

INTERIM REPORT

JULY 2021 – MARCH 2022

STRONG QUARTER DESPITE CHALLENGES

Third quarter January – March 2022

- Net sales increased by 14 percent to MSEK 996.5 (873.4). Organic growth stood at 10 percent.
- Adjusted EBITDA* increased by 28 percent to MSEK 79.2 (62.0), corresponding to an adjusted EBITDA* margin of 7.9 percent (7.1).
- Adjusted EBIT increased 43 percent to MSEK 52.6 (36.7). Earnings increased in all companies with the exception of Cotting Group.
- Operating profit (EBIT) totaled MSEK 39.5 and was affected by items affecting comparability amounting to MSEK 13.0, mainly consisting of impairment of intangible assets in Cotting Group (1.2 affected by restructuring costs amounting to 35.5).
- Cash flow from operating activities totaled MSEK 62.3 (43.7).
- Profit after tax was MSEK 24.8 (-0.2).
- Adjusted earnings per share totaled SEK 0.97 (0.91).
- Earnings per share totaled SEK 0.63 (-0.00).
- Equity totaled MSEK 1,148.1 (1,024.4) and the equity/assets ratio was 53 percent (50).
- After the end of the period, a resolution was passed to invest around MSEK 110 in a new production line in Cotting Group. With this, Duroc will create Europe's most modern and cost-effective production unit of its type.

July 2021 – March 2022

- Net sales increased by 16 percent to MSEK 2,686.8 (2,312.4). The organic growth stood at 14 percent.
- Adjusted EBITDA* decreased by 5 percent to total MSEK 140.7 (147.8), corresponding to an adjusted EBITDA* margin of 5.2 (6.4).
- Adjusted EBIT totaled MSEK 64.4 (72.2).
- Operating profit (EBIT) totaled MSEK 57.0 (34.2).
- Cash flow from operating activities totaled MSEK 40.5 (105.8). Materials price trends have driven a rise in capital tied up, especially in warehouse inventory.
- Profit after tax was MSEK 34.8 (17.3).
- Adjusted earnings per share totaled SEK 1.08 (1.42).
- Earnings per share totaled SEK 0.89 (0.44).
- Cash and cash equivalents at the end of March totaled MSEK 24.5 (136.5) and net debt excluding lease liabilities from IFRS 16 was reduced from MSEK 202.3 at the end of the previous quarter to MSEK 158.2 (75.4). Undrawn credit facilities totaled MSEK 258.7.

Group (MSEK)	2021/2022 Q3	2020/2021 Q3	2021/2022 Q1-Q3	2020/2021 Q1-Q3	2021/2022 R12 MAR	2020/2021 JUL-JUN
Net sales	996.5	873.4	2,686.8	2,312.4	3,628.8	3,254.5
EBITDA	80.5	29.0	147.6	112.3	225.3	189.9
Adjusted EBITDA*	79.2	62.0	140.7	147.8	217.1	224.2
Adjusted EBITDA*-margin, %	7.9	7.1	5.2	6.4	6.0	6.9
Operating profit/loss (EBIT)	39.5	1.2	57.0	34.2	111.5	88.6
Adjusted EBIT*	52.6	36.7	64.4	72.2	118.0	125.8
Profit/loss after tax	24.8	-0.2	34.8	17.3	72.9	55.4
Profit per share, SEK	0.63	-0.00	0.89	0.44	1.87	1.42
Adjusted profit per share, SEK*	0.97	0.91	1.08	1.42	2.04	2.37
Cashflow from operating activities	62.3	43.7	40.5	105.8	5.3	70.6
Net debt excl. lease liability from IFRS 16	158.2	75.4	158.2	75.4	158.2	139.9
Net debt incl. lease liability from IFRS 16	290.7	222.2	290.7	222.2	290.7	283.3
Net debt/Equity ratio, %	25	22	25	22	25	26

*Adjusted for items affecting comparability. A reconciliation of amounts can be found on page 18

CEO'S COMMENT

The quarter involved good demand and earnings trends for most of the portfolio companies. Adjusted EBIT increased by 43 percent to MSEK 52.6 (36.7). A positive margin trend in IFG (IFG accounts for 38 percent of Duroc's sales) is one reason behind the earnings trend. Other significant factors include the record entries in DMT Group and Duroc Rail. Cotting Group burdened earnings as a result of the component shortage in the automotive industry. The Group's net sales increased by 14 percent to MSEK 996.5 (873.4) and the operating profit of MSEK 39.5 was affected by items affecting comparability amounting to MSEK 13.0, mainly consisting of impairment of intangible assets in Cotting Group (1.2 affected by restructuring costs amounting to 35.5). The Group's net debt was reduced from MSEK 202.3 at the end of the previous quarter to MSEK 158.2 at the end of this quarter.

Third quarter January – March 2022

Most of the portfolio companies generated strong sales and earnings. Cost-push inflation in e.g. raw materials and energy were compensated by price increases. Demand has been good and the companies have trended in the right direction. Organic growth, driven primarily by IFG and DMT Group, totaled 10 percent. DMT Group, IFG, Cresco and Duroc Rail are the portfolio companies that performed strongest in terms of earnings. Griffine, the French unit in Cotting Group, burdened the Group's earnings trend significantly during the financial year. Structural measures have been implemented, and the company has launched new products and secured new long-term orders for significant amounts. Duroc's Board resolved to invest MSEK 110 in new production technology which in the space of two or three years will create utterly different prospects for the company. The ability to develop new products and meet new requirements for recycled and bio-based material will be significantly enhanced, and productivity will also improve.

First nine months July 2021 – March 2022

Net sales increased by 16 percent to MSEK 2,686.8 (2312.4). Adjusted EBIT totaled MSEK 64.4 (72.2) and operating profit increased to MSEK 57.0 (34.2). Organic growth stood at 14 percent driven by DMT Group, Duroc Rail and Smaller Company Portfolio. Cresco developed according to plan while growth at IFG and Drake Extrusion was largely driven by raw materials inflation. The Group's earnings trend was burdened by lower volumes in the French part of Cotting Group related to a shortage of components at end customers, and by Drake Extrusion which, despite well-filled order books, has suffered tough competition for labor in common with other American companies.

