

Annual report 2023



KABE group summary

KABE Group’s primary business is the construction and sale of caravans and motorhomes as well as camping accessories in the European market through the brands KABE, Adria, Sun Living, Coachman, Affinity, Easy Camper as well as KAMA Fritid. Strong brands and an extensive range mean KABE group supplies the full range of products to its dealerships.

Since its establishment in 1957, KABE group has consistently developed into the international group it is today with production in Sweden, the UK and Poland and sales in 14 European markets. In Sweden, Norway and Finland, KABE group’s market share is around 40% (40) for caravans and 19% (17) for motorhomes.

Contents

4	Year in review
6	Chair’s statement
8	Market conditions
9	Sustainability
10	Companies within the Group and the history of the KABE Group
12	KABE Group 2023
14	KABE - Caravan and motorhome segment
18	Adria and Sun Living - Caravan and motorhome segment
20	Coachman Caravan - Caravan and motorhome segment
22	Affinity - Caravan and motorhome segment
24	KAMA Fritid - Accessories segment
26	KABE Group shares
27	Financial information and definitions
28	Directors’ Report including Corporate Governance Report
38	Group financial reports
42	Notes (Group)
56	Parent company financial reports
60	Notes (Parent company)
65	Invitation to the Annual General Meeting
66	Auditor’s report



Affinity - caravan and motorhome segment

Affinity Camper Vans are produced in Poland for the Nordic and European markets.

Read more on pages 22-23

Five strong brands in the caravan, motorhome and accessories segment

KABE - Caravan and motorhome segment

KABE develops, produces and sells caravans and motorhomes using the highest quality construction methods and materials.

A Swedish-made premium product sold primarily in the Nordic region but also across Europe.

Read more on pages 14-17



Coachman - Caravan and motorhome segment

Coachman is one of the leading producers of caravans in the premium market segment in England. Coachman also sells motorhomes manufactured in KABE's Swedish motorhome factory.

Read more on pages 20-21



Adria - Caravan and motorhome segment

Import of Adria caravans and motorhomes and Sun Living motorhomes into Sweden, Norway and Finland. Adria is the largest importer of and market leader for both caravans and motorhomes in the Nordic region.

Read more on pages 18-19



KAMA Fritid - Accessories segment

KAMA Fritid is the leading wholesaler of accessories and spare parts in the caravan and motorhome sector in the Nordic region. Agent for top brands in the industry alongside own brands.

Read more on pages 24-25

Year in review

SEK 4 084 million

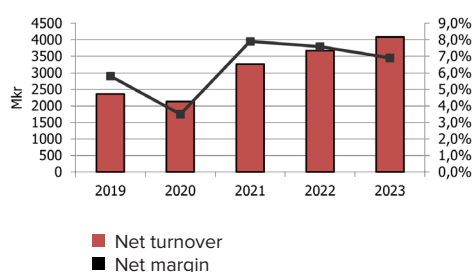
Turnover

280 SEK million

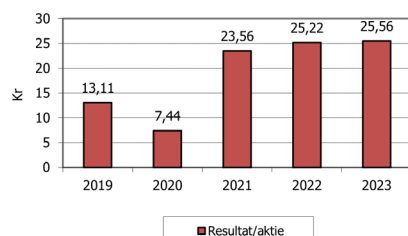
Operating profit/loss

- Net turnover amounted to SEK 4 084 million (3 667)
- Profit after tax amounted to SEK 230 million (227)
- Earnings per share were 25.56 kr (25.22)
- Operating profit amounted to SEK 280 million (279)
- Operating margin amounted to 6.9 % (7.6)
- Cash flow from operating activities amounted to SEK 146 million (106)
- The Group's turnover outside of the Nordics increased by 58%

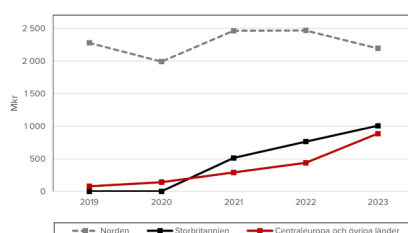
**NET TURNOVER AND
NET MARGIN**



EARNINGS PER SHARE



NET TURNOVER PER REGION



Key figures

		2023 Full year	2022 Full year
Turnover	SEK million	4 084	3 667
Gross operating profit	SEK million	590	522
Gross margin	%	14.4	14.2
Operating profit/loss	SEK million	280	279
Net margin	%	6.9	7.6
Earnings per share	SEK	25.56	25.22
Equity ratio	%	66.3	58.5
Share price on date of balance sheet	SEK	308	194
Average number of employees	number	1 066	1 020

Financial objectives

Growth

Net turnover - the Group's organic growth will outperform change in the total market. Further growth can be achieved through complimentary acquisitions.

Profitability

The target net margin is 8-10% over a business cycle.

Debt

The Group's equity ratio shall exceed 40%.

Dividends

Long term, the dividend should amount to 30-50% of annual profit.

Chair's statement

2023 was the most successful year for both turnover and profit in the history of KABE Group. This is in spite of challenges with supply chain issues and currency fluctuations which heavily impacted profit. Reduced sales of new vehicles have affected profit levels for dealerships. But to a certain extent, lower sales have been compensated by strong development of sales of used vehicles. The growing market of used products can be largely explained by the fact that the price difference compared to new units has grown hugely due to the large price rises for new vehicles.

To adapt production to the changed market conditions, staff have been moved from caravan production to motorhome production. This has caused efficiency losses in the second half of the year due to training staff in entirely new working processes.

During the first half of the year, production was mostly affected by major shortages of electronic components (semiconductors). The component shortages forced us to store incomplete units which also had a knock-on effect on productivity figures for the autumn.

We have been able to transfer the significant cost increases of input materials of recent years to the consumer level. But we were forced to absorb price changes in 2023 which impacted the operating margin in the second half of the year.

Caravans, motorhomes and leisure accessories are a good fit for the ever-growing interest in sustainable and climate-neutral holidays. New terms such as "staycation" and "holistay" highlight the increased interest in holidaying domestically. The sector is experiencing a continued strong interest for leisure vehicles, but the deterioration in the consumption capacity of private individuals and the economic downturn have affected sales of all types of durable goods.

Although there have been high price increases for caravans and motorhomes in recent years, we believe the cost increases for alternative types of holiday have been even bigger. This means that the competition and interest for leisure vehicles and Mobile Living have strengthened further. Campsite owners' comprehensive expansion and modernisation of campsites have contributed to higher status for mobile living. Even though sales of leisure vehicles fell during 2023, the number of users of leisure vehicles has continued to grow due to significantly lower scrappage compared to new registrations.

The economic downturn has affected sales of new caravans and motorhomes. The market for more exclusive products continues to be strong which has benefited both KABE and Coachman. However, Adria's sales have been heavily impacted as mainly families with children have chosen not to buy new units. In contrast to during the pandemic, when this category of customer represented the largest portion of market growth. We expect the demand for premium caravans and motorhomes to continue to develop strongly and that families with children will return to purchase new vehicles when the economy improves.

Initially in 2023, we had major shortages of semiconductor supplies for KABE production. We chose to store incomplete units, which later required great efforts to complete in the second quarter. The imbalance also meant that prototypes could not be completed in time, which later caused large production problems in both the third and fourth quarters. In the second half of the year we had imbalances in productions due to moving a number of people from caravan production to motorhome production.

The bonus malus tax introduced in 2018 and the subsequent new WLTP calculation have had a significant impact on the tax implications for motorhomes. Annual vehicle tax for a motorhome increased from approx. 7,500 SEK to approx. 30,000 SEK per year during the first three years. During the year, certain types of motorhomes have been able to halve their tax liabilities through individual registration inspections which has helped to mitigate the effects of the excessive tax burden. In spring 2021, the requirement for the number of days a motorhome must be off the road in order to not be taxable was reduced from 14 to 4 days. Still, tax continues to be unreasonably high in Sweden when compared to other European markets. Overall, the tax increase has meant that new motorhome and van sales have grown considerably less in Sweden than in most other European markets. The trade association continues to work to get the

government to reduce the tax to a European level and all indications are that the current government will change the unfair tax.

This year has seen a continued high rate of development in all product segments. Great efforts have been made to develop and launch motorhomes in the British market. In recent years we have made investments to be able to rapidly increase production pace when the market turns around again.

This year the Group has, within respective brands and vehicle types, maintained or strengthened market positions. With a comprehensive development programme for both caravans and motorhomes we have laid the foundations for a strong market position in the coming years. That being said, there remains much potential for development in our operations.

Turnover and profit

Turnover increased in 2023 to SEK 4 084 million (3 667). Operating profit increased to SEK 280 million (279) and profit/loss after financial items amounted to SEK 304 million (286).

The profit was affected by supply shortages of semiconductors, low batch sizes in production and currency losses due to exchange rate changes of advance contracts. On the other hand, a changed product range towards a greater proportion of premium products has had a positive impact on profits. The strengthening of the Swedish krona in December generated a heavy loss on our foreign exchange futures. Coachman Caravan's operations in England have developed positively during the year and contributed to positive developments for the group's turnover and profit.

Operating margin amounted to 6.9 % (7.6). The lower operating margin is partly due to increased currency losses, partly due to training new staff and rebalancing production from caravans to motorhomes having a negative impact on production efficiencies in the second half of the year.

Adria's operations have been affected by major supply problems with the Fiat chassis. Demand for Adria caravans has been negatively affected as families with children have delayed purchasing new units due to the deteriorating economy and consumer purchasing power.

Coachman has increased both turnover and profit during the year. Coachman manufactures premium range caravans for the UK market primarily.

KAMA Fritid has been affected by dealerships adjusting their stock levels in store. Compared to the autumn, volumes have begun to increase again. Through the year we have been unable to transfer all price increases to the consumer level which has negatively impacted margins.

The group's target is to achieve a net margin between 8 and 10% over a business cycle.

Product and model range

Market situation

After several years of increased sales in Europe, total sales of caravans and motorhomes fell by approx. 16 % in 2023. The new vans product group has continued to represent a large proportion of sales. Some of the fall in sales is due to supply shortages of input material (primarily motorhome and van chassis) but mostly due to the worsening economy and high inflation and interest rates which have affected customers all across Europe.

The Group's market positions

KABE offers five different caravan model ranges from the entry level Estate to the exclusive Imperial - Europe's most exclusive caravan model. By expanding the model range, KABE has maintained its market position. KABE has a particularly strong position in the premium segment.

KABE's market position in the exclusive motorhome segment is strengthened by the key success factor of year-round features. KABE offers both fully and semi integrated motorhomes built on Mercedes chassis, which will increase the customer base. KABE's van, produced on Mercedes, has allowed us to take the step into a growing market segment. We have developed several new models during the year which are mostly aimed at the German market. This has resulted in contracts with new dealerships and we now have national dealership networks in Germany, Switzerland and the Benelux countries. Thanks to KABE developing

motorhomes on Mercedes chassis, the Group's product range has become even more complete, as Adria mainly uses other types of chassis. Thanks to the expansion of KABE's product range and adaptation to the German and British markets, we have been able to expand our production capacity in the motorhome factory. All despite the fact that the Scandinavian market shrank in 2022 and 2023.

Sales of the Adria brand, manufactured at one of Europe's largest and most modern factories in Slovenia, have continue to develop. Adria is the most sold brand of motorhomes in Sweden, Norway and Finland. Adria has also been the leading name in motorhomes in these markets for some time.

Coachman has a leading position in the exclusive caravan segment in the British market. This year, we have successfully launched an exclusive motorhome produced by KABE, under the Coachman brand. The motorhome has layouts specifically adapted to the English market. This has been a comprehensive and thorough development task as all the layouts have the door on the left-hand side. The motorhomes are mainly sold through Coachman's network of dealerships. However, completely new dealerships have also begun to market motorhomes. By launching the motorhome, Coachman can offer customers a more complete product range. Further efforts will be made to launch additional model ranges into the British market.

Affinity vans are produced at our plant in Poland. This year, investments have been made to double production capacity. Shortages of Fiat chassis have meant we couldn't maintain previous production levels. To reduce our reliance on Fiat, Affinity has launched new models based on MAN chassis.

S-Karosser in Dorotea was acquired in the second half of 2022. S-Karosser has product groups which can be introduced to the market for certain types of electric vehicles. Production capacity in Dorotea is due to be expanded during 2023. In 2023, the bankrupt Nordic Specialhusbilar was acquired. Production of these vehicles will be through S-Karosser. However, the sales organisation for Special vehicles will remain in Kristinehamn.

KAMA Fritid has continued to expand its product range and now offers dealerships one of the most comprehensive ranges of leisure accessories on the market. The number of KAMA Fritid stores has grown during the year and there are now approx. 120 stores in Sweden, Norway and Finland. The number of stores will continue to grow in the coming year. The first KAMA store in Germany has also been established.

Overall objective

KABE Group's overall objective is to be able to adapt production to the current market conditions as quickly as possible at each stage of the economic cycle. One aspect of this is that we continually develop and streamline our production methods. To increase our customer base, KABE has continued to expand the range of caravan and motorhome models. Coachman also has an organisational and production structure which can be adapted quickly to anticipated market situations. Through investment in machinery and equipment to improve productivity alongside developing production methods, we can offer customers a comprehensive range of caravans, motorhomes and vans at competitive prices for all production units.

Risk and sensitivity analysis

Economic trends and employment rates have a major impact on overall sales of caravans and motorhomes. KABE Group's sales therefore depend on private consumption growth and consumers' ability and desire to invest in capital goods.

Real terms wage growth, interest rates and inflation affect private consumption and therefore also caravan and motorhome sales. Smaller changes in interest rates have a marginal impact on sales, since only part of the customers' purchase is financed in instalments.

We depend on government decisions, such as the introduction of the bonus malus scheme in Sweden or other direct taxes, which affect the cost for users of motorhomes in particular.

In recent years we have to a great extent been able to compensate ourselves for the changes in input material costs through increased prices



for the customer. However, it is more difficult to compensate for major changes in exchange rates. We have, however, reduced the group's currency exposure through increased an proportion of exports.

Good prospects

Thanks to our complete product portfolio and strong distribution organisation, we will be able to maintain our strong market position in the Nordic region. Long term our objective is to have a market leading position in our price or product segment for both caravans and motorhomes. The Group's high volumes and market shares means the Group's importance to dealerships' operations is very significant. This strengthens future cooperation with dealerships.

The customers' interest in both caravans and motorhomes has grown in recent years. We believe that the increased interest in sustainable holidays and mobile living will continue at a high level in the coming years, which will benefit the leisure vehicle sector.

Outlook for 2024

Long term we will develop and improve our market position in the Nordic market, for caravans, motorhomes and vans. By building up a production facility for vans in Poland, we have created the conditions to increase our market share in this growing market segment. Through the acquisition of Coachman, we have also created a position in the UK market. By developing our product range and distribution organisation, we have created a more stable position in the German and British markets for motorhomes and vans.

Our operations may, however, be affected by the government's decision on the bonus malus in Sweden and potentially national environmental taxes for motorhomes in other countries. Caravans and motorhomes are a durable purchase which is affected by the economic situation and the level of consumer's capacity for consumption. We are a flexible organisation which can quickly adapt to economic developments and this is the basis for maximising profit regardless of the market situation.

Our strong market position, distribution network, financial standing, complete product portfolio and high intrinsic innovation stands KABE Group in good stead to meet new challenges in the future. We are fully focused on following our strategic plan to build a stronger international KABE Group.

Tenhult, April 2024

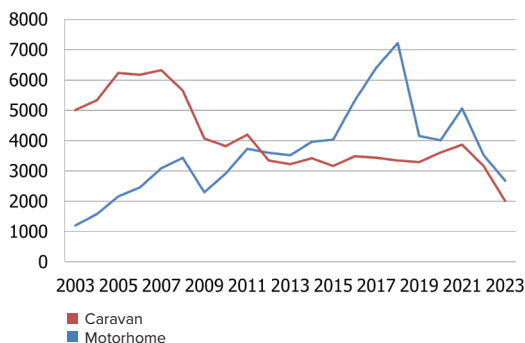
Alf Ekström
CEO and Group CEO

*For definitions of alternative key figures used, see "Definitions" on page 27.

Market conditions

The Group's businesses are market leading in the Nordic region within their respective market segments.

REGISTRATIONS IN SWEDEN 2003-2023
NEW CARAVANS AND MOTORHOMES

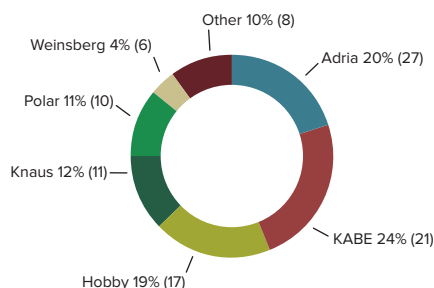


Caravans

Total sales of caravans in Europe have increased over the year by 11% to a total of 63 751 units (71,545). This varies a lot by country. The greatest reductions outside of the Nordic countries were in Austria, Belgium and Spain at around 20%. The German market shrank by 11% while the rest including Great Britain shrank by 6%. During 2023, total sales in the Nordic region decreased by 26% compared with 2022. The total number of caravans registered reached 6 218 units (8,404).

Sales in the various Nordic markets decreased as follows; Sweden 36%, Norway 22%, Denmark 21% and Finland 11%.

MARKET SEGMENTS IN SWEDEN 2023
CARAVANS



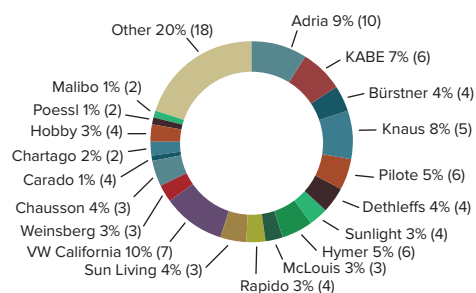
Motorhomes

Sales of motorhomes in Europe have decreased over the year, but there is still a major interest in vans. Total sales reached 146 339 units (147 804), a decrease of 1%. The largest decrease was in Sweden in Norway as well as Austria. Sales in Germany and Luxembourg have increased since the previous year.

Total sales of motorhomes in the Nordic region decreased by 20% in 2023. The total number of registrations reached 6 347 units (7 907).

Sales in the various Nordic markets decreased as follows; Sweden 24%, Norway 21%, Denmark 20% and Finland 4%.

MARKET SEGMENTS IN SWEDEN 2023
MOTORHOMES



Distribution through independent dealerships

The KABE Group markets and sells all its products through local, independent dealerships. These dealerships have extensive experience and knowledge of the Group's entire range of caravans, motorhomes and leisure accessories. They also normally offer services to customers.



Sustainable Development Goals

Sustainability 2023

During 2023, KABE Group's sustainability efforts have continued to work towards reducing the direct and indirect climate impact, working towards long-term sustainable business development, good working conditions, increased diversity and equality and a high standard of business ethics.

KABE Group bases its sustainability work on the UN Initiative, Global Compacts principles and human rights, employment law, environment and anti-corruption.

KABE Group works continuously to map and systematise sustainability work on the basis of the Group's business model. KABE Group's sustainability strategy becomes more and more integrated into the group's operations each year.

During 2023, KABE Group continued to work on mapping our operational environmental impact to measure our CO₂ emissions. This mapping forms the conditions for continuous work to reduce KABE Group's climate impact and lays the foundations for the KPIs we have taken from associated focus areas for our sustainability work.

KABE Group's goal is to achieve positive, meaningful change by in a fact-based, strategic and goal-focused manner. This creates the conditions to establish sustainability in the whole value chain and offers our customers a sustainable choice in Mobile Living.

Consultation on the introduction of CSRD in Swedish legislation took place until mid-February 2024 which would mean KABE would make their first report under the directive for the financial year 2024. As a result, since 2023 KABE has carried out double materiality analysis and GAP analysis in line with the directive which has provided us with good insight into our current situation and what is expected of us and allowed us to create a stable basis for the Group's continued sustainability work.

In addition, a transition period for CBAM (Carbon Border Adjustment Mechanism for Carbon Dioxide) was introduced on 1st October which is an EU measure for reducing carbon emissions). There is an obligation to report embedded emissions in imported CBAM products from third countries to the Swedish EPA.

As a result of the fact that a major focus of our work on sustainability at the moment has been to enable reporting for 2024 that complies with the directive's standards, KABE Group has actively chosen to keep the current sustainability report and the future sustainability report according to CSRD separate. The 2023 report has been updated and is compliant with legislation and standards, however, less focus has been placed on communicating the insights and data we have gained so far through our work under ESRS/CSRD.

