

INTERIM REPORT

JULY–SEPTEMBER 2021

STABLE OVERALL PERFORMANCE DESPITE CHALLENGES

The effects of lack of components, high raw materials and haulage prices, and extended lead have affected many portfolio companies.

First quarter July–September 2021

- Net sales increased by 23 percent to MSEK 865.1 (703.6).
- Adjusted EBITDA* decreased by 1 percent to total MSEK 47.2 (47.9), corresponding to an adjusted EBITDA* margin of 5.5 percent (6.8).
- Adjusted EBIT totaled MSEK 22.5 (22.6).
- Operating profit (EBIT) totaled MSEK 22.5 (20.1).
- Cash flow from operating activities totaled MSEK 37.2 (54.4).
- Profit after tax was MSEK 14.8 (11.2).
- Adjusted earnings per share totaled SEK 0.38 (0.35).
- Earnings per share totaled SEK 0.38 (0.29).
- On September 30th, Cash and cash equivalents amounted to MSEK 60.4 (161.7) and the net debt excluding lease liability from IFRS 16 amounted to MSEK 129.7 (75.5). Unutilized credit facilities amounted to MSEK 275.

Group (MSEK)	2021/2022 Q1	2020/2021 Q1	2021/2022 R12 SEP	2020/2021 JUL-JUN
Net sales	865.1	703.6	3,416.0	3,254.5
EBITDA	47.2	45.4	191.8	189.9
Adjusted EBITDA*	47.2	47.9	223.5	224.2
Adjusted EBITDA*-margin, %	5.5	6.8	6.5	6.9
Operating profit/loss (EBIT)	22.5	20.1	91.1	88.6
Adjusted EBIT*	22.5	22.6	125.8	125.8
Profit/loss after tax	14.8	11.2	59.0	55.4
Profit per share, SEK	0.38	0.29	1.51	1.42
Adjusted profit per share, SEK*	0.38	0.35	2.40	2.37
Cashflow from operating activities	37.2	54.4	53.1	70.6
Net debt excl. lease liability from IFRS 16	129.7	75.5	129.7	139.9
Net debt incl. lease liability from IFRS 16	267.8	218.7	267.8	283.3
Net debt/Equity ratio, %	24	23	24	26

*Adjusted for items affecting comparability. A reconciliation of amounts can be found on page 17

CEO'S COMMENT.

The first quarter can be summarized by an increase in sales and earnings in line with last year. Disruptions in the logistics chain and the lack of materials led to price increases. Performance improvements were noted in several portfolio companies. At the same time, parts of the group experienced lower demand related to the prevailing semiconductor shortage, and this had a negative effect. Diversification in the portfolio is a strength and makes Duroc less vulnerable overall. My evaluation that we, in the medium to long term horizon, will be able to deliver a significantly higher result than noted in 2020/2021, still stands.

First quarter July–September 2021

In all, Duroc delivered first quarter earnings on par with the previous year, despite the negative impact from Cotting Group and Drake Extrusion, mainly related to lower volumes in Automotive. Sales increased by 23 percent to MSEK 865.1 (703.6). Increased costs related to delivery disruptions and materials shortages around the world impacted earnings. Adjusted EBIT totaled MSEK 22.5 (22.6).

The quarter, which was affected by the vacation season, began cautiously before finishing strongly, as anticipated. IFG, Cresco, DMT Group and Duroc Rail are the companies that performed best, while Cotting Group lowered the result significantly. Seen as a whole, Duroc's various holdings represent a sound spread of risks and is one of its strengths.

The portfolio companies operate in different segments and markets, and over time this ensures stability and less susceptibility to disruption. The mix of holdings combined with Duroc's conservative financial approach leads to lower risk without limiting the potential of the business.

The component shortage, especially in the automotive industry, grew unexpectedly worse during the quarter, which impacted Cotting Group in particular, but also IFG and Drake Extrusion to a certain degree. The Group's exposure to the automotive industry as a whole accounts for around 20 percent of sales. Increased haulage and raw materials prices affected various portfolio companies to different degrees.

IFG, which represents 36 percent of the Group, doubled its earnings in comparison with the previous year. Efforts involved in the transition toward more niche-oriented products continue according to plan, and the effect of reduced costs from the shutdown of one of the facilities in England will become apparent as the next quarter progresses.

Like many other industries in the USA, Drake Extrusion has been struggling to find labor and has also had to deal with high raw materials prices. While the demand for yarns continued to be strong, the shortage of labor had a negative impact on delivery capacity, resulting in negative earnings for the quarter.

Cotting Group's French unit was severely negatively affected due to the semi-conductor shortage prevailing in the wake of the pandemic and has significantly lower volumes than usual. Cresco performed well during the quarter with good order intake but is up against a strong year-over-year quarter.

DMT Group, Duroc Rail and the Small Company Portfolio all had improved earnings. The demand for machine tools remained

strong during the quarter and the order level at DMT Group is at a record high.

Future prospects

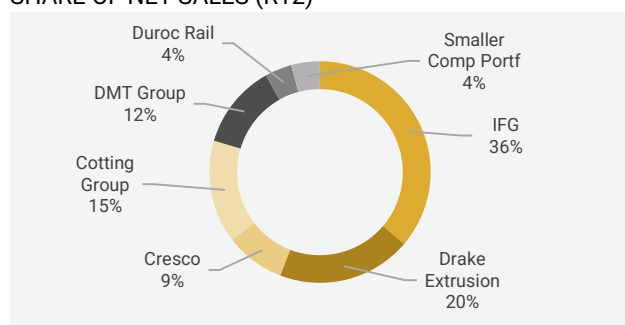
Materials shortages, disruptions in logistics chains and subsequent price rises were all greater than anticipated during the quarter. It is clear that the situation will not return to normal anytime soon. This will impact the development of earnings moving forward, but it is difficult to predict for how long and to what extent. In general, demand is anticipated to remain the same. Most likely, the portfolio companies will develop to varying degrees depending on the industry in which they operate, i.e. follow the same pattern as the first quarter. Despite the situation in the world at large, I'm comfortable with the plans the portfolio companies currently have. Having said this, I must point out that the current disruptions may mean it takes longer to realize the plans than previously estimated. I continue to believe that in the medium to long-term perspective Duroc has an earnings potential that far exceeds the Group's current performance.

