



Year-end Report 2023

NET ASSET VALUE AND THE LATOUR SHARE

- The net asset value increased to SEK 198 per share, compared with SEK 159 per share at the start of the year. This is an increase of 27.5 per cent, adjusted for dividends. By comparison, the Stockholm Stock Exchange's Total Return Index (SIXRX) increased by 19.2 per cent. The net asset value was SEK 190 per share on 9 February.¹
- The total return on the Latour share was 35.4 per cent during the period, compared to SIXRX which increased by 19.2 per cent.
- The Board of Directors proposes an increased dividend of SEK 4.10 (3.70) per share.

INDUSTRIAL OPERATIONS

Fourth quarter

- The industrial operations' order intake increased by 11 per cent to SEK 6,374 m (5,730 m). Adjusted for currency effects, this represents an increase of 6 per cent for comparable entities.
- The industrial operations' net sales increased by 1 per cent to SEK 6,463 m (6,402 m). Adjusted for currency effects, this equates to a decrease of 4 per cent for comparable entities.
- The industrial operations' operating profit decreased by 8 per cent to SEK 856 m (929 m), which equates to an operating margin of 13.2 (14.5) per cent.

Full year

- During the first quarter, Swegon completed the acquisition of the British company Dalair. During the third quarter, Latour Future Solutions invested in the Swedish company Quandify and became a minority shareholder with approximately 22 per cent of the shares.
- The industrial operations' order intake increased by 5 per cent to SEK 24,388 m (23,148 m), which represents a 5 per cent decrease for comparable entities adjusted for currency effects.
- The industrial operations' net sales increased by 13 per cent to SEK 25,550 m (22,611 m). Adjusted for currency effects, this equates to growth of 3 per cent for comparable entities.
- The operating profit increased by 19 per cent to SEK 3,807 m (3,194 m), which equates to an operating margin of 14.9 (14.1) per cent.

THE GROUP

- Consolidated net sales totalled SEK 25,550 m (22,611 m), and profit after financial items was SEK 6,645 m (4,833 m). In the period, net impairment losses and impairment loss reversals of shares in associated companies amounting to SEK 639 m (-1,557 m) were recognised in the income statement. Impairment of goodwill was SEK 115 (0) m in the period.
- Consolidated profit after tax was SEK 5,901 m (4,168 m), which equates to SEK 9.22 (6.51) per share.
- The Group reported net debt of SEK 11,433 m (12,532 m). Net debt, excluding lease liabilities recognised under IFRS 16, was SEK 9,983 m (11,067 m) and is equivalent to 7 (10) per cent of the market value of total assets.

INVESTMENT PORTFOLIO

- During the year, the value of the investment portfolio increased by 23.9 per cent adjusted for dividends. The benchmark index (SIXRX) increased by 19.2 per cent.
- During the first quarter, 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 quarter, Latour participated in the issue of preference shares by CTEK, pro rata to its holding of SEK 107 m, purchasing 6,112,324 shares in the company.
- During the fourth quarter, Latour increased its shareholding in CTEK from 31.6 to 33.0 per cent of the votes by acquiring 1,721,665 shares.
- In December, HMS Networks announced that it had entered into an agreement to acquire Red Lion Controls. Latour is positive to the acquisition and has, as principal owner, undertaken to participate with its pro rata share in the new issue which is part of HMS Network's financing of the acquisition.

EVENTS AFTER THE REPORTING PERIOD

- In January, three acquisitions were completed in the industrial operations. Read more on page 4.

¹ The net asset value on 9 February was calculated on the basis of the value of the investment portfolio at 1:00 pm on 9 February, and for the unlisted portfolio using the same values as on 31 December.

LATOUR AT A GLANCE

Investment AB Latour is a mixed investment company consisting of a wholly-owned industrial operation 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 significant holdings with a market value of SEK 79 billion as of 31 December 2023. The wholly-owned industrial operation is organised into six business areas: Bemsig, Caljan, Hultafors Group, Latour Industries, Nord-Lock Group and Swegon, with an approximate annual turnover of SEK 26 billion.

Chief Executive's statement

"We can summarize another successful year for Latour's industrial operations with record results. However, the year has been marked by a challenging geopolitical situation and by the fact that we are now facing an economic decline, even if its full effects are not yet seen. Order intake has slowed down in the last few quarters, a consequence of reduced demand as well as of a normalisation of the logistics chains, as customers place orders with shorter lead times. The order book grew in the fourth quarter which is positive, but also partially attributable to a number of large orders with long delivery times. Our assessment is that the customers' ordering routines have now, in all essential respects, normalized and that going forward, order intake will better reflect the underlying demand. This picture varies by industry and geographies. In general, conditions are tougher on the construction and property markets, though there is a countervailing positive trend as investments are made in improving building energy efficiency. Order intake is on a good level during the fourth quarter, but we are well aware of, and prepared for, that demand may decline.

During the fourth quarter, order intake has grown by a total of 11 per cent. Adjusted for acquisitions and currency effects, this corresponds to a 6 per cent increase. Net sales has grown by a total of 1 per cent. The comparative figures are challenging, as the corresponding quarter in the previous year was a record strong quarter, and adjusted for acquisitions and currency effects, the growth in net sales represents a decrease of 4 per cent. Operating profit, affected by the somewhat lower volumes, general cost inflation as well as currency effects, decreased by 8 per cent to SEK 856 m (929 m) with an operating margin of 13.2 (14.5) per cent.

Our business areas have managed the challenges of a difficult environment well, and have adjusted their businesses to the prevailing circumstances, with good cost control. Our delivering capacity is good, and we have delivered on the large order book with which the year began. The order book has thereby decreased in line with the normalisation, amounting at the end of the year to SEK 5,476 m, compared to SEK 6,564 m at the beginning of the year. Net sales have increased by 13 per cent to SEK 25,550 m (22,611 m), and operating profit by 19 per cent to SEK 3,807 m (3,194 m) with an operating margin of 14.9 (14.1) per cent. We have successfully retained a high level of service to our customers with a lower inventory, and cash flow has therefore improved considerably during the year, amounting to SEK 4,731 m before investments and financial payments.

With profitable operations and Latour's strong financial position, we can continue to make forward-looking investments in our businesses. We make continuous investments into our factories, in product development and digitalisation, and not least in our employees. Sustainability is another important area for us, and we have made some large strides during the year. Among other things, five of our six business areas have now committed to SBTi (Science Based Targets initiative). The next step is to set climate targets that will be verified by SBTi, a very important task that we, as owners, fully support. The majority of our listed holdings have committed to SBTi, whereof four have had their targets verified.

Following an intensive year in 2022, the pace of acquisitions intentionally have been kept low in 2023. During the first quarter, we completed one acquisition through Swegon, which acquired the British company Dalair at the start of January, and in July, we invested in the Swedish company Quandify through Latour Future Solutions. However, we are continuously engaging in analyses and discussions, and ended the year with a good pipeline. We had a strong start to 2024 by finalizing three acquisitions, within Latour Industries, Bemsig and Nord-Lock Group. More details can be found on page 4.