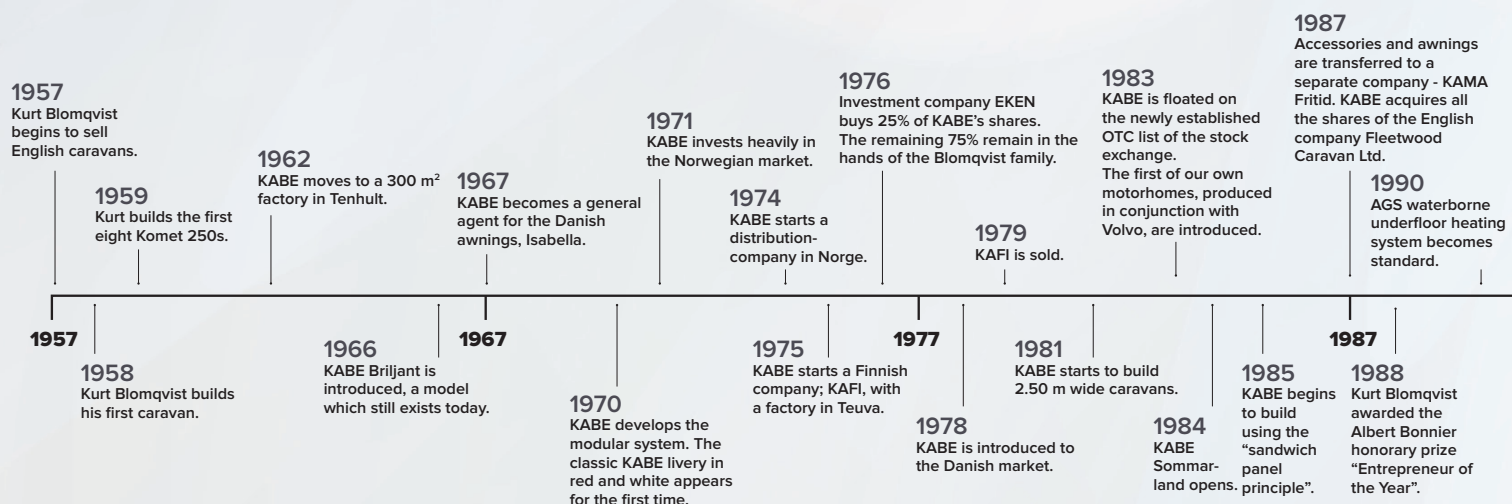
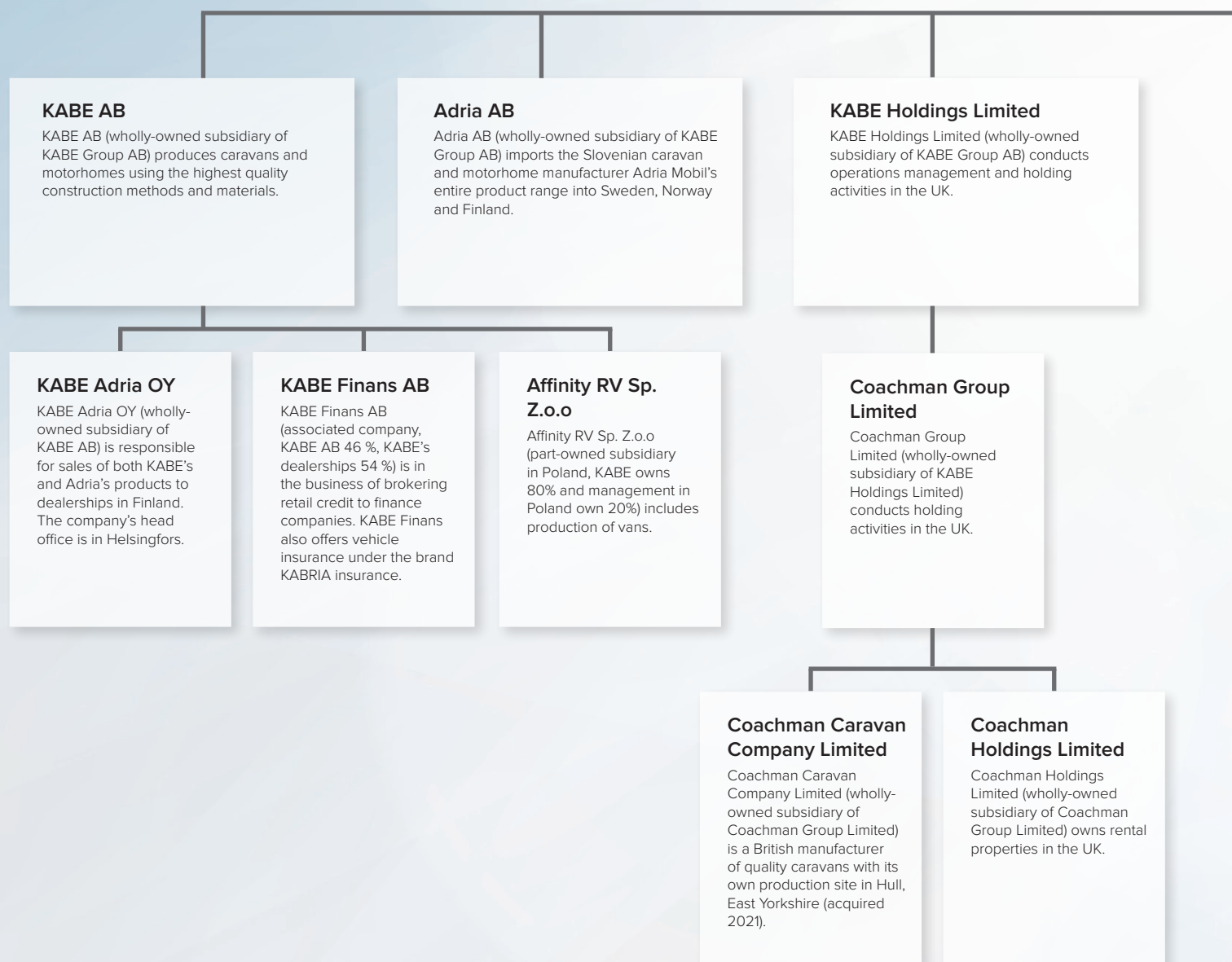
The legislative proposal that came in mid-February 2024 proposes that the introduction of CSRD in Swedish legislation should instead apply to financial years beginning after June 2024, which for KABE Group would mean that a first report under the directive would instead be made for the financial year 2025.

Management Board

Tenhult, April 2024



Companies in the Group





GROUP AB

KAMA Fritid AB

KAMA Fritid AB (wholly-owned subsidiary of KABE Group AB) offers the market's most extensive range of accessories for mobile living and spare parts for caravans and motorhomes. KAMA Fritid is the largest wholesaler of leisure products for caravans and motorhomes in the Nordic region.

S. KAROSSER AB

S. Karosser Aktiebolag (wholly owned subsidiary of KABE Group AB) manufactures and sells pickup-campers which are easily lifted up and securely attached to a pick-up truck. S. Karosser also manufactures show vehicles for tools and promotional products. Operations are in Dorotea, Sweden.

Nordic Mobile Office AB (wholly owned subsidiary of S. Karosser AB). The company manufactures and sells special vehicles.

KABE Transport AB

KABE Transport AB (wholly-owned subsidiary of KABE Group AB) transports caravans and motorhomes for KABE, Adria and other importers of leisure vehicles. Operations also include transporting KABE Rentals hire fleet.

KABE Rental AB

KABE Rental AB's (associated company, KABE Group AB 46 %, KABEs dealerships 54 %) business consists of long-term rentals of caravans and motorhomes, mainly to companies.

Other companies

The wholly-owned subsidiary **KABE Fast AB** (with subsidiary **KABE Fastighet i Malmö AB**) and **KABE Fastighet Momarken AB**, own properties for rent.

Leisure Vehicles i Sverige AB is a wholly-owned subsidiary of KABE AB. The company engages in the management of movable and immovable property and related activities.

KABE Försäljnings AB and KABE Camper AB

These companies are currently dormant.

Associated companies where KABE Group owns 33 %, are **Nordfarbo AB** in Kramfors which manufactures plastic sandwich panels and **Fastigheten Bodalsvägen i Kristinehamn AB**, which owns a rental property.

KAMA Fritid OY

KAMA Fritid OY (wholly-owned subsidiary of KAMA Fritid AB) is responsible for sales of KAMA's product range to dealerships in Finland.

KAMA Fritid Norge AS

KAMA Fritid Norge AS (wholly-owned subsidiary of KAMA Fritid AB) is responsible for sales of KAMA's product range to dealerships in Norway.

2023

The year was the best in KABE Group's history, in terms of both turnover and profit with a clear growth in sales outside of the Nordics of 58%.

During the year, KABE Group acquired the bankrupt specialist vehicle manufacturer, Nordic. Manufacture of customised motorhomes moved to S. Karosser in Dorotea.

During the year, KABE launched the fully integrated smaller motorhome i790 LQB which is built on a Mercedes chassis with full KABE standard in both Crown and Imperial levels. Adria released a new generation Aviva. A range of modern, lightweight caravans designed for easy living, combining the exterior profile of the new generation with the original, elegant and affordable character that made this model range so popular. Coachman launched a fully integrated motorhome which received a high level of interest at the year's trade fair and the group saw continued increased production by Coachman during 2023.

During 2023, the distribution agreement with Adria Mobil d.o.o. was extended until 2034 with an option to extend until 2038.

1992

The modular system is developed and becomes the Flexline system.

1994

KABE becomes the market leader in Sweden.

1997

New Travel Master is displayed at Elmia trade fair.

2001

KABE establishes Adria Caravan, which imports caravans and motorhomes from the Slovenian Adria Mobil.

2004

Slovenska Adria Mobil takes over Fleetwood.

2007

KABE celebrates fifty years in the business and showcases a new double-decker caravan - Royal Tower.

2010

A shared technology and development centre is built and KABE invests even more into research and development.

2012

KABE invests SEK 35 million in its motorhome and carpentry factory.

2016

KABE's intelligent control panel, Smart D, which controls and monitors all the vehicles functions was announced the winner of the prestigious European Innovation Award.

2021

Best financial results on record. Acquisition of the English company, Coachman, and launch of a new premium motorhome.

2019

New range of motorhomes and KABE Van based on Mercedes. KABE is part owner of Affinity Camper Van, manufactured in Poland.

2022

The year was the most successful for both turnover and profit in the history of the KABE Group. During the year, KABE Group acquired the camper manufacturer S. Karosser.

1997**2000**

Half of the shares in Fleetwood were sold to Slovenian Adria.

2006

Inauguration of a new production line; the KABE factory becomes one of Europe's most modern caravan factories.

2007**2017**

KABE invests 50 million SEK in a new sandwich panel factory and establishing a new production line for fully-integrated motorhomes. KAMA Fritid moves to a new site. KABE celebrates 60 years and produces a new double-decker caravan – Imperial Tower.

2017**2018**

Best financial results on record. KABE Group AB signs an agreement to acquire 21.5 % of shares in Coachman Group Limited.

2020

KABE introduces a world-first innovation in the form of zone heating. KABEs first semi-integrated motorhome built with Mercedes is introduced. Expansion of an in-house KABE Van production line at the Tenhuft plan is ongoing

1995

Founder Kurt Blomqvist becomes Chair of the Board and is succeeded as CEO by Alf Ekström.

KABE Group 2023 events

Today KABE Group has over 1 000 employees who use their skills, commitment and innovation to continue to develop the market for leisure vehicles and accessories.

More and more people are discovering the advantages of mobile leisure and in recent years, many have chosen a motorhome or caravan from KABE as the optimal alternative for their holiday accommodation. KABE's model concept is continuously developing, reflecting our aim to offer the absolute highest quality to our customers. Ahead of the 2023 model year, KABE launched new caravan and motorhome models. The design, both inside and out, underwent major updates.

"KABE offers a comprehensive and varied range of motorhomes and caravans, equipped to the max across several price segments. Our investment in exports in recent years is highly successful and we are looking forward to welcoming new dealers around Europe," explains Mikael Blomqvist, CEO of KABE AB.



The Nordic region's most purchased caravans and motorhomes are manufactured in Novo Mesto, Slovenien.

During 2023, Adria launched the products Twin Max on MAN, which is a larger van, and the minivan Active, built on Renault. The hope is that these will meet the gaps in the market which the brand previously had no products for. Adria has also launched a facelift for their affordable Aviva caravan.

"This year, Adria has launched another couple of models. An already wide range is now even better, with the same high standard and modern design," reports Johan Skogeryd, CEO of Adria AB.

The motorhome brand Sun Living is manufactured by Adria Mobil in a state-of-the-art factory in Novo Mesto, Slovenia. Sun Living was Launched in the Swedish, Norwegian and Finnish market in 2016. The brand continues to develop to increase recognition of Sun Living. In 2023 products have been further adapted for these markets.

"With Sun Living, we will continue to grow our market share in the entry level segment for motorhomes and vans. We see that the brand has established a segment that we believe will continue to grow," says Johan Skogeryd, CEO of Adria AB.





Deliveries of Coachman motorhomes to the English market continued to grow in 2023 with more than a 100% increase in demand. The introduction of an Imperial A Class fully integrated motorhome strengthens Coachman Motorhomes as a premium brand. Further models will be introduced for the 2024 season. The network of motorhome dealers in Great Britain has grown to 17 dealerships.

"During 2023, Coachman experienced a significant increase in turnover and the brand continues to develop dynamically. Several new models were introduced during the year which have been met with great enthusiasm by our customers," says Alf Ekström, Group CEO of KABE Group.

KAMA Fritid has sales agencies from the largest manufacturers of accessories for the caravan and motorhome industry in the Nordic region. KAMA Fritids market share has increased over the years and is the largest wholesaler of caravan and motorhome accessories in the Nordic region.

KAMA Fritid also sells a growing number of products under its own brands WeCamp, GoCamp and Royal Camping.

"The broad range we offer is highly valued by both dealers and end consumers. This has meant that KAMA Fritid's sales have grown and business shows a consistently positive trend", said Jonas Tidqvist, CEO of KAMA Fritid AB.



During 2023, S.Karosser's production has focused on show vehicles for tools and promotional clothing.

Developing the central European camper market with more dealerships begun during the year. We have also started working with dealers in Sweden.

In 2023, a new model was launched which combines the benefits of the larger camper's comforts and the flexibility of the smaller camper.

Perfect for anyone wanting to take a trailer with them when travelling.

"Swedish production of campers continues to grow steadily. During the last year the company has continued to develop and strengthen its brand by launching a new model to maintain its attractive market position," says Alf Ekström, Group CEO of KABE Group.

Interest in small, light motorhomes in the van segment continues to grow consistently. Ahead of the 2023 model year, the interior design of all models was updated with a lighter colour. Affinity is a new brand manufactured in Poland, but with Swedish KABE as the main owner. Affinity Camper Van is a completely stand-alone brand, with its own ambitions and development opportunities.

"Affinity Camper Van represents an exciting combination of comfort and practical design. The aim is to offer the opportunity for adventure without compromising on comfort. With smart sleeping solutions and well thought-through functions, Affinity is an excellent choice for those seeking flexibility and freedom on the road," says Alf Ekström, CEO of KABE Group.



KABE - Caravan and motorhome segment

A Swedish manufactured premium product, built for year-round use in the Nordic climate.

KABE AB's operations consist of developing, producing and selling caravans, motorhomes and vans. The products must be of the highest quality, both in terms of construction and material choice. The products' market position is in the premium segment and sold primarily in the Nordic region although sales to Great Britain, Germany, Switzerland, Holland and Belgium have increased in the last three years.

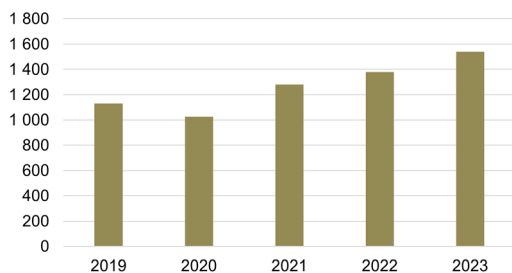
Turnover

In 2023, turnover in the caravan and motorhome segment reached SEK 1 540 million (1 378). The increase in turnover is primarily related to increased sales to export markets.

The economic situation in 2023 with rising interest rates and lower purchasing power has had a negative impact on sales of leisure vehicles throughout Europe, but mostly in the Nordic region. The market decline in the Nordic region has been compensated through increased sales of both caravans and motorhomes to Germany and motorhomes to the British market.

TURNOVER

SEK million



To adapt operations to the prevailing market conditions and demand, employees have been moved from caravan production to plants for motorhomes. Initially, the large relocation of staff affected productivity in both factories. This was due to training staff and the major difference in the nature of the work in the different assembly lines.

At the start of 2023, there continued to be a major impact on production due to shortages in the supply chain for input materials. Above all, the shortage of semiconductors caused major problems for maintaining planned production speed. The shortages meant a large number of incomplete products had to be stored which has resulted in serious knock-on effects on production right into the second half of the year. Much of the price increases for input material has been passed further down the distribution chain, but we have been forced to absorb the most recent price increases.

Overall objective

KABE's overall objective is to be able to adapt production to the current market conditions as quickly as possible at each stage of the economic cycle. One aspect of this is that we continually develop and streamline our production methods. To grow our customer base, KABE has continued to expand the range of models. Through investment in machinery and equipment to improve productivity alongside developing production methods, customers can be offered a comprehensive range of caravans, motorhomes and vans at competitive prices in the long term.

Sales organisation

Consumer sales

KABE's product range is sold to consumers through approx. 150 independent dealerships (approximately 60% of whom also sell Adria). In some cases, the dealerships are so-called multi-brand dealerships, i.e., they also sell brands other than KABE, Adria, Sun Living or Affinity. KABE and Adria are, however, the major brands for most of the dealerships. KABE-Group has long-standing business relationships with the majority of dealerships. By launching KABE's motorhomes branded as Coachman through Coachman's dealership network in the British market, the market network has significantly widened.

Business process

Information on products and market information

In order to obtain information on new market influences or changes in the competition situation, work is conducted together with dealerships in various types of working groups (product development, quality, marketing).

For each market there are separate, national distributor groups. A group of experienced caravan and motorhome users are also interviewed annually for product reviews.

KABE also works with national brand clubs, which creates direct contact with a large number of interested and experienced KABE owners.

Digitalisation and digital transformation

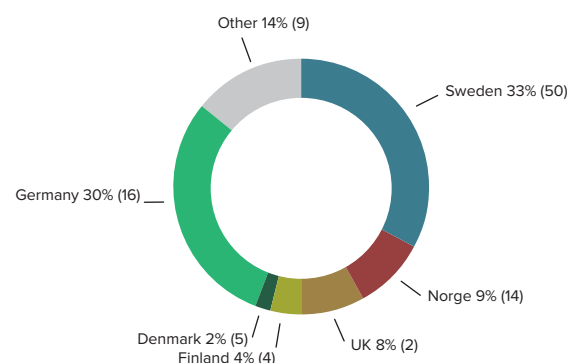
Through a greater focus on digitalisation and digital transformation, KABE will, amongst other things, ensure that end customers have a better experience before and during KABE ownership and provide our dealerships with digital tools in order to simplify and facilitate contact with customers.

The goal with our digital transformation is to provide an improved customer experience by enabling unique customisation, increasing customer satisfaction and reducing sales and marketing costs.

In recent years the investment in digital solutions has intensified. To ensure the flow of information, security and customer-facing digital platforms, we have implemented an adaptation of the IT infrastructure.

The digital platforms enable KABE to bring out new innovative products and preparedness to follow new market trends. The platform supports new services that expand and provide better and more secure communication with customers.

SALES BY MARKET 2023 CARAVANS AND MOTORHOMES





The KABE Estate range took home first place in the upper mid class category and second place in the total ranking in the international competition "Caravan of the Year 2024" in Germany. The awards are presented by "CARAVANING", Europe's largest camping and caravan magazine.

Product development

Product development of new models and new constructions occurs internally in the company. External consultants are sometimes employed in some cases for development, predominantly for major model changes.

All product development and tests take place in our own technology centre in Tenhult. The technology centre includes a refrigeration chamber, flushing plant, ventilation testing, rolling road, various scales and a complete prototype workshop. The technology centre is one of Europe's most developed and complete facilities for testing and development of caravans and motorhomes.

KABE has received several awards during the year, from both consumer organisations and journalist votes.

Production process changes

Certain larger projects concerning development of production processes are conducted in collaboration with external consultants. Otherwise, internal resources are always used to drive change and development projects in the company.

Production is managed according to the "Toyota model" and Lean production methods. All factories use the same production and quality system, which inter alia makes it possible to redeploy employees between production facilities for caravans, motorhomes and vans.

Systems have been introduced so that all information on possible shortfalls and actual production compared to planned production is displayed in real time on large monitors in the factory.

Certification and internal checks

KABE is certified according to the Swedish Transport Agency's type approval. In addition to this there are comprehensive internal checks based on monitoring of each individual caravan and motorhome produced. The system makes it possible to follow up who has done specific pieces of work and which types and batches of material are included in a finished product. Following delivery of the products to the end-user, service work and warranty commitments are monitored on each caravan or motorhome.

Quality assurance

KABE has developed its own computerised quality assurance system. The system makes it possible to monitor and ensure that shortfalls and defects are detected and that additions are made at the correct production intervals in the factory. The system enables continuous monitoring of actions on individual products. The system is online and monitoring of actions is done with direct access. The system also provides information on material missing at a work station. The checks conducted by employees are independent from the production management.

Flexline - a unique production method

For many years, KABE has had a unique production method called Flexline. The system means that the same type of modules can be used in different types of caravans and motorhomes. The Flexline system creates the possibility of producing customer adapted products (over 100,000 possible alternatives) in combination with mass production.



In 2024, the range was expanded with a new model in 790 length in both the Crown and Imperial lines.

Total market development

Caravans

During 2023 the total market in the Nordic region reached 6,218 caravans (8,404), a decrease of 26% on the previous year. The Swedish market shrank by 36% during 2023. In Denmark, the market shrank by 21%, in Finland by 11% and in Norway the decrease was 22%.

Motorhomes

The total motorhome market in the Nordic region in 2023 reached 6 347 units (7 907), which is 20% lower than in 2022. The Swedish market decreased by 24%, the Norwegian market by 21%, the Finnish market shrank by 4% and the Danish market by 20%.

Sales performance

Caravans

KABE's market share in Sweden reached 24% (21) in 2023. KABE's total market share in the Nordic region reached 14% (12). KABE continues to strengthen its market position within the more expensive and larger caravan segments. Improvements in KABE's market share in Sweden and the Nordic region are due to the fact that KABE's customers are not as economically sensitive. Sales developments in other export markets such as Germany, the Netherlands and Switzerland have also been very positive. Several new large dealerships have chosen to begin to work with KABE products in recent years, generating volume increases in these countries.

Motorhomes

KABE's market share in Sweden reached 7% (6) in 2023. KABE's total market share in the Nordic region reached 4% (3).

The last year has seen an increase in sales in the German market where several new dealerships have begun to work with KABE products. Sales to the Benelux countries and Switzerland have also increased. Due to the introduction of Mercedes chassis for motorhomes, KABE's market share in the premium range has strengthened. Above all, the introduction of Mercedes chassis brought about increased interest in KABE's products from German customers.

Model ranges

Caravans

The Estate range models have expanded in recent years. The newly developed Estate range is primarily aimed at families with children but also a small, light travel vehicle for two people. The main target market for the Estate range is the growing group of first-time buyers and owners of other imported brands.

The Gemstone range offers very good basic trim and high comfort attracting mainly existing KABE customers and owners of other Scandinavian brands. The Gemstone range was founded in 1963 and is a proven model concept which is well-known among consumers.

The Royal range is for experienced campers looking for a well-equipped caravan with lots of technology, design and a high trim level. This range has the largest number of models on the market.

Hacienda has the same trim level as Royal vans but are the largest caravans produced in Europe. The vans are designed for our most well-off customers. Hacienda is also for those looking at a caravan as an alternative to a static caravan or holiday home.

The Imperial range is for those customers looking for the very latest as well as experienced KABE customers who want to progress within the brand. With its unique design and high trim level, this is a unique caravan in the entire industry.

Motorhomes

KABE continues to strengthen its market position for motorhomes in the premium segment. To achieve greater sales volumes, KABE has expanded its model lines with fully-integrated motorhomes and vans manufactured on Mercedes chassis.

Several new models have been launched through the year.

This includes the launch of the KABE Travelmaster Novum. This motorhome has a total weight of less than 3,500g and is aimed at customers who have a B class driving licence from after 1996.

Motorhome models specifically adapted for the British market have also been developed this year. The motorhomes are sold under the brand Coachman and primarily marketed to Coachman dealerships. Interest in the vehicles has been high and some large motorhome dealers have begun selling the products this during the year. This year, both the Novum model and an integrated motorhome have been developed for the British market.

KABE Royal are semi-integrated motorhomes built on a Mercedes chassis. In the Royal range, models are available in a cross-over version, i.e., with a drop-down bed above the seating area. The motorhomes are unique on the market in being built in King Size width (250 cm). The products are of a high technical level and trim specification. The Royal range is aimed at buyers with high expectations of trim and comfort.

Crown are fully-integrated motorhomes built on Mercedes with both the living area and vehicle offering a very high trim level as standard. The Crown range is available in 760, 810 and 860 lengths and is the natural step for customers looking to trade up to a KABE motorhome.

Imperial are KABE's most luxurious motorhomes. The Imperial range includes fully-integrated motorhomes built to the highest specification standards. Imperial is for customers wanting to be unique and who appreciate a very high trim level. Available in 810, 860 and 910 lengths.

All of KABE's motorhomes are in the market's higher price segment. The motorhomes are developed to be usable year-round in the Nordic climate. Well-insulated bodywork provides the best comfort for living in summer, which even central European customers are now discovering.

KABE Van is a completely unique van equipped with everything needed for the year-round active user in the Scandinavian climate.

Customers

KABE's customers are mainly consumers who already own a caravan or motorhome. The products are in the higher price segment with a high trim level. Products are thus mainly aimed at year-round users of their caravan or motorhome. Customers are predominantly homeowners (approx. 80%), living outside urban areas with a wide range of leisure interests.

For customers who have not previously used a leisure vehicle, specific marketing efforts are required to inform customers of KABE's unique design and use features for the Nordic climate.