John Häger
CEO

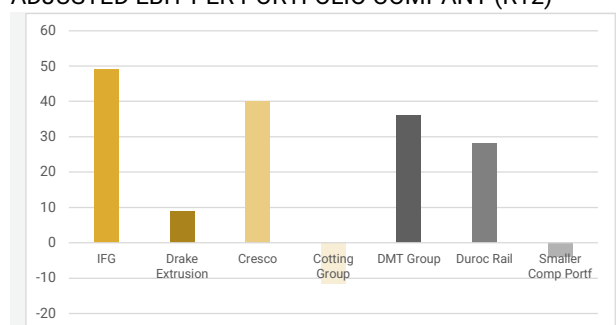
DEVELOPMENTS IN DUROC PORTFOLIO COMPANIES

Duroc's portfolio companies consist of International Fibres Group (IFG), Drake Extrusion, Cresco, Cotting Group, Duroc Machine Tool Group (DMT Group), Duroc Rail and the Smaller Company Portfolio, which comprises Universal Power Nordic (UPN), Herber and Duroc Laser Coating (DLC). Set forth below are each individual portfolio company's share of net sales and adjusted EBIT for the past 12-month period, October 2020 – September 2021. Read more about developments company by company on pages 4–7 and in Duroc's segment report on page 16.

SHARE OF NET SALES (R12)



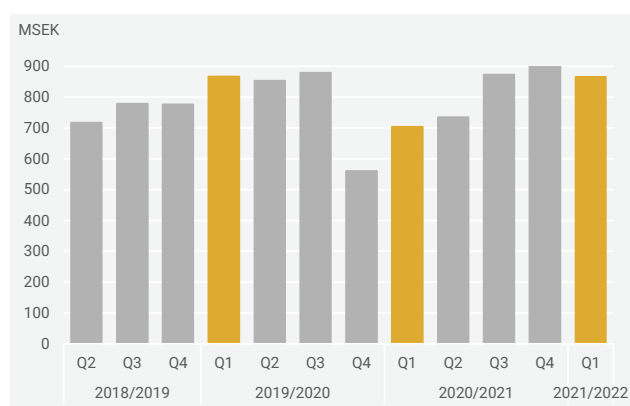
ADJUSTED EBIT PER PORTFOLIO COMPANY (R12)



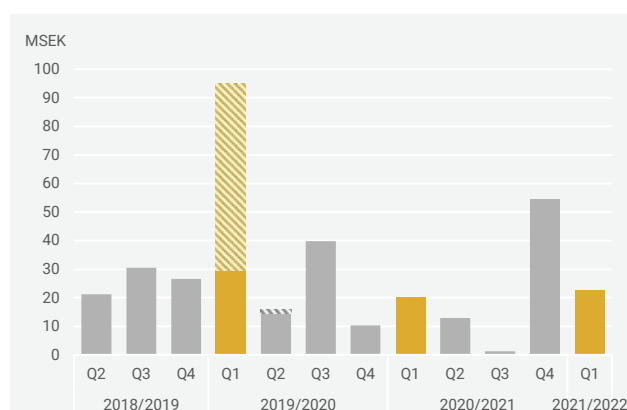
First quarter July–September 2021

Net sales increased by 23 percent to MSEK 865.1 (703.6). Organic growth also reached 23 percent. Growth was mainly driven by IFG, Drake Extrusion and DMT Group, but the other companies also grew during the quarter, with the exception of Cotting Group. The Cotting Group continues to be affected by the semiconductor shortage in the automotive industry. IFG and Drake Extrusion also noted reduced demand in automotive. Adjusted EBITDA was in line with the previous year at MSEK 47.2 (47.9). Greatly improved earnings in IFG, DMT Group, Duroc Rail and the Small Company Portfolio were countered by lower volumes in Cotting Group and persistently rising materials prices and lower volumes at Drake Extrusion. The adjusted EBITDA margin was 5.5 percent (6.8). Adjusted EBIT totaled MSEK 22.5 (22.6) and profit after tax MSEK 14.8 (11.2).

DEVELOPMENT OF DUROC'S NET SALES



DEVELOPMENT OF DUROC'S OPERATING PROFIT (EBIT)

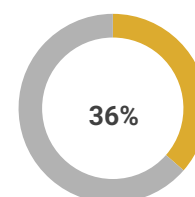


Operating profit for Q1 and Q2 2019/2020 includes MSEK 65.7 and MSEK 1.2 respectively for negative goodwill from business acquisitions. Q3 2020/2021 was affected by restructuring costs totaling MSEK 35.5.



International Fibres Group (IFG) is one of Europe's leading manufacturers of polypropylene-based staple fibers, an input product with reinforcing, insulating, separating or draining properties. The fiber is used in the production of e.g. flooring, rugs, furniture, filters, foodstuff packaging, car interiors and nonwoven fabrics, which means a diversified customer portfolio. IFG has production facilities in Belgium, the United Kingdom and Austria.

Share of Duroc's sales (R12)



- The significantly stronger earnings performance reflects the transition in the product mix toward niche products. Cost savings from the shutdown of a production facility in Drighlington in the UK during the second half of the financial year also contributed to the improved performance.
- Sales volumes decreased by 14 percent. Organic growth, which increased by 33 percent, was influenced by the effects of increased raw materials prices*, and also by a greater proportion of niche products in the product mix.
- While raw material prices remain at a high level, the availability of materials has improved and prices are tentatively anticipated to fall a little during the next quarter. Pricing to customers led to sustained profitability*.

Raw materials prices at IFG have risen since the second half of the 2020/2021 financial year. Price mechanisms in customer agreements mean that sales increase as raw material prices rise and decrease as prices fall. Because raw material prices affect both the sales price and raw material costs, gross profit remains unchanged, but with a certain lag.

