BALCO GROUP

Interim Report Q1

JANUARY – MARCH 2024

Two acquisitions in Finland contribute positively

The first quarter: January – March

- Net sales amounted to 326 MSEK (326)
- Order intake increased by 44 percent to 352 MSEK (245)
- Order backlog increased by 12 percent to 1,392 MSEK (1,241)
- Adjusted operating profit (EBITA) amounted to 16 MSEK (28)
- Operating profit (EBITA) amounted to 13 MSEK (23)
- Net profit after tax amounted to 2 MSEK (14)
- Earnings per share amounted to 0.10 SEK (0.63)
- Operating cash flow amounted to 18 MSEK (-11)

Events during the quarter and since the end of the quarter

- January 22 Balco Group acquired the Finnish group Riikku Group Oy with a turnover of approximately 40 MEUR. This is Balco Group's largest acquisition to date.
- March 6 Balco Group acquired the Finnish company Suomen ohutlevyasennus Oy with a turnover of approximately 11 MEUR.
- Another major project has been obtained in Norway where heat pumps are integrated into the balcony solution, value approximately 65 MNOK.

MSEK	Jan-Mar 2024	Jan-Mar 2023	Apr-Mar 2023/24	Jan-Dec 2023
Net sales	326,4	325,7	1 215,7	1 214,9
Order intake	352,0	245,2	1 083,8	977,0
Order backlog	1 392,2	1 240,7	1 392,2	1 073,6
Adjusted Operating profif (EBITA)	16,3	28,4	77,7	89,8
Adjusted Operating margin (EBITA), %	5,0	8,7	6,4	7,4
Operating profit (EBITA)	13,0	23,2	67,0	77,1
Operating profit margin (EBITA), %	4,0	7,1	5,5	6,4
Net profit for the period	2,3	13,7	35,1	46,5
Operating cash flow	18,0	-10,8	32,3	3,6
Earnings per share, SEK before dilution	0,10	0,63	1,60	2,12
Earnings per share, SEK, after dilution	0,10	0,63	1,60	2,12

"Balco Group has acquired the Finnish companies Riikku Group Oy and Suomen ohutlevyasennus Oy with a total turnover of approx. 50 MEUR. Through these acquisitions, we take a leading market position in Finland, where we were previously weaker than in the other Nordic markets. The acquisitions are in line with our long-term strategy to be the leading balcony supplier in the Nordics."

"Another project has been obtained in Norway where we integrate air-to-air heat pumps with our balcony solutions."

- Camilla Ekdahl, President and CEO

Two acquisitions in Finland and additional project in Norway with heat pumps

Order intake increased significantly in the quarter, +44 percent the increase comes from the new acquisitions we made during the quarter. The organic order intake was at the same level as the previous year. Net sales were, as expected, weak based on the lower order backlog we had at the start of the year, but it was also affected by the long winter in the Nordic countries, which delayed certain projects.

The market situation

The improved inflation situation and the discussions about expected interest rate cuts means that our customers have an increased willingness to invest, but the trend we have seen in recent quarters that the processes take longer is continuing. It is important that we now begin to see that the discussed interest rate cuts are implemented.

Balco's unique sales model supported by financial expertise is important in our dialogues with customers. We continue to work closely with customers and help them throughout the process.

Acquisitions in Finland

During Q1, Balco Group has made two acquisitions in Finland, Riikku Group Oy and Suomen ohutlevyasennus Oy.

Suomen ohutlevyasennus is a Finnish facade and turnkey company situated in Turku with a turnover of approximately 11 MEUR. Just over 90 percent of their turnover comes from the renovation segment, where the company has been very successful in obtaining and running larger facade renovation projects with additional insulation and replacement of balcony glazing in apartment buildings. Balco Group has acquired 60 percent of the company and has an option to buy the remaining 40 percent of the shares.

Through these two acquisitions, we take a leading market position in Finland, where we were previously weak. The acquisitions are in line with our long-term strategy to be the leading balcony supplier in the Nordics and to be able to run larger turnkey projects for the green transformation of residential properties to more energy-efficient properties.

Green transformation and renovation

Our investment in being able to run projects aimed at a more comprehensive energy saving on the property continues to meet with great interest. During the quarter, we have obtained another large order in Norway where we will install our unique solution with air-to-air heat pumps and solar cells, value approximately 65 MNOK. This is the third project we get in Norway with heat pumps that are integrated with the balconies.

Another independent analysis in Norway regarding the effect on energy savings when glazing a balcony with the Balco brand shows the same results as before. Glazing from Balco provides an energy saving of between 20-30 percent, depending on the size of the balcony and direction. This once again strengthens our market case that glazing from Balco is a trigger to be able to make further improvements to the property's energy consumption and thus be able to get the opportunity for better financing conditions and other energy support that may be available in the local markets.

Continued cost focus

We have not yet seen a strong recovery in the market despite increased willingness to invest, which is why our previous assessment that we will continue to have an impact on sales and results in the coming quarters remains. We continue to work on reviewing our costs and organization on an ongoing basis. During the quarter, we have decided to move production between our companies to get better synergies within certain production processes. This means staff cuts at some of our units/factories.

In line with what we previously communicated, on the company's side, we prioritize maintaining important key competence within the group as we have a long-term focus. So that we are well prepared for an increased order intake.

Camilla Ekdahl
President and CEO

The group's development

The first quarter: January – March

Net sales amounted to 326 MSEK (326). Acquired growth was 31 percent, currency effect was 1 percent and organic growth was -32 percent. Net sales for the renovation segment amounted to 222 MSEK (299) and net sales for the New Build segment amounted to 104 MSEK (26).

Order intake increased by 44 percent to 352 MSEK (245). Acquired order intake was 46 percent and organic order intake was -2 percent. The Renovation segment accounted for 285 MSEK (199) and the New Build segment accounted for 67 MSEK (46).

The order backlog increased by 12 percent to 1,392 MSEK (1,241), of which 24 percent was acquired order backlog. The order backlog for the Renovation segment amounted to 1,038 MSEK (1,091) and the order backlog for the New Build segment amounted to 354 MSEK (150).

Gross profit amounted to 67 MSEK (69), entailing a gross margin of 20.6 percent (21.2). The gross margin has decreased due to a different cost structure in the acquired companies with a slightly lower gross margin than the group average. In addition, the gross margin is affected by low occupancy in the group's production facilities and in the project organization, as well as an unusually cold and snowy first quarter in the Nordic countries.

Sales costs amounted to 31 MSEK (29) and administrative costs amounted to 26 MSEK (19). The increase comes from the acquired companies. Items affecting comparability of -3 MSEK (-1) were taken in the quarter linked acquisition costs.

Adjusted operating profit (EBITA) amounted to 16 MSEK (28), corresponding to an adjusted operating margin of 5.0 percent (8.7). Operating profit (EBITA) amounted to 13 MSEK (23), corresponding to an operating margin of 4.0 percent (7.1).

