

Interim Report 2020/21 Q3

Third quarter (1 October – 31 December 2020)

- Net revenue totalled MSEK 1,078 (1,099).
- Operating profit (EBITA) increased by 8 percent to MSEK 168 (156), equivalent to an operating margin of 15.6 percent (14.2).
- Profit after financial items increased by 8 percent to MSEK 139 (129).
- Profit after taxes increased by 6 percent to MSEK 111 (105) and earnings per share (after dilution and carried out split) amounted to SEK 0.54 (0.52).
- Cash flow from operating activities increased to MSEK 226 (178).
- Return on equity for the latest 12-month period amounted to 22 percent (25) and the equity ratio at the end of the period was 40 percent (38).
- Acquisitions carried out during the quarter included Sajas Group (annual revenue MEUR 10), VP Metall AS (annual revenue MNOK 40), Hovicon International B.V. (annual revenue MEUR 6) and Oy Esari Ab (annual revenue MEUR 5).

Nine months (1 April – 31 December 2020)

- Net revenue for the first nine months of the financial year amounted to MSEK 2,973 (3,068).
- Operating profit (EBITA) increased by 3 percent to MSEK 424 (413), equivalent to an operating margin of 14.3 percent (13.5).
- Profit after financial items amounted to MSEK 336 (334) and profit after taxes amounted to MSEK 262 (265).
- Cash flow from operating activities amounted to MSEK 552 (369) for the first nine months of the financial year and to MSEK 690 (524) for the latest 12-month period.
- Earnings per share (after dilution and carried out split) amounted to SEK 1.78 for the latest 12-month period, compared to SEK 1.80 for the 2019/20 financial year.



STATEMENT OF THE CHIEF EXECUTIVE

The first nine months of the financial year were dominated by the uncertainties of the effects of the Covid-19 pandemic. The third quarter meant a general improvement and recovery, with a profit that exceeded last year's strong third quarter and where the profit for the full nine-month period exceeded the year-earlier period. This is gratifying and shows the strength in our decentralized business concept and structure with almost 60 specialized businesses.

It is important for our results that the Group's largest businesses are continuing to perform well. Elpress, the Group's and the Mechatronics division's largest business, is reaping success on the export side, particularly with its customers in the wind power segment. R-Con, the Communication division's largest unit, delivered another strong quarter and still has a strong order book for the next six months and Tormek, the largest business in the Niche Products division, is the year's fast grower, which is reaping success with attractive products, its own organisation in the USA and increased online sales.

It was also important that the restructuring measures taken have had an effect. During the past year, we discontinued a business in Denmark and one in Norway, which reduced the organic growth, while it had a positive effect on margins and profit. It is satisfying that we are demonstrating that the measures taken in the past year within the Electronics division have also had the desired effect. The division's operating margin reached 12.5 percent in the quarter, after three quarters of one-digit levels, where several of the previously underperforming units have now started to deliver better.

Operating profit for the third quarter of the financial year thus increased by 8 percent to MSEK 168 (156), which means an increased operating margin to 15.6 percent (14.2). Overall, improved margins in several of our larger profit centres combined with lower costs helped to offset a lower business volume. Additionally the cash flow from operating activities remained strong and amounted to MSEK 552 (369) during the first nine months of the financial year.

It is also positive that we carried out four acquisitions during the quarter. Sajas Group is a leading supplier of brushes for road sweeping, airfield and railway cleaning and the business operations are closely related to our subsidiary SIB in Västerås. VP Metall AS is a market leader in systems for electrical connectors for high voltage applications and is closely related to the operations in Elpress. Hovicon International B.V. offers dispensing solutions for personal hygiene products such as soap and hand disinfection and is a supplementary acquisition for our company Asept. During the quarter, we also signed an agreement to acquire Oy Esari Ab, which is one of Finland's leading providers of equipment shelters and technical buildings, with operations that are closely related to our Swedish subsidiary Elkapsling. These acquisitions feel exciting and they all strengthen our positions in existing markets. With our strong balance sheet going forward, I see good opportunities to continue with a high acquisition rate during 2021.

Ahead of the coming quarters, uncertainty persists about the effects of the pandemic. Meanwhile, the Group has stood very strong through the crisis so far and it is positive that the vaccination programme has now got underway. Hopefully, the world is moving towards a normal state of affairs by the summer. This means that overall, I feel great confidence about Lagercrantz's future.

Jörgen Wigh
President and CEO



NET REVENUE AND PROFIT

Quarter 3 (October – December 2020)

The market development during the third quarter of the financial year was characterised by a recovery and incoming orders were in line with the previous year overall. This meant that many of the Group's businesses, and especially the larger exporting companies, reported growth and improvements in earnings. Elpress, Tormek, Nikodan and Wapro can be singled out, since they all increased their business volumes on the export side and to their key accounts.

