

INTERIM REPORT 1 APRIL – 30 SEPTEMBER 2023

SECOND QUARTER (1 JULY – 30 SEPTEMBER 2023)

- Net revenue increased by 12% to MSEK 1,871 (1,668), of which organic growth amounted to -1%.
- Operating profit (EBITA) increased by 21% to MSEK 333 (275), equivalent to an EBITA margin of 17.8% (16.5).
- Profit after financial items (EBT) increased by 21% to MSEK 258 (214).
- Profit after taxes increased by 21% to MSEK 204 (168).

17.8%
EBITA
margin
Q2

THE FIRST SIX MONTHS (1 APRIL – 30 SEPTEMBER 2023)

- Net revenue increased by 20% to MSEK 3,917 (3,265), of which organic growth amounted to 2%.
- Operating profit (EBITA) increased by 28% to MSEK 690 (540), equivalent to an EBITA margin of 17.6% (16.5).
- Profit after financial items (EBT) increased by 20% to MSEK 535 (446).
- Profit after taxes increased by 19% to MSEK 413 (347).
For the latest 12-month period, earnings per share after dilution amounted to SEK 4.01 (3.70 for the financial year 2022/23).
- Cash flow from operating activities amounted to MSEK 505 (213).
- Return on equity for the latest 12-month period amounted to 30% and the equity ratio at the end of the period was 36%.
- Four acquisitions were carried out during the financial year, with total annual revenue of approximately MSEK 310.

28%
EBITA
growth
6M

**SEK
4.01**
earnings per
share

GROUP OVERVIEW	3 months			6 months			Moving 12 months	
	30 Sep 2023	30 Sep 2022	Δ	30 Sep 2023	30 Sep 2022	Δ	30 Sep 2023	31 Mar 2023
Amounts in MSEK								
Net revenue	1,871	1,668	12%	3,917	3,265	20%	7,897	7,246
EBITA	333	275	21%	690	540	28%	1,356	1,205
EBITA margin, %	17.8	16.5		17.6	16.5		17.2	16.6
Profit after financial items	258	214	21%	535	446	20%	1,057	968
Profit after taxes	204	168	21%	413	347	19%	825	758
Earnings per share after dilution, SEK	0.99	0.82	20%	2.00	1.70	18%	4.01	3.70
Return on equity, %	-	-		-	-		30	29
Equity ratio, %	36	30		36	30		36	37

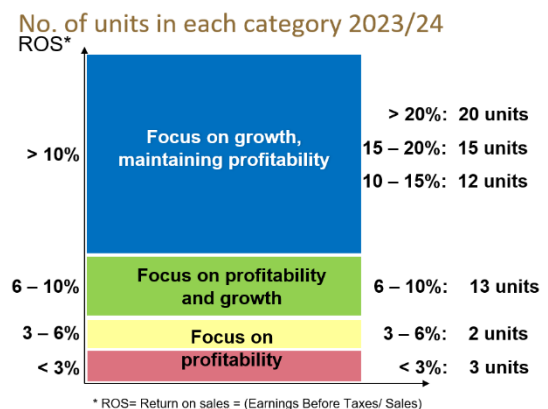
CEO COMMENT

“Aiming to double the profit again within 5 years”

Lagercrantz’s second quarter (July – September) 2023 was a good continuation of the fine start to the financial year that we reported in the first quarter. The market situation was still at a good level for most of our businesses. With a positive contribution from acquisitions and strengthened margins, profit after net financial items (EBT) increased by 21% to MSEK 258 (214) and the operating margin (EBITA) reached a new record level of 17.8% (16.5). Cash flow also remained strong and from operating activities in the first six months it amounted to MSEK 505 (213).

The fact that we are continuing to increase our profit, despite the economic slowdown, shows the strength of our business concept, our vision, corporate culture and organisation. As a serial acquirer without an exit horizon, we are growing by acquiring profitable and well-run technology companies in sustainable and expansive niches, which we nurture with clear ambitions in terms of growth and improvements. Lagercrantz’s approach to further developing owner-led product companies in particular, is attracting many entrepreneurs. Their life’s work can continue as independent units in our decentralised structure and together, new and old owners, we find good development opportunities for the businesses.

As shown in the adjoining graph, today we have a fine portfolio of niche market-leading technology companies. Our financial goals are to grow profit after net financial items by not less than 15% per year and to deliver a return on equity of not less than 25% on average over a business cycle. We reached our target of SEK 1 billion last summer, almost 3 years ahead of schedule, and thus we are now setting a goal to double our profit again to SEK 2 billion within 5 years. We are increasing our ambition in relation to the number of acquisitions to 8-12 per year from the previous level of 5-8. This is because our divisional structure now enables us to work with multiple processes simultaneously. We expect that approximately 2/3 of the growth will come from acquisitions and that approximately 1/3 will be organic. Our focus on sustainability-oriented segments with underlying structural growth is being strengthened and we intend to increase the share of proprietary products from 75% today to at least 85%. Experience shows that successful product companies generally have higher margins and a stronger market position, which enables higher profitability, better cash flows and resources for growth, particularly in relation to efforts to boost exports. Geographically, we are gradually increasing our presence in the whole of northern Europe in line with finding attractive, niched leading technology companies.



Against this backdrop, I am optimistic notwithstanding the current global and economic situation. The business situation has remained stable for most of the Group’s companies and so far the feared downturn has not materialised. The situation is hard to judge and there is still considerable uncertainty surrounding inflation, interest rates, and the economic development, but we have strong confidence in the ability of our decentralised organisation to rapidly adapt its offerings and costs. The Group’s broad exposure with niched B2B technology companies in attractive sectors such as electrification, infrastructure and security solutions provides stability and growth opportunities. Should an economic slowdown have a greater impact on us going forward, we are well-prepared to implement action plans that are adapted to the situation in each company.

