

## 3<sup>rd</sup> Quarter of 2020

**Net sales** for the third quarter of 2020 amounted to MSEK 106 (128).

**Operating profit** for the quarter amounted to MSEK 13 (2). Operating margin was 12 percent (2).

**Result for the period** during the quarter amounted to MSEK 12 (-1), which corresponds to earnings per share of MSEK 0.06 (-0.01).

**Cash flow from operating activities** during the quarter amounted to MSEK 30 (11).

## January – September 2020

**Net sales** for the period January – September 2020 amounted to MSEK 305 (390).

**Operating profit** for the period amounted to MSEK 6 (-10). Operating margin was 2 percent (-3).

**Result for the period** amounted to MSEK 0 (-23), which corresponds to earnings per share of MSEK -0.00 (-0.12).

**Cash flow from operating activities** during the period amounted to MSEK 30 (-1).

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	Full year 2019	Last 12 months
Net sales	106	128	305	390	504	419
Gross profit	41	48	108	150	194	152
Gross profit (%)	39%	38%	35%	38%	38%	36%
Operating profit/loss	13	2	6	-10	-10	6
Operating profit/loss (%)	12%	2%	2%	-3%	-2%	1%
Result for the period	12	-1	0	-23	-29	-6
Result per share	0,06	-0,01	0,00	-0,12	-0,15	-0,03
Equity/assets ratio (%)	79%	74%	79%	74%	76%	74%
Cash flow from operating activities	30	11	30	-1	3	34
Average no. of employees	128	191	150	193	187	130

## A WORD FROM THE CEO

**Strong profit recovery in the third quarter for the Orio Group despite continued sales loss due to covid-19 pandemic**

The sales loss caused by the covid-19 pandemic continued in the third quarter. Compared with the previous year, sales in the quarter decreased by -17 percent. However, a recovery can be observed in all markets, but above all in the important markets of the Nordic countries, the USA, the UK and Germany.

Despite the continued loss of sales, the third quarter has been one of the strongest in terms of earnings in many years with an operating profit of MSEK 13. This is due to previously implemented restructuring, increased efficiency, strategic price increases and good cost control.

As markets open up, demand and sales for the Orio Parts business area have gradually recovered month by month.

The Orio Logistics business area will continue to strengthen its positions with new contracted customers during the third quarter as well.

**Market trends and results**

Net sales for the third quarter of 2020 amounted to MSEK 106 (128).

Gross profit during the third quarter of 2020 amounted to MSEK 41 (48) and the gross margin was 39 percent, compared with 38 percent for the corresponding quarter in 2019.

For the third quarter of 2020, Orio reports a significantly improved operating profit of MSEK 13, compared with MSEK 2 the previous year, which results in a profit after tax of MSEK 12 (-1). A positive cash flow was generated from operating activities for the quarter, which amounted to MSEK 30 (11). The equity / assets ratio as of September 30, 2020 was 79 percent (74).

**The business and our strategy**

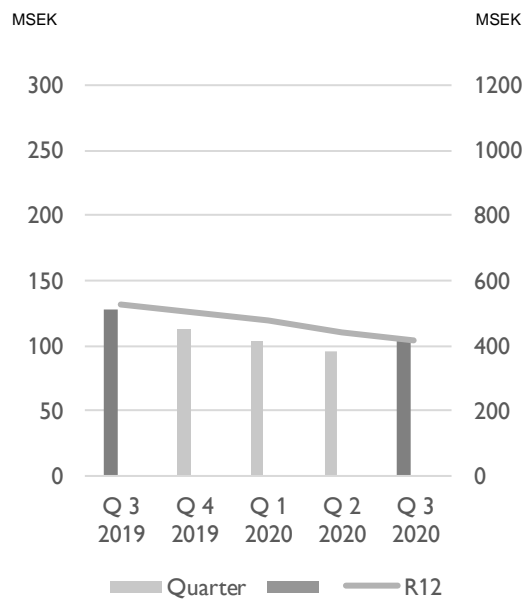
The Group's strategy within the Parts business area is to service Saab cars through workshops and to ensure an appropriate product program of Saab original parts and associated services. Within the Logistics business area, the strategy is to provide logistics services through innovative solutions that strengthen our customers' competitiveness and profitability.

