



Interim report January – June 2023

NET ASSET VALUE AND THE LATOUR SHARE

- The net asset value rose to SEK 193 per share, compared with SEK 159 per share at the start of the year. This is an increase of 24.3 per cent, adjusted for dividends. By comparison, the Stockholm Stock Exchange's Total Return Index (SIXRX) increased by 11.3 per cent. The net asset value was SEK 178 per share at 18 August.¹
- The total return on the Latour share was 10.3 per cent during the period, compared to SIXRX which rose 11.3 per cent.

INDUSTRIAL OPERATIONS

The second quarter

- The industrial operations' order intake fell by 3 per cent to SEK 6,129 m (6,297 m). Adjusted for foreign exchange effects, this represents a decrease of 13 per cent for comparable entities.
- The industrial operations' net sales rose by 19 per cent to SEK 6,605 m (5,561 m). Adjusted for foreign exchange effects, this equates to growth of 7 per cent for comparable entities.
- The industrial operations' operating profit increased by 26 per cent to SEK 1,020 m (812 m), which equates to an operating margin of 15.4 (14.6) per cent.

January – June

- During the first quarter, Swegon completed the acquisition of the British company Dalair.
- The industrial operations' order intake rose by 3 per cent to SEK 12,449 m (12,137 m), which represents a 9 per cent decrease for comparable entities adjusted for foreign exchange effects.
- The industrial operations' net sales rose by 23 per cent to SEK 12,977 m (10,580 m). Adjusted for foreign exchange effects, this equates to growth of 10 per cent for comparable entities.
- The operating profit rose by 36 per cent to SEK 2,009 m (1,481 m), which equates to an operating margin of 15.5 (14.0) per cent.

THE GROUP

- Consolidated net sales totalled SEK 12,977 m (10,580 m), and profit after financial items was SEK 4,360 m (2,406 m). Impairments and reversals of impairments of stock market holdings during the period had a positive net impact of SEK 777 m (-613 m).
- Consolidated profit after tax was SEK 3,935 m (2,071 m), which equates to SEK 6.15 (3.23) per share.
- The Group reported net debt of SEK 13,690 m (11,042 m). Net debt, excluding lease liabilities recognised under IFRS 16, was SEK 12,738 m (9,814 m) and is equivalent to 9 (9) per cent of the market value of total assets.

INVESTMENT PORTFOLIO

- During the first six months, the value of the investment portfolio increased by 20.6 per cent adjusted for dividends. The benchmark index (SIXRX) rose by 11.3 per cent.
- During the first quarter, Latour participated in the issue of new shares by Alimak Group during the month of March, pro rata to its holding, purchasing 16,016,809 shares in the company for SEK 747 m. In the same month, Latour participated in the issue of preference shares by CTEK, pro rata to its holding, purchasing 6,112,324 shares in the company for SEK 107 m.

EVENTS AFTER THE REPORTING PERIOD

- On 13 July, Latour Future Solutions invested in the Swedish company Quandify through a directed new issue of shares and became a minority shareholder with approximately 22 per cent of the shares.

¹ The calculation of the net asset value on 18 August was based on the value of the investment portfolio at 1.00 p.m. on 18 August, and the same values as at 30 June 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 77 billion as at 30 June 2023. The wholly-owned industrial operations are grouped into six business areas: Bemsig, Caljan, Hultafor Group, Latour Industries, Nord-Lock Group and Swegon. They generate annual sales amounting to approximately SEK 25 billion.

Chief Executive's statement

"Latour's industrial operations once again delivered a strong performance and we can report yet another record-breaking quarter. We are still witnessing stable underlying demand on most markets, and we have not noticed any sharp slowdown in the economy to date. Order intake is at a slightly lower level than before, however, and we are monitoring developments closely in order to make adjustments if necessary. Our assessment is that the slowdown is partly due to a slight downturn in the economy, but also to a normalisation of the way customers are planning and placing their orders.

During the second quarter, order intake fell by a total of 3 per cent. Adjusted for acquisitions and foreign exchange effects, this corresponds to a decrease of 13 per cent. Net sales grew by 19 per cent, of which 7 per cent was on an organic basis. Operating profit is strong, increasing by 26 per cent to SEK 1,020 m (812 m), and the operating margin reached 15.4 (14.6) per cent. It has been our best quarter to date, which is very gratifying and once again confirmation that we own quality companies.

It is difficult to deduce exactly how much of the decline in order intake that can be attributed to a weaker economy or to normalised buying behaviour on the part of customers. We are still fulfilling deliveries in respect of the substantial order book we had at the start of the year, which is reflected in the strong invoicing trend. The order backlog remains at a high level, however, at SEK 6,474 m compared to SEK 6,564 m at the start of the year. Caljan in particular has a significantly lower order backlog than at the start of the year, while the situation is more stable in other business areas.

The disruptions experienced in the supply of goods remain to some extent, but the situation has improved further and we are maintaining a high service level in relation to our customers, with good delivery capacity.

The good profitability combined with Latour's strong financial position means that we can continue to implement forward-looking investments in our operations, even in the event of a further deterioration in the economic climate. In order to maintain competitiveness and promote sustainable growth, we are continuously investing in our operations in respect of sustainability, digitalisation and product development. We want our businesses to remain at the forefront.

After intensive acquisition activity in 2022, we have maintained a slower pace during the spring. Analysis work and discussions have been ongoing, however, and we are anticipating a somewhat more active autumn. During the first quarter, we completed an acquisition through Swegon, which acquired the British company Dalair at the start of January. On 13 July, we invested in the Swedish company Quandify through Latour Future Solutions. More details can be found on page 4.

The stock market has developed positively during the first half of the year. Latour's net asset value has risen by 24.3 per cent to SEK 193 per share and our listed investment portfolio has increased by 20.6 per cent. By comparison, the benchmark index SIXRX has increased by 11.3 per cent. The major part of our listed holdings have reported a positive trend during the quarter. Activities relating to acquisitions are continuing, for example with ASSA ABLOY completing the significant acquisition of the American company HHI."

*Johan Hjertonsson
President and Chief Executive Officer*

Industrial operations

Order intake, invoiced sales and earnings

The second quarter order intake fell by 3 per cent to SEK 6,129 m (6,297 m), with organic growth accounting for -13 per cent of this. Invoiced sales rose by 19 per cent to SEK 6,605 m (5,561 m). Adjusted for foreign exchange effects, this equates to growth of 7 per cent for comparable entities. The operating profit in the wholly-owned industrial operations rose by 26 per cent to SEK 1,020 m (812 m) during the quarter. The operating margin was 15.4 (14.0) per cent.

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

Acquisitions/disposals

No transactions in the wholly-owned industrial operations took place during the second quarter.

In early January, Swegon completed its acquisition of the entire shareholding of Dalair Ltd. Dalair is a manufacturer of modular air handling units and is a family-owned company based in Wednesbury near Birmingham. The company is a leading manufacturer of AHUs in the UK with a highly regarded brand. Its units are used in offices and commercial buildings as well as several sectors, including the retail, healthcare and pharmaceutical industries. The company has 150 employees and its head office is located in Wednesbury. It also has two sales offices in London and Manchester. The company generates sales of approximately GBP 18 m.