To sum up, we will therefore continue on our chosen path of building a strong technology group with leading positions in sustainable and expansive niches.

25 October 2023

Jörgen Wigh

President and CEO

THE GROUP'S PERFORMANCE

NET REVENUE AND PROFIT

Second quarter (July – September 2023)

The market situation remained stable at a good level for most of the Lagercrantz Group's businesses during the second quarter of the financial year. A declining growth rate is being noted, but order intake in comparable units was slightly above the previous year and in line with net revenue during the quarter.

The Group's broad focus with many different end-customer markets and geographies with an emphasis on electrification and infrastructure, safety products and specialised products in niches constitutes a strong long-term base with good growth opportunities.

Net revenue in the second quarter increased by 12% to MSEK 1,871 (1,688). Organic growth amounted to -1% and the acquired growth contributed 9%. Exchange rate fluctuations impacted net revenue positively by 5%.

Operating profit (EBITA) increased by 21% to MSEK 333 (275) and the EBITA margin increased to 17.8% (16.5), the highest level ever, where all divisions contributed with earnings and margin improvements.

Profit after financial items increased by 21% to MSEK 258 (214). Net financial items amounted to MSEK -32 (-26), of which net interest items amounted to MSEK -34 (-13) and currency translation effects, primarily on foreign currency loans, amounted to MSEK +4 (-10).

Profit after taxes increased by 21% to MSEK 204 (168) and the effective tax rate amounted to 21% (21).

The first six months (April – September 2023)

Consolidated net revenue for the first six months increased by 20 percent to MSEK 3,917 (3,265). Organic growth amounted to 2% and the acquired growth amounted to 13%. Exchange rate fluctuations impacted net revenue positively by 4%.

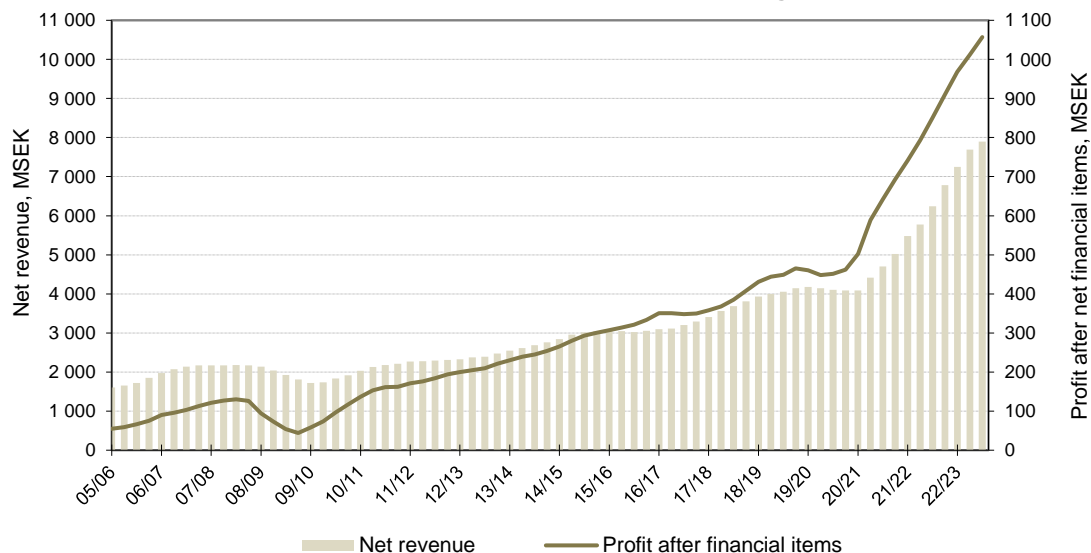
Operating profit (EBITA) increased by 28% to MSEK 690 (540) and the EBITA margin strengthened to 17.6% (16.5). The share of proprietary products on a moving 12-month basis increased to 76% (72%).

Profit after net financial items increased by 20% to MSEK 535 (446). Net financial items in the six-month period amounted to MSEK -70 (-28), of which net interest items amounted to MSEK -63 (-23) and currency translation effects amounted to MSEK -4 (+1).

Profit after taxes for the six-month period increased by 19% to MSEK 413 (347) and the effective tax rate was 23% (22).

Earnings per share after dilution for the latest 12-month period reached a new record level of SEK 4.01, compared to SEK 3.70 for the 2022/23 financial year.

Net revenue and profit after net financial items, moving 12 months



PERFORMANCE BY DIVISION

	Net revenue					EBITA and EBITA margin				
	3 months Jul-Sep 2023/24	3 months Jul-Sep 2022/23	6 months Apr-Sep 2023/24	6 months Apr-Sep 2022/23	12 months Apr-Mar 2022/23	3 months Jul-Sep 2023/24	3 months Jul-Sep 2022/23	6 months Apr-Sep 2023/24	6 months Apr-Sep 2022/23	12 months Apr-Mar 2022/23
MSEK										
Electrify	421	385	902	781	1,677	80	69	167	134	283
<i>EBITA margin</i>						19.0%	17.9%	18.5%	17.2%	16.9%
Control	163	163	347	338	746	21	17	42	43	119
<i>EBITA margin</i>						12.9%	10.4%	12.1%	12.7%	16.0%
TecSec	480	428	1,008	758	1,748	89	74	184	130	303
<i>EBITA margin</i>						18.5%	17.3%	18.3%	17.2%	17.3%
Niche Products	446	421	931	853	1,871	95	84	199	173	375
<i>EBITA margin</i>						21.3%	20.0%	21.4%	20.3%	20.0%
International	361	271	729	535	1,204	60	45	116	83	185
<i>EBITA margin</i>						16.6%	16.6%	15.9%	15.5%	15.4%
Parent Company/ consolidation items	-	-	-	-	-	-12	-14	-18	-23	-60
GROUP TOTAL	1,871	1,668	3,917	3,265	7,246	333	275	690	540	1,205
<i>EBITA margin</i>						17.8%	16.5%	16.6%	16.5%	16.6%
Amortisation, intangible assets						-43	-35	-85	-66	-143
Financial items						-32	-26	-70	-28	-94
PROFIT BEFORE TAXES						258	214	535	446	968

