

# TRACTION

*Traction is an investment company the operations of which are based on its own methodology for developing and refining the companies in which Traction is an owner. Traction's role as owner is based on an active and long-term engagement, together with an entrepreneur or corporate management and other joint owners. At present, Traction is involved in some 15 companies, several of which are publicly traded. In addition, Traction is engaged in investment activities for the purpose of obtaining a good yield on the Company's capital. Traction's share is traded on the NASDAQ OMX Nordic Exchange in Stockholm (the Small Cap list). Read more about Traction at [www.traction.se](http://www.traction.se)*

## Interim Report January - June 2015

### **Period April - June**

- Profit after taxes amounted to 162 (86), of which from:
  - Active holdings, listed MSEK 9 (33)
  - Active holdings, unlisted 142 (43)
  - Financial investments MSEK 3 (7)
- Earnings per share amounted to SEK 10.92 (5.76)
- Net sales of active holdings in the amount of approximately MSEK 270
- The net asset value per share increased by 8 (4) percent adjusted for dividend paid
- The net asset value per share amounted to SEK 147 (136)

### **Period January - June**

- Profit after taxes amounted to 235 (160) of which from:
  - Active holdings, listed MSEK 42 (91)
  - Active holdings, unlisted 143 (43)
  - Financial investments MSEK 40 (19)
- Earnings per share amounted to SEK 15.80 (10.76)
- The net asset value per share increased by 12 (9) percent adjusted for dividend paid.

### **Events during the quarter**

- Nilörngruppen was listed on Nasdaq First North Premier
- In connection with the listing of Nilörngruppen shares in the company were sold for a net of MSEK 187, resulting in ownership of 36 percent of capital and 41 percent of the votes.
- The holding in PartnerTech was sold in connection with a cash offer from Scanfil Oyj for MSEK 103.
- Rights issue in BE Group, with Traction as a member of the underwriting consortium.
- The holding in Switchcore was sold for MSEK 24
- Nordic Camping & Resort carried out a distribution issue in an amount of just over MSEK 22.
- Traction repurchased 75,153 shares for MSEK 8, equivalent to 0.5 percent of the number of shares outstanding.

### **Events after the period under review**

- The change in value of listed securities since 30 June amounts to MSEK 25 as of 13 July.

## ***PRESIDENT'S STATEMENT***

Several activities initiated earlier were completed during the second quarter, collectively contributing to a positive development for Traction and its financial position.

Nilörngruppen was listed again, at the same time as Traction sold just short of half of its holding. Thanks to the listing Traction's shareholders have a more liquid asset at the same time as the Company has realized a portion of the appreciation created over the last several years. Traction has been a major owner of Nilörngruppen since 2005 and a majority owner following a cash offer since 2009 when the company was also taken private.

BE Group's rights issue was oversubscribed and therefore Traction's guarantee expired unutilised. After the new issue in the approximate amount of MSEK 260 the company's liabilities have been substantially reduced and a new three-year credit agreement has been concluded with the company's banks. Anders Martinsson has been appointed new chief executive and he will enter upon his duties on 1 August 2015. With a permanent and business-oriented new chief executive, and focus on the business, there are prerequisites for improved profitability.

The holding in Switchcore was sold to one of that company's major owners.

We accepted a cash offer for our holding in PartnerTech from industry colleague Scanfil. Traction has been a major owner of PartnerTech since the autumn of 2008 and active on the company's Board of Directors since the spring of 2009.

Nordic Camping & Resort carried out a new issue of about MSEK 22 to gain wider ownership, thereby increasing the number of shareholders by over 800.

Associated company Duroc continued its streamlining efforts and sold of its Micor subsidiary in Laholm, manufacturer of saw blades.

## ***PERIOD APRIL - JUNE***

### **Summary**

Profit amounted to MSEK 162 (86), which includes changes in value of MSEK 93 (35) and dividend income of MSEK 62 (49). Financial income amounted to MSEK 4 (3).

In June Nilörngruppen was listed on Nasdaq First North in connection with a broadening of ownership as a result of which Traction's ownership was reduced to 36 percent of capital and 41 percent of the votes. Including dividend income during the quarter, the sale of a part of the holding in Nilörngruppen resulted in cash flow of MSEK 215. The total earnings effect amounted to MSEK 129, with MSEK 150 reported as a positive change in value of listed active holdings as a consequence of a negative stock price trend after the listing. After the listing of Nilörngruppen the carrying value of Traction's unlisted holdings amounts to MSEK 210, of which the wholly-owned subsidiaries in Ankarsrum constitute MSEK 134. Claims against these companies amount to MSEK 43.