Events after the reporting period

On 13 July, Latour Future Solutions invested in the Swedish company Quandify through a directed new issue of shares, with Latour Future Solutions becoming a minority shareholder with approximately 22 per cent of the shares. Quandify offers an intelligent water metering system for commercial and private properties, enabling cost-effective analysis of water consumption, water leakage detection and remote water management. The business was launched in 2017 and the company has its headquarters in Stockholm, where it has 20 employees.

Industrial operations summary

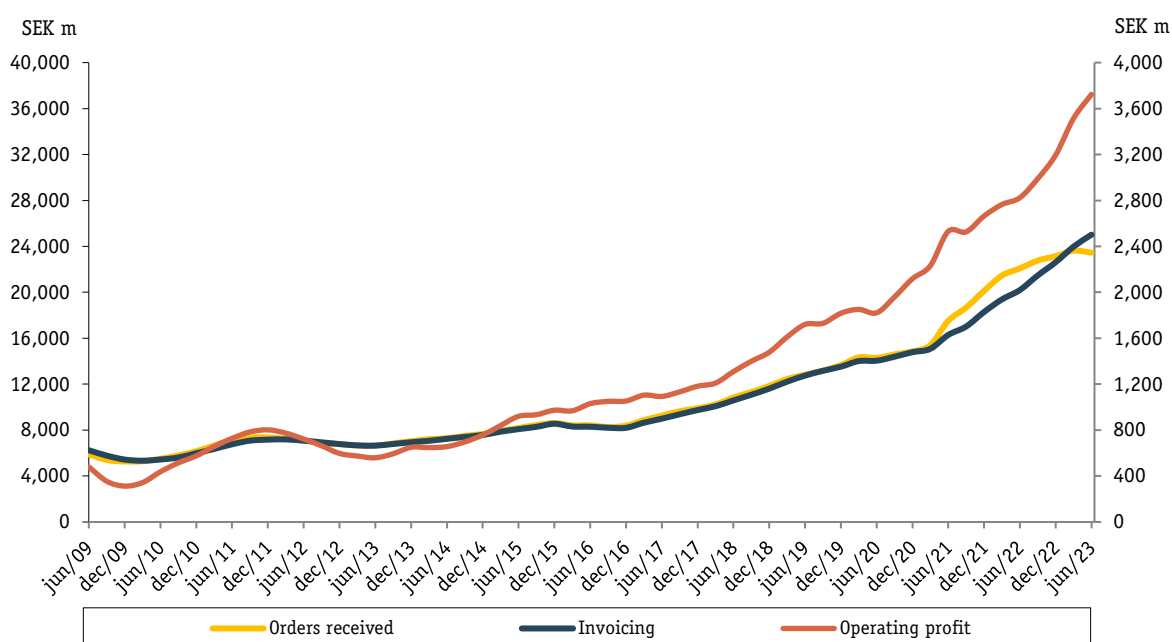
Business area results

SEK m	Net sales				Operating profit				Operating margin %			
	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths
Bemsiq	425	320	856	627	101	74	217	154	23.7	23.2	25.3	24.5
Caljan	595	556	1,055	908	129	143	201	191	21.6	25.7	19.0	21.0
Hultafors Group	1,688	1,614	3,496	3,210	258	236	554	485	15.3	14.6	15.8	15.1
Latour Industries	1,113	977	2,128	1,798	107	90	180	137	9.6	9.2	8.5	7.6
Nord-Lock Group	470	416	947	822	117	112	246	215	25.0	26.8	26.0	26.1
Swegon	2,319	1,679	4,501	3,217	308	157	611	299	13.3	9.4	13.6	9.3
Eliminations	-5	-1	-6	-2	-	-	-	-	-	-	-	-
	6,605	5,561	12,977	10,580	1,020	812	2,009	1,481	15.4	14.6	15.5	14.0
Gain/loss from sale/purchase of businesses	-	-	-	-	-9	11	-24	40				
Other companies and items	-	-	-	-	-32	-21	-50	-35				
	6,605	5,561	12,977	10,580	979	802	1,935	1,486				
Effect IFRS 16	-	-	-	-	-2	-	2	1				
	6,605	5,561	12,977	10,580	977	802	1,937	1,487				

SEK m	Operating capital ¹		Return on operating capital %		Growth in net sales, 2023 %			
	2023 Trailing 12	2022 Trailing 12	2023 Trailing 12	2022 Trailing 12	Total	Organic	Currency	Acquisitions
Bemsiq	2,632	2,055	13.5	12.5	36.6	16.8	5.7	11.5
Caljan	3,278	2,785	14.1	13.9	16.2	8.0	8.1	-
Hultafors Group	6,837	5,638	15.3	15.9	8.9	2.7	5.1	1.1
Latour Industries	3,653	3,018	9.1	8.7	18.4	6.9	4.1	6.6
Nord-Lock Group	1,459	1,267	29.1	30.4	15.2	8.3	6.8	-
Swegon	4,744	3,527	23.2	18.0	39.9	18.1	5.2	13.5
Total	22,603	18,290	16.5	15.4	22.7	10.1	5.4	6.2

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)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
Order intake	369	348	795	694	1,342	1,443
Net sales	425	320	856	627	1,266	1,495
EBITDA	108	80	230	166	318	383
EBITDA ¹	104	77	223	159	305	369
EBITA ¹	101	74	218	154	295	358
EBIT ¹	101	74	217	154	293	356
EBITA % ¹	23.8	23.3	25.4	24.6	23.3	24.0
EBIT % ¹	23.7	23.2	25.3	24.5	23.1	23.8
Total growth in net sales %	33.0	52.1	36.6	50.6	36.5	
Organic %	13.9	11.2	16.8	8.8	7.0	
Exchange effects %	5.6	4.6	5.7	4.5	5.5	
Acquisitions %	11.3	31.4	11.5	34.6	21.3	
Average number of employees	530	478	520	464	481	

¹ Excl. IFRS 16.

Highlights

- Continued positive trend during the second quarter with good organic growth in net sales of 14 per cent.
- Invoicing is exceeding order intake, driven by generally very good delivery capacity within the Group and a continued improvement in the supply chain.
- At the end of the quarter, Bastec was transferred internally to Swegon as the new long-term owner. As a result, Bastec is no longer included in Bemsiq's reported figures.

Breakdown of net sales

(SEK m)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
Building Automation	275	243	557	481	970	1,046
Metering	153	79	304	149	306	461
Elimination	-3	-2	-5	-3	-10	-12
	425	320	856	627	1,266	1,495
Pro forma adjustment ¹						78
Trailing 12 month pro forma						1,573

¹ Pro forma for completed acquisitions.

Bemsiq provides smart field devices for building automation and metering solutions, on a global mission to increase wellbeing and reduce the climate impact of buildings. Bemsiq is a group of innovative and fast-growing companies, with the ambition to offer a complete portfolio within its segment.