NET REVENUE AND PROFIT BY DIVISION SECOND QUARTER

Electrify

The Electrify division's net revenue increased by 9% to MSEK 421 (385). Operating profit (EBITA) increased by 16% to MSEK 80 (69), equivalent to an operating margin of 19.0% (17.9).

The business situation was stable and positive where the market is being driven by investments within electrification and infrastructure. Most of the units in the Electrify division delivered good improvements in earnings during the second quarter, while a few businesses were impacted by lower volumes to the wind power industry. Within infrastructure, Cue Dee reported a strong profit, however, without significant project deliveries.

The new acquisition from last winter, Tykoflex, had a good demand and reported a strong profit. In September, Norway-based Letti was acquired, a leading manufacturer of installation materials and brackets for cables and cable ducts.

Control

The Control division's net revenue amounted to MSEK 163 (163). Operating profit (EBITA) increased by 24% to MSEK 21 (17), equivalent to an operating margin of 12.9% (10.4).

The market situation has been challenging for different reasons with demand and seasonal variations for a couple of Control businesses.

Meanwhile, several businesses reported a positive development, e.g. Stegborgs, Direktronik, Leteng, Load Indicator and GasiQ.

TecSec

The TecSec division's net revenue increased by 12% to MSEK 480 (428). Operating profit (EBITA) increased by 20% to MSEK 89 (74), equivalent to an operating margin of 18.5% (17.3).

The business situation remained favourable in most units. R-CON, ISG Nordic and COBS noted clear improvements in earnings, while PcP and CWL made the largest profit contributions in absolute terms. The

recent acquisitions Door & Joinery and Fireco in the UK delivered good profit contributions according to plan.

Niche Products

The Niche Products division's net revenue increased by 6% to MSEK 446 (421). Operating profit (EBITA) increased by 13% to MSEK 95 (84), equivalent to an operating margin of 21.3% (20.0).

The business situation was stable for most of the division's companies. Good improvements in earnings were noted for Asept, PST, Wapro and Westmatic, while Tormek made the largest contribution. Waterproof, which was acquired in September of the previous year, also delivered a fine profit.

International

The International division's net revenue increased by 33% to MSEK 361 (271). Operating profit (EBITA) increased by 33% to MSEK 60 (45), equivalent to an operating margin of 16.6% (16.6).

International reported another quarter of strong demand and is delivering margin improvements on a broad basis. The business situation was particularly favourable for the marine businesses Libra in Norway, Tebul in Finland and ISIC Group in Denmark. Schmitztechnik in Germany and Etech in the UK also reported strong earnings.

The recent acquisitions Glova Rail in Denmark and Supply Plus in the UK also contributed good profits according to plan.

PROFITABILITY AND FINANCIAL POSITION

Return on equity for the latest 12-month period amounted to 30% (32) and the return on capital employed was 20% (20).

The Group's metric for return on working capital (P/WC) amounted to 74% (69).

The equity ratio at the end of the period amounted to 36% (30). Equity per share amounted to SEK 15.00 (11.48).

The Group's operating net debt at the end of the period amounted to MSEK 2,153 (2,565) and operating net debt/EBITDA amounted to 1.3 (2.1).

The Group's net indebtedness including pension liability of MSEK 54 (63) and lease liability of MSEK 366 (338), amounted to MSEK 2,573 (2,967) at the end of the period.

CASH FLOW AND CAPITAL EXPENDITURES

Cash flow from operating activities increased to MSEK 219 (211) for the second quarter and to MSEK 505 (213) for the six-month period, where the change was mainly explained by a higher profit and lower build-up of working capital.

Acquisitions and disposals, including settlement of contingent consideration relating to acquisitions carried out in previous years, amounted to MSEK 75 (276) in the second quarter and to MSEK 312 (722) for the six-month period.

Net investments in non-current assets amounted to MSEK 24 (33) for the second quarter and to MSEK 58 (75) for the six-month period. During the second quarter, a dividend was paid of SEK 1.60 (1.30) per share, which is equivalent to MSEK 330 (265).

OTHER FINANCIAL INFORMATION

Parent Company and other consolidation items

The Parent Company's net revenue amounted to MSEK 34 (30) during the six-month period. Profit after financial items amounted to MSEK 393 (254) during the six-month period. The Parent Company's equity ratio was 46% (39).

Employees

At the end of the period, the number of employees in the Group was 2,562 (2,425 at the end of the 2022/23 financial year), where 162 employees were added through acquisitions during the financial year.