Net financial items amounted to -9 MSEK (-3), of which -0.4 MSEK (-0.4) refers to interest costs linked to right-to-use assets (leasing) and 4 MSEK are unrealized foreign exchange losses. Interest costs of -5 MSEK (-3) have increased linked to increased borrowing in connection with completed acquisitions and higher market interest rates. Profit after tax amounted to 2 MSEK (14), while comprehensive income for the period amounted to SEK 9 million (15) after positive currency translation differences. Earnings per share increased to 0.10 SEK (0.63).

Operating cash flow amounted to 18 MSEK (-11). The timing of building permits and the phases of the projects affect the cash flow between quarters.

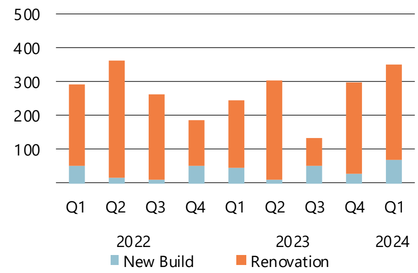
Net sales per customer category, MSEK

	Jan-Mar 2024	Jan-Mar 2023	Apr-Mar 2023/24	Jan-Dec 2023
Tenant-owner associations	153,7	230,8	713,2	790,3
Private landlords	22,3	14,3	126,6	118,5
Publicly owned companies	12,1	16,9	45,7	50,5
Construction companies	138,3	63,7	330,2	255,6
Total net sales	**326,4**	**325,7**	**1 215,7**	**1 214,9**

Net sales per geographic market, MSEK

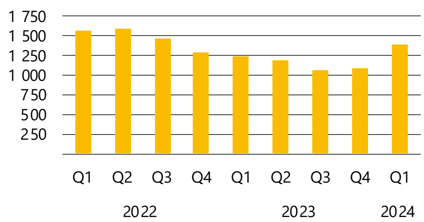
	Jan-Mar 2024	Jan-Mar 2023	Apr-Mar 2023/24	Jan-Dec 2023
Sweden	132,1	207,7	677,0	752,6
Other Nordics	162,3	89,6	382,7	310,0
Other Europe	32,0	28,3	156,0	152,3
Total net sales	**326,4**	**325,7**	**1 215,7**	**1 214,9**

Order intake per segment, MSEK

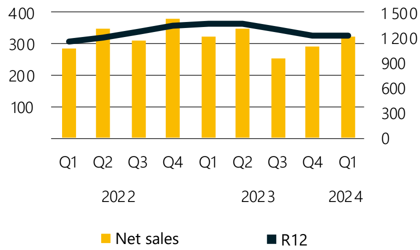


Order intake
Q1 2024
352 MSEK

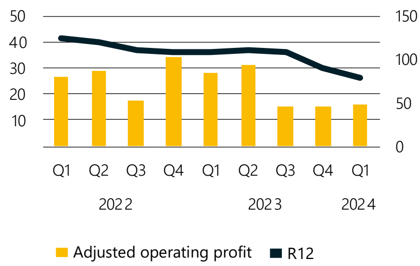
Order backlog, MSEK



Net sales, MSEK



Adjusted operating profit, MSEK



Development per segment

Renovation

The first quarter

Net sales amounted to 222 MSEK (299). The segment accounted for 68 percent (92) of Balco's total net sales.

Order intake increased by 43 percent to 285 MSEK (199), which corresponds to 81 percent (81) of the total order intake.

The adjusted operating profit (EBITA) amounted to 11 MSEK (26) corresponding to an adjusted operating margin of 4.8 percent (8.6).

The order backlog amounted to 1,038 MSEK (1,091) which corresponds to 75 percent (88) of the total order backlog.

Renovation, MSEK	Jan-Mar 2024	Jan-Mar 2023	Apr-Mar 2023/24	Jan-Dec 2023
Net sales	222,0	299,2	1 010,8	1 088,0
Adjusted Operating profit (EBITA)	10,7	25,7	68,8	83,8
Adhusted Operating margin (EBITA), %	4,8	8,6	6,8	7,7
Order intake	284,9	199,2	924,4	838,7
Order backlog	1 037,8	1 090,6	1 037,8	925,5

New build

The first quarter

Net sales amounted to 104 MSEK (26). The segment accounted for 32 percent (8) of Balco's total net sales.

Order intake increased by 46 percent to 67 MSEK (46) which corresponds to 19 percent (19) of the total order intake.

The adjusted operating profit (EBITA) amounted to 6 MSEK (1) corresponding to an adjusted operating margin of 5.3 percent (5.2).

The order backlog has increased to 354 MSEK (150), which corresponds to 25 percent (12) of the total order backlog.

New Build, MSEK	Jan-Mar 2024	Jan-Mar 2023	Apr-Mar 2023/24	Jan-Dec 2023
Net sales	104,4	26,4	204,9	126,9
Adjusted Operating profit (EBITA)	5,6	1,4	9,0	4,8
Adhusted Operating margin (EBITA), %	5,3	5,2	4,4	3,8
Order intake	67,1	46,0	159,4	138,3
Order backlog	354,4	150,1	354,4	148,1

Financial position and cash flow

Liquidity and financial position

Interest-bearing net debt including leasing debt at the end of the quarter amounted to 377 MSEK (187). Interest-bearing net debt including leasing debt in relation to adjusted EBITDA amounted to 3.2 times (1.2).

Interest-bearing net debt excluding leasing debt amounted to 310 MSEK (108). Interest-bearing net debt excluding leasing debt in relation to adjusted EBITDA amounted to 3.2 times (0.9).

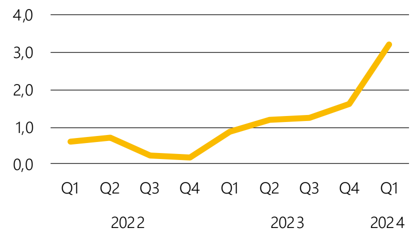
Including 12 month result of the acquired companies, net debt in relation to adjusted EBITDA amounted to 2.2 times.

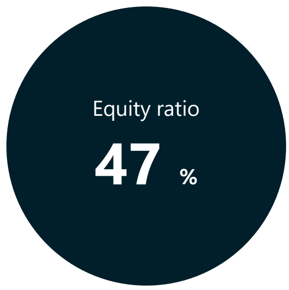
At the end of quarter, the Group's equity amounted to 801 MSEK (746).

The Group's equity ratio was 47 percent (57).

