YEAR-END REPORT

JULY 2022 – JUNE 2023

UNEVEN DEVELOPMENT IN THE GROUP – CONTINUED STRONG POSITION

Fourth quarter April 2023 – June 2023

- Net sales decreased by 22 percent to MSEK 806.7 (1,033.7) Organic growth** for the remaining operations was -20 percent. The decrease of raw material costs reduces the net sales, as these, to a considerable extent, also reduces the price to the end customer.
- Adjusted EBITDA* decreased by 40 percent to a total of MSEK 30.7 (51.4), equivalent to an adjusted EBITDA* margin of 3.8 percent (5.0). Adjusted EBITDA excluding Griffine was MSEK 30.7 (75.6).
- Adjusted EBIT* totaled MSEK 5.2 (25.7). Adjusted EBIT excluding Griffine was MSEK 5.2 (53.8).
- Operating profit (EBIT) totaled MSEK 14.9 (26.0).
- Cash flow from operating activities totaled MSEK 45.7 (-77.3).
- Earnings after tax totaled MSEK -28.0 (30.1) mostly related to non-cash flow affecting tax costs due to changes in deferred tax amounting to MSEK 29.7, mostly due to changed tax rules for deferred tax in Belgium, affected the earnings.
- Adjusted earnings per share totaled SEK -0.97 (0.77).
- Earnings per share totaled SEK -0.72 (0.77).
- Equity totaled MSEK 1,085.8 (1,237.8) and the equity/assets ratio was 58 percent (52).
- During the quarter, the insolvency proceedings in Griffine Enduction S.A has for the most part been finalized. Duroc has no further commitments regarding the business and no further costs are expected to burden the groups' result.

July 2022 – June 2023

- Net sales decreased by 6 percent to MSEK 3,493.1 (3,720.5). Organic growth stood at -12** percent.
- Adjusted EBITDA* decreased by 41 percent to a total of MSEK 114.0 (192.1), equivalent to an adjusted EBITDA* margin of 3.3 percent (5.2). Adjusted EBITDA excluding Griffine totaled MSEK 122.0 (245.5).
- Adjusted EBIT* totaled MSEK 4.6 (90.1). Adjusted EBIT excluding Griffine totaled MSEK 21.7 (159.3).
- The operating loss (EBIT) totaled MSEK -187.6 (83.0), whereof MSEK -179.3 is related to write downs on consolidated level regarding Griffine, see further note 8.
- Cash flow from operating activities totaled MSEK 217.2
- (-36.8).
- Earnings after tax totaled MSEK -238.1 (64.9).
- Adjusted earnings per share totaled SEK -1.17 (1.85).
- Earnings per share totaled SEK -6.10 (1.67).
- Cash and cash equivalents as of June 30th totaled MSEK 26.6 (26.1), and net debt excluding lease liabilities (IFRS 16) totaled MSEK 115.0 (265.7). Unutilized credit facilities totaled MSEK 272.7 (205.0).
- In December 2022, the IFG Holdings Ltd pension fund purchased an annuity through a buy-in solution that provides an annual reduction of expenditures of around MSEK 6 and the cessation of all pension obligations within 12–14 months.
- In view of that the negative result in all material respects consists of one-off effects not affecting cash flow and that the financial position has strengthened significantly, the board suggests a preserved dividend of SEK 0.25 per share.

Group (MSEK)	2022/2023 Q4	2021/2022 Q4	2022/2023 Q1-Q4	2021/2022 Q1-Q4
Net sales	806.7	1,033.7	3,493.1	3,720.5
EBITDA	43.2	51.7	104.0	199.4
Adjusted EBITDA*	30.7	51.4	114.0	192.1
Adjusted EBITDA*-margin, %	3.8	5.0	3.3	5.2
Operating profit/loss (EBIT)	14.9	26.0	-187.6	83.0
Adjusted EBIT*	5.2	25.7	4.6	90.1
Profit/loss after tax	-28.0	30.1	-238.1	64.9
Profit per share, SEK	-0.72	0.77	-6.10	1.67
Adjusted profit per share, SEK*	-0.97	0.77	-1.17	1.85
Cashflow from operating activities	45.7	-77.3	217.2	-36.8
Net debt excl. lease liability from IFRS 16	115.0	265.7	115.0	265.7
Net debt incl. lease liability from IFRS 16	251.1	396.0	251.1	396.0
Net debt/Equity ratio, %	23	32	23	32

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

**Refers to growth adjusted for exchange rate fluctuations and structural changes such as the deconsolidation of Griffine.

Duroc acquires, develops and manages companies with a focus on trade and industry. Using their profound knowledge of technology and markets, the Group's companies aim to achieve leading positions in their respective industries. As the owner, Duroc actively contributes to their development. Duroc is listed on Nasdaq Stockholm (short name: DURC). www.duroc.se

CEO'S COMMENT

EBIT for the fourth quarter were in line with the update announced on June 21st, i.e., slightly positive. The quarter ended with a good result in June. Net sales decreased by 22 percent to MSEK 806.7 (1,033.7) and the adjusted operating profit totaled MSEK 5.2 (25.7). Units in industrial trading and mechanical engineering developed well during the quarter while the polymer-related subsidiaries noted a continued volatile order intake linked to inventory adjustments and price instability.

The Duroc Group has shown a clear heterogeneous structure during the last few years. Our mostly Swedish based industrial trade and mechanical engineering entities are growing fast, with good profitability, strong free cash flows, as well as a limited amount of capital tied up. Large values have been created in the development of these entities during the last few years which have generated a total EBIT of MSEK 88 with a ROCE of about 50 percent during 2022/2023.

EBIT amounted to MSEK -238,1 (64,9). Then negative result was a consequence of one-offs which mainly includes the non cash flow affective write down of now completely terminated Griffine in the amount of MSEK -179,3. The adjusted EBIT amounted to MSEK 4,6 (90,1). The decrease from last year was mainly due to the polymer-based units, situated in Europe and the US, was suffering from a difficult market conditions and economic environment. displaying a weak ROCE.

The overall earnings of the Duroc Group is therefore being dragged down by the capital intense polymer-based entities, which obscures the considerable value creation that the successes in the other portfolio companies entail.

Fourth quarter April – June 2023

Demand from the metalworking industry in the Nordic and Baltics was good. This contributed to a well performing DMT Group. The demand for mechanical maintenance and industrial motors was strong, which resulted in a good quarter for Rail and the subsidiaries in Smaller Company Portfolio.

