



LATOUR

Johan Hjertonsson, President and CEO:

“Good leaders are key”

Johan Hjertonsson became the new President and CEO of Latour on 1 September 2019. Here, Johan offers his take on the business and how Latour can continue its successful journey.

You took over as President and CEO of Latour in September and can look back on an eventful and successful year for the Group. So, let's begin by asking how that feels?

“It feels great, not least because of the warm welcome I've received from the organisation.

What's more, I also get to sum up a year in which we've not only delivered new records in earnings, growth and returns, but also experienced one of the most intense acquisition phases in Latour's history. During the second half of the year, we made many – and some major – acquisitions in our wholly-owned industrial operations, with the acquisition of the Danish company Caljan being a stand-out example.”

What's special about the acquisition of Caljan?

“In addition to Caljan immediately forming a new, fifth business area within the Group, it's a good example of how we want to manage the digitalisation trend, in this case through e-commerce optimisation. The company has reported an average growth rate of more than 22 per cent the last years with good profitability, and it's only just beginning its journey. With the exponential growth seen in e-commerce expected to continue, the increasing need for effective automation solutions will at least match that growth rate. In classic Latour style, Caljan has a strong position in Europe that can provide a foundation for growth in other parts of the world. Joining the Group gives them free hands. Caljan can leverage our network and knowledge, and we can support them in their efforts by finding complementary acquisitions able to further accelerate their growth.”

Is the high activity seen this past autumn in any way connected to your appointment as CEO?

“No, not at all, it's simply a coincidence. All the acquisitions we make are always preceded by lengthy analyses

and due diligence. What's more, we also have very clear investment criteria when looking for acquisitions, and this past autumn, just by chance, several of the deals we've long been considering were successfully closed. All in all, that was an intense but very enjoyable period, and it got me off to a flying start here at Latour.”

"I usually compare our holdings to diamonds. We have some that are already cut and some that need cutting, but we're always on the lookout for new ones."

Johan Hjertonsson on Latour's portfolio of stellar companies.

As previously mentioned, business is going well for Latour. What do you consider the main reasons for this success?

“To begin with, I can say that we have a portfolio full of stellar companies. I usually compare our holdings to diamonds. We have some that are already cut and some that need cutting, but we're always on the lookout for new ones, such as Caljan. However, operations couldn't have possibly developed in the way that they have were it not for good leadership. We have highly talented leaders with great freedom in their operational roles, which enables them to take a long-term approach. I believe that our decentralised management model is a major source of this success. If you have a model where the board and management both shoulder their share of the responsibility, you can attract the best leaders, people who want the opportunity to run a business as though it was their own. This is why my most important task as CEO is to ensure that we have the right person in the right place at the right time.”



“That was an intense but very enjoyable period, and it got me off to a flying start here at Latour.”

JOHAN HJERTONSSON

Position:

President and CEO

Years with Latour:

10 years, including the years as CEO of AB Fagerhult, part of Latour's investment portfolio.

Previous experience:

CEO of AB Fagerhult and Lammhult Design Group AB. Executive positions within the Electrolux Group.





Following the acquisition of Caljan, the wholly-owned industrial operations are of even greater importance to Latour. Is there a specific strategy behind this?

"No, other than the fact that we're always looking for companies that meet our criteria and whose value creation we can bolster as principal owner. And so, it doesn't really matter where we find those companies. That our wholly-owned industrial operations have increased in importance in recent years is down to their business acumen and the fact that we've found favourable complementary acquisitions. Even though we didn't add any new companies to the investment portfolio in 2019, through our board work we've been active in our existing companies' acquisition efforts. Such as Fagerhult's acquisition of the Italian company iGuzzini, ASSA ABLOY's acquisition of agta record in Switzerland and Nederman's acquisition of the Finnish firm Gasmet Technologies just before Christmas. The fact that the total return from the investment portfolio amounted to 40 per cent for the year suggests that we have great companies even in this arm of the business."

"When it comes to sustainability and the environment, our focus is two-pronged. We make the effort because eventually it will be a prerequisite for doing business, but also because we want to – and that's from the heart."

Johan Hjertzonsson on how Latour works to address an important global trend.

Although 2019 was a strong year, is it right to say that there's some market uncertainty now?

"Yes, that's right. In some respects, a new worldview has emerged, with greater protectionism and a more austere political landscape in several regions. These factors will have a damping effect on the world economy, although long-term, global trends will remain the same. And it's these trends that we always look to when making investments and developing our businesses."

Are any of these trends more prominent than the others?

"We have a strong focus on managing digitalisation, alongside sustainability and the environment. Digitalisation is something we simply must do; it's in our customers' best interests and will enable us to do better business. Good examples of this are Nord-Lock Group's latest innovation, Superbolt LST, and Swegon's intelligent climate system, WISE. Another example is the Latour Industries business unit Bemsig, which is comprised of five companies with a focus on digitalising various aspects of building operation and maintenance, as well as collecting and sharing data with property owners. When it comes to sustainability and the environment, our focus is two-pronged. We make the effort because eventually it will be a prerequisite for doing business, but also because we want to – and that's from the heart."

We want to ensure that our companies can help to do the right things and act as role models. This is a commitment we've made and a journey we've begun."

How important is the Group's internationalisation?

"If we're to continue to grow profitably and achieve our goals, it's not enough to operate in the Nordic market alone – or even the European market for that matter. These markets do, however, provide stable platforms. We often start out in the Nordics, later expanding into Europe and then other parts of the world. We consider it important to perform well in each individual market before moving on, making our continued expansion all the easier. Among our wholly-owned operations, Nord-Lock Group has already gone global, and other business areas have also accelerated their expansion outside Europe, mostly in North America. In the longer term, it's inevitable that the markets of North America and Asia will comprise major areas of our operations."

What's your take on the current position of the wholly-owned industrial operations?

"Impressive right across the board. Caljan is exhibiting strong growth in a market that will experience very interesting developments moving forward. Nord-Lock Group continues to maintain its margins and has essentially endless opportunities for growth. Swegon is undoubtedly one of the best players in its industry, in terms of both offering and profitability. Hultafor's Group is experiencing outstanding growth in a segment that will only increase in importance. And Latour Industries is building profitable, key businesses that can form new business areas in the longer run."

Following the success of 2019, what are you looking forward to in 2020?

"At the turn of the year, our market value passed SEK 100 billion, and our growth in value is impressive regardless of which period you look at. Today, we have a portfolio of stellar companies – both our wholly-owned industrial operations and our listed companies – all working at the forefront of their respective fields. I can say that my predecessor, Jan Svensson, has done an excellent job, and I'm now looking forward to continuing this work together with all our fantastic employees with confidence. I'd also like to extend a big thank you to everyone for doing such a fantastic job in 2019."

