

INTERIM REPORT

JULY-DECEMBER 2020

STRONG DUROC INVESTS FOR LONGTERM VALUE GROWTH

During the second quarter Covid 19 caused disruptions in some units

Second quarter, October-December 2020

- Net sales totaled MSEK 735.3 (853.0), a reduction of 14 percent.
- Adjusted EBITDA* decreased by 19 percent to total MSEK 37.9 (47.0), corresponding to an adjusted EBITDA* -margin of 5.2 percent (5.5).
- EBIT totaled MSEK 13.0 (15.8).
- Cash flow from operating activities totaled MSEK 5.4 (4.6).
- Profit after tax was MSEK 6.3 (8.9).
- Earnings per share totaled SEK 0.16 (0.23).
- Covid 19 has continued to impact production and sales in parts of the Group. Though by the end of the quarter the situation has stabilized.

First six months July-December 2020

- Net sales totaled MSEK 1,439.0 (1,719.2), a reduction of 16 percent.
- Adjusted EBITDA* decreased by 15 percent to total MSEK 85.8 (100.9), corresponding to an adjusted EBITDA* -margin of 6.0 percent (5.9).
- EBIT totaled MSEK 33.0 (43.6 excluding MSEK 66.9 regarding resolution of negative goodwill).
- Cash flow from operating activities totaled MSEK 59.8 (118.1).
- Profit after tax was MSEK 17.5 (25.5 excluding MSEK 66.9 from resolution of negative goodwill).
- Earnings per share totaled SEK 0.45 (2.37).
- As of December 31, cash and cash equivalents totaled MSEK 120.1 (192.9) and net debt excluding leasing liabilities from IFRS 16 MSEK 97.3 (249.5). Unutilized credit facilities totaled MSEK 275.

Group (MSEK)	2020/2021 Q2	2019/2020 Q2	2020/2021 Q1-Q2	2019/2020 Q1-Q2	2020/2021 R12 DEC	2019/2020 JUL-JUN
Net sales	735.3	853.0	1,439.0	1,719.2	2,878.0	3,158.2
EBITDA	37.9	42.2	83.3	161.5	190.9	269.1
Adjusted EBITDA*	37.9	47.0	85.8	100.9	197.6	212.7
Adjusted EBITDA* -margin, %	5.2	5.5	6.0	5.9	6.9	6.7
Operating profit/loss (EBIT)	13.0	15.8	33.0	110.5	84.4	161.8
Adjusted EBIT*	13.0	20.6	35.5	49.9	96.5	110.9
Profit/loss after tax	6.3	8.9	17.5	92.4	41.6	116.5
Profit per share, before and after dilution, SEK	0.16	0.23	0.45	2.37	1.07	2.99
Cashflow from operating activities	5.4	4.6	59.8	118.1	264.0	322.3
Net debt excl. lease liability from IFRS 16	97.3	249.5	97.3	249.5	97.3	117.8
Net debt incl. lease liability from IFRS 16	230.0	388.0	230.0	388.0	230.0	257.0
Net debt/Equity ratio, %	25	37	25	37	25	27

* Adjusted for items affecting comparability. A reconciliation of amounts can be found on page 17

CEO'S COMMENT

Duroc is a finance company that seeks to create maximum value growth for shareholders by acquiring companies and operations at prices appraised as attractive, to develop and refine them on the basis of a long-term perspective. Our businesses are not dependent on parent companies or other associated companies for their day-to-day operations. The concept is systematic investment in product and business development leading to a portfolio of competitive, sustainable companies with good returns on capital employed and long-term value growth for its owners. The parent company has a central resource that pro-actively contributes to value creation in existing companies and actively works with potential acquisitions. We have a broad investment horizon, and our most important consideration is the potential of any business opportunity. Because we add external competence to the boards where necessary, we are not limited to specific industries. At Duroc, we work hard to ensure that our portfolio companies all show good cash flows and stable real values in their balance sheets.

Duroc's portfolio now includes a number of well-performing companies that have improved substantially in recent years through adaptations and significant investment programs. This report clearly shows that in some cases these units generate exceptionally high returns on capital employed. This category, which includes Cresco, Duroc Rail, DMT Group, Drake Extrusion and DLC, accounts for more than 40% of total sales in our portfolio companies.

IFG and the Cotting Group have entered a phase in which earnings will be raised by means of sound, pragmatic change programs. Under this established strategy, IFG now reports a clear shift in the product mix toward more profitable technical products, while considering opportunities for consolidating and streamlining production capacity. Following a program of heavy investments in recent years, we fully expect the new, more eco-friendly fiber materials to enjoy a commercial breakthrough during the current financial year. Interest shown by customers in e.g. the food industry has intensified, which may lead to significant opportunities if expectations are met.

Cotting Group has a sound product development plan and recently strengthened its sales organization in France, Italy and Germany. The aim is to broaden the customer base and acquire new market share, especially in fashion products and the automotive industry. Because significant sums were invested during the last financial year into increasing production capacity and new R&D equipment, conditions for profitable growth are good.

Second quarter, October-December 2020

Employment in industry is generally good. Demand has recovered in most, but not all segments. In the shadow of Covid-19 and its effects on the world at large, shortages of raw materials, staffing disruptions, increased transportation costs and fewer opportunities for our subsidiaries to visit customers have limited our ability to grow and have had a negative short-term effect on the Group's earnings in general. Duroc's sales totaled MSEK 735 (853) and operating profit MSEK 13 (20).

While the DMT Group noted a decrease in invoicing, it had a record high order book at the end of the quarter. Cresco and Rail also forged ahead during the quarter and have full order books.

Net sales at Drake Extrusion declined somewhat, but sales of the more profitable yarn products increased dramatically. Michael Becker Inc, which processes yarns, was acquired in February. The company is located in Burlington, North Carolina and has annual sales of MUS\$ 4. The acquisition means that Drake, which continues to invest significant amounts in capacity increases, is able to expand and supplement its product range and thus take on a greater share of the market, which is enjoying rapid growth.

First six months July-December 2020

In all, net sales fell to MSEK 1,439 (1,719). Adjusted operating profit decreased to MSEK 36 (50). Cash flow for the period was strong, and net debt, excluding leasing under IFRS 16, decreased to MSEK 97 (249). The increase in demand noted at the end of the first quarter weakened somewhat when we entered the second quarter. We saw varied increase in demand around the Group depending on the industry and geographical location.

Future prospects

The next six-month period remains uncertain and difficult to assess. Duroc will continue to make aggressive, long-term investments as well as structural measures that promote profitability in the companies. When we're not stepping on the gas, we'll be hitting the brakes depending on the prevailing circumstances and possibilities.

Asset acquisition such as Becker, above, are examples of how we constantly invest in additions to our existing companies through bolt-ons. In adding to existing structures, we create synergies through the better use of resources. We continue investing in our companies even in harsh times.

During the third quarter, we will be adding external expertise to the boards of most of our subsidiaries. The aim is to add specific know-how to accelerate change and introduce initiatives that advance the companies in their development, and thus their value-creation.