The polymer-based portfolio companies, with a focus on fibers and coated textiles experienced a challenging quarter. As a whole, the industry was characterized by inventory adjustments, unstable prices and great uncertainty for the future. Most actors are reported to have suffered from these factors. The polymer-related subsidiaries in Duroc, i.e. IFG, Drake Extrusion, Cresco and Plastibert also noted great order intake fluctuations, which resulted in an underperforming earnings development.

Griffine, underwent a reconstruction process where a third party took over the operation through an assets and liabilities transfer. As a result, a major source of losses with large investment needs has been separated from the group. No further financial effects on the group beyond those reported previously are expected to arise.

Financial year July 2022 – June 2023

The financial year developed far below expectations. Net sales decreased by 6 percent to MSEK 3,493.1 (3,720.5). Adjusted EBIT totaled MSEK 4.6 (90.1). The factors underlying the Group's earnings trend include the totally unsadisfying performance of the above-mentioned Griffine, as well as the market conditions that have affected the fiber industry negatively

At the same time, other portfolio companies have developed according to expectations. DMT has grown its turnover to around MSEK 600 with good profitability, and Rail noted a record year regarding sales and earnings. UPN and DLC in Smaller Company Portfolio distinguished themselves with extremely good earnings development. Like its competitors,

Cresco experienced, as its competitors, a more anxious market and poorer prospects due to the war in its part of the world, while the inflationary effects also had a negative impact on the Belgian unit.

Despite the challenges during the year, the Group remains strong. Cost savings, price adjustments and a focus on keeping working capital at reasonable level helped Duroc maintain a good financial position. Net debt remains low and there are significant unutilized credit facilities available for e.g., potential asset acquisitions or investments in existing operations.

Outlook

During the coming financial year, earnings trends in polymer-related companies are expected to turn in the right direction from a low level. Current inventory levels with customers are estimated to be insufficient to cover requirements during the coming 12-month period. Raw materials prices are decreasing, at the time of writing, consumer confidence in the USA is reportedly more positive than before. We have during many years, invested a significant amount in product-and marketing development as well as production equipment and we are well equipped for an expected increase in demand.

The subsidiaries that developed positively in 2022/23 are now stable as a result of the improvement efforts made in recent years. We will also review the very core of Duroc and plan for structural measures aimed at achieving a less volatile earnings development in the years ahead.

Duroc's prudent financial approach has created good conditions for both organic and acquisitional growth moving forward, and despite turbulent market factors, the Group has navigated such that we now find ourselves in a secure position.

We have full control over any strategic transactions in the same time as we can concentrate on business development, and we have many options for taking advantage of any potential opportunity that presents itself.

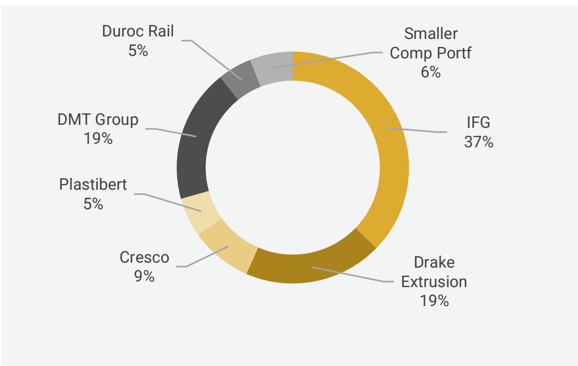
I would like to take this opportunity to thank our dedicated and capable employees who, in the face of exceptionally challenging factors, made such a strong contribution to Duroc's excellent financial position.

John Häger
CEO

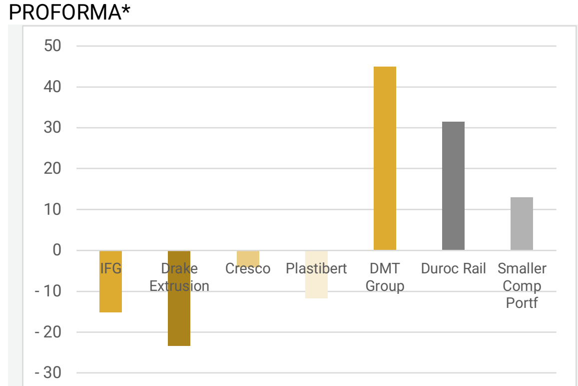
DEVELOPMENTS IN DUROC PORTFOLIO COMPANIES

Duroc's portfolio companies consist of International Fibres Group (IFG), Drake Extrusion, Cresco, Plastibert (formerly part of Cotting Group), 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, July 2022 – June 2023. 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) PROFORMA*



ADJUSTED EBIT PER PORTFOLIO COMPANY (R12) PROFORMA*



*Proportion of net sales and adjusted EBIT per portfolio company shown excluding the deconsolidated operation Griffine Enduction S.A.

Fourth quarter April 2023 – June 2023

Net sales decreased by 22 percent to MSEK 806.7 (1,033.7). Organic growth stood at -22 percent, where Cresco, Plastibert, Duroc Rail and Smaller Company Portfolio increased their sales. IFG, DMT and Drake Extrusion reported lower sales than the comparison quarter due to lower sales volumes and strong comparison quarters.

Adjusted EBITDA totaled MSEK 30.7 (51.4) and the adjusted EBITDA margin totaled 3.8 percent (5.0) driven by lower gross profit. Duroc Rail and Smaller Company Portfolio improved their profitability through good cost control. Other portfolio companies reported a lower EBITDA compared to the year-over-year quarter.

Adjusted EBIT totaled MSEK 5.2 (25.7) and operating income MSEK 14.9 (26.0).

Earnings after tax totaled MSEK -28.0 (30.1) due to a reduction in allowed deductions for deferred tax in Belgium.

July 2022 – June 2023

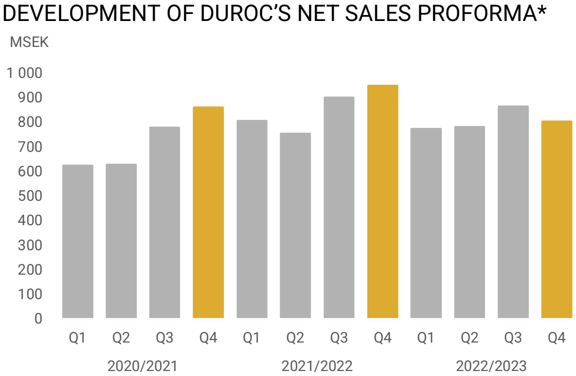
Net sales decreased compared to the previous financial year and totaled MSEK 3,493.1 (3,720.5). Organic growth stood at -12 percent, mainly due to lower sales volumes in IFG and Drake, and this was partly offset by increased sales in other companies.