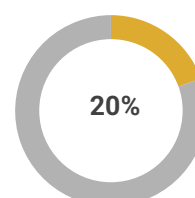
Amounts in MSEK

	2021/ 2022 Q1	2020/ 2021 Q1	2021/ 2022 R12 SEP
Net Sales	338.7	255.3	1,239.2
Growth, Net Sales %	32.6	-21.0	24.0
Organic growth %	33.0	-18.2	27.9
EBITDA	21.5	12.5	52.5
EBITDA margin %	6.4	4.9	4.2
Adjusted EBITDA	21.5	15.0	75.7
Adjusted EBITDA-margin, %	6.4	5.9	6.1
EBIT	15.2	5.0	23.8
EBIT margin %	4.5	1.9	1.9
Net Debt/Net Cash (-)	75.2	35.5	75.2
of which from leasing IFRS 16	65.5	73.8	65.5
Capital employed	411.0	371.4	411.0
ROCE %	6.3	-1.2	6.3
Adjusted ROCE %	12.9	1.3	12.9



Drake Extrusion is North America's leading producer of polypropylene-based colored filament yarn and staple fiber. Filament yarn is used mostly by customers who produce fabrics for the furniture industry. Staple fiber is used for production in a variety of areas including flooring, rugs, furniture, technical filters, car interiors and nonwoven fabrics. The business is located in Virginia, USA.

Share of Duroc's sales (R12)



- Reduced demand for staple fibers from the automotive industry affected the quarter's sales and earnings negatively. As anticipated, demand in the yarn business was strong. However, sales volumes were held back by challenges in finding sufficient labor, which is a widespread problem in industry in the USA.
- Sales volumes decreased by 10 percent. Organic growth of 31 percent is attributable to higher prices introduced due to increased raw material costs.
- The shortage of raw materials and the associated price rises have lingered longer than expected, and they increased a little further during the first quarter. Prices to customers are adjusted upwards on a continual basis, but with a certain lag.
- EBITDA totaled MSEK 7.8 (18.3), influenced by both sales volumes and higher raw materials prices.

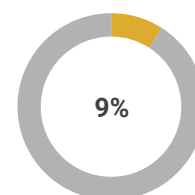
Amounts in MSEK

	2021/ 2022 Q1	2020/ 2021 Q1	2021/ 2022 R12 SEP
Net Sales	190.9	144.0	669.2
Growth, Net Sales %	32.6	-9.9	26.8
Organic growth %	30.6	-2.5	34.5
EBITDA	7.8	18.3	34.2
EBITDA margin %	4.1	12.7	5.1
EBIT	1.2	11.7	9.8
EBIT margin %	0.6	8.1	1.5
Net Debt/Net Cash (-)	35.5	-13.0	35.5
of which from leasing IFRS 16	12.3	13.7	12.3
Capital employed	295.7	242.6	295.7
ROCE %	3.8	17.9	3.8



Cresco develops, produces and sells textile-based solutions for the professional cultivation of crops and is one of the leading players on the global market. The products contribute to favorable environments in greenhouses, mushroom farms and composting installations. The most important product is a climate screen for greenhouses that controls the cultivation climate, contributing to a more efficient process with lower energy consumption. Cresco's production facility is in Belgium.

Share of Duroc's sales (R12)



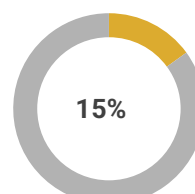
- Cresco witnessed strong demand for its products. The somewhat lower EBITDA margin in the first quarter is the result of investments in growth such as increased sales capacity and sales activities.
- Order levels at the end of the period totaled MEUR 13.6, a reduction of 4 percent in relation to the previous period's very high level.
- Cresco is well positioned to continue growing the business in a favorable market. Geographical expansion and active development efforts to complement the product offering is increasing growth capacity.

	2021/ 2022 Q1	2020/ 2021 Q1	2021/ 2022 R12 SEP
Amounts in M SEK			
Net Sales	68.9	67.9	297.8
Growth, Net Sales %	1.5	-1.3	15.6
Organic growth %	3.2	1.5	19.6
EBITDA	8.9	10.5	45.2
EBITDA margin %	12.9	15.4	15.2
EBIT	7.5	9.2	40.1
EBIT margin %	10.9	13.6	13.5
Net Debt/Net Cash (-)	21.7	44.9	21.7
of which from leasing IFRS 16	5.6	5.3	5.6
Capital employed	175.1	179.0	175.1
ROCE %	3.8	17.9	3.8



Cotting Group has been established in the international coated textiles market for more than 60 years. Its products consist of PVC and PU coated fabrics that are used in a variety of areas, including the fashion industry, protective clothing, hospital beds, car interiors, dental chairs, furniture and wall coverings. Cotting has production facilities in France and Belgium.

Share of Duroc's sales (R12)



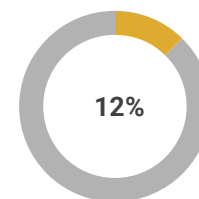
- Net sales in Cotting Group continued to be depressed by low volumes in the French operation. The semiconductor shortage in the automotive industry led to sales volumes of around half the usual level for this customer group
- High raw materials prices also affected EBITDA negatively.
- The Belgian operation, which corresponds to around 30 percent of sales, is not as exposed to the automotive industry, and the operation continued with unchanged volumes.
- With a presence in more geographical markets along with upcoming machine park upgrades, the Cotting Group will be in a better position when demand returns.

	2021/ 2022 Q1	2020/ 2021 Q1	2021/ 2022 R12 SEP
Amounts in M SEK			
Net Sales	96.8	118.0	514.4
Growth, Net Sales %	-18.0	-16.2	-7.9
Organic growth %	-16.6	-13.4	-4.1
EBITDA	-6.3	-1.5	-0.3
EBITDA margin %	-6.5	-1.2	-0.1
Adjusted EBITDA	-6.3	-1.5	5.8
Adjusted EBITDA-margin, %	-6.5	-1.2	1.1
EBIT	-11.1	-5.7	-17.9
EBIT margin %	-11.5	-4.8	-3.5
Net Debt/Net Cash (-)	60.7	6.7	60.7
of which from leasing IFRS 16	4.4	7.2	4.4
Capital employed	309.5	290.7	309.5
ROCE %	-6.1	0.5	-6.1
Adjusted ROCE %	-4.0	2.5	-4.0

DUROC

MACHINE TOOL

Duroc Machine Tool Group (DMT Group) is one of the biggest suppliers of machine tools, tools, machine service and support to mechanical engineering companies in the Nordics and Baltics. Its customers can be found in e.g. forestry, the automotive industry, construction machinery and power generation. Its most important products are machining centers from Doosan Machine Tools, one of the market's world-leading brands. The DMT group represents more than 60 internationally renowned brands and is alone in its activity in seven markets: Sweden, Norway, Denmark, Finland, Estonia, Latvia and Lithuania.