### **Active holdings - listed**

Active holdings contributed MSEK (33). PartnerTech contributed MSEK 38, Nilörngruppen MSEK –21 (after the listing on First North in June), Drillcon contributed MSEK –12 and Hifab Group MSEK –8. BE Group's rights issue in the approximate amount of MSEK 260, partially underwritten by Traction, was oversubscribed. Shares in BE Group were acquired during the quarter for MSEK 49, after which Traction's ownership is 18 percent. Compensation from BE Group, adjusted for compensation to other members of the underwriting consortium, amounted to MSEK 6. MSEK 2 of this compensation relates to

Traction's subscription guarantee, which in a statement by the Swedish Securities Council is considered questionable. Further information at [www.aktiemarknadsnamnden.se/201517](http://www.aktiemarknadsnamnden.se/201517).

## Active holdings - unlisted

Active unlisted holdings contributed MSEK 142 (43). Nilörngruppen contributed MSEK 150 (dividend 28 and revaluation in connection with the listing MSEK 122). Ankarsrum Motors was revalued by MSEK –13 to MSEK 100.

## Financial investments

Other listed holdings contributed MSEK 3 (7), of which dividend income amounted to MSEK 5 (16). Net interest income amounted to MSEK 4 (3). As of 30 June investments in short-term C/Ds and similar instruments amounted to MSEK 198. Since the tenor of these investments is less than 12 months, they are included in Traction's cash and cash equivalents in the net asset valuation table on page 5. Other interest-bearing investments in the amount of MSEK 171 consist of a number of corporate bonds and similar instruments with the largest exposure to any one single counterparty is MSEK 17.

## Capital expenditures and disposals

Investments in listed shares amounted to MSEK 155 (31), of which BE Group accounted for MSEK 49. Total disposals amounted to MSEK 230 (123), of which PartnerTech accounted for MSEK 103 and Switchcore for MSEK 24. Sales of shares in unlisted companies amounted to a net of MSEK 187 (-), which is attributable to Nilörngruppen. Net purchases were also made of commercial paper, corporate bonds and other financial assets in the amount of MSEK 60 (9).

## *PERIOD JANUARY - JUNE*

### Summary

Profit amounted to MSEK 235 (160), which includes changes in value of MSEK 156 (66) and dividend income in the amount of MSEK 68 (87). Finance income was MSEK 9 (7).

### Active holdings – listed

Active holdings contributed MSEK 42 (91), with changes in value accounting for MSEK 14 (86) and dividend income for MSEK 28 (6). PartnerTech contributed MSEK 38, Drillcon MSEK 16, BE Group MSEK –23 (including underwriting commission received in a net amount of MSEK 6). Nilörngruppen contributed MSEK –21 (after the listing on First North).

### Active holdings - unlisted

Active unlisted holdings contributed MSEK 143 (43), with changes in value accounting for MSEK 110 (-17) and dividend income for 33 (60). Nilörngruppen contributed MSEK 150, of which MDSEK 122 constitutes revaluation and capital gains in connection with the listing and MSEK 28 in dividend income.

Ankarsrum Motors recorded sales of MSEK 84 (112) and operating profit of MSEK 4 (12). The lower volume is essentially due to lower sales to two major customers.

## Financial investments

Other listed holdings contributed MSEK 40 (19), of which dividend income accounted for MSEK 7 (22). Net interest income amounted to MSEK 9 (7).

## Capital expenditures and disposals

Investments on listed shares amounted to MSEK 236 (89), of which BE Group accounted for MSEK 49. Sales amounted to MSEK 312 (288), of which PartnerTech accounted for MSEK 103 and Switchcore for MSEK 24. Unlisted holdings were sold for a net amount of MSEK 187, with most of the amount attributable to Nilörngruppen. Net purchases were also

made of commercial paper, corporate bonds and other financial assets in the amount of MSEK 255 (50).

## ***Liquidity***

Traction's liquid funds, including investments in short-term commercial paper and similar instruments, amounted to MSEK 735 (489). In addition there were financial investments in the amount of MSEK 488 (385) in the form of unlisted shares and other interest-bearing investments.

