

Interim Report 2021/22 Q1

First quarter (1 April – 30 June 2021)

- Net revenue increased by 33% to MSEK 1,301 (977).
 - Organically, net revenue increased by 18%.
- Operating profit (EBITA) increased to MSEK 212 (124), equivalent to an operating margin of 16.3% (12.7).
- Profit after financial items increased by 94% and amounted to MSEK 180 (93).
- Profit after taxes increased to MSEK 139 (70). Earnings per share after dilution amounted to SEK 2.24 for the moving 12-month period (SEK 1.91 for the 2020/21 financial year).
- Return on equity was 25% (21). The equity ratio at the end of the period was 36% (41).
- During the quarter, two acquisitions were carried out.
 - CW Lundberg (CWL) including subsidiaries in Sweden, Norway and Poland. CWL has a business volume of about MSEK 185 with good profitability.
 - Libra in Norway with a subsidiary in Latvia and an associated company in Vietnam. Libra has a business volume of about MNOK 175 with good profitability.
- The Annual General Meeting will be held on 24 August 2021 at 4.00 p.m. at IVA's Conference Centre in Stockholm. Due to the continued uncertainty regarding the infection situation, a limited attendance and postal voting procedure are planned.
- The Board of Directors in the notice convening the Annual General Meeting intends to propose a dividend of SEK 1.00 (0.67) per share.

STATEMENT OF THE CHIEF EXECUTIVE

“A really good start to the year” – that is how I would like to sum up the first quarter of the financial year. The recovery after the pandemic that we communicated in recent quarters has strengthened and changed over to growth where all divisions are delivering good organic growth and in addition we have clearly obtained positive effects from the acquired businesses. In terms of numbers, the organic sales growth for the Group was a historically high 18% and just as much came from acquisitions. Of the increase in the operating profit of MSEK 88 in total, MSEK 52, equivalent to approximately 60% came from organic improvements. Being well aware of the fact that the first quarter of the previous financial year was negatively impacted by the effects of the pandemic, this is still very gratifying and stronger than we expected.

Quarterly earnings were therefore strong, where the profit (after net financial items) reached MSEK 180, which is essentially double compared to the same quarter last year (93). The operating margin reached 16.3% (12.7) and earnings per share on a moving 12-month basis now amounts to SEK 2.24 per share, compared to 1.91 for the 2020/21 financial year.

It was also positive during the quarter that we launched our new growth ambitions – what we are calling “Lagercrantz towards one billion” – where starting from 1 April we have established a new organisation with a new divisional structure, clearer growth ambitions, both organically and through acquisitions, and a clear focus with ambitions and goals relating to sustainability. By concentrating the divisions on attractive areas with underlying structural growth and declared goals for sustainability, the intention is to focus on the right things, to attract the stock market, acquisition market, employees, suppliers and thereby further improve the potential for growth.

It is also important to comment on the two acquisitions we carried out during the quarter. We see along the way that Lagercrantz’s approach to nurturing, internationalising and advancing owner-led product companies in particular, is perceived as increasingly attractive. We are therefore proud and happy that the owners of CW Lundberg in Mora and Libra in Norway have chosen to let their life’s work become a part of Lagercrantz. These companies generate combined annual revenue of about MSEK 360 with good profitability and the intention in both cases is to continue developing the export side of the businesses. During the previous year, a further eight owners decided to sell specifically to Lagercrantz as they have confidence in our ownership concept, which is characterised by decentralisation and management by objectives.

Ahead of the coming quarters, I am still optimistic. The first quarter, which we have now just completed is a seasonally strong quarter for Lagercrantz, and this seasonal pattern has been strengthened, among other things due to the acquisitions of Sajas, VP metall, CW Lundberg and Libra. Several of the companies in the Group are also noticing a component shortage, rising raw materials and freight costs, which are uncertainties going forward. Meanwhile, order intake remains strong which gives me great confidence about Lagercrantz’s prospects both in the short and long term.