Share capital

The share capital amounted to MSEK 49 at the end of the period. The quota value per share amounted to SEK 0.23. Classes of shares were distributed as follows on 30 September 2023:

Classes of shares	Number
A shares	9,791,406
B shares	199,426,827
Repurchased B shares	-3,287,969
Total number of shares after repurchases	205,930,264

At 30 September 2023, Lagercrantz Group held 3,287,969 own Class B shares, equivalent to 1.6% of the total number of shares and 1.1% of the votes in the Lagercrantz Group.

Lagercrantz's own holdings of repurchased B shares are security for the company's obligations in outstanding call option programmes for senior executives.

No shares were repurchased during the first six months of the financial year.

At the end of the period, Lagercrantz had three outstanding call option programmes for a total of 2,712,000 shares:

Option programme	Number of outstanding options*	Redemption price
2022/26	798,000	127.70
2021/25	714,000	146.50
2020/24	1,200,000	78.50
Total	2,712,000	

* An option carries the right to purchase one share.

Issued call options on repurchased shares had a dilutive effect of approximately 0.2% of the total number of shares in the company.

During the first six months, repurchases of call options amounted to MSEK 0 (8) and redemption of call options amounted to MSEK 0 (5).

After the end of the period, a further 800,000 call options with a redemption price of SEK 143.10 were issued in accordance with the resolution of the 2023 AGM. These options were acquired by around 85 senior executives for a total of MSEK 10.6.

ACQUISITIONS

From and including the 2022/23 financial year, the following acquisitions have been carried out (including subsidiaries);

Acquisition	Takeover	Equity interest, %	Annual revenue at acquisition date, MSEK	Number employees	Division
PcP Corporation A/S, Denmark	June 2022	95	595	284	TecSec
Stegborgs EL-evator AB, Sweden	July 2022	100	60	14	Control
Door and Joinery Solutions Ltd., UK	July 2022	100	56	26	TecSec
Water Proof Diving International AB, Sweden	September 2022	93	90	22	Niche Products
Tebul Oy, Finland	September 2022	80	54	21	International
Agentuuri Neumann (asset acquisition), Finland	December 2022	100	11	-	Electrify
Tykoflex AB, Sweden	December 2022	100	140	63	Electrify
Sassenus Packaging (asset acquisition), Netherlands	March 2023	100	14	-	Niche Products
Glova Rail A/S, Denmark	April 2023	100	90	18	International
Fireco Ltd, UK	April 2023	95	90	64	TecSec
Supply Plus Ltd, UK	June 2023	80	100	67	International
Letti AS	September 2023	100	30	13	Electrify

During the 2023/24 financial year, four companies have been acquired. In early April 2023, Glova Rail A/S in Denmark was acquired for the International division. Glova Rail is a leading supplier of vacuum toilets for railway vehicles which generates annual revenue of about MDKK 58.

In late April, an agreement was signed to acquire 80% of the shares of Supply Plus Limited in the UK for the International Division. Supply Plus is a market leading manufacturer of fire rescue equipment, mainly ladders and hose reels, to the fire and rescue services, etc. which generates annual revenue of about MGBP 7. After approval by the UK public authorities, the acquisition was completed in June 2023.

At the end of April/start of May, 95% of the shares of Fireco Ltd in the UK were acquired for the TecSec

division. Fireco is a leading manufacturer of components for fire doors and generates annual revenue of about MGBP 7.

In September, 100% of the shares in Letti AS were acquired. Letti is a leading manufacturer of installation materials and brackets for cables and cable ducts which generates annual revenue of about MNOK 30.

Lagercrantz normally uses an acquisition structure with a fixed purchase price and contingent consideration as well as call options on any minority shares. The outcome of contingent considerations depends on the future results achieved in the companies and has a set maximum level. Not yet paid contingent considerations for acquisitions have a book value of MSEK 249. These fall due for payment within three years and the maximum outcome can be MSEK 397.



Preliminary purchase price allocation

The preliminary purchase price allocations for the latest 12-month period in the table below include Tykoflex AB, Glova Rail A/S, Fireco Ltd, Supply Plus Ltd and Letti AS.

Acquired net assets at time of acquisition (MSEK)	Book value in companies	Fair value adjustment	Fair value consolidated
Intangible non-current assets	0	298	298
Other non-current assets	32		32
Inventories	70		70
Other current assets	158		158
Interest-bearing liabilities	-4		-4
Other liabilities	-74	-67	-141
Acquired net assets	182	231	413
Goodwill ¹⁾			220
Estimated Purchase price			633
Less: cash and cash equivalents in acquired businesses			-75
Less: consideration not yet paid			-162
Less payment via newly issued B-shares			-70
Effect on the Group's cash and cash equivalents			326

¹⁾ Goodwill is motivated by the expected future sales development and profitability and also by the staff included in the acquired companies.

Note: If acquisitions with takeover dates during the six-month period had been completed on 1 April 2023, it is estimated that this would have affected consolidated net revenue by MSEK 23 and the operating profit (EBITA) by MSEK 4.

OTHER INFORMATION

Accounting principles

The Interim Report for the Group has been prepared in accordance with IFRS standards as adopted by the EU with application of IAS 34, Interim Financial Reporting. 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 calculation methods as in the most recent annual report have been applied in the interim report. There are no new IFRS standards or IFRIC interpretations approved by the EU, which are applicable for Lagercrantz, or that have a significant effect on the Group's results and financial position for 2023/2024.

Alternative performance measures

Lagercrantz presents certain financial metrics in the interim report that are not defined according to IFRS. The company considers that these metrics provide supplementary information to investors and shareholders as they enable evaluation of trends and the company's performance. Therefore, they should not

be regarded as a substitute for metrics defined according to IFRS. For definitions and reconciliation tables for the key ratios that Lagercrantz uses, see page 15.