## ***Equity/Net asset value***

Equity as of 30 June amounted to MSEK 2,175 (1,979), equivalent to SEK 147 (133) per share. The number of shares outstanding as of 30 June was 16,000,000, of which 1,800,000 are Class A shares. During 2015 75,153 shares were repurchased for MSEK 8 (SEK 111 per share). Not including previously repurchased shares (1,210,153 equivalent to 8 percent), the number of outstanding shares was 14,789,847, of which 1,800,000 are Class A.

## ***Parent Company***

AB Tractions profit amounted to MSEK 108 (110). Cash and cash equivalents, including investments in short-term commercial paper and similar instruments amounted to MSEK 455 as of 30 June (372). The Parent Company's equity ratio was 100 percent as of 30 June (100). The Parent Company has no external loans.

## ***Transactions with closely related parties***

Over and above the dividend paid to the Parent Company's shareholders as approved by the Annual General Meeting, there have been no transactions between Traction and closely related parties that have significantly affected the Group's and the Parent Company's financial position during the period. There have been the usual transactions between wholly and majority owned companies in the Traction Group, including loans, interest charges, repayments and some charges for services provided. In connection with, and before, the listing of Nilörngruppen, Traction acquired shares from members of senior management of, Claes af Wetterstedt and Krister Magnusson (also CFO of AB Traction), in an amount of just over MSEK 13. All transactions were on market terms. The shares were acquired at a price which did not exceed the listing price set in connection with the listing of Nilörngruppen, and have therefore not significantly affected Traction's financial position and profit.

(The comparative data refer to the corresponding year-ago period with the exception of balance sheet and liquidity numbers which refer to year-end 2014.)

## Traction's net asset value

Holdings	Number of shares outstanding 000'	Percentage of		Total return % April - June	Market value MSEK	% of total	SEK/ share
		capital	votes				
Listed active holdings							
BE Group	47,769	18	18	-1	91	4%	6
Drillcon	23,727	54	54	-12	79	4%	5
Duroc	2,000	27	30	18	30	1%	2
Hifab Group	16,060	53	54	-12	97	4%	6
Nilörngruppen <sup>1</sup>	4,155	36	41	-10 (50)	187	9%	13
Nordic Camping & Resort	2,548	26	26	-3	55	3%	4
OEM International	886	4	10	5	98	5%	7
Softronic	11,529	22	20	2	74	3%	5
Waterman Group	3,300	11	11	11	31	1%	2
Total				-7	742	34%	50
Unlisted active holdings							
Ankarsrum Motors		100	100	-12	100	5%	7
Other unlisted holdings				5	110	5%	7
Total (return including Nilörn until listing)				29	210	10%	14
Total active holdings				10	952	44%	64
Financial investments, cash and cash equivalents							
Other listed shares <sup>2</sup>				1	263	12%	18
Due from active holdings <sup>3</sup>				-	54	2%	4
Interest-bearing investments				-	171	8%	12
Cash and cash equivalents <sup>4</sup>				-	735	34%	49
Total					1,223	56%	83
TOTAL				8%	2,175	100%	147

<sup>1</sup>The total return for Nilörngruppen during the period (including the period when the share was not listed) amounted to 50 percent.

<sup>2</sup>Of which 400 000 shares in SCA equivalent to MSEK 84.

<sup>3</sup>Including other net assets/liabilities in the amount of MSEK 8.

<sup>4</sup>Including short-term interest-bearing investments in the amount of MSEK 198.

KEY FINANCIAL INDICATORS	Cumulative		Full year
	2015	2014	2014
Change in net asset value per share, %	12	9	7
Net asset value per share, SEK	147	136	133
Market price at end of period, SEK	111.75	104.25	89.75
Discount to net asset value, %	24	23	33
Equity ratio, %	100	100	100

## ***Risks and uncertainty factors***

Traction's significant risk and uncertainty factors include business risks in the form of exposure to certain industries, or an individual holding, as well as dependency on individual key persons in the Companies in which Traction is involved or has an ownership interest. Then there are financial risks, which primarily consist of price risks, i.e. the risk of a change in value of a financial instrument due to changes in share prices, foreign exchange rates or interest rates. In addition to the risks described in Traction's Annual Report in general by reason of the Company's business orientation, specific reference can be made to the Report of the Board of Directors and accompanying notes for a more detailed discussion of the Group's and the Parent Company's risk exposure and risk management procedures. Beyond that, no additional significant risks are deemed to have been added.