Future prospects

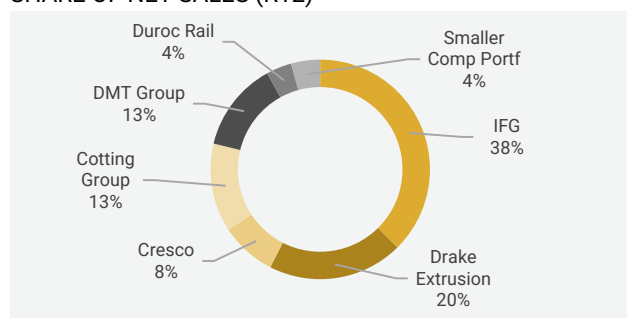
Most of the portfolio companies are currently performing satisfactorily. IFG is expected to continue its transformation into a more distinct niche player with the ability to deliver higher profitability than before. These efforts were initiated around three years ago and are now bearing fruit in the form of stable, continuing margin improvements as the product mix changes. Apart from the tragic war in Ukraine and disruptions in the global supply chain, Duroc, with its existing portfolio, has significantly greater earning capacity than currently reported for the last 12-month period. During the next quarter Cotting Group (Griffine) is expected to keep going at a loss due to the low volumes caused by component shortages at customers. The semiconductor shortage appears to be far worse than initially predicted. From 2024 onwards, a honed Griffine with new state-of-the-art machines is expected to achieve operating profits of around 10 percent as volumes return to normal levels. The well-invested Drake Extrusion, which underperformed during the year due to external circumstances, has good prospects of once again reaching an operating margin of around 6–7 percent once the raw materials pricing and labor market challenges have been dealt with. Other parts of the Group are performing well and are expected to continue developing in the years ahead. All in all, Duroc should be a Group which, with remarkably low mortgaging, as previously indicated, has the conditions needed to, by a good margin exceed an operating profit of six percent in a few years. In the short term, the challenges from cost-push inflation and component shortages remain, which makes the next quarters difficult to forecast. The Group is well-equipped and prepared to navigate safely through the conditions that will prevail moving forward.

John Häger
CEO

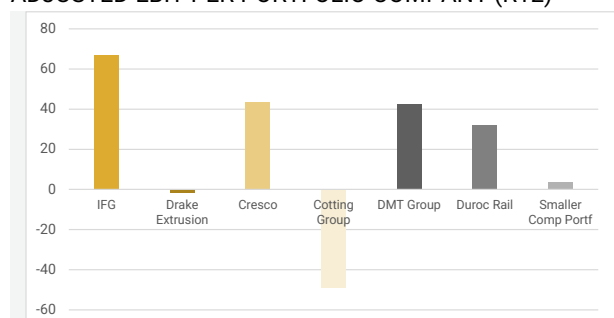
DEVELOPMENTS IN DUROC PORTFOLIO COMPANIES

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, April 2021 – March 2022. Read more about developments company by company on pages 4–7 and in Duroc's segment report on page 17.

SHARE OF NET SALES (R12)



ADJUSTED EBIT PER PORTFOLIO COMPANY (R12)



Third quarter January – March 2022

Net sales increased by 14 percent to MSEK 996.5 (873.4). Organic growth stood at 10 percent, mainly driven by IFG and DMT Group, where DMT enjoyed its strongest quarter ever. At IFG, growth is mainly driven by price increases that compensate for higher materials costs.

Adjusted EBITDA increased to MSEK 79.2 (62.0) and adjusted EBITDA to 7.9 percent (7.1). Strong underlying earnings trend in most units despite the impact from higher materials prices, energy and haulage.

Adjusted EBIT totaled MSEK 52.6 (36.7), while the operating profit of MSEK 39.5 was influenced by items affecting comparability amounting to 13.0, mainly the impairment of intangible assets (ERP system) in Cotting Group (previous year 1.2 affected by restructuring costs amounting to MSEK 35.5).

Profit after tax was MSEK 24.8 (-0.2).

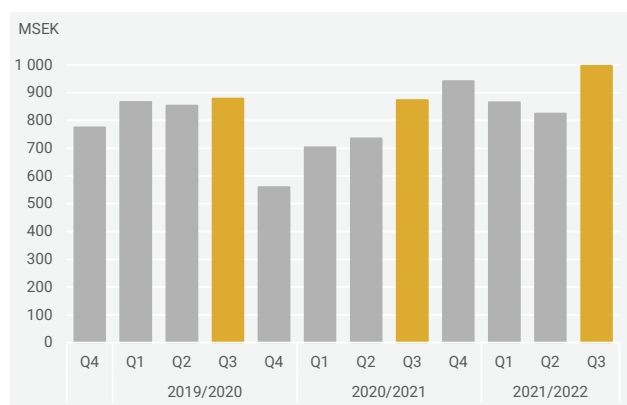
July 2021 – March 2022

Net sales increased by 16 percent to MSEK 2,686.8 (2,312.4). Organic growth stood at 14 percent. Good growth in the business, especially in DMT Group, Duroc Rail and Smaller Company Portfolio. IFG Cresco remains at a strong, stable level while growth in IFG and Drake Extrusion is mainly driven by increased raw materials prices. The semiconductor shortage is keeping Cotting Group's sales at very low levels.

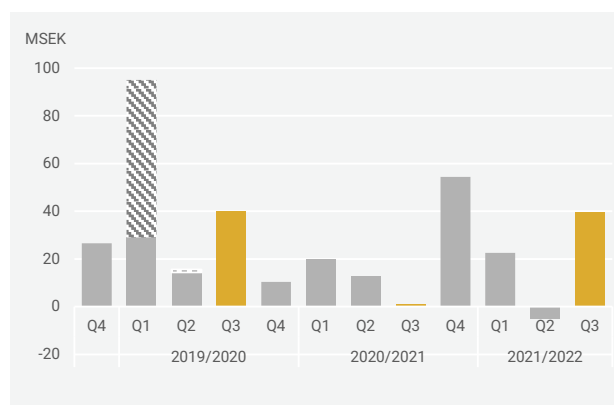
Adjusted EBITDA totaled MSEK 140.7 (147.8) and the adjusted EBITDA margin totaled 5.2 percent (6.4). IFG, Cresco, DMT Group, Duroc Rail and Smaller Company Portfolio have developed their businesses based on their respective strategies, which has led to excellent earnings trends. Cotting Group has suffered from low volumes, and Drake Extrusion was not able to fully meet existing demand due to the challenging American labor market situation. Adjusted EBIT totaled MSEK 64.4 (72.2) and operating profit MSEK 57.0 (34.2) including restructuring costs and the impairment of intangible assets totaling MSEK 7.4 (38.0).