Jörgen Wigh
President and CEO



NET REVENUE AND PROFIT

First quarter (April – June 2021)

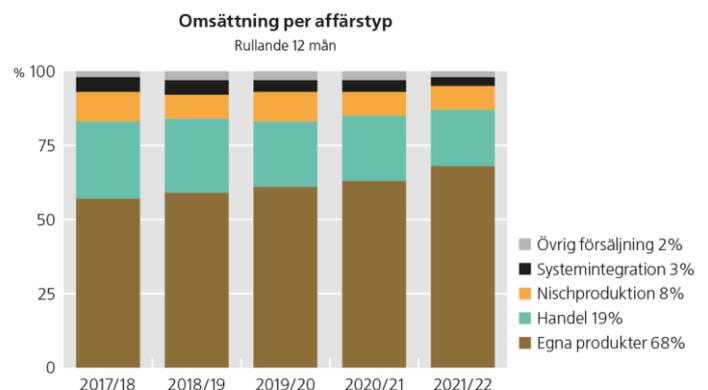
Starting from the 2021/22 financial year, the new divisional structure will be implemented with five divisions, which was announced in March 2021. This has meant some company moves and what businesses are included in each division are shown in Appendix 1. Figures have been adjusted retroactively in view of these changes.

The first quarter of the financial year was characterised by a continued recovery from the pandemic and strong growth in many of the Group's businesses. The market situation is generally good in the Nordic countries and in Northern Europe and the reopening of markets is having a positive impact on the overall business climate. The German and Danish markets in particular have strengthened during the quarter. However, uncertainty is being noted in the supply and distribution chain with price increases for input materials and raw materials, component shortages and higher freight costs in several businesses. Generally speaking, it is estimated that the Group's businesses can handle these uncertainties in an effective way through price adjustments and good businessmanship.

Consolidated net revenue for the first quarter of the financial year increased by 33% and amounted to MSEK 1,301 (977). The currency effect on net revenue was MSEK -26. Acquired businesses made a contribution of MSEK 176. Net revenue in comparable units, measured in local currency, increased by 18% compared to the year-earlier period.

Operating profit (EBITA) for the quarter increased by 71% and amounted to MSEK 212 (124). The operating margin amounted to 16.3% (12.7). Acquired businesses had, as expected, a positive impact on the profit for the quarter.

Consolidated profit after net financial items increased by 94% and amounted to MSEK 180 (93) in the quarter. The currency effect on the profit amounted to MSEK -4 (1). Profit after taxes during the period increased to MSEK 139 (70), equivalent to earnings per share after dilution of SEK 0.68 (0.34). Earnings per share after dilution for the latest 12-month period amounted to SEK 2.24, compared to SEK 1.91 for the 2020/21 financial year.



DIVISIONS

	Net revenue			Operating profit (EBITA)		
	3 months Apr-Jun 2021/22	3 months* Apr-Jun 2020/21*	12 months* Apr-Mar 2020/21	3 months Apr-Jun 2021/22	3 months* Apr-Jun 2020/21	12 months* Apr-Mar 2020/21
MSEK						
Electrify	377	302	1,209	67	42	193
Operating margin				17.8%	13.9%	16.0%
Control	152	141	578	22	15	83
Operating margin				14.5%	10.6%	14.4%
TecSec	217	133	561	42	21	95
Operating margin				19.4%	15.8%	16.9%
Niche Products	331	238	1,034	67	51	209
Operating margin				20.2%	21.4%	20.2%
International	224	163	709	27	12	80
Operating margin				12.1%	7.4%	11.3%
Parent Company/consolidation items	-	-	-	-13	-17	-44
GROUP TOTAL	1,301	977	4,091	212	124	616
Operating margin				16.3%	12.7%	15.1%
Amortisation, intangible assets				-27	-21	-87
Financial items				-5	-10	-27
PROFIT BEFORE TAXES				180	93	502

*Five divisions have been established starting from 1 April 2021 (previously four divisions). The new divisional structure has resulted in the move of companies among the divisions (see Appendix 1). Comparable figures have been restated in view of this.

