





**Johan Hjertonsson**, President and CEO:

# “OUR FOCUS IS ALWAYS ON CREATING LONG-TERM VALUE”

In a challenging environment, the Latour companies continued to consolidate their positions and boost profitability. Their success is down to a clear and solid strategy for long-term value creation and a skilled and competent workforce.

**F**irst the pandemic and then a war in Europe. How do you deal with this?

“Not only are we witnessing deplorable loss and human suffering in Ukraine, the effects of living in a protracted crisis are having an impact on all of us. It is vital that those of us in positions of leadership are aware of and listen to the needs that exist. The well-being of our employees is always a central focus for us and key to achieving our long-term goals.”

*How well do you think the Latour companies have been managing the challenges on the whole?*

“Our decentralised and performance-based culture has produced leaders who are good at managing transitions and adapt the organisations to changes. This past year was no exception. We have reviewed expenditure, introduced price increases and put great efforts into supplying customers with their orders and delivering on our promises. I am impressed by what has been accomplished in these highly challenging times.”

*The hard work paid off, with three of the six business areas posting an EBIT margin in excess of 20 per cent. How does that feel?*

“I cannot be anything other than extremely pleased by how our wholly-owned industrial operations continue to deliver impressive performances year after year, with 2022 being exceptionally strong. Caljan has successfully managed a massive demand in the wake of the e-commerce explosion spurred by the pandemic and has also delivered an impressive improvement in profitability. Bemsig is continuing to successfully build compa-

"I cannot be anything other than extremely pleased by how our wholly-owned industrial operations continue to deliver impressive performances year after year."

**Johan Hjertonsson**

on the strong development in Latour's business areas.

nies in a market with strong, long-term growth, and during the year it took the next step in its North America expansion. Hultafors Group goes from strength to strength with stable margins and a clear strategy to continue to gain share in a market that offers significant potential. Swegon experienced problems with supplies of high-tech components for its products in the first half of the year. These were solved and production rebounded strongly to enable the company to continue to deliver on its large order book. Nord-Lock Group has a strong link to the global industrial economy and has accelerated its innovation efforts to allow it to grow in existing and new segments that require products that are designed to deliver maximum possible safety. Finally, Latour Industries, which is like a miniature Latour with its own portfolio of interesting companies with the potential to eventually become separate business areas.”

*You continued to acquire companies at a high pace despite the challenges and uncertainties in the market. Can you tell us more?*

“Of the 15 acquisitions we made during the year, three were within Latour Future Solutions, our relatively





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**JOHAN HJERTONSSON**

**Position:**  
President and CEO

**Years at Latour:**  
13 years, including those as CEO of AB Fagerhult, one of Latour's ten listed portfolio companies.

**Previous experience:**  
CEO of AB Fagerhult and Lammhult Design Group AB. Senior positions within the Electrolux Group.





recently-established investment area. The rate of acquisition activity has been high because we have independent companies that are continuously seeking out opportunities to boost their profitable growth. Their sound-ing board is our strong six-person business development team, which is constantly analysing the market to identify and propose potential acquisition targets. So the level of acquisition activity is high in every way at Latour. We must not forget that our six business areas comprise around 200 companies that have been acquired by Latour at some point in time. I am also pleased to report that some of our listed companies have made transfor-mational and major acquisitions during the year. The acquisition of STANLEY Security boosted Securitas' position, and the acquisition of the French company Tractel provided Alimak Group with a leading position. Furthermore, ASSA ABLOY is awaiting approval from the competition authority to acquire the HHI division of Spectrum Brands. The acquisition will enhance its presence in the US market.

We acquire companies in order to retain and develop them, not to sell them on. Our focus is always on creat-ing long-term value, which is one of the main reasons for Latour's impressive growth over the years."

*You have also been very active within the area of sustainability. How important is this for you?*

"It is extremely important, or central I would say. There is always a lot going on in our operations with the development of sustainable products and internal efforts to minimise negative environmental impacts and focus more on the social aspects. It was apparent to me at our annual Latour Sustainability Day event, which took place in November, how proud the about hundred participants are to be part of a group that has this strong focus. Creating networks and learning from one another is by far the most effective way to advance your develop-ment within this area. Getting involved and establishing leading positions in the transition to a green economy is also a powerful way to create value. It really does pay off to have a strong focus on sustainability in our operations, and it allows us to help further drive the transition. This is a trend that is here to stay and is growing in strength."

*Any other initiative in that field that you would like to mention?*

"At the end of the year, the sustainability targets of ASSA ABLOY, our largest holding, were verified and vali-dated by the Science Based Targets initiative (SBTi), which means that the targets are science-based and in line with the requirements to limit global warming to 1.5°C. This motivates the rest of us to follow suit and is a critical factor for being able to make a difference in the



## THREE THINGS ON MY RADAR FOR 2023



### TALENT MANAGEMENT

There are lots of opportunities for development and many employees have progressed far. We will continue our focus on securing talented individuals, both new ones and those who are already part of the organisation.



### THE TRANSITION TO A GREEN ECONOMY

The transition will increasingly dominate the agenda and create significant opportunities for those businesses that have the right offering for the market and are not afraid to invest. Latour is set to play a key part in the transition in many areas.



### EMPLOYEE WELL-BEING

We are now in the fourth year of crisis. It's affecting all of us. We need to be responsive to evolving needs and demands and to maintain a long-term mindset. Investing in our employees' well-being is the single most important investment.



**“We acquire companies in order to retain and develop them, not to sell them on. Our focus is always on creating long-term value.”**

**Johan Hjertonsson**

on the reason for Latour's impressive growth performance over the years.

climate change arena. I think it's fairly safe to say that we will have something similar in place for the wholly-owned industrial operations in the near future. It is also important for us that we have signed the UN Global Compact, whereby we commit to operating our business in line with the Ten Principles of labour, human rights, anti-corruption and the environment.”

*Is there anything in particular that you yourself have learned or gained deeper insight into in 2022?*

“That is what is so fascinating about being the CEO of a business like Latour. You learn something new every day, particularly from others. This is now my fourth year as CEO and what I'm still constantly inspired and impressed by is the knowledge and commitment of all the employees I meet and work with. I spent part of last year visiting many of our operations and meeting customers and partners. It is quite amazing to experience close up how that special corporate culture, motivational force and entrepreneurship drive the development of our companies.”

*Last, but not least, what should be our focus as we head into 2023?*

“We need to be humble about developments. The world has experienced some exceptional challenges over the past three years, and I believe we need to be

prepared for an uncertain environment in the coming year too. Not only must our operations be well prepared for what may come, we must also be ready to take advantage of long-term strong trends, such as the transition to a green economy, be able to create added value in the companies and make an active contribution. The revised financial targets that we communicated at the beginning of 2023, and which include a higher profitability target, clearly indicate that we believe in continued creation of long-term value. A business needs a skilled and competent workforce for it to be able to deal with challenges while growing and developing its operations at the same time. And that's exactly what Latour has. A tremendous thank you to all of you for your commitment and efforts over the past year.”

*Gothenburg, March 2023*

**Johan Hjertonsson**  
President and CEO

## This is Latour

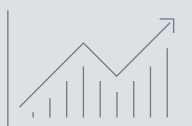
# We believe in active ownership

Latour makes long-term investments in companies with proprietary products and brands supported by global megatrends, and good prospects for internationalisation.

**LATOUR'S OPERATIONS** are primarily carried out in two business lines: a wholly-owned industrial operations and a portfolio of listed holdings. There are also a handful of other holdings, mainly in Latour Future Solutions. In all holdings, Latour acts as an active principal owner, where the work of the Board is the most important platform for the sustainable creation of value.

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

**LEADERSHIP PLAYS A** central role in the corporate governance. Leaders at Latour should be culture carriers and role models. They should assume responsibility for performance, sustainable value creation and the well-being of the organisation. The leadership style is characterised by freedom with responsibility and is favourably combined with feedback and transparency.



### 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 CONCEPT

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



### CORE VALUES

- ▶ Long-term perspective
- ▶ Businessmanship
- ▶ Trust & Accountability
- ▶ Development

Governance is characterised by a delegated decision-making structure, with each holding having a unique corporate 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.