Adjusted EBITDA totaled MSEK 114.0 (192.1) and the adjusted EBITDA margin was 3.3 percent (5.2), driven by higher costs for energy and labor. Duroc Rail and Smaller Company Portfolio increased their EBITDA compared to the previous year.

Adjusted EBIT totaled MSEK 4.6 (90.1) and operating income totaled MSEK -187.6 (83.0).

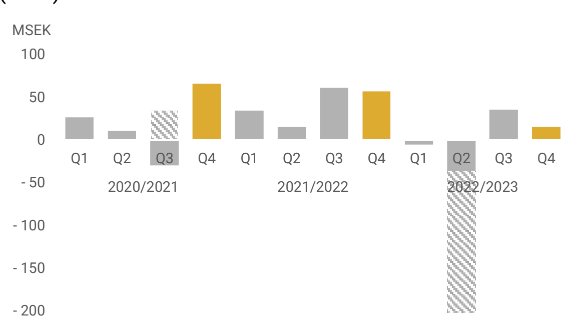
Earnings after tax totaled MSEK -238.1 (64.9).

DEVELOPMENT OF DUROC'S NET SALES PROFORMA*



*Duroc Group development excluding Griffine Enduction S.A.

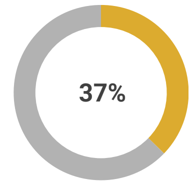
DEVELOPMENT OF DUROC'S OPERATING PROFIT/LOSS (EBIT) PROFORMA*



Q3 2020/2021 was affected by restructuring costs totaling MSEK 35.5. Q2 2022/2023 was affected by a group-related impairment of assets totaling MSEK 179.3 related to Griffine Enduction S.A.

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)



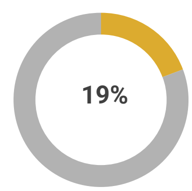
- Net sales decreased by 19.9 percent compared to the fourth quarter in the previous year, mainly due to lower prices for input goods*. Even though volumes decreased by 1 percent compared to the year-over-year quarter, IFG can see a brighter, if slightly volatile, market ahead. The automotive segment noted continued high order intakes.
- EBIT totaled MSEK 4.4 (27.1), mainly due to decreased sales. The cost base was somewhat lower than the year-over-year quarter, attributable mainly to lower energy and haulage costs. While compulsory pay rises in Belgium and Austria were partially offset by layoffs and reduced labor forces, they still had a negative effect on EBIT.
- Net debt remained low and totaled MSEK 37.8 (87.1) excluding IFRS 16 effects.
- During the year, IFG, in collaboration with its customers, focused on developing and broadening its product offering in niche products and sustainability where the margins are better than in the volume segment. There continues to be a growing market for more technologically advanced, sustainable products.

Amounts in MSEK	2022/ 2023 Q4	2021/ 2022 Q4	2022/ 2023 Q1-Q4	2021/ 2022 Q1-Q4
Net Sales	305.2	381.0	1,201.5	1,384.9
Growth, Net Sales %	-19.9	5.5	-13.2	19.8
Organic growth %	-26.4	2.0	-18.4	17.4
EBITDA	11.4	32.3	12.7	100.9
EBITDA margin %	3.7	8.5	1.1	7.3
Adjusted EBITDA	11.4	31.9	12.7	91.9
Adjusted EBITDA-margin, %	3.7	8.4	1.1	6.6
EBIT	4.4	27.1	-15.2	76.9
EBIT margin %	1.4	7.1	-1.3	5.6
Net Debt/Net Cash (-)	116.9	155.6	116.9	155.6
of which from leasing IFRS 16	79.2	68.5	79.2	68.5
Capital employed	483.4	561.8	483.4	561.8
ROCE %	-3.2	16.7	-3.2	16.7
Adjusted ROCE %	-3.2	14.7	-3.2	14.7

**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.*

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)



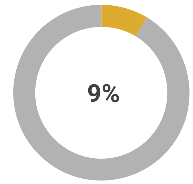
- Net sales decreased by 28.8 percent in relation to the year-over-year quarter and organic growth was -33.8 percent. This was mainly due to a drop in volumes by 25 percent and because price mechanisms in contracts led to a reduction in sales prices.
- Demand for staple fibers declined and sales volumes decreased by 37 percent compared to the same quarter during the previous year. We note a certain nervousness in the market due to the banking crisis, and over the short term customers drew down on their inventories, which affected order intake. Sales of filament yarn increased during the quarter and volumes were 48 percent higher than the year-over-year quarter. While the macroeconomic situation still affects the industry and end consumers, the company notes that customer inventories are now reaching their lowest levels.
- The EBIT totaled MSEK -0.1 (4.2). The cost base was higher than the year-over-year quarter, mainly due to reduced sales, higher personnel costs and increased costs for energy and maintenance.
- Because it kept personnel on during the pandemic, Drake received a government grant in the form of a retroactive refund of Social Security contributions totaling USD 1.1 million, and this had a positive impact on the EBIT.

Amounts in MSEK	2022/ 2023 Q4	2021/ 2022 Q4	2022/ 2023 Q1-Q4	2021/ 2022 Q1-Q4
Net Sales	144.6	203.1	623.8	746.3
Growth, Net Sales %	-28.8	13.1	-16.4	19.9
Organic growth %	-33.8	-2.3	-27.5	8.6
EBITDA	8.9	12.7	4.1	26.4
EBITDA margin %	6.2	6.3	0.7	3.5
Adjusted EBITDA	-2.8	12.7	13.0	26.4
Adjusted EBITDA-margin, %	-2.0	6.3	2.1	3.5
EBIT	-0.1	4.2	-32.3	-3.8
EBIT margin %	-0.1	2.1	-5.2	-0.5
Net Debt/Net Cash (-)	24.7	44.7	24.7	44.7
of which from leasing IFRS 16	7.6	11.1	7.6	11.1
Capital employed	307.6	342.8	307.6	342.8
ROCE %	-10.2	-1.2	-10.2	-1.2
Adjusted ROCE %	-7.3	-1.3	-7.3	-1.3