"We've just seen one of the most intense phases in Latour's history, but that doesn't mean we'll be slowing the pace moving forward. Instead, we plan to retain the same focus, looking for favourable acquisitions and developing the companies we already have. Continuing to cut our diamonds while looking for new ones." ●

Göteborg, 2019

Johan Hjertzonsson
President and CEO



Hultafors Group offers a portfolio of leading brands that keep professional users at the forefront in terms of functionality, safety, protection and overall efficiency.

This is Latour



We believe in active ownership

ALL HOLDINGS are found primarily in two lines of business: a wholly-owned industrial operations and a portfolio of listed holdings. Latour is an active principal owner in the companies, regardless of whether the holdings are listed, wholly-owned or part-owned, and the work of the Board is the most important platform for the sustainable creation of value.

ALL HOLDINGS are characterised by a structured approach to the work of the Board, acquisition processes and integration processes. Latour's interests in several global groups help to develop the companies in line with the adopted international expansion strategy by enabling holdings to exchange experience and knowledge.

LEADERSHIP IS AN integral part of Latour's corporate governance. Leaders in the Group are considered culture carriers and role models, shouldering responsibility for performance, sustainable value creation and robust organisations. The leadership style is characterised by freedom with responsibility, favourably combined with feedback and transparency.

LOW NET DEBT

Latour's total net debt cap is set at 10 per cent of the investment portfolio's value and 2.5 times the wholly-owned industrial operations' EBITDA, measured as an average for the last three years and adjusted for acquisitions and divestitures.

CORPORATE GOVERNANCE WORTH ITS PRICE

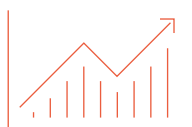
Latour operates an active corporate governance programme for a management fee of approximately 0.1 per cent of the managed market value.

FINANCIAL TARGETS FOR THE INDUSTRIAL OPERATIONS OVER A BUSINESS CYCLE

Average annual growth	>10 per cent
Operating margin	>10 per cent
Return on operating capital	15–20 per cent

DIVIDEND POLICY

Further payment of dividend from listed holdings and part-owned holdings	100 per cent
Profit after tax in wholly-owned companies	40–60 per cent



VISION

Latour's vision is to be a sustainable and attractive choice for long-term investors that want good returns. Latour creates added value in its holdings by being an active and steadfast owner that, with financial strength and solid industrial know-how, contributes to the sustainable development of the companies.



BUSINESS IDEA

Latour's main business concept is to invest in sound companies with proprietary products, strong growth potential supported by global megatrends and good future prospects. The Group's long-term ambition is to create international growth and added value in these holdings by means of active ownership.



CORE VALUES

Latour's core values are:

- Long-term perspective
- Professionalism
- Development

The operations are managed by a clearly delegated decision-making structure, each holding has a unique company culture and its own strategic process. However, Latour's core values permeate all holdings.

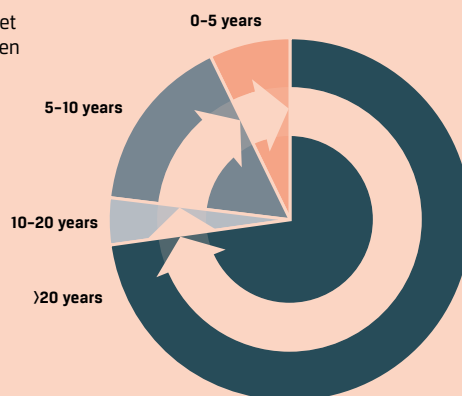
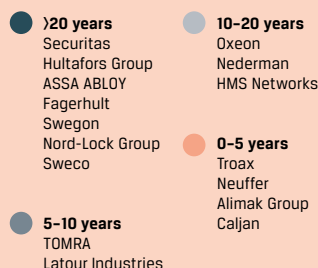


A SUSTAINABLE STRATEGY

Sustainability is integrated in Latour's investment strategy. Long-term values are created by developing sustainable operations. Latour has its greatest impact by being an active and responsible owner. Through the work of Boards, Latour places high expectations on and drives the sustainable development of the holdings.

CREATING LONG-TERM VALUE

Latour is a long-term investor. The diagram shows that 73 per cent of the total net asset value comes from companies that have been in the portfolio for more than 20 years.



GROWING INTERNATIONALLY

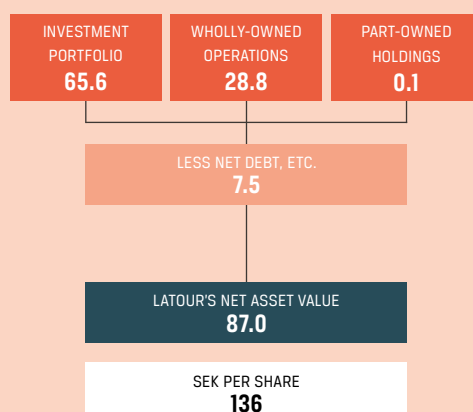
Latour's holdings have a solid foundation on which to grow with proprietary products and through international expansion. The wholly-owned operations' sales outside the Nordic countries have increased from 20 per cent in 2003, when the new strategy was adopted, to 65 per cent in 2019.

2003
20%

2019
65%

THE NET ASSET VALUE AND ITS COMPONENTS

Latour's net asset value is dominated by the portfolio companies and the wholly-owned industrial operations.



All amounts in SEK billion unless otherwise stated.
These figures as at 31 December 2019.

160,000 PER CENT TOTAL RETURN

Since the start in 1985, the Latour share has had a total return of approximately 160,000 per cent. This can be compared with 6,200 per cent for the SIXRX. Latour's market value was SEK 97.8 billion (71.7) at the close of 2019.

Latour
160,000%

SIXRX
6,200%

Organisation

Small, flexible organisation with a delegated structure

With twelve employees at the head office and some 455,000 in the holdings, Latour underscores a delegated decision-making structure in the Group.

ENGAGED PRINCIPAL OWNER

Just as Latour's principal owners are represented in Latour's Board, Latour is likewise an engaged principal owner in all of its investments. Corporate governance of the listed holdings is performed efficiently by its own representatives and a network of experienced Board members.

CLEAR, DELEGATED RESPONSIBILITIES

The wholly-owned industrial operations are grouped into five business areas with a clear and delegated responsibility. Leadership plays a central role in Latour's ownership control, and close cooperation with the management teams of the wholly-owned operations is of great importance. The business areas are responsible for developing their own operations and for meeting financial targets on capital, margins and growth.

The Group's parent company, Investment AB Latour, is a small, flexible organisation of just twelve employees. Its main functions are business management, treasury and finance and business development. Latour's Group management has the overriding responsibility for management, business development, financial governance, follow-up of results and communication.

GOOD STAKEHOLDER RELATIONSHIPS

Latour is committed to maintaining good relationships with representatives in the company's network and other stakeholders with long-term, substantial influence on the company. External stakeholders should feel that the company's communication is open and maintains a high standard and that contact with Latour is easy and straight-forward.

Board of Directors



From the left: Mariana Burenstam Linder, Joakim Rosengren, Carl Douglas, Anders Böös, Eric Douglas, Olle Nordström (Chairman), Lena Olving, Johan Hjertonsson (CEO).