**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's shareholders are offered active corporate governance 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 (minimum for every holding**)	>10 per cent
Operating margin (average across all holdings)	>15 per cent
Return on operating capital (minimum for every holding)	>15 per cent

\* The financial targets apply from February, 2023.

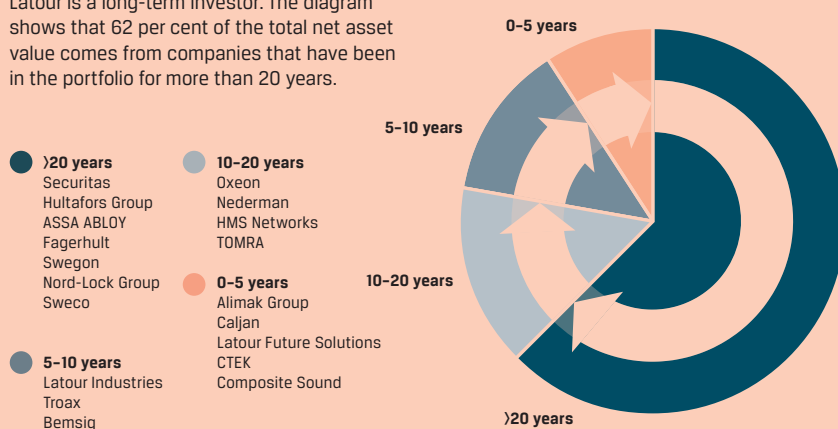
\*\* Organic growth shall be prioritized.

**DIVIDEND POLICY**

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

**CREATING LONG-TERM VALUE**

Latour is a long-term investor. The diagram shows that 62 per cent of the total net asset value comes from companies that have been in the portfolio for more than 20 years.

**GROWING INTERNATIONALLY**

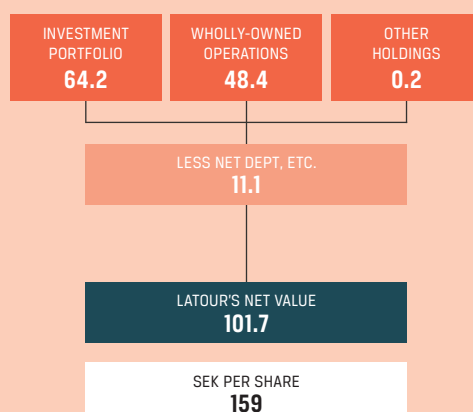
Latour's holdings have a solid foundation on which to grow with their own products and through international expansion. The wholly-owned operations' sales outside the Nordic region have increased from 57 per cent in 2017 to 69 per cent in 2022.

**2017**  
57%

**2022**  
69%

**THE NET ASSET VALUE AND ITS COMPONENTS**

Latour's net asset value is dominated by the investment portfolio and the wholly-owned industrial operations. A description of the method used to calculate the value of the wholly-owned industrial operations can be found on Latour's website, latour.se.



All amounts are in SEK billion unless stated otherwise. These figures apply as at 31 December 2022.

**215,900 PER CENT TOTAL RETURN**

Since the start in 1985, the Latour share has had a total return of approximately 215,900 per cent. This can be compared with 7,800 per cent for the SIXRX. Latour's market value was SEK 126.1 (235.9) billion at the end of 2022.

**Latour**  
215,900%

**SIXRX**  
7,800%



## Organisation

# Small, flexible organisation with a delegated structure

With fifteen employees at the head office and some 450,000 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 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 six business areas with a clear and delegated responsibility. Leadership plays a central role in Latour's ownership control, and close cooperation with the business areas' management teams is of great importance. The business areas are responsible for a sustainable development 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 fifteen 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



**Standing, from the left:** Johan Hjertonsson, Mariana Burenstam Linder, Eric Douglas, Joakim Rosengren, Lena Olving, Carl Douglas and Anders Böös. **Sitting from the left:** Ulrika Kolsrud and Olle Nordström.

## Latour's employees



**Standing from the left:** Johan Hjertonsson, Angelica Pavlic, Katarina Rautenberg, Jonas Davidsson, Ida Berntsson, Fredrika Ekman, Niclas Nylund, Fredrik Lycke, Gustav Samuelsson, Hedvig Wennerholm, Anders Mörck, Ida Saalman, Torbjörn Carlén och Johan Menckel. (Absent: Maria Asterholm)



## Sustainability

# A key enabler for creating long-term value

Sustainability plays a central role for Latour and is integrated into every aspect of its operations. A strong sustainability focus is vital to the creation of long-term value.

**SUSTAINABILITY IS CLEARLY** reflected in Latour's four core values and is embedded in all elements of its operations. As an investment company, Latour's most important contribution to sustainability is to direct financial resources to companies with the best conditions to create sustainable values, and then to be an active and responsible owner. Sustainability is a key factor in the investment process and Latour recognises there are signifi-

cant benefits to be gained from promoting business networks between the holdings to drive sustainable development forward by learning from one another. Through board work, Latour is a driving force in, and has high expectations for, sustainable development in all holdings.

Read more about the sustainability work in Latour's Sustainability Report, which is part of the Annual Report, and on the Group website.

## Driving forces for a sustainable development

**AS AN ACTIVE OWNER**, Latour drives sustainability work forward, including through knowledge synergies and financing.

Networking and knowledge transfer between holdings accelerate the sustainability work. The annual Latour Sustainability Day event has been organized since 2020 with attending participants from all holdings within Latour.

Another important initiative is the Latour

Sustainability Forum, a network for people within Latour working with sustainability who meet at least ten times a year to exchange experiences and test ideas.

Development requires resources and financing is one of Latour's strengths. For the wholly-owned holdings, Latour provides a sustainability fund to which SEK 50 million is added each year for investments aimed at achieving one or

more sustainability targets. In 2022, the fund granted support for several installations of solar panels.

In 2022, Latour has also established a green framework in accordance with the EU taxonomy and the proposed European Green Bond Standard that enables green financing. The same year, Latour issued the first two green bonds for a total of SEK 700 m.



The business development team at Latour:  
Johan Menckel, Gustav Samuelsson, Fredrika Ekman,  
Fredrik Lycke, Ida Saalman and Niclas Nylund.



## Latour's business development team

# CONTINUED ROBUST PACE OF ACQUISITION ACTIVITY

Latour's business development team kept up a brisk pace in 2022 as well. No fewer than 15 acquisitions were made in the wholly-owned operations, and the team supported the implementation of some of the largest acquisitions ever in the investment portfolio.

**T**he macroeconomic situation has been characterised, in 2022, by the war in Europe, which has had significant effects on energy prices and inflation. Interest rates have risen and financing opportunities have been restricted for many. The number of company transactions has also been impacted by the large valuation gap between buyers and sellers. At the same time, Latour's long-term approach and strong financial position offers entrepreneurs who want to sell their life's work an attractive option in an uncertain market. During the year, Latour's business development team has spent a lot of time visiting potential acquisition targets and learning more about different businesses. They have secured new contacts which may lead to acquisitions.

**THE WHOLLY-OWNED OPERATIONS** are planning to grow via add-on acquisitions. A total of eleven businesses were acquired in 2022. All but one business area added new operations. Swegon purchased three companies that add annual sales of almost SEK 800 million and strengthen its position within prioritized product areas. Latour Industries also completed three acquisitions, of which the acquisition of MAXAGV allows Latour to establish a new presence within the industrial automation market.

### ACQUISITIONS

#### Selection from 2022

- ▶ Barcol-Air
- ▶ Samp
- ▶ MAXAGV
- ▶ ABC Ventilations-produkter
- ▶ Esse-Ti
- ▶ DENT Instruments
- ▶ Telesteps

Although some of the acquisitions have small sales volumes they are nevertheless strategically important. The acquisition by Hultafors Group of the American company Martinez Tool Co gives it access to a strong premium tool brand and offers greater opportunities for launching other quality tools in the North American market. Bemsig's subsidiary S+S Regeltechnik acquired the German company Consens, giving it access to a product portfolio and technical expertise that constitute a perfect complement to S+S Regeltechnik's offering and will also promote growth.