IFG Cresco®

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 increased by 8.6 percent during the fourth quarter, primarily due to foreign exchange effects. Organic growth was -0.4 percent. Volumes were 6 percent lower than the year-over-year quarter, which was compensated by increased prices.
- EBIT was affected by increased materials prices, where delayed price rises were not able to fully compensate for raw materials costs. Otherwise, cost adaptations were made on an ongoing basis such that the cost base did not increase compared to the fourth quarter of the previous year, despite inflation-based pay increases and higher energy costs.
- The market showed continued signs of recovery where the EU gas price-ceiling contributed to a degree of market stabilization. The demand for energy-saving climate screens for greenhouses and recyclable ground cover fabric made from PLA (a biodegradable corn-based polymer) increased, while the investments deferred by customers due to the prevailing global situation must be made in the fullness of time.
- Moving forward, Cresco's efforts will focus on R&D, sales in new markets and continued cost adjustments.

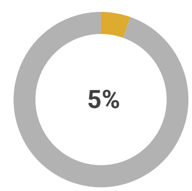
Amounts in MSEK	2022/2023 Q4	2021/2022 Q4	2022/2023 Q1-Q4	2021/2022 Q1-Q4
Net Sales	69.7	64.2	278.9	276.3
Growth, Net Sales %	8.6	-25.9	0.9	-6.9
Organic growth %	-0.4	-28.5	-5.8	-7.8
EBITDA	-1.3	7.2	1.5	35.5
EBITDA margin %	-1.8	11.2	0.5	12.9
EBIT	-2.8	5.8	-4.2	30.1
EBIT margin %	-4.0	9.0	-1.5	10.9
Net Debt/Net Cash (-)	31.2	38.1	31.2	38.1
of which from leasing IFRS 16	4.9	4.8	4.9	4.8
Capital employed	224.1	218.5	224.1	218.5
ROCE %	-1.9	16.0	-1.9	16.0

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.

***Plastibert was previously a part of Cotting Group together with French Griffine Enduction SA, but now that Griffine is no longer consolidated into the group's accounts, it reports as its own business area.*

Share of Duroc's sales (R12)



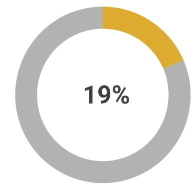
- Net sales increased by 3.2 percent during the quarter, and organic growth decreased by -5.6 percent mainly due to lower volumes that were partially offset by price rises, which had a positive effect on the gross profit margin in this and the previous quarter.
- During the quarter, operating earnings totaled MSEK -1.3 (-1.8), an improvement compared to the comparison quarter. Primarily due to a reduction of energy costs and a slight increase in personnel costs that could be compensated by layoffs.
- The company noted an increased order intake in both the furniture upholstery and automotive segments. The medical segment is stable while mattresses, protective fabrics and the smaller segments decreased.
- A project was launched aimed at improving capacity utilization in production. Operating income margins are expected to continue improving moving forward as the price increases take effect.

Amounts in MSEK	2022/2023 Q4	2021/2022 Q4	2022/2023 Q1-Q4	2021/2022 Q1-Q4
Net Sales	45.6	44.2	176.9	168.8
Growth, Net Sales %	3.2	3.9	4.8	2.9
Organic growth %	-5.6	0.8	-0.2	2.1
EBITDA	-0.3	-0.8	-7.5	2.1
EBITDA margin %	-0.6	-1.8	-4.2	1.2
EBIT	-1.3	-1.8	-11.8	-2.0
EBIT margin %	-2.9	-4.1	-6.7	-1.2
Net Debt/Net Cash (-)	6.0	4.3	6.0	4.3
of which from leasing IFRS 16	0.3	0.4	0.3	0.4
Capital employed	70.1	74.2	70.1	74.2
ROCE %	-16.2	-3.0	-16.2	-3.0

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)



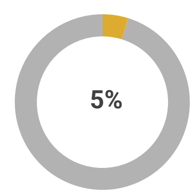
- Net sales totaled MSEK 156.3 (182.1), a decrease of 14.2 percent. The decrease was due mainly to several major orders during last year's fourth quarter. The increase on a full-year basis was 11.4 percent. However, gross profit remained unchanged thanks to a favorable product mix and the ability to pass direct cost increases on to the customer.
- EBITDA totaled MSEK 12.8 (19.5) and the EBITDA margin was 8.2 percent (10.7). Necessary strategic initiatives in the form of investments in a larger labor force and consultancy costs aimed at managing the strong growth, and continued investment in the ERP system and digital marketing drove up costs. However, this should have a positive impact on earnings moving forward and enable continued growth.
- Thanks to competitive products, a good service offering and a successful organization in general, DMT succeeded in taking market shares during the year. Demand continues to be strong throughout the region.
- Order levels continued to be high and totaled MSEK 203 at the end of the fourth quarter.

Amounts in MSEK	2022/ 2023 Q4	2021/ 2022 Q4	2022/ 2023 Q1-Q4	2021/ 2022 Q1-Q4
Net Sales	156.3	182.1	599.5	538.1
Growth, Net Sales %	-14.2	48.4	11.4	42.0
Organic growth %	-19.0	46.1	6.6	40.9
EBITDA	12.8	19.5	51.4	55.5
EBITDA margin %	8.2	10.7	8.6	10.3
EBIT	11.0	18.1	45.0	49.8
EBIT margin %	7.1	9.9	7.5	9.3
Net Debt/Net Cash (-)	-47.3	-67.8	-47.3	-67.8
of which from leasing IFRS 16	10.0	6.5	10.0	6.5
Capital employed	68.7	35.0	68.7	35.0
ROCE %	83.4	127.6	83.4	127.6

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)

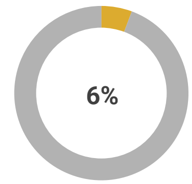


- Duroc Rail continued to enjoy high order volumes, which meant high production capacity utilization and a sales growth of 19 percent compared to the previous year's fourth quarter.
- An impairment due to an equipment breakdown burdened earnings by MSEK 2.9.
- Adjusted earnings (EBIT), where the equipment breakdown is excluded, totaled MSEK 5.0 (3.2) and the adjusted EBIT margin totaled 14.4 percent (11.0), driven primarily by the growth in sales.
- Increased costs for labor and maintenance due to the high production rate characterized both the quarter and the full year in general.
- During the quarter, Rail enjoyed a historically high production rate for the season and demand for railroad wheel maintenance continued to increase. Rail had high order levels at the end of the quarter, and this is expected to lead to continued high production rates in the quarters ahead.

