

Interim report January – September 2022

NET ASSET VALUE AND THE LATOUR SHARE

- The net asset value fell to SEK 148 per share, compared with SEK 216 per share at the start of the year. This is a decrease of 30.5 per cent, adjusted for dividends. By comparison, the Stockholm Stock Exchange's Total Return Index (SIXRX) decreased by 30.5 per cent. The net asset value was SEK 151 per share at 7 November.¹
- The total return on the Latour share was -48.9 per cent during the period measured against the SIXRX, which fell 30.5 per cent.

INDUSTRIAL OPERATIONS

Third quarter

- The industrial operations' order intake rose 15 per cent to SEK 5,281 m (4,593 m), a 1 per cent increase for comparable entities adjusted for foreign exchange effects.
- The industrial operations' net sales rose 29 per cent to SEK 5,629 m (4,356 m), which represents a 13 per cent increase for comparable entities adjusted for foreign exchange effects.
- The industrial operations' operating profit increased by 27 per cent to SEK 784 m (618 m), which equates to an operating margin of 13.9 (14.2) per cent.
- Swegon acquired the Swedish company ABC Ventilationsprodukter on 22 August. Latour Industries acquired the Swedish company MAXAGV on 1 September.

January – September

- In the first quarter, Latour Industries acquired the Italian company Esse-Ti S.R.L., Bemsig acquired the German company Consens GmbH, Hultafors acquired the Swedish company Telesteps and Caljan acquired the Austrian company PHS Logistiktechnik. The divestment of Neuffer Fenster + Türen GmbH was completed in January. Swegon acquired the Swiss company Barcol-Air in the second quarter.
- The industrial operations' order intake rose 18 per cent to SEK 17,418 m (14,772 m), which represents a 4 per cent increase for comparable entities adjusted for foreign exchange effects.
- The industrial operations' net sales rose 24 per cent to SEK 16,209 m (13,028 m), which represents a 9 per cent increase for comparable entities adjusted for foreign exchange effects.
- The operating profit increased by 17 per cent to SEK 2,265 m (1,940 m), which is equivalent to an operating margin of 14.0 (14.9) per cent.

THE GROUP

- Consolidated net sales totalled SEK 16,209 m (13,243 m), and profit after financial items was SEK 3,270 m (3,881 m). Losses of SEK -1,465 m (+37 m) resulting from a write-down of holdings were recognised in the income statement for the period.
- Consolidated profit after tax was SEK 2,753 m (3,448 m), which is equivalent to SEK 4.30 (5.39) per share.
- The Group reported net debt of SEK 11,175 m (9,106 m). Net debt, excluding lease liabilities recognised under IFRS 16, was SEK 9,933 m (8,477 m) and is equivalent to 10 (7) per cent of the market value of total assets.

INVESTMENT PORTFOLIO

- During the 9-month period, the value of the investment portfolio decreased by 37.6 per cent adjusted for dividends. The benchmark index (SIXRX) decreased by 30.5 per cent.

EVENTS AFTER THE REPORTING PERIOD

- Hultafors Group acquired the American company Martinez Tool Company on 3 October. Latour Future Solutions signed an agreement on 24 October to invest in the Swedish company SenseNode. LSAB Group, within Latour Industries, acquired Finnish Lahden Teräteos Oy on 1 November. On 7 November, Latour Future Solutions signed an agreement to invest in the Swedish company Anolytech Holding AB.
- Latour participated in Securitas' share issue during October, with its pro rata share of just over SEK 1 billion.

¹ The calculation of the net asset value on 7 November was based on the value of the investment portfolio at 1 p.m. on 7 November, and the same values as at 30 September were used for the unlisted portfolio.

LATOUR AT A GLANCE

Investment AB Latour is a mixed investment company consisting primarily of wholly-owned industrial operations and an investment portfolio of listed holdings in which Latour is the principal owner or one of the principal owners. The investment portfolio consists of ten substantial holdings that had a market value of SEK 61 billion as at 30 September 2022. The wholly-owned industrial operations are grouped into six business areas: Bemsig, Caljan, Hultafors Group, Latour Industries, Nord-Lock Group and Swegon. They generate annual sales amounting to approximately SEK 22 billion.

Chief Executive's statement

"We saw continued positive growth for the industrial operations in the third quarter. There is strong underlying demand in most markets, apart from China where lockdown measures and rising protectionism are keeping demand subdued. Despite the challenges that still exist in the supply chains, there has been a marginal improvement in the situation. The third quarter too was marked by rising energy prices, general inflation in the economy, impacts of currency fluctuations and Russia's invasion of Ukraine. The turbulent situation affecting the global economy is placing increasing demands on our organisations. However, we are managing to navigate this uncertain climate well and have been able to deliver another very strong quarter.

In total, the order intake increased 15 per cent and net sales were up by 29 per cent. Adjusted for acquisitions and foreign exchange effects, order intake grew by 1 per cent and invoiced sales by 13 per cent during the quarter. The operating profit increased by 27 per cent to SEK 784 m (618 m) with an operating margin of 13.9 (14.2) per cent. We're proud to report that, in absolute terms, this is our best third quarter to date.

We wish to reiterate that we are maintaining a high level of service to our customers, among other things by increasing stock capacity. This has resulted in a lower than normal cash flow and a short-term negative effect on the gross margin. Price increases have been introduced gradually during the year in response to the rising costs of raw materials, freight and more. The order book remains at a good level although it has dropped slightly during the quarter due to the current high rate of invoicing. This augurs well for the continuation of good growth in invoiced sales in the fourth quarter.

Latour is in a strong financial position and we are continuously investing in all our operations in order to drive sustained growth moving forward. As well as investing in sales and marketing activities, we focus on investments that support the sustainability efforts of our operations. For example, the new facility that Caljan's German company moved into during the quarter has been designed and constructed to ensure a high level of sustainable performance and is fitted with solar panels and other energy-efficiency solutions.

During the quarter, we completed two acquisitions in the industrial operations. Swegon acquired the Swedish company ABC Ventilationsprodukter, and Latour Industries acquired the Swedish company MAXAGV. Subsequent to the close of the quarter, Hultafors Group acquired the US company Martinez Tool Company and LSAB Group, within Latour Industries AB, acquired Finnish Lahden Teräteos Oy. Also, Latour Future Solutions has signed agreements to invest in the Swedish company SenseNode and in the Swedish company Anolytech Holding AB. Read more about our acquisitions on page 4.

The current geopolitical tensions and uncertain economic climate have caused global stock markets to fall during the year and this has also impacted our holdings. Over the 9-month period, Latour's net asset value has dropped 30.5 per cent to SEK 148 per share, and our listed investment portfolio has diminished by 37.6 per cent. By comparison, the benchmark index SIXRX has fallen by 30.5 per cent. Our listed companies that have so far reported third-quarter results have generally recorded positive growth, with some reporting particularly strong growth. In a few cases, however, order intake has stalled somewhat. Supply chain disruptions, inflation in the economy and impacts of currency fluctuations are challenges that our listed companies are having to deal with too.

The listed companies continue to undertake acquisition activities and several add-on acquisitions have been closed. These include the takeover of Stanley Security by Securitas in July, and the signing of an agreement by Alimak Group to acquire the French company Tractel, which in one fell swoop will consolidate Alimak's position in the global market and significantly expand the company."

*Johan Hjertonsson
President and Chief Executive Officer*

Industrial operations

Order intake, invoiced sales and earnings

Order intake rose 15 per cent to SEK 5,281 m (4,593 m) in the third quarter, of which 1 per cent was organic growth. Invoiced sales rose 29 per cent to SEK 5,629 m (4,356 m), which represents a 13 per cent increase for comparable entities and when adjusted for foreign exchange effects. Operating profit in the wholly-owned industrial operations increased by 27 per cent during the quarter to SEK 784 m (618 m). The operating margin was 13.9 (14.2) per cent.

The above figures only include subsidiaries of the wholly-owned business areas. See the separate report on page 5.

Acquisitions/disposals

On 22 August, Swegon acquired the entire shareholding of the Swedish company ABC Ventilationsprodukter. The company complements Swegon's existing portfolio by broadening the product range to include roof hoods, louvres, dampers and fire safety products. Moreover, the company has a clear focus on climate-smart and energy-efficient products. ABC Ventilationsprodukter has 90 employees. The company's head office and production facility are located in Borås in Sweden and it reports net sales of approximately SEK 140 m.

On 1 September, Latour Industries acquired the entire shareholding of the Swedish company MAXAGV, a leading provider of mobile robots and software systems for goods handling. The company has 67 employees and its head office is located in Mölndal, Sweden. It reports sales of approximately SEK 160 m, with exports accounting for the bulk of sales.

Earlier in the year, six transactions took place within the scope of our wholly-owned industrial operations. In January 2022, Latour-Gruppen AB sold its shares in Neuffer Fenster + Türen GmbH. Latour acquired 66 per cent of the shares in Neuffer in 2015 in order to expand its expertise and knowledge in the area of e-commerce. This initiative was completed and, after conducting a strategic review, Latour decided to divest its ownership in Neuffer in order for the company to be able to continue its development with IFN-Holding AG as the new majority owner.

