

Systemair AB (publ) Interim Report Q3 1 May 2022 – 31 January 2023

Third quarter, November 2022 – January 2023

- Net sales increased by 33.6 percent to SEK 3,043 million (2,278).
- Organic growth was +22.2 percent (+11.8).
- Adjusted operating profit was SEK 274 million (131). Operating profit (EBIT) amounted to SEK 277 million (131), including hyperinflation adjustments totalling SEK +3 million.
- The operating margin was 9.1 percent (5.8).
- Profit after tax amounted to SEK 170 million (95).
- Earnings per share (basic) equalled SEK 0.79 (0.47).
- Cash flow from operating activities amounted to SEK +279 million (+27).

Net sales Q3

SEK 3,043 m.

EBIT Q3

SEK 277 m.

Nine months, May 2022 – January 2023

- Net sales increased by 28.1 percent to SEK 8,929 million (6,973).
- Organic growth was +17.0 percent (+11.4).
- Adjusted operating profit was SEK 843 million (591). Operating profit (EBIT) amounted to SEK 667 million (578), after recognition of impairment charges of in all SEK -170 million, mainly related to the business in Russia, and hyperinflation adjustments totalling SEK -6 million in Turkey.
- The adjusted operating margin was 9.4 percent (8.5).
- Profit after tax amounted to SEK 426 million (405).
- Earnings per share (basic) equalled SEK 2.03 (1.95).
- Cash flow from operating activities amounted to SEK +417 million (+267).

Significant events during the period under review

- In November, an agreement was signed with Panasonic Corporation Heating & Ventilation A/C Company to divest Systemair's air conditioning business. The deal was completed on 28 February 2023.
- 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 Nov-Jan 3 mths	2021/22 Nov-Jan 3 mths	2022/23 May-Jan 9 mths	2021/22 May-Jan 9 mths	2021/22 May-Apr 12 mths
Net sales, SEK m.	3,043.5	2,278.1	8,929.1	6,972.8	9,634.5
Growth, %	33.6	13.7	28.1	10.5	13.1
Operating profit, SEK m.	277.5	131.3	666.9	578.4	769.8
Operating margin, %	9.1	5.8	7.5	8.3	8.0
Profit after tax, SEK m.	170.2	94.8	426.1	405.4	544.3
Earnings per share (basic) (SEK) ¹	0.79	0.47	2.03	1.95	2.61
Earnings per share (diluted) (SEK) ¹	0.79	0.47	2.03	1.95	2.61
Operating cash flow per share (basic) (SEK) ¹	1.34	0.13	2.01	1.28	1.13
Operating cash flow per share (basic) (SEK) ¹	1.34	0.13	2.00	1.28	1.13

1) Systemair AB has issued 1,111,740 warrants to persons holding senior positions within the company.

A strong quarter

Systemair's third quarter shows continued good growth, turnover increased by 33.6 percent, of which 22.2 percent was organic. Gross margin improved to 34.6 percent (33.3). Adjusted operating profit more than doubled to SEK 274 million (131). Sales development was strong in all regions except Eastern Europe.

The market

Demand in the third quarter remained strong, with organic growth of 22.2 percent (11.8). With the exception of Eastern Europe, all regions show good organic growth. The disruptions in component supply in Europe and North America have eased somewhat, which has improved our delivery possibilities.

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 deal consists of selling 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. The deal was completed on 28 February 2023.

Long-term investments

Systemair's balance sheet is strong, creating scope for further investments and acquisitions. Several long-term strategic investments in buildings and production equipment continue in Europe and North America to meet the increased demand.

Sustainability

We are continuing to systematically advance our sustainability work in all our areas of operations. This quarter, we are for the second time reporting 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 remain our focus, especially in our product development. EU initiatives, such as the European Green Deal and Renovation Wave, will support robust long-term demand for energy-efficient ventilation products for new construction and the renovation market.