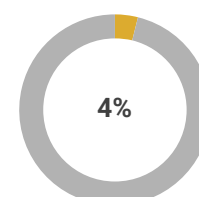
- Organic growth stood at 60 percent as a result of strong order intake during recent quarters. Year-over-year, the quarter was weaker due to the negative effects of Covid-19.
- At MSEK 160, order levels at the end of the period reflect continued strong market demand.
- DMT group was affected by longer lead times and delayed equipment deliveries linked to the component and container shortages, which has shifted part of the sales to the next quarter.
- High sales volumes combined with cost control led to a strong EBITDA margin.

	2021/ 2022 Q1	2020/ 2021 Q1	2021/ 2022 R12 SEP
Amounts in MSEK			
Net Sales	114.2	72.1	421.1
Growth, Net Sales %	58.4	-30.0	20.1
Organic growth %	59.9	-27.5	22.9
EBITDA	12.5	5.4	41.3
EBITDA margin %	11.0	7.4	9.8
EBIT	11.1	4.3	36.0
EBIT margin %	9.7	5.9	8.6
Net Debt/Net Cash (-)	-32.2	-21.0	-32.2
of which from leasing IFRS 16	7.1	4.6	7.1
Capital employed	42.6	25.4	42.6
ROCE %	96.8	61.1	96.8

DUROC RAIL

Duroc Rail delivers complete, efficient, high-quality maintenance for railroad wheels for locomotives, railroad passenger cars and freight cars. From Luleå, Duroc Rail mostly meets northern Sweden's railroad wheel maintenance needs.

Share of Duroc's sales (R12)



- Net sales increased by 16 percent as a result of high volumes in maintenance work in both freight and passenger traffic. The business is still in its low season.
- Order levels are high ahead of the imminent high season.
- EBIT and EBITDA were also affected positively by high sales volumes and continued cost effectiveness.

	2021/ 2022 Q1	2020/ 2021 Q1	2021/ 2022 R12 SEP
Amounts in MSEK			
Net Sales	25.8	22.3	133.3
Growth, Net Sales %	15.9	-13.0	7.4
Organic growth %	15.9	-13.0	7.4
EBITDA	5.9	4.2	35.6
EBITDA margin %	22.7	18.8	26.7
EBIT	4.3	2.4	28.3
EBIT margin %	16.5	10.5	21.2
Net Debt/Net Cash (-)	25.6	28.4	25.6
of which from leasing IFRS 16	11.5	15.0	11.5
Capital employed	41.8	43.0	41.8
ROCE %	62.8	47.6	62.8

DUROC LASER COATING



UNIVERSAL POWER

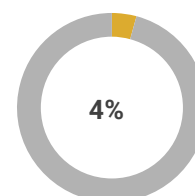
Smaller Company Portfolio

Universal Power Nordic (UPN) supplies diesel engines for industrial and marine applications in Sweden and Norway, along with associated spare parts, service and repairs. The company represents well-known brands such as Perkins, Kubota, Kohler and Nanni.

Herber Engineering manufactures advanced bending machines for cold tube forming and profiles. It has customers worldwide in e.g. the automotive, aviation, furniture and HVAC industries.

Duroc Laser Coating (DLC) is Sweden's leading laser surface treatment company. DLC offers the renovation and new manufacture of industrial components.

Share of Duroc's sales (R12)



- Net sales increased from low levels where the comparison quarter was severely impacted by Covid-19.
- For Herber and UPN, earnings development was modest during the quarter, where UPN continued to be negatively affected by delivery delays from its main suppliers.
- The lower sales volumes led to negative operating earnings (EBIT) for UPN and Herber.
- Demand continued to be good for DLC and the company delivered operating earnings (EBIT) on par with the previous year.
- Government financial assistance in the amount of MSEK 0.8 (0.9) was received during the period.

	2021/ 2022 Q1	2020/ 2021 Q1	2021/ 2022 R12 SEP
Amounts in MSEK			
Net Sales	30.3	24.1	143.1
Growth, Net Sales %	25.7	-46.4	-19.6
Organic growth %	25.7	-46.4	-19.6
EBITDA	1.3	0.3	4.3
EBITDA margin %	4.1	1.1	3.0
Adjusted EBITDA	1.3	0.3	6.4
Adjusted EBITDA-margin, %	4.1	1.1	4.5
EBIT	-1.1	-2.2	-7.0
EBIT margin %	-3.7	-9.3	-4.9
Net Debt/Net Cash (-)	32.0	32.6	32.0
of which from leasing IFRS 16	30.8	22.2	30.8
Capital employed	48.6	49.6	48.6
ROCE %	-13.6	-6.7	-13.6
Adjusted ROCE %	-7.9	-6.4	-7.9

FINANCIAL INFORMATION

FINANCIAL PERFORMANCE AND POSITION

Net sales for the financial year's first quarter totaled MSEK 865.1 (703.6). Operating profit totaled MSEK 22.5 (20.1) and profit after tax MSEK 14.8 (11.2). Other comprehensive income totaled MSEK 16.5 (11.3) including MSEK 14.1 (-7.0) in translation differences.

At the end of the period, the Group's equity totaled MSEK 1,101.6 (971.0) and the equity/assets ratio was 53.8 percent (48.4). Were cash and cash equivalents and interest-bearing liabilities to be reported net, the Group's adjusted equity/assets ratio would be 55.5 percent (52.6).

FINANCING

As of September 30, 2021, Duroc AB has a bank loan in the amount of MSEK 88.0, which will be fully repaid as of March 2024 under the amortization plan. There are also local property loans in Austria and Belgium, a local export credit in Austria and a central open credit linked to a Group-wide cash pool. As of September 30, 2021, the Group's unutilized credit facilities totaled MSEK 275.