The stock market has had its ups and downs during the year, but the year ended on a high note. The net asset value in Latour increased by 27.5 per cent to SEK 198 per share, and the value of our portfolio of listed holdings increased by 23.9 per cent. By comparison, the benchmark index SIXRX has increased by 19.2 per cent. The majority of our listed holdings have now published their year-end reports, and the picture is relatively cohesive with somewhat lower order intake, but solid net sales and profit development. The pace of acquisitions among our listed companies is high. Among others, ASSA ABLOY completed the large acquisition of HHI and have had a high pace with several additional acquisitions in 2023. In addition, HMS Networks have signed an agreement for a larger, transformative acquisition, where we this spring, will participate in the new share issue, which is part of its financing.

As a result of the strong profit development in the industrial operations as well as in the listed holdings, the Board of Directors proposes an increased dividend of SEK 4.10 (3.70) per share, corresponding to an increase of 11 per cent."

*Johan Hjertonsson
President and Chief Executive Officer*

Industrial operations

Order intake, net sales and earnings

The fourth quarter order intake increased by 11 per cent to SEK 6,374 m (5,730 m), with organic growth accounting for 6 per cent. Net sales increased by 1 per cent to SEK 6,463 m (6,402 m). Adjusted for currency effects, this equates to a decrease of 4 per cent for comparable entities. The operating profit in the wholly-owned industrial operation decreased by 8 per cent to SEK 856 m (929 m) during the quarter. The operating margin was 13.2 (14.5) per cent.

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

Acquisitions/disposals

Fourth quarter

No acquisitions were made within the wholly-owned industrial operations during the fourth quarter.

Full Year

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.

On 13 July, Latour Future Solutions invested in the Swedish company Quandify through a private placement of newly issued shares and became 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. Established in 2017, the company has its headquarters in Stockholm, with 20 employees.

Events After the Reporting Period

In January, three acquisitions were made within the wholly-owned industrial operations.

On 9 January, Latour Industries acquired 100 per cent of the shares in the German company BS Tableau GmbH, a leading manufacturer of components for elevators. The company, founded in 1995, manufactures and sells bespoke fixtures for elevator cabins and a broad range of electronic components to lift operators and OEMs, mostly targeting modernization projects. Net sales amounts to approximately EUR 6 m, of which the majority is sold in the German market. The company has 40 employees.

On 15 January, Bemsig acquired 51 per cent of the shares in the Italian company Eelectron S.P.A. Eelectron was founded in 1994, is a pioneer in KNX technology and has over 25 years of experience in developing hardware and software for smart buildings, energy efficiency and hotel applications, with a strong focus on design and technology. The company's head office and manufacturing is located in Milano, Italy, and has customers all over the world. Their products are used at airports, hotels, hospitals, museums, administrative buildings, office buildings, as well as in smaller commercial buildings and in private homes. As part of Bemsig becoming a new majority shareholder in the company, Eelectron acquired the German company IPAS GmbH on the same day. IPAS is a developer and manufacturer of KNX and DALI units for property automation. Together, Eelectron and IPAS employ around 60 people, and have an estimated annual turnover of EUR 26 m and a profitability well above Latour's financial targets.

On 18 January, Nord-Lock Group acquired the Canadian companies Precision Bolting Ltd (PBL) and Condor Machinery Ltd (Condor). PBL and Condor are based in Edmonton, Canada, have 28 employees and a total revenue of around CAD 7 m. PBL is a Nord-Lock Group distributor in Northwestern Canada and Condor is a niche manufacturer of specialized metal components – a combination which adds great value for the customers served. The companies will strengthen Nord Lock Group's position in Canada and contribute to the Group's global offer within the mining segment in particular.

Industrial operations in summary

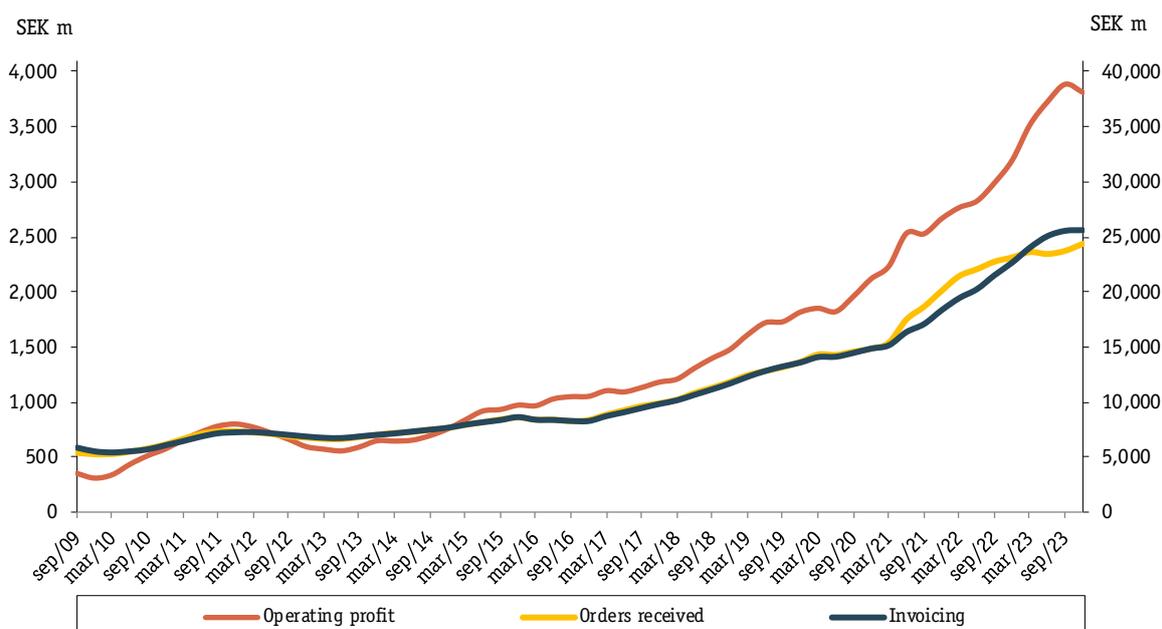
Business area results

SEK m	Net sales				Operating profit				Operating margin %			
	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Bemsiq	346	326	1,583	1,265	55	59	366	293	15.8	18.1	23.1	23.1
Caljan	467	562	1,980	2,140	75	105	336	452	16.1	18.6	17.0	21.1
Hultafors Group	1,835	1,876	6,962	6,649	307	316	1,126	977	16.7	16.8	16.2	14.7
Latour Industries	1,163	1,089	4,336	3,820	95	71	380	290	8.2	6.5	8.8	7.6
Nord-Lock Group	470	413	1,875	1,660	98	74	472	393	20.9	17.9	25.2	23.7
Swegon	2,185	2,140	8,828	7,085	226	304	1,127	789	10.3	14.2	12.8	11.1
Eliminations	-3	-4	-14	-8	-	-	-	-	-	-	-	-
	6,463	6,402	25,550	22,611	856	929	3,807	3,194	13.2	14.5	14.9	14.1
Gain/loss from sale/purchase of businesses	-	-	-	-	30	76	3	110				
Write-down	-	-	-	-	-	-	-115	-				
Other companies and items	-	-	-	-	-32	-23	-102	-75				
	6,463	6,402	25,550	22,611	854	982	3,593	3,229				
Effect IFRS 16	-	-	-	-	4	13	6	17				
	6,463	6,402	25,550	22,611	858	995	3,599	3,246				