Latour's employees



From the left: Ida Saalman, Bernarda Rupcic, Jonas Davidsson, Torbjörn Carlén, Johan Hjertonsson (CEO), Maria Asterholm, Angelica Pavlic, Charlotte Kyller, Gustav Samuelsson, Katarina Rautenberg, Fredrik Lycke, Anders Mörck (CFO).

Business development

Trend analysis forms the basis



Latour's acquisition process is centred on long-term assumptions about which technologies and companies have the best prospects, based on the overall trends that are expected to lead to new and growing needs.

Latour's business is based on identifying the best opportunities for creating sustainable value in the longer term, and on avoiding risks that might lead to diminished value. These opportunities and risks can be viewed on two levels – company-specific and market-related. Latour takes the company-specific opportunities and risks into account in its investment strategy and active corporate governance.

THE MARKET-RELATED opportunities and risks stem from general trends that have an impact on the long-term development of entire industries and niches. Consequently, they form the basis for attractive investment opportunities. Demographic changes, urbanisation, globalisation, sustainability and digitalisation are examples of global megatrends that Latour considers to be particularly interesting in the analysis of different industries and individual companies. Furthermore, the trends are becoming ever more interrelated and are shaping one another. A growing number of older people is leading to an increasing demand for healthcare and medical services, and putting pressure on finding ways to enable people to remain in their own homes and have easy access to local facilities.

This is posing additional challenges for rapidly expanding cities around the world. Cities also comprise the hub of the globalisation trend that is shaping different consumer behaviours and competition between companies. Efficiency throughout the value chain is a key element in this and digitalisation plays a major role in cutting costs and reaching all end customers both quickly and easily. The goal is to be close to the customers in sales and aftersales operations, and to be able to balance this with the efficient provision of goods. This development has been accelerated, in part, by the growing protectionism seen across the globe in recent times, as well as by the need for sustainable production methods with a focus on recycling and circular economy solutions. In addition, global economic power is increasingly shifting from the USA and Europe to Asia and other areas with rapidly expanding populations and rising standards of living.

IN 2019, LATOUR retained a strong focus on the international expansion of its operations, by both organic and acquisitive means. Moreover, the acquisitions have included technologies, products and distribution that complement existing operations and enable them to maintain profitable growth. ●

INVESTMENT CRITERIA

PROSPECTS FOR THE NICHE

- Addresses identified trends.
- The industry is showing profitable growth.
- Favourable position in the value chain.

POTENTIAL IN THE COMPANIES

- Next wave of development.
- Potential for geographic expansion.
- Latour adds value.

THE COMPANIES MUST ALSO SATISFY THE FOLLOWING CRITERIA

- Development, manufacture and marketing of proprietary products under their own brands.
- Products with high added value which offer a benefit that customers are willing to pay for.
- Not being dependent on a handful of suppliers or customers.

Acquisition process

Several exciting acquisitions

Latour has a strong team working with acquisition processes and business development. **Gustav Samuelsson**, **Ida Saalman** and **Fredrik Lycke** are a trio who can look back on an eventful year with many interesting acquisitions.



GUSTAV SAMUELSSON

Position: Business development

Years with the Group: 3 years

Previous experience: Twelve years in management consulting at Arthur D. Little with a focus on strategy development.



IDA SAALMAN

Position: Business development

Years with the Group: 1 year

Previous experience: Ten years of experience in consulting, business development and investment management at PwC, SKF and JCE Group.



FREDRIK LYCKE

Position: Business development

Years with the Group: 1 year

Previous experience: Many years of experience as a management consultant, supply chain director and CEO.

"Caljan was Latour's single largest acquisition in 2019, immediately creating a new business area."

Ida Saalman on the Danish acquisition, a company with products bolstered by strong growth in e-commerce.

How would you sum up 2019?
 "Business as usual. We've assessed a large number of companies, searching for add-on acquisitions, companies that can form new business areas and new listed holdings. Our responsibility includes negotiating with the seller, conducting analyses and then securing the handover to the appropriate business area. However, the number of acquisitions we make depends primarily on how well the companies match our investment criteria."

THIS HAD MOST IMPACT during the second half of 2019, when we made five of this year's six completed acquisitions in our wholly-owned operations. All in all, these acquisitions contribute annual sales of almost SEK 1.9 billion, a sharp increase over 2018. Most of the acquisitions were add-on acquisitions to complement existing operations. For example, Latour Industries acquired the Norwegian company TKS Heis and the British company Invalift, strengthening our position in platform lifts.

One prioritised area has been to acquire companies with products that can leverage the increasing importance of digitalisation to the value chain – which acquisitions have you made linked to this?

"We've made several. The Danish logistics company Caljan's products are mainly driven by the underlying, strong growth in e-commerce, as they offer e-commerce and logistics companies automation equipment for parcel handling. S+S Regeltechnik and Syxthsense produce sensors and room controllers for the digitalisation of commercial buildings. This is a rapidly growing market as energy use in buildings is in focus in terms of both costs and climate impact, and there's a great need for better indoor environments."

What distinguishes the acquisition of Caljan?

"Caljan was Latour's single largest acquisition in 2019, immediately creating a new business area. In our add-on acquisitions, operational and commercial synergies are important considerations, but that wasn't the case with Caljan as it's a new business area. Integration work mainly

concerns incorporating the company in Latour's procedures and processes, as well as securing greater insight into the acquired business to confirm our findings from the analysis phase.

However, there are also great opportunities for Caljan to develop its operations by leveraging the expertise and networks enjoyed by the Latour Group's other companies – and vice versa, of course. For example, early in the process we contacted Hultafor Group in the USA to facilitate the North American expansion of both companies."

You concentrate on large, global trends in your analyses. Have you seen any clear shifts in these trends?

"Demographics, urbanisation, globalisation, sustainability and digitalisation are global, long-term trends that have been prominent for some time, and they'll remain central to our work. However, calling sustainability simply a trend seems misleading. It's an important investment criterion and an integral part of the business conducted by our holdings. For example, increasingly more of our companies are looking into local production to avoid unnecessary transport while also enabling improved service."

International expansion is prioritised. What's your strategy for finding companies in Asia and North America?

"Firstly, we can conclude that all acquisitions in 2019 were international and pave the way for global expansion. Our business areas have the best grasp of their operations and the competition, and their expertise in each market helps us to identify potential acquisitions, even in Asia and North America. Once we've identified companies of interest in these regions, the process isn't that different than for other acquisitions."

