEO), Louise Lindh (in her capacity as former President of the wholly owned subsidiary Fastighets AB L E Lundberg) and Sten Peterson (in his capacity as Vice Chair of Förvaltnings AB Lunden, in which Fredrik Lundberg is Chair of the Board and majority shareholder), are regarded as being independent in relation to the company. In addition, all of the Board members, apart from Louise Lindh, Fredrik Lundberg, Katarina Martinson and Sten Peterson, are regarded as being independent in relation to the company's major shareholders. Accordingly, the Board complies with the independence requirements imposed in the Code. However, the composition of the Board does deviate from the Code in respect of rule 4.3 in that two of the Board members are senior executives of the company and the company's subsidiary, respectively. This deviation is motivated on the grounds that it is suitable that the Board's composition reflects ownership conditions in the company.

As previously stated the company's major shareholders submit proposals regarding, for instance, the election of the Board of Directors. The major shareholders have applied Rule 4.1 of the Code as the company's diversity policy, which entails that the Board of Directors is to have a composition appropriate to the company's operations, phase of development and other relevant circumstances, that the Board members elected by the AGM are to exhibit diversity and a breadth of qualifications, experience and background, and that the company is to strive to achieve a balanced gender distribution. The 2024 AGM resolved in accordance with the proposal of the major shareholders, meaning that nine Board members were elected, including three women and six men. Accordingly, gender distribution on the Board is relatively good, with women accounting for 33.3%.

A corresponding assessment and application were carried out when preparing the proposals for the 2025 AGM, which resulted in the proposal regarding the Board of Directors presented in the notification of the AGM. The proposal of the major shareholders entails that nine Board members are to be appointed, including three women and six men, corresponding to 33.3% women.

Chair

At the 2024 AGM, Bo Selling was re-elected Chair of the Board. The Chair organizes and directs the Board's efforts to ensure that the work is conducted effectively and in compliance with the Swedish Companies Act, other laws and regulations, pertinent rules for stock market companies (including the Code) and the Board's internal control instruments. The Chair monitors the operations in dialogue with the President, is responsible for ensuring that other Board members receive satisfactory information and appropriate decision-making documentation and passes on any opinions from the shareholders to the Board. The Chair is responsible for keeping Board members up to date and broadening their knowledge of the company and otherwise providing whatever training might be required for them to effectively conduct their Board work. To assure the quality of the work conducted by the Board of Directors, and to ascertain potential requirements of additional expertise and expe-

riences, the Chair, pursuant to the Rules of Procedure for the Board, annually performs an assessment of the Board's work. The Chair has held individual discussions with the various Board members to gain an understanding of their views on how the work of the Board is conducted and the type of measures that could be implemented to increase its efficiency. The results of the evaluation have been discussed by the Board as a whole.

Board of Directors' work

The Board of Directors establishes written working procedures every year that regulate the Board's work agenda and its internal division of duties, decision-making priorities within the Board, the Board's meeting procedures and the Chair's duties. In addition, the Board has issued a finance policy, an information policy and written instructions regarding the allocation of responsibilities between the Board and the President.

The Board monitors the President's work through continuous efforts to follow up operations during the year, assumes responsibility to ensure that the organization, management and guidelines for administration of the company's business are suitably designed and ensures that satisfactory internal controls are in place. The Board is also responsible for the development of and ensuring compliance with the company's strategies through plans and goals, decisions regarding acquisitions and divestments of business operations, major investments and remuneration of the President, in accordance with the guidelines for remuneration of senior executives that were resolved by the AGM. Once annually, the Board addresses the evaluation of the CEO's work, during which no member of company management is present. The Board of Directors also approves any significant assignments that the CEO may have outside the company.

In accordance with the applicable working procedures, the Board holds at least four scheduled meetings and one statutory meeting per year. Whenever required, unscheduled meetings are held to address special items. Five meetings of the Board were held during 2024. The Board focused special attention on strategic and financial issues, issues relating to the economy, investment issues and accounting issues during the year. Presentations were also made at every scheduled Board meeting regarding the business development of Lundbergs Fastigheter and L E Lundberg Kapitalförvaltning AB and of the portfolio companies.

Attendance at Board meetings during the year was very high. All Board members were present at all Board meetings. The Group's CFO participates in Board meetings, as does the Board's secretary, who is a lawyer that is independent of the company. Other senior executives also participate in Board meetings to present special issues or whenever deemed appropriate.

Remuneration of the Board

Fees paid to the elected members of the Board are resolved on by the AGM based on proposals submitted by the company's largest shareholders. At the 2024 AGM, it was resolved that fees to the Board for the period extending from the 2024 AGM to the 2025 AGM would total SEK 3,650,000, of which SEK 1,095,000 to the Chair of the Board. Each of the other Board members elected by the AGM, with the exception of the President, will receive a fee of SEK 365,000. Any further remuneration paid to any member of the Board, including the President, is outlined in the consolidated financial statements, Note 5.

Audit Committee

The Board has considered the matter of whether to establish an Audit Committee and decided not to. Instead, the Board as a whole fulfills the responsibilities otherwise assigned to an audit committee. This works well and means that the entire board has full transparency in and actively take part in these important tasks. During 2024, the Board thus monitored the system for internal control of financial reporting. This monitoring is intended to ensure the efficiency of the operations, their compliance with laws and regulations and the reliability of the financial reporting. The Board has reviewed and evaluated the procedures for financial accounting and reporting and followed this up with evaluations of the work performed by the external auditors, their qualifications and independence. The Board also provides Group management with identification and evaluations of the primary risks to which the operations are exposed and ensures that management focuses on efforts to address these risks. During 2024, the Board conducted two reviews with, and received reports from, the company's external auditors, once without the attendance of President or other members of company management. The reports by the auditors did not necessitate any special actions by the Board.

Remuneration Committee

Matters involving remuneration and other terms of employment for the President are prepared by the Chair of the Board. Decisions on such matters are made by the Board of Directors without the participation of the President. Remuneration and other terms of employment for other executives are negotiated and agreed upon with the President. The Board also monitors and evaluates all programs for variable remuneration of senior executives. The Board monitors and evaluates compliance with the guidelines for remuneration of senior executives adopted by the AGM and applicable remuneration systems and remuneration levels in the company. The matter of whether to establish a Remuneration Committee has been considered by the Board, which has concluded that the means of preparation and the division of competencies that are applied in respect of remuneration are appropriate and sound. Accordingly, the Board has not found any reason to change its position on the matter, even if this constitutes a deviation from the Code's rules in that one Board member who is a member of company management participates in this work.

Company management

The President manages and ensures that business operations are conducted in compliance with the Swedish Companies Act, other laws and regulations, pertinent rules for stock market companies, the Articles of Association and the Board's internal control instruments, as well as in accordance with the objectives and strategies established by the Board. In consultation with the Chair of the Board, the President prepares required information and decision-making documentation prior to Board meetings, presents the issues and provides justification for proposals. President and CEO Fredrik Lundberg, born 1951, has degrees in engineering and business administration and is Dr. h. c. mult. Fredrik Lundberg is Chair of the Board of Holmen, Hufvudstaden and Industrivärden, Deputy Chair of Handelsbanken and Board member of Lundbergs Fastigheter and Skanska. Through direct ownership and companies, Fredrik Lundberg and his spouse held 76,000,000 Series A shares and 25,086,000 Series B shares in the company, or a total of 101,086,000 shares, at December 31, 2024.

Remuneration of the President and other senior executives

The 2024 AGM resolved on guidelines for the remuneration of senior executives. The guidelines are described in greater detail on pages 52-53. The company has no outstanding share-based or share-price-related incentive programs.

Active ownership

L E Lundbergföretagen AB is an active owner of its portfolio companies. On the board of each of these companies, the company is represented through one or more of the positions of President, Executive Vice President or Board member of L E Lundbergföretagen AB. Active ownership is also exercised through representation on the nomination committees of the portfolio companies.

Internal audit

The company has a simple legal and operating structure and a carefully formulated control and internal audit system. The Board monitors the company's evaluations of its internal control through contacts with the company's auditors and other means. In view of the information presented above, the Board has decided not to establish a special internal audit function.

Auditors

According to the Articles of Association, the company must have two auditors with or without deputies, or alternatively a registered public accounting firm. At the 2024 AGM, PricewaterhouseCoopers AB was elected the company's audit firm for a term of office of one year. Authorized Public Accountant Magnus Svensson Henryson is auditor-in-charge. Other major assignments performed by Magnus Svensson Henryson include Handelsbanken, Holmen, Hufvudstaden, Bure Equity and Alleima.

The audit is reported to the shareholders in the form of an audit report that constitutes a recommendation to the shareholders ahead of items of business at the AGM concerning adoption of the income statement and the balance sheet for the Parent Company and the Group, the disposition to be made of the profit in the Parent Company and the discharge of the members of the Board and the President from liability for their administration during the preceding fiscal year. The auditors duties include checking compliance with the Articles of Association, the Swedish Companies Act and the Annual Accounts Act, and with International Financial Reporting Standards (IFRS), matters involving valuation of balance sheet items and follow-ups of significant accounting processes and of the management of the company and financial control.

In addition to the audit assignment, the company has also consulted PricewaterhouseCoopers AB in other matters. The amounts of remuneration paid to PricewaterhouseCoopers AB are presented in Note 6 on page 67. In its capacity as auditor of L E Lundbergföretagen AB and its subsidiaries, PricewaterhouseCoopers AB is obliged to verify its independence before deciding to conduct other assignments.

Articles of Association

The Articles of Association include established directives concerning the company's business operations, the number of Board members and auditors, instructions for the official notification of the AGM, business for discussion at the AGM and where the AGM should be held. For more information about the current Articles of Association as adopted by the 2021 AGM, refer to the company's

website, www.lundbergforetagen.se, under Governance/Articles of Association.

Information

Lundbergs' information to shareholders and other interested parties is provided via the Annual Report, year-end and interim reports, press releases and the company's website, www.lundbergforetagen.se. The website also includes information about corporate governance. The company's disclosure of information complies with an information policy adopted by the Board.

Internal control and risk management concerning the financial reporting for the 2024 fiscal year

The Swedish Annual Accounts Act stipulates that the Board must annually submit a description of the principal elements of the company's system for internal control and risk management with regard to financial reporting.

Control environment

The control environment forms the foundation for the internal control of financial reporting. The company's internal control structure is based on a distinct division of responsibilities and work between the Board of Directors and the President, as well as within the business operations. Policies and guidelines are documented and evaluated continuously by management and the Board of Directors. These control documents, and carefully prepared process descriptions are communicated via established information and communication paths and are thus made available and known to the employees concerned.

Risk assessment

The company identifies, analyzes and takes decisions on the handling of the risk that errors could arise in financial reporting. The Board addresses the outcome of the company's risk-assessment and risk-management processes, in order to ensure that they cover all significant areas and, wherever required, identifies necessary actions. The company's largest operational risks are related to property valuation and financial transactions (primarily with respect to holdings of publicly traded shares).

Control measures

Based on the completed risk assessment, the company has established a number of control measures. These measures are of a preventive nature, meaning that they are designed to avoid losses or errors in financial reporting, and of an investigative nature. Another aim of the controls is to ensure that errors are corrected. Examples of processes with carefully prepared control measures are new builds, refurbishment, maintenance and leasing activities within real estate management, and securities handling within equity management.

Information and communications

At an overall level, internal information and external communication activities are governed by, for example, an information policy. Internal communications to and from the Board of Directors and management occur through, for example, regular information meetings arranged by management. Another important communications channel is the company's intranet, through which all employees have access to up-to-date information.

Internal policies, guidelines, instructions and equivalent documents that control and support business operations are also published on the intranet.

Follow-up

The company continuously evaluates the internal controls concerning financial reporting and the reporting to the Board of Directors. This is primarily done by asking questions and taking part of the work of the controller function. The Board receives quarterly reports of financial results, including management's comments on business operations. At every Board meeting, the financial situation is addressed. The company's auditors participate in Board meetings on two occasions annually and provide information about their observations of the company's internal procedures and control systems. On these occasions, the members of the Board have an opportunity to ask questions. On an annual basis, the Board takes decisions on significant risk areas and evaluates the internal controls.

Proposed dividend and distribution of earnings

The Board of Directors has proposed a dividend of SEK 4.60 per share, or a total of SEK 1,141 m. The Board's proposal concerning the distribution of earnings is presented in its entirety on page 99.

Definitions

Adjusted profit after financial items

Profit after financial items not including impairment losses or unrealized changes in value.

Cash and cash equivalents

Cash and bank balances and short-term investments (maximum of three months).

Earnings per share

Net profit after tax divided by the average number of shares outstanding.

Interest-bearing assets

Interest-bearing receivables, short-term investments and cash and bank balances.

Interest-bearing net debt

Interest-bearing liabilities and interest-bearing provisions less interest-bearing assets.

Taxes

Current and deferred tax.

Debt/equity ratio

Interest-bearing net debt divided by total shareholders' equity.

Equity/assets ratio

Shareholders' equity expressed as a percentage of total assets.

Vacancy rate

The total possible rental revenues less actual rental revenues during the year as a percentage of the total possible annual rental revenues.

Income statement

GROUP, SEK m.	Note	2024	2023
Net sales, etc.	3	29,311	28,664
Other revenues, etc.	4	2,385	1,790
		31,696	30,455
Raw materials, consumables and cost of sold inventory shares		-13,494	-11,751
Personnel costs	5	-3,996	-3,911
Other external costs	6	-6,040	-5,336
Depreciation	7	-1,456	-1,417
Results from participations in associated companies	8	3,392	6,228
		-21,595	-16,186
Changes in value of investment properties and derivatives	9	-674	-5,132
Changes in value of biological assets	10	907	562
Operating profit	11	10,334	9,699
Financial income	12	79	77
Financial expense	12	-605	-533
Net financial items		9,808	9,244
Tax	13	-1,425	-566
Net profit for the year		8,383	8,678
Attributable to			
Parent Company's shareholders		6,302	7,255
Non-controlling interests		2,081	1,423
		8,383	8,678
Earnings per share attributable to the Parent Company's shareholders, SEK (there is no dilution effect)		25.41	29.25

Statement of comprehensive income

GROUP, SEK m.	Note	2024	2023
Net profit for the year		8,383	8,678
Other comprehensive income			
<i>Items that cannot be transferred to profit or loss</i>			
Revaluation of forest assets		454	3,493
Financial assets measured at fair value		669	2,375
Revaluation of defined-benefit pension plans		-29	-5
Tax attributable to items that cannot be transferred to profit or loss	13	182	-1,148
Proportion of other comprehensive income in associated companies		12	-43
		1,288	4,673
<i>Items that can be reversed to profit or loss</i>			
Cash flow hedging			
Revaluation of derivatives		-95	-815
Transferred to profit or loss		-406	-2,727
Transferred to fixed assets			-6
Translation difference on foreign operations		181	55
Hedging of currency risk in foreign operations		-127	-42
Tax attributable to items that can be reversed to profit or loss	13	129	740
Proportion of other comprehensive income in associated companies		192	-60
		-126	-2,856
Other comprehensive income after tax		1,162	1,817
Total comprehensive income		9,545	10,495
Attributable to			
Parent Company's shareholders		7,438	9,090
Non-controlling interests		2,107	1,405
		9,545	10,495

Balance sheet

GROUP, SEK m.	Note	Dec 31, 2024	Dec 31, 2023
ASSETS			
Fixed assets			
Intangible fixed assets	14	645	693
Tangible fixed assets	15	11,343	10,446
Biological assets	16	31,600	30,555
Forest land	16	26,243	25,793
Investment properties	17	75,289	74,433
Right-of-use assets	18	934	943
Participations in associated companies and joint ventures	2, 19	43,613	39,846
Financial investments	20, 35	22,014	20,303
Other shares and participations		6	5
Long-term financial receivables	21, 35	66	83
Deferred tax assets	13	3	3
Total fixed assets		211,756	203,104
Current assets			
Properties classified as current assets	22	210	190
Inventories	23	6,872	6,074
Accounts receivable	24	2,874	2,740
Tax receivable	13	144	114
Other operating receivables	24	1,252	1,783
Current financial receivables	21, 35	17	69
Cash and cash equivalents	21	1,271	2,030
Total current assets		12,641	13,000
TOTAL ASSETS		224,397	216,104
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	26	2,480	2,480
Reserves	27	16,398	15,240
Earnings brought forward, including net profit for the year		94,855	89,838
Shareholders' equity attributable to Parent Company shareholders		113,733	107,558
Non-controlling interests	2, 28	52,972	52,773
Total shareholders' equity		166,705	160,332
Liabilities			
Long-term liabilities			
Long-term financial liabilities	21, 35	14,051	14,130
Long-term liabilities, right-of-use assets	21	844	855
Other long-term liabilities		111	122
Pension obligations	29	165	143
Non-current provisions	30	406	435
Deferred tax liabilities	13	28,893	28,546
Total long-term liabilities		44,470	44,231
Current liabilities			
Current financial liabilities	21, 35	5,873	4,783
Current liabilities, right-of-use assets	21	99	96
Accounts payable	31	4,119	3,762
Current tax liability	13	217	147
Current provisions	30	45	31
Other current liabilities	31	2,870	2,721
Total current liabilities		13,223	11,541
Total liabilities		57,692	55,772
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		224,397	216,104

Statement of changes in shareholders' equity

GROUP, SEK m.	Share capital	Reserves	Earnings brought forward, including net profit for the year	Total	Non-controlling interests	Total shareholders' equity
Shareholders' equity on Jan 1, 2023	2,480	13,358	83,981	99,819	54,120	153,939
Net profit for the year			7,255	7,255	1,423	8,678
Other comprehensive income		1,883	-48	1,835	-18	1,817
		1,883	7,207	9,090	1,405	10,495
Dividends			-992	-992	-1,997	-2,989
Repurchase of shares Holmen			-380	-380	-739	-1,119
Share-savings program in Holmen			4	4	8	13
Changes in Group structure			18	18	-25	-7
SHAREHOLDERS' EQUITY ON DEC 31, 2023	2,480	15,240	89,838	107,558	52,773	160,332
Net profit for the year			6,302	6,302	2,081	8,383
Other comprehensive income		1,152	-16	1,136	26	1,162
		1,152	6,286	7,438	2,107	9,545
Dividends			-1,066	-1,066	-1,484	-2,551
Repurchase of shares Holmen			-220	-220	-427	-647
Share savings program in Holmen			4	4	7	11
Changes in Group structure		5	13	19	-4	15
SHAREHOLDERS' EQUITY ON DEC 31, 2024	2,480	16,398	94,855	113,733	52,972	166,705

Cash flow statement

GROUP, SEK m.	Note	2024	2023
Operating activities			
Profit before taxes		9,808	9,244
Adjustments for items not included in cash flow			
Unrealized changes in value		-233	4,570
Depreciation and impairment losses		1,456	1,417
Results from participations in associated companies		-2,322	-5,235
Other changes		1	-378
Taxes paid		-763	-409
		7,946	9,208
Change in inventories		-739	-2
Change in current receivables		-0	898
Change in current liabilities		458	-212
CASH FLOW FROM OPERATING ACTIVITIES		7,665	9,893
Investing activities			
Acquisition of tangible fixed assets	15	-1,956	-1,497
Divestment of tangible fixed assets	15	38	15
Investment in investment properties	17	-1,509	-1,759
Investments in and acquisitions of biological assets	16	-158	-162
Divestment of biological assets	16	20	38
Acquisition of financial assets	19, 20	-2,290	-1,681
Divestment of shares and participations		0	0
Acquisition of other non-current assets		-19	-112
CASH FLOW FROM INVESTING ACTIVITIES		-5,876	-5,158
Financing activities			
Loans raised	25	7,600	8,900
Loans repaid	25	-6,700	-10,100
Change in current financial liabilities		-115	-64
Change in current financial receivables		-3	0
Repayment of debt linked to right-to-use assets		-133	-127
Repurchase of shares Holmen		-647	-1,119
Dividend paid to Parent Company's shareholders		-1,066	-992
Dividend paid to non-controlling interests		-1,484	-1,996
CASH FLOW FROM FINANCING ACTIVITIES		-2,549	-5,498
CASH FLOW DURING THE YEAR		-760	-764
Cash and cash equivalents on January 1		2,030	2,790
Exchange-rate effects		2	3
Cash and cash equivalents on December 31		1,271	2,030

Notes – Group

NOTE 1 – ACCOUNTING POLICIES

The below accounting policies for the Group have been applied consistently for all periods presented in the financial statements, unless specified below. The Group's accounting policies have been applied consistently in the reporting and consolidating of the Parent Company, subsidiaries and associated companies.

Compliance with norms and law

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the EU. In addition, statements from the IFRS Interpretation Committee (IFRS IC) are applied. Also RFR 1, Supplementary accounting rules for corporate groups, issued by the Swedish Financial Reporting Council, has been applied.

The Parent Company applies the same accounting policies as the Group, with the exception of entries specified in the Parent Company accounting policies. The deviations between the Parent Company and Group principles were caused by limitations in terms of opportunities to apply IFRS in the Parent Company due to the Annual Accounts Act, the Pension Security Act and, in certain cases, for tax reasons.

Valuation bases for the preparation of financial statements

Assets and liabilities are recognized at acquisition value (cost), with the exception of certain financial assets and liabilities, investment properties, biological assets and forest land, which are measured at fair value. Financial assets and liabilities measured at fair value consist of derivative instruments, financial assets classified as financial assets measured at fair value via profit or loss or financial assets measured at fair value through other comprehensive income.

Functional currency and reporting currency

The financial statements are presented in SEK, which is the Parent Company's functional currency, and constitutes the reporting currency for the Parent Company and the Group.

Accounting assumptions and estimates

In order to prepare the financial statements in accordance with IFRS, company management is required to make accounting estimates as well as assumptions that affect the application of the accounting policies and the recognized amounts of assets, liabilities, revenues and costs. Actual results may deviate from these accounting estimates.

The accounting assumptions and estimates are reviewed regularly. Changes in estimates are recognized in the period during which the change is made, only if it affects the period, or in the period the change is made and future periods if the change affects the current period and future periods. Also refer to Note 34 – Important accounting assumptions and estimates.

Revised accounting policies

New and revised accounting policies that are applicable as of 2024

New and amended IFRSs with application from January 1, 2024 do not have any material impact on the company's financial statements.

New and revised accounting policies that have not yet become effective

New and revised IFRSs with prospective application are not expected to have any material impact on the company's financial statements. The exact consequences of the implementation of IFRS 18 Presentation and Disclosure in Financial Statements have not yet been determined.

Consolidation policies

Subsidiaries

Subsidiaries are companies under the controlling influence and are recognised using the purchase method. Should the acquisition not pertain 100% of the subsidiary, non-controlling interests arise.

Associated companies

Associated companies are companies over which the Group has a significant but not a controlling influence. Participations in associated companies are recognized using the equity method.

Transactions eliminated on consolidation

All intra-Group receivables, liabilities, revenues or expenses and unrealized gains or losses attributable to intra-Group transactions between Group companies are eliminated when the consolidated financial statements are prepared (with the exception of rents between the parent company and its wholly owned companies and rents between the wholly owned real estate business and listed subsidiaries, which are reported in their entirety where they arise). Unrealized gains arising from transactions with associated companies and jointly controlled companies are eliminated to an extent corresponding to the Group's ownership share in the companies. Unrealized

losses are eliminated in accordance with the same criteria as eliminations of unrealized gains, but only to the extent there is no indication of impairment.

Foreign currency

Transactions in foreign currency

Transactions in foreign currency are translated to the functional currency using the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency using the exchange rate prevailing on the balance-sheet date. Exchange rate differences arising from currency translations are recognized in net profit for the year. Non-monetary assets and liabilities that are recognized at historical acquisition values are translated using the exchange rate prevailing on the transaction date.

Financial statements of foreign operations

Assets and liabilities in foreign operations, including goodwill and other consolidated surplus and deficit values, are translated from the functional currencies of the foreign business operations to the Group's reporting currency using the exchange rate prevailing on the balance-sheet date. Revenues and expenses in foreign operations are translated to SEK using an average exchange rate that represents an approximation of the exchange rates for each transaction date in question. Translation differences arising from currency translations of foreign operations, as well as associated effects of hedges of net investments, are recognized in other comprehensive income and are accumulated in a separate component of shareholders' equity known as the translation reserve.

When a foreign operation is divested, the accumulated translation differences attributable to the operation are realized in net profit for the year less any currency hedging.

Conditions for companies operated on a commission basis

Holmen's operations are operated mainly on a commission basis through Holmen Skog AB, Holmen Wood Products AB, Holmen Iggesund Paperboard AB, Holmen Paper AB and Holmen Energi AB. From 2025, the operations of Board and Paper business area are conducted through the commission company Holmen Board and Paper AB, formerly Holmen Iggesund Paperboard AB, through the absorption of the commission company Holmen Paper AB by merger.

Revenues

Net sales

Consolidated net sales, which is reported excluding value added tax, consist of revenues from real estate operations and sales of products, timber and energy. Where appropriate, net sales have been reduced by discounts and similar revenue reductions. Revenue is recognized when the Group meets its performance obligations by transferring control of the promised goods, and where applicable services, to the customer.

Accordingly, rental revenues are accrued and rents paid in advance are thus recognized as prepaid. Rental revenues include items related to forward invoicing of costs incurred.

The subsidiary Holmen's sales mainly refer to goods, which are sold to customers, which are specified in Note 3. The services that Holmen delivers are limited and essentially refer to forest management services and services in construction activities such as assembly work. Holmen essentially only acts as principal and sales transactions are supported by agreements. The vast majority of contracts are separate obligations and each contract represents a single obligation. Holmen's warranties provided in conjunction with a sale are not considered separable and therefore recognized in accordance with IAS 37.

The transaction price is the price of the product or the service. Variable consideration mainly arises in the form of returns, and volume or cash discounts. All returns pertaining to faulty goods are recognized as incurred. Volume discounts give the customer a discounted price provided that a certain amount of goods is purchased during a period. A cash discount gives the customer the right to a lower price in cases where payment is made within a certain time. Discounts are reported as a reduction in net sales.

Revenue is reported when Holmen fulfills its obligations by transferring control of the promised goods, and where applicable the services, to the customer. The time of transfer of control, and the transfer of risk is critical for when an income is reported. The transfer of risk looks different depending on which shipping terms are applied.

Sales of energy differ from other sales as delivery takes place in connection with production as it is also recognized as revenue.

Holmen's operations also include construction solutions in wood. The income from this activity is handled as a contract agreement and is reported over time on the basis of costs incurred in relation to the assignment's total estimated costs. Projects normally do not extend beyond twelve

NOTE 1 – cont.

months. Holmen thus applies the relief rule of not disclosing the remaining performance commitments. Accrued income related to construction contracts is initially reported as contract assets, as the right to payment is conditional on the customer's approval. When the customer has accepted the goods, the amount of the contract asset is rebooked to the receivable. Advances received are included in the contractual debt.

Payment terms vary between different markets and Holmen normally follows current practice in each market.

Consolidated net sales are specified in Note 3. This note also reports income from the sale of securities and dividends in equity management, which is not to be regarded as net sales.

Other revenues

Revenue from activities outside the main operations and changes in inventories are reported as other revenue.

The item mainly includes sales of by-products, renewable energy certificates and guarantees of origin, rental and land lease income (which does not come from investment properties or sales of properties classified as current assets), emission allowances, insurance compensation and gains/losses on sales of non-current assets.

Certificates and guarantees of origin for renewable energy are allocated in proportion to the production of renewable energy according to a quota system introduced with the aim of promote electricity production using renewable energy sources. In order for the end customer of electricity to obtain knowledge of the origin of the electricity in a clear manner electricity producers guarantees of origin for their electricity production. Revenue from assigned certificates and guarantees of origin related to water and wind power production reported as income in turnover in the same period as production occurs. Income from awarded certificates and guarantees of origin related to other renewable electricity production is reported as other operating income in the same period as the production takes place.