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	2,970	2,233	12.3	13.1	25.1	7.3	4.5	11.9
Caljan	3,323	3,078	10.1	14.7	-7.5	-13.1	5.7	-
Hultafors Group	6,732	6,459	16.7	15.1	4.7	-0.4	4.3	0.7
Latour Industries	3,716	3,370	10.2	8.6	13.5	4.5	4.5	4.1
Nord-Lock Group	1,503	1,380	31.4	28.5	12.9	8.1	4.8	-
Swegon	5,140	4,038	21.9	19.5	24.6	8.5	5.1	9.7
Total	23,384	20,558	16.3	15.5	13.0	3.2	4.8	4.6

¹Calculated 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 Q4	2022 Q4	2023 Full-year	2022 Full-year
Order intake	373	305	1,546	1,342
Net sales	346	326	1,583	1,266
EBITDA	66	66	399	318
EBITDA ¹	60	62	381	305
EBITA ¹	55	59	368	295
EBIT ¹	55	59	366	293
EBITA % ¹	16.0	18.2	23.3	23.3
EBIT % ¹	15.8	18.1	23.1	23.1
Total growth in net sales %	6.2	18.7	25.1	45.9
Organic %	-6.9	8.6	7.3	13.0
Exchange effects %	1.6	6.8	4.5	5.8
Acquisitions %	12.1	3.0	11.9	22.8
Average number of employees	500	489	519	481

¹Excl. IFRS 16.

Highlights

- Order intake has slowed down somewhat during the last quarter, compared to the record levels in the previous year.
- Positive net sales development, but with a lower organic growth than previously during the year.
- Continued strong operating margin across the entire business area in spite of large ongoing investments in product development, leading to a number of product launches in 2024.
- The North American company DENT, which was acquired at the end of 2022, contributes positively to both volume and margin development.
- Bemsiq has committed to SBTi.
- Acquisition of 51 per cent of the shares in the Italian company Eelectron in January 2024. More details on page 4.

Breakdown of net sales

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Building Automation	244	244	1,067	970
Metering	105	87	526	306
Eliminations	-4	-4	-10	-10
	346	326	1,583	1,266
Pro forma adjustment ¹			-	
Trailing 12 months pro forma			1,583	

¹ Pro forma for completed acquisitions.

Bemsiq is a leading global provider of technology and products for measurement, control and connectivity in commercial buildings. Its mission is to improve the indoor climate of buildings and reduce their carbon footprint through smart technologies. Bemsiq is a group of innovative and fast-growing companies, with the ambition to offer a complete portfolio of products in its segment.



(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Order intake	351	245	1,240	1,980
Net sales	467	562	1,980	2,140
EBITDA	87	115	385	489
EBITDA ¹	85	114	374	483
EBITA ¹	78	108	349	462
EBIT ¹	75	105	337	452
EBITA % ¹	16.8	19.2	17.6	21.6
EBIT % ¹	16.1	18.6	17.0	21.1
Total growth in net sales %	-16.9	1.5	-7.5	40.1
Organic %	-19.3	-8.8	-13.1	29.0
Exchange effects %	2.4	10.3	5.7	10.9
Acquisitions %	-	0.1	-	0.2
Average number of employees	600	615	606	652

¹Excl. IFRS 16.

Highlights

- Order intake during the fourth quarter is higher than in the previous year, adjusted for currency effects. Activities have started to increase and the pipeline is filling.
- Net sales is below the previous year's level, as a consequence of order intake having been low for a longer period. A short-term decrease in net sales is expected.
- Profit in the quarter is considerably lower than previous year, primarily due to lower product sales and considerably weaker market conditions in 2023.
- Measures aimed at reducing the cost base have been implemented, for example by reducing the number of employees, closing the production facility in Denmark and consolidating production in Latvia and the USA.
- Caljan has committed to SBTi.

Breakdown of net sales

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Loading & Unloading	259	270	1,059	1,130
Document Handling & Labelling	13	121	241	306
Automated Solutions	48	38	146	204
Aftermarket	148	134	535	500
	467	562	1,980	2,140
Pro forma adjustment ¹			-	
Trailing 12 months pro forma			1,980	

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 Q4	2022 Q4	2023 Full-year	2022 Full-year
Order intake	1,867	1,782	6,907	6,637
Net sales	1,835	1,876	6,962	6,649
EBITDA	361	350	1,316	1,133
EBITDA ¹	334	338	1,228	1,067
EBITA ¹	315	321	1,155	1,001
EBIT ¹	307	316	1,126	977
EBITA % ¹	17.2	17.1	16.6	15.1
EBIT % ¹	16.7	16.8	16.2	14.7
Total growth in net sales %	-2.2	13.8	4.7	19.9
Organic %	-4.3	2.1	-0.4	3.1
Exchange effects %	2.1	7.4	4.3	6.0
Acquisitions %	0	4	1	10
Average number of employees	1,807	1,817	1,794	1,826

¹Excl. IFRS 16.

Highlights

- Net sales during the quarter has declined somewhat compared to the high levels previous year.
- A strong gross margin is partially counteracted by higher costs, the operating margin amounts to 16.7 (16.8) per cent.
- Investments in product development, sustainability, and digitalisation are proceeding according to plan, strengthening the company over time.
- Hultafors Group has committed to SBTi.

Breakdown of net sales

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
PPE Europe	1,239	1,188	4,456	4,051
Hardware Europe	341	345	1,348	1,328
Hardware North America	258	342	1,168	1,270
Eliminations	-2	0	-9	-
	1,835	1,876	6,962	6,649

Pro forma adjustment¹

Trailing 12 months pro forma

¹ Pro forma for completed acquisitions.



(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Order intake	1,132	1,017	4,429	3,998
Net sales	1,163	1,089	4,336	3,820
EBITDA	128	101	509	406
EBITDA ¹	113	89	451	352
EBITA ¹	99	75	395	304
EBIT ¹	95	71	380	290
EBITA % ^{1 2}	8.5	6.9	9.1	8.0
EBIT % ¹	8.2	6.5	8.8	7.6
Total growth in net sales %	6.8	23.2	13.5	26.4
Organic %	3.4	9.1	4.5	9.9
Exchange effects %	3.1	4.6	4.5	3.3
Acquisitions %	0.2	8.3	4.1	11.7
Average number of employees	1,557	1,789	1,685	1,760

¹Excl. IFRS 16.