**NOT ONLY HAS THE LEVEL OF ACTIVITY** been high across the wholly-owned operations, some of the listed companies have made their largest ever acquisitions. Latour's team has been engaged in the processes, providing both analysis and financing support. Securitas' acquisition of STANLEY Security accelerates the company's transformative journey towards technology-based security solutions, and Alimak Group's acquisition of Tractel adds a new vertical, Height Safety & Productivity Tools, to the business.

Whatever the market situation, it is likely that Latour will maintain its brisk pace of acquisition activity throughout 2023. International expansion continues to be a priority, including in Europe where several industries look set to increase their rate of growth ahead. ●

**Johan Menckel**, Chief Investment Officer:

**"Since the businesses that we acquire are already successful, it is important that management continues to drive its strategy"**

**H**as the year lived up to your expectations?  
 "Yes it has, very well. We are operating in a complex environment and our companies have performed well and made a relatively large number of acquisitions. The strength that exists in our business areas allows for continual growth through add-on acquisitions. In addition, we have supported our listed companies by financing a number of transformational acquisitions. It shows that we are owners with a long-term perspective and brave."

*What are the dominant trends today?*

"It is important that the companies we look at are supported by the megatrends that we believe are going to create value. The transition to a green economy has been the dominant theme in 2022. Huge investments in new energy, energy efficiencies and circular business models are essential if the world is going to be able to meet all the challenges associated with emission levels and energy supply. What's important is for us to understand what opportunities this massive transition will bring. There is a direct link to trends like electrification and digitalisation. But the overriding trend that we need to be part of and focus on is the achievement of a more sustainable world. We have a portfolio today of strongly positioned companies, like Bemsig, where there is significant demand for energy-efficiency technologies for properties, but there is much more to do."

*What other parameters do you look at when considering an acquisition?*

"The companies must have proprietary products, opportunities to grow internationally and have delivered a strong financial performance for some time. We want to purchase companies with a proven, robust business model. It is also important that the industry is not too cyclical, that the company has a strong position in the value chain and that we are able to add value."

*Have you ever had to withdraw from the acquisition process at a late stage?*

"In cases where we have, other than the price being too high, it is because we feel we cannot add enough value, or we simply don't have the expertise required for that particular niche or industry. Other reasons are that the analysis shows there is not a strong enough basis for profitable growth or that the company fails to meet our sustainability standards. The people are the most important factor. There has to be an atmosphere of understanding and trust as well as a genuine chemistry in order to grow and develop together in the long term. If that doesn't exist, then we decline to proceed."

*What are the key characteristics of Latour, as an owner?*

"We acquire companies with a local presence, which we consider to be a position of strength. We help them invest in R&D, marketing and production, with the objective of improving their competitive advantage and long-term profitability. Since the businesses we acquire are already successful, it is important to let management continue to drive its strategy, while we offer access to networks and synergies if requested. As we operate with great freedom on the basis of our decentralised decision-making model, many entrepreneurs choose to remain in their company and continue in a position of responsibility. The board that we appoint is business-oriented, and it provides support to and acts as a sounding board for the management team."

*What opportunities for an exchange of knowledge do you offer within Latour?*

"Latour is made up of successful operations that offer unique opportunities to learn from one another, which is beneficial to both their own development and that of the business. Our Sustainability- and CFO-days are good examples of this. Another good example is the Latour Academy in which about 20 individuals from the whole Group work together in teams on a strategic issue. The holdings within Latour Future Solutions strengthen the Group's expertise and knowledge in sustainability-related areas, which are often completely new industries and cutting-edge technologies. Last, but not least, we have a skills network that offers career opportunities for employees within the whole of the Latour Group." ●



## LATOUR IS A FIRM BELIEVER IN ACTIVE OWNERSHIP AND DELEGATED DECISION MAKING



### WHAT WE DO

- ✓ Let management run the business
- ✓ Keep decentralised decision making
- ✓ Keep local presence
- ✓ Appoint business-oriented board
- ✓ Invest in R&D, sales and marketing, and people
- ✓ Offer the Latour network to share insights



### WHAT WE DON'T DO

- ✗ Intervene with day-to-day operations
- ✗ Implement strategic initiatives that do not come from management
- ✗ Enforce unwanted synergies across group companies
- ✗ Use debt to fund acquisitions
- ✗ "Dress the bride" for a future exit