On 1 February, Hultafors Group acquired the entire shareholding of the Swedish company Telesteps AB. Telesteps is a leading manufacturer of telescopic ladders for professional end users. The company is located in Tranås, Sweden, and has worldwide sales. Telesteps' net sales amounted to approximately SEK 87 m in 2021, with profitability in line with Hultafors Group's other operations.

On 7 February, S+S Regeltechnik GmbH, in the Bemsig business area, entered into an agreement to acquire Consens GmbH. Consens manufactures devices, sensors, components and testing technology for humidity, temperature and air quality. The company was established in 1998 and employs 13 people, and its head office and production site are in Thüringen, Germany. Sales amounted to EUR 2.9 m in 2021, with a level of profitability well above Latour's financial targets.

On 9 February, Latour Industries acquired the Italian company Esse-Ti S.r.l. Esse-Ti is a leading manufacturer of alarm systems for lifts. The company develops, manufactures and sells wired and wireless lift phones, gateways and fire-communication systems to lift operators, specialised distributors and lift manufacturers. Esse-Ti has 33 employees and generates sales of approximately EUR 10 m.

On 18 March, Caljan acquired the entire shareholding of the Austrian company PHS Logistiktechnik GmbH. PHS has developed Rapid Unloader, a system for automatically unloading packages for logistics companies. The system reduces unloading times, increases productivity and improves the working environment at logistics centres. The company was established in 2017 and is based in Graz, Austria, with three employees.

On 3 June, Swegon acquired the entire shareholding of Barcol-Air, a leading supplier of radiant ceiling systems. The company was founded in 1979. Today it has 90 employees and its head office is in Schwerzenbach, Switzerland, and its production facilities are in St. Leon-Rot, Germany. In 2021, it reported net sales of EUR 37.2 m.

Events after the reporting period

On 4 October, Hultafors Group acquired the entire shareholding of Martinez Tool Company, based in California, USA. Martinez Tool Co manufactures "Made in the USA" premium tools for professional tradespeople. The company's high-quality titanium hammers are its flagship product, which it markets on its website and through selected national and international distributors. In 2021, Martinez Tool Co reported sales of USD 6 m with double-digit growth and profitability that exceeded Hultafors Group's other operations.

On 24 October, Latour Future Solutions signed an agreement to invest in the Swedish company SenseNode. SenseNode has developed a complete IoT solution with associated SaaS platform for energy efficiency in all types of industries. The company offers energy monitoring, energy mapping, power optimisation and energy efficiency, with associated automatic reports and alarm functions. The business was founded in 2013 and has 8 employees, with its head office in Lund in Sweden.

On 1 November, LSAB Group, within Latour Industries, acquired Lahden Teräteos Oy (LTT). LTT is based in Lahti, Finland, has 23 employees and a turnover of EUR 2.4 m (2021). LTT is a specialized Finnish manufacturer of customized and tailor-made tools for profiling and supplier of standard tools for the woodworking industry. The company was founded in 1962 and will reinforce LSABs position in Finland as well as broaden the product offering of LSAB today.

On 7 November, Latour Future Solutions signed an agreement to invest in the Swedish company Anolytech Holding AB. Anolytech has developed a circular system for producing effective disinfection, AnoDes, based on nature's own disinfectant hypochlorous acid, which is a natural part of the immune system of humans and animals. The company's system is offered as a packaged service to customers in industrial food production, agriculture with animal husbandry, hotels and real estate, and within health care. The customers can be found throughout the Nordic countries, as well as in Germany and Spain. The business was founded in 2005 and is headquartered in Ystad with 17 employees.

Industrial operations summary

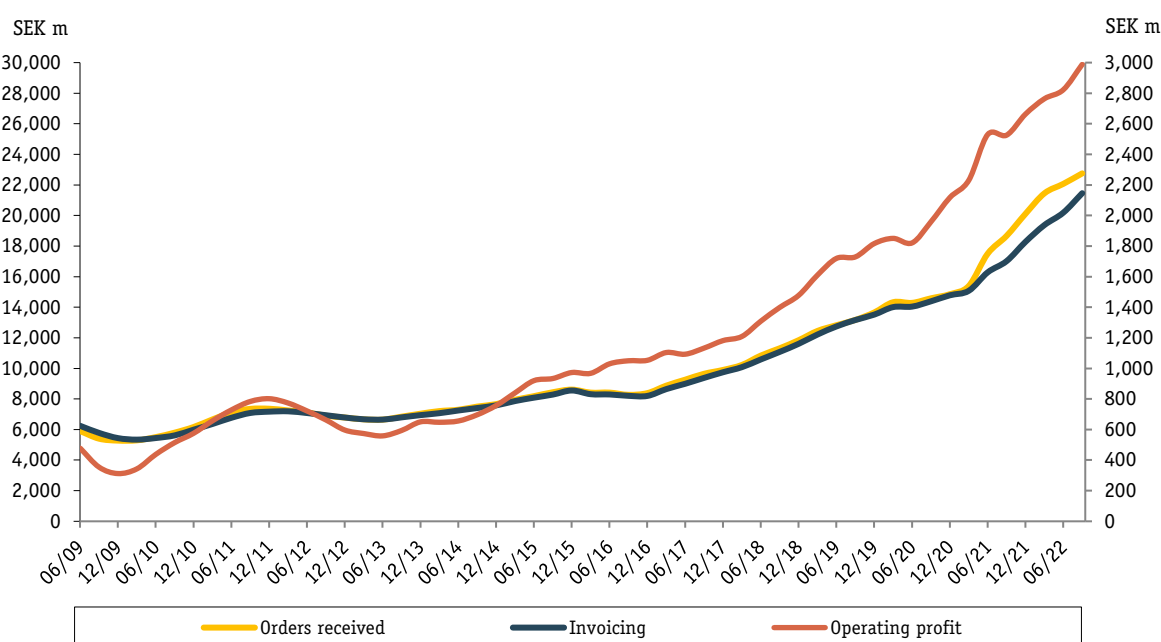
Business area results

SEK m	Net sales				Operating profit				Operating margin %			
	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths
Bemsiq	326	220	985	636	82	58	240	153	25.1	26.2	24.3	24.0
Caljan	669	403	1,578	973	156	77	347	158	23.3	19.2	22.0	16.2
Hultafors Group	1,563	1,310	4,773	3,896	176	170	661	619	11.2	13.0	13.9	15.9
Latour Industries	933	693	2,731	2,138	82	57	219	176	8.8	8.3	8.0	8.2
Nord-Lock Group	425	357	1,247	1,086	104	98	319	293	24.6	27.3	25.6	27.0
Swegon	1,714	1,374	4,898	4,301	184	158	479	541	10.7	11.5	9.8	12.6
Eliminations	-1	-1	-3	-2	-	-	-	-	-	-	-	-
	5,629	4,356	16,209	13,028	784	618	2,265	1,940	13.9	14.2	14.0	14.9
Gain/loss from sale/purchase of businesses	-	-	-	-	-6	-25	34	-43				
Other companies and items	-	77	-	215	-18	-9	-53	-26				
	5,629	4,433	16,209	13,243	760	584	2,246	1,871				
Effect IFRS 16	-	-	-	-	4	1	5	2				
	5,629	4,433	16,209	13,243	764	585	2,251	1,873				

SEK m	Operating capital ¹		Return on operating capital %		Growth in net sales, 2022 %			
	2022 Trailing 12	2021 Trailing 12	2022 Trailing 12	2021 Trailing 12	Total	Organic	Currency	Acquisitions
Bemsiq	2,245	1,530	12.7	13.0	54.8	14.1	4.5	29.8
Caljan	2,934	2,542	15.9	9.9	62.1	50.5	7.5	0.2
Hultafors Group	6,087	4,319	14.8	18.6	22.5	3.5	5.3	12.4
Latour Industries	3,182	2,547	9.0	9.2	27.8	10.2	2.5	13.1
Nord-Lock Group	1,325	1,191	29.6	29.0	14.8	5.6	8.7	-
Swegon	3,674	3,216	17.9	21.8	13.9	5.8	4.2	3.3
Total	19,447	15,345	15.4	16.5	24.4	9.4	4.9	8.4

¹ Calculated as total assets less cash and other interest-bearing assets and less non-interest-bearing liabilities. Calculated on the average for the past 12 months.

Industrial operations trailing 12 months



Development by business area



(SEK m)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
Net sales	326	220	985	636	927	1,276
EBITDA	88	61	258	162	217	313
EBITDA ¹	85	59	248	159	207	296
EBITA ¹	83	58	241	153	199	286
EBIT ¹	82	58	240	153	198	285
EBITA % ¹	25.3	26.3	24.4	24.1	21.5	22.4
EBIT % ¹	25.1	26.2	24.3	24.0	21.4	22.3
Total growth %	48.4	32.3	54.8	18.6	27.9	
Organic %	13.3	10.6	14.1	9.6	8.7	
Exchange effects %	5.8	-1.0	4.5	-2.4	-1.9	
Acquisitions %	23.8	20.8	29.8	10.9	19.8	
Average number of employees	537	493	510	342	475	

¹ Excl. IFRS 16.