² EBIT exclusive a writedown of SEK 115 m referring to a subsidiary within MS Group conducted in September, 2023.

Highlights

- Order intake increased by 11 per cent over the previous year, but market conditions are more cautious than before and order intake continues to be volatile.
- Positive net sales development during the quarter, increasing by 3 per cent when adjusted for acquisitions and currency effects.
- Good quarterly profits with an operating margin of 8.2 per cent. Profitability is gradually improving.
- Market developments are closely monitored and measures are in place to adjust the cost base in case of a lower order intake.
- The lift-related companies within Latour Industries have been re-organized into a new division, Innovalift.
- Acquisition of German BS Tableau in January, 2024. More details on page 4.

Breakdown of net sales

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Aritco Group	327	336	1,279	1,246
Vimec	237	217	793	667
VEGA	71	75	282	259
Esse-Ti	45	31	174	108
MS Group	178	150	679	607
LSAB	152	151	598	578
Densiq	99	89	382	322
MAXAGV	60	46	180	55
Eliminations	-8	-5	-31	-23
	1,163	1,089	4,336	3,820

Pro forma adjustment¹

Trailing 12 months pro forma

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.

Latour Industries consists of a number of operating areas, each with its own business concept and business model. Our goal is to develop independent entities, within the business area, ones which will eventually be able to establish themselves as separate business areas within Latour.

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Order intake	445	450	1,849	1,700
Net sales	470	413	1,875	1,660
EBITDA	119	96	557	473
EBITDA ¹	111	87	525	443
EBITA ¹	100	76	481	402
EBIT ¹	98	74	472	393
EBITA % ¹	21.3	18.5	25.6	24.2
EBIT % ¹	20.9	17.9	25.2	23.7
Total growth in net sales %	13.9	17.0	12.9	15.3
Organic %	12.7	5.6	8.1	5.6
Exchange effects %	1.2	11.4	4.8	9.7
Acquisitions %	-	-	-	-
Average number of employees	661	671	656	656

¹Excl. IFRS 16.

Highlights

- Order intake has declined somewhat, compared to a strong performance in the corresponding quarter previous year.
- Strong net sales during the quarter, growing organically by 13 per cent. All regions and segments contributed positively, and the turnover is Nord-Lock Group's highest to-date.
- Profit for the fourth quarter was negatively impacted by restructuring costs of a one-off nature amounting to SEK 8 m. However, the profit remains the business area's best ever to-date for a fourth quarter as well as for a full year.
- Nord-Lock Group has committed to SBTi.
- Acquisition of Canadian businesses Precision Bolting Ltd and Condor Machinery Ltd in January, 2024. More details can be found on page 4.

Breakdown of net sales

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
EMEA	194	180	813	743
Americas	164	136	623	530
Asia Pacific	112	97	440	388
	470	413	1,875	1,660
Pro forma adjustment ¹			-	
Trailing 12 months pro forma			1,875	

¹ Pro forma for completed acquisitions.

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Order intake	2,206	1,931	8,417	7,491
Net sales	2,185	2,140	8,828	7,085
EBITDA	288	359	1,346	973
EBITDA ¹	255	329	1,243	886
EBITA ¹	229	308	1,142	806
EBIT ¹	226	304	1,127	789
EBITA % ¹	10.5	14.4	12.9	11.4
EBIT % ¹	10.3	14.2	12.8	11.1
Total growth in net sales %	2.1	39.0	24.6	20.4
Organic %	-6.7	19.9	8.5	9.7
Exchange effects %	2.8	6.6	5.1	5.0
Acquisitions %	6.2	9.9	9.7	5.0
Average number of employees	3,162	2,988	3,173	2,843

¹Excl. IFRS 16.

Highlights

- Strong order intake growing by 14 per cent, partially driven by a number of larger projects and good demand within commercial buildings.
- Net sales decreased organically by 7 per cent compared to the record levels of the previous year, at that time driven by a recovery after significant supply disruptions.
- Sweden and the Nordic markets are affected negatively by the weak development in the residential segment.
- Strong and growing demand for sustainable solutions and HVAC systems as well as in Cooling & Heating and Services.
- Continued good gross margin as well as good progress on strategic initiatives.
- Swegon has committed to SBTi.

Breakdown of net sales

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Sweden	397	472	1,627	1,431
Rest of Nordics	297	342	1,218	1,255
Rest of Europe	1,334	1,141	5,248	3,755
North America	105	116	508	422
Rest of world	51	69	227	222
	2,185	2,140	8,828	7,085
Pro forma adjustment ¹			-	
Trailing 12 months pro forma			8,828	

¹ Pro forma for completed acquisitions.

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Air Handling, Cooling & Heating	1,230	1,173	4,993	3,798
Room Units	717	740	2,909	2,429
Services	171	141	615	501
Other	66	87	311	358
	2,185	2,140	8,828	7,085

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 organisation and through international partners, customers are offered a broad expertise and the right solution for all kinds of bolted joint challenges.

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 year, the net asset value increased to SEK 198 per share from SEK 159 at the beginning of the year. The net asset value consequently increased by 27.5 per cent, adjusted for dividends, measured against SIXRX which increased by 19.2 per cent.

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 31 December 2023, the share price was SEK 263, which can be compared with the indicated net asset value of SEK 198. 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 higher.