(SEK m)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
Order intake	316	649	607	1,471	1,980	1,115
Net sales	595	556	1,055	908	2,140	2,287
EBITDA	141	152	225	207	489	506
EBITDA ¹	138	151	220	205	483	498
EBITA ¹	132	146	207	195	462	474
EBIT ¹	129	143	201	191	452	462
EBITA % ¹	22.2	26.2	19.6	21.5	21.6	20.7
EBIT % ¹	21.6	25.7	19.0	21.0	21.1	20.2
Total growth in net sales %	7.0	54.2	16.2	59.4	40.1	
Organic %	-0.8	43.6	8.0	48.8	29.0	
Exchange effects %	7.7	9.8	8.1	10.0	10.9	
Acquisitions %	0.0	0.6	0.0	0.3	0.2	
Average number of employees	647	678	650	659	652	

¹ Excl. IFRS 16.

Highlights

- Caljan's very strong growth in 2021 and 2022 has normalised, with the result that the order intake is now significantly lower. The economic climate has also led to a general stronger focus among customers on holding back on major investment. The order book has been reduced to a lower level.
- Activities are starting to increase again, with more enquiries and an increased pipeline. However, it is projected that the level of invoicing will decrease in the short term.
- Adjusted for foreign exchange effects, invoicing is at the same level as last year.
- Profit during the quarter is slightly below the corresponding quarter last year, but is still at a good level. The decrease is mainly due to the product mix and increased fixed costs.
- Measures aimed at reducing the cost base have been implemented, for example by reducing the number of employees, closing the production in Denmark and consolidating the production in Latvia and the USA.

Breakdown of net sales

(SEK m)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
Loading & Unloading	353	325	593	524	1,130	1,199
Document Handling & Labelling	78	77	159	116	306	348
Automated Solutions	37	27	48	30	204	221
Aftermarket	126	128	255	238	500	518
	595	556	1,055	908	2,140	2,287
Pro forma adjustment ¹						-
Trailing 12 month pro forma						2,287

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)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
Order intake	1,718	1,648	3,516	3,256	6,637	6,897
Net sales	1,688	1,614	3,496	3,210	6,649	6,935
EBITDA	304	277	644	564	1,131	1,213
EBITDA ¹	283	259	603	529	1,067	1,140
EBITA ¹	265	242	567	498	1,002	1,071
EBIT ¹	258	236	554	485	977	1,045
EBITA % ¹	15.7	15.0	16.2	15.5	15.1	15.4
EBIT % ¹	15.3	14.6	15.8	15.1	14.7	15.1
Total growth in net sales %	4.6	9.6	8.9	24.1	19.9	
Organic %	-1.3	-1.8	2.7	3.3	3.1	
Exchange effects %	4.9	5.0	5.1	4.9	6.0	
Acquisitions %	0.9	6.1	1.1	14.8	9.8	
Average number of employees	1,775	1,849	1,778	1,826	1,826	

¹ Excl. IFRS 16.

Highlights

- Net sales have continued to develop positively during the quarter, with a total growth of 5 per cent. Foreign exchange effects made a positive contribution to sales of 5 per cent, while organic growth was slightly negative.
- The growth in sales is primarily being driven by PPE Europe.
- The European market is continuing to develop well, whereas sales in North America are weaker than in the corresponding quarter last year.
- A strengthened gross margin, in combination with good cost control, is helping to increase the operating margin to 15.3 per cent, compared with 14.6 per cent last year.
- Investments in marketing, sales-promoting activities and product development are ongoing, and several digitalisation projects have been initiated during the quarter.

Breakdown of net sales

(SEK m)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
PPE Europe	1,093	959	2,224	1,917	4,051	4,358
Hardware Europe	320	316	677	659	1,328	1,347
Hardware North America	276	338	597	634	1,270	1,233
Elimination	-1	1	-3	1	-	-3
	1,688	1,614	3,496	3,210	6,649	6,935
Pro forma adjustment ¹						15
Trailing 12 month pro forma						6,951

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, Martinez Tool Company and Kuny's. Distributor of Fein on the Swedish market.



(SEK m)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
Order intake	1,150	1,163	2,255	2,106	3,998	4,147
Net sales	1,113	977	2,128	1,798	3,820	4,151
EBITDA	139	118	244	193	406	457
EBITDA ¹	125	105	215	166	352	401
EBITA ¹	110	94	187	144	304	347
EBIT ¹	107	90	180	137	290	333
EBITA % ¹	9.9	9.6	8.8	8.0	8.0	8.4
EBIT % ¹	9.6	9.2	8.5	7.6	7.6	8.0
Total growth in net sales %	13.8	28.0	18.4	24.4	26.4	
Organic %	3.5	10.1	6.9	7.5	9.9	
Exchange effects %	4.8	2.4	4.1	2.6	3.3	
Acquisitions %	5.2	13.8	6.6	13.1	11.7	
Average number of employees	1,727	1,702	1,726	1,680	1,760	

¹ Excl. IFRS 16.

Highlights

- The picture is mixed between the business units when it comes to order intake during the quarter. The level is generally stable, although with a slight decline during the quarter.
- Net sales are developing well, growing in total by 14 per cent during the quarter, of which 5 per cent was organic.
- The operating profit for the quarter is developing well, with an operating margin of 9.6 per cent. The profitability trend is continuing to move in the right direction.

Breakdown of net sales

(SEK m)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
Aritco Group	338	318	639	610	1,246	1,275
Vimec	197	156	353	267	667	754
VEGA	68	64	139	121	259	277
Esse-Ti	45	34	89	45	108	152
MS Group	168	167	332	307	607	632
LSAB	153	157	319	305	578	592
Densiq	106	87	187	155	322	355
MAXAGV	47	-	88	-	55	143
Elimination	-9	-7	-18	-11	-23	-30
	1,113	977	2,128	1,798	3,820	4,151
Pro forma adjustment ¹						38
Trailing 12 month pro forma						4,189

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, that are eventually able to establish themselves as separate business areas within Latour.

(SEK m)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
Order intake	455	414	939	849	1,700	1,789
Net sales	470	416	947	822	1,660	1,785
EBITDA	138	131	288	253	473	509
EBITDA ¹	131	124	273	238	443	477
EBITA ¹	120	114	251	219	402	434
EBIT ¹	117	112	246	215	393	425
EBITA % ¹	25.5	27.4	26.5	26.6	24.2	24.3
EBIT % ¹	25.0	26.8	26.0	26.1	23.7	23.8
Total growth in net sales %	12.9	10.9	15.2	12.7	15.3	
Organic %	6.6	2.5	8.3	4.9	5.6	
Exchange effects %	6.2	8.4	6.8	7.8	9.7	
Acquisitions %	-	-	-	-	-	
Average number of employees	647	650	653	652	656	

¹ Excl. IFRS 16.

Highlights

- Good growth in net sales, both gross and organic, driven primarily by North America and Asia Pacific.
- The order intake is slightly weaker than in the previous quarter due to the uncertain economic climate. However, the order backlog remains at a historically high level, and there are still solid growth opportunities to pursue within both existing and new business.
- Operating profit improved to SEK 117 m (112 m).
- The new organisation, as well as ongoing marketing and innovation initiatives, have been well received.