Nyköping, 27 October 2020

Gustaf Ljunggren, CEO

## Financial development

### Net sales



#### *July – September 2020*

The Group's net sales for the third quarter of 2020 amounted to MSEK 106 (128), which is a decrease by 17 percent compared with the corresponding quarter of the previous year. The Group's net sales are exposed to effects from exchange rate changes for foreign currencies, primarily the American Dollar and the British Pound, in relation to the Swedish Krona. At unchanged foreign currency exchange rates, compared with the corresponding quarter last year, the Group would have reported net sales of MSEK 110, which would have been a reduction by 14 percent.

#### *January – September 2020*

The Group's net sales for the period January - September 2020 amounted to MSEK 305 (390), which is a decrease by 22 percent compared with the corresponding period of the previous year. At unchanged foreign currency exchange rates, compared with the corresponding period last year, the Group would have reported net sales of MSEK 301, which would have been a reduction by 23 percent.

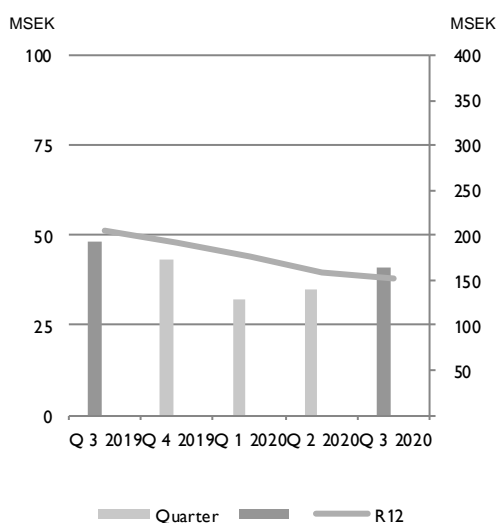
Revenues from external customers disaggregate into the following main categories.

### MSEK

#### Parts

Spare parts	Q 3 2020	Q 3 2019	Changes		Q 1-3 2020	Q 1-3 2019	Changes		Full year 2019	Last 12 months
			%				%			
Nordic countries	25	32	-22%		71	96	-26%		122	97
America	26	34	-24%		75	99	-24%		130	106
Great Britain	10	13	-23%		27	41	-34%		51	37
Germany	12	13	-8%		37	40	-8%		52	49
Other markets	20	25	-20%		56	79	-29%		101	78
<b>Spare parts</b>	<b>93</b>	<b>117</b>	<b>-21%</b>		<b>266</b>	<b>355</b>	<b>-25%</b>		<b>456</b>	<b>367</b>
<b>Services</b>	<b>6</b>	<b>7</b>	<b>-14%</b>		<b>19</b>	<b>21</b>	<b>-10%</b>		<b>28</b>	<b>26</b>
<b>Total Parts</b>	<b>99</b>	<b>124</b>	<b>-20%</b>		<b>285</b>	<b>376</b>	<b>-24%</b>		<b>484</b>	<b>393</b>
<b>Logistics</b>	<b>7</b>	<b>4</b>	<b>75%</b>		<b>20</b>	<b>14</b>	<b>43%</b>		<b>20</b>	<b>26</b>
<b>Total net sales</b>	<b>106</b>	<b>128</b>	<b>-17%</b>		<b>305</b>	<b>390</b>	<b>-22%</b>		<b>504</b>	<b>419</b>

### Gross profit

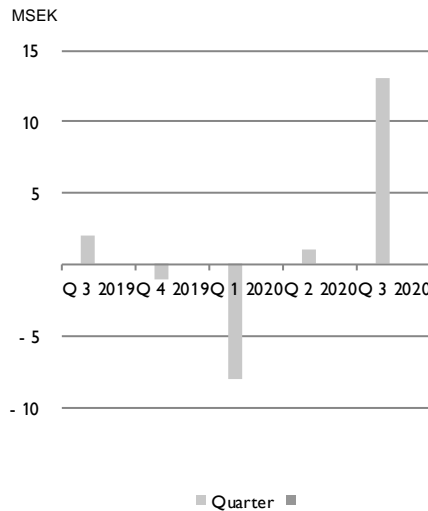


#### July – September 2020

The Group's gross profit for the third quarter of 2020 amounted to MSEK 41 (48), a decrease by 15 percent compared with the corresponding quarter of the previous year. Gross margin for the quarter was 39 percent (38).