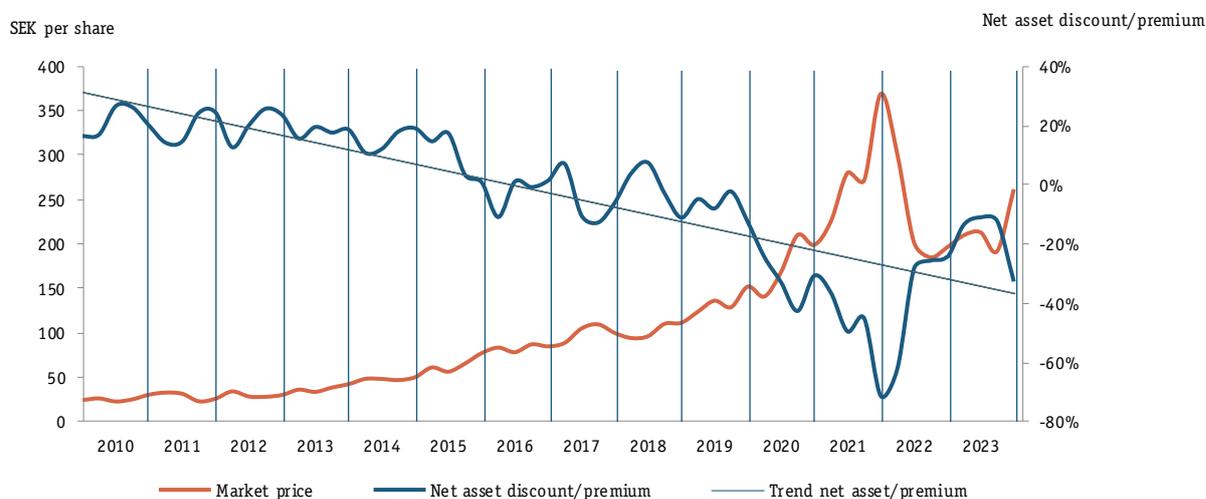
SEK m	Net sales ¹	EBIT ¹	EBIT multiple	Valuation ² Range	Valuation ² Average	Valuation SEK/share ³
Bemsiq	1,583	355	17 - 21	6,031 - 7,450	6,741	9 - 12
Caljan	1,980	336	16 - 20	5,376 - 6,720	6,048	8 - 10
Hultafors Group	6,962	1,126	10 - 14	11,260 - 15,764	13,512	18 - 25
Latour Industries	4,336	380	12 - 16	4,560 - 6,080	5,320	7 - 9
Nord-Lock Group	1,875	472	15 - 19	7,080 - 8,968	8,024	11 - 14
Swegon	8,828	1,127	14 - 18	15,778 - 20,286	18,032	25 - 32
	25,564	3,796		50,085 - 65,268		78 - 102
Industrial operations valuation, average					57,677	90
Listed shares (see table on page 10 for breakdown)					78,838	123
Latour Future Solutions					170	0
Unlisted part-owned holdings						
Composite Sound, 10.3 % ⁴					10	0
Oxeon, 29.6 % ⁴					18	0
Other assets					-	0
Short trading portfolio					-	0
Dilution effect of option programme					-55	-0
Consolidated net debt (excl IFRS 16)					-9,983	-15
Estimated value					126,675	198
					(119 083 - 134 267)	(186 - 210)

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

²EBIT and EV/sales recalculated taking into consideration the listed share price on 31 of December 2023 for comparable companies in each business area.

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

⁴Valued according to the book value.



The investment portfolio at 31 December 2023

During the year, the value of the investment portfolio increased by 23.9 per cent, adjusted for dividends, while the benchmark index (SIXRX) increased by 19.2 per cent. In March, Latour participated in the issue of new shares by Alimak Group, pro rata to its holding of SEK 747 m, acquiring 16,016,809 shares in the company. In the same

month, Latour participated in the issue of preference shares by CTEK, pro rata to its holding of SEK 107 m, purchasing 6,112,324 shares in the company. During the fourth quarter, Latour increased its shareholding in CTEK from 31.6 to 33.0 per cent of the votes by acquiring 1,721,665 shares.

SEK m	Number	Cost SEK m	Listed share price ² SEK ²	Market value SEK m	Share of votes %	Share of equity %
Alimak Group	32,033,618	2,883	82	2,639	30.0	29.8
ASSA ABLOY ³	105,495,729	1,697	291	30,678	29.5	9.5
CTEK	23,114,799	1,194	21	489	33.0	33.0
Fagerhult	84,708,480	1,899	66	5,574	48.1	47.8
HMS Networks	12,109,288	250	500	6,052	26.0	25.9
Nederman	10,538,487	306	178	1,876	30.0	30.0
Securitas ³	62,436,942	2,125	99	6,178	29.6	10.9
Sweco	97,867,440	479	136	13,281	21.0	26.9
Tomra ⁵	62,420,000	1,605	(NOK) 123	7,578	21.1	21.1
Troax	18,060,000	397	249	4,493	30.2	30.1
Total		12,836		78,838		

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

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

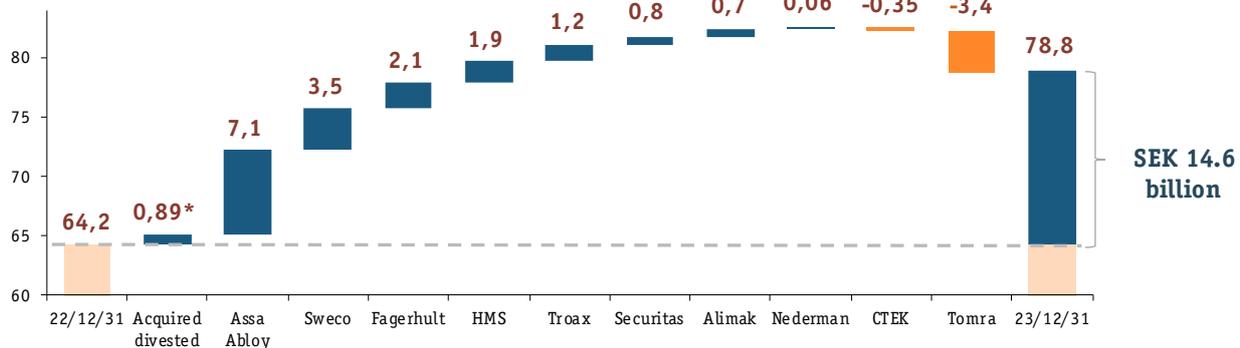
³Due to the limited trading in class A shares in Sweco, and the fact that the class A shares in Assa Abloy and Securitas are unlisted, they have been given the same as the companies' class B shares. Holdings consisting of both class A and B shares are reported in the table as unit.

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

⁵At the end of the report period, the listed share price was NOK 123 which has been translated to SEK at the exchange rate on the balance sheet date.

Investment portfolio during 2023

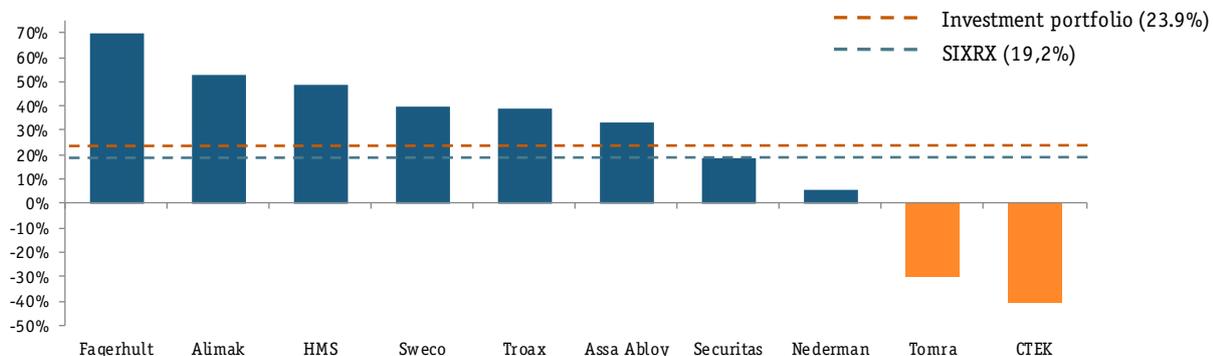
SEK billion



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

* Acquisition of 7,833,989 shares in CTEK and 16,016,809 shares in Alimak in connection with rights issues.

