

INTERIM REPORT

JULY 2023 – MARCH 2024

STRONG FINANCES AND LOW NET DEBT – CONTINUED VOLATILITY IN THE POLYMER COMPANIES

Third quarter January 2024 – March 2024

- Net sales fell by 18 percent to MSEK 780.2 (947.2). Organic growth** was -10 percent.
- Adjusted EBITDA* decreased by 29 percent to total MSEK 42.0 (59.4), equivalent to an adjusted EBITDA* margin of 5.4 percent (6.3).
- Adjusted EBIT* decreased to MSEK 19.9 (32.2).
- Operating profit (EBIT) totaled MSEK 22.2 (30.5).
- Cash flow from operating activities totaled MSEK -13.4 (44.2).
- Earnings after tax totaled MSEK 7.4 (11.6).
- Adjusted earnings* per share totaled SEK 0.05 (0.34).
- Earnings per share totaled SEK 0.10 (0.30).
- Equity totaled MSEK 1,142.3 (1,071.5) and the equity/assets ratio was 62 percent (57).
- The transaction with LKAB regarding the sale of 49 percent of the shares in Duroc Rail AB was concluded during the quarter. The final cash consideration was MSEK 79.2 and resulted in an increase in the group's equity by MSEK 64.2. The deal also stipulates that LKAB will build a new production facility for Rail which will give space/room for continued growth to meet the industrial expansion in northern Sweden.

July 2023 – March 2024

- Net sales fell by 15 percent to MSEK 2,276.3 (2,686.4). Organic growth** for the remaining operations was -9 percent.
- Adjusted EBITDA* increased by 8 percent to total MSEK 90.0 (83.3), equivalent to an adjusted EBITDA* margin of 4.0 percent (3.1).
- Adjusted EBIT* increased to MSEK 16.3 (-0.6).
- Operating profit (EBIT) totaled MSEK 18.4 (-202.5).
- Cash flow from operating activities totaled MSEK 12.4 (171.4).
- Earnings after tax totaled MSEK 6.5 (-210.1).
- Adjusted earnings* per share totaled SEK 0.03 (-0.21).
- Earnings per share totaled SEK 0.08 (-5.39).
- As of March 31, 2024, cash and cash equivalents totaled MSEK 34.0 (26.2), and net debt excluding lease liabilities from IFRS 16 totaled MSEK 76.3 (124.2), a reduction by MSEK 43.2 since December 31, 2023. Unutilized credit facilities totaled MSEK 275.0 (267.0).

Group (MSEK)	2023/2024 Q3	2022/2023 Q3	2023/2024 Q1-Q3	2022/2023 Q1-Q3	2023/2024 R12 MAR	2022/2023 JUL-JUN
Net sales	780.2	947.2	2,276.3	2,686.4	3,083.0	3,493.1
EBITDA	44.3	57.7	92.0	60.8	135.2	104.0
Adjusted EBITDA*	42.0	59.4	90.0	83.3	120.6	114.0
Adjusted EBITDA*-margin, %	5.4	6.3	4.0	3.1	3.9	3.3
Operating profit/loss (EBIT)	22.2	30.5	18.4	-202.5	33.2	-187.6
Adjusted EBIT*	19.9	32.2	16.3	-0.6	21.5	4.6
Profit/loss after tax	7.4	11.6	6.5	-210.1	-21.5	-238.1
Profit per share, SEK	0.10	0.30	0.08	-5.39	-0.64	-6.10
Adjusted profit* per share, SEK	0.05	0.34	0.03	-0.21	-0.94	-1.17
Cashflow from operating activities	-13.4	44.2	12.4	171.4	58.2	217.2
Net debt excl. lease liability from IFRS 16	76.3	124.2	76.3	124.2	76.3	115.0
Net debt incl. lease liability from IFRS 16	189.8	258.4	189.8	258.4	189.8	251.1
Net debt/Equity ratio, %	17	24	17	24	17	23

*Adjusted for items affecting comparability. A reconciliation of amounts can be found on page 22.

**Refers to growth adjusted for exchange rate fluctuations and structural changes such as the acquisition and disposal of companies.

CEO'S COMMENT

Parts of the group such as railway maintenance, coated textiles and industrial motors developed positively. The quarter was affected negatively by continued volatile and subdued demand in the polymer companies, a lack of major projects in the cultivation industry and delays in the deliveries of sold machine tools in the DMT Group. The previously announced transaction with Rail was concluded in February.

Third quarter January 2024 – March 2024

Net sales decreased by 18 percent to MSEK 780.2. The adjusted EBIT totaled MSEK 19.9.

Railroad maintenance enjoyed strong demand during the quarter, with record sales and earnings noted during the last month. The transaction in which LKAB acquires 49 percent of Duroc Rail and finances the construction of the new workshop was concluded in February according to plan. This strategic partnership with LKAB, including their financing of the new production facility in Luleå, enables a significant expansion of Rails operation in the coming years. The cost for a new production facility is of a magnitude that Duroc saw an importance in bringing Rails largest customer as an investor in the business. The sale of 49 percent of the company released about MSEK 80 in cash for Duroc.

Plastibert, with coated textiles, or synthetic leather, saw an upward trend during the quarter, with improvements in both sales and earnings. The company has succeeded in increasing its customer base and has also implemented new technology in production with the aim of eliminating hazardous solvent emissions.

The order intake for DMT has been good and the order stock amounted to about MSEK 200 at the end of the quarter. Delays from suppliers and the industrial action in Finland, which delayed the deliveries of sold machines, affected the quarter negatively.

The fiber companies in Europe and the USA underwent a challenging quarter. The fiber industry in Europe is still suffering from the after-effects of the invasion of Ukraine with high interest rates and energy prices, even though both of these factors are abating. Demand has in recent years been significantly lower in most segments.

The furniture industry in the USA is currently in a severely trying period. A reduction in sales of around 20 percent was noted by American furniture manufacturers compared to 2023. The consumption of furniture is strongly linked to sales in the housing market, which currently has stagnated due to the high interest rates. The furniture industry is the primary customer group for the American fiber unit, Drake Extrusion. However, during the last quarter, volumes recovered at Drake.

A cost-saving program is in place but is not sufficient to compensate for the lost volume that took place in the fiber units. Reported capacity utilization in the industry in March was just over 60 percent in North America and just below 70 percent in Europe.

The cultivation industry is still characterized by lower volumes linked to interest rates and raw materials prices, where the number of major greenhouse projects was significantly fewer than in recent years. This had a severely negative effect on Cresco's sales, which were lower compared to the previous year.

First nine months July 2023 – March 2024

Net sales decreased by 15 percent to MSEK 2,276.3. The adjusted EBIT totaled MSEK 16.3. The financial year has been characterized by setbacks in the fiber and cultivation industries. These industries constitute a significant part of Duroc and have as such a great impact on consolidated earnings for the Group. Other companies developed well even if there was a slowdown in sales in most companies in the Group. The DMT Group has built up a significant order stock, and even though investment decisions are taking longer than before, the company is enjoying good demand for the Group's products and services. A new facility was inaugurated for the operation in Latvia.

In the Smaller Company Portfolio, UPN (engine supplier to machine builders) stands out as a well-performing, stable operation with good demand for its products and services. Furthermore, DLC's efforts in widening the customer base have started to yield results, with new customers and a positive outlook for good growth in the business.

Outlook

Uncertainty continues to prevail in the fiber industry in Europe and the United States. Inventory levels are considered normal in Europe and on the low side in North America. This does not bode well for a rapid market rally, but rather a slow decline in this cyclical business. Recovery in the industry is dependent on price developments for raw materials and also interest rates. If we see a continued easing of these aspects combined with lower inflation, there will once again be growing potential.

Furthermore, I note a certain softening in the mechanical engineering industry, which affects DMT. Conditions for customers are largely dependent on the industry they operate in. The defense industry is currently working at full tilt and even though the heavy haulage sector has slackened, volumes are still considered to be at a good level.

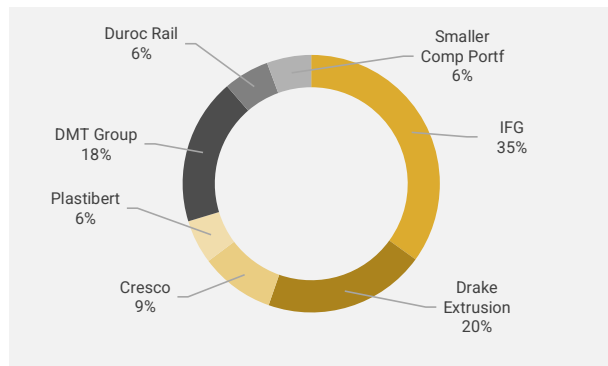
Duroc remains in good financial condition; it is largely debt-free and with significant room for investments in both existing and new operations. We will maintain the conservative approach that has enabled us to ride out the extraordinary storm that has befallen the fiber-related companies.

