

Period July - September

- Profit after taxes amounted to MSEK 270 (-80), distributed as follows:
 - Active holdings, listed MSEK 164 (-116)
 - Active holdings, unlisted MSEK 42 (0)
 - Financial investments MSEK 67 (36)
- Earnings per share amounted to SEK 18.26 (-5.40)
- Net asset value per share increased by 11 percent adjusted for dividend paid
- The return on listed active holdings amounted to 21 percent

Period January - September

- Profit after taxes amounted to MSEK -226 (261), distributed as follows:
 - Active holdings, listed MSEK -82 (103)
 - Active holdings, unlisted MSEK 30 (1)
 - Financial investments MSEK -166 (162)
- Earnings per share amounted to SEK -15.25 (17.66)
- The return on listed active holdings was -8 percent
- Net asset value per share amounted to SEK 183 (203)
- Net asset value per share decreased by 8 (+10) percent adjusted for dividend paid

Events after the end of the period

The change in value, including dividend income on listed holdings since 30 September amounts to MSEK 23 as of 22 October 2020.

Traction in brief

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

Traction's net asset value

The table below shows Traction's net asset value as of 30 September 2020.

Holdings	Number of shares thousands	Price per share	Percentage of capital	Percentage of votes	Market value MSEK	Percentage of total	SEK/share
Listed active holdings							
BE Group	3,005	34.40	23%	23%	103	4%	7
Drillcon	24,000	6.08	54%	54%	146	5%	10
Driver Group Plc	8,138	5.76	16%	16%	47	2%	3
Hifab Group	32,944	2.44	54%	55%	80	3%	5
Nilörngruppen	3,000	36.20	26%	58%	109	4%	7
OEM International	886	289.00	4%	10%	256	9%	17
Softronic	11,589	18.62	22%	20%	216	8%	15
Total					957	35%	65
Unlisted active holdings							
Unlisted holdings					103	4%	7
Due from active holdings					12	0%	1
Total					115	4%	8
Total active holdings					1,072	39%	72
Financial investments, cash and cash equivalents							
Other listed shares ¹					417	15%	28
Interest-bearing investments ²					890	33%	60
Cash and cash equivalents					334	12%	23
Total					1,642	61%	111
TOTAL					2,713	100%	183

¹Since 1 July 2020, Duroc has been reclassified from the category Listed active holdings to Other listed shares as Traction is no longer involved in the Board and the ownership is already less than 10% of the voting rights. The market value as of 30 September 2020 amounted to SEK 84 million. The ownership amounts to 3,138,026 shares, corresponding to 8.1% of the shares and votes. Traction's view of Duroc is not affected by this reclassification, which is only a consequence of the accounting principles that Traction applies.

²Including interest-bearing investments with a maturity of less than one year in the amount of MSEK 366 and other net asset/liabilities in the amount of MSEK -4.

KEY FINANCIAL INDICATORS	2020 jan-Sep	2019 jan-Sep	2019 Full year
Change in value of net asset value per share, %	-8	10	16
Net asset value per share, SEK	183	192	203
Market price at end of period, SEK	176	195	195
Discount to net asset value, %	4	-1	4

President's Statement

Traction's profit for the third quarter amounted to MSEK 270, which means a continued recovery after a particularly weak start of the year. Overall, the active listed holdings developed stably with a total change in value of 21 percent, with the holdings in Softronic and OEM International contributing the most in absolute terms. These, like several other listed companies, also show a solid earnings development despite the ongoing pandemic.

We live in an uncertain world where politicians and other decision makers are rapidly changing the playing field for all of us. The lock-down of several countries this spring is an example of this where a total closure, compared with Sweden's more sustainable strategy, has not meant that the pandemic has been stopped. Though, the economic damage has been aggravated by these actions, which Sweden as an EU member is now forced to co-finance.