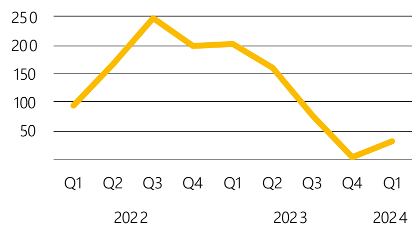
MSEK	31-mar 2024	31-mar 2023	31-dec 2023
Non-current liabilities to credit institutions	343,5	123,8	174,2
Leasing liabilities non-current	49,4	60,1	51,2
Current liabilities to credit institutions	15,7	0,4	-
Leasing liabilities current	17,3	18,7	19,0
Cash and cash equivalents	-49,1	-16,4	-2,8
Interest-bearing net debt incl leasing debt	**376,7**	**186,6**	**241,6**
Interest-bearing net debt excl leasing debt	*310,1*	*107,8*	*171,4*
Interest-bearing net debt incl. leasing/EBITDA (12 months), times	3,2 x	1,2 x	1,9 x
Interest-bearing net debt excl. leasing/EBITDA (12 months), times	*3,2 x*	*0,9 x*	*1,6 x*
Equity/assets ratio, %	46,9	56,8	58,9

External interest-bearing net debt relative to EBITDA





Operating cash flow R12, MSEK



Cash flow, investments and amortization/depreciation

For the quarter, cash flow from operating activities amounted to 13 MSEK (-35).

Cash flow from investing activities amounted to -82 MSEK (-44), of which -0 MSEK (-1) was replacement investments and -2 MSEK (-3) expansion investments and -80 MSEK (-40) acquisition of shares in subsidiaries.

Cash flow from financing activities amounted to 118 MSEK (43) where the largest items refer increased utilization of the revolving credit facility.

Cash flow for the quarter amounted to 50 MSEK (-36).

Depreciation for the quarter amounted to -13 MSEK (-12), of which -5 MSEK (-6) refers to depreciation linked to right-to-use assets (leasing) and- 2 MSEK (-2) refers to amortization of acquired intangible assets.

The Parent Company

The Parent Company has its registered office in Växjö and conducts operations directly as well as through Swedish and foreign subsidiaries. The Parent Company's operations are focused primarily on strategic development, financial control, corporate governance issues, board work and relations with banks.

The operating result for the quarter amounted to 1 MSEK (1).

Operations and segment description

Balco Group is a market-leading player in the balcony industry and offers a range of different services, from development and manufacturing to sales and installation of self-made open and glazed balcony systems. Balco has a unique method, known as the Balco Method, for delivering glazed balconies and balcony solutions. The method means that existing balconies are removed and replaced with new, larger glazed balconies with a lifespan of over 90 years, which provides the market's most economical and sustainable solution.

In order to offer complete and customized solutions in the balcony industry, Balco Group has several subsidiaries that work together to offer a comprehensive solution in areas such as manufacturing and delivery of balconies, masonry and tiling services, technical solutions and facade services such as renovation, window replacement and facade cleaning. Balco Group strives to meet customer needs and requirements by offering a combination of specialized services and expertise. Balco Group's offer contributes to increased quality of life, safety and value for residents in apartment buildings and provides energy savings up to 30 percent. The group takes full responsibility for the project and guides the customer through the entire process from project planning to final inspection and service.

Segment - Renovation

Sjøsiden Boligpark

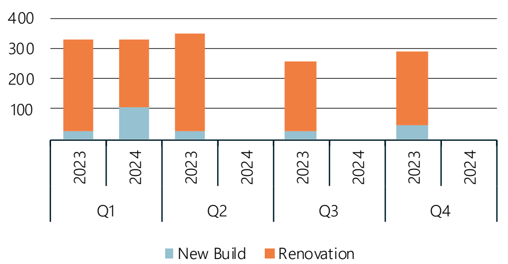
The segment includes the replacement and extension of existing balconies as well as the installation of new balconies on multi-residential properties, mainly glazed balconies. The main driving force is the pent-up need for renovation and the age profile of the properties.

Segment – New Build

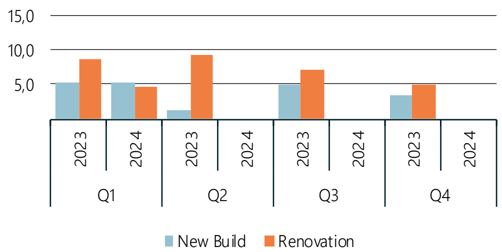
New Road Rainham

The segment includes balconies in the construction of multi-residential properties as well as balcony projects in the maritime market. Balco expands selectively with a focus on profitability and low risk. Demand is driven by the pace of new housing production.

Sales development per quarter, MSEK



Operating margin per quarter, %



Sustainability

Sustainability is a prerequisite for long-term profitability for the Balco Group. By focusing on sustainability, we can create a strong brand, increase customer trust and improve our competitiveness in the long term. We will continue to work hard to incorporate sustainability into all aspects of our business.

Sustainability is a focus area in the construction industry and affects all links in the value chain. This particularly applies to the market for balconies where Balco Group operates. Property developers and property owners demand economically advantageous and climate-smart solutions with a long lifespan.

As an important step in our sustainability work and aim to be a leader in climate change in its industry, Balco Group has committed to developing short-term and long-term targets for emission reduction including net zero targets in line with the Science Based Targets initiative (SBTi).

Other information

Employees

At the end of March 2024 Balco had 673 (521) full-time employees. The increase comes from the acquired companies Riikku Group Oy and Suomen ohutlevyasennus Oy.

Seasonal variations

Balco's sales and earnings are partially affected by the date when orders are placed, seasonal variations and the fact that the annual general meetings of tenant-owner associations normally take place in the second and fourth quarter. In addition, the Group is positively affected by months with a large number of workdays and lack of absences, and somewhat negatively affected by weather factors, when winters with significant volumes of snow entail increased costs.

Shares, share capital and shareholders

At the end of March 2024, there were 23,021,648 shares in Balco, corresponding to a share capital of 138,135,310 SEK. There were 5,421 shareholders. The five largest shareholders were The Family Hamrin, Skandrenting AB, Swedbank Robur fonder, Lannebo Fonder and Tredje AP-fonden.

Related-party transactions

Related parties comprise the Board of Directors, Group management and the CEO. This is due to ownership stakes in Balco and positions as senior executives. Related parties also include the Company's largest shareholder, The Family Hamrin that is represented on the Board of Directors by Carl-Mikael Lindholm and Skandrenting that is represented on the Board of Directors by Johannes Nyberg. Related-party transactions take place on commercial terms. For further information, see pages 79 and 99 in the 2023 Annual Report.

Incentive program

Balco Group AB has two long-term incentive programs aimed at the company's senior executives and additional key employees, a total of 50 employees. The incentive programs comprise a total of no more than 420,000 warrants, which entitles to a maximum of new subscriptions of the corresponding number of shares. Balco's total cost for the incentive programs during the term of the programs is expected to amount to approximately 3 MSEK. The programs involve a dilution corresponding to approximately 2 percent of the company's total number of shares. The senior executives in Balco have acquired 129,332 warrants amounting to a total value of 1,002,464 SEK. The purpose of the incentive programs is to encourage broad shareholding among Balco's employees, facilitate recruitment, retain competent employees and increase motivation to achieve or exceed the company's financial goals. For more information, see the Annual Report 2023 on pages 76, 78 and 113.