Government assistance is recognized in the balance sheet as accrued income when it can be stated with reasonable certainty that the assistance will be received and that the terms and conditions associated with the assistance will be fulfilled. Government assistance related to a fixed asset reduces the recognized acquisition value of the fixed asset. Government assistance, such as road allowances, intended to cover costs is recognized as other operating income. These amounts are accrued systematically in profit or loss in the same way and over the same periods as the costs that the assistance is intended to offset.

Financial income and expense

Financial income and expense consists of interest income and interest expense, dividends not included in the Equity Management business sector (which are recognized as net sales), unrealized and realized gains on financial investments, revaluations of financial instruments measured at fair value via profit or loss and unrealized and realized exchange rate losses and gains.

Calculations of interest income on receivables and interest expense on liabilities are based on the effective interest method.

Dividend income is recognized when the right to receive the dividend has been established.

Results from the divestment of financial instruments are recognized when the risks and benefits associated with ownership of the instrument are transferred to the buyer and the Group no longer has control over the instrument.

Interest income and interest expense are normally recognized in net profit for the year for the period to which the amounts pertain.

Taxes

Income taxes consist of current tax and deferred tax. Income taxes are recognized in net profit for the year, apart from when underlying transactions are recognized in other comprehensive income or in shareholders' equity, whereby the related tax effect must be recognized in other comprehensive income or in equity.

Current tax is the tax to be paid or received for the current year, applying the tax rate decided or decided in principle on the balance-sheet date. Adjustment of current tax attributable to previous periods is also included in current tax.

Deferred tax is calculated in accordance with the balance-sheet method, on the basis of the temporary differences between the recognized and tax assessment value of assets and liabilities, based on the tax rates and tax regulations that have been decided or decided in principle on the balance-sheet date. Temporary differences are not taken into account in consolidated goodwill or temporary differences pertaining to participations in subsidiaries or associated companies that are not expected to become subject to tax in the foreseeable future. Deferred tax assets pertaining to deductible temporary differences and tax loss carryforwards are only recognized insofar as they are likely to be utilized in the future. Deferred tax assets and deferred tax liabilities in the same country are recognized net insofar as offsetting is permissible.

Earnings per share

Earnings per share are calculated on the basis of consolidated earnings attributable to the Parent Company's shareholders and on the weighted average number of shares outstanding during the year.

Financial instruments**Recognition in and derecognition from the balance sheet**

A financial asset or financial liability is recognized in the balance sheet when the company becomes a party to the instrument's contractual terms and conditions. A financial asset is derecognized from the balance sheet when the rights in the agreement are realized, expire or the company no longer has control over the asset. A financial liability is derecognized when the obligation in the agreement is fulfilled or is extinguished in some other manner.

Spot transactions are recognized in accordance with the trade day method.

A financial asset and a financial liability are offset against each other and recognized in a net amount only when there is a legal entitlement to offset the amounts, and the company intends to adjust the entries by a net amount or to simultaneously realize the asset and settle the liability.

Financial assets, excluding shares, and financial liabilities have been classified as current if the amounts are expected to be recovered or paid within 12 months from the balance sheet date.

Classification and measurement of financial instruments

Financial instruments are classified and measured according to the Group's business model and the nature of the contractual cash flows. Refer to Note 21 for classifications of financial instruments.

Financial assets – measured initially at fair value plus any transaction costs, apart from assets measured at fair value via profit or loss, which are initially measured at fair value without additions for transaction costs. The assets are normally measured at amortized cost using the effective interest method. If the consideration deviate from the full consideration, the difference is accrued over the term of the loan using the effective interest method. Derivatives are recognized on an ongoing basis at fair value. Changes in the value of derivatives that do not qualify for hedge accounting are recognized in profit or loss. Financial investments are measured at fair value.

Financial liabilities – measured initially as consideration received less any transaction costs, apart from the type of financial liabilities that are measured at fair value via profit or loss, in which case no deductions are made for transaction expenses. Liabilities are normally measured at amortized cost using the effective interest method. If the consideration received deviate from the full consideration, the difference is accrued over the term of the loan using the effective interest method. Derivatives are recognized on an ongoing basis at fair value. Changes in the value of derivatives that do not qualify for hedge accounting are recognized in profit or loss.

Fair value measurement. The fair value of financial instruments traded on an active market is based on quoted market prices and belongs to valuation Level 1, as stipulated in IFRS 13. If no quoted market prices are available, fair value has been calculated by discounting cash flows. When calculations of discounted cash flows have been performed, all variables, such as discount interest rates and exchange rates used in the calculations, have been derived from market quotations, wherever possible. When calculating discounted cash flows, the average of the exchange rates and discount interest rates is used. These valuations belong to Level 2. Valuations of currency options applying the Black & Scholes formula are performed when this is appropriate. In the event of holdings of shares in listed companies with several classes of shares (in those cases where not all share series are listed), the unlisted shares are calculated based on the value of the corresponding listed share serie. These valuations belong to Level 3.

Impairment of financial assets. When assessing expected credit losses, the simplification rule is applied in accordance with IFRS 9. For financial assets where there is an indication that the full carrying amount may not be recoverable, an assessment is made of each individual asset. Non-payment from a counterparty is normally such an indication. Any impairment loss is recognized on the basis of the individual assessment. For financial instruments where there is no indication of impairment, a provision is made for loan losses based on historical information.

Hedge accounting. All derivatives, including currency futures, electricity derivatives and interest-rate swaps, are measured at fair value and recognized in the balance sheet. Nearly all derivatives are held for hedging purposes. The effective portion of changes in value from cash-flow hedges is recognized in other comprehensive income and accumulated in shareholders' equity (hedging reserve) until the hedged flow meets profit and loss, at which time the accumulated changes in value are transferred from shareholders' equity via other comprehensive income to profit and loss in order to offset and match the hedged transaction. For hedges of investments, the acquisition value of the hedged item is instead adjusted when it occurs. Hedges of the ineffective component are recognized directly in profit or loss. For interest rates, interest-rate swaps are used as cash-flow hedges.

NOTE 1 – cont.

Changes in the value of hedges of net investments in foreign operations are recognized in other comprehensive income. Accumulated changes in value are recognized as a component of shareholders' equity (translation reserve) until the operation is divested, at which time the accumulated changes in value are recognized in profit or loss.

Cash flow hedges mainly relate to the hedging of foreign currency sales, future interest payments, electricity purchases and purchases in foreign currency in connection with investments. Hedging instruments comprise currency futures, electricity futures and interest-rate swaps. The hedge ratio is determined on an ongoing basis to reflect the economic relationship between the hedged item and the hedging instrument.

Financial security. Interest-rate swaps are also used for reducing interest rate risk by exchanging variable interest rates to fixed rates. These swaps are recognized at fair value through profit or loss.

The Group's risk management of financial instruments is described in Note 35.

Tangible fixed assets

Tangible fixed assets are recognized at acquisition value less accumulated depreciation and any impairment. Tangible fixed assets that consist of components with different useful lives are treated as separate components of tangible fixed assets. Cost includes the purchase price and expenses directly attributable to measures implemented to adapt the asset to the site and to a condition whereby it can be utilized for the purpose that it was acquired. Additional expenses are capitalized only if they are likely to generate economic benefits for the company. The critical factor in assessments of when additional expenditure should be capitalized is whether or not it replaces identified components, or parts thereof, and in such cases the expenditure is capitalized. The expenditure is also capitalized in cases where new components are created. Any non-depreciated carrying amounts for replaced components, or parts thereof, are scrapped and expensed in connection with the replacement.

Depreciation principles

Depreciation is applied straight-line over the estimated useful life. The following useful lives (years) are used:

Machinery for hydro-power generation	10-40
Investment and storage buildings, residential properties (Holmen)	10-33
Operational buildings, land improvements and machinery for sawmills, pulp, paper and board production	10-20
Other machinery	10
Forest motor roads	20
Equipment	3-10

Land is not depreciated. Assessments of an asset's residual value and useful life are made at regular intervals.

Impairment losses

Carrying amounts for the Group's assets are impairment tested at the close of every fiscal year to assess whether there are indications of impairment requirements. Exceptions are made for biological assets, investment properties, financial assets, deferred tax assets and inventories. If any indication of impairment arises, an estimate is made to determine the asset's recoverable value. For the exempted assets, as listed above, values are tested in accordance with the respective standard.

Tangible fixed assets. If there are indications that carrying amounts of Group assets are too high, an analysis is conducted whereby the recoverable value of individual assets or naturally related asset types is determined as the higher of net realizable value and value in use. The net realizable value is the estimated selling price less the estimated cost of making the asset ready for sale. Value in use is measured as the projected future discounted cash flow. The discount factor applied takes into account risk-free interest and the risk related to the specific asset. Impairment losses correspond to the difference between the carrying amount and recoverable value. Impairment losses are reversed if a positive change has occurred in the parameters used to determine the asset's recoverable value. A reversal may not exceed the carrying amount that would have been recognized, less depreciation, if no impairment had been made.

Biological assets and forrest land**Biological assets**

The subsidiary Holmen's standing trees are recognised at fair value as biological assets in accordance with IAS 41 Biological Assts. The value of the biological assets is established by calculating the present value of the cash flows, less selling costs but before tax, expected from harvesting the currently standing trees. Fair value measurement is based on measurement level three. Changes in fair value of biological assets are recognised in the income statement.

Forrest land

The subsidiary Holmen's forest land is recognised at fair value using the revaluation model in IAS 16 Property, Plant and Equipment. Fair value is calculated

based on transaction prices for forest properties in the countries where Holmen owns forest land, less the fair value of standing trees recognised as biological assets in accordance with IAS 41 Biological Assets. Fair value measurement is based on measurement level three. Changes in the fair value of forest land are recognised in other comprehensive income and accumulated in a separate component of equity called the revaluation reserve. If the fair value of forest land were to be less than the acquisition value, the difference would be recognised in profit or loss.

Investment properties

Investment properties are properties held in order to receive rental revenues and/or value growth. Initially, investment properties are recognized at acquisition value, which includes expenditures directly attributable to the acquisition. Investment properties are recognized in the balance sheet in accordance with the fair value method.

Fair value is based on internal valuations that are quality-assured with the help of external valuations of a selection of properties. Continuous analyses are made to determine if there are indications of changes in fair value of the properties. If there are indications of significant changes in value during an ongoing year, revaluation occurs in connection with the following quarterly interim report. Also refer to Note 17. Both unrealized and realized changes in values are recognized in profit or loss. Changes in value are recognized net and are divided among unrealized and realized changes in value, as presented in Note 9.

Additional expenditures are added to the carrying amount only if the future economic benefits linked to the asset are likely to become available to the company and the acquisition value can be estimated in a reliable manner. All other additional expenditures are recognized as costs in the period they are incurred. The critical factor in assessments of when an additional expenditure should be added to the carrying amount is whether or not it replaces identified components, or parts thereof, and in such cases the expenditure is capitalized.

The expenditure is also added to the carrying amount in cases where new components are created. The cost of repairs is expensed as they occur.

Realized value changes are reported on the buyer's takeover date. In addition, circumstances that may affect the outcome of the transaction which are beyond the control of the seller and/or the buyer are taken into account.

Inventories

Inventories are measured at the lower of acquisition value and production cost after an allowance for necessary obsolescence, or the net realizable value. The acquisition value of inventories is calculated using the FIFO (first-in first-out) method. The net realizable value is the estimated selling price in operating activities less the estimated cost of finishing the product and making it available for sale. The acquisition value of products manufactured by the company consists of direct production costs and a portion of indirect costs. Purchased harvesting rights are recognized as inventories. These have been acquired with a view to ensuring the subsidiary Holmen's access to raw materials. No measurable biological transformation occurs from the date of acquisition.

Emission rights received are initially recognized as inventories and pre-paid income at market price on allocation. During the year, the allocation is recognized as income, at the same time as an interim liability, corresponding to actual emissions, is expensed. Unsold rights are valued at the lowest value of acquisition value and market value. Obtained certificates for renewable energy and guarantees of origin are initially valued at market price at allocation as inventory. Unsold certificates are valued at the lowest value of acquisition value and market value.

Leasing

When a contract is entered into, an assessment is made of whether it is, or contains, a lease. A contract is, or contains, a lease if the contract transfers the right during a certain period to control the use of an identified asset in exchange for payment. The Group recognizes a right-of-use asset and an associated liability when the lease is entered into. The liabilities are measured initially at the present value of remaining lease payments during the estimated term of the lease. Lease payments are discounted using the Group's incremental borrowing rate which, in addition to the Group's credit risk, reflects the lease term and currency for each lease. Right-of-use assets are measured initially at the amount of the liability plus lease payments paid on or prior to the initial date plus any initial direct fees. Right-of-use assets are depreciated straight line over the lease term.

The lease term is defined as the noncancelable period plus a surcharge for additional periods in the lease if, at the start date, it is assessed as reasonably certain that these periods will be utilized.

In its capacity as lessee, the Group has site leasehold agreements. According to IFRS 16, site leasehold rights are considered to be perpetual lease agreements and will thus not be depreciated. The value of the right-to-use asset remains until the next renegotiation of the ground rent. The lease liability is not amortized, and the value remains unchanged until renegotiation. Ground rent costs are recognized in their entirety as a financial expense.

NOTE 1 – cont.

For leases that have a lease term of 12 months or less or with an asset with a low underlying value, no right-of-use asset or lease liability is recognized. Lease payments for these leases are recognized as a cost straight line over the lease term.

Borrowing costs

Borrowing costs attributable to the purchase or production of what are known as qualifying assets are capitalized as a part of the asset's acquisition value. A qualifying asset is an asset that takes a substantial time to complete. Capitalization primarily takes place for borrowing costs that have arisen on loans that are specific to the qualifying asset. Secondly, capitalization takes place for borrowing costs that have arisen on general loans that are not specific to any other qualifying asset. In the Group, capitalization of borrowing costs becomes relevant in connection with major investment projects.

Employee benefits**Defined-contribution plans**

Pension plans for which the company's obligation is limited to the contributions the company pledges to pay are classified as defined-contribution pension plans. In such cases, the size of the employee's pension depends on the contributions paid by the company to the plan or to an insurance company plus the capital return that the contributions yield. Accordingly, the employee is exposed to the actuarial risk (that the remuneration will be lower than expected) and the investment risk (that the invested assets will not be sufficient to yield the expected remuneration). Obligations concerning fees to defined-contribution plans are recognized as an expense in net profit for the year during the period the employee performed the services for which the fee is intended.

Defined-benefit pension plans

In the Group, salaried employees in Sweden are covered by the ITP plan.

Obligations for retirement pensions and family pension plans for salaried employees in Sweden are covered through insurance in Alecta. In accordance with UFR 10, a statement issued by the Swedish Financial Reporting Council, this is a multi-employer defined-benefit plan. During the 2024 fiscal year, the company did not have access to the information necessary to support recognition of this plan as a defined-benefit plan. Accordingly, the ITP pension plan covered by insurance in Alecta is recognized as a defined-contribution plan. Obligations regarding fees for defined-contribution plans are recognized as expenses in net profit for the year when they arise.

In addition to the above exceptions, there are defined-benefit obligations for:

- Lundbergs – Obligations in accordance with the FPG/PRI system
- Holmen – Obligations in excess of the ITP plan for group management in Sweden, secured through foundations
- Pension plans in the UK in trusts
- (these have been closed for new vesting since 2015)

The pension liability is calculated based on estimates of the future benefits employees have vested through their employment in both current and previous periods of service. The benefit is discounted to present value. The discount factor is the interest rate prevailing on the balance-sheet date on a first-class corporate bond with a term corresponding to the pension obligations of the various plans. When there is no active market for corporate bonds, the market interest rate for government bonds with a corresponding term is used. The computation is made by a qualified actuary based on the projected unit credit method. If the benefit is fully vested, an expense is recognized in net profit for the year.

When determining the obligation resulting from defined-benefit plans, revaluation effects may arise, which take the form of actuarial gains and losses. Such revaluation effects are recognized in other comprehensive income. Net interest expense/income on the defined-benefit obligation is recognized in net profit for the year under net financial items. Other components are recognized in operating profit.

Since special employer's contributions constitute a component of the actuarial assumptions, they are recognized as part of the net obligation. For simplification, that part of the special employer's contribution that is estimated in the legal entity on the basis of the Swedish Pension Obligations Vesting Act ("Tryggandelagen") is recognized as an accrued cost rather than as part of the net obligation/asset.

The tax on returns is recognized continuously in profit or loss for the period to which the tax pertains and is thus not included in the calculation of the liability.

Share-based payment in Holmen

Outstanding share-based programs are recognized in accordance with IFRS 2 Share-based payment and are settled with equity instruments. Recognition of share-based payment programs settled with equity instruments entails that the fair value of the instruments at the date of allotment is to be expensed in profit or loss over the vesting period, with a corresponding adjustment of shareholders' equity. At every year-end during the vesting period, the expected number of allotted shares is estimated and the impact of a potential change in earlier assessments is recognized in profit or loss with a corresponding adjustment of shareholders' equity. A provision is also

posted for estimated social security costs related to the share-based program. Calculations are based on the value of the shares at the date of allotment, which is defined as the time when agreements have been concluded between the parties. The average share price during this period was used as the basis for measuring the value of the shares at the date of allotment.

Options issued to employees of associated companies

From the viewpoint of the issuer, share-based instruments issued to employees of companies that are not included in the group are not encompassed by the application area for IFRS 2. Premiums received for the warrants, which are entered at market price (fair value), are expensed. In subsequent accounting, the option liability is measured at fair value through profit or loss.

Remuneration in the event of employment termination

A cost for remuneration paid in connection with employment termination is recognized only if there is evidence that the Group is obliged, without any realistic opportunity of withdrawal, by a formal detailed plan to terminate employment before the normal number time. When remuneration is paid as an offer to encourage voluntary retirement, a cost is recognized if it is probable that the offer will be accepted and the number of employees who will accept the offer can be reliably estimated.

Short-term remuneration

Short-term remuneration to employees is estimated without discounting and is expensed when the related services have been received.

Other

Unless stated otherwise, all amounts are rounded off to the nearest million, which means that tables and calculations do not always tally. In texts and tables, figures between 0 and 0.5 are reported as 0.

NOTE 2 – INFORMATION ABOUT THE COMPANY

L E Lundbergföretagen AB (publ) is a Swedish limited liability company with its registered office in Stockholm, Sweden. The company's Series B shares are listed on Nasdaq Stockholm, Large Cap. The address to the company's Head Office is PO Box 14048, SE-104 40 Stockholm, Sweden.

Since L E Lundbergföretagen AB has two subsidiaries that are not wholly owned, Holmen AB and Hufvudstaden AB, substantial non-controlling interests are recognized in the consolidated financial statements. Classification of the companies is based on the share of voting rights resulting from these holdings. The companies are listed on Nasdaq Stockholm, Large Cap, and information about their operations is presented on the website of the respective company.

Company	Country	Percentage of share capital (votes) ¹⁾	
		2024	2023
Holmen AB	Sweden	35.0 (62.7)	34.7 (62.6)
Hufvudstaden AB	Sweden	47.2 (88.6)	47.2 (88.6)

¹⁾ The percentage is calculated less treasury shares.

Subsidiaries, SEK m.	Holmen		Hufvudstaden	
	2024	2023	2024	2023
Revenues	22,759	22,795	3,179	2,962
Profit	2,861	3,697	365	-1,927
Other comprehensive income	39	-27		
Total comprehensive income	2,900	3,671	365	-1,927
Fixed assets	71,549	69,190	47,992	47,654
Current assets	9,999	10,529	882	789
Long-term liabilities	-17,285	-16,347	-16,606	-16,724
Current liabilities	-6,893	-6,449	-3,661	-2,931
Net assets	57,370	56,923	28,607	28,789
Cash flow from				
– operating activities	3,317	5,805	1,235	1,385
– investing activities	-2,066	-1,653	-991	-1,301
– financing activities	-2,221	-4,888	-154	-155
Cash flow during the year	-970	-736	90	-71

Attributable to non-controlling interests, SEK m.	Holmen		Hufvudstaden	
	2024	2023	2024	2023
Share of profit	1,889	2,440	193	-1,018
Share of comprehensive income	1,914	2,423	193	-1,018
Share of net assets	37,868	37,573	15,104	15,200
Dividend	-1,196	-1,708	-288	-288

Significant associated companies

L E Lundbergföretagen AB holds shares in Husqvarna AB, AB Industrivärden and Indutrade AB to such an extent that these companies constitute associated companies and are recognized in accordance with the equity method in the consolidated financial statements. Classification of the companies is based on the share of voting rights resulting from these holdings. The companies are listed on Nasdaq Stockholm and information about their operations is presented on the website of the respective company.

Company	Country	Percentage of share capital (votes) ¹⁾	
		2024	2023
Husqvarna AB	Sweden	7.6 (25.8)	7.6 (25.6)
AB Industrivärden	Sweden	20.5 (26.0)	19.7 (25.1)
Indutrade AB	Sweden	26.6 (26.6)	26.6 (26.6)

¹⁾ The percentage is calculated less treasury shares.

2024, SEK m.	Husqvarna	Industrivärden	Indutrade
Associated companies			
Revenues	48,352	8,585	32,544
Profit	1,326	12,654	2,750
Other comprehensive income	1,220	-5	452
Total comprehensive income	2,546	12,649	3,202
Fixed assets	31,942	166,523	19,642
Current assets	24,861	921	14,779
Long-term liabilities	-16,750	-5,301	-10,279
Current liabilities	-15,432	-2,965	-7,489
Net assets	24,622	159,178	16,653
The Group's share of associated companies, SEK m.			
Share of net assets on January 1	1,796	29,515	3,848
Share of total comprehensive income	194	2,481	852
Dividends received	-130	-663	-276
Acquired shareholders' equity ¹⁾	-9	1,303	
Share of net assets on December 31	1,850	32,635	4,424
Goodwill	1,127		1,876
Closing carrying amount	2,977	32,635	6,299

2023, SEK m.	Husqvarna	Industrivärden	Indutrade
Associated companies			
Revenues	53,261	6,418	31,835
Profit	2,177	26,844	2,866
Other comprehensive income	-622	-9	-195
Total comprehensive income	1,554	26,835	2,671
Fixed assets	30,592	157,572	17,231
Current assets	27,018	954	14,045
Long-term liabilities	-15,155	-6,777	-9,715
Current liabilities	-18,683	-1,869	-7,072
Net assets	23,772	149,880	14,489
The Group's share of associated companies, SEK m.			
Share of net assets on January 1	1,813	24,102	3,391
Share of total comprehensive income	113	5,259	708
Dividends received	-131	-611	-252
Acquired shareholders' equity ¹⁾		764	
Share of net assets on December 31	1,796	29,515	3,848
Goodwill	1,127		1,876
Closing carrying amount	2,923	29,515	5,723

¹⁾ Including the discount on net asset value.

Information on other subsidiaries and associated companies is presented in Notes 19 and 37.

NOTE 3 – NET SALES, ETC.

SEK m.	2024	2023
Real estate operations		
Rental revenue ¹⁾	1,768	1,690
Service revenue	86	87
Sales of properties classed as current assets	62	31
Hufvudstaden		
Rental revenue ¹⁾	1,985	1,908
Service revenue	135	125
NK-Retail	916	790
Other activities ²⁾	143	139
Holmen		
Consumer paperboard	7,072	6,437
Pulp	384	328
Paper	7,782	8,200
Wood products	3,593	3,649
Wood construction solutions	302	422
Wood	2,991	2,692
Energy	623	1,051
Other	12	17
Net sales	27,855	27,565
Lundbergs Equity management		
Sales of marketable securities, etc.	273	235
Dividends	1,183	865
	29,311	28,664

¹⁾ Sales-based rent supplements account for SEK 12 m. (10) of total rental revenues.

²⁾ Consists of Cecil Coworking, NK e-commerce and parking operations in Parkaden AB.

NOTE 4 – OTHER REVENUES, ETC.

SEK m.	2024	2023
Non-core activities		
Sales of by-products	950	783
Certificates, renewable energy ¹⁾	646	557
Rental and leasehold income	57	48
Emission rights ²⁾	103	235
Forestry assignments	109	113
Sales of fixed assets	21	15
Insurance compensation	3	7
Other	194	238
	2,083	1,996
Change in inventories of shares	69	-127
Change in inventories ³⁾	233	-79
	2,385	1,790

Of the sales of by-products, SEK 450 m. (339) relates to wood shavings, bark and chips, SEK 237 m. (178) rejects from production, as well as SEK 263 m. (266) to external sales of energy.

¹⁾ Mainly refers to allocation for production at Holmen's cardboard mill in Workington, United Kingdom.

²⁾ Holmen has been allotted emission allowances that have been used partly within its own production. The surplus resulted in a gain of SEK 103 m. (235).

³⁾ Refers to Holmen's operations.

NOTE 5 – EMPLOYEES AND PERSONNEL COSTS

Average number of employees	2024	Of whom men, %	2023	Of whom men, %
Parent Company – Sweden	11	69	9	67
Total in Parent Company	11	69	9	67
Wholly owned subsidiaries				
– Sweden	167	65	172	63
Hufvudstaden – Sweden	494	27	477	27
Holmen				
– Sweden	2,960	77	2,981	77
– France	13	62	13	62
– Netherlands	69	42	75	42
– United Kingdom	387	90	407	90
– Germany	21	71	22	68
– USA	8	63	8	63
– Other countries	40	63	41	64
Total in subsidiaries	4,159	71	4,195	71
Total in Group	4,170	71	4,204	71
Distribution of company management by gender				
Percentage of women	2024		2023	
Parent Company				
Board of Directors		33		33
Senior executives		-		-
Group total				
Board of Directors		33		33
Senior executives		26		26

The Annual General Meetings guidelines concerning executive remuneration

The Annual General Meeting 2024 resolved on guidelines for determining the salary and other remuneration of senior executives as set out in the Directors' report on pages 52-53.

The remuneration paid to Board Members and senior executives is presented in the tables below.

Remuneration and other benefits, Parent Company¹

2024, SEK m.	Basic salary, Director fees	Variable remuneration	Pension cost	Total
Chair of the Board Bo Selling	1.1			1.1
Board Member Carl Bennet	0.4			0.4
Board Member Sofia Frändberg	0.4			0.4
Board Member Louise Lindh				
Remuner. from the Parent Comp.	0.4			0.4
Remuneration from subsidiaries	1.5		0.2	1.7
Board Member Katarina Martinson				
Remuner. from the Parent Comp.	0.4			0.4
Remuneration from subsidiaries	0.2			0.2
Board Member Krister Mattsson	0.4			0.4
Board Member Sten Peterson				
Remuner. from the Parent Comp.	0.4			0.4
Remuneration from subsidiaries	0.5			0.5
Board Member Lars Pettersson	0.4			0.4
President and CEO Fredrik Lundberg				
Remuner. from the Parent Comp.	1.5			1.5
Remuneration from subsidiaries	1.4			1.4
Other senior executives ^{2,3}				
Remuner. from the Parent Comp.	2.4	0.1	0.7	3.1
Remuneration from subsidiaries	5.7	13.8	0.7	20.1
	16.8	13.9	1.6	32.3

2023, SEK m.	Basic salary, Director fees	Variable remuneration	Pension cost	Total
Chair of the Board Bo Selling	1.1			1.1
Board Member Carl Bennet	0.4			0.4
Board Member Sofia Frändberg	0.4			0.4
Board Member Louise Lindh				
Remuner. from the Parent Comp.	0.4			0.4
Remuneration from subsidiaries	2.8	0.4	0.5	3.6
Board Member Katarina Martinson	0.4			0.4
Board Member Krister Mattsson	0.4			0.4
Board Member Sten Peterson				
Remuner. from the Parent Comp.	0.4			0.4
Remuneration from subsidiaries	0.5			0.5
Board Member Lars Pettersson	0.4			0.4
President and CEO Fredrik Lundberg				
Remuner. from the Parent Comp.	1.5			1.5
Remuneration from subsidiaries	1.4			1.4
Other senior executives ^{2,3}				
Remuner. from the Parent Comp.	2.1	0.1	0.7	2.9
Remuneration from subsidiaries	5.2	9.6	0.6	15.4
	16.9	10.0	1.9	28.8

¹) There are no pension obligations for the President and members of the Board. Pension obligations for senior executives amount to SEK 1.7 m. (1.6).

