

Period April - June

- Profit after taxes amounted to MSEK 216 (-26), distributed as follows:
 - Active listed holdings MSEK 72 (-73)
 - Unlisted holdings MSEK 51 (-4)
 - Financial investments MSEK 95 (52)
- Earnings per share amounted to SEK 14.57 (-1.78)
- Net asset value per share increased by 6 (-1) percent adjusted for paid dividend
- The return on active listed holdings was approximately 5 percent
- The return on other listed shares was approximately 9 percent
- Stockholm Stock Exchange including dividends (SBX) increased by 3 percent

Period January - June

- Profit after taxes amounted to MSEK 344 (185), distributed as follows:
 - Active listed holdings MSEK 92 (110)
 - Unlisted holdings MSEK 52 (-9)
 - Financial investments MSEK 204 (89)
- Earnings per share amounted to SEK 23.23 (-12.49)
- Net asset value per share amounted to SEK 278 (265)
- Net asset value per share increased by 9 (5) percent adjusted for paid dividend
- The return on active listed holdings was approximately 7 percent
- The return on other listed shares was approximately 18 percent
- Stockholm Stock Exchange including dividends (SBX) increased by 10 percent

Events after the end of the period

- The change in value, including dividend income on listed holdings since 30 June amounts to MSEK 75 as of 12 July 2024, whereof active listed holdings amount to MSEK 74 and other listed shares MSEK 2.

Traction in brief

Traction is an investment company with active ownership interest in listed and unlisted small- and medium-sized companies. Traction is also engaged in investment activities for the purpose of obtaining a good yield on the Company's capital through financial investments, mainly in other listed companies and interest-bearing assets. Traction's role as owner is based on an active and long-term engagement in close co-operation with other active owners, entrepreneurs and corporate management groups. Traction does not focus on singular industries. Traction instead is engaged in development and transformation work applicable to all companies intending to prioritize business sense, a long-term approach and sound business principles. Traction's shares are traded on NASDAQ Stockholm (the Mid Cap list). More information is available at www.traction.se.

Traction's net asset value

The table below shows Traction's net asset value as of 30 June 2024.

Holdings	Number of shares thousands	Price per share	Percentage of capital	Percentage of votes	Market value MSEK	Percentage of total	SEK/share
Active listed holdings							
BE Group	3,260	60.60	25%	25%	198	5%	13
Drillcon	24,000	6.04	54%	54%	145	4%	10
Diales Group Plc	14,388	3.48	27%	27%	50	1%	3
Hifab Group	32,085	3.12	54%	55%	100	2%	7
Nilörngruppen	3,000	72.80	26%	58%	218	5%	15
OEM International	3,816	116.60	3%	10%	445	11%	30
Portmeirion Group Plc	1,715	30.48	12%	12%	52	1%	4
Softronic	11,589	21.35	22%	21%	247	6%	17
Total					1,456	35%	98
Unlisted holdings							
Unlisted holdings					289	7%	20
Due from unlisted holdings					31	1%	2
Total					320	8%	22
Total active listed and unlisted holdings					1,776	43%	120
Financial investments, cash and cash equivalents							
Other listed shares ¹					1,047	25%	71
Interest-bearing investments ²					909	22%	61
Cash and cash equivalents					381	9%	26
Total					2,338	57%	158
TOTAL					4,114	100%	278

¹Driver Group Plc changed its name to Diales Group Plc in June 2024.

¹Other listed shares where Traction's ownership exceeds five percent of the number of shares outstanding are Duroc (8%) and PION Group (6%).

²Including interest-bearing investments with a maturity of less than one year in the amount of MSEK 381 and other net asset/liabilities in the amount of MSEK 3.7.

President's Statement

For the second quarter, Traction reports a result of MSEK 216, where the active listed and unlisted holdings impacted the result by MSEK 123, while the financial investments contributed with MSEK 95. For the half-year period, the result amounts to MSEK 344, corresponding to a net asset value increase of 9 percent.

The change in value, including dividend income on listed holdings after the end of the quarter amounts to just above MSEK 75, of which active listed holdings account for just below MSEK 74. Of the value changes, OEM International accounts for MSEK 41, and the holdings in Softronic and Hifab Group account for MSEK 19 and MSEK 18, respectively.

PERIOD APRIL - JUNE

Summary

Profit after tax amounted to MSEK 216 (-26), which includes changes in value of MSEK 150 (-131) and dividend income of MSEK 53 (72). Financial income amounted to MSEK 16 (17).