Highlights

- Positive order intake growth continues for both Building Automation and Metering, with good organic growth of 13 per cent.
- Growth in net sales strengthened further during the quarter despite some delivery delays caused by the current shortage of components.
- Price adjustments during the quarter and active efforts to secure supplies of components help retain margins and maintain good delivery capacity.

Breakdown of net sales

(SEK m)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
Building Automation	259	172	773	482	710	1,001
Metering	70	48	219	156	221	283
Elimination	-3	-	-7	-2	-4	-8
	326	220	985	636	927	1,276
Pro forma adjustment ¹						9
Trailing 12 month pro forma						1,285

¹ Pro forma for completed acquisitions.

Bemsiq is a group of innovative and fast-growing companies providing products in building automation and energy metering. Bemsiq's mission is to accelerate the journey towards SMART and GREEN commercial buildings by being a leading global supplier of sensor, control and connectivity technologies and products.



(MEUR)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
Net sales	63.5	39.7	149.8	95.9	150.6	204.5
EBITDA	15.8	8.2	35.5	17.3	29.6	47.8
EBITDA ¹	15.6	8.2	35.1	17.0	29.3	47.3
EBITA ¹	15.1	7.8	33.6	16.0	27.8	45.5
EBIT ¹	14.8	7.6	32.9	15.6	27.2	44.6
EBITA % ¹	23.7	19.6	22.4	16.6	18.4	22.2
EBIT % ¹	23.3	19.2	22.0	16.2	18.1	21.8
Total growth %	59.9	35.0	56.2	34.7	34.6	
Organic %	52.5	33.5	50.5	35.3	33.9	
Exchange effects %	4.9	1.1	3.6	-0.5	0.5	
Acquisitions %	0.0	-	0.2	-	-	
Average number of employees	675	603	664	566	580	

¹ Excl. IFRS 16.

Highlights

- Net sales exceed the previous year significantly in the Aftermarket and Loading & Unloading divisions. Organic growth reaches 53 per cent.
- Despite the decrease in order intake during the quarter, the order book remains strong and augurs for a good growth in net sales in the coming quarters.
- A clear focus on securing supply chains enables the high level of service to customers to be maintained despite logistical challenges and a shortage of components.
- The establishment of a new factory in Germany has been completed during the quarter.

Breakdown of net sales

(MEUR)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
Loading & Unloading	31.9	20.3	81.7	52.2	75.6	105.1
Document Handling & Labelling	6.5	6.8	17.6	9.0	17.7	26.3
Automated Solutions	12.9	4.3	15.8	12.2	21.9	25.4
Aftermarket	12.1	8.3	34.7	22.5	35.4	47.7
	63.5	39.7	149.8	95.9	150.6	204.5
Pro forma adjustment ¹						1.0
Trailing 12 month pro forma						205.5

¹ Pro forma for completed acquisitions.

Caljan is a global supplier of automation technology for parcel handling in the logistics and e-commerce sectors. Caljan's products help packing companies, distributors and manufacturers around the world to optimise their supply chains. Flows are increased, costs are reduced and working environments are made safer and more ergonomic. Caljan has its head office in Aarhus, Denmark, and subsidiaries in the USA and several European countries.

HULTAFORS GROUP

(SEK m)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
Net sales	1,563	1,310	4,773	3,896	5,544	6,421
EBITDA	217	201	781	701	981	1,061
EBITDA ¹	199	188	728	669	935	993
EBITA ¹	182	175	680	633	881	928
EBIT ¹	176	170	661	619	860	902
EBITA % ¹	11.7	13.4	14.2	16.3	15.9	14.4
EBIT % ¹	11.2	13.0	13.9	15.9	15.5	14.0
Total growth %	19.3	43.1	22.5	52.3	52.3	
Organic %	4.1	12.5	3.5	20.7	20.7	
Exchange effects %	6.5	-0.6	5.3	-2.6	-2.6	
Acquisitions %	7.6	28.0	12.4	29.5	29.5	
Average number of employees	1,833	1,641	1,829	1,686	1,686	

¹ Excl. IFRS 16.

Highlights

- Positive sales growth during the quarter with gross growth of 19 per cent.
- Good performance despite adverse impacts, especially currency exchange fluctuations.
- Price increases have been introduced during the quarter to offset the negative effects of currency exchange, which have a negative impact on the cost structure.
- Implementation of investments in digitalisation, marketing and sales initiatives continues with the aim of long-term strengthening the company.
- After the end of the quarter, Martinez Tool Company was acquired. More details can be found on page 4.

Breakdown of net sales

(SEK m)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
PPE Europe	944	806	2,860	2,373	3,439	3,926
Hardware Europe	324	212	981	658	931	1,254
Hardware North America	294	292	928	865	1,172	1,235
Elimination	1	0	4	0	2	5
	1,563	1,310	4,773	3,896	5,544	6,421
Pro forma adjustment ¹						56
Trailing 12 month pro forma						6,477

¹ Pro forma for completed acquisitions.

Hultafors Group offers products in the PPE Europe, Hardware Europe and Hardware North America segments. The products are marketed under brands with strong positions in their respective markets: Snickers Workwear, Solid Gear, EMMA Safety Footwear, Toe Guard, Hellberg Safety, Fristads, Kansas, Leijona, EripioWear, Hultafors, Wibe Ladders, Scangrip, Telesteps, CLC Work Gear, Johnson Level & Tool and Kuny's. The Group is also a distributor for the German manufacturing company Fein in the Swedish market.



(SEK m)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
Net sales	933	693	2,731	2,138	3,022	3,615
EBITDA	112	83	305	250	397	452
EBITDA ¹	98	71	264	216	299	346
EBITA ¹	85	61	230	186	257	301
EBIT ¹	82	57	219	176	244	287
EBITA % ¹	9.1	8.7	8.4	8.7	8.5	8.3
EBIT % ¹	8.8	8.3	8.0	8.2	8.1	7.9
Total growth %	34.7	24.0	27.8	26.5	28.3	
Organic %	16.0	8.7	10.2	16.9	14.0	
Exchange effects %	2.7	-0.5	2.5	-2.2	-1.7	
Acquisitions %	13.0	14.8	13.1	10.7	14.5	
Average number of employees	1,890	1,607	1,750	1,536	1,606	

¹ Excl. IFRS 16.

Highlights

- Order intake continues its positive trajectory, growing 10 per cent organically in the third quarter.
- The shortage of components impacts the ability of our business units and its suppliers to deliver. This has negative impact on net sales.
- Increased costs for raw materials, energy and transports affect margins negatively. Price increases have been introduced in response to the rising costs.
- Acquisition of the Swedish company MAXAGV. After the end of the quarter LSAB Group acquired Finnish Lahden Teräteos Oy. More details can be found on page 4.

Breakdown of net sales

(SEK m)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
Aritco Group	301	237	911	742	1,068	1,237
Vimec	184	121	451	347	490	594
VEGA	63	53	184	174	245	255
Esse-Ti	32	-	77	-	-	77
MS Group	149	124	457	375	511	593
LSAB	123	118	427	386	524	565
Densiq	79	46	233	132	206	308
MAXAGV	9	-	9	-	-	9
Elimination	-7	-6	-18	-18	-22	-22
	933	693	2,731	2,138	3,022	3,615
Pro forma adjustment ¹						204
Trailing 12 month pro forma						3,819

¹ Pro forma for completed acquisitions.

Latour Industries consists of a number of operating areas, each with its own business concept and business model. Our ambition is to develop independent entities within the business area, so that they are eventually able to become established as separate business areas within Latour.

(SEK m)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
Net sales	425	357	1,247	1,086	1,439	1,600
EBITDA	125	116	377	350	443	471
EBITDA ¹	117	109	355	327	412	441
EBITA ¹	107	100	326	300	375	401
EBIT ¹	104	98	319	293	367	392
EBITA % ¹	25.1	27.9	26.1	27.6	26.1	25.1
EBIT % ¹	24.6	27.3	25.6	27.0	25.5	24.5
Total growth %	19.1	19.0	14.8	10.7	12.9	
Organic %	7.0	19.7	5.6	16.7	17.2	
Exchange effects %	11.3	-0.6	8.7	-5.1	-3.6	
Acquisitions %	-	-	-	-	-	
Average number of employees	649	632	651	610	617	

¹ Excl. IFRS 16.

Highlights

- Strong growth in net sales during the quarter, also adjusted for the positive foreign exchange effects.
- Order intake is slightly below net sales. Demand has been negatively impacted by the lockdowns in China during the year. Some signs of a general slowdown were evident towards the end of the quarter.
- Strong operating profit despite challenging market conditions.

Breakdown of net sales

(SEK m)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
EMEA	162	157	563	496	649	715
Americas	148	106	393	286	396	503
Asia Pacific	115	94	291	304	394	381
	425	357	1,247	1,086	1,439	1,600
Pro forma adjustment ¹						-
Trailing 12 month pro forma						1,600

¹ Pro forma for completed acquisitions.