However, some profit centres, including Asept, Radonova and Frictape, were negatively impacted by the pandemic, among other things, because of visit restrictions at customers for installation and servicing work.

Consolidated net revenue for the third quarter of the financial year decreased by 2 percent to MSEK 1,078 (1,099). Acquired businesses made a contribution of MSEK 17 and the currency effect on net revenue was MSEK -26. Net revenue in comparable units, measured in local currency, was therefore minus 1 percent compared to the year-earlier period.

Operating profit (EBITA) for the quarter increased by 8 percent to MSEK 168 (156), equivalent to an operating margin of 15.6 percent (14.2).

The Niche Products and Electronics divisions increased their profits. The improvements were due to a strong performance in several units, mainly among the

exporting product companies. Completed cost savings and restructurings, mainly in the Electronics division, had an impact during the quarter with improvements in earnings compared to the three previous quarters as a result.

Profit after net financial items increased by 8 percent to MSEK 139 (129). The currency effect on the profit was negative in the quarter and amounted to MSEK -2 (+2).

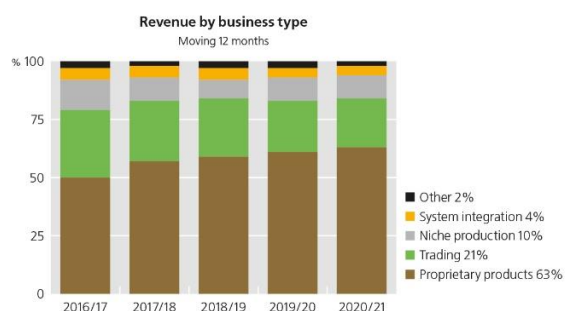
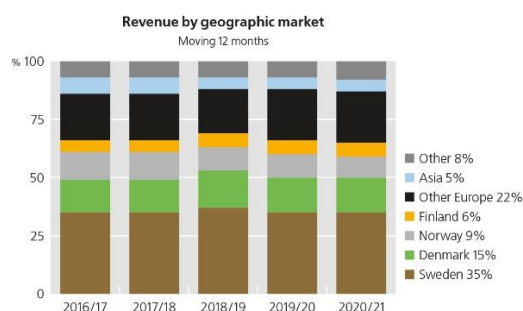
Profit after taxes for the period increased by 6 percent to MSEK 111 (105). Earnings per share (after dilution and adjusted for split) amounted to SEK 0.54 (0.52).

Nine months, April – December 2020

Net revenue for the first nine months of the financial year decreased by 3 percent to MSEK 2,973 (3,068). Net revenue in comparable units, measured in local currency, was therefore negative of 4 percent compared to the year-earlier period.

Operating profit (EBITA) amounted to MSEK 424 (413), equivalent to an increase of 3 percent and an operating margin of 14.3 percent (13.5). Profit after net financial items increased by 1 percent to MSEK 336 (334). The total currency effect on the profit was negative and amounted to MSEK -3 (+2).

Profit after taxes for the first nine months of the financial year amounted to MSEK 262 (265). Earnings per share (after dilution and adjusted for split) amounted to SEK 1.78 for the latest 12-month period, compared to SEK 1.80 for the 2019/20 financial year.



Divisions

	Net revenue					Operating profit (EBITA)				
	3 months Oct-Dec 2020/21	3 months Oct-Dec 2019/20	9 months Apr-Dec 2020/21	9 months Apr-Dec 2019/20	12 months Apr-Mar 2019/20	3 months Oct-Dec 2020/21	3 months Oct-Dec 2019/20	9 months Apr-Dec 2020/21	9 months Apr-Dec 2019/20	12 months Apr-Mar 2019/20
MSEK										
Electronics	255	279	715	839	1,117	32	29	71	93	113
Operating margin						12.5%	10.4%	9.9%	11.1%	10.1%
Mechatronics	311	335	919	905	1,261	51	52	149	135	193
Operating margin						16.4%	15.5%	16.2%	14.9%	15.3%
Communications	237	251	608	658	897	46	48	95	100	140
Operating margin						19.4%	19.1%	15.6%	15.2%	15.6%
Niche Products	275	234	731	666	905	51	35	145	112	153
Operating margin						18.5%	15.0%	19.8%	16.8%	16.9%
Parent Company/ consolidation items	-	-	-	-	-	-12	-8	-36	-27	-34
GROUP TOTAL	1,078	1,099	2,973	3,068	4,180	168	156	424	413	565
Operating margin						15.6%	14.2%	14.3%	13.5%	13.5%
Amortisation, intangible assets						-21	-21	-64	-61	-82
Financial items						-8	-6	-24	-18	-23
PROFIT BEFORE TAXES						139	129	336	334	460

NET REVENUE AND PROFIT BY DIVISION

THIRD QUARTER

Electronics

Net revenue during the quarter amounted to MSEK 255 (279). Discontinuation of a low profit business in Norway and the Covid-19 impact on some Danish units, affected the business volume negatively. Meanwhile, a recovery was noted in other units in Denmark and in the German market.