#### January – September 2020

The Group's gross profit for the period January – September 2020 amounted to MSEK 108 (150), a decrease by 28 percent compared with the corresponding period of the previous year. Gross margin for the period was 35 percent (38).

**Operating profit/loss***July – September 2020*

The Group's operating profit for the third quarter of 2020 amounted to MSEK 13 (2). The operating margin for the quarter was 12 percent (2).

*January – September 2020*

The Group's operating profit for the period January – September 2020 amounted to MSEK 6 (-10). The operating margin for the period was 2 percent (-3).

**Result for period***July – September 2020*

The Group's financial items for the third quarter of 2020 amounted to MSEK 0 (1).

The Group's income tax expense for the third quarter of 2020 amounted to MSEK -1 (-4).

The Group's result for the for the third quarter of 2020 amounted to MSEK 12 (-1), corresponding to earnings per share of MSEK 0.06 (-0.01).

*January – September 2020*

The Group's financial items for the period January – September 2020 amounted to MSEK -1 (1).

The Group's income tax expense for the period amounted to MSEK -5 (-14).

The Group's result for the for the period January – September 2020 amounted to MSEK 0 (-23), corresponding to earnings per share of MSEK 0.00 (-0.12).

## Cash flow and investments

The Group's cash flow from operating activities was MSEK 30 (11) for the third quarter of 2020 and MSEK 30 (-1) for the period January – September 2020.

The Group's cash flow from investing activities was MSEK -1 (-2) for the third quarter of 2020 and MSEK -1 (-3) for the period January – September 2020.

The Group's cash flow from financing activities was MSEK 0 (-2) for the third quarter of 2020 and MSEK -5 (-29) for the period January – September 2020.

The Group's cash flow amounted to MSEK 29 (7) for the third quarter of 2020 and to MSEK 24 (-33) for the period January – September 2020.

## Financial Position

The Group's liquid assets on September 30, 2020 amounted to MSEK 110 (2019-12-31: 87).

The equity ratio in the Group on September 30, 2020 was 79 percent (2019-12-31: 74).

## Personnel

The average number of employees in the Group during the period January – September 2020 amounted to 150 (193).

## Segment information

MSEK	Q 3 2020	Q 3 2019	Change %	Q 1-3 2020	Q 1-3 2019	Change %	Full year 2019	Last 12 months
<b>Net sales</b>								
Parts	99	125		285	376		484	394
Logistics	16	16		48	53		70	65
Central/elim	-9	-12		-28	-39		-50	-40
<b>Net sales</b>	<b>106</b>	<b>129</b>	<b>-18%</b>	<b>305</b>	<b>390</b>	<b>-22%</b>	<b>504</b>	<b>418</b>
<b>Gross profit</b>								
Parts	31	34		79	100		129	108
Logistics	10	14		29	50		65	44
Central/elim								
<b>Gross profit</b>	<b>41</b>	<b>48</b>	<b>-15%</b>	<b>108</b>	<b>150</b>	<b>-28%</b>	<b>194</b>	<b>151</b>

From 2020-01-01, certain operating costs in Logistics have been reclassified from Sales costs to Cost of goods sold, which has affected the gross profit for the business area and the Group.

## Parent company

The Parent company's net sales for the period January – September 2020 amounted to MSEK 249 (309). The gross result for the period amounted to MSEK 81 (115) and the gross margin was 33 percent (37).

The Parent company's operating profit for the period January – September 2020 amounted to MSEK 7 (-8), and the profit margin was 3 percent (-3).

The Parent company's profit for the period January – September 2020 amounted to MSEK 8 (-10) and cash flow for the period was MSEK 20 (-16).

At 30 September 2020, liquid assets in the Parent company were MSEK 87 (2019-12-31: 67) and the equity ratio was 84 percent (2019-12-31: 81).

The average number of employees in the Parent during the period January – September 2020 was 128 (161).

## Other significant information

### *Events during the quarter*

There have been no significant events taking place during the quarter.