Nord-Lock Group is a world leader in secure bolting solutions. The Group offers a wide range of innovative technologies including Nord-Lock wedge-locking, Superbolt multi-jackbolt tensioning, Boltight hydraulic tensioning and Expander System pivot technology. With a global sales organization and international partners the customers benefit from bolting expertise and the optimum solution for any bolting challenge.

(SEK m)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
Net sales	1,714	1,374	4,898	4,301	5,824	6,422
EBITDA	225	194	606	650	871	828
EBITDA ¹	209	180	552	608	807	751
EBITA ¹	189	162	492	552	733	673
EBIT ¹	184	158	479	541	718	656
EBITA % ¹	11.0	11.8	10.0	12.8	12.6	10.5
EBIT % ¹	10.7	11.5	9.8	12.6	12.3	10.2
Total growth %	24.7	0.2	13.9	1.5	3.7	
Organic %	10.6	-1.8	5.8	1.6	3.4	
Exchange effects %	4.7	-0.0	4.2	-2.4	-1.6	
Acquisitions %	7.7	2.0	3.3	2.3	2.0	
Average number of employees	2,841	2,673	2,756	2,649	2,655	

¹ Excl. IFRS 16.

Highlights

- Demand remains strong with more than 5 per cent organic growth in order intake and a record high order book.
- Positive sales growth during the quarter with organic growth of 11 per cent.
- Steady growth in all regions, especially good in the Cooling & Heating segment during the quarter.
- Supply chain disruptions have a negative impact on both net sales and operating profit. The situation improved towards the end of the quarter but continues to pose challenges.
- Acquisition of the Swedish company ABC Ventilations-produkter. More details can be found on page 4.

Breakdown of net sales

(SEK m)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
Sweden	296	273	913	931	1,268	1,251
Rest of Nordic region	276	265	912	818	1,073	1,167
Rest of world	1,142	836	3,073	2,552	3,483	4,003
	1,714	1,374	4,898	4,301	5,824	6,422
Pro forma adjustment ¹						388
Trailing 12 month pro forma						6,809

¹ Pro forma for completed acquisitions.

(SEK m)	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	2021 Full Year	Trailing 12 mths
Air Handling Units	382	352	1,216	1,186	1,638	1,668
Cooling & Heating	367	285	972	881	1,158	1,250
Room Units	447	300	1,155	918	1,270	1,507
Services	122	106	357	323	439	473
Residential	167	129	512	430	575	657
North America	98	88	301	246	329	385
UK & Ireland	220	200	649	571	756	834
Eliminations	-89	-86	-264	-254	-341	-352
	1,714	1,374	4,898	4,301	5,824	6,422

Swegon provides components and innovative system solutions that create a good indoor climate and contribute to significant energy savings in all types of buildings. Swegon's products constitute a turnkey solution for the perfect indoor climate.

The Latour share's net asset value

In order to facilitate the evaluation of Latour's net asset value, Latour provides an estimated range of the value (Enterprise Value) for each business area based on EBIT multiples. The method used to calculate the value of the wholly-owned industrial operations is described in greater detail on the company's website, latour.se.

In some cases, the valuation multiples for comparable companies span a very large range. For this reason, the multiples may be adjusted in order to avoid unreasonable values. The indicative value stated below is not a complete market valuation of Latour's holdings.

During the period, the net asset value declined from SEK 216 per share at the start of the year to SEK 148. The net asset value thereby decreased by 30.5 per cent. By comparison, the SIXRX benchmark index decreased by 30.5 per cent. Movements in the stock market have led to a write-down of the EBIT multiples of comparable companies, which is also reflected in adjusted valuation multiples for the majority of

our unlisted holdings. All other things remaining the same, this adjustment of valuation multiples has adversely impacted Latour's net asset value by 8 percentage points since the start of the year.

For some time, Latour's guideline for the net asset value has been considerably lower than the value that the stock market assigns to Latour's listed share. The share price was SEK 186 at 30 September 2022, to be compared with the indicated net asset value of SEK 148. As stated above, Latour does not claim that the valuation of the wholly-owned industrial operations is anything other than a cautious indication. A net asset value can be calculated on a number of different bases. For example, the industrial operations as a whole could be measured against other established listed industrial groups with mixed industrial holdings and a clear growth agenda. The EV/EBIT multiple for these companies is significantly higher.

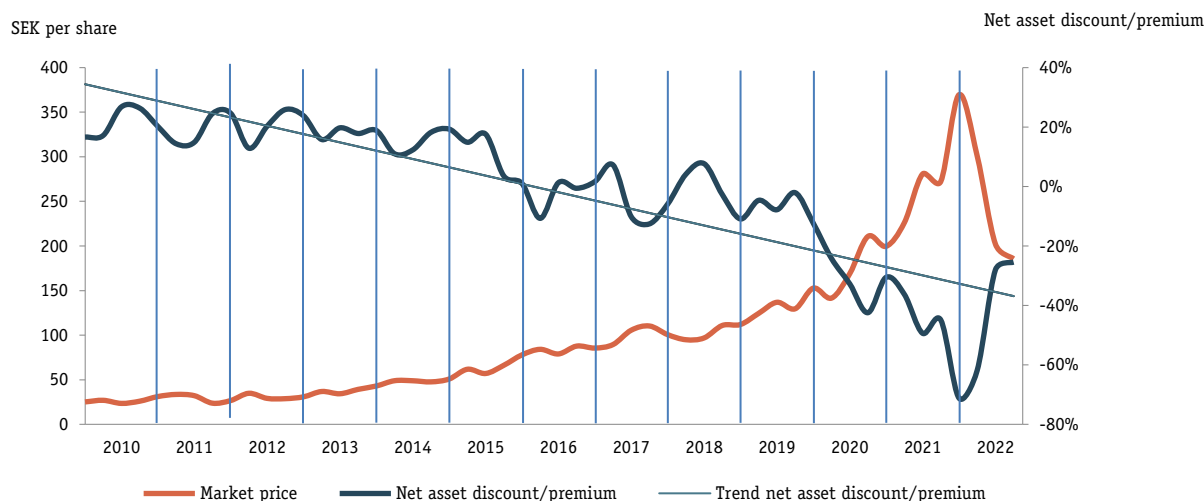
SEK m	Net sales ¹	EBIT ¹	EBIT multiple	Valuation ² Range	Valuation ² Average	Valuation ² SEK/share ³ Range
Bemsiq	1,285	280	15 – 19	4,200 – 5,320	4,760	7 – 8
Caljan	2,132	465	16 – 20	7,440 – 9,300	8,370	12 – 15
Hultafor Group	6,477	904	8 – 12	7,232 – 10,848	9,040	11 – 17
Latour Industries	3,819	309	14 – 18	4,326 – 5,562	4,944	7 – 9
Nord-Lock Group	1,600	392	14 – 18	5,488 – 7,056	6,272	8 – 11
Swegon	6,809	677	13 – 17	8,801 – 11,509	10,155	14 – 18
	22,122	3,027		37,487 – 49,595		59 – 78
Industrial operations valuation, average					43,541	68
Listed shares (see table on page 10 for breakdown)					60,721	95
Latour Future Solutions					68	0
Unlisted part-owned holdings						
Composite Sound ⁴ , 7.2 %					8	0
Oxeon ⁴ , 31.3 %					18	0
Other assets					-	0
Short trading portfolio					-	0
Dilution effect of option programme					-27	-0
Consolidated net debt (excl IFRS 16)					-9,933	-15
Estimated value					94,396	148
					(88 342 – 100 450)	(138 – 157)

¹ Trailing 12 months for current company structure (proforma). EBIT is, as appropriate, reported before restructuring costs.

² EBIT and EV/sales recalculated taking into consideration the listed share price on 30 of September 2022 for comparable companies in each business area.

³ Calculated on the basis of the number of outstanding shares.

⁴ Valued according to the book value.



The investment portfolio at 30 September 2022

In the 9-month period, the value of the investment portfolio decreased by 37.6 per cent, adjusted for changes in the portfolio, while the benchmark index (SIXRX) decreased by 30.5 per cent. At the close of the period, 158,930,400 subscription rights are included in Securitas AB, which were allocated in preparation for the new share issue which took place in October.

Share ¹	Number	Cost SEK m	Listed share price ² SEK	Market value SEK m	Share of votes %	Share of equity %
Alimak Group	16,016,809	2,134	59	950	30.0	29.6
Assa Abloy ³	105,495,729	1,697	210	22,122	29.5	9.5
CTEK	15,280,810	1,054	67	1,024	30.6	30.6
Fagerhult	84,708,480	1,899	37	3,168	48.1	47.8
HMS Networks	12,109,288	250	302	3,652	26.0	25.9
Nederman	10,538,487	306	138	1,454	30.0	30.0
Securitas ³	39,732,600	1,081	78	3,083	29.6	10.9
Securitas TR	158,930,400		5	736		
Sweco ^{3 4}	97,867,440	479	94	9,161	21.2	26.9
Tomra ⁵	62,420,000	1,605	192 NOK	12,525	21.1	21.1
Troax	18,060,000	397	158	2,846	30.2	30.1
Total		10,903		60,721		

¹ All holdings are reported as associated companies in the balance sheet.