Operating profit (EBITA) for the quarter increased to MSEK 32 (29), and the operating margin strengthened to 12.5 percent (10.4). The improved business situation in the most important units, and the effects of restructurings and cost adjustments in Poland, Norway and Germany explained the improvement.

Mechatronics

Net revenue for the quarter amounted to MSEK 311 (335). The larger companies Elpress, Elcapsling, Elfac and Norwesco are continuing to generate strong growth with customers within electrical infrastructure development, and strong exports, particularly in the wind power segment. On the other hand, the pandemic has affected Frictape and

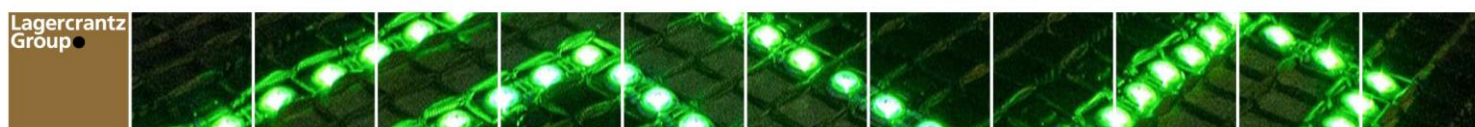
CueDee, where Frictape is currently prevented from carrying out installations at customers and CueDee's major international projects on the telecoms side are delayed.

Operating profit amounted to MSEK 51 (52), which meant an increased operating margin to 16.4 percent (15.5).

Communications

Net revenue for the quarter amounted to MSEK 237 (251). Operating profit (EBITA) amounted to MSEK 46 (48), equivalent to an operating margin of 19.4 percent (19.1).

A positive development was noted in several businesses including in the division's largest unit R-Con as well as ISG Nordic, Leteng and Precimeter. Radonova was impacted negatively by the pandemic where the opportunities to measure radon were lower than the previous year, particularly in apartment blocks, and Load Indicator is carrying out a restructuring which affected both volume and profit.



Niche Products

Net revenue during the quarter increased by 18 percent to MSEK 275 (234). The increase was primarily attributable to existing operations but also to acquisitions to some extent.

Operating profit (EBITA) increased by 46 percent to MSEK 51 (35), equivalent to an operating margin of 18.5 percent (15.0).

Strong demand meant improvements in earnings for several of the exporting product companies, where Tormek with sharpening machines for edge tools is displaying strong growth, among other companies. Wapro, Nikodan, Dorotea Mekaniska and Vendig also performed well.

Asept with dispensing solutions for liquid foodstuffs and hygiene products, is still negatively impacted by the pandemic, but launched new exciting touchless solutions for fast food restaurants during the quarter.

PROFITABILITY AND FINANCIAL POSITION

Return on equity for the latest 12-month period amounted to 22 percent (25) and the return on capital employed was 17 percent (17). The Group's metric for return on working capital (P/WC) was 67 percent (64).

The equity ratio was 40 percent (38). Equity per share (after split) totalled SEK 8.38 at the end of the period, compared to SEK 8.29 at the beginning of the financial year. Aside from profit, this metric was also affected by dividend paid, currency-related translation differences, redemption of options and repurchase of own shares.

At the end of the period, operational net indebtedness amounted to MSEK 954 compared to MSEK 1,056 at the beginning of the year and MSEK 1,166 in the year-earlier period. The operational net debt equity ratio was 0.6 (0.7).

Net indebtedness including pension liability and the IFRS 16 effect amounted to MSEK 1,268 (1,409). The pension liability amounted to MSEK 76 (75) and debt attributable to financial leasing according to the IFRS 16 amounted to MSEK 238 (168).

CASH FLOW AND CAPITAL EXPENDITURES

Cash flow from operating activities during the third quarter amounted to MSEK 226 (178). During the first nine months of the financial year, the equivalent figure was MSEK 552 (369). Gross investments in property, plant and equipment amounted to MSEK 24 (22) during the third quarter, of which the largest items related to production facilities and equipment.

OTHER FINANCIAL INFORMATION

Parent Company and other consolidation items

The Parent Company's net revenue for the first nine months of the financial year amounted to MSEK 27 (27) and profit after net financial items was MSEK 176 (344). The result includes exchange rate adjustments on intra-Group lending of MSEK -11 (1) and dividends from subsidiaries of MSEK 222 (373).

The Parent Company's equity ratio was 54 percent (49).