Risks and uncertainty factors

Through its operations, the Group and the Parent Company is exposed to various types of risks. The risks can be divided into industry and market-related risks, business-related risks and financial risks. Industry and market-related risks include changes in demand because of a weaker economy or other macroeconomic changes, a changed price picture for raw materials that are central to Balco's production, and a change in competition or price pressure. Business-related risks include Balco's ability to develop and sell new innovative products and solutions, that the Group can attract and retain qualified employees and that Balco's profitability depends on the results of the individual projects, i.e., the Group's ability to anticipate, calculate and deliver projects. The financial risks are summarized under financing risk, liquidity risk, credit risk and interest rate risk. Balco's risks and uncertainties are described on pages 30-35, 42, 87-88, 91 and 94 in the Annual Report for 2023.

Outlook

Balco Group is one of the few complete balcony suppliers on the market that provides customized and innovative balcony solutions on a turnkey basis. Balco Group is the market leader in Scandinavia and has a strong challenger position in other markets in which the Group operates. The market is fragmented and growing throughout northern Europe. The value of the balcony market in the countries where Balco Group is represented is estimated at just over 40 billion SEK.

Our financial position means that the company is equipped for growth through selective acquisitions that strengthen our market position in existing markets. The timing of building permits affects cash flow between quarters. The lower order intake in the past year will affect sales and earnings in coming quarters. We continue to focus on costs and make adjustments to the organization based on changes in occupancy and order intake but retain important competence so that the company is not damaged in the long term.

Financial targets

Revenue growth
Balco shall achieve growth of 10 percent per year during a business cycle.

Profitability
Earnings per share shall grow by 20 percent per year during a business cycle.

Capital structure
Interest-bearing net debt shall not exceed 2.5 times operating profit before depreciation and amortization (EBITDA), other than temporarily.

Dividend policy
Balco shall distribute 30-50 percent of profit after tax, taking into consideration the needs for Balco's long-term growth and prevailing market conditions.

The interim report has not been subject to a review of ISRE 2410 by the company's auditors.

This information comprises such information as Balco Group AB is obliged to publish in accordance with the EU Market Abuse Regulation. The information was provided by the contact person below for publication on April 29, 2024, at 13:00 CET.

Växjö, April 29, 2024

Camilla Ekdahl
President and CEO

Web conference
A webcast conference call will be held at 14:00 CET April 29, 2024, where CEO and President Camilla Ekdahl and CFO Michael Grindborn will present the report and answer questions.

To follow the webcast presentation and send written questions, please use this link:
https://www.finwire.tv/webcast/balcogroup/q1-2024/

To participate via teleconference and be able to ask questions, call in:

SE: +46 8 5050 0829
PIN: 879 6427 2591#

For more information, please contact:
Camilla Ekdahl, President and CEO, Tel: +46 70 606 30 32, camilla.ekdahl@balco.se
Michael Grindborn, CFO and Head of IR, Tel: +46 70 670 18 48, michael.grindborn@balco.se

Calendar 2024

Annual General Meeting 2024	May 14, 2024
Interim report Jan-Jun 2024	July 12, 2024
Interim report Jan-Sep 2024	October 28, 2024
Year-end report Jan-Dec 2024	February 10, 2025
Annual Report 2024	March 14, 2025
Interim report Jan-Mar 2025	April 28, 2025

Consolidated statement of comprehensive income

MSEK	Jan-Mar 2024	Jan-Mar 2023	Apr-Mar 2023/24	Jan-Dec 2023
Net sales	326,4	325,7	1 215,7	1 214,9
Production and project costs	-259,1	-256,6	-972,0	-969,5
Gross profit	**67,4**	**69,1**	**243,6**	**245,4**
Sales costs	-31,1	-29,1	-110,4	-108,4
Administration costs	-25,7	-19,4	-82,9	-76,7
Other operating income	0,4	1,2	9,5	10,3
Other operating expenses	-0,0	-0,1	-0,2	-0,2
Operating costs	-56,4	-47,5	-183,9	-175,0
Operating profit	**11,0**	**21,6**	**59,7**	**70,4**
Finance income	2,0	0,9	4,9	3,7
Finance costs	-10,8	-4,2	-24,7	-18,1
Profit before tax	**2,2**	**18,4**	**39,9**	**56,0**
Income tax	0,1	-4,7	-4,8	-9,5
Net profit for the period	**2,3**	**13,7**	**35,1**	**46,5**
Other comprehensive income				
Items that may later be reclassified to the income statement				
Translation difference when translating foreign operations	6,9	1,2	9,1	3,4
Comprehensive income for the period	**9,2**	**14,9**	**44,2**	**49,9**
Of which attributable to:				
Parent company's shareholders	8,4	15,0	42,7	49,2
Non-controlling interest	0,8	-0,1	1,5	0,6
Comprehensive income for the period	9,2	14,9	44,2	49,9
Earnings per share, SEK, before dilution	0,10	0,63	1,60	2,12
Earnings per share, SEK, after dilution	0,10	0,63	1,60	2,12
Average number of shares before dilution, thousands	22 766	21 909	22 124	21 909
Average number of shares after dilution, thousands	22 766	21 909	22 124	21 909

Consolidated balance sheet in summary

MSEK	31-mar 2024	31-mar 2023	31-dec 2023
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	513,0	485,3	485,2
Other intangible assets	283,9	144,3	142,2
Total intangible assets	**796,9**	**629,6**	**627,3**
Tangible assets			
Right-to-use assets	66,3	77,7	70,5
Property, plant and equipment	236,7	164,9	161,9
Total tangible assets	**303,0**	**242,6**	**232,4**
Financial assets	3,6	-	-
Deferred tax assets	0,5	0,6	0,3
Total non-current assets	**1 104,0**	**872,8**	**860,1**
Current assets			
Inventory	73,9	61,7	51,5
Accounts receivables	221,2	154,6	138,0
Contract assets	203,6	144,8	177,1
Current tax receivables	18,1	35,1	15,4
Other current receivables	27,9	25,1	22,4
Cash and cash equivalents	49,1	16,4	2,8
Total current assets	**593,7**	**437,7**	**407,2**
TOTAL ASSETS	**1 697,8**	**1 310,5**	**1 267,2**
EQUITY AND LIABILITIES			
Equity			
Share capital	138,1	131,5	131,5
Other capital contributions	449,9	406,3	406,3
Reserves	18,5	9,4	11,6
Retained earnings, incl. profit for year	190,2	197,5	196,7
Equity attributable to Parent Company's shareholders	**796,7**	**744,8**	**746,1**
Non-controlling interest	4,6	1,1	1,8
TOTAL EQUITY	**801,3**	**745,9**	**748,0**
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	343,5	123,8	174,2
Leasing liabilities	49,4	60,1	51,2
Other non-current liabilities	71,4	18,7	1,4
Deferred tax liabilities	38,4	43,4	41,7
Total non-current liabilities	**502,7**	**246,1**	**268,5**
Current liabilities			
Liabilities to credit institutions	15,7	0,4	-
Leasing liabilities	17,3	18,7	19,0
Contract liabilities	41,1	84,0	50,0
Accounts payables	160,3	118,9	91,0
Current tax liabilities	1,3	1,6	0,8
Other current liabilities	68,7	29,4	28,5
Accrued expenses and prepaid income	89,6	65,6	61,4
Total current liabilities	**393,8**	**318,5**	**250,7**
TOTAL EQUITY AND LIABILITIES	**1 697,8**	**1 310,5**	**1 267,2**

