

## Systemair AB (publ) Interim Report Q2 1 May–31 October 2022

### Second quarter, August–October 2022

- Net sales increased by 26.3 percent to SEK 3,037 million (2,404).
- Organic growth was +14.8 percent (+9.1).
- The adjusted operating profit was SEK 297 million (250). Operating profit (EBIT) amounted to SEK 120 million (238), taking into account impairments totalling SEK -168 million relating to the business in Russia and hyperinflation adjustments totalling SEK -9 million.
- The adjusted operating margin was 9.9 percent (10.4).
- Profit after tax amounted to SEK 39.4 million (154).
- Earnings per share totalled SEK 0.21 (0.74).
- Cash flow from operating activities amounted to SEK +203 million (+81).

### First half-year, May–October 2022

- Net sales increased by 25.4 percent to SEK 5,886 million (4,695).
- Organic growth was +14.5 percent (+11.1).
- The adjusted operating profit was SEK 569 million (460). Operating profit (EBIT) amounted to SEK 389 million (447), after recognition of impairment charges of in all SEK -170 million and hyperinflation adjustments totalling SEK -9 million.
- The adjusted operating margin was 9.7 percent (9.8).
- Profit after tax amounted to SEK 257 million (311).
- Earnings per share totalled SEK 1.25 (1.48).
- Cash flow from operating activities amounted to SEK +138 million (+240).

Net sales Q2

**SEK 3,037 m.**

Adjusted EBIT Q2

**SEK 297 m.**

### Significant events during the year

- In November, an agreement was signed with Panasonic Corporation Heating & Ventilation A/C Company to divest Systemair's air conditioning business.
- In June, the acquisition of all shares in SagiCofim S.p.A., Italy, was completed. The company is a major supplier in air filtration and air distribution.

	2022/23 Aug-Oct 3 mths	2021/22 Aug-Oct 3 mths	2022/23 May-Oct 6 mths	2021/22 May-Oct 6 mths	2021/22 May-Apr 12 mths
Net sales, SEK m.	3,036.7	2,404.2	5,885.6	4,694.7	9,634.5
Growth, %	26.3	8.9	25.4	9.0	13.1
Operating profit, SEK m.	119.8	237.5	389.4	447.1	769.8
Operating margin, %	3.9	9.9	6.6	9.5	8.0
Profit after tax, SEK m.	39.4	153.8	256.5	310.6	544.3
Earnings per share, SEK <sup>1)</sup>	0.21	0.74	1.25	1.48	2.61
Operating cash flow per share, SEK	0.98	0.39	0.67	1.15	1.13

1) Systemair AB has issued 924,500 warrants to persons holding senior positions within the company. The average price of the share during the period under review was less than the redemption price for the warrants, so no dilution effect has occurred.

## Continued good growth and profit

Systemair second quarter shows continued good growth where sales increased by 26.3 percent and adjusted operating profit improved by 19 percent to SEK 297 million (250). During the quarter, an impairment of the Russian operations were done totalling SEK 168 million. In addition, the Turkish business applied hyperinflation adjustments, with a negative impact of SEK 9 million on operating profit. Sales during the quarter exceeded SEK 3 billion for the first time.

### The market

Sales in the second quarter remained strong, with organic growth of 14.8 percent (9.1) as we regard as a sign of strength. Most regions report good organic growth, the exceptions being Eastern Europe and North America. In Eastern Europe, Russia is the main factor, while in North America, continued disruptions in component supply have been causing delivery delays.

### Long-term investments

Systemair's balance sheet remains strong, creating scope for further investments and acquisitions. Long-term strategic investments in buildings and production equipment are in progress in Europe and North America to meet the rising demand.

### Divestment of the air conditioning business

In November, Systemair entered into an agreement with Panasonic to divest Systemair's air conditioning business for an enterprise value of EUR 100 million on a cash and debt-free basis. The intention is to sell all shares in the Italian companies Systemair S.r.l. and Tecnair S.p.A. and the French company Systemair AC SAS. The deal also includes a part of the German sales organisation that is focused on air conditioning. The divestment will allow us to focus on our core ventilation business, which is in line with our strategy.



### Sustainability

We are continuing to systematically advance our sustainability work in all areas of the business. For the first time this quarter, we are reporting quarterly progress in three priority areas; work-related injuries involving sickness absence, proportion of female leaders and Scopes 1 and 2 emissions. We note that the trend in the key indicators is positive and many activities are under way that will lead to long-term results in the area of sustainability.

Energy conservation and energy efficiency are at the centre of product development at Systemair. EU initiatives, such as the European Green Deal and Renovation Wave, will support robust long-term demand for energy-efficient ventilation products in the renovation market.

### Outlook favourable

Despite continued supply chain challenges, Systemair continues to report strong sales growth and an improved operating profit.

Order intake remains buoyant and our order backlog strong. With our 29 well-invested production facilities in 20 countries and the most comprehensive product range on the market we are the largest supplier of ventilation products in Europe.

Roland Kasper  
President and CEO

## Sales and markets

Group sales for the second quarter of the 2022/23 financial year totalled SEK 3,036.7 million (2,404.2), an increase of 26.3 percent from the same period in the preceding year. Adjusted for the effects of foreign exchange and acquisitions, net sales rose by 14.8 percent. Price increases implemented have had an impact on growth, over and above the purely volume-based increase. Growth in acquired operations was 4.7 percent, while foreign exchange effects increased sales by 6.8 percent over the period.

Net sales for the period under review, May–October 2022, totalled SEK 5,885.6 million (4,694.7), which was 25.4 percent higher than in the same period last year. Adjusted for both foreign exchange effects and acquisitions, net sales grew 14.5 percent. Growth in acquired operations was 4.9 percent, while foreign exchange effects increased sales by 6.0 percent over the period under review.

## Geographical breakdown of Q2 sales

### Nordic region

During the second quarter, sales in the Nordic region were up 23.0 percent on the same period in the preceding year. All markets in the region showed good growth during the quarter. Adjusted for foreign exchange effects and acquisitions, sales rose by 17.4 percent.

### Western Europe

Sales growth in the West European market was very strong over the quarter, with a 38.2 percent increase compared to the corresponding period last year. Adjusted for foreign exchange effects and acquisitions, sales rose by 20.5 percent. All major markets in the region showed good growth during the quarter, notably Germany, France, Italy and the UK.

### Eastern Europe and CIS

Sales in Eastern Europe and the CIS decreased by 16.4 percent during the quarter. Adjusted for the effects of foreign exchange and acquisitions, sales were down 28.3 percent. This was primarily due to a continued sharp decline in sales in Russia during the quarter. Sales in Russia during the quarter accounted for 1.4 percent of the Group's total sales. Other major markets in the region showed good growth, including the Czech Republic, Poland and Slovenia.

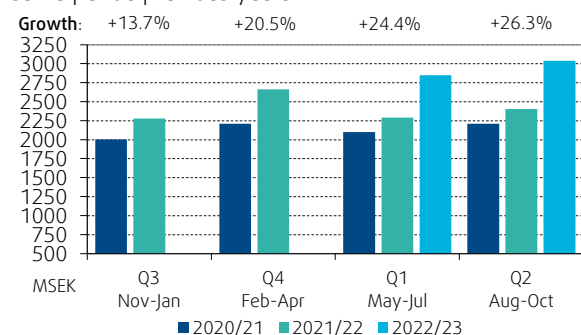
### North America

Sales in North America during the quarter were 20.5 percent higher than in the same period in the preceding year. Adjusted for the effects of foreign exchange, sales were down 0.1 percent. The US market showed good growth during the quarter, while the Canadian market fell back slightly due to continued supply disruptions caused by component shortages.