Employees

The number of employees at the end of the period amounted to 1,511, compared to 1,532 at the start of the financial year. Restructuring measures, primarily connected to the pandemic, have meant that the number of employees fell by 71 and the number of employees added due to acquisitions amounted to 50 employees.

Share capital

The share capital amounted to MSEK 49 at the end of the period. During the third quarter, a 3:1 share split was carried out, which meant that the number of shares in the company increased when each share was split into three (3) shares. The quota value per share amounted to SEK 0.23 after split.

Classes of shares were distributed as follows on 31 December 2020 (after 3:1 split):

Classes of shares	Number
A shares	9,791,406
B shares	198,768,375
Repurchased B shares	-5,139,011
Total	203,420,770

At 31 December 2020, Lagercrantz Group held 5,139,011 own Class B shares, equivalent to 2.5 percent of the total number of shares and 1.7 percent of the votes in the Lagercrantz Group.

Repurchased shares cover, inter alia, the company's obligations under outstanding call option programmes on repurchased shares. During the third quarter, 1,200,000 options for B shares with a redemption price of SEK 78.20 were issued in accordance with the resolution of the 2020 AGM. These options were acquired by about 60 managers and senior executives in the Group for a total of MSEK 6.8.

During the third quarter, parts of the incentive programme based on options on repurchased Class B shares acquired

by senior executives in the Group during 2017 and 2018 were redeemed.

At the end of the period, Lagercrantz had three outstanding call option programmes. In connection with Lagercrantz carrying out the share split, the outstanding option programmes were recalculated and amount (after 3:1 split) to the following:

Option programme	Number of outstanding Options*	Redemption price
2020/24	1,200,000	78.20
2019/22	1,253,700	56.10
2018/21	643,900	35.30
Total	3,097,600	

*An option is equivalent to one share

ACQUISITIONS

During the third quarter of the financial year, Lagercrantz acquired four businesses; Sajas Group, VP Metall AS, Hovicon International B.V., and Oy Esari Ab.

Sajas Group consists of the three companies Sajakorpi Oy, Saja GmbH and Sajas Group Estonia OÜ and is a leading supplier of brushes for road sweeping, airfield and railway cleaning. Sajas Group has annual revenue of MSEK 10 and has been part of the Niche Products division since November 2020.

Norwegian VP Metall AS is a market leader in systems for electrical connectors primarily for high voltage

applications based on implosive connectors. The company has a strong market position in the Nordic countries but also exports to other parts of the world. VP Metall's annual revenue is approx. MNOK 40, profitability is good and the operations will become part of the Mechatronics division starting from January 2021.

Hovicon develops and manufactures dispensers for technical and personal hygiene products such as soap and hand disinfection. The company also offers dispensing solutions for fast food restaurants and food manufacturing companies. Hovicon is based in the Netherlands and generates annual revenue of MEUR 6 with good profitability. Hovicon, as a subsidiary of Asept, will become part of the Lagercrantz Niche Products division as from January 2021.

Esari is one of Finland's leading providers of equipment shelters and technical buildings. The customers are primarily telecommunications operators, the energy and technology industries as well as government agencies. Esari generates annual revenue of approximately MEUR 5, with good profitability. Esari will cooperate with the Group's operations in Elkapsling and will become part of the Mechatronics division starting from January 2021.

During the third quarter, the difference between reserved, paid and remeasured contingent consideration amounted to MSEK 0 (3).

During the quarter, MSEK 0 (0) was paid in contingent consideration for previous acquisitions.

Preliminary purchase price allocation

(RTM Jan-Dec 2020)

The below analysis includes SPD, Unro, Nexlan and Sajas Group.

	Book value in companies	Fair value adjustment	Fair value consolidated
Intangible non-current assts	3	14	17
Other non-current assets	20		20
Inventories and work in progress	31		31
Other short-term receivables *)	66		66
Interest-bearing liabilities	-5		-5
Other liabilities	-71	-3	-74
Net of identified assets/liabilities	44	11	55
Goodwill	-	-	19
Estimated Purchase price	-	-	74

* of which cash and cash equivalent MSEK 14

** Includes conditional additional consideration of MSEK 12 which represents 58% of the maximum outcome.

The above analysis is preliminary for allocation of excess values.



ACCOUNTING PRINCIPLES

The Interim Report for the Group has been prepared in accordance with IFRS standards with application of IAS 34, *Interim Financial Reporting*, the Swedish Annual Accounts Act and the Swedish Securities Markets Act.

Apart from in the financial statements and accompanying notes, disclosures according to IAS 34.16A are also presented in other parts of the report. The Interim Report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Markets Act, which is in accordance with the provisions of RFR 2, *Accounting for Legal Entities*.