NET REVENUE AND PROFIT BY DIVISION

FIRST QUARTER

Electrify

The Electrify division's net revenue for the quarter increased by 25% and amounted to MSEK 377 (302). Operating profit (EBITA) improved by 60% and amounted to MSEK 67 (42), which gave an operating margin of 17.8% (13.9).

The business volume is increasing both organically and through the acquisitions of VP metall and Esari. A continued positive development was noted in Europe and in North America in the electricity-related infrastructure and industry and telecoms segments. Earnings were also positively impacted by project transactions within telecoms that were partially delivered during the quarter. The division's and the Group's largest unit Elpress and several other businesses in the division continued to display strong revenue and earnings growth. The operating profit improved despite higher material and freight costs.

Control

The Control division's net revenue increased by 8% and amounted to MSEK 152 (141). Operating profit (EBITA) increased by 47% to MSEK 22 (15), which increased the operating margin to 14.5% (10.6). Most of the profit centres displayed earnings improvements and Precimeter and GasiQ reported a particularly strong quarter. In addition, successful restructurings in the division had positive effects.

TecSec

The TecSec division's net revenue for the first quarter of the financial year increased by 63% and amounted to MSEK 217 (133). Operating profit (EBITA) increased by 100% to MSEK 42 (21), which increased the operating margin to 19.4% (15.8). Earnings improvements came both from existing businesses, primarily from R-con, ISG Nordic and Idesco but also from the acquisition of CW Lundberg, which had a good start in the Group. Frictape continues to face challenges in obtaining access to helidecks at its customers due to the pandemic. Some of the division's smaller units were unable to match the previous year's profit level.

Niche Products

The Niche Products division increased its net revenue during the quarter by 39% to MSEK 331 (238). Operating profit (EBITA) increased by 31% to MSEK 67 (51), equivalent to an operating margin of 20.2% (21.4).

Strong sales and earnings growth in most of the larger exporting units and a positive performance from the acquisition Sajas explained the improvement in earnings. The reopening of societies and relaxation measures in fast food chains and restaurants are having a positive effect on Asept's business, which is once again starting customer deliveries, including in the USA.

Good demand also meant earnings improvements for Tormek, Nikodan and PST, among other units, which all delivered strong earnings while SIB still faces challenges due to lower sales to airports as a result of the pandemic.

International

The International division's net revenue increased by 37% and amounted to MSEK 224 and the operating profit (EBITA) increased by 125% and amounted to MSEK 27 (12), which corresponds to an operating margin of 12.1% (7.4). The market situation and the reopening of societies in Germany and Denmark has had a positive effect on the units which are active in these markets, including Schmitztechnik, Unitronic, ACTE DK, ISIC and Skomø. The acquisition of Libra also impacted earnings positively as planned.

PROFITABILITY AND FINANCIAL POSITION

Return on equity for the latest 12-month period amounted to 25% (21) and the return on capital employed was 18% (17). The Group's metric for return on working capital (P/WC) was 65% (64).

Equity per share totalled SEK 9.60 at the end of the period, compared to SEK 9.12 at the beginning of the financial year. Aside from profit, this metric was also affected by currency-related translation effects and redemption of options. The equity ratio was 36% compared to 40% at the start of the financial year.

During the quarter, the operating net indebtedness increased to MSEK 1,293 (992 at the start of the financial year) due to the completed acquisitions. The operating net debt equity ratio was 0.7 (0.5 at the start of the financial year). Net indebtedness including pension liability and the IFRS 16 effect amounted to MSEK 1,689 (1,314 at the start of the financial year). The pension liability amounted to MSEK 76 (76) and the IFRS 16 effect

amounted to MSEK 320 (MSEK 246 at the start of the financial year).