	2022/23	2021/22			2022/23	2021/22		
	Aug-Oct 3 mths	Aug-Oct 3 mths	Sales, change	Of which, organic	May-Oct 6 mths	May-Oct 6 mths	Sales, change	Of which, organic
Nordic region	585.1	475.8	23.0%	17.4%	1,072.3	878.9	22.0%	17.1%
Western Europe	1,355.2	980.6	38.2%	20.5%	2,657.7	1,997.8	33.0%	16.8%
Eastern Europe & CIS	317.8	380.0	-16.4%	-28.3%	698.3	726.8	-3.9%	-13.8%
North America	326.3	270.7	20.5%	-0.1%	652.1	525.3	24.1%	4.9%
Middle East, Asia, Australia and Africa	452.3	297.1	52.2%	60.4%	805.2	565.9	42.3%	47.9%
<b>Total</b>	<b>3,036.7</b>	<b>2,404.2</b>	<b>26.3%</b>	<b>14.8%</b>	<b>5,885.6</b>	<b>4,694.7</b>	<b>25.4%</b>	<b>14.5%</b>

(Sales figures are based on geographical domicile of customers.)

Net sales per quarter compared with same period previous years



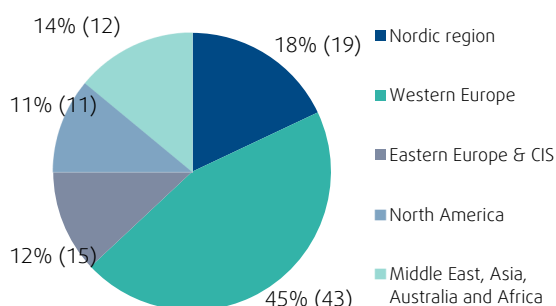
Net sales



### Middle East, Asia, Australia and Africa

Sales in the Middle East, Asia, Australia and Africa rose by 52.2 percent compared with the same period last year. Adjusted for foreign exchange effects and acquisitions, sales rose by 60.4 percent. Turkey, India and Australia reported very good growth over the period.

### Sales by market, 6 months 2022/23 (2021/22)



### Profit in the second quarter

Gross profit in the second quarter was SEK 1,010.0 million (855.7), an increase of 18.0 percent over the same period in the preceding year. The gross margin decreased to 33.3 percent (35.6). The hyperinflationary impact in Turkey negatively affected the gross margin by 1.5 percentage points, or SEK 38.9 million. The gross margin was also negatively affected by developments such as declining sales in Russia, restructuring at Menerga in Germany and supply disruptions in North America.

Operating profit for the second quarter totalled SEK 119.8 million (237.5), down 50.4 percent on the same period in the preceding year. The adjusted operating profit was SEK 297.1 million (250.2). The adjusted operating margin was 9.9 percent (10.4).

During the quarter, goodwill and tangible fixed assets

related to the Russian operations were partially written down by SEK 168.2 million. Operating profit was also affected by hyperinflation adjustments in Turkey totalling SEK -9.1 million. For more information, see Note 1.

Selling and administration expenses for the quarter totalled SEK 749.3 million (610.6), a rise of SEK 138.7 million, or 22.7 percent. Company acquisitions accounted for SEK 27.4 million of the quarter's costs, indicating that selling and administration expenses for like-for-like units increased by SEK 111.3 million, or 18.2 percent.

Selling expenses were charged with SEK 6.6 million (6.1) for anticipated bad debts. Acquisition-related expenses totalled SEK 0.8 million (0.1).

Net financial items ended the second quarter at SEK -10.3 million (-27.9). The effects of foreign exchange on long-term receivables, loans and bank balances totalled SEK +8.0 million (-24.2) net. Interest expenses for the quarter totalled SEK -17.1 million (-5.7).

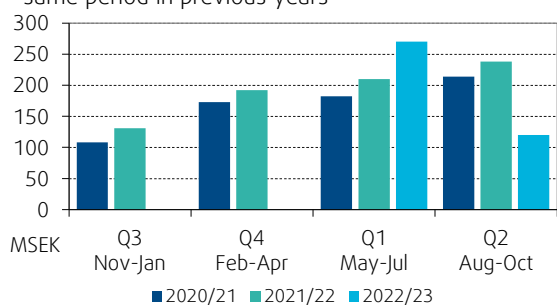
### Profit for period under review

Operating profit for the period under review, May–October 2022, totalled SEK 389.4 million (447.1). The adjusted operating margin was 9.7 percent (9.8). Adjusted operating profit was SEK 569.0 million (459.8). During the period under review, impairment charges totalling SEK 170.5 million on goodwill and property, plant and equipment were applied, mainly related to the business in Russia.

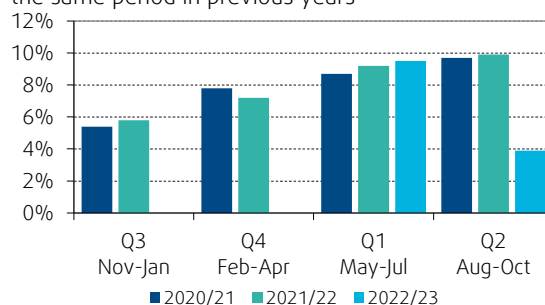
Selling and administration expenses totalled SEK 1,452.1 million (1,192.8), an increase of SEK 259.3 million. Company acquisitions accounted for SEK 58.4 million of the year's costs, indicating that selling and administration expenses for like-for-like units rose by SEK 200.9 million, or 16.8 percent. Selling expenses were charged with SEK 10.8 million (7.1) for anticipated bad debts.

Net financial items totalled SEK -14.1 million (-31.2), including interest expenses of SEK -27.5 million (-12.2).

Operating profit per quarter, relative to the same period in previous years



Operating margin per quarter, relative to the same period in previous years



## Tax expense

Estimated tax for the quarter totalled SEK -70.1 million (-55.8), representing an effective tax rate of 24.3 percent (26.6) based on adjusted profit after financial items. The lower tax charge is a result of the revaluation of tax loss carry-forwards in previously loss-making entities.

Estimated tax for the period under review totalled SEK -118.8 million (-105.3), representing an effective tax rate of 21.4 percent (25.3) based on profit after net financial items.

## Acquisitions and new businesses

On 14 June 2022, Systemair acquired all shares in the Italian company SagiCofim S.p.A. The company is a major supplier with extensive experience in filtration and air distribution. The company's wholly-owned production facility in Cernusco sul Naviglio, Milan, manufactures high-efficiency HEPA and ULPA class air filters. At Sondrio, the company owns 50 percent of EFFEBI SRL, which manufactures air distribution products. The Italian market accounts for about 75 percent of the companies' sales, with the remainder being exported mainly within Europe. The companies' consolidated sales in 2021 totalled approximately EUR 36 million with an EBITDA profit of EUR 4.0 million. The companies have about 200 employees. The purchase price agreed is EUR 33.6 million on a debt-free basis.