## ***Accounting policies***

This summary interim report has been prepared for the Group in accordance with IAS 34 and applicable rules in the Swedish Annual Accounts Act. The Interim Report for the Parent Company has been prepared in accordance the Swedish Annual Accounts Act. Effective as of 1 January 2014, Traction applies the new rules for investment companies. This report has been prepared in accordance with the same accounting policies and using the same calculation methods as set out in the most recent Annual Report.

Comparative data refer to the corresponding year-ago period, except in the case of balance sheet items and liquidity metrics referring to the prior year-end.

## ***Schedule of future information***

Publication dates for future financial information:

19 October 2015	Interim Report January - September 2015
17 February 2016	Year-end Report January - December 2015

The information in this Interim Report is of the type Traction is under obligation to publish in accordance with the Securities Markets Act. The information herein was provided for publication at 8:00 a.m., 14 July 2015.

The President hereby confirms that this interim report provides a fair overview of the operations of the Company's and the Group's operations, financial position and results, and describes significant risks and factors of uncertainty facing the Company and the companies in the Group.

Stockholm, 14 July 2015

Petter Stillström  
President

Jan Kjellman  
Director

Maria Linde  
Director

Bengt Stillström  
Director

Peter Malmqvist  
Director

Anders Eriksson  
Director

This Interim Report has not been subject to review by the Company's auditors.

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## SUMMARY CONSOLIDATED INCOME STATEMENT

MSEK	Jan - June	
	2015	2014
Dividend income	28.8	21.6
Other operating revenue	2.3	-
Change in value of securities	75.7	87.8
Financial income/expense	1.9	1.4
Other external costs	-0.9	-0.5
<b>Profit before taxes</b>	<b>107.8</b>	<b>110.3</b>
Taxes	-	-
<b>Profit and comprehensive result for the period</b>	<b>107.8</b>	<b>110.3</b>

## SUMMARY CONSOLIDATED BALANCE SHEET

MSEK	2015	2014
<b>ASSETS</b>	<b>30/6</b>	<b>31/12</b>
Shares, etc.	621.8	658.7
<b>Total non-current assets</b>	<b>621.8</b>	<b>658.7</b>
Due from Group companies	17.3	21.6
Other receivables	2.0	8.3
Financial investments	451.4	218.6
Cash and cash equivalents	256.5	371.8
<b>Total current assets</b>	<b>727.2</b>	<b>620.3</b>
<b>TOTAL ASSETS</b>	<b>1,490.0</b>	<b>1,279.0</b>
<b>EGET KAPITAL OCH SKULDER</b>		
<b>Equity</b>	<b>1,348.1</b>	<b>1,278.4</b>
Current liabilities	0.9	0.6
<b>Total current liabilities</b>	<b>0.9</b>	<b>0.6</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,349.0</b>	<b>1,279.0</b>
Pledged assets	-	-

For other financial instruments, such as trade receivables, loan receivables, and long-term and current liabilities the carrying value is a reasonable approximation of fair value.

## Summary Report of Changes in Consolidated Equity MSEK

	2015 30/6	2014 30/6	2014 31/12
Amount attributable to the Parent Company's shareholders at beginning of year	1,978.8	1,676.3	1,676.3
Effect of change of accounting policy	-	225.0	225.0
Adjusted opening balance	1,978.8	1,901.3	1,901.3
Dividend to shareholders	-29.7	-36.4	-36.4
Repurchase of own shares	-8.4	-7.8	-7.8
Comprehensive result for the period	234.7	160.0	121.7
<b>Closing balance</b>	<b>2,175.4</b>	<b>2,017.1</b>	<b>1,978.8</b>