CASH FLOW AND CAPITAL EXPENDITURES

Cash flow from operating activities during the first quarter amounted to MSEK 141 (246). Gross investments in non-current assets amounted to MSEK 18 (12) during the first quarter, of which the largest items related to production equipment and facilities.

OTHER FINANCIAL INFORMATION

Parent Company and other consolidation items

The Parent Company's net revenue for the quarter amounted to MSEK 11 (9) and profit after net financial items and taxes was MSEK 11 (-13). The result includes exchange rate adjustments on intra-Group lending of MSEK -1 (-6) and dividends from subsidiaries of MSEK 23 (5).

The Parent Company's equity ratio was 50% (55).

Employees

At the end of the period, the number of employees in the Group was 1,778, compared to 1,626 at the beginning of the financial year. During the period, 119 employees were added through acquisitions. During the quarter, it was announced that the CFO has resigned from the company.

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 June 2021:

Classes of shares	Number
A shares	9,791,406
B shares	198,768,375
Repurchased B shares	-5,039,315
Total	203,520,466

At 30 June 2021, Lagercrantz Group held 5,039,315 own Class B shares, equivalent to 2.4% of the total number of shares and 1.7% of the votes in the Lagercrantz Group. Repurchased shares cover, inter alia, the company's obligations under outstanding call option programmes. No shares were repurchased during the first quarter of the financial year.

During the first quarter, parts of the incentive programme based on options on repurchased Class B shares acquired by senior executives in the Group during 2018 were redeemed.

At the end of the period, there were three outstanding call option programmes as follows:

Option programme	Number of outstanding options*	Redemption price
2020/24	1,200,000	78.20
2019/22	1,253,700	52.10
2018/21	75,089	35.30
Total	2,528,789	

*An option carries the right to purchase one share.

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 2020/21. In addition, new IFRS standards and IFRIC interpretations, were applied.

See the company's Annual Report for the 2020/21 financial year for further accounting policies.

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 more valuable 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. Expanded information has been provided in this report with regard to definitions of certain financial metrics, see page 15.

ACQUISITIONS

During the quarter, 100% of the shares in CW Lundberg AB with subsidiaries were acquired as well as 75% of the shares in Libra-Plast AS with subsidiaries (Libra).

CW Lundberg is a leader in safety products for roofs and facades and conducts operations with wholly-owned subsidiaries in Sweden, the Nordic countries and Poland. Development, marketing and production are situated in Mora and most sales are generated in Sweden. The company is also pursuing international expansion in Europe. In the 2020 calendar year, the group generated annual sales of about MSEK 185 with a pro forma operating profit (EBITA) of approx. MSEK 33.

Libra is a market leader in premium quality doors, hatches and storage units to the marine industry. The

products are sold internationally and the customer base consists of shipyards, primarily in Norway, elsewhere in Europe and North America. Libra-Plast AS conducts operations with a subsidiary in Latvia and an associated company in Vietnam. In the 2020 calendar year, the group generated annual sales of about MNOK 175 with a pro forma operating profit (EBITA) of approx. MNOK 28.

During the quarter, remeasured contingent considerations have not had any impact on earnings. During the year-earlier period, MSEK 1 was expensed as other operating expenses.

During the quarter, MSEK 0 (13.5) was paid in contingent consideration for previous acquisitions.

Preliminary purchase price allocation last 12 months July 2020-June 2021

The purchase price allocation includes acquisitions during the quarter. The analysis is preliminary and includes Sajas Group, Nexlan, VP metall, Esari, Hovicon, Vihab, Proagria, CW Lundberg and Libra.

<i>Acquired companies' net assets at the time of acquisition.</i>	Book value in companies	Fair value adjustment	Fair value consolidated
Intangible non-current assts	99	225	324
Other non-current assets	84		84
Inventories and work in progress	140		140
Other short-term receivables *)	248		248
Interest-bearing liabilities	-84		-84
Other liabilities	-224	-48	-272
Net of identified assets/liabilities	263	177	440
Goodwill	-	-	233
Estimated Purchase price	-	-	673

* of which cash and cash equivalent MSEK 83

** Includes conditional additional consideration of MSEK 41 which represents 58% of the maximum outcome.

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 2020/21 Annual Report.