John Häger
CEO

DEVELOPMENTS IN DUROC PORTFOLIO COMPANIES

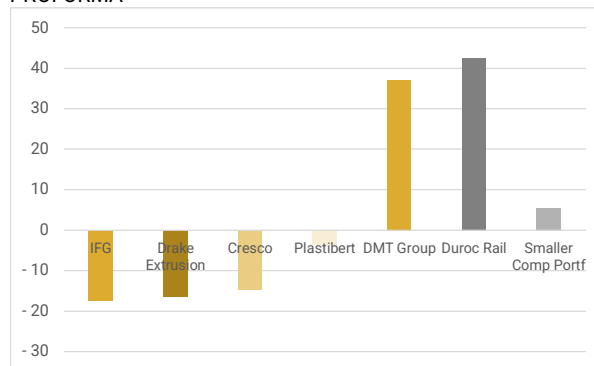
Duroc’s portfolio companies consist of International Fibres Group (IFG), Drake Extrusion, Cresco, Plastibert, Duroc Machine Tool (DMT), Duroc Rail and Smaller Company Portfolio (SCP), which comprises Universal Power Nordic (UPN), Herber and Duroc Laser Coating (DLC). Set forth below are each individual portfolio company’s share of net sales and adjusted EBIT for the past 12-month period, April 2023 – March 2024. Read more about developments company-by-company on pages 4–10 and in Duroc’s segment report on page 21.

SHARE OF NET SALES (R12) PROFORMA*



*Proportion of net sales and adjusted EBIT per portfolio company.

ADJUSTED EBIT PER PORTFOLIO COMPANY (R12) PROFORMA*



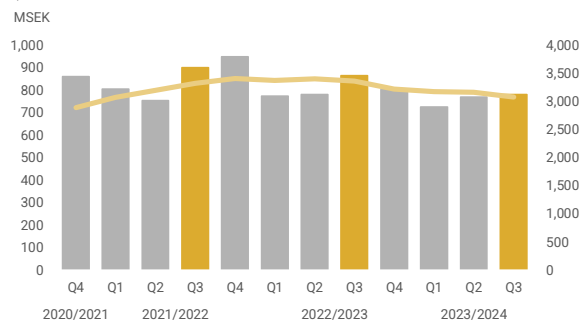
Third quarter January 2024 – March 2024

- Net sales decreased by 18 percent to MSEK 780.2 (947.2). Organic growth stood at -10 percent. This was mainly due to price mechanisms in agreements in the polymer-related companies, where lower purchase prices led to lower customer sales prices.
- Adjusted EBITDA totaled MSEK 42.0 (59.4) and the adjusted EBITDA margin totaled 5.4 percent (6.3). The comparison quarter’s adjusted EBITDA was burdened by the loss of MSEK -2.4 from Griffine.
- Plastibert and Rail reported a higher adjusted EBITDA than in the previous year. Other portfolio companies provided lower EBITDA earnings than the comparison quarter.
Adjusted EBIT totaled MSEK 19.9 (32.2) and EBIT totaled MSEK 22.2 (30.5).
- Earnings after tax totaled MSEK 7.4 (11.6).

July 2023 – March 2024

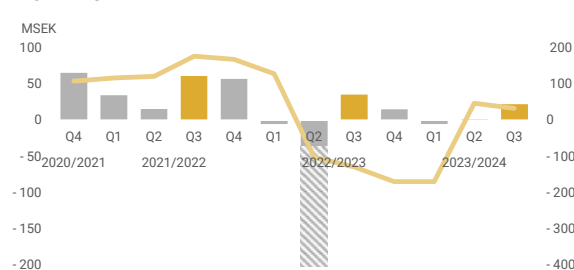
- Net sales decreased by 15 percent to MSEK 2,276.3 (2,686.4). Organic growth stood at -9 percent.
- Adjusted EBITDA totaled MSEK 90.0 (83.3) and the adjusted EBITDA margin totaled 4.0 percent (3.1); the comparison period’s adjusted EBITDA included earnings from Griffine where a negative EBITDA of MSEK -8.0 burdened earnings.
- All Group companies except Cresco, DMT and Smaller Company Portfolio showed a higher adjusted EBITDA than the comparison period.
Adjusted EBIT totaled MSEK 16.3 (-0.6) and EBIT totaled MSEK 18.4 (-202.5).
- Earnings after tax totaled MSEK 6.5 (-210.1).

DEVELOPMENT OF DUROC’S NET SALES PROFORMA** PER QUARTER / ROLLING 12 MONTHS



**Duroc Group development excluding Griffine Enduction S.A.

DEVELOPMENT OF DUROC’S OPERATING PROFIT/LOSS (EBIT) PROFORMA** PER QUARTER / ROLLING 12 MONTHS



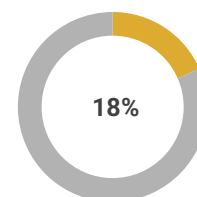
**Q2 2022/2023 was affected by a Group-related impairment of assets totaling MSEK 179.3 related to Griffine Enduction S.A.

DUROC

MACHINE TOOL

Duroc Machine Tool (DMT) 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 processing machines from DN Solutions, 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.

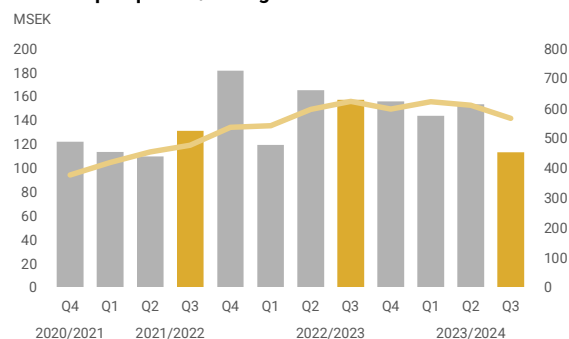
Share of Duroc's sales (R12)



- Net sales totaled MSEK 113.7 (157.7), a reduction of 28 percent. Organic growth was -28 percent, largely due to a strike in Finland and delivery delays where revenues were deferred until the next quarter. DMT noted a lower order intake as the interest rate situation affected willingness to invest, primarily in Sweden and the Baltics.
- EBITDA totaled MSEK 4.1 (13.9) and the EBITDA margin 4 percent (12), mainly due to investments in an increased labor force and increased marketing expenses as part of the growth strategy.
- Thanks to competitive products and a good service offering, DMT succeeded in taking market share during the year. Underlying demand throughout the region continued to be strong, but the macroeconomic situation meant that the investment decision process among customers was longer than before.
- At the end of the quarter, order levels were around MSEK 200, and on par with the previous quarter excluding the delivery delays, whose revenues are expected in April.

	2023/ 2024	2022/ 2023	2023/ 2024	2022/ 2023	2023/ 2024
Amounts in MSEK	Q3	Q3	Q1-Q3	Q1-Q3	R12 MAR
Net Sales	113.7	157.7	412.0	443.3	568.2
Growth, Net Sales %	-27.9	19.9	-7.1	24.5	-9.1
Organic growth %	-27.8	15.1	-10.0	19.6	-12.7
EBITDA	4.1	13.9	31.3	38.6	44.1
EBITDA margin %	3.6	8.8	7.6	8.7	7.8
EBIT	2.9	12.3	26.1	33.9	37.2
EBIT margin %	2.5	7.8	6.3	7.7	6.5
Net Debt/Net Cash (-) excl. lease liability from IFRS16	-13.3	-41.4	-13.3	-41.4	-13.3
Capital employed	98.5	72.8	98.5	72.8	98.5
ROCE %	43.9	117.4	43.9	117.4	43.9

Net sales per quarter / rolling 12 months



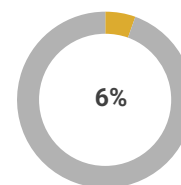
Adjusted EBIT per quarter / rolling 12 months



DUROC RAIL

Duroc Rail delivers complete, efficient, high-quality maintenance for railroad wheels for locomotives, railroad passenger cars and freight cars. Duroc possesses unique skills for locomotive wheel maintenance, which forms an important part of a greater system in which Rail enables efficient, predictable haulage along critical infrastructure systems such as the Iron Ore Line (Malmbanan). Rail has its operation in Luleå.