With the launch of a more modern design in the Estate range, KABE now has a product to offer tailored towards a younger customer group. Previously KABE has not reached these customers who, due to the price level, have often been signposted towards cheaper brands or second-hand vehicles. Estate vehicles are also lighter which is more suitable for electric and hybrid vehicles.



KABE took home third place in the semi-integrated class over 75,000 Euro in the import category in the "Caravan of the Year 2024" competition in Germany with the TM Novum/Royal model. The award was presented by "CARAVANING", Europe's leading magazine for camping and caravans.

Export

Export share reached approx. 68% (52) of total sales. The objective is to achieve at least a 50% share of exports. A large proportion of exports has been a purposeful strategy to reduce the company's reliance on the Swedish market. In particular, sales to Germany and England have increased in the last year.

Production

KABE's production volume must be able to quickly adapt to fluctuating demand. The aim is for the majority of the company costs to be variable. The company strives to implement business changes early in a business cycle.

In order to streamline production and ensure high and consistent quality, the company works according to the so-called Toyota model (5S and Lean production) in production and development work. This method is primarily based on identifying shortfalls in production and through a continuous process of change and development, creating the conditions for further improvements in efficiency and quality.

All parts and sections within production work to a common pace (a caravan or motorhome leaves the factory at each time interval). Production adaptations to Lean production are ongoing and the company is expected to see continuous efficiency improvements in the years to come.

Competition

Caravans

The only Swedish competitor is Polar Caravans, produced in Dorotea. After many years in decline, sales have grown in the last year. Of the imported brands, the Slovenian company Adria (part of the KABE Group) and the German Hobby and Knaus have the highest sales in Sweden. Hobby also has a strong position in the other Nordic countries.

Motorhomes

The motorhome market is highly fragmented with a large number of brands within a few large Groups. The imported manufacturer Adria (part of the KABE Group), Knaus, Hymer, Dethleffs and Bürstner are the largest in the Nordic market. KABE Travel Master has the highest market share in the exclusive motorhome segment. In recent years, some other German and French brands have attempted to break into the Nordic market but their share of the market continues to be relatively low.

Vans

In recent years, the market for vans in central Europe has grown strongly but the product group has not had any major sales success in Scandinavia. Vans are aimed at a new customer group who mainly use their products for 'wild camping' away from established campsites.

2024

On the other hand, higher unemployment and inflation will have a limiting effect on sales of leisure vehicles during 2023. Owing to the high share of variable-rate consumer loans in the Nordic countries (especially Sweden), the decline has been sharper in these markets than in the rest of Europe. During the pandemic sales grew strongly which should mean that sales will grow again when consumer capacity increases with falling interest rates, lower inflation and higher wage rises in the coming years.

In recent years, KABE has had a fast pace of product development. The number of models in the premium segment has increased and KABE has also successfully launched new products in multiple export markets in recent years. The broadening of the market base will contribute to continuity in operations and stronger results over time.

KABE's increased diversifying, strong financial position, complete product portfolio and high inherent pace of inflation, mean KABE is well-equipped to meet the future market demands and customer interest.

Adria and Sun Living - Caravan and motorhome segment

Adria AB imports the Slovenian caravan and motorhome manufacturer Adria Mobil d.o.o's entire product range into Sweden, Norway and Finland.

During 2023, Adria's sales have been affected by consumers' lower consumption capacity since the majority of Adria's product range is aimed at the mid and low price sector. In contrast to during the pandemic when this market segment saw better development. It is mainly families with children who have been forced to postpone their plans to purchase caravans. Adria's market share for caravans in Sweden, Norway and Finland reached 20% (25). But Adria is still the most sold make in the Nordic regions.

For motorhomes, Adria has consolidated its position as the market leader in the Nordic region. There have also been shortages of deliveries from Adria in Slovenia in 2023 which have impacted market share. Adria and Sun Living's market share in Sweden, Norway and Finland reached 14% (12).

Due to Adria's significant supply problems in Slovenia mainly due to delayed delivery of chassis from Stellantis in Italy, Adria in Sweden has been forced to cancel a number of orders during the year.

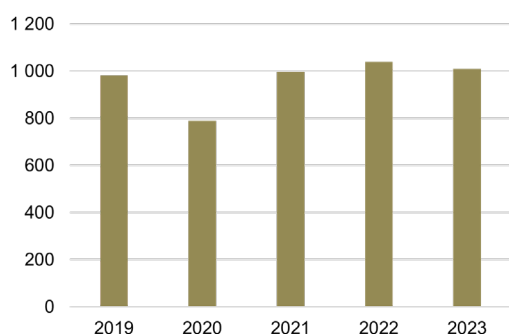
In total, Adria has maintained its position as the best-selling brand of both caravans and motorhomes in Sweden, Norway and Finland.

Extended distribution agreement

In 2023, the distribution agreement with Adria Mobil d.o.o. was extended until 2034 with an option to extend until 2038. The agreement give the group a long-term opportunity to work with and develop the product programme and dealership organisations. The extension of the contract secures KABE group's strong market position in the Nordic region for the coming decade.

TURNOVER

SEK million



Turnover

In 2023, turnover in the caravan and motorhome segment reached SEK 1 009 million (1 040).

Sales organisation

Sales to consumers take place through approx. 100 independent dealerships (approximately 85% of whom also sell KABE). In Sweden and Norway products are sold directly to dealerships from the head office in Tenhult. In Finland, the whole product range is sold by the Group company KABE Adria OY, headquartered in Helsingfors.

Business process

In order to obtain information on new market influences and the current competition situation, continuous work is carried out with the dealerships.

For each market there are separate national distributor groups who, together with Adria's employees adapt the products to

the Nordic conditions. Representatives from the organisations in Sweden also meet representatives from the Adria factory in Slovenia to jointly develop long-term product development plans.

Adria works more closely with dealerships compared to many other players in the industry. The organisation strives for efficiency and quality, with the goal of being the best partner for dealerships. Efficiency is clear since the size of Adria's Nordic organisation is on a par with competing comparable organisations which only operate in the Swedish market.

Market development

Caravans

Adria's caravans have been sold in Sweden since the mid-sixties. Overall, Adria is the best-selling brand in Sweden, Norway and Finland, with a market share of 20% (25). In Sweden the market share reached 20% (27). In Norway the market share reached 20% (23) and in Finland 21% (23). The fall in market share is linked to the fact that Adria's largest customer group, in the mid and low price segment, have suffered due to the poor economic development and consumers reduced buying power through the year.

Adria's product segment covers the whole market. Adria's product advantage is, among other things, that the products are better adapted to Scandinavian conditions and better-equipped compared to other Central European brands. Adria also has a low-weight product range aimed at buyers of lighter caravans.

Motorhomes

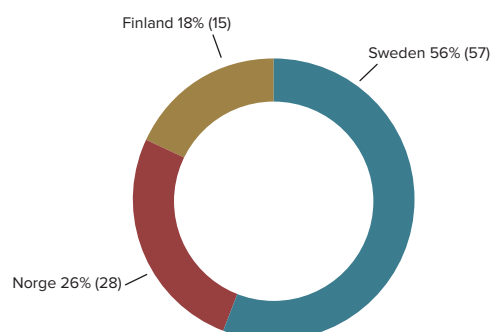
Adria has been the best-selling brand in Sweden, Norway and Finland for many years. Market share reached 10% (10). The largest proportion of Adria's sales are within the mid-price segment. Adria also has a complete product line of vans.

In Sweden, Adria's market share is 9% (10). In Norway, Adria's market share is 11% (8). The number of dealerships selling Adria's product lines in Norway has continually grown in recent years. The market share in Finland is 9% (12). The decline is linked to the supply issues at the Adria factory in Slovenia due to the shortage of input materials.

Sun Living

The caravan brand, Sun Living, launched in Sweden, Norway and Finland in 2016, is marketed as a low-cost, entry-level brand in the motorhome market.

SALES BY MARKET 2023 CARAVANS AND MOTORHOMES



Total sales of Sun Living in the named markets reached approximately 227 units (129). In recent years, the market for motorhomes in the low-cost segment has grown in every market in the Nordic region. This is because these motorhomes compete with used vehicles in the mid price segment.

Product ranges

Caravans

The caravans are divided into five different model ranges. The Action range offer fashionable caravans for the active couple for whom design and aerodynamics are of the highest priority. The Aviva range are entry-level models with price and weight being important. The Altea range are also entry-level models but with greater emphasis on design and function. The range is built for spring, summer and autumn and intended for cars with a low towing capacity. The Adora range is a mid-class range with the largest number of layouts. The Alpina range consists of only full width larger caravans. Alpina is the range best-adapted for the Scandinavian winter climate. This range also has a higher trim-level than other ranges.

Motorhomes

Adria's motorhomes are available in a total of six different model ranges, three of which have different trim levels for customers to choose from. This way all segments of the motorhome market are covered but with the minimum number of models. This approach has been very positive for both dealerships and end customers, as they can quickly find a motorhome model suitable for the family.

The Sun Living brand is produced in eight different models. Sun Living is an entry-level model for new motorhome buyers in the van, coach-built and semi-integrated motorhome segment. For some years a model range of vans has been part of the product portfolio.



In 2023 Adria launched the Active Pro minivan.

Customers

Adria's caravans have historically had a large proportion of customers among families with young children and first-time buyers. Many Adria customers choose to trade-in for another Adria, meaning that the second-time buyer share and loyalty is increasing. The high market share also means that used Adria units have good second-hand value.

In the case of Adria motorhomes, the majority of customers are middle-aged. Here too, the proportion of second-time buyers is increasing. In general, however, motorhome customers are more likely to change brand than caravan customers.

Adria also has a strong product portfolio of vans. Sales during the year have been negatively impacted by the disruptions in the supply over the year. Demand for this product group nonetheless remains high.

Adria's high market share means high second-hand value of the brand's products which contributes to a continued high market share despite market developments.

2024

Thanks to a national dealership network and comprehensive product programme, Adria will be able to consolidate a strong market position. This is true for both caravans and motorhomes. The extended distribution agreement allows Adria to continue to invest in brand building activities and sales materials for dealerships.

During the last two years, sales volumes have been hampered by the Adria factory's supply problems which have affected deliveries and sales.

The number of dealerships who have chosen to work exclusively with the group's brands has increased in recent years. This has contributed to the strengthening of Adria's market position and will lead to higher sales for Adria when the market improves again.



Coachman Caravan - Caravan and motorhome segment

Manufacturer of quality caravans and import of KABE motorhomes for the UK market.

Coachman Caravan Company Limited is a British manufacturer of quality caravans with its own production site in Hull, East Yorkshire, where all the company's caravan models are manufactured.

Turnover

Coachman Caravan reports ongoing strong sales figures with turnover for 2023 reaching SEK 1 001 million (762). Turnover for motorhomes is expected to increase in the coming years with many more expected to be sold in the 2024 season.

Sales organisation

The company's products are sold to end customers in Great Britain via a network of approximately 50 dealerships of which 10 are new in recent months. New dealerships, together with existing ones and the increased exposure of Coachman products throughout Great Britain and better access to products for end customers will all contribute to improving Coachman's market share.

Business process

The Group's relationships to its customer network is the key to its long-term success. Dialogue with dealerships is an important part of the business process. Here, new trends are captured and market trends can be monitored on an ongoing basis.

Coachman's sales team has regular contact with the network of dealerships in order to ensure that the caravans and motorhomes meet the users' expectations. Joint product development meetings are held to identify the wishes and needs of the target groups for the various product lines.

In addition, the group's relationships with suppliers are the key to delivering the quality and value customers demand.

Market development

Caravans

The economic downturn in 2023 has affected Great Britain rather less than large parts of Europe and although increased supply costs and uncertainty in energy prices has slowed down demand, sales of caravans continue to be stable for the time being. Together with the increased pressure of climbing interest rates this is something Coachman Caravans must continue to pay attention to. Consequently, the business will continue to monitor challenges in the market and adapt order books appropriately in order to avoid having large stocks at the end of the season.

Plans to invest in further sites and new production facilities will continue so that the business is prepared when demand begins to increase.

The company continues to develop their caravan range with a clear focus on well-equipped models in the mid and premium segments.

Motorhomes

Since Kabe group fully acquired Coachman Caravan in 2021, a closer cooperation with the group has been introduced. This cooperation has meant that Coachman has benefitted from KABE's "know how" and extensive experience of motorhomes to launch a completely new premium motorhome adapted for the British market.

The company intends to manufacture motorhomes locally for the 2025/26 season to fully exploit the increased demand for motorhomes. For the time being, demand exceeds supply so improving sales in this area will help Coachman to be more competitive and increase its market share.

Product range

Coachman caravans and motorhomes are built to high standards thanks to modern construction methods and materials. Coachman Caravan aims to create the perfect leisure vehicle tailored to the British mid and premium segments.

Caravans

For the 2024 season, Coachman Caravan has reduced the number of ranges to five with a total of 18 models. Within the five ranges (Acadia, VIP, Laser, Laser XCEL and Lusso) there is a design and layout to suit most customers and budgets, which all offer maximum comfort and convenience.

Motorhomes

In the last 2 years, Coachman has introduced a "Travelmaster" under its own brand which is built according to British specifications. In 2024, the business has also launched its first Mercedes A class motorhome "Imperial" and the smaller motorhome Travelmaster Sportivo made its debut at the Birmingham NEC show in February 2024.

In addition, Coachman presented its new van in February 2024 which is based on a Fiat and will initially be imported by Affinity.

Customers

The broad range makes Coachman a well-regarded choice for many target groups, from families with young children to pensioners. The caravans are known for their high quality, creating a good reputation and high rate of return customers. The majority of customers upgrade to a new Coachman on average every three years.

The company still has no entry level model in its product range which for the time being limits access to a potential market sector.

2024

Thanks to a growing national network of dealerships and a comprehensive product range, Coachman expects to continue to strengthen its market position for both caravans and motorhomes.



Coachman Travel Master.



Coachman Travel Master Sportive 565.



Affinity – Caravan and motorhome segment

Van manufacturer for the Scandinavian and European markets.

Affinity RV Sp. z o.o. is a van manufacturer with production facilities in Ozorków, Poland.

2023 was Affinity's fourth year in operation and during the second quarter of 2023 the company launched a second assembly line which doubled production capacity. 2022's challenge of delayed deliveries of FIAT chassis and the production interruption which followed has been avoided this year thanks to starting cooperation with MAN. It is also this cooperation which has made increased capacity and efficiency possible which resulted in increased turnover and profit.

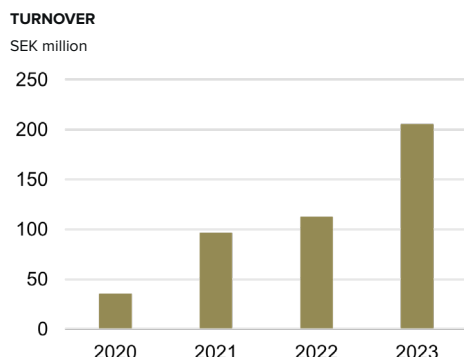
The production organisation and current stock levels mean it is possible to continue production without interruption. This also provides a secure base for further development of Affinity.

In recent years the company has increased its European dealership network. The plans for 2024 also include entering the British market. Implementation of this plan will be in direct collaboration with Coachman.

The product portfolio has also developed as described in more detail below.

Turnover

In 2023, turnover in the caravan and motorhome segment reached 206 (112).



Sales organisation

Affinity's product portfolio is currently sold partly through their own dealership network in a number of markets outside of Scandinavia and partly through KABE's network of dealerships in Scandinavia. Due to the growing pace of production, the target is to expand the dealership network with the aim of increasing coverage in the focus markets.

The Euro exchange rate and its impact on company development.

The exchange rate of the Polish Zloty to the Euro has dropped considerably in recent months. A significant part of the costs, especially wage costs are in Zloty while sales are in Euros. Therefore the changes in the currency situation in this period have had a negative impact on the company's financial outcome. The changing government in Poland and the continuing visible effects of the war in Ukraine make it difficult to present a reliable prognosis for the coming year.

Product changes

Today, Affinity offers five different van models, three based on the Fiat Ducato chassis and two based on the MAN TGE chassis. In addition, the Freedom was presented at the CMT fair in Stuttgart in January 2024 - an entry level model manufactured at the factory in Ozorków. The enthusiastic reception to the new project opens up another option for developing the company. The product portfolio will be expanded this year to better adapt to customers' expectations.

Marketing

Affinity's current marketing policy is primarily based on social media marketing and presence at trade fairs in Germany. Affinity also increases its collaboration with the German branch magazine Promobil, as well as branch journalists and YouTubers.

Market development

In 2023, Affinity encountered a more challenging market environment in a shrinking European motorhome market. However, Affinity continued to grow its market share by increasing the number of models and network of dealerships. Presence in new markets (primarily Great Britain) should more than make up for the low interest from the shrinking European market.

Development prospects

Affinity's target for 2024 is to maintain current production volumes or increase them a little. The target is based on the economic slowdown and decreased consumption capacity of consumers so the assessment is that 2024 will be a tough year for the entire leisure vehicle branch. Affinity is prepared with its development strategy which is built on innovation and originality and increased production capacity and a growing market. The main aim with the brand is to present unique products which are well tailored to customer needs.





In 2023, the interior design was updated with a lighter wood laminate.



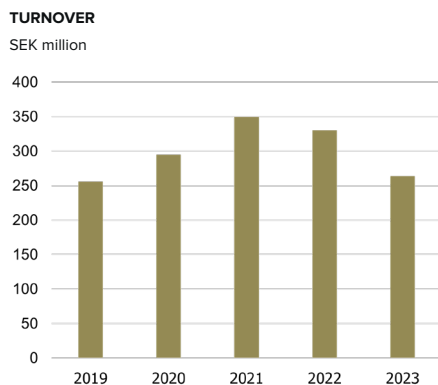
KAMA Fritid – Accessories segment

The largest leisure accessories wholesaler in the Nordic region.

Turnover

Turnover for the accessories segment reached SEK 264 million (330). KAMA Fritids sales of accessories is mostly concentrated on the period February to July. The reduction in turnover is due to certain products such as caravan awnings and canopies accompanying sales of new products and during the year dealerships have reduced stock levels in their accessories stores.

Sales organisation



Sales are made through 300 independent caravan and motorhome dealerships in Sweden, Norway and Finland. KAMA Fritid is purely a wholesaler which only sells to retailers. Most of the product supplies to Norway and Finland are direct from the central warehouse in Torsvik.

Norway

Sales and all contacts with dealerships are handled by staff at KAMA Fritid's Sarpsborg offices. Operations in Norway have developed positively in the last year thanks in part to Kama Fritid taking over Isabella's sales of awnings.

Finland

KAMA Fritid operates from rented premises in the Vaanda area outside of Helsingfors. Sales staff have regular contact with dealerships in Finland but the majority of products are supplied from the central warehouse in Jönköping directly to dealerships in Finland.

Market development

Decreasing sales of caravans and motorhomes in 2023 have impacted KAMA Fritid's sales negatively. The fall in sales is also due to dealerships adapting their stock to a declining market for new leisure vehicles. Adaptation of stock started as early as the second half of 2022.

Low scrappage of both caravans and motorhomes in comparison to new registrations, means a continuous increase in the number of leisure vehicles used which has a long term positive impact on Kama Fritid's operations. Low scrappage also means an increase in demand for spare parts. Higher stock levels of motorhomes have also led to a high demand for special motorhome accessories and items developed and tailored for accommodation on stopovers and more temporary sites.

Supplies of motorhome accessories and sales of consumer-packaged goods continues to increase. Packaging is designed to match KAMA Fritid's store concept. The number of KAMA stores has continued to grow during 2023 and there are now over 120 stores in the Nordic region. During the year, the first store has been established with a German dealership.

There have been major challenges in recent years with managing price rises of both items and transport. Most of the price increases have been able to be passed on through the distribution chain. During the year, the focus has been on reducing stock as many items were purchased in 2022 with higher transport costs than there were in 2023.

Business process

The aim is to provide complete KAMA stores at all caravan and motorhome dealerships, regardless of which caravan or motorhome brands the dealership sells. Profiling in the stores strengthens KAMA Fritid's market leading position for accessories and leisure items.

Retail solutions are developed together with a couple of different interior design companies. Packaging materials are continually developed to improve the product range display and to make it easier to handle goods in the dealerships' stores.

In the low season, warehouse staff repackage items into different types of consumer packaging. The packaging is adapted to be displayed in the KAMA Fritid store system.

Online shop

KAMA Fritid has its own online store. Consumers can order from the entire KAMA Fritid range via the online store. Consumers choose dealerships, so e-commerce does not compete with the regular distribution channel. The customer selects their chosen dealer to supply their items, which increases traffic to the store and creates opportunities for further sales to dealerships.

Training of sales staff at dealerships

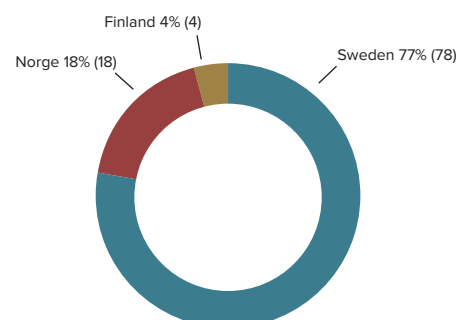
In recent years, investment in training has grown. KAMA Academy has a number of training sessions each year. The training covers both product training, shop display and sales skills. Since December, we have had an E-learning system which we regularly add new training programmes to. The reception has been very positive.

IT system

To improve efficiency from order to delivery, there is continual investment in development of web-based systems for ordering, stock control and order history. The system simplifies the ordering process for dealerships and allows them to control their own stock and purchasing history.

The number of dealerships using the web-based order system is increasing. The system also facilitates orders, goods management and payment systems in the dealership's stores.

SALES BY MARKET 2022





KAMA Fritid offers the most extensive product range and highest level of service in the Nordic region. As the only accessories company, KAMA Fritid has developed a store and data system which enables dealerships to manage large volumes in the peak season.

Handling equipment

To increase volumes, goods handling must be constantly streamlined, as the bulk of deliveries are concentrated in the spring and summer seasons. Investment in new warehouse and picking systems is ongoing to increase productivity and service to dealerships. All systems are up-to-date and are highly reliable.

Product range

KAMA Fritid offers the market's most extensive range of accessories for mobile living and spare parts for caravans and motorhomes.

KAMA Fritid has sales and spare parts management from the largest manufacturers of components for the caravan and motorhome industry including Dometic, Thule, Thetford, Alde, Fiamma and more. KAMA Fritid is also a general agent for Fiamma's entire range of leisure items in Sweden and Finland and for Westfield's range of leisure furniture.

KAMA Fritid has, in recent years, increased its market leading position for awnings and canopies for caravans and motorhomes. KAMA Fritid is also an importer of the Danish manufacturer, Isabella's, awnings; one of Europe's largest tent manufacturers. KAMA Fritid has Isabella agents in Sweden, Norway and Finland. The canopies are manufactured by the companies Thule in Belgium, Dometic in Belgium and Fiamma in Italy.

KAMA Fritid also sells a growing number of products under its own brands WeCamp, GoCamp and Royal Camping.

WeCamp

The WeCamp brand is established in the Scandinavian market. The range includes leisure furniture, homeware and tent material.

GoCamp

GoCamp is the brand used by KAMA Fritid for industry specific technical products such as e-bikes, smart TVs, LED lights, solar panels, cleaning products, motorhome accessories and more.