²) The senior executives who report directly to the President are Claes Boustedt and Lars Johansson.

³) In addition, SEK 0.1 m. (0.1) was received in other benefits.

Salaries, other remuneration and social security costs

2024, SEK m.	Salaries and remuneration	Of which, members of the Board, senior executives and presidents ¹	Social security costs	Of which, pension costs
Parent Company ²	15	8	7	2
Wholly owned subsidiaries	132	27	64	20
	147	35	71	23
Holmen	2,356	53	958	204
Hufvudstaden	287	23	132	35
Total in other subsidiaries	2,643	76	1,090	239
Total in Group³	2,790	111	1,162	262
2023, SEK m.	Salaries and remuneration	Of which, members of the Board, senior executives and presidents ¹	Social security costs	Of which, pension costs
Parent Company ²	12	7	6	2
Wholly owned subsidiaries	123	28	63	24
	136	35	68	25
Holmen	2,311	61	922	188
Hufvudstaden	259	22	117	30
Total in other subsidiaries	2,570	83	1,039	218
Total in Group³	2,706	118	1,108	244

¹) In the Parent Company, the Board of Directors (excl. the President) comprises eight people (eight) and senior executives comprise three people (three) (including one who receives salary from wholly owned subsidiaries). The wholly owned subsidiaries comprise 10 people (11), Holmen comprises 22 people (22) and Hufvudstaden comprises 15 people (16).

²) The President and senior executives accounted for SEK 0.7 m. (0.7) of the Parent Company's pension costs.

³) The President and senior executives accounted for SEK 27.9 m. (27.3) of the Group's pension costs. On December 31, 2024, the Group's outstanding pension obligations for these pension costs totaled SEK 121.4 m. (113.3). The obligations are mainly covered by plan assets in independent pension foundations and through reinsurance in FPG.

NOTE 5 – cont.**Share-savings program**

In 2024, Holmen had two outstanding long-term directed share savings programs, LTIP 2022 and LTIP 2024, decided on by the Annual General Meeting. The aim of the programs is to strengthen common interest between key individuals and shareholders, as well as to foster a long-term commitment to Holmen.

Holmen's AGM in 2022 approved a share savings program reserved for key individuals in the Group (LTIP 2022). Participation in LTIP 2022 requires a personal investment in Holmen shares (so-called savings shares) and continued employment throughout the duration of the program. The program expires on May 8, 2025 and covers 67 participants who have invested in a total of 18,861 savings shares. The program has performance conditions linked to the total return on capital employed for the industrial business areas Wood Products and Board and Paper (ROCE) and to the total shareholder return on Holmen's class B shares (TSR) during the period 2022-2024. The performance condition linked to the ROCE may yield 3-6 share per savings share, depending on the position. For the performance condition linked to ROCE, the maximum allocation will be made. The performance condition linked to the TSR may yield 0.5 shares per savings share. No award for the performance condition linked to the TSR will be made as the total shareholder return was below the requirement. The number of shares expected to be allocated at the end of the program in May 2025 is 66,400. The total recognised cost for LTIP 2022 for the period 2022-2024 amounts to SEK 42 m., of which SEK 9 m. (16) was recognised in 2024.

Holmen's AGM in 2024 decided on a share savings program reserved only for members of Group management (LTIP 2024). Participation in the program requires a personal investment in Holmen shares (savings shares) and continued employment throughout the duration of the program. The program expires in spring 2027 and covers 10 participants who have invested in a total of 8,940 savings shares. The program has performance conditions linked to the total return on capital employed for the industrial business areas Wood Products and Board and Paper (ROCE), the development of Holmen's climate benefit (climate benefit) and the total shareholder return on Holmen's class B shares (TSR) during the period 2024-2026. The performance condition linked to the ROCE may yield 3.6-5.4 shares per savings share depending on position. A maximum allocation requires that the ROCE exceeds a maximum level decided on by the Board. No allocation will be made if the ROCE is below a minimum level decided on by the Board. For an outcome between the minimum and maximum levels, the allocation will be adjusted on a straight-line basis. The performance condition linked to the Climate benefit may yield 0.4-0.5 shares per saving share depending on position. The allocation of shares requires an increase in the reported climate benefit measured as an average over the financial years 2024-2026 compared with the reported climate benefit during the reference year 2023. If the climate benefit decreases or remains unchanged during the measurement period, no allocation linked to the Climate benefit will be made. The performance condition linked to the TSR may yield 0.5 shares per savings share. The maximum number of shares that may be allocated under the program is 47,000. The total recognised cost for LTIP 2024 amounts to SEK 5 m. (-).

NOTE 6 – FEES AND OTHER REMUNERATION TO AUDITORS

SEK m.	2024	2023
Remuneration to PwC		
Auditing assignments	14	12
Tax advice	0	1
Other assignments	1	1
	15	14
Other auditors	0	0
	15	14

Auditing assignments are defined as statutory examinations to the Annual Report and financial accounts, as well as of the administration of the Board of Directors and President and other duties in accordance with agreements or contracts. This includes other duties that the company's auditors are obliged to conduct and advice or other assistance required due to observations made during such examinations or during the performance of such other duties.

Tax advice pertains to all consultations in the tax area.

Other assignments pertain to advice on accounting issues, advice on divestment and acquisition of operations and advice on processes and internal control.

NOTE 7 – DEPRECIATION

SEK m.	2024	2023
Intangible fixed assets	51	38
Tangible fixed assets		
Buildings and land	141	138
Machinery and equipment	1,126	1,118
Right-of-use assets	138	123
	1,456	1,417

NOTE 8 – RESULTS FROM PARTICIPATIONS IN ASSOCIATED COMPANIES

SEK m.	2024	2023
Husqvarna AB	100	165
AB Industrivärden	2,554	5,296
Indutrade AB	731	762
Other	7	6
	3,392	6,228

NOTE 9 – CHANGES IN VALUE OF INVESTMENT PROPERTIES AND DERIVATIVES

SEK m.	2024	2023
Investment properties		
Unrealized	-654	-5,066
Derivatives		
Unrealized	-21	-66
	-674	-5,132

NOTE 10 – CHANGES IN VALUE OF BIOLOGICAL ASSETS

SEK m.	2024	2023
Change due to harvesting	-1,078	-977
Unrealized change in fair value	1,985	1,539
	907	562

NOTE 11 – REPORTING BY OPERATING SEGMENT

An operating segment is a part of the Group that conducts operations from which it can generate revenues and incur costs and for which independent financial information is available. The division into operating segments is based on the parts of the operations that are followed up by the company's senior executive decision-maker, also known as a management approach. An operating segment is followed up by the company's senior executive decision-maker in order to evaluate the earnings and be able to allocate resources to it. Operating profit is the earnings measurement against which the follow-up is conducted. The operating segments' earnings, assets and liabilities include directly attributable items as well as items that can be allocated in a reasonable and reliable manner. Unallocated costs relate to Group-wide functions.

Four operating segments have been identified, namely: Lundbergs' real estate operations and equity management, as well as Holmen and Hufvudstaden. Revenues in Lundbergs' and Hufvudstaden's real estate operations primarily comprise revenues from the leasing of own properties, while Lundbergs' equity-management revenues comprise dividends from equities and securities trading. Holmen obtains revenues from the manufacture and sale of printing paper, paperboard and sawn timber products, as well as from forestry and power-generation operations.

Net profit for the year 2024, SEK m.	Lundbergs				
	Real estate operations	Equity manage- ment	Holmen	Hufvud- staden	Total
Net sales, etc.	1,917	1,456	22,759	3,179	29,311
Operating expenses ¹	-600	-138	-15,174	-1,216	-17,128
Personnel costs	-151	-33	-3,389	-404	-3,977
Depreciation	-4	-0	-1,388	-62	-1,455
Profit from shares in associated companies		3,384	7		3,392
Changes in value ²	-51	-10	907	-613	233
	1,111	4,659	3,721	884	10,375
Unallocated costs					-41
Operating profit	1,111	4,659	3,721	884	10,334
Net financial items					-526
Tax					-1,425
Net profit for the year					8,383

¹⁾ Including other revenues, etc.; see Note 4.

²⁾ Refers to investment properties and derivatives in Lundbergs and Hufvudstaden as well as biological assets in Holmen.

Other disclosures 2024, SEK m.	Lundbergs				
	Real estate operations	Equity manage- ment	Holmen	Hufvud- staden	Total
Assets	28,465	27,350	79,847	48,874	184,536
Participations in associated companies		38,160	1,701		39,862
					224,397
Liabilities	10,316	2,931	24,178	20,267	57,692
Investments					
Fixed assets	548	3	2,115	991	3,657
Associated companies		1,240	8		1,248

Net profit for the year 2023, SEK m.	Lundbergs				
	Real estate operations	Equity manage- ment	Holmen	Hufvud- staden	Total
Net sales, etc.	1,808	1,100	22,795	2,962	28,664
Operating expenses ¹	-592	13	-13,937	-758	-15,274
Personnel costs	-158	-57	-3,312	-367	-3,894
Depreciation	-5	-0	-1,360	-51	-1,416
Profit from shares in associated companies		6,222	6		6,228
Changes in value ²	-1,024	-66	562	-4,042	-4,570
	29	7,212	4,755	-2,257	9,739
Unallocated costs					-40
Operating profit	29	7,212	4,755	-2,257	9,699
Net financial items					-455
Tax					-566
Net profit for the year					8,678

¹⁾ Including other revenues, etc.; see Note 4. Hufvudstaden's expenses in 2023 is reduced with insurance compensation received of SEK 370 m.

²⁾ Refers to investment properties and derivatives in Lundbergs and Hufvudstaden as well as biological assets in Holmen.

Other disclosures 2023, SEK m.	Lundbergs				
	Real estate operations	Equity manage- ment	Holmen	Hufvud- staden	Total
Assets	27,939	21,842	78,033	48,444	176,257
Participations in associated companies		38,160	1,686		39,846
					216,104
Liabilities	10,146	3,176	22,796	19,655	55,772
Investments					
Fixed assets	524	1	1,706	1,302	3,532
Associated companies		733	0		733

Net sales are reported in accordance with the customers' location, apart from net sales generated by equity management, which are reported solely under Sweden.

Net sales etc. by market, SEK m.	2024	2023
Sweden	11,976	11,506
United Kingdom	2,540	2,565
Germany	2,475	2,495
Italy	1,271	1,174
France	1,201	1,406
Rest of Europe	5,918	5,776
Asia	1,986	2,130
Rest of world	1,944	1,612
	29,311	28,664

The distribution of sales among products and services is presented in Note 3.

Fixed assets by country, SEK m.	2024	2023
Sweden	143,616	140,479
United Kingdom	1,499	1,437
Other	4	4
	145,119	141,920

Carrying amounts pertains to intangible and tangible fixed assets, forest assets and investment properties. The assets are reported in those countries where the operations are located.

NOTE 12 – NET FINANCIAL ITEMS

SEK m.	2024	2023
Financial income		
Currency effect of liquidation of group companies	4	
Interest income ¹	75	77
	79	77
Financial expense		
Net gain/loss		
Assets and liabilities measured at fair value through profit or loss	-41	17
Cash and cash equivalents	-4	1
Assets and liabilities measured at amortized cost	45	-16
Interest expenses attributable to right-of-use liabilities	-33	-30
Interest expense ²	-572	-504
	-605	-533
Net financial items	-526	-455

¹ SEK 35 m. (49) pertains to interest income calculated according to the effective interest method from financial items measured at amortized cost.

² SEK 23 m. (19) pertains to interest expenses on derivative instruments measured at fair value through other comprehensive income.

The net gains/losses recognized in net financial items pertain primarily to currency revaluation and hedging of internal lending.

Revaluation of interest-rate swaps that hedge fixed-interest loans pertaining to Lundbergs are recognized in profit or loss as changes in value of investment properties and derivatives (see Note 9).

Earnings from financial instruments recognized in operating profit (the most material items) are presented in the table below.

SEK m.	2024	2023
Exchange rate gain/loss on accounts receivable and accounts payable	244	459
Net gain/loss pertaining to derivatives	-570	536

The derivatives that are recognized in operating profit pertain to currency hedges of accounts receivable and payable, interest rates and financial electricity derivatives.

NOTE 13 – TAX**RECOGNIZED IN PROFIT OR LOSS**

SEK m.	2024	2023
Current tax		
Tax during the year	-800	-920
Tax attributable to preceding years	-18	15
Deferred tax¹		
Temporary differences	-607	340
	-1,425	-566

¹ Pertains primarily to tax calculated on the difference between the acquisition value and fair value of forest properties and investment properties.

	2024		2023	
Reconciliation of effective tax	SEK m.	%	SEK m.	%
Profit before taxes	9,808		9,244	
Tax according to applicable tax rates	-2,020	21	-1,904	21
Difference in tax rates for foreign operations	-17	0	-9	0
Non-taxable revenues and non-deductible expenses ¹	745	-8	1,383	-15
Standard interest on tax-deferral reserve	-29	0	-20	0
Tax attributable to preceding years	-18	0	15	-0
Other	-86	1	-31	0
	-1,425	15	-566	6

¹ Primarily attributable to the result from participations in associated companies.

RECOGNIZED IN OTHER COMPREHENSIVE INCOME

2024, SEK m.	Before tax	Tax	After tax
Hedge accounting	-501	103	-398
Translation difference on foreign operations	181		181
Hedging of currency risk in foreign operations	-127	26	-101
Revaluation of forest land	454	-93	360
Financial assets measured at fair value	669	269	938
Actuarial revaluations	-29	6	-23
Associated companies – net			205
	647	311	1,162
2023, SEK m.	Before tax	Tax	After tax
Hedge accounting	-3,549	731	-2,818
Translation difference on foreign operations	55		55
Hedging of currency risk in foreign operations	-42	9	-33
Revaluation of forest land	3,493	-720	2,774
Financial assets measured at fair value	2,375	-430	1,945
Actuarial revaluations	-5	1	-4
Associated companies – net			-103
	2,329	-408	1,817

RECOGNIZED IN BALANCE SHEET

SEK m.	2024	2023
Receivables		
Deferred tax assets	3	3
Current tax assets	144	114
	147	116
Liabilities		
Provisions for taxes		
Deferred tax liability	28,893	28,546
Current tax liability	217	147
	29,111	28,693

Deferred tax assets and liabilities

2024, SEK m.	Asset	Liability	Net
Tangible fixed assets		-1,293	-1,293
Biological assets		-6,510	-6,510
Forest land		-5,360	-5,360
Investment properties		-13,095	-13,095
Financial investments ¹		-1,198	-1,198
Untaxed reserves		-1,388	-1,388
Hedge-accounted transactions		16	16
Other provisions ²	3	-65	-63
	3	-28,893	-28,890
2023, SEK m.	Asset	Liability	Net
Tangible fixed assets		-1,210	-1,210
Biological assets		-6,294	-6,294
Forest land		-5,272	-5,272
Investment properties		-12,908	-12,908
Financial investments ¹		-1,458	-1,458
Untaxed reserves		-1,249	-1,249
Hedge-accounted transactions		-83	-83
Other provisions ²	3	-70	-68
	3	-28,546	-28,543

¹ Including deferred tax receivables of SEK 28 m. regarding losses on share sales.

² Including deferred tax assets recognized net among deferred tax liabilities.

The Swedish Tax Agency has refused Holmen deductions on tax losses in Spanish subsidiaries that were liquidated. Holmen has appealed the decision.

NOTE 13 – cont.

The deductions corresponds to SEK 386 m. in tax, but no tax receivable has been recognized for this.

Change in deferred tax on temporary differences and loss carryforwards

2024, SEK m.	Opening balance	Recognized in net profit for the year	Recognized in other comprehensive income	Translation differences and other	Closing balance
Tangible fixed assets	-1,210	-66		-17	-1,293
Biological assets	-6,294	-215			-6,510
Forest land	-5,272	5	-93		-5,360
Investment properties	-12,908	-176		-11	-13,095
Financial investments	-1,458	-9	269		-1,198
Untaxed reserves	-1,249	-139			-1,388
Other	-151	-7	135	-23	-47
	-28,543	-607	311	-51	-28,890

2023, SEK m.	Opening balance	Recognized in net profit for the year	Recognized in other comprehensive income	Translation differences and other	Closing balance
Tangible fixed assets	-1,143	-68		1	-1,210
Biological assets	-6,153	-142			-6,294
Forest land	-4,553	1	-720	0	-5,272
Investment properties	-13,668	760			-12,908
Financial investments	-1,002	-26	-430		-1,458
Untaxed reserves	-1,146	-102			-1,249
Other	-784	-83	742	-26	-151
	-28,449	340	-408	-25	-28,543

The Group is subject to the OECD model rules for Pillar II and legislation has been adopted in Sweden on January 1, 2024. The evaluation of the legislation does not indicate that the Group is exposed to having to pay additional tax from Pillar II.

NOTE 14 – INTANGIBLE FIXED ASSETS

Intangible assets consist of goodwill, development expenses, patents, licenses and IT systems. Expenditure for development is capitalized insofar as it is expected to generate economic benefits in the future. In the balance sheet, tangible fixed assets are recognized at acquisition value less depreciation and any impairment losses. Intangible fixed assets are impairment tested annually. Impairment of goodwill is not reversed.

SEK m.	2024	2023
Accumulated acquisition value		
Opening balance	1,067	988
Investments	3	78
Divestments and scrappage	-4	-63
Reclassification		64
Translation differences, etc.	2	-0
	1,068	1,067
Accumulated amortization and impairment losses		
Opening balance	-374	-384
Amortization during the year	-51	-38
Divestments and scrappage	4	63
Reclassification		-15
Translation differences, etc.	-2	-0
	-423	-374
Closing balance	645	693

The above includes goodwill totalling SEK 441 m. (441), of which SEK 358 m. (358) is attributable to Holmens acquisition of Martinsons in 2020 and SEK 83 m. (83) is attributable to Lundberg's acquisition of Holmen.

Impairment testing of goodwill in Holmen's acquisition of Martinsons is done annually by calculating the value in use for the cash flow generating unit to which goodwill has been allocated. The calculations are made by assessing future cash flows, which are based on the current levels of selling prices, costs and volumes for the coming year. In the calculation of cash flows for subsequent periods, the prices and costs used are calculated on the basis of historical data. The future cash flows have been discounted by 8% interest before tax. The discount rate has been determined by calculating the weighted average cost of capital (WACC). Based on these calculations, there is no need for impairment.

Impairment testing of goodwill in Lundberg's acquisition of Holmen is assessed based on the share price on December 31 and no depreciation or write-down has been made of the value.

Other intangible fixed assets consist primarily of SEK 142 m. (186) for IT systems and SEK 54 m. (58) for the value of the right-of-use relating to certain energy assets. The assets were mainly acquired externally. Apart from goodwill, all assets have a determinable useful life that is amortized over 3–20 years.

NOTE 15 – TANGIBLE FIXED ASSETS

2024, SEK m.	Buildings, land and land improvements	Machinery and equipment	Work in progress and advanced payments	Total
Acquisition value				
Opening balance	7,022	34,130	392	41,545
Investments	134	1,252	676	2,061
Reclassification	13	227	-244	-4
Divestments and scrappage	-3	-1,035	-6	-1,044
Translation differences	54	429	2	485
	7,219	35,003	820	43,043
Depreciation and impairment losses				
Opening balance	-4,376	-26,724		-31,099
Depreciation during the year	-141	-1,128		-1,269
Reclassification	-2	-79		-81
Divestments and scrappage	3	1,029		1,032
Translation differences	-41	-323		-364
	-4,555	-27,145		-31,700
Closing balance	2,665	7,858	820	11,343

2023, SEK m.	Buildings, land and land improvements	Machinery and equipment	Work in progress and advanced payments	Total
Acquisition value				
Opening balance	6,845	32,981	407	40,233
Investments	155	1,121	265	1,542
Reclassification	17	284	-270	31
Divestments and scrappage	-5	-319	-17	-342
Translation differences	10	64	7	81
	7,022	34,130	392	41,545
Depreciation and impairment losses				
Opening balance	-4,234	-25,783		-30,016
Depreciation during the year	-138	-1,119		-1,256
Reclassification	-2	-79		-81
Divestments and scrappage	5	309		314
Translation differences	-7	-53		-60
	-4,376	-26,724		-31,099
Closing balance	2,647	7,407	392	10,446

NOTE 16 – BIOLOGICAL ASSETS AND FOREST LAND

Holmen's land holdings amount to 1,303,000 hectares, of which 1,160,000 hectares are classified as forest land according to international definitions. 1,045,000 hectares are classified as productive forest land. The holdings are spread over five regions of Sweden.

	Total land holdings, thousand ha	Productive forest land, thousand ha
Västerbotten	486	371
Västernorrland	329	273
Jämtland	194	146
Gävleborg	184	163
Uppsala and further south	109	91
	1,303	1,045

Forest land is recognised at fair value calculated based on transaction prices for forest properties in the counties where the Group owns forest land, less the fair value of standing trees recognised as biological assets in accordance with IAS 41 Biological Assets.

Only productive forest land is assigned a value. Below, valuation based on transactions in forest properties is described first, followed by the valuation of biological assets.

Valuation based on transactions in forest properties

Prices for individual forest properties vary mainly due to geographical location and the volume of standing timber. To address these differences, valuations are based on the amounts paid in relation to the properties' volume of standing timber broken down by geographical area, mainly according to county. To obtain a sufficiently large population, three years of aggregated transactions are used. The calculation is carried out by aggregating valuations made based on:

- Price statistics published by market participants. Holmen uses the price statistics together with the volume of standing timber for the productive forest land to calculate the value of the productive forest land for each county.

- Detailed data on transactions in forest properties. Holmen uses the detailed transaction data to calculate the value of the forest land per hectare using a regression model based on the parameters location (county or part of a county), volume of standing timber and site quality (i.e. the productive capacity of the land) for the productive forest land. The calculation is carried out for each forest property owned by Holmen and the figures are aggregated to obtain a value for each county.

The method is considered to reflect market conditions at the reporting date and has been applied consistently between years.



Price statistics and transaction data

The price statistics come from external parties, which are independent of Holmen. They are expressed in SEK per m³ growing stock, solid over bark of standing timber mainly broken down by county. An external party processes the data by excluding transactions involving less than 10 hectares and transactions that may include other significant components besides forest land. Holmen does not process the price statistics.

The detailed data on forest properties is based on transaction data that mainly come from the government agency Lantmäteriet and is supplied by Infotrader, which is independent of Holmen. Holmen processes the information by excluding transactions for which Infotrader believes there are other significant components besides forest land and transactions involving less than 20 hectares.

Volume of standing timber

Data on Holmen's volume of standing timber for each region valued are used for valuations. The volume of standing timber is calculated based on the most recent inventory, updated with the completed harvest and estimated growth after the inventory date. The inventory is usually carried out every ten years and last took place in 2019. The table below shows the volume of standing timber measured in m³ growing stock, solid over bark per hectare in the inventories carried out since 1988, and the calculated volume of standing timber at December 31, 2024.

Value of standing timber	1988	1993	2000	2010	2019	2024
m ³ growing stock, solid over bark per hectare of productive forest land	90	100	105	114	118	121

The table below shows Holmen's volume of standing timber expressed in m³ growing stock, solid over bark, the site quality (i.e. the productive capacity of the land) of the productive forest land and the age distribution by region.

	Volume of standing timber, million m ³ growing stock, solid over bark	Site quality m ³ /ha	Age distribution, %					
			0-20	21-40	41-60	61-80	81-100	101+
Västerbotten	38	4.0	29	25	14	18	7	8
Västernorrland	32	4.3	27	24	18	15	6	10
Jämtland	15	3.5	24	22	17	6	3	29
Gävleborg	26	6.2	28	24	26	13	2	7
Uppsala and further south	15	7.4	27	26	24	12	4	7
	127	4.6	27	24	18	14	5	11

Valuation as of December 31, 2024

The valuation based on transactions in forest properties amounted to SEK 57,843 m. (56,348), corresponding to SEK 55 t. (54) per hectare of productive forest land and SEK 456 (447) per m³ growing stock, solid over bark of standing timber on the productive forest land.

The valuation per county is shown in the table below. For Västerbotten, Jämtland and Västernorrland, price differences within counties have been taken into account to the extent possible based on price statistics and detailed transaction data.

	Holmen's forest				Holmen's book value			Market statistics ²	
	Total land holdings, thousand ha	Area of productive forest land, thousand ha	Number of properties	Average size, ha per property ¹	SEK m.	SEK '000/ha ¹	SEK/m ³ growing stock, solid over bark	Number of transactions	Average size, ha per property ¹
2024									
Västerbotten	486	371	1,376	270	13,772	37	358	330	102
Västernorrland	329	273	620	440	13,945	51	429	102	87
Jämtland	194	146	357	410	6,105	42	401	194	170
Gävleborg	184	163	1,434	114	12,076	74	462	115	74
Uppsala and further south	109	91	502	181	11,946	131	823	190	79
	1,303	1,045	4,289	244	57,843	55	456	931	106
2023									
Västerbotten	489	371	1,378	270	13,048	35	346	309	102
Västernorrland	329	273	621	440	13,730	50	416	99	92
Jämtland	194	147	357	410	5,705	39	382	170	144
Gävleborg	184	164	1,432	114	12,064	74	465	134	76
Uppsala and further south	108	91	501	181	11,802	130	818	168	86
	1,305	1,046	4,289	244	56,348	54	447	880	102

¹ Refers to productive forest land.

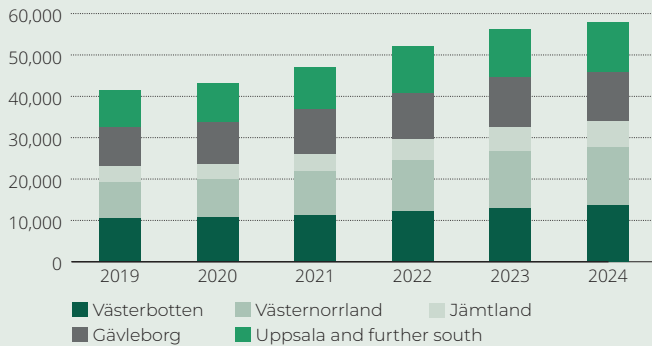
² Refers to transactions forming the basis for the valuation based on detailed information about transactions in forest properties.

NOTE 16 – cont.

The chart below shows the change in the valuation aggregated for each region, since the method was first introduced in 2019.

Book value

SEK m.



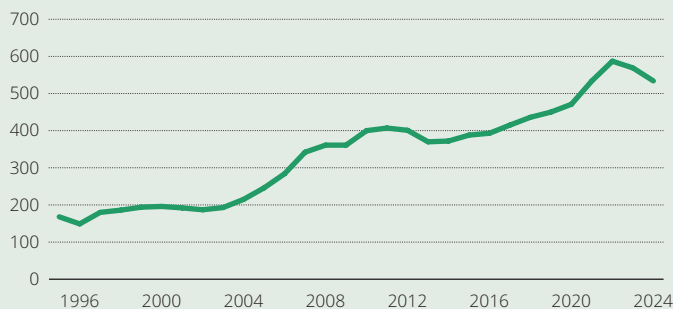
The value per hectare varies between different parts of the country, the value of forest properties in southern Sweden being significantly higher. This is partly due to better site quality, a shorter harvest cycle and higher wood prices, but is also due to the fact that demand for forest land is greater closer to densely populated areas. The tables below show how the valuation per region has developed since the transition to recognising forest land at fair value.