Consolidated changes in Shareholders' Equity

MSEK	Share Capital	Additional paid-in capital	Reserves	Retained earnings including comprehensive income for the	Non-controlling interest	Total equity
Opening balance 1 Jan 2023	**131,5**	**406,3**	**8,3**	**183,7**	**1,2**	**731,0**
Comprehensive income for the period						
Profit for the period	-	-	-	13,8	-0,1	13,7
Other comprehensive income for the period	-	-	1,2	-	-	1,2
Total comprehensive income for the period	**-**	**-**	**1,2**	**13,8**	**-0,1**	**14,9**
Acquisitiom of non-controlling interest	-	-	-	-	-	-
Transactions with shareholders:						
Total transactions with Company owners	**-**	**-**	**-**	**-**	**-**	**-**
Closing balance 31 Mar 2023	**131,5**	**406,3**	**9,4**	**197,5**	**1,2**	**745,9**
Opening balance 1 Jan 2024	**131,5**	**406,3**	**11,6**	**196,7**	**1,8**	**748,0**
Comprehensive income for the period						
Profit for the period	-	-	-	1,5	0,8	2,3
Other comprehensive income for the period	-	-	6,9	-	-	6,9
Total comprehensive income for the period	**-**	**-**	**6,9**	**1,5**	**0,8**	**9,2**
Acquisitiom of non-controlling interest	-	-	-	-	2,0	2,0
Transactions with shareholders:						
New shares issue	6,7	43,5	-	-8,1	-	42,1
New warrants issue	-	-	-	-	-	-
Total transactions with Company owners	**6,7**	**43,5**	**-**	**-8,1**	**-**	**42,1**
Closing balance 31 Mar 2024	**138,1**	**449,9**	**18,5**	**190,2**	**4,6**	**801,3**

Consolidated Cash Flow Statements in summary

MSEK	Jan-Mar 2024	Jan-Mar 2023	Apr-Mar 2023/24	Jan-Dec 2023
Operating activities				
Operating profit (EBIT)	11,0	21,6	59,7	70,4
Adjustment for non-cash items	5,4	14,0	30,3	38,9
Interest received	1,0	0,9	3,8	3,7
Interest paid	-5,8	-3,7	-18,6	-16,5
Income tax paid	-4,3	-19,0	8,9	-5,8
Cash flow from operating activities before changes in working capital	**7,2**	**13,8**	**84,1**	**90,7**
Changes in working capital				
Increase (-)/Decrease (+) in inventories	-4,7	-3,1	5,7	7,4
Increase (-)/Decrease (+) in current assets	-17,7	17,0	-30,4	4,3
Increase (+)/Decrease (-) in current liabilities	28,4	-62,8	-37,3	-128,5
Cash flow from operating activities	**13,2**	**-35,1**	**22,2**	**-26,1**
Cash flow from investing activities				
Investments in intangible fixed assets	-0,9	-2,2	-4,4	-5,6
Investments in tangible fixed assets	-1,4	-2,1	-7,0	-7,7
Acquisitions of operations	-79,7	-39,5	-79,7	-39,5
Cash flow from investing activities	**-82,0**	**-43,8**	**-91,2**	**-52,9**
Cash flow from financing activities				
Changes in bank loans	123,5	49,5	159,8	85,8
Changes in leasing	-5,1	-6,3	-22,1	-23,4
Distributed dividend	-	-	-32,9	-32,9
Cash flow from financing activities	**118,4**	**43,2**	**104,9**	**29,6**
Cash flow for the period	**49,6**	**-35,7**	**35,9**	**-49,4**
Cash and cash equivalents at beginning of the period	2,8	51,9	16,4	51,9
Exchange rate differential cash and cash equivalents	-3,3	0,2	-3,2	0,4
Cash and cash equivalents at end of the period	**49,1**	**16,4**	**49,1**	**2,8**

Key ratios

MSEK	Jan-Mar 2024	Jan-Mar 2023	Apr-Mar 2023/24	Jan-Dec 2023
Net sales	326,4	325,7	1 215,7	1 214,9
Order intake	352,0	245,2	1 083,8	977,0
Order backlog	1 392,2	1 240,7	1 392,2	1 073,6
Gross profit	67,4	69,1	243,6	245,4
Adjusted Gross Profit	67,4	72,9	247,4	252,9
EBITDA	24,0	33,3	105,5	114,7
Adjusted EBITDA	27,3	38,5	116,2	127,4
Operating profit (EBITA)	13,0	23,2	67,0	77,1
Adjusted operating profit (EBITA)	16,3	28,4	77,7	89,8
Operating profit (EBIT)	11,0	21,6	59,7	70,4
Adjusted operating profit (EBIT)	14,2	26,9	70,4	83,0
Gross profit margin, %	20,6	21,2	20,0	20,2
Adjusted gross margin, %	20,6	22,4	20,4	20,8
EBITDA margin, %	7,4	10,2	8,7	9,4
Adjusted EBITDA margin, %	8,4	11,8	9,6	10,5
Operating profit margin (EBITA), %	4,0	7,1	6,2	7,9
Adjusted operating profit margin (EBITA), %	5,0	8,7	5,6	8,4
Operating profit margin (EBIT), %	3,4	6,6	4,9	5,8
Adjusted operating profit margin (EBIT), %	4,4	8,2	5,8	6,8
Operating cash flow	18,0	-10,8	32,3	3,6
Operating cash conversion, %	65,8	-28,0	27,8	2,8
Capital employed, average	1 080,6	883,0	1 052,4	911,2
Capital employed, excl. goodwill, average	581,5	411,5	553,3	439,7
Equity, average	771,4	737,3	770,7	738,0
Interest-bearing net debt incl leasing debt	376,7	186,6	376,7	241,6
Interest-bearing net debt excl leasing debt	310,1	107,8	310,1	171,4
Interest-bearing net debt incl. leasing/Adjusted EBITDA 12 months, times	3,2	1,2	3,2	1,9
Interest-bearing net debt excl. leasing/EBITDA (12 months), times	3,2	0,9	3,2	1,6
Return on capital employed, %, (12 months)	6,5	11,9	6,7	9,1
Return on capital employed, excl. goodwill, %, (12 months)	12,1	25,6	12,7	18,9
Return on invested capital, %, (12 months)	4,6	9,6	4,6	6,3
Equity/assets ratio, %	46,9	56,8	51,2	57,6
Number of full-time employees on the closing date	673	521	673	490
Average number of shares before dilution, thousands	22 766	21 909	22 766	21 909
Average number of shares after dilution, thousands	22 766	21 909	22 766	21 909
Equity per share, SEK	33,88	33,65	33,85	33,68