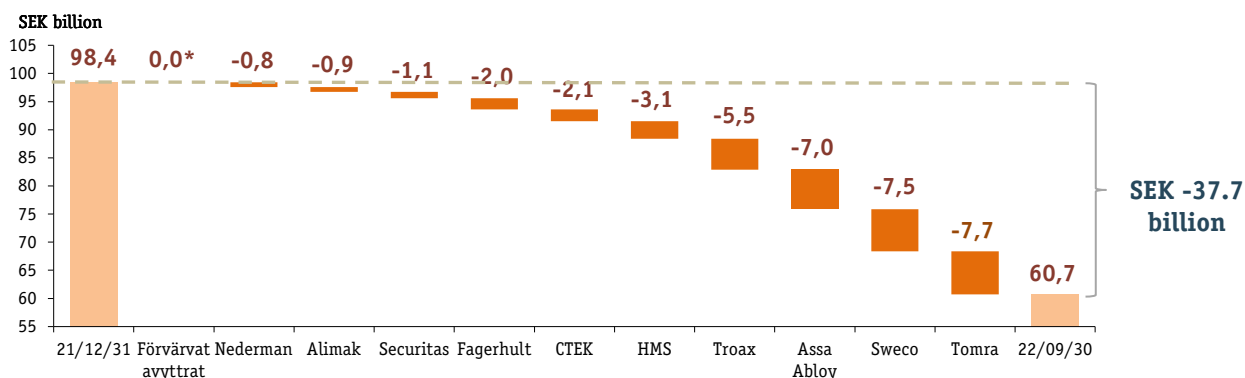
² The last price paid is used as the listed share price.

³ Due to the limited trading in class A shares in Sweco, and the fact that the class A shares in Assa Abloy and Securitas are unlisted, they have been given the same listed share price as the companies' class B shares. Holdings consisting of both class A and B shares are reported in the table as unit.

⁴ The cost of the class B shares are SEK 34 m higher than in the parent company through the exercise of call options.

⁵ At the end of the report period, the listed share price was NOK 192 which has been translated to SEK at the exchange rate on the balance sheet date.

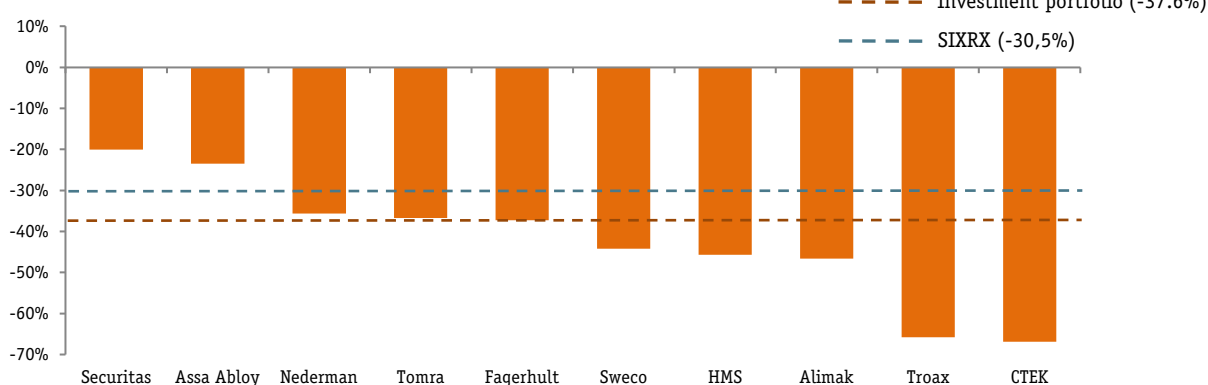
Investment portfolio during 2022



Movements in investment portfolio values (SEK billion). The figures include acquired and divested shares but not dividends.

* No changes were made to the stock portfolio during the first nine month.

Total return 2022 for the portfolio companies



Results and financial position

The Group

The Group's profit after financial items was SEK 3,270 m (3,881 m). Profit after tax was SEK 2,753 m (3,448 m), which is equivalent to SEK 4.30 (5.39) per share. Losses of SEK -1,465 m (+37 m) arising from revaluation of holdings were recognised in the income statement.

The cash flow of the Group for the first nine months was SEK -144 m (-3,152 m). The cash flow has been impacted negatively by a conscious inventory build-up to secure future deliveries. The Group's cash in hand and liquid investments reached SEK 1,511 m (927 m). Interest-bearing debt, excluding pension liabilities and lease liabilities, totalled SEK 11,266 m (9,357 m). The Group's net debt was SEK 11,175 m (9,106 m). Net debt, excluding lease liabilities, was SEK 9,933 m (8,477 m). The equity ratio was 81 (86) per cent calculated on reported equity in relation to total assets, including undisclosed surpluses in associated companies.

In the first quarter, Latour updated the base prospectus for its existing MTN programme and, at the same time, increased the framework amount to SEK 15 billion at the Swedish Financial Supervisory Authority. In May, a green financing framework was published in accordance with the requirements of the EU Taxonomy Regulation and the proposed European Green Bond Standard. This was followed in June by the issue of two green bonds totalling SEK 700 m. As at 30 September 2022, the MTN programme had an outstanding balance of SEK 8,750 m.

There have been no transactions with related parties that have had a material effect on the results or financial position of the Group.

Investments

During the period, SEK 237 m (571 m) was invested in property, plant and equipment, of which SEK 192 m (312 m) was machinery and equipment and SEK 45 m (259 m) was buildings. Fixed assets in newly acquired companies account for SEK 50 m (339 m) of investments for the year.

Parent company

The parent company's profit after financial items was SEK 2,032 m (1,678 m). The parent company's equity ratio was 58 (61) per cent.

The number of class A shares issued is 47,629,848 and the number of class B shares is 592,210,152. Not including repurchased shares, the number of outstanding shares at 30 September 2022 amounted to 639,325,100. At the end of the period, Latour holds 514,900 repurchased class B shares.

The total number of issued call options is 2,489,700, which give the right to purchase the same number of shares.

Events after the reporting period

On 3 October, Hultafors Group acquired Martinez Tool Company. On 24 October, Latour Future Solutions signed an agreement to invest in SenseNode. LSAB Group, within Latour Industries, acquired Finnish Lahden Teräteos Oy on 1 November. On 7 November, Latour Future Solutions signed an agreement to invest in the Swedish company Anolytech Holding AB. Latour participated in Securitas' share issue during October, with its pro rata share of just over SEK 1 billion.

Risks and uncertainties

The main risk to which the Group and the parent company are exposed is the risk attributable to adverse changes in the values of financial instruments, including a general decline in the stock market or in the value of an individual holding. This includes uncertainties relating to changes in exchange rates and interest rates. Latour has a well-diversified holding of shares, spread across ten listed holdings and six wholly-owned business areas. This means that the development and performance of an individual holding will not have a drastic impact on the portfolio as a whole. As the wholly-owned industrial operations have increased in size, Latour as a whole is influenced to a higher degree by changes attributable to these operations. On the whole, Latour is deemed to have a good risk diversification in its portfolio, which covers several industries, with a certain emphasis on sectors linked to the construction industry. Construction can also be divided into several dimensions, such as new builds or government-subsidised repair, conversion or extension work, locally or globally, and housing, office and industrial premises or infrastructure projects. No material risks are deemed to have arisen other than those described in Note 34 of Latour's 2021 Annual Report, except for the possible consequences of Russia's invasion of Ukraine.

Accounting policies

This interim report has been prepared in accordance with the Swedish Annual Accounts Act and IAS 34 Interim Reporting in respect of the Group, and in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Accounting for Legal Entities of the Swedish Financial Reporting Board in respect of the parent company.

Amendments to accounting standards that came into effect on 1 January 2022 have not had any impact on the Group's or parent company's accounting as at 30 September 2022.

The Latour Group uses a number of economic indicators that are not defined in the set of accounting rules used by the Group, so-called alternative performance measures. Definitions of the economic indicators can be found on page 20 of this report and in Latour's latest Annual Report. For an explanation of how the financial performance measures have been calculated for the current and prior periods, please see the table in this report and Latour's latest Annual Report.

The Annual Reports for 1984 to 2021 are available for viewing on Latour's website www.latour.se.

Nomination Committee

The Nomination Committee for the Annual General Meeting on 10 May 2023 comprises the following members:

Jan Svensson, Chairman (Förvaltnings AB Wasatornet including related entities), Eric Douglas (Wasatornet Holding AB including related entities), Fredrik Palmstierna (own holding including related entities) and Anders Oscarsson (AMF).

The Nomination Committee can be contacted through Latour's website www.latour.se under Corporate Governance, Nomination Committee.

Gothenburg, 8 November 2022
Johan Hjerténsson
President and CEO

Auditor's review report

Investmentaktiebolaget Latour, Corporate ID no. 556026-3237

Introduction

We have conducted a review of the condensed financial statements for the interim period (interim report) for Investmentaktiebolaget Latour as at 30 September 2022 and the nine-month period ending on that date. The Board of Directors and the Chief Executive Officer are responsible for the preparation and 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.