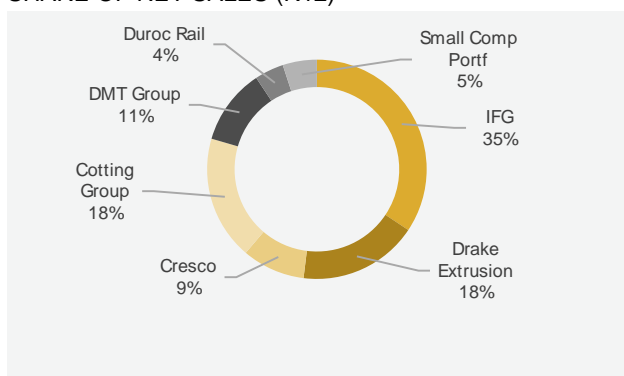
Duroc has come through this difficult period well and is in good financial shape. During the spring of 2021, we will intensify our acquisition ambitions in both existing and new business areas. An unutilized credit facility, low property mortgages and an otherwise strong financial position have resulted in a good ability to finance potential new additions to the investment portfolio.

John Häger
CEO

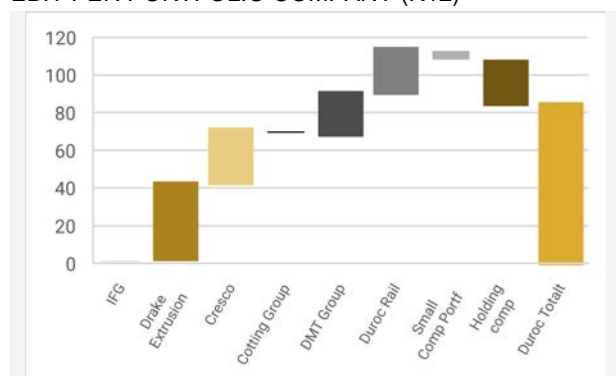
DEVELOPMENT DUROC PORTFOLIO COMPANIES

Duroc portfolio companies consist of International Fibres Group (IFG), Drake Extrusion, Cresco, Cotting Group, Duroc Machine Tool Group (DMT Group), Duroc Rail and the Smaller Company Portfolio, comprises Universal Power Nordic (UPN), Herber and Duroc Laser Coating (DLC). Set forth below are each portfolio company's share of net sales and EBIT for the past 12-month period, January 2020-December 2020. Read more about developments in each company on pages 4-7 and in Duroc's segment report on page 16.

SHARE OF NET SALES (R12)



EBIT PER PORTFOLIO COMPANY (R12)



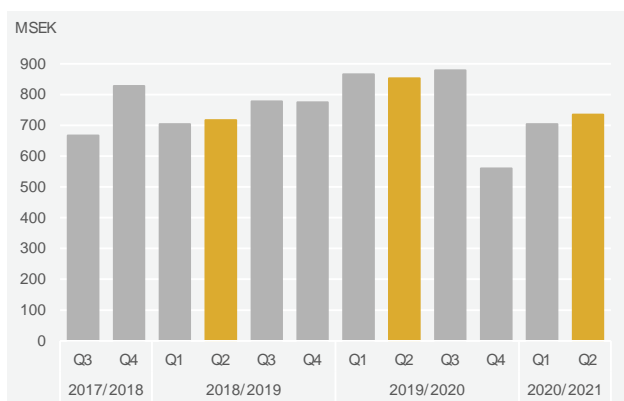
Second quarter, October-December 2020

Net sales decreased by 14 percent to MSEK 735.3 (853.0). Organic growth stood at -9 percent. Some of the group's companies were also impacted by the effects of Covid 19 in the second quarter of the financial year. Adjusted EBITDA totaled MSEK 37.9 (47.0). Increased EBITDA margins at IFG, Cresco, DMT Group and Duroc Rail were reduced by the contractions in the other companies, and the adjusted EBITDA margin for the group declined somewhat to 5.2 percent (5.5). Operating profit (EBIT) totaled MSEK 13.0 (15.8). Adjusted EBIT totaled MSEK 13.0 (20.6) as a result of reduced sales.

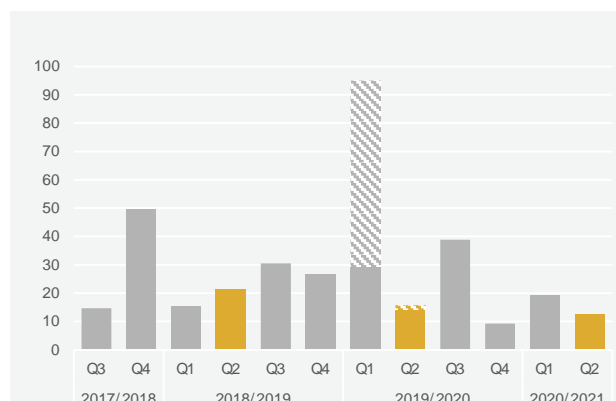
First six months, July-December 2020

Net sales totaled MSEK 1,439.0 (1,719.2), a reduction of 16 percent. Organic growth stood at -13 percent. In addition to Covid 19, lower raw materials prices in IFG also contributed to the lower sales (read more about how raw materials prices affect IFG's sales on page 4). Adjusted EBITDA totaled MSEK 85.8 (100.9), but with a maintained adjusted EBITDA margin of 6.0 percent (5.9). Pronounced improvements in EBITDA at IFG, Drake, Cresco and Duroc Rail in line with the company's development plans. Operating profit (EBIT) totaled MSEK 33.0 (43.6 excluding MSEK 66.9 regarding resolution of negative goodwill from the acquisition of Cotting Group). Adjusted EBIT totaled MSEK 35.5 (49.9).

GROUP NET SALES DEVELOPMENTS



GROUP OPERATING PROFIT/LOSS DEVELOPMENTS (EBIT)

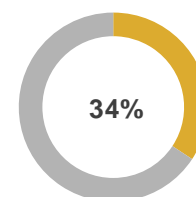


Operating profit for Q1 and Q2 2019/2020 includes MSEK 65.7 and MSEK 1.2 respectively for negative goodwill from business acquisitions



International Fibres Group (IFG) is one of Europe's leading manufacturers of polypropylene-based staple fibers, an input product with reinforcing, insulating, separating or draining properties. The fiber is used in the production of e.g. flooring, rugs, furniture, filters, foodstuff packaging, car interiors and nonwoven fabrics, which means a diversified customer portfolio. IFG has production facilities in Belgium, the United Kingdom and Austria.

Share of group sales (R12)



- Volumes increased by 12 percent despite the effects of Covid 19 on production and the market continuing into the second quarter.
- Organic growth stood at 1 percent. The reason growth was not greater is related to raw materials prices*, which fell by more than 10 percent in relation to the previous year.
- Increased volumes together with a shift in the product mix toward technical contributed to a considerable improvement in EBITDA. The technical area includes a more advanced and specialized fiber with higher margins.
- Capital employed is affected by lower raw materials prices as both accounts receivable and inventory values are reduced. The company also worked on reducing its capital tied up, which has yielded results.

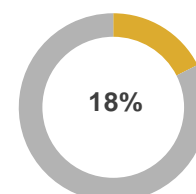
* During the past year, raw material prices at IFG have fallen. Price mechanisms and customer agreements means sales fall in line with the lower prices. Because raw material prices affect both the sales price and raw material costs, gross profit remains unchanged, but with a certain lag.