Royal Camping

The brand Royal Camping was introduced, with the underlying brands Camping Queen, Camping King and Camping Kidz. The range has developed in the "glamping" direction (glamour camping) and includes tableware, glasses, textiles, interior decor, furniture and more.

Competition

KAMA Fritid offers the most extensive product range and highest level of service in the Nordic region. As the only accessories company, KAMA has developed a store and data system which enables dealerships to manage large volumes in the peak season. As the only wholesaler, KAMA offers the opportunity for dealerships to create their own online business.

In Norway there are competitors such as Max Fritid (Kroken Caravan AS) and in Finland Caravan Tukko OY and KAHA. In recent years, however, there has been increased competition from German wholesale companies seeking to establish themselves in the Nordic market.

2024

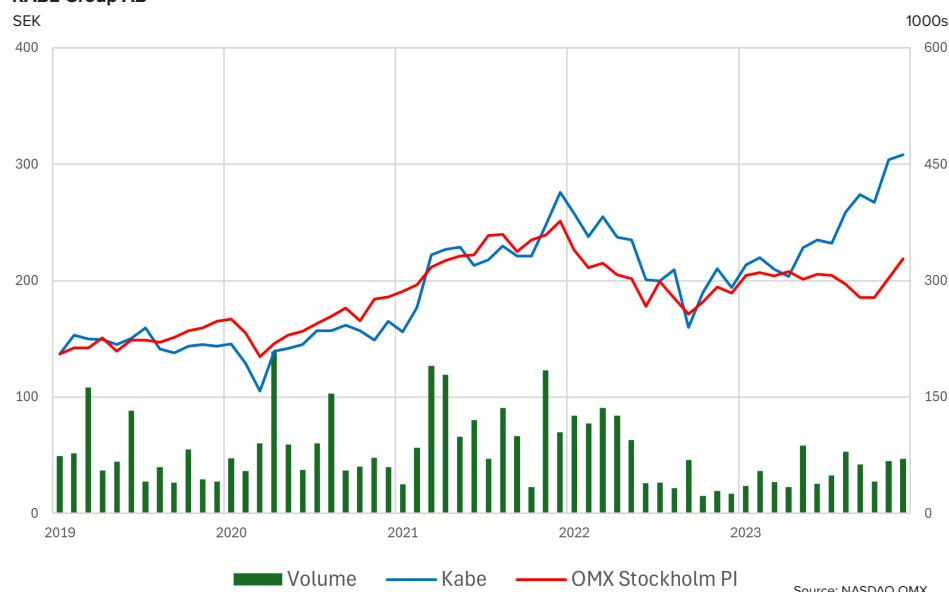
KAMA Fritid is expected to see continued positive business development. The dealerships stock levels have been adapted to the prevailing market conditions during 2023. It is judged that this, along with increased interest in camping and improved purchasing power for consumers will influence KAMA's operations positively in 2024.

KABE Group shares

Price changes and share turnover 2019-2023

KABE Group AB

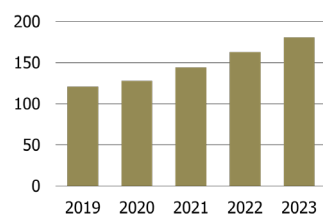
SEK



Share data at balance sheet date	2023	2022	2021	2020	2019
Earnings/share, SEK	25:56	25:22	23:56	7:44	13:11
Equity/share, SEK	180:67	162:89	144:33	128:00	121:11
Proposed dividend/share, SEK	8:00	8:00	7:00	3:00	0
Stock exchange rate, SEK	308	194	276	165	144
Number of shares	9 000 000	9 000 000	9 000 000	9 000 000	9 000 000

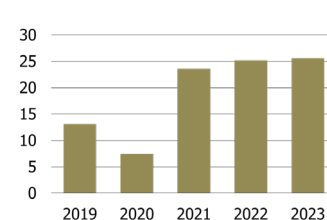
EQUITY/SHARE

SEK



EARNINGS/SHARE

SEK



Financial reports

Directors' report	
Directors' report	28
Profit distribution proposal	30
Multiannual overview	31
Corporate governance report	32

Group accounts	
Statement of comprehensive income	38
Financial position report	39
Cash flow statement	40
Statement of changes in equity	41

Group notes	
1 Recognition and measurement principles	42
2 Segment reporting	42
3 Revenue from contracts with customers	44
4 Employees and compensation of employees	44
5 Depreciation categorised by function	45
6 Costs per cost item	45
7 Other operating income and costs Other operating expenses	45
8 Remuneration of statutory auditors	46
9 Related party transactions	46
10 Financial income and expenses	46
11 Tax	46
12 Business acquisitions	47
13 Intangibles	48
14 Tangible fixed assets	49
15 Right-of-use assets	50
16 Share in associated companies	51
17 Other non-current receivables 2022	51
18 Inventories	52
19 Operating receivables	52
20 Financial instruments	53
21 Equity capital	54
22 Appropriations	54
23 Change in financial liability	54
24 Accrued liabilities and prepaid income	54
25 Pledged assets	54
26 Contingent liabilities	55
27 Financial risk management	55
28 Events after the balance sheet date	55

Parent company accounts	
Statement of comprehensive income	56
Balance sheet	57
Cash flow statement	58
Changes in shareholders' equity	59

Parent company notes	
1 Recognition and measurement principles	60
2 Employees and compensation of employees	60
3 Depreciation categorised by function	60
4 Costs per cost item	61
5 Related party transactions	61
6 Operational leasing	61
7 Remuneration of statutory auditors	61
8 Interest income and expenses	61
9 Balance sheet allocations	61
10 Tax	61
11 Tangible fixed assets	62
12 Shares in group companies	62
13 Share in associated companies	63
14 Receivables from group companies	63
15 Prepaid costs and accrued income	63
16 Equity capital	63
17 Untaxed reserves	63
18 Accrued liabilities and prepaid income	63
19 Contingent liabilities	63
20 Profit distribution proposal	63
21 Events after the reporting period	63

Auditor's report	66
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Definitions

This report contains financial ratios in accordance with the framework applied by the KABE Group, based on the IFRS. Additionally, other ratios (alternative ratios) are used by management and other stakeholders to analyse trends and developments in the Group's business that cannot be directly inferred or derived from the financial statements. KABE Group's stakeholders should not consider these alternative ratios as substituting, but rather as complementing the financial reporting prepared in accordance with IFRS. Please note that the alternative ratios defined below may differ from other companies' definitions of the same concept. See below for a list of definitions and ratios used and referred to in this report.

Rate of return

Gross margin

Gross profit as percentage of net turnover.

Net margin

Operating profit/loss as percentage of net turnover.

Equity measures

Equity per share

Equity attributable to the parent company shareholders divided by the average numbers of shares outstanding.

Capital terms

Investments

Investments in tangible fixed assets, right-of-use assets and intangible fixed assets.

Cash and cash equivalents

Cash at bank, current investments.

Interest-bearing liabilities

Non-current and current borrowing, net pension liability.

Solidity

Equity as percentage of total assets.

Directors' report

The Management and Directors for KABE Group AB (publ.), organisation number 556097-2233, registered in Jönköping, hereby prepares the annual accounts and consolidated accounts for the financial year. 1.1 - 31.12 2023

Structure and organisation

KABE Group AB is a company with its registered office and headquarters in Tenhult and is registered in Sweden with company registration number 556097-2233. KABE Group's web address is kabegroup.se.

The parent company KABE Group AB rents out premises and, in addition to normal management issues, also handles the Group's overall finance, accounting, insurance and IT issues.

KABE Group's primary business is the construction and sales of caravans, motorhomes, vans, campers and camping accessories in the European market through the brands KABE, Adria, Sun Living, Coachman, Affinity, Easy Camper as well as KAMA Fritid. Strong brands and an extensive range mean KABE group supplies the full range of products to its dealerships. KABE is the largest and leading Nordic manufacturer of caravans and motorhomes. Adria is the largest importer of and market leader for both caravans and motorhomes in the Nordic region. Adria's products are imported from the manufacturer Adria Mobil d.o.o in Slovenia and distributed in Sweden, Norway and Finland. Coachman is one of the leading producers of caravans in the premium market segment in England. Affinity Camper Vans are manufactured in Poland for the Scandinavian and European market. KAMA Fritid is the Nordic region's caravan and motorhome segment accessories wholesaler.

The Group has 1,066 employees and turnover was 4.1 billion SEK in 2023.

Shares and shareholders

As at 31 December 2023, share capital consisted of SEK 45 million, divided into 9 million shares, of which the number of A shares amounts to 0.6 million and the number of B shares amounts to 8.4 million. A shares are entitled to 10 votes and B share to 1 vote. All shares have the same right to a proportion of the company's assets and profits. The quota value is 5 SEK per share.

A preemptive rights clause applies to A shares, meaning that A shares being sold must be offered first to the other A shareholders.

KABE Group AB has been listed on the NASDAQ OMX Stockholm since 1983. The major shareholder is the Blomqvist family who also founded the businesses (8 persons) who own 51% of the capital and 67% of votes. The next largest owner is Nordea Nordic Small Cap Fund with 14% of the capital and 8% of votes.

Of the total number of shares, institutional ownership accounts for 5% of the capital and 3% of the votes. Foreign ownership accounts for 24% of the capital and 15% of the votes. The total number of shareholders is 5,348

Role of the Board of Directors

In addition to the inaugural meeting, the Board held five ordinary Board meetings. The Board receives a monthly report on company results, order situation and development of the various parts of the business. Furthermore, the managing director maintains ongoing contact with the Chair of the Board.

Officials from the company participate in the Board's meetings as rapporteurs or experts in individual areas as required. At ordinary meetings, the Board deals with standing items on the agenda of each Board meeting in accordance with the Rules of Procedure of the Board.

The company's auditor reports its opinion to the Board as a whole, hence no audit committee has been appointed.

Corporate Governance

KABE Group's Corporate Governance is based on the Swedish corporate governance code and the listing agreement with NASDAQ OMX Stockholm. Directives issued by authorities and stakeholders in Swedish business and the financial market also apply to various matters.

Governance, management and control are divided between the Board and managing director by the shareholders at the Annual General Meeting. This is in accordance with Swedish law on limited companies, the company's articles of association

and rules of procedure. All companies listed on NASDAQ OMX Stockholm must follow the revised "Swedish Code of Corporate Governance", the so-called Code. KABE Group's Corporate Governance Report can be found on pages 32-37.

Nomination Committee

Rules for the composition and role of the nomination committee were adopted in 2010 and have not changed. Pursuant to this, the decisions below have been taken:

At the 2023 AGM, it was decided that the chair of the nomination committee shall be elected at the AGM or when the need arises. One person shall be appointed by the majority owner (Blomqvist family) and one person shall be appointed by the next largest shareholder.

At the 2023 AGM, Brivio Thörner was elected as chair of the nomination committee. The Blomqvist family appointed Lennart Oliw as their representative and the next largest shareholder appointed Mats J Andersson from Nordea Small Cap Fund to the nomination committee.

The nomination committee's role before the 2024 AGM is to propose the chair of the board, other members of the board and deputies at the meeting, as well as board and audit fees. The nomination committee has conducted a meeting in line with protocol.

Group turnover and profit

The Group's total turnover amounted to SEK 4 084 million (3 667). Profit after financial items amounted to SEK 304 million (286). Profit for the year was SEK 230 million (227). Earnings per share was 25:56SEK (25:22).

Significant events during the financial year

The distribution agreement with Adria Mobil in Slovenia has been extended this year. Adria Mobil is one of Europe's largest manufacturers of motorhomes, vans and caravans and is a wholly owned subsidiary of the French parent company Trigano SA. The distribution agreement has been extended by the Group's wholly owned subsidiary Adria AB to the 30 June 2034. The agreement also contains an option for a further four years to the 30 June 2038. There are no other individual events of significant value to report during the period.

Environmental impact

KABE AB carries out activities which require a permit under the Environmental Code concerning the gluing of sandwich elements at the Tenhult plant, which has an environmental impact through emissions into the air. The activities subject to authorisation and notification concern only a minor part of the company's production.

Research and development

A major part of product development concerns new models and new constructions which takes place internally in the company. External consultants are contracted for the development of major model changes, predominantly to make design proposals or to manufacture tools. Since KABE Group's objective is to consistently be a "step ahead", many employees work on product development.

Group investments

The Group's net investments amounted to SEK 32 million (61) of which 0 (5) are attributable to business transactions during the period.

For more information on corporate affairs see note 12. Exclusive of investments in companies, the Group has invested a total of SEK 33 million (57) in fixed assets of which SEK 21 million (36) was in machines and equipment, SEK 3 million (11) in buildings and land, SEK 1 million (0) in intangible fixed assets and SEK 8 million (10) in rights of use.

Liquidity and financing

The Group's cash and cash equivalents was SEK 278 million (554). Solidity amounted to 66% (59). Equity per share amounted to 180:67SEK (162:89).

Risk management

Due to the current macroeconomic situation, rising inflation in recent years and geopolitical concern, there is much uncertainty and it is difficult to predict how demand and the cost base will be affected. To assess how the developments may impact KABE Group risks and risk management and we are monitoring the development of events carefully and actively. The information below complements this and additional information is provided in note 27.

Foreign exchange risks

The Group's most prominent foreign exchange risk is Adria's import of caravans and motorhomes from Adria Mobil d.o.o in Slovenia. Sales to Norway and Finland are made in the same currency as purchases (EUR), so the currency risk only relates to purchases/sales in Sweden. Currency exposure for KABE's, Coachman's and Affinity's products is related to imports of inputs and exports of finished products. Currency exposure for KAMA's products is related to imports of commodities. According to the KABE Group's financial policy, a maximum of 75% of net currency flows 6-12 months ahead can be hedged via forward contracts.

Interest rate risk

Interest rate risk consists, among other things, of changes in interest rates affecting the Group's results through the impact on borrowing costs. The interest-bearing debt mainly relates to mortgaged factoring receivables. All interest-bearing liabilities are financed at variable interest rates.

Customer credit risk

The Group has historically low customer losses. KABE Group's customers are generally vehicle dealerships. The Group's network of dealerships consists largely of well-established dealerships with whom the Group has long experience. Credit risks are managed through active credit monitoring and procedures for the follow-up of trade receivables. Furthermore, the necessary provisions for receivables are continuously monitored. In individual cases, as a result of strategic decisions a significant concentration of credit risk may be found in a small number of strategically important dealerships at that time. In general, however, credit risk is spread over a larger number of independent dealerships in different national markets. Exposure at the balance sheet date is generally smaller to each of the dealerships, although there is some concentration towards 8 individual dealerships. These dealerships together accounted for approximately 32% of the total outstanding trade and bills receivable.

Insurance

KABE Group procures and administers group-wide insurance programmes. This creates synergies and cost benefits. Work is also permanently ongoing to identify, limit and eliminate claims risks in its operations.

Employees

The average number of employees was 1,066 persons (1 020). In addition, see note 4.

The Board's proposal for guidelines for remuneration of the CEO and other senior executives before the 2024 AGM.

The Board proposes that the 2024 AGM approves the following guidelines for determining the salary and other remuneration of the CEO and senior executives. For paid remuneration determined by the 2023 AGM, see note 4. The most recent approved guidelines agree with the proposals.

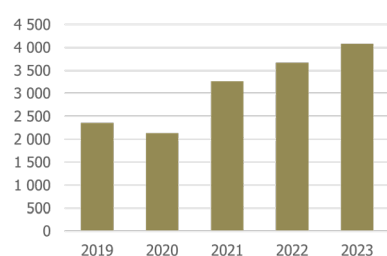
Salary and other remuneration

The Group-wide objective is to achieve market leadership, in which long-term profitable growth and a leading position in innovation are important aspects. The Group's business model builds on the strategy of achieving market leadership and profitable growth by providing competitive products that contribute to sustainable development and the transition to a sustainable society. A prerequisite for successful implementation of the company business strategy and the pursuit of its long-term interests, including sustainability, is the company's ability to recruit and retain qualified employees. For this reason, it is necessary for the company to offer competitive remuneration. The guidelines described in this section shall apply to the remuneration and other conditions of employment for the Executive Committee. The guidelines shall apply to contracts of employment agreed after the 2023 AGM as well as any amendments to existing contracts after that date. Remuneration to the Executive Committee shall be in line with the market and based on the position, individual performance and the Group's results. In addition to an annual salary, the CEO and senior executives may also receive variable compensation. This variable compensation shall be linked to one of more predetermined targets, which can be linked to the business' financial outcomes or individual targets. The qualifying period for the variable compensation shall be one year and the variable compensation shall not exceed 50% of the total cash salary during the period.

For the CEO pension and medical insurance benefits shall be defined-contributions. Variable cash compensation shall not be pensionable. Pension premiums for defined-contribution pension shall be a maximum of 35% of the fixed annual salary. Other senior executives are currently covered by the ITP plan and have the option of an alternative ITP under this. Pension premiums for other senior executives in respect of fixed salary shall not exceed 35% of fixed annual salary. Variable compensation is pensionable to the extent that it complies with the collective agreements applicable to the post holder. Other benefits may include medical insurance and a company car. Premiums and other costs relating to such benefits shall be in line with the market and only constitute a limited proportion of the total compensation.

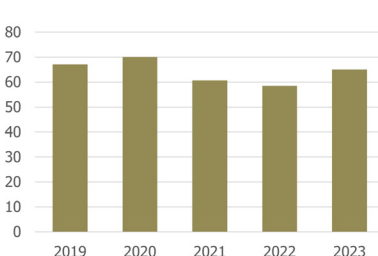
GROUP TURNOVER

SEK million



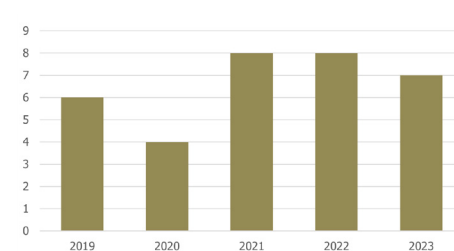
GROUP SOLIDITY

%



GROUP OPERATING MARGIN

%



The Board of Directors may decide to temporarily deviate from the guidelines, in whole or part, if in a specific case there are special reasons for doing so and if a deviation is in the long-term interests of the company, including its sustainability, or to ensure the financial viability of the company. In addition, there are terms and conditions for dismissal and severance pay as described in note 4.

Remuneration of the Managing Director is decided by the Chair of the Board. Remuneration of other senior executives is decided by the CEO in consultation with the Chair of the Board. Decisions are reported to the Board. See note 4 for other terms of pension and special agreements.

Share repurchase

KABE Group's Board of Directors proposes to the AGM to give the Board the authority to decide to repurchase shares. Such a mandate means that, until the next AGM, the board is able to decide to repurchase shares. Any eventual repurchase may take place on the stock exchange or through an offer to shareholders.

Future

KABE Group is advancing its market position through its complete product portfolio and increased international presence. Group profits show that it is less exposed to individual markets today. However, it is difficult to predict to what extent the more challenging macroeconomic situation, with high inflation, volatile energy prices and geopolitical uncertainty will affect the market in the short term. At the same time, there are positive tendencies such as input material in general beginning to stabilise and customer interest for Mobile Living remaining high.

KABE Group's broader market base has significantly increased the possibilities to actively control and adapt the volumes the Group adds to each target market, which provides the conditions

for a stronger earnings trend and retained continuity in the business. With its increased diversifying, strong financial position, complete product portfolio and high inherent pace of inflation, KABE Group is well-equipped to meet the future market and customer interest.

The Group is fully focused on continuing to follow its strategic target to build a stronger and more international KABE Group. Our objective is for the Group to have a long-term market leading position in our main target markets within price and product segment for caravans and motorhomes. The Group expects the long-term positive trend for sustainable holidays to continue and that growing environmental awareness combined with interest in discovering the local area is here to stay.

Sustainability report

In accordance with the Annual Reporting Act Chapter 6 § 11, KABE Group has elected to prepare the statutory sustainability report separate from the annual report. The sustainability report has been submitted to the auditor along with the annual report and can be found at www.kabegroup.se/hallbarhet.

The sustainability report outlines the Group's focus areas and ability to create financial, social and environmental value for its stakeholders.

In accordance with the Annual Reporting Act Chapter 6 § 12, KABE Group is obliged to report on certain sustainability related matters, which are outlined in the sustainability report under "Long-term and sustainable business development", "Good working conditions" and "Our business principles".

Significant events after the end of the financial year

No significant events have occurred to affect financial reporting after the date of the balance sheet.

Profit distribution proposal

Dividends

The Board intends to propose to the AGM a dividend of 8:00 (8:00) SEK per share, to be paid out at on two occasions each at SEK 4.00. KABE Group's policy is that the dividend must reflect the group's long-term earning profitability. The objective of the KABE Group's dividend policy is that the dividend in the long-term account should amount to 30-50% of the Group's profit for the year. The dividend for the year in the Group is 31% of profit after tax and 4% of adjusted equity capital.

The Board's opinion on proposed dividends Following the proposed dividend, the parent company's solidity will amount to 23% and the Group's solidity to 65%. The solidity is reassuring in view of the continued profitability of the company's and Group's operations. The company's and Group's liquidity is judged to be maintained at a reassuring level.

The Board of Directors is of the opinion that the proposed dividend will not impede the Parent Company or the other Group companies from fulfilling their short and long-term obligations, nor from making the necessary investments. The proposed dividend can, therefore, be justified in light of the provisions of the Chapter 17, section 3, § 2-3 of the Swedish Companies Act (precautionary principle)

Profit distribution proposal (SEK)

The Board proposes that the profit available to the Annual General Meeting:

Retained earnings	12 375 436
Profit for the year	86 159 123
Total	98 534 559

Is distributed as follows:

To shareholders a dividend of 8:00 SEK/share	72 000 000
carried forward	26 534 559
Total	98 534 559

Multiannual overview

	2023	2022	2021	2020	2019
Profit/loss items SEK million					
Net turnover	4 084	3 667	3 266	2 132	2 358
Operating profit/loss	280	279	257	75	137
Net financial income ²	14	4	-1	0	11
Profit after financial items	304	286	265	84	148
Profit for the year	230	227	212	67	118
Balance sheet item					
Goodwill	29	28	27	-	-
Fixed assets	598	555	557	411	426
Account receivables and inventories	1 547	1 368	978	949	1 181
Cash and cash equivalents	278	554	578	279	32
Total assets	2 452	2 505	2 140	1 639	1 639
Equity capital	1 626	1 466	1 299	1 152	1 090
Non-current liabilities	143	149	161	76	82
Current liabilities ¹	683	890	680	411	467
Total equity and liabilities	2 452	2 505	2 140	1 639	1 639
Key figures					
Operating margin %	6.9	7.6	7.9	3.5	5.8
Solidity %	66	59	61	70	67
Other					
Number of employees	1 066	1 020	885	587	607
¹ Of which non-interest-bearing liabilities	630	845	619	397	444

*For definitions of alternative key figures used, see "Definitions" on page 27.

Corporate governance report

KABE Group AB (publ) is a Swedish limited-liability company listed on the Stockholm Stock Exchange since 1983. KABE Group adheres to the Swedish corporate governance code and hereby submits the 2023 Corporate Governance Report. The report has been prepared by the company directors and audited by the company's auditors.