Breakdown of net sales

(SEK m)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
EMEA	203	199	413	401	743	754
Americas	155	131	317	245	530	602
Asia Pacific	112	86	217	176	388	429
	470	416	947	822	1,660	1,785
Pro forma adjustment ¹						-
Trailing 12 month pro forma						1,785

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)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
Order intake	2,121	2,076	4,337	3,760	7,491	8,068
Net sales	2,319	1,679	4,501	3,217	7,086	8,369
EBITDA	361	201	715	386	972	1,301
EBITDA ¹	338	182	669	347	886	1,209
EBITA ¹	312	162	619	307	806	1,118
EBIT ¹	308	157	611	299	789	1,102
EBITA % ¹	13.5	9.6	13.8	9.5	11.4	13.4
EBIT % ¹	13.3	9.4	13.6	9.3	11.1	13.2
Total growth in net sales %	38.1	7.2	39.9	9.9	21.7	
Organic %	17.8	1.4	18.1	4.6	10.8	
Exchange effects %	6.2	3.6	5.2	4.1	5.1	
Acquisitions %	11.4	2.1	13.5	1.2	5.0	
Average number of employees	3,190	2,763	3,175	2,747	2,843	

¹ Excl. IFRS 16.

Highlights

- Continued stable demand, although the order intake in the residential segment has been slow and is resulting in an organic decline during the quarter.
- Strong organic growth in net sales totalling 18 per cent, particularly positive development within Air Handling Units and Cooling & Heating.
- Most regions are reporting double-digit growth, and the presence on the North American market is continuing to increase.
- Growth is being supported by acquisitions, and all the companies that have been acquired in the past year are performing well.
- High invoicing volumes combined with good gross margin development are contributing to record results, with an operating margin of 13.3 per cent.
- At the end of the quarter, Bastec was transferred internally to Swegon as the new long-term owner, and is included in both outcome and comparative figures.

Breakdown of net sales

(SEK m)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
Sweden	433	337	891	650	1,432	1,673
Rest of Nordics	317	324	644	637	1,255	1,262
Rest of Europe	1,355	867	2,576	1,617	3,755	4,713
North America	138	105	273	206	422	489
Rest of world	75	47	117	107	222	232
	2,319	1,679	4,501	3,217	7,086	8,369
Pro forma adjustment ¹						252
Trailing 12 month pro forma						8,621

¹ Pro forma for completed acquisitions.

(SEK m)	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	2022 Full Year	Trailing 12 mths
Air Handling, Cooling & Heating	1,339	893	2,575	1,728	3,798	4,644
Room Units	740	568	1,455	1,061	2,429	2,823
Services	155	119	296	237	502	560
Other	84	98	175	191	358	342
	2,319	1,679	4,501	3,217	7,086	8,369

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 increased to SEK 193 per share from SEK 159 at the start of the year. The net asset value consequently increased by 24.3 per cent, adjusted for dividends, compared against SIXRX which increased by 11.3 per cent.

The stock market's positive trend in 2023 is also reflected to some extent in the EBIT multiples used in Latour's net asset value. All other things remaining the same, this adjustment has positively impacted Latour's net asset value by 3 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. On 30 June 2023, the share price was SEK 214, which can be compared with the indicated net asset value of SEK 193. As stated above, Latour does not claim that the valuation of the wholly-owned industrial operations is anything other than an 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.

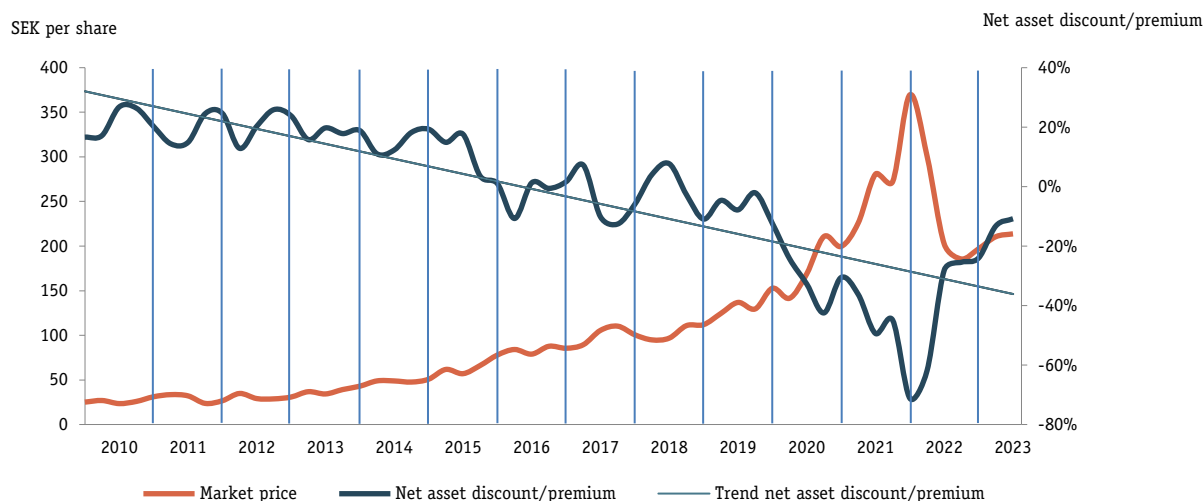
SEK m	Net sales ¹	EBIT ¹	EBIT multiple	Valuation ² Range	Valuation ² Average	Valuation ² SEK/share ³ Range
Bemsiq	1,573	374	18 – 22	6,728 – 8,223	7,475	11 – 13
Caljan	2,287	462	18 – 22	8,316 – 10,164	9,240	13 – 16
Hultafors Group	6,951	1,052	9 – 13	9,468 – 13,676	11,572	15 – 21
Latour Industries	4,189	337	14 – 18	4,718 – 6,066	5,392	7 – 9
Nord-Lock Group	1,785	425	15 – 19	6,375 – 8,075	7,225	10 – 13
Swegon	8,621	1,127	14 – 18	15,778 – 20,286	18,032	25 – 32
	25,406	3,777		51,383 – 66,490		81 – 104
Industrial operations valuation, average					58,936	92
Listed shares (see table on page 10 for breakdown)					77,172	121
Latour Future Solutions					134	0
<i>Unlisted part-owned holdings</i>						
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					-	-0
Consolidated net debt (excl IFRS 16)					-12,738	-20
Estimated value					123,527	193
					(115 973 – 131 081)	(181 – 205)

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 June 2023 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 June 2023

In the first six-month period, the value of the investment portfolio increased by 20.6 per cent, adjusted for dividends, while the benchmark index (SIXRX) increased by 11.3 per cent. In March, Latour participated in the issue of new shares by Alimak Group, pro rata to its holding, purchasing

16,016,809 shares in the company for SEK 747 m. In the same month, Latour participated in the issue of preference shares by CTEK, pro rata to its holding, purchasing 6,112,324 shares in the company for SEK 107 m.