The prevailing risk of a ban on dividends for companies that have received lay-off support is another example where the playing field has changed quickly or is unclear. First, support is given to companies to avoid notice of staff; i.e. the support is aimed to the employees who, with a minor reduction in wages and reduced working hours, could keep their jobs and financial security. However, now when the aid has been paid out and the vast majority have returned to full-time work, it has become uncertain whether the companies that have received aid will be able to distribute its retained earnings.

That politicians and government officials do not realize uncertainty is the biggest problem and not the rules as such, is a mystery to me. Unfortunately, this is true in many areas.

We have previously valued strong balance sheets and companies without significant gearing. Even though this implicates lower leverage for shareholders, greater security for

employees and higher tax revenues for the state.

Our lesson from the political management is that we need to review the capital structure in all our holdings and actively work for significantly higher indebtedness and thus more vulnerable companies, which politicians should realize is risky from a socio-economically point of view.

Nonetheless, as owners we cannot live with the uncertainty of not having full control over the accumulated capital earned by the companies; where a previously restrained dividend policy now risks being penalized. By transferring the capital to the owners, they get better opportunities to support companies that are in need of financial reinforcement.

In future crises, it is also very likely that financially weaker companies will be offered more support than financially well-capitalized companies. Where the latter category forms the backbone of private employment and the tax base in the country.

PERIOD JULY - SEPTEMBER

Summary

Profit after tax amounted to MSEK 270 (-80), which includes changes in value of MSEK 265 (-95) and dividend income of MSEK 1 (1). Financial income amounted to MSEK 7 (15).

Active holdings - listed

Active listed holdings contributed MSEK 164 (-116), equivalent to a return of 21 percent. Changes in value amounted to MSEK 164 (-116) and dividend income was MSEK 0 (0). Softronic contributed MSEK 49 and OEM International MSEK 43. The holding in Duroc has re-categorized from Active Holdings to Other listed shares, see note 1 on page 2.

Changes in value ¹ (MSEK)	2020 Q 3
BE Group	21
Drillcon	21
Driver Group Plc	-7
Hifab Group	18
Nilörngruppen	19
OEM International	43
Softronic	49
Profit listed active holdings	164

¹Including dividends as amounted to MSEK 0.

Active holdings - unlisted

Active unlisted holdings impacted profit by MSEK 42 (0), which includes dividend income of MSEK 0 (0), revaluation of shares MSEK 45 (0) and loan receivables MSEK -3 (0).

The holding in Ankarsrum Industries was revalued by MSEK 30 due to a strong increase in volumes and bright future prospects for the wholly owned kitchen machine Ankarsrum Assistent Original™. Furthermore, the negative revaluations during the first quarter have been reversed as the development generally exceeds what was feared at the beginning of the ongoing pandemic. Amortization of loan receivables amounted to MSEK 8.

During the period, a small amount was invested in Tengai AB, which is a newly established company specializing in AI technology in recruitment and personal assessment. The company offers an automated interview robot that ensures an unbiased and efficient recruitment process. See also tengai-unbiased.com. Traction's ownership amounts to approximately 20 percent.

Financial investments

Other listed holdings contributed MSEK 67 (36), divided into shares MSEK 38 (32) and interest-bearing investments MSEK 30 (4).

The change in value of other listed shares was MSEK 37 (31) and dividend income amounted

to MSEK 1 (1). Individual holdings exceeded MSEK 30 consists of Duroc (MSEK 84), which during the period increased in value of MSEK 10.

Changes in value of interest-bearing investments amounted to MSEK 22 (-9) and interest income was MSEK 7 (13). Interest-bearing investments as of 30 September amounted to MSEK 894 (1,138), of which MSEK 366 (500) are investments in commercial paper and similar instruments with a tenor of less than one year and MSEK 528 (638) in corporate bonds and similar instrument.

PERIOD JANUARY - SEPTEMBER

Summary

Profit after taxes amounted to MSEK -226 (261), which includes changes in value of MSEK -247 (164) and dividend income of MSEK 3 (64). Financial income amounted to MSEK 26 (38). The net asset value decreased during the period by 8 (16) percent adjusted for dividend paid of MSEK 62.