Amounts in MSEK	2022/ 2023 Q4	2021/ 2022 Q4	2022/ 2023 Q1-Q4	2021/ 2022 Q1-Q4
Net Sales	34.7	29.2	153.2	134.0
Growth, Net Sales %	19.0	-6.2	14.3	3.3
Organic growth %	19.0	-6.2	14.3	3.3
EBITDA	7.2	4.9	39.6	35.2
EBITDA margin %	20.8	16.9	25.9	26.3
EBIT	2.1	3.2	28.6	28.8
EBIT margin %	6.1	11.0	18.7	21.5
Adjusted EBIT	5.0	3.2	31.5	28.8
Adjusted EBIT margin %	14.4	11.0	20.6	21.5
Net Debt/Net Cash (-)	29.2	31.3	29.2	31.3
of which from leasing IFRS 16	7.4	9.5	7.4	9.5
Capital employed	40.6	43.1	40.6	43.1
ROCE %	64.3	62.4	64.3	62.4
Adjusted ROCE %	70.8	62.4	70.8	62.4

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, 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.

- Net sales in the Smaller Company Portfolio totaled MSEK 50.7 (49.1) during the quarter, an increase of 3.3 percent.
- EBIT totaled MSEK 4.1 (3.2), corresponding to an EBIT margin of 8.0 percent (6.6).
- UPN increased its net sales by 38 percent to MSEK 29.8 (21.6) during the fourth quarter. The gross margin was a little lower due to the product mix. Other costs were in line with the previous year, leading to an operating profit of MSEK 2.0 (0.6) and an EBIT-margin of 7 percent.
- Herber experienced a weak year with sales coming in at MSEK 13.1 (21.0) in the last quarter, a decrease of 38 percent. Thanks to increased gross margins and cost-saving measures, it succeeded in reducing the decrease in the operating profit to MSEK 1, which corresponds to an operating profit of MSEK 1.1 (2.0). During the final weeks of the quarter, Herber received multiple orders, and the order situation in the run-up to the fall is thus, better than before.
- Duroc Laser Coating increased sales by 20 percent during the quarter. Increased materials costs led to a slightly lower gross margin. However, the cost base was maintained at the previous year's level, with EBIT totaling MSEK 1.0 (0.6), equivalent to an EBIT-margin of 13 percent (9).

Amounts in MSEK	**2022/ 2023 Q4**	**2021/ 2022 Q4**	**2022/ 2023 Q1-Q4**	**2021/ 2022 Q1-Q4**
Net Sales	50.7	49.1	193.8	166.3
Growth, Net Sales %	3.3	28.8	16.5	21.4
Organic growth %	3.3	28.8	16.5	21.4
EBITDA	6.6	5.5	23.2	18.2
EBITDA margin %	13.1	11.2	12.0	10.9
EBIT	4.1	3.2	13.0	8.9
EBIT margin %	8.0	6.6	6.7	5.4
Net Debt/Net Cash (-)	35.5	25.5	35.5	25.5
of which from leasing IFRS 16	24.8	26.8	24.8	26.8
Capital employed	62.6	46.6	62.6	46.6
ROCE %	23.2	18.3	23.2	18.3

FINANCIAL INFORMATION

FINANCIAL PERFORMANCE AND POSITION

Net sales for the year totaled MSEK 3,493.1 (3,720.5). The operating loss totaled MSEK -187.6 (83.0) and the loss after tax was MSEK -238.1 (64.9). Other comprehensive income totaled MSEK 95.8 (102.3) including MSEK 98.3 (92.4) in translation differences.

At the end of the period, the Group's equity was MSEK 1,085.8 million (1,237.8) and the equity ratio was 57.8 percent (52.1). Were cash and cash equivalents and interest-bearing liabilities to be reported net, the Group's adjusted equity/assets ratio would be 58.6 percent (52.7).

FINANCING

As of June 30, 2023, Duroc AB has a bank loan in the amount of MSEK 44.0, 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 June 30, 2023, the Group had unutilized credit facilities totaling MSEK 273.

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 Friday, June 30, 2023, 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 – RIGHT OF USE ASSETS

The group has MSEK 136.1 (130.4) in lease liabilities. Of these, MSEK 108.4 are related to rental agreements whereas one agreement of a production facility in Belgium amounts to MSEK 76.1. The remaining liabilities are mostly related to leased cars.

INVESTMENTS

During the financial year, the Group made investments in tangible and intangible fixed assets totaling MSEK 89.1 (75.6), of which MSEK 27.5 (8.3) 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 -60.9 (-62.3).

CASH FLOW

During the financial year, consolidated cash flow from operating activities totaled MSEK 217.2 (-36.8). Reduced inventories, falling materials prices and somewhat restrained purchasing combined with positive effects from trade receivables are the main contributors to the increase. Cash flow from investing activities totaled MSEK -61.3 (-61.7). Cash flow from financing activities totaled MSEK -145.6 (60.7), where MSEK -68.2 (127.5) was related to a reduction in utilized credit facilities and MSEK -30,3 (-28.3) 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 26.6 (26.1). Interest-bearing liabilities totaled MSEK 277.9 (422.1) including lease liabilities from IFRS 16 in the amount of MSEK 136.2 (130.3) and the Group's net debt totaled MSEK 251.1 (396.0). Net debt excluding lease liabilities from IFRS 16 totaled MSEK 115.0 (265.7).

PARENT COMPANY

Duroc AB's primary functions are acquisitions, monitoring the development of Group companies, business development and financial reporting. Sales consist of internally invoiced services and totaled MSEK 5.9 (5.9) during the financial year. Earnings after tax totaled MSEK 33.5 (-143.7), of which MSEK 61.7 (103.0) 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 80.4 percent (77.8).

PERSONNEL

The average number of Duroc Group employees for the year was 1,017 (1,099). The average number of employees in the parent company was 5 (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, 2021 – June 30, 2022.

The macroeconomic situation in the wake of the Covid-19 pandemic and the ongoing war in Ukraine have affected the Duroc Group's companies in different ways.

Generally higher energy prices and volatile raw materials prices mainly impact the fiber companies IFG, Drake Extrusion, Cresco and Plastibert, where both production and input goods are energy intensive. There is a certain lag in price rises to customers, and this has affected the quarter negatively.