Total return 2023 for the portfolio companies



Result and financial position

The Group

The Group's profit after financial items was SEK 6,666 m (4,833 m). Profit after tax was SEK 5,922 m (4,168 m), which equates to SEK 9.25 (6.51) per share. In the period, net impairment losses and impairment loss reversals of shares in associated companies amounting to SEK 639 m (-1,557 m) were recognised in the income statement. Impairment of goodwill was SEK 115 (0) m in the period.

The cash flow from operating activities improved significantly compared with last year, amounting to SEK 4,731 m (1,583 m). The Group's reported cash flow after acquisitions and financial items amounted to SEK 557 m (51 m). The Group's cash in hand and liquid investments reached SEK 2,235 m (1,710 m). Interest-bearing debt, excluding pension liabilities and lease liabilities, totalled SEK 11,925 m (12,244 m). The Group's net debt was SEK 11,433 m (12,532 m). Net debt, excluding lease liabilities, amounted to SEK 9,983 (11,067) m. The equity ratio was 83 (80) 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 31 December 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 earnings or financial position of the Group.

Investments

During the period, SEK 425 m (377 m) was invested in tangible fixed assets. Of this, SEK 287 m (312 m) relates to machinery and equipment and SEK 138 m (65 m) to buildings. Fixed assets in newly acquired companies account for SEK 89 m (69 m) of investments for the year.

Parent company

The parent company's profit after financial items was SEK 2,294 m (2,146 m). The parent company's equity ratio was 56 (57) per cent.

The number of class A shares issued is 47,593,968 and the number of class B shares is 592,246,032. Not including repurchased shares, the number of outstanding shares on 31 December 2023 amounted to 639,287,800. At the end of the period, Latour holds 552,200 repurchased class B shares.

The total number of issued call options is 1,986,200, which give the right to purchase the same number of shares.

Events after the reporting period

In January, three acquisitions were completed in the industrial operations. Read more on page 4.

Dividend

The Board proposes an increased ordinary dividend of SEK 4.10 (3.70) per share. In absolute numbers, this corresponds to a total dividend of SEK 2,621 m.

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; however, 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, including climate-related risks, in Note 34 of Latour's 2022 Annual Report.

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 standards that came into effect on 1 January 2023 have not had any impact on the Group's or the parent company's accounting as of 31 December 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 19 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.

Nomination committee

The Nomination Committee for the Annual General Meeting on 14 May 2024 has the following composition:

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

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

Gothenburg, 12 February 2024
Johan Hjertonsson
President and CEO

Consolidated income statement

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Net sales	6,463	6,402	25,550	22,611
Cost of goods sold	-3,963	-4,021	-15,597	-14,137
Gross profit	2,500	2,381	9,953	8,474
Sales costs	-978	-871	-3,689	-3,229
Administrative costs	-559	-441	-2,028	-1,653
Research and development costs	-180	-155	-663	-563
Other operating revenue	108	155	254	338
Other operating expenses	-33	-74	-228	-121
Operating profit	858	995	3,599	3,246
Income from interests in associates	943	754	3,505	1,551
Income from portfolio management	-	-	-	-
Management costs	-7	-7	-31	-30
Profit before financial items	1,794	1,742	7,073	4,767
Financial income	-58	-122	56	223
Financial expenses	-167	-57	-484	-157
Income after financial items	1,569	1,563	6,645	4,833
Taxes	-159	-148	-744	-665
Profit/loss for the period	1,410	1,415	5,901	4,168
Attributable to:				
Parent company shareholders	1,409	1,415	5,894	4,162
Non-controlling interests	1	-	7	6
Earnings per share regarding profit attributable to parent company shareholders				
Basic share, SEK	2.20	2.21	9.22	6.51
Diluted share, SEK	2.20	2.21	9.19	6.49
Average number of basic shares outstanding	639,287,800	639,362,057	639,336,210	639,350,718
Average number of diluted shares outstanding	641,703,283	641,620,471	641,678,550	641,578,330
Number of outstanding shares	639,287,800	639,325,100	639,287,800	639,325,100

Consolidated statement of comprehensive income

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Profit/loss for the period	1,410	1,415	5,901	4,168
Other comprehensive income:				
Items that will not be recycled to the income statement				
Restatement of net pension obligations	-7	44	-7	44
	-7	44	-7	44
Items that may subsequently be recycled to the income statement				
Change in translation reserve for the period	-626	96	-133	1,208
Change in hedging reserve for the period	185	-140	-87	-188
Change in associated companies' equity	83	1,815	394	2,551
	-358	1,771	174	3,571
Other comprehensive income, net after tax	-365	1,815	167	3,615
Comprehensive income for the period	1,045	3,230	6,068	7,783
Attributable to:				
Parent company shareholders	1,044	3,230	6,061	7,779
Non-controlling interests	1	-	7	4

Consolidated cash flow

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Operating cash flows before movements in working capital	1,049	947	3,818	3,231
Movements in working capital	675	175	913	-1,648
Operating cash flows	1,724	1,122	4,731	1,583
Acquisitions of subsidiaries	1	-874	-370	-1,357
Sale of subsidiaries	-	-	-	100
Other investments	-136	-134	-427	-148
Portfolio management	332	-769	497	326
Cash flow after investments	1,921	-655	4,431	504
Financial payments and transactions with the shareholders	-1,353	850	-3,874	-453
Cash flow for (-used in) the period	568	195	557	51

Consolidated balance sheet

(SEK m)	2023/12/31	2022/12/31
Assets		
Goodwill	14,438	14,425
Other intangible assets	366	399
Property plant and equipment	3,469	3,374
Financial assets	29,997	26,650
Inventories etc.	4,568	5,282
Current receivables	5,192	5,533
Cash and bank	2,235	1,710
Total assets	60,265	57,373
Equity and liabilities		
Capital and reserves attributable to parent company shareholders	40,844	37,186
Non-controlling interests	54	55
Total equity	40,898	37,241
Inerest-bearing long-term liabilities	9,020	10,632
Non-interest-bearing long-term liabilities	910	844
Interest-bearing current liabilities	4,566	3,588
Non-interest-bearing current liabilities	4,871	5,068
Equity and liabilities	60,265	57,373

Consolidated changes in equity

SEK m	Share Capital	Repurchased shares	Other reservs	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			1,018	6,761	4	7,783
Non-controlling interests on acquisitions					-82	-82
Issued call options				15		15
Exercise of call options		144		-94		50
Own shares repurchase		-101				-101
Dividends to shareholders				-2,110		-2,110
Closing balance 31 Dec 2022	133	-121	1,375	35,799	55	37,241
Total comprehensive income for the period			-220	6,281	7	6,068
Non-controlling interests on acquisitions					-7	-7
Issued call options				12		12
Exercise of call options		130		-55		75
Own shares repurchase		-125				-125
Dividends to shareholders				-2,366		-2,366
Closing balance 31 Dec 2023	133	-116	1,155	39,671	55	40,898

Key ratios, Group

(SEK m)	2023/12/31	2022/12/31
Return on equity (%)	15	12
Return on total capital (%)	12	9
Equity ratio, incl IFRS 16 (%)	68	65
Equity ratio, excl IFRS 16 (%)	70	67
Adjusted equity ratio, incl IFRS 16 (%) ¹	82	79
Adjusted equity ratio, excl IFRS 16 (%) ¹	83	80
Adjusted equity (SEK m) ¹	90,480	75,522
Surplus value in associated companies (SEK m) ²	49,582	38,281
Net debt/equity ratio 1 (%) ³	12.5	16.5
Net debt/equity ratio 2 (%) ⁴	8.3	11.1
Listed share price (SEK)	263	197
Repurchased shares	552,200	514,900
Average number of repurchased shares	503,790	489,282
Average number of employees	8,448	8,375
Issued call options corresponds to number of shares	1,986,200	2,489,700

¹Incl. fair value gain in associated companies.