Covid-19 effects

The Group's operations have been able to be conducted without larger disruptions from the pandemic. A handful of the Group's almost 60 businesses are still affected but sales have been characterised by a recovery in line with markets and customers reopening.

In the impacted businesses, situation-adapted measures are being implemented. No material impairment losses or bad debt losses have occurred during the quarter.

Post-balance sheet events

No significant events for the company have occurred after closing day on 30 June 2021.

Annual General Meeting 2021 and dividend

The 2021 Annual General Meeting (AGM) will be held on 24 August 2021, at 4.00 p.m. at IVA's Conference Centre, Grev Turegatan 16 in Stockholm. Developments in the infection situation will affect the format of the AGM and information will be provided through the convening notice which will be published on the company's website no earlier than six weeks and no later than four weeks before the AGM.

The Board of Directors in the notice convening the AGM intends to propose a dividend of SEK 1.00 (0.67) per share, and an extended incentive programme in the form of call options on repurchased shares to senior executives and a renewed mandate for the Board to carry out a new issue of a maximum of 10% to be used during acquisitions.

Notice of participation must be given to the company in accordance with the convening notice.

Stockholm, 16 July 2021

Jörgen Wigh
President and CEO

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

Quarterly data by division *

Net revenue	2021/22		2020/21		
	Q1	Q4	Q3	Q2	Q1
MSEK					
Electrify	377	320	304	283	302
Control	152	156	162	119	141
TecSec	217	136	159	133	133
Niche Products	331	313	271	212	238
International	224	193	182	171	163
Parent Company/consolidation items	-	-	-	-	-
GROUP TOTAL	1,301	1,118	1,078	918	977

EBITA	2021/22		2020/21		
	Q1	Q4	Q3	Q2	Q1
MSEK					
Electrify	67	57	49	45	42
Control	22	30	29	9	15
TecSec	42	22	28	24	21
Niche Products	67	61	53	44	51
International	27	30	21	17	12
Parent Company/consolidation items	-13	-8	-12	-7	-17
GROUP TOTAL	212	192	168	132	124

EBITA margin	2021/22		2020/21		
	Q1	Q4	Q3	Q2	Q1
%					
Electrify	17.8	17.8	16.1	15.9	13.9
Control	14.5	19.2	17.9	7.6	10.6
TecSec	19.4	16.2	17.6	18.0	15.8
Niche Products	20.2	19.5	19.6	20.8	21.4
International	12.1	15.5	11.5	9.9	7.4
Parent Company/consolidation items	-	-	-	-	-
GROUP TOTAL	16.3	17.2	15.6	14.4	12.7

*The new divisional structure has resulted in the move of companies between the divisions (see Appendix 1). Comparable figures have been restated in view of this.

Consolidated Income Statement – condensed

MSEK	3 months Apr-Jun 2021/22	3 months Apr-Jun 2020/21	Moving 12 months Jul-Jun 2021/22	Financial year 2020/21
Net revenue	1,301	977	4,415	4,091
Cost of goods sold	-796	-599	-2,710	-2,513
GROSS PROFIT	505	378	1,705	1,578
Selling expenses	-211	-180	-753	-722
Administrative expenses	-108	-94	-363	-349
Other operating income and operating expenses	-1	-1	22	22
PROFIT BEFORE NET FINANCIAL ITEMS *)	185	103	611	529
Net financial items	-5	-10	-22	-27
PROFIT AFTER FINANCIAL ITEMS	180	93	589	502
Taxes	-41	-23	-132	-114
	139	70	457	388
NET PROFIT FOR THE PERIOD				
*) Of which:				
- amortisation of intangible non-current assets arising in connection with acquisitions:	(-27)	(-21)	(-93)	(-87)
- depreciation of other non-current assets:	(-48)	(-37)	(-169)	(-158)
Operating profit (EBITA)	212	124	704	616
Earnings per share, SEK	0.68	0.34	2.25	1.91
Earnings per share after dilution, SEK	0.68	0.34	2.24	1.91
Weighted number of shares after repurchases, ('000)	203,501	203,193	203,384	203,307
Weighted number of shares after repurchases adjusted after dilution ('000)	204,207	203,526	203,757	203,673
Number of shares at end of period after repurchases ('000)	203,520	203,244	203,520	203,421