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 enquiries, primarily of 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 generally accepted auditing practice.

The review procedures that are undertaken do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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.

Gothenburg, 8 November 2022

Ernst & Young AB

Staffan Landén
Authorised Public Accountant

Consolidated income statement

SEK m	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	12 mths Oct-Sep 2021/2022	Full Year 2021
Net sales	5,629	4,433	16,209	13,243	21,533	18,567
Cost of goods sold	-3,573	-2,788	-10,116	-8,135	-13,460	-11,479
Gross profit	2,056	1,645	6,093	5,108	8,073	7,088
Sales costs	-794	-668	-2,358	-1,989	-3,176	-2,807
Administrative costs	-399	-309	-1,212	-947	-1,592	-1,327
Research and development costs	-130	-103	-408	-333	-551	-476
Other operating income	53	58	183	122	251	190
Other operating expenses	-22	-38	-47	-88	-71	-112
Operating profit	764	585	2,251	1,873	2,934	2,556
Income from interests in associates	16	627	797	1,970	1,206	2,379
Income from portfolio management	-1	-	-	1	11	12
Management costs	-7	-7	-23	-20	-31	-28
Profit before financial items	772	1,205	3,025	3,824	4,120	4,919
Finance income	121	52	345	138	393	186
Finance expense	-29	-35	-100	-81	-139	-120
Profit after financial items	864	1,222	3,270	3,881	4,374	4,985
Taxes	-182	-164	-517	-433	-688	-604
Profit for the period	682	1,058	2,753	3,448	3,686	4,381
Attributable to:						
Parent company shareholders	679	1,056	2,747	3,445	3,679	4,377
Non-controlling interests	3	2	6	3	7	4
Earnings per share regarding profit attributable to parent company shareholders						
Basic share, SEK	1.06	1.65	4.30	5.39	5.75	6.85
Diluted share, SEK	1.06	1.65	4.28	5.37	5.73	6.82
Average number of basic shares outstanding	639,399,013	639,420,800	639,359,351	639,420,853	639,326,516	639,409,289
Average number of diluted shares outstanding	641,426,142	641,280,251	641,498,640	641,390,444	641,535,323	641,454,398
Number of outstanding shares	639,325,100	639,472,800	639,325,100	639,472,800	639,325,100	639,322,800

Consolidated statement of comprehensive income

SEK m	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	12 mths Oct-Sep 2021/2022	Full Year 2021
Profit for the period	682	1,058	2,753	3,448	3,686	4,381
Other comprehensive income:						
Items that will not be recycled to the income statement						
Restatement of net pension obligations	-	-	-	-	8	8
	0	0	0	0	8	8
Items that may subsequently be recycled to the income statement						
Change in translation reserve for the period	406	113	1,112	278	1,252	418
Change in fair value reserve for the period	-	-	-	-	-	-
Change in hedging reserve for the period	17	-1	-48	-46	-60	-58
Change in associated companies' equity	972	-262	1,519	-341	1,621	-239
	1,395	-150	2,583	-109	2,813	121
Other comprehensive income, net after tax	1,395	-150	2,583	-109	2,821	129
Comprehensive income for the period	2,077	908	5,336	3,339	6,507	4,510
Attributable to:						
Parent company shareholders	2,074	906	5,330	3,336	6,500	4,506
Non-controlling interests	3	2	6	3	7	4

Consolidated cash flow

SEK m	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	12 mths Oct-Sep 2021/2022	Full Year 2021
Operating cash flows before movements in working capital	836	608	2,284	1,922	3,043	2,681
Movements in working capital	-454	-282	-1,823	-835	-1,897	-909
Operating cash flows	382	326	461	1,087	1,146	1,772
Acquisitions of subsidiaries	-127	-427	-483	-1,504	-1,268	-2,289
Sale of subsidiaries	-	-	100	-	100	-
Other investments	-71	-46	-14	-216	-80	-282
Portfolio management	-5	-1,091	1,095	-284	1,293	-86
Cash flow after investments	179	-1,238	1,159	-917	1,191	-885
Financial payments	181	387	-1,303	-2,235	-769	-1,701
Cash flow for the period	360	-851	-144	-3,152	422	-2,586

Consolidated balance sheet

SEK m	2022/09/30	2021/09/30	2021/12/31
ASSETS			
Goodwill	13,519	11,747	12,266
Other intangible assets	406	333	329
Property, plant and equipment	3,054	2,424	3,020
Financial assets	23,993	22,351	22,723
Inventories etc.	5,470	3,450	3,796
Current receivables	5,680	4,569	4,287
Cash and bank	1,511	927	1,516
Total assets	53,633	45,801	47,937
EQUITY AND LIABILITIES			
Capital and reserves attributable to parent company shareholders	34,736	30,433	31,553
Non-controlling interests	57	85	133
<i>Total equity</i>	<i>34,793</i>	<i>30,518</i>	<i>31,686</i>
Interest-bearing long-term liabilities	10,440	9,141	10,502
Non-interest-bearing long-term liabilities	775	632	725
Interest-bearing current liabilities	2,321	1,058	661
Non-interest-bearing current liabilities	5,304	4,452	4,363
Equity and liabilities	53,633	45,801	47,937

Consolidated changes in equity

SEK m	Share capital	Repurchased treasury shares	Other reserves	Profit brought forward	Non-controlling interests	Total
Closing balance 31 Dec 2020	133	-83	-1	29,018	81	29,148
Opening balance 1 Jan 2021	133	-83	-1	29,018	81	29,148
Total comprehensive income for the period			231	3,104	4	3,339
Issued call options				22		22
Exercise of call options		102		-42		60
Own shares repurchase		-133				-133
Dividends				-1,918		-1,918
Closing balance 30 September 2021	133	-114	230	30,184	85	30,518
Opening balance 1 October 2021	133	-114	230	30,184	85	30,518
Total comprehensive income for the period			127	1,043	1	1,171
Non-controlling interests on acquisitions					47	47
Own shares repurchase		-50				-50
Closing balance 31 December 2021	133	-164	357	31,227	133	31,686
Opening balance 1 Jan 2022	133	-164	357	31,227	133	31,686
Total comprehensive income for the period			1,060	4,272	4	5,336
Non-controlling interests on acquisitions					-83	-83
Issued call options				15		15
Exercise of call options		144		-94		50
Own shares repurchase		-101				-101
Dividends				-2,110		-2,110
Closing balance 30 September 2022	133	-121	1,417	33,310	54	34,793

Key ratios, Group

	2022/09/30	2021/09/30	2021/12/31
Return on equity (%)	11	15	14
Return on total capital (%)	9	12	11
Equity ratio, incl IFRS 16 (%)	65	67	66
Equity ratio, excl IFRS 16 (%)	66	68	68
Adjusted equity ratio, incl IFRS 16 ¹ (%)	79	86	87
Adjusted equity ratio, excl IFRS 16 ¹ (%)	80	86	88
Adjusted equity ¹ (SEK m)	69,206	91,673	108,004
Surplus value in associated companies ² (SEK m)	34,413	61,155	76,318
Net debt/equity ratio 1 (%) ³	16.3	10.1	8.9
Net debt/equity ratio 2 (%) ⁴	10.8	7.2	7.5
Listed share price (SEK)	186	272	369
Repurchased shares	514,900	367,200	517,200
Average number of repurchased shares	480,649	419,147	430,711
Average number of employees	8,319	7,424	7,684
Issued call options corresponds to number of shares	2,489,700	2,269,200	2,269,200

¹ Incl. fair value gain in associated companies.

² The difference between the carrying amount and market value.

³ The ratio of net debt to adjusted equity.

⁴ The ratio of net debt to the market value of total assets.

Parent company income statement

SEK m	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	12 mths Oct-Sep 2021/2022	Full Year 2021
Income from interests i Group companies	-	-	1,057	970	1,057	970
Income from interest in associates companies	-	11	983	720	1,134	871
Income from portfolio management	-	-	-	-	-	-
Management costs	-6	-6	-19	-16	-25	-22
Profit before financial items	-6	5	2,021	1,674	2,166	1,819
Interest income and similar items	23	12	46	31	56	41
Interest expense and similar items	-14	-11	-35	-27	-45	-37
Profit after financial items	3	6	2,032	1,678	2,177	1,823
Taxes	-	-	-	-	-	-
Profit for the period	3	6	2,032	1,678	2,177	1,823

Parent company statement of comprehensive income

SEK m	2022 Q3	2021 Q3	2022 9 mths	2021 9 mths	12 mths Oct-Sep 2021/2022	Full Year 2021
Profit for the period	3	6	2,032	1,678	2,177	1,823
Change in fair value reserve for the period	-	-	-	-	-	-
Total other comprehensive income	0	0	0	0	0	0
Comprehensive income for the period	3	6	2,032	1,678	2,177	1,823