Governance of the Group is based on, among other things, the Articles of Association, Swedish legislation such as the Swedish Companies Act and the listing agreement with NASDAQ OMX Nordic, Stockholm ("the Exchange"), as well as rules and recommendations such as the Swedish Corporate Governance Code ("the Code") and good practice on the stock market. This Corporate Governance Report describes KABE Group's corporate governance, management and administration as well as the controls in regards to financial reporting. The Code is based on the principle of "follow or explain", which means that a company can deviate from individual rules but must provide a reason for the deviation. Information on the Corporate Governance Report can be found on the Group website www.kabegroup.se.

Shareholders

At year end, the KABE Group had 5,348 shareholders. As at 31 December 2023, share capital consisted of SEK 45 million, divided into 9 million shares, of which the number of A shares amounts to 0.6 million and the number of B shares amounts to 8.4 million. A shares are entitled to 10 votes and B share to 1 vote. Those shareholders entitled to more than 10% of votes in KABE Group AB are Maud Blomqvist 47% and Anita Svensson 13%. Shareholders can vote for all their shares at the AGM. Information on shareholders and shareholder structure is on page 36.

Annual General Meeting

The AGM is the company's highest decision-making body and the forum at which shareholders' right to make decisions on company affairs is exercised. Notice of the AGM is issued no earlier than six weeks and no later than four weeks before the meeting. Notice to extraordinary company meetings is issued in the same way. The AGM takes place once a year to, amongst other things, approve the annual report and consolidated accounts, grant discharge to the Board of Directors and the CEO and determine the appropriation of the previous year's profit. The Board of Directors and auditors are also elected at the AGM.

Notification of attendance at the meeting can be done on the company website. Proposals for the meeting must be addressed to the Board of Directors and submitting in good time before the meeting.

All shareholders directly registered in the share registered who have notified their attendance in time may attend the meeting and vote for all their shares. Shareholders who cannot attend in person can send a representative.

Annual General Meeting 2023

KABE Group's AGM 2023 was held on Monday 15th May. The AGM resolved in agreement with all proposals submitted by the Board and Nomination Committee. 27 Shareholders represented 79% of the votes and 66% of total shareholders participated in the meeting. The main decisions taken were:

- The meeting adopted the profit and loss account and balance sheet, agreed the appropriation of profits and granted discharge to the Board of Directors.
- The meeting agreed a dividend of 8.00 SEK per share as ordinary dividend.
- Reelection of Board members Nils-Erik Danielsson, Maud Blomqvist, Anita Svensson, Benny Holmgren, Eric Stegemyr, Alf Ekström and Ulf Rostedt. Re-election as deputies of Mikael Blomqvist and Peter Blomqvist. Election as Chair of the Board of Nils-Erik Danielsson. In addition, KPMG AB was appointed as auditors with Olle Nilsson as the principal auditor.
- Approval of fees to the Board and auditor, guidelines for remuneration of senior executives and the composition of the nomination committee.
- The meeting agreed to authorise the Board of Directors to acquire and transfer shares on behalf of the company up to a maximum of one tenth of the number of shares issued. (This authority has not been used.)

Annual General Meeting 2024

KABE Group's 2024 AGM will be held on Wednesday 15 May at 17:00 at the company premises in Tenhult. Further information is on page 65 and on the company's website, www.kabegroup.se.

Nomination Committee

The nomination committee is the AGM's body for preparing the AGM's decisions on appointments in order to form a sound basis for the AGM's consideration of these matters.

At the 2010 AGM, the following process for the election of the nomination committee was agreed. The AGM appoints the Chair of the Nomination Committee, whose task it is, in good time before the meeting, to contact the three largest registered shareholders, or otherwise known shareholders, and ask them to appoint two members to the Nomination Committee.

The Blomqvist family is considered as one shareholder. The deadline is the 31 December.

Nomination committee ahead of 2024 AGM.

In accordance with the rules agreed at the 2010 AGM, the Chair of the Nomination committee appointed at the 2023 AGM, Brivio Thörner, has been supplemented with two members. The member appointed by the Blomqvist family is Lennart Oliw and other shareholders are represented by Mats J Andersson, Nordea Nordic Small Cap Fund i.a. The nomination committee's role before the 2024 AGM is to propose the chair and members of the board, the chair of the meeting, as well as board and audit fees. The nomination committee has evaluated the work of the Board and held a meeting in line with protocol before the AGM, with all members present, as well as a number of other contacts. The nomination committee has prepared the following proposals for the 2024 AGM:

- Reelection of the current board members Nils-Erik Danielsson, who is also proposed for reelection as Chair of the Board, Anita Svensson, Eric Stegemyr, Maud Blomqvist, Alf Ekström och Ulf Rostedt.
- Reelection as deputies of Mikael Blomqvist and Peter Blomqvist.
- For the period until the next AGM, the appointment of the registered auditing company KPMG AM as auditor with Olle Nilsson as authorised lead auditor.
- Fees to the Board: 325 (325) KSEK to the Chair as well as 125 KSEK (125) as remuneration for other services and 175 KSEK (175) to each of the other members. No directors' fees are paid to company employees.

The nomination committee's comprehensive proposals can be found in the notice of the AGM.

Board

Board members are elected annually by the AGM for the period until the next AGM is held. According to the Articles of Association, the Board must comprise three to eight members with a maximum of two deputies and election of Board members takes place at the AGM. The choice to have two deputies even though this is not in accordance with section 4.2 of the Code is due to the company's ownership structure. The Articles of Association contain no other provisions for the appointment or dismissal of directors or on amendments to the Articles of Association. There are no rules regarding the length of time a member can sit on the Board.

The Board's role is to manage company affairs on behalf of its owners. KABE Group's Board consists of seven elected members, two deputies and two employee representatives. Among the elected members, some represent KABE Group's major shareholders while some are independent of the owners. The CEO (Member of the Board) and other Group officials attend Board meetings in a rapporteur or administrative capacity.

In addition to legislation and recommendations, the work of KABE Group's Board of Directors is governed by the Board's Rules of Procedure, which are adopted once a year. The Rules of Procedure contain, i.a., rules for the division of tasks between the Board and the CEO, financial reporting and investments.

Board of Directors activities 2023

In 2023, the Board held five ordinary meetings. At each ordinary meeting there are, in addition to business information, fixed reporting and decision points in accordance with the Board's rules of procedure. The Board takes a position on issues of a general nature such as the Group's strategy, structural and organisational matters, policies and guidelines and major investments.

One meeting was dedicated to strategic business planning and one to the Group's budget for 2024.

The company's auditor participates in a minimum of one of the Board's meetings annually. The auditor reports on their observations on the company's accounts, procedures and internal controls.

In addition to the information provided at Board meetings, the CEO submits a monthly report to the board members and maintains close contact with the Chair of the Board.

Each year the Board conducts an evaluation of the Board's work and the nomination committee has been informed of the content of the 2023 evaluation. This forms the basis of planning for the Board's work in the coming year.

Remuneration Committee

Remuneration of the Managing Director is decided by the Chair of the Board. Remuneration of other senior executives is decided by the CEO in consultation with the Chair of the Board. Decisions are reported to the Board.

Audit committee

The Board shall perform the obligations of an audit committee. Obligations mainly include reviewing the financial policy and information policy, reviewing the company's financial reporting and internal reporting and control systems, monitoring risks and evaluating the external audit. One of the Board's external members has the necessary accounting expertise.

Group Management

The CEO is appointed by the Board to be responsible for the day-to-day operational management in accordance with the Board's guidelines and instructions. CEO Alf Ekström together with the CFO and three CEOs of subsidiaries, make up the Executive Committee.

Auditor

The auditor is appointed by the shareholders at the AGM. The auditor examines the company's annual report, consolidated accounts and financial statements as well as the management of the Board of Directors and CEO. At the 2023 AGM, KPMG AB was appointed auditor with Olle Nilsson as the principal auditor. The mandate is held until the 2024 AGM. In addition to his mandate with the KABE Group, Olle Nilsson has audit mandates with Väderstad AB and XANO Industri AB. KPMG AB implements the auditing for KABE Group AM for the groups and the Swedish subsidiaries. Financial statements are audited for the period January-December. Auditing of internal procedures and control systems starts in the third quarter and then continues on an ongoing basis until the year-end. Reviews and audits of the annual accounts and financial statements are conducted in January-March. Interim reports for January-September form the basis for the auditor's overall review.

KABE Group has opted for the Chair of the Board to participate in meetings with the auditor on behalf of the board. The Board's reporting instructions include the requirement for Board members to receive a report from the auditor annually on whether the organisation of the company is such that the accounts, the management of funds and the financial position of the company in general can be controlled satisfactorily.

For 2023, the auditor has reported to the CEO and Chair of the Board on two occasions and at one meeting to the whole Board of Directors. KABE Group has, in addition to the audit mandate, consulted with KPMG AB with regards taxation, accounting matters and for other investigations. The amount of remuneration paid to KPMG AB for 2023 is shown in note 8. KPMG AM is obliged to verify its independence before deciding to provide independent advice to the KABE Group in addition to its audit mandate.

Principles for remuneration to senior executives, incentive schemes etc

The guidelines agreed at the 2023 AGM mean that the terms must be in line with the market. For paid remuneration determined by the 2023 AGM, see note 4. The Board proposes that the 2024 AGM approves the following guidelines for determining the salary and other remuneration of the CEO and senior executives.

Salary and other remuneration

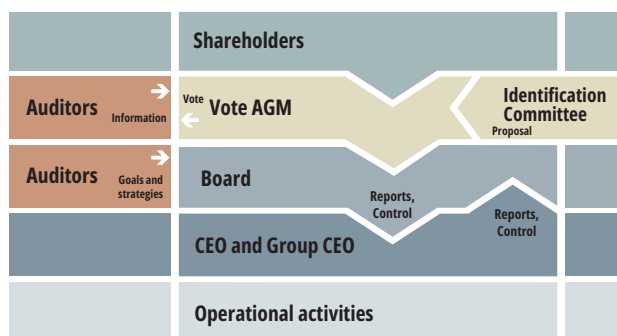
The overall Group objective is to achieve market leadership, in which long-term profitable growth and an innovation leading position are important aspects. The Group's business model builds on the strategy of achieving market leadership and profitable growth by providing competitive products that contribute to sustainable development and the transition to a sustainable society. A prerequisite for successful implementation of the company business strategy and the pursuit of its long-term interests, including sustainability, is the company's ability to recruit and retain qualified employees. For this reason, it is necessary for the company to offer competitive remuneration. The guidelines described in this section shall apply to the remuneration and other conditions of employment for the Executive Committee. The guidelines shall apply to contracts of employment agreed after the 2023 AGM as well as any amendments to existing contracts after that date. Remuneration to the Executive Committee shall be in line with the market and based on the position, individual performance and the Group's results. In addition to an annual salary, the CEO and senior executives may also receive variable compensation. This variable compensation shall be linked to one of more predetermined targets, which can be linked to the business' financial outcomes or individual targets. The qualifying period for the variable compensation shall be one year and the variable compensation shall not exceed 50 % of the total cash salary during the period.

For the CEO pension and medical insurance benefits shall be defined-contributions. Variable cash compensation shall not be pensionable. Pension premiums for defined-contribution pension shall be a maximum of 35% of the fixed annual salary. Other senior executives are currently covered by the ITP plan and have the option of an alternative ITP under this. Pension premiums for other senior executives in respect of fixed salary shall not exceed 35% of fixed annual salary. Variable compensation is pensionable to the extent that it complies with the collective agreements applicable to the post holder. Other benefits may include medical insurance and a company car. Premiums and other costs relating to such benefits shall be in line with the market and only constitute a limited proportion of the total compensation.

The Board of Directors may decide to temporarily deviate from the guidelines, in whole or part, if in a specific case there are special reasons for doing so and if a deviation is in the long-term interests of the company, including its sustainability, or to ensure the financial viability of the company. In addition, there are terms and conditions for dismissal and severance pay as described in note 4.

Remuneration of the Managing Director is decided by the Chair of the Board. Remuneration of other senior executives is decided by the CEO in consultation with the Chair of the Board. Decisions are reported to the Board. See note 4 for other terms of pension and special agreements.

For further information about the remuneration to the CEO/Group CEO, see the company's compensation report published on its homepage.



Board of Directors and Auditors



Nils-Erik Danielsson



Alf Ekström



Benny Holmgren



Maud Blomqvist

Mandate	Chair of the Board	President, Group CEO, Member of the Board	Member of the Board	Member of the Board
Born	1944	1956	1961	1955
Position	Former Group CEO Ballingslöv International AB	President and Group CEO KABE Group AB	CEO Holmgren Group AB	Retired
Shareholdings	15 000	171 000 ²	0	2 409 150
Other directorships	Member of the Board: Ballingslöv Int. AB		Chair of the Board: Holmgrens Fritid AB Member of the Board: Nivika Fastigheter AB (publ.)	
Member of the Board since	1998	1984	2010	1998
Independent from the company and company management	Yes	No	Yes	No
Independent from major shareholders	Yes	No	Yes	No
Attendance at board meetings	5/5	5/5	5/5	5/5
Participation in audit committee ¹⁾	1/1	1/1	0/1	1/1
Board fee incl. committee-remuneration SEK	325 000	-	175 000	175 000

¹⁾ During the year, the Audit Committee consisted of the Board of Directors.

²⁾ Alf is a close relative of Maud Blomqvist.



Anita Svensson

Member of the Board

1952

Retired

1 896 753

1998

Yes

No

5/5

1/1

175 000



Eric Stegemyr

Member of the Board

1967

Vice President,
Sales and service
Northern Europe,
Husqvarna AB

500

Member of the Board:
KABE AB,
Adria AB,
KAMA Fritid AB

2014

Yes

Yes

5/5

1/1

175 000



Ulf Rostedt

Member of the Board

1967

CEO of Eldon Installation
AB

2 700

Member of the Board:
Assars Industri AB

2020

Yes

Yes

4/5

1/1

175 000



Peter Lilja

Employee Representative

1974

KABE AB

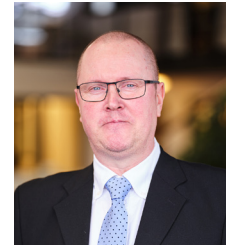
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2014



Secretary to the Board
Jacob Westesson
CFO
KABE Group AB

Auditor KPMG AB
with lead auditor
Olle Nilsson



Håkan Lindgren

Employee Representative

1968

KABE AB

5

2023

Shareholders

Shareholders	Number of shares	Of which A-shares	Of which B-shares	Number of votes	Proportion of votes	Proportion of share capital
Blomqvist Family	4 596 303	560 800	4 035 503	9 643 503	67.0%	51.1%
Nordea Nordic Small Cap Fund	1 215 646		1 215 646	1 215 646	8.4%	13.5%
Bengt Karlsson	337 000		337 000	337 000	2.3%	3.7%
Brown Brothers Harriman & CO	281 559		281 559	281 559	2.0%	3.1%
Stig-Olof Simonsson	244 612		244 612	244 612	1.7%	2.7%
Alf Ekström	171 000	39 200	131 800	523 800	3.6%	1.9%
Reino Sigonius	120 995		120 995	120 995	0.8%	1.3%
Insurance company, Avanza pension	109 624		109 624	109 624	0.8%	1.2%
KBC Bank NV	83 094		83 094	83 094	0.6%	0.9%
Spiltan Fonder AB	74 418		74 418	74 418	0.5%	0.8%
Other	1 765 749		1 765 749	1 765 749	12.3%	19.6%
Total	9 000 000	600 000	8 400 000	14 400 000	100.0%	100.0%

Ownership distribution	Number of shares	Of which A-shares	Of which B-shares	Number of votes	Proportion of votes	Proportion of share capital
Swedish limited liability companies	176 091		176 091	176 091	1.2%	2.0%
Swedish private individuals	6 237 729	600 000	5 637 729	11 637 729	80.8%	69.3%
Swedish financial and institutional companies	412 490		412 490	412 490	2.9%	4.6%
Owners resident abroad	2 173 690		2 173 690	2 173 690	15.1%	24.2%
Total	9 000 000	600 000	8 400 000	14 400 000	100.0%	100.0%

Source: Euroclear Sweden 29/12/2023

Group Management



Alf Ekström

President and Group
CEO
KABE Group AB

Born 1956



Mikael Blomqvist

CEO KABE AB
Vice CEO KABE
Group AB

Born 1981



Jacob Westesson

Finance director
KABE Group AB

Born 1975



Johan Skogeryd

CEO Adria AB

Born 1977



Jonas Tidqvist

CEO KAMA Fritid AB

Born 1969

Internal control over financial reporting

Principle

The Board's responsibility for internal control is set out in the Companies Act and internal control over financial reporting is covered by the Board's reporting instructions to the CEO. The Code's regulations and the guidance produced by the Confederation of Swedish Enterprise and FAR/SRS has been the point of departure for the description. KABE Group's financial reporting follows the laws and regulations applicable to companies registered on the Stockholm Stock Exchange and local regulations in each country. The overall objective of the internal control is to safeguard the company's assets and thereby the owners' investments.

Financial reporting

All business units report monthly financial results. Reporting is consolidated and forms the basis of quarterly reports and operational monitoring. Operational monitoring is conducted in line with an established structure within which intake of orders, turnover, liquidity, profit, capital commitments and other key figures important to the Group are compiled and form the basis for analysis and action by the management group and controllers at various levels. Other important and Group-wide elements of the internal controls common are business plans and the annual forecasting process. An information policy is in place for communication with external partners with the purpose of ensuring that all information obligations are properly and fully complied with.

Control Environment

The Board of Directors is responsible for overseeing the accounting and reporting processes and ensuring the quality of these reports and processes. Responsibility for maintaining an effective control environment and ongoing work with risk management and internal control with regards financial reporting is delegated to the CEO. Managers at different levels in the company are, in turn, responsible for their respective areas. Responsibility and authorities are defined, inter alia, in CEO instructions, attestation instructions, manuals and other policies, procedures and codes. The Board establishes the Group's key policies on communication, credit, finance and risk management. Other policies and instructions are established by the Group Management and the responsible Group functions issue guidelines and monitor their application.

The Group's accounting and reporting rules are set out in financial instructions which are available to all finance staff.

Together with legislation and other external regulatory frameworks, this forms the organisational structure and the internal regulatory control environment.

The audit includes an annual statutory audit of KABE Group's annual report, a statutory audit of the parent company and all subsidiaries (where required), and audit of the financial statements and a review of an interim financial report. Internal control reviews are used as part of this work.

Risk analysis

KABE Group works continuously with risk analysis, reviewing the risk of errors in the financial reporting of material income and balance sheet items. Operational risk is also mapped out. A model for systematic risk management is applied to identify and classify risks at both group and company level.

KABE Group's largest risk regarding the financial reporting is to do with the valuation of trade receivables and inventories.

Control activities

KABE Group's internal control activities aim to ensure that the Group achieves its target for financial reporting.

Policies and guidelines are particularly important for accurate accounting, reporting and provision of information and also determine which control activities shall be conducted. Within KABE Group, policies and guidelines are updated on an ongoing basis in writing and at meetings. Control activities include, for example, certification procedures, account reconciliations, analytical follow-up and control of IT systems.

The monitoring structure follows COSO's roadmap for smaller companies regarding internal control of financial reporting. COSO's roadmap contains a total of 20 principles divided into the five areas of control environment, risk analysis, control activities, information and communication and monitoring. Adaptations have been made based on the assessed needs of KABE Group's various businesses.

Follow-up

Group management and controllers monitor economic and financial reporting and key business events on an ongoing basis. At each Board meeting, financial developments are monitored against forecasts and the correspondence of investments to plans drawn up is reviewed. The Board evaluates internal control, the Company Code and significant accounting matters.

KABE Group has not yet had reason to establish a special internal auditing function. Internal control activities are conducted in the framework for other business and mainly use central resources. In the company's assessment, this evaluation is broadly similar to the work undertaken by an internal audit function in other companies. Elements of internal control are reviewed by the auditor on an ongoing basis. The matter of a dedicated internal audit function remains under review.

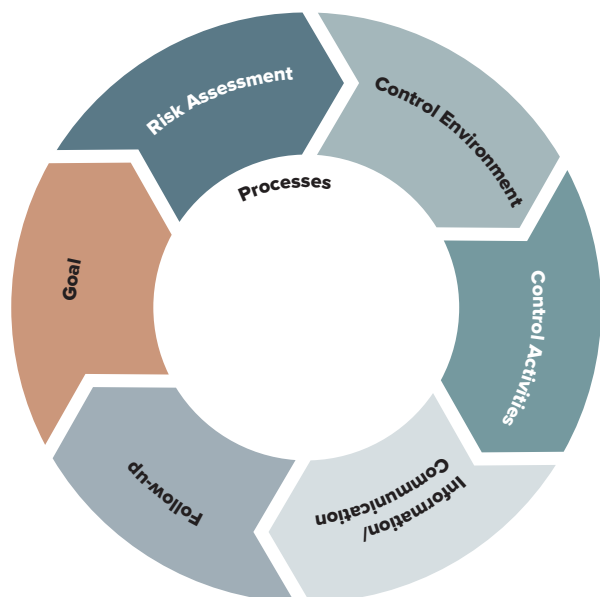
Information and communication

KABE Group's information to shareholders and other stakeholders is provided in the annual report, year-end and interim reports and press releases. These can be found on the company website (kabegroup.se). In addition, there is also presentation material from recent years and information on corporate governance and the articles of association. Provision of information in the company is in accordance with the Board's established information policy.

Objectives

External financial reporting shall be accurate and complete while complying with all applicable laws, rules and recommendations, providing a fair description of the company's activities and support a rational and informed assessment of the business.

Internal financial reporting shall, in addition to these three aims, support correct decision making at every level of the Group.



Statement of Group comprehensive income

SEK million	Note	2023	2022
Net turnover	2.3	4 084	3 667
Cost of goods sold	6	-3 494	-3 145
Gross operating profit		590	522
Selling costs	6	-192	-162
Administrative expenses	6	-112	-93
Other operating income	7	13	18
Other operating expenses	7	-19	-6
Operating profit/loss	4,5,8,9	280	279
Profit from shares in associated companies	16	10	3
Financial income	10	18	6
Financial expenses	10	-4	-2
Profit after financial items		304	286
Tax expense	11	-74	-59
Profit for the year		230	227
Other total profit:			
<i>Items to be transferred to the profit and loss account:</i>			
Translation differences		2	3
Other total profit net after tax		2	3
Total profit for the year		232	230
Earnings per share	21	25.56	25.22
Total comprehensive profit for the period attributable to:			
Parent company owners		230	229
Interests without significant control		2	1

Group financial position report

SEK million	Note	2023	2022
Assets			
Fixed assets			
Goodwill	13	29	28
Other intangible fixed assets	13	119	127
Tangible fixed assets	14	317	328
Right-of-use assets	15	19	19
Share in associated companies	16	57	47
Other non-current receivables	17	86	34
Comprehensive fixed assets		627	583
Current assets			
Inventories	18	1 072	971
Accounts receivable	19	415	332
Other receivables	19	43	47
Prepaid costs and accrued income	19	17	18
Cash and cash equivalents	20	278	554
Comprehensive current assets		1 825	1 922
Total assets		2 452	2 505
Equity and liabilities			
Equity attributable to the parent company's shareholders			
Share capital	21	45	45
Other reserves		11	9
Profit brought forward		1 567	1 411
Equity attributable to the parent company's shareholders		1 623	1 465
Interests without significant control		3	1
Total comprehensive equity		1 626	1 466
Liabilities			
Non-current liabilities			
Bank loans payable	23	18	20
Deferred tax liability	11	115	104
Non-current lease liabilities	23	10	11
Other non-current liabilities	23	0	14
		143	149
Current liabilities			
Bank loans payable	23	44	37
Current lease liabilities	23	9	8
Guarantee reserves	22	29	25
Accounts payable		411	573
Current tax due		12	28
Other liabilities		51	36
Accrued liabilities and prepaid income	24	127	183
		683	890
Total debts		826	1 039
Total equity and liabilities		2 452	2 505

Group cash flow analysis

SEK million	Note	2023	2022
Ongoing business			
Operating profit/loss		280	279
Adjustments for items not included in the cash flow:			
Depreciation		55	49
Profit/loss on sale of equipment		-1	1
Change in guarantee reserve		4	2
Other non-cash items		-1	-6
Dividend from associated companies		1	1
Interest received		18	6
Interest paid		-4	-2
Tax paid		-86	-73
Cash flow from operating activities before changes in operating capital		266	257
Changes in operating capital			
Inventories		-100	-339
Operating receivables ¹	17,19	-119	-51
Operating liabilities ²		-193	239
Cash flow from operating activities		-146	106
Investment activities			
Investment in intangible fixed assets		-1	0
Investment in tangible fixed assets		-24	-47
Change in long-term receivables	17,19	-8	4
Sales of tangible fixed assets		2	2
Acquisition of company and businesses		0	-5
Cash flow from investment activities		-31	-46
Financing activities			
Amortisation of debt to credit institutions		-17	-18
Amortisation of leasing debts		-11	-8
Dividends to shareholders		-72	-63
Cash flow from financing activities		-100	-89
Cash flow for the year		-277	-29
Cash and cash equivalents at the start of the year		554	578
Exchange differences in cash and cash equivalents		1	5
Cash and cash equivalents at year end		278	554

¹ Change in operating receivables includes trade receivables, other receivables, prepaid expenses and accrued income and notes receivable (see note 17).