Profit after tax totaled MSEK 34.8 (17.3)

DEVELOPMENT OF DUROC'S NET SALES



DEVELOPMENT OF DUROC'S OPERATING PROFIT (EBIT)

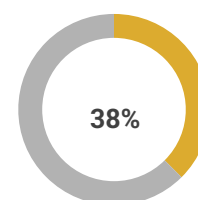


Operating profit for Q1 and Q2 2019/2020 includes MSEK 65.7 and MSEK 1.2 respectively for negative goodwill from business acquisitions. Q3 2020/2021 was affected by restructuring costs totaling MSEK 35.5.



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 changed product mix and strategic capacity adaptations carried out in the third quarter of the previous year continued to be reflected in the development of IFG's profitability. Adjusted EBITDA increased by 116 percent despite the negative impact from increased prices for materials, energy and transportation.
- Organic growth stood at 19 percent while sales volumes decreased by 17 percent. While this is in part an effect of the product mix, the main impact is from increased raw materials prices*.
- The semiconductor shortage in the automotive industry, high inflation and the impact of the Ukraine war on the market have all contributed to the lower volumes.
- The war in Ukraine and its impact on the oil price has led to higher polypropylene prices, and this has also driven up the levels of net debt and capital employed.
- EBITDA and EBIT included MSEK +3.0 from the dissolution of the restructuring reserve. (During the previous year, MSEK -24.3 and -26.0 in respect of restructuring costs.)

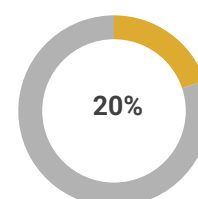
*Raw materials prices at IFG have risen since the second half of the 2020/2021 financial year. Price mechanisms in customer agreements mean that sales increase as raw materials prices rise and decrease as prices fall. Because raw materials prices affect both the sales price and raw materials costs, gross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

	2021/ 2022 Q3	2020/ 2021 Q3	2021/ 2022 Q1-Q3	2020/ 2021 Q1-Q3	2021/ 2022 R12 MAR
Amounts in MSEK					
Net Sales	371.4	299.7	1,003.9	794.8	1,364.9
Growth, Net Sales %	23.9	-2.4	26.3	-9.8	39.1
Organic growth %	19.1	3.1	24.5	-5.6	38.3
EBITDA	29.8	-11.9	68.6	10.3	101.8
EBITDA margin %	8.0	-4.0	6.8	1.3	7.5
Adjusted EBITDA	26.8	12.4	60.0	37.0	92.1
Adjusted EBITDA-margin, %	7.2	4.1	6.0	4.7	6.7
EBIT	23.6	-20.2	49.7	-13.0	76.2
EBIT margin %	6.3	-6.8	5.0	-1.6	5.6
Net Debt/Net Cash (-)	98.6	31.4	98.6	31.4	98.6
of which from leasing IFRS 16	67.4	68.3	67.4	68.3	67.4
Capital employed	470.4	343.3	470.4	343.3	470.4
ROCE %	17.9	-5.7	17.9	-5.7	17.9
Adjusted ROCE %	15.7	3.9	15.7	3.9	15.7



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)



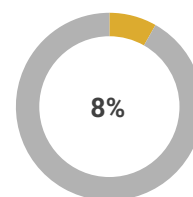
- Sales volumes decreased by 9 percent in the quarter, and the increase in sales revenues is entirely attributable to price increases, which compensated for increased raw material prices and labor costs.
- Demand for staple fiber from automotive remained low as a result of the semiconductor shortage.
- EBIT improved in the middle of the quarter when polypropylene prices decreased and the challenging labor situation in the US stabilized.
- The improvement in earnings was dampened in the last month of the quarter as raw materials prices rose once again as a result of the war in Ukraine.

	2021/ 2022 Q3	2020/ 2021 Q3	2021/ 2022 Q1-Q3	2020/ 2021 Q1-Q3	2021/ 2022 R12 MAR
Amounts in MSEK					
Net Sales	190.5	160.0	543.2	442.7	722.8
Growth, Net Sales %	19.0	9.4	22.7	-5.0	38.9
Organic growth %	6.2	21.9	14.2	4.8	33.3
EBITDA	10.0	2.5	13.7	33.1	25.2
EBITDA margin %	5.2	1.5	2.5	7.5	3.5
EBIT	1.7	-3.9	-8.0	13.8	-1.5
EBIT margin %	0.9	-2.4	-1.5	3.1	-0.2
Net Debt/Net Cash (-)	43.9	26.8	43.9	26.8	43.9
of which from leasing IFRS 16	11.1	14.0	11.1	14.0	11.1
Capital employed	307.4	270.6	307.4	270.6	307.4
ROCE %	-0.5	11.9	-0.5	11.9	-0.5



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)



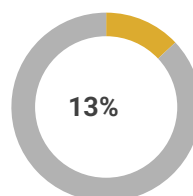
- Net sales decreased in the third quarter. Negative organic growth of 6 percent.
- Delivery of a major climate screen project with high margins helped EBIT increase by 31 percent and the EBIT margin to 17.6 percent (13.0).
- Cresco's business is largely dependent on the operation of the greenhouse projects to which it delivers. Thus because sales and earnings in any given quarter are dependent on the projects that fall due during the period, the outcome may vary considerably.
- Order intake rose during the quarter and was MEUR 11.4 at the end of the period.
- Cresco's climate screen contributes to a more energy efficient cultivation process, an issue that will be increasingly important for professional growers as energy prices rise.

	2021/ 2022 Q3	2020/ 2021 Q3	2021/ 2022 Q1-Q3	2020/ 2021 Q1-Q3	2021/ 2022 R12 MAR
Amounts in MSEK					
Net Sales	72.1	74.1	212.1	210.1	298.7
Growth, Net Sales %	-2.8	23.2	0.9	12.0	6.3
Organic growth %	-6.0	29.7	0.8	16.4	7.4
EBITDA	14.0	10.8	28.4	25.9	49.2
EBITDA margin %	19.4	14.6	13.4	12.3	16.5
EBIT	12.7	9.7	24.3	22.4	43.7
EBIT margin %	17.6	13.0	11.5	10.6	14.6
Net Debt/Net Cash (-)	28.1	19.8	28.1	19.8	28.1
of which from leasing IFRS 16	5.1	4.8	5.1	4.8	5.1
Capital employed	198.3	162.3	198.3	162.3	198.3
ROCE %	24.9	17.7	24.9	17.7	24.9



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 increased a little during the quarter but continue to be heavily affected by lower volumes in automotive, hovering at around half the normal level due to the semiconductor shortage.
- The effect of cost-cutting measures together with price rises to customers to compensate for increased raw materials prices helped dampen the losses. Higher prices for materials and energy continue to be a challenge.
- EBIT includes MSEK 16.0 in items affecting comparability, of which MSEK 14.3 relates to impairments of intangible assets (ERP system).
- The demand for new vehicles remains high, and the sales situation will improve moving forward. However, Cotting Group will have to deal with low or negative earnings until the semiconductor situation improves.
- In April, a resolution was passed to invest around MSEK 110 in a new production line for the French operation. With this, Duroc will create Europe's most modern and cost-effective production unit of its type. The investment is also part of Cotting Group's strategic plan to increase both profitability and competitiveness.