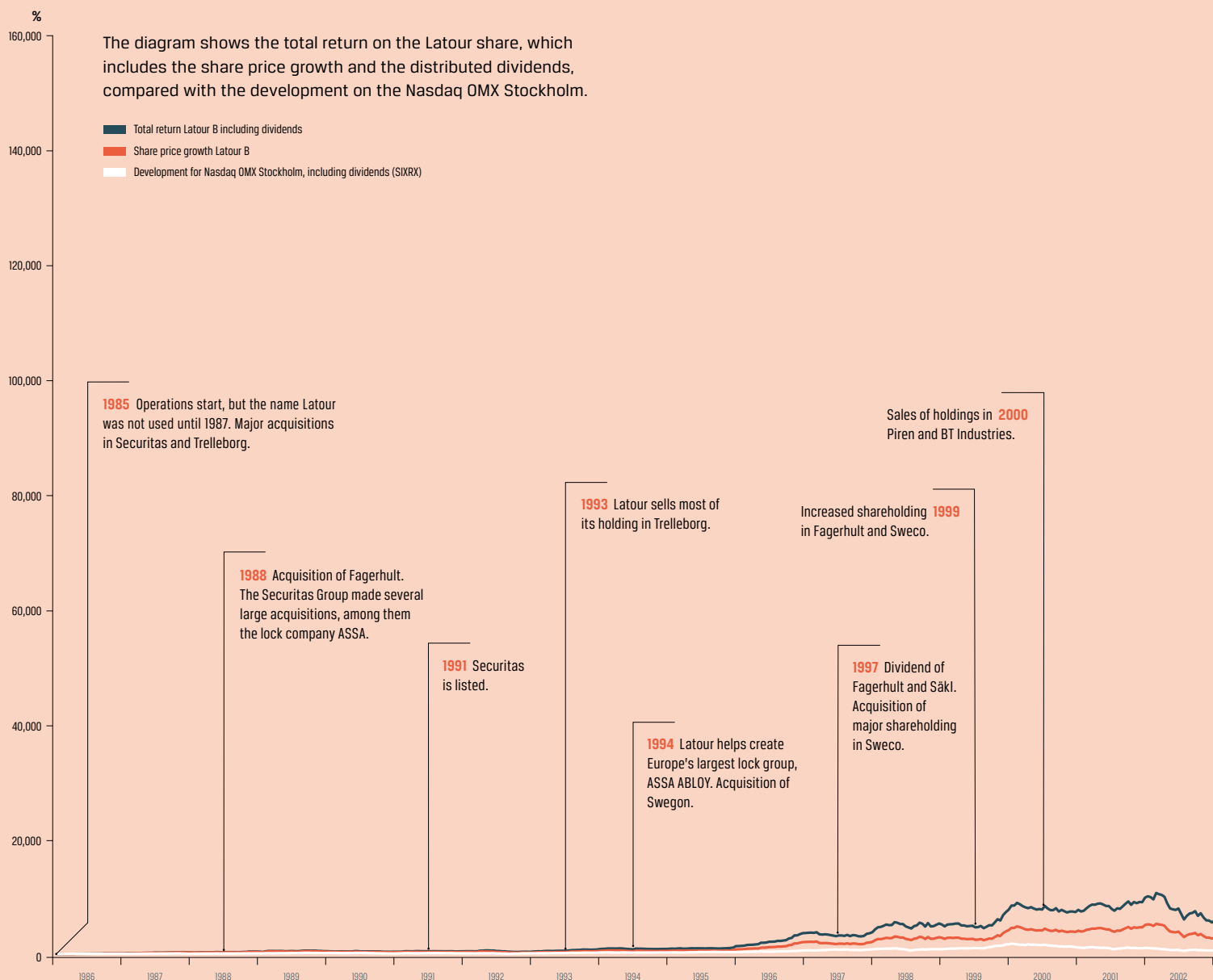
Finally, what are your expectations for 2020?

"We believe that factors such as trade wars, political elections and Brexit will contribute to continued uncertainty in the global market. Despite this, we have a positive outlook on the continued development of our companies and the opportunities to make new, favourable acquisitions, including add-on acquisitions encompassing both new products and new markets. We're entering 2020 with great confidence." ●

The Latour share

Total return of 160,000 per cent

Latour's share is listed on the Nasdaq OMX Stockholm Large Cap list. Latour's history stretches back to the end of 1985. Since then the total return, including share price growth and dividends, has been over 160,000 per cent. In 2019 the total return was 39.1 per cent.



LARGEST SHAREHOLDERS AS AT 31 DECEMBER 2019

Shareholders	Number of A shares, thousands	Number of B shares, thousands	% of share capital	% of voting rights
The Douglas family with companies	39,958	457,554	77.8	80.3
The Palmstierna family with companies	6,409	6,346	2.0	6.6
Skirner AB	800	1,946	0.4	0.9
Bertil Svensson, family and companies		5,107	0.8	0.5
SEB Investment Management		5,014	0.8	0.5
Spiltan Funds		4,605	0.7	0.4
AMF - Försäkring och Fonder		4,432	0.7	0.4
Livförsäkringsbolaget Skandia		3,346	0.5	0.3
Handelsbanken Sverige Index, Criteria		2,909	0.5	0.3
Försäkringsaktiebolaget Avanza Pension		2,608	0.4	0.2
Other	474	97,774	15.3	9.6
Investment AB Latour, share buyback		558	0.1	—
	47,641	592,199	100.0	100.0



Wholly-owned industrial operations

Continued profitable growth and a new business area

Latour's wholly-owned industrial operations continued to grow profitably in 2019. Sales growth amounted to 17 per cent in total, and the operating margin rose to 13.4 per cent.

THE ACQUISITION OF CALJAN and the creation of a fifth business area has further increased the importance of Latour's wholly-owned operations. On an annual basis, these operations now generate sales exceeding SEK 15 billion and encompass more than 100 companies. They also provide a solid foundation for continued profitable growth. All five business areas are strongly positioned in their respective niches with companies that develop, manufacture and market proprietary products for customer segments that represent considerable, growing international demand.

GROWTH HAS BEEN STRONG in recent years, but the bar is still set at a high level with a focus on both robust organic growth and acquisitive growth. In 2019, organic growth totalled 6 per cent. To ensure they grow at a faster rate than the economy in general, the operations work systematically to enhance their product portfolios, increase their international presence and

gain market share in existing markets. In 2019, sales generated outside the Nordic region increased from 61 to 65 per cent of total sales, and considerable potential remains. All six acquisitions made in the Group's industrial operations in 2019 boast prominent international exposure. Within the new business area, the majority of Caljan's sales stem from markets outside the Nordic region, with North America being the fastest growing market.