## JOHAN MENCKEL

**Position:**  
Chief Investment Officer

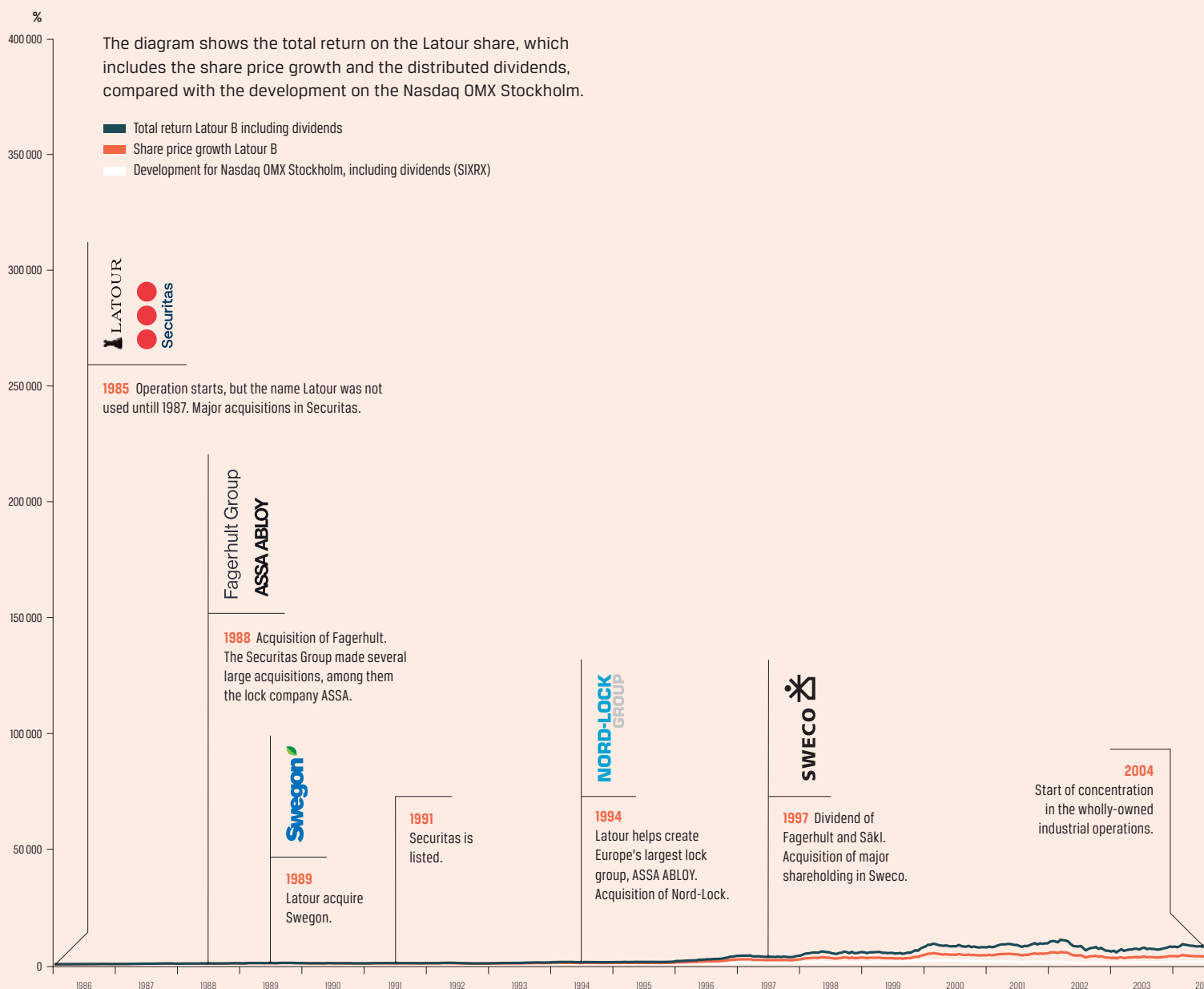
**Years with the Group:**  
1 year

**Previous experience:**  
CEO of Gränges for eight years, various positions at Sapa and consultant at Accenture.

## The Latour share

# Total return of 215,900 per cent

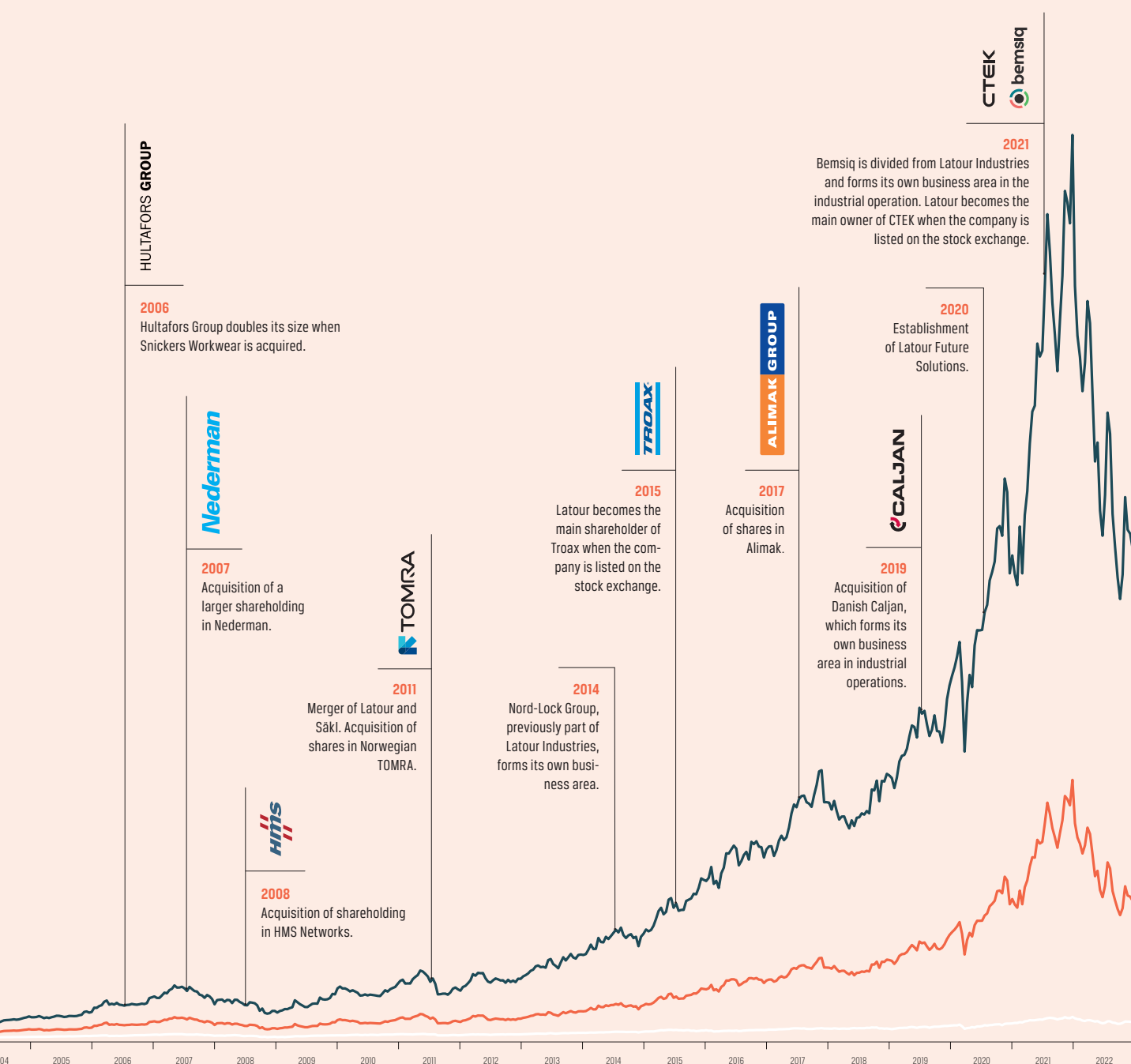
Latour's share is listed on the Nasdaq OMX Stockholm Large Cap list. Latour's history stretches back to the end of 1985. Since then the total return, including share price growth and dividends, has been over 215,900 per cent. In 2022 the total return was -45.7 per cent.





## LARGEST SHAREHOLDERS AS AT 31 DECEMBER 2022

Shareholders	Number of A shares, thousands	Number of B shares, thousands	% of share capital	% of voting rights
The Douglas family with companies	39,958	446,554	76.0	79.2
The Palmstierna family with companies	6,409	3,370	1.5	6.3
AMF - Försäkring och Fonder		11,373	1.8	1.1
The Nordström family with companies	800	1,723	0.4	0.9
State Street Bank and Trust Co, W9		9,186	1.4	0.9
JM Morgan Chase Bank		6,325	1.0	0.6
Spiltan Funds		4,549	0.7	0.4
Bertil Svensson, family and companies		4,104	0.6	0.4
Norges Bank		3,604	0.6	0.3
SEB Investment Management		3,420	0.5	0.3
Other	433	97,517	15.3	9.5
Investment AB Latour, share buyback		515	0.1	-
	47,600	592,240	100.0	100.0



# Continued profitable growth and strong acquisition momentum

Latour's wholly-owned industrial operations maintained profitable growth in 2022, turnover has more than doubled in the last five years thanks to a mix of organic growth and acquisitions. In 2022, eleven businesses were acquired.

## 20%

The industrial operations' operating profit rose 20% in 2022

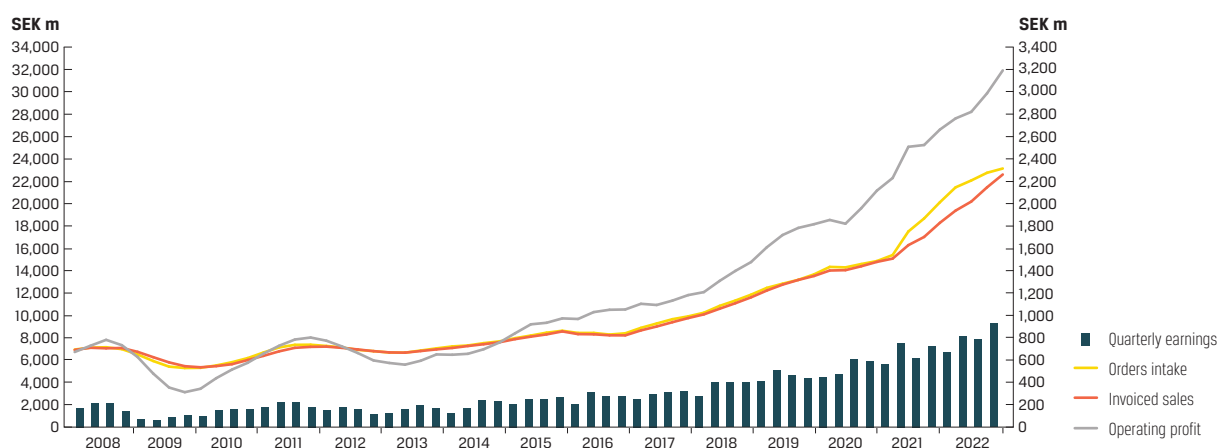
**LATOUR'S WHOLLY-OWNED** industrial operations comprise six business areas with around 200 companies and generate annual sales of approximately SEK 23 billion. All business areas are in leading positions in their respective niches with companies that develop, manufacture and market proprietary products for customer segments that represent considerable, growing international demand.

Although global supply disruptions related to the pandemic started to ease, the markets continued to face challenging economic circumstances with soaring energy prices caused by the war in Ukraine. This has driven inflation across the world markets and the central banks globally have rapidly raised interest rates to counter inflation. Latour's business areas have made it a priority to maintain a high level of service to customers through various measures, such as increasing warehouse capacity. Price increases have been introduced gradually during the year in response to the rising costs of raw materials, freight and more. Investment

in sustainable and competitive production and logistics has also been a prioritised area coupled with the on-going development of energy-saving products and solutions with minimal environmental impact. The international presence has been further bolstered both organically and through acquisitions. Despite the many challenges affecting the market, a total of eleven acquisitions were finalized within the wholly-owned industrial operations. In addition, Latour Future Solutions made three minority investments.