If the companies acquired had been consolidated as of 1 May 2022, net sales for the period under review, May to October 2022, inclusive, would have totalled approximately SEK 5,898.3 million. Operating profit for that period would have totalled approximately SEK 401.7 million. For more information regarding

acquisitions and their impact on the Group's cash and cash equivalents, see Note 3 in this interim report.

## Investments, depreciation and amortisation

Investments for the quarter, net of disposals, totalled SEK 96.9 million (129.8), including SEK 69.3 million (116.6) in new construction and machinery. The investments pertain above all to production facilities in the Czech Republic, Turkey and Slovenia. Acquisitions of subsidiaries and formerly withheld purchase considerations totalled SEK 0.7 million (12.9). Depreciation, amortisation and impairment of non-current assets amounted to SEK 273.5 million (91.0), mainly in connection with goodwill and property, plant and equipment in Russia.

Total investments for the period under review amounted to SEK 510.1 million (238.8), excluding divestments. Gross investments in new construction and machinery totalled SEK 160.9 million (197.3), net of disposals. Acquisitions and formerly withheld purchase considerations totalled SEK 320.4 million (33.8). Depreciation, amortisation and impairment of non-current assets amounted to SEK 376.7 million (181.0).

## Personnel

The average number of employees in the Group was 6,471 (6,164). At the end of the period, Systemair had 6,889 employees (6,545), 344 more than one year previous. Acquired companies added a total of 200 employees. New personnel were hired in India (73), the Czech Republic (71), Canada (49), Sweden (35), Lithuania (28) and Slovenia (24). Personnel cutbacks were made in Russia (-89) and Menerga in Germany (-24).

## Large order for Shepperton Studios, UK

Shepperton Studios, part of Pinewood Group, is located near Heathrow Airport and are behind some of the world's best-loved films and TV shows. In the future, 80 Geniox AHUs will be providing fresh air for the facilities. The units will be delivered in batches, and delivery has already begun. The delivery is planned to be finished during Q1 2023. The Geniox units for the project are delivered from the Danish Systemair factory, and the project also includes other equipment from Systemair.



## Cash flow and financial position

Cash flow from operating activities, before changes in working capital during the quarter, totalled SEK 275.1 million (309.2). Changes in working capital, mainly consisting of increased inventories and trade accounts receivable, had an impact of SEK -72.0 million (-227.7) on cash flow. The increase is explained by higher purchase prices for components and increased safety stocks due to current component shortages. Cash flow from financing activities totalled SEK -114.3 million net (+56.8). At the end of the period, net indebtedness was SEK 2,793.5 million (1,748.2). The consolidated equity/assets ratio was 43.8 percent (45.9) at the end of the period.

## Warrants

On 25 August 2022, the Annual General Meeting of Systemair AB approved the issue of warrants within the framework of the LTIP 2022 incentive programme. During the period under review, Systemair AB issued a total of 333,500 warrants for Systemair shares to senior executives of the Company. Transfer of the warrants to the participants will be effected at a price corresponding to their market value according to an external independent valuation via an accepted valuation model (Black-Scholes). In the first stage of the programme, each warrant entitles the holder to subscribe for one new share in the Company at a price of SEK 58.30. The programme runs for four years from 24 September 2022 and the last day for share subscription is 30 September 2026. In 2021, 591,000 warrants were also issued to senior executives under the LTIP 2021 programme.

## Financial targets

Systemair has the following financial targets.

- Average annual growth in sales over a business cycle should be no less than 10 percent.
- The average operating margin over a business cycle should be no less than 10 percent.
- The Group's equity/assets ratio should be no less than 30 percent.
- The dividend should be approximately 40 percent of profit after tax.

## Sustainability work

Sustainability issues have long been a central and natural part of Systemair. The importance of good indoor air quality is increasing and society depends on healthy and good air through energy- and resource-efficient solutions for ventilation, heating and cooling. Our

solutions play an important part in our commitment to contribute to a more sustainable planet.

Sustainability is an important part of our strategy and an integral part of our business. Our sustainability framework focuses on four areas that contribute to progress in ten of the Sustainable Development Goals.

 <b>Responsible enterprise</b>	 <b>Sustainable workplace</b>
<ul style="list-style-type: none"><li>• Ensuring an ethical and responsible business</li><li>• Zero tolerance for corruption</li><li>• Taking responsibility in our supply chain</li></ul>	<ul style="list-style-type: none"><li>• Zero work-related injuries</li><li>• Promote employee development</li><li>• Equal opportunities with an inclusive culture</li></ul>
 <b>Sustainable operations</b>	 <b>Sustainable products</b>
<ul style="list-style-type: none"><li>• Reduce our greenhouse gas (GHG) emissions</li><li>• Improve our energy efficiency</li><li>• Reduce our environmental impact</li></ul>	<ul style="list-style-type: none"><li>• Develop leading energy-efficient solutions</li><li>• Improving indoor climate</li><li>• Life cycle approach to reduce environmental impact</li></ul>

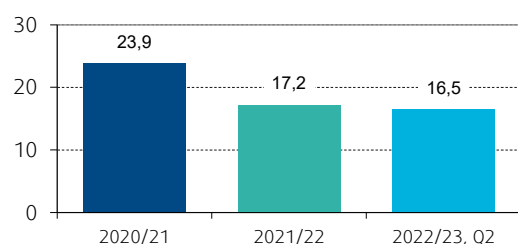
## Sustainability reporting

Systemair reports annually on its sustainability work in the Company's Annual Report. In order to improve governance and monitoring, and to increase transparency, Systemair has begun to compile selected quarterly sustainability data. The new quarterly reporting started during Systemair's second quarter and the summary below covers the August-October 2022 period.

### Work-related injuries leading to sickness absence

Systemair has a zero vision for work-related injuries, especially those leading to sickness absence. The LTIFR (Lost Time Injury Frequency Rate) is the number of work-related injuries with sickness absence per 1 million hours worked. This key performance measure is on a downward trend, but the rate of improvement is not sufficient and Systemair is striving ceaselessly to improve workplace safety.

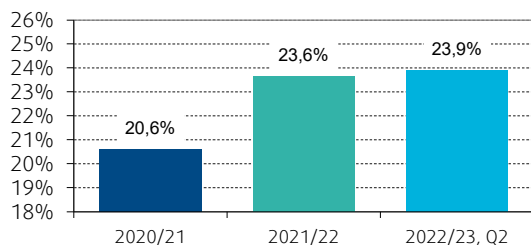
Work-related injuries with sickness absence, LTIFR



## Female leaders

Increasing the proportion of female leaders is a strategic goal and the aim is that by 2025 at least 25 percent of Systemair's leaders will be women. A leader is defined as a person who is a member of a local management team and/or has directly reporting employees. The proportion of female leaders is slowly moving in the right direction and Systemair is working to create the conditions for continued improvement in this area.

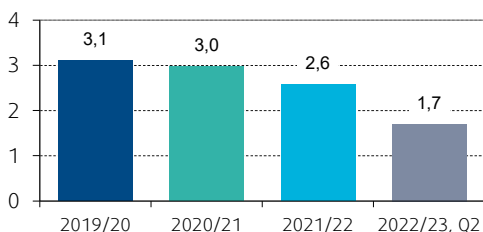
Percentage of female leaders



## Scopes 1 and 2 emissions (CO<sub>2</sub>e)

Systemair has set a target to halve its emissions intensity by 2030, with 2019/20 as the base year. Emission intensity is the total of Scope 1 and 2 emissions per Cost of Goods Sold (COGS). Emission intensity has decreased as a result of both lower heating demand in the August–October period and a higher Cost of Goods Sold due to inflation and price increases.