²The difference between the carrying amount and market value.

³The ratio of net debt to adjusted equity.

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

Parent company income statement

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Income from interests i Group companies	-	-	1,200	1,057
Income from interests in associates	264	162	1,211	1,145
Income from portfolio management	-	-	-	-
Management costs	-13	-5	-26	-24
Profit before financial items	251	157	2,385	2,178
Interest income and similar profit/loss items	54	36	194	82
Interest expenses and similar profit/loss items	120	-79	-285	-114
Income after financial items	425	114	2,294	2,146
Taxes	-	-	-	-
Profit/loss for the period	425	114	2,294	2,146

Parent company statement of comprehensive income

(SEK m)	2023 Q4	2022 Q4	2023 Full-year	2022 Full-year
Profit/loss for the period	425	114	2,294	2,146
Change in fair value reserve for the period	-	-	-	-
Total other comprehensive income	-	-	-	-
Comprehensive income for the period	425	114	2,294	2,146

Parent company balance sheet

(SEK m)	2023/12/31	2022/12/31
Assets		
Financial assets	15,038	14,152
Long-term receivables from Group companies	5,900	7,000
Current receivables from Group companies	376	-
Other current receivables	14	38
Cash and bank	-	-
Total assets	21,328	21,190
Equity and liabilities		
Equity	12,042	12,152
Inerest-bearing long-term liabilities	6,200	8,750
Non-interest-bearing long-term liabilities	-	-
Interest-bearing current liabilities	2,950	196
Non-interest-bearing current liabilities	136	92
Equity and liabilities	21,328	21,190

Parent company statement of changes in equity

(SEK m)	2023/12/31	2022/12/31
Amount at beginning of year	12,152	12,152
Total comprehensive income for the period	2,294	2,146
Issued call options	12	15
Exercise of call options	75	50
Own shares repurchase	-125	-101
Dividends to shareholders	-2,366	-2,110
Amount at end of year	12,042	12,152

Segment reporting:

Development by business area 1 Jan 2023 – 31 Dec 2023

SEK m	Industrial operations							Portfolio management	Total
	Bemsiq	Caljan	Hultafors Group	Latour Industries	Nord-Lock Group	Swegon	Other		
Sales									
External sales	1,570	1,980	6,962	4,336	1,875	8,827			25,550
Internal sales	13					1			14
RESULT									
Operating profit	366	336	1,126	380	472	1,127	-208		3,599
Income from portfolio management								3,474	3,474
Financial income									56
Finance expense									-484
Taxes									-744
Profit/loss for the period									5,901
Other information									
Investments in:									
property, plant and equipment	31	30	71	49	40	200	4		425
intangible assets	9	-	18	7	1	263			298
Depreciation/amortisation	15	38	101	71	54	116	316		711

Development by business area 1 Jan 2022 – 31 Dec 2022

SEK m	Industrial operations							Portfolio management	Total
	Bemsiq	Caljan	Hultafors Group	Latour Industries	Nord-Lock Group	Swegon	Other		
Sales									
External sales	1,258	2,140	6,649	3,820	1,660	7,084			22,611
Internal sales	7					1			8
RESULT									
Operating profit	293	452	977	290	393	789	52		3,246
Income from portfolio management								1,521	1,521
Financial income									223
Finance expense									-157
Taxes									-665
Profit/loss for the period									4,168
Other information									
Investments in:									
property, plant and equipment	14	58	47	78	41	138	1		377
intangible assets	561	61	292	284	1	326			1,525
Depreciation/amortisation	12	32	90	62	49	97	241		583

Change in consolidated interest-bearing net debt

SEK m	2022/12/31	Change in cash	Change in loans	Other changes	2023/12/31
Interest-bearing receivables	37			8	45
Swap	-59			-68	-127
Cash	1,710	471		54	2,235
Pensions provisions	-196			-15	-211
Leas liabilities long-term	-1,208			46	-1,162
Long-term liabilities	-9,228			-6	-7,647
Utilised bank overdraft facilities	-151			131	-20
Leas liabilities short-term	-258			-30	-288
Interest-bearing current liabilities	-3,179		-1,079		-4,258
Interest-bearing net debt	-12,532	471	508	120	-11,433

Credit maturity structure

SEK m	MTN	Bank/RCF	Other liabilities	Additional purchase price	Total	%	Undrawn bank facilities
Overdraft facilities		-	19		19	0%	320
0-1 year	2,950	1,244	48	13	4,255	36%	3,191
1-2 year	2,250		60	40	2,350	20%	2,000
2-3 year	2,200		-	85	2,285	19%	
3-4 year	1,750		12	76	1,838	15%	2,175
4-5 year			12	13	25	0%	
>5 years		1,110	43		1,153	10%	
	9,150	2,354	194	227	11,925	100%	7,686
Undrawn MTN	5,850						
Frame MTN	15,000						

Five-year overview

SEK m	2023	2022	2021	2020	2019
Net sales, SEK m	25,550	22,611	18,567	15,028	13,738
Operating profit, SEK m	3,599	3,246	2,556	2,057	1,819
Income from interest in associated companies, SEK m	3,505	1,551	2,379	3,977	3,955
Income from portfolio management, SEK m	-31	-30	-16	-36	194
Profit after finance items, SEK m	6,645	4,833	4,985	5,753	5,725
Earnings per share, SEK	9.22	6.51	6.87	8.32	8.33
Return on equity, %	15.0	12.0	14.0	19.0	22.0
Return on total capital, %	12.2	8.9	11.0	15.0	17.0
Adjusted equity ratio, %	83.0	80.0	88.0	86.0	86.0
Net debt/equity ratio, %	12.5	16.4	8.9	7.1	11.3

Note 1 Business combinations

Transfer date	Country	Business area	Share	Contributed			No. of employees
				Sales	EBIT		
3 January 2023	Dalair Ltd.	Great Britain	100%	308	62		164

Assets and liabilities in acquisitions	Consolidated carrying amount
Property plant and equipment	86
Inventories	14
Accounts receivable	49
Other receivable	5
Cash	54
Non-current liabilities	-6
Current liabilities	-40
Net identifiable assets and liabilities	162
Group goodwill	254
Cash settlement purchase price	416
Acquired cash	-54
Effect of Group cash	362

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 7 m.