**THE FINANCIAL TARGETS** were revised at the beginning of 2023, read more on page 7. Until 2022, the targets were to over a business cycle achieve average annual growth and operating margin of at least 10 per cent and 15 to 20 per cent return on operating capital. The industrial operations as a whole met all three targets. Currency effects, acquisitions and continued strong demand drove overall growth in the industrial operations turnover to 24 per cent. ●

## GROUP – TRAILING 12 MONTHS





# Bemsiq

Bemsiq comprises a portfolio of companies in the sectors of building automation and metering.

## BEMSIQ AT A GLANCE

Bemsiq's mission is to accelerate the journey towards SMART and GREEN commercial buildings by being a leading global supplier of sensor, control and connectivity technologies and products. Bemsiq is a group of international companies that deliver innovative products to the building automation and metering sector. The products that these companies develop and sell are used in an extensive range of applications that enhance the smartness and environmental performance of buildings.

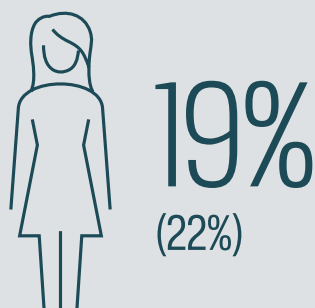
## SIGNIFICANT EVENTS IN 2022

- ▶ Continued good demand resulted in strong sales growth with good profitability, despite supply chain disruptions.
- ▶ S+S Regeltechnik acquired Consens, a German developer of devices, sensors, components and testing technology for humidity, temperature and air quality.
- ▶ Acquisition of the American company DENT, with over 30 years of experience in designing, manufacturing, supplying, and selling products and various accessories for the metering industry.

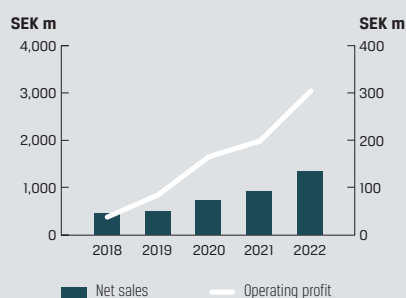
## STRATEGY FOR PROFITABLE EXPANSION

- ▶ Continued high pace of development of new products and technology for the building automation and metering sector.
- ▶ Further expansion of position in key European markets by stepping up activities in existing operations.
- ▶ Continue to grow in North America.
- ▶ Pursue an active acquisition agenda.

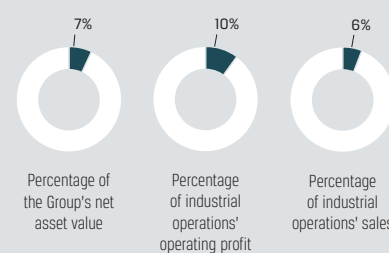
### PROPORTION OF FEMALE MANAGERS



### NET SALES AND OPERATING PROFIT



### PERCENTAGE OF NET ASSET VALUE, OPERATING PROFIT AND NET SALES







# Caljan

Since 1963, Caljan has specialised in helping packing companies, distributors and manufacturers around the world manage loose cargo efficiently. Today, Caljan is a global leader in a strong growth market.

## CALJAN AT A GLANCE

Caljan is a leading supplier of equipment, solutions and services that optimize loading and unloading processes within logistics. Caljan supports customers handling FMCG at many stages of their supply chain, typically centered around e-commerce, postal and distribution. Caljan's solutions are used by large international customers for whom fast, reliable and cost-effective parcel handling represents an important competitive advantage. The business comprises four global divisions.

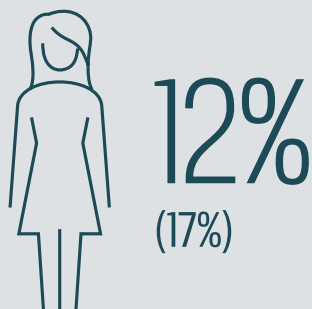
## SIGNIFICANT EVENTS IN 2022

- Strong sales growth, especially in the Aftermarket and Loading & Unloading divisions, and higher profitability.
- Focus on securing supply chains and access to essential components.
- Acquisition of the Austrian company PHS Logistiktechnik, a developer of an innovative system for automatically unloading packages for logistics companies.
- The establishment of the new production facility in Germany was completed.

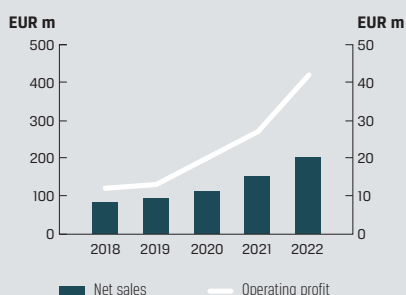
## STRATEGY FOR PROFITABLE EXPANSION

- Grow alongside strategic customers, especially within e-commerce.
- Expand growth in Europe and the US.
- Rollout of Autoloader in the US, which is a prioritised market with great growth potential.
- Further expansion of the Aftermarket division with strong customer contacts and recurring revenue streams.

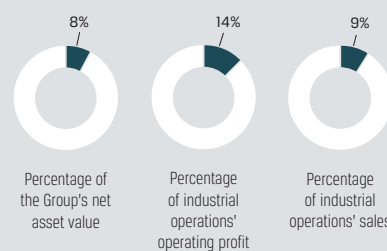
### PROPORTION OF FEMALE MANAGERS



### NET SALES AND OPERATING PROFIT



### PERCENTAGE OF NET ASSET VALUE, OPERATING PROFIT AND NET SALES





# Hultafors Group

Hultafors Group offers a portfolio of leading brands to help professional users stay at the forefront when it comes to performance, safety and productivity.

## HULTAFORS GROUP AT A GLANCE

Hultafors Group is one of Europe's largest companies providing professional users with workwear, safety footwear, head protection, hand tools, ladders, and workplace lighting solutions. The products are developed, manufactured and sold through the company's own brands and are available via leading distributors in nearly 70 countries globally, with the emphasis on Europe and North America.

## SIGNIFICANT EVENTS IN 2022

- ▶ Good performance despite adverse impacts, especially currency exchange fluctuations.
- ▶ Digitalization and sustainability initiatives to improve competitive edge.
- ▶ Acquisition of Swedish Telesteps, a leading manufacturer of telescopic ladders for professional end users.
- ▶ Acquisition of American Martinez Tool Company, a manufacturer of premium tools for professionals.

## STRATEGY FOR PROFITABLE EXPANSION

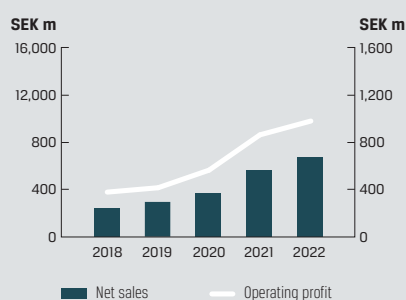
- ▶ Further expansion of position in Europe and North America through organic and acquisition driven growth in a fragmented market.
- ▶ Accelerate organic growth through investments in marketing, sales operations and innovation.
- ▶ High focus and investment in sustainability and digitalization to further strengthen competitive position.

### PROPORTION OF FEMALE MANAGERS

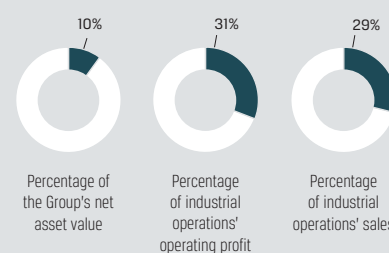


34%  
(36%)

### NET SALES AND OPERATING PROFIT



### PERCENTAGE OF NET ASSET VALUE, OPERATING PROFIT AND NET SALES





# Nord-Lock Group

Nord-Lock Group is a world-leading manufacturer of safe and reliable bolt-securing solutions. Since 1982, Nord-Lock Group has been using its innovative products and extensive expertise to provide reliable and effective bolted joints to customers in all major industries.

## NORD-LOCK GROUP AT A GLANCE

Nord-Lock Group focuses on customers in all major industrial segments where quality and safety standards are high and the consequences of failure would be serious. Over 90 per cent of production is exported. Sales take place through its own companies and a worldwide network of distributors.