## SUMMARY CONSOLIDATED CASH FLOW STATEMENT

MSEK	April-June 2015	April-June 2014	January-June 2015	January-June 2014	Full year 2014
<i>Operating activities</i>					
Consolidated result before taxes	162.0	85.7	234.7	160.0	136.3
Adjustment for items not included in cash flow	-92.8	-34.6	156.1	-66.3	-1.8
Paid taxes	-	-	-	-	-
<b>Cash flow from operating activities Before changes in working capital</b>	<b>69.2</b>	<b>51.1</b>	<b>78.6</b>	<b>93.7</b>	<b>134.5</b>
Change in working capital	-7.0	-2.5	-5.4	-9.5	-9.7
<b>Cash flow from operating activities</b>	<b>62.2</b>	<b>48.6</b>	<b>73.2</b>	<b>84.2</b>	<b>124.8</b>
<i>Cash flow from investment activities</i>					
Purchase of shares in unlisted companies	-10.8	-1.7	-13.3	-1.7	-3.4
Sale of shares in unlisted companies	197.4	-	200.5	-	0.3
	-	-	-	-	-
Purchase of shares in listed companies	155.1	-31.3	236.2	-88.9	207.4
Sale of shares in unlisted companies	230.4	122.6	311.6	287.5	452.8
Purchase/sale of tangible non-current assets	-	2.5	5.6	1.8	1.0
	-	-	-	-	-
Change in other financial assets	-59.6	-9.0	254.9	-50.2	-51.6
<b>Cash flow from investment activities</b>	<b>202.3</b>	<b>83.1</b>	<b>13.3</b>	<b>148.5</b>	<b>191.7</b>
<i>Financing activities</i>					
Dividend paid	-29.7	-36.4	-29.7	-36.4	-36.4
Repurchase of own shares	-8.4	-7.7	-8.4	-7.7	-7.7
<b>Cash flow from financing activities</b>	<b>-38.1</b>	<b>-44.1</b>	<b>-38.1</b>	<b>-44.1</b>	<b>-44.1</b>
<b>Cash flow for the period</b>	<b>226.4</b>	<b>87.6</b>	<b>48.4</b>	<b>188.6</b>	<b>272.4</b>
Cash and cash equivalents at beginning of period	310.6	317.2	488.6	216.2	216.2
Cash and cash equivalents at end of period	537.0	404.8	537.0	404.8	488.6

## DISTRIBUTION OF PROFIT

Group 2015	Active	Active		
	holdings	holdings		
Period April - June	listed	unlisted	Other	Totalt
Dividend income	27.8	28.6	5.2	61.6
Changes in value	-18.9	113.5	-1.8	92.8
Financial income	-	-	4.3	4.3
Other income	-	-	6.7	6.7
Operating expenses	-	-	-3.4	-3.4
Profit before taxes	8.9	142.1	11.0	162.0

Group 2014	Active	Active		
	holdings	holdings		
Period April - June	listed	unlisted	Other	Totalt
Dividend income	5.8	27.7	15.9	49.4
Changes in value	27.5	15.5	-8.5	34.5
Financial income	-	-	2.5	2.5
Other income	-	-	1.8	1.8
Operating expenses	-	-	-2.5	-2.5
Profit before taxes	33.3	43.2	9.2	85.7

Group 2015	Active	Active		
	holdings	holdings		
Period January - June	listed	unlisted	Other	Totalt
Dividend income	27.8	33.1	7.4	68.3
Changes in value	13.9	110.1	32.2	156.2
Financial income	-	-	8.9	8.9
Other income	-	-	7.2	7.2
Operating expenses	-	-	-5.9	-5.9
Profit before taxes	41.7	143.2	49.8	234.7

Group 2014	Active	Active		
	holdings	holdings		
Period January - June	listed	unlisted	Other	Totalt
Dividend income	5.9	59.9	21.5	87.3
Changes in value	85.5	-16.6	-2.6	66.3
Financial income	-	-	6.9	6.9
Other income	-	-	4.2	4.2
Operating expenses	-	-	-4.7	-4.7
Profit before taxes	91.4	43.3	25.3	160.0

## FINANCIAL INSTRUMENTS

### Valuation of financial assets

Level 1: According to prices quoted in active markets for the same instrument.

Level 2: Based on directly or indirectly observable market data not included in level 1.

Level 3: Based on input data not observable in the market.