Valuation, SEK '000/ha	2019	2020	2021	2022	2023	2024
Västerbotten	29	29	30	33	35	37
Västernorrland	32	33	39	45	50	51
Jämtland	25	26	28	34	39	42
Gävleborg	58	61	66	69	74	74
Uppsala and further south	98	104	113	125	130	131

Valuation, SEK/m ³ growing stock, solid over bark	2019	2020	2021	2022	2023	2024
Västerbotten	283	287	301	329	346	358
Västernorrland	278	286	328	373	416	429
Jämtland	266	273	289	345	382	401
Gävleborg	370	388	418	434	465	462
Uppsala and further south	613	639	698	772	818	823

Sensitivity analysis

There has been low volatility in forest property prices over time, as illustrated in the chart below showing annualised prices compiled by external party based on transactions they themselves brokered.

Price development of forest propertiesSEK/m³ growing stock, solid over bark

The measurement of fair value is primarily dependent on price statistics and transaction data collected from external parties and how large the volume of standing timber is estimated to be. The table below shows how the value per region is affected by changes in these parameters.

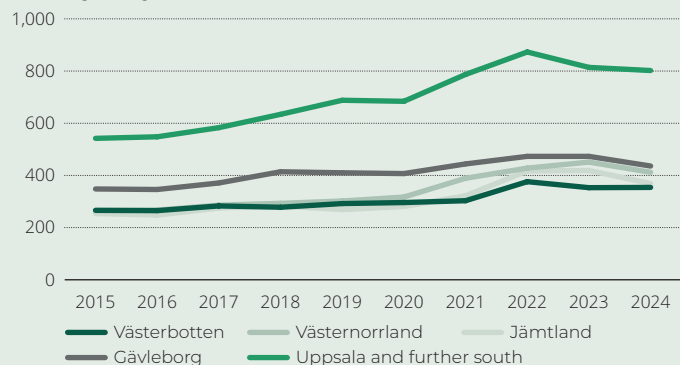
Price statistics and transaction data		SEK m.
Västerbotten	5% (SEK 18/m ³ growing stock, solid over bark)	690
Västernorrland	5% (SEK 21/m ³ growing stock, solid over bark)	700
Jämtland	5% (SEK 20/m ³ growing stock, solid over bark)	300
Gävleborg	5% (SEK 23/m ³ growing stock, solid over bark)	600
Uppsala and further south	5% (SEK 41/m ³ growing stock, solid over bark)	600

Holmen's volume of standing timber		SEK m.
Västerbotten	1% (0,4 mil. m ³ growing stock, solid over bark)	140
Västernorrland	1% (0,3 mil. m ³ growing stock, solid over bark)	140
Jämtland	1% (0,2 mil. m ³ growing stock, solid over bark)	60
Gävleborg	1% (0,3 mil. m ³ growing stock, solid over bark)	120
Uppsala and further south	1% (0,1 mil. m ³ growing stock, solid over bark)	120

Transparency regarding forest property transactions is good in Sweden, creating a favourable environment for market participants to publish market statistics and create a basis for valuations based on detailed information about completed transactions. As the valuations are based on a combination of price statistics compiled by external parties, and detailed transaction data collected by Infotrader, the risk of valuations being affected by data collection or processing errors is reduced. The three methods yielded a value within $\pm 1\%$ of the weighted value at year-end 2024.

The volume of standing timber is based on sample inventories designed to provide the most reliable information possible about this volume. The last inventory was carried out in 2019 by an external party, with a mean error rate of 1.4% for Holmen's total volume of standing timber. The volume of standing timber is broken down by county based on information in the Group's stand catalogue. The change in the volume of standing timber after the inventory is based on harvest data and the estimated growth on which the current harvesting plan is based.

As the valuations are based on three years of transactions, sufficiently large populations are considered to be obtained in each geographical area to arrive at reliable valuations and reduce the impact of individual transactions while reflecting current market conditions. If valuations were based on transactions concluded over a shorter period of time, such as the past year, the quality and reliability of the valuations is estimated to be reduced due to the greater impact of individual transactions and the small number of transactions in certain regions. The chart below illustrates how the value for each region would have been calculated based on one year of transactions. The total value of Holmen's holdings in 2024 would have amounted to SEK 438/m³ growing stock, solid over bark, which is 4% lower than the valuation on which the book value of the forest assets is based.

Price of forest propertiesSEK/m³ growing stock, solid over bark**Reference valuation**

To verify Holmen's own valuation, a valuation of parts of the forest holdings is carried out each year by an external, independent valuation company. During the period 2019-2023, an external party carried out the valuations and by the end of 2023 all the forest holdings had been valued. The external valuations exceeded Holmen's own valuations by an average of 7%. In 2024, an external party carried out a valuation of the forest properties in Uppsala and further south, equal to 21% of the book value. The external valuation exceeded Holmen's own valuation by 13% and took into account the size premium that is considered to exist for properties exceeding 200 hectares. Without taking such a premium into account, the valuation exceeded Holmen's own valuation by 3%. No size premium has been taken into account in Holmen's own valuation.

NOTE 16 – cont.

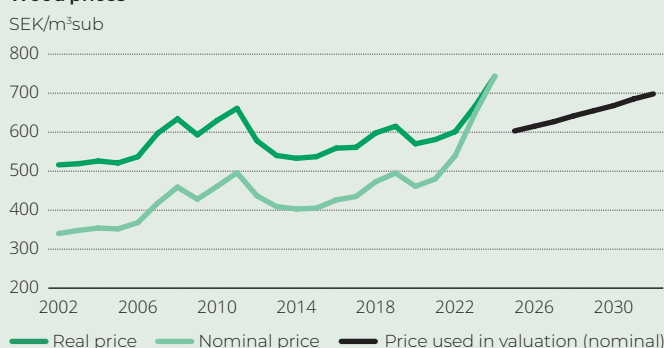
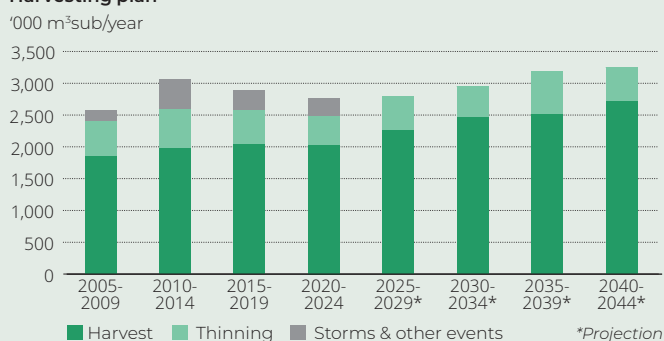
Biological assets

The value of standing trees was determined by calculating the present value of expected future cash flows, less selling costs but before tax, from current standing trees. Costs for replanting after harvesting were not included.

The standing trees are expected, on average, to be harvested when they reach an age of 85 years. The volumes are based on the long-term harvesting plan that was updated in 2020. The harvesting plan is based on the current forest management program. The plan takes into account existing forestry regulations and projected future climate change. Under the plan, there should be an average harvest of 2.8 million m³sub per year between 2020 and 2029, gradually increasing to 3.9 million m³sub in 85 years, corresponding to an annual increase of 0.4% per year. In 2020-2024, the harvest averaged 2.8 million m³sub per year. Compared with the 2000-2009 harvesting plan, the harvest under the 2020-2029 harvesting plan has increased by 12%, corresponding to an annual increase of 0.6%. The annual harvest is expected to consist, on average, of 48 % saw logs and 50% pulpwood, with 2% for energy production.

Revenue is calculated based on an average price of SEK 603/m³sub, which is an increase from SEK 555/m³sub the previous year as a result of continued price increases for both pulpwood and logs. The price used is in line with historical prices adjusted for inflation, but 20% lower than the average price for wood from own forests in 2024. The costs represent the current level adjusted for temporary effects. Prices and costs are assumed to increase in line with general inflation, which is estimated at 2% per year in accordance with the Riksbank's inflation target.

The discount rate for the 2024 valuation is 4.75% before tax, which is an increase from 4.5% as was used in the period 2019-2023. This rate represents the estimated long-term cost of capital for investments in standing trees. The rate is calculated based on the real yield requirement derived from transactions in forest properties, the real interest rate applied when preparing the harvesting plan and the interest rate used by other large forest-owning companies in Sweden. When real interest rates were translated into nominal interest rates, 2% inflation was assumed in line with the Riksbank's target.

Wood prices**Harvesting plan****Valuation as of December 31, 2024**

The valuation of biological assets amounts to SEK 31,600 m. (30,555), which is an increase of SEK 1,045 m. (688). The value of biological assets has been positively affected by investments in reforestation of SEK 140 m. (145) and the acquisition of forest land, with standing trees valued at SEK 18 m. (17), while sales of forest land reduced the value of standing trees by SEK 20 m. (36). The remaining change, of SEK 907 m. (562), is the net of the change resulting from harvesting and the unrealised change in fair value and is stated net as the change in value of biological assets in the income statement.

Sensitivity analysis

The table below shows how the value of biological assets would be affected by changes in the most significant valuation assumptions.

		SEK m.
Annual change	+0.1% per year	
Harvest rate		1,110
Price inflation		1,730
Cost inflation		-810
Change in level	+1%	
Harvest		390
Prices		620
Costs		-310
Discount rate	+0.1%	-860

The annual change refers to the annual rate of change used in the valuation of each parameter. For example, an increase of 0.1% means that the annual price inflation will be increased from 2.0% to 2.1% in the calculations. Change in level means that the level for each parameter and year is changed. For example, a 1% price increase means that the wood prices in the calculations are raised by 1% for all years (change of level).

Forest land

The fair value of forest land at December 31, 2024 was SEK 26,243 m. (25,793), calculated based on transactions in forest properties, SEK 57,843 m. (56,348) less the fair value of standing trees, SEK 31,600 m. (30,555). Of the change for the year, SEK 12 m. (16) is due to the acquisition of forest land and SEK -16 m. (0) to the disposal of forest land. The remainder of the change, of SEK 454 m. (3,493), consists of the unrealised change in fair value and is recognised in other comprehensive income.

Sensitivity analysis

The valuation of forest land depends on the same parameters as the valuation based on transactions in forest properties and the valuation of biological assets.

The value of forest land may reflect existing and possible future revenue streams from the forest land, and the harvesting of future generations of trees, but there are also actors who assign value to land that is not linked to its ability to generate cash flows. Over the past five years, cash flow from land has amounted to approximately SEK 200 m. per year, the major sources of existing cash flow being the sale of hydro power received in exchange for the use of waterfall rights (replacement power), revenue from leases and property development, and leases linked to wind power. The portfolio of wind power projects is under development and there are currently 30 projects at various stages of completion that may generate revenue in the form of both sales of wind power licences and leases. A market for voluntary carbon credits, including from forestry, is emerging and could provide new revenue opportunities. Holmen owns land close to densely populated areas with expansion plans, such as Uppsala, and also has land suitable for the construction of data centres. The value of harvests from future generations of trees depends on the rate at which the trees grow and changes in the price of wood. The reasonableness of the forest land's book value is assessed each year by estimating the present value of possible future cash flows from the land holdings. This assessment of reasonableness has resulted in a wide range of values that support the book value.

	Biological assets		Forest land		Total Biological assets and Forest land	
SEK m.	2024	2023	2024	2023	2024	2023
Book value at beginning of year	30,555	29,867	25,793	22,284	56,348	52,151
Acquisitions	18	17	12	16	30	33
Disposals	-20	-36	-16	0	-36	-36
Investment in reforestation	140	145			140	145
Change due to harvesting	-1,078	-977			-1,078	-977
Unrealised change in fair value	1,985	1,539	454	3,493	2,439	5,032
Book value at end of year	31,600	30,555	26,243	25,793	57,843	56,348

NOTE 17 – INVESTMENT PROPERTIES

Investment properties are recognized at fair value. The fair value is the price that would be received for sale at the time of valuation as a result of a transaction in a core market (or the most favorable market) under current market conditions (exit price), regardless of whether the price is directly observable or calculated using another valuation method.

2024, SEK m.	Residential	Commercial	Total
Opening fair value	12,373	62,061	74,433
Investments	265	1,244	1,509
Unrealized change in value	33	-686	-654
Closing fair value	12,671	62,618	75,289

2023, SEK m.	Residential	Commercial	Total
Opening fair value	12,541	65,209	77,749
Investments	330	1,420	1,750
Unrealized change in value	-498	-4,568	-5,066
Closing fair value	12,373	62,061	74,433

Information about fair value of investment properties

All properties classified as investment properties are owned by the Group and encompass land, buildings, building equipment and refurbishment of existing properties, as well as new buildings. The value of the real estate portfolio has been assessed internally by fair valuing every single property. The investments above do not include capitalized loan expenses.

Impact on net profit during the year

All properties generate rental revenues with the exception of ongoing new construction and those comprising undeveloped land. Rental revenues for the year (gross less vacancies and discounts) amounted to SEK 4,167 m. (3,989). Costs distributed by type are presented in the table below.

Type of cost, SEK m.	2024	2023
Operation and administration	490	466
Maintenance	223	245
Personnel costs	356	348
Property taxes	328	327
Depreciation	19	13
	1,416	1,399

Maturity structure for operational leases (the Group as lessor). Rent in accordance with the agreement is presented below.

SEK m.	2025	2026	2027	2028	2029	2030–	Total
Residential	194						194
Offices	1,935	1,807	1,464	1,129	847	2,486	9,668
Retail	849	703	525	349	222	518	3,166
Other	155	102	77	52	30	25	442
Total	3,133	2,612	2,066	1,529	1,099	3,030	13,469
Proportion, %	23	19	15	11	8	22	100

Valuation method

The valuation of all properties occurs at level three in the valuation hierarchy.

The evaluation is that there is an active market based on completed transactions and ongoing transaction processes, which is why the valuation method is assessed applicable.

Lundbergs – The real estate portfolio was valued by assessing the fair value of every single property. The valuations were based on both location-price data and the present value of estimated future payment flows. The present value calculation is based on discounted cash flow over the coming ten-year period and thereafter calculating a perpetual yield. The calculation of cash flow is based on assumed long-term inflation of 2.0%, normalized rental revenue and maintenance costs and a normalized vacancy rate. Subsequently, this calculation is weighted using various location-price factors in a final valuation.

The input data used for valuation is stated below.

	Residential		Commercial	
	Interval	Weighted average	Interval	Weighted average
Net operating income, SEK/sqm	600 - 1,700	1,000	400 - 8,200	1,900
Vacancy, %	1.0 - 2.7	1.3	2.1 - 9.9	4.3
Required yield residual value, %	2.94 - 6.82	4.57	4.05 - 8.10	5.35

All rents are assessed to be market based. Growth assumption is assessed individually for each property. The discount factor is calculated as the required yield plus the growth assumption during the forecast period.

The growth assumption in turn is connected to the assumed inflation for the same period but is assessed individually for each property taking into account lease terms, vacancy risk, technical condition, etc.

The estimated required yield is based on information obtained on the yield requirement in the market pertaining to current purchases and sales of comparable properties in similar locations. The information is checked with valuation and consulting companies.

Lundbergs' real estate portfolio was valued at SEK 28.2 bn. (27.7). To ascertain the valuation, independent valuations were obtained externally for 36 properties, corresponding to 47% of the portfolio in terms of value. The external valuations for these properties provided a market value of SEK 13.4 bn., while the figure for the internal valuations was SEK 13.1 bn. The internal valuations favorably match the external valuations.

Hufvudstaden – The real estate portfolio was valued by assessing the fair value of every single property. The value was established through utilization of a variation on the location-price method termed the net capitalization method. This method means that the market's yield requirement is placed in relation to the properties' net operating income.

For project properties and undeveloped land, the value has been assessed according to a combination of the local price method and a development calculation where the net capitalization method is used for a completed property with deductions for construction costs, market profit for the developer as well as financial costs and rental vacancy during the construction period.

The estimated required yield is based on information received about yield requirements in the market in terms of current purchases and sales of comparable properties in similar locations. If few or no business transactions have been conducted in the property's subarea, transactions in adjacent areas are analyzed. Transactions that are not completed are still able to give indications of the yield requirements in the market. Consideration was also given to the various types of properties, technical standards and building structures. The yield requirements used in the valuation differ between various regions and different subareas within the regions. The information is checked with valuation and consulting companies.

Over the past five years, Hufvudstaden's average yield requirement has varied from 3.5% to 4.2% and amounted to 4.1% at December 31, 2024. For leasehold properties, the calculation has been based on a required yield that is 0.20 percentage points higher. Net operating income is based on market rental revenue, which is market adapted by adjusting current rents to reflect newly signed and renegotiated leases, taking into account the anticipated rent trend. Income has been reduced for an assessed long-term rental vacancy rate. The vacancy rate is based on the real estate portfolio's actual outcome over a business cycle, and the anticipated rental situation for the individual property. In the valuation, the average vacancy rate was assessed at 4%. The actual average vacancy rate, excluding projects, varied between 1 and 7% during the past five years and was 5% on December 31, 2024.

Deductions were made for standard operation and maintenance costs, excluding charges passed on to tenants and parts of property administration. These are based on actual outcome and adjusted for temporary deviations. The average cost per square meter in the past five years has been within the SEK 575-675 interval and the estimated cost in the valuation on December 31, 2024 was at a corresponding level.

The construction cost is based on standard information and information recorded in current land title deeds listed with assumed cost development. In addition, a deduction is also made for a market-based profit requirement for the developer, financing costs and rental vacancy during the construction period.

NOTE 17 – cont.

The input data used for valuation is stated below.

Office and retail	Interval	Weighted average
Net operating income, SEK/sqm	2,650 - 9,140	5,390
Vacancy, %	2 - 5	4
Required yield, Stockholm, %	3.7 - 4.2	3.9
Required yield, Gothenburg, %	4.7 - 5.0	4.9
Required yield, total, %	4.1	

Hufvudstaden's real estate portfolio was valued at SEK 47.1 bn. (46.7). To safeguard the valuation, independent valuations of 9 properties were obtained, corresponding to 39% of the internally estimated fair value. The external valuation firms arrived at a market value of SEK 19.0 bn. Hufvudstaden's internal valuation of the same properties amounted to SEK 18.2 bn. The internal valuations favorably match the external valuations.

Sensitivity analysis

The fair value of a property can only be established with certainty at divestment. In connection with valuation, an interval is often stated to demonstrate the uncertainty in the estimation of a property's value. The value interval usually amounts to $\pm 5\%$ but may vary depending on such criteria as the market situation, the property's technical standard and investment requirements.

Lundbergs' real estate portfolio is valued at SEK 28.2 bn. based on an assumed uncertainty interval of $\pm 5\%$, which corresponds to a change in the property value of $\pm$ SEK 1.4 bn. The most significant factors that influence valuation and their effect on the fair value are stated below.

Impact on value, SEK m.			
	Changes	Residential	Commercial
Net operating income	SEK 50/sqm	634	406
Required yield, residual value	-0.25 percentage point	733	760
	+0.25 percentage point	-657	-692
Rental vacancy	-1.0 percentage point	180	206

Hufvudstaden's real estate portfolio is valued at SEK 47.1 bn. based on an uncertainty interval of $\pm 5\%$, which corresponds to a change in the property value of $\pm$ SEK 2.4 bn. The most significant factors that influence the valuation and their effect on the fair value are stated below.

Change $\pm$	Impact on value $\pm$, SEK m.
Rental revenue	SEK 100/sqm 970
Property costs	SEK 50/sqm 485
Rental vacancy rate	1.0 percentage points 640
Yield requirement	0.25 percentage points 2,905

NOTE 18 – RIGHT-OF-USE ASSETS (LEASING)

2024, SEK m.	Site lease-holds	Commercial premises	Machinery and equipment	Total
Acquisition value				
On January 1	696	384	250	1,331
Additional/Revaluation	3	56	78	137
Concluded agreements		-40	-96	-136
	698	401	232	1,331
Depreciation				
On January 1		-243	-144	-387
Amortization during the year		-67	-74	-141
Concluded agreements, etc.		40	92	132
		-270	-127	-397
Closing balance	698	131	105	934

2023, SEK m.	Site lease-holds	Commercial premises	Machinery and equipment	Total
Acquisition value				
On January 1	677	353	208	1,239
Additional/Revaluation	18	38	89	146
Concluded agreements		-7	-47	-54
	696	384	250	1,331
Depreciation				
On January 1		-191	-117	-308
Amortization during the year		-59	-69	-128
Concluded agreements		7	42	49
		-243	-144	-387
Closing balance	696	142	106	943

Site leaseholds – The Group leases land for parts of its operations. In total, the Group has five site leaseholds whose leasehold fees total SEK 22 m. undiscounted. These leases are viewed as perpetual from the Group's perspective. All agreements will be renegotiated within the period of 1-13 years.

Commercial premises – The Group leases external office and warehouse premises for parts of its operations. The agreements normally have a term between 5-10 years.

Machinery and equipment – The Group leases a number of different types of assets, primarily freighters, forklifts and cars. The lease term for this type of asset normally amounts to 2-5 years.

Carrying amounts 2024, SEK m.	Income statement	Balance sheet	Total
Depreciation amount for rights of use	-141		-141
Interest expense for lease liabilities	-29	-0	-29
Revenues from forward leasing of right-of-use assets	5		5
Costs related to current lease liabilities	-1		-1
Costs related to low-value leases	-4		-4
Costs related to variable lease payments	-1		-1
Capitalized on management costs		1	1
	-171	1	-170

Carrying amounts 2023, SEK m.	Income statement	Balance sheet	Total
Depreciation amount for rights of use	-123	-1	-124
Interest expense for lease liabilities	-30	-0	-30
Revenues from forward leasing of right-of-use assets	6		6
Costs related to current lease liabilities	-3		-3
Costs related to low-value leases	-4		-4
Costs related to variable lease payments	-2		-2
Capitalized on management costs		-2	-2
	-156	-3	-158

In 2024, the Group's disbursements attributable to leases amounted to SEK 170 m. (162). The payments include both amounts for leases recognized as a lease liability and amounts paid for variable lease payments, short-term leases and low-value leases. For leases that have a lease term of 12 months or less or with an asset with a low underlying value, no right-of-use asset or lease liability is recognized.

For a maturity analysis of liabilities pertaining to right-of-use assets, see Note 35.

NOTE 19 – PARTICIPATIONS IN ASSOCIATED COMPANIES

Associated companies, SEK m.	2024	2023
Recognized on January 1	39,846	33,989
Investments	1,248	733
Divestment of share options	-9	
Participation in profit ¹	3,392	6,228
Dividends received	-1,069	-993
Participation in other comprehensive income	206	-111
	43,613	39,846

¹) Profit after tax and non-controlling interest in associated companies.

	Number of shares		Holding as a % ³		Carrying amount SEK m.	
	Dec 31, 2024		2024	2023	2024	2023
Associated companies¹						
<i>Parent Company's</i>						
Husqvarna AB ²	43,315,208	7.6 (25.8)	7.6 (25.6)		2,977	2,923
AB Industrivärden ²	88,550,000	20.5 (26.0)	19.7 (25.1)		32,635	29,515
Indutrade AB ²	96,840,000	26.6	26.6		6,299	5,723
<i>Subsidiaries'</i>						
Brännälvens Kraft AB	5,556	13.9	13.9		45	36
Gidekraft AB	990	9.9	9.9		0	0
Harrsele AB	9,886	49.4	49.4		1,534	1,527
Rebio AB	2,014	40.3	40.3		10	10
Uni4 Marketing AB	2,050	41.0	41.0		22	21
Vattenfall Tuggen AB	683	6.8	6.8		90	90
Other					1	1
					43,613	39,846

¹) In those cases where the share of voting rights is less than 20%, significant control over the companies' operations is exercised through shareholder agreements.

²) Based on the current share price, Husqvarna's fair value is SEK 2,515 m. (3,586), Industrivärden's is SEK 30,932 m. (27,962) and Indutrade's is SEK 26,825 m. (25,353).

³) The proportion is calculated after a deduction for treasury shares. The share of the voting rights is stated in parentheses in cases where it does not correspond to capital share.

The holdings in Brännälvens Kraft AB, Gidekraft AB, Harrsele AB and Vattenfall Tuggen AB refer to hydro power assets. The holdings entitle Holmen to buy electricity produced at cost price, so the associates only earn a very limited profit. Purchased electricity is sold to external customers at market price, and the the result is reported in the Holmen segment.

Financial information about Parent Company's associated companies

Owned share, SEK m.	2024	2023
Revenues	14,044	13,750
Profit	3,321	6,191
Assets	47,749	43,883
Liabilities	8,839	8,725
Shareholders' equity	38,909	35,158

Further information about the Parent Company's associated companies is presented in Note 2.

Financial information about the subsidiaries' associated companies

The combined value of the subsidiaries' share in the comprehensive income of associated companies is SEK 7 m. (6).

During the year, Holmen purchased 472 GWh (451) of electricity from Harrsele AB, resulting in operating profit of SEK 166 m. (319) from sales in the open market. Harrsele AB owns power assets that generate 950 GWh of electricity in a normal year. The carrying amount of Harrsele AB's fixed assets is SEK 188 m. (176).

NOTE 20 – FINANCIAL INVESTMENTS

	Shareholding, Dec 31, 2024 as a % of		SEK m.	
	share capital	voting rights	2024	2023
Financial assets ^{1,2}				
Alleima	10.0	10.0	1,893	1,628
Handelsbanken A	3.1	3.2	7,080	6,567
Sandvik	3.1	3.1	7,833	8,026
Skanska A ³	5.4	13.1	1,404	1,100
Skanska B			3,805	2,981
			22,014	20,303

¹) Measured at fair value through other comprehensive income, whereby the value at December 31 of the particular year exceeded the acquisition value of all shares.

²) The change in value is recognized in other comprehensive income to avoid earnings volatility.

³) The market value of Skanska's Series A shares is calculated at the same price as the listed Series B shares.

The assets have been measured at fair value based on the current stock-market price. Should the asset comprise shares of various series, the percentage of share capital and voting rights is stated jointly for the holding. Dividends totaling SEK 1,163 m. (842) were received.

NOTE 21 – FINANCIAL INSTRUMENTS

Non-current financial receivables comprise interest-bearing financial receivables from other companies, prepaid expenses for loan commitments and the market value of long-term derivatives. Interest-bearing investments and lending with maturities of up to one year, accrued interest income and unrealized exchange-rate gains, as well as the market value of derivatives, are recognized as **current financial receivables**. In all significant respects, current financial receivables have an interest-rate maturity of less than three months and are thus subject to a highly limited interest-rate risk.

Cash and cash equivalents comprise bank balances and investments that can be readily converted to cash at a known amount and with a maturity of at most three months from the acquisition date, which means that the interest-rate risk is insignificant. Liquidity is invested in bank accounts or as short-term deposits in banks.

Loan liabilities, accrued interest expense, unrealized exchange-rate losses and the market value of derivatives are recognized as **financial liabilities**. Financial liabilities are in all significant respects interest-bearing. In addition to the financial assets and liabilities identified above, interest-bearing net debt also includes liabilities for right-of-use assets (see Note 18) and the pension obligations (see Note 29).