The same accounting policies and judgement criteria have been applied as in the Lagercrantz Group's Annual Report 2019/20, with the addition of new IFRS standards and IFRIC interpretations.

See the company's Annual Report 2019/20 for further accounting policies.

ALTERNATIVE PERFORMANCE MEASURES

The company presents certain financial metrics in the interim report that are not defined according to IFRS. The company considers that these metrics provide more valuable supplementary information to investors and shareholders as they enable evaluation of trends and the company's performance. Therefore, these financial metrics should not be regarded as a substitute for metrics defined according to IFRS. Expanded information has been provided in this report with regard to definitions of certain financial metrics, see page 14.

OTHER INFORMATION

Transactions with related parties

Transactions between Lagercrantz and related parties with a significant impact on the company's financial position and results have not occurred.

Risks and uncertainty factors

The most important risk factors for the Group are the state of the economy, structural changes in the market, customer and supplier dependence, the competitive situation, IT risks/cyber attacks, pandemics and foreign exchange trends. The Parent Company is impacted by the above-mentioned risks and uncertainty factors through its capacity as owner of subsidiaries. For additional information, please refer to the 2019/20 Annual Report.

Covid-19 effects

The Group's different businesses during the quarter were impacted to a varying degree by the Covid-19 pandemic, but all in all, the Group's operations could be conducted without larger disruptions.

The Group has analysed the conditions for government support and applied for support where the criteria were considered to be met. No material impairment losses or bad debt losses have occurred during the quarter. Situation-adapted measures have been implemented in the subsidiaries where it is required to meet the challenges resulting from the pandemic but also to take advantage of future growth opportunities.

Post-balance sheet events

Apart from the acquisitions described above, no significant events for the company have occurred after the balance sheet date on 31 December 2020.

Election Committee for appointment of directors

At the Annual General meeting on 25 August 2020, the Chairman of the Board was entrusted with the task of contacting the largest shareholders in terms of votes as of 31 December 2020, and requesting them to appoint members, in order to form an Election Committee together with the Chairman of the Board. The Election Committee shall be composed of five members.

In accordance with this, the following persons were appointed as members of the Election Committee ahead of the Annual General Meeting 2021: Anders Börjesson (Chairman of the Board), Daniel Klint (SEB Investment Management), Adam Gerge (Didner & Gerge Fonder), Marianne Nilsson (Swedbank Robur Fonder) and Johan Lannebo (Lannebo Fonder).

Proposals to the Election Committee from shareholders may be sent to the company for forwarding or may be sent by e-mail to valberedningen@lagercrantz.com. More information is available on www.lagercrantz.com.

Stockholm, 28 January 2021

Jörgen Wigh,
President and CEO

This report has not been subject to review by the company's auditors.

Segment information by quarter

Net revenue		2020/21				2019/20	
MSEK	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Electronics	255	236	224	278	279	281	279
Mechatronics	311	295	313	356	335	273	297
Communications	237	172	199	239	251	198	209
Niche Products	275	215	241	239	234	202	230
Parent Company/ consolidation items	-	-	-	-	-	-	-
GROUP TOTAL	1,078	918	977	1,112	1,099	954	1,015

Operating profit (EBITA)		2020/21				2019/20	
MSEK	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Electronics	32	23	16	20	29	33	31
Mechatronics	51	52	46	58	52	39	43
Communications	46	21	28	40	48	28	24
Niche Products	51	43	51	41	35	36	41
Parent Company/ consolidation items	- 12	-7	-17	-7	-8	-10	-9
GROUP TOTAL	168	132	124	152	156	126	130

Operating margin		2020/21				2019/20	
%	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Electronics	12.5	9.7	7.1	7.2	10.4	11.7	11.1
Mechatronics	16.4	17.6	14.7	16.3	15.5	14.3	14.5
Communications	19.4	12.2	14.1	16.7	19.1	14.1	11.5
Niche Products	18.5	20.0	21.2	17.2	15.0	17.8	17.8
Parent Company/ consolidation items	-	-	-	-	-	-	-
GROUP TOTAL	15.6	14.4	12.7	13.7	14.2	13.2	12.8