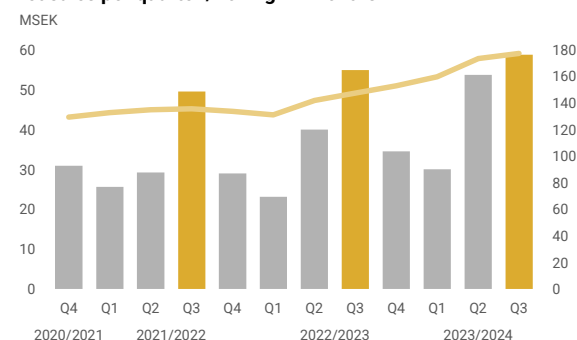
Share of Duroc's sales (R12)



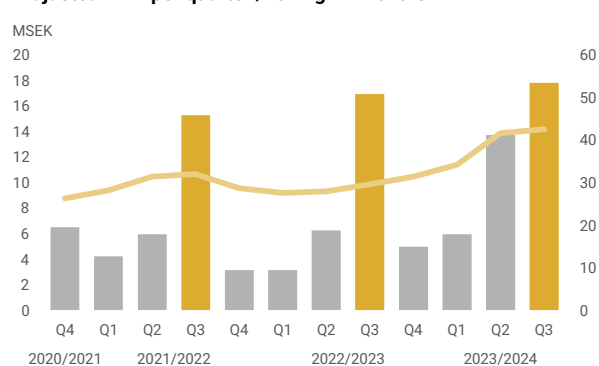
- Duroc Rail noted continued high order volume during the seasonally strongest quarter. Sales were 7 percent higher than the previous year.
- EBIT totaled MSEK 20.2 (17.0) and the EBIT margin was 34 percent (31).
- During the quarter, Rail enjoyed a historically high production rate and demand for railroad wheel maintenance continued to increase. Rail foresees continued good capacity utilization as it enters a less intensive quarter.
- The sale of a minority holding to LKAB was concluded during the quarter, and Rail continued its project with LKAB for the new production facility at Hertsöfältet in Luleå, which LKAB will construct for Rail. It is scheduled for completion at the end of 2025 and will mean that Rail will have the capacity to meet an increased demand for wheel maintenance in the region.
- The increased production rate involved an increase in capital employed, affecting cash flow negatively.

Amounts in MSEK	2023/ 2024 Q3	2022/ 2023 Q3	2023/ 2024 Q1-Q3	2022/ 2023 Q1-Q3	2023/ 2024 R12 MAR
Net Sales	58.8	55.0	142.9	118.5	177.6
Growth, Net Sales %	6.9	10.7	20.6	13.0	20.3
Organic growth %	6.9	10.7	20.6	13.0	20.3
EBITDA	21.5	18.9	43.6	32.4	50.8
EBITDA margin %	36.6	34.3	30.5	27.3	28.6
EBIT	20.2	17.0	37.8	26.5	39.9
EBIT margin %	34.3	30.8	26.4	22.4	22.5
Adjusted EBIT	17.8	17.0	37.6	26.5	42.6
Adjusted EBIT margin %	30.3	30.8	26.3	22.4	24.0
Net Debt/Net Cash (-) excl. lease liability from IFRS16	20.8	10.4	20.8	10.4	20.8
Capital employed	61.9	48.1	61.9	48.1	61.9
ROCE %	87.7	65.0	87.7	65.0	87.7
Adjusted ROCE %	93.6	65.0	93.6	65.0	93.6

Net sales per quarter / rolling 12 months



Adjusted EBIT per quarter / rolling 12 months



DUROC LASER COATING



UNIVERSAL POWER

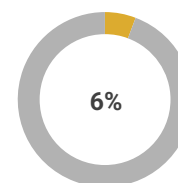
Smaller Company Portfolio (SCP)

Share of Duroc's sales
(R12)

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 and Kohler.

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.

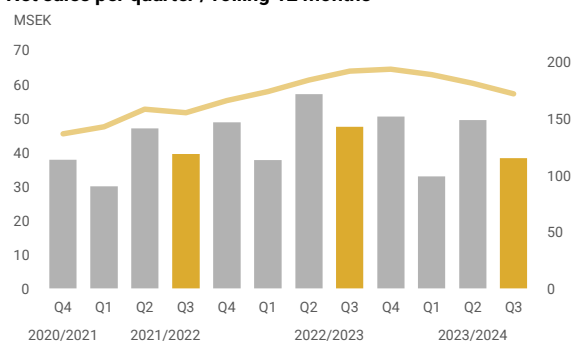


- Net sales for Smaller Company Portfolio totaled MSEK 38.5 (47.7) during the quarter, a decrease of 19 percent year-over-year.
- EBIT totaled MSEK 2.2 (2.0), corresponding to an EBIT margin of 6 percent (4).
- UPN noted reduced sales of around 18 percent, mainly due to lower sales of engines. Spare parts sales increased, which had a positive impact on gross margin. Personnel costs increased as part of the company's growth strategy. The operating profit totaled MSEK 2.9 (3.0). The EBIT margin was 12 percent (10).
- Herber's net sales decreased by 40 percent to MSEK 7.0 (11.6) due to low delivery levels in respect of machines. Herber saw an increase in order intake during the quarter, which will improve sales in the quarters ahead. The company's previously established cost-cutting initiative had a certain impact during the quarter. EBIT totaled MSEK -1.3 (-1.4). Delivery times for critical components were reduced considerably, which will improve production planning and thus liquidity.

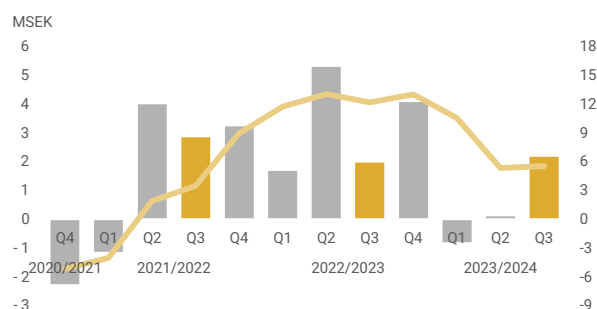
- In DLC the effort on widening the customer base has yielded results. Net sales increased by 12 percent to MSEK 7.3 (6.5). Order levels continued to grow during the quarter. The workforce was increased by two employees, which affected EBIT which amounted to MSEK 0.6 (0.4) and an EBIT margin of 8 percent (7).

	2023/ 2024	2022/ 2023	2023/ 2024	2022/ 2023	2023/ 2024
Amounts in MSEK	Q3	Q3	Q1-Q3	Q1-Q3	R12 MAR
Net Sales	38.5	47.7	121.3	143.1	172.0
Growth, Net Sales %	-19.3	20.0	-15.2	22.0	-10.5
Organic growth %	-19.3	20.0	-15.2	22.0	-10.5
EBITDA	3.6	5.0	8.1	16.6	14.7
EBITDA margin %	9.4	10.4	6.7	11.6	8.6
EBIT	2.2	2.0	1.5	8.9	5.5
EBIT margin %	5.6	4.1	1.2	6.2	3.2
Net Debt/Net Cash (-) excl. lease liability from IFRS16	32.5	34.8	32.5	34.8	32.5
Capital employed	59.6	64.0	59.6	64.0	59.6
ROCE %	8.9	23.6	8.9	23.6	8.9

Net sales per quarter / rolling 12 months



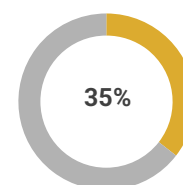
Adjusted EBIT per quarter / rolling 12 months





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)

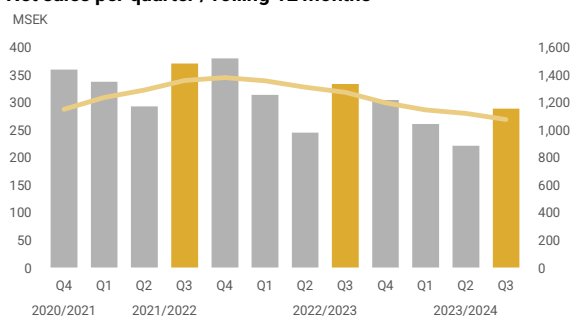


- Net sales decreased by 13 percent year-over-year. Organic growth was -15 percent*. Volumes fell by 12 percent. Flooring / floor coverings, filters and niche products increased while the remaining segments decreased.
- The mix led to a gross margin increase of 14 percent.
- EBIT totaled MSEK 4.3 (10.2). Compulsory pay rises in Belgium and Austria were partially offset by layoffs and reduced labor forces.
- Net debt excluding IFRS effects totaled MSEK 63.9 (11.3), which was a decrease of around MSEK 11 compared to the financial year's second quarter.
- IFG continued to focus on innovation and niche products, among which it offers recycled and bio-based fibers. A distinct maturity has been noted in the market recently and demand for sustainable products has increased.