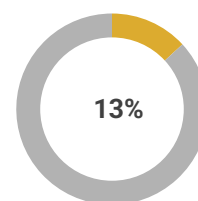
	2021/ 2022 Q3	2020/ 2021 Q3	2021/ 2022 Q1-Q3	2020/ 2021 Q1-Q3	2021/ 2022 R12 MAR
Amounts in MSEK					
Net Sales	141.7	139.9	350.2	412.3	473.5
Growth, Net Sales %	1.3	-17.7	-15.1	-17.1	-4.6
Organic growth %	-1.6	-13.3	-15.1	-3.7	-13.8
EBITDA	-4.5	1.9	-28.1	8.1	-31.7
EBITDA margin %	-3.1	1.4	-8.0	2.0	-6.7
Adjusted EBITDA	-2.7	8.1	-26.3	14.3	-30.0
Adjusted EBITDA-margin, %	-1.9	5.8	-7.5	3.5	-6.3
EBIT	-24.0	-2.3	-57.3	-4.6	-65.1
EBIT margin %	-17.0	-1.6	-16.4	-1.1	-13.8
Net Debt/Net Cash (-)	112.4	16.5	112.4	16.5	112.4
of which from leasing IFRS 16	3.3	5.8	3.3	5.8	3.3
Capital employed	301.6	290.5	301.6	290.5	301.6
ROCE %	-21.5	-4.1	-21.5	-4.1	-21.5
Adjusted ROCE %	-16.2	-1.5	-16.2	-1.5	-16.2

DUROC

MACHINE TOOL

Duroc Machine Tool Group (DMT Group) is one of the biggest suppliers of machine tools, (R12)

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.



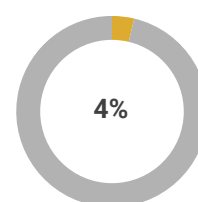
- Continued good growth and profitability in DMT's business. Organic growth stood at 19 percent and the EBIT margin at 9.3 percent. The company enjoyed its strongest quarter ever.
- Despite a certain unease in the market due to the war in Ukraine and continued challenges with machine delivery delays, demand for machine tools and tools remained at the same high level.
- At MSEK 242 at the end of the quarter, order intake was at record levels.
- EBIT increased by 22 percent.
- Temporarily improved payment terms in several major projects have led to a reduction in capital employed.

	2021/ 2022 Q3	2020/ 2021 Q3	2021/ 2022 Q1-Q3	2020/ 2021 Q1-Q3	2021/ 2022 R12 MAR
Amounts in MSEK					
Net Sales	131.5	108.3	355.9	256.3	478.7
Growth, Net Sales %	21.5	8.1	38.9	-16.8	45.1
Organic growth %	19.0	11.6	38.4	-14.2	45.3
EBITDA	13.7	11.1	36.0	21.8	48.3
EBITDA margin %	10.4	10.3	10.1	8.5	10.1
EBIT	12.2	10.0	31.7	18.3	42.6
EBIT margin %	9.3	9.2	8.9	7.1	8.9
Net Debt/Net Cash (-)	-65.6	-20.1	-65.6	-20.1	-65.6
of which from leasing IFRS 16	6.5	5.5	6.5	5.5	6.5
Capital employed	26.4	37.7	26.4	37.7	26.4
ROCE %	102.2	67.2	102.2	67.2	102.2

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)



- The third quarter constitutes high season for Duroc Rail, which once again achieved record levels with net sales approaching MSEK 50 and an EBIT margin above 30 percent.
- EBIT improved by 4 percent compared to the previous year's strong quarter.
- The high, improved profitability level is attributable to a favorable product mix with a greater proportion of more advanced technological maintenance assignments and efficient capacity utilization.
- During the next quarter, Duroc Rail will experience low volumes due to seasonal variances.

	2021/ 2022 Q3	2020/ 2021 Q3	2021/ 2022 Q1-Q3	2020/ 2021 Q1-Q3	2021/ 2022 R12 MAR
Amounts in MSEK					
Net Sales	49.7	49.1	104.9	98.6	136.0
Growth, Net Sales %	1.2	7.8	6.3	-0.3	7.0
Organic growth %	1.2	7.8	6.3	-0.3	7.0
EBITDA	16.8	17.0	30.3	25.9	38.4
EBITDA margin %	33.9	34.6	28.9	26.2	28.2
EBIT	15.3	14.7	25.6	19.8	32.1
EBIT margin %	30.8	30.0	24.4	20.1	23.6
Net Debt/Net Cash (-)	8.8	12.1	8.8	12.1	8.8
of which from leasing IFRS 16	10.2	13.0	10.2	13.0	10.2
Capital employed	46.0	43.7	46.0	43.7	46.0
ROCE %	69.3	58.5	69.3	58.5	69.3

DUROC LASER COATING



UNIVERSAL POWER

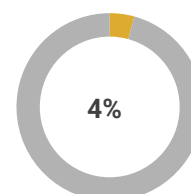
Smaller Company Portfolio

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)



- Small Company Portfolio has turned losses into profitability, which was clearly reflected in earnings trends during the third quarter.
- EBIT increased from MSEK -1.8 to 2.8 and the EBIT margin stood at 7.1 percent. This was despite a reduction in net sales of 8 percent.
- UPN increased net sales by 19 percent during the quarter and delivered and EBIT margin of 13 percent as a result of the turn-around, which may now be regarded as concluded.
- Herber's operation is characterized by projects, and machine deliveries were at a lower level in this particular quarter. Demand for Herber's tube bending machines remains good, but with a certain hesitancy in customer investment decisions.
- Net sales and operating profit (EBIT) in DLC were on par with the year-over-year quarter. Market ventures have depressed earnings a little in the short term.
- EBIT was affected negatively by the repayment of short-term support in the amount of MSEK 1.