Emissions intensity Scopes 1 & 2 (Ton CO<sub>2</sub>e/SEK m. COGS)



## Events after the close of the period

In November 2022, Systemair entered into an agreement with Panasonic Corporation's Heating & Ventilation A/C Company to divest Systemair's air conditioning business for an enterprise value of EUR 100 million on a cash and debt-free basis.

The agreement comprises all shares in Systemair S.r.l. and Tecnaïr S.p.A. in Italy, Systemair AC SAS in France and employees of the air conditioning business of Systemair GmbH in Germany. The transaction is subject to regulatory approvals, consultations required under labour law and other standard closing conditions, which are expected to be finalised in the first half of 2023.

Sales for the air conditioning business in the rolling twelve-month period of 1 August 2021–31 July 2022,

amounted to EUR 69 million with a profit margin below Systemair AB's average profit margin. Systemair's air conditioning business has approximately 400 full-time employees.

The agreement has resulted in Systemair reporting Assets held for sale of SEK 832.9 million and Liabilities attributable to assets held for sale of SEK 227.5 million.

## Exposure to Russia, Ukraine and Belarus

During the quarter, an impairment of goodwill and tangible fixed assets regarding the Russian operations was made for a total of SEK 168.2 million. At the end of the period under review, 221 people were employed in the countries concerned. Systemair's sales in the region represent 1.8 percent of the Group's total sales in the period under review. In Russia, we have 12 local sales offices with associated warehouses. In Moscow, the Group has a production plant with associated land, which after impairment has a book value of SEK 80.1 million. Goodwill is amortised in full. Working capital, mainly in inventories and cash, totals SEK 136.7 million. The Company's costs have been adjusted to the declining sales volume on an ongoing basis.

## Hyperinflation adjustment in Turkey

Since 30 June 2022, Turkey's economy has been considered to be in hyperinflation. As a result, the financial statements of Systemair's subsidiary in Turkey have been restated to correct for the effects of inflation, in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies", with retrospective application from 1 May 2022. This means that:

- The historical cost of non-monetary assets and liabilities has been adjusted to reflect changes in the purchasing power of the currency. The adjustment has been based on the Consumer Price Index published by the Turkish Statistical Institute.
- The various income statement items have been index-adjusted for inflation.
- All elements of the subsidiary's financial statements have been translated at the closing rate. Differences in translation to SEK have been included in Other comprehensive income, in accordance with IAS 21.
- Figures for financial years beginning before 1 May 2022 have not been changed.

The aggregate impact on the Group's financial statements is shown in Note 1 to this report.

## Material risks and uncertainty

Systemair is exposed to operational and financial risks in its business. Operational risks include the international nature of the operations, tough competition and the sensitivity of the construction industry to the business cycle. The financial risks that Systemair has identified in its business consist of foreign exchange risk, borrowing and interest rate risk, as well as credit risk and liquidity risk. The material risks and uncertainties affecting Systemair are described in more detail in the Company's 2021/22 Annual Report.

The situation in Russia and Ukraine is very serious and volatile. There are continuous changes in sanctions, logistics flows and the financial system. Systemair is closely monitoring the situation and assessing the short- and long-term consequences to employees and the business on an ongoing basis.

## Related party transactions

There were no material related party transactions during the quarter. Transactions with related parties are described in detail in Note 39 to the accounts in the Annual Report for the 2021/22 financial year.

## Parent Company

The Parent Company's net sales for the period under review totalled SEK 90.1 million (73.4). Operating profit was negative, at SEK -74.3 million (-54.6). During the period under review, there has been an impairment of shares in subsidiaries totaling SEK 95.9 million related to the shares in Systemair in Russia. In addition, a reversal of previous impairments has been made regarding the shares in Systemair AC SAS in France and Systemair S.r.l. in Italy for a total of SEK 424.9 million. The Parent Company had 57 employees (64). The core business of the Parent Company consists of intra-Group services.

## Systemair in brief

Systemair is a leading ventilation company with operations in 52 countries in Europe, North America, the Middle East, Asia, Australia and Africa. The Company had sales of SEK 9.6 billion in the 2021/22 financial year and today employs approximately 6,800 people. Systemair has reported an operating profit every year since 1974, when the company was founded. Over the past 10 years, growth has averaged 9.4 percent. Systemair helps to improve the indoor climate with the help of energy-efficient and sustainable products that reduce carbon dioxide emissions.

Systemair has well-established operations in growth markets. The Group's products are marketed under the

Systemair, Frico, Fantech and Menerga brands. Systemair shares have been quoted on the Nasdaq OMX Nordic Exchange in Stockholm since October 2007, and are today traded on the Large Cap List. The Group comprises about 90 companies.

## About Systemair

The Company established operations in 1974 with a product concept, the circular duct fan, a design that considerably simplified the process of installation. We adopted the motto "the direct route", which has been developed from a product concept into a business philosophy. Our product range has expanded strongly to extend over a broad range of fans, air handling units, products for air distribution, air conditioning, air curtains and heating products.

## Mission statement

Operating from the core values of simplicity and reliability, our business concept is to develop, manufacture and market energy-efficient, high-quality ventilation products. On the basis of our business concept and with our customers in focus, our aim is to be seen as a company to rely on, with the emphasis on delivery reliability, availability, sustainability and quality.

## Business model

Availability is an important parameter in terms of our competitiveness, and we ensure effective control of our flow of goods, with our own production units, centralised warehouse facilities and an efficient common ERP system. With modern production plants and our own sales companies around the world, we reach out directly to our customers.

The business model supports stability and development, and today we are a leading producer and supplier of ventilation products with our own production and own sales companies.

## Strategies

The following strategies create major strengths and competitive advantages that help us to achieve our goals.

- Innovative product development and a broad product range focusing on energy-efficient air handling products.
- High product availability and fast delivery via an efficient production, logistics and IT organisation.
- Sustainability is integrated into our operations, enabling a holistic approach that creates value



for all our stakeholders.

- Development and expansion of Systemair's own sales organisation.
- Good relationships with ventilation contractors, distributors and consultants.
- A highly diversified customer and product base reduces our vulnerability to fluctuations in the economy.
- Strategy of acquisition and establishment to expand market shares.

## Miscellaneous

The information in this Interim Report is information that Systemair is required to disclose in accordance with the Swedish Securities Markets Act (lagen om värdepappersmarknaden) and/or the Swedish Financial Instruments Trading Act (lagen om handel med finansiella instrument). This information will be submitted for publication at 8.00 a.m. on 8 December 2022.

The undersigned affirm that this six-month report provides a true and fair survey of the Parent Company's and the Group's operations, financial position and profits, as well as describing the material risks and uncertainty facing the Parent Company and the companies included in the Group.