	2020/ 2021 Q2	2019/ 2020 Q2	2020/ 2021 Q1-Q2	2019/ 2020 Q1-Q2	2020/ 2021 R12 DEC
Amounts in MSEK					
Net Sales	239.8	250.7	495.1	573.9	988.7
Growth, Net Sales %	-4.4	-6.8	-13.7	-1.8	-21.7
Organic growth %	0.9	-10.9	-10.2	-4.9	-20.9
EBITDA	9.7	3.2	22.2	11.5	37.0
EBITDA margin %	4.0	1.3	4.5	2.0	3.7
Adjusted EBITDA	9.7	3.3	24.7	11.8	42.0
Adjusted EBITDA-margin, %	4.0	1.3	5.0	2.1	4.3
EBIT	2.3	-4.8	7.3	-4.5	2.2
EBIT margin %	1.0	-1.9	1.5	-0.8	0.2
Net Debt/Net Cash (-)	23.4	72.2	23.4	72.2	23.4
of which from leasing IFRS 16	68.4	78.6	68.4	78.6	68.4
Capital employed	345.0	451.0	345.0	451.0	345.0
ROCE %	0.6	-1.3	0.6	-1.3	0.6
Adjusted ROCE %	3.2	-1.2	3.2	-1.2	3.2



Drake Extrusion is North America's leading producer of polypropylene-based colored filament yarn and staple fiber. Filament yarn is used mostly by customers who produce fabrics for the furniture industry. Staple fiber is used for production in a variety of areas including flooring, rugs, furniture, technical filters, car interiors and nonwoven fabrics. The business is located in Virginia, USA.

Share of group sales (R12)



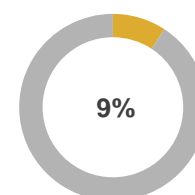
- Volumes were on a par with the previous year. Filament yarn increased by 33 percent while staple fiber declined. Fall in sales due to changed product mix. The proportion of filament yarn with a lower degree of processing has increased.
- The increased volumes in the profitable yarn business are in line with the company's development plan. However, temporarily high raw materials prices resulted in a reduced EBITDA in the second quarter.
- Weakened USD has compared to last year negatively affected EBIT with MSEK 0.8 in the second quarter and MSEK 1.7 in the first six months.
- The pandemic has entailed delay in planned increased production capacity. Customer demand remain strong, volumes are expected to increase as the machines enter operation.
- In February 2021, Becker Inc. was acquired for MUSD 1.1. Becker has annual sales of 4 MUSD and the acquisition means that Drake can expand and supplement its product range and thus take on a greater share of the market for yarns, which is enjoying rapid growth.

	2020/ 2021 Q2	2019/ 2020 Q2	2020/ 2021 Q1-Q2	2019/ 2020 Q1-Q2	2020/ 2021 R12 DEC
Amounts in MSEK					
Net Sales	138.6	160.0	282.6	319.8	506.5
Growth, Net Sales %	-13.4	-13.0	-11.6	-10.0	-21.2
Organic growth %	-3.4	-18.3	-3.0	-15.8	-18.7
EBITDA	12.4	15.7	30.6	28.6	65.5
EBITDA margin %	8.9	9.8	10.8	8.9	12.9
EBIT	6.0	9.4	17.7	16.0	40.1
EBIT margin %	4.3	5.9	6.3	5.0	7.9
Net Debt/Net Cash (-)	-7.4	11.9	-7.4	11.9	-7.4
of which from leasing IFRS 16	11.9	2.0	11.9	2.0	11.9
Capital employed	228.1	245.0	228.1	245.0	228.1
ROCE %	16.7	13.7	16.7	13.7	16.7



Cresco develops, produces and sells textile-based solutions for the professional cultivation of crops and is one of the leading players on the global market. The products contribute to favorable environments in greenhouses, mushroom farms and composting installations. The most important product is a climate screen for greenhouses that controls the cultivation climate, contributing to a more efficient process with lower energy consumption. Cresco's production facility is in Belgium.

Share of group sales
(R12)



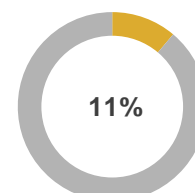
- The order intake at Cresco continued to be good during the quarter. Order levels at the end of the period remained high and totaled MEUR 8.3, an increase of 45 percent in relation to the previous year.
- EBITDA and the EBITDA margin have increased compared to previous year. However the second quarter has been at a lower level compared to the first quarter of the year.
- Covid 19 has only had a marginal impact on Cresco's business.
- A number of activities aimed at expansion are underway at Cresco, which continues to bolster its sales strength and increase its geographical footprint through representation in several markets. A subsidiary was established in the USA during the first quarter.
- Efforts to find potential supplementary acquisitions were also intensified.

	2020/ 2021 Q2	2019/ 2020 Q2	2020/ 2021 Q1-Q2	2019/ 2020 Q1-Q2	2020/ 2021 R12 DEC
Amounts in MSEK					
Net Sales	68.1	58.7	136.0	127.5	267.0
Growth, Net Sales %	16.0	-24.7	6.7	-13.4	-4.9
Organic growth %	20.3	-27.2	10.2	-15.9	-4.0
EBITDA	4.7	3.6	15.1	10.6	33.6
EBITDA margin %	6.8	6.1	11.1	8.3	12.6
EBIT	3.5	2.4	12.7	8.4	28.8
EBIT margin %	5.1	4.0	9.3	6.6	10.8
Net Debt/Net Cash (-)	39.5	71.1	39.5	71.1	39.5
of which from leasing IFRS 16	4.6	6.7	4.6	6.7	4.6
Capital employed	170.4	180.8	170.4	180.8	170.4
ROCE %	16.2	21.8	16.2	21.8	16.2

DUROC MACHINE TOOL

Duroc Machine Tool Group (DMT Group) is one of the biggest suppliers of machine tools, tools, machine service and support to mechanical engineering companies in the Nordics and Baltics. Its customers can be found in e.g. forestry, the automotive industry, construction machinery and power generation. Its most important products are processing machines from Doosan, one of the market's world leading brands. The DMT group represents more than 60 internationally renowned brands and is alone in its activity in seven markets: Sweden, Norway, Denmark, Finland, Estonia, Latvia and Lithuania.

Share of group sales
(R12)



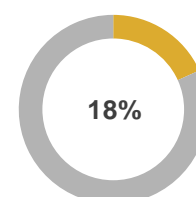
- Strong order intake during the quarter, MSEK 103.9. At the end of the period, the order book stood at MSEK 119.5, an increase of 44 percent relative to the same period during the previous year.
- The industrial sector has demonstrated a rapid recovery from the dismal situation prevailing in the spring and early summer of 2020, and market prospects for the immediate future are good.
- Lower net sales during the quarter were attributable to a lower order intake during the fourth quarter of 2019/2020 as a result of Covid 19.
- EBITDA fell as a result of the lower sales.
- Lower variable costs resulting from good cost control and the effect from less travel and canceled physical marketing activities led to an improved EBITDA margin.

	2020/ 2021 Q2	2019/ 2020 Q2	2020/ 2021 Q1-Q2	2019/ 2020 Q1-Q2	2020/ 2021 R12 DEC
Amounts in MSEK					
Net Sales	75.9	104.7	148.0	207.8	321.7
Growth, Net Sales %	-27.5	-3.7	-28.8	-3.8	-27.9
Organic growth %	-25.3	-5.6	-26.7	-5.5	-27.2
EBITDA	5.2	6.8	10.6	19.3	27.3
EBITDA margin %	6.9	6.5	7.2	9.3	8.5
EBIT	4.0	5.6	8.3	16.7	22.3
EBIT margin %	5.3	5.4	5.6	8.0	6.9
Net Debt/Net Cash (-)	-16.8	18.3	-16.8	18.3	-16.8
of which from leasing IFRS 16	5.2	5.3	5.2	5.3	5.2
Capital employed	31.4	49.4	31.4	49.4	31.4
ROCE %	62.0	67.3	62.0	67.3	62.0



Cotting Group has been established in the international coated textiles market for more than 60 years. Its products consist of PVC and PU coated fabrics that are used in a variety of areas, including the fashion industry, protective clothing, hospital beds, car interiors, dental chairs, furniture and wall coverings. Cotting has production facilities in France and Belgium.