BALCO | GROUP

Parent Company, income statement in summary

MSEK	Jan-Mar 2024	Jan-Mar 2023	Apr-Mar 2023/24	Jan-Dec 2023
Net sales	5,9	6,1	26,2	26,4
Administrative expenses	-4,6	-5,0	-24,2	-24,7
Operating profit	**1,3**	**1,1**	**1,9**	**1,7**
Interest income and similar profit/loss items	2,8	1,0	8,7	6,9
Interest expenses and similar profit/loss items	-9,1	-4,6	-23,9	-19,4
Dividend / result from group company	-	12,7	25,2	37,9
Profit/loss after financial items	**-4,9**	**10,1**	**12,0**	**27,0**
Appropriations	-	-	47,9	47,9
Tax	1,0	0,5	-7,3	-7,7
Net profit/loss for the period	**-3,9**	**10,6**	**52,6**	**67,1**

In the Parent Company there are no items that are reported as other comprehensive income, so total comprehensive income is consistent with the profit for the period.

Parent company, balance sheet in summary

MSEK	31-mar 2024	31-mar 2023	31-dec 2023
ASSETS			
Non-current assets			
Financial assets			
Shares in group companies	1 639,9	745,3	1 458,2
Other non-current assets	3,4	-	3,4
Total non-current assets	**1 643,3**	**745,3**	**1 461,6**
Current assets			
Receivables from group companies	52,8	132,9	89,7
Other current receivables	9,6	30,1	6,2
Cash and cash equivalents	29,4	-	-
Total current assets	**91,8**	**163,0**	**95,8**
TOTAL ASSETS	**1 735,2**	**908,3**	**1 557,4**
EQUITY AND LIABILITIES			
Equity			
Restricted equity	138,1	131,5	131,5
Non-restricted equity	415,1	351,9	375,5
Total equity	**553,2**	**483,3**	**507,0**
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	276,8	99,1	150,0
Other non-current liabilities	32,2	17,7	10,9
Total non-current liabilities	**309,0**	**116,8**	**160,9**
Current liabilities			
Liabilities to credit institutions	-	-	3,4
Liabilities to group companies	843,6	293,6	874,7
Other current liabilities	29,4	14,6	11,4
Total current liabilities	**873,0**	**308,1**	**889,6**
TOTAL EQUITY AND LIABILITIES	**1 735,2**	**908,3**	**1 557,4**

Notes

Note 1 Accounting principles

This summary consolidated interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and relevant provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with RFR 2 and Chapter 9, Interim Reports, of the Swedish Annual Accounts Act. For both the Parent Company and the Group, the same accounting policies and computation methods have been applied as in the 2023 Annual Report, which was prepared in accordance with International Financial Reporting Standards and Interpretations as adopted by the EU. The information on pages 1-8 relating to the part of the year covered by this interim report constitutes an integral part of this financial report.

Note 2 Financial instruments

The financial instruments measured at fair value are forward exchange contracts. Financial assets at fair value amounted to 0.0 MSEK (0.5) at the end of the period while financial liabilities at fair value amounted to 0.0 MSEK (1.3). The fair values of financial instruments are determined using valuation techniques. Market information is used as far as possible when available, while company-specific information is used as little as possible. If all key inputs required for the fair value measurement of an instrument are observable, the instrument is categorized in level 2. Reported value of trade receivables, other receivables, cash and cash equivalents, trade payables and other liabilities constitutes a reasonable approximation of fair value.

Note 3 Business segments

Balco reports the following segments:

- Renovation: includes replacement and expansion of existing balconies and installation of new balconies on apartment buildings without balconies. The segment's main market driver is the age profile of the residential property portfolio.
- New Build: includes installation of balconies in conjunction with the construction of apartment buildings and balcony solutions in the maritime area. The segment is driven mainly by the rate of new residential construction.

Jan-Mar	Renovation		New Build		Group-wide		Eliminations		Total	
MSEK	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net sales – External revenue	222,0	299,2	104,4	26,4	-	-	-	-	326,4	325,7
Net sales – Internal revenue	-	-	-	-	5,9	6,1	-5,9	-6,1	-	-
Total sales	**222,0**	**299,2**	**104,4**	**26,4**	**5,9**	**6,1**	**-5,9**	**-6,1**	**326,4**	**325,7**
Operating profit (EBIT)	**8,7**	**19,6**	**5,6**	**1,3**	**-3,3**	**0,8**	**-**	**-**	**11,0**	**21,6**
Depreciation included with	11,1	11,1	2,0	0,6	-	-	-	-	13,1	11,6
of which amortization	2,1	1,5	-	0,1	-	-	-	-	2,1	1,6
Items affecting comparison	-	4,6	-	-	3,3	0,6	-	-	3,3	5,2
Adjusted operating profit (EBITA)	**10,7**	**25,7**	**5,6**	**1,4**	**-**	**1,4**	**-**	**-**	**16,3**	**28,4**
Adjusted operating margin	4,8%	8,6%	5,3%	5,2%					5,0%	8,7%
Operating profit (EBIT)	8,7	19,6	5,6	1,3	-3,3	0,8	-	-	11,0	21,6
Finance income	-	-	-	-	2,0	0,9	-	-	2,0	0,9
Finance cost	-	-	-	-	-10,8	-4,2	-	-	-10,8	-4,2
Profit before tax	**8,7**	**19,6**	**5,6**	**1,3**	**-12,0**	**-2,5**	**-**	**-**	**2,2**	**18,4**

Note 4 Reconciliation with IFRS financial statements

Balco's financial statements include alternative performance measures, which complement the measures that are defined or specified in applicable rules for financial reporting. Alternative performance measures are presented since, as in their context, they provide clearer or more in-depth information than the measures defined in applicable rules for financial reporting. The alternative performance measures are derived from the Company's consolidated financial reporting and are not measured in accordance with IFRS.