### *Events after the end of the quarter*

There have been no significant events taking place after the end of the quarter.

### *Significant Risks and Factors of Uncertainty*

Detailed information about the Group's risks, uncertainties and other factors can be read in Orio's annual report for 2019.

Management and the Board have evaluated the effects of the ongoing covid-19 pandemic, which erupted during the first quarter of 2020. The situation is uncertain, but the assessment is that the company will be negatively affected in 2020. All activities in the company are now being carefully evaluated from an income, cost and risk perspective in order to deal with financial effects linked to covid-19 as far as possible.

### *Financial objectives and outlook*

The group's long-term financial goals are to achieve a profitability of 4.5% in both the logistics business and the Saab business. Logistics also has a target of 85% occupancy in our facilities.

### *Transactions with related parties*

Transactions with related parties are stated in Note 30 of Orio's annual report for 2019. No significant changes have occurred in relationships or transactions with related parties compared with those described in the annual report for 2019.

### *Upcoming financial information*

Year-end report January – December 2020:

15 February 2021

Annual report 2020:

March 2021

If you have any questions regarding Orio's interim report, please contact:  
Gustaf Ljunggren, CEO, tel +46 70 973 73 66

The Board of Directors and the CEO hereby confirm that this interim report provides a true and fair overview of the Parent Company's and the Group's operations, their financial position and performance, and describes material risks and uncertainties facing the Parent Company and other companies in the Group.

Nyköping , 27 October 2020

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Charlotte Hansson  
Chairman

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Catrina Ingelstam  
Member

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Anders Nilsson  
Member

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Nils Pärletun  
Member

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Dan Samuelsson  
Employee representative

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Ingemar Sandberg  
Employee representative

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Erik Tranaeus  
Member

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Sophie Öhrström  
Member

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Gustaf Ljunggren  
CEO



**Auditor's review report of interim financial information prepared in accordance with IAS 34 and Ch. 9 of the Swedish Annual Accounts Act.**

Orio AB 556602-9277

**Introduction**

We have reviewed the interim report of Orio AB as of 30 September 2020 and the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

**Scope of review**

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily to persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed on the basis of a review does not give the same level of assurance as a conclusion expressed on the basis of an audit.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 27 October 2020  
PricewaterhouseCoopers AB

Martin Johansson

## Group's statement of comprehensive income

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	Full year 2019	Last 12 months
Net sales	106	128	305	390	504	419
Cost of goods sold	-65	-80	-197	-240	-310	-267
<b>Gross profit</b>	<b>41</b>	<b>48</b>	<b>108</b>	<b>150</b>	<b>194</b>	<b>152</b>
Sales costs	-18	-35	-73	-128	-159	-104
Administration costs	-9	-11	-28	-33	-44	-39
Other operating income and expenses	-1	0	-1	1	-1	-3
<b>Operating profit/loss</b>	<b>13</b>	<b>2</b>	<b>6</b>	<b>-10</b>	<b>-10</b>	<b>6</b>
Financial items	0	1	-1	1	0	-2
<b>Result after financial items</b>	<b>13</b>	<b>3</b>	<b>5</b>	<b>-9</b>	<b>-10</b>	<b>4</b>
Income tax expense	-1	-4	-5	-14	-19	-10
<b>Result for the period</b>	<b>12</b>	<b>-1</b>	<b>0</b>	<b>-23</b>	<b>-29</b>	<b>-6</b>
<b>Other comprehensive income</b>						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Cash flow hedges	0	3	0	1	1	0
Deferred taxes referred to cash flow hedges	0	-1	0	0	0	0
Currency exchange rate difference for the year	-2	-1	-2	3	2	-2
<b>Total other comprehensive income for the period</b>	<b>-2</b>	<b>1</b>	<b>-2</b>	<b>4</b>	<b>3</b>	<b>-5</b>
<b>Total comprehensive income for the period</b>	<b>10</b>	<b>0</b>	<b>-2</b>	<b>-19</b>	<b>-26</b>	<b>-8</b>
<b>Result for the year relates to:</b>						
Parent company shareholder	10	0	-2	-19	-26	-8
<b>Comprehensive income related to Parent shareholder</b>	<b>10</b>	<b>0</b>	<b>-2</b>	<b>-19</b>	<b>-26</b>	<b>-8</b>
Result per share based on net profit attributable to parent company shareholder during the year:	0,06	-0,01	0,00	-0,12	-0,15	-0,03