Duroc's financing agreement includes two financial covenants; one relating to net debt in relation to EBITDA, and one relating to equity ratio. Group Management and the Board regularly monitor forecasts relating to the limit values in the covenants. This ensures Duroc meets its obligations to creditors while minimizing liquidity and financing risks. As of Thursday, September 30, 2021, the loan terms in the covenants were met by a good margin.

The shares in the Group's holding companies, International Fibres Group AB, Duroc Machine Tool Holding AB and Duroc Produktion AB, are pledged as security for utilized credit under the loan agreement.

INVESTMENTS

During the financial year, the Group made investments in tangible and intangible fixed assets totaling MSEK 21.8 (18.8), of which MSEK 1.3 (3.5) is attributable to the lease of property, plant and equipment in compliance with IFRS 16. Cash flow from the purchase of tangible and intangible assets totaled MSEK -20.5 (-15.2).

CASH FLOW

During the financial year, consolidated cash flow from operating activities totaled MSEK 37.2 (54.4). Higher materials prices contributed to higher stock levels. Cash flow from investing activities amounted to MSEK -20.5 (-15.2). Cash flow from financing operations amounted to MSEK -16.8 (-17.6), where MSEK 7.2 (7.7) was related to the payment of leasing liabilities in accordance with IFRS 16.

Cash and cash equivalents

The Group's cash and cash equivalents at the end of the reporting period totaled MSEK 60.4 (161.7). Interest-bearing liabilities totaled MSEK 328.6 (380.6) including leasing liabilities from IFRS 16 in the amount of MSEK 138.1 (143.2) and the Group's net debt totaled MSEK 267.8 (218.7).

PARENT COMPANY

Duroc AB's primary functions are acquisitions, monitoring the development of Group companies, business development and financial reporting. Sales consist of internally invoiced services and totaled MSEK 1.5 (1.3) for the financial year. The loss after tax was MSEK -2.8 (-3.6). In addition to shares in subsidiaries the Parent Company's assets consist primarily of receivables from Group companies and bank deposits. Duroc AB's equity/assets ratio at the end of the period was 80.1 percent (77.6).

PERSONNEL

The average number of Duroc Group employees during the first three months of the financial year was 1,097 persons (1,100). The average number of employees in the Parent Company was 6 (6) for the same period.

SIGNIFICANT RISKS AND UNCERTAINTY FACTORS FOR THE PARENT COMPANY AND GROUP

Duroc AB and the companies in the Duroc Group are through their operations subject to both financial and operative risks, which the companies themselves can affect to a greater or lesser degree. There are ongoing processes in the companies to identify existing risks and determine how they must be managed. A detailed description of risks and risk management in the parent company and subsidiaries was presented in Duroc's annual report for the financial year July 1, 2020 – June 30, 2021.

The Covid-19 pandemic has affected production and sales in several Duroc Group companies since mid-March 2020 and entailed negative effects on earnings since the last quarter of 2019/2020. The situation has since improved significantly with recurring sales and functioning production. During the third and fourth quarters of 2020/2021

several of the companies were impacted by rising raw materials prices, increased haulage costs and longer lead times during. The shortage of semiconductors has had a major impact on sales to automotive in the Cotting Group. Volumes to the automotive industry from IFG also fell markedly. There is a risk that a more challenging business environment will continue to affect business negatively. There also remains a great deal of uncertainty about the long-term financial consequences of the pandemic, and there is only a limited overview of the future impact on Duroc.

Duroc is financially well-equipped to meet any further challenges from Covid-19 and changed economic conditions.

OTHER INFORMATION

This report has not been reviewed by the auditors.

Stockholm, Tuesday, November 9, 2021

John Häger
CEO

Duroc AB is obliged to publish this information under the Market Abuse Regulation EU/596/2014. The information was made available for publication at 08:30 on Tuesday, November 9, 2021.

CONSOLIDATED INCOME STATEMENT

Amounts in MSEK	2021/2022 Q1	2020/2021 Q1	2020/2021 JUL-JUN
Net sales	865.1	703.6	3,254.5
Other operating income	2.6	4.7	33.1
Change in inventories	14.1	-18.0	3.7
Raw materials and consumables	-475.0	-323.0	-1,616.6
Goods for resale	-86.2	-57.2	-305.4
Other external costs	-117.7	-111.7	-489.9
Personnel costs	-155.2	-151.6	-686.3
Depreciation, amortisation and impairment of tangible and intangible assets	-24.7	-25.3	-101.3
Other operating costs	-0.5	-1.5	-3.3
Operating profit/loss	22.5	20.1	88.6
Net financial items	-2.2	-2.9	-10.1
Profit before tax	20.3	17.1	78.5
Current tax	-5.5	-7.5	-13.2
Deferred tax	0.0	1.6	-9.9
PROFIT FOR THE PERIOD	14.8	11.2	55.4
Profit for the period attributable to:			
The Parent Company's equity holders	14.8	11.2	55.4
Earnings per share			
Before and after dilution (sek)	0.38	0.29	1.42
Average number of shares before and after dilution	39,000,000	39,000,000	39,000,000

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in MSEK	2021/2022 Q1	2020/2021 Q1	2020/2021 JUL-JUN
PROFIT FOR THE PERIOD	14.8	11.2	55.4
Total other comprehensive income			
Items that may be reclassified to the income statement			
Translation differences	14.1	-6.5	-44.5
Hedge accounting (net)	0.9	-1.3	1.4
Items that will not be reclassified to the income statement			
Revaluation of strategic holdings	-	16.0	16.1
Actuarial gains and losses(net)	1.5	3.1	93.3
Total other comprehensive income	16.5	11.3	66.4
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	31.3	22.5	121.8
Total comprehensive income for the period attributable to:			
The Parent company's equity holders	31.3	22.5	121.8
non-controlling interests	-	-	-