Active listed holdings

Active listed holdings impacted the result with MSEK 72 (-73), equivalent to a return of approximately 5 percent. Changes in value amounted to MSEK 40 (-126) and dividend income was MSEK 32 (53). OEM International impacted the result by MSEK 51 and Nilörngruppen by MSEK 21. Softronic burdened the result by MSEK -41 and Drillcon by MSEK -4. During the period Driver Group Plc changed its name to Diales Group Plc.

Changes in value ¹ (MSEK)	2024 Q2
BE Group	20
Drillcon	-4
Diales Group Plc	3
Hifab Group	20
Nilörngruppen	26
OEM International	51
Portmeirion Group Plc	-3
Softronic	-41
Profit active listed holdings	72

¹Including dividends as amounted to MSEK 32.

Unlisted holdings

Unlisted holdings impacted the result by MSEK 51 (-4), which includes revaluation of shares by MSEK 47 (-4) and dividend income of MSEK 3 (0). Of the revaluation of shares, Ankarsrum Industries accounts for MSEK 20, while Recco and Sigicom each account for MSEK 15.

Financial investments

Other listed holdings contributed by MSEK 95 (52), divided into shares by MSEK 85 (32) and interest-bearing investments by MSEK 10 (20).

The change in value of other listed shares was MSEK 67 (14) and dividend income amounted to MSEK 18 (19), of which Wallenius Wilhelmsen contributed by MSEK 20, Resurs Holding by MSEK 19, Crayon by MSEK 14 and Subsea 7 by MSEK 13. During the period, a cash offer of SEK 23.50 per share was submitted for Resurs Holding, representing a premium of 38 percent.

Holdings in other listed shares amounted to MSEK 1,047 (873). The top five holdings as of June 30 in terms of market cap consist of Subsea 7 (MSEK 80), Wallenius Wilhelmsen (MSEK 70), Swedbank (MSEK 70), Protector Forsikring (MSEK 64) and Volkswagen (MSEK 60). In total, shares have been acquired for a net amount of MSEK 10, of which Tesco Plc

accounts for MSEK 35 and Resurs Holding MSEK -19. Changes in value of interest-bearing investments amounted to MSEK -5 (3) and interest income was MSEK 15 (17).

Traction's cash position as of 30 June amounted to MSEK 381 (306). Interest-bearing investments amounted to MSEK 906 (1,055), of which MSEK 381 (574) are investments in commercial papers and similar instruments with a tenor of less than one year and MSEK 525 (481) in corporate bonds and similar instruments. During the period, a dividend of MSEK 155 (130) has been distributed to the shareholders.

PERIOD JANUARY - JUNE

Summary

Profit after tax amounted to MSEK 344 (185), which includes changes in value of MSEK 241 (74) and dividend income of MSEK 74 (85). Financial income amounted to MSEK 34 (31).

Active listed holdings

Active listed holdings contributed MSEK 92 (110), equivalent to a return of approximately 7 percent. Changes in value amounted to MSEK 59 (56) and dividend income was MSEK 33 (54). The largest contributors to the result were OEM International by MSEK 49 and Nilörngruppen by MSEK 41. The largest burden on the result was BE Group by MSEK -54 and Portmeirion Group by MSEK -10. During the period, shares in active listed holdings were acquired for a net amount of MSEK 2, of which acquisitions in Portmeirion Group accounted for MSEK 4, and divestments in Hifab Group accounted for MSEK 2 to the company's CEO.

Changes in value ¹ (MSEK)	2024 6 months
BE Group	-35
Drillcon	0
Diales Group Plc	0
Hifab Group	14
Nilörngruppen	41
OEM International	49
Portmeirion Group Plc	-10
Softronic	33
Profit active listed holdings	92

¹Including dividends as amounted to MSEK 33.

Unlisted holdings

Unlisted holdings impacted by MSEK 52 (-26), which includes revaluation of shares by MSEK 48 (-37) and dividend income of MSEK 3 (2).

Financial investments

Other listed holdings contributed MSEK 204 (89), divided into shares MSEK 161 (55) and interest-bearing investments MSEK 42 (34).

The change in value of other listed shares was MSEK 124 (26) and dividend income amounted to MSEK 38 (29), of which Subsea 7 had an impact of MSEK 23, Wallenius Wilhelmsen MSEK 21 and Protector Forsikring MSEK 20. Shares amounting to approximately MSEK 40 have been divested in Volvo and acquired in Tesco Plc and Barclays by approximately MSEK 35 and MSEK 33 respectively. In total, shares have been acquired for a net amount of MSEK 51. Changes in value of interest-bearing investments amounted to MSEK 10 (5) and interest income was MSEK 32 (30). Change in value of convertible bonds amounts to MSEK 2 (2).