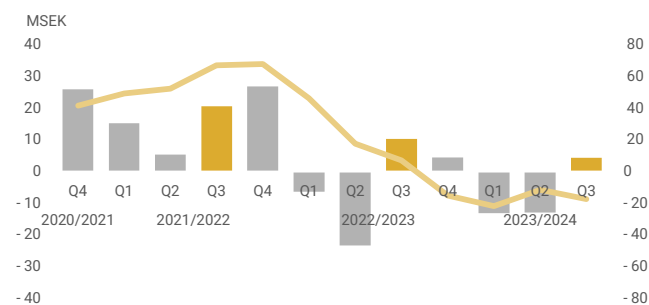
Amounts in MSEK	2023/ 2024 Q3	2022/ 2023 Q3	2023/ 2024 Q1-Q3	2022/ 2023 Q1-Q3	2023/ 2024 R12 MAR
Net Sales	290.1	334.8	775.0	896.2	1,080.2
Growth, Net Sales %	-13.3	-9.9	-13.5	-10.7	-15.4
Organic growth %	-15.3	-14.5	-18.2	-15.5	-20.7
EBITDA	12.0	17.3	1.8	1.3	13.2
EBITDA margin %	4.1	5.2	0.2	0.1	1.2
EBIT	4.3	10.2	-21.8	-19.6	-17.4
EBIT margin %	1.5	3.0	-2.8	-2.2	-1.6
Net Debt/Net Cash (-) excl. lease liability from IFRS16	137.8	87.4	137.8	87.4	137.8
Capital employed	467.8	446.7	467.8	446.7	467.8
ROCE %	-3.8	1.6	-3.8	1.6	-3.8

*Price mechanisms in customer agreements for polypropylene 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.

Net sales per quarter / rolling 12 months



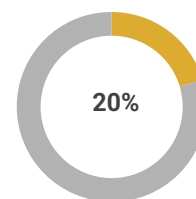
Adjusted EBIT per quarter / rolling 12 months





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.

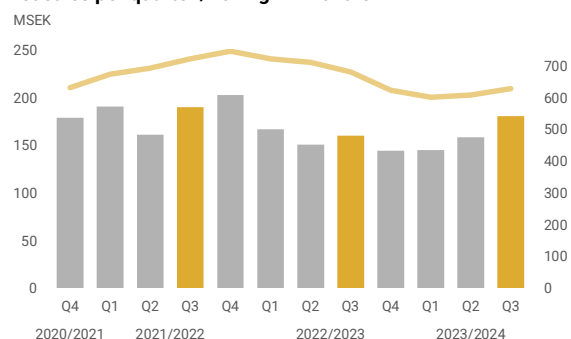
Share of Duroc’s sales (R12)



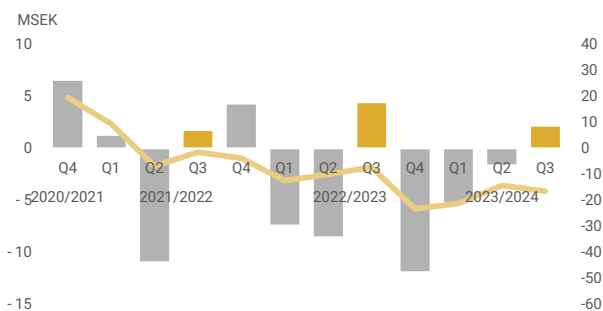
- Net sales increased by 13 percent compared to the year-over-year quarter, and organic growth was 13 percent due to increased sales volumes.
- Sales volumes for staple fibers increased by 20 percent. Filament yarn increased by 267 percent compared to the record low sales in the year-over-year quarter.
- The mix, together with raw materials costs, led to a 10 percent reduction in the gross profit margin.
- Adjusted EBIT totaled MSEK 2.1 (4.3), mainly due to increased energy and personnel costs related to the increased production volume.
- Net debt excluding IFRS fell somewhat, mainly due to increased operating cash flow.

Amounts in MSEK	2023/ 2024 Q3	2022/ 2023 Q3	2023/ 2024 Q1-Q3	2022/ 2023 Q1-Q3	2023/ 2024 R12 MAR
Net Sales	180.9	160.6	484.8	479.2	629.5
Growth, Net Sales %	12.6	-15.7	1.2	-11.8	-7.7
Organic growth %	12.6	-24.6	0.6	-25.3	-10.2
EBITDA	10.1	13.0	22.0	-4.8	30.9
EBITDA margin %	5.6	8.1	4.5	-1.0	4.9
EBIT	2.1	4.5	-2.8	-32.2	-2.9
EBIT margin %	1.2	2.8	-0.6	-6.7	-0.5
Adjusted EBIT	2.1	4.3	-4.6	-11.5	-16.4
Adjusted EBIT-margin %	1.2	2.7	-1.0	-2.4	-2.6
Net Debt/Net Cash (-) excl. lease liability from IFRS16	15.3	29.9	15.3	29.9	15.3
Capital employed	285.5	301.6	285.5	301.6	285.5
ROCE %	-1.0	-8.7	-1.0	-8.7	-1.0
Adjusted ROCE %	-5.6	-2.3	-5.6	-2.3	-5.6

Net sales per quarter / rolling 12 months



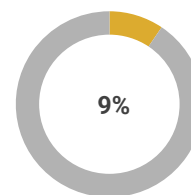
Adjusted EBIT per quarter / rolling 12 months





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.

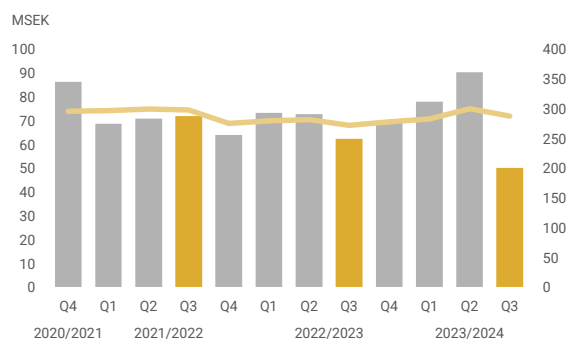
Share of Duroc's sales (R12)



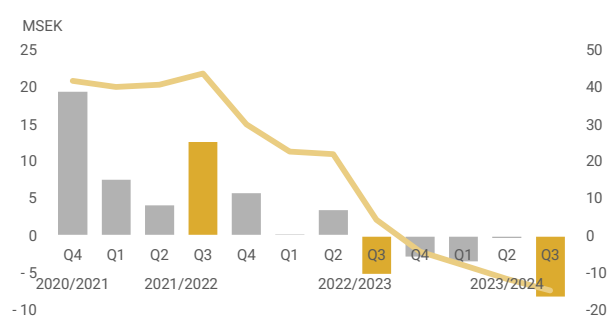
- Net sales decreased by 20 percent. Organic growth was -19 percent. Sales volumes were 10 percent lower, where the industrial segment increased by 35 percent while the agro segment fell. However, the product mix affected gross profit, which increased by 2 percent.
- EBIT was burdened by increased costs due to inflation-based cost increases. The effect of mandatory wage increases was partially compensated by redundancies.
- The demand for major projects was very low due to the uncertain macroeconomic situation. However, there was still demand for replacement products and volumes in this respect were able to compensate for the loss of major projects.
- Moving forward, Cresco's efforts will focus on R&D, sales in new markets and continued cost adjustments. Demand for energy-saving climate screens for greenhouses and recyclable ground-cover fabric made from PLA (a biodegradable corn-based polymer) rose, as many countries seek to increase their self-sufficiency in food products.