MSEK	31-mar 2024	31-mar 2023	31-dec 2023
Interest-bearing net debt incl leasing debt			
Non-current interest-bearing liabilities	392,9	184,0	225,4
Current interest-bearing liabilities	32,9	19,0	19,0
Cash and cash equivalents	-49,1	-16,4	-2,8
Interest-bearing net debt incl leasing debt	**376,7**	**186,6**	**241,6**
Adjusted EBITDA (R12)	116,2	149,4	127,4
Interest-bearing net debt/EBITDA (R12), times	**3,2**	**1,2**	**1,9**
Interest-bearing net debt excl leasing debt			
Interest-bearing net debt incl leasing debt	376,7	186,6	241,6
Leasing liabilities non-current	-49,4	-60,1	-51,2
Leasing liabilities current	-17,3	-18,7	-19,0
Interest-bearing net debt excl leasing debt	**310,1**	**107,8**	**171,4**
Interest-bearing net debt/EBITDA excl leasing (R12), times			
Adjusted EBITDA (R12)	116,2	149,4	127,4
Leasing depreciations (R12)	-19,1	-26,2	-20,2
Adjusted EBITDA (R12) excl leasing depreciations	**97,1**	**123,3**	**107,1**
Interest-bearing net debt/EBITDA excl leasing (R12), times	***3,2***	***0,9***	***1,6***
Return on capital employed			
Equity	796,7	744,8	746,1
Interest-bearing net debt	376,7	186,6	241,6
Average capital employed	1 052,4	916,5	911,2
Adjusted operating profit (EBIT), (R12)	70,4	105,4	83,0
Return on capital employed, %	**6,7**	**11,5**	**9,1**
Equity/assets ratio			
Equity attributable to owners of the parent company	796,7	744,8	746,1
Total assets	1 697,8	1 310,5	1 267,2
Equity/assets ratio, %	**46,9**	**56,8**	**58,9**

MSEK	Jan-Mar 2024	Jan-Mar 2023	Apr-Mar 2023/24	Jan-Dec 2023
Adjusted operating profit (EBIT)				
Operating profit (EBIT	11,0	21,6	59,7	70,4
Items affecting comparison				
Re-structuring costs	0,1	4,6	6,3	10,7
Acquisition costs	3,1	0,6	4,4	1,9
Adjusted operating profit (EBIT)	**14,2**	**26,9**	**70,4**	**83,0**
Operating profit (EBITA)				
Operating profit (EBIT)	11,0	21,6	59,7	70,4
Amortization	2,1	1,6	7,3	6,8
Operating profit (EBITA)	**13,0**	**23,2**	**67,0**	**77,1**
Adjusted operating profit (EBITA)				
Adjusted operating profit (EBIT)	14,2	26,9	70,4	83,0
Amortization	2,1	1,6	7,3	6,8
Adjusted operating profit (EBITA)	**16,3**	**28,4**	**77,7**	**89,8**
EBITDA				
Operating profit (EBIT)	11,0	21,6	59,7	70,4
Depreciation and amortization	13,1	11,6	45,7	44,3
EBITDA	**24,0**	**33,3**	**105,5**	**114,7**
Adjusted EBITDA				
Adjusted operating profit (EBIT)	14,2	26,9	70,4	83,0
Depreciation and amortization	13,1	11,6	45,7	44,3
Adjusted EBITDA	**27,3**	**38,5**	**116,2**	**127,4**
Investments, excluding expansion investments				
Investments in intangible fixed assets	-0,9	-2,2	-4,4	-5,6
Investments in tangible fixed assets	-1,4	-2,1	-7,0	-7,7
of which expansion investments	1,9	2,6	6,3	7,0
Investments, excluding expansion investments	**-0,4**	**-1,6**	**-5,2**	**-6,4**
Operating cash flow				
Adjusted EBITDA	27,3	38,5	116,2	127,4
Changes in working capital	-8,9	-47,7	-78,7	-117,4
Investments, excluding expansion investments	-0,4	-1,6	-5,2	-6,4
Operating cash flow	**18,0**	**-10,8**	**32,3**	**3,6**
Net Sales excluding acquisitions				
Net Sales	326,4	325,7	1 215,7	1 214,9
Acquired net sales	-100,9	-9,5	-156,0	-64,6
Net Sales excluding acquisitions	**225,6**	**316,2**	**1 059,7**	**1 150,3**

Note 5 Acquisition

On January 22, Balco Group entered into an agreement on and completed the acquisition of all shares in Riikku Group Oy, one of Finland's leading companies in balcony glazing. The acquisition is consolidated from 1 January 2024 and is expected to contribute positively to earnings per share during the full year 2024.Through the acquisition, Balco Group establishes a strong position in the Finnish balcony market and strengthens the range in the new construction segment. The acquisition also strengthens Balco Group's market position in the Nordics, in line with the group's long-term strategy.

Riikku Group Oy was founded in 2005 and is one of Finland's two largest balcony glazing companies. The company mainly works with new build, but also sells in the renovation segment. Riikku's head office is in Alavus, Finland and has sales offices in several Finnish cities as well as subsidiaries in Sweden, Norway and Finland. The Riikku Group had a turnover of approximately 40 MEUR in 2023 with an operating margin that was slightly lower than Balco Group's. Riikku has a modern and well-invested production facility of approximately 7,500 m2 in Alavus. Riikku and its subsidiaries will continue to be run by the current management with Joakim Petersen-Dyggve as Managing Director.

The agreed purchase price amounts to 15 MEUR on a cash and debt-free basis. 3 MEUR will be paid with newly issued shares to Riikku's former owners. The remaining 12 MEUR is financed with own cash and was paid half upon entry and half over the next four years with a quarter per year. The acquisition calculation is preliminary.

The purchase price comprises the following components (MSEK)	
Cash payment	78,5
Present value calculated future payments	39,2
Aquired net assets	-117,7
Goodwill	-

The following assets and liabilities were included in the acquisition (M	
Cash and cash equivalents	2,2
Tangible fixed assets	64,3
Intangible assets	104,6
Inventories	15,9
Receivables	84,3
Liabilities	-133,8
Deferred tax liabilities	-19,8
Acquired net assets	**117,7**

On March 6, Balco Group entered into an agreement and completed the acquisition of sixty percent of the shares in Suomen ohutlevyasennus Oy, a Finnish general contracting and facade company. The acquisition is consolidated from 1 March 2024 and is expected to contribute positively to earnings per share during the full year 2024.

Through the acquisition, Balco Group further strengthens its position on the Finnish market and expands the offer in the renovation segment as well as in turnkey and green transformation. Balco Group's latest acquisition Riikku is a major supplier to Suomen Ohutlevyasennus and together the two acquisitions lead to the group establishing itself as a leading player in Finland.

Suomen ohutlevyasennus Oy was founded in 1984 and is a turnkey company with facade renovation as an area of expertise. The projects mainly include facade renovation with additional insulation and often installation of balcony glazing. Over 90 percent of the company's turnover comes from the renovation segment, and the customers are tenant-owned associations and construction companies. The company is located in Turku, Finland and had a turnover of just over 11 MEUR in 2023 with a higher operating margin than Balco Group's for several years. Suomen ohutlevyasennus will continue to be run by co-owners Jukka Stam and Mikko Jokinen.

The agreed purchase price amounts to 5.4 MEUR for 60 percent of the shares on a cash and debt-free basis. 1.4 MEUR is paid with newly issued shares to Suomen ohutlevyasennus' previous owners. The remaining EUR 4 million is financed with own cash and the access was paid. The acquisition calculation is preliminary.