## SIGNIFICANT EVENTS IN 2022

- ▶ Strong growth in net sales and sustained high profitability.
- ▶ Demand was negatively impacted by the lockdowns in China during the year.
- ▶ High rate of innovation with several important new product launches.
- ▶ The Nord-Lock wedge-locking washer celebrated 40 years.

## STRATEGY FOR PROFITABLE EXPANSION

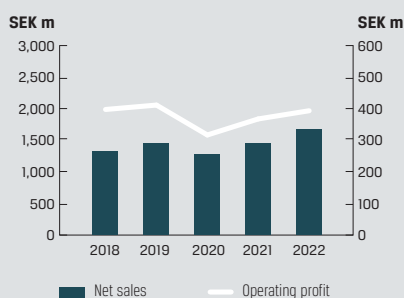
- ▶ Strengthen the position as an industry leader through customer-oriented R&D driven by digital and smart technologies.
- ▶ Accelerate growth through the new, more efficient and customer-focused organization that was launched at the beginning of 2023.
- ▶ Development of capacity and productivity in production and supply chain processes to meet customer demand in a cost-effective manner.

### PROPORTION OF FEMALE MANAGERS

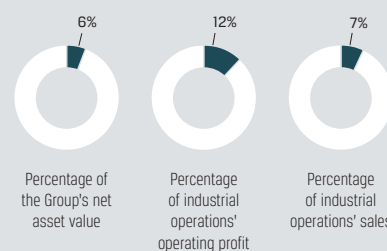


20%  
(11%)

### NET SALES AND OPERATING PROFIT



### PERCENTAGE OF NET ASSET VALUE, OPERATING PROFIT AND NET SALES







# Swegon

Swegon maintains its clear focus on creating quality indoor climate to promote the well-being, health and comfort of those who use the buildings. Feel good inside.

## SWEGON AT A GLANCE

Swegon supplies the market with high-quality products and efficient system solutions that promote a healthy indoor environment and contribute to lower energy consumption and life-cycle costs for all types of buildings. Sales and marketing activities are conducted through its own companies in 17 countries and through distributors in other markets. Swegon has production units in Europe, North America and India.

## SIGNIFICANT EVENTS IN 2022

- Strong growth in net sales, healthy earnings and record high order backlog.
- Supply chain disruptions had a negative impact on net sales and profitability
- Acquisition of the Swiss company Barcol-Air, a leading supplier of radiant ceiling systems.
- Acquisition of the company Samp, one of the leading AHU brands in Italy.
- Acquisition of the Swedish company ABC Ventilationsprodukter.
- Signed agreement of acquisition of UK based Dalair, which was finalized in January, 2023.

## STRATEGY FOR PROFITABLE EXPANSION

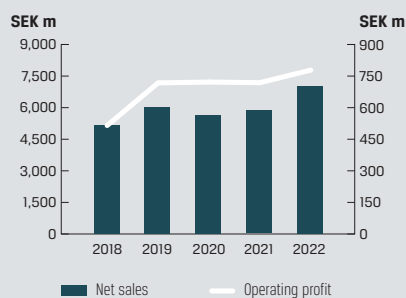
- Differentiate the offering through market-leading, innovative system solutions for a better indoor environment.
- Greater focus on providing a superior customer experience as a business partner to the customers and via digital solutions and service.
- Maintain the strong positions in key European markets through development of existing operations, and continue to strengthen the presence in North America.

### PROPORTION OF FEMALE MANAGERS

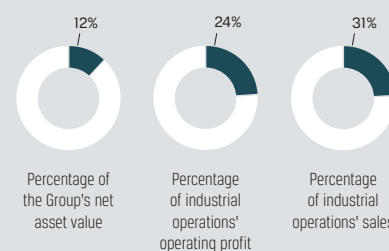


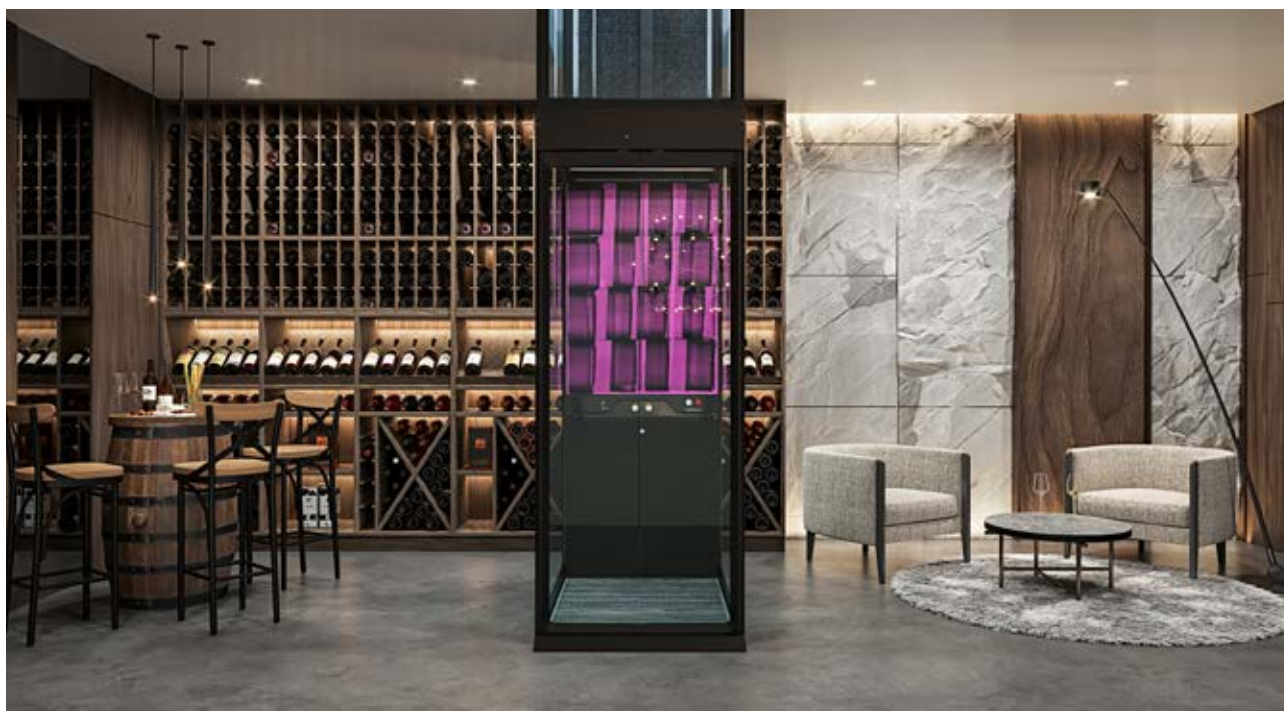
19%  
(16%)

### NET SALES AND OPERATING PROFIT



### PERCENTAGE OF NET ASSET VALUE, OPERATING PROFIT AND NET SALES





# Latour Industries

Latour Industries is a miniature Latour, in which active and careful ownership will result in stable and independent development of the holdings. One of the main goals for the holdings is to become independent business areas within Latour at some point in the future.

## LATOUR INDUSTRIES AT A GLANCE

Latour Industries comprises eight wholly-owned holdings whose proprietary products contain high-tech components and have considerable potential for growth. All holdings have their own business concept and business model.

## SIGNIFICANT EVENTS IN 2022

- ▶ Order intake and invoiced sales growth remained strong.
- ▶ Shortage of components had negative impact on net sales and increased costs for raw materials, energy and transports affected margins negatively.
- ▶ Acquisition of Italian Esse-Ti, a leading manufacturer of alarm systems for lifts.
- ▶ Acquisition of Swedish MAXAGV, a leading provider of automation technology for goods handling solutions.
- ▶ LSAB Group acquired Lahden Teräteos.