Outlook favourable

Systemair has explicit financial targets for growth in sales and operating profit, both of at least 10 percent. Despite the recent years with pandemic, supply chain challenges and the halt in deliveries to Russia, Systemair can report strong sales growth and a steadily improving underlying operating profit. We have a clear strategy and strong drivers in energy-efficient ventilation that argue for good long-term growth and profitability.

Order bookings remain firm, and our order backlog is high. With our 27 well-invested production facilities in 18 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 third quarter of the 2022/23 financial year totalled SEK 3,043.5 million (2,278.1), up 33.6 percent from the same period last year. Adjusted for foreign exchange effects and acquisitions, net sales rose by 22.2 percent. Price increases implemented have had an impact on growth, over and above the purely volume-based increase. Previous problems with the supply of components have decreased, which also positively affected the ability to deliver during the quarter. Growth in acquired operations was 5.1 percent, while foreign exchange effects increased the value of sales by 6.3 percent over the period.

Net sales for the period under review, May 2022 to January 2023, totalled SEK 8,929.1 million (6,972.8). This was 28.1 percent higher than in the same period last year. Adjusted for both foreign exchange effects and acquisitions, net sales grew 17.0 percent. Growth in acquired operations was 4.9 percent, while foreign exchange effects increased the value of sales by 6.2 percent over the period under review.

Geographic breakdown of Q3 sales

Nordic region

During the third quarter, sales in the Nordic region increased by 18.4 percent compared with 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, the value of sales rose by 13.9 percent.

Western Europe

Sales growth in the West European market remained very strong over the quarter, with a rise of 54.9 percent compared to the same period last year. Adjusted for foreign exchange effects and acquisitions, the value of sales rose 32.0 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 1.1 percent during the quarter. Adjusted for foreign exchange effects and acquisitions, the value of sales was down 10.4 percent. The reason is mainly stopped deliveries to Russia. Sales in Russia during the quarter accounted for 1.7 percent (4.2) of the Group's total sales. Excluding Russia, growth was 18.3 percent. Other major markets in the region showed good growth, including the Czech Republic, Poland and Slovenia.

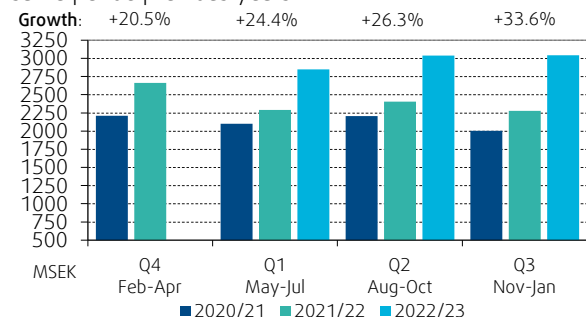
North America

Sales in North America during the quarter were 29.7 percent higher than in the same period in the preceding year. Adjusted for foreign exchange effects, the value of sales rose 15.5 percent. Both the US and the Canadian market showed good growth in the quarter.

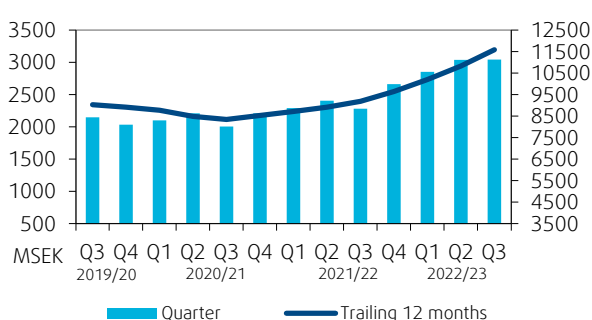
	2022/23		2021/22		2022/23		2021/22	
	Nov-Jan 3 mths	Nov-Jan 3 mths	Sales – change	Of which, organic	May-Jan 9 mths	May-Jan 9 mths	Sales – change	Of which, organic
Nordic region	587.4	496.2	18.4%	13.9%	1,659.7	1,375.0	20.7%	15.9%
Western Europe	1,391.3	898.3	54.9%	32.0%	4,049.0	2,896.1	39.8%	21.5%
Eastern Europe & CIS	342.3	346.2	-1.1%	-10.4%	1,040.5	1,073.0	-3.0%	-12.7%
North America	315.2	243.1	29.7%	15.5%	967.3	768.4	25.9%	8.2%
Middle East, Asia, Australia and Africa	407.3	294.3	38.4%	50.5%	1,212.6	860.3	41.0%	48.8%
Total	3,043.5	2,278.1	33.6%	22.2%	8,929.1	6,972.8	28.1%	17.0%