Active holdings - listed

Active listed holdings burdened the result by MSEK -82 (103), equivalent to a return of -8 percent. Changes in value amounted to MSEK -83 (58) and dividend income was MSEK 1 (45). Nilörngruppen burdened the result by MSEK -89, and Duroc by MSEK -24 until June 30, after which the holding is included in other listed shares. In total, the change in value of Duroc amounts to MSEK -14.

Changes in value ¹ (MSEK)	2020 9 months
BE Group	-4
Drillcon	-1
Driver Group Plc	-23
Duroc ²	-24
Hifab Group	1
Nilörngruppen	-89
OEM International	35
Softronic	23
Profit listed active holdings	-82

¹Including dividends.

²Refers to the period January-June as the holding is included in Other listed shares since 1 July. 9m change in value amounts to MSEK -14.

Active holdings - unlisted

Active unlisted holdings contributed by MSEK 30 (1), of which changes in value amounted to MSEK 33 (-12), dividend income of MSEK 0 (3) and revaluation of loan receivables MSEK -3 (9).

Financial investments

Other listed holdings burdened the result by MSEK -166 (162), divided into shares MSEK -160 (130) and interest-bearing investments MSEK -6 (32). The weak development is mainly explained by exposure to the energy sector and capital-intensive sectors such as banks, basic industry and transport.

Changes in value of other listed shares amounted to MSEK -162 (114) and dividend income amounted to less than MSEK 3 (16) equivalent to a return of -31 percent. The change in value of interest-bearing investments amounted to MSEK -32 (-4) and interest income was MSEK 26 (36).

Liquidity

Traction's cash position amounted to MSEK 334 (171). Other interest-bearing investments amounted to MSEK 894 (1,075), of which investments in short-term interest-bearing investments¹ amounted to MSEK 366 (447). Holdings in other listed shares amounted to MSEK 417 (571). During the period, dividend

of SEK 4.20 (3.60) per share, MSEK 62 (53), was paid.

¹Short-term interest-bearing investments are defined as investments in commercial paper and similar instruments with a maturity of less than one year, and investments that fall due for payment within 12 months.

Equity/Net asset value

Equity amounted to MSEK 2,713 as of 30 September (3,001) equivalent to SEK 183 (203) per share. The number of shares outstanding as of 30 September was 16,000,000, of which 1,800,000 of Class A. Not including repurchased shares (1,210,153 equivalent to 8 percent), the number of shares outstanding was 14,789,847, of which 1,800,000 were Class A shares.

Parent Company

AB Traction's result for the period amounted to MSEK -136 (214). The cash position amounted to MSEK 201 (54), not including investments in short-term interest-bearing investments¹ of MSEK 355 (403). The Parent Company has no external loans.

¹Short-term interest-bearing investments are defined as investments in commercial paper and similar instruments with a maturity of less than one year, and investments that fall due for payment within 12 months.

Transactions with closely related parties

There have been no transactions between Traction and closely related parties that have significantly affected the Group's and the Parent Company's financial position during the period. There were the usual transactions between wholly and majority owned companies in the Traction Group, including loans, interest charges, repayments and some charges for services provided.

Risks and uncertainty factors

Traction's significant risk and uncertainty factors include business risks in the form of exposure to certain industries, or an individual holding, as well as dependency on individual key persons in the Companies in which Traction has an ownership interest.

In addition, there are financial risks, which primarily consist of price risks, i.e. the risk of a

change in value of a financial instrument due to changes in share prices, derivatives, bonds, foreign exchange rates or interest rates. In addition to the risks described in Traction's Annual Report in general by reason of the Company's business orientation, specific reference can be made to the Report of the Board of Directors and accompanying notes for a more detailed discussion of the Group's and the Parent Company's risk exposure and risk management procedures. Beyond that, no additional significant risks are deemed to have been added beyond all risks and uncertainty factors that exist as a result of the ongoing pandemic.