CONSOLIDATED BALANCE SHEET

Amounts in MSEK	2021-09-30	2020-09-30	2021-06-30
ASSETS			
Non-current assets			
Intangible assets	121.3	93.7	119.8
Property plant and equipment	716.2	727.5	710.7
Financial assets	6.9	34.4	6.8
Deferred tax assets	55.0	72.9	56.6
Total non-current assets	899.4	928.5	893.9
Current assets			
Inventories	576.6	468.2	549.8
Trade receivables	454.9	388.3	514.1
Current tax receivables	11.8	12.0	11.1
Other receivables	25.5	28.6	37.2
Prepaid expenses and accrued income	17.8	19.4	20.4
Cash and cash equivalents	60.4	161.7	59.9
Total current assets	1,147.0	1,078.2	1,192.4
TOTAL ASSETS	2,046.4	2,006.7	2,086.3
EQUITY AND LIABILITIES			
Equity			
Share capital	39.0	39.0	39.0
Other capital provided	260.5	260.5	260.5
Reserves	90.7	111.0	75.7
Retained earnings including profit for the year	711.4	560.5	695.1
Equity attributable to shareholders of the parent company	1,101.6	971.0	1,070.3
Total equity	1,101.6	971.0	1,070.3
Long-term liabilities			
Provision for pensions	68.0	169.6	69.5
Other provisions	17.7	14.1	17.1
Non-current interest-bearing liabilities	105.3	148.2	114.7
Non-Current liabilities - right of use assets	110.7	115.9	115.4
Other non-current liabilities	2.8	3.6	2.8
Deferred tax liabilities	40.3	42.3	40.8
Total non-current liabilities	344.7	493.7	360.3
Current liabilities			
Other provisions	19.5	-	22.5
Current interest-bearing liabilities	85.1	89.2	85.1
Current interest bearing liabilities - right of use assets	27.4	27.3	28.0
Advance payments from customers	31.4	23.2	33.8
Trade payables	265.5	207.1	305.1
Current tax liabilities	13.1	19.8	9.8
Other liabilities	53.3	59.4	54.7
Accrued expenses and prepaid income	104.7	116.1	116.7
Total current liabilities	600.2	542.0	655.8
Total liabilities	944.9	1,035.7	1,016.0
TOTAL EQUITY AND LIABILITIES	2,046.4	2,006.7	2,086.3

SUMMARY OF CHANGES IN CONSOLIDATED EQUITY

Amounts in MSEK	2021/2022 Q1-Q1	2020/2021 Q1-Q1	2020/2021 JUL-JUN
Opening balance	1,070.3	948.4	948.4
Profit for the period	14.8	11.2	55.4
Translation differences	14.1	-7.0	-44.5
Revaluation of strategic holdings	-	16.0	16.1
Actuarial gains and losses (net)	1.5	3.1	93.3
Hedge accounting (net)	0.9	-0.8	1.4
Closing balance	1,101.6	971.0	1,070.3

CONSOLIDATED CASH FLOW STATEMENT

Amounts in MSEK	2021/2022 Q1	2020/2021 Q1	2020/2021 JUL-JUN
OPERATING ACTIVITIES			
Profit before taxes	20.3	17.1	78.5
Adjustment for items not included in cash flow	28.4	29.3	130.8
Income tax paid	-2.9	0.7	-7.7
Cash flow from operating activities before changes in working capital	45.8	47.2	201.6
CASHFLOW FROM CHANGES IN WORKING CAPITAL			
Changes in inventories	-24.4	11.9	-86.3
Changes in current receivables	79.5	-36.3	-183.4
Changes in current liabilities	-63.7	31.7	138.7
Cash flow from operating activities	37.2	54.4	70.6
INVESTMENT ACTIVITIES			
Purchase and sales of intangible assets	-1.7	-0.0	-7.4
Purchase and sales of tangible assets	-18.8	-15.2	-86.7
Cash flow from acquisitions	-	-	-8.6
Cash flow from financial assets	-	-	27.4
Cash flow from investment activities	-20.5	-15.2	-75.3
FINANCING ACTIVITIES			
New loans	-	-	0.0
Amortization of loans	-9.6	-9.1	-37.8
Amortization of liabilities regarding right of use-assets	-7.2	-7.7	-32.4
Changes in short term operating financing	-0.0	-0.9	-1.2
Cash flow from financing activities	-16.8	-17.6	-71.5
Cash flow for the period	-0.1	21.6	-76.1
Cash and cash equivalents at beginning of period	59.9	142.3	142.3
Transalction difference in cash and cash equivalents	0.6	-2.1	-6.1
Cash and cash equivalents at end of period	60.4	161.7	59.9

PARENT COMPANY INCOME STATEMENT

Amounts in MSEK	2021/2022 Q1	2020/2021 Q1	2020/2021 JUL-JUN
Net sales	1.5	1.3	5.7
Other external costs	-1.5	-2.4	-8.8
Personnel costs	-3.3	-2.9	-13.2
Depreciation and amortisation	-0.1	-0.1	-0.3
Operating result	-3.4	-4.1	-16.7
Financial income	0.8	0.7	3.0
Impairment of financial fixed assets	-	-	61.1
Financial expense	-0.9	-1.2	-4.5
Net finance items	-0.1	-0.5	59.6
Group contributions received/rendered	-	-	31.6
Profit before tax	-3.5	-4.6	74.4
Current tax	0.7	1.0	-9.7
PROFIT AFTER TAX	-2.8	-3.6	64.7

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Amounts in MSEK	2021/2022 Q1	2020/2021 Q1	2020/2021 JUL-JUN
PROFIT FOR THE PERIOD	-2.8	-3.6	64.7
Other comprehensive result			
Revaluation of strategical holdings	-	-0.0	0.3
Total Other comprehensive income	-	-0.0	0.3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-2.8	-3.6	65.0