Consolidated Income Statement – condensed

MSEK	3 months Oct-Dec 2020/21	3 months Oct-Dec 2019/20	9 months Apr-Dec 2020/21	9 months Apr-Dec 2019/20	Moving 12 months Jan-Dec 2020	Financial year 2019/20
Net revenue	1,078	1,099	2,973	3,068	4,085	4,180
Cost of goods sold	-653	-672	-1,826	-1,918	-2,526	-2,618
GROSS PROFIT	425	427	1,147	1,150	1,559	1,562
Selling expenses	-187	-202	-534	-565	-738	-769
Administrative expenses	-92	-95	-265	-250	-356	-341
Other operating income and operating expenses	1	5	12	17	26	31
PROFIT BEFORE FINANCIAL ITEMS ¹⁾	147	135	360	352	491	483
Net financial items	-8	-6	-24	-18	-29	-23
PROFIT AFTER FINANCIAL ITEMS	139	129	336	334	462	460
Taxes	-28	-24	-74	-69	-99	-94
NET PROFIT FOR THE PERIOD	111	105	262	265	363	366
<i>¹⁾ Of which:</i>						
- amortisation of intangible non-current assets arising in connection with acquisitions:	(-21)	(-21)	(-64)	(-61)	(-85)	(-82)
- depreciation of other non-current assets *:	(-40)	(-38)	(-114)	(-110)	(-156)	(-152)
Operating profit (EBITA)	168	156	424	413	576	565
The information below refers to conditions after the 3:1 split						
Earnings per share, SEK	0.55	0.52	1.29	1.30	1.79	1.80
Earnings per share after dilution, SEK	0.54	0.52	1.29	1.30	1.78	1.80
Weighted number of shares after repurchases, ('000)	203,370	203,166	203,269	203,142	203,246	203,151
Weighted number of shares after repurchases adjusted after dilution ('000) *	203,845	203,631	203,519	203,550	203,471	203,616
Number of shares after repurchases during the period ('000)	203,421	203,178	203,421	203,178	203,421	203,178

* In view of the redemption price (after split) on outstanding call options during the period (SEK 35.30, SEK 56.10 and SEK 78.20) and the average share price (after split) of SEK 54.17 during the latest 12-month period, when the option programmes were outstanding, there was a dilutive effect of 0.11 percent for the latest 12-month period. For the latest quarter, there was a dilutive effect of 0.23 percent (average share price after split of SEK 65.42).

Consolidated Statement of Comprehensive Income and Other Comprehensive Income

MSEK	3 months Oct-Dec 2020/21	3 months Oct-Dec 2019/20	9 months Apr-Dec 2020/21	9 months Apr-Dec 2019/20	Moving 12 months Jan-Dec 2020	Financial year 2019/20
Net profit for the period	111	105	262	265	363	366
Other comprehensive income						
<u>Items that have been reposted or that may be reposted to net profit for the period</u>						
Change in translation reserve	-59	4	-86	17	-107	-4
Translation differences transferred to net profit for the period	-	-	-	-	-	-
Debt instruments measured at fair value	-2	-	-9	-	-9	-
<u>Items that cannot be reposted to net profit for the period</u>						
Actuarial effects on pensions	-	-	-	-	-2	-2
Taxes attributable to actuarial effects	-	-	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	50	109	167	282	245	360

Consolidated Statement of Financial Position – condensed

MSEK	31 Dec 2020	31 Dec 2019	31 Mar 2020
ASSETS			
Goodwill	1,473	1,520	1,518
Other intangible non-current assets	671	779	758
Property, plant and equipment	558	458	480
Financial assets	18	14	18
Inventories	565	582	562
Trade receivables and earned but not yet invoiced income	575	646	716
Other current receivables	244	169	180
Cash and bank balances	136	138	117
TOTAL ASSETS	4,240	4,306	4,349
EQUITY AND LIABILITIES			
Equity	1,705	1,616	1,684
Non-current liabilities	1,134	1,083	1,102
Trade payables and advance payment from customers	331	324	367
Other current liabilities	1,070	1,283	1,196
TOTAL EQUITY AND LIABILITIES	4,240	4,306	4,349
Interest-bearing assets	136	138	117
Interest-bearing liabilities, excluding pension liabilities *	1,329	1,472	1,353

* Including IFRS 16 effect in the form of future lease and rental obligations.

Consolidated Statement of Changes in Equity

MSEK	9 months Apr-Dec 2020/21	9 months Apr-Dec 2019/20	Moving 12 months Jan-Dec 2020	Financial year 2019/20
Opening balance	1,684	1,508	1,616	1,508
Comprehensive income for the period	167	282	245	360
Shareholders' contributions from minority owners in the Group	3	12	3	12
Dividend to minority owners in subsidiaries	-5	-	-15	-10
Transactions with owners:				
Dividend	-135	-169	-135	-169
Redemption and acquisition of options on repurchased shares, net	-9	-17	-9	-17
Repurchase of own shares	-	-	-	-
CLOSING BALANCE	1,705	1,616	1,705	1,684