Accounting policies

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

IFRS 16 which deals with the accounting treatment of rental and leasing contracts for lessors as well as lessees, has not given rise to

monetary changes in the Group's accounting since these amounts are insignificant.

In all other respects the same accounting policies and calculation methods have been applied as in the most recent annual report, which is published on the same day as this interim report. Comparative data refer to the corresponding year-ago period, except in the case of balance sheet items and liquidity metrics which refer to the prior year-end.

Publication dates for future financial information

15 Feb 2021	Year-end Report 2020
26 Apr 2021	Interim Report January-March 2021
26 Apr 2021	AGM 2020, 5:00 p.m. in Stockholm
16 July 2021	Interim Report January-June 2021
21 Oct 2021	Interim Report January-September 2021
21 Feb 2022	Year-end Report 2021

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

The information in this interim report is such that Traction is obliged to publish in accordance with the Securities Market Act. The information was submitted for publication at 13:00 a.m., 23 October 2020.

Stockholm, 23 October 2020

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Summary Consolidated Income Statement

MSEK	2020 Q 3	2019 Q 3	2020 9 months	2019 9 months	2019 Full year
Dividend income	0.6	1.4	3.2	64.4	66.2
Changes in value	265.1	-94.7	-246.7	164.3	307.4
Financial income/expense	7.2	14.5	26.0	37.8	51.0
Other income	0.4	1.6	1.5	2.8	3.1
Operating expenses	-3.3	-2.7	-9.6	-8.1	-11.7
Result before taxes	270.1	-79.9	-225.5	261.2	415.9
Taxes	-	-	-	-	-
Result for the period¹	270.1	-79.9	-225.5	261.2	415.9
Earnings per share before and after dilution ² (SEK)	18.26	-5.40	-15.25	17.66	28.12
Number of shares outstanding (thousands)	14,790	14,790	14,790	14,790	14,790
Average number of shares outstanding (thousands)	14,790	14,790	14,790	14,790	14,790

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

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

Summary Consolidated Balance Sheet

MSEK	2020 30-Sept	2019 30-Sept	2019 31-Dec
ASSETS			
Tangible non-current assets	-	-	-
Loan receivables	11.8	19.9	22.0
Equities	1,060.0	1,012.0	1,166.1
Total non-current assets	1,071.7	1,031.9	1,188.1
Other current assets	1.3	0.8	1.0
Financial investments	1,311.9	1,653.3	1,645.7
Loan receivables	-	7.5	-
Cash and cash equivalents	333.8	156.8	171.4
Total current assets	1,647.0	1,818.4	1,818.1
TOTAL ASSETS	2,718.7	2,850.4	3,006.2
EQUITY AND LIABILITIES			
Equity			
Attributable to Parent Company's equity holders	2,713.5	2,846.3	3,001.1
Total equity	2,713.5	2,846.3	3,001.1
Current liabilities	5.3	4.0	5.1
Total liabilities	5.3	4.0	5.1
TOTAL LIABILITIES AND EQUITY	2,718.7	2,850.4	3,006.2

Summary Report of Changes in Consolidated Equity

MSEK	2020 30-Sept	2019 30-Sept	2019 31-Dec
Amount attributable to the Parent Company's shareholders at the beginning of the year	3,001.1	2,638.4	2,638.4
Dividend to shareholders	-62.1	-53.2	-53.2
Repurchase of own shares	-	-	-
Profit for the period	-225.5	261.2	415.9
Closing balance	2,713.5	2,846.3	3,001.1