² Change in operating liabilities includes all current liabilities on the balance sheet except lease liabilities and guarantee reserve.

Report on the Group's change in equity

SEK million	Share capital	Other reserves	Retained profit	Attributable to the parent company's shareholders	Attributable to interests without significant control	Total comprehensive equity
Balance brought forward, 1 January 2022	45	6	1 248	1 299	0	1 299
Profit for the year			226	226	1	227
Other total profit:		3	0	3	0	3
Total comprehensive income		3	226	229	1	230
Transactions with the Group owners						
Dividends paid			-63	-63	0	-63
Balance carried forwards, 31 December 2022	45	9	1 411	1 465	1	1 466
Balance brought forward, 1 January 2023	45	9	1 411	1 465	1	1 466
Profit for the year			228	228	2	230
Other total profit:		2	0	2	0	2
Total comprehensive income		2	228	230	2	232
Transactions with the Group owners						
Dividends paid			-72	-72	0	-72
Balance carried forwards, 31 December 2023	45	11	1 567	1 623	3	1 626

Note 1 Reporting and valuation principles

Basis of preparation of the financial statements

The following accounting policies have been applied consistently to all periods presented in the Group and parent company's financial statements. KABE Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union. Furthermore, RFR 1, Supplementary Accounting Rules for groups issued by the Financial Reporting Council has been applied.

The consolidated financial statements comprise the accounts of the KABE Group AB and its subsidiaries. Functional currency of the parent company is Swedish krona, which is also the reporting currency for the parent company and for the Group. This means that the financial statements are presented in Swedish krona rounded to the nearest million.

New or changed accounting policies applicable from 2023 onwards.

In January 2023 a change in IAS 1 came into force with the aim of providing more guidance to companies about which accounting principles apply and should therefore be described in the annual report. The update to IAS 1 has introduced work with a broad scope focused on applicable accounting principles for KABE meaning that the accounting principles presented have been restructured and rewritten.

Other new and updated standards have begun to be adapted from the 1st January 2023 have had no significant impact on the Group's financial reporting.

New and amended standards for 2024 onwards

New and amended IFRS which came into effect on the 1st January 2024 or later will not have a significant impact on the Group's financial reporting.

Rounding differences

All items expressed in SEK million and thus rounding differences may occur.

Consolidated financial statements

Consolidation principles

The Group includes KABE Group AB and the companies in which KABE Group AB directly or indirectly has a controlling influence. Controlling influence is defined as when the company is exposed to, or has the right to, variable returns from its involvement in the investee and can influence returns through its influence in the company. Under normal circumstances, this is achieved when the company owns more than 50 % of the voting rights.

Subsidiaries acquired during the year are included in the consolidated financial statements from the date on which the KABE Group obtained control. Subsidiaries acquired during the year are included in the consolidated financial statements from the date on which the KABE Group receives KABE Group obtains control.

Foreign currency translation

Transactions in foreign currencies have been translated to the Group's reporting currency and the parent company's functional currency at the transaction rate of the day. Monetary assets and liabilities have been translated into the functional currency at the exchange rate at the balance sheet date. Foreign exchange gains and losses are recognised in the operating result.

Profit and loss account and balance sheet of all group companies that have a functional currency other than the reporting currency, are translated to the Group's reporting currency. All balance sheet items are translated at the exchange rate prevailing at the balance sheet date, income and expenses are translated at the average rate. Translation differences arising from the conversion of foreign operations for consolidation purposes are recognised in other comprehensive income and accumulated in a translated reserve in equity. On disposal of a foreign operation the translation difference, previously recognised in other comprehensive income, is in the profit and loss account as part of the gain or loss on disposal.

Significant estimates and judgements for accounting purposes

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgment by management in the process of applying the Group's accounting policies. The areas involving a high degree of judgement, which are complex or those areas where assumptions and estimates are material are presented separately in respective notes.

Note 2 Segment reporting

Accounting principles

Operating segments are reported in accordance with the internal reporting structure established by the President and CEO of the KABE Group (the Group's most senior operational decision maker) to evaluate performance and to decide on the allocation of resources to the segments. The Group has three segments: Caravans/motorhomes, Accessories and Other. The segments are reported under the same accounting policies as the Group. Market conditions are applied to transactions between segments.

The segments are responsible for the operating profit and net assets used in their operations, which are also the financial measures that used by the President and CEO to evaluate the

performance of the segments. Tax, net obligation and equity are unallocated items that are not reported by segment. Operating expenses not included in the caravans and motorhomes and accessories segments are reported in the other segment. The segment other includes transport, local and group-wide rental costs. There are no sales of finished goods or services between the segments. The segments include only revenues from external customers. Segment reporting is based on the same accounting policies as for the Group. The caravans and motorhomes segment includes purchasing, production, development logistics, marketing and sales. The accessories segment includes purchasing, developing, logistics, marketing and sales.

Reporting by segment

Areas of business 2023	Caravans Motorhomes	Accessories	Other	Total
Net turnover	3 788	264	32	4 084
Operating profit/loss	257	13	10	280
Interest income	18	0	0	18
Interest expenses	-4	0	0	-4
Profit from shares in associated companies	2	0	8	10
Profit after financial items	273	13	18	304
Assets	2 075	200	120	2 395
Share in associated companies	7	0	50	57
Total assets¹	2 082	200	170	2 452
Total debts¹	-696	-15	-115	-826
Investments	28	3	2	33
Depreciation	-36	-4	-15	-55

Areas of business 2022	Caravans Motorhomes	Accessories	Other	Total
Net turnover	3 306	330	31	3 667
Operating profit/loss	244	26	9	279
Interest income	6	0	0	6
Interest expenses	-2	0	0	-2
Profit from shares in associated companies	3	0	0	3
Profit after financial items	251	26	9	286
Assets	2 065	197	196	2 458
Share in associated companies	4	0	43	47
Total assets¹	2 069	197	239	2 505
Total debts¹	-816	-7	-216	-1 039
Investments	30	2	25	57
Depreciation	-33	-3	-13	-49

Segment reporting - External revenues by geographic markets 2023	Caravans Motorhomes	Accessories	Other	Total
Sweden	1 159	197	29	1 385
UK	1 006	-	-	1 006
Germany	642	0	0	642
Norway	442	52	3	497
Finland	264	15	0	279
Denmark	32	0	0	32
Other countries	243	0	-	243
Total	3 788	264	32	4 084

Segment reporting - External revenues by geographic markets 2022	Caravans Motorhomes	Accessories	Other	Total
Sweden	1 287	246	28	1 561
UK	763	-	-	763
Norway	497	61	3	561
Finland	250	23	0	273
Germany	230	0	0	230
Denmark	72	0	-	72
Other countries	207	0	-	207
Total	3 306	330	31	3 667

Assets and investments by country	Assets		Investments	
	2023	2022	2023	2022
Sweden	1 806	1 941	17	49
Norway	1	1	1	-
UK	545	471	10	6
Finland	74	66	0	-
Other countries	26	26	5	2
Total	2 452	2 505	33	57

¹In 2022-2023 there have been changes in the assets and liabilities of the segments. See note 12.

Note 3 Revenue from contracts with customers

Accounting principles

The Group's revenue consists mainly of sales of new caravans and motorhomes as well as accessories. Revenue is recognised at the time control of the assets transferred to the customer in accordance with the agreed delivery terms.

The Group reports revenue for the sale of demonstration vehicles to leasing companies, which are placed with dealerships, when control is transferred to the finance company. The revenue is reported with a deduction for any assessed credit risk associated

with the company's guarantee commitment in connection with the sale of certain demonstration vehicles, and for the dealer's interest-free financing period. The credit risk is assessed in the same way as the credit risk for receivables, see more in note 27. Dealerships interest free finance period varies in length depending on the point in the year the vehicle is delivered and is estimated according to the expected value of future interest payments. KABE Group is director for sale of goods as well as for transport services. All agreements with customers are short term (<1 year).

Note 4 Employees and compensation of employees

Accounting principles

Employees are compensated by salaries paid as well as accrued bonuses, if any. Full provision is made for various commitments such as untaken holidays and social security contributions.

The Group operates defined contribution and defined benefit pension plans. Costs of these are accounting in the period that the employee carried out the work. All Swedish employees are covered by the so-called ITP plan, which is financed through the pension

scheme Alecta. For the financial year 2023, the company has not had access to such information that makes it possible to account for this plan as a defined-benefit plan. The pension plan under the ITP is secured by an Alecta policy is therefore accounted for as a defined contribution plan. In addition, there are pension commitments for a limited number of officials which are defined contribution and are by the payment of premiums to insurance companies.

	2023			2022		
	Men	Women	Total	Men	Women	Total
Average number of employees by women and men						
Sweden	563	181	744	553	174	727
Finland	5	-	5	6	-	6
Norway	3	-	3	3	-	3
Poland	74	12	86	48	9	57
UK	204	20	224	200	23	223
Other countries	2	2	4	2	2	4
	851	215	1 066	812	208	1 020
Gender balance on company boards	22	4	26	22	4	26
Gender balance in company management	5	-	5	5	-	5
	2023			2022		
	Board of Directors, CEO and other senior executives ¹	Other employees	Total	Board of Directors, CEO and other senior executives ¹	Other employees	Total
Salaries, other benefits and social security costs						
Salaries and other benefits	46	401	447	44	375	419
Social security costs	12	130	142	9	121	130
(of which variable compensation)	(31)	(8)	(39)	(19)	(6)	(25)
(of which pension costs)	(4)	(21)	(25)	(3)	(17)	(20)
	58	531	589	53	496	549

¹Refers to salary costs for all directors, CEOs and other senior executives in parent and subsidiary companies.

	2023		2022	
	Directors' fees	Other compensation	Directors' fees	Other compensation
Compensation and other benefits to members of the Board of Directors (KSEK)				
Chair of the Board:				
Nils-Erik Danielsson	325	125	325	125
Other board members:				
Eric Stegemyr	175	-	175	-
Anita Svensson	175	-	175	-
Benny Holmgren	175	-	175	-
Alf Ekström				
Maud Blomqvist	175	-	175	-
Ulf Rostedt	175	-	175	-
Håkan Lindgren [¶]				
Peter Lilja [¶]				
	1 200	125	1 200	125

[¶] Employee representatives

Remuneration of the CEO and senior executives

The Chairman of the Board and the members of the Board shall be remunerated in accordance with the decision of the Annual General Meeting. Employees within the Group and employee representatives are not remunerated for Board work. Fees to Board members approved by the Annual General Meeting 2023 amounted to KSEK 1 200 (KSEK 1 200), of which to Chairman Nils-Erik Danielsson KSEK 325 (325), social security contributions will be added. In addition, remuneration for other services was paid to the Chairman of the Board in the amount of KSEK 125 (125). The Chairman of the Board and the members of the Board have no pension benefits for their directorships. Remuneration of the Board of Directors is shown in the table above. In 2023, salary and remuneration to the CEO amounted to SEK 5 330 (5 147). In addition to salary and other benefits there are pension costs of KSEK 525 (481) and the benefit of a free car. Salary to other senior executives amounts to KSEK 6 349 (6 682) and pension costs amount to KSEK 2 136 (1 778). Notice period for the CEO is 24 months by the company and six months by the CEO. Other senior executives receive salary during the notice period six months. Senior executives are defined as the CEO, the CFO, three managing directors of subsidiaries. No other specific agreements regarding severance pay or notice periods exist. Retirement age for the CEO is 65 years and other senior executives it is 66 years.

Variable compensation

In 2023, a bonus of KSEK 1 300 (1 420) was paid to the CEO and senior executives.

Pensions

The year's contributions for pension insurance taken out with Alecta amount to KSEK 5 899 (KSEK 6 135) for the Group. Alecta's surplus may be distributed to policyholders and/or insured persons.

In 2023, Alecta's surplus, measured as the collective consolidation level, amounted to 158% (172).

The collective consolidation level is the market value of Alecta's assets as a percentage of insurance liabilities calculated according to Alecta's actuarial calculation assumptions, which do not comply with IAS 19.

Note 5 Depreciation by function

	2023					2022				
	Buildings	Machines and inventory	Intangible fixed assets	Right of use assets	Total	Buildings	Machines and inventory	Intangible fixed assets	Right of use assets	Total
Cost of goods sold	12	19	10	7	48	11	18	10	4	43
Selling costs	-	3	-	2	5	-	2	-	2	4
Administrative expenses	-	1	-	1	2	-	1	-	1	2
Total	12	23	10	10	55	11	21	10	7	49

Note 6 Costs per cost item

	2023	2022
Purchases for production	2 841	2 364
Personnel costs	655	567
Depreciation	55	49
Other external costs	247	420
Total	3 798	3 400

Note 7 Other operating income and costs

Accounting principles

Other operating income and other operating expenses consist of exchange rate differences, as well as realisation gains on the disposal of fixed assets.

	2023	2022
Other operating income		
Exchange rate differences	8	17
Profit from sales of equipment	1	1
Other	4	
Total	13	18
Other operating expenses		
Exchange rate differences	-20	-6
Loss on sale of equipment	0	0
Other	1	
Total	-19	-6
Total other operating income/expenses	-6	12

The exchange rate differences lines include the fair value of derivatives of SEK -12 million (11).

Note 8 Fee to auditor

	2023	2022
Fees have been paid to the Group's auditing company KPMG AB:		
For auditing activities	1	1
For other activities	0	0
For tax consultations	0	0
	1	1
	2023	2022
Fees were paid to the other auditors:		
For auditing activities	1	1
For other activities	0	0
For tax consultations	0	0
	1	1

Note 11 Tax

Accounting principles

Recognised tax includes tax payable or receivable for the current year, adjustments for prior years' tax, and changes in deferred tax. Deferred tax is valued based on how assets and liabilities are expected to realised or settled. The valuation of deferred tax is based on how assets and liabilities are expected to realised or settled.

Deferred tax is calculated by applying the tax rates and tax rules resolved or announced as of the balance sheet date Deferred

	2023	2022
Tax on profit for the year		
Current tax expenditure	-70	-58
Deferred tax expense relating to temporary differences	-4	-1
Reported tax expenses	-74	-59

	2023		2022	
Specification of recognised tax expense				
Profit before tax	304		286	
Tax at current rate 20.6%	-63	-20.6%	-59	-20.6%
Effect of non-deductible expenses	-1	-0.3%	-1	-0.2%
Effect of non-taxable income	0	0.1%	0	0.1%
Effect of foreign tax rates	-3	-1.2%	0	-0.1%
Share of profit of associates recognised net of tax	2	0.6%	1	0.1%
Change in tax rate in Great Britain	-9	-2.9%	-	-
Other	0	-0.1%	0	0.0%
	-74	-24.4%	-59	-20.7%

The company's temporary differences have resulted in deferred taxes on the following items:

	2023			2022		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Deferred tax liability						
Tangible fixed assets	-	-27	-27	-	-26	-26
Intangible fixed assets	-	-29	-29	-	-24	-24
Reserve accounts receivable	7	-	7	7	-	7
Untaxed reserves	-	-69	-69	-	-64	-64
Other	3	-	3	3	-	3
Total	10	-125	-115	10	-114	-104
	2023	2022				
Changes in deferred tax						
Current deferred tax liability	-104	-104				
Fixed assets	3	3				
Reserve accounts receivable	0	1				
Untaxed reserves	-5	-5				
Change in tax rate in Great Britain	-9	-				
Translation difference	0	-1				
Other	0	2				
Outstanding deferred tax liability	-115	-104				

The deferred tax has been recorded net in the event there is a legal right of set-off.

Note 9 Transactions with related parties

Business transactions with associated companies:

During the year, KABE AB and Adria AB have sold caravans and motorhomes to KABE Rental AB for MSEK 19 (20) and receivables were MSEK 3 (!) as at 12/31/2023. Transactions with related parties are conducted at market conditions.

Senior executives

For compensation to senior executives, see note 4.

Note 10 Financial income and expenses

Financial income consists of interest income on bank deposits and dividend income. Financial expenses consist of interest costs on overdraft facilities, mortgaged trade receivables and lease payables.

	2023	2022
Financial income		
Interest income	18	6
Total	18	6
Financial expenses		
Interest expenses	-4	-2
Total	-4	-2

tax assets in respect of provisions of the guarantee reserve and expected credit losses are recognised to the extent to which it is probable that future taxable profits will be available against which the temporary differences can be used. Deferred tax assets and liabilities are offset when there is a legal right of set-off and when the deferred taxes relate to the same taxation authority.

Note 12 Business acquisitions

Accounting principles

Business acquisitions are accounted for using the purchase method. The approach considers the acquisition of a subsidiary as a transaction in which the Group indirectly acquires the subsidiary's assets and assumes its liabilities. To determine the value of the acquisition to the Group, the assets, liabilities and contingent liabilities of the subsidiary are measured at fair value at the acquisition date. Valuations include an assessment of the fair value of any contingent consideration at the acquisition date. All subsequent changes in the contingent consideration are recognised in the income statement.

Transaction costs are reported directly in the annual profit and loss account as they arise.

Acquisitions in 2023

In October 2023, KABE Group acquired the bankrupt Nordic Specialhusbilar AB. Due to this acquisition, KABE Group acquired assets and intellectual property used to manufacture motorhomes and specialist vehicles. Production has happened for over 30 years and sales of specialist vehicles have targeted the Scandinavian market. Customers for these more advanced commercial vehicles include healthcare and police. In the last calendar year, turnover reached SEK 30 million. This acquisition strengthened KABE's position in a segment aimed at companies and the public sector.

The business area for specialist vehicles has been joined with the existing subsidiary S.Karosser allowing production capacity in the Group to be used more efficiently.

Net assets acquired at estimated fair value at the time of acquisition amounted to SEK 2 million. The acquisition is not considered to be significant so details of the acquisition analysis are not included. The acquisition has no impact on the Group's turnover or profit for 2023.

Acquisitions in 2022

KABE Group AB acquired all shares of S. Karosser AB on 1 September 2022 ("S. Karosser").

S. Karosser manufactures and sells pickup campers which are easily lifted and attached to a pickup truck. S. Karosser also produces exhibition vehicles for tools and promotional products. Operations are in Dorotea, Sweden. The acquisition also involves future investment in S. Karosser's production capacity with a goal to double capacity.

Net assets acquired at estimated fair value at the time of acquisition amounted to SEK 6 million. No goodwill has arisen as a result of the transaction.

S. Karosser has been consolidated in the caravan and motorhome segment from the 1 September 2022.

*For definitions of alternative key figures used, see "Definitions" on page 27.

Note 13 Intangibles

Accounting principles

KABE Group reports different forms of intangible assets. All intangible assets, primarily brands and goodwill, have a finite useful life and are depreciated over the useful life of each asset. In the case of assets that do not have a defined useful life, they are tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset may be impaired. Any impairment loss recognised is reversed if the conditions for its recognition change. However, impairment of goodwill cannot be reversed.

Customer relations

The useful life of acquired customer relations has been estimated at 10 years. Straight-line depreciation is applied to the depreciable amount over the useful life of the customer relations.

Trademarks

Acquired trademarks have been estimated to have an indeterminate useful life since KABE Group intends to use the trademark for an indefinite period of time.

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the amount by which the purchase price exceeds the KABE Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired company and the fair value of non-controlling interests in the acquired company. Where the difference is negative, so-called bargain purchase, this is recognised directly in profit and loss. For the purpose of impairment testing, goodwill acquired in a business acquisition is allocated to cash-generating units which are group companies. Each company goodwill has been allocated to corresponds to the lowest level within the Group at which the goodwill in question is monitored in internal management.

Other intangible fixed assets

The Group has not capitalised any expenditure on product development costs as the development work undertaken does not meet the criteria for recognition as an asset. Expenditure on the development of internal software has been capitalised when it is deemed to meet the criteria for recognition as an asset under IAS 38. Development expenditure recognised in the balance sheet relates to the development of new software for internal use. Amortisation commences when the asset is available for use. The useful life is assessed on the basis of the period over which the expected benefits are expected to benefit the company. The useful life is estimated to be 5 years and depreciation is applied on a straight-line basis over this period.

	2023					2022				
	Customer relations	Trade-marks	Goodwill	Other intangible fixed assets	Total	Customer relations	Trade-marks	Goodwill	Other intangible fixed assets	Total
Costs brought forward	97	45	28	4	174	94	43	27	4	168
New procurements	-	-	-	1	1	-	-	-	0	0
Acquisitions	-	-	-	-	-	-	-	-	-	-
Translation differences	1	0	1	0	2	3	2	1	0	6
Remaining cumulative acquisition values	98	45	29	5	177	97	45	28	4	174
Comprehensive depreciation	-17	-	-	-2	-19	-7	-	-	-2	-9
Depreciation for the year	-10	-	-	0	-10	-10	-	-	0	-10
Translation differences	0	-	-	0	0	0	-	-	0	0
Accumulated depreciation carried forward	-27	-	-	-2	-29	-17	-	-	-2	-19
Planned residual value	71	45	29	3	148	80	45	28	2	155

Impairment testing of goodwill and other intangible assets with indefinite useful lives

Goodwill is allocated to the Group's cash-generating units, which are comprised of the Group's companies. The recoverable amount of the unit has been determined based on the value in use, which is the current value of future cash flows. The calculation of future cash flows is based on an assessment of the expected growth rate using conservative forecasts for the next four years prepared by management.

The forecast growth rates are based on previous years' experience but take into account expected future developments. The average growth of the business is forecast to be 15.0% per year over the next four years. Assumed operating margins amount to 8.2% for next year, then a projected operating margin of around 10.3% Cashflow beyond this four-year period is extrapolated with the aid of an estimated growth rate of 2 percent per year which corresponds to estimated long-term inflation.