	2023/ 2024 Q3	2022/ 2023 Q3	2023/ 2024 Q1-Q3	2022/ 2023 Q1-Q3	2023/ 2024 R12 MAR
Amounts in MSEK					
Net Sales	50.3	62.6	219.1	209.1	288.8
Growth, Net Sales %	-19.7	-13.1	4.8	-1.4	5.7
Organic growth %	-18.8	-19.2	-0.6	-7.4	-0.5
EBITDA	-7.0	-3.7	-7.9	2.8	-9.2
EBITDA margin %	-13.9	-5.9	-3.6	1.3	-3.2
EBIT	-8.2	-5.1	-11.9	-1.4	-14.7
EBIT margin %	-16.3	-8.1	-5.4	-0.7	-5.1
Net Debt/Net Cash (-) excl. lease liability from IFRS16	25.0	30.2	25.0	30.2	25.0
Capital employed	202.0	218.0	202.0	218.0	202.0
ROCE %	-7.1	2.0	-7.1	2.0	-7.1

Net sales per quarter / rolling 12 months



Adjusted EBIT per quarter / rolling 12 months

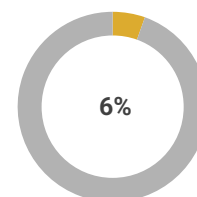


PLASTIBERT

COATED TEXTILES

Plastibert has been established in the international coated textiles market for more than 60 years. Its products comprise PVC and PU coated fabrics that are used in a variety of areas, including rainwear and protective clothing, PPE, furniture for public spaces, wall coverings and vehicle interiors. Plastibert's production facility is in Belgium.

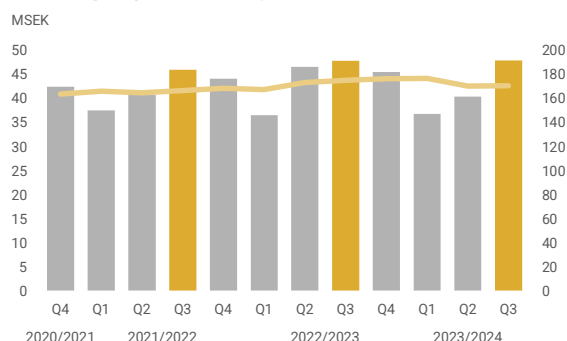
Share of Duroc's sales (R12)



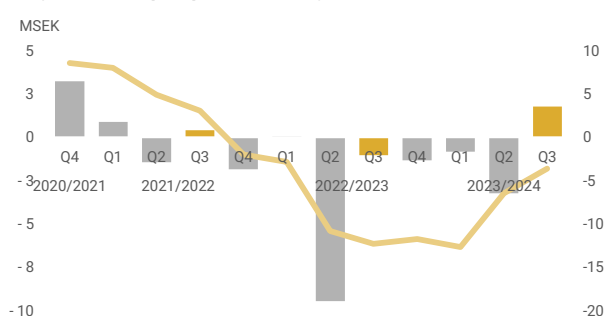
- Net sales were on par with the previous quarter. Organic growth was -1 percent. Greater sales volumes, price increases to customers, a better product mix and improved capacity utilization in the factory led to a gross profit increase of 20 percent.
- Plastibert noted a continued increase in order intake during the quarter, which is expected to have a positive effect on the coming quarters.
- EBIT totaled MSEK 1.8 (-1.0). The company noted increased costs because of the increased production. The company also had higher personnel costs as a result of inflation-based wage increases as well as fully staffed shifts to meet the demand.
- Plastibert has carried out investments to enable production of DMF-free* technical textiles, which are in demand in the market that is looking for sustainable, toxin-free alternatives. In the increased order intake, which was noted during the quarter, DMF-free textiles were an important component.

Amounts in MSEK	2023/ 2024 Q3	2022/ 2023 Q3	2023/ 2024 Q1-Q3	2022/ 2023 Q1-Q3	2023/ 2024 R12 MAR
Net Sales	48.0	48.0	125.4	131.3	171.0
Growth, Net Sales %	0.1	4.1	-4.5	5.4	-2.6
Organic growth %	-1.4	-2.6	-9.4	-0.9	-8.4
EBITDA	2.7	0.0	0.7	-7.2	0.4
EBITDA margin %	5.7	0.0	0.6	-5.5	0.2
EBIT	1.8	-1.0	-2.3	-10.4	-3.6
EBIT margin %	3.7	-2.2	-1.8	-8.0	-2.1
Net Debt/Net Cash (-) excl. lease liability from IFRS16	4.7	10.0	4.7	10.0	4.7
Capital employed	64.6	72.5	64.6	72.5	64.6
ROCE %	-5.5	-16.8	-5.5	-16.8	-5.5

Net sales per quarter / rolling 12 months



Adjusted EBIT per quarter / rolling 12 months



*DMF is a toxic solvent common in chemical products such as acrylic fibers, synthetic leather, and other plastic products.

FINANCIAL INFORMATION

FINANCIAL PERFORMANCE AND POSITION

Net sales for the first three quarters totaled MSEK 2,276.3 (2,686.4). Operating profit totaled MSEK 18.4 (-202.5) and earnings after tax were MSEK 6.5 (-210.1). Other comprehensive income totaled MSEK -19.4 (53.6), including MSEK -20.0 (53.7) in translation differences.

At the end of the period, the Group's equity was SEK 1,142.3 million (1,071.5) and the equity ratio was 62.2 percent (56.6). Were cash and cash equivalents and interest-bearing liabilities to be reported net, the Group's adjusted equity/assets ratio would be 63.3 percent (57.4).

FINANCING

As of March 31, 2024, Duroc AB has a bank loan in the amount of MSEK 25.2, which will be fully repaid in February 2025 under the amortization plan. There are also local property loans in Austria and Belgium, and a local export credit in Austria. Duroc also has an open credit linked to a Group-wide cash pool. As of March 31, the Group had unutilized credit facilities for 2024 totaling 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 Sunday, March 31, 2024, 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.

LIABILITIES RELATING TO RIGHT-OF-USE ASSETS

The Group has lease liabilities totaling MSEK 113.4 (134.2). Of these, MSEK 97.2 relates to lease contracts, of which a single contract for a production facility in Belgium accounts for MSEK 71.0. The remaining lease liabilities are mainly related to vehicles.

INVESTMENTS

During the first nine months of the financial year, the Group made investments in tangible and intangible fixed assets totaling MSEK 26.8 (72.1), of which MSEK 3.9 (22.3) is attributable to the lease of property, plant and equipment in accordance with IFRS 16. Cash flow from the purchase and sales of tangible and intangible fixed assets totaled MSEK -21.7 (-49.2).

CASH FLOW

During the first nine months of the financial year, consolidated cash flow from operating activities totaled MSEK 12.4 (171.4). The reduction is mainly attributable to negative cash flow from a change in working capital this year. However, cash flow from operating activities before changes in working capital increased by MSEK 38.6 compared to the previous year. Cash flow from investing activities totaled MSEK -27.1 (-49.5). Cash flow from financing activities totaled MSEK 19.3 (-122.8), where MSEK -2.2 (-62.3) was related to a change in utilized credit facilities, and MSEK -21.8 (-22.7) to the payment of lease liabilities in accordance with IFRS 16. The sale of a shareholding in Duroc Rail AB provided the Group with a liquidity addition of MSEK 79.1.

Cash and cash equivalents

The Group's cash and cash equivalents at the end of the reporting period totaled MSEK 34.0 (26.2). Interest-bearing liabilities totaled MSEK 223.8 (284.6) including lease liabilities from IFRS 16 in the amount of MSEK 113.4 (134.2) and the Group's net debt totaled MSEK 189.8 (258.4). Net debt excluding lease liabilities from IFRS 16 totaled MSEK 76.3 (124.2).

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 4.5 (4.4) during the first nine months of the financial year. Earnings after tax totaled MSEK 147.8 (1.7), of which MSEK 155.5 (20.0) relates to dividends from subsidiaries. In addition to participations 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 88.9 percent (79.7).

PERSONNEL

The average number of Duroc Group employees during the financial year's first three quarters was 864 (1,063). The average number of employees in the parent company was 5 (5) 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, 2022 – June 30, 2023.

The macroeconomic situation with high inflation, the geopolitical situation with the ongoing war of aggression in Ukraine, and the war in the Middle East, all affect Duroc Group companies in various ways.

Generally higher energy prices and volatile raw materials prices mainly affect the fiber companies Drake Extrusion, IFG, Cresco and Plastibert, where both production and input goods are energy-intensive, and where price mechanisms in agreements mean that sales prices to customers fluctuate with the purchase prices, and where there is a certain lag in price increases to customers.

Inflation affects all companies and has a negative impact on the cost base. In companies domiciled in Belgium, Austria and to a certain degree the UK, where mandatory inflation-based pay increases occur, personnel costs are also affected. Inflation also affects end consumers of the products the Duroc Group's companies produce and sell to. The market for sofas, beds, vehicles and textiles, where it is mainly the fiber companies that form part of the production chain, shrank during the year.