The temporary disruptions in delivery chains that have occurred since the outbreak of Covid-19, combined with great uncertainty in respect of delivery times and components supply, constitute a major uncertainty factor in certain parts of the Group. Greater emphasis is placed on planning and securing components supply through good purchasing planning.

All of the companies are affected to various extents by higher transport costs, but there are also certain positive effects from the companies' geographical locations that have led customers to revert to purchases from Europe instead of Asia.

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, cost structures are also affected in terms of labor. 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 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, 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 poorer economic conditions.

Stockholm, August 17, 2023

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 August 18, 2023.

CONSOLIDATED INCOME STATEMENT

Amounts in MSEK	2022/2023 Q4	2021/2022 Q4	2022/2023 Q1-Q4	2021/2022 Q1-Q4
Net sales	806.7	1,033.7	3,493.1	3,720.5
Other operating income	17.5	5.5	33.1	20.4
Change in inventories	-1.9	2.4	-27.2	27.1
Raw materials and consumables	-361.4	-522.5	-1,611.5	-1,935.9
Gods for resale	-123.0	-135.3	-492.9	-410.2
Other external costs	-123.9	-146.6	-579.7	-531.7
Personnel costs	-168.9	-183.7	-704.5	-686.2
Depreciation, amortisation and impairment of tangible and intangible assets	-28.4	-25.7	-112.3	-116.3
Writedown of assets held for sale	-	-	-179.3	-
Other operating costs	-1.8	-1.8	-6.5	-4.6
Operating profit/loss	**14.9**	**26.0**	**-187.6**	**83.0**
Net financial items	**-9.9**	**-2.4**	**-27.8**	**-8.2**
Profit before tax	**4.9**	**23.6**	**-215.4**	**74.8**
Current tax	-3.2	-0.7	-10.8	-13.9
Deferred tax	-29.7	7.2	-11.8	4.0
PROFIT FOR THE PERIOD	**-28.0**	**30.1**	**-238.1**	**64.9**
Profit for the period attributable to:				
The Parent Company´s equity holders	-28.0	30.1	-238.1	64.9
Earnings per share				
Before and after dilution (sek)	-0.72	0.77	-6.10	1.67
Average number of shares before and after dilution	39,000,000	39,000,000	39,000,000	39,000,000

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in MSEK	2022/2023 Q4	2021/2022 Q4	2022/2023 Q1-Q4	2021/2022 Q1-Q4
PROFIT FOR THE PERIOD	**-28.0**	**30.1**	**-238.1**	**64.9**
Total other comprehensive income				
Items that may be reclassified to the income statement				
Translation differences	44.7	53.1	98.3	92.5
Hedge accounting (net)	-1.6	2.2	-4.2	3.8
Items that will not be reclassified to the income statement				
Actuarial gains and losses(net)	-0.8	4.5	1.7	6.0
Total other comprehensive income	**42.2**	**59.8**	**95.8**	**102.3**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**14.3**	**89.9**	**-142.3**	**167.2**
Total comprehensive inocome for the period attributable to:				
The Parent company´s equity holders	14.3	89.9	-142.3	167.2
non-controlling interests	-	-	-	-

CONSOLIDATED BALANCE SHEET

Amounts in MSEK	2023-06-30	2022-06-30
ASSETS		
Non-current assets		
Intangible assets	92.9	106.8
Property plant and equipment	538.2	620.1
Right of use assets	127.9	125.8
Financial assets	0.1	5.0
Deferred tax assets	45.6	64.0
Total non-current assets	**804.7**	**921.7**
Current assets		
Inventories	570.9	739.1
Trade receivables	425.4	631.6
Current tax receivables	4.2	12.3
Other receivables	18.7	29.3
Prepaid expenses and accrued income	29.3	16.7
Cash and cash equivalents	26.6	26.1
Total current assets	**1,075.0**	**1,455.2**
TOTAL ASSETS	**1,879.7**	**2,376.9**
EQUITY AND LIABILITIES		
Equity		
Share capital	39.0	39.0
Other capital provided	260.5	260.5
Reserves	198.4	172.2
Retained earnings including profit for the year	587.8	766.1
Equity attributable to shareholders of the parent company	**1,085.8**	**1,237.8**
Total equity	**1,085.8**	**1,237.8**
Long-term liabilities		
Provision for pensions	28.9	58.3
Other provisions	0.8	14.9
Non-current interest-bearing liabilities	46.4	77.5
Non-Current liabilities - right of use assets	105.7	103.4
Other non-current liabilities	1.1	2.0
Deferred tax liabilities	40.6	50.4
Total non-current liabilities	**223.3**	**306.4**
Current liabilities		
Öther provisions	7.1	7.4
Current interest-bearing liabilities	95.3	214.3
Current interest bearing liabilities - right of use assets	30.5	27.0
Advance payments from customers	69.3	60.6
Trade payables	201.9	305.4
Current tax liabilities	8.1	12.7
Other liabilities	55.7	72.4
Accrued expenses and prepaid income	102.6	132.9
Total current liabilities	**570.6**	**832.7**
Total liabilities	**793.9**	**1,139.1**
TOTAL EQUITY AND LIABILITIES	**1,879.7**	**2,376.9**

SUMMARY OF CHANGES IN CONSOLIDATED EQUITY

Amounts in MSEK	2022/2023 Q1-Q4	2021/2022 Q1-Q4
Opening balance	**1,237.8**	**1,070.3**
Profit for the period	-238.1	64.9
Translation differences	98.3	92.5
Actuarial gains and losses (net)	1.7	6.0
Hedge accounting (net)	-4.2	3.8
Dividend	-9.8	-
Closing balance	**1,085.8**	**1,237.8**