Growth and margin assumptions are based on previous year results and management's expectations of market developments. Investment amounts are based on the forecast and are then sustained at the level of depreciation. Goodwill and trademarks with indefinite useful lives are tested annually for impairment, or more often if there are indications that they may be impaired. A pre-tax discount rate (WACC) of 15.7% was used for this year's test. The annual test has not demonstrated any impairment requirement. A number of sensitivity analyses have been carried out where the sustainable growth rate is set at 0 percentage points and the operating margin deteriorates by 3 percentage points from the forecast level. None of these analyses indicate any impairment requirement.

Note 14 Tangible fixed assets

Accounting principles

Tangible fixed assets are recognised at cost less accumulate depreciation and any accumulated impairment losses. Cost includes expenses directly attributable to the acquisition of the asset. Property, plant and equipment fixed assets are broken down into significant components where the components have significantly different useful lives.

Repair and maintenance costs are expensed while major improvements and replacements are capitalised. Land is not subject to depreciation, as it is deemed to have an indefinite useful life.

Straight-line depreciation is applied to the depreciable amount (cost

less estimated residual value) over a period of over the useful life of the assets as follows:

Buildings 7-50 years:

Ground installations 20-25 years

Machines and equipment 3-8 years

In each quarterly financial statement, an assessment is made whether there are indications of impairment needs.

	2023			2022		
	Buildings and land	Machines, equipment	Total	Buildings and land	Machines, equipment	Total
Costs brought forward	383	247	630	370	211	581
Acquisition of subsidiary	0	0	0	0	2	2
New procurements	3	21	24	11	36	47
Reclassifications	-	-	0	-	-	-
Divestments	-	-7	-7	-	-3	-3
Translation differences	1	0	1	2	1	3
Remaining cumulative acquisition values	387	261	648	383	247	630
Comprehensive depreciation	-140	-162	-302	-129	-143	-272
Depreciation for the year	-12	-23	-35	-11	-21	-32
Divestments	-	6	6	-	2	2
Reclassifications	-	-	0	-	-	-
Translation differences	0	0	0	0	0	0
Accumulated depreciation carried forward	-152	-179	-331	-140	-162	-302
Planned residual value	235	82	317	243	85	328

The planned residual value of buildings and land carried over includes land of SEK 45 (45) million.

Of the new acquisitions made during the year, SEK 0 (9) million relates to ongoing investments in buildings and SEK 2 (0) million to ongoing investments in machinery and equipment.

Note 15 Right-of-use assets

Accounting principles

KABE Group mainly leases assets in the categories "buildings and land" (warehouses and sales offices), "trucks and machinery" and "cars and other vehicles". KABE Group's lease agreements for buildings and land normally have a 2-5 year non-cancellable lease term. The agreement for trucks leases normally has a non-cancellable period of 5 years, and cars 3 years. Renewal and termination options are included in the majority of leases. These terms are used for maximum flexibility. Renewal and early termination options can only be exercised primarily by the Group and not the respective lessor. Options to extend/terminate the lease agreement are included in the lease term only if it is reasonable to assume that the lease will be renewed. Leases are recognised as assets (fixed assets) with the corresponding lease liability. Initial recognition takes place on the date that the leased asset is available for use by the Group. The right of use is depreciated on a straight-line basis over the period of the asset's useful life and the lease term, whichever is shorter. Assets and liabilities arising from leases are recognised initially at present value. Lease liabilities falling due within 12 months are classified as current and those falling due later as non-current. Each lease payment is allocated between the amortisation of debt and interest expense. The interest component shall be allocated over the lease term so that each accounting period is charged with a amount equal to a fixed rate of interest for the period in which the period. Lease liabilities include the present value of the following lease payments:

- Fixed lease payments.
- Lease payments depending on an index or premium.
- Guaranteed residual value that the lessee is expected to pay to the lessor.

- The exercise price of the call up option where it is reasonably certain that the lessee will exercise the option.
- Penalties for terminating the lease, if the lease term reflects that the lessee will use the option.

Lease payments are discounted at the marginal lending rate as the interest rate implicit in the lease contracts cannot be determined. The discount rate used to value the commitment has been adjusted for all leases according to the type of leased asset, the geographical location of the asset and the estimated financial risk of the Group. The discount rate used for varies between 1 % and 5 % depending on various assumptions and refers to the weighted average marginal borrowing rate of lease debt.

The rights of use are valued at cost and include the following:

- The amount at which the lease liability was originally measured.
- Lease payments made on or before the date of the lease available for use by the Group, after deducting any benefits received in connection with the signing of the lease.
- Initial direct expenditure.
- Expenditure to restore the asset to the condition prescribed by the lease.

Payments for short-term leases and leases for which the underlying asset is of lesser value are expensed on a straight-line basis. Short-term leases are those with a lease term of 12 months or less. Leases where the underlying asset is of lower value are assets with a value of SEK 50 or less in new condition.

For changes in lease liabilities see note 23.

	2023					2022				
	Buildings and land	Trucks and machines	Cars and other vehicles	Other	Total	Buildings and land	Trucks and machines	Cars and other vehicles	Other	Total
Cost										
Opening accumulated cost values	20	5	7	4	36	14	4	5	4	27
New lease agreements	2	3	3	0	8	5	2	2	1	10
Terminated contracts	-	0	-4	-2	-6	-	-1	-1	-1	-3
Contract modifications and change in indices or interest rates in contracts	2	-	1	-	3	1	-	1	-	2
Remaining cumulative acquisition values	24	8	7	2	41	20	5	7	4	36
Accumulated impairments										
Brought forward accumulated impairments	-10	-3	-2	-2	-17	-7	-3	-1	-2	-13
Depreciation	-6	-1	-2	-1	-10	-3	-1	-2	-1	-7
Terminated contracts	-	0	3	2	5	-	1	1	1	3
Accumulated depreciation carried forward	-16	-4	-1	-1	-22	-10	-3	-2	-2	-17
Net book value	8	4	6	1	19	10	2	5	2	19

The total cash flow from leases during the year was SEK 11 (7) million.

As at 31 December 2023, the Group only has renewal options amounting to minor insignificant amounts.

Contract modifications mainly relate to estimates of the length of remaining contractual periods.

For new contracts, the Group has chosen to apply the implicit interest rate of the lease.

Note 16 Shares in associated companies

Accounting principles

Companies in which the KABE Group has significant but not controlling influence, generally those companies in which the Group holds between 20% and 50% of the voting rights, are classified as associated companies. Associated companies include KABE Rental AB, Nordfarbo AB, Fastigheten Bodalsvägen i Kristinehamn AB and KABE Finans AB. Investments in associated companies are accounted for according to the equity method. The equity method involves measuring the value of the associated

company in the Group's share of the associate's equity plus any residual consolidated surplus or deficit. Profit for the year includes "Results from investments in associate companies", which represents the Group's shares in the results of associates adjusted for any depreciation, amortisation and dissolutions of negative surplus and surplus values. The equity method is applied until the date on which significant influence ceases to exist. Dividends from associated companies are recorded as a reduction in the carrying amount of the investment.

	Organisation nr.	Registered office	Andel in %	Book value 2023	Book value 2022
KABE RENTAL AB	556542-5930	Jönköping	46	10	9
Nordfarbo AB	556523-6972	Kramfors	33	39	32
Fastigheten Bodalsvägen i Kristinehamn AB	559080-5965	Kristinehamn	33	2	2
KABE Finans AB	556813-7698	Jönköping	46	6	4
Total				57	47
Carrying amount at the beginning of the year				47	46
Investments				1	-
Associated companies transferred to subsidiaries				-	-
Share in associated companies' profit				10	3
Dividends received				-1	-2
Translation difference				-	-
Closing value of the Group				57	47
Specification of financial information on associated companies owned by the Group. The table shows the amount owned of associated companies.					
Revenue				44	33
Profit				10	2
Assets				83	71
Liabilities				20	18
Equity capital				63	53

The purpose of the Group's holdings in associated companies is to participate but not to control.
The Group's shareholding is classified as significant but there is no controlling influence.

Note 17 Other non-current receivables

	2023	2022
Costs brought forward	34	56
Additional receivables	65	1
Amortisations	-13	-23
Translation difference	0	0
Remaining cumulative acquisition values	86	34

Of the year-end carrying amount, 87% (94) relates to loan repayments on overdue trade receivables, called promissory notes. The remainder relates to other loans, security deposits and other. Amortisations due within one year amount to SEK 11 million (18) and are reported as other receivables. The credit risk of outstanding receivables is assessed on an ongoing basis. For further information on credit risks, see note 27.

Note 18 Inventories

Accounting principles

KABE Group's inventories of input materials, semi-finished and finished goods are valued at the lower cost and net realisable value, according to the first-in, first-out principle (FIFO) and net realisable value. The net realisable value is the selling price less the estimated cost of completion costs and estimated selling expenses. For manufactured goods, cost includes a reasonable proportion of indirect manufacturing overheads based on normal capacity.

	2023	2022
Input materials and consumables	443	356
Goods in production	21	23
Finished goods	604	585
Goods in transport	4	7
Total inventory	1 072	971

Impairment for the year amounted to SEK 33 million (31), of which SEK 31 million (28) relates to input materials and supplies and SEK 2 million (3) to finished goods. The amount is included in the profit and loss account within sold goods expenses.

Note 19 Operating receivables

Accounting principles

Receivables are reported net of allowance for doubtful debts. KABE Group uses the simplified approach for expected credit losses on trade receivables, under which provisions are set aside in an amount equal to the expected credit losses over the life of the receivable. The reserve is taken into account at initial recognition and then revalued during the life of the receivable. Changes in allowances for expected credit losses on trade receivables are recognised in other operating income and expenses.

Significant estimates and judgements

The Group sells to a large number of independent dealerships. Individual assessments of the retailer's financial position are continuously made, taking into account the impact of macroeconomic factors going forward. Amount of outstanding trade receivables is assessed in relation to the financial position of the respective company. The net value reflects the amounts expected to be collected based on circumstances known at the time of the balance sheet date. Changes in circumstances, such as the absence of or changes in the nature of a business, or customer's financial position, may result in material differences in assessment.

At the end of 2023, net trade receivables, after credit risk provisions, amounted to MSEK 415 (332). Reserves for doubtful debt are made based on an analysis of the dealer's financial position and the reserve of MSEK 37 (35) is estimated at sufficient at the balance sheet date.

In certain circumstances, KABE Group enters into factoring agreements, whereby certain trade receivables are sold to a financial actor. As this operator has the possibility in specific cases to provide the receivable in cases where payment is not received, the receivable, and the corresponding liability in the balance sheet.

Significant estimates and judgements

When the Group's main products (caravans and mobile homes) are made up of different model years, it is more difficult to assess the inventory value of earlier model years. The Group continuously monitors the market value of earlier model years and is continuously to maintain inventory levels at a reasonable level.

	2023	2022
Operating receivables		
Accounts receivable	452	367
Reserves for doubtful customer receivables	-37	-35
Other receivables	43	47
Prepaid costs and accrued income	17	18
Net operating receivables	475	397
Prepaid expenses and deferred income		
Prepaid insurance premiums	3	3
Other prepaid expenses	14	13
Deferred income	0	2
Total	17	18
Age analysis of trade receivables		
Trade receivables not yet due	323	260
Trade receivables due in 0-30 days	31	40
Trade receivables due in 30-90 days	29	17
Trade receivables due > 90 days	69	50
Reserves for trade receivables	-37	-35
Book value of trade receivables	415	332

Credit reserve, simplified method

For trade receivables, the Group applies the simplified approach for credit provisions. For further information see note 27.

The credit reserve for receivables other than trade receivables (e.g., bills receivable) amounts to a minor amount. The ratio was the same in the previous year.

	2023	2022
Balance brought forward	-35	-29
Reversal of previous reserves	0	0
Reserves for the year	-2	-6
Balance carried over	-37	-35

Note 20 Financial instruments

Accounting principles

Financial instruments are any form of agreement which gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are classified at initial recognition based, among other things, on the purpose for which the instrument was acquired and the basis on which the individual instrument is managed. A financial instrument classification affects how the instruments are or can be valued, primarily whether it is to be measured at amortised cost or fair value. Financial liabilities are classified as measured at amortised cost or fair value through profit or loss.

Accounting and derecognition

A financial asset or liability is recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. Trade receivables are recognised in the balance sheet when an invoice has been sent and the Company's right to payment is unconditional. A liability is recognised when the counterparty has performed and there is a contractual obligation to pay, even if the invoice has not yet been received. Supplier payables are recognised when the invoice is received. A financial asset is derecognised on the balance sheet when the rights under the contract are realised, expire or the company loses control of them. A financial liability is derecognised from the balance sheet when the obligation under the contract is discharged or otherwise extinguished. The same applies to part of a financial asset or financial liability. Profit and loss arising from derecognition and modification are recognised in profit or loss.

Classification and valuation of financial assets

The classification of interest-bearing financial assets is based on the Group's business model for managing the asset and the nature of the asset's contractual cash flows. Depending on the business model applied to an individual financial asset instrument, it may be measured at either:

- amortised cost,
- fair value through profit or loss or
- fair value through other comprehensive income

Financial assets classified and measured at amortised cost are initially measured at fair value plus transaction costs. After initial recognition they are measured net of a loss allowance of expected credit losses. Assets classified at amortised cost are held exclusively for the purpose of obtaining contractual cash flows,

i.e., payments of nominal amounts principal amount and interest on the principal amount outstanding. The Group's financial assets measured at amortised cost consist of other long-term receivables, trade receivables, cash and cash equivalents and other current receivables. Assets that do not qualify for recognition at amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. To the extent that the entity holds derivative financial instruments, they are accounted for exclusively at their fair values through profit or loss. The Group does not apply hedge accounting. When settlement or disposal is expected to occur more than 12 months after the balance sheet date a financial asset is recognised as a non-current asset. KABE holds no investments in equity instruments that are carried at their respective fair values. Carrying amount of trade receivables, other receivables, cash and cash equivalents, trade payables and other liabilities are a reasonable approximation of fair value.

Impairment

A reserve is recognised for expected credit losses. A provision for losses is made where there is exposure to credit risk, usually at the initial recognition of an asset or receivable. The Group also assesses at the end of each reporting period if there are indications of impairment for a financial asset or group of financial assets.

For trade receivables, the Group applies the simplified approach for credit provisions. A loss reserve is recognised for the expected remaining life of the asset or receivable and is based on historical customer losses combined with projected macro-economic factors.

Classification and valuation of financial liabilities

Financial liabilities are classified at amortised cost with the exception of derivatives. Financial liabilities classified at amortised cost are initially measured at fair value plus transaction costs. Subsequent to initial recognition, they are measured at amortised cost under the effective interest method. A majority of the Group's financial liabilities (amounts due to credit institutions, trade payables, any overdraft and other current liabilities) are classified at amortised cost. Derivative instruments are classified at fair value and recognised in the profit and loss account. Financial liabilities falling due later than 12 months after the balance sheet date are recorded as long-term liabilities.

Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at bank.

	2023	2022
SEK	56	350
EUR	64	53
NOK	1	7
DKK	0	1
GBP	154	137
USD	1	5
PLN	2	1
Cash and cash equivalents	278	554

Note 21 Equity

Share capital

The share capital of KABE Group AB amounts to SEK 45 million divided into 600,000 A-shares and 8,400,000 B-shares, totalling 9,000,000 shares.

Each A share entitles the holder to ten votes and each B share to one vote. All shares have the same dividend entitlement.

The quotient value per share is 5 per share.

For more on the progress of share capital see page 26.

Dividends in 2023

In 2023, KABE Group paid out a total of SEK 72 million to shareholders in the form of an ordinary dividend of 8.00 SEK per share.

Dividend proposal for 2024

The Board intends to propose to the AGM a dividend of 8.00 (8.00) SEK per share, to be paid out at on two occasions each at SEK 4.00.

Other reserves

Other equity reserves consist of translation reserve.

Translation differences relating to subsidiaries abroad are recognised as a separate equity item. The translation reserve consists of all exchange rate differences occurring in the conversion of financial reports from foreign businesses which have prepared their financial reports in a currency other than the Group's functional currency.

Translation reserve attributable to the parent company's shareholders.

	2023	2022
Balance brought forward	9	6
Translation difference for the year	2	3
Balance carried over	11	9
Total other reserves attributable to:		
Parent company owners	11	9
Interests without significant control	-	-

Retained earnings

Retained earnings including profit for the year includes unearned profit for the parent company and its subsidiaries. Previous provisions for the reserve fund are included in this item.

Earnings per share

Earnings per share are defined as profit for the year/average number of shares outstanding. Total number of shares amounted to 9 000 000 (9 000 000). No dilution has occurred.

Note 22 Provisions

Accounting principles

A provision is recognised in the balance sheet when there is an existing legal obligation as a result of a past event and the it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

The amount recognised as a provision is the amount that specified in existing legal obligations or is estimated to settle the obligation at the balance sheet date.

In the industry in which KABE Group is operational, many products are covered by a warranty which is included in the price and is normally limited to 24 months. Provision for warranty obligations covers any costs incurred to repair or replace sold products and is calculated on the basis of historical data.

	2023	2022
Provisions for guarantees		
Amount at beginning of year	25	23
Acquisition of subsidiary	0	1
Provisions for the year	21	15
Sums drawn for the year	-17	-15
Translation difference	0	1
Balance carried over	29	25

Note 23 Change in financial liabilities

	Balance brought forward, 1 January 2023	Cash flow from financing activities	Cash flow from ongoing operations	Acquisitions	Translation difference	New and amended leases	Balance carried forwards, 31 December 2023
Other non-current liabilities	14	-14	-	-	-	-	0
Non-current interest-bearing liabilities to credit institutions	20	-3	-	-	1	-	18
Current and non-current lease liabilities	19	-11	-	-	-	11	19
Current interest-bearing liabilities to credit institutions	37	-	8	-	-1	-	44
Overdraft facilities	-	-	-	-	-	-	-
Total financial liabilities	90	-28	8	0	0	11	81

Current interest-bearing liabilities to credit institutions refers to factored receivables and the current portion of interest-bearing liabilities to credit institutions.

Authorised overdraft facility amounts to SEK 0m (0).

The Group has no specific loan conditions (covenants) to fulfil with external lenders.

Financial liabilities bear interest at variable rates; for more information, see "Interest rate risks" in note 27.

Note 24 Accrued liabilities and prepaid income

	2023	2022
Accrued salary and holiday pay liabilities	73	69
Accrued social security charges	19	19
Other accrued expenses	35	94
Prepaid income	-	1
Total	127	183

Note 25 Collateral securities

	2023	2022
Corporate bonds	158	163
Loan receivables	41	34
Total	199	197

Note 26 Contingent liabilities

	2023	2022
Guarantees for demonstration vehicles ¹	543	440
Other guarantees and commitments	92	97
Total	635	537

¹ A guarantee to finance companies for demonstration vehicles leased by dealerships has been made.

Note 27 Financial risk management

Financial risk management

The KABE Group is exposed to a number of financial risks such as liquidity risks, interest rate, credit and currency risks. Each year, the Board of Directors adopts a financial policy for the Group, which regulates how these risks are managed and controlled. The financial risk management is managed centrally by the parent company.

Liquidity risk

Liquidity risk refers to the risk of that a company cannot borrow money to meet its obligations. The KABE Group strives to have a high level of financial readiness, which is guaranteed by cash and cash equivalents plus secured credit facilities.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will affect the Group's results through increased borrowing costs. The Group's interest-bearing debt at the balance sheet date amounted to SEK 81 million (90). The interest-bearing debt mainly relates to factoring liabilities, so the amount varies during the year. All interest-bearing liabilities bear variable interest. One percentage point change in interest rate would only have a marginal impact on the net profit.

Credit risk

Credit risk refers to the risk that a counterparty will breach its payment obligations resulting in financial loss to the Group.

Credit risk within the KABE Group is almost exclusively in trade receivables as well as counterclaims for overdue trade receivables. The Group has historically low customer losses. KABE Group's customers are generally vehicle dealerships. The Group's network of dealerships consists largely of well-established dealerships with whom the Group has long experience. Credit risks are managed through active credit monitoring and procedures for the follow-up of trade receivables. Furthermore, the necessary provisions for receivables are continuously monitored. In individual cases, as a result of strategic decisions a significant concentration of credit risk may be found in a small number of strategically important dealerships at that time. In general, however, credit risk is spread over a larger number of independent dealerships in different national markets. Exposure at the balance sheet date is generally smaller to each of the dealerships, although there is some concentration towards 8 individual dealerships. These dealerships together accounted for approximately 32% of the total outstanding trade and bills receivable.

The Group's total trade receivables at the balance sheet date amounted to SEK 415 million (332). The reserve for doubtful receivables comprises trade receivables and amounted to SEK 37 million (35) at the same date. See note 17 and note 19 for further information.

The Group's total converted trade receivables to bills receivable amounted to SEK 86 million at the balance sheet date. SEK 75 million is recognised as non-current receivables and the part where repayments are due within one year of SEK 11 million is recognised as other receivables. The credit reserve for these receivables amounts to minor amounts. The ratio was the same in the previous year.

Some credit risk also exists in respect of demonstration vehicles sold to leasing companies placed with the dealerships. This risk is spread over a number of finance companies which in turn lease the demonstration vehicles to a large number of independent dealerships. As a result, there is no significant concentration of credit risk exposure. External guarantees relate to third party companies, see note 26 for further information.

Note 28 Events after balance sheet date

No significant events have occurred to affect financial reporting after the date of the balance sheet.

Foreign exchange risk

The KABE Group is exposed to foreign exchange risks due to the fact that unfavourable changes in foreign exchange rates may adversely affect earnings and equity. To manage these risks, the Group hedges currency risks within the framework of the financial policy. The overall currency risk exposure is managed centrally by the parent company.

The income statements of foreign subsidiaries

The income statements of foreign subsidiaries are translated at the average exchange rate for the period. During the year, changes in exchange rates have affected the Group's comprehensive income by SEK 2 million (3). Assuming that the EUR/SEK, GBP/SEK, NOK/SEK and PLN/SEK exchange rates for the year change by 5%, this would affect net sales for the year by SEK 71 million (54). The net result would be affected by SEK 3 million.

The income statements of foreign subsidiaries

The income statements of foreign subsidiaries are translated at the closing day rate. Translation risk relates to changes in exchange rates that affect the value of net foreign assets when translated into SEK. At the balance sheet date, net foreign assets amounted to SEK 163 million (96). In accordance with the financial policy, the Group does not hedge this risk. A 5% change in the EUR/SEK, GBP/SEK, NOK/SEK and PLN/SEK exchange rates would affect equity by SEK 8 million (5).

Transaction risk and sensitivity analysis

Commercial payment flows in currencies other than SEK entail a transaction risk. The largest transaction exposure to the Euro in the KABE Group, mainly concerns the purchase of caravans and motorhomes from Adria Mobil d.o.o in Slovenia.

A change in the EUR/SEK exchange rate of +5%, on an annual basis, could have a maximum impact on results of SEK -58 million (-53).

Net exposure per currency

SEK million	2023	2022
EUR	-1 161	-1 057
NOK	239	291
DKK	38	63
USD	-12	-32
GBP	254	89
PLN	0	2
Total	-642	-644

Net exposure refers to the net of receipts and payments.

Currency hedging

According to the financial policy, a maximum of 75% of net currency flows can be hedged by forward contracts over a period of 6 to 12 months.