	2021/ 2022 Q3	2020/ 2021 Q3	2021/ 2022 Q1-Q3	2020/ 2021 Q1-Q3	2021/ 2022 R12 MAR
Amounts in MSEK					
Net Sales	39.7	43.2	117.3	98.9	155.4
Growth, Net Sales %	-8.0	-13.4	18.6	-38.1	12.4
Organic growth %	-8.0	-13.4	18.6	-38.1	12.4
EBITDA	5.0	2.3	12.7	2.8	13.2
EBITDA margin %	12.6	5.3	10.9	2.8	8.5
Adjusted EBITDA	5.0	4.6	12.7	5.1	13.1
Adjusted EBITDA-margin, %	12.6	10.7	10.9	5.2	8.4
EBIT	2.8	-1.8	5.7	-6.0	3.6
EBIT margin %	7.1	-4.2	4.9	-6.1	2.3
Net Debt/Net Cash (-)	21.8	36.9	21.8	36.9	21.8
of which from leasing IFRS 16	28.4	34.3	28.4	34.3	28.4
Capital employed	44.2	61.3	44.2	61.3	44.2
ROCE %	6.9	-13.7	6.9	-13.7	6.9
Adjusted ROCE %	6.6	-7.6	6.6	-7.6	6.6

FINANCIAL INFORMATION

FINANCIAL PERFORMANCE AND POSITION

Net sales for the first three quarters totaled MSEK 2,686.8 (2,312.4). Operating profit totaled MSEK 57.0 (34.2) and profit after tax MSEK 34.8 (17.3). Other comprehensive income totaled MSEK 42.7 (58.7) including MSEK 39.7 (-28.2) in translation differences.

At the end of the period, the Group's equity totaled MSEK 1,148.1 (1,024.4) and the equity/assets ratio was 52.8 percent (50.1). Were cash and cash equivalents and interest-bearing liabilities to be reported net, the Group's adjusted equity/assets ratio would be 53.4 percent (53.7).

FINANCING

As of March 31, 2022, Duroc AB has a bank loan in the amount of MSEK 66.8, which will be fully repaid in February 2025 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 March 31, the Group had undrawn credit facilities for 2022 totaling MSEK 263.9.

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, March 31, 2022, 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 first nine months-of the financial year, the Group made investments in tangible and intangible fixed assets totaling MSEK 48.7 (93.6), of which MSEK 4.6 (10.0) is attributable to the lease of property, plant and equipment in compliance with IFRS 16. Cash flow from the purchase and sales of tangible and intangible fixed assets totaled MSEK -39.4 (-68.7).

CASH FLOW

During the first nine months of the financial year, consolidated cash flow from operating activities totaled MSEK 40.5 (105.8). Higher materials prices have led to a rise in capital tied up, especially in inventory. Cash flow from investment activities totaled

MSEK -38.8 (-51.7). Cash flow from financing operations totaled MSEK -38.9 (-54.6), where MSEK 11.3 (-1.4) was related to utilized credit facilities and MSEK -21.4 (-25.0) to the payment of lease 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 24.5 (136.5). Interest-bearing liabilities totaled MSEK 315.3 (358.6) including lease liabilities from IFRS 16 in the amount of MSEK 132.5 (146.8) and the Group's net debt totaled MSEK 290.7 (222.2). Net debt excluding lease liabilities from IFRS 16 totaled MSEK 158.2 (75.4).

PARENT COMPANY

Duroc AB's primary functions are acquisitions, monitoring the development of Group companies, business development and financial reporting. Sales consisted of internally invoiced services totaling MSEK 4.4 (4.3) during the first nine months of the financial year. Earnings after tax totaled MSEK -3.1 (-10.9), of which MSEK 65.3 is in respect of dividends from subsidiaries and MSEK -60.0 in respect of an impairment of shares in the subsidiary Griffine Enduction S.A. In addition to participations in Group companies, the assets in the parent company consist mostly of receivables from Group companies and bank balances. Duroc AB's equity/assets ratio at the end of the period was 80.1 percent (75.6).

Duroc AB has issued a parent company guarantee in favor of Griffine Enduction S.A, a Cotting Group company. The guarantee is valid until December 2022 with a limit of MEUR 14.

PERSONNEL

The average number of Duroc Group employees during the first six-month period was 1,096 (1,122). 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 extensive spread of Covid-19 affected production and sales in several Duroc Group companies since mid-March 2020 with negative effects on earnings from the last quarter of 2019/2020. The situation has improved significantly since then, but since the third and fourth quarters of 2020/2021, most of the companies have encountered rising materials prices, increased haulage costs and longer lead times. The shortage of semiconductors has had a major impact on sales in the Cotting Group. IFG and Drake Extrusion encountered lower volumes in the automotive customer segment. During the third quarter of 2021/2022, there was a fourth outbreak of Covid-19 in China with extensive closures, which has had

a direct impact on the availability of semiconductors. It is uncertain how long the semiconductor shortage will affect demand in the automotive industry, but there is reason to be prepared for the shortage to linger a little while longer. Also, rising energy prices, which escalated in conjunction with the war in Ukraine, led to further increases in the cost base.

The Duroc Group's direct exposure to Ukraine and Russia is limited, and no pronounced effects on demand have been noted hitherto. However, the impact of the war on pricing and the overall macro-economic situation is an uncertainty factor moving forward. There is a risk that a more challenging business environment will continue to affect business negatively. At the same time, geographical changes in the supply chains, as European and American companies seek to reduce their dependency on China and other politically vulnerable countries while also shortening transport routes, will benefit Duroc. European and American companies, which to a greater extent control purchasing and production in the various markets, present business opportunities for many of Duroc's companies.

Duroc is financially well-equipped to meet changed economic conditions.

Stockholm, May 6, 2022

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 May 6, 2022.