CONSOLIDATED CASH FLOW STATEMENT

Amounts in MSEK	2022/2023 Q4	2021/2022 Q4	2022/2023 Q1-Q4	2021/2022 Q1-Q4
OPERATING ACTIVITIES				
Profit before taxes	**4.9**	**23.6**	**-215.4**	**74.8**
Adjustment for items not included in cash flow	50.1	28.0	317.3	109.1
Income tax paid	-4.8	-4.1	-9.7	-12.3
Cash flow from operating activities before changes in working capital	**50.2**	**47.5**	**92.2**	**171.6**
CASHFLOW FROM CHANGES IN WORKING CAPITAL				
Changes in inventories	1.2	-51.8	73.9	-155.9
Changes in current receivables	32.8	-60.5	137.6	-62.9
Changes in current liabilities	-38.5	-12.4	-86.5	10.4
Cash flow from operating activities	**45.7**	**-77.3**	**217.2**	**-36.8**
INVESTMENT ACTIVITIES				
Purchase and sales of intangible assets	-0.6	-1.4	-1.5	-6.5
Purchase and sales of tangible assets	-11.1	-21.5	-59.4	-55.9
Cash flow from financial assets	0.0	-0.1	-0.4	0.6
Cash flow from investment activities	**-11.7**	**-23.0**	**-61.3**	**-61.7**
FINANCING ACTIVITIES				
New loans	0.2	0.0	1.1	0.0
Amortization of loans	-9.5	-9.7	-38.4	-38.5
Amortization of liabilities regarding right of use-assets	-7.6	-6.9	-30.3	-28.3
Changes in short term operating financing	-5.8	116.2	-68.2	127.5
Dividend	0.0	0.0	-9.8	0.0
Cash flow from financing activities	**-22.8**	**99.6**	**-145.6**	**60.7**
Cash flow for the period	**11.3**	**-0.7**	**10.3**	**-37.8**
Cash and cash equivalents at beginning of period	23.7	24.5	26.1	59.9
Transaltion difference in cash and cash equivalents	-8.3	2.3	-9.8	4.0
Cash and cash equivalents at end of period	**26.6**	**26.1**	**26.6**	**26.1**

PARENT COMPANY INCOME STATEMENT

Amounts in MSEK	2022/2023 Q4	2021/2022 Q4	2022/2023 Q1-Q4	2021/2022 Q1-Q4
Net sales	1.0	1.5	5.9	5.9
Other operating income	0.1	-	0.1	-
Other external costs	-0.4	-2.0	-7.2	-6.9
Personnel costs	-2.9	-3.4	-10.5	-13.8
Depreciation and amortisation	-0.1	-0.1	-0.2	-0.2
Operating result	**-2.2**	**-4.0**	**-11.9**	**-15.0**
Result from shares in group companies	-	-	20.0	65.3
Financial income	2.2	3.9	4.7	7.6
Impairment of shares in group companies	-	-56.0	-	-116.0
Impairment of recivables from group companies	-	-117.1	-	-117.1
Financial expense	-11.0	-3.0	-25.3	-6.3
Net finance items	**-8.8**	**-172.2**	**-0.6**	**-166.5**
Group contributions received/rendered	41.7	37.7	41.7	37.7
Profit before tax	**30.6**	**-138.5**	**29.1**	**-143.7**
Current tax	1.2	-2.2	4.4	-
PROFIT AFTER TAX	**31.8**	**-140.7**	**33.5**	**-143.7**

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Amounts in MSEK	2022/2023 Q4	2021/2022 Q4	2022/2023 Q1-Q4	2021/2022 Q1-Q4
PROFIT FOR THE PERIOD	**31.8**	**-140.7**	**33.5**	**-143.7**
Total Other comprehensive income	**-**	**-**	**-**	**-**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**31.8**	**-140.7**	**33.5**	**-143.7**

PARENT COMPANY BALANCE SHEET

Amounts in MSEK	2023-06-30	2022-06-30
ASSETS		
Non current assets		
Other intangible assets	0.1	0.3
Tangible fixed assets	0.0	0.0
Shares in group companies	1,074.6	1,074.6
Receivables group companies	-	2.2
Deferred tax asset	10.6	6.2
Total non-current assets	**1,085.3**	**1,083.3**
Current assets		
Receivables group companies	106.7	116.9
Other recievables	1.2	1.2
Prepaid expenses and accrued income	1.0	1.8
Cash and cash equivalents	-	-
Total current assets	**108.9**	**119.9**
TOTAL ASSETS	**1,194.3**	**1,203.2**
EQUITY AND LIABILITIES		
Equity		
Restricted equity	40.1	40.1
Unrestricted equity	919.9	896.2
Total equity	**960.0**	**936.3**
Long term liabilities		
Liabilities to credit institution	18.9	44.0
Total long term liabilities	**18.9**	**44.0**
Current liabilities		
Liabilities to credit institutions	27.5	95.1
Trade payables	0.7	1.0
Payables group companies	182.7	121.9
Other liabilities	0.3	0.4
Accrued expenses and prepaid income	4.2	4.5
Total current liabilities	**215.4**	**222.9**
Total liabilities	**234.2**	**266.9**
TOTAL EQUITY AND LIABILITIES	**1,194.3**	**1,203.2**

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 2021/2022 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.

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 June 30, 2023, 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, 2022 – June 30, 2023, the Group had a loan in the amount of MEUR 6.6 which at the end of the period totaled MEUR 4.2 against which hedges were applied. Related exchange rate changes of MSEK 5.5 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 occurred 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 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 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 4–7 of this report.

Amounts in MSEK	2022/2023 Q4	2021/2022 Q4	2022/2023 Q1-Q4	2021/2022 Q1-Q4
Net sales				
IFG	305.2	381.0	1,201.5	1,384.9
Drake Extrusion	144.6	203.1	623.8	746.3
Cresco	69.7	64.2	278.9	276.3
Plastibert	45.6	44.2	176.9	168.8
DMT Group	156.3	182.1	599.5	538.1
Duroc Rail	34.7	29.2	153.2	134.0
Small Company Portfolio	50.7	49.1	193.8	166.3
Holding companies/group-wide functions	1.1	1.7	6.0	6.8
Eliminations	-1.2	-5.1	-6.4	-10.9
Griffine	-	*84.2*	*266.0*	*309.9*
	806.7	**1,033.7**	**3,493.1**	**3,720.5**
EBITDA				
IFG	11.4	32.3	12.7	100.9
Drake Extrusion	8.9	12.7	4.1	26.4
Cresco	-1.3	7.2	1.5	35.5
Plastibert	-0.3	-0.8	-7.5	2.1
DMT Group	12.8	19.5	51.4	55.5
Duroc Rail	7.2	4.9	39.6	35.2
Small Company Portfolio	6.6	5.5	23.2	18.2
Holding companies/group-wide functions	-2.3	-5.3	-13.0	-19.3
Griffine	-	*-24.2*	*-8.0*	*-55.2*
Total	**43.2**	**51.7**	**104.0**	**199.4**
Operating profit/loss				
IFG	4.4	27.1	-15.2	76.9
Drake Extrusion	-0.1	4.2	-32.3	-3.8
Cresco	-2.8	5.8	-4.2	30.1
Plastibert	-1.3	-1.8	-11.8	-2.0
DMT Group	11.0	18.1	45.0	49.8
Duroc Rail	2.1	3.2	28.6	28.8
Small Company Portfolio	4.1	3.2	13.0	8.9
Holding companies/group-wide functions*	-2.5	-5.6	-193.4	-20.4
Griffine	-	*-28.2*	*-17.3*	*-85.3*
Total	**14.9**	**26.0**	**-187.6**	**83.0**
Net financial items	**-9.9**	**-2.4**	**-27.8**	**-8.2**
Profit before tax	**4.9**	**23.6**	**-215.4**	**74.8**

*The holding company's 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.