Share ¹	Number	Cost SEK m	Listed share price ² SEK	Market value SEK m	Share of votes %	Share of equity %
Alimak Group	32,033,618	2,883	84	2,697	30.0	29.8
Assa Abloy ³	105,495,729	1,697	259	27,323	29.5	9.5
CTEK	21,393,134	1,161	22	472	30.6	30.6
Fagerhult	84,708,480	1,899	68	5,794	48.1	47.8
HMS Networks	12,109,288	250	528	6,394	26.0	25.9
Nederman	10,538,487	306	211	2,224	30.0	30.0
Securitas ³	62,436,942	2,125	88	5,523	29.6	10.9
Sweco ^{3 4}	97,867,440	479	119	11,617	21.0	26.9
Tomra ⁵	62,420,000	1,605	179 NOK	11,285	21.1	21.1
Troax	18,060,000	397	213	3,843	30.2	30.1
Total		12,804		77,172		

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

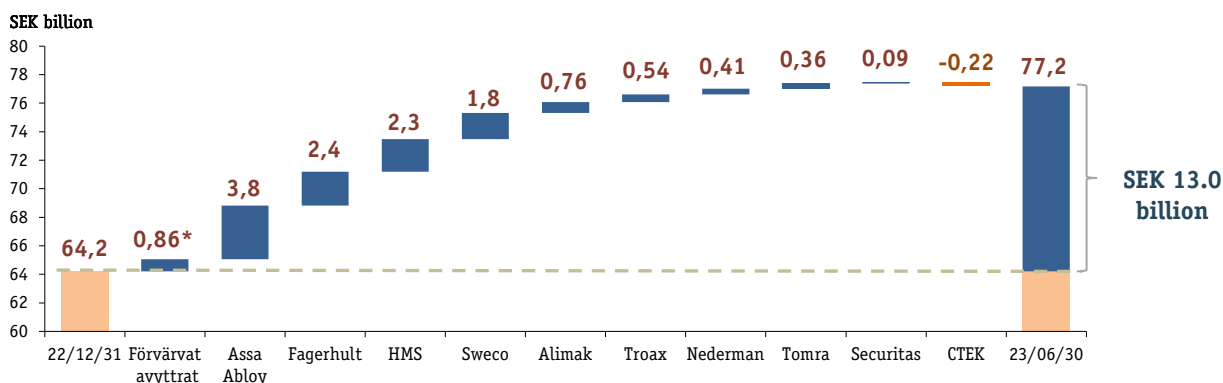
² The last price paid is used as the listed share price.

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 179 which has been translated to SEK at the exchange rate on the balance sheet date.

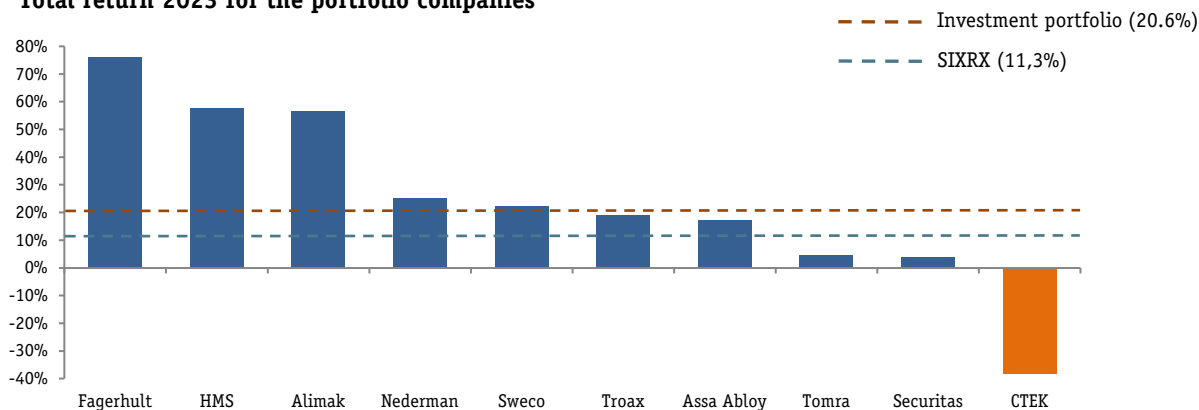
Investment portfolio during 2023



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

* Acquisition of 6,112,324 shares in CTEK and 16,016,809 shares in Alimak in connection with rights issues.

Total return 2023 for the portfolio companies



Results and financial position

The Group

The Group's profit after financial items was SEK 4,360 m (2,406 m). Profit after tax was SEK 3,935 m (2,071 m), which equates to SEK 6.15 (3.23) per share. An impairment and reversals of impairments of holdings in associates made a positive contribution of SEK 777 m (-613 m) to earnings.

The cash flow from operating activities improved significantly compared with last year, amounting to SEK 1,731 m (79 m). The Group's reported cash flow after acquisitions and financial items amounted to SEK -164 m (-504 m). The Group's cash in hand and liquid investments reached SEK 1,656 m (1,094 m). Interest-bearing debt, excluding pension liabilities and lease liabilities, totalled SEK 13,690 m (10,713 m). The Group's net debt was SEK 14,213 m (11,042 m). Net debt, excluding lease liabilities, was SEK 12,738 m (9,814 m). The equity ratio was 81 (81) per cent calculated on reported equity in relation to total assets, including undisclosed surpluses in associated companies.

During the first quarter, Latour updated the base prospectus for its existing MTN programme at the Swedish Financial Supervisory Authority. A total of three bond loans totalling SEK 2,100 m were issued in May. As at 30 June 2023, the MTN programme had an outstanding balance of SEK 9,150 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 194 m (146 m) was invested in property, plant and equipment, of which SEK 107 m (106 m) was machinery and equipment and SEK 87 m (40 m) was buildings. Fixed assets in newly acquired companies account for SEK 72 m (18 m) of investments for the year.

Parent company

The parent company's profit after financial items was SEK 1,753 m (2,029 m). The parent company's equity ratio was 55 (58) per cent.

The number of class A shares issued is 47,600,448 and the number of class B shares is 592,239,552. Not including repurchased shares, the number of outstanding shares on 30 June 2023 amounted to 639,412,800. At the end of the period, Latour holds 427,200 repurchased class B shares.

The total number of issued call options is 1,937,200, which give the right to purchase the same number of shares.

Events after the reporting period

On 13 July, Latour Future Solutions invested in the Swedish company Quandify through a directed new issue of shares and became a minority shareholder with approximately 22 per cent of the shares.

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 inflation, changes in exchange rates and interest rates. We managed these risks well in 2022 and are confident that we are ready and prepared to address any that may arise. 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 2022 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.

Changes to accounting standard requirements that came into effect on 1 January 2023 have not had any impact on the Group's or the parent company's accounting as at 30 June 2023.

The Latour Group uses a number of economic indicators that are not defined in the set of accounting rules used by the Group, known as 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 2022 are available for viewing on Latour's website www.latour.se.

This report has not been subject to formal review by the auditors.

Gothenburg, 21 August 2023
Johan Hjertonsson
President and CEO

The Board of Directors and the Chief Executive Officer declare that the statements for the six-month period give a true and fair view of the company's and the Group's operations, financial positions and performance, and describe the principal risks and uncertainties faced by the company and the Group's companies.