AUDITOR'S REPORT

Duroc Aktiebolag, Corp. reg. No. 556446-4286

We have reviewed the condensed interim financial information (interim report) of Duroc Aktiebolag as of 31 march 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, May 6, 2022

PricewaterhouseCoopers AB

Aleksander Lyckow
Authorized Public Accountant

CONSOLIDATED INCOME STATEMENT

Amounts in MSEK	2021/2022 Q3	2020/2021 Q3	2021/2022 Q1-Q3	2020/2021 Q1-Q3	2020/2021 JUL-JUN
Net sales	996.5	873.4	2,686.8	2,312.4	3,254.5
Other operating income	5.4	8.2	14.9	21.0	33.1
Change in inventories	22.0	16.5	24.8	-2.2	3.7
Raw materials and consumables	-512.7	-450.8	-1,413.4	-1,124.9	-1,616.6
Goods for resale	-103.7	-87.2	-274.9	-205.8	-305.4
Other external costs	-144.0	-138.4	-385.1	-371.7	-489.9
Personnel costs	-181.5	-192.4	-502.5	-513.9	-686.3
Depreciation, amortisation and impairment of tangible and intangible assets	-41.0	-27.9	-90.6	-78.1	-101.3
Other operating costs	-1.5	-0.3	-2.8	-2.6	-3.3
Operating profit/loss	39.5	1.2	57.0	34.2	88.6
Net financial items	-2.1	-1.6	-5.8	-7.2	-10.1
Profit before tax	37.4	-0.4	51.2	27.0	78.5
Current tax	-5.9	-4.4	-13.2	-18.1	-13.2
Deferred tax	-6.8	4.7	-3.2	8.4	-9.9
PROFIT FOR THE PERIOD	24.8	-0.2	34.8	17.3	55.4
Profit for the period attributable to:					
The Parent Company's equity holders	24.8	-0.2	34.8	17.3	55.4
Earnings per share					
Before and after dilution (sek)	0.63	-0.00	0.89	0.44	1.42
Average number of shares before and after dilution	39,000,000	39,000,000	39,000,000	39,000,000	39,000,000

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in MSEK	2021/2022 Q3	2020/2021 Q3	2021/2022 Q1-Q3	2020/2021 Q1-Q3	2020/2021 JUL-JUN
PROFIT FOR THE PERIOD	24.8	-0.2	34.8	17.3	55.4
Total other comprehensive income					
Items that may be reclassified to the income statement					
Translation differences	25.6	29.6	39.7	-28.2	-44.5
Hedge accounting (net)	0.8	-0.5	1.6	-1.7	1.4
Items that will not be reclassified to the income statement					
Revaluation of strategic holdings	-	9.3	-	15.9	16.1
Actuarial gains and losses(net)	0.0	65.0	1.5	72.7	93.3
Total other comprehensive income	26.5	103.3	42.7	58.7	66.4
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	51.2	103.1	77.6	76.0	121.8
Total comprehensive income for the period attributable to:					
The Parent company's equity holders	51.2	103.1	77.6	76.0	121.8
non-controlling interests	-	-	-	-	-

CONSOLIDATED BALANCE SHEET

Amounts in MSEK	2022-03-31	2021-03-31	2021-06-30
ASSETS			
Non-current assets			
Intangible assets	107.3	95.1	119.8
Property plant and equipment	711.8	738.5	710.7
Financial assets	6.3	8.5	6.8
Deferred tax assets	52.6	74.9	56.6
Total non-current assets	878.0	916.9	893.9
Current assets			
Inventories	666.0	486.0	549.8
Trade receivables	548.7	446.5	514.1
Current tax receivables	12.6	10.7	11.1
Other receivables	27.0	29.5	37.2
Prepaid expenses and accrued income	16.6	18.2	20.4
Cash and cash equivalents	24.5	136.5	59.9
Total current assets	1,295.4	1,127.3	1,192.4
TOTAL ASSETS	2,173.5	2,044.2	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	117.0	89.0	75.7
Retained earnings including profit for the year	731.7	636.0	695.1
Equity attributable to shareholders of the parent company	1,148.1	1,024.4	1,070.3
Total equity	1,148.1	1,024.4	1,070.3
Long-term liabilities			
Provision for pensions	64.9	99.0	69.5
Other provisions	15.4	11.6	17.1
Non-current interest-bearing liabilities	87.2	126.2	114.7
Non-Current liabilities - right of use assets	105.5	119.1	115.4
Other non-current liabilities	2.9	3.8	2.8
Deferred tax liabilities	42.1	38.3	40.8
Total non-current liabilities	318.0	398.0	360.3
Current liabilities			
Other provisions	9.1	31.2	22.5
Current interest-bearing liabilities	95.6	85.7	85.1
Current interest bearing liabilities - right of use assets	26.9	27.7	28.0
Advance payments from customers	54.5	28.0	33.8
Trade payables	326.6	264.5	305.1
Current tax liabilities	16.5	20.0	9.8
Other liabilities	59.6	51.3	54.7
Accrued expenses and prepaid income	118.5	113.6	116.7
Total current liabilities	707.4	621.9	655.8
Total liabilities	1,025.3	1,019.9	1,016.0
TOTAL EQUITY AND LIABILITIES	2,173.5	2,044.2	2,086.3

SUMMARY OF CHANGES IN CONSOLIDATED EQUITY

Amounts in MSEK	2021/2022 Q1-Q3	2020/2021 Q1-Q3	2020/2021 JUL-JUN
Opening balance	1,070.3	948.4	948.4
Profit for the period	34.8	17.3	55.4
Translation differences	39.7	-28.2	-44.5
Revaluation of strategic holdings	-	15.9	16.1
Actuarial gains and losses (net)	1.5	72.7	93.3
Hedge accounting (net)	1.6	-1.7	1.4
Closing balance	1,148.1	1,024.4	1,070.3