Consolidated Statement of Cash Flows

MSEK	3 months Oct-Dec 2020/21	3 months Oct-Dec 2019/20	9 months Apr-Dec 2020/21	9 months Apr-Dec 2019/20	Moving 12 months Jan-Dec 2020	Financial year 2019/20
Operating activities						
Profit/loss after financial items	139	129	336	334	462	460
Adjustments for taxes paid, items not included in cash flow, etc.	48	-8	122	45	220	143
Cash flow from operating activities before changes in working capital	187	121	458	379	682	603
Cash flow from changes in working capital						
Increase (-)/Decrease (+) in inventories	12	3	4	-13	20	3
Increase (-)/Decrease (+) in operating receivables	36	64	133	84	60	11
Increase (+)/Decrease (-) in operating liabilities	-9	-10	-43	-81	-72	-110
Cash flow from operating activities	226	178	552	369	690	507
Investing activities						
Investment in businesses	-99	-98	-169	-284	-145	-260
Investments in/disposals of other non-current assets, net	-32	-28	-59	-72	-78	-91
Cash flow from investing activities	-131	-126	-228	-356	-223	-351
Financing activities						
Dividends, redemption of options & repurchase of own shares/options	-4	-8	-146	-186	-156	-196
Financing activities	-103	-32	-159	172	-313	18
Cash flow from financing activities	-107	-40	-305	-14	-469	-178
CASH FLOW FOR THE PERIOD	-12	12	19	-1	-2	-22
Cash and cash equivalents at the beginning of the period	148	126	117	139	138	139
Cash and cash equivalents at the end of the period	136	138	136	138	136	117

Financial instruments

For all of the Group's financial assets, fair value is estimated to equal the carrying amount. Liabilities measured at fair value consist of contingent consideration payments and call options, which are measured using discounted estimated cash flows and are therefore included in level 3 under IFRS 13.

Carrying amount, MSEK	31 Dec 2020	31 Mar 2020
Assets measured at fair value	-	-
Assets measured at amortised cost	679	803
TOTAL ASSETS, FINANCIAL INSTRUMENTS	679	803
Liabilities measured at fair value	164	199
Liabilities measured at amortised cost	1,375	1,503
TOTAL LIABILITIES, FINANCIAL INSTRUMENTS	1,539	1,702

	9 months Apr –Dec 2020/21	Financial year 2019/20
Change in contingent considerations including call options.		
Opening balance	199	185
Liabilities settled during the year	-49	-47
Remeasurement of liabilities during the year	10	-14
Year's liabilities from acquisitions during the year	9	76
Exchange difference	-5	-1
Carrying amount at the end of the period	164	199

Parent Company Income Statement – condensed

MSEK	3 months Oct-Dec 2020/21	3 months Oct-Dec 2019/20	9 months Apr-Dec 2020/21	9 months Apr-Dec 2019/20	Moving 12 months Jan-Dec 2020	Financial year 2019/20
Net revenue	9	9	27	27	37	37
Administrative expenses	-21	-20	-56	-52	-74	-70
Other operating income and operating expenses	1	0	2	0	2	0
OPERATING PROFIT/LOSS	-11	-11	-27	-25	-35	-33
Financial income	216	13	228	381	326	479
Financial expenses	-9	-3	-25	-12	-30	-17
PROFIT/LOSS AFTER FINANCIAL ITEMS	196	-1	176	344	261	429
Appropriations	-	-	-	-	-14	-14
Taxes	4	2	10	6	-4	-8
NET PROFIT FOR THE PERIOD	200	1	186	350	243	407

Parent Company Balance Sheet – condensed

MSEK	31 Dec 2020	31 Dec 2019	31 Mar 2020
ASSETS			
Property, plant and equipment	-	1	1
Financial assets	2,750	2,597	2,734
Current receivables	646	644	684
Cash and bank balances	-	-	-
TOTAL ASSETS	3,396	3,242	3,419
EQUITY AND LIABILITIES			
Equity	1,824	1,592	1,784
Untaxed reserves	14	-	14
Non-current liabilities	720	720	720
Current liabilities	838	930	901
TOTAL EQUITY AND LIABILITIES	3,396	3,242	3,419

Key ratios

In the table below, key ratios are partly presented that are not defined according to IFRS. For definition of these, see below.

	Moving 12 months Jan-Dec 2020	Financial year			
		2019/20	2018/19	2017/18	2016/17
Revenue	4,085	4,180	3,932	3,410	3,096
Change in revenue, %	-1.5	6.3	15.3	10.1	1.3
Operating profit (EBITA)	576	565	519	436	409
Operating margin (EBITA), %	14.1	13.5	13.2	12.8	13.2
EBIT	491	483	451	378	361
EBIT margin, %	12.0	11.6	11.5	11.1	11.7
Profit/loss after financial items	462	460	431	358	351
Profit margin, %	11.3	11.0	10.7	10.5	11.3
Profit after taxes	363	366	342	286	274
Equity ratio,% *	40	39	39	36	41
Return on working capital (P/WC), %	67	64	63	60	66
Return on capital employed, %	17	17	18	17	20
Return on equity, %	22	23	24	23	25
Net debt (+)/receivables (-), MSEK **	1,268	1,312	1,004	1,102	628
Net debt/equity ratio, times**	0.7	0.8	0.7	0.9	0.6
Operational net debt (+)/receivables (-), MSEK	954	1,056	928	1,035	565
Operational net debt/equity ratio, times	0.6	0.6	0.6	0.8	0.5
Interest coverage ratio, times	10	13	15	14	22
Number of employees at end of period	1,511	1,532	1,450	1,387	1,247
Revenue outside Sweden, MSEK	2,636	2,706	2,491	2,151	1,940

* The equity ratio includes the IFRS 16 effect from 1 April 2019.