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

Lagercrantz's results and financial position are affected by a number of internal factors, which Lagercrantz controls and a number of external factors where the possibility to influence the course of events is limited. The risk factors that have the greatest importance for the Group are the state of the economy combined with structural changes in the market, customer and supplier dependence, the competitive situation, pandemics, cyber security risks as well as geopolitical uncertainty close to the main markets.

For more information, please see the Risks and uncertainty factors section on pages 50-52 in the 2022/23 Annual Report.

The Parent Company is impacted by the above-mentioned risks and uncertainty factors through its capacity as owner of subsidiaries.

**Post-balance sheet events**

The call option programme on repurchased B shares for the Lagercrantz Group's managers and senior executives which was approved by the Annual General Meeting 2023, was fully subscribed, see information under Share capital.

No other significant events have occurred after the end of the period.

Annual General Meeting 2023

The 2023 AGM was held on 29 August 2023 in Stockholm. Minutes from the AGM are published on the company's website.

Certification

The Board of Directors and the CEO believe that the undersigned interim report provides a true and fair view of the Company's and the Group's operations, their financial position and performance and describes the material risks and uncertainty factors facing the Company and the Group.

Stockholm, 25 October 2023

Fredrik Börjesson
Chairman of the Board

Anna Almlöf
Board member

Anders Claeson
Board member

Anna Marsell
Board member

Jörgen Wigh
President and Board member

Ulf Södergren
Board member

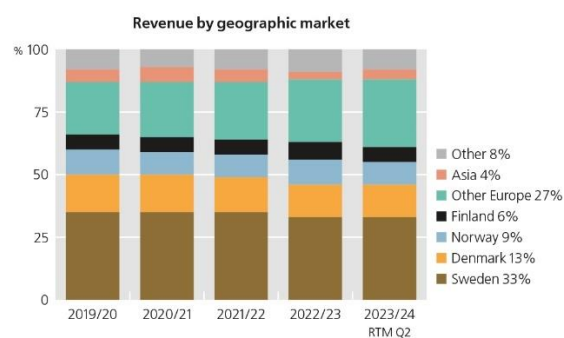
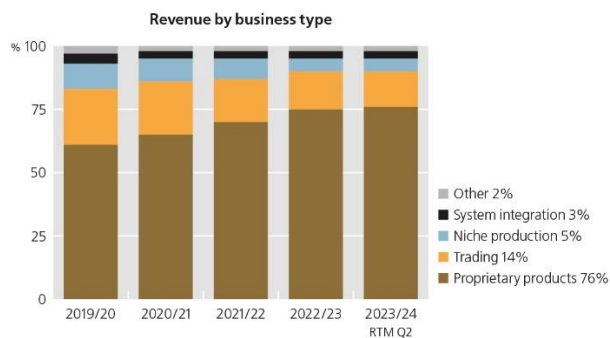
This report has not been subject to review by the company's auditors.

Quarterly data by division

Net revenue	2023/24			2022/23			2021/22		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
MSEK									
Electrify	421	481	463	433	385	396	404	345	340
Control	163	184	203	204	163	175	189	187	132
TecSec	480	528	516	475	428	330	251	241	197
Niche Products	446	485	524	494	421	432	453	371	299
International	361	368	334	335	271	264	278	261	233
Parent Company/consolidation items	-	-	-	-	-	-	-	-	-
GROUP TOTAL	1,871	2,046	2,040	1,941	1,668	1,597	1,575	1,405	1,201

Operating profit (EBITA)	2023/24			2022/23			2021/22		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
MSEK									
Electrify	80	87	78	71	69	65	69	54	56
Control	21	21	39	36	17	26	41	38	17
TecSec	89	95	95	78	74	56	48	37	34
Niche Products	95	104	107	94	84	89	83	77	62
International	60	57	49	54	45	38	37	39	31
Parent Company/consolidation items	-12	-7	-25	-10	-14	-9	-13	-19	-8
GROUP TOTAL	333	357	343	323	275	265	265	226	192

Operating margin (EBITA)	2023/24			2022/23			2021/22		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
%									
Electrify	19.0	18.1	16.8	16.4	17.9	16.4	17.1	15.8	16.5
Control	12.9	11.4	19.2	17.6	10.4	14.9	21.7	20.3	12.9
TecSec	18.5	18.0	18.4	16.4	17.3	17.0	19.1	15.4	17.3
Niche Products	21.3	21.4	20.4	19.0	20.0	20.6	18.3	20.8	20.7
International	16.6	15.5	14.7	16.1	16.5	14.4	13.3	14.9	13.3
GROUP TOTAL	17.8	17.5	16.8	16.6	16.5	16.6	16.8	16.1	16.0



Consolidated Income Statement - condensed

MSEK	3 months Jul-Sep 2023/24	3 months Jul-Sep 2022/23	6 months Apr-Sep 2023/24	6 months Apr-Sep 2022/23	Moving 12 months, Oct-Sep 2023/24	Financial year 2022/23
Net revenue	1,871	1,668	3,917	3,265	7,897	7,246
Cost of goods sold	-1,127	-1,041	-2,373	-2,036	-4,841	-4,506
GROSS PROFIT	744	627	1,544	1,229	3,056	2,740
Selling expenses	-295	-255	-613	-507	-1,200	-1,095
Administrative expenses	-166	-133	-342	-258	-674	-590
Other operating income and operating expenses	7	1	16	10	12	7
PROFIT BEFORE NET FINANCIAL ITEMS*	290	240	605	474	1,194	1,062
Net financial items	-32	-26	-70	-28	-137	-94
PROFIT AFTER FINANCIAL ITEMS	258	214	535	446	1,057	968
Taxes	-54	-46	-122	-99	-232	-210
NET PROFIT FOR THE PERIOD	204	168	413	347	825	758