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

Net sales per quarter compared with same period previous years



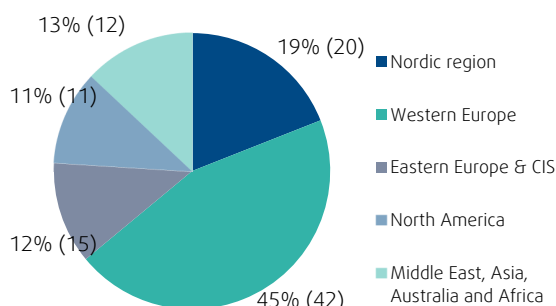
Net sales



Middle East, Asia, Australia and Africa

Sales in the Middle East, Asia, Australia and Africa rose by 38.4 percent compared with the same period last year. Adjusted for foreign exchange effects and acquisitions, the value of sales rose 50.5 percent. India, Turkey and Australia reported very good growth over the period.

Sales by market, 9 months 2022/23 (2021/22)



Profit in the third quarter

The gross profit for the third quarter amounted to SEK 1,042.2 million (758.8), an increase of 37.4 percent over the same period last year. The gross margin increased to 34.2 percent (33.3), partly because of good capacity utilisation. The impact of hyperinflation in Turkey negatively affected the gross margin by 0.6 percentage points, or SEK 17.2 million.

Operating profit for the third quarter amounted to SEK 277.5 million (131.3), an increase of 111.3 percent over the same period last year. The operating margin was 9.1 percent (5.8). Adjusted operating profit was SEK 273.8 million (131.3). The adjusted operating margin was 9.0 percent (5.8). Operating profit benefited from hyperinflation adjustments in Turkey totalling SEK +3.7 million. For more information, see Note 1.

Selling and administration expenses for the quarter totalled SEK 785.5 million (639.9), a rise of SEK 145.6

million, or 22.8 percent. Company acquisitions accounted for SEK 30.9 million of the quarter's costs, indicating that selling and administration expenses for like-for-like units increased by SEK 114.7 million, or 17.9 percent, as a result of the increased turnover.

Selling expenses were charged with SEK 1.2 million (4.9) for anticipated bad debts. No material acquisition-related costs were charged during the quarter (-).

Net financial items in the third quarter were SEK -59.1 million (-2.3). The effects of foreign exchange on long-term receivables, loans and bank balances totalled SEK -37.5 million (+4.8) net. Interest expenses for the quarter totalled SEK -21.6 million (-7.1).

Profit for period under review

Operating profit for the period under review, May 2022 – January 2023, totalled SEK 666.9 million (578.4). The adjusted operating margin was 9.4 percent (8.5). Adjusted operating profit was SEK 842.8 million (591.1). 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. Operating profit was also affected by hyperinflation adjustments in Turkey totalling SEK -5.9 million.

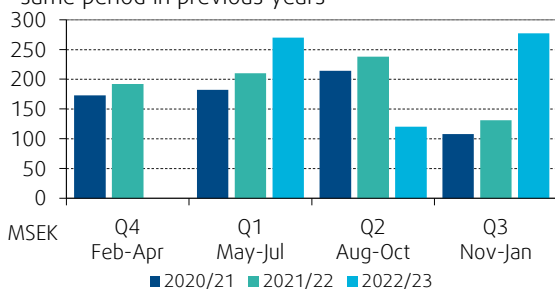
Selling and administration expenses totalled SEK 2,237.6 million (1,832.7), an increase of SEK 404.9 million. Company acquisitions accounted for SEK 89.3 million of the year's costs, indicating that selling and administration expenses for like-for-like units rose SEK 315.6 million, or 17.2 percent. Selling expenses were charged with SEK 12.0 million (12.0) for anticipated bad debts.