PARENT COMPANY BALANCE SHEET

Amounts in MSEK	2021-09-30	2020-09-30	2021-06-30
ASSETS			
Non current assets			
Other intangible assets	0.5	0.7	0.5
Tangible fixed assets	0.0	0.0	0.0
Shares in group companies	1,190.6	1,117.5	1,190.6
Other equity	-	0.1	-
Receivables group companies	2.1	13.9	2.1
Deferred tax asset	6.9	16.2	6.2
Total non-current assets	1,200.1	1,148.4	1,199.4
Current assets			
Receivables group companies	113.5	72.3	124.0
Other receivables	0.6	0.3	1.4
Prepaid expenses and accrued income	1.5	1.3	1.7
Cash and cash equivalents	28.7	80.3	27.3
Total current assets	144.2	154.2	154.4
TOTAL ASSETS	1,344.3	1,302.6	1,353.9
EQUITY AND LIABILITIES			
Equity			
Restricted equity	40.1	40.1	40.1
Unrestricted equity	1,037.1	971.2	1,039.9
Total equity	1,077.2	1,011.3	1,080.0
Long term liabilities			
Liabilities to credit institution	62.9	88.0	69.2
Total long term liabilities	62.9	88.0	69.2
Current liabilities			
Liabilities to credit institutions	25.2	25.2	25.2
Trade payables	0.6	1.5	0.7
Payables group companies	172.6	170.6	172.3
Other liabilities	1.3	0.7	1.1
Accrued expenses and prepaid income	4.5	5.4	5.4
Total current liabilities	204.2	203.3	204.7
Total liabilities	267.0	291.3	273.8
TOTAL EQUITY AND LIABILITIES	1,344.3	1,302.6	1,353.9

NOTES

NOT 1. ACCOUNTING PRINCIPLES

Duroc's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and related interpretations (IFRIC) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions of the Swedish Annual Accounts Act. For the Parent Company, RFR 2 Accounting for Legal Entities is also applied. The Group's accounting policies are described in Note 2 in the 2020/2021 Annual Report.

Hedge accounting

As of July 1, 2020, the Group applies hedge accounting under IFRS 9 in respect of hedging for net investments in foreign operations. A small part of net investments in EUR are hedged via loans in that currency. Exchange rate differences for the period on foreign exchange loans after deduction of tax effects are reported, to the extent that the hedging is effective, in the item 'Translation differences' in Other comprehensive income. In this way, translation differences arising from foreign operations are partially neutralized. There are also cash flow hedges, which are reported in the item Hedge accounting – net.

Accounting in legal entities

In accordance with RFR 2, Duroc has chosen not to apply IFRS 16 in the Parent Company. Duroc AB recognizes non-terminable leases as cost distributed linearly over the useful life of the asset. In accordance with RFR 2, Duroc has chosen not to apply hedge accounting in respect of net investments in foreign operations by legal entities. The loans are carried at amortized cost. Exchange rate changes for these loans are reported as financial income and expenses.

Alternative key financial indicators

To facilitate comparison between the different periods and make it easier to monitor developments in the Duroc Group and its various companies, this report presents certain financial information known as alternative key financial indicators that are not defined in IFRS. These should be regarded as complements to the financial information. The alternative key financial indicators used are defined where presented, or alternatively, at the end of this report. Reconciliations are presented in Note 5.

Rounding

Unless otherwise specified, amounts are stated in millions of Swedish kronor (MSEK) to one decimal place. Rounding may occur in tables and statements, the effect of which can be totals that are not always the sum of the rounded component amounts.

NOT 2. HEDGING

The Group hedges some of its net investments in foreign operations. As of September 30, 2021, the Group had exposures in EUR of which a small part was hedged with the aid of loans in foreign currency. Hedge accounting has been applied as of July 1, 2020, which means that the effective part of the exchange rate changes is reported in the Group's statement of comprehensive income. At the beginning of the reporting period July 1 – September 30, 2021, the Group had a loan in the amount of MEUR 9.6 which at the end of the period totaled MEUR 8.4 against which hedges were applied. Related exchange rate changes of MSEK 0.6 before tax have thus been reported under the item exchange rate differences in the statement of comprehensive income.

NOT 3. SEGMENT REPORTING

The Group's operating segments correspond to Duroc's companies. The segments correspond to the classifications used by the Group's chief operating decision-maker, the Board and the CEO, for evaluating financial performance and

position, taking strategic decisions and distributing resources. Further information about these companies is available on pages 4–7 of this report.

Amounts in MSEK	2021/2022 Q1	2020/2021 Q1	2021/2022 R12 SEP	2020/2021 JUL-JUN
Net sales				
IFG	338.7	255.3	1,239.2	1,155.8
Drake Extrusion	190.9	144.0	669.2	622.2
Cresco	68.9	67.9	297.8	296.8
Cotting Group	96.8	118.0	514.4	535.6
DMT Group	114.2	72.1	421.1	379.0
Duroc Rail	25.8	22.3	133.3	129.7
Small Company Portfolio	30.3	24.1	143.1	137.0
Holding companies/group-wide functions	1.7	2.4	6.0	6.7
Eliminations	-2.2	-2.5	-7.9	-8.2
	865.1	703.6	3,416.0	3,254.5
EBITDA				
IFG	21.5	12.5	52.5	43.4
Drake Extrusion	7.8	18.3	34.2	44.6
Cresco	8.9	10.5	45.2	46.7
Cotting Group	-6.3	-1.5	-0.3	4.5
DMT Group	12.5	5.4	41.3	34.1
Duroc Rail	5.9	4.2	35.6	34.0
Small Company Portfolio	1.3	0.3	4.3	3.3
Holding companies/group-wide functions	-4.3	-4.2	-20.8	-20.8
Total	47.2	45.4	191.8	189.9
Operating profit/loss				
IFG	15.2	5.0	23.8	13.5
Drake Extrusion	1.2	11.7	9.8	20.3
Cresco	7.5	9.2	40.1	41.8
Cotting Group	-11.1	-5.7	-17.9	-12.4
DMT Group	11.1	4.3	36.0	29.1
Duroc Rail	4.3	2.4	28.3	26.4
Small Company Portfolio	-1.1	-2.2	-7.0	-8.1
Holding companies/group-wide functions	-4.6	-4.5	-22.0	-22.0
Total	22.5	20.1	91.1	88.6
Net financial items	-2.2	-2.9	-9.4	-10.1
Profit before tax	20.3	17.1	81.7	78.5