The ongoing reference rate reform only has a marginal impact, since interest derivatives are almost exclusively denominated at the Swedish reference rate. For such currencies where the reference rate reform is underway, continued hedge accounting will apply while the reform is in progress. Nevertheless, these hedges are expected to be effective in the future.

No provision has been posted for expected credit losses on the financial assets included in net debt because no losses have been incurred over the past ten years and the assets owned on the balance sheet date are adjudged to have a high credit quality.

The maturity structure and average interest rate for the Group's liabilities are presented in Note 35.

In accordance with IFRS 13, financial instruments are recognized in accordance with the fair value hierarchy in three levels based on the input data used in the measurement.

Measurement of financial investments (shares) and shares in listed companies is based on quoted prices for similar instruments, meaning that they are attributable to Level 1. If no quoted market prices are available, fair value has been calculated by discounting cash flows. When calculations of discounted cash flows have been performed, such variables as discount interest rates and exchange rates used in the calculations have been derived from market quotations, wherever possible. When calculating discounted cash flows, the average of the exchange rates and discount interest rates is used. These valuations belong to Level 2. Series A shares in Skanska are not publicly traded, hence their value has been calculated based on the value of the publicly traded Series B shares, which is based on assumptions that are not substantiated by prices of observable data and is thus attributable to Level 3. During the year, the value change was SEK 304 m. (5), which was entirely attributable to unrealized changes in value and has been recognized in other comprehensive income under Financial assets measured at fair value.

As of December 31, 2024 there were no offsetting of assets and liabilities in the balance sheet. Recognized derivatives amounted to SEK 427 m. (941) on the asset side and SEK 639 m. (606) on the liability side.

In the tables, fair value is calculated by means of discounted cash flows and all variables used in the calculations, such as discount interest rates and exchange rates, have been derived from market quotations. The difference between fair value and carrying amount results from certain liabilities not being market valued in the balance sheet but recognized at amortized cost. The fair value of accounts receivable and accounts payable is stated as the carrying amount, which is adjudged to accurately reflect the fair value.

Financial instruments included in net financial debt

SEK m.	Recognized at fair value through profit or loss ¹		Hedging instruments recognized at fair value ²		Recognized at amortized cost		Total carrying amount		Fair value	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Long-term financial receivables										
Derivatives			34	45			34	45	34	45
Other financial receivables					33	38	33	38	33	38
			34	45	33	38	66	83	66	83
Current financial receivables										
Accrued interest					2	21	2	21	2	21
Derivatives	1	1	8	43			10	43	10	43
Other financial receivables					6	5	6	5	6	5
	1	1	8	43	8	26	17	69	17	69
Cash and cash equivalents										
Short-term investments					565	1,137	565	1,137	565	1,137
Bank balances					706	892	706	892	706	892
					1,271	2,030	1,271	2,030	1,271	2,030
Long-term financial liabilities										
Bank loans					2,000	3,200	2,000	3,200	2,038	3,312
Bond loans					12,000	10,900	12,000	10,900	12,076	10,899
Derivatives	49	28					49	28	49	28
Other long-term liabilities					2	2	2	2	2	2
	49	28			14,002	14,102	14,051	14,130	14,165	14,242
Current financial liabilities										
Commercial papers					600	1,600	600	1,600	600	1,600
Bank loan					500		500		500	
Bond loans					4,500	3,000	4,500	3,000	4,449	2,986
Liabilities to bank accounts					11	0	11	0	11	0
Derivatives	2	3	19				21	3	21	3
Accrued interest					178	112	178	112	178	112
Other current liabilities					63	68	63	68	63	68
	2	3	19		5,852	4,780	5,873	4,783	5,821	4,769

¹ Pertains to instruments that have to be measured at fair value according to IFRS 9.

² Recognized through other comprehensive income.

NOTE 21 – cont.**Financial instruments not included in net financial debt**

SEK m.	2024	2023
Assets		
Financial investments ¹	22,014	20,303
Shares in listed companies ²	913	981
Shares in unlisted companies ²	6	5
Accounts receivable	2,874	2,740
Recognized among operating receivables		
Derivatives ²	15	61
Hedge accounted derivatives	370	791
Liabilities		
Accounts payable	4,119	3,762
Recognized among operating liabilities		
Derivatives ²	85	141
Hedge accounted derivatives	485	434

¹) Items recognized at fair value through other comprehensive income.

²) Items recognized at fair value through profit or loss.

For the items in the table above, the carrying amount is the same as the fair value.

Interest-bearing net debt

SEK m.	2024	2023
Long-term financial receivables	-66	-83
Current financial receivables	-17	-69
Cash and cash equivalents	-1,271	-2,030
Long-term financial liabilities	14,051	14,130
Long-term liabilities, right-of-use assets	844	855
Pension obligations	165	143
Current financial liabilities	5,873	4,783
Current liabilities, right-of-use assets	99	96
	19,677	17,825

Financial instruments measured at fair value

SEK m.	2024	2023
Assets measured at fair value		
Financial investments	22,014	20,303
Shares in listed companies	913	981
	22,927	21,284

Of the amount recognized above, SEK 21,523 m. (20,184) is recognized according to Level 1, while SEK 1,404 m. (1,100) is attributable to Level 3. The value of assets measured according to Level 3 changed by SEK 304 m. (5), which was entirely attributable to unrealized changes in value, and has been recognized in other comprehensive income.

Derivatives recognized according to Level 2 amounted to SEK 427 m. (941) on the asset side and SEK 639 m. (606) on the liability side.

NOTE 22 – PROPERTIES CLASSIFIED AS CURRENT ASSETS

Properties classified as current assets (development properties) are held with the intention of developing them into buildable land or, alternatively, projects for sale. They are valued in accordance with the lowest value principle per property or per valuation unit. Required impairment losses and recovery of previous impairments are recognized under operating costs.

SEK m.	2024	2023
On January 1	190	156
Acquisitions during the year	43	64
Divestments and scrappage	-23	-29
	210	190

Includes SEK 1 m. (1) for accumulated impairment losses. The estimated fair value in accordance with internal valuations was SEK 586 m. (589).

NOTE 23 – INVENTORIES

SEK m.	2024	2023
Shares in listed companies	913	981
Harvesting rights	1,298	982
Electricity certificates and emission rights		27
Finished products and products in progress	2,625	2,296
Raw materials and consumables	1,198	1,119
Timber and pulpwood	576	414
NK Retail	263	255
	6,872	6,074

Changes in value pertaining to shares in listed companies are recognized in net profit for the year in accordance with IFRS 9, meaning at current market price. During the year, impairment losses and reversal of previously impairment losses on inventories of finished goods effected profit with SEK 6 m. (-5) and impairment losses on other inventories had an effect of SEK -3 m. (-4).

NOTE 24 – OPERATING RECEIVABLES

SEK m.	2024	2023
Rent receivable and accounts receivable ¹	2,874	2,740
Other operating receivables		
Prepaid expenses and accrued revenues	440	434
Accrued rental revenues	27	27
Derivatives	384	852
Other receivables	400	469
	1,252	1,783
	4,126	4,523

¹) The amount for accounts receivable includes SEK 55 m. (68) for receivables from associated companies.

Accounts receivable are recognized in the amount that is expected to be paid based on an individual assessment of each customer. Accounts receivable are primarily from European customers. Accounts receivable in foreign currency have been valued at the year-end exchange rate. At year-end, the provision for expected credit losses in Holmen amounted to SEK 30 m. (30) and accounts receivable past due by more than 30 days to SEK 75 m. (56). The market value of derivatives pertains to hedges of future cash flows. Also refer to Note 35.

NOTE 25 – CASH FLOW STATEMENT

Interest, SEK m.	2024	2023
Interest received	77	75
Interest paid	-488	-469
	-411	-393

Non-cash items, SEK m.	2024	2023
Depreciation	1,456	1,417
Results from participations in associated companies	-2,322	-5,235
Changes in value, investment properties	654	5,066
Changes in value, derivatives	21	66
Changes in value of biological assets	-907	-562
Other ¹	1	-378
	-1,098	373

¹) Consists primarily of currency effects and market-value adjustments of financial instruments, as well as capital gains/losses on sales of fixed and current assets.

NOTE 25 – cont.

SEK m.	2023	Cash flow	Currency and market revaluations	New agreements	2024
Commercial papers	1,600	-1,000			600
Bond loans	13,900	2,600			16,500
Bank loans	3,200	-700			2,500
Liabilities, right-of-use assets	951	-130	17	105	943
Other financial liabilities	213	58	52		323
Pension obligations	143	3	19		165
	20,007	831	88	105	21,032

SEK m.	2022	Cash flow	Currency and market revaluations	New agreements	2023
Commercial papers	600	1,000			1,600
Bond loans	16,800	-2,900			13,900
Bank loans	2,500	700			3,200
Liabilities, right-of-use assets	937	-122	23	114	951
Other financial liabilities	161	-55	108		213
Pension obligations	145	6	-8		143
	21,143	-1,372	122	114	20,007

Liabilities attributable to Financial activities

SEK m.	2023	Loans raised	Loans repaid	2024
Commercial papers	1,600	2,000	-3,000	600
Bond loans	13,900	5,600	-3,000	16,500
Bank loans	3,200		-700	2,500
	18,700	7,600	-6,700	19,600

SEK m.	2022	Loans raised	Loans repaid	2023
Commercial papers	600	4,600	-3,600	1,600
Bond loans	16,800	2,100	-5,000	13,900
Bank loans	2,500	2,200	-1,500	3,200
	19,900	8,900	-10,100	18,700

NOTE 26 – SHAREHOLDERS' EQUITY

Share capital	Number	Quotient value	SEK m.
Dec 31, 2024			
Series A	96,000,000	SEK 10	960
Series B	152,000,000	SEK 10	1,520
	248,000,000		2,480
Dec 31, 2023			
Series A	96,000,000	SEK 10	960
Series B	152,000,000	SEK 10	1,520
	248,000,000		2,480

The company's share capital comprises shares issued in two series, Series A, each carrying ten votes, and Series B shares, each carrying one vote. The Series B share is listed on Nasdaq Stockholm, Large Cap. Shareholders are entitled to request conversion of Series A shares to Series B shares. No such conversions were effected during the year.

Shareholders' equity

Shareholders' equity comprises share capital, reserves and profit brought forward including net profit for the year. The profit brought forward comprises the preceding year's profit brought forward and profit after deduction for dividends paid during the year.

NOTE 27 – RESERVES

SEK m.	2024	2023
Hedging reserve		
Reserve, January 1	-102	1,015
Cash flow hedging for the year	-193	-1,407
Tax attributable to hedging during the year	41	290
	-254	-102
Translation reserve		
Reserve, January 1	685	573
Translation differences during the year	220	117
Tax attributable to translation reserve during the year	30	-5
	934	685
Fair value reserve		
Reserve, January 1	7,936	5,991
Change in value recognized directly in other comprehensive income	669	2,375
Tax attributable to changes in value during the year	269	-430
	8,874	7,936
Revaluation reserve		
Reserve, January 1	6,721	5,779
Change in value recognized directly in other comprehensive income	154	1,187
Tax attributable to changes in value during the year	-32	-245
	6,844	6,721
Total reserves, SEK m.		
Reserve, January 1	15,240	13,358
Change during the year in:		
Hedging reserve	-152	-1,117
Translation reserve	249	112
Fair value reserve	938	1,945
Revaluation reserve	122	943
	16,398	15,240

The hedging reserve includes the effective portion of accumulated net changes in the fair value of a cash flow hedging instrument attributable to underlying transactions that have not yet occurred. The item also includes hedging results recognized directly in equity in the net amount of SEK 5 m.

The translation reserve includes all exchange-rate differences that arise in the translation of financial statements from foreign operations that were prepared in currencies other than SEK. The translation reserve also includes exchange-rate differences that arise from the revaluation of liabilities and derivatives that were entered as hedging instruments in a net investment in a foreign operation.

The fair value reserve includes the accumulated net change in the fair value of financial assets recognized at fair value through other comprehensive income.

Revaluation reserve comprises changes in the value of forest land.

NOTE 28 – NON-CONTROLLING INTERESTS

Non-controlling interests arise from the occurrence of subsidiaries that are not wholly owned. In the L E Lundbergföretagen Group, this comprises mainly the non-owned portions of Holmen AB (publ) and Hufvudstaden AB (publ).

Capital attributable to non-controlling interests

SEK m.	2024	2023
Opening balance	52,773	54,120
Net profit for the year	2,081	1,423
Other comprehensive income		
Reserves	28	-14
Actuarial revaluation of pension liability	-2	-3
Dividend	-1,484	-1,997
Repurchase of shares Holmen	-427	-739
Share-savings plan in Holmen	7	9
Hedging directly in equity	10	
Changes in Group composition	-14	-26
Closing balance	52,972	52,773

NOTE 29 – PENSION OBLIGATIONS

For a description of pension commitments within the Group, see Accounting policies, Note 1. The provision for pensions totals SEK 165 m. (143), of which Lundbergs accounted for SEK 130 m. (105), Holmen for SEK 9 m. (9) and Hufvudstaden for SEK 26 m. (29). Information on plans recognized as defined-benefit obligations in accordance with IAS 19 is presented below.

Lundbergs

Defined-benefit occupational pension plans exist under FPG/PRI programs. The change in defined-benefit pension commitments is specified below.

SEK m.	2024	2023
Obligation, January 1	105	107
Benefits vested during the period	2	2
Interest	4	4
Actuarial gain/loss	20	-1
Pension payments	-4	-4
Special employer's contribution	4	-2
Obligation, December 31	130	105
<i>Of which, credit insured via FPG</i>	<i>100</i>	<i>93</i>

During the year, pension costs of SEK 2 m. (2) pertaining to defined-benefit plans were recognized in profit or loss. Interest expense during the year on the pension liability amounted to SEK 4 m. (4). The year's actuarial revaluation was negative SEK 20 m. (-1) and was recognized in other comprehensive income. The actuarial loss of SEK 20 m. comprises loss of SEK 1 m. resulting from experience-based adjustments, and loss regarding effects of changes in financial assumptions with SEK 18 m. The duration of the obligation is 17 years (16).

Significant actuarial assumptions	2024	2023
Discount interest rate, %	3.0	3.9
Future pay increases, %	2.8	2.6
Future inflation, %	1.8	1.6

Lifespan assumption after 65 years of age men/women - retired members	22/24	22/24
Lifespan table	DUS23	DUS23

The following table shows how the obligation would be influenced in the event of a change in the significant actuarial assumptions (- decreases debt, + increases debt).

Sensitivity analysis, SEK m.	2024	2023
Discount rate (+0.5%)	-9	-7
Future pay increases (+0.5%)	3	2
Future inflation (+0.5%)	9	7
Mortality (+1 year in expected lifespan)	5	4

Payments to defined-benefit plans in 2025 are estimated at SEK 5 m.

Multi-employer plans

The family pension is secured through insurance at Alecta. The cost amounted to SEK 5 m. (4) and is included in operating profit. The pension for those white-collar employees who have selected the alternative ITP option and the occupational pension for blue-collar employees are defined-contribution pensions. The costs amounted to SEK 0 m. and SEK 1 m. respectively and are included in operating profit.

Holmen

There are pension commitments in trusts in the UK. In 2022, the trusts entered into an agreement with a life assurance company which, in return for a one-off payment will compensate the trusts for all of their future pension disbursements and therefore assumes the risk of changes in future pension payments as a result of changes in inflation, mortality, etc. Defined-benefit pension commitments for group management in Sweden that are in addition to the ITP plan are secured via a foundation. The change in the defined-benefit pension commitments and the change in plan assets are specified in the following table. Just over 90% of the commitments below pertain to pension plans in the UK.

SEK m.	2024	2023
Obligation		
Obligation, January 1	1,581	1,471
Cost of service, current year	6	5
Payroll tax	-0	3
Interest expense	70	71
Actuarial gains/losses	-128	112
Benefits paid	-105	-100
Exchange differences	114	20
Obligation, December 31	1,539	1,581
Plan assets		
Fair value of plan assets, January 1	1,809	1,753
Recognized interest income	82	85
Expected return excl. recognized interest income	-134	47
Administration expenses	-15	-10
Receipts from employer	12	6
Benefits paid	-105	-100
Exchange differences	133	27
Fair value of plan assets, December 31	1,782	1,809
Effect of asset ceiling	-252	-237
Pension obligation, net	9	9

Of the total obligations, non-funded obligations accounted for SEK 9 m. (9), with the remainder comprising fully or partly funded obligations. The weighted average duration is 10 years.

The distribution of plan assets is presented below. The plan assets do not include any financial instruments issued by Holmen companies or any assets used by Holmen.

Plan assets, SEK m.	2024	2023
Shares	80	79
Bonds and bank account balances	420	406
Life assurance company receivables	1,282	1,323
	1,782	1,809

NOTE 29 – cont.

During the year, pension costs of SEK 6 m. (5) pertaining to defined-benefit plans were recognized as personnel expenses. Interest expense on the pension liability amounted to SEK 70 m. (71) during the year and the anticipated interest income on the plan assets was SEK 82 m. (85). The net of these items has been recognized in net financial items as interest expense.

Cost recognized in other comprehensive income, SEK m.	2024	2023
Return on plan assets excl. recognized interest income	-134	47
Actuarial gains and losses from changes in demographic assumptions	19	-42
Actuarial gains and losses from changes in financial assumptions	131	-51
Actuarial gains and losses from experience-based adjustments	-23	-19
Payroll tax	-2	0
Effect of asset ceiling	4	59
	-5	-6

United Kingdom

Significant actuarial assumptions (weighted average)	2024	2023
Discount interest rate, %	5.5	4.6
Future inflation, %	2.7	2.7
Lifespan assumption after 65 years of age men/women, year	21/24	21/24
Lifespan table	SAPS S3PA	SAPS S3PA

Sweden

Significant actuarial assumptions	2024	2023
Discount interest rate, %	3.3	3.3
Future pay increases, %	3.0	3.0
Future inflation, %	2.0	2.0
Lifespan assumption after 65 years of age men/women, year	22/24	22/24
Lifespan table	DUS23	DUS23

The table below shows how the obligation would be influenced in the event of a change in the significant actuarial assumptions (- decreases debt, + increases debt).

Sensitivity analysis, SEK m.	2024	2023
Discount rate (+0.5%)	-69	-79
Future pay increases (+0.5%)	1	1
Future inflation (+0.5%)	53	58
Mortality (+1 year in expected lifespan)	71	69

Holmen's payments to funded defined-benefit plans in 2025 are estimated at SEK 0 m.

Multi-employer plans

Expenditure for the year for pension insurance taken up in the Alecta ITP 2 plan amounted to SEK 26 m. (23) and is included in operating profit. Alecta's surplus can be distributed to policy holders and/or the insured. At the end of 2024, Alecta's preliminary collective consolidation rate was 162% (157) and Alecta has decided to introduce a premium reduction for 2025. Contributions to Alecta in 2025 are expected to amount SEK 22 m., taking into account the premium reduction.

Hufvudstaden

A provision of SEK 26 m. (29) has been posted for pension liabilities corresponding to endowment insurance for the CEO, the Deputy CEO and former CEO.

NOTE 30 – PROVISIONS

A provision differs from other liabilities in that uncertainty prevails concerning the date of payment or the amount that will be required to settle the provision. A provision is recognized when an existing legal or informal commitment arises from an event that has occurred, it is probable that an outflow of resources will be required to settle the commitment and the amount concerned can be reliably estimated.

The provision is posted in an amount that represents the best estimate of what will be required to settle the existing obligation on the balance-sheet date. A provision for restructuring is recognized when a detailed and formal restructuring plan has been established, and restructuring has either been started or announced publicly.

Provisions are posted for environmental measures associated with prior operations when pollution arises or is discovered and when it is probable that payment liability will arise and the amount can be reliably estimated.

SEK m.	2024	2023
On January 1	466	456
Provisions during the year	32	22
Utilized during the year	-46	-27
Unutilized that was reversed during the year	-1	-5
Reclassification		20
Translation differences		0
	451	466
Non-current	406	435
Current	45	31
	451	466

Provisions primarily pertain to uncertainty associated with obligations for restoration of the environment. SEK 85 m. of these provisions are expected to be settled within three years, while the remainder are expected to be settled over a longer time frame.

NOTE 31 – OPERATING LIABILITIES

SEK m.	2024	2023
Accounts payable ¹	4,119	3,762
Other current liabilities		
Accrued expenses and deferred income		
Rental revenue	557	545
Other	1,226	1,198
Other current liabilities		
Liabilities to associated companies	11	4
Derivatives ²	570	561
VAT settlement	62	35
Other	444	378
	2,870	2,721
	6,989	6,484

¹ No part of accounts payable is due to liabilities to associated companies.

² The market value of derivatives pertains to hedges of future cash flows.

NOTE 32 – RELATED PARTIES

SEK m.	Associated companies		Key personnel in executive positions	
	2024	2023	2024	2023
Sales to related parties	565	704	17	14
Purchases from related parties	60	63		
Interest paid to related parties	2	2		
Receivables from related parties, Dec 31	65	78		
Debt to related parties, Dec 31	11	4	63	67

Services with related parties have been priced on commercial terms.

Participations in associated companies that produce hydro and wind power entitle Holmen to purchase produced electricity at cost price in relation to its shareholding, which means that only limited profits arise in associated companies.

In 2021, Lundbergs issued a total of 75,000 warrants to senior executives of Industrivärden in return for market-based payment. Premiums paid amounted to SEK 26.70 per warrant. Each warrant provides entitlement during the period February 18, 2025 to February 18, 2026 to the acquisition of one series C share in Industrivärden for SEK 333.00. The recognized liability (measured at fair value) on December 31, 2024 was SEK 3.3 m.

In 2021, Lundbergs issued a total of 300,000 warrants to senior executives of Indutrade in return for market-based payment. The purchase price per warrant were SEK 22.60. Each warrant provides entitlement during the period May 26, 2025 to May 26, 2026 to the acquisition of one share in Indutrade for SEK 281.00. The recognized liability (measured at fair value) on December 31, 2024 was SEK 9.3 m.

Key personnel in executive positions

Fredrik Lundberg, who is the President and CEO, and a member of the Board of the Parent Company, received salary during the year of SEK 1.5 m. (1.5) and, in his capacity as Chair of the Board of the subsidiaries Holmen and Hufvudstaden, received director fees totaling SEK 1.4 m. (1.4). No variable or other types of remuneration were received.

At December 31, 2024, via his wholly owned company Förvaltnings AB Lunden (including subsidiaries), Fredrik Lundberg and his wife directly or indirectly held 70.60% (70.60) of the voting rights and 40.76% (40.76) of the share capital in L E Lundbergföretagen AB (publ). Lundbergs manages Förvaltnings AB Lunden's properties under a management agreement.

Louise Lindh (incl. family) and Katarina Martinson (incl. family) each hold 11.39% (11.39) of the voting rights and 14.79% (14.79) of the share capital in L E Lundbergföretagen AB (publ).

The total remuneration paid to a particular Board Member is stated in Note 5.

NOTE 33 – PLEDGED ASSETS AND CONTINGENT LIABILITIES

SEK m.	2024	2023
Pledged assets		
Real estate mortgages	3,001	3,001
Other commitments	21	23
	3,021	3,023
Contingent liabilities		
Other contingent liabilities	141	81

A contingent liability is recognized when there is a possible commitment deriving from events that have occurred whose existence can only be confirmed if one or more uncertain future events that are not fully within the control of the company occur or when there is a commitment that has not been recognized as a liability or entered as a provision because it is not certain that an outflow of resources will be required.

Other contingent liabilities consists predominantly of guarantee commitments for third parties. Holmen has environmentally related contingent liabilities that cannot be quantified at present but that could give rise to costs in the future. Under Swedish law, Holmen has strictly unlimited liability for third-party damages resulting from dam failure. Holmen has liability insurance to cover such damages.

NOTE 34 – IMPORTANT ACCOUNTING ASSUMPTIONS AND ESTIMATES

The compilation of financial statements requires that company management make accounting estimates that affect the carrying amounts. The assumptions and accounting estimates that company management believes are of importance to the carrying amounts in the annual report, and where there is a material risk that future events and new information could change these assumptions and accounting estimates, mainly include:

Biological assets and Forest land The valuation based on transactions in forest properties draws on detailed data about transactions and price statistics published by different market operators. To obtain a sufficiently large population, three years of aggregated transactions are used. The valuation takes account of where in the country the forest land is located and differences in the forests in terms of the volume of standing timber and site quality. Valuations are primarily dependent on price statistics and transaction data collected from external parties and how large the volume of standing timber is estimated to be. The value of standing trees is determined by calculating the present value of the expected future cash flows based on estimates of future harvest volumes, changes in prices and costs and discount rates. Environmental and climate factors were taken into account when preparing both the forest management program and the harvesting plan, which forms the basis for the forecasting of future harvest volumes. A deferred tax liability has been recognised. For further information, refer to accounting policies, Note 13 and Note 16.

Investment properties In the financial statements, the properties are estimated at fair value. In this valuation, assessments are made of future rent levels, vacancy rates and property costs. In the calculation model, an assessment is also made of the required yield for each individual property. However, the value of a property cannot be established definitively until the proceeds from a sale have been received. The valuation process is described in greater detail in Note 17.

Impairment testing Non-current assets and goodwill are tested for impairment annually. The calculations are based on current market conditions. Changes in conditions may have an effect on the estimated recoverable amount applied in connection with future impairment tests.

Pension obligations The value of pension commitments is estimated on the basis of assumptions regarding discount interest rates, inflation, future pay increases and demographic factors. These assumptions are normally updated each year, which impacts comprehensive income and the recognized pension provision. Refer also to Note 29.

Provisions Obligations that could result in costs being incurred are assessed continuously to determine the need for provisions. Uncertainty in assessments pertain primarily to the timing and size of the future cost. In the Group, there are provisions primarily for obligations to restore the environment.

Taxes The Swedish Tax Agency has refused Holmen deductions on tax losses in Spanish subsidiaries that were liquidated. Holmen has appealed the decision. The deductions corresponds to SEK 386 m. in tax, but no tax receivable has been recognized.

NOTE 35 – FINANCIAL RISKS

The Lundberg Group's risk management is established by the respective Board of Directors of Lundbergs, Holmen and Hufvudstaden. Risk management is pursued in accordance with the finance policy established by the board of the particular company with the aim of minimizing the risk level. In all three companies, risk management is centralized in a special department. The primary risks that are managed are the interest rate risk and the refinancing risk associated with financing. Within Holmen, exchange-rate and commodity risks associated with business operations (transaction exposure), financing and net investments in foreign operations are also managed. In the Group, borrowing in foreign currency only occurs in Holmen. The maturity structure of financial liabilities and undiscounted amounts are presented below.

Financial liabilities¹, Dec 31, 2024

Maturity	SEK m.	Proportion, %
2025	5,966	29
2026	3,979	19
2027	3,545	17
2028	2,570	12
2029-	4,808	23
	20,868	100

¹ Excluding pension obligations of SEK 165 m.

The maturity structure of undiscounted amounts is presented below.

SEK m.	2025	2026	2027	2028	2029-
Financial liabilities					
Derivatives	20	-13		41	14
Derivatives attributable to working capital	404	138	29		
Accounts payable	4,119				
Liabilities, right-of-use assets	110	80	44	27	723
Other financial liabilities	6,219	4,313	3,848	2,749	4,235
Financial assets					
Derivatives	41	17	-3	4	-1
Derivatives attributable to working capital	276	109	10		
Accounts receivable	2,874				
Other financial assets	1,278	5	5	5	25

LUNDBERGS

Lundbergs' strategy is to create long-term value growth while maintaining financial balance. The financial risk is limited by maintaining a low debt/equity ratio combined with good access to funds. Since, to a considerable extent, Lundbergs is an equity-managing company, a strong financial position is an essential requirement. The Group's strong financial position is confirmed by the Standard & Poor's credit-rating agency, which has assigned Lundbergs a long-term rating of A+/stable outlook and short-term ratings of A-1 and K-1. These high ratings facilitate less expensive borrowing and more effective access to money and bond markets.