## STRATEGY FOR PROFITABLE EXPANSION

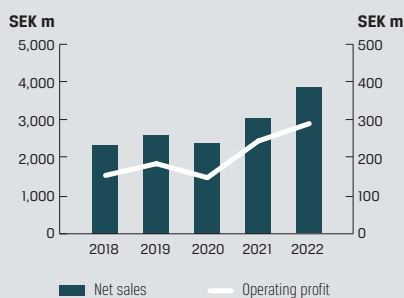
- ▶ Improve the profitability in current holdings by investing in different growth initiatives.
- ▶ Drive expansion in the holdings by strengthening sales organisations, escalating product development and pursuing complementary acquisitions.
- ▶ Continue to implement new platform acquisitions in line with Latour's investment criteria.

### PROPORTION OF FEMALE MANAGERS

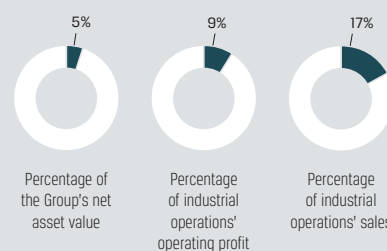


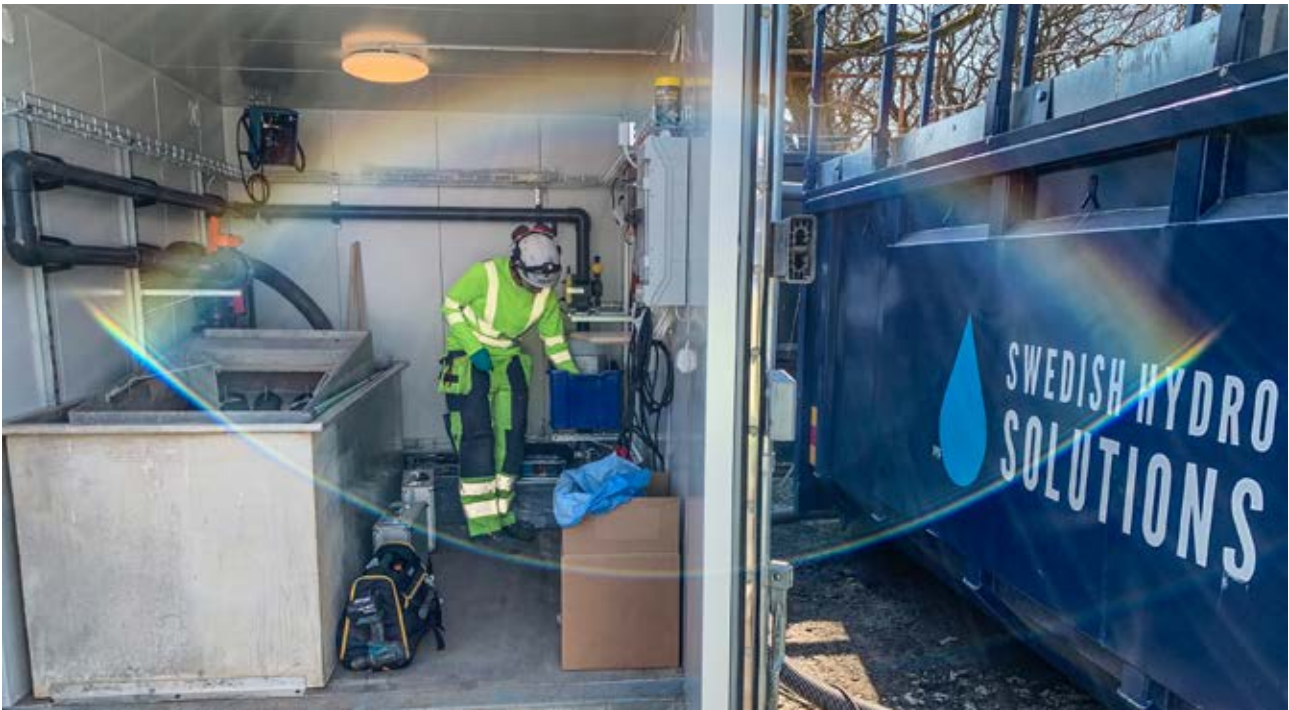
29%  
(26%)

### NET SALES AND OPERATING PROFIT



### PERCENTAGE OF NET ASSET VALUE, OPERATING PROFIT AND NET SALES





# Latour Future Solutions

Latour Future Solutions is an investment area that targets sustainability-focused growth companies.

## LATOUR FUTURE SOLUTIONS AT A GLANCE

The area's core business idea is to make minority investments in growth companies that offer products or services that contribute to a more sustainable society. The total number of companies in the portfolio amount to six at the end of 2022.

## SIGNIFICANT EVENTS IN 2022

- ▶ Investment in SenseNode.
- ▶ Investment in Anolytech.
- ▶ Investment in Qoitech.
- ▶ Network and collaboration between the holdings as well as with other Latour companies has been established.

## FUTURE STRATEGY

In 2023, Latour Future Solutions will be looking for new investments and placing high priority on the process of expanding and developing existing holdings.

## Current business units

### Gaia BioMaterials AB

Develops and manufactures biodegradable biomaterials from renewable sources to replace fossil-based plastics.

### Aqua Robur Technologies AB

Designs and manufactures IoT devices, sensors, energy-harvesting products and software for the water industry.

### Swedish Hydro Solutions AB

Offers sustainable solutions for water treatment via mobile and stationary treatment systems for bilge and stormwater, process water and remediation of polluted areas.

### Sensenode

Has developed a complete IoT-solution with associated SaaS-platform for energy efficiency in all types of industries.

### Anolytech

Has developed a circular system for producing effective disinfection, AnoDes, based on nature's own disinfectant hypochlorous acid, which is a natural part of the immune system of humans and animals.

### Qoitech

Offers solutions for energy optimization of products powered by batteries and various energy harvesting technologies.



# Active principal owner in ten listed holdings

**LATOUR'S INVESTMENT** portfolio consists of ten 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. Latour operates as a transparent principal owner committed to initiatives that realise sustainable growth and profitability. All holdings are at the forefront within their respective industries.

## MARKET VALUE AND TOTAL RETURN

The market value of the holdings at the end of 2022 was SEK 64 billion. The total return was -34.6 per cent, adjusted for dividends. This can be compared with -22.8 per cent for Nasdaq OMX Stockholm (SIXRX).

## INVESTMENT PORTFOLIO

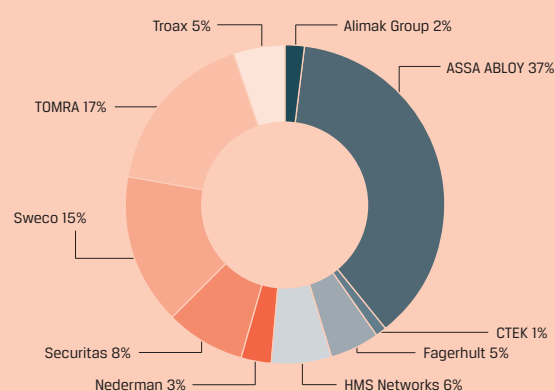
Share	Market value, SEK m <sup>1</sup>	Share of votes, % <sup>2</sup>	Share of equity, % <sup>3</sup>
Alimak Group	1,195	30.0	29.6
ASSA ABLOY	23,599	29.5	9.5
CTEK	627	30.6	30.6
Fagerhult	3,426	48.1	47.8
HMS Networks	4,112	26.0	25.9
Nederman	1,817	30.0	30.0
Securitas	5,430	29.6	10.9
Sweco	9,772	21.2	26.9
TOMRA	10,926	21.1	21.1
Troax	3,298	30.2	30.1
<b>Total</b>	<b>64,202</b>		

<sup>1</sup> The last price paid is used as the listed share price.

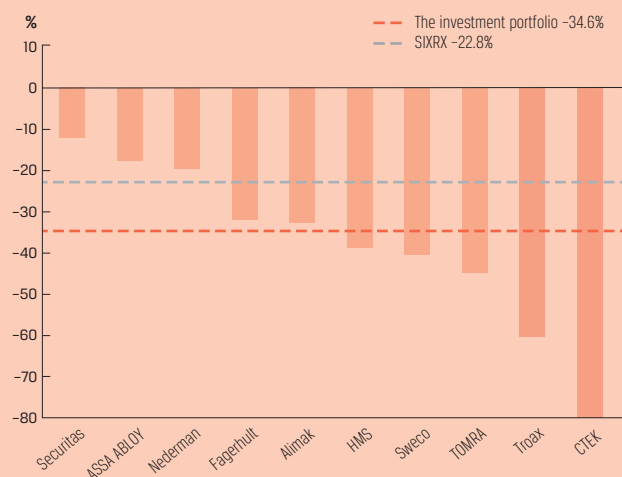
<sup>2</sup> Share of votes calculated after deduction of treasury shares.