Share of group sales (R12)



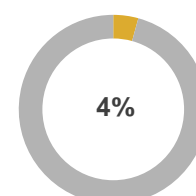
- Reduced net sales during the quarter. Demand in a number of customer segments such as furniture and fashion continue to be impacted by the effects of Covid 19. Demand in the automotive sector has largely recovered during the quarter, and production has been ramped up to three shifts again in the French operation.
- There were no disruptions due to Covid 19 in the Belgian operation, where volumes continue to be high and profitability strengthened during the quarter.
- Increased costs for temporary personnel during the switch from 2 to 3 shifts were charged to the income statement.
- The lower sales volumes and temporarily higher costs led to a significant decline in adjusted EBITDA.
- During the quarter, Cotting Group carried out a number of organizational changes and added personnel in order to increase sales, e.g. through a presence in more geographical markets.

	2020/ 2021 Q2	2019/ 2020 Q2	2020/ 2021 Q1-Q2	2019/ 2020 Q1-Q2	2020/ 2021 R12 DEC
Amounts in MSEK					
Net Sales	154.4	186.6	272.4	327.4	526.3
Growth, Net Sales %	-17.3	-	-16.8	-	-
Organic growth %	-14.3	-	-14.1	-	-
EBITDA	7.7	12.2	6.2	85.9	14.2
EBITDA margin %	5.0	6.5	2.3	26.2	2.7
Adjusted EBITDA	7.7	16.9	6.2	24.9	15.6
Adjusted EBITDA-margin, %	5.0	9.0	2.3	7.6	3.0
EBIT	3.4	7.7	-2.3	78.3	-3.0
EBIT margin %	2.2	4.1	-0.9	23.9	-0.6
Net Debt/Net Cash (-)	25.0	0.8	25.0	0.8	25.0
of which from leasing IFRS 16	6.1	4.7	6.1	4.7	6.1
Capital employed	298.6	290.2	298.6	290.2	298.6
ROCE %	-1.0	27.6	-1.0	27.6	-1.0
Adjusted ROCE %	-0.5	6.1	-0.5	6.1	-0.5

DUROC RAIL

Duroc Rail delivers complete, efficient, high-quality maintenance for railroad wheels for locomotives, railroad passenger cars and freight cars. From Luleå, Duroc Rail mostly meets northern Sweden's railroad wheel maintenance needs.

Share of group sales (R12)



- Duroc Rail, which entered its busy season during the quarter, had strong net sales on a par with the previous year, driven by high volumes.
- EBITDA improved as the comparative quarter included a non-recurring reserve cost that was restored during the subsequent quarter. The underlying EBITDA was on a par with the previous year.
- A new contract for the maintenance of railroad passenger cars was concluded during the quarter. The contract involves annual sales of around MSEK 10 and an expansion of operations, which previously focus solely on freight traffic.

	2020/ 2021 Q2	2019/ 2020 Q2	2020/ 2021 Q1-Q2	2019/ 2020 Q1-Q2	2020/ 2021 R12 DEC
Amounts in MSEK					
Net Sales	27.3	27.8	49.5	53.4	123.5
Growth, Net Sales %	-2.0	-22.8	-7.3	13.9	3.4
Organic growth %	-2.0	-22.8	-7.3	13.9	3.4
EBITDA	4.7	3.9	8.8	8.2	31.1
EBITDA margin %	17.1	14.0	17.9	15.4	25.2
EBIT	2.7	1.9	5.1	4.5	23.4
EBIT margin %	10.0	6.8	10.3	8.4	19.0
Net Debt/Net Cash (-)	26.0	36.6	26.0	36.6	26.0
of which from leasing IFRS 16	14.2	17.8	14.2	17.8	14.2
Capital employed	43.1	53.4	43.1	53.4	43.1
ROCE %	51.4	27.3	51.4	27.3	51.4

DUROC LASER COATING



UNIVERSAL POWER

- UPN and Herber continued to be severely impacted by a challenging market situation as a result of Covid 19, leading to lower net sales and low EBITDA.
- UPN has suffered delivery delays from suppliers and low demand for motors, especially on the Norwegian market.
- Travel restrictions resulting from Covid 19 have meant a lower physical market presence for Herber, and sales have fallen severely. An increased use of digital solutions and alternative sales channels has provided better future prospects.
- Duroc Laser Coating developed positively during the quarter and improved both net sales and EBITDA. Order intake also improved.
- Government support for temporary redundancy measures during the quarter totaled MSEK 0.6, and for the first six-month period, MSEK 1.5.

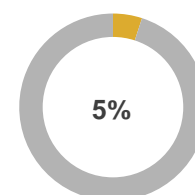
Smaller Company Portfolio

Universal Power Nordic (UPN) supplies diesel engines for industrial and marine applications in Sweden and Norway, along with associated spare parts, service and repairs. The company represents well-known brands such as Perkins, Kubota, Kohler and Nanni.

Herber Engineering manufactures advanced bending machines for cold tube forming and profiles. It has customers worldwide in e.g. the automotive, aviation, furniture and HVAC industries.

Duroc Laser Coating (DLC) is Sweden's leading supplier of laser surface treatment. DLC offers renovation and new manufacture of industrial components.

Share of group sales (R12)



	2020/ 2021 Q2	2019/ 2020 Q2	2020/ 2021 Q1-Q2	2019/ 2020 Q1-Q2	2020/ 2021 R12 DEC
Amounts in MSEK					
Net Sales	31.6	64.7	55.7	109.7	144.9
Growth, Net Sales %	-51.2	54.2	-49.3	53.7	-25.3
Organic growth %	-51.2	-3.6	-49.3	0.7	-19.8
EBITDA	0.2	3.4	0.5	5.5	3.4
EBITDA margin %	0.6	5.3	0.8	5.0	2.3
EBIT	-2.0	0.6	-4.2	-0.1	-6.8
EBIT margin %	-6.2	0.9	-7.5	-0.1	-4.7
Net Debt/Net Cash (-)	32.0	47.6	32.0	47.6	32.0
of which from leasing IFRS 16	20.8	30.8	20.8	30.8	20.8
Capital employed	46.7	62.5	46.7	62.5	46.7
ROCE %	-11.8	-3.7	-11.8	-3.7	-11.8

FINANCIAL INFORMATION

FINANCIAL PERFORMANCE AND POSITION

Net sales for the first six months totaled MSEK 1,439.0 (1,719.2). Operating profit totaled MSEK 33.0 (110.5) and profit after tax was MSEK 17.5 (92.4), where the previous year's figures include a positive effect from negative goodwill in the amount of MSEK 66.9 attributable to the acquisition of Cotting Group. Other comprehensive income totaled MSEK -44.5 (-1.7), primarily influenced by revaluation effects.

At the end of the period, the Group's equity totaled MSEK 921.3 (1,037.6) and the equity/assets ratio was 49.1 percent (48.1). Were cash and cash equivalents and interest-bearing liabilities reported net, the Group's adjusted equity/assets ratio would be 52.5 percent (52.8).