Financing risk

The financing risk is the risk that it will not be possible to secure necessary financing for operations at a given point in time.

On December 31, 2024, Lundbergs' interest-bearing net debt totaled SEK 6,116 m. (6,159), of which interest-bearing liabilities and interest-bearing pension provisions accounted for SEK 6,681 m. (6,604) and interest-bearing assets for SEK 565 m. (445). The average capital maturity was 32 months (36). The maturity structure for financial liabilities is presented in the table below. In addition to raised loans of SEK 6.4 bn., Lundbergs had committed long-term lines of credit totaling SEK 3.0 bn. and SEK 100 m. in committed lines of credit with a maturity of less than 12 months. Lundbergs has derivative instruments recognized in the category of financial assets and liabilities measured at fair value via profit or loss. Hedge accounting is not applied. Lundbergs has a commercial paper program with a committed issue limit in a nominal amount of at most SEK 3.0 bn., of which SEK 500 m. had been utilized on December 31, 2024.

Lundbergs also has a Swedish Medium Term Note program with an upper limit of SEK 10.0 bn., which provides the option of issuing bonds in SEK or EUR primarily to Swedish investors. At December 31, 2024, SEK 4.9 bn. had been utilized.

The company has satisfactory margins to the lenders' covenants in the loan agreements.

Financial liabilities¹, Dec 31, 2024

Maturity	SEK m.	Proportion, %	Average effective interest rate, %
2025	2,101	32	1.4
2026	902	14	0.8
2027	1,001	15	2.6
2028	1,541	24	4.7
2029-	1,006	15	3.1
	6,551	100	2.5

¹ Excluding pension obligations of SEK 130 m.

The maturity structure of undiscounted amounts is presented below.

SEK m.	2025	2026	2027	2028	2029-
Financial liabilities					
Derivatives	-6	-13		41	3
Accounts payable	89				
Liabilities, right-of-use assets	40	2	1	0	3
Other financial liabilities	2,252	1,034	1,127	1,601	1,031
Financial assets					
Accounts receivable	18				
Other financial assets	565				

Interest rate risk

The interest rate risk pertains to the impact of a change in market interest rates on the Group's financing costs. Lundbergs' indebtedness is low, which means its interest rate risk is limited. The average interest rate maturity was 32 months (31) at December 31, 2024. Based on interest rate maturities and net debt at year-end, a one percentage-point change in market interest rates would impact net financial items in 2025 by approximately SEK 4 m. Longer term, changes in interest rates would impact the entire net debt.

Credit risk

Lundbergs has limited exposure to credit risks. The exposure that does exist mainly derives from past-due accounts receivable and rent. The risks are limited through conscious selection of customers with good payment ability and advance invoicing of rent. Exposure to individual customers/tenants is limited and the ten largest customers/tenants account for a combined total of 13% of sales invoiced by property management. The credit risk is also limited by the fact that financial assets consist solely of instruments with a high credit rating. Accounts receivable/rent receivables at year-end totaled SEK 26 m. (25), of which SEK 13 m. (15) with a maturity exceeding 60 days. Lundbergs' derivatives include binding framework agreements about off-setting, which means that the Group is entitled to offset receivables and liabilities when a credit event occurs with the same counterparty. Offsetting of assets and liabilities is not applied in the financial statements.

Share risk

Share risk pertains to the share-price risk and liquidity risk. The share-price risk is the risk of a decline in value due to changes in share prices in the stock market. Lundbergs' strategy is to have major shareholdings in a limited number of companies. The share-price risk is limited by Lundbergs operating as an active and long-term owner, which enables it to influence the companies' strategies and decisions. A change in the share price by one percentage point would affect the value of the stock portfolio by SEK 220 m. Liquidity risk could arise, for example, if a share is difficult to divest. Since Lundbergs' portfolio comprises listed shares showing favorable liquidity, the liquidity risk is limited. The stock portfolio, which is presented in Note 20, totals SEK 22,014 m.

HOLMEN

The financial position must be strong to provide the latitude to make longterm business decisions. Financial net debt must not exceed 25% of shareholders' equity.

Currency risk

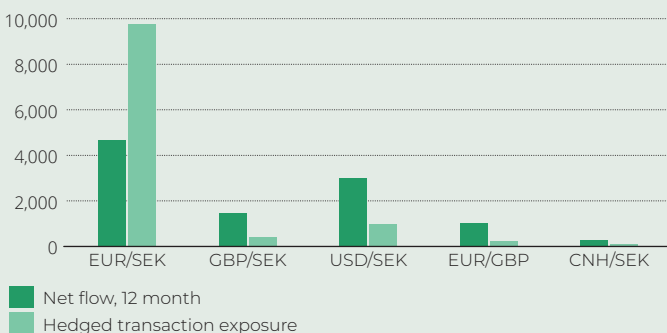
Holmen's earnings are affected by fluctuations in exchange rates. The risk associated with transaction exposure pertains to considerable amounts of sales in currencies other than the cost currency. The risk associated with translation exposure derives from translation of the non-Swedish subsidiaries' assets, liabilities and earnings to SEK.

NOTE 35 – cont.

To reduce the impact on earnings of changes in exchange rates, net flows are hedged using currency forward contracts. The net flow in EUR, USD and GBP is always hedged for the four months immediately ahead. This normally corresponds to accounts receivable and outstanding orders. The board of directors can take decisions to secure flows for a protracted period if this is regarded as suitable in view of the products' profitability, competitiveness and currency situation.

The currency exposure that arises when investments are paid for in foreign currency is separated from other transaction exposure. Normally, 90–100% of the currency exposure of major investments is hedged. For the two years ahead, anticipated EUR/SEK flows are hedged at an average exchange rate of 11.40. For other currencies, four to eight months of flows are hedged. At year-end, hedging of GBP amounted to GBP 130 m. Net assets in other currencies are extremely limited and are normally not hedged.

SEK m.



Hedging of exposure arising when assets and liabilities from foreign subsidiaries are translated to SEK (known as equity hedging) is judged from case to case and is arranged on the basis of Holmen's value of its net assets. Longterm assets are primarily Swedish, with the exception of the paperboard mill in the UK, which accounts for 2% of the assets. Hedging takes the form of loans in foreign currency or currency forward contracts. Exposure arising when earnings from foreign subsidiaries are translated into SEK is normally not hedged.

The result of currency hedges is recognized in profit or loss in pace with recognition of the hedged item and amounted to SEK -347 m. in 2024 (-477), with the remainder recognized in other comprehensive income, since hedge accounting is applied. The market value of outstanding currency hedges at December 31, 2024 was SEK -61 m. (64).

The result from the hedging of foreign net assets amounted to SEK -127 m. (-42) in 2024 and was recognized in other comprehensive income as hedge accounting was applied. The translation of foreign net assets had an impact of SEK 181 m. (55) on consolidated equity. The fair value of outstanding hedges of net assets at December 31, 2024 was SEK -15 m. (43) and relates to financial derivatives.

The table below shows how a 5% change in the exchange rate for the SEK would impact Holmen's profit before tax and shareholders' equity next year, taking hedges into account. The assumed change has been calculated on the basis of historical volatility of five years average for each instrument, which is also adjudged to be a reasonable change moving forward. The historical volatility of exchange rates is calculated on the basis of the average annual volatility of KIX, the Riksbank's exchange rate index. Without taking hedges into account, a 5% change in the SEK would impact profit before tax by SEK 508 m. per year.

SEK m.	Net
SEK against EUR	33
SEK against USD	100
SEK against GBP	54
SEK against other currencies	38

Financing risk

Holmen's strategy is to have a strong financial position to provide it with the latitude to make long-term business decisions. The objective is that financial net debt will not exceed 25% of shareholders' equity. Holmen's financing mainly comprises bond loans and commercial paper. The risk that capital procurement will be difficult or costly in the future is reduced by using long-term committed lines of credit. The planning of financing is managed through forecasts of requirements for forthcoming years based on the Group's budget and earnings forecasts that are updated regularly.

Financial liabilities totalled SEK 3,663 m. at December 31, 2024, of which SEK 1,018 m. are due for payment during 2025. Financial assets totalled SEK 295 m. of which SEK 234 m. consists of cash and cash equivalents and current investments.

Holmen has an unused contractually agreed credit facility of SEK 4,000 m. that expires in 2027. The facility includes a limit stipulating that it cannot

be used if the net liability to equity ratio exceeds 125%.

Financial liabilities¹, Dec 31, 2024

Maturity	SEK m.	Proportion, %
2025	1,040	28
2026	570	16
2027	539	15
2028	524	14
2029-	980	27
	3,654	100

¹) Excluding pension obligations of SEK 9 m.

The maturity structure of undiscounted amounts is presented below.

SEK m.	2025	2026	2027	2028	2029–
Financial liabilities					
Derivatives	26				
Derivatives attributable to working capital	404	138	29		
Accounts payable	3,808				
Liabilities, right-of-use assets	98	71	38	22	9
Other financial liabilities	1,028	589	562	551	1,028
Financial assets					
Derivatives	41	17	-3	4	-1
Derivatives attributable to working capital	274	109	10		
Accounts receivable	2,823				
Other financial assets	240	5	5	5	5

Interest rate risk

The fixed rate period for Holmen's financial assets and liabilities varies over time and is decided by the Board of Directors. Derivative instruments in the form of interest-rate swaps are used to steer the interest-rate maturity without changing the underlying loans. The average interest rate on loans in 2024 was 3.2%. The table below shows Holmen's fixed interest maturities by currency.

Interest rate maturity structure, Dec 31, 2024

SEK m.	-1 year	1–3 years	3–5 years	>5 years	Pension obligations	Right-of-use agreements	Total
SEK	-785	1,000	1,500			175	1,890
EUR	-189				9	41	-138
GBP	1,792					4	1,796
Other currencies	-156					5	-151
	662	1,000	1,500		9	225	3,397

An increase of a percentage point in the average market interest rate from the year-end level would have a negative impact of some SEK 1 m. on earnings in 2025. On December 31, 2024, the market value of the derivatives used to steer interest rate maturities was SEK 38 m. (45), which was recognized in other comprehensive income since hedge accounting is applied. This amount is expected to be recognized in profit and loss in 2025 and later.

Price risk

Wood, electricity and chemicals are the most important inputs and price changes affects profitability. Holmen's costs are dependent on the price trend for input goods and how well efficiency in production and administration develops. There is a risk that Holmen's costs will increase in the event of raw material shortages or higher input prices.

Half of Holmen's wood needs are covered by harvesting from own forests, while the remainder is purchased from private forest owners. The Group is largely in balance in terms of pulp as a result of the integrated production process. Paperboard operations generate almost all of the electricity needed by Holmen's own mills, while external purchases account for paper production needs. Physical fixed-price agreements and financial hedges are used to manage the price risk associated with this consumption. At the same time, Holmen sells hydro and wind power electricity to the electricity grid. The need for thermal energy is considerable, but it is produced locally at every mill through recovery and generation from residual products. Chemicals are a material input product, primarily in paperboard production, but the need for them is being reduced and used chemicals are recycled in the mills.

The result of financial electricity hedges is recognized in profit and loss

NOTE 35 – cont.

as they mature and, in 2024, amounted to SEK -223 m. (872). The market value of outstanding financial electricity hedges at December 31, 2024 was SEK -66 m. (302). The change in market value is recognized in other comprehensive income since hedge accounting is applied.

Credit risk

Financial transactions give rise to credit risks in relation to financial counterparties. For each financial counterparty, a maximum credit risk is established and the settlement risk is monitored continuously. At December 31, 2024, Holmen had outstanding derivative contracts with a nominal value of SEK 16 bn. and a net market value of SEK 200 m. The calculation is based on maturities and historical volatility for various types of derivatives.

The risk that Holmen's customers will not meet their payment obligations is limited by conducting checks of credit ratings, applying internal credit limits per customer and, in certain cases, by insuring accounts receivable against bad customer debts. Credit limits are monitored continuously. Exposure to individual customers is limited.

At December 31, 2024, Holmen's accounts receivable amounted to SEK 2,823 m. (2,696), of which 39% (41) was insured against credit losses. No losses on accounts receivables effected the result (-2). Sales to the five largest customers accounted for 13% of Holmen's total sales in 2024.

HUFVUDSTADEN

Hufvudstaden is mainly exposed to financing and interest rate risks. Hufvudstaden endeavors to have a loan portfolio with a diverse credit renewal structure that facilitates possible amortization. Borrowing normally takes place with both short and long-term interest rate maturities. Since no borrowing is raised in foreign currency, the company has limited exposure to exchange-rate risks. NK Retail hedges some of its purchases in foreign currency so that the net exposure is low. Borrowing takes place with both short and long fixed interest rates. Hufvudstaden's finance function is a corporate function with central responsibility for financing and liquidity planning. This work is controlled on the basis of the financial policy adopted by the board of directors with the aim of meeting financing needs through cost-effective financing that involves limited risk. The finance function includes instructions, systems and a division of responsibilities for achieving efficient internal control and follow-up of the operations. Major financing solutions and derivatives transactions must be approved by the chair of the board, and the board of directors is informed about financial matters at every board meeting. Hufvudstaden's objective is to work strategically and in a structured manner to optimise liquidity. Temporary liquidity surpluses will primarily be used to amortise existing loans or invested in instruments with high liquidity and low risk.

Financing risk

The financing risk occurs when difficulties arise in obtaining financing for operations at a given point in time. Hufvudstaden aim is to work with three to five lenders and a loan portfolio with diverse maturities. To minimize the cost of Hufvudstaden's borrowing and to ensure that financing can be obtained, the company requires committed lines of credit that cover the renegotiation of loans and investments. There is also a commercial paper program and an MTN program. The board of directors continuously sets the level for capital tied-up in the loan portfolio. Management establishes rolling forecasts for the group's liquidity on the basis of expected cash flows.

Hufvudstaden's borrowing amounted to SEK 9,800 m. at year-end. The average interest rate maturity was 2.2 years (1.2), the average capital maturity period 2.2 years (2.2) and the average effective interest rate 2.9% (3.2). Net debt was SEK 9,327 m. compared with SEK 9,747 m. at the end of 2023. At December 31, 2024, Hufvudstaden had long-term committed lines of credit of SEK 4.0 bn., of which SEK 4.0 bn. was unutilized. In addition, there were commercial paper programs of SEK 3.0 bn., of which 2.9 bn. was unutilized, and MTN programs of 12 bn. of which 3.8 bn. was unutilized. Hufvudstaden's general financial terms and conditions, covenants, are similar in the various credit agreements and, in addition to being listed on the stock exchange, specify an equity ratio of at least 30%, an interest coverage ratio of at least 2.0 times and a loan-to-value ratio at property level that does not exceed 50%. The company has adequate margins to the lenders' covenants.

Financial liabilities¹⁾, Dec 31, 2024

Maturity	SEK m.	Proportion, %
2025	2,824	26
2026	2,507	24
2027	2,006	19
2028	505	5
2029-	2,822	26
	10,663	100

¹⁾ Excluding pension obligations of SEK 26 m.

The maturity structure of undiscounted amounts is presented below.

SEK m.	2025	2026	2027	2028	2029–
Financial liabilities					
Derivatives, interest rate swap					11
Accounts payable	222				
Liabilities, right-of-use assets	8	7	6	5	711
Other financial liabilities	2,939	2,690	2,159	597	2,176
Financial assets					
Derivatives attributable to working capital	2				
Accounts receivable	33				
Other financial assets	473				20

Interest rate risk

The interest rate risk pertains to the impact on earnings that a lasting change in interest rates would have on Hufvudstaden's net financial items. Hufvudstaden's financing sources mainly consist of equity and borrowing.

This borrowing, which is interest-bearing, results in exposure to interest rate risk. Hufvudstaden's finance policy establishes frameworks for how the interest rate risk is to be managed. A fundamental objective is that the expiration structure of tenant leases must be taken into account when determining interest rate maturities, and that there must be a well-considered balance between current borrowing costs and the risk of a significant negative impact on earnings arising from a sudden major change in interest rates. This means that the interest rate maturity of Hufvudstaden's net debt should normally be 1-4 years. To limit the risk fixed interest rate is structured based on the development in the financial market. Borrowing normally takes place both with short fixed interest periods, normally 3-6 months, and long fixed interest periods, normally 5-7 years.

In order to achieve the desired fixed interest structure, Hufvudstaden has entered into interest rate derivative agreements to manage exposure to fluctuations in market interest rates. Underlying loans totalling a nominal amount of SEK 1,000 m. are hedged via interest rate derivatives with a maturity date of 2029. In addition, SEK 6,100 m. of total borrowing carries a fixed interest rate. A change in the market interest rate of 1 percentage point and the assumption of an unchanged loan volume and fixed interest period would increase Hufvudstaden's interest cost in 2025 by SEK 22 m. (37).

Interest rate maturity structure, Dec 31, 2024

Maturity	Liabilities ¹⁾ , SEK m.	Proportion, %	Average effective interest rate, %
2025	2,700	28	4.0
2026	2,500	25	1.2
2027	1,000	10	2.5
2028	500	5	3.9
2029	3,100	32	3.3
	9,800	100	2.9

¹⁾ Outstanding loans at nominal amounts.

Credit risk

The credit risk is the risk of loss should Hufvudstaden's counterparties not fulfill their contractual obligations and any collateral does not cover outstanding receivables. The aim is to minimize the credit risk by demanding rent in advance and only entering into credit transactions with major financial institutions. The credit risk mainly derives from past-due accounts receivable, rent receivables and cash and cash equivalents, which at year-end totaled SEK 33 m. respectively SEK 473 m. which means limited exposure to credit losses.

Losses on past-due accounts receivable and rent receivables arise when customers are declared bankrupt or cannot fulfill their payment commitments for other reasons. The risks are limited through Hufvudstaden's conscious selection of customers who have well-documented business acumen and competitive operations. To limit the risk, Hufvudstaden's customers' financial position is subject to credit checks by obtaining information from various credit information firms. In accordance with Hufvudstaden's credit policy, a bank guarantee or a surety is normally required in connection with new leases. Rent is invoiced in advance.

OTHER FINANCIAL RISK MANAGEMENT**Insurance**

All of Lundbergs' and Hufvudstaden's properties are covered by full-value insurance. Holmen insures its plants at replacement value against property damage and business interruption losses. Holmen's forest holdings are not insured. The areas are spread over large parts of the country and the risk of extensive damage occurring at the same time is considered low. Holmen has liability insurance that also covers sudden, unexpected damage to the environment that affects a third party.

NOTE 36 – EVENTS AFTER THE BALANCE-SHEET DATE

No events of material significance have occurred after the balance sheet date.

NOTE 37 – GROUP COMPANIES

Holdings in subsidiaries ¹	Registered office	Country	Numbers of shares Dec 31, 2024	Percentage of share capital ²	
				2024	2023
Fastighets AB L E Lundberg	Norrköping	Sweden	250,000	100	100
Fastighets AB Strömstaden	Norrköping	Sweden	6,750	100	100
L E Lundberg Nordic AB	Stockholm	Sweden	1,251	100	100
L E Lundberg Kapitalförvaltning AB	Stockholm	Sweden	150,000	100	100
Hufvudstaden AB (publ)	Stockholm	Sweden	95,489,015	47.2	47.2
AB Citypalatset	Stockholm	Sweden	1,200	100	100
AB Nordiska Kompaniet	Stockholm	Sweden	19,460,666	100	100
Aktiebolaget Hamngatsgaraget	Stockholm	Sweden	3,000	100	100
Cecil Coworking AB	Stockholm	Sweden	1,000	100	100
Fastighetsaktiebolaget Medusa	Stockholm	Sweden	300	100	100
Fastighetsaktiebolaget Stockholms City	Stockholm	Sweden	7,776	100	100
GBG Inom Vallgraven 3-2 AB	Stockholm	Sweden	1,000	100	100
Hotel Stockholm AB	Stockholm	Sweden	10,000	100	100
NK Cityfastigheter AB	Stockholm	Sweden	1,680	100	100
NK Concession Aktiebolag	Stockholm	Sweden	1,000	100	100
NK Retail AB	Stockholm	Sweden	10,000,000	100	100
NK Service AB	Stockholm	Sweden	100,000	100	100
Parkaden AB	Stockholm	Sweden	5,000	100	100
Holmen AB (publ)	Stockholm	Sweden	55,244,000	35.0	34.7
Blåbergsliden Vind AB	Stockholm	Sweden	500	100	100
Holmen Energi AB	Örnsköldsvik	Sweden	1,000	100	100
Holmen Iggesund Paperboard AB	Hudiksvall	Sweden	1,000	100	100
Holmen Paper AB	Norrköping	Sweden	100	100	100
Holmens Bruk AB	Stockholm	Sweden	1,000	100	100
Holmen Skog AB	Örnsköldsvik	Sweden	1,000	100	100
Holmen Skog Mitt AB	Stockholm	Sweden	1,000	100	100
Holmen Skog Syd AB	Stockholm	Sweden	1,000	100	100
Holmen Sågverk AB	Stockholm	Sweden	1,000	100	100
Holmen Vattenkraft AB	Stockholm	Sweden	1,000	100	100
Holmen Wood Products AB	Hudiksvall	Sverige	1,000	100	100
Iggesunds Bruk AB	Stockholm	Sweden	1,000	100	100
Ljusnan Vattenkraft AB	Stockholm	Sweden	1,000	100	100
Martinsons Skogsfastigheter AB	Stockholm	Sweden	1,000	100	100
Martinsons Såg AB	Skellefteå	Sweden	50,000	100	100
Terminalen i Bastuträsk AB	Stockholm	Sweden	1,000	100	100
Varsvik AB	Stockholm	Sweden	500	100	100
AS Holmen Mets	Tallin	Estland	500	100	100
Holmen B.V.	Amsterdam	Netherlands	35	100	100
Holmen France S.A.S.	Paris	France	10,000	100	100
Holmen GmbH	Hamburg	Germany		100	100
Holmen Paper S.A	Madrid	Spain	60,000	100	100
Holmen UK Ltd	Workington	United Kingdom	1,197,100	100	100
Holmen Paper Ltd	London	United Kingdom		100	100
Holmen Iggesund Paperboard (Workington) Ltd	Workington	United Kingdom		100	100
Holmen Hongkong Ltd	Hongkong	China	4,000,000	100	100
Holmen Singapore Pte Ltd	Singapore	Singapore	800,000	100	100
Iggesund Paperboard Inc	Lyndhurst	USA	1,000	100	100

¹⁾ The principal shareholdings are stated.

²⁾ The percentage is calculated after a deduction for treasury shares. The share of the voting rights matches the capital share in all cases, except for Hufvudstaden AB and Holmen AB. For Hufvudstaden, the percentage of voting rights at December 31, 2024 was 88.6% (88.6) and for Holmen 62.7% (62.6).

NOTE 38 – SUPPLEMENTS TO THE SUSTAINABILITY REPORT

This section constitutes part of Lundbergs' sustainability report. Other material is presented on pages 22-29. Unless otherwise stated, the data presented below pertains to the wholly owned operations, as well as the subsidiaries Holmen and Hufvudstaden (Group).

For more detailed information concerning the subsidiaries' and the portfolio companies' sustainability reporting, refer to the annual and sustainability reports of the respective companies.

Stakeholder dialogs

To ensure that the Group companies focus on the issues that are most relevant for their key stakeholders, the Group companies have carried out stakeholder dialogs. These are presented in the sustainability reports of the respective companies. Lundbergs' stakeholder analysis is summarized below.

Stakeholders	Methods for engagement	Important issues
Shareholders	- Annual Report and quarterly reports - Website and press releases - Sustainability ratings and surveys - General meeting	- Business ethics and governance - Economic performance - Sustainable business models - Climate and resource efficiency - Diversity and inclusion
Employees, existing and potential	- Continuous information disclosure to employees - Career development discussions - Employee surveys - Trainee programs - Conferences - Staff meetings	- Business ethics and governance - Diversity and inclusion - Employee development - Commitment in the organization - Work-life balance - Climate
Creditors, investors and financial market	- Annual Report and quarterly reports - Website and press releases - Sustainability ratings and surveys	- Business ethics and governance - Economic performance - Sustainable business models - Climate and resource efficiency - Diversity and inclusion
Board members and management teams in portfolio companies	- Continuous communication and meetings - Board meetings - Management group meetings	- Business ethics and governance - Economic performance - Sustainable business models - Climate and resource efficiency - Diversity and inclusion
Society	- Annual reports - Website and press releases - Media - Various collaboration groups	- Societal impact in general - Sustainable business models - Business ethics and governance - Environment and climate - Diversity and inclusion

BUSINESS ETHICS AND GOVERNANCE

Group, %	2024	2023
Companies that have signed the UN Global Compact	100	100
Companies that have a whistleblower function	100	100
Companies that have an anticorruption policy	100	100
Companies that have a Code of Conduct	100	100
Companies that have a work environment policy	100	100
Companies that have a Code of Conduct for suppliers	100	100

Other portfolio companies, %	2024	2023
Companies that have signed the UN Global Compact	100	100
Companies that have a whistleblower function	100	100
Companies that have an anticorruption policy	100	100
Companies that have a Code of Conduct	100	100
Companies that have a health and work environment policy	100	100
Companies that have a Code of Conduct for suppliers	100	100

EQUALITY, GROUP

Gender breakdown, women, %	2024	2023
Employees	30	29
Management groups	27	27
Board of Directors	27	25

GREENHOUSE GAS EMISSIONS, TONS CO₂e

Group	2024	2023	2022
Scope 1	61,657	54,361	58,543
Scope 2	7,828	19,431	35,618
Scope 3	725,552	629,568	623,939
Total emissions	795,037	703,359	718,100

Lundbergs	2024	2023	2022
Scope 1	51	30	51
Scope 2	6,480	6,784	5,791
Scope 3	12,895	15,763	16,318
Total emissions	19,426	22,576	22,160

Holmen	2024	2023	2022
Scope 1	61,315	54,225	58,414
Scope 2	463	11,794	29,007
Scope 3	707,540	609,188	603,958
Total emissions	769,318	675,207	691,379

Hufvudstaden	2024	2023	2022
Scope 1	291	106	78
Scope 2	885	853	820
Scope 3	5,118	4,617	3,663
Total emissions	6,293	5,576	4,561

Scope 2 and 3 figures for district heating and cooling are always recalculated in the second quarter of the following year, which is why the values for 2023 are revised in the above table.

The companies report according to GHGP and figures refer to the market-based allocation method. However, different reporting boundaries have been set in the various companies' reporting. For more detailed information, refer to the various companies' annual reports.

Emissions, all portfolio companies

Lundbergs encourage our portfolio companies to set measurable climate targets in line with the Paris Agreement. All ten of the portfolio companies have set measurable climate targets and eight of these have set climate targets according to Science Based Targets initiative.

Work environment

A total of 44 accidents and close calls were reported to the companies during the year. These have been addressed in the requisite manner in the respective companies.

Business ethics and governance

During the year, 6 whistleblowing cases were reported and handled in the respective company's whistleblowing process. No cases of corruption or breaches of the companies' codes of conduct were reported.

NOTE 39 – TAXONOMY

The taxonomy regulation is a classification tool that should be a guide for financial actors to identify economic activities that significantly contributes to EU reaching its climate goals and green growth strategy.

The Taxonomy Regulation is based on six environmental objectives. For the Group, economic activities with a significant impact on the climate and measures taken to adapt to climate change (environmental objectives one and two) are deemed applicable. For Lundbergs and Hufvudstaden, contribution to a circular economy (environmental objective four) is applicable to the construction of new buildings and renovation of existing buildings.