Equity/Net asset value

Equity amounted to MSEK 4,114 as of 30 June (3,925) equivalent to SEK 278 (265) per share. The number of shares outstanding as of 30 June was 16,000,000, of which 1,800,000 of Class A. Not including repurchased shares (1,210,153 equivalent to 8 percent), the number of shares outstanding was 14,789,847, of which 1,800,000 were Class A shares.

Parent Company

AB Traction's result for the period January-June amounted to MSEK 256 (239). The cash position amounted to MSEK 262 (222), not including investments in short-term interest-bearing investments with a maturity of less than one year of MSEK 343 (486). The Parent Company has no external loans.

Transactions with closely related parties

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, apart from dividend distributed to the parent company's shareholders. There were the usual transactions between wholly and majority owned companies in the Traction Group, including loans, interest charges, repayments, dividends/Group contributions and some charges for services provided.

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 has an ownership interest. In addition, 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, derivatives, bonds, 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 half-year report for the Group has been prepared in accordance with IAS 34 - Interim Financial Reporting and applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act. Traction is an investment company in accordance with IFRS 10, which means that Traction applies the statutory exceptions to consolidation of subsidiaries.

In all other respects the same accounting policies and calculation methods have been applied as 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 which refer to the prior year-end.

Publication dates for future financial information:

24 Oct 2024	Interim Report January-September 2024
13 Feb 2025	Year-end Report 2024

The information in this half-year report is such that Traction is obliged to publish in accordance with the Securities Market Act. The information was submitted for publication at 1 pm CET, 15 July 2024.

The board of Directors and the President hereby confirm that this half-year 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.

This half-year report is a translation of the Swedish version. In case of any discrepancy between the Swedish or English translation, the Swedish version shall prevail.

Stockholm, 15 July 2024

Petter Stillström
CEO

Bengt Stillstöm
Chairman

Henrik Lange
Director

Jonas Olavi
Director

This half-year report has not been subject to review by the Company's auditors.

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Summary Consolidated Income Statement

MSEK	2024 Q 2	2023 Q 2	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Dividend income	52.5	71.8	73.8	84.9	126.6
Changes in value	149.7	-113.0	240.5	74.1	92.7
Financial income/expense	15.5	17.2	33.9	30.7	63.9
Other income	0.4	0.3	0.8	0.6	1.2
Operating expenses	-2.5	-2.6	-5.3	-5.6	-10.8
Result before taxes	215.5	-26.3	343.6	184.7	273.6
Taxes					-3.8
Result for the period¹	215.5	-26.3	343.6	184.7	269.8
Earnings per share before and after dilution ² (SEK)	14.57	-1.78	23.23	12.49	18.24
Number of shares outstanding (thousands)	14,790	14,790	14,790	14,790	14,790
Average number of shares outstanding (thousands)	14,790	14,790	14,790	14,790	14,790

¹The information on the period's profit is in the case of Traction consistent with the comprehensive result. No separate report on comprehensive result is therefore presented.

²There are no instruments outstanding that may lead to dilutive effects.

Summary Consolidated Balance Sheet

MSEK	2024 30-Jun	2023 30-Jun	2023 31-Dec
ASSETS			
Loan receivables	31.0	38.3	57.0
Equities	1,745.0	1,599.7	1,636.4
Total non-current assets	1,776.0	1,638.1	1,693.4
Other current assets	7.2	4.3	6.8
Financial investments	1,952.8	1,892.9	1,927.7
Cash and cash equivalents	381.3	309.1	305.7
Total current assets	2,341.3	2,206.2	2,240.3
TOTAL ASSETS	4,117.3	3,844.3	3,933.6
EQUITY AND LIABILITIES			
Equity attributable to Parent Company's equity holders	4,113.7	3,839.5	3,924.7
Total equity	4,113.7	3,839.5	3,924.7
Current liabilities	3.5	4.7	8.9
Total liabilities	3.5	4.7	8.9
TOTAL EQUITY AND LIABILITIES	4,117.3	3,844.3	3,933.6

Summary Report of Changes in Consolidated Equity

MSEK	2024 30-Jun	2023 30-Jun	2023 31-Dec
Amount attributable to the Parent Company's shareholders at the beginning of the year	3,924.7	3,785.0	3,785.0
Dividend to shareholders	-154.6	-130.2	-130.2
Repurchase of own shares	-	-	-
Profit for the period	343.6	-184.7	269.8
Closing balance	4,113.7	3,839.5	3,924.7