The purchase price comprises the following components (MSEK)	
Cash payment	60,9
Aquired net assets	-34,8
Goodwill	26,1

The following assets and liabilities were included in the acquisition (M	
Cash and cash equivalents	4,3
Tangible fixed assets	9,8
Intangible assets	44,3
Receivables	11,1
Liabilities	-25,4
Deferred tax liabilities	-9,3
Acquired net assets	34,8

Alternative performance measures

This interim report contains references to a number of performance measures. Some of these measures are defined in IFRS, while others are alternative measures and are not reported in accordance with applicable financial reporting frameworks or other legislation. The measures are used by Balco to help both investors and management to analyse its operations. The measures used in this interim report are described below, together with definitions and the reason for their use.

Alternative performance measures	Definition	Reason for use
Return on equity	Income for the period divided by the average shareholder equity for the period. Average calculated as the average of the opening balance and the closing balance for the period.	Return on equity shows the return that is generated on the shareholders' capital that is invested in the company.
Return on capital employed	Adjusted EBITA as a percentage of average capital employed for the period. Average calculated as the average of the opening balance and the closing balance for the period.	Return on capital employed shows the return that is generated on capital employed by the company and is used by Balco to monitor profitability as it relates to the capital efficiency of the company.
Return on capital employed excluding goodwill	Adjusted EBITA as a percentage of average capital employed for the period excluding goodwill. Average calculated as the average of the opening balance and the closing balance for the period.	Balco believes that return on capital employed excluding goodwill together with return on capital employed shows a complete picture of Balco's capital efficiency.
Gross income	Revenue less production and project costs.	Shows the effectiveness of Balco's operations and together with EBIT provides a complete picture of the operating profit generation and expenses.
Gross margin	Gross income as a percentage of net sales.	Ratio is used for analysis of the company's effectiveness and profitability.
EBITDA	Earnings before interest, tax, depreciation and amortization.	Balco believes that EBITDA shows the profit generated by the operating activities and is a good measure of cash flow from operations.
Interest-bearing net debt relative to adjusted EBITDA	Interest-bearing external net debt divided by adjusted EBITDA.	Balco believes this ratio helps to show financial risk and is a useful measure for Balco to monitor the level of the company's indebtedness.
Adjusted EBITDA	EBITDA as adjusted for items affecting comparability. For a reconciliation of adjusted EBITDA to income for the period.	Balco believes that adjusted EBITDA is a useful measure for showing the company's profit generated by the operating activities after adjusting for items affecting comparability, and primarily uses adjusted EBITDA for purposes of calculating the company's operating cash flow and cash conversion.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net sales.	Balco believes that adjusted EBITDA margin is a useful measure for showing the company's profit generated by the operating activities after non-recurring items.
Adjusted EBIT margin	Adjusted EBIT as a percentage of net sales.	Balco believes that adjusted EBIT margin is a useful measure for showing the company's profit generated by the operating activities.
Adjusted EBIT	EBIT adjusted for items affecting comparability. For a reconciliation of adjusted EBIT to income for the period.	Balco believes that adjusted EBITA is a useful measure for showing the company's profit generated by the operating activities, and primarily uses adjusted EBIT for calculating the company's return on capital employed.
Adjusted EBITA margin	Adjusted EBITA as a percentage of net sales.	Balco believes that adjusted EBITA margin is a useful measure for showing the company's profit generated by the operating activities.

Alternative performance measures	Definition	Reason for use
Adjusted EBITA	EBITA adjusted for items affecting comparability. For a reconciliation of adjusted EBIT to income for the period.	Balco believes that adjusted EBIT is a useful measure for showing the company's profit generated by the operating activities, and primarily uses adjusted EBIT for calculating the company's return on capital employed.
Items affecting comparability	Items affecting comparability are significant items reported separately due to their size or frequency, e.g., restructuring costs, write-downs, divestments and acquisition costs.	Balco believes that adjustment for items affecting comparability improves the possibility of comparison over time by excluding items with irregularity in frequency or size. This is to give a more accurate picture of the underlying operating profit.
Operating cash conversion	Operating cash flow divided by adjusted EBITDA.	Balco believes this is a good measure for comparing cash flow with operating profit.
Operating cash flow	Adjusted EBITDA increased/decreased with changes in net working capital less investments, excluding expansion investments.	Operating cash flow is used by Balco to monitor business performance.
Organic growth	Net sales excluding acquired growth current period divided by net sales during the corresponding period last year.	Organic growth excludes the effects of changes in the Group's structure, which enables a comparison of net sales over time.
Interest-bearing net deb	The sum of non-current interest-bearing liabilities and current interest-bearing liabilities.	Balco believes interest-bearing net debt is a useful measure to show the company's total debt financing.
Net working capital	Current assets excluding cash and cash equivalents and current tax assets less non-interest-bearing liabilities excluding current tax liabilities.	This measure shows how much net working capital that is tied up in the operations and can be put in relation to sales to understand how effectively net working capital tied up in the operations is used.
EBIT margin	EBIT as a percentage of net sales.	Balco believes EBIT margin is a useful measure together with net sales growth and net working capital to monitor value creation.
EBIT	Earnings before interest and tax.	Balco believes that EBIT shows the profit generated by the operating activities.
EBITA margin	EBITA as a percentage of net sales.	Balco believes EBITA margin is a useful measure together with net sales growth and net working capital to monitor value creation.
EBITA	EBIT excluding amortization on acquired intangible assets.	Balco's growth strategy includes acquiring companies. In order to better illustrate the development of the underlying business, the management has chosen to follow EBITA, which is an expression of the operating profit before depreciation and write-downs of acquired intangible assets.
Equity/asset ratio	Equity divided on total assets.	Balco believes that equity to asset ratio is a useful measure for the company's survival.
Capital employed	Equity plus interest-bearing net debt.	Capital employed is used by Balco to indicate the general capital efficiency of the company.
Capital employed excluding goodwill	Capital employed minus goodwill.	Capital employed excluding goodwill is used together with capital employed by Balco as a measure of the company's capital efficiency.

Balco Group in brief

Balco Group is a market leader in the balcony industry, where we develop, manufacture, sell, and take responsibility for the installation of our own bespoke open and glazed balcony systems. The Group's customised products contribute to enhanced quality of life, security, and increased value for residents in multi-occupancy buildings. Furthermore, Balco Group's standardised glazing systems result in reduced energy consumption.

673 employees

7 markets

1,216 MSEK net sales R12

35,000 sqm total production area

Balco Group was established in 1987 and is a group consisting of producing and selling companies. The group is the market leader in the Nordics and operates in several markets in northern Europe. The head office is in Växjö, and the group has approximately 700 employees. A general and distinctive feature of the companies in the Group is that they control the entire value chain - from sales work to installed balcony - through a decentralised and efficient sales process.