Gothenburg, 21 August 2023
Investment AB Latour

Mariana Burenstam Linder
Board member

Joakim Rosengren
Chairman

Anders Böös
Board member

Carl Douglas
Board member

Johan Hjertonsson
*Board member and
Chief Executive Officer*

Eric Douglas
Board member

Lena Olving
Board member

Ulrika Kolsrud
Board member

Consolidated income statement

SEK m	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	12 mths Jul-Jun 2022/2023	Full Year 2022
Net sales	6,605	5,561	12,977	10,580	25,008	22,611
Cost of goods sold	-4,045	-3,439	-7,923	-6,543	-15,517	-14,137
Gross profit	2,560	2,122	5,054	4,037	9,491	8,474
Sales costs	-936	-807	-1,836	-1,564	-3,501	-3,229
Administrative costs	-511	-421	-996	-813	-1,836	-1,653
Research and development costs	-168	-144	-331	-278	-616	-563
Other operating income	56	59	93	130	301	338
Other operating expenses	-24	-7	-47	-25	-143	-121
Operating profit	977	802	1,937	1,487	3,696	3,246
Income from interests in associates	1,156	212	2,522	781	3,292	1,551
Income from portfolio management	-	-	-	1	-1	-
Management costs	-8	-8	-16	-16	-30	-30
Profit before financial items	2,125	1,006	4,443	2,253	6,957	4,767
Finance income	107	173	117	224	116	223
Finance expense	-96	-37	-200	-71	-286	-157
Profit after financial items	2,136	1,142	4,360	2,406	6,787	4,833
Taxes	-234	-202	-425	-335	-755	-665
Profit for the period	1,902	940	3,935	2,071	6,032	4,168
Attributable to:						
Parent company shareholders	1,900	938	3,930	2,068	6,024	4,162
Non-controlling interests	2	2	5	3	8	6
Earnings per share regarding profit attributable to parent company shareholders						
Basic share, SEK	2.97	1.47	6.15	3.23	9.42	6.51
Diluted share, SEK	2.96	1.46	6.12	3.22	9.39	6.49
Average number of basic shares outstanding	639,353,048	639,355,401	639,339,151	639,339,191	639,350,698	639,350,718
Average number of diluted shares outstanding	641,666,677	641,479,601	641,740,329	641,535,490	641,679,908	641,578,330
Number of outstanding shares	639,412,800	639,425,100	639,412,800	639,425,100	639,412,800	639,325,100

Consolidated statement of comprehensive income

SEK m	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	12 mths Jul-Jun 2022/2023	Full Year 2022
Profit for the period	1,902	940	3,935	2,071	6,032	4,168
Other comprehensive income:						
Items that will not be recycled to the income statement						
Restatement of net pension obligations	-	-	-	-	44	44
	0	0	0	0	44	44
Items that may subsequently be recycled to the income statement						
Change in translation reserve for the period	776	535	875	706	1,377	1,208
Change in fair value reserve for the period	-	-	-	-	-	-
Change in hedging reserve for the period	-314	-114	-411	-65	-534	-188
Change in associated companies' equity	-239	273	-1,616	547	1,171	3,334
	223	694	-1,152	1,188	2,014	4,354
Other comprehensive income, net after tax	223	694	-1,152	1,188	2,058	4,398
Comprehensive income for the period	2,125	1,634	2,783	3,259	8,090	8,566
Attributable to:						
Parent company shareholders	2,123	1,632	2,778	3,256	8,082	8,560
Non-controlling interests	2	2	5	3	8	6

Consolidated cash flow

SEK m	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	12 mths Jul-Jun 2022/2023	Full Year 2022
Operating cash flows before movements in working capital	1,010	799	1,897	1,448	3,680	3,231
Movements in working capital	23	-576	-166	-1,369	-445	-1,648
Operating cash flows	1,033	223	1,731	79	3,235	1,583
Acquisitions of subsidiaries	-	-102	-371	-356	-1,372	-1,357
Sale of subsidiaries	-	-	-	100	-	100
Other investments	-119	-98	-185	57	-390	-148
Portfolio management	1,080	1,116	210	1,100	-564	326
Cash flow after investments	1,994	1,139	1,385	980	909	504
Financial payments	-1,940	-985	-1,549	-1,484	-518	-453
Cash flow for the period	54	154	-164	-504	391	51

Consolidated balance sheet

SEK m	2023/06/30	2022/06/30	2022/12/31
ASSETS			
Goodwill	15,335	12,957	14,425
Other intangible assets	398	401	399
Property, plant and equipment	3,510	2,985	3,374
Financial assets	28,135	22,988	27,433
Inventories etc.	5,409	5,010	5,282
Current receivables	6,438	5,251	5,533
Cash and bank	1,656	1,094	1,710
Total assets	60,881	50,686	58,156
EQUITY AND LIABILITIES			
Capital and reserves attributable to parent company shareholders	38,357	32,667	37,969
Non-controlling interests	59	54	55
<i>Total equity</i>	<i>38,416</i>	<i>32,721</i>	<i>38,024</i>
Interest-bearing long-term liabilities	12,175	10,406	10,632
Non-interest-bearing long-term liabilities	877	752	844
Interest-bearing current liabilities	3,310	1,788	3,588
Non-interest-bearing current liabilities	6,103	5,019	5,068
Equity and liabilities	60,881	50,686	58,156

Consolidated changes in equity

SEK m	Share capital	Repurchased treasury shares	Other reserves	Profit brought forward	Non-controlling interests	Total
Closing balance 31 Dec 2021	133	-164	357	31,227	133	31,686
Total comprehensive income for the period			640	2,615	4	3,259
Non-controlling interests on acquisitions					-83	-83
Exercise of call options		144		-94		50
Own shares repurchase		-81				-81
Dividends				-2,110		-2,110
Closing balance 30 June 2022	133	-101	997	31,638	54	32,721
Total comprehensive income for the period			378	4,929	0	5,307
Non-controlling interests on acquisitions					1	1
Issued call options				15		15
Own shares repurchase		-20				-20
Closing balance 31 December 2022	133	-121	1,375	36,582	55	38,024
Total comprehensive income for the period			464	2,315	4	2,783
Exercise of call options		130		-55		75
Own shares repurchase		-100				-100
Dividends				-2,366		-2,366
Closing balance 30 June 2023	133	-91	1,839	36,476	59	38,416

Key ratios, Group

	2023/06/30	2022/06/30	2022/12/31
Return on equity (%)	21	13	12
Return on total capital (%)	15	20	9
Equity ratio, incl IFRS 16 (%)	63	63	65
Equity ratio, excl IFRS 16 (%)	65	64	67
Adjusted equity ratio, incl IFRS 16 ¹ (%)	80	80	79
Adjusted equity ratio, excl IFRS 16 ¹ (%)	81	81	80
Adjusted equity ¹ (SEK m)	88,216	75,323	75,522
Surplus value in associated companies ² (SEK m)	49,800	42,602	37,498
Net debt/equity ratio 1 (%) ³	15.6	14.8	16.5
Net debt/equity ratio 2 (%) ⁴	10.1	9.3	11.1
Listed share price (SEK)	214	202	197
Repurchased shares	500,849	414,900	514,900
Average number of repurchased shares	427,200	500,809	489,282
Average number of employees	8,519	8,120	8,375
Issued call options corresponds to number of shares	1,937,200	1,814,200	2,489,700