According to the regulation, the report must include what proportion of turnover, capital expenditure and operating expenditure that are taxonomy eligible and taxonomically aligned.

Calculation of the key figures has been done accordingly with definitions 1.1.1, 1.1.2 and 1.1.3 in Annex 1 to the delegated act on disclosure obligation according to Article 8 of the taxonomy regulation.

An economic applicable activity is considered compatible with the regulation – environmentally sustainable – if it meets the requirements for substantial contribution for at least one of six environmental targets, does no significant harm to any of the remaining five goals and that the requirements regarding minimum safeguards are met.

The tables below show consolidated taxonomy results. See respective company's annual report for separate taxonomy reporting for further details.

Minimum safeguards

According to the taxonomy regulation, compliance with minimum safeguards must be met for responsible business in order for an economic activity to be classified as compatible. These include the areas of human rights, bribery and corruption, tax and fair competition. Compliance with the minimum safeguards are assessed from a two-dimensional perspective. Prevention through preventive measures with control of implemented processes for handling each area. Afterwards the effectiveness of these measures are controlled by examining outcomes.

All companies live up to the requirements of the minimum safeguards.

LUNDBERGS REAL ESTATE OPERATIONS AND HUFVUDSTADEN

Assessment of taxonomy alignment

Lundbergs and Hufvudstaden have made the assessment that the taxonomy-eligible activities for net sales and operating expenses are Acquisition and ownership of buildings (activity 7.7). In terms of investment (capital expenditures), much of this relates to activity 7.7, but investments are also made in properties that are not taxonomy-aligned. Where applicable, these are allocated to the taxonomy-eligible activity; activities 7.1–7.6 are therefore also eligible activities (see definition on page 92). Taxonomy alignment is primarily screened at property level.

Acquisition and ownership of buildings

Substantial contribution to climate change mitigation – Properties with Energy Performance Certificate (EPC) class A fulfill the substantial contribution criterion. Properties built¹⁾ fulfill the criterion if they have energy performance below the threshold value set by the industry association Fastighetsägarna Sverige²⁾ for the assessment of which buildings are within the top 15% of the national building stock in terms of energy efficiency.

Do no significant harm (DNSH) – climate risk and vulnerability assessments have been made for all investment properties (in accordance with Appendix A of the Taxonomy Regulation). Based on the results, an assessment has been made of whether each individual property is exposed to significant risk of economic damage. The greatest potential climate risks are primarily floods as a result of heavy precipitation or rising water levels. Properties with little or no risk are considered to fulfill the DNSH requirement for a climate-adapted property. Properties with a significant risk profile comply with the DNSH requirement if there is an action plan for the property at risk for the climate adaptation work.

¹⁾ Built refers to the date when the construction permit application was submitted, no later than December 31, 2020. At year-end 2024, there are no properties built after December 31, 2020, which are covered by other criteria for fulfillment of the substantial contribution criterion.

²⁾ In 2024, threshold values published on December 14, 2022 by CIT Energy Management were used on behalf of the industry association Fastighetsägarna.

Net sales

The Group's turnover according to the taxonomy's definition consists of SEK 27,855 m. (Note 3) and SEK 2,000 m. (Note 4 – see details under section Holmen below). Taxonomy-applicable turnover attributable to activity 7.7 includes rental and service income as well as Hufvudstaden's income from other operations. The compatibility of the applicable turnover is tested against the financial activity 7.7, environmental objective 1, and is considered to be aligned with the criteria – according to the previous paragraph – if it is met. Of the Group's total net sales of SEK 29,855 m., taxonomy-eligible net sales amounts to SEK 4,091 m. (14%), of which SEK 1,546 m. is aligned (5%).

Capital expenditures (investments)

Total capital expenditure according to the taxonomy's definition refers to investments in value enhancement measures and acquisitions in investment properties (Note 17) and investments in inventories and intangible assets (Notes 14, 15 and 18). If a property is compatible, investments in that property become applicable and compatible and reported under activity 7.7. Investments in a property that is not compatible is assessed at the project level by testing them against technical review criteria for significant contribution and for not causing significant damage to the economic activity applicable to the individual investment. These are reported under the respective activities (7.1–7.6). The precautionary principle is applied to the assessment of taxonomy alignment, which means that if there is no basis on which to assess compliance, the investment is deemed to be non-aligned. Of the Group's capital expenditures of SEK 3,860 m., eligible capital expenditures amount to SEK 1,509 m. (39%), of which SEK 410 m. is taxonomy-aligned (11%).

Operating expenses

Eligible operating expenses in investment properties relate to costs required to maintain the basic standard and functionality of the property, which include renovation, property upkeep, property management, and day-to-day and scheduled maintenance and repairs. If a property is taxonomy-aligned, then taxonomy-eligible operating expenses for the property are also aligned. Operating expenses are not tested at project level, which means that operating expenses for a property that is not taxonomy-aligned are classified as non-aligned. Of the Group's operating expenses of SEK 2,078 m., eligible operating expenses amount to SEK 310 m. (15%), of which SEK 130 m. is taxonomy-aligned (6%).

HOLMEN

Applicable economic activities

The activities that are assessed as being taxonomy-aligned (and taxonomy-eligible) are harvesting of own forest (activity 1.3) and electricity generation from wind power (activity 4.3), hydropower (activity 4.5) and bioenergy (activity 4.8).

Evaluation of fulfillment of criteria

Holmen has evaluated the fulfillment of the criteria regarding essentials contribution and criteria regarding not causing significant harm as stated in Annex 1 to the Delegated Act on Limiting Climate Change. The Group's forestry plan together with a prepared climate benefit analysis which shows increased carbon storage and that legislation ensures continued land use for forestry is considered to meet the requirements to an essential extent contribution regarding forest management. Forest management takes place accordingly with the Group's certifications, which together with the requirements of the legislation and prepared climate adaptation plan ensures that the forest management will not cause significant harm. When evaluating that the Group's production of wind-, water- and bioenergy takes place in accordance with established criteria, analysis has been made of each power plant's individual design and characteristics as well as climate adaptation plans drawn up for each operation.

Net sales

Holmen's net sales consists of eligible parts of Note 3 and parts of Other revenues as described in Note 4. Other revenues that are included are the sale of by-products, renewable energy certificates, emission allowances and forestry assignments as well as parts of rental and leasehold income and other revenues, which together amount to SEK 2,000 m. Eligible revenue from harvesting own forest comprises mainly external sales of timber and pulpwood, while revenue from electricity generation consists mainly of external sales of electricity, support services to stabilize the electricity system and green electricity certificate revenues.

Of the Group's total net sales of SEK 29,855 m., eligible and aligned net sales amounts to SEK 2,218 m., which is equivalent to 7%.

NOTE 39 – cont.**Capital expenditures (investments)**

Capital expenditures refer to Holmen's investments in forest assets (Note 16) and investments in tangible and intangible assets (Notes 14, 15 and 18). Eligible investments in harvesting own forest include the purchase of forest machinery, the construction of forest roads and the acquisition of forest properties, while investments in electricity generation include upgrades, new facilities and acquisitions.

Of the Group's capital expenditures of SEK 3,860 m., eligible and aligned capital expenditures amount to SEK 790 m., which is equivalent to 20%.

Operating expenses

Operating expenses (also assessed as taxonomy-eligible) for Holmen are repairs and maintenance, as well as research and development.

Eligible operating expenses relating to harvesting own forest include the development and maintenance of the forest in the form of thinning, road maintenance, clearing and fertilizing.

Eligible operating expenses in electricity generation comprise minor renovations and maintenance of equipment for electricity generation as well as various forms of development work, such as the project planning of new wind farms.

Of the Group's operating expenses of SEK 2,078 m., eligible and aligned operating expenses amount to SEK 469 m., which is equivalent to 23%.

See tables on pages 90-92 for further information.

The KPIs for net sales, capital expenditures (investments) and operating expenses are calculated as follows

$$\begin{aligned} \text{Proportion of taxonomy-eligible activities} &= \frac{\text{Eligible activities}}{\text{Total activities}^1} \\ \text{Proportion of taxonomy-aligned activities} &= \frac{\text{Aligned activities}}{\text{Total activities}^1} \end{aligned}$$

¹⁾ Refers to total according to the taxonomy's definition, not to be equated with total according to financial accounting.

Nuclear and fossil gas related activities

Nuclear energy related activities		Yes/No
1	The Group carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The Group carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technology.	No
3	The Group carries out, funds or has exposure to the safe operation of existing nuclear installations that produce electricity or process heat, including for the purpose of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		Yes/No
4	The Group carries out, funds or has exposure to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The Group carries out, funds or has exposure to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The Group carries out, funds or has exposure to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

NOTE 39 – cont.

NET SALES 2024

Economic activities (1)	Code (2)	Net sales (3)	Proportion of net sales year 2024 (4)	Substantial contribution criteria						Do No Significant Harm criteria						Minimum safeguards (17)	Proportion of taxonomy aligned (A.1.) or -eligible (A.2.) net sales, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
				Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)				
Unit		SEK m.	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Harvesting of own forest	CCM 1.3	811	3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	Y	Y	Y	2	-	-
Wind power	CCM 4.3	169	1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	-	Y	Y	Y	1	-	-
Hydropower	CCM 4.5	454	2	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	-	-	Y	Y	3	-	-
Bioenergy	CCM 4.8	784	3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	-	Y	Y	3	-	-
Acquisition and ownership of buildings	CCM 7.7	1,546	5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	4	-	-
Environmentally sustainable activities (taxonomy-aligned), net sales (A.1)		3,764	13	13	-	-	-	-	-	-	-	-	-	-	-	-	13		
Of which enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
Of which transitional		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
Acquisition and ownership of buildings	CCM 7.7	2,545	9	EL	N/EL	N/EL	N/EL	N/EL	N/EL								9		
Net sales of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		2,545	9	9													9		
A. Net sales of taxonomy-eligible activities (A.1+A.2)		6,309	21	21													22		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Net sales of taxonomy non-eligible activities		23,546	79																
TOTAL (A+B)		29,855	100																

The taxonomy-compatible proportion of net sales amounted to 13% (13), which was in line with the previous year.

Aligned net sales at each company

Lundbergs Real Estate Operations' taxonomy-aligned net sales amounts to SEK 1,070 m., which corresponds to 56% of the total net sales of real estate operations.

Holmen's taxonomy-aligned net sales amounts to SEK 2,218 m., which corresponds to 9% of Holmen's total net sales.

Hufvudstaden's taxonomy-aligned net sales amounts to SEK 476 m., which corresponds to 15% of Hufvudstaden's total net sales.

NOTE 39 – cont.

CAPITAL EXPENDITURES 2024

Economic activities (1)	Code (2)	Capital expenditures (3)	Proportion of capital expenditures year 2024 (4)	Substantial contribution criteria						Do No Significant Harm criteria						Minimum safeguards (17)	Proportion of taxonomy aligned (A.1) or -eligible (A.2.) capital expenditures, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
				Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)				
Unit		SEK m.	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
TAXONOMY-ELIGIBLE ACTIVITIES																			
AA.1. Environmentally sustainable activities (taxonomy-aligned)																			
Harvesting of own forest	CCM 1.3	221	6	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	Y	Y	Y	7	-	-
Wind power	CCM 4.3	503	13	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	-	Y	Y	Y	0	-	-
Hydropower	CCM 4.5	67	2	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	-	-	Y	Y	1	-	-
Bioenergy	CCM 4.8	-	-	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	-	Y	Y	0	-	-
Charging stations for electric vehicles in buildings ¹	CCM 7.4 / CCA 7.4	5	0	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0	E	-
Instruments for measuring energy performance of buildings ¹	CCM 7.5 / CCA 7.5	5	0	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0	E	-
Renewable energy technologies ¹	CCM 7.6 / CCA 7.6	2	0	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0	E	-
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	398	10	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	4	-	-
Environmentally sustainable activities (taxonomy-aligned), capital expenditures (A.1)		1,200	31	31	-	-	-	-	-	-	-	-	-	-	-	-	12		
Of which enabling		12	0	0	-	-	-	-	-	-	-	-	-	-	-	-	0	E	
Of which transitional		-	-	-						-	-	-	-	-	-	-	-		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
Construction of new buildings	CCM 7.1 / CCA 7.1 / CE 3.1	6	0	EL	EL	N/EL	N/EL	N/EL	N/EL								5		
Renovation of existing buildings	CCM 7.2 / CCA 7.2 / CE 3.2	699	18	EL	EL	N/EL	N/EL	N/EL	N/EL								17		
Energy efficiency equipment ¹	CCM 7.3 / CCA 7.3	47	1	EL	EL	N/EL	N/EL	N/EL	N/EL								2		
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	348	9	EL	EL	N/EL	N/EL	N/EL	N/EL								19		
Capital expenditures of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		1,100	28	28	-	-	-	-	-								43		
A. Capital expenditures of taxonomy-eligible activities (A.1+A.2)		2,300	60	60	-	-	-	-	-								56	-	-
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capital expenditures of taxonomy non-eligible activities		1,560	40																
TOTAL (A+B)		3,860	100																

¹⁾ Includes installation, maintenance and repair. For full definition, see box on page 92.

The taxonomy-eligible share of capital expenditure increased to 31% (12), mainly due to the build-up of wind power generation and a higher share of investments in taxonomy-eligible properties in 2024.

Taxonomy-eligible capital expenditure in each company

Lundbergs Real Estate Operations' taxonomy-aligned capital expenditures amount to SEK 321 m., which corresponds to 58% of the total investments of real estate operations. Holmen's taxonomy-aligned capital expenditures amount to SEK 790 m., which corresponds to 34% of Holmen's total investments. Hufvudstaden's taxonomy-aligned capital expenditures amount to SEK 88 m., which corresponds to 9% of Hufvudstaden's total investments.

Information on capital expenditures (investments)

All capital expenditures reported in activities 7.1–7.7 relate to investment properties. Of the SEK 221 m. in taxonomy-aligned capital expenditures relating to harvesting of own forest, SEK 170 m. relates to forest assets, SEK 37 m. to tangible fixed assets and SEK 14 m. to leases. Of the SEK 503 m. in taxonomy-aligned investments relating to wind power, SEK 503 m. relates to tangible fixed assets. Of the SEK 66 m. in taxonomy-aligned capital expenditures relating to hydro-power, SEK 66 m. relates to tangible fixed assets. The share attributable to acquisitions relates to the purchase of forest properties totalling SEK 30 m.

Proportion of capital expenditure/total capital expenditure		
	Taxonomy-aligned per objective ¹	Taxonomy-eligible per objective
CCM	31 %	60 %
CCA	%	39 %
WTR	-	-
CE	-	18 %
PPC	-	-
BIO	-	-

¹⁾ Where only the % sign is entered, the environmental target is eligible but there is no value.

NOTE 39 – cont.

OPERATING EXPENSES 2024

Economic activities (1)	Code (2)	Operating expenses (3)	Proportion of operating expenses year 2024 (4)	Substantial contribution criteria						Do No Significant Harm criteria						Minimum safeguards (17)	Proportion of taxonomy aligned (A.1) or -eligible (A.2.) operating expenses, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)			
				Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)							
Unit		SEK m.	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1. Environmentally sustainable activities (taxonomy-aligned)																						
Harvesting of own forest	CCM 1.3	381	18	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	Y	Y	Y	14	-	-			
Wind power	CCM 4.3	15	1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	-	Y	Y	Y	0	-	-			
Hydropower	CCM 4.5	35	2	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	-	-	Y	Y	2	-	-			
Bioenergy	CCM 4.8	38	2	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	-	Y	Y	0	-	-			
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	130	6	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	6	-	-			
Environmentally sustainable activities (taxonomy-aligned), operating expenses (A.1)		599	29	29	-	-	-	-	-	-	-	-	-	-	-	-	22					
Of which enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	E				
Of which transitional		-	-	-						-	-	-	-	-	-	-			T			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																						
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL													
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	180	9	EL	EL	N/EL	N/EL	N/EL	N/EL											12		
Operating expenses of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		180	9	9	-	-	-	-	-											12		
A. Operating expenses of taxonomy-eligible activities (A.1+A.2)		799	38	38																34		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
Non-eligible operating expenses		1,298	62																			
TOTAL (A+B)		2,078	100																			

The taxonomy-compatible proportion of operating expenses increased to 29% (22), mainly due to higher forestry costs.

Taxonomy-aligned operating expenses in each company

Lundbergs Real Estate Operations' taxonomy-aligned operating expenses amount to SEK 121 m., which corresponds to 49% of the total operating expenses of real estate operations. Holmen's taxonomy-aligned operating expenses amount to SEK 469 m., which corresponds to 27% of Holmen's total operating expenses. Hufvudstaden's taxonomy-aligned operating expenses amount to SEK 9 m., which corresponds to 11% of Hufvudstaden's total operating expenses.

Proportion of operating expenses/total operating expenses		
	Taxonomy-aligned per objective ¹	Taxonomy-eligible per objective
CCM	29 %	38 %
CCA	%	15 %
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

¹⁾ Where only the % sign is entered, the environmental target is eligible but there is no value.

Table explanations

Column 2

Economic activities' environmental goals and index

Environmental goals

CCM = Mitigation of climate change
CCA = Adaptation to climate change
WTR = Water Resources and Marine Resources
CE = The circular economy
PPC = Prevention and limitation of pollution
BIOT = Biological diversity and ecosystems

Eligible economic activities

Holmen

1.3 Harvesting of own forest
4.3 Electricity production from wind power
4.5 Electricity production from hydropower
4.8 Electricity production from bioenergy

Lundbergs Real Estate Operations and Hufvudstaden

7.1/3.1 Construction of new buildings (7.1 refers to CCM and CCA, 3.1 refers to CE)
7.2/3.2 Renovation of existing buildings (7.2 refers to CCM and CCA, 3.2 refers to CE)
7.3 Installation, maintenance and repair of energy efficient equipment
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings
7.5 Installation, maintenance and repair of instruments and devices for measuring,

regulation and control of buildings energy performance
7.6 Installation, maintenance and repair of renewable energy technologies
7.7 Ownership and acquisition of buildings

A.1 columns 5–10

Y: Yes, the business is included and is consistent with the taxonomy of the relevant environmental goal.

N: No, the business is included but is not consistent with the taxonomy for relevant environmental objective.

N/EL: Not eligible/not covered, activity is not included in the taxonomy of the relevant environmental goal.

A.2 columns 5–10

EL: Eligible/included, the business is included of the taxonomy of the relevant environmental objective.

N/EL: Not eligible/not covered, activity is not included of the taxonomy of the relevant environmental goal.

Columns 19–20

E: Enabling activities

T: Transitional activities

General

Dash "-": Not applicable

Income statement

PARENT COMPANY, SEK m.	Note	2024	2023
Personnel costs	2	-20	-16
Depreciation	3	-1	-1
Other external costs	4	-20	-23
Operating loss		-41	-40
Result from financial items	5		
Dividends from participations in Group companies		1,293	1,342
Dividends from participations in associated companies		1,069	993
Dividends from other securities		1,163	842
Interest income		155	115
Interest expense and similar costs		-149	-141
Profit after financial items		3,489	3,110
Appropriations	6	-122	-102
Profit before taxes		3,367	3,008
Tax	7	-175	-110
Net profit for the year		3,192	2,898

Statement of comprehensive income

PARENT COMPANY, SEK m.	2024	2023
Net profit for the year	3,192	2,898
Other comprehensive income		
<i>Items that cannot be transferred to profit or loss</i>		
Financial assets measured at fair value	669	2,375
Tax attributable to other comprehensive income	269	-430
	938	1,945
Total comprehensive income for the year	4,130	4,844

Balance sheet

PARENT COMPANY, SEK m.	Note	Dec 31, 2024	Dec 31, 2023
ASSETS			
Fixed assets			
<i>Tangible fixed assets</i>	8	10	8
<i>Financial fixed assets</i>			
Participations in Group companies	9	7,105	7,105
Participations in associated companies	10	19,933	18,702
Financial investments	11	22,014	20,303
Total financial fixed assets		49,052	46,110
Total fixed assets		49,061	46,118
Current assets			
<i>Current receivables</i>			
Receivable from Group companies	12,13	5,448	5,500
Other operating receivables		15	21
Total current receivables		5,463	5,521
Cash and cash equivalents	13,14	565	445
Total current assets		6,028	5,967
TOTAL ASSETS		55,089	52,084
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
<i>Restricted shareholders' equity</i>	15		
Share capital (248,000,000 shares)		2,480	2,480
<i>Unrestricted shareholders' equity</i>			
Fair value reserve		8,874	7,936
Earnings brought forward		31,871	30,039
Net profit for the year		3,192	2,898
Total shareholders' equity		46,417	43,354
Untaxed reserves	16	1,054	879
Provisions	17	1,118	1,387
Long-term liabilities			
Long-term financial liabilities	13	4,400	4,900
Other long-term liabilities			14
Total long-term liabilities		4,400	4,914
Current liabilities			
Liabilities to Group companies	12,13	0	0
Other financial liabilities	13	2,040	1,535
Tax liabilities		33	1
Other current liabilities	18	27	15
Total current liabilities		2,101	1,551
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		55,089	52,084

Statement of changes in shareholders' equity

PARENT COMPANY, SEK m.	Restricted share-holders' equity	Unrestricted shareholders' equity			Total share- holders' equity
	Share capital	Fair value reserve	Earnings brought forward	Net profit for the year	
Shareholders' equity on Jan 1, 2023	2,480	5,991	28,308	2,724	39,502
Distribution of profits			2,724	-2,724	
Total comprehensive income for the year		1,945		2,898	4,844
Dividend			-992		-992
SHAREHOLDERS' EQUITY ON DEC 31, 2023	2,480	7,936	30,039	2,898	43,354
Distribution of profits			2,898	-2,898	
Total comprehensive income for the year		938		3,192	4,130
Dividend			-1,066		-1,066
SHAREHOLDERS' EQUITY ON DEC 31, 2024	2,480	8,874	31,871	3,192	46,417

Cash flow statement

PARENT COMPANY, SEK m.	Note 14	2024	2023
Operating activities			
Profit after financial items		3,489	3,110
Adjustment for items not included in cash flow		-4	6
Income tax paid		-143	-115
		3,342	3,001
Change in current receivables		6	-7
Change in current liabilities		3	15
CASH FLOW FROM OPERATING ACTIVITIES		3,351	3,009
Investing activities			
Acquisition of tangible fixed assets		-3	-2
Acquisition of financial assets		-2,282	-1,681
Divestments of tangible fixed assets		0	1
Divestments of financial assets		16	
CASH FLOW FROM INVESTING ACTIVITIES		-2,269	-1,683
Financing activities			
Loans raised		1,900	3,700
Loans repaid		-1,795	-3,992
Dividend paid		-1,066	-992
CASH FLOW FROM FINANCING ACTIVITIES		-961	-1,284
CASH FLOW DURING THE YEAR		120	43
Cash and cash equivalents on January 1		445	402
Cash and cash equivalents on December 31		565	445

Notes – Parent Company

NOTE 1 – ACCOUNTING POLICIES

Parent Company's accounting policies

The Parent Company applies the same accounting policies as the Group, apart from the cases specified below. The deviations that exist between the Parent Company's and the Group's accounting policies result from limitations in the ability to apply IFRS within the Parent Company, due to the Annual Accounts Act (AAA) and the Pension Obligations Vesting Act (Tryggandelagen) and in certain cases for tax purposes.

The Parent Company has prepared its annual accounts in accordance with the AAA (1995:1554) and the Swedish Financial Reporting Council's Recommendation RFR 2, Accounting for Legal Entities. According to RFR 2, the Parent Company, as the legal entity, must apply all of the EU-approved IFRS and statements insofar as this is possible within the framework of AAA and the Pension Obligations Vesting Act and taking into account the correlation between accounting and taxation. This recommendation specifies the exceptions from and additions to IFRS that may be applied. The Swedish Financial Reporting Council's issued statements concerning listed companies have also been applied.

Classification and presentation

The Parent Company's income statement and balance sheet are presented in accordance with AAA, while the statement of comprehensive income and the statement of changes in shareholders' equity are based on IAS 1 Presentation of Financial Statements. The differences in relation to the consolidated financial statements that arise in the Parent Company's income statement and balance sheet mainly comprise the recognition of results from financial items, fixed assets and shareholders' equity and untaxed reserves, as well as the existence of provisions as a separate item in the balance sheet.

Subsidiaries and associated companies

Participations in subsidiaries and associated companies are recognized in the Parent Company according to the acquisition value method. This means that transaction charges are included in the carrying amount for shareholdings in subsidiaries and associated companies.

Revenues

Dividend income is recognized when the right to receive the dividend is considered certain.

Tangible fixed assets

Tangible fixed assets are recognized at acquisition value less accumulated depreciation and any impairment losses.

Borrowing costs

In the Parent Company, borrowing costs are charged against profit or loss during the period to which they pertain. No borrowing costs are capitalized as assets.

Leasing

In the Parent Company, all leases are recognized as operating; i.e. lease payments are expensed in pace with the use of the asset.

Taxes

In the Parent Company, untaxed reserves are recognized without being divided up into shareholders' equity and deferred tax liabilities, which differs from the approach adopted in the consolidated financial statements.

Group and shareholder contributions

Shareholder contributions are entered directly in the shareholders' equity of the recipient and are capitalized in shares and participations by the donor. Group contributions are recognized according to RFR 2 IAS 18 p3 and RFR 2 IAS 27 p2. Recognition is according to the alternative rule entailing that Group contributions received and paid will be recognized as appropriations.

Financial guarantee agreements

The Parent Company's financial guarantee agreements consist mainly of sureties for the benefit of subsidiaries. For the recognition of financial guarantee agreements, the Parent Company applies one of the relief rules permitted by the Swedish Financial Reporting Council, as compared with the rules of IFRS 9.

NOTE 2 – PERSONNEL COSTS FOR EMPLOYEES

Information regarding the Parent Company's employees and personnel costs is presented in Note 5 in the consolidated financial statements.

Pensions obligations

The company's employees are covered by the ITP plan. Obligations for old-age pension and family pension are secured in part through insurance in Alecta and in part through the payment of premiums.

SEK m.	2024	2023
Costs for defined-benefit plans	2	2

The above cost includes 2.3 SEK m. (1.8) for ITP plan commitments funded in Alecta.