Skinnskatteberg  
Systemair AB (publ)

Roland Kasper  
*Chief Executive Officer*

Gerald Engström  
*Chairman of the Board*

Patrik Nolåker  
*Board Chair*

Carina Andersson  
*Director*

Gunilla Spongh  
*Director*

Niklas Engström  
*Director*

Åke Henningsson  
*Employee Representative*

Ricky Sten  
*Employee Representative*

## Calendar

### Capital market day

01.00 p.m., 17 January 2023

### Interim Report Q3 2022/23

8.00 a.m., 9 March 2023

### Interim Report Q4 2022/23

8.00 a.m., 8 June 2023

### Interim Report Q1 2023/24

1.00 p.m., 31 August 2023

## Contact

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# Auditor's Review Report

Systemair AB (publ), corp.id.no 556160-4108

## Introduction

We have reviewed the condensed interim financial information (interim report) for Systemair AB (Publ) as per 31 October 2022 and the six-month reporting period ending on that date. The preparation and fair presentation of the interim report in accordance with IAS 34 and the Annual Accounts Act are the responsibility of the Board of Directors and the Chief Executive Officer. Our responsibility is to express our opinion of this interim report based on our review.

## Emphasis and scope of the review

We conducted our review in accordance with the International Standard on Review Engagements: ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditors of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The emphasis and scope of a review differ considerably from that of an audit in accordance with International Standards on Auditing Standards (ISA) and other generally accepted auditing practices in Sweden.

The procedures performed in a review do not enable us to obtain a level of assurance to become aware of all significant matters that could have been identified in an audit. As our opinion is based on a review, the level of assurance is not as high as that of an opinion expressed based on an audit.

## Opinion

Based on our review, nothing has come to our attention that causes us to believe that the interim report was not, in all material respects, prepared for the Group in accordance with IAS 34 and the Swedish Annual Accounts Act, and, for the Parent Company, in accordance with the Swedish Annual Accounts Act.

Stockholm, the day shown in our electronic signature.

Ernst & Young AB

Johan Holmberg  
Authorised Public Accountant

## Summary income statement

	Group						Parent Company	
	2022/23 Aug-Oct 3 mths	2021/22 Aug-Oct 3 mths	2022/23 May-Oct 6 mths	2021/22 May-Oct 6 mths	2021/22 Aug-Jul tr1 12	2021/22 May-Apr 12 mths	2022/23 May-Oct 6 mths	2021/22 May-Oct 6 mths
SEK m.								
Net sales	3,036.7	2,404.2	5,885.6	4,694.7	10,825.4	9,634.5	90.1	73.4
Cost of goods sold	-2,026.7	-1,548.5	-3,889.7	-3,042.3	-7,163.0	-6,315.6	-	-
<b>Gross profit</b>	<b>1,010.0</b>	<b>855.7</b>	<b>1,995.9</b>	<b>1,652.4</b>	<b>3,662.4</b>	<b>3,318.9</b>	<b>90.1</b>	<b>73.4</b>
Other operating income	81.6	48.0	133.7	74.6	292.6	233.5	3.4	2.6
Selling expenses	-613.8	-505.1	-1,183.7	-988.1	-2,273.1	-2,077.5	-43.1	-40.9
Administration expenses	-135.5	-105.5	-268.4	-204.7	-501.3	-437.6	-69.9	-51.0
Other operating expenses	-256.2	-55.6	-321.8	-87.1	-502.2	-267.5	-54.8	-38.7
Net profit on monetary items	33.7	-	33.7	-	33.7	-	-	-
<b>Operating profit/loss</b>	<b>119.8</b>	<b>237.5</b>	<b>389.4</b>	<b>447.1</b>	<b>712.1</b>	<b>769.8</b>	<b>-74.3</b>	<b>-54.6</b>
Net financial items	-10.3	-27.9	-14.1	-31.2	-11.0	-28.1	675.8	256.4
<b>Profit/loss after financial items</b>	<b>109.5</b>	<b>209.6</b>	<b>375.3</b>	<b>415.9</b>	<b>701.1</b>	<b>741.7</b>	<b>601.5</b>	<b>201.8</b>
Appropriations	-	-	-	-	-	-	-1.4	0.7
Tax on profit for the period	-70.1	-55.8	-118.8	-105.3	-210.9	-197.4	9.8	10.1
<b>Profit/loss for the period</b>	<b>39.4</b>	<b>153.8</b>	<b>256.5</b>	<b>310.6</b>	<b>490.2</b>	<b>544.3</b>	<b>609.9</b>	<b>212.6</b>
<b>Attributable to:</b>								
Parent Company shareholders	43.2	153.4	259.6	308.4	495.1	543.9	-	-
Non-controlling interests	-3.8	0.4	-3.1	2.2	-4.9	0.4	-	-
Earnings per share, SEK <sup>1</sup>	0.21	0.74	1.25	1.48	2.38	2.61	-	-

## Statement of comprehensive income

<b>Profit/loss for the period</b>	<b>39.4</b>	<b>153.8</b>	<b>256.5</b>	<b>310.6</b>	<b>490.2</b>	<b>544.3</b>	<b>609.9</b>	<b>212.6</b>
<b>Other comprehensive income</b>								
<i>Items that have been, or may later be, transferred to profit for the year:</i>								
Translation differences	477.7	-44.9	551.1	-28.9	699.1	119.1	-	-
<i>Items that cannot be transferred to profit for the period:</i>								
Revaluation of defined-benefit pensions, net after tax	-6.0	-10.2	-6.0	-10.2	10.2	6.0	-	-
<b>Other comprehensive income</b>	<b>471.7</b>	<b>-55.1</b>	<b>545.1</b>	<b>-39.1</b>	<b>709.3</b>	<b>125.1</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>511.1</b>	<b>98.7</b>	<b>801.6</b>	<b>271.5</b>	<b>1,199.5</b>	<b>669.4</b>	<b>609.9</b>	<b>212.6</b>
<b>Attributable to:</b>								
Parent Company shareholders	514.9	98.3	804.7	269.3	1,204.4	669.0	-	-
Non-controlling interests	-3.8	0.4	-3.1	2.2	-4.9	0.4	-	-

1) Systemair AB has issued 924,500 warrants to persons holding senior positions within the company. The average price of the share during the period under review was less than the redemption price for the warrants, so no dilution effect has occurred. The total number of shares outstanding at the end of the period under review was 208,000,000.

## Summary balance sheet

SEK m.	Group			Parent Company	
	31/10/2022	31/10/2021	30/04/2022	31/10/2022	31/10/2021
<b>ASSETS</b>					
Goodwill	924.3	761.9	888.9	-	-
Other intangible non-current assets	296.1	195.1	216.1	31.6	31.6
Property, plant and equipment	2,476.7	2,238.9	2,325.6	15.0	22.6
Financial and other non-current assets	211.2	223.3	193.6	3,493.1	2,813.5
<b>Total non-current assets</b>	<b>3,908.3</b>	<b>3,419.2</b>	<b>3,624.2</b>	<b>3,539.7</b>	<b>2,867.7</b>
Inventory	2,527.5	1,744.9	2,224.9	-	-
Current receivables	2,610.5	2,031.8	2,287.4	1,812.6	1,119.8
Cash and cash equivalents	332.2	359.3	335.9	-	-
<b>Total current assets</b>	<b>5,470.2</b>	<b>4,136.0</b>	<b>4,848.2</b>	<b>1,812.6</b>	<b>1,119.8</b>
Available-for-sale assets	832.9	7.0	-	-	-
<b>TOTAL ASSETS</b>	<b>10,211.4</b>	<b>7,562.2</b>	<b>8,472.4</b>	<b>5,352.3</b>	<b>3,987.5</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>	<b>4,467.8</b>	<b>3,458.8</b>	<b>3,853.5</b>	<b>1,977.2</b>	<b>1,808.3</b>
Untaxed reserves	-	-	-	1.3	0.1
Non-current liabilities, non-interest-bearing	299.9	272.7	275.7	-	0.3
Non-current liabilities, interest-bearing	1,640.9	1,046.0	1,230.8	2,114.5	1,345.1
<b>Total non-current liabilities</b>	<b>1,940.8</b>	<b>1,318.7</b>	<b>1,506.5</b>	<b>2,114.5</b>	<b>1,345.4</b>
Current liabilities, interest-bearing	1,378.0	975.2	1,148.0	1,143.7	769.0
Current liabilities, non-interest-bearing	2,197.3	1,802.5	1,964.4	115.6	64.7
<b>Total current liabilities</b>	<b>3,575.3</b>	<b>2,777.7</b>	<b>3,112.4</b>	<b>1,259.3</b>	<b>833.7</b>
Liabilities attributable to available-for-sale assets	227.5	7.0	-	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,211.4</b>	<b>7,562.2</b>	<b>8,472.4</b>	<b>5,352.3</b>	<b>3,987.5</b>