Amounts in MSEK	Nettoskuld			Sysselsatt kapital			Eget kapital		
	2021-09-30	2020-09-30	2021-06-30	2021-09-30	2020-09-30	2021-06-30	2021-09-30	2020-09-30	2021-06-30
IFG	75.2	35.5	87.3	411.0	371.4	421.8	312.5	312.5	311.6
Drake Extrusion	35.5	-13.0	26.1	295.7	242.6	278.6	236.1	228.7	227.6
Cresco	21.7	44.9	27.8	175.1	179.0	172.8	175.9	159.6	170.7
Cotting Group	60.7	6.7	33.9	309.5	290.7	292.7	220.3	250.7	230.5
DMT Group	-32.2	-21.0	-17.6	42.6	25.4	46.9	140.1	112.1	130.1
Duroc Rail	25.6	28.4	29.4	41.8	43.0	41.4	27.0	25.7	23.7
Small Company Portfolio	32.0	32.6	37.7	48.6	49.6	55.8	24.5	24.6	26.0
Holding companies	49.1	104.6	58.7	9.3	11.7	8.4	-34.8	-143.0	-50.0
Total	267.8	218.7	283.3	1,333.7	1,213.4	1,318.5	1,101.6	971.0	1,070.3

NOT 4. ALTERNATIVE KEY FINANCIAL INDICATORS

This section presents a reconciliation of alternative key financial indicators, i.e. financial information not defined in IFRS. Alternative key financial indicators are used routinely by Duroc's management to facilitate planning, comparisons between different periods, and to monitor developments in the operation. They are presented in Duroc's financial reports as an aid to

investors and other stakeholders who analyze Duroc's financial information. Their definitions are presented at the end of this report. The alternative key financial indicators should be regarded as a complement to the financial information presented in compliance with IFRS.

Organic growth

Amounts in MSEK	2021/2022 Q1	2020/2021 Q1
Net sales	865.1	703.6
Effect from change in exchange rates	9.8	
Effect from acquisitions	-7.8	-
Net sales adjusted for acquisitions and changes in exchange rates	867.1	703.6
Organic growth (percent)	23.2%	

Alternative earnings metrics

Amounts in MSEK	2021/2022 Q1	2020/2021 Q1	2021/2022 R12 SEP	2020/2021 JUL-JUN
Operating profit/loss	22.5	20.1	91.1	88.6
Depreciation, amortisation, write down of tangible and intangible non-current assets	24.7	25.3	100.7	101.3
EBITDA	47.2	45.4	191.8	189.9
Items affecting comparability				
Restructuring costs	-	2.5	31.8	34.3
Adjusted EBITDA	47.2	47.9	223.5	224.2
Depreciation, amortisation, write down of tangible and intangible non-current assets	-24.7	-25.3	-100.7	-101.3
Items affecting comparability				
Write down of tangible assets due to restructuring	-	-	3.0	3.0
Adjusted EBIT	22.5	22.6	125.8	125.8
Net financial items	-2.2	-2.9	-9.4	-10.1
Net tax	-5.5	-5.9	-22.7	-23.1
Adjusted profit for the period	14.8	13.7	93.7	92.6
Adjusted earnings per share(SEK)	0.38	0.35	2.40	2.37
Average number of shares	39,000,000	39,000,000	39,000,000	39,000,000

Net debt

Amounts in MSEK	2021-09-30	2020-09-30	2021-06-30
Long-term interest bearing liabilities	105.3	148.2	114.7
Long-term interest bearing liabilities- right of use assets	110.7	115.9	115.4
Short-term interest bearing liabilities	85.1	89.2	85.1
Short-term interest bearing liabilities - right of use assets	27.4	27.3	28.0
Derivatives	-0.2	-0.2	-
Cash and cash equivalents	-60.4	-161.7	-59.9
Net debt	267.8	218.7	283.3

Capital employed

Amounts in MSEK	2021-09-30	2020-09-30	2021-06-30
Equity	1101.6	971.0	1070.3
Net debt	267.8	218.7	283.3
Intangible assets from acquisitions	-87.3	-85.3	-87.3
Pension liability	68.0	169.6	69.5
Strategic holdings	-1.5	-30.0	-1.5
Deferred tax	-14.8	-30.6	-15.8
Capital employed	1,333.7	1,213.4	1,318.4

NOT 5. FAIR VALUE OF FINANCIAL INSTRUMENTS

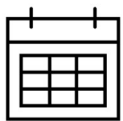
There were no transfers between levels or valuation categories during the period. The fair value of the Group's other financial assets and liabilities is estimated to correspond to their book values.

NOTE 7. TRANSACTIONS WITH RELATED PARTIES

During the first quarter of the financial year, Duroc has bought and sold services from companies in which Peter Gyllenhammar AB is the majority owner in the amounts of MSEK 0.7 (0.8) and MSEK 0.1 (0.1) respectively. The transactions were carried out on market terms.

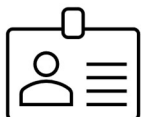
DEFINITION OF KEY FINANCIAL INDICATORS

Organic growth	Net sales growth adjusted for acquisitions and currency translation effects
Equity	Total share capital, reserves and retained earnings including annual profit/loss
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
Adjusted EBITDA	EBITDA adjusted for items affecting comparability
EBIT	Operating profit/loss
Adjusted EBIT	EBIT adjusted for items affecting comparability
Equity/assets ratio	Equity divided by the balance sheet total
Adjusted equity/assets ratio	Equity divided by the adjusted balance sheet total where cash and cash equivalents and interest-bearing liabilities are reported on a net basis
Items affecting comparability	Items in the income statement which, unless highlighted, make it difficult to understand developments in the underlying business
Earnings per share	Earnings after tax divided by the average number of outstanding shares
Adjusted earnings per share	Earnings after tax adjusted for items affecting comparability divided by the average number of outstanding shares
+Net debt/-Net cash & cash equivalents	Interest-bearing liabilities less cash and bank balances
Net debt/equity ratio	Net debt/equity
Capital employed	Equity plus net debt, adjusted for deferred tax, acquisition-related intangible assets, pension provisions and strategic holdings.
Return on capital employed	Rolling 12-month EBIT divided by average capital employed during the past 12 months.
Adjusted return on capital employed	Adjusted rolling 12-month EBIT divided by average capital employed during the past 12 months.



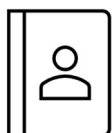
INFORMATION CALENDAR

Annual General Meeting 2021	November 9, 2021
Interim Report July 2021 – December 2021	February 4, 2022
Interim Report July 2021 – March 2022	May 6, 2022
Closing Report July 2021 – June 2022	August 18, 2022



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