<sup>3</sup> Share of equity calculated based on total number of shares issued.

## BREAKDOWN OF INVESTMENT PORTFOLIO'S VALUE



## TOTAL RETURN OF THE PORTFOLIO COMPANIES FOR 2022



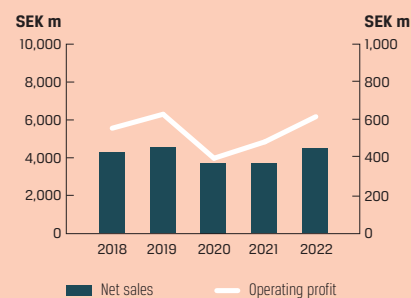
The total return, including share price growth and dividend, for each portfolio company compared with the SIXRX benchmark index in 2022.

## ALIMAK GROUP

**ALIMAK GROUP** is a global provider of vertical access solutions for professional use with sales to more than 100 countries. The Group develops, manufactures, sells and services lifts and platforms under the brands Alimak, Tractel, CoxGomyl, Mann-tech, Avanti and Scanclimber. Alimak Group, founded 1948 in Skellefteå, has 3,100 employees globally.



### NET SALES AND OPERATION PROFIT

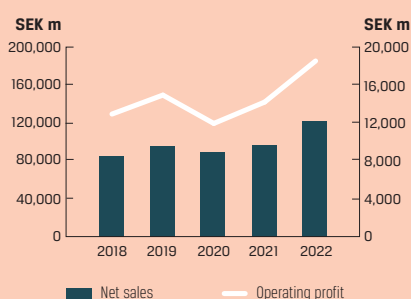


## ASSA ABLOY

**ASSA ABLOY** 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 physical and digital access solutions. The Group is a world leader in access solutions with products and services such as locks, doors, gates and entrance automation solutions.



### NET SALES AND OPERATION PROFIT

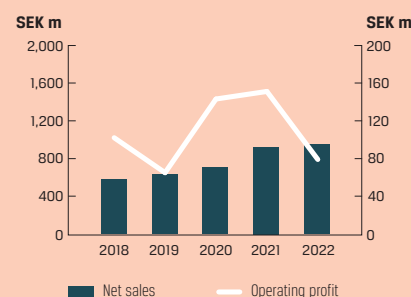


## CTEK

**CTEK** is the leading global brand in battery charging solutions, mainly for vehicles. CTEK develops a range of products, from 12V & 24V battery chargers to charging solutions for electrical vehicles. Products are sold via global distributors and retailers, to more than 50 of the world's leading vehicle manufacturers, and through operators and property owners to provide access to electric charging infrastructure.



### NET SALES AND OPERATION PROFIT

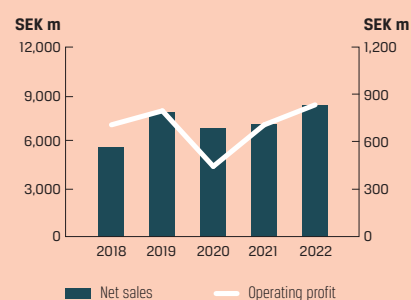


## FAGERHULT

**FAGERHULT** is one of Europe's leading lighting companies with subsidiaries in 27 countries and a global span. Fagerhult designs and manufactures innovative and energy-efficient lighting solutions in four business areas: Collection, Premium, Professional and Infrastructure. The business is conducted locally through twelve strong brands. Sales are also made via agents & distributors to over 40 markets.



### NET SALES AND OPERATION PROFIT

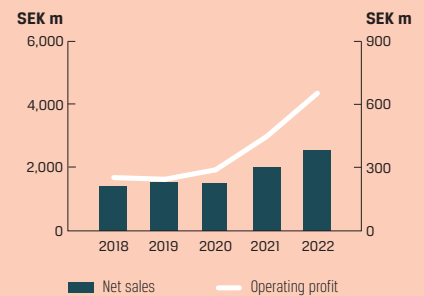




**HMS NETWORKS** is a world-leading supplier of software and hardware for industrial ICT (Information & Communication Technology). Over 90 per cent of its sales are outside of Sweden to some 60 countries. The head office is located in Halmstad with local offices in 17 countries. The products enable industrial devices to communicate with their surroundings.



#### NET SALES AND OPERATION PROFIT

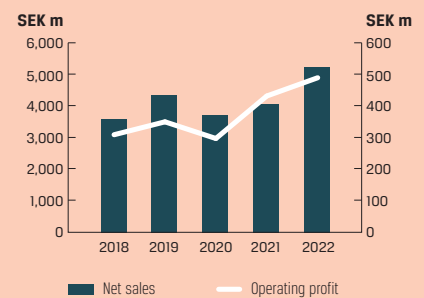


## Nederman

**NEDERMAN** is a global environmental technology company that develops products and systems for advanced air filtration. The solutions protect people, planet and production from the harmful effects of industrial processes. The offer includes individual products, complete future proof IIoT-solutions, design, installation, commissioning and service.



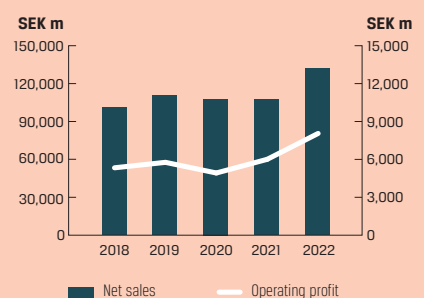
#### NET SALES AND OPERATION PROFIT



**SECURITAS** is the second largest provider of security services globally, with operations in 45 markets and capabilities spanning from guarding to tech-enabled security. Sustainable value is created for customers by protecting what is most important to them – their employees and assets.



#### NET SALES AND OPERATION PROFIT



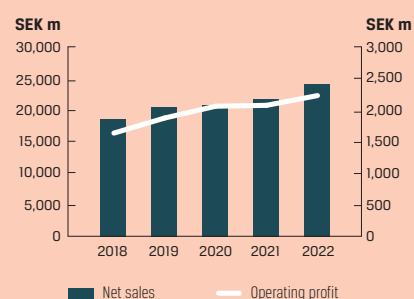




**SWECO** is the leading consultant company in technology and architecture in Europe. Together with the clients and the collective knowledge of 20,000 architects, engineers and other specialists, they co-create solutions to address urbanisation, capture the power of digitalisation, and make societies more sustainable.



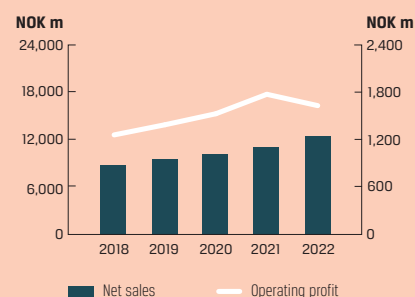
#### NET SALES AND OPERATION PROFIT



**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 approximately 5,000 employees and operations in over 80 countries worldwide. Its products and services are offered in three business areas: TOMRA Collection, TOMRA Recycling and TOMRA Food.



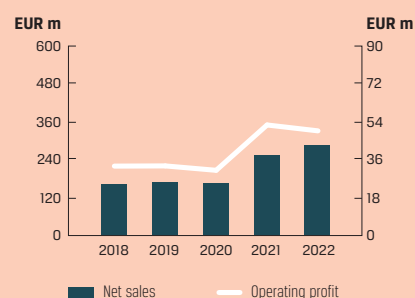
#### NET SALES AND OPERATION PROFIT



**TROAX** is the leading global supplier of indoor perimeter protection. Troax mission is to develop sustainable, high quality and innovative safety solutions to protect people, property and processes. Since the start in 1955, Troax has developed into a successful listed international group with about 1,100 employees and local presence in 45 countries.



#### NET SALES AND OPERATION PROFIT



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