## Group's balance sheet

MSEK	Note	2020-09-30	2019-09-30	2019-12-31
<b>ASSETS</b>				
Intangible non-current assets		12	14	13
Tangible non-current assets		40	51	47
Deferred tax receivables		31	41	36
Other non-current receivables		1	2	3
<b>Total non-current assets</b>		<b>84</b>	<b>108</b>	<b>99</b>
Inventories		131	159	158
Accounts receivable		43	50	40
Current tax receivables		3	1	2
Other current receivables		3	3	4
Prepaid expense and accrued income		5	5	5
Cash and bank		110	88	87
<b>Total current assets</b>		<b>295</b>	<b>306</b>	<b>296</b>
<b>TOTAL ASSETS</b>		<b>379</b>	<b>414</b>	<b>395</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>		<b>298</b>	<b>307</b>	<b>300</b>
Deferred Tax Liabilities		0	1	0
Provisions		5	13	8
Non-current liabilities		12	21	20
Accounts payable		21	26	24
Current tax liabilities		0	1	1
Derivatives	2	0	2	1
Other current liabilities		9	5	3
Accrued expense and prepaid income		34	38	38
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>379</b>	<b>414</b>	<b>395</b>

## Group's report on changes in equity

MSEK	Share capital	Additional paid in capital	Reserves	Retained earnings	Total equity attributable to the shareholder of parent company
Balance at 01-01-2019	0,2	-	7,0	343,7	350,9
Result for the period	-	-	-	-22,6	-22,6
Other comprehensive income	-	-	3,8	-	3,8
<b>Total comprehensive income</b>	-	-	<b>3,8</b>	<b>-22,6</b>	<b>-18,8</b>
Dividend to shareholder	-	-	-	-25,0	-25,0
<b>Balance at 30-09-2019</b>	<b>0,2</b>	-	<b>10,8</b>	<b>296,1</b>	<b>307,1</b>
Balance at 01-01-2019	0,2	-	7,0	343,7	350,9
Result for the period	-	-	-	-28,8	-28,8
Other comprehensive income	-	-	3,0	-	3,0
<b>Total comprehensive income</b>	-	-	<b>3,0</b>	<b>-28,8</b>	<b>-25,8</b>
Dividend to shareholder	-	-	-	-25,0	-25,0
<b>Balance at 31-12-2019</b>	<b>0,2</b>	-	<b>10,0</b>	<b>289,9</b>	<b>300,1</b>
Balance at 01-01-2020	0,2	-	10,0	289,9	300,1
Result for the period	-	-	-	-0,5	-0,5
Other comprehensive income	-	-	-1,7	-	-1,7
<b>Total comprehensive income</b>	-	-	<b>-1,7</b>	<b>-0,5</b>	<b>-2,2</b>
Dividend to shareholder	-	-	-	-	-
<b>Balance at 30-09-2020</b>	<b>0,2</b>	-	<b>8,3</b>	<b>289,4</b>	<b>297,9</b>