## Summary consolidated cash flow statement

SEK m.	2022/23	2021/22	2022/23	2021/22	2021/22
	Aug-Oct 3 mths	Aug-Oct 3 mths	May-Oct 6 mths	May-Oct 6 mths	May-Apr 12 mths
Operating profit/loss	119.8	237.5	389.4	447.1	769.8
Adjustment for non-cash items	221.9	117.2	328.2	205.9	354.5
Financial items	-18.2	-3.6	-29.6	-11.7	-27.6
Income tax paid	-48.4	-41.9	-103.9	-82.3	-147.4
<b>Cash flow from operating activities before changes in working capital</b>	<b>275.1</b>	<b>309.2</b>	<b>584.1</b>	<b>559.0</b>	<b>949.3</b>
Changes in working capital	-72.0	-227.7	-445.8	-318.9	-714.1
<b>Cash flow from operating activities</b>	<b>203.1</b>	<b>81.5</b>	<b>138.3</b>	<b>240.1</b>	<b>235.2</b>
Cash flow from investing activities	-92.6	-116.0	-500.0	-223.8	-515.9
Cash flow from financing activities	-114.3	56.8	315.5	32.1	274.9
<b>Cash flow for the period</b>	<b>-3.8</b>	<b>22.3</b>	<b>-46.2</b>	<b>48.4</b>	<b>-5.8</b>
Cash and cash equivalents at start of period	311.3	348.0	335.9	319.1	319.1
Translation differences, cash and cash equivalents	30.4	-8.9	48.2	-6.1	22.6
Cash and cash equivalents held for sale	-5.7	-2.1	-5.7	-2.1	-
<b>Cash and cash equivalents at close of period</b>	<b>332.2</b>	<b>359.3</b>	<b>332.2</b>	<b>359.3</b>	<b>335.9</b>

## Statement of changes in equity – Group

SEK m.	2022/23 May-Oct			2021/22 May-Oct			2021/22 May-Apr		
	Equity attributable to Parent Company shareholders	Non- controlling interests	Total equity	Equity attributable to Parent Company shareholders	Non- controlling interests	Total equity	Equity attributable to Parent Company shareholders	Non- controlling interests	Total equity
<b>Amount at beginning of year</b>	<b>3,815.1</b>	<b>38.4</b>	<b>3,853.5</b>	<b>3,305.0</b>	<b>25.1</b>	<b>3,330.1</b>	<b>3,305.0</b>	<b>25.1</b>	<b>3,330.1</b>
Dividend	-187.2	-1.5	-188.7	-156.0	-1.8	-157.8	-156.0	-1.8	-157.8
Share of acquisitions attributable to non-controlling interests	-	1.5	1.5	-	12.2	12.2	-	12.3	12.3
Issue of warrants	1.7	-	1.7	4.7	-	4.7	4.8	-	4.8
Revaluation of acquisition option	-3.3	1.5	-1.8	-1.3	-0.6	-1.9	-7.7	2.4	-5.3
Comprehensive income	804.7	-3.1	801.6	269.3	2.2	271.5	669.0	0.4	669.4
<b>Amount at end of period</b>	<b>4,431.0</b>	<b>36.8</b>	<b>4,467.8</b>	<b>3,421.7</b>	<b>37.1</b>	<b>3,458.8</b>	<b>3,815.1</b>	<b>38.4</b>	<b>3,853.5</b>

## Performance measures for the Group

		2022/23 Aug-Oct 3 mths	2021/22 Aug-Oct 3 mths	2022/23 May-Oct 6 mths	2021/22 May-Oct 6 mths	2021/22 May-Apr 12 mths
Net sales	SEK m.	3,036.7	2,404.2	5,885.6	4,694.7	9,634.5
Growth	%	26.3	8.9	25.4	9.0	13.1
Operating profit/loss	SEK m.	119.8	237.5	389.4	447.1	769.8
Adjusted operating margin	%	9.9	10.4	9.7	9.8	8.5
Profit after net fin. items	SEK m.	109.5	209.6	375.3	415.9	741.7
Adjusted profit margin	%	9.6	9.3	9.5	9.1	8.2
Adjusted return on capital employed	%	15.7	14.4	15.7	14.4	15.4
Adjusted return on equity	%	17.8	15.2	17.8	15.2	16.5
Equity/assets ratio	%	43.8	45.7	43.8	45.7	45.5
Investments	SEK m.	92.6	116.0	500.0	223.8	515.9
Depreciation/amortisation and impairments	SEK m.	273.5	91.0	376.7	181.0	408.4
<b>Per share ratios</b>						
Adjusted earnings per share	SEK	1.06	0.80	2.11	1.54	2.86
Equity per share	SEK	21.30	16.45	21.30	16.45	18.34
Operating cash flow per share	SEK	0.98	0.39	0.67	1.15	1.13
No. of shares during period	No.	208,000,000	208,000,000	208,000,000	208,000,000	208,000,000

## Quarterly performance measures – Group

		2022/23			2021/22			2020/21		
		Aug-Oct Q2	May-Jul Q1	Feb-Apr Q4	Nov-Jan Q3	Aug-Oct Q2	May-Jul Q1	Feb-Apr Q4	Nov-Jan Q3	Aug-Oct Q2
Net sales	SEK m.	3,036.7	2,848.9	2,661.6	2,278.1	2,404.2	2,290.5	2,208.5	2,003.9	2,206.7
Growth	%	26.3	24.4	20.5	13.7	8.9	9.1	8.7	-6.7	-11.1
Gross margin	%	33.3	34.6	34.1	33.3	35.6	34.8	35.7	33.6	35.9
Operating profit/loss	SEK m.	119.8	269.6	191.4	131.3	237.5	209.6	173.1	108.0	213.5
Adjusted operating margin	%	9.9	9.5	8.6	5.8	10.4	9.2	7.8	5.4	9.7
Adjusted return on capital employed	%	15.7	15.5	15.4	15.1	14.4	14.3	13.1	10.2	10.1
Adjusted return on equity	%	17.8	17.4	16.5	15.4	15.2	14.8	13.0	9.4	9.2
Equity/assets ratio	%	43.8	44.0	45.5	47.2	45.7	48.4	47.9	47.7	46.3
Equity per share	SEK	21.30	19.73	18.34	17.69	16.45	16.71	15.89	15.30	15.25
Adjusted earnings per share	SEK	1.06	1.05	0.85	0.47	0.80	0.75	0.55	0.33	0.68
Operating cash flow per share	SEK	0.98	-0.31	-0.15	0.13	0.39	0.76	1.10	1.18	1.37

## Note 1 Accounting policies

Systemair applies International Financial Reporting Standards (IFRS). This interim report was prepared for the Group in accordance with the Swedish Annual Accounts Act, the Swedish Financial Reporting Board's recommendation RFR 1 and IAS 34 Interim Financial Reporting, and for the Parent Company in accordance with the Swedish Annual Accounts Act and RFR 2.