FINANCING

As of December 31, Duroc AB has a bank loan in the amount of MSEK 102, which will be fully repaid as of March, 2024 under the amortization plan. There are also local property loans in Austria and Belgium and central open credit linked to a Group-wide cash pool. As of December 31, the Group had unutilized credit facilities totaling MSEK 275.

Duroc's financing agreement includes two financial covenants, namely net debt in relation to EBITDA and equity ratio. Group Management and the Board regularly monitor forecasts relating to the limit values in the covenants. This ensures Duroc meets its obligations to creditors while minimizing liquidity and financing risks. As of December 31, 2020, the loan terms in the covenants were met by a good margin.

The shares in the Group's holding companies, International Fibres Group AB, Duroc Machine Tool Holding AB and Duroc Produktion AB are pledged as security for utilized credit under the loan agreement.

INVESTMENTS

During the financial year, the Group made investments in tangible and intangible assets totaling MSEK 40.0 (46.5).

CASH FLOW

During the six-month period, consolidated cash flow from operating activities totaled MSEK 59.8 (118.1). Negative change in working capital from increased receivables. Cash flow from investing activities totaled MSEK -39.4 (-214.6), where the previous year's figures include the acquisition of Cotting Group in the amount of MSEK -168.3.

Cash flow from financing activities totaled MSEK -34.6 (-62.9)

Cash and cash equivalents

The Group's cash and cash equivalents at the end of the reporting period totaled MSEK 120.1 (192.9). Interest-bearing liabilities totaled MSEK 350.1 (580.9) including leasing liabilities from IFRS 16 in the amount of MSEK 132.7 (138.5) and the Group's net debt totaled MSEK 230.0 (388.0). Duroc's mortgaging was reduced as a result of the introduction of the Group-wide cash pool during the last quarter of the previous financial year.

PARENT COMPANY

Duroc AB's primary functions are acquisitions, monitoring the development of Group companies, business development and financial reporting. Sales consist of internally invoiced services and totaled MSEK 2.6 (2.7) for the financial year. The loss after tax totaled MSEK -8.1 (24.5), where the previous year's figures include dividends from subsidiaries in the amount of MSEK 30.9. In addition to shares in subsidiaries the Parent Company's assets consist primarily of receivables from Group companies and bank deposits. Duroc AB's equity/assets ratio at the end of the period was 78.3 percent (84.3). The equity/assets ratio was affected by the centralized loan structure implemented during the second half of the 2019/2020 financial year, whereby external financing mainly takes place in the parent company.

PERSONNEL

The average number of employees in the Group during the six-month period totaled 1,112 (1,196). The average number of employees in the Parent Company was 6 (5) for the same period.

SIGNIFICANT RISKS AND UNCERTAINTY FACTORS FOR THE PARENT COMPANY AND GROUP

Duroc AB and the companies in the Duroc Group are through their operations subject to both financial and operative risks, which the companies themselves can affect to a greater or lesser degree. There are ongoing processes in the companies to identify existing risks and determine how they must be managed. A detailed description of risks and risk management in the parent company and subsidiaries was presented in Duroc's annual report for the financial year July 1, 2019 to June 30, 2020.

The Covid-19 pandemic has affected production and sales in the Duroc Group companies since mid March 2020 and entailed negative effects on earnings since the last quarter of 2019/2020. The situation improved significantly during the second half of the fourth quarter with recovering sales volumes and a resumption of production. The situation improved further during the first half of the financial year, and a number of countries have begun vaccinating. However, there continues to be a risk that a more challenging business environment will continue to affect business negatively during the current financial year. A degree of uncertainty remains about the long-term financial consequences, and the overview of the future impact on Duroc is limited, even though the situation is stable for the time being.

Duroc is well-equipped to meet any further challenges from Covid 19. The Group does not operate in segments that may suffer harm of a more structural, long-term nature such as in the aviation industry, tourism- and event sector.

OTHER INFORMATION

Brexit

The United Kingdom left the EU on January 31, 2020, and as of January 1, 2021 the UK is no longer subject to the EU's regulatory framework, which among other things, means that freedom of movement has ceased to apply. Relations between the EU and the UK are now governed by a new agreement – the EU-UK Trade and Co-operation Agreement – which was signed on December 30, 2020. As its title suggests, it constitutes an extensive free-trade agreement. Consequently, Brexit does not involve any extra costs for Duroc's companies in the form of tariffs or other duties related to the import or export of goods. Those of Duroc's subsidiaries affected by Brexit long ago made adequate preparations; however, an increased administrative burden from more extensive documentation requirements may entail delivery delays.

Around 20 percent of IFG's sales are exports from the UK to the EU or other parts of the world. Other companies have no operations in the UK and the quantity of goods purchased there is limited. Any delivery delays arising from Brexit are not expected to have any significant impact on Duroc's financial performance.

IFG, Drake and Cresco have a British parent company. Based on the information Duroc has, Brexit will not entail extra costs in the form of tax on financial transactions taking place between group companies, such as e.g. dividends.

THIS REPORT HAS NOT BEEN REVIEWED BY THE AUDITORS.

Stockholm, February 5, 2021

John Häger
CEO

Duroc AB is obliged to publish this information under the Market Abuse Regulation EU/596/2014. The information was made available for publication at 08:30 February 5, 2021.

CONSOLIDATED INCOME STATEMENT

Amounts in MSEK	2020/2021 Q2	2019/2020 Q2	2020/2021 Q1-Q2	2019/2020 Q1-Q2	2019/2020 JUL-JUN
Net sales	735.3	853.0	1,439.0	1,719.2	3,158.2
Other operating income	8.1	4.2	12.8	74.4	119.3
Change in inventories	-0.7	7.1	-18.7	-2.0	28.6
Raw materials and consumables	-351.1	-406.5	-674.1	-851.6	-1,546.1
Goods for resale	-61.4	-96.8	-118.6	-181.6	-331.2
Other external costs	-121.5	-125.2	-233.2	-244.9	-465.7
Personnel costs	-170.0	-192.9	-321.5	-350.4	-689.5
Depreciation, amortisation and impairment of tangible and intangible assets	-24.9	-26.4	-50.2	-51.0	-107.3
Other operating costs	-0.8	-0.7	-2.3	-1.6	-4.5
Operating profit/loss	13.0	15.8	33.0	110.5	161.8
Net financial items	-2.7	-3.1	-5.6	-7.3	-16.2
Profit before tax	10.3	12.7	27.4	103.2	145.6
Current tax	-6.2	-3.6	-13.7	-12.6	-14.1
Deferred tax	2.1	-0.2	3.7	1.8	-15.0
PROFIT FOR THE PERIOD	6.3	8.9	17.5	92.4	116.5
Profit for the period attributable to:					
The Parent Company's equity holders	6.3	8.9	17.5	92.4	116.5
Earnings per share					
Before and after dilution (sek)	0.16	0.23	0.45	2.37	2.99
Average number of shares before and after dilution	39,000,000	39,000,000	39,000,000	39,000,000	39,000,000