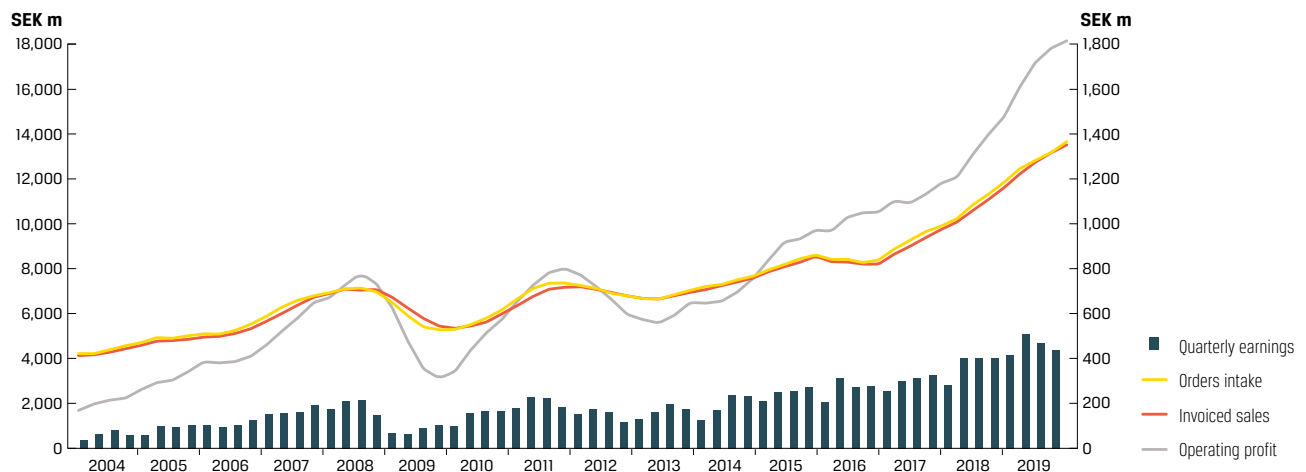
THE OPERATIONS' FINANCIAL targets are to achieve a minimum of 10 per cent average annual growth and operating margin, and 15 to 20 per cent return on operating capital, over a business cycle. The wholly-owned operations achieved Latour's minimum financial targets during the year.

All operations are at the forefront of product development, which is critical to the achievement of key competitive advantages and continued international growth in the future too.

23%

The industrial operations saw their operating profit increase by 23% in 2019.

GROUP - TRAILING 12 MONTHS





Caljan

Since 1963, Caljan has specialised in helping parcel carriers, retailers and manufacturers around the world handle loose cargo efficiently. Today, Caljan has a global brand leadership on a market with strong underlying growth.

CALJAN AT A GLANCE

Caljan is a leading provider of highly engineered Logistics Automation Technology that optimises the supply chain. Caljan's solutions are used by blue-chip customers for whom fast, safe and cost-efficient parcel handling are key competitive differentiators. The business comprises four global divisions and more than 90 per cent of revenue is driven by E-commerce.

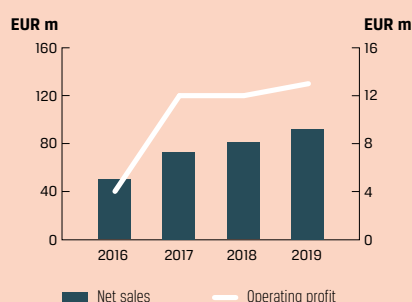
IMPORTANT EVENTS IN 2019

- ▶ Became part of Latour from Dec 1.
- ▶ Strong sales growth and strong earnings, well above Latour's targets.
- ▶ Won largest labelling order to-date, from Amazon-owned Book Depository, continued to provide La Poste with hundreds of Telescopes, incl. recent innovation Express Snoot, and was selected as preferred service contractor for Hermes.
- ▶ Initiated capacity expansion in Latvia and decision to establish production in the US.

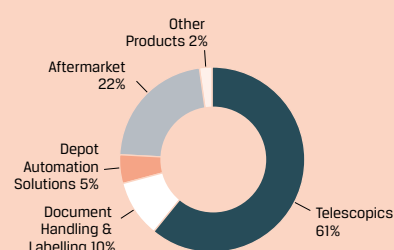
STRATEGY FOR PROFITABLE GROWTH

- ▶ Continuing focus on growing strategic customers, with particular emphasis on e-commerce.
- ▶ Increase production capacity and growth, both in Europe and US.
- ▶ Country-by-country roll-out of service and subsequently Depot Automation Solutions.
- ▶ Large and fast-growing installed base of telescope equipment providing firm foundation for strong relationships and recurring streams.

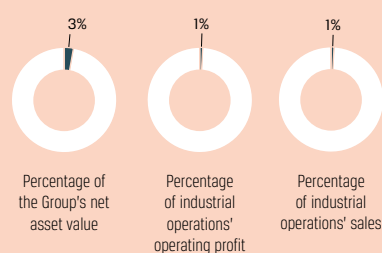
SALES AND EARNINGS



BREAKDOWN OF SALES BY PRODUCT AREA



PERCENTAGE OF NET ASSET VALUE, OPERATING PROFIT AND SALES





Hultafors Group

Hultafors Group provides a portfolio of leading brands that keep driven professional users at the forefront in terms of functionality, safety and overall productivity.

HULTAFORS GROUP AT A GLANCE

Hultafors Group is one of Europe's largest companies to supply workwear, footwear, head protection, hand tools and ladders for professional users. The products are developed, manufactured and marketed as their own brands, which are available through leading distributors in almost 70 countries worldwide, with emphasis on Europe and North America.

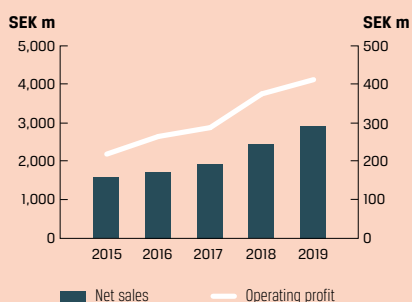
IMPORTANT EVENTS IN 2019

- ▶ Strong sales growth in both product areas. Robust earnings as a result of strong sales and good cost control.
- ▶ High rate of investment in product development, sales and digitalisation.
- ▶ Acquisition of Custom LeatherCraft Mfg. LLC, a leading US designer and developer of work gear, personal protective equipment and outdoor gear.
- ▶ Launch of Hultafors Tools in the US, the first step in bringing Hultafors Group's brands to the North American market.

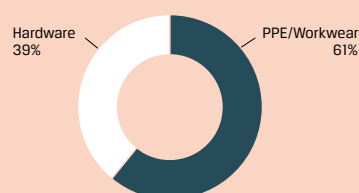
STRATEGY FOR PROFITABLE GROWTH

- ▶ Create organic growth through product development, more efficient use of sales and distribution channels, increased investment in marketing and stronger relationships with end users.
- ▶ Make complementary acquisitions of brands with strong positions among distributors and end users.