The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The Group applies the same accounting policies as described in the 2021/22 Annual Report, with the addition that IAS 29 is applied as below.

No other new or revised standards, interpretations or improvements, as adopted by the EU, have affected the Group in any material way.

### IAS 29 "Financial Reporting in Hyperinflationary Economies"

Since 30 June 2022, Turkey's economy has been considered to be in hyperinflation. As a result, the financial statements of Systemair's subsidiary in Turkey have been restated to adjust for the effects of inflation, in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies", with retrospective application from 1 May 2022. This means that:

- The historical cost of non-monetary assets and liabilities has been adjusted to reflect changes in the purchasing power of the currency. The adjustment has been based on the Consumer Price Index published by the Turkish Statistical Institute.
- The various income statement items have been index-adjusted for inflation.
- All items in the subsidiary's financial statements have been translated at the closing rate. Differences in translation to SEK have been included in Other comprehensive income, in accordance with IAS 21.
- Figures for financial years beginning before 1 May 2022 have not been changed.

The aggregate impact on the Group's financial statements is shown in the table below:

	2022/23	SEK m.	31/10/2022
	<b>May-Oct</b>		
	<b>6 mths</b>		
SEK m.		<b>ASSETS</b>	
Net sales	22.6	Goodwill	90.2
Cost of goods sold	-61.5	Other intangible non-current assets	2.6
<b>Gross profit</b>	<b>-38.9</b>	Property, plant and equipment	188.8
		<b>Total non-current assets</b>	<b>281.6</b>
Other operating income	2.8	Inventory	9.8
Selling expenses	-2.5	Current receivables	0.3
Administration expenses	-0.7	<b>Total current assets</b>	<b>10.1</b>
Other operating expenses	-3.5		
<u>Net profit on monetary items</u>	<u>33.7</u>	<b>TOTAL ASSETS</b>	<b>291.7</b>
<b>Operating profit/loss</b>	<b>-9.1</b>		
		<b>EQUITY AND LIABILITIES</b>	
Net financial items	-1.8	Other comprehensive income, hyperinflation calculation	280.0
<b>Profit/loss after financial items</b>	<b>-10.9</b>	Equity	-9.1
		Current liabilities, non-interest-bearing	20.8
Tax on profit for the period	0.1	<b>Total current liabilities</b>	<b>20.8</b>
<b>Profit/loss for the period</b>	<b>-10.8</b>		
		<b>TOTAL EQUITY AND LIABILITIES</b>	<b>291.7</b>

## Note 2 Revenue analysis

The Group's revenue is generated in the main from the manufacture and sale of ventilation products, as well as from the servicing of ventilation products. Total revenue for the quarter amounted to SEK 3,036.7 million (2,404.2), of which servicing of ventilation products accounted for SEK 119.0 million (86.3).

SEK m.	2022/23 Aug-Oct 3 mths	2021/22 Aug-Oct 3 mths	2022/23 May-Oct 6 mths	2021/22 May-Oct 6 mths	2021/22 May-Apr 12 mths
<b>Europe</b>					
Sale of goods recognised at a specific point in time	2,168.8	1,699.1	4,211.3	3,366.1	6,883.8
Sale of goods recognised over time	9.0	42.4	42.0	75.1	158.4
Servicing recognised at a certain point in time	61.9	42.4	108.0	80.9	179.2
Servicing recognised over time	50.6	39.7	96.1	76.3	163.6
	2,290.3	1,823.6	4,457.4	3,598.4	7,385.0
<b>Americas, Middle East, Asia, Australia and Africa</b>					
Sale of goods recognised at a specific point in time	693.7	513.6	1,331.7	977.0	2,024.2
Sale of goods recognised over time	46.2	62.8	81.8	111.7	205.2
Servicing recognised at a certain point in time	2.3	0.7	3.1	1.1	3.1
Servicing recognised over time	4.2	3.5	11.6	6.5	17.0
	746.4	580.6	1,428.2	1,096.3	2,249.5
<b>Total</b>					
Sale of goods recognised at a specific point in time	2,862.5	2,212.7	5,543.0	4,343.1	8,908.0
Sale of goods recognised over time	55.2	105.2	123.8	186.8	363.6
Servicing recognised at a certain point in time	64.2	43.1	111.1	82.0	182.3
Servicing recognised over time	54.8	43.2	107.7	82.8	180.6
	3,036.7	2,404.2	5,885.6	4,694.7	9,634.5



## Note 3 Companies acquired

### Companies acquired

The purchase consideration for the assets of Sagicofim may provisionally be calculated as follows:

	Sagicofim
Total historical cost, less costs of acquisition	383.8
<b>Assets acquired</b>	
Fair value of assets acquired, net	303.8
Goodwill	80.0
<b>Identifiable net assets</b>	
Brands and customer relationships	107.6
Other intangible assets	2.1
Buildings and land	66.6
Machinery and equipment	10.6
Financial and other non-current assets	11.8
Inventory	58.7
Trade accounts receivable	133.1
Other current assets	15.8
Cash and cash equivalents	28.2
Minority interest	-1.5
Non-interest-bearing liabilities	-5.9
Deferred tax liability	-33.6
Interest-bearing liabilities	-4.3
Other operating liabilities	-85.4
	<b>303.8</b>

The total cash flow impact from acquisitions is SEK -320.5 million. Transactions costs relating to the acquisitions total SEK 3.4 million.

Customer relationships have been stated at the net present value of future cash flows. The useful life of these assets has been estimated at 10 years.

The goodwill upon acquisition is attributable to the strong market position of the companies acquired, synergies expected to arise after the acquisition and the company's estimated future earning capacity.

Net sales for the acquired companies between the time of acquisition and the end of the period under review totalled SEK 161.0 million. Operating profit for the period concerned was SEK 7.2 million. If the companies acquired had been consolidated from 1 May 2022, net sales for the period under review, May to October 2022, inclusive, would have totalled approximately SEK 5,898.3 million. Operating profit for that period would have totalled approximately SEK 401.7 million.

## Note 4 Financial instruments

Systemair's financial instruments comprise derivatives, trade accounts receivable, cash and cash equivalents, trade accounts payable, accrued supplier costs, interest-bearing liabilities, acquisition options and additional purchase considerations. Liabilities to credit institutions carry variable interest rates or, in certain cases, fixed rates for a short period. Derivatives are measured at fair value via the income statement on the basis of input data corresponding to level 2 as defined in IFRS 13.