Summary Consolidated Cash Flow Statement

MSEK	2024 Q 2	2023 Q 2	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Operating activities					
Consolidated profit before taxes	215.4	-26.3	343.6	184.7	-273.6
Adjustment for items not included in cash flow	-149.7	113.0	-240.5	-74.1	-92.7
Paid taxes	-	-	-	-	-1.2
Cash flow from operating activities	65.7	86.7	103.1	110.6	179.7
Change in working capital	2.1	-0.2	-5.8	-2.9	-5.1
Cash flow from operating activities	67.8	86.5	97.3	107.7	174.6
Cash flow from investment activities					
Purchase of shares in unlisted companies	-	-1.7	-	-1.7	-4.9
Sale of shares in unlisted companies	-	-	-	-	-
Purchase of shares in listed companies	-56.8	-36.1	-176.4	-141.1	-320.5
Sale of shares in listed companies	47.7	109.1	123.9	184.1	293.0
Change in other financial assets	-11.6	-71.2	185.3	103.9	107.3
Cash flow from investment activities	-20.7	0.0	132.8	145.1	74.9
Financing activities					
Dividend paid	-154.6	-130.2	-154.6	-130.2	-130.2
Repurchase of own shares	-	-	-	-	-
Cash flow from financing activities	-154.6	-130.2	-154.6	-130.2	-130.2
Cash flow for the period	-107.5	-40.1	75.5	122.7	119.3
Cash and cash equivalents at beginning of period	488.8	349.2	305.7	186.4	186.4
Cash and cash equivalents at end of period	381.3	309.1	381.3	309.1	305.7

Performance Specification

Group 2024, MSEK Q 2	Active listed holdings	Unlisted holdings	Financial investments / other	Total
Dividend income	31.8	2.9	17.7	52.5
Changes in value	40.4	47.2	62.1	149.7
Financial income/expense	-	0.7	14.7	15.5
Other revenue	-	-	0.4	0.4
Operating expenses	-	-	-2.5	-2.5
Profit before taxes	72.1	50.9	92.5	215.5

Group 2023, MSEK Q 2	Active listed holdings	Unlisted holdings	Financial investments / other	Total
Dividend income	52.8	-	19.0	71.8
Changes in value	-125.7	-4.2	16.8	-113.0
Financial income/expense	-	0.7	16.6	17.2
Other revenue	-	-	0.3	0.3
Operating expenses	-	-	-2.6	-2.6
Profit before taxes	-72.9	-3.6	50.2	-26.3

Group 2024, MSEK 6 months	Active listed holdings	Unlisted holdings	Financial investments / other	Total
Dividend income	33.2	2.9	37.6	73.8
Changes in value	59.2	47.6	133.8	240.5
Financial income/expense	-	1.5	32.3	33.9
Other revenue	-	-	0.8	0.8
Operating expenses	-	-	-5.3	-5.3
Profit before taxes	92.4	52.0	199.1	343.6

Group 2023, MSEK 6 months	Active listed holdings	Unlisted holdings	Financial investments / other	Total
Dividend income	54.2	2.0	28.7	84.9
Changes in value	55.6	-12.0	30.5	74.1
Financial income/expense	-	1.2	29.5	30.7
Other revenue	-	-	0.6	0.6
Operating expenses	-	-	-5.6	-5.6
Profit before taxes	109.7	-8.8	83.8	184.7

Financial Assets

Group 30 June 2024, MSEK	Level 1	Level 2	Level 3	Total
Financial assets				
Shares in unlisted holdings	-	-	289.2	289.2
Shares in active listed holdings	1,455.8	-	-	1,455.8
Financial investments	1,952.8	-	-	1,952.8
Total	3,408.6	-	289.2	3,697.8

Group 31 December 2023, MSEK	Level 1	Level 2	Level 3	Total
Financial assets				
Shares in unlisted holdings	-	-	241.6	241.6
Shares in active listed holdings	1,394.7	-	-	1,394.7
Financial investments	1,927.7	-	-	1,927.7
Total	3,322.4	-	241.6	3,564.0

Key Financial Indicators

	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Change in value of net asset value per share, %	9	5	7
Net asset value per share, SEK	278	260	265
Market price at end of period, SEK	253	248	242
Discount to net asset value, %	9	4	9

Changes in Level 3 Financial Assets

Group, MSEK	Jan-Jun 2024
Opening carrying value	241.6
Purchases/shareholder contributions	-
Sales	-
Change in value	47.6
Total	289.2

Fair value valuation of financial instruments

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.