CONSOLIDATED CASH FLOW STATEMENT

Amounts in MSEK	2021/2022 Q3	2020/2021 Q3	2021/2022 Q1-Q3	2020/2021 Q1-Q3	2020/2021 JUL-JUN
OPERATING ACTIVITIES					
Profit before taxes	37.4	-0.4	51.2	27.0	78.5
Adjustment for items not included in cash flow	37.3	56.2	81.1	112.6	130.8
Income tax paid	-2.0	-2.8	-8.2	-8.5	-7.7
Cash flow from operating activities before changes in working capital	72.7	53.0	124.1	131.0	201.6
CASHFLOW FROM CHANGES IN WORKING CAPITAL					
Changes in inventories	-38.2	-12.4	-104.0	-12.3	-86.3
Changes in current receivables	-97.3	-71.4	-2.4	-98.3	-183.4
Changes in current liabilities	125.1	74.5	22.8	85.3	138.7
Cash flow from operating activities	62.3	43.7	40.5	105.8	70.6
INVESTMENT ACTIVITIES					
Purchase and sales of intangible assets	-2.7	-0.5	-5.0	-1.0	-7.4
Purchase and sales of tangible assets	-8.8	-28.5	-34.4	-67.7	-86.7
Cash flow from acquisitions	-	-8.7	-	-8.7	-8.6
Cash flow from financial assets	-0.0	25.4	0.7	25.7	27.4
Cash flow from investment activities	-11.5	-12.2	-38.8	-51.7	-75.3
FINANCING ACTIVITIES					
Amortization of loans	-9.7	-9.6	-28.8	-28.2	-37.8
Amortization of liabilities regarding right of use-assets	-7.0	-8.8	-21.4	-25.0	-32.4
Changes in short term operating financing	-45.9	-0.5	11.3	-1.4	-1.2
Cash flow from financing activities	-62.6	-18.9	-38.9	-54.6	-71.5
Cash flow for the period	-11.8	12.6	-37.1	-0.4	-76.1
Cash and cash equivalents at beginning of period	35.9	120.1	59.9	142.3	142.3
Transaltion difference in cash and cash equivalents	0.5	3.9	1.7	-5.4	-6.1
Cash and cash equivalents at end of period	24.5	136.5	24.5	136.5	59.9

PARENT COMPANY INCOME STATEMENT

Amounts in MSEK	2021/2022 Q3	2020/2021 Q3	2021/2022 Q1-Q3	2020/2021 Q1-Q3	2020/2021 JUL-JUN
Net sales	1.5	1.7	4.4	4.3	5.7
Other external costs	-1.6	-2.0	-4.8	-7.1	-8.8
Personnel costs	-3.1	-3.2	-10.3	-9.3	-13.2
Depreciation and amortisation	-0.1	-0.1	-0.2	-0.3	-0.3
Operating result	-3.2	-3.5	-10.9	-12.4	-16.7
Result from shares in group companies	-	-	65.3	-	-
Financial income	1.7	0.7	3.7	2.3	3.0
Impairment of shares in group companies	-60.0	-	-60.0	-	61.1
Financial expense	-1.6	-0.7	-3.3	-3.7	-4.5
Net finance items	-59.9	0.0	5.7	-1.4	59.6
Group contributions received/rendered	-	-	-	-	31.6
Profit before tax	-63.1	-3.5	-5.2	-13.8	74.4
Current tax	0.6	0.7	2.2	2.9	-9.7
PROFIT AFTER TAX	-62.5	-2.8	-3.1	-10.9	64.7

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Amounts in MSEK	2021/2022 Q3	2020/2021 Q3	2021/2022 Q1-Q3	2020/2021 Q1-Q3	2020/2021 JUL-JUN
PROFIT FOR THE PERIOD	-62.5	-2.8	-3.1	-10.9	64.7
Other comprehensive result					
Revaluation of strategical holdings	-	0.0	-	-0.0	0.3
Total Other comprehensive income	-	0.0	-	-0.0	0.3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-62.5	-2.8	-3.1	-10.9	65.0

PARENT COMPANY BALANCE SHEET

Amounts in MSEK	2022-03-31	2021-03-31	2021-06-30
ASSETS			
Non current assets			
Other intangible assets	0.4	0.6	0.5
Tangible fixed assets	0.0	0.0	0.0
Shares in group companies	1,130.6	1,129.5	1,190.6
Other equity	-	0.1	-
Receivables group companies	2.2	2.1	2.1
Deferred tax asset	8.3	18.1	6.2
Total non-current assets	1,141.5	1,150.4	1,199.4
Current assets			
Receivables group companies	165.0	70.5	124.0
Other receivables	0.4	0.4	1.4
Prepaid expenses and accrued income	2.0	1.9	1.7
Cash and cash equivalents	0.5	104.9	27.3
Total current assets	167.9	177.6	154.4
TOTAL ASSETS	1,309.4	1,327.9	1,353.9
EQUITY AND LIABILITIES			
Equity			
Restricted equity	40.1	40.1	40.1
Unrestricted equity	1,036.8	963.9	1,039.9
Total equity	1,076.9	1,004.0	1,080.0
Long term liabilities			
Liabilities to credit institution	50.3	75.5	69.2
Total long term liabilities	50.3	75.5	69.2
Current liabilities			
Liabilities to credit institutions	36.2	25.2	25.2
Trade payables	0.7	1.0	0.7
Payables group companies	141.0	217.9	172.3
Other liabilities	0.4	0.4	1.1
Accrued expenses and prepaid income	3.9	4.1	5.4
Total current liabilities	182.2	248.4	204.7
Total liabilities	232.5	323.9	273.8
TOTAL EQUITY AND LIABILITIES	1,309.4	1,327.9	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 March 31, 2022, the Group hedged a small part of its exposures in EUR with 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 – March 31, 2022, the Group had a loan in the amount of MEUR 9.6, which at the end of the period totaled MEUR 7.2 against which hedges were applied. Related exchange rate changes of MSEK 3.2 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 Q3	2020/2021 Q3	2021/2022 Q1-Q3	2020/2021 Q1-Q3	2021/2022 R12 MAR	2020/2021 JUL-JUN
Net sales						
IFG	371.4	299.7	1,003.9	794.8	1,364.9	1,155.8
Drake Extrusion	190.5	160.0	543.2	442.7	722.8	622.2
Cresco	72.1	74.1	212.1	210.1	298.7	296.8
Cotting Group	141.7	139.9	350.2	412.3	473.5	535.6
DMT Group	131.5	108.3	355.9	256.3	478.7	379.0
Duroc Rail	49.7	49.1	104.9	98.6	136.0	129.7
Small Company Portfolio	39.7	43.2	117.3	98.9	155.4	137.0
Holding companies/group-wide functions	1.7	2.0	5.1	5.0	6.8	6.7
Eliminations	-1.8	-2.9	-5.9	-6.3	-7.9	-8.2
	996.5	873.4	2,686.8	2,312.4	3,628.8	3,254.5
EBITDA						
IFG	29.8	-11.9	68.6	10.3	101.8	43.4
Drake Extrusion	10.0	2.5	13.7	33.1	25.2	44.6
Cresco	14.0	10.8	28.4	25.9	49.2	46.7
Cotting Group	-4.5	1.9	-28.1	8.1	-31.7	4.5
DMT Group	13.7	11.1	36.0	21.8	48.3	34.1
Duroc Rail	16.8	17.0	30.3	25.9	38.4	34.0
Small Company Portfolio	5.0	2.3	12.7	2.8	13.2	3.3
Holding companies/group-wide functions	-4.4	-4.8	-13.9	-15.6	-19.1	-20.8
Total	80.5	29.0	147.6	112.3	225.3	189.9
Operating profit/loss						
IFG	23.6	-20.2	49.7	-13.0	76.2	13.5
Drake Extrusion	1.7	-3.9	-8.0	13.8	-1.5	20.3
Cresco	12.7	9.7	24.3	22.4	43.7	41.8
Cotting Group	-24.0	-2.3	-57.3	-4.6	-65.1	-12.4
DMT Group	12.2	10.0	31.7	18.3	42.6	29.1
Duroc Rail	15.3	14.7	25.6	19.8	32.1	26.4
Small Company Portfolio	2.8	-1.8	5.7	-6.0	3.6	-8.1
Holding companies/group-wide functions	-4.7	-5.1	-14.8	-16.5	-20.3	-22.0
Total	39.5	1.2	57.0	34.2	111.5	88.6
Net financial items	-2.1	-1.6	-5.8	-7.2	-8.7	-10.1
Profit before tax	37.4	-0.4	51.2	27.0	102.7	78.5