Summary Consolidated Cash Flow Statement

MSEK	2020 Q 3	2019 Q 3	2020 9m	2019 9m	2019 Full year
Operating activities					
Consolidated profit before taxes	270.2	-79.9	-225.5	261.2	415.9
Adjustment for items not included in cash flow	-263.8	94.7	248.0	-164.3	-307.4
Paid taxes	-	-	-	-	-
Cash flow from operating activities	6.4	14.8	22.5	96.9	108.5
Change in working capital	0.8	1.5	-0.1	2.7	3.6
Cash flow from operating activities	7.2	16.3	22.4	99.5	112.2
Cash flow from investment activities					
Purchase of shares in unlisted companies	-4.0	-	-4.0	-	-
Sale of shares in unlisted companies	-	-	-	-	-
Purchase of shares in listed companies	-15.6	-97.1	-134.6	-184.7	-315.3
Sale of shares in listed companies	0.7	198.0	192.0	273.7	346.3
Purchase/sale of tangible non-current assets	-	-	-	-	-
Change in other financial assets	-117.6	-140.6	148.7	-106.6	-46.5
Cash flow from investment activities	-136.4	-39.7	202.1	-17.6	-15.6
Financing activities					
Dividend paid	-	-	-62.1	-53.2	-53.2
Repurchase of own shares	-	-	-	-	-
Cash flow from financing activities	-	-	-62.1	-53.2	-53.2
Cash flow for the period	-129.2	-23.4	162.4	28.7	43.4
Cash and cash equivalents at beginning of period	463.0	180.1	171.4	128.0	128.0
Cash and cash equivalents at end of period	333.8	156.8	333.8	156.8	171.4

Performance Specification

Group 2020 Q 3	Active holdings, listed	Active holdings unlisted	Financial investments / other	Total
Dividend income	-	-	0.6	0.6
Changes in value	164.0	41.8	59.3	265.1
Financial income/expense	-	0.2	7.0	7.2
Other revenue	-	-	0.4	0.4
Operating expenses	-	-	-3.3	-3.3
Profit before taxes	164.0	41.9	64.0	270.1

Group 2019 Q 3	Active holdings, listed	Active holdings unlisted	Financial investments / other	Total
Dividend income	-	-	1.4	1.4
Changes in value	-115.9	-	21.2	-94.7
Financial income/expense	-	0.1	14.4	14.4
Other revenue	-	-	1.6	1.6
Operating expenses	-	-	-2.7	-2.7
Profit before taxes	-115.9	0.1	35.9	-79.9

Group 2020 9 months	Active holdings, listed	Active holdings unlisted	Financial investments / other	Total
Dividend income	0.7	-	2.6	3.2
Changes in value	-82.8	29.8	-193.7	-246.7
Financial income/expense	-	0.5	25.6	26.0
Other revenue	-	-	1.5	1.5
Operating expenses	-	-	-9.6	-9.6
Profit before taxes	-82.2	30.3	-173.7	-225.5

Group 2019 9 months	Active holdings, listed	Active holdings unlisted	Financial investments / other	Total
Dividend income	45.3	2.7	16.4	64.4
Changes in value	57.7	-2.7	109.3	164.3
Financial income/expense	-	0.5	37.3	37.8
Other revenue	-	-	2.8	2.8
Operating expenses	-	-	-8.1	-8.1
Profit before taxes	103.0	0.5	157.7	261.2

Financial Assets

Group 30 September 2020 MSEK	Level 1	Level 2	Level 3	Total
Financial assets				
Shares in unlisted holdings	-	-	103.0	103.0
Shares in listed active holdings	957.0	-	-	957.0
Financial investments	1,311.9	-	-	1,311.9
Total	2,268.9	-	103.0	2,371.9

Group 31 December 2019 MSEK	Level 1	Level 2	Level 3	Total
Financial assets				
Shares in unlisted holdings	-	-	66.5	66.5
Shares in listed active holdings	1,099.6	-	-	1,099.6
Financial investments	1,645.7	-	-	1,645.7
Total	2,745.3	-	66.5	2,811.8

Fair value valuation of financial instruments

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

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

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

Changes in Level 3 Financial Assets

Group 2020 Q 3 MSEK	
Opening carrying value	54.5
Purchases/shareholder contributions	4.0
Sales	0.0
Change in value	44.5
Total	103.0

Valuation of Level 3 Financial Instruments

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

means that individual holdings may be value by other than the methods described above. All level 3 assets consist of shares in unlisted companies and are valued in accordance with the following valuation methods and non-observable data used for determining the carrying value. The data in the table below represent a selection and is therefore not all input data used in the valuation.