In view of the redemption price on outstanding call options during the period (SEK 35.30, SEK 52.10 and SEK 78.20) and the average share price (SEK 71.89) during the latest 12-month period when the option programmes were outstanding, there was a dilutive effect of 0.2%. For the latest quarter, there was a dilutive effect of 0.4% (average share price SEK 89.35).

Consolidated Statement of Comprehensive Income and Other Comprehensive Income

MSEK	3 months Apr-Jun 2021/22	3 months Apr-Jun 2020/21	Moving 12 months, Jul-Jun 2021/22	Financial year 2020/21
Net profit for the period	139	70	457	388
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	-14	-24	-41	-51
Debt instruments measured at fair value	-	-	-18	-18
<u>Items that cannot be reposted to net profit for the period</u>				
Actuarial effects on pensions	-	-	-2	-2
Taxes attributable to actuarial effects	-	-	-	0
COMPREHENSIVE INCOME FOR THE PERIOD	125	46	396	317

Consolidated Statement of Financial Position – condensed

MSEK	30 Jun 2021	30 Jun 2020	31 Mar 2021
ASSETS			
Goodwill	1,871	1,488	1,609
Other intangible non-current assets	856	749	785
Property, plant and equipment	703	462	586
Financial assets	27	17	21
Inventories	759	577	655
Trade receivables and contract assets	822	605	672
Other current receivables	139	148	131
Cash and bank balances	212	145	151
TOTAL ASSETS	5,389	4,191	4,610
EQUITY AND LIABILITIES			
Equity	1,953	1,726	1,855
Non-current liabilities*	1,431	1,087	1,172
Trade payables and contract liabilities	463	343	402
Other current liabilities*	1,542	1,035	1,181
TOTAL EQUITY AND LIABILITIES	5,389	4,191	4,610
Interest-bearing assets	212	145	151
Interest-bearing liabilities, excluding pension liabilities*	1,825	1,176	1,389

*Including IFRS16 effect in the form of future lease and rental obligations.

Consolidated Statement of Changes in Equity

MSEK	3 months Apr-Jun 2021/22	3 months Apr-Jun 2020/21	Moving 12 months, Jul-Jun 2021/22	Financial year 2020/21
Opening balance	1,855	1,684	1,726	1,684
Comprehensive income for the period	125	46	396	317
Shareholders' contributions from minority owners in subsidiaries	-	-	3	3
Dividend to minority owners in subsidiaries	-4	-	-9	-5
Transactions with owners				
Dividend	-	-	-135	-135
Redemption and acquisition of options on repurchased shares, net	-23	-4	-28	-9
Repurchase of own shares	-	-	-	-
CLOSING BALANCE	1,953	1,726	1,953	1,855