Amounts in MSEK	Nettoskuld			Sysselsatt kapital			Eget kapital		
	2022-03-31	2021-03-31	2021-06-30	2022-03-31	2021-03-31	2021-06-30	2022-03-31	2021-03-31	2021-06-30
IFG	98.6	31.4	87.3	470.4	343.3	421.8	348.8	288.6	311.6
Drake Extrusion	43.9	26.8	26.1	307.4	270.6	278.6	241.1	223.5	227.6
Cresco	28.1	19.8	27.8	198.3	162.3	172.8	189.2	164.2	170.7
Cotting Group	112.4	16.5	33.9	301.6	290.5	292.7	222.1	241.7	230.5
DMT Group	-65.6	-20.1	-17.6	26.4	37.7	46.9	153.9	123.2	130.1
Duroc Rail	8.8	12.1	29.4	46.0	43.7	41.4	43.7	39.1	23.7
Small Company Portfolio	21.8	36.9	37.7	44.2	61.3	55.8	29.5	32.5	26.0
Holding companies	42.7	98.8	58.7	10.2	8.5	8.4	-80.2	-88.6	-49.9
Total	290.7	222.2	283.3	1,404.6	1,217.9	1,318.5	1,148.1	1,024.4	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 Q3	2020/2021 Q3	2021/2022 Q1-Q3	2020/2021 Q1-Q3
Net sales	996.5	873.4	2,686.8	2,312.4
Effect from change in exchange rates	-32.8		-34.9	
Effect from acquisitions	-2.8		-19.2	
Net sales adjusted for acquisitions and changes in exchange rates	960.9	873.4	2,632.7	2,312.4
Organic growth (percent)	10.0%		13.9%	

Alternative earnings metrics

Amounts in MSEK	2021/2022 Q3	2020/2021 Q3	2021/2022 Q1-Q3	2020/2021 Q1-Q3	2021/2022 R12 MAR	2020/2021 JUL-JUN
Operating profit/loss	39.5	1.2	57.0	34.2	111.5	88.6
Depreciation, amortisation, write down of tangible and intangible non-current assets	41.0	27.9	90.6	78.1	113.8	101.3
EBITDA	80.5	29.0	147.6	112.3	225.3	189.9
Items affecting comparability						
Restructuring costs/dissolution of reserve	-0.2	33.0	-5.8	35.5	-7.0	34.3
Profit from sale of land	-1.1	-	-1.1	-	-1.1	-
Adjusted EBITDA	79.2	62.0	140.7	147.8	217.1	224.2
Depreciation, amortisation, write down of tangible and intangible non-current assets	-41.0	-27.9	-90.6	-78.1	-113.8	-101.3
Items affecting comparability						
Write down of tangible assets due to restructuring	-	2.5	-	2.5	0.4	3.0
Write down intangible assets	14.3	-	14.3	-	14.3	-
Adjusted EBIT	52.6	36.7	64.4	72.2	118.0	125.8
Net financial items	-2.1	-1.6	-5.8	-7.2	-8.7	-10.1
Net tax	-12.7	0.2	-16.4	-9.7	-29.8	-23.1
Adjusted profit for the period	37.8	35.3	42.2	55.3	79.5	92.6
Adjusted earnings per share (SEK)	0.97	0.91	1.08	1.42	2.04	2.37
Average number of shares	39,000,000	39,000,000	39,000,000	39,000,000	39,000,000	39,000,000

Net debt

Amounts in MSEK	2022-03-31	2021-03-31	2021-06-30
Long-term interest bearing liabilities	87.2	126.2	114.7
Long-term interest bearing liabilities	105.5	119.1	115.4
Short-term interest bearing liabilities	95.6	85.7	85.1
Short-term interest bearing liabilities	26.9	27.7	28.0
Cash and cash equivalents	-24.5	-136.5	-59.9
Net debt	290.7	222.2	283.3

Capital employed

Amounts in MSEK	2022-03-31	2021-03-31	2021-06-30
Equity	1148.1	1024.4	1070.3
Net debt	290.7	222.2	283.3
Intangible assets from acquisitions	-87.2	-87.6	-87.3
Pension liability	64.9	99.0	69.5
Strategic holdings	-1.5	-3.5	-1.5
Deferred tax	-10.5	-36.5	-15.8
Capital employed	1,404.6	1,217.9	1,318.5

NOT 5. FAIR VALUE OF FINANCIAL INSTRUMENTS

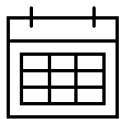
There were no transfers between levels or valuation categories during the period. The fair value of the Group's other financial assets and liabilities is estimated to correspond to their book values.

NOT 6. RELATED PARTY TRANSACTIONS

During the first nine months 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 2.2 (2.4) and MSEK 0.2 (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

Closing Report July 2021 – June 2022

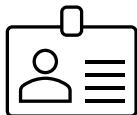
August 19, 2022

Interim Report July 2022 – September 2022

November 8, 2022

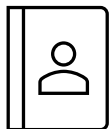
Interim Report July 2022 – December 2022

February 3, 2023



FOR MORE INFORMATION

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The word "DUROC" in a bold, sans-serif font, with a horizontal line underneath it.
DUROC