Group 2015	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Shares in unlisted holdings	-	-	210.0	210.0
Shares in listed active holdings	741.5	-	-	741.5
Financial investments	632.1	-	-	632.1
<b>Summa</b>	<b>1,373.6</b>		<b>210.0</b>	<b>1,583.6</b>

Group 2014	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Shares in unlisted holdings	-	-	494.9	494.9
Shares in listed active holdings	600.9	-	-	600.9
Financial investments	324.8	-	-	324.8
<b>Summa</b>	<b>925.7</b>		<b>494.9</b>	<b>1,420.6</b>

### Change in financial assets in level 3

<b>Group</b>	
Opening carrying value	494.9
Purchases/shareholder contributions	13.3
Reclassification	-207.7
Sales/redemption	-200.5
Change in value	110.0
<b>Total</b>	<b>210.0</b>

### Transfers between levels

Transfers between different levels effected during a reporting period should be presented with the value at the end of the reporting period. No transfers were made from one level to another during the period under review. The increase in assets at level 3 in relation to the annual accounts refers to subsidiaries no longer consolidated but value at fair value.

### Valuation of financial instruments at level 3

Valuation of unlisted holdings is made on the basis of *International Private Equity and Venture Capital Valuation Guidelines* as developed and published jointly by risk capital organisations EVCA, BVCA and AFIC. For directly owned investments, an overall assessment is made to determine which valuation method is appropriate for each individual holding. Taken into account will be whether any financing or transaction "at arms-length distance" has been made and an evaluation is also made by applying relevant multiples to the company's key financial indicators from a selected group of similar companies, less an adjustment for, for instance, difference in size between the company in question and the group of comparable companies. In cases where there are other methods that better reflect the fair value of an individual holding, such methods are used which means that individual holdings may be value by other than the methods described above.

All level 3 assets consist of shares in unlisted companies and are valued in accordance with the following valuation methods and non-observable data used for determining the carrying value. The data in the table below represent a selection and is therefore not all input data used in the valuation.

EBIT-multiples:	4 - 10
Revenue multiples:	0.5 - 3.0
Net asset valuation:	Established net asset value.
Most recent transaction:	In the case of recently floated new issue/share offering, the price thereon is taken into account. Higher multiples may also be applied in cases of rapid growth.

## SUMMARY PARENT COMPANY INCOME STATEMENT

MSEK	Jan - June	
	2015	2014
Dividend income	28.8	21.6
Other operating revenue	2.3	-
Change in value of securities	75.7	87.8
Financial income/expense	1.9	1.4
Other external expenses	-0.9	-0.5
<b>Profit before taxes</b>	<b>107.8</b>	<b>110.3</b>
Taxes	-	-
<b>Profit and comprehensive result for the period</b>	<b>107.8</b>	<b>110.3</b>

## SUMMARY PARENT COMPANY BALANCE SHEET

MSEK	2015	2014
<b>ASSETS</b>	<b>30/6</b>	<b>31/12</b>
Equities	621.8	658.7
<b>Total non-current assets</b>	<b>621.8</b>	<b>658.7</b>
Due from Group companies	17.3	21.6
Other receivables	2.0	8.3
Financial investments	451.4	218.6
Cash and cash equivalents	256.5	371.8
<b>Total current assets</b>	<b>727.2</b>	<b>620.3</b>
<b>TOTAL ASSETS</b>	<b>1,349.0</b>	<b>1,279.0</b>
<b>EGET KAPITAL OCH SKULDER</b>		
<b>Equity</b>	<b>1,348.1</b>	<b>1,278.4</b>
Current liabilities	0.9	0.6
<b>Total current liabilities</b>	<b>0.9</b>	<b>0.6</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,349.0</b>	<b>1,279.0</b>
Pledged assets	-	-

## DEFINITIONS

### **Traction Group**

Aside from the AB Traction parent company, Central Traction includes wholly owned subsidiaries managing securities, providing lending, underwriting and consultancy services, mainly to Traction's wholly and partially owned holdings.

### **Equity per share and Net asset value per share**

Equity at the end of the period divided by the average number of shares outstanding.

### **Financial investments**

Refers to equity and interest-bearing investments in companies where Traction is not an active owner.

### **Listed active holdings**

Holdings where Traction's ownership exceeds 10 percent of the votes in each respective company.

### **Unlisted active holdings**

Holdings where Traction's ownership is less than 50 percent of the votes and where the remaining shares are usually owned by one or more entrepreneurs or other active partners.

### **Net asset value discount**

Traction's market value, where unlisted Class A shares are valued the same as the listed Class B share at the end of the period, less the net asset value discount, divided by the net asset value at the end of the period.

### **Earnings per share**

Profit for the period after dilution divided by average number of shares outstanding during the year.

### **Change in net asset value of per share**

Change of the net asset value during the period under, including dividend paid.