## Group's statement on cash flows

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	Full year 2019	Last 12 months
<b>OPERATING ACTIVITIES</b>						
Result after financial items	13	3	5	-9	-10	4
Non-cash items, etc.	5	2	8	15	16	9
Change in provisions	-1	-4	-3	-10	-12	-5
Income tax paid	-1	0	-2	-2	-2	-2
<b>Cash flow from operating activities before change in working capital</b>	<b>16</b>	<b>1</b>	<b>8</b>	<b>-6</b>	<b>-8</b>	<b>6</b>
Change in inventories	20	11	27	21	24	30
Change in current receivables	-3	6	-3	14	19	2
Change in current liabilities	-3	-7	-2	-30	-32	-4
<b>Cash flow from operating activities</b>	<b>30</b>	<b>11</b>	<b>30</b>	<b>-1</b>	<b>3</b>	<b>34</b>
<b>INVESTING ACTIVITIES</b>						
Acquisitions of intangible non-current assets	-1	-1	-2	-2	-3	-3
Investments in tangible non-current assets	-1	-1	-1	-1	-1	-1
Change in other non-current receivables and inves	1	0	2	0	-	2
<b>Cash flow from investment activities</b>	<b>-1</b>	<b>-2</b>	<b>-1</b>	<b>-3</b>	<b>-4</b>	<b>-2</b>
<b>FINANCING ACTIVITIES</b>						
Payments relating to repayments of loan liabilities attributable to financial leasing agreements	-0	-2	-5	-4	-6	-7
Dividend to shareholder	-	-	-	-25	-25	-
<b>Cash flow from financing activities</b>	<b>-0</b>	<b>-2</b>	<b>-5</b>	<b>-29</b>	<b>-31</b>	<b>-7</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>29</b>	<b>7</b>	<b>24</b>	<b>-33</b>	<b>-32</b>	<b>25</b>
Liquid assets at beginning of the period	81	79	87	117	117	88
Currency exchange effect in liquid assets	0	2	-1	4	2	-3
<b>Liquid assets at end of period</b>	<b>110</b>	<b>88</b>	<b>110</b>	<b>88</b>	<b>87</b>	<b>110</b>

## Group key ratios

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	Full year 2019	Last 12 months
Gross profit (%)	39%	38%	35%	38%	38%	36%
Operating profit/loss (%)	12%	2%	2%	-3%	-2%	1%
EBITDA (MSEK)	16	6	15	3	6	18
Equity	298	307	298	307	300	298
Return on equity (%)	-	-	-	-	-9%	-2%
Return on average capital employed (%)	-	-	-	-	-3%	2%
Equity/assets ratio (%)	79%	74%	79%	74%	76%	74%
Cash flow from operating activities	30	11	30	-1	3	34
Rate of inventory turnover (times)	-	-	-	-	1,85	1,84

## Definitions

<b>Gross margin (%)</b>	Gross profit/loss as a percentage of net sales
<b>Operating margin (%)</b>	Operating profit/loss as a percentage of net sales
<b>EBITDA</b>	Operating profit/loss before financial income and expense, taxes, write-offs and any write-downs of tangible and intangible fixed assets
<b>Return on equity (%)</b>	Profit/loss after tax as a percentage of average adjusted equity
<b>Average adjusted equity</b>	Average reported shareholders' equity plus untaxed reserves after deduction for deferred tax at the current rate of tax.
<b>Return on average capital employed (%)</b>	Profit/loss after financial items plus financial expenses as a percentage of the average capital employed
<b>Capital employed</b>	Total assets less non-interest bearing liabilities and non-interest bearing provisions, including deferred tax liabilities
<b>Equity/assets ratio (%)</b>	Adjusted equity as a percentage of total assets
<b>Cash flow from operating activities</b>	Result after financial items, adjusted for non cash flow items, changes in provisions, income taxes paid, and changes in working capital
<b>Inventory turnover rate (times)</b>	Cost of sold inventory divided by average inventory

### Reconciliation of Group key ratios

#### Return on equity (%)

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	Full year 2019	Last 12 months
Profit/loss after tax	12	-1	0	-23	-29	-6
Opening equity	287	306	300	351	351	307
Closing equity	298	307	298	307	300	298
Average equity	293	307	299	329	326	303
<b>Return on equity</b>	-	-	-	-	<b>-9%</b>	<b>-2%</b>

#### Return on capital employed (%)

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	Full year 2019	Last 12 months
Profit/loss after financial items	13	3	5	-9	-10	4
Financial items	0	1	-1	1	0	-2
Opening total assets	369	425	395	488	488	414
Opening provisions	6	19	8	20	20	14
Opening accounts payable and other payables	63	77	74	107	107	78
Closing total assets	379	414	379	414	395	379
Closing provisions	5	14	5	14	8	5
Closing accounts payable and other payables	71	78	71	78	74	71
Average capital employed	302	326	308	342	337	313
<b>Return on capital employed</b>	-	-	-	-	<b>-3%</b>	<b>2%</b>