During the year, the Group had forward foreign exchange contracts in Euros with a notional amount of EUR 69 million (51) with an average value of SEK 11.15/EUR and forward foreign exchange contracts in Norwegian kroner with a notional amount of MNOK 101 (76) with an average value of SEK 1.04/NOK. In 2023, the Group has also had forward foreign exchange contracts in GBP to a notional amount of GBP 8 million with an average value of 12.65 SEK/GBP. At the end of the year, the Group had foreign exchange forward contracts with a nominal value of EUR 60 million (14) with an average value of SEK/EUR 11.39 and 49 (52) and NOK million with an average value of SEK/NOK 1.00. Forward exchange contracts in sterling amounted to a nominal amount of GBP 6 million at the end of the year, with an average value of SEK 13.09 per GBP. All financial derivatives are so-called level 2 instruments.

*For definitions of alternative key figures used, see "Definitions" on page 27.

Parent company statement of comprehensive income

SEK million	Note	2023	2022
Net turnover		40.0	61.8
Operating costs		-10.4	-9.7
Gross operating profit		29.6	52.1
Administrative expenses		-27.4	-24.5
Other operating income		0.2	0.5
Operating profit/loss	2,3,4,5,6,7	2.4	28.1
Profit from shares in group companies		60.5	-
Profit from shares in associated companies		0.8	1.3
Interest income	8	27.2	8.8
Interest expenses	8	-17.1	-3.8
Group contributions		31.2	35.0
Profit after financial items		105.0	69.4
Balance sheet allocations	9	-11.9	-0.7%
Tax expense	10	-6.9	-14.0
Profit for the year*		86.2	54.7

*The comprehensive income for the year is consistent with the profit for the year as no items are recognised in other comprehensive income.

Parent company balance sheet

SEK million	Note	2023	2022
Assets			
Tangible fixed assets			
Buildings and land	11	84.9	90.3
Machines and equipment	11	4.0	4.6
		88.9	94.9
Financial fixed assets			
Shares in group companies	12	68.9	68.9
Share in associated companies	13	2.8	2.8
Receivables from group companies	14	116.1	128.7
		187.8	200.4
Comprehensive fixed assets		276.7	295.3
Current assets			
Current receivables			
Receivables from group companies		234.3	45.2
Accounts receivable		0.9	0.0
Current tax assets		0.8	-
Prepaid costs and accrued income	15	2.0	0.5
		238.0	45.7
Cash in hand and at bank		224.9	336.8
Comprehensive current assets		462.9	382.5
Total assets		739.6	677.8
Equity and liabilities			
Equity capital	16		
<i>Tied up equity</i>			
Share capital		45.0	45.0
Reserve fund		3.6	3.6
Total tied up equity		48.6	48.6
Free equity			
Profit brought forward		12.4	29.7
Profit for the year		86.2	54.7
Total free capital		98.6	84.4
Total comprehensive equity		147.2	133.0
Untaxed reserves	17	101.1	89.1
Appropriations			
Deferred tax liability	10	5.6	6.0
Current liabilities			
Liabilities to group companies		476.5	431.8
Accounts payable		0.9	2.0
Current tax due		-	3.8
Other liabilities		3.8	7.3
Accrued liabilities and prepaid income	18	4.5	4.8
		485.7	449.7
Total debts		592.4	544.8
Total equity and liabilities		739.6	677.8

For information on the parent company's contingent liabilities, see note 19.

Parent company's cash flow analysis

SEK million	2023	2022
Ongoing business		
Operating profit/loss	2.4	28.1
<i>Adjustments for items not included in the cash flow:</i>		
Depreciation charged to profit and loss	7.0	6.4
Profit from shares in associated companies	0.8	1.3
Profit from shares in group companies	60.5	-
Profit/loss from sale of equipment	0.1	-
Group contributions	31.2	35.0
Interest received	27.2	8.8
Interest paid	-17.1	-3.8
Tax paid	-12.0	-27.4
Cash flow from operating activities before changes in operating capital	100.1	48.4
Changes in operating capital		
Operating receivables	-191.5	-14.8
Operating liabilities	39.8	-46.2
Cash flow from operating activities	-51.6	-12.6
Investment activities		
Investment in tangible fixed assets	-1.5	-12.3
Change in lending activities	12.6	10.3
Sales of fixed assets	0.6	0.0
Acquisition of subsidiary	-	-6.2
Cash flow from investment activities	11.7	-8.2
Financing activities		
Dividends to shareholders	-72.0	-63.0
Cash flow from financing activities	-72.0	-63.0
Cash flow for the year	-111.9	-83.8
Cash and cash equivalents at the start of the year	336.8	420.6
Exchange differences in cash and cash equivalents	-	-
Cash and cash equivalents at year end	224.9	336.8

Change in equity of the parent company

SEK million	Share capital	Reserve fund	Total tied up equity	Retained profit	Total free equity	Total equity
Balance brought forward, 1 January 2022	45.0	3.6	48.6	92.7	92.7	141.3
Profit for the year				54.7	54.7	54.7
Total profit for the year				54.7	54.7	54.7
Dividends paid				-63.0	-63.0	-63.0
Balance carried forwards, 31 December 2022	45.0	3.6	48.6	84.4	84.4	133.0
Equity brought forward 1 January 2023	45.0	3.6	48.6	84.4	84.4	133.0
Profit for the year				86.2	86.2	86.2
Total profit for the year				86.2	86.2	86.2
Dividends paid				-72.0	-72.0	-72.0
Balance carried forwards, 31 December 2023	45.0	3.6	48.6	98.6	98.6	147.2

Note 1 Accounting and valuation principles of the parent company

The Parent Company has prepared its annual accounts in accordance with the Annual Accounts Act (ÅRL 1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities. According to RFR 2, the parent company shall apply in the annual financial statements of the legal entity all IFRS and pronouncements endorsed by the EU as far as possible within the framework of the Annual Accounts Act and taking into account the relationship between accounting and taxation. Accordingly, the Parent Company follows the same principles as presented in the Group's notes, with the exceptions set out below.

Presentation in the annual report

The Parent Company's income statement and balance sheet have been prepared in accordance with the Annual Accounts Act. Deviations from IAS 1, Presentation of Financial Statements, relate mainly to financial income and expenses, equity and the existence of a separate item for provisions in the balance sheet.

Group contributions

Group contributions are accounted for in accordance with the main rule of RFR 2, whereby group contributions received are recognised as financial income.

Financial instruments

The Parent Company has chosen not to apply IFRS 9 for financial instruments. However, some of the principles in IFRS 9 still apply - such as those relating to impairment, recognition/ derecognition, criteria for applying hedge accounting and the effective interest method for interest income and interest expense.

In the parent company, financial assets are valued at cost less any impairment and current financial assets at the lower of cost or market. For financial assets carried at amortised cost, IFRS 9 impairment rules are applied.

Note 2 Employees and compensation of employees

	2023			2022		
	Men	Women	Total	Men	Women	Total
Average number of employees by gender						
Sweden	8	6	14	8	8	16
Gender balance on the company's Board	7	2	9	7	2	9
Gender balance in company management	3	-	3	3	-	3
	2023			2022		
	Board, CEO and other senior executives	Other employees	Total	Board, CEO and other senior executives	Other employees	Total
Salaries, other benefits and social security costs						
Salaries and other benefits	10.0	4.9	14.9	9.7	5.0	14.7
Social security costs	3.4	2.6	6.0	3.0	2.4	5.4
(of which variable compensation)	(1.2)	(0)	(1.2)	(1.3)	(0)	(1.3)
(of which pension costs)	(1.6)	(0.4)	(2.0)	(1.2)	(0.5)	(1.7)
	13.4	7.5	20.9	12.7	7.4	20.1

See also note 4 in notes for the Group

Note 3 Depreciation by function

	2023		2022	
	Buildings	Machines and equipment	Buildings	Machines and equipment
Operating costs	6.1	-	5.8	-
Administrative expenses	-	0.9	-	0.6
Total	6.1	0.9	5.8	0.6

Note 4 Cost by type of cost

	2023	2022
Personnel costs	21.3	20.4
Depreciation	7.0	6.4
Other external costs	9.5	7.4
Total	37.8	34.2

Note 5 Transactions with related parties

The Parent Company's net turnover consists of rents and remuneration for services rendered. Of the parent company's net sales of SEK 40.0m (61.8), 93.6% (96.2) related to income from group companies and 0.1% (0.3) to purchases related to purchases from group companies.

Transactions with related parties are conducted under market conditions.

Note 6 Operational leasing**Reporting principles**

Costs relating to operating leases are recognised in the income statement on a straight-line basis over the lease term. Benefits received in connection with the signing of a contract are recognised in the income statement on a straight-line basis over the term of the contract.

Parent company's operating leases include passenger cars.

	2023	2022
Leasing costs for the year	0.1	0.4
Future operating lease payments agreed		
Maturity		
– within one year	0.6	0.4
– more than one but maximum five years	0.8	0.2

Note 10 Tax**Accounting principles**

Unlike the consolidated balance sheet, the parent company's balance sheet shows untaxed reserves with no split between equity and deferred tax liabilities.

	2023	2022
Tax on profit for the year		
Current tax expenditure	-7.3	14.4
Deferred tax expense relating to temporary differences	0.4	0.4
Reported tax expenses	-6.9	-14.0
	2023	2022
Reconciliation of effective tax rate		
Profit before tax	93.1	68.7
Tax at current rate 20.6%	-19.2	-20.6%
Effect of tax-free dividends	12.6	13.5%
Other	-0.3	-0.3%
	-6.9	-7.4%
	-14.0	-20.4%
	2023	2022
Deferred tax liability		
Buildings and land	6.0	6.0
Current deferred tax liability	6.0	6.4
Change for the year	-0.4	-0.4
Outstanding deferred tax liability	5.6	6.0

Note 7 Fee to auditor

	2023	2022
Fees have been paid to the company's auditing firm KPMG AB:		
For auditing activities	0.6	0.6
For other activities	0.3	0.0
For tax consultations	-	-
	0.9	0.6

Note 8 Interest income and expenses

	2023	2022
Financial income		
Interest income	12.5	2.4
Intra-group interest	14.7	6.4
Total	27.2	8.8
Financial expenses		
Interest expenses	0.0	-0.1
Intra-group interest	-17.1	-3.7
Total	-17.1	-3.8

Not 9 Appropriations

	2023	2022
Allocation to accrual fund	-11.8	0.0
Difference between book depreciation and scheduled depreciation	-0.1	-0.7%
Total	-11.9	-0.7%

Note 11 Tangible fixed assets

	2023	2022
Buildings and land		
Costs brought forward	160.6	151.3
New procurements	0.7	9.3
Carried forward cumulative acquisition values	161.3	160.6
Comprehensive depreciation	-89.0	-84.8
Depreciation for the year	-4.5	-4.2
Accumulated depreciation carried forward	-93.5	-89.0
Brought forward accumulated revaluations	18.7	20.3
Depreciation for the year	-1.6	-1.6
Carried forward accumulated revaluations	-17.1	18.7
Planned residual value	84.9	90.3
Of which land	10.0	10.0
Data on investment properties		
Reported value	84.9	90.3
Actual value	-171.7	164.4

The fair value of the properties has been based on a valuation carried out by an independent valuer. The fair value is assumed to be unchanged between years, as there has been no change in conditions and the market price in the areas where the properties are located has been assessed to be broadly unchanged. There are no restrictions on the right to dispose of the properties. There are no material commitments in relation to the properties.

Most of the properties are rented to group companies. Of the company's total rental income of SEK 18.0 million, 86% relates to rental income from group companies.

	2023	2022
Machines and equipment		
Initial cost	14.3	11.5
New procurements	0.8	2.9
Divestments	-0.5	-0.1
Carried forward cumulative acquisition values	14.6	14.3
Comprehensive depreciation	-9.7	-9.2
Divestments	0.0	0.1
Depreciation for the year	-0.9	-0.6
Accumulated depreciation carried forward	-10.6	-9.7
Planned residual value	4.0	4.6

Note 12 Shares in group companies

Accounting principle

Investments in subsidiaries are accounted for in the parent company using the cost method. This means that transaction costs are included in the carrying amount of investments in subsidiaries. In the consolidated financial

statements, transaction costs relating to subsidiaries are recognised directly in profit or loss as incurred. The value of the shares is reviewed annually or when there are indications that the value has decreased. Dividends from subsidiaries are recognised as financial income.

	Organisation nr.	Registered office	Andel in %	Book value 2023	Book value 2022
Subsidiary company					
KABE AB ¹	556075-7832	Jönköping	100	0.4	0.4
KABE Transport AB ²	556269-1633	Jönköping	100	0.0	0.0
KAMA Fritid AB ³	556122-9807	Jönköping	100	3.2	3.2
Adria AB	556269-1591	Jönköping	100	4.9	4.9
KABE Fast AB ²	556907-6481	Jönköping	100	0.0	0.0
KABE Försäljnings AB ²	556907-6465	Jönköping	100	0.0	0.0
KABE Fastighet Momarken	559075-0179	Jönköping	100	54.2	54.2
KABE Holdings Limited ⁴	13062464	Hull, UK	100	0.0	0.0
KABE Camper AB ²	559387-9785	Jönköping	100	0.0	0.0
S. Karosser AB ⁵	556447-3568	Dorotea	100	6.2	6.2
Total				68.9	68.9

The ownership ratio corresponds to the proportion of votes for the total number of shares.

¹ KABE AB owns 100% of the shares in KABE Adria OY (based in Helsinki, Finland) and 80% of the shares in Affinity RV sp. z.o.o (based in Ozorkow, Poland) and 100% of the shares in Leisure Vehicles AB (based in Jönköping, Sweden).

² The companies have a share capital of SEK 50 000.

³ KAMA Fritid AB owns 100% of the shares in KAMA Fritid OY (with registered office in Helsingfors, Finland) and KAMA Fritid Norge AS (with registered office in Gjesdal, Norway).

⁴ KABE Holdings Limited owns 100% of the shares in Coachman Group Limited, Coachman Holdings Limited and Coachman Caravan Company Limited (all based in Hull, United Kingdom)

⁵ S. Karosser AB owns 100% of shares in Nordic Mobile Office AB (based in Dorotea).

Note 13 Shares in associated companies

Accounting principle

Investments in subsidiaries and associates are accounted for in the parent company using the cost method. This means that transaction costs are included in

the carrying amount of investments in associates. The value of the shares is reviewed annually or when there are indications that the value has decreased. Dividends from subsidiaries and associated companies are recognised as financial income.

	Organisation nr.	Registered office	Andel in %	Book value 2023	Book value 2022
KABE Rental AB	556542-5930	Jönköping	46	0.6	0.6
Nordfarbo AB	556523-6972	Kramfors	33	0.2	0.2
Fastigheten Bodalsvägen i Kristinehamn AB	559080-5965	Kristinehamn	33	2.0	2.0
Total				2.8	2.8

Specification of financial information on associated companies owned by the parent company. The table shows the amount owned of associated companies.

	2023	2022
Revenue	41.4	30.0
Profit	8.0	1.0
Assets	75.9	66.6
Liabilities	18.7	17.3
Equity capital	57.2	49.3

Note 14 Receivables from group companies

	2023	2022
Costs brought forward	128.7	139.0
Additional receivables	0.0	1.6
Amortisations, outgoing receivables	-12.6	-11.9
Closing book value	116.1	128.7

Note 15 Prepaid costs and accrued income

	2023	2022
Prepaid insurance premiums	1.0	0.3
Other prepaid expenses	1.0	0.2
Total	2.0	0.5

Note 16 Equity

Share capital

The share capital of KABE Group AB amounts to SEK 45 million divided into 600,000 A-shares and 8,400,000 B-shares, totalling 9,000,000 shares. Each A share entitles the holder to ten votes and each B share to one vote. All shares have the same dividend entitlement. The quotient value per share is 5 per share. The proposed dividend is 8:00 SEK per share. For more on the progress of share capital see page 26.

Reserve fund

The purpose of the reserve fund has been to save a portion of net profits not used to cover accumulated loss.

Retained earnings

Retained earnings consists of the previous year's retained earnings including the previous year's profit after any dividend has been paid. Together with the profit for the year, retained earnings constitute total non-restricted equity, i.e. the amount available for distribution to shareholders.

Note 17 Untaxed reserves

	2023	2022
Accumulated depreciation of machinery and equipment	1.5	1.3
Accrual fund allocated 2018	18.4	18.4
Accrual fund allocated 2019	13.4	13.4
Accrual fund allocated 2020	15.7	15.7
Accrual fund allocated 2021	40.3	40.3
Accrual fund allocated 2023	11.8	-
Total	101.1	89.1
Deferred tax included with	21.3	18.8

Note 18 Accrued expenses and deferred income

	2023	2022
Accrued salary and holiday pay liabilities	3.0	3.2
Accrued social security charges	0.9	1.0
Other accrued expenses	0.6	0.6
Total	4.5	4.8

Note 19 Contingent liabilities

	2023	2022
Third party guarantees	3.2	3.2
Intra-group guarantees	74.3	70.9
Total	77.5	74.1

Note 20 Profit distribution proposal

The Board intends to propose to the AGM a dividend of 8:00 (8:00) SEK per share, to be paid out at on two occasions each at SEK 4.00. KABE Group's policy is that the dividend must reflect the group's long-term earning profitability. The objective of the KABE Group's dividend policy is that the dividend in the long-term account should amount to 30-50% of the Group's profit for the year. The dividend for the year in the Group is 31% of profit after tax and 4% of adjusted equity capital.

The Board's opinion on proposed dividends Following the proposed dividend, the parent company's solidity will amount to 23% and the Group's solidity to 65%. The solidity is reassuring in view of the continued profitability of the company's and Group's operations. The company's and Group's liquidity is judged to be maintained at a reassuring level.

The Board of Directors is of the opinion that the proposed dividend will not impede the Parent Company or the other Group companies from fulfilling their short and long-term obligations, nor from making the necessary investments. The proposed dividend can, therefore, be justified in light of the provisions of the Chapter 17, section 3, § 2-3 of the Swedish Companies Act (precautionary principle)

Proposal for appropriation of profit (SEK)

The Board of Directors proposes that the profit available to the Annual General Meeting:

Retained earnings	12 375 436
Profit for the year	86 159 123
Total	98 534 559
Is distributed as follows:	
To shareholders a dividend of 8:00 SEK/share	72 000 000
carried forward	26 534 559
Total	98 534 559

Note 21 Events after reporting period

No significant events have occurred to affect financial reporting after the date of the balance sheet.

We, the undersigned, declare that the consolidated and annual accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and with generally accepted accounting principles and give a true and fair view of the position and performance of the Group and the company, and that the management report gives a true and fair view of the development of the Group's and the company's business, position and performance and of the principal risks and uncertainties that the companies included in the group are exposed to.

The Annual Report and Consolidated Financial Statements have been approved for issue by the Board of Directors on 12 April 2024, as set out below. The Annual Report will be subject to approval at the Annual General Meeting on 15 May 2024.

Tenhult 12/04/2024

Nils-Erik Danielsson
Chair of the Board

Alf Ekström
CEO and Group CEO

Benny Holmgren
Member of the Board

Maud Blomqvist
Member of the Board

Eric Stegemyr
Member of the Board

Anita Svensson
Member of the Board

Ulf Rostedt
Member of the Board

Peter Lilja
Employee Representative

Håkan Lindgren
Employee Representative

Our audit report was issued on 12/04/2024
KPMG AB

Olle Nilsson
Authorised auditor

Invitation to the Annual General Meeting

The shareholders of KABE Group AB (publ.) are hereby invited to attend the Annual General Meeting on Wednesday 15 May 2024 at 5 p.m. at the company's premises in Tenhult, outside Jönköping.

Notification

Shareholders wishing to participate in the AGM shall be entered in the share register maintained by Euroclear Sweden AB on

6th May 2024 and should notify the company of their intention to attend the meeting no later than Wednesday, May 8 at 12.00 to the address KABE Group AB, Box 14, 560 06 Tenhult, by telephone 036-39 37 00 or by email bolagsstamma@kabe.se. In order to be entitled to participate in the Annual General Meeting, shareholders who have had their shares registered by a nominee must temporarily register the shares in their own name so that the shareholder is entered in the share register as of 6 May 2024. Such registration may be temporary (so-called registration of voting rights) and is requested from the trustee in accordance with the trustee's procedures at such time in advance as the trustee may determine. Voting registrations made no later than the second business day after 6 May 2024 are taken into account in the production of the share register.

Items of Business

-
1. which, according to the Companies Act and the articles of association, must be discussed at an ordinary general meeting
-
2. any other business is indicated in the press release and the accompanying notice
-

Dividends

The Board of Directors proposes a dividend of SEK 8:00 per share for 2023 (SEK 8:00). The dividend is proposed to be paid in two instalments, the first of SEK 4.00 per share in May and the second of SEK 4.00 per share in November. The proposed payment dates are 17 May and 15 November 2024.

If the AGM decides in accordance with the proposal, the dividend is expected to be distributed by Euroclear Sweden AB on 22 May 2024 and the 22nd November 2024.

Financial reporting

Information on the development of the company is to be provided as follows:

15/05/2024 Interim report for the first quarter

28/08/2024 Interim report for the second quarter

07/11/2024 Interim report for the third quarter

27/02/2025 Report for the fourth quarter and full year 2024.

The above-named reports can be ordered from KABE Group AB, Box 14, 560 06 Tenhult or from KABE Group's website: kabegroup.se.

Tenhult, April 2024

Management Board

Coffee, tea and canapes will be served at the General Meeting.
Served from 16.00.

Auditor's Report

To the general meeting of the shareholders of KABE Group AB (publ), corp. id 556097-2233

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of KABE Group AB (publ) for the year 2023, except for the corporate governance statement on pages 32-37. The annual accounts and consolidated accounts of the company are included on pages 27-64 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 32-37. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the statement of comprehensive income and statement of financial position for the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of directors in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of trade receivables

See disclosure 17, 19 and 27 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The Group reports accounts receivable of SEK 415 million (SEK 332 million) as at 31 December 2023. On the balance sheet date, accounts receivable are impaired by SEK 37 million (SEK 35 million). An individual impairment test has been conducted as the basis for valuation.

The valuation of accounts receivable is based on management's assessments and principles for the provision of doubtful accounts receivable. Changes in assumptions and assessments can have a significant impact on the financial statements, and therefore we have identified the valuation of accounts receivable as a key audit matter.

Response in the audit

We have informed ourselves about and evaluated the group's process for reviewing accounts receivable to assess whether there are doubtful accounts receivable and how they have been reported. Furthermore, we have evaluated management's estimates and assessments for the impairment needs of doubtful accounts receivable and the assumptions underlying the estimate.

Additional review has included payment analysis, review of agreements for payment plans, and age analysis of outstanding accounts receivable.

We have also verified the completeness of the disclosures provided in the annual report and assessed whether these are consistent with the assumptions applied by the Group in its valuation of accounts receivables and that these substantially corresponds to the disclosures required by IFRS.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 2-26 and 65. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Auditor's audit of the administration and the proposed appropriations of profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of KABE Group AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the

group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the

proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for KABE Group AB (publ) for year 2023. Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 *Examination of the Esef report*. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of KABE Group AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528),

and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system

of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.



The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 32-37 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

KPMG AB, Box 214, 551 14, Jönköping, was appointed auditor of KABE Group AB (publ) by the general meeting of the shareholders on 15 May 2023. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2021.

Jönköping 12 April 2024

KPMG AB

Olle Nilsson
Authorized Public Accountant



KABE Group AB

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