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in MSEK	2020/2021 Q2	2019/2020 Q2	2020/2021 Q1-Q2	2019/2020 Q1-Q2	2019/2020 JUL-JUN
PROFIT FOR THE PERIOD	6.3	8.9	17.5	92.4	116.5
Total other comprehensive income					
Items that may be reclassified to the income statement					
Translation differences	-50.6	-28.9	-57.6	-2.3	-0.6
Hedge accounting (net)	-0.4	-1.2	-1.2	-1.2	0.2
Items that will not be reclassified to the income statement					
Revaluation of strategic holdings	-9.5	9.4	6.5	-1.0	-14.3
Actuarial gains and losses(net)	4.6	36.2	7.7	2.9	-100.4
Total other comprehensive income	-55.9	15.5	-44.5	-1.7	-115.0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-49.6	24.4	-27.1	90.7	1.5
Total comprehensive income for the period attributable to:					
The Parent company's equity holders	-49.6	24.4	-27.1	90.7	1.5
non-controlling interests	-	-	-	-	-

CONSOLIDATED BALANCE SHEET

Amounts in MSEK	2020-12-31	2019-12-31	2020-06-30
ASSETS			
Non-current assets			
Intangible assets	93.3	95.5	94.6
Property plant and equipment	689.5	731.6	738.6
Financial assets	24.4	32.4	18.3
Deferred tax assets	69.7	77.8	73.0
Total non-current assets	876.8	937.2	924.6
Current assets			
Inventories	459.5	523.9	479.3
Trade receivables	353.1	435.1	355.3
Current tax receivables	12.5	15.7	14.7
Other receivables	35.8	31.6	24.7
Prepaid expenses and accrued income	18.3	22.8	20.7
Cash and cash equivalents	120.1	192.9	142.3
Total current assets	999.3	1,222.0	1,037.0
TOTAL ASSETS	1,876.1	2,159.2	1,961.6
EQUITY AND LIABILITIES			
Equity			
Share capital	39.0	39.0	39.0
Other capital provided	260.5	260.5	260.5
Reserves	59.9	115.6	118.8
Retained earnings including profit for the year	561.9	622.6	530.2
Equity attributable to shareholders of the parent company	921.3	1,037.6	948.4
Total equity	921.3	1,037.6	948.4
Long-term liabilities			
Provision for pensions	159.7	72.6	171.6
Other provisions	11.8	36.6	14.5
Non-current interest-bearing liabilities	132.9	72.1	163.0
Non-Current liabilities - right of use assets	107.0	110.3	112.7
Other non-current liabilities	3.5	0.0	3.6
Deferred tax liabilities	37.7	39.1	45.5
Total non-current liabilities	452.7	330.7	511.0
Current liabilities			
Current interest-bearing liabilities	84.5	370.3	97.2
Current interest bearing liabilities - right of use assets	25.6	28.2	26.5
Advance payments from customers	37.1	27.7	16.4
Trade payables	189.3	207.5	179.4
Current tax liabilities	19.7	13.5	14.2
Other liabilities	52.1	48.7	57.4
Accrued expenses and prepaid income	94.0	95.1	111.0
Total current liabilities	502.2	791.0	502.2
Total liabilities	954.8	1,121.6	1,013.2
TOTAL EQUITY AND LIABILITIES	1,876.1	2,159.2	1,961.6

SUMMARY OF CHANGES IN CONSOLIDATED EQUITY

Amounts in MSEK	2020/2021 Q1-Q2	2019/2020 Q1-Q2	2019/2020 JUL-JUN
Opening balance	948.4	950.0	950.0
Adjustment opening balance due to IFRS 16	-	-3.1	-3.1
Profit for the period	17.5	92.4	116.5
Translation differences	-57.6	-2.3	-0.6
Revaluation of strategic holdings	6.5	-1.0	-14.3
Actuarial gains and losses (net)	7.7	2.9	-100.4
Hedge accounting (net)	-1.2	-1.2	0.2
Closing balance	921.3	1,037.6	948.4

CONSOLIDATED CASH FLOW STATEMENT

Amounts in MSEK	2020/2021 Q2	2019/2020 Q2	2020/2021 Q1-Q2	2019/2020 Q1-Q2	2019/2020 JUL-JUN
OPERATING ACTIVITIES					
Profit before taxes	10.3	12.7	27.4	103.2	145.6
Adjustment for items not included in cash flow	26.0	28.3	55.3	-16.6	13.0
Income tax paid	-6.4	-5.3	-5.7	-10.0	-9.9
Cash flow from operating activities before changes in working capital	29.9	35.7	77.0	76.6	148.7
CASHFLOW FROM CHANGES IN WORKING CAPITAL					
Changes in inventories	-11.8	-32.5	0.1	-14.0	30.1
Changes in current receivables	8.2	56.0	-28.1	125.4	213.3
Changes in current liabilities	-20.9	-54.6	10.8	-69.9	-69.8
Cash flow from operating activities	5.4	4.6	59.8	118.1	322.3
INVESTMENT ACTIVITIES					
Purchase and sales of intangible assets	-0.5	-2.1	-0.6	-2.6	-3.7
Purchase and sales of tangible assets	-24.0	-22.8	-39.2	-43.8	-89.3
Cash flow from acquisitions	-	1.8	-	-168.3	-168.3
Cash flow from financial assets	0.3	0.1	0.3	0.1	0.3
Cash flow from investment activities	-24.2	-22.9	-39.4	-214.6	-260.9
FINANCING ACTIVITIES					
New loans	-	9.5	-	10.6	142.8
Amortization of loans	-17.0	-15.9	-33.7	-58.5	-283.4
Changes in short term operating financing	0.0	-14.4	-0.9	-15.0	-121.6
Cash flow from financing activities	-17.0	-20.8	-34.6	-62.9	-262.2
Cash flow for the period	-35.8	-39.0	-14.2	-159.4	-200.9
Cash and cash equivalents at beginning of period	161.7	235.5	142.3	352.5	352.5
Transaction difference in cash and cash equivalents	-5.9	-3.6	-8.0	-0.2	-9.4
Cash and cash equivalents at end of period	120.1	192.9	120.1	192.9	142.3

PARENT COMPANY INCOME STATEMENT

Amounts in MSEK	2020/2021 Q2	2019/2020 Q2	2020/2021 Q1-Q2	2019/2020 Q1-Q2	2019/2020 JUL-JUN
Net sales	1.3	1.3	2.6	2.7	5.6
Other external costs	-2.7	-1.6	-5.1	-2.7	-7.1
Personnel costs	-3.2	-3.5	-6.1	-6.1	-12.3
Depreciation and amortisation	-0.1	-0.1	-0.2	-0.2	-0.5
Operating result	-4.7	-3.9	-8.8	-6.4	-14.3
Result from shares in group companies	-	30.9	-	30.9	58.7
Financial income	0.9	1.4	1.6	1.9	1.9
Financial expense	-1.8	-2.2	-3.0	-3.9	-6.2
Net finance items	-0.9	30.1	-1.4	28.9	54.5
Group contributions received/rendered	-	-	-	-	22.1
Profit before tax	-5.6	26.2	-10.2	22.6	62.2
Current tax	1.1	1.0	2.1	1.9	-7.0
PROFIT AFTER TAX	-4.5	27.2	-8.1	24.5	55.3

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Amounts in MSEK	2020/2021 Q2	2019/2020 Q2	2020/2021 Q1-Q2	2019/2020 Q1-Q2	2019/2020 JUL-JUN
PROFIT FOR THE PERIOD	-4.5	27.2	-8.1	24.5	55.3
Other comprehensive result					
Revaluation of strategical holdings	-0.0	-	-0.0	-	-0.3
Total Other comprehensive income	-0.0	-	-0.0	-	-0.3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-4.5	27.2	-8.1	24.5	55.0