Valuation of Level 3 Financial Instruments

Valuation of unlisted holdings is made based on 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 armslength 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: 5 - 15

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 expected rapid growth.

Summary Parent Company Income Statement

MSEK	2024 Q 2	2023 Q 2	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Dividend income	33.9	60.2	55.2	71.3	100.2
Changes in value	166.6	-50.4	181.1	151.0	152.5
Other external costs	-0.6	-0.4	-1.0	-0.9	-1.3
Operating result	199.9	9.5	235.3	221.5	251.4
Other interest income/expense and similar items	8.9	9.9	20.6	17.5	36.2
Result after financial items	208.8	19.4	255.9	239.0	287.6
Taxes	-	-	-	-	-
Result for the period¹	208.8	19.4	255.9	239.0	287.6

¹The information on the period's result in the case of Traction is consistent with the comprehensive result. No separate report on comprehensive result is therefore presented.

Summary Parent Company Balance Sheet

MSEK	2024 30-Jun	2023 30-Jun	2023 31-Dec
ASSETS			
Equities	1,368.5	1,310.6	1,325.2
Total non-current assets	1,368.5	1,310.6	1,325.2
Due from Group companies	-	-	-
Financial investments	1,678.8	1,618.5	1,660.6
Cash and cash equivalents	261.6	229.9	221.8
Total current assets	1,940.6	1,848.4	1,882.4
TOTAL ASSETS	3,309.2	3,159.0	3,207.6
EQUITY AND LIABILITIES			
Equity	3,308.5	3,158.6	3,207.2
Current liabilities	0.6	0.4	0.4
Total current liabilities	0.6	0.4	0.4
TOTAL EQUITY AND LIABILITIES	3,309.2	3,159.0	3,207.6

Definitions and alternative key financial indicators

The definitions and alternative key financial indicators below are significant for the understanding of Traction's operations. Only earnings per share below is defined in accordance with IFRS. All alternative key financial indicators refer to the Group. Calculations are based on exact figures, which means that differences may occur due to rounding.

The Traction Group

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

Financial investments

Refers to investments in shares and interest-bearing financial instruments where Traction's ownership is less than 10 percent of the votes, or where Traction does not have an active role by being represented on the Board of Directors. Financial investments are shown in the listing of Traction's net asset value, and in the consolidated and Parent Company balance sheets in this report. A previously active listed holding is recognized as a financial investment on the day when ownership falls below 10 percent of the votes, or from the day when Traction's representative leaves the Board of Director.

Active listed holdings

Holdings in listed companies where Traction's ownership exceeds 10 percent of the votes, or where Traction has an active role by being represented on the Board of Directors. Active holdings are shown in the listing of Traction's net asset value in this report. A holding is recognized as from the day when Traction's ownership exceeds 10 percent of the votes, or from the day when Traction is represented on the Board of Directors.

Unlisted holdings

Wholly and partially owned unlisted companies where any remaining shares typically are held by one or more entrepreneurs or other active owners. Unlisted holdings are companies whose shares typically are owned by one or more entrepreneurs or other active part owners. Unlisted holdings are companies whose shares are not subject to organized daily trading, but not necessarily on a regulated market. Upon listing of an unlisted holding, or upon delisting of a listed company, the holding switches category on the day when the change occurs.

Equity per share/net asset value per share

Equity at the end of the period, divided by the number of shares outstanding on the same day, i.e. $4,114 \times 1,000,000 / 14,789,847 = \text{SEK } 278$.

Net asset value discount

Traction's market value, where unlisted class A shares are given the same value as the listed class B shares at the end of the period, less the net asset value divided by the net asset value at the end of the period in percent multiplied by -1, i.e. $((253 - 278) / 278 \times 100) \times -1 = 9\%$

Net asset value/equity

The net of assets and liabilities at market value, which in Traction's case is equivalent to the Traction Group's equity, i.e. MSEK 4,114 as of 30 June 2024.

Change of net asset value per share, adjusted for dividend paid in percent / Return on equity on net asset value per share

Earnings per share, divided by opening equity per share after deduction of dividend paid per share during the period in percent, i.e. for the period: $23.23 / (265 - 10.45) \times 100 = 9\%$.

Earnings per share before and after dilution

Result for the period after dilution, divided by the average number of shares outstanding during the period, i.e. $343.6 \times 1,000,000 / 14,789,847 = 23.23 \text{ SEK}$. The number of shares outstanding during the period was unchanged.