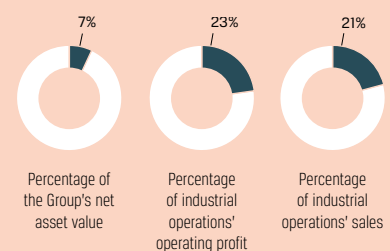
SALES AND EARNINGS

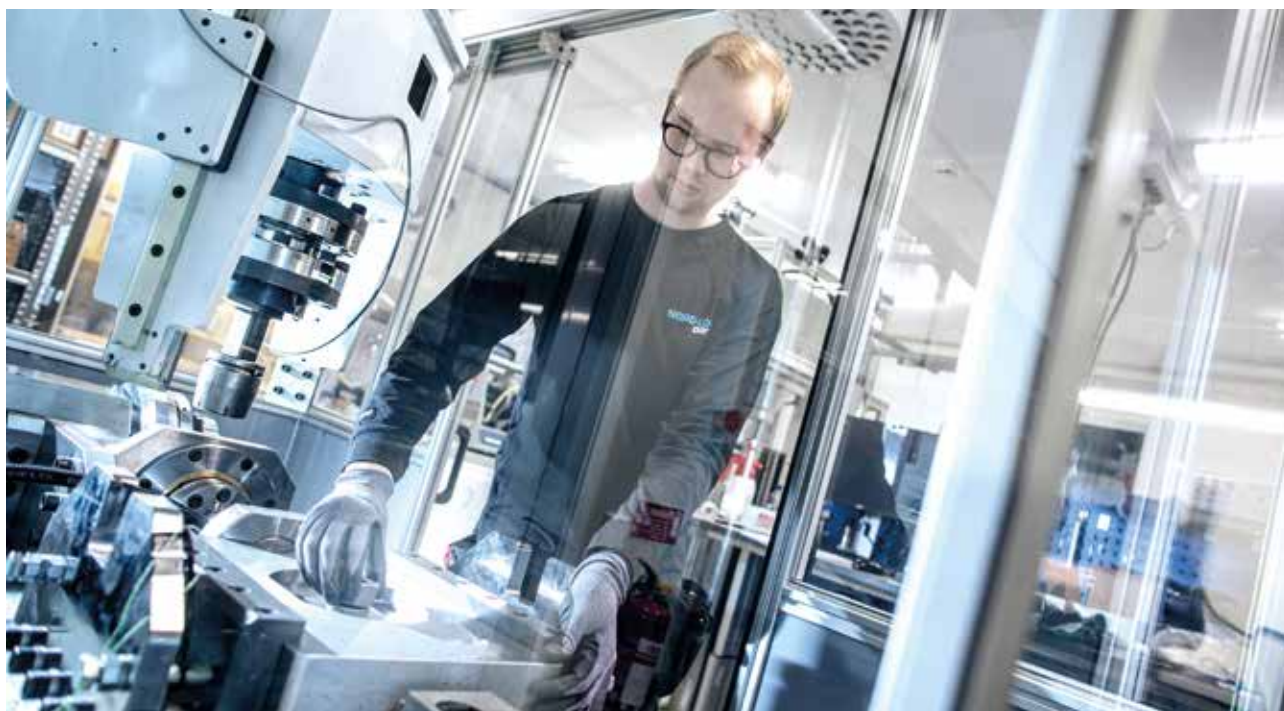


BREAKDOWN OF SALES BY PRODUCT AREA



PERCENTAGE OF NET ASSET VALUE, OPERATING PROFIT AND SALES





Nord-Lock Group

Nord-Lock Group is a world leader in secure bolting solutions. For over 35 years, the Group has provided innovative solutions and expertise to customers in all major industries, contributing to the reliability and effectiveness of their bolted connections.

NORD-LOCK GROUP AT A GLANCE

Nord-Lock Group focuses on customers in all major industries with high demands on quality and safety where the consequences of bolt failure would be significant. Over 90 per cent of sales are exported. Sales are conducted through a combination of own companies and a global network of distributors.

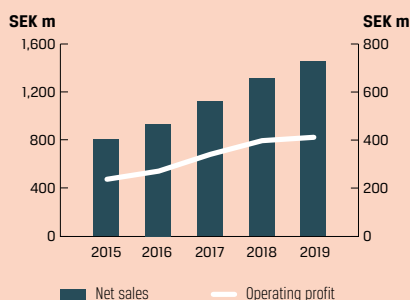
IMPORTANT EVENTS IN 2019

- ▶ Continued robust organic sales growth with maintained high profitability. Asia Pacific showed particularly strong growth of 28 per cent.
- ▶ Initiated investments to upgrade 3 main production facilities in US and Sweden.
- ▶ Launched new unique products, such as SMART sensors integrated into tensioning.
- ▶ Received the "Export Hermes" award by the Swedish foundation "Fonden för Exportutveckling" (Export Development Fund).

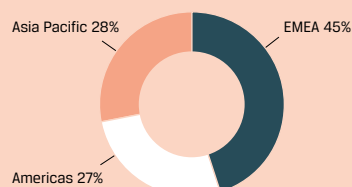
STRATEGY FOR PROFITABLE GROWTH

- ▶ Development of capacity and efficiency in production and logistics to meet rising customer demand in a cost-effective manner.
- ▶ Expanding the business through organic growth and value-adding acquisitions.
- ▶ Maintain the thought leadership position via customer-centric R&D, catalysed by digital and SMART technologies.

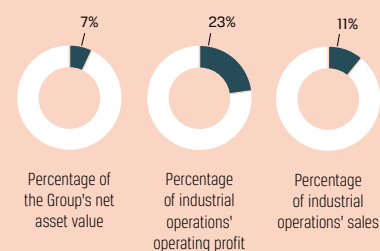
SALES AND EARNINGS



BREAKDOWN OF SALES BY MARKET



PERCENTAGE OF NET ASSET VALUE, OPERATING PROFIT AND SALES





Swegon

Swegon maintains a clear focus on indoor environmental quality for people's wellbeing, health and comfort in buildings. Feel good inside.

SWEGON AT A GLANCE

Swegon supplies the market with high quality products and intelligently designed system solutions that promote a superior indoor climate and contribute to lower life-cycle costs for all types of buildings. Sales and marketing activities are conducted through the Group's sales companies in 17 countries and through distributors to other markets. The company has production in Europe, North America and India.

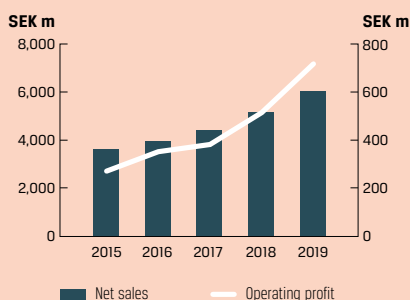
IMPORTANT EVENTS IN 2019

- ▶ Continued strong organic sales growth in all business units and key markets.
- ▶ Strong earnings performance, fuelled by rising volumes, high capacity utilisation and successful product launches.
- ▶ Acquisition of Klimax AS, a leading distributor of products for heating and cooling indoor climate in Norway.

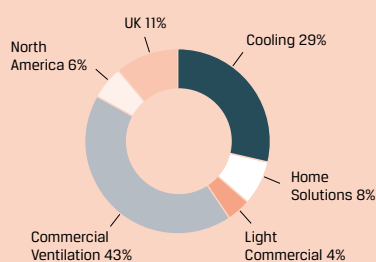
STRATEGY FOR PROFITABLE GROWTH

- ▶ Differentiation through market-leading, innovative system solutions for improved indoor climate.
- ▶ Increased focus on superior customer experience through digital solutions and services.
- ▶ Creation of strongholds in key European markets through acquisitions and development of existing operations. Continue to strengthen presence in North America.