#### Equity/assets ratio (%)

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	Full year 2019	Last 12 months
Equity	298	307	298	307	300	298
Total assets	379	414	379	414	395	379
<b>Equity/assets ration (%)</b>	<b>79%</b>	<b>74%</b>	<b>79%</b>	<b>74%</b>	<b>76%</b>	<b>79%</b>

#### Inventory turnover rate, times

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	Full year 2019	Last 12 months
Cost of goods sold	-65	-80	-197	-240	-310	-267
Opening inventory	150	170	158	177	177	159
Closing inventory	131	159	131	159	158	131
Average inventory	141	165	145	168	168	145
<b>Inventory turnover rate</b>	-	-	-	-	<b>1,85</b>	<b>1,84</b>

## Parent company's income statement

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	Full year 2019	Last 12 months
Net sales	88	104	249	309	399	339
Costs of goods sold	-59	-66	-168	-194	-249	-223
<b>Gross profit</b>	<b>29</b>	<b>38</b>	<b>81</b>	<b>115</b>	<b>150</b>	<b>116</b>
Sales costs	-11	-22	-44	-87	-130	-87
Administration costs	9	-11	-28	-33	-44	-39
Other operating income and expenses	-1	-1	-2	-3	-4	-3
<b>Operating profit/loss</b>	<b>8</b>	<b>4</b>	<b>7</b>	<b>-8</b>	<b>-28</b>	<b>-13</b>
Financial items	3	2	5	9	7	3
<b>Result after financial items</b>	<b>11</b>	<b>6</b>	<b>12</b>	<b>1</b>	<b>-21</b>	<b>-10</b>
Change in untaxed reserves	-	-	-	1	6	5
Income tax expense	0	-4	-4	-12	-17	-9
<b>Result for the period</b>	<b>11</b>	<b>2</b>	<b>8</b>	<b>-10</b>	<b>-32</b>	<b>-14</b>
<b>Comprehensive result for the period</b>	<b>11</b>	<b>2</b>	<b>8</b>	<b>-10</b>	<b>-32</b>	<b>-14</b>

There are no other items that must be reported in comprehensive income. This means that the profit for the year coincides with this year's comprehensive income.



## Parent company's balance sheet

MSEK	2020-09-30	2019-09-30	2019-12-31
<b>ASSETS</b>			
Intangible non-current assets	9	11	11
Tangible non-current assets	2	3	3
Participation in group companies	26	26	26
Deferred tax receivables	28	37	32
Other non-current receivables	0	1	1
<b>Total non-current assets</b>	<b>65</b>	<b>78</b>	<b>73</b>
Inventories	106	133	134
Accounts receivable	26	26	23
Receivables from group companies	48	64	38
Current tax receivables	3	1	1
Other current receivables	1	1	2
Prepaid expense and accrued income	5	4	5
Cash and bank	87	69	67
<b>Total current assets</b>	<b>276</b>	<b>298</b>	<b>270</b>
<b>TOTAL ASSETS</b>	<b>341</b>	<b>376</b>	<b>343</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>286</b>	<b>301</b>	<b>279</b>
Untaxed reserves	0	4	0
Provisions	4	11	7
Accounts payable	20	23	23
Liabilities to group companies	1	3	1
Other current liabilities	4	4	3
Accrued expense and prepaid income	26	30	30
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>341</b>	<b>376</b>	<b>343</b>

## Parent company's report on changes in equity

MSEK	Share capital*	Additional paid in capital	Reserves	Retained earnings	Total equity
Balance at 01-01-2019	0,2	0,0	369,7	-33,6	336,3
Result for the period	-	-	-	-9,8	-9,8
Dividend to shareholder	-	-	-	-25,0	-25,0
<b>Balance at 30-09-2019</b>	<b>0,2</b>	<b>0,0</b>	<b>369,7</b>	<b>-68,4</b>	<b>301,5</b>
Balance at 01-01-2019	0,2	0,0	369,7	-33,6	336,3
Result for the period	-	-	-	-32,5	-32,5
Dividend to shareholder	-	-	-	-25,0	-25,0
<b>Balance at 31-12-2019</b>	<b>0,2</b>	<b>0,0</b>	<b>369,7</b>	<b>-91,1</b>	<b>278,8</b>
Balance at 01-01-2020	0,2	0,0	369,7	-91,1	278,8
Result for the period	-	-	-	7,6	7,6
Dividend to shareholder	-	-	-	-	-
<b>Balance at 30-09-2020</b>	<b>0,2</b>	<b>0,0</b>	<b>369,7</b>	<b>-83,5</b>	<b>286,4</b>

\* Number of shares is 200.