Net financial items totalled SEK -73.8 million (-33.5), including interest expenses of SEK -49.5 million (-19.3).

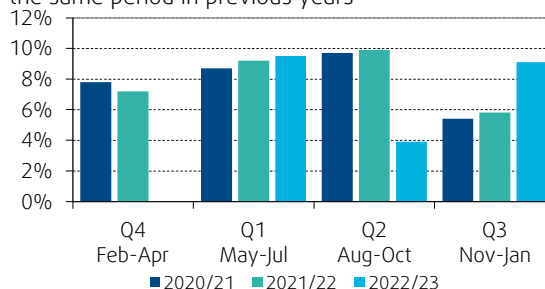
Tax expense

Estimated tax for the quarter totalled SEK -48.2 million (-34.2), representing an effective tax rate of 22.6

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



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



percent (26.5) based on adjusted profit after financial items. The lower tax charges is a consequence of utilized loss deductions in units that were previously loss-making.

Estimated tax for the period under review totalled SEK -167.0 million (-139.5), representing an effective tax rate of 21.7 percent (25.0) 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 during the period had been consolidated as of 1 May 2022, net sales for the period May 2022 through January 2023 would have totalled approximately SEK 8,964.3 million. Operating profit for that period would have totalled approximately SEK 670.1 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 40.3 million (53.0), consisting in their entirety of new construction and machinery (49.0). The investments relate to the production facilities in the Czech Republic, Sweden, Denmark and the USA. Acquisitions and previously withheld purchase considerations had no impact on cash and cash equivalents during the quarter (-). Depreciation and amortisation of non-current assets amounted to SEK 96.2 million (92.8).

Total investments for the period under review amounted to SEK 548.6 million (285.8), excluding divestments. Gross investments in new construction and machinery totalled SEK 201.1 million (246.3), 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 472.9 million (273.8) of which SEK 170.5 million is referring to impairments.

Personnel

The average number of employees in the Group was 6,591 (6,251). At the end of the period, Systemair had 6,893 employees (6,552), 341 more than one year previous. Acquired companies added a total of 209 employees. New personnel were hired in the Czech Republic (71), Canada (44), India (43), Lithuania (23), Malaysia (21) and Slovenia (21). Personnel cutbacks were made in Russia (-93) and Menerga in Germany (-25).

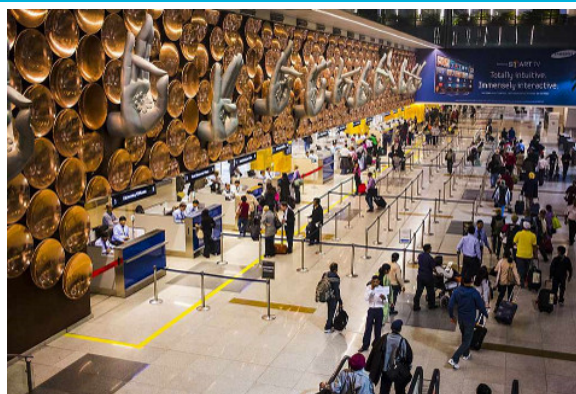
Cash flow and financial position

Cash flow from operating activities, before changes in working capital during the quarter, totalled SEK 274.6

Landmark project for Systemair India

Systemair India has landed a prestigious order for the Indira Gandhi International Airport in New Delhi, India. Systemair India was chosen for delivering a solution to Terminal 1 with air handling units (AHU), fans, and related products.

Altogether Systemair India will supply 163 Air Handling Units, Supply & Return Air Grills, Square Diffuser, Drum Jet Diffuser, Jet Nozzles and Volume Control Dampers. Delivery will be completed before 30th April 2023.



million (142.3). Changes in working capital, mainly consisting of reduced inventories and trade accounts receivable, had an impact of SEK +