Consolidated Statement of Cash Flows

MSEK	3 months Apr-Jun 2021/22	3 months Apr-Jun 2020/21	Moving 12 months, Jul- Jun 2021/22	Financial year 2020/21
Operating activities				
Profit after financial items	180	93	589	502
Adjustments for taxes paid, items not included in cash flow, etc.	81	64	161	144
Cash flow from operating activities before changes in working capital	261	157	750	646
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in inventories	-46	-15	-33	-2
Increase (-)/Decrease (+) in operating receivables	-90	105	-69	126
Increase (+)/Decrease (-) in operating liabilities	16	-1	29	12
Cash flow from operating activities	141	246	677	782
Investing activities				
Investment in businesses	-289	-13	-601	-325
Investments in/disposals of other non-current assets, net	-25	-14	-101	-90
Cash flow from investing activities	-314	-27	-702	-415
Financing activities				
Dividends, redemption of options & repurchase of own shares/options	-27	-4	-170	-147
Financing activities	262	-187	263	-186
Cash flow from financing activities	235	-191	93	-333
CASH FLOW FOR THE PERIOD	62	28	68	-34
Cash and cash equivalents at the beginning of the period	151	117	145	117
Exchange difference in cash and cash equivalents	-1	-	-1	-
Cash and cash equivalents at the end of the period	212	145	212	151

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 Jun 2021	31 Mar 2021
Assets measured at fair value	-	-
Assets measured at amortised cost	1,007	792
TOTAL ASSETS, FINANCIAL INSTRUMENTS	1,007	792
Liabilities measured at fair value	239	175
Liabilities measured at amortised cost	1,915	1,509
TOTAL LIABILITIES, FINANCIAL INSTRUMENTS	2,154	1,684
	3 months Apr – Jun 2021/22	Financial year 2020/21
Change in contingent considerations		
Opening balance	175	199
Settled liabilities during the year	-	-70
Remeasurement of liabilities during the year	-	10
Year's liabilities from acquisitions during the year	71	41
Exchange difference	-7	-5
Carrying amount at end of the period	239	175

Parent Company Income Statement – condensed

MSEK	3 months Apr-Jun 2021/22	3 months Apr-Jun 2020/21	Moving 12 months, Jul-Jun 2021/22	Financial year 2020/21
Net revenue	11	9	38	36
Administrative expenses	-21	-18	-79	-76
Other operating income and operating expenses	-	-	2	2
OPERATING PROFIT	-10	-9	-39	-38
Financial income	26	8	446	428
Financial expenses	-5	-12	-19	-26
PROFIT AFTER FINANCIAL ITEMS	11	-13	388	364
Change in untaxed reserves	-	-	-36	-36
Taxes	3	4	-24	-23
NET PROFIT FOR THE PERIOD	14	-9	328	305

Parent Company Balance Sheet – condensed

MSEK	30 Jun 2021	30 Jun 2020	31 Mar 2021
ASSETS			
Property, plant and equipment	-	1	-
Financial assets	3,228	2,732	2,828
Current receivables	755	505	876
Cash and bank balances	-	-	-
TOTAL ASSETS	3,983	3,238	3,704
EQUITY AND LIABILITIES			
Equity	1,935	1,770	1,944
Untaxed reserves	49	14	49
Non-current liabilities	875	720	719
Current liabilities	1,124	734	992
TOTAL EQUITY AND LIABILITIES	3,983	3,238	3,704

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, Jul-Jun 2021/22	Financial year			
		2020/21	2019/20	2018/19	2017/18
Revenue	4,415	4,091	4,180	3,932	3,410
Change in revenue, %	6.6	-2.1	6.3	15.3	10.1
Operating profit (EBITA)	704	616	565	519	436
Operating margin (EBITA), %	15.9	15.1	13.5	13.2	12.8
EBIT	611	529	483	451	378
EBIT margin, %	13.8	12.9	11.6	11.5	11.1
Profit after financial items	589	502	460	431	358
Profit margin, %	13.3	12.3	11.0	10.7	10.5
Profit after taxes	457	388	366	342	286
Equity ratio,% *	36	40	39	39	36
Return on working capital (P/WC), %	72	67	64	63	60
Return on capital employed, %	18	17	17	18	17
Return on equity, %	25	22	23	24	23
Net debt (+)/receivables (-), MSEK **	1,689	1,314	1,312	1,004	1,102
Net debt/equity ratio, times**	0.9	0.7	0.8	0.7	0.9
Operating net debt (+)/receivables (-), MSEK	1,293	992	1,056	928	1,035
Operating net debt/equity ratio, times	0.7	0.5	0.6	0.6	0.8
Interest coverage ratio, times	16	12	13	15	14
Number of employees at end of period	1,778	1,626	1,532	1,450	1,387
Revenue outside Sweden, MSEK	2,868	2,650	2,706	2,491	2,151