Parent company balance sheet

SEK m	2022/09/30	2021/09/30	2021/12/31
ASSETS			
Financial assets	13,440	13,440	13,440
Long-term receivables from Group companies	7,000	6,100	7,300
Current receivables from Group companies	337	369	75
Other current liabilities	33	14	21
Cash and bank	-	-	390
Total assets	20,810	19,923	21,226
EQUITY AND LIABILITIES			
Equity	12,038	12,057	12,152
Interese-bearing long-term lilabilities	8,750	7,850	9,050
Non-interest-bearing long-term liabilities	-	-	-
Interese-bearing current liabilities	-	-	-
Non-interest-bearing current liabilities	22	16	24
Equity and liabilities	20,810	19,923	21,226

Parent company statement of changes in equity

SEK m	2022/09/30	2021/09/30	2021/12/31
Amount at beginning of year	12,152	12,348	12,348
Total comprehensive income for the period	2,032	1,678	1,823
Issued call options	15	22	22
Exercise of call options	50	-42	-42
Repurchased treasury shares	-101	-31	-81
Dividends	-2,110	-1,918	-1,918
Amount at end of year	12,038	12,057	12,152

Segment reporting:

Development by business area 1 Jan 2022 – 30 Sept 2022

SEK m	Industrial operations							Portfolio management	Total
	Bemsiq	Caljan	Hultafors Group	Latour Industries	Nord-Lock Group	Swegon	Other		
INCOME									
External sales	982	1,578	4,773	2,731	1,247	4,898			16,209
Internal sales	3								3
RESULT									
Operating profit	240	347	661	219	319	479	-14		2,251
Income from portfolio management								774	774
Finance income									345
Finance expense									-100
Taxes									-517
Profit for the period									2,753
OTHER DISCLOSURES									
Investments in:									
property, plant and equipment	11	41	30	61	18	75	1		237
intangible assets	33	60	120	268	-	166			647
Depreciation/amortisation	8	23	67	44	37	73	193		445

Development by business area 1 Jan 2021 – 30 Sept 2021

SEK m	Industrial operations							Portfolio management	Total
	Bemsiq	Caljan	Hultafors Group	Latour Industries	Nord-Lock Group	Swegon	Other		
INCOME									
External sales	634	973	3,896	2,138	1,086	4,301	215		13,243
Internal sales	2								2
RESULTS									
Operating result	153	158	619	176	294	541	-68		1,873
Income from portfolio management								1,951	1,951
Finance income									138
Finance expense									-81
Taxes									-433
Profit for the period									3,448
OTHER DISCLOSURES									
Investments in:									
property, plant and equipment	44	31	348	47	20	81			571
intangible assets	525	2	387	610	-	38			1,562
Depreciation/amortisation	6	15	50	40	34	67	149		361

Change in consolidated interest-bearing net debt

SEK m	2021/12/31	Change in cash	Change in loans	Other changes	2022/09/30
Interest-bearing receivables	23			3	26
Swap	111			-63	48
Cash	1,516	-184		179	1,511
Pensions provisions	-228			-24	-252
Leas liabilities long-term	-846			-161	-1,007
Long-term liabilities	-9,428		475	-228	-9,181
Utilised bank overdraft facilities	-114		-108		-222
Leas liabilities short-term	-224			-11	-235
Interest-bearing current liabilities	-323		-1,540		-1,863
Interest-bearing net debt	-9,513	-184	-1,173	-305	-11,175

Credit maturity structure

SEK m	MTN	Bank/RCF	Other debts	Additional purchase price	Total	%	Undrawn bank facilities
Overdraft facilities		222			222	2%	235
0-1 year	1,700	200	30	6	1,936	17%	
1-2 year	1,750	540	45	47	2,382	21%	1,565
2-3 year	2,850			77	2,927	26%	2,535
3-4 year	700				700	6%	
4-5 year	1,750		82	100	1,932	17%	
>5 years		1,092	75		1,167	10%	
	8,750	2,054	232	230	11,266	100%	4,335
Undrawn MTN	6,250						
Frame MTN	15,000						

Five-year overview

SEK m	Oct-Sep 2021/2022	2021	2020	2019	2018
Net sales, SEK m	21,533	18,567	15,028	13,738	11,785
Operating profit, SEK m	2,934	2,556	2,057	1,819	1,397
Income from interest in associated companies, SEK m	1,206	2,379	3,977	3,955	1,278
Income from portfolio management, SEK m	-20	-16	-36	194	2
Profit after finance items, SEK m	4,374	4,985	5,753	5,725	2,646
Earnings per share, SEK	5.75	6.87	8.32	8.33	3.66
Return on equity, %	11.1	14.0	19.0	22.0	11.0
Return on total capital, %	8.9	11.0	15.0	17.0	9.0
Adjusted equity ratio, %	80	88	86	86	86
Net debt/equity ratio, %	16.3	8.9	7.1	11.3	9.2

Note 1 Business combinations

Specification of acquisitions

Transfer date		Country	Business area	Share	Contributed		
					Revenues	EBIT	Number of employees
1 February 2022	Telesteps AB	Sweden	Hultafor Group	100%	44	3	6
7 February 2022	Consens GmbH	Germany	Bemsiq	100%	15	4	13
9 February 2022	Esse-Ti S.r.l.	Italy	Latour Industries	100%	77	16	33
18 Mars 2022	PHS Logistiktechnik GmbH	Austria	Caljan	100%	3	-2	3
3 June 2022	Barcol-Air	Switzerland	Swegon	100%	156	5	90
22 August 2022	ABC Ventilationsprodukter	Sweden	Swegon	100%	17	3	90
1 September 2022	MAXAGV	Sweden	Latour Industries	100%	9	-2	67

Assets and liabilities in acquisitions

SEK m	Consolidated carrying amount
Intangible assets	65
Property, plant and equipment	45
Inventories	114
Account receivable	141
Other receivable	154
Cash	179
Long-term liabilities	-284
Current liabilities	-284
Net identifiable assets and liabilities	164
Group goodwill	516
Total purchase price	680
Additional purchase price	-20
Cash settlement purchase price	660
Acquisition of non-cash items	2
Acquired cash	-179
Effect of Group cash	483

All acquisitions have been made with the aim of strengthening and developing the Latour Group's existing operations. The acquisition cost calculations are preliminary and may change if new information becomes available. Transaction costs for acquisitions made during the period amount to SEK 34 m. Estimated additional purchase prices amounting to SEK 20 m have been booked for the acquisition of Telesteps AB.

Note 2 Disclosures about financial assets and liabilities

Classification of financial instruments

THE GROUP 30 SEPT 2022

SEK m	Available-for-sales financial assets	Financial assets values at fair value via profit and loss	Derivatives used for hedging purposes	Total carrying amount
FINANCIAL ASSETS				
Listed shares, management	0 ¹			0
Other long-term securities holdings	59 ²			59
Other long-term receivables			35 ³	35
Listed shares, trading		0 ¹		0
Unrealised gains, currency derivatives	94 ²			94
Other current receivables			4 893 ³	4,893
Cash			1 511 ³	1,511
Total	153	0	6,439	6,592
FINANCIAL LIABILITIES				
Long-term loans			9 180 ³	918
Bank overdraft facilities			222 ³	222
Current loans			1 864 ³	1,864
Other liabilities			3 128 ³	3,128
Unrealised gains, currency derivatives	8 ²			8
Total	8	0	14,394	14,402

¹ Level 1 – valued at fair value based on quoted prices on an active market for identical assets.

² Level 2 – valued at fair value based on other observable inputs for assets and liabilities than quoted price included in level 1.

³ Level 3 – valued at fair value based on inputs for assets and liabilities unobservable to the market.

The basis of fair value for listed financial assets is the quoted market price at the balance sheet date. The basis of fair value for unlisted financial assets is determined using valuation techniques, such as recent transactions, the price of comparable instruments or discounted cash flows.

Hedging instruments consist of forward exchange contracts and interest rate and currency swaps and are included in level 2. Valuation at fair value of forward exchange contracts is based on levels established by the bank on an active market.

The fair value of accounts receivable and other receivables, current receivables, cash and other liquid funds, accounts payable and other liabilities as well as long-term liabilities is estimated to be the same as their carrying amount. Market interest is not believed to materially deviate from the discount rate for interest-bearing long-term liabilities and therefore the carrying amount is considered in essence equal to the fair value.

The Group's valuation process is carried out by the Group finance and treasury department, where a team works with valuation of the financial assets and liabilities held by the Group.

Note 3 Breakdown of revenues

Revenue by category

THE GROUP 30 SEPT 2022

SEK m	2022 9 mths	2021 9 mths	2021 Full Year
Revenue from goods	15,356	12,538	17,551
Revenue from services	853	705	1,016
	16,209	13,243	18,567
Revenue reported at one in time	12,857	10,701	14,598
Revenue reported over time	3,352	2,542	3,969
	16,209	13,243	18,567
Sweden	2,827	2,414	3,331
Nordics, excl. Sweden	2,217	1,982	2,733
Europe, excl. Nordics	7,711	6,183	8,707
Other markets	3,454	2,664	3,796
	16,209	13,243	18,567

Latour's revenues are derived from a variety of operations that are conducted in more than a hundred subsidiaries.