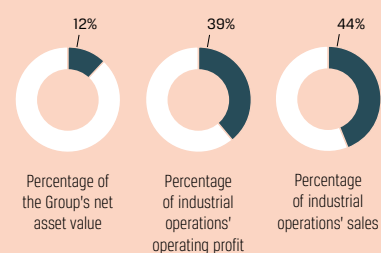
SALES AND EARNINGS



BREAKDOWN OF SALES BY BUSINESS UNIT



PERCENTAGE OF NET ASSET VALUE, OPERATING PROFIT AND SALES





Latour Industries

Latour Industries is a miniature of Latour in which active and careful ownership contributes to a stable and independent development of each holding. The goal is for the holdings to become independent business area within Latour at some point in the future.

LATOUR INDUSTRIES AT A GLANCE

Latour Industries consists of six wholly-owned holdings and one part-owned holding, each of them with their own products with high technology content and a clear potential for growth. Each of the holdings has its own business concept and business model.

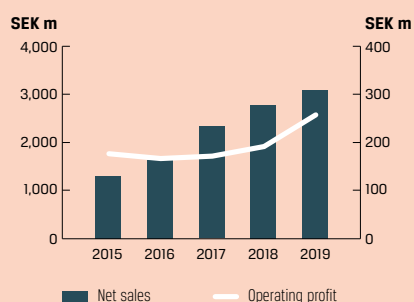
IMPORTANT EVENTS IN 2019

- ▶ Continued rise in net sales and continued improvement of profitability.
- ▶ Two acquisitions within Accessibility: TKS Heis AS, a leading Norwegian manufacturer and installer of platform lifts, and Invalifts Ltd, a UK company that distribute, install and service platform lifts in the UK.
- ▶ Two acquisitions within Building Automation: SyxthSense Ltd, a UK company with a range of field devices and room controllers; S+S Regeltechnik GmbH, a pan-European leader in advanced sensor technology.

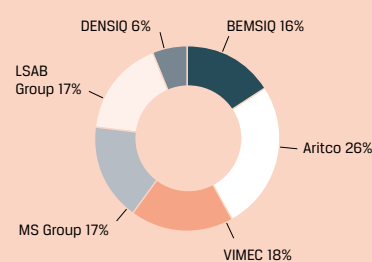
STRATEGY FOR PROFITABLE GROWTH

- ▶ Pursue expansion of current holdings through strengthened sales organisations, intensified product development and add-on acquisitions.
- ▶ Continue to pursue new platform acquisitions in line with Latours' investment criterias.

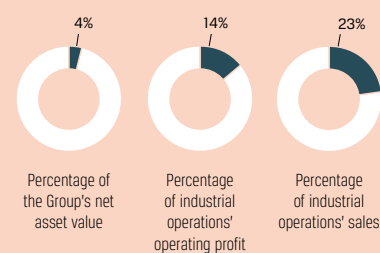
SALES AND EARNINGS



BREAKDOWN OF SALES BY BUSINESS UNIT



PERCENTAGE OF NET ASSET VALUE, OPERATING PROFIT AND SALES



Active principal owner in nine listed holdings

LATOUR'S INVESTMENT portfolio consists of nine companies where Latour is the principal owner or one of the principal owners and where Latour controls at least 10 per cent of the voting rights. Just like in the wholly-owned industrial operations, the work of the Board is a platform for Latour's creation of value. Regardless of the ownership stake, a structured approach is applied in the work of the Board, acquisition processes and integration processes. Latour operates as a transparent principal owner committed to initiatives that realise sustainable growth and profitability.

MARKET VALUE AND TOTAL RETURN

The market value of the holdings at the end of 2019 was SEK 66 billion. The return was 40 per cent, adjusted for dividends. This can be compared with 35 per cent for Nasdaq OMX Stockholm (SIXRX).

INVESTMENT PORTFOLIO

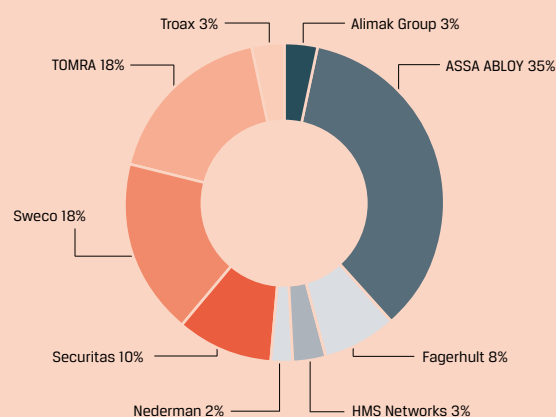
Share	Market value, SEK m ¹	Share of votes, % ²	Share of equity, % ³
Alimak Group	2,207	29.2	29.2
ASSA ABLOY	23,104	29.5	9.5
Fagerhult	4,886	46.6	46.3
HMS Networks	2,092	26.0	25.9
Nederman	1,416	30.0	30.0
Securitas	6,417	29.6	10.9
Sweco	11,783	21.3	26.9
TOMRA	11,487	26.4	26.3
Troax	2,182	30.1	30.1
Total	65,574		

¹ The last price paid is used as the listed share price.

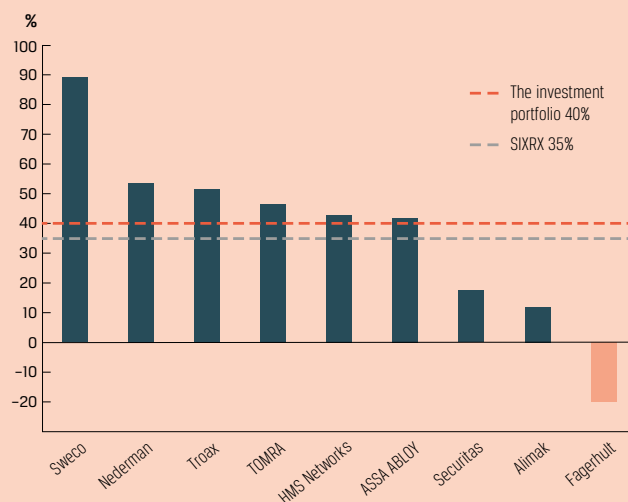
² Share of votes calculated after deduction of treasury shares.

³ Share of equity calculated based on total number of shares issued.

BREAKDOWN OF INVESTMENT PORTFOLIO'S VALUE



TOTAL RETURN OF THE PORTFOLIO COMPANIES FOR 2019



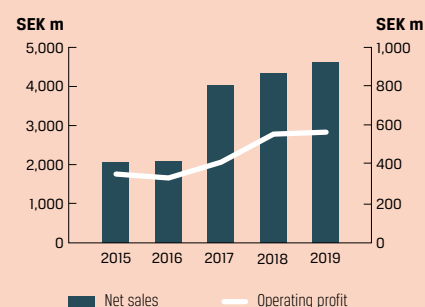
The total return, including share price growth and dividend, for each portfolio company compared with the SIXRX benchmark index in 2019.