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	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	12 mths Jul-Jun 2022/2023	Full Year 2022
Income from interests i Group companies	1,200	1,057	1,200	1,057	1,200	1,057
Income from interest in associates companies	947	983	947	983	1,109	1,145
Income from portfolio management	-	-	-	-	-	-
Management costs	-7	-7	-7	-13	-18	-24
Profit before financial items	2,140	2,033	2,140	2,027	2,291	2,178
Interest income and similar items	45	13	90	23	149	82
Interest expense and similar items	-349	-11	-477	-21	-570	-114
Profit after financial items	1,836	2,035	1,753	2,029	1,870	2,146
Taxes	-	-	-	-	-	-
Profit for the period	1,836	2,035	1,753	2,029	1,870	2,146

Parent company statement of comprehensive income

SEK m	2023 Q2	2022 Q2	2023 6 mths	2022 6 mths	12 mths Jul-Jun 2022/2023	Full Year 2022
Profit for the period	1,836	2,035	1,753	2,029	1,870	2,146
Change in fair value reserve for the period	-	-	-	-	-	-
Total other comprehensive income	0	0	0	0	0	0
Comprehensive income for the period	1,836	2,035	1,753	2,029	1,870	2,146

Parent company balance sheet

SEK m	2023/06/30	2022/06/30	2022/12/31
ASSETS			
Financial assets	15,005	13,440	14,152
Long-term receivables from Group companies	5,900	7,000	7,000
Current receivables from Group companies	171	343	-
Other current liabilities	12	35	38
Cash and bank	-	-	-
Total assets	21,088	20,818	21,190
EQUITY AND LIABILITIES			
Equity	11,514	12,040	12,152
Interese-bearing long-term lilabilities	9,150	8,750	8,750
Non-interest-bearing long-term liabilities	-	-	-
Interese-bearing current liabilities	-	-	196
Non-interest-bearing current liabilities	424	28	92
Equity and liabilities	21,088	20,818	21,190

Parent company statement of changes in equity

SEK m	2023/06/30	2022/06/30	2022/12/31
Amount at beginning of year	12,152	12,152	12,152
Total comprehensive income for the period	1,753	2,029	2,146
Issued call options	-	-	15
Exercise of call options	-100	50	50
Repurchased treasury shares	75	-81	-101
Dividends	-2,366	-2,110	-2,110
Amount at end of year	11,514	12,040	12,152

Segment reporting:

Development by business area 1 Jan 2023 – 30 June 2023

SEK m	Industrial operations							Portfolio management	Total
	Bemsiq	Caljan	Hultafors Group	Latour Industries	Nord-Lock Group	Swegon	Other		
INCOME									
External sales	850	1,055	3,496	2,128	947	4,501			12,977
Internal sales	6								6
RESULT									
Operating profit	217	201	554	180	246	611	-72		1,937
Income from portfolio management								2,506	2,506
Finance income									117
Finance expense									-200
Taxes									-425
Profit for the period									3,935
OTHER DISCLOSURES									
Investments in:									
property, plant and equipment	7	8	9	34	19	117	-		194
intangible assets	16	-	5	2	-	265			288
Depreciation/amortisation	6	19	50	35	26	58	146		340

Development by business area 1 Jan 2022 – 30 June 2022

SEK m	Industrial operations							Portfolio management	Total
	Bemsiq	Caljan	Hultafors Group	Latour Industries	Nord-Lock Group	Swegon	Other		
INCOME									
External sales	625	908	3,210	1,798	822	3,217			10,580
Internal sales	2								2
RESULTS									
Operating result	154	191	485	137	215	299	6		1,487
Income from portfolio management								766	766
Finance income									224
Finance expense									-71
Taxes									-335
Profit for the period									2,071
OTHER DISCLOSURES									
Investments in:									
property, plant and equipment	4	40	26	20	12	43	1		146
intangible assets	32	61	113	109	-	109			424
Depreciation/amortisation	5	14	44	29	24	48	132		296

Change in consolidated interest-bearing net debt

SEK m	2022/12/31	Change in cash	Change in loans	Other changes	2023/06/30
Interest-bearing receivables	37			1	38
Swap	-59			-363	-422
Cash	1,710	-108		54	1,656
Pensions provisions	-196			-6	-202
Leas liabilities long-term	-1,208			1	-1,207
Long-term liabilities	-9,228		-1,538		-10,766
Utilised bank overdraft facilities	-151			31	-120
Leas liabilities short-term	-258			-10	-268
Interest-bearing current liabilities	-3,179		257		-2,922
Interest-bearing net debt	-12,532	-108	-1,281	-292	-14,213

Credit maturity structure

SEK m	MTN	Bank/RCF	Other debts	Additional purchase price	Total	%	Undrawn bank facilities
Overdraft facilities		0	35		35	0%	320
0-1 year	850	1,959	62	13	2,884	21%	1,506
1-2 year	3,600	900	76	76	4,652	34%	3,635
2-3 year	2,950		65		3,015	22%	
3-4 year	1,750		13	113	1,876	14%	
4-5 year			13	21	34	0%	
>5 years		1,179	49		1,228	9%	
	9,150	4,038	313	223	13,724	100%	5,461
Undrawn MTN	5,850						
Frame MTN	15,000						

Five-year overview

SEK m	Jul-Jun 2022/2023	2022	2021	2020	2019
Net sales, SEK m	25,008	18,567	15,028	13,738	11,785
Operating profit, SEK m	3,696	2,556	2,057	1,819	1,397
Income from interest in associated companies, SEK m	3,292	2,379	3,977	3,955	1,278
Income from portfolio management, SEK m	-31	-16	-36	194	2
Profit after finance items, SEK m	6,787	4,985	5,753	5,725	2,646
Earnings per share, SEK	9.42	6.87	8.32	8.33	3.66
Return on equity, %	17.0	14.0	19.0	22.0	11.0
Return on total capital, %	12.7	11.0	15.0	17.0	9.0
Adjusted equity ratio, %	81	88	86	86	86
Net debt/equity ratio, %	15.6	8.9	7.1	11.3	9.2

Note 1 Business combinations

Specification of acquisitions

Transfer date		Country	Business area	Share	Contributed		
					Revenues	EBIT	No. of employees
3 January 2023	Dalair Ltd.	Great Britain	Swegon	100%	62	12	155

Assets and liabilities in acquisitions

SEK m	Consolidated carrying amount
Property, plant and equipment	71
Inventories	14
Account receivable	50
Other receivable	5
Cash	54
Current liabilities	-40
Net identifiable assets and liabilities	154
Group goodwill	263
Total purchase price	417
Additional purchase price	-
Cash settlement purchase price	417
Acquired cash	-54
Effect of Group cash	363

The acquisition has been made with the aim of strengthening and developing the Latour Group's existing operations. The acquisition cost calculation is preliminary and may change if new information becomes available. Transaction costs for the acquisition made during the period amount to SEK 5 m.