Share purchase options and additional purchase considerations are measured on level 3 as defined in IFRS 13. The calculation for the option to acquire the remaining 10 percent of the shares in Systemair HSK, Turkey, is based on the anticipated profit before depreciation/amortisation and tax (EBITDA) for the financial years until 2024/25, plus the increase in value of the land on which the Turkish production facility is situated. Any increase in anticipated profit after tax and any increase in value of the land would result in an increase in the liability relating to the option. No upper limit for the anticipated liability is established in the agreement. Any change in estimated liability is transferred via the Group's equity. For the period under review, May–October 2022, the liability has been revalued upwards by SEK 1.7 million and is now

measured at SEK 23.9 million. The calculation for the option to acquire the remaining 40 percent of the shares in Frico A/S, Denmark, is based on the anticipated operating profit (EBIT) for the 2023/24 and 2024/25 financial years. Any increase in anticipated profit after tax would result in an increase in the liability relating to the option. No upper limit for the anticipated liability is established in the agreement. Any change in estimated liability is transferred via the Group's equity. For the period under review, May–October 2022, the liability has been revalued upwards by SEK 0.2 million and is now measured at SEK 6.0 million. The liability for the purchase options is recognised under Non-current liabilities, non-interest-bearing, on the balance sheet.

Other financial assets and liabilities are short-term. For that reason, the fair values of all financial instruments are considered to equate approximately to the carrying amounts. Systemair has not recognised any financial assets and liabilities net.

## Note 5 Segment reporting

The Group's operations are classified geographically. Systemair aggregates into two geographical segments of (i) Europe and (ii) Americas, Middle East, Asia, Australia and Africa. The market segment Europe accounts for the major share of Systemair's business. The segment Europe consists of a large number of markets. The legal entities within Europe work with each other in manufacturing and sales. The Company also judges that in every material respect similar economic conditions exist in the region, and so the legal entities within the region have been aggregated. Systemair further considers that accounting for the merged segments of (i) Europe and (ii) Americas, Middle East, Asia, Australia and Africa presents a clearer picture. The Parent Company is accounted for via a separate segment, Group-wide. The subsidiaries are aggregated on the basis of their legal domicile and they are consolidated according to the same principles as for the Group as a whole.

SEK m.	2022/23 Aug–Oct 3 mths	2021/22 Aug–Oct 3 mths	2022/23 May–Oct 6 mths	2021/22 May–Oct 6 mths	2021/22 May–Apr 12 mths
<b>Europe</b>					
Net sales, external	2,290.3	1,823.6	4,457.4	3,598.4	7,385.0
Net sales, intra-Group	63.7	40.4	126.8	92.3	209.3
Operating profit/loss	111.6	250.8	370.0	455.4	773.9
Operating margin, %	4.9	13.8	8.3	12.7	10.5
Profit after net fin. items	-222.9	248.1	49.3	465.9	905.2
Profit margin, %	-9.7	13.6	1.1	12.9	12.3
Assets	5,769.9	4,652.6	5,769.9	4,652.6	5,387.1
Investments	49.2	89.7	120.5	172.0	294.5
Depreciation/amortisation and impairments	250.5	73.3	332.9	145.8	335.4
<b>Americas, Middle East, Asia, Australia and Africa</b>					
Net sales, external	746.4	580.6	1,428.2	1,096.3	2,249.5
Net sales, intra-Group	7.9	4.3	17.2	8.0	13.7
Operating profit/loss	46.2	35.7	92.8	68.5	114.2
Operating margin, %	6.2	6.1	6.5	6.2	5.1
Profit after net fin. items	31.5	31.9	61.5	61.9	241.9
Profit margin, %	4.2	5.5	4.3	5.6	10.8
Assets	2,321.5	1,357.2	2,321.5	1,357.2	1,694.6
Investments	15.2	12.0	29.2	34.9	48.9
Depreciation/amortisation and impairments	14.7	12.6	28.9	25.1	52.3

	2022/23 Aug-Oct 3 mths	2021/22 Aug-Oct 3 mths	2022/23 May-Oct 6 mths	2021/22 May-Oct 6 mths	2021/22 May-Apr 12 mths
SEK m.					
<b>Group-wide</b>					
Net sales, intra-Group	44.3	36.2	90.1	73.4	149.1
Operating profit/loss	-38.0	-49.0	-73.4	-76.8	-118.3
Profit after net fin. items	300.9	-70.4	264.5	-111.9	-405.4
Assets	5,361.8	3,999.5	5,361.8	3,999.5	4,218.8
Investments	28.2	14.3	350.3	16.9	172.5
Depreciation/amortisation and impairments	8.3	5.1	14.9	10.1	20.7
<b>Eliminations</b>					
Net sales, intra-Group	-115.9	-80.9	-234.1	-173.7	-372.1
Assets	-3,241.8	-2,447.1	-3,241.8	-2,447.1	-2,828.1
<b>Total</b>					
Net sales, external	3,036.7	2,404.2	5,885.6	4,694.7	9,634.5
Operating profit/loss	119.8	237.5	389.4	447.1	769.8
Operating margin, %	3.9	9.9	6.6	9.5	8.0
Profit after net fin. items	109.5	209.6	375.3	415.9	741.7
Profit margin, %	3.6	8.7	6.4	8.9	7.7
Assets	10,211.4	7,562.2	10,211.4	7,562.2	8,472.4
Investments	92.6	116.0	500.0	223.8	515.9
Depreciation/amortisation and impairments	273.5	91.0	376.7	181.0	408.4

## Alternative Performance Measures

In the report, Systemair presents performance measures that supplement the financial ratios defined in IFRS; these are known as alternative performance measures (APMs). The Company is of the view that these APMs provide valuable information to investors and the Company's management, in that they enable evaluation of the Company's performance, trends, capacity to pay down debt and invest in new business opportunities, and that they reflect the Group's acquisition-intensive business model.

Because not all companies calculate key financial performance measures in the same way, these APMs are not always comparable. As a result, they should not be regarded as substitutes for performance measures as defined in IFRS. A number of definitions appear below, the majority of which are alternative performance measures.

For more key performance measures and information on how they are calculated, see Systemair's website at: [group.systemair.com/se/investerare/-finansiella-data/](http://group.systemair.com/se/investerare/-finansiella-data/)

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## Definitions of key performance measures

### Operating profit (EBIT)

Earnings before financial items and tax.

### Growth

Growth is defined as the change in net sales, relative to net sales for the preceding period.

### Organic growth

Change in sales by comparable units, adjusted for acquisitions and foreign currency effects.

### Adjusted operating profit

Operating profit, excluding restructuring costs, write-downs, adjustments related to hyperinflation and other items affecting comparability.

### Operating margin

Operating profit divided by net sales.

### Profit margin

Profit after financial items divided by net sales.

### Return on capital employed

Profit after financial income, for the trailing 12 months (TTM), divided by average capital employed.

### Capital employed

Total assets less non-interest-bearing liabilities.

### Return on equity

Profit after tax before non-controlling interest, for the trailing 12 months (TTM), divided by average equity excluding non-controlling interest.

### Number of employees

The number of employees at the end of the accounting period. New employees, appointments terminated, part-time employees and paid overtime are converted into full-time equivalents.

### Earnings per share

Profit for the period attributable to Parent Company shareholders, divided by the average number of shares during the period.

### Operating cash flow per share

Cash flow from operating activities for the period, divided by the average number of shares during the period.

### Equity/assets ratio

Adjusted equity divided by total assets.

### Equity per share

Equity, excluding non-controlling interest, divided by the number of shares at the end of the period.