	Nettoskuld		Sysselsatt kapital		Eget kapital	
Amounts in MSEK	**2023-06-30**	**2022-06-30**	**2023-06-30**	**2022-06-30**	**2023-06-30**	**2022-06-30**
IFG	116.9	155.6	483.4	561.8	343.3	383.3
Drake Extrusion	24.7	44.7	307.6	342.8	257.6	268.7
Cresco	31.2	38.1	224.1	218.5	214.2	219.0
Plastibert	6.0	4.3	70.1	74.2	63.5	69.1
DMT Group	-47.3	-67.8	68.7	35.0	176.2	164.4
Duroc Rail	29.2	31.3	40.6	43.1	23.2	23.5
Small Company Portfoliio	35.5	25.5	62.6	46.6	34.3	28.4
Holding companies	54.9	3.2	16.6	14.7	-26.4	13.1
Griffine - disposed	-	*161.0*	-	*255.2*	-	*68.3*
Total	**251.1**	**396.0**	**1,273.7**	**1,591.2**	**1,085.8**	**1,237.8**

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	2022/2023 Q4	2021/2022 Q4	2022/2023 Q1-Q4	2021/2022 Q1-Q4
Net sales	**806.7**	**1,033.7**	**3,493.1**	**3,720.5**
Effect from change in exchange rates	-51.8		-223.9	
Effect from acquisitions/disposals		-85.0	-253.5	-311.6
Adjusted Net sales	**754.8**	**948.7**	**3,015.7**	**3,408.9**
Organic growth (percent)	-20.4		-11.5	

Alternative earnings metrics

Amounts in MSEK	2022/2023 Q4	2021/2022 Q4	2022/2023 Q1-Q4	2021/2022 Q1-Q4
Operating profit/loss	**14.9**	**26.0**	**-187.6**	**83.0**
Depreciation, amortisation, write down of tangible and intangible non-current assets and write downs of asset held for sale	28.4	25.7	291.7	116.3
EBITDA	**43.2**	**51.7**	**104.0**	**199.4**
Bad debt losses	-	-	20.8	-
Items affecting comparability				
Restructuring costs/dissolution of reserve	-0.8	-0.3	1.0	-6.2
Government grants	-11.7	-	-11.7	-
Profit from sale of land	-	-	-	-1.1
Adjusted EBITDA	**30.7**	**51.4**	**114.0**	**192.1**
Depreciation, amortisation, write down of tangible and intangible non-current assets and write downs of asset held for sale	-28.4	-25.7	-291.7	-116.3
Items affecting comparability				
Write down of tangible assets	2.9	0.1	2.9	0.1
Write down intangible assets	-	-	-	14.3
Writedown of assets held for sale	-	-	179.3	-
Adjusted EBIT	**5.2**	**25.7**	**4.6**	**90.1**
Net financial items	-9.9	-2.4	-27.8	-8.2
Net tax	-32.9	6.5	-22.6	-9.9
Adjusted profit for the period	**-37.7**	**29.8**	**-45.8**	**72.0**
Adjusted earnings per share (SEK)	**-0.97**	**0.77**	**-1.17**	**1.85**
Average number of shares	39,000,000	39,000,000	39,000,000	39,000,000

Net debt

Amounts in MSEK	2023-06-30	2022-06-30
Long-term interest bearing liabilities	46.4	77.5
Long-term interest bearing liabilities, right of use assets	105.7	103.4
Short-term interest bearing liabilities	95.3	214.3
Short-term interest bearing liabilities, right of use assets	30.5	27.0
Derivatives	-0.1	0.0
Cash and cash equivalents	-26.6	-26.1
Net debt	**251.1**	**396.0**

Capital employed

Amounts in MSEK	2023-06-30	2022-06-30
Equity	1,085.8	1,237.8
Net debt	251.1	396.0
Intangible assets from acquisitions	-87.3	-87.3
Pension liability	28.9	58.3
Deferred tax	-5.0	-13.6
Capital employed	**1,273.5**	**1,591.2**

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, Group companies bought services totaling MSEK 1.0 (2.4) and sold services totaling MSEK 0.0 (0.2) 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 first half of the financial year, the Board resolved to sell the wholly-owned subsidiary Griffine Enduction S.A, the French part of Cotting Group, 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, 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 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 the parent company Duroc AB's equity as the receivable from Griffine and the shares were written down in their entirety during the previous financial year.

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 divided by the average number of outstanding shares
Adjusted earnings per share	Earnings after tax adjusted for items affecting comparability and bad debt losses divided by the average number of outstanding shares
+Net debt/-Net cash & cash	Interest-bearing liabilities less cash and bank balances
equivalents	Net debt/equity
Net debt/equity ratio	
Capital employed	Equity plus net debt, adjusted for deferred tax, acquisition-related intangible assets, pension provisions and strategic holdings
Return on capital employed	Rolling 12-month EBIT divided by average capital employed during the past 12 months
Adjusted return on capital employed	Adjusted rolling 12-month EBIT divided by average capital employed during the past 12 months

INFORMATION CALENDAR

Annual Report July 2022–June 2023 September 29, 2023

Interim Report July 2023–September 2023 November 7, 2023

Interim Report July 2023–December 2023 February 2, 2024

FOR MORE INFORMATION

John Häger, CEO, phone +46 70 248 72 99.

DUROC AKTIEBOLAG

Box 5277, SE-102 46 Stockholm. Street address: Linnégatan 18
Phone: +46 70 835 40 52
www.duroc.com
Corporate ID number: 556446 – 4286

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