Duroc Group's direct exposure to Ukraine and Russia is limited and concerns goods that are not currently listed among the EU's sanctions against Russia. However, the Board has taken an ethical decision not to sell goods that directly or indirectly can be

of benefit to Russia. Despite limited direct exposure to Russia at group level, the effects of the war on the macroeconomic situation in general, together with overall price increases, have affected Duroc Group companies.

The current situation in the Middle East has no direct impact on Duroc's companies. However, geopolitical uncertainty and the oil price affect willingness to invest, especially in neighboring countries. Moving forward, transport routes to Europe that are in or close to conflict zones may also affect the supply of materials and raw materials prices for companies with production in Europe.

Strikes and other obstacles to trade may affect Duroc's companies. An ongoing strike in Finland has affected Duroc Machine Tools sales in the country, leading to delivery delays and reduced sales. No impact on long-term earnings ability is deemed to exist.

The macroeconomic and geopolitical 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 control purchasing and production in their local markets to a greater extent, thereby presenting business opportunities for many of Duroc's companies.

Duroc constantly analyzes the global situation and acts accordingly to adapt the business. The Group is financially well-equipped to meet poorer economic conditions.

Stockholm, May 2, 2024

John Häger
CEO

AUDITOR'S REVIEW

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

INTRODUCTION

We have reviewed the condensed interim financial information (interim report) of Duroc Aktiebolag as of 31 March 2024 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.

FOCUS AND SCOPE OF THE 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 2, 2024

PricewaterhouseCoopers AB

Johan Wirén
Authorized Public Accountant

CONSOLIDATED INCOME STATEMENT

Amounts in MSEK	2023/2024 Q3	2022/2023 Q3	2023/2024 Q1-Q3	2022/2023 Q1-Q3	2022/2023 JUL-JUN
Net sales	780.2	947.2	2,276.3	2,686.4	3,493.1
Other operating income	6.9	6.8	15.3	15.6	33.1
Change in inventories	10.5	-9.2	-6.5	-25.3	-27.2
Raw materials and consumables	-361.0	-420.7	-972.3	-1,250.1	-1,611.5
Goods for resale	-85.8	-129.3	-318.2	-369.9	-492.9
Other external costs	-136.0	-154.4	-392.3	-455.8	-579.7
Personnel costs	-169.1	-181.4	-506.2	-535.5	-704.5
Depreciation, amortisation and impairment of tangible and intangible assets	-22.1	-27.2	-73.7	-84.0	-112.3
Writedown of assets held for sale	-	-	-	-179.3	-179.3
Other operating costs	-1.3	-1.3	-4.0	-4.6	-6.5
Operating profit/loss	22.2	30.5	18.4	-202.5	-187.6
Net financial items	-9.6	-13.5	-7.3	-17.8	-27.8
Profit before tax	12.6	17.0	11.0	-220.3	-215.4
Current tax	-6.2	-5.6	-18.0	-7.6	-10.8
Deferred tax	1.0	0.2	13.4	17.8	-11.8
PROFIT FOR THE PERIOD	7.4	11.6	6.5	-210.1	-238.1
Profit for the period attributable to:					
The Parent Company's equity holders	4.0	11.6	3.1	-210.1	-238.1
Non-controlling interests	3.4	-	3.4	-	-
Earnings per share					
Before and after dilution (sek)	0.10	0.30	0.08	-5.39	-6.10
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	2023/2024 Q3	2022/2023 Q3	2023/2024 Q1-Q3	2022/2023 Q1-Q3	2022/2023 JUL-JUN
PROFIT FOR THE PERIOD	7.4	11.6	6.5	-210.1	-238.1
Total other comprehensive income					
Items that may be reclassified to the income statement					
Translation differences	40.8	15.0	-20.0	53.7	98.3
Hedge accounting (net)	-1.2	-0.2	0.6	-2.6	-4.2
Items that will not be reclassified to the income statement					
Actuarial gains and losses(net)	-	0.0	-	2.5	1.7
Total other comprehensive income	39.6	14.8	-19.4	53.6	95.8
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	47.0	26.4	-12.9	-156.5	-142.3
Total comprehensive income for the period attributable to:					
The Parent company's equity holders	43.6	26.4	-16.3	-156.5	-142.3
non-controlling interests	3.4	-	3.4	-	-

CONSOLIDATED BALANCE SHEET

Amounts in MSEK	2024-03-31	2023-03-31	2023-06-30
ASSETS			
Non-current assets			
Intangible assets	90.4	93.0	92.9
Property plant and equipment	498.8	523.3	538.2
Right of use assets	105.8	126.6	127.9
Financial assets	8.9	0.1	0.1
Deferred tax assets	54.4	77.1	45.6
Total non-current assets	758.2	820.1	804.7
Current assets			
Inventories	555.5	553.2	570.9
Trade receivables	440.1	441.3	425.4
Current tax receivables	5.6	6.0	4.2
Other receivables	22.8	21.0	18.7
Prepaid expenses and accrued income	21.7	25.4	29.3
Cash and cash equivalents	34.0	26.2	26.6
Total current assets	1,079.6	1,073.2	1,075.0
TOTAL ASSETS	1,837.8	1,893.3	1,879.7
EQUITY AND LIABILITIES			
Equity			
Share capital	39.0	39.0	39.0
Other capital provided	260.5	260.5	260.5
Reserves	247.0	223.3	266.3
Retained earnings including profit for the year	577.5	548.7	520.0
Equity attributable to shareholders of the parent company	1,124.0	1,071.5	1,085.8
Non-controlling interests	18.3	-	-
Total equity	1,142.3	1,071.5	1,085.8
Long-term liabilities			
Provision for pensions	25.4	28.1	28.9
Other provisions	0.1	5.2	0.8
Non-current interest-bearing liabilities	18.9	53.9	46.4
Non-Current liabilities - right of use assets	88.1	103.9	105.7
Other non-current liabilities	1.1	2.0	1.1
Deferred tax liabilities	35.8	42.1	40.6
Total non-current liabilities	169.3	235.1	223.3
Current liabilities			
Other provisions	6.1	3.2	7.1
Current interest-bearing liabilities	91.5	96.6	95.3
Current interest bearing liabilities - right of use assets	25.4	30.2	30.5
Advance payments from customers	49.5	54.5	69.3
Trade payables	195.6	240.8	201.9
Current tax liabilities	18.0	11.4	8.1
Other liabilities	38.8	50.9	55.7
Accrued expenses and prepaid income	101.4	99.0	102.6
Total current liabilities	526.2	586.7	570.6
Total liabilities	695.5	821.8	793.9
TOTAL EQUITY AND LIABILITIES	1,837.8	1,893.3	1,879.7

SUMMARY OF CHANGES IN CONSOLIDATED EQUITY

Amounts in MSEK	2023/2024 Q1-Q3	2022/2023 Q1-Q3	2022/2023 JUL-JUN
Openings equity attributable to owners of the parent company	1,085.8	1,237.8	1,237.8
Profit for the period	3.1	-210.1	-238.1
Translation differences	-20.0	53.7	98.3
Actuarial gains and losses (net)	-	2.5	1.7
Hedge accounting (net)	0.6	-2.6	-4.2
Divestment of shares in subsidiaries to non-controlling interests	64.2	-	-
Dividend	-9.8	-9.8	-9.8
Closing equity attributable to owners of the parent company	1,124.0	1,071.5	1,085.8
Opening equity in non-controlling interests	-	-	-
Profit for the period	3.4	-	-
Divestment of shares in subsidiaries to non-controlling interests	14.9	-	-
Closing equity in non-controlling interest	18.3	-	-
TOTAL EQUITY	1,142.3	1,071.5	1,085.8