NOTE 3 – DEPRECIATION ACCORDING TO PLAN

SEK m.	2024	2023
Machinery and equipment	1	1

NOTE 4 – FEES AND REMUNERATION PAID TO THE AUDITORS

SEK m.	2024	2023
Remuneration to PricewaterhouseCoopers AB		
Auditing assignments	0.9	0.9
Other assignments	0.1	
	0.9	0.9

NOTE 5 – FINANCIAL ITEMS

Dividends, SEK m.	2024	2023
Group companies	1,293	1,342
Associated companies	1,069	993
Other securities	1,163	842
	3,525	3,177

Interest income, SEK m.	2024	2023
Interest income, Group companies	130	97
Interest income, others	25	17
	155	115

Interest expense and similar costs, SEK m.	2024	2023
Interest expenses, Group companies	-0	-0
Interest expenses, others	-144	-120
Other	-5	-21
	-149	-141

NOTE 6 – APPROPRIATIONS

SEK m.	2024	2023
Difference between book depreciation and depreciation according to plan, Equipment		0
Tax allocation reserve, provision during the year	-284	-178
Tax allocation reserve, reversal during the year	109	78
Group contribution granted	53	
Group contribution received		-3
	-122	-102

NOTE 7 – TAX

SEK m.	2024		2023			
Current tax	-175		-110			
	2024		2023			
Reconciliation of effective tax	SEK m.	%	SEK m.	%		
Profit before taxes	3,367		3,008			
Swedish income tax rate	-694	21	-620	21		
Non-tax-deductible costs	-2	0	-3	0		
Non-taxable revenues	525	-16	516	-17		
Standard tax on tax allocation reserve	-5	0	-3	0		
Other			0	-0		
Reported effective tax	-175	5	-110	4		
	2024		2023			
Tax attributable to other comprehensive income, SEK m.	Before tax	Tax	After tax	Before tax	Tax	After tax
Fair value of participations	669	269	938	2,375	-430	1,945

NOTE 9 – PARTICIPATIONS IN GROUP COMPANIES

SEK m.		2024	2023					
Accumulated acquisition value								
On January 1		7,105	7,105					
		7,105	7,105					
			No. of shares	Holding as a % ¹		Fair value	Carrying amount	
Specification of direct holdings of participations in subsidiaries	Corp. Reg. No.	Head-quarters	Dec 31, 2024	2024	2023	Dec 31, 2024	2024	2023
Fastighets AB L E Lundberg	556049-0483	Norrköping	250,000	100	100		165	165
Förvaltnings AB L E Lundberg	556036-2260	Stockholm	1,000	100	100		0	0
L E Lundberg Kapitalförvaltning AB	556188-2290	Stockholm	150,000	100	100		15	15
Holmen AB	556001-3301	Stockholm	55,244,000	35.0 (62.7)	34.7 (62.6)	22,204	3,828	3,828
Hufvudstaden AB ²	556012-8240	Stockholm	95,489,015	47.2 (88.6)	47.2 (88.6)	11,564	3,098	3,098
						33,764	7,105	7,105

¹⁾ The proportion is calculated after a deduction for treasury shares. The proportion of voting rights is presented within parentheses to the right of the proportion of share capital if these two percentages are not identical.

²⁾ The market value of Series C shares has been calculated based on the price of publicly traded Series A shares.

For information on indirectly owned subsidiaries, see Group Note 37.

NOTE 10 – PARTICIPATIONS IN ASSOCIATED COMPANIES

SEK m.	2024		2023	
On January 1	18,702	17,969		
Investments	1,240	733		
Divestments of share options	-9			
	19,933	18,702		

			No. of shares	Holding as a % ¹		Fair value	Carrying amount	
Specification of direct holdings of participations in subsidiaries	Corp. Reg. No.	Head-quarters	Dec 31, 2024	2024	2023	Dec 31, 2024	2024	2023
Husqvarna AB	556000-5331	Jönköping	43,315,208	7.6 (25.8)	7.6 (25.6)	2,515	2,011	2,021
AB Industrivärden	556043-4200	Stockholm	88,550,000	20.5 (26.0)	19.7 (25.1)	30,932	15,411	14,172
Indutrade AB	556017-9367	Stockholm	96,840,000	26.6 (26.6)	26.6 (26.6)	26,825	2,510	2,510
						60,272	19,933	18,702

¹⁾ The proportion is calculated after deduction for treasury shares. The proportion of voting rights is presented within parentheses to the right of the proportion of share capital.

Further information about the Parent Company's associated companies is presented in Notes 2 and 19 in the Group.

NOTE 11 – FINANCIAL INVESTMENTS

SEK m.	2024	2023
Accumulated acquisition value		
On January 1	20,303	16,979
Investments	1,042	948
Year's changes in value	669	2,375
	22,014	20,303

	Shareholding, Dec 31, 2024 as a % of		SEK m.	
	share capital	voting rights	2024	2023
Financial assets ^{1,2}				
Alleima	10.0	10.0	1,893	1,628
Handelsbanken A	3.1	3.2	7,080	6,567
Sandvik	3.1	3.1	7,833	8,026
Skanska A ³	5.4	13.1	1,404	1,099
Skanska B			3,805	2,981
			22,014	20,303

¹⁾ Measured at fair value through other comprehensive income.

²⁾ Fair value at December 31, 2024 exceeded the acquisition value of all shares.

³⁾ The market value of Series A Skanska shares has been calculated based on the price of publicly traded Series B shares.

The assets have been measured at fair value based on the current stock-market price. Should the asset comprise shares of various series, the percentage of share capital and voting rights is stated jointly for the holding.

Holdings of securities measured at fair value

SEK m.	2024	2023
Acquisition value of listed shares		
On January 1	12,314	11,366
Investments	1,042	948
	13,357	12,314
Changes in fair value through profit or loss		
On January 1	-1,334	-1,334
	-1,334	-1,334
Changes in fair value through the balance sheet		
On January 1	9,323	6,948
Changes in value	669	2,375
	9,992	9,323
	22,014	20,303

NOTE 12 – RELATED PARTIES

Subsidiaries, SEK m.	2024	2023
Interest received from related parties	130	97
Interest paid to related parties	0	0
Receivable from related parties, Dec 31	5,448	5,500
Debt to related parties, Dec 31	0	0

Key personnel in executive positions, SEK m.	2024	2023
Sales to related parties	17	14
Debt to related parties, Dec 31	62	67

Transactions with related parties have been priced on commercial terms and is described in the Group's Note 32.

Key personnel in executive positions

Via his wholly owned company Förvaltnings AB Lunden (including subsidiaries), Fredrik Lundberg and his wife directly or indirectly hold 70.60% (70.60) of the voting rights and 40.76% (40.76) of the share capital in L E Lundbergföretagen AB (publ). Lundbergs manages Förvaltnings AB Lunden's properties under a management agreement.

Louise Lindh (incl. family) and Katarina Martinson (incl. family) each hold 11.39% (11.39) of the voting rights and 14.79% (14.79) of the share capital in L E Lundbergföretagen AB (publ).

The total remuneration paid to a particular Board member is stated in Note 5 to the consolidated financial statements.

NOTE 13 – FINANCIAL INSTRUMENTS**Financial instruments measured at fair value in the balance sheet**

In accordance with IFRS 7, disclosures must be provided concerning how fair value has been established for instruments measured at fair value in the balance sheet, which include financial investments (shares).

Input data for measurement of financial instruments measured at fair value in the balance sheet has been based on observable market prices, meaning that they are attributable to Level 1 according to IFRS 13.

Since Series A Skanska shares are not publicly traded, their value has been calculated on the price of publicly traded Series B shares, whereby the valuation is made in accordance with Level 3 under IFRS 13. During the year, the value change was SEK 304 m. (5), which was entirely attributable to unrealized changes in value and has been recognized in other comprehensive income under Financial assets measured at fair value.

Financial instruments not measured at fair value in the balance sheet but for which disclosures have been provided about the fair value

When disclosures about fair value are provided in the table below for financial instruments not measured at fair value in the balance sheet, the fair value has been determined in the following manner:

Loans from banks with fixed interest rates have been measured at the rate by which refinancing could be done on the balance-sheet date. This measurement is in accordance with Level 3 since these rates cannot be observed in the market. Loans with variable interest rates are assumed to have a market value that matches the carrying amount provided that a measurable change did not occur in a current spread for a similar transaction.

Other financial instruments in the balance sheet have a short period remaining to maturity. The carrying amount has been stated as the fair value of these instruments, which is regarded to reflect the fair value since the discount effect is negligible.

Financial instruments included in net financial debt

SEK m.	Total carrying amount ¹⁾		Fair value	
	2024	2023	2024	2023
Current financial receivables				
Other financial receivables	5,448	5,500	5,448	5,500
	5,448	5,500	5,448	5,500
Cash and cash equivalents				
Bank balances	565	445	565	445
	565	445	565	445
Long-term financial liabilities				
Bond loans	3,400	3,900	3,355	3,755
Bank loans	1,000	1,000	1,038	1,050
	4,400	4,900	4,393	4,805
Current financial liabilities				
Bond loans	1,500	1,000	1,454	968
Commercial papers	500	500	500	500
Accrued interest	40	34	40	34
Other current liabilities	0	0	0	0
	2,040	1,535	1,995	1,503

¹⁾ All items are recognized at accrued acquisition value.

Financial instruments not included in net financial debt

SEK m.	2024	2023
Assets		
Participations in Group and associated companies ¹⁾	26,858	25,628
Financial investments ²⁾	22,014	20,303
Shares in unlisted companies ³⁾	180	180
Accounts receivable	0	0
Liabilities		
Accounts payable	1	3
Derivatives recognized among operating liabilities ³⁾	13	16

¹⁾ Recognized at accrued acquisition value.

²⁾ Recognized at fair value through other comprehensive income.

³⁾ Recognized at fair value through profit or loss.

NOTE 13 – cont.**Financial liabilities, Dec 31, 2024**

Maturity	SEK m.	Proportion, %
2025	2,040	32
2026	900	14
2027	1,000	16
2028	1,500	23
2029-	1,000	16
	6,440	100

NOTE 14 – CASH FLOW STATEMENT

The cash flow statement was compiled in accordance with the indirect method. Recognized cash flow only comprises transactions that involved receipts and disbursements.

Interest and dividends received, SEK m.	2024	2023
Interest received	155	115
Interest paid	-152	-125
Dividends received	3,525	3,177
	3,527	3,167
Cash and bank balances ¹⁾ , SEK m.	2024	2023
Bank balances	565	445

¹⁾ The overdraft facility granted totals SEK 100 m. (100).

Under the MTN program, SEK 1,000 m. (1,000) was borrowed on a long-term basis and SEK 1,000 m. (2,000) was repaid.

Under the commercial paper program, a total of SEK 900 m. (1,700) was borrowed on a short-term basis, divided among several loans, and SEK 900 m. (1,300) was repaid.

Instrument, SEK m.	2023	Cash flow	Market revaluations	2024
Bank loan	1,000			1,000
Bond loans	4,900			4,900
Commercial papers	500			500
Derivatives	16	-5	1	13
Others	34	6		40
	6,451	1	1	6,453

Instrument, SEK m.	2022	Cash flow	Market revaluations	2023
Bank loan	1,000			1,000
Bond loans	5,900	-1,000		4,900
Commercial papers	100	400		500
Derivatives	11		5	16
Others	23	11		34
	7,035	-589	5	6,451

NOTE 15 – SHAREHOLDERS' EQUITY**Unrestricted shareholders' equity**

The fair value reserve, earnings brought forward and net profit for the year constitute unrestricted shareholders' equity, meaning the amount available for distribution to the shareholders.

Fair value reserve

The company applies the rules stated in IFRS 9 for the measurement of financial instruments at fair value. The fair value reserve includes the accumulated net change in the fair value of financial assets measured at fair value up to the time the asset is derecognized from the balance sheet.

Fair value reserve, SEK m.	2024	2023
On January 1	7,936	5,991
Changes in value	669	2,375
Tax attributable to changes in value	269	-430
	8,874	7,936

Earnings brought forward

Consists of unrestricted shareholders' equity and profit for the preceding year after payment of the dividend.

Dividends

The funds available for distribution by the AGM amount to SEK 43,937,210,007.

The Board of Directors proposes that the AGM on April 9, 2025 approve a dividend of SEK 4.60 per share. The proposed dividend totals SEK 1,141 m. The Board of Directors also proposes that the remaining amount of SEK 42,796,410,007 be carried forward.

In the preceding year, a dividend of SEK 4.30 per share (SEK 1,066 m.) was paid.

Other information is presented in Note 26 for the Group.

NOTE 16 – UNTAXED RESERVES

SEK m.	2024	2023
Tax-allocation reserves		
Reserved for 2018 fiscal year		109
Reserved for 2019 fiscal year	250	250
Reserved for 2020 fiscal year	30	30
Reserved for 2021 fiscal year	182	182
Reserved for 2022 fiscal year	130	130
Reserved for 2023 fiscal year	178	178
Reserved for 2024 fiscal year	284	
	1,054	879

Of untaxed reserves, deferred tax accounts for SEK 217 m. (181).

NOTE 17 – PROVISIONS

Provisions for taxes, SEK m.	2024	2023
Holdings of securities measured at fair value		
On January 1	1,387	957
Provisions during the year	-269	430
	1,118	1,387

NOTE 18 – OTHER CURRENT LIABILITIES

SEK m.	2024	2023
Accounts payable	1	2
Other liabilities	0	3
Accrued expenses and deferred income	26	10
	27	15

NOTE 19 – PLEDGED ASSETS AND CONTINGENT LIABILITIES

No assets were pledged.

Contingent liabilities in favor of subsidiaries amount to SEK 162 m. (124).

Proposed allocation of earnings

The Board of Directors proposes that the funds available for distribution by the Annual General Meeting, an amount of SEK 43,937 m. (SEK 43,937,210,007) be distributed as follows:

To shareholders, a dividend of SEK 4.60 per share	SEK 1,141 m.
To be carried forward	SEK 42,796 m.
SEK 43,937 m.	

The company has 248,000,000 registered shares. The sum total of the proposed dividend above, SEK 1,141 m., may be amended if the number of treasury shares changes before the record date for dividends.

A reasoned statement motivating the dividend proposal will be available on the company's website www.lundbergforetagen.se no later than three weeks before the AGM. The statement will also be sent to those shareholders who request it.

The Board of Directors and the President give their assurance that the financial statements have been prepared in accordance with generally acceptable accounting practices in Sweden and that the consolidated financial statements have been prepared in compliance with the international accounting standards referred to in the European Parliament's and the Council's Ordinance (EC) No. 1606/2002 of July 19, 2002 concerning the application of international accounting standards. The Annual Report and the consolidated financial statements provide a fair and just impression of the Parent Company's and the Group's financial position and earnings. The Report of the Board of Directors for the Parent Company and the Group provides a fair and just summary of the development of the Parent Company's and the Group's operations, financial position and earnings and describes the significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

The Annual Report and the consolidated financial statements were approved for publication by the Board and the President on February 20, 2025. The consolidated statement of income and comprehensive income and statement of financial position and the Parent Company's income statement and balance sheet will be subject to adoption by the AGM on April 9, 2025. Friday April 11, 2025 is proposed as the record date for payment of dividends. If the AGM resolves in accordance with the Board's proposal, it is estimated that the dividends will be distributed by Euroclear Sweden AB on Wednesday April 16, 2025.

Stockholm February 20, 2025

Bo Selling
Chair of the Board

Carl Bennet
Member of the Board

Sofia Frändberg
Member of the Board

Louise Lindh
Member of the Board

Fredrik Lundberg
President and Chief Executive Officer
Member of the Board

Katarina Martinson
Member of the Board

Krister Mattsson
Member of the Board

Sten Peterson
Member of the Board

Lars Pettersson
Member of the Board

Our audit report was submitted on February 25, 2025

PricewaterhouseCoopers AB

Magnus Svensson Henryson
Authorized Public Accountant

Auditor's Report

To the general meeting of the shareholders of L E Lundbergföretagen AB (publ), corp. id. 556056-8817

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of L E Lundbergföretagen AB (publ) for the year 2024 except for the corporate governance statement and the statutory sustainability report on pages 54-57 and 22-29, respectively. The annual accounts and consolidated accounts of the company are included on pages 22-29 and 47-99 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement and the statutory sustainability report on pages 54-57 and 22-29, respectively. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and statement of profit or loss and statement of financial position for the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

Focus and scope of the audit

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial

statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

VALUATION OF INVESTMENT PROPERTIES

Investment properties are reported in the consolidated accounts at fair value and amount to SEK 75,289 m. as of December 31, 2024. The value of the properties is determined on the basis of internal valuations. Important assumptions in the valuations include the market yield, long-term vacancy rate and rental levels. To ensure that the valuation does not differ from the market assessments, management has also obtained independent external valuations for a part of the investment property portfolio. In all valuations based on estimates of future outcomes, there is an inherent uncertainty in the valuation.

For further description, see the accounting principles in Note 1 as well as Note 17 for detailed information and description of the area.

RESPONSE IN THE AUDIT OF THE KEY AUDIT MATTER

Our audit procedures have included, but are not limited to, the following activities.

We have:

- Evaluated the internal valuation process.
- Randomly tested input data in a selection of internal valuations.
- Performed own calculations for a selection of property valuations.
- Evaluated significant assumptions including market yield, rental levels and long-term vacancy rates.
- Reconciled the internal valuations against the external valuations obtained by the company. In addition, the internal valuations have been reconciled with our own perception of the market's pricing of similar assets.
- Examined the information presented in the annual report and assessed that it provides sufficient information in accordance with the requirements of the regulations.

VALUATION OF FOREST ASSETS

The Group's forest assets amount to SEK 57,843 m. and constitute a significant item in the consolidated balance sheets. The assets are divided into biological assets that are recognised in accordance with IAS 41 Agriculture, and properties that are recognised in accordance with IAS 16 Property, Plant and Equipment. A description of the measurement of value of forest assets and important assumptions is presented in Note 16.

The measurement process is complex since it requires assessments and assumptions in respect of, inter alia, market statistics, and the breakdown of the total value of land and biological assets.

Significant areas of judgment include the scope and completeness of market statistics, local market prices and discount rates as well as timber prices and felling costs. The measurement is classified as a Level 3 measurement in accordance with IFRS 13. In view of the material nature of the item and the inherent complexity, the valuation of the group's forest assets is considered key audit matter in our audit.

For further description, see the accounting principles in Note 1 as well as Note 16 for detailed information and description of the area.

RESPONSE IN THE AUDIT OF THE KEY AUDIT MATTER

Our audit procedures have included, but are not limited to, the following activities.

We have:

- Evaluated the process and the method used for valuation of forest assets as well as the Group's process for collecting input data, performed through validation against supporting documents and interviews with the Group's employees.
- Tested the allocation of value between biological assets and land assets.
- Evaluated the reasonableness of material assumptions that form the basis for the Group's valuation, including but not limited to, discount rate.
- Verified, on a sample basis, the mathematical accuracy of the valuation model used of forest assets and evaluated the controls that are in place to ensure that the input data is transferred correct.
- Our valuation specialists have evaluated assumptions and documentation used for establishing the discount rate used.
- Evaluated outcome of the internal valuation model used compared to external valuations.
- Examined that the disclosed information in Note 16 of the annual report meets the requirements according to IFRS 13 and provides a fair presentation of the company's valuation.

VALUATION OF FINANCIAL FIXED ASSETS

The Parent Company's financial fixed assets as of December 31, 2024 amount to SEK 49,052 m.

The Parent Company's holdings of financial fixed assets essentially consist of listed shares.

In the Parent Company, holdings of shares are valued either at acquisition cost or fair value depending on ownership. In the consolidated accounts, the same holdings are reported in another way where subsidiaries are consolidated, associated companies are reported according to their share of equity and other holdings continue to be reported at fair value.

Important areas for a correct valuation relate to determining market prices, ownership interest and the classification in the balance sheet.

For further description, see the accounting principles in Note 1 as well as Notes 9-11 for the parent company for detailed information and description of the area.

RESPONSE IN THE AUDIT OF THE KEY AUDIT MATTER

Our audit procedures have included, but are not limited to, the following activities.

We have:

- Evaluated the company's presentation of fair values for the financial fixed assets.
- For shares traded on an active market, we have checked the valuation against current market data.
- Obtained proof that the company owns the assets as of 31 December 2024.
- The valuation of unlisted shares has been evaluated and checked against the company's calculations.
- Evaluated classification in the consolidated balance sheet.
- Checked the completeness of the information provided in the annual report.

Other information than the annual accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–46 and 104–109. The remuneration report that we obtained before the date of this audit report also constitutes other information. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. and, as regards the consolidated

accounts, according to IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company and group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, cease operations or has no realistic alternative to doing any of this.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other requirements according to laws and other constitutions

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, We have also audited the administration of the Board of Directors of L E Lundbergföretagen AB (publ) for year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent in relation of the parent company and group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company and group's type of operations, size and risks place on the size of the parent company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the management of the company's affairs. This includes among other things continuous assessment of the company and group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration can be found on the Auditor's Inspection's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the Esef report

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for L E Lundbergföretagen AB (publ) (publ) for the year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinions

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of L E Lundbergföretagen AB (publ) (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 54-57 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16. The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act/the Annual Accounts Act for Credit Institutions and Securities Companies/the Annual Accounts Act for Insurance Companies.

Auditor's opinion regarding the statutory sustainability report

It is the board of directors who is responsible for the statutory sustainability report on pages 22-29.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12. The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A sustainability report has been prepared.

PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, was appointed as L E Lundbergföretagen AB (publ)'s auditor by the general meeting on 10 April 2024 and has been the company's auditor since 15 April 2021.

Stockholm February 25, 2025
PricewaterhouseCoopers AB

Magnus Svensson Henryson
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the later shall prevail.

Board of Directors



Bo Selling

Born 1958
M. Sc. Engineering
Chair of the Board
Elected to the Board in 2020
Chair of Sydholmarna
Kapitalförvaltning
Number of shares: 5,000



Carl Bennet

Born 1951
M. Sc. Economics,
Hon. PhD in Economics,
Hon. PhD in Medicine,
Hon. PhD in Technology
Elected to the Board in 2009
CEO and Chair of the Board
in Carl Bennet AB
Chair of the Board of Lifco
Deputy Chair of Arjo,
Elanders and Getinge
Number of shares: 500,000



Sofia Frändberg

Born 1964
Jur. cand.
Elected to the Board in 2023
Senior leader within
the Volvo Group
Chair of the Board of
Volvo Penta and
VE Commercial Vehicles Ltd.
Board member of
Cellcentric GmbH & Co. KG
Number of shares: 4,000



Louise Lindh

Born 1979
M. Sc. Economics
Elected to the Board in 2010
Chair of the Board of
Fastighets AB L E Lundberg
and J2L Holding AB
Board member of Handels-
banken, Holmen and
Hufvudstaden
Number of shares (including
family): 36,677,204



Fredrik Lundberg

Born 1951
M. Sc. Economics and
Engineering, Dr. h. c. mult.
President and CEO of
L E Lundbergföretagen AB
Elected to the Board in 1975
Chair of the Board of Holmen,
Hufvudstaden and Industrivärden
Deputy Chair of the Board of
Handelsbanken
Board member of Fastighets AB
L E Lundberg and Skanska
Number of shares (including
companies and spouse):
101,086,000



Katarina Martinson

Born 1981
M. Sc. Economics
Elected to the Board in 2009
Chair of the Board of Indutrade
and The Lundberg Foundations
Board member
of Fastighets AB L E Lundberg,
Fidelio Capital, Husqvarna and
Industrivärden
Number of shares (including
family): 36,677,204



Krister Mattsson

Born 1956
M. Sc. Economics
Elected to the Board in 2023
Board member of Ingka
Foundation (owner of Ingka
group), Imas Foundation
and IKEA Foundation.
Number of shares: 3,000



Sten Peterson

Born 1956
M. Sc. Engineering
Elected to the Board in 2001
Deputy Chair of Fastighets AB
L E Lundberg and
Förvaltnings AB Lunden
Board member of
Hufvudstaden and
J2L Holding AB
Number of shares: 76,000



Lars Pettersson

Born 1954
M. Sc. Engineering,
Hon. PhD in Technology
Elected to the Board in 2012
Board member of Husqvarna,
Industrivärden and Indutrade.
Number of shares: 4,000

The Board of L E Lundbergföretagen AB (publ) consists of nine members without deputies, all elected by the Annual General Meeting. In 2024, the number of board meetings amounted to five, of which one was a statutory meeting. At each ordinary board meeting, reports have been submitted on developments in Lundbergs Fastigheter, in L E Lundberg Kapitalförvaltning and in the portfolio companies.

Auditor

PricewaterhouseCoopers AB

Auditor in Charge
Magnus Svensson Henryson,
Authorized Public Accountant
Born 1969

Senior executives L E Lundbergföretagen AB



Fredrik Lundberg

Born 1951, employed since 1977
President and CEO
Number of shares (including companies and spouse):
101,086,000



Claes Boustedt

Born 1962, employed since 1991
Executive Vice President
President of L E Lundberg
Kapitalförvaltning AB
Number of shares: 120,000



Lars Johansson

Born 1966, employed since 1991
Chief Financial Officer

Senior executives Lundbergs Fastigheter



Johan Ladenberg

Born 1966, employed since 2005
CEO
Number of shares: 6,100



Christian Claesson

Born 1980, employed since 2015
Executive Vice President
Manager Southern region



Peter Kjell-Berger

Born 1968, employed since 2021
Chief Accountant



Lisa Lundh

Born 1976, employed since 2018
Head of Marketing
and Communications
Number of shares: 48



Johan Sandborgh

Born 1979, employed since 2009
Executive Vice President
Manager Central region
Head of Sustainability in
L E Lundbergföretagen AB
Number of shares: 163

Annual General Meeting (AGM) and financial reports

Information about the AGM

The Annual General Meeting of L E Lundbergföretagen will take place on Wednesday April 9, 2025 at 14:00 at the Grand Hôtel, Stallgatan 6, Stockholm, Sweden.

Registration and voting

A shareholder who wishes to participate in the Meeting, must be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB on Tuesday April 1, 2025 and give notice of intent to participate no later than Thursday April 3, 2025.

Notification can be made in any of the following manners:

- **through the companys website** www.lundbergforetagen.se
- **by e-mail** anmalan@lundbergs.se
- **by tel** +46 11 21 65 00
- **by post** L E Lundbergföretagen AB, SE-601 85 Norrköping, Sweden

Notification should include name, address, telephone number, personal identification number/corporate registration number, number of shares and number of advisors. If participation is to be based on proxy, the powerof-attorney authorizing should be sent together with the notification of attendance. The original power-ofattorney, registration certificate and other authorizing documents must be shown at the Annual General Meeting. A form for notifying power of attorney is available from the Company and on its website, www.lundbergforetagen.se.

In order to be entitled to participate in the Meeting a shareholder, whose shares are registered in the name of a nominee, must register its shares in its own name so that the shareholder is listed in the presentation of the share register as of Thursday April 3, 2025. Such re-registration shall be made to the nominee, in accordance with the nominee's routines, at such a time in advance as decided by the nominee.

Dividend

The Board of Directors proposes a dividend of SEK 4.60 per share. Friday April 11, 2025 is proposed as the record date for payment of dividends. If the AGM approves the Board's proposal, it is estimated that the dividend will be distributed by Euroclear Sweden AB on Wednesday April 16, 2025.

Financial information

The following financial statements will be published in Swedish and English on our www.lundbergforetagen.se website.

May 27, 2025	Interim Report January – March 2025
August 28, 2025	Interim Report January – June 2025
November 25, 2025	Interim Report January – September 2025
February 18, 2026	Year-End Report for 2025

The Annual Report will be sent to shareholders who have notified their desire to receive it. Notification is easiest via www.lundbergforetagen.se under the heading Investor Relations.

Addresses

L E Lundbergföretagen AB (publ.)

Corp. Reg. No: 556056-8817

Registered headquarters: Stockholm

PO Box 14048, SE-104 40 Stockholm,
Sweden

Street address: Hovslagargatan 5B

Tel: +46 8 463 06 00

E-mail: information@lundbergs.se

www.lundbergforetagen.se

Fastighets AB L E Lundberg

Corp. Reg. No: 556049-0483

Registered headquarters: Norrköping

SE-601 85 Norrköping, Sweden

Street address: Olai Kyrkogata 40

Tel: +46 11 21 65 00

E-mail: info@lundbergs.se

www.lundbergs.se

www.lundbergforetagen.se

On Lundbergs' website, you will find general information about the company, financial information and the current share price.

The list of properties with addresses and photos of
Fastighets AB L E Lundbergs' properties is available at www.lundbergs.se

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Husfoto 29, 34 (Lundbergs Fastigheter), KollbergKarlsson 36 (Holmen), Adam Lach 45 (Sandvik),
Jenny Lagerqvist, Merrymore 2, 30, 41 (Industrivärden), Karl Nordlund 2, 30 (Sandvik),
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Johanna Paluyan 32 (Lundbergs Fastigheter), Anton Rhenborg 2, 30, 46 (Skanska),
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Jonas Westling 25 (Holmen/Sustainability).