Note 2 Disclosures about financial assets and liabilities

Classification of financial instruments

THE GROUP 30 JUNE 2023

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	29 ²			29
Other long-term receivables			49	49
Listed shares, trading		0 ¹		0
Unrealised gains, derivatives	8 ²			8
Other current receivables			5,642	5,642
Cash			1,656	1,656
Total	37	0	7,347	7,384
FINANCIAL LIABILITIES				
Long-term loans		210 ³	10,556	10,766
Bank overdraft facilities			120	120
Current loans		13 ³	2,922	2,935
Other liabilities			3,392	3,392
Unrealised gains, derivatives	444 ²			422
Total	444	223	16,990	17,635

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, other 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 JUNE 2023

SEK m	2023 6 mths	2022 6 mths	2022 Full Year
Revenue from goods	12,081	10,024	21,377
Revenue from services	896	556	1,234
	12,977	10,580	22,611
Revenue reported at one in time	12,494	8,364	21,896
Revenue reported over time	483	2,216	715
	12,977	10,580	22,611
Sweden	2,167	1,784	3,736
Nordics, excl. Sweden	1,741	1,756	3,355
Europe, excl. Nordics	6,551	4,829	10,770
Other markets	2,518	2,211	4,750
	12,977	10,580	22,611

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

Information by quarter

SEK m	2023		2022					2021				
	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1
INCOME STATEMENT												
Net sales	6,605	6,372	22,611	6,402	5,629	5,561	5,019	18,567	5,324	4,433	4,823	3,987
Cost of goods sold	-4,045	-3,878	-14,137	-4,021	-3,573	-3,439	-3,104	-11,479	-3,344	-2,788	-2,924	-2,423
Gross profit	2,560	2,494	8,474	2,381	2,056	2,122	1,915	7,088	1,980	1,645	1,899	1,564
Costs etc. for the operation	-1,583	-1,534	-5,228	-1,386	-1,292	-1,320	-1,230	-4,532	-1,297	-1,060	-1,158	-1,017
Operating profit	977	960	3,246	995	764	802	685	2,556	683	585	741	547
Total portfolio management	1,148	1,358	1,521	747	8	204	562	2,363	412	620	616	715
Profit before financial items	2,125	2,318	4,767	1,742	772	1,006	1,247	4,919	1,095	1,205	1,357	1,262
Net financial items	11	-94	66	-179	92	136	17	66	9	17	-42	82
Profit after financial items	2,136	2,224	4,833	1,563	864	1,142	1,264	4,985	1,104	1,222	1,315	1,344
Taxes	-234	-191	-665	-148	-182	-202	-133	-604	-171	-164	-136	-133
Profit for the period	1,902	2,033	4,168	1,415	682	940	1,131	4,381	933	1,058	1,179	1,211
KEY RATIOS												
Earnings per share, SEK	2.97	3.18	6.51	2.21	1.06	1.47	1.77	6.85	1.46	1.65	1.84	1.89
Cash flow for the period	54	-218	51	195	360	154	-658	-2,586	566	-851	125	-2,426
Adjusted equity ratio, %	81	80	80	80	80	82	86	88	88	86	87	88
Adjusted equity	88,216	85,841	75,522	75,522	69,206	75,323	89,576	108,004	108,004	91,673	91,363	83,820
Net asset value	123,527	119,185	101,707	101,707	94,396	101,150	119,142	137,845	137,845	120,046	120,505	106,003
Net asset value per share, SEK	193	186	159	159	148	158	186	216	216	188	188	166
Listed share price, SEK	214	211	197	197	186	202	301	369	369	272	281	226
NET SALES												
Bemsiq	425	447	1,334	349	326	338	321	927	291	220	210	206
Caljan	595	461	2,140	562	669	556	352	1,527	554	403	859	209
Hultafors Group	1,688	1,808	6,649	1,876	1,563	1,614	1,596	5,546	1,648	1,310	1,353	1,113
Latour Industries	1,113	1,016	3,820	1,089	933	977	821	3,022	884	693	873	681
Nord-Lock Group	470	477	1,660	413	425	416	406	1,439	353	357	402	354
Swegon	2,319	2,165	7,015	2,117	1,714	1,661	1,524	5,824	1,523	1,374	1,796	1,361
	6,605	6,374	22,611	6,402	5,629	5,561	5,019	18,280	5,252	4,356	5,675	3,924
Other companies and eliminations	0	-2	0	0	0	0	0	287	71	77	87	63
	6,605	6,372	22,611	6,402	5,629	5,561	5,019	18,567	5,323	4,433	5,762	3,987
OPERATING PROFIT												
Bemsiq	101	118	304	64	82	77	81	198	45	58	45	50
Caljan	129	72	452	105	156	143	48	276	118	77	61	19
Hultafors Group	258	296	977	316	176	236	250	860	241	170	266	183
Latour Industries	107	73	290	71	82	90	47	244	68	57	57	62
Nord-Lock Group	117	129	393	74	104	112	103	367	74	98	97	99
Swegon	308	301	778	299	184	154	140	718	177	158	227	156
	1,020	989	3,194	929	784	812	669	2,663	723	618	753	569
Gain/loss from sale/purchase of business	-9	-15	110	76	-6	11	29	-51	-8	-25	-4	-14
Other companies and items	-32	-18	-75	-23	-18	-21	-14	-56	-32	-9	-8	-9
	979	956	3,229	982	760	802	684	2,556	683	584	741	546
OPERATING MARGIN (%)												
Bemsiq	23.7	26.4	22.8	18.5	25.1	22.8	25.1	21.4	15.5	26.2	21.4	24.4
Caljan	21.6	15.7	21.1	18.6	23.3	25.7	13.7	18.1	21.4	19.2	17.0	9.1
Hultafors Group	15.3	16.3	14.7	16.8	11.2	14.6	15.6	15.5	14.6	13.0	18.0	16.5
Latour Industries	9.6	7.2	7.6	6.5	8.8	9.2	5.7	8.1	7.7	8.3	7.4	9.1
Nord-Lock Group	25.0	27.0	23.7	17.9	24.6	26.8	25.3	25.5	20.8	27.3	26.0	27.8
Swegon	13.3	13.9	11.1	14.1	10.7	9.3	9.2	12.3	11.6	11.5	14.5	11.5
	15.4	15.5	14.1	14.5	13.9	14.6	13.3	14.6	13.8	14.2	15.9	14.5

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)

Profit before financial items 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-June 2023: $3,930/639,339,151 \times 1000' = 6.15$

Jan-June 2022: $2,068/639,339,191 \times 1000' = 3.23$

Diluted earnings per share

Calculations:

Jan-June 2023: $3,930/641,740,329 \times 1000' = 6.12$

Jan-June 2022: $2,068/641,535,490 \times 1000' = 3.22$

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 debt

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

Net debt/equity ratio

The ratio of net debt 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:

President and CEO Johan Hjertonsson will present the report together with CFO Anders Mörck today at 10.00 a.m.

The presentation will be streamed online.

To watch the presentation and have the opportunity to ask questions, please visit our website www.latour.se.

Financial dates:

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

The 2023 Year-End Report will be published on 12 February 2024

The interim report for the period January – March 2024 will be published on 26 April 2024

The Annual General Meeting will be held on 14 May 2024

The interim report for the period January – June 2024 will be published on 20 August 2024

The interim report for the period January – September 2024 will be published on 06/11/2024

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 21 August 2023 at 08.30 CEST.

Investment AB Latour (publ)

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