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

** Net debt and net debt/equity ratio includes pensions. The effect of IFRS 16 is included from 1 April 2019.

Per-share data

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, Jul-Jun 2021/22	Financial year			
		2020/21	2019/20	2018/19	2017/18
Number of shares at end of period after repurchases ('000)	203,520	203,421	203,178	203,061	202,968
Weighted number of shares after repurchases, ('000)	203,384	203,307	203,151	203,046	203,604
Weighted number of shares after repurchases & dilution ('000)	203,757	203,673	203,616	203,046	203,772
Earnings per share, SEK	2.25	1.91	1.80	1.68	1.40
Earnings per share after dilution, SEK	2.24	1.91	1.80	1.68	1.40
Cash flow from operating activities per share after dilution, SEK*	3.32	3.84	2.49	2.28	1.38
Equity per share, SEK	9.60	9.12	8.29	7.43	6.42
Latest price paid per share, SEK	93.10	79.10	38.60	33.33	27.83

*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 number of shares outstanding after repurchases and adjusted for dilution.

Net debt/receivables

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 ratio

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/receivables

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 ratio

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.

Change in revenue

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

Earnings per share

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

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. The equity portion of untaxed reserves is included in the Parent Company's calculation of the equity ratio.

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 8.00 CET on 16 July 2021.

Reporting dates:

24 August 2021 Annual General Meeting for the 2020/21 financial year.
22 October 2021 Quarterly Report Q2 for the period 1 July 2021–30 September 2021
4 February 2022 Quarterly Report Q3 for the period 1 October 2021–31 December 2021
17 May 2022 Year-end Report for the period 1 April 2021–31 March 2022

The Annual Report for the 2020/21 financial year was published during July 2021 on www.lagercrantz.com.

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This Interim Report is a translation from the Swedish version. Should there be any discrepancies, the Swedish version shall prevail.

New corporate structure

The new divisional structure applies starting from 1 April 2021 and the following businesses are part of each division.

ELECTRIFY

Cue Dee AB
Dooman AB
EFC Finland Oy
Elfin A/S
Elkapsling AB
Elpress AB
Enkom Active Oy
Esari Oy (Oy Esari Ab)
Exilight Oy
Kablageproduktion AB
Norwesco AB
Steelo AB
Swedwire AB
VP metall AS

CONTROL

Direktronik AB
Excidor AB
Gasiq AB
Leteng AS
Load Indicator AB
Precimeter AB
Radonova Laboratories AB
Vanpee A/S (DK)
Vanpee AB (is part of Direktronik AB from 1 July 2021)
Vanpee AS (NO)

TECSEC

COBS AB
CW Lundberg AB
Frictape Net Oy
Idesco Oy
ISG Nordic AB (ISG + Nordic Alarm)
R-Contracting AB
STV AB

NICHE PRODUCTS

Asept International AB
Dorotea Mekaniska AB:
Hovicon International B.V.
Kondator AB
Nikodan A/S
Proagria Miljø A/S
ProfSAFE AB
Plåt & Spiral Teknik AB
Sajas Group
Svenska Industriborstar AB
Thermod AB
Tormek AB
Wapro AB
Vendig AB

INTERNATIONAL

ACTE A/S (DK)
ACTE AS (NO)
ACTE Sp.o o. z. (PL)
ACTE Solutions AB
CAD Kompagniet A/S
E-Tech Components Ltd
G9 A/S
ISIC A/S
Libra-Plast AS
NST DK A/S
Schmitztechnik GmbH
Skomø A/S
Unitronic GmbH