CONSOLIDATED CASH FLOW STATEMENT

Amounts in MSEK	2023/2024 Q3	2022/2023 Q3	2023/2024 Q1-Q3	2022/2023 Q1-Q3	2022/2023 JUL-JUN
OPERATING ACTIVITIES					
Profit before taxes	12.6	17.0	11.0	-220.3	-215.4
Adjustment for items not included in cash flow	31.8	6.5	78.7	267.2	317.3
Income tax paid	-0.7	-3.9	-9.2	-4.9	-9.7
Cash flow from operating activities before changes in working capital	43.8	19.5	80.5	41.9	92.2
CASHFLOW FROM CHANGES IN WORKING CAPITAL					
Changes in inventories	-13.3	29.2	-7.4	72.7	73.9
Changes in current receivables	-71.1	-52.7	-21.9	104.8	137.6
Changes in current liabilities	27.2	48.2	-38.8	-48.0	-86.5
Cash flow from operating activities	-13.4	44.2	12.4	171.4	217.2
INVESTMENT ACTIVITIES					
Purchase and sales of intangible assets	0.0	-0.4	-0.0	-0.9	-1.5
Purchase and sales of tangible assets	-0.3	-14.1	-21.7	-48.2	-59.4
Cash flow from financial assets	-5.3	0.0	-5.3	-0.4	-0.4
Cash flow from investment activities	-5.6	-14.5	-27.1	-49.5	-61.3
FINANCING ACTIVITIES					
New loans	-	0.0	1.9	0.9	1.1
Amortization of loans	-9.4	-10.2	-28.0	-29.0	-38.4
Amortization of liabilities regarding right of use-assets	-6.8	-8.6	-21.8	-22.7	-30.3
Changes in short term operating financing	-25.6	-6.6	-2.2	-62.3	-68.2
Dividend	-	-	-9.8	-9.8	-9.8
Divestment of shares in subsidiaries to non-controlling interests	79.1	-	79.1	-	-
Cash flow from financing activities	37.3	-25.3	19.3	-122.8	-145.6
Cash flow for the period	18.2	4.4	4.6	-1.0	10.3
Cash and cash equivalents at beginning of period	21.1	23.7	26.6	26.1	26.1
Transalction difference in cash and cash equivalents	-5.3	-1.9	2.7	1.1	-9.8
Cash and cash equivalents at end of period	34.0	26.2	34.0	26.2	26.6

PARENT COMPANY INCOME STATEMENT

Amounts in MSEK	2023/2024 Q3	2022/2023 Q3	2023/2024 Q1-Q3	2022/2023 Q1-Q3	2022/2023 JUL-JUN
Net sales	1.5	1.1	4.5	4.4	5.9
Other operating income	-	-	-	-	0.1
Other external costs	-1.4	-3.0	-3.8	-6.8	-7.2
Personnel costs	-2.8	-2.6	-7.9	-7.6	-10.5
Depreciation and amortisation	-0.0	-0.1	-0.1	-0.2	-0.2
Operating result	-2.7	-4.5	-7.3	-10.2	-11.9
Result from shares in group companies	80.0	-	155.5	20.0	20.0
Financial income	-3.4	-0.4	9.7	3.0	4.7
Financial expense	-4.3	-9.0	-12.0	-14.4	-25.3
Net finance items	72.3	-9.3	153.2	8.7	-0.6
Group contributions received/rendered	-	-	-	-	41.7
Profit before tax	69.6	-13.8	145.9	-1.5	29.1
Current tax	2.1	1.9	2.0	3.2	4.4
PROFIT AFTER TAX	71.7	-11.9	147.8	1.7	33.5

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Amounts in MSEK	2023/2024 Q3	2022/2023 Q3	2023/2024 Q1-Q3	2022/2023 Q1-Q3	2022/2023 JUL-JUN
PROFIT FOR THE PERIOD	71.7	-11.9	147.8	1.7	33.5
Total Other comprehensive income	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	71.7	-11.9	147.8	1.7	33.5

PARENT COMPANY BALANCE SHEET

Amounts in MSEK	2024-03-31	2023-03-31	2023-06-30
ASSETS			
Non current assets			
Other intangible assets	0.0	0.2	0.1
Tangible fixed assets	-	0.0	0.0
Shares in group companies	1,074.6	1,074.6	1,074.6
Receivables group companies	12.2	2.2	-
Deferred tax asset	12.5	9.3	10.6
Total non-current assets	1,099.3	1,086.4	1,085.3
Current assets			
Receivables group companies	121.2	75.9	106.7
Other receivables	1.2	1.3	1.2
Prepaid expenses and accrued income	1.0	1.4	1.0
Cash and cash equivalents	12.7	-	-
Total current assets	136.1	78.6	108.9
TOTAL ASSETS	1,235.4	1,165.0	1,194.3
EQUITY AND LIABILITIES			
Equity			
Restricted equity	40.1	40.1	40.1
Unrestricted equity	1,058.0	888.1	919.9
Total equity	1,098.1	928.2	960.0
Long term liabilities			
Liabilities to credit institution	-	25.2	18.9
Total long term liabilities	-	25.2	18.9
Current liabilities			
Liabilities to credit institutions	25.2	33.2	27.5
Trade payables	0.5	0.2	0.7
Payables group companies	107.3	172.3	182.7
Other liabilities	0.7	0.3	0.3
Accrued expenses and prepaid income	3.6	5.6	4.2
Total current liabilities	137.3	211.7	215.4
Total liabilities	137.3	236.8	234.2
TOTAL EQUITY AND LIABILITIES	1,235.4	1,165.0	1,194.3

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 2022/2023 Annual Report.

Hedge accounting

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.

Assets held for sale

Assets held for sale where the sale is expected to be concluded in the immediate future, and where potential buyers have been identified, and where there is an identified market price, are reported on their own line in the balance sheet. If the sale refers to a subsidiary, its assets and liabilities are classified as if they were held for sale. Any impairment of net assets is reported as an impairment in operating earnings.

Acquisitions and disposals in subsidiaries in which the controlling influence remains unchanged

Subsidiaries are included in the consolidated accounts as of the day when the controlling influence was transferred to the Group.

They are excluded from consolidated accounts as of the day when the controlling influence ceases. Acquisitions and disposals of participations in subsidiaries where Duroc's controlling influence remains unchanged are reported as transactions under equity between the parent company's shareholders and non-controlling interests.

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. Losses excluded from earnings refer to bad debt losses related to market unrest, which is not expected to continue. Reconciliations are shown 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, 2024, a small part of the Group's EUR exposure has been hedged through loans in foreign currency. At the beginning of the reporting period July 1, 2023 – March 31, 2024, the Group had a loan in the amount of MEUR 4.2 which at the end of the period totaled MEUR 2.4 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. EVENTS AFTER THE CLOSING DATE

No significant events have taken place after the closing date.

NOT 4. SEGMENT REPORTING

The Group's operating segments correspond to Duroc's portfolio 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 financial position, taking strategic decisions and distributing resources. Because

Griffine Enduction S.A, which previously belonged to the Cotting Group together with Plastibert, is since March 2023 no longer included in the Group's financial accounts, Plastibert is reported as its own segment. Further information about these portfolio companies is available on pages 4–10 of this report.

Amounts in MSEK	2023/2024 Q3	2022/2023 Q3	2023/2024 Q1-Q3	2022/2023 Q1-Q3	2023/2024 R12 MAR	2022/2023 JUL-JUN
Net sales						
IFG	290.1	334.8	775.0	896.2	1,080.2	1,201.5
Drake Extrusion	180.9	160.6	484.8	479.2	629.5	623.8
Cresco	50.3	62.6	219.1	209.1	288.8	278.9
Plastibert	48.0	48.0	125.4	131.3	171.0	176.9
DMT Group	113.7	157.7	412.0	443.3	568.2	599.5
Duroc Rail	58.8	55.0	142.9	118.5	177.6	153.2
Small Company Portfolio	38.5	47.7	121.3	143.1	172.0	193.8
Holding companies/group-wide functions	1.5	1.6	4.5	4.9	5.6	6.0
Eliminations	-1.7	-1.7	-8.7	-5.2	-9.9	-6.4
<i>Griffine</i>	-	80.9	-	266.1	-	266.0
	780.2	947.2	2,276.3	2,686.4	3,083.0	3,493.1
EBITDA						
IFG	12.0	17.3	1.8	1.3	13.2	12.7
Drake Extrusion	10.1	13.0	22.0	-4.8	30.9	4.1
Cresco	-7.0	-3.7	-7.9	2.8	-9.2	1.5
Plastibert	2.7	0.0	0.7	-7.2	0.4	-7.5
DMT Group	4.1	13.9	31.3	38.6	44.1	51.4
Duroc Rail	21.5	18.9	43.6	32.4	50.8	39.6
Small Company Portfolio	3.6	5.0	8.1	16.6	14.7	23.2
Holding companies/group-wide functions	-2.8	-4.2	-7.5	-10.8	-9.7	-13.0
<i>Griffine</i>	-	-2.4	-	-8.0	-	-8.0
Total	44.3	57.7	92.0	60.8	135.2	104.0
Operating profit/loss						
IFG	4.3	10.2	-21.8	-19.6	-17.4	-15.2
Drake Extrusion	2.1	4.5	-2.8	-32.2	-2.9	-32.3
Cresco	-8.2	-5.1	-11.9	-1.4	-14.7	-4.2
Plastibert	1.8	-1.0	-2.3	-10.4	-3.6	-11.8
DMT Group	2.9	12.3	26.1	33.9	37.2	45.0
Duroc Rail	20.2	17.0	37.8	26.5	39.9	28.6
Small Company Portfolio	2.2	2.0	1.5	8.9	5.5	13.0
Holding companies/group-wide functions*	-3.0	-4.5	-8.2	-190.9	-10.8	-193.4
<i>Griffine</i>	-	-4.8	-	-17.3	-	-17.3
Total	22.2	30.5	18.4	-202.5	33.2	-187.6
Net financial items	-9.6	-13.5	-7.3	-17.8	-17.3	-27.8
Profit before tax	12.6	17.0	11.0	-220.3	15.9	-215.4

*The holding companies' earnings include a Group-related impairment of assets in the amount of MSEK 179.3 relating to Griffine; see also Note 8. Griffine's earnings are consolidated up until March 4, 2023.