## Parent company's cash flow statement

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	Full year 2019	Last 12 months
<b>OPERATING ACTIVITIES</b>						
Result after financial items	11	6	12	1	-21	-10
Non-cash items, etc	5	7	5	17	23	11
Change in provisions	-1	-1	-3	-7	-12	-8
Income tax paid	0	-1	-1	-1	-1	-1
<b>Cash flow from operating activities before change in working capital</b>	<b>15</b>	<b>11</b>	<b>13</b>	<b>10</b>	<b>-11</b>	<b>-8</b>
Change in inventories	20	11	27	15	15	27
Change in current receivables	-1	9	-12	10	32	10
Change in current liabilities	-5	-4	-7	-24	-26	-9
<b>Cash flow from operating activities</b>	<b>29</b>	<b>27</b>	<b>21</b>	<b>11</b>	<b>21</b>	<b>31</b>
<b>INVESTING ACTIVITIES</b>						
Investments in intangible non-current assets	-1	-1	-2	-2	-3	-3
Investments in tangible non-current assets	0	0	0	0	0	0
Change in other non-current receivables and investments	0	0	1	0	-	1
<b>Cash flow from investing activities</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-2</b>	<b>-3</b>	<b>-2</b>
<b>FINANCING ACTIVITIES</b>						
Dividend to shareholder	-	-	-	-25	-25	-
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-25</b>	<b>-25</b>	<b>-</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>28</b>	<b>26</b>	<b>20</b>	<b>-16</b>	<b>-18</b>	<b>18</b>
Liquid assets at beginning of the period	59	42	67	83	83	69
Currency exchange effect in liquid assets	0	1	0	2	2	0
<b>Liquid assets at end of period</b>	<b>87</b>	<b>69</b>	<b>87</b>	<b>69</b>	<b>67</b>	<b>87</b>

## Notes and accounting principles

### Note 1 Accounting principles

This interim report has been prepared in accordance with the Annual Accounts Act and IAS 34 – Interim reporting. The Group's consolidated accounts have been prepared in accordance with the Annual Accounts Act, RFR 2 Supplementary accounting standards for Groups, and International Financial Reporting Standards (IFRS) as adopted by the EU. The Parent company's accounts have been prepared in accordance with RFR 2, Accounting for legal entities and the Annual Accounts Act. The interim report for the parent company has been prepared in accordance with the Annual Accounts Act, Chapter 9, Interim report. The accounting principles applied are the same as applied in the preparation of the latest Annual report, if not otherwise stated below. These have been published on the Company's web site, [www.orio.com](http://www.orio.com).

### Note 2 Valuation at fair value

The Group's financial instruments are recognized at cost, except for derivative financial instruments, which are recognized at fair value. The Group uses various methods to determine the fair value financial instruments depending on the degree of observable market data in the valuation and the activity in the market. The methods are divided in three different levels:

- Level 1: Unadjusted, quoted price of identical assets and liabilities on an active market
- Level 2: Adjusted, quoted price or valuation model with valuation parameters derived from an active market
- Level 3: Valuation model where a majority of valuation parameters are non-observable and based on internal assumptions.

The table below shows the Group's financial instruments valued at fair value on 30 September 2020 and 31 December 2019. Financial assets at fair value through profit or loss comprise short term investments which in the Group's and the Parent company's balance sheet are recognized in liquid assets.

MSEK	Level 1		Level 2		Level 3	
	2020-09-30	2019-12-31	2020-09-30	2019-12-31	2020-09-30	2019-12-31
<i>Assets</i>						
Derivative instruments	-	-	-	-	-	-
Financial assets	2,2	2,1	-	-	-	-
<b>Total assets</b>	<b>2,2</b>	<b>2,1</b>	-	-	-	-
<i>Liabilities</i>						
Derivative instruments	-	-	-	0,6	-	-
<b>Total liabilities</b>	-	-	-	<b>0,6</b>	-	-