** Net debt and net debt/equity ratio includes pensions. The IFRS effect is included from 1 April 2019.

Per-share data (after 3:1 split)

In the table below, key ratios are partly presented that are not defined according to IFRS. For definition of these, see below.

	Moving 12 months Jan-Dec 2020	Financial year			
		2019/20	2018/19	2017/18	2016/17
Number of shares at end of period after repurchases ('000)	203,421	203,178	203,061	202,968	203,956
Weighted number of shares after repurchases, ('000)	203,246	203,151	203,046	203,604	203,823
Weighted number of shares after repurchases & dilution ('000)	203,471	203,616	203,046	203,772	204,291
Earnings per share, SEK	1.79	1.80	1.68	1.40	1.34
Earnings per share after dilution, SEK	1.78	1.80	1.68	1.40	1.34
Cash flow from operating activities, per share after dilution, SEK *	3.39	2.49	2.28	1.38	1.84
Equity per share, SEK	8.38	8.29	7.43	6.42	5.87
Latest price paid per share, SEK	76.00	38.60	33.33	27.83	29.00

*Includes the IFRS 16 effect from 1 April 2019.



Definitions

Return on equity

Net profit after tax as a percentage of average equity (opening plus closing balance for the period, divided by two).

Return on working capital (P/WC)

Operating profit (EBITA) as a percentage of average working capital, (opening balance plus closing balance for the period, divided by two), where working capital consists of inventories, trade receivables and claims on customers less trade payables and advance payment from customers.

Return on capital employed

Profit after financial items, plus financial expenses as a percentage of average capital employed (opening balance plus closing balance for the period, divided by two).

EBIT margin

Profit before net financial items as a percentage of net revenue.

Equity per share

Equity divided by the number of outstanding shares on the balance sheet date.

Cash flow per share after dilution

Cash flow in relation to the weighted number of shares outstanding after repurchases and adjusted for dilution.

Cash flow from operating activities per share

Cash flow from operating activities in relation to the weighted average number of shares outstanding after repurchases and adjusted for dilution.

Net debt/receivables

Interest-bearing provisions and liabilities including pension liabilities and including debt attributable to financial leasing according to IFRS 16, less cash and cash equivalents and investments in securities.

Net debt/equity ratio

Interest-bearing provisions and liabilities including pension liabilities and including debt attributable to financial leasing according to IFRS 16, less cash and cash equivalents and investments in securities, divided by equity plus non-controlling interests.

Operational net debt/receivables

Interest-bearing provisions and liabilities, excluding pensions and

excluding IFRS 16, less cash and cash equivalents and investments in securities.

Operational net debt/equity ratio

Interest-bearing provisions and liabilities, excluding pensions and excluding effects from IFRS 16, less cash and cash equivalents and investments in securities, divided by equity plus non-controlling interests.

Change in revenue

Change in net revenue as a percentage of the preceding year's net revenue.

Earnings per share

Profit for the year attributable to the Parent Company's shareholders in relation to the weighted number of shares outstanding after repurchases.

Earnings per share after dilution

Profit for the year attributable to the Parent Company's shareholders in relation to the weighted number of shares outstanding after repurchases and dilution.

Interest coverage ratio

Profit after financial items plus financial expenses divided by financial expenses.

Operating profit (EBITA)

Operating profit before amortisation of intangible non-current assets arising in connection with acquisitions.

Operating margin

Operating profit (EBITA) as a percentage of net revenue.

Debt/equity ratio

Interest-bearing liabilities divided by equity, plus non-controlling interests.

Equity ratio

Equity, plus non-controlling interests as a percentage of total assets.

Capital employed

Total assets, less non-interest-bearing provisions and liabilities.

Profit margin

Profit after financial items, less participations in associated companies as a percentage of net revenue.

This information is such information that Lagercrantz Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 08.00 CET on 28 January 2021.

Reporting dates:

11 May 2021	Year-end Report for the period 1 April 2020–31 March 2021
16 July 2021	Quarterly Report Q1 for the period 1 April–30 June 2021
24 August 2021	Annual General Meeting for the 2020/21 financial year

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