PARENT COMPANY BALANCE SHEET

Amounts in MSEK	2020-12-31	2019-12-31	2020-06-30
ASSETS			
Non current assets			
Other intangible assets	0.7	1.1	0.9
Tangible fixed assets	0.0	0.0	0.0
Shares in group companies	1,117.5	1,067.5	1,104.7
Other equity	0.1	0.6	0.1
Receivables group companies	14.0	48.6	26.6
Deferred tax asset	17.3	24.1	15.2
Total non-current assets	1,149.6	1,141.9	1,147.4
Current assets			
Receivables group companies	77.6	14.4	99.8
Other receivables	1.2	2.3	0.9
Prepaid expenses and accrued income	1.2	0.2	1.7
Cash and cash equivalents	55.7	9.3	10.7
Total current assets	135.6	26.3	113.2
TOTAL ASSETS	1,285.2	1,168.2	1,260.6
EQUITY AND LIABILITIES			
Equity			
Restricted equity	40.1	40.1	40.1
Unrestricted equity	966.7	944.4	974.9
Total equity	1,006.8	984.5	1,015.0
Long term liabilities			
Liabilities to credit institution	81.7	-	94.3
Derivatives	0.5	-	-
Total long term liabilities	82.3	-	94.3
Current liabilities			
Liabilities to credit institutions	25.2	180.0	25.2
Trade payables	1.3	0.6	1.2
Payables group companies	166.1	0.3	120.0
Other liabilities	0.4	0.1	0.3
Accrued expenses and prepaid income	3.2	2.7	4.7
Total current liabilities	196.2	183.7	151.3
Total liabilities	278.5	183.7	245.7
TOTAL EQUITY AND LIABILITIES	1,285.2	1,168.2	1,260.6

NOTES

NOTE 1. ACCOUNTING PRINCIPLES

Duroc's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and related interpretations (IFRIC) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions of the Swedish Annual Accounts Act. For the Parent Company, RFR 2 Accounting for Legal Entities is also applied.

The Group's accounting policies are described in Note 2 in the 2019/2020 Annual Report. Except for the application of hedge accounting under IFRS 9 as described below, the accounting and valuation principles remain unchanged in relation to the annual report for the financial year July 1, 2019 – June 30, 2020.

Hedge accounting

As of July 1, 2020 the Group applies hedge accounting under IFRS 9 in respect of hedging for net investments in foreign operations. A smaller part of net investments in EUR are hedged via loans in that currency. Exchange rate differences in currency loans for the period after deductions for tax effects are reported, to the extent the hedges are effective, as translation differences in other comprehensive income. In this way, translation differences arising from foreign operations are partially neutralized. In addition, there are cash flow hedges reported as hedge accounting -net in other comprehensive income.

Accounting in legal entities

In accordance with RFR 2, Duroc has chosen not to apply IFRS 16 in the Parent Company. Duroc AB recognizes non-terminable leases as cost distributed linearly over the useful life of the asset.

Alternative key financial indicators

To facilitate comparison between the different periods and make it easier to monitor developments in the Duroc Group and its various companies, this report presents certain financial information known as alternative key financial indicators that are not defined in IFRS.

These should be regarded as complements to the financial information. The alternative key financial indicators used are defined where presented, or alternatively, at the end of this report. Reconciliations are presented in Note 5.

Rounding

Unless otherwise specified, amounts are stated in millions of Swedish kronor (MSEK) to one decimal place. Rounding may occur in tables and statements, the effect of which can be totals that are not always the sum of the rounded component amounts.

NOTE 2. HEDGING

The Group hedges some of its net investments in foreign operations. As of December 31, 2020 the Group had exposures in EUR where a smaller part were hedged with help of loans in foreign currency. Hedge accounting has been applied as of July 1, 2020, which means that the effective part of the exchange rate changes is reported in the Group's statement of comprehensive income. For the comparative period, exchange rate changes for these loans are reported as financial income and expenses. At the beginning of the reporting period October 1 – December 31, 2020, the Group had a loan in the amount of MEUR 10.8 which at the end of the period totaled MEUR 10.2 for which hedges were applied. Related exchange rate changes of MSEK 5.2 before tax have thus been reported as translation differences in the statement of comprehensive income. Exchange rate changes for the period July 1 – December 31 total MSEK 4.5 before tax.

NOTE 3. ACQUISITIONS

No additional acquisitions were made during the six-month period.

In February 2021, Becker Inc. was acquired for MUSD 1.1. Becker has annual sales of MUSD 4 and the acquisition means that Drake can expand and supplement its product range and thus take on a greater share of the market for yarns, which is enjoying rapid growth. The acquired net assets amounted to MUSD 0.9.

NOTE 4. SEGMENT REPORTING

The Group's operating segments correspond to Duroc's companies. The segments correspond to the classifications used by the Group's chief operating decision-maker, the Board and the CEO for evaluating financial performance and

position, taking strategic decisions and distributing resources. Further information about these companies is available on pages 4-7 of this report.

Amounts in MSEK	2020/2021 Q2	2019/2020 Q2	2020/2021 Q1-Q2	2019/2020 Q1-Q2	2020/2021 R12 DEC	2019/2020 JUL-JUN
Net sales						
IFG	239.8	250.7	495.1	573.9	988.7	1,067.5
Drake Extrusion	138.6	160.0	282.6	319.8	506.5	543.8
Cresco	68.1	58.7	136.0	127.5	267.0	258.5
Cotting Group	154.4	186.6	272.4	327.4	526.3	581.3
DMT Group	75.9	104.7	148.0	207.8	321.7	381.4
Duroc Rail	27.3	27.8	49.5	53.4	123.5	127.4
Small Company Portfolio	31.6	64.7	55.7	109.7	144.9	198.9
Holding companies/group-wide functions	0.7	0.8	3.1	3.6	5.9	6.5
Eliminations	-0.8	-0.9	-3.4	-3.9	-6.5	-7.0
	735.3	853.0	1,439.0	1,719.2	2,878.0	3,158.2
EBITDA						
IFG	9.7	3.2	22.2	11.5	37.0	26.3
Drake Extrusion	12.4	15.7	30.6	28.6	65.5	63.4
Cresco	4.7	3.6	15.1	10.6	33.6	29.1
Cotting Group	7.7	12.2	6.2	85.9	14.2	93.9
DMT Group	5.2	6.8	10.6	19.3	27.3	35.9
Duroc Rail	4.7	3.9	8.8	8.2	31.1	30.5
Small Company Portfolio	0.2	3.4	0.5	5.5	3.4	8.4
Holding companies/group-wide functions	-6.6	-6.6	-10.8	-8.0	-21.2	-18.5
Total	37.9	42.2	83.3	161.5	190.9	269.1
Operating profit/loss						
IFG	2.3	-4.8	7.3	-4.5	2.2	-9.6
Drake Extrusion	6.0	9.4	17.7	16.0	40.1	38.5
Cresco	3.5	2.4	12.7	8.4	28.8	24.4
Cotting Group	3.4	7.7	-2.3	78.3	-3.0	77.6
DMT Group	4.0	5.6	8.3	16.7	22.3	30.8
Duroc Rail	2.7	1.9	5.1	4.5	23.4	22.8
Small Company Portfolio	-2.0	0.6	-4.2	-0.1	-6.8	-2.7
Holding companies/group-wide functions	-6.9	-7.0	-11.4	-8.7	-22.6	-20.0
Total	13.0	15.8	33.0	110.5	84.4	161.8
Net financial items	-2.7	-3.1	-5.6	-7.3	-14.5	-16.2
Profit before tax	10.3	12.7	27.4	103.2	69.9	145.6