Information by quarter

SEK m	2022			2021					2020				
	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1
INCOME STATEMENT													
Net sales	5,629	5,561	5,019	18,567	5,324	4,433	4,823	3,987	15,028	4,053	3,692	3,605	3,678
Cost of goods sold	-3,573	-3,439	-3,104	11,479	-3,344	-2,788	-2,924	-2,423	-9,151	-2,472	-2,236	-2,209	-2,234
Gross profit	2,056	2,122	1,915	7,088	1,980	1,645	1,899	1,564	5,877	1,581	1,456	1,396	1,444
Costs etc. for the operation	-1,292	-1,320	-1,230	-4,532	-1,297	-1,060	-1,158	-1,017	-3,820	-1,006	-860	-935	-1,019
Operating profit	764	802	685	2,556	683	585	741	547	2,057	575	596	461	425
Total portfolio management	8	204	562	2,363	412	620	616	715	3,941	991	836	2,469	-355
Profit before financial items	772	1,006	1,247	4,919	1,095	1,205	1,357	1,262	5,998	1,566	1,432	2,930	70
Net financial items	92	136	17	66	9	17	-42	82	-245	-120	-40	-121	46
Profit after financial items	864	1,142	1,264	4,985	1,104	1,222	1,315	1,344	5,753	1,446	1,382	2,809	116
Taxes	-182	-202	-133	-604	-171	-164	-136	-133	-429	-157	93	-67	-112
Profit for the period	682	940	1,131	4,381	933	1,058	1,179	1,211	5,324	1,289	1,289	2,742	4
KEY RATIOS													
Earnings per share, SEK	1.06	1.47	1.77	6.85	1.46	1.65	1.84	1.89	8.32	2.01	2.02	4.29	0.01
Cash flow for the period	360	154	-658	-2586	566	-851	125	-2426	3102	537	483	2053	1606
Adjusted equity ratio, %	80	82	86	88	88	86	87	88	86	86	85	82	80
Adjusted equity	69,206	75,323	89,576	108,004	108,004	91,673	91,363	83,820	77,245	77,245	77,112	67,933	59,626
Net asset value	94,396	101,150	119,142	137,845	137,845	120,046	120,505	106,003	98,024	98,024	94,584	81,418	72,863
Net asset value per share, SEK	148	158	186	216	216	188	188	166	153	153	148	127	114
Listed share price, SEK	186	202	301	369	369	272	281	226	200	200	211	169	142
NET SALES													
Bemsiq	326	338	321	927	291	220	210	206	725	188	166	173	197
Caljan	669	556	352	1,527	554	403	859	209	1,176	424	311	219	222
Hultafors Group	1,563	1,614	1,596	5,546	1,648	1,310	1,353	1,113	3,641	1,041	915	839	846
Latour Industries	933	977	821	3,022	884	693	873	681	2,356	667	559	516	615
Nord-Lock Group	425	416	406	1,439	353	357	402	354	1,274	294	300	324	357
Swegon	1,714	1,661	1,524	5,824	1,523	1,374	1,796	1,361	5,614	1,376	1,372	1,472	1,394
	5,629	5,561	5,019	18,280	5,252	4,356	5,675	3,924	14,783	3,990	3,622	3,542	3,631
Other companies and eliminations	0	0	0	287	71	77	87	63	245	64	70	63	47
	5,629	5,561	5,019	18,567	5,323	4,433	5,762	3,987	15,028	4,054	3,692	3,605	3,678
OPERATING PROFIT													
Bemsiq	82	77	81	198	45	58	45	50	165	47	41	35	42
Caljan	156	143	48	276	118	77	61	19	207	93	58	27	30
Hultafors Group	176	236	250	860	241	170	266	183	561	182	157	114	108
Latour Industries	82	90	47	244	68	57	57	62	147	58	46	13	29
Nord-Lock Group	104	112	103	367	74	98	97	99	316	52	83	84	97
Swegon	184	154	140	718	177	158	227	156	721	160	217	201	143
	784	812	669	2,663	723	618	753	569	2,117	593	602	474	449
Gain/loss from sale/purchase of	-6	11	29	-51	-8	-25	-4	-14	-38	-12	1	-10	-17
Other companies and items	-18	-21	-14	-56	-32	-9	-8	-9	-22	-6	-4	-7	-8
	760	802	684	2,556	683	584	741	546	2,057	575	599	457	424
OPERATING MARGIN (%)													
Bemsiq	25.1	22.8	25.1	21.4	15.5	26.2	21.4	24.4	22.7	24.9	25.0	20.0	21.1
Caljan	23.3	25.7	13.7	18.1	21.4	19.2	17.0	9.1	17.6	17.6	18.7	12.2	13.3
Hultafors Group	11.2	14.6	15.6	15.5	14.6	13.0	18.0	16.5	15.4	17.5	17.1	13.6	12.8
Latour Industries	8.8	9.2	5.7	8.1	7.7	8.3	7.4	9.1	6.3	8.8	8.2	2.6	4.8
Nord-Lock Group	24.6	26.8	25.3	25.5	20.8	27.3	26.0	27.8	24.8	17.7	27.6	25.8	27.3
Swegon	10.7	9.3	9.2	12.3	11.6	11.5	14.5	11.5	12.8	11.6	15.8	13.7	10.2
	13.9	14.6	13.3	14.6	13.8	14.2	15.9	14.5	14.3	14.8	16.6	13.4	12.4

Definitions of key ratios

Organic growth

Change in sales in comparable entities after adjustment for acquisitions and foreign exchange effects.

Operating profit (EBITDA)

Earnings before interest, tax, depreciation of property, plant and equipment and amortisation of acquisition-related intangible assets, acquisition-related costs and income, and items impacting comparability.

Operating profit (EBITA)

Earnings before interest, tax, amortisation of acquisition-related intangible assets, acquisition-related costs and income, and items impacting comparability.

Operating margin (EBITA) %

Earnings before interest, tax, amortisation of acquisition-related intangible assets, acquisition-related costs and income, and items impacting comparability, as a percentage of net sales.

Operating profit (EBIT)

Earnings before interest and tax.

Operating margin (EBIT) %

Operating profit divided by net sales.

Operating capital

Total assets less cash and cash equivalents, other interest-bearing assets and non-interest-bearing liabilities. Calculated on the average for the past 12 months.

Total growth

Increase in revenue for the period as a percentage of the previous year's revenue.

Currency-driven growth

Increase in revenue due to currency changes for the period as a percentage of the previous year's revenue.

Organic growth

Increase in revenue for the period, adjusted for acquisitions/disposals and exchange rate changes, as a percentage of the previous year's revenue adjusted for acquisitions and disposals.

Basic earnings per share

Profit for the period divided by the number of outstanding shares in the period.

Calculations:

Jan-Sept 2022: $2,747/639,359,351 \times 1000' = 4.30$

Jan-Sept 2021: $3,445/639,420,853 \times 1000' = 5.39$

Diluted earnings per share

Calculations:

Jan-Sept 2022: $2,747/641,498,640 \times 1000' = 4.28$

Jan-Sept 2021: $3,445/641,390,444 \times 1000' = 5.37$

Equity ratio

The ratio of shareholder equity to total assets.

Adjusted equity ratio

The ratio of shareholder equity plus gains in associated companies to total assets including gains in associated companies.

Net borrowings

Interest-bearing liabilities less cash and cash equivalents and interest-bearing receivables.

Net debt/equity ratio

The ratio of net borrowings to either adjusted equity or the market value of total assets.

Return on equity

The ratio of net income booked in the income statement to average equity.

Return on total capital

The ratio of profit/loss after financial items plus finance expense to average total assets.

Return on operating capital

The ratio of operating profit to average operating capital.

Direct return

Dividends as a percentage of the share purchase price.

EBIT multiple

The ratio of operating profit to market value adjusted for net debt.

Net asset value

The difference between the company's assets and liabilities, when the investment portfolio (incl. associated companies) is recognised at market value and operative subsidiaries that are owned at the end of the period are recognised in an interval based on EBIT multiples for comparable listed companies in each business area.

Share of voting rights

Share of voting rights is calculated after deduction for repurchased shares.

Share of equity

Share of equity is calculated on total number of issued shares.

Other

The amounts in tables and other charts have each been rounded off. There may therefore be minor differences in the totals due to rounding-off.

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Presentation of performance for the quarter:

Investment AB Latour invites you to participate in a conference call with Johan Hjertonsson and Anders Mörck commencing at 10 a.m. today.

The number to call is +46 (0)8 505 583 53. The conference will be streamed online.

To follow the presentation, please visit our website, www.latour.se.

Financial dates:

The 2022 Year-End Report will be published on 10 February 2023

The interim report for the period January – March 2023 will be published on 28 April 2023

The Annual General Meeting will be held on 10 May 2023 at Radisson Blu Scandinavia Hotel in Gothenburg

The interim report for the period January – June 2023 will be published on 21 August 2023

The interim report for the period January – September 2023 will be published on 7 November 2023

The information contained in this report constitutes information which Investment AB Latour (publ) is required to disclose under the EU Market Abuse Regulation. The information was provided by the above contact persons for publication on 8 November 2022 at 08.30 CET.

Investment AB Latour (publ)

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