* Of which:

- amortisation of intangible non-current assets arising in connection with acquisitions:	-43	-35	-85	-66	-162	-143
- depreciation of other non-current assets:	-68	-60	-133	-155	-263	-246
OPERATING PROFIT (EBITA)	333	275	690	540	1,356	1,205

Earnings per share before dilution, SEK	0.99	0.82	2.00	1.70	4.01	3.71
Earnings per share after dilution, SEK	0.99	0.82	2.00	1.70	4.01	3.70
Weighted number of shares after repurchases, ('000)	205,930	203,740	205,930	203,707	205,554	204,439
Weighted number of shares after repurchases adjusted after dilution ('000)**	206,347	204,077	206,382	204,022	205,947	204,718
Number of shares at end of period after repurchases ('000)	205,930	203,744	205,930	203,744	205,930	205,930

** In view of the redemption price on outstanding call options during the period (SEK 78.50, SEK 146.50 and SEK 127.70) and the average share price (SEK 116.71) during the latest 12-month period when the option programmes were outstanding, there was a dilutive effect of 0.19%. For the latest quarter, there was a dilutive effect of 0.22% (average share price SEK 120.22).

Consolidated Statement of Comprehensive Income - condensed

MSEK	3 months Jul-Sep 2023/24	3 months Jul-Sep 2022/23	6 months Apr-Sep 2023/24	6 months Apr-Sep 2022/23	Moving 12 months, Oct-Sep 2023/24	Financial year 2022/23
Net profit for the period	204	168	413	347	825	758
<u>Items that have been reposted or that may be reposted to net profit for the period</u>						
Change in translation reserve	-62	18	40	30	80	69
Debt instruments measured at fair value	-5	14	-4	14	-12	6
<u>Items that cannot be reposted to net profit for the period</u>						
Actuarial effects on pensions	-	-	-	-	13	13
Taxes attributable to actuarial effects	-	-	-	-	-2	-2
Other comprehensive income	-67	32	37	44	68	75
COMPREHENSIVE INCOME FOR THE PERIOD	137	200	449	391	904	844

Consolidated Balance Sheet - condensed

MSEK	30 Sep 2023	30 Sep 2022	31 Mar 2023
ASSETS			
Goodwill	2,649	2,433	2,446
Other intangible non-current assets	1,656	1,363	1,519
Property, plant and equipment	986	903	973
Financial assets	23	21	22
Inventories	1,252	1,194	1,166
Trade receivables and contract assets	1,300	1,178	1,237
Other current receivables	293	291	310
Cash and bank balances	447	330	360
TOTAL ASSETS	8,606	7,713	8,033
EQUITY AND LIABILITIES			
Equity	3,088	2,338	3,009
Not-current interest-bearing liabilities*	2,483	2,974	2,529
Non-interest-bearing liabilities, non-current	481	405	451
Current interest-bearing liabilities*	537	324	158
Trade payables and contract liabilities	664	572	673
Other current liabilities	1,353	1,101	1,213
TOTAL EQUITY AND LIABILITIES	8,606	7,713	8,033
Interest-bearing assets	447	330	360
Interest-bearing liabilities, excluding pension liabilities*	2,966	3,235	2,632

Changes in Consolidated Equity - condensed

MSEK	6 months Apr-Sep 2023/24	6 months Apr-Sep 2022/23	Moving 12 months, Oct-Sep 2023/24	Financial year 2022/23
Opening balance	3,009	2,228	2,338	2,228
Comprehensive income for the period	449	391	904	844
Transactions with owners				
New issue	-	-	70	70
Dividend	-329	-265	-329	-265
Dividend to minority shareholders in subsidiaries	-41	-14	-50	-23
Redemption and acquisition of options on repurchased shares, net	0	-2	157	155
Closing balance	3,088	2,338	3,088	3,009

Consolidated Statement of Cash Flows - condensed

MSEK	3 months Jul-Sep 2023/24	3 months Jul-Sep 2022/23	6 months Apr-Sep 2023/24	6 months Apr-Sep 2022/23	Moving 12 months, Oct-Sep 2023/24	Financial year 2022/23
Operating activities						
Profit after financial items	258	214	535	446	1,057	968
Adjustment for items not included in the cash flow	29	119	141	185	371	414
Income tax paid	-63	-14	-70	-88	-238	-255
Cash flow from operating activities before changes in working capital	224	319	606	543	1,190	1,127
Cash flow from changes in working capital						
Increase (-)/Decrease (+) in inventories	-11	27	-24	-77	45	-8
Increase (-)/Decrease (+) in operating receivables	4	15	-18	-54	-19	-54
Increase (+)/Decrease (-) in operating liabilities	2	-150	-59	-199	146	5
Cash flow from operating activities	219	211	505	213	1,362	1,070
Investing activities						
Investments in businesses	-75	-276	-312	-722	-436	-846
Net investments in other non-current assets	-24	-33	-58	-75	-154	-171
Cash flow from investing activities	-99	-309	-370	-797	-590	-1,017
Financing activities						
Dividend, sale/repurchase of own shares/options	-370	-265	-370	-281	-222	-133
Change in loan liability	64	45	-33	1,090	-531	589
Other financing activities	245	383	349	-109	89	-369
Cash flow from financing activities	-61	163	-54	697	-664	86
CASH FLOW FOR THE PERIOD	59	65	81	113	108	140
Cash and cash equivalents at the beginning of the period	397	260	360	210	330	210
Exchange difference in cash and cash equivalents	-9	5	6	7	9	10
Cash and cash equivalents at the end of the period	447	330	447	330	447	360

Fair value of 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 on minority interests, which are measured using discounted estimated cash flows and are therefore included in level 3 under IFRS 13.