Amounts in MSEK	Net debt			Capital Employed			Equity		
	2020-12-31	2019-12-31	2020-06-30	2020-12-31	2019-12-31	2020-06-30	2020-12-31	2019-12-31	2020-06-30
IFG	23.4	72.2	24.4	345.0	451.0	388.3	298.9	355.5	340.8
Drake Extrusion	-7.4	11.9	-4.0	228.1	245.0	254.5	212.5	210.4	228.9
Cresco	39.5	71.1	51.3	170.4	180.8	175.4	154.3	131.8	151.9
Cotting Group	25.0	0.8	3.5	298.6	290.2	292.5	240.7	261.4	256.2
DMT Group	-16.8	18.3	-7.7	31.4	49.4	34.8	113.9	97.2	108.1
Duroc Rail	26.0	36.6	28.8	43.1	53.4	41.1	27.7	27.5	24.0
Small Company Portfolio	32.0	47.6	32.3	46.7	62.5	51.9	22.5	22.8	26.9
Holding companies	108.3	129.4	128.4	10.7	13.4	11.6	-149.3	-69.0	-188.4
Total	230.0	388.0	257.0	1,174.0	1,345.7	1,250.2	921.3	1,037.6	948.4

NOTE 5. ALTERNATIVE KEY FINANCIAL INDICATORS

This section presents a reconciliation of alternative key financial indicators, i.e. financial information not defined in IFRS.

Alternative key financial indicators are used routinely by Duroc's management to facilitate planning, comparisons between different periods, and to monitor developments in the operation. They are presented in Duroc's financial reports as an aid to

investors and other stakeholders who analyze Duroc's financial information. Their definitions are presented at the end of this report. The alternative key financial indicators should be regarded as a complement to the financial information presented in compliance with IFRS.

Organic growth

Amounts in MSEK	2020/2021 Q2	2019/2020 Q2	2020/2021 Q1-Q2	2019/2020 Q1-Q2
Net sales	735.3	853.0	1439.0	1,719.2
Effect from change in exchange rates	36.8	-2.7	65.4	-55.1
Organic growth	772.1	850.3	1,504.4	1,664.1
Organic growth (percent)	-9.2%		-12.5%	

EBITDA, adjusted EBITDA and adjusted EBIT

Amounts in MSEK	2020/2021 Q2	2019/2020 Q2	2020/2021 Q1-Q2	2019/2020 Q1-Q2	2019/2020 R12 DEC	2019/2020 JUL-JUN
Operating profit/loss	13.0	15.8	33.0	110.5	84.4	161.8
Depreciation, amortisation, write down of tangible and intangible non-current assets	24.9	26.4	50.2	51.0	106.5	107.3
EBITDA	37.9	42.2	83.3	161.5	190.9	269.1
Items affecting comparability						
Negative goodwill	-	-1.2	-	-66.9	-	-66.9
Restructuring costs	-	6.0	2.5	6.3	10.6	14.4
Profit from sale of land	-	-	-	-	-3.9	-3.9
Adjusted EBITDA	37.9	47.0	85.8	100.9	197.6	212.7
Depreciation, amortisation, write down of tangible and intangible non-current assets	-24.9	-26.4	-50.2	-51.0	-106.5	-107.3
Write down of tangible assets due to restructuring	-	-	-	-	5.4	5.4
Adjusted EBIT	13.0	20.6	35.5	49.9	96.5	110.9

Net debt

Amounts in MSEK	2020-12-31	2019-12-31	2020-06-30
Long-term interest bearing liabilities	132.9	72.1	163.0
Long-term interest bearing liabilities - right of use assets	107.0	110.3	112.7
Short-term interest bearing liabilities	84.5	370.3	97.2
Short-term interest bearing liabilities - right of use assets	25.6	28.2	26.5
Derivatives	-	-	-0.2
Cash and cash equivalents	-120.1	-192.9	-142.3
Net debt	230.0	388.0	257.0

Capital employed

Amounts in MSEK	2020-12-31	2019-12-31	2020-06-30
Equity	921.3	1,037.6	948.4
Net debt	230.0	388.0	257.0
Intangible assets from acquisitions	-85.1	-85.7	-85.4
Pension liability	159.7	72.6	171.6
Strategic holdings	-19.9	-28.1	-14.0
Deferred tax	-31.9	-38.7	-27.5
Capital employed	1,174.0	1,345.7	1,250.2

NOTE 6. FAIR VALUE OF FINANCIAL INSTRUMENTS

There were no transfers between levels or valuation categories during the period. The fair value of the Group's other financial assets and liabilities is estimated to correspond to their book values.

NOTE 7. TRANSACTIONS WITH RELATED PARTIES

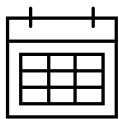
During the first six-month period, Duroc bought and sold services totaling MSEK 1.5 and MSEK 0.1 respectively from, and to, companies in which Peter Gyllenhammar AB is the majority stock owner.

NOTE 8. EVENTS AFTER THE END OF THE REPORTING PERIOD

In February 2021, Becker Inc. was acquired for MUSD 1.1. Becker has annual sales of MUSD 4 and the acquisition means that Drake can expand and supplement its product range and thus take on a greater share of the market for yarns, which is enjoying rapid growth. The acquired net assets amounted to MUSD 0.9.

DEFINITION OF KEY FINANCIAL INDICATORS

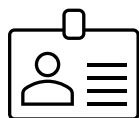
Organic growth	Net sales growth adjusted for acquisitions and currency translation effects
Equity	Total share capital, reserves and retained earnings including annual profit/loss
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
Adjusted EBITDA	EBITDA adjusted for items affecting comparability
EBIT	Operating profit
Adjusted EBIT	EBIT adjusted for items affecting comparability
Equity/assets ratio	Equity divided by the balance sheet total
Adjusted equity/assets ratio	Equity divided by the adjusted balance sheet total where cash and cash equivalents and interest-bearing liabilities are reported on a net basis
Items affecting comparability	Items in the income statement which, unless highlighted, make it difficult to understand developments in the underlying business
Earnings per share	Earnings after tax divided by the average number of outstanding shares
+Net debt/-Net cash & cash equivalents	Interest-bearing liabilities less cash and bank balances
Net debt/equity ratio	Net debt/equity
Capital employed	Equity plus net debt, adjusted for deferred tax, acquisition-related intangible assets, pension provisions and strategic holdings.
Return on capital employed	Rolling 12-month EBIT divided by average capital employed per month Due to the switch to IFRS 16 as of July 1, 2019, the return on capital employed presented for the comparative period has been calculated at average capital employed for the latest six-month period, i.e. July- December 2019.
Adjusted return on capital employed	Adjusted rolling 12-month EBIT divided by average capital employed per month Due to the switch to IFRS 16 as of July 1, 2019, the adjusted return on capital employed presented for the comparative period has been calculated at average capital employed for the latest six-month period, i.e. July- December 2019.



INFORMATION CALENDAR

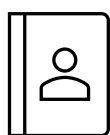
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August 20, 2021



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