ALIMAK GROUP

ALIMAK GROUP is a global market leader in vertical access solutions for professional use, with sales to more than 100 countries. The Group has an installed base of around 70,000 elevators, hoists, platforms, service lifts and building maintenance units around the world and has been a pioneer and an industry leader for more than 70 years.



NET SALES AND OPERATION PROFIT

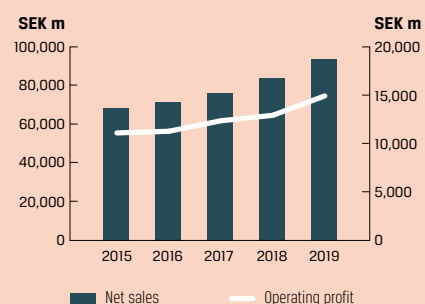


ASSA ABLOY

ASSA ABLOY GROUP is the global leader in access solutions. Everyday, ASSA ABLOY helps billions of people experience a more open world through innovations that enable safe, secure and convenient access to physical and digital places. The offering covers products and services related to access solutions; such as locks, doors, gates, cards, mobile identity, passports and entrance automation solutions.



NET SALES AND OPERATION PROFIT

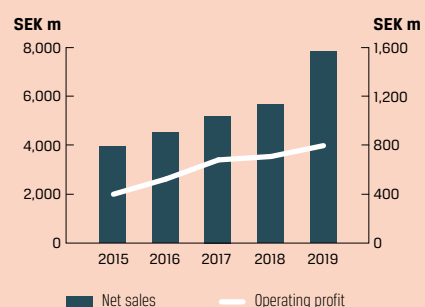


FAGERHULT

FAGERHULT is one of Europe's leading lighting companies with subsidiaries in a total of 30 countries in four geographical business areas. The company designs, develops, manufactures and markets innovative and energy-efficient lighting solutions for professional indoor, retail and outdoor application areas.



NET SALES AND OPERATION PROFIT

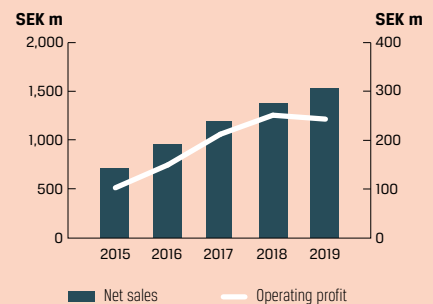




HMS NETWORKS is a world-leading supplier of software and hardware for industrial communication and the industrial Internet of Things (IIoT). Over 90 per cent of its sales are outside of Sweden to some 60 countries in all. The head office is located in Halmstad in Sweden.



NET SALES AND OPERATION PROFIT

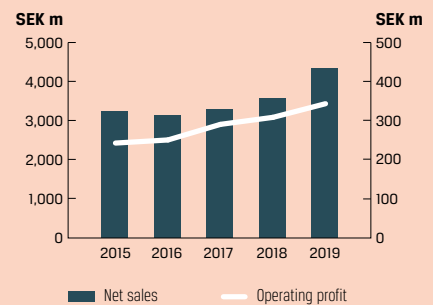


Nederman

NEDERMAN is a global leader in industrial air filtration dedicated to capturing, measuring, controlling and cleaning air to make industrial production more efficient, safe and sustainable. Based on industry leading products, solutions and services in combination with an innovative IoT platform we deliver knowledge and facts needed to optimise performance and guarantee emissions compliance.



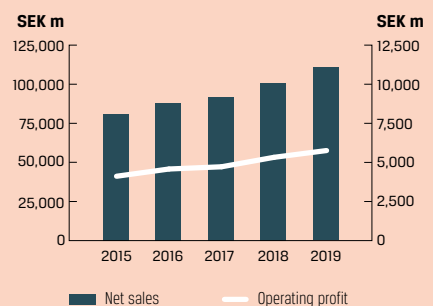
NET SALES AND OPERATION PROFIT



SECURITAS has a leading position in the security services industry with a strong local and global market presence. The company has 370 000 employees in 56 countries worldwide. Securitas offers a wide range of protective services, including on-site, mobile and remote guarding, electronic security, fire and safety and corporate risk management.



NET SALES AND OPERATION PROFIT

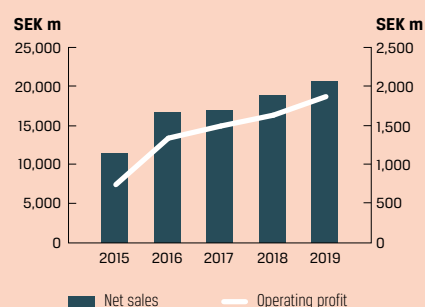




SWECO Sweco is Europe's leading engineering and architecture consultancy. It plans and designs the sustainable communities and cities of the future. The results are sustainable buildings, efficient infrastructure and access to clean water. Sweco has 16,000 employees and applies its expertise in 70 countries.



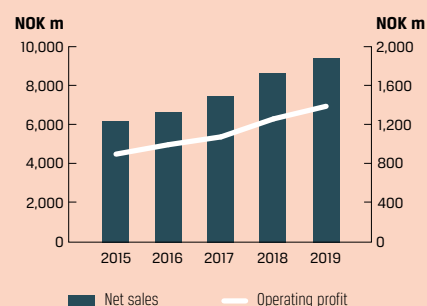
NET SALES AND OPERATION PROFIT



TOMRA is a world leader in sorting and recycling technologies for optimal resource productivity. The company was founded in Norway in 1972 and today has more than 4,000 employees and operations in over 80 countries worldwide. Its products and services are offered in two business areas: TOMRA Collection Solutions and TOMRA Sorting Solutions.



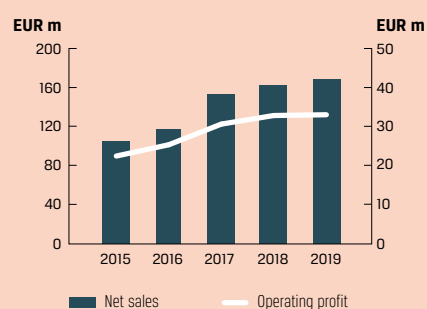
NET SALES AND OPERATION PROFIT



TROAX is the leading global supplier of indoor perimeter protection for the market segments Machine guarding, Warehouse partitioning and Property Protection. Troax develops high quality and innovative safety solutions to protect people, property and processes.



NET SALES AND OPERATION PROFIT



Latour is a mixed investment company that makes long-term investments in sound companies which have their own products that meet growing international demand. Its operations are primarily carried out in two business lines; a wholly-owned industrial operation and a portfolio of nine listed holdings of which Latour is the principal owner or one of the principal owners.



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