Amounts in MSEK	Net debt			Capital employed			Equity		
	2024-03-31	2023-03-31	2023-06-30	2024-03-31	2023-03-31	2023-06-30	2024-03-31	2023-03-31	2023-06-30
IFG	137.8	87.4	116.9	467.8	446.7	483.4	310.9	338.9	343.3
Drake Extrusion	15.3	29.9	24.7	285.5	301.6	307.6	250.5	247.5	257.6
Cresco	25.0	30.2	31.2	202.0	218.0	224.1	197.8	229.0	214.2
Plastibert	4.7	10.0	6.0	64.6	72.5	70.1	59.5	61.7	63.5
DMT Group	-13.3	-41.4	-47.3	98.5	72.8	68.7	171.3	172.9	176.2
Duroc Rail	20.8	10.4	29.2	61.9	48.1	40.6	52.7	44.1	23.2
Small Company Portfolio	32.5	34.8	35.5	59.6	64.0	62.6	34.0	34.5	34.3
Holding companies	-32.9	97.1	54.9	12.2	12.1	16.6	65.6	-57.2	-26.4
Total	189.8	258.4	251.1	1,252.2	1,235.9	1,273.5	1,142.3	1,071.5	1,085.8

NOT 5. 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	2023/2024 Q3	2022/2023 Q3	2023/2024 Q1-Q3	2022/2023 Q1-Q3
Net sales	780.2	947.2	2,276.3	2,686.4
Effect from changes in exchange rates	-4.3		-76.0	
Effect from acquisitions/disposals	-	-80.9	-	-266.1
Adjusted Net sales	775.8	866.3	2,200.3	2,420.3
Organic growth (percent)	-10.4		-9.1	

Alternative earnings metrics

Amounts in MSEK	2023/2024 Q3	2022/2023 Q3	2023/2024 Q1-Q3	2022/2023 Q1-Q3	2023/2024 R12 MAR	2022/2023 JUL-JUN
Operating profit/loss	22.2	30.5	18.4	-202.5	33.2	-187.6
Depreciation, amortisation, write down of tangible and intangible non-current assets and write downs of asset held for sale	22.1	27.2	73.7	263.3	102.0	291.7
EBITDA	44.3	57.7	92.0	60.8	135.2	104.0
Bad debt losses	-	-	-	20.8	-	20.8
<i>Items affecting comparability</i>						
Restructuring costs/dissolution of reserve	-	1.7	-	1.7	-0.7	1.0
Government grants	-	-	-1.9	-	-13.6	-11.7
Project costs - business relocation	-2.3	-	-0.2	-	-0.2	-
Adjusted EBITDA	42.0	59.4	90.0	83.3	120.6	114.0
Depreciation, amortisation, write down of tangible and intangible non-current assets and write downs of asset held for sale	-22.1	-27.2	-73.7	-263.3	-102.0	-291.7
<i>Items affecting comparability</i>						
Write down of tangible assets	-	-	-	-	2.9	2.9
Writedown of assets held for sale	-	-	-	179.3	-	179.3
Adjusted EBIT	19.9	32.2	16.3	-0.6	21.5	4.6
Net financial items	-9.6	-13.5	-7.3	-17.8	-17.3	-27.8
Net tax	-5.2	-5.4	-4.5	10.2	-37.4	-22.6
Adjusted profit for the period	5.1	13.3	4.4	-8.2	-33.2	-45.8
<i>Attributable to the parent company's equity holders</i>	<i>1.8</i>	<i>13.3</i>	<i>1.1</i>	<i>-8.2</i>	<i>-36.5</i>	<i>-45.8</i>
<i>Attributable to non-controllings interests</i>	<i>3.3</i>	<i>-</i>	<i>3.3</i>	<i>-</i>	<i>3.3</i>	<i>-</i>
Adjusted earnings per share attributable to owners of the parent compar	0.05	0.34	0.03	-0.21	-0.94	-1.17
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	2024-03-31	2023-03-31	2023-06-30
Long-term interest bearing liabilities	18.9	53.9	46.4
Long-term interest bearing liabilities, right of use assets	88.1	103.9	105.7
Short-term interest bearing liabilities	91.5	96.6	95.3
Short-term interest bearing liabilities, right of use assets	25.4	30.2	30.5
Derivatives	-0.1	0.0	-0.1
Cash and cash equivalents	-34.0	-26.2	-26.6
Net debt including right of use assets	189.8	258.4	251.1
Net debt excluding right of use assets	76.3	124.2	115.0

Capital employed

Amounts in MSEK	2024-03-31	2023-03-31	2023-06-30
Equity	1,142.3	1,071.5	1,085.8
Net debt	189.8	258.4	251.1
Intangible assets from acquisitions	-86.6	-87.1	-87.3
Pension liability	25.4	28.1	28.9
Deferred tax	-18.5	-35.0	-5.0
Capital employed	1,252.2	1,235.9	1,273.5

NOT 6. 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 7. RELATED PARTY TRANSACTIONS

During the financial year's three first quarters, Group companies bought services totaling MSEK 0.7 (0.6) and sold services totaling MSEK 0.0 (0.0) in transactions with companies in which Bronsstädet AB is the majority owner. The transactions were carried out on market terms.

NOT 8. ASSETS HELD FOR SALE

During the previous financial year's first six months, the Board resolved to sell the wholly-owned subsidiary Griffine Enduction S.A., Cotting Group's French component, and for Griffine's assets and liabilities to be reported in accordance with IFRS 5.

As Griffine's net assets, including a shareholder loan in the amount of MSEK 124.8 as of December 31, 2022, totaled MSEK 179.3 and the recovery value of the investment at the time was uncertain, the net assets were written down in their entirety. Thus the table shows assessments of assets and liabilities at the time the company was reported in accordance with IFRS 5.

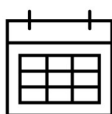
In the beginning of March 2023, Griffine filed for restructuring in accordance with French insolvency legislation, and control of the company is no longer of such a nature that the company can be consolidated in the Group's accounts from that date onward. Therefore, all that remains is the group-related loss in respect of the impairment made during the second quarter of the 2022/2023 financial year. The balance sheet items relating to Griffine have thus been removed entirely from the Group's financial accounts.

This has no impact on parent company Duroc AB's equity as the receivable from Griffine and the shares were written down in their entirety during previous financial years.

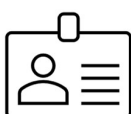
Assets and liabilities held for sale	Before write down	Write down	After write down
Intangible assets	12.1	-12.1	-
Tangible assets	111.5	-111.5	-
Other non-current assets	11.7	-11.7	-
Inventories	132.6	-44.1	88.5
Receivables	64.5	-	64.5
Other current assets	9.8	-	9.8
Cash and cash equivalents	10.4	-	10.4
Total assets	352.4	-179.3	173.1
Interest-bearing loans and borrowings	53.1	-	53.1
Other liabilities and provisions	120.0	-	120.0
Total liabilities	173.1	-	173.1

DEFINITION OF KEY FINANCIAL INDICATORS

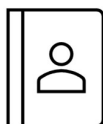
Organic growth	Net sales growth adjusted for acquisitions, disposals and currency translation effects
Equity	Total share capital, reserves and retained earnings including annual profit/loss
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
Adjusted EBITDA	EBITDA adjusted for items affecting comparability and bad debt losses
EBIT	Operating profit/loss
Adjusted EBIT	EBIT adjusted for items affecting comparability and bad debt losses
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 attributable to the owners of the parent company divided by the average number of outstanding shares
Adjusted earnings per share	Earnings after tax adjusted for items affecting comparability and bad debt losses attributable to the owners of the parent company 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 2023 – June 2024	August 23, 2024
Annual Report July 2023 – June 2024	September 27, 2024
Interim Report July 2024 – September 2024	November 5, 2024

**FOR MORE INFORMATION**

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