Note 2 Correction of errors

The item Share of other comprehensive income from associates (in the interim report called Change in associated companies' equity) was reported in the Annual Report 2022 with a too high amount of SEK 783 m. Correction of comparison figures is made retroactively in this interim report, which means that the Group's determined Other comprehensive income, Equity and Interest in associates (in the interim report under the name Financial assets) as of 31 December 2022 have been corrected as follows:

SEK m	According to established Annual report 2022	Corrected	Attributable to
Other comprehensive income	4 398	3 615	Share of other comprehensive income from associates
Equity	38 024	37 241	Share of other comprehensive income from associates
Financial assets	27 433	26 650	Shares in associated companies

Previously presented interim reports Q4 2022 – Q2 2023 are affected by the corresponding amount.

Note 3 Disclosures about financial assets and liabilities

Classification of financial instruments

THE GROUP 31 DECEMBER 2023

	Available-for-sales financial assets	Financial assets values at fair value	Derivatives used for hedging purpose	Total carrying amount
Financial assets				
Listed shares, management	0 ¹			0
Other long-term securities holdings	30 ²			30
Other long-term receivables			57	57
Listed shares, trading		0 ¹		0
Unrealised gains, currency derivatives	22 ²			22
Other current receivables			4,508	4,508
Cash			2,235	2,235
Total	52	-	6,800	6,852
Financial liabilities				
Long-term loans		214 ³	7,432	7,646
Bank overdraft facilities			20	20
Current loans		13 ³	4,246	4,259
Other current liabilities			2,707	2,707
Unrealised gains, currency derivatives	127 ²			127
Total	127	227	14,405	14,759

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

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

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 deviate materially 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 4 Breakdown of revenues

Revenue by category

THE GROUP 31 DECEMBER 2023

SEK m	2023 Full-year	2022 Full-year
Revenue from goods	23,526	21,377
Revenue from services	2,024	1,234
	25,550	22,611
Revenue reported at one in time	23,920	21,896
Revenue reported over time	1,630	715
	25,550	22,611
Sweden	4,085	3,737
Nordics, excl. Sweden	3,414	3,355
Germany	3,554	3,095
Great Britain	2,446	2,020
Rest of Europe	7,173	5,655
USA	2,965	2,799
Other markets	1,913	1,950
	25,550	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				
	Full-year	Q4	Q3	Q2	Q1	Full-year	Q4	Q3	Q2	Q1	Full-year	Q4	Q3	Q2	Q1
INCOME STATEMENT															
Net sales	25,550	6,463	6,109	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	-15,597	-3,963	-3,710	-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	9,953	2,500	2,399	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	-6,354	-1,642	-1,595	-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	3,599	858	804	977	960	3,246	995	764	802	685	2,556	683	585	741	547
Total portfolio management	3,474	936	32	1,148	1,358	1,521	747	8	204	562	2,363	412	620	616	715
Profit before financial items	7,073	1,794	836	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	-428	-225	-120	11	-94	66	-179	92	136	17	66	9	17	-42	82
Income after financial items	6,645	1,569	716	2,136	2,224	4,833	1,563	864	1,142	1,264	4,985	1,104	1,222	1,315	1,344
Taxes	-744	-159	-160	-234	-191	-665	-148	-182	-202	-133	-604	-171	-164	-136	-133
Profit/loss for the period	5,901	1,410	556	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	9.22	2.20	0.87	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 (-used in) the period	557	568	153	54	-218	51	195	360	154	-658	-2,586	566	-851	125	-2,426
Adjusted equity ratio, %	83	83	79	81	80	80	80	80	82	86	88	88	86	87	88
Adjusted equity	90,480	90,480	76,127	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	126,675	126,675	110,061	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	198	198	172	193	186	159	159	148	158	186	216	216	188	188	166
Listed share price, SEK	263	263	193	214	211	197	197	186	202	301	369	369	272	281	226
NET SALES															
Bemsiq	1,583	346	380	425	447	1,265	326	326	338	321	927	291	220	210	206
Caljan	1,980	467	457	595	461	2,140	562	669	556	352	1,527	554	403	859	209
Hultafors Group	6,962	1,835	1,631	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	4,336	1,163	1,044	1,113	1,016	3,820	1,089	933	977	821	3,022	884	693	873	681
Nord-Lock	1,875	470	458	470	477	1,660	413	425	416	406	1,439	353	357	402	354
Swegon	8,828	2,185	2,142	2,319	2,165	7,085	2,140	1,714	1,661	1,524	5,824	1,523	1,374	1,796	1,361
	25,550	6,463	6,109	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	-	-	-	-	-2	-	-	-	-	-	287	71	77	87	63
	25,550	6,463	6,109	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	366	55	94	101	118	293	59	82	77	81	198	45	58	45	50
Caljan	336	75	60	129	72	452	105	156	143	48	276	118	77	61	19
Hultafors Group	1,126	307	266	258	296	977	316	176	236	250	860	241	170	266	183
Latour Industries	380	95	105	107	73	290	71	82	90	47	244	68	57	57	62
Nord-Lock	472	98	127	117	129	393	74	104	112	103	367	74	98	97	99
Swegon	1,127	226	290	308	301	789	304	184	154	140	718	177	158	227	156
	3,807	856	942	1,020	989	3,194	929	784	812	669	2,663	723	618	753	569
Gain/loss from sale/purchase of busin	-112	30	-118	-9	-15	110	76	-6	11	29	-51	-8	-25	-4	-14
Other companies and items	-102	-32	-20	-32	-18	-75	-23	-18	-21	-14	-56	-32	-9	-8	-9
	3,593	854	804	979	956	3,229	982	760	802	684	2,556	683	584	741	546
OPERATING MARGIN (%)															
Bemsiq	23.1	15.8	24.8	23.7	26.4	23.1	18.1	25.1	22.8	25.1	21.4	15.5	26.2	21.4	24.4
Caljan	17.0	16.1	13.1	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	16.2	16.7	16.3	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	8.8	8.1	10.0	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	25.2	20.9	27.8	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	12.8	10.3	13.5	13.3	13.9	11.1	14.2	10.7	9.3	9.2	12.3	11.6	11.5	14.5	11.5
	14.9	13.2	15.4	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-Dec 2023: $5,894/639,336,210 \times 1000' = 9.22$

Jan-Dec 2022: $4,162/639,350,718 \times 1000' = 6.51$

Diluted earnings per share

Calculations:

Jan-Dec 2023: $5,894/641,678,550 \times 1000' = 9.19$

Jan-Dec 2022: $4,162/641,578,330 \times 1000' = 6.49$

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 – 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 6 November 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 12 February 2024 at 08.30 CET.

Investment AB Latour (publ)

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