EBIT multiples: 5 - 9

Revenue multiples: 0.5 - 3.0

Net asset valuation: Established net asset value

Most recent transaction: In the case of recently floated new issue/share offering, the price thereon is taken into account. Higher multiples may also be applied in cases of expected rapid growth.

Summary Parent Company Income Statement

MSEK	2020 Q 3	2019 Q 3	2020 9 months	2019 9 months	2019 Full year
Dividend income	0.6	1.4	3.2	40.2	41.9
Changes in value	161.2	-39.4	-147.9	163.1	261.2
Financial income/expense	-	-	-	0.5	0.5
Other external costs	-0.1	-0.1	-1.1	-0.9	-1.1
Operating result	161.7	-38.0	-145.8	202.8	302.4
Other interest income/expense and similar items	2.3	4.3	9.9	11.2	15.0
Result after financial items	164.1	-33.8	-135.9	214.0	317.4
Taxes	-	-	-	-	-
Result for the period¹	164.1	-33.8	-135.9	214.0	317.4

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

Summary Parent Company Balance Sheet

MSEK	2020 30-Sept	2019 30-Sept	2019 31-Dec
ASSETS			
Equities	891.4	719.9	825.9
Total non-current assets	891.4	719.9	825.9
Due from Group companies	251.4	426.1	428.2
Other receivables	-	-	-
Financial investments	877.4	1,111.4	1,111.8
Cash and cash equivalents	201.1	58.7	53.7
Total current assets	1,330.0	1,596.1	1,593.8
TOTAL ASSETS	2,221.5	2,316.0	2,419.6
EQUITY AND LIABILITIES			
Equity	2,221.1	2,315.7	2,419.2
Current liabilities	0.3	0.3	0.5
Total current liabilities	0.3	0.3	0.5
TOTAL LIABILITIES AND EQUITY	2,221.5	2,316.0	2,419.6

Definitions and alternative key financial indicators

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

The Traction Group

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

Financial investments

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

Listed active holdings

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

Unlisted active holdings

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

Equity per share/net asset value per share

Equity at the end of the period, divided by the number of shares outstanding on the same day, i.e. $2,713 \times 1,000,000 / 14,789,847 = \text{SEK } 183$.

Net asset value discount

Traction's market value, where unlisted class A shares are given the same value as the listed class B shares at the end of the period, less the net asset value divided by the net asset value at the end of the period in percent multiplied by -1, i.e. $((175.5 - 183) / 183 \times 100) \times -1 = 4\%$

Net asset value/equity

The net of assets and liabilities at market value, which in Traction's case is equivalent to the Traction Group's equity, i.e. MSEK 2,713 as of 30 September 2020.

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

Earnings per share, divided by opening equity per share after deduction of dividend paid per share during the period in percent, i.e. for the period: $-15.25 / (203 - 4.2) \times 100 = -8\%$.

Earnings per share before and after dilution

Result for the period after dilution, divided by the average number of shares outstanding during the period, i.e. $-225.5 \times 1,000,000 / 14,789,847 = -15.25$ SEK. The number of shares outstanding during the period was unchanged.

Review Report

To the Board of Directors of AB Traction (publ), corporate ID number 556029-8654

Introduction

We have reviewed the summary financial interim information (Interim Report) of AB Traction (publ) as of 30 September 2020 and the nine-month period ending on that date. The Board of Directors and the President is responsible for the preparation and fair presentation of this Interim Report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this Interim Report based on our review.

The focus and scope of the review

We have conducted our review in accordance with International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion expressed based on our review does therefore not have the certainty that a conclusion expressed based on an audit has.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe the Interim Report in all material respects is not prepared for the group in accordance with IAS 34 and the Swedish Annual Accounts Act and for the parent company in accordance with the Swedish Annual Accounts Act.

Stockholm, 23 October 2020

Mazars AB

Anders Bergman

Authorised Public Accountant