Carrying amount, MSEK	30 Sep 2023	31 Mar 2023
Assets measured at fair value	-	-
Assets measured at amortised cost	1,578	1,513
TOTAL ASSETS, FINANCIAL INSTRUMENTS	1,578	1,513
Liabilities measured at fair value	476	400
Liabilities measured at amortised cost	3,529	3,218
TOTAL LIABILITIES, FINANCIAL INSTRUMENTS	4,005	3,618

	6 months Apr-Sep 2023/24	Financial year 2022/23		6 months Apr-Sep 2023/24	Financial year 2022/23
Change in contingent considerations MSEK			Change in call options MSEK		
Opening balance	165	94	Opening balance	235	175
The period's acquisitions	99	88	The period's acquisitions	33	56
Settled liabilities during the period	-9	-37	Settled liabilities during the period	-46	-
Remeasurement preliminary purchase price allocation	6	10			
Reversed via the income statement	-14	-6	Remeasurement via other comprehensive income	2	-
Exchange difference	2	16	Exchange difference	6	4
Closing balance	249	165	Closing balance	230	235

Parent Company Income Statement - condensed

MSEK	3 months Jul-Sep 2023/24	3 months Jul-Sep 2022/23	6 months Apr-Sep 2023/24	6 months Apr-Sep 2022/23	Moving 12 months, Oct-Sep 2023/24	Financial year 2022/23
Net revenue	17	16	34	30	68	63
Administrative expenses	-29	-25	-56	-48	-126	-118
Other operating income and operating expenses	0	-	0	-	0	-
OPERATING PROFIT	-12	-9	-22	-18	-58	-55
Financial income	6	8	492	269	539	774
Financial expenses	-18	12	-77	3	-119	-105
PROFIT AFTER FINANCIAL ITEMS	-24	11	393	254	362	614
Change in untaxed reserves	-	-	0	-4	-84	-84
Taxes	7	1	6	3	-47	-52
NET PROFIT FOR THE PERIOD	-17	12	399	253	231	478

Parent Company Balance Sheet - condensed

MSEK	30 Sep 2023	30 Sep 2022	31 Mar 2023
ASSETS			
Property, plant and equipment	2	-	2
Financial assets	4,866	4,364	4,598
Current receivables	1,177	1,266	1,365
Cash and bank balances	28	-	-
TOTAL ASSETS	6,073	5,630	5,965
EQUITY AND LIABILITIES			
Equity	2,630	2,109	2,561
Untaxed reserves	198	114	198
Non-current liabilities	2,203	2,695	2,244
Current liabilities	1,042	712	962
TOTAL EQUITY AND LIABILITIES	6,073	5,630	5,965

Key ratios

In the table below, certain key ratios are presented that are not defined according to IFRS, for definition see Key ratio definitions.

	Moving 12 months	Financial year			
	Oct-Sep 2023/24	2022/23	2021/22	2020/21	2019/20
Revenue	7,897	7,246	5,482	4,091	4,180
Change in revenue, %	26.5	32.2	34.0	-2,1	6.3
EBITDA	1,619	1,451	1,094	774	717
Operating profit (EBITA)	1,356	1,205	895	616	565
Operating margin (EBITA), %	17.2	16.6	16.3	15.1	13.5
EBIT	1,194	1,062	781	529	483
EBIT margin, %	15.1	14.7	14.2	12.9	11.6
Profit after financial items	1,057	968	741	502	460
Profit margin, %	13.4	13.4	13.5	12.3	11.0
Profit after taxes	825	758	572	388	366
Equity ratio, %	36	37	36	40	39
Return on working capital (P/WC), %	74	78	79	67	64
Return on capital employed, %	20	22	20	17	17
Return on equity, %	30	29	28	22	23
Operating net debt (+)/receivables (-), MSEK	2,573	2,327	2,014	1,314	1,312
Net debt/equity ratio, times	0.8	0.8	0.9	0.7	0.8
Operating net debt (+)/receivables (-), MSEK	2,153	1,902	1,621	992	1,056
Operating net debt/equity ratio, times	0.7	0.6	0.7	0.5	0.6
Operating net debt / EBITDA, times	1.3	1.3	1.5	1,7	1.8
Interest coverage ratio, times	8	8	15	12	13
Number of employees at end of period	2,562	2,425	1,953	1,654	1,532
Revenue outside Sweden, MSEK	5,316	4,830	3,559	2,650	2,706

Key ratios per share

In the table below, certain key ratios are presented that are not defined according to IFRS, for definition see Key ratio definitions.

	Moving 12 months	Financial year			
	Oct-Sep 2023/24	2022/23	2021/22	2020/21	2019/20
Number of shares at end of period after repurchases ('000)	205,930	205,930	203,637	203,421	203,178
Weighted number of shares after repurchases, ('000)	205,554	204,439	203,547	203,307	203,151
Weighted number of shares after repurchases & dilution ('000)	205,947	204,718	204,102	203,673	203,616
Earnings per share before dilution, SEK	4.01	3.71	2.81	1.91	1.80
Earnings per share after dilution, SEK	4.01	3.70	2.80	1.91	1.80
Cash flow from operating activities per share after dilution, SEK	6.61	5.23	2.91	3.84	2.49
Equity per share, SEK	15.00	14.61	10.94	9.12	8.29
Latest price paid per share, SEK	111.0	129.7	106.80	79.10	38.60

Key ratio definitions

Return on equity¹

Net profit for the year after tax as a percentage of average equity (opening plus closing balance for the latest 12-month period), divided by two).

Return on working capital (P/WC)¹

Operating profit (EBITA) as a percentage of average working capital, (opening balance plus closing balance for the latest 12-month period, divided by two), where working capital consists of inventories, trade receivables and contract assets less trade payables and contract liabilities.

Return on capital employed¹

Profit after financial items, plus financial expenses as a percentage of average capital employed (opening balance plus closing balance for the latest 12-month period, divided by two).

EBIT margin

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

EBITDA¹

Operating profit before depreciation and impairment.

Equity per share¹

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

Cash flow per share after dilution¹

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

Cash flow from operating activities per share¹

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

Net debt/receivables¹

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

Net debt/equity ratio¹

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

Operating net debt/receivables¹

Interest-bearing provisions and liabilities, excluding pensions and excluding liabilities related to financial leases according to IFRS 16, less cash and cash equivalents and investments in securities.

Operating net debt/equity ratio¹

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

Operating net debt/EBITDA¹

The operating net debt divided by EBITDA for the latest 12-month period.

Change in revenue¹

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

Organic growth¹

Changes in net revenue excluding currency effects, acquisitions and disposals compared to the same period of the previous year.

Earnings per share before dilution

Net 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

Net 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 ratio¹

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

Operating profit (EBITA)¹

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

Operating margin¹

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

Debt equity ratio¹

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

Equity ratio¹

Equity, plus non-controlling interests as a percentage of total assets. The equity portion of untaxed reserves is included in the parent company's calculation of the equity ratio.

Capital employed¹

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

Profit margin¹

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

¹ The key ratio is an alternative performance measure according to ESMA's guidelines.

Reconciliation tables for alternative performance measures

EBITA and EBITDA Group, MSEK	12 months through				
	30 Sep 2023	31 Mar 2023	30 Sep 2022	31 Mar 2022	31 Mar 2021
Profit before net financial items according to the quarterly report	1,194	1,062	906	781	529
Amortisation, intangible non-current assets relating to acquisitions (+)	162	143	125	114	87
EBITA	1,356	1,205	1,031	895	616
Depreciation of property, plant and equipment	263	246	219	199	158
EBITDA	1,619	1,451	1,250	1,094	774

Working capital and return on working capital (P/WC) Group, MSEK	30 Sep 2023	31 Mar 2023	30 Sep 2022	31 Mar 2022	31 Mar 2021
EBITA (moving 12 months)	1,356	1,205	1,031	895	616
Inventories, annual average (+)	1,223	1,058	1,003	802	608
Trade receivables and contract assets, annual average (+)	1,239	1,105	1,001	822	694
Trade payables and contract liabilities, annual average (-)	618	621	516	486	384
Working capital (annual average)	1,845	1,542	1,488	1,138	918
Return on working capital (P/WC), (%)	74%	78%	69%	79%	67%

Acquired and organic net revenue growth Group, MSEK, %	3 months Jul-Sep 2023/24		3 months Apr-Jun 2023/24		3 months Jan-Mar 2022/23		3 months Oct-Dec 2022/23		3 months Jul-Sep 2022/23	
Acquired net revenue growth	145	9%	296	19%	271	18%	331	24%	282	24%
Organic net revenue growth	-19	-1%	88	6%	148	9%	135	10%	135	11%
Exchange rate effects	77	4%	65	4%	46	3%	70	5%	50	4%
Total net revenue growth	203	12%	449	28%	465	30%	537	38%	467	39%

Revenue distribution

Net revenue by product type	Electrify 3 months Jul-Sep 2023/24		Control 3 months Jul-Sep 2023/24		TecSec 3 months Jul-Sep 2023/24		Niche Products 3 months Jul-Sep 2023/24		International 3 months Jul-Sep 2023/24		Group total 3 months Jul-Sep 2023/24	
	Financial year 2022/23	Financial year 2023/24	Financial year 2022/23	Financial year 2023/24	Financial year 2022/23	Financial year 2023/24	Financial year 2022/23	Financial year 2023/24	Financial year 2022/23	Financial year 2023/24	Financial year 2022/23	Financial year 2023/24
Total net revenue	421	1,677	163	746	480	1,748	446	1,871	361	1,204	1,871	7,246
Of which, share												
Proprietary products	72%	71%	45%	46%	80%	78%	98%	98%	61%	57%	76%	75%
Trading	6%	6%	49%	49%	5%	4%	2%	2%	38%	42%	14%	15%
Niche production	21%	22%	5%	4%	-	-	-	-	-	-	5%	5%
System integration	-	-	-	-	10%	12%	-	-	-	-	3%	3%
Other net revenue	1%	1%	1%	1%	5%	6%	-	-	1%	1%	2%	2%
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Net revenue by market segment	6 months Apr-Sep 2023/24	6 months Apr-Sep 2022/23	Financial year 2023/23
Total net revenue	3,917	3,265	7,246
Whereof			
Power & electric distribution	763	760	1,488
Infrastructure	649	517	1,156
Transportation	574	432	993
Building & Construction - Industry	266	184	453
Building & Construction - Commercial	195	169	386
Building & Construction - Residential	67	37	102
Electronics industry	255	239	532
Service	262	237	499
Security	198	176	417
Telecom	211	157	320
IT	77	58	136
Pulp & paper industry	57	63	139
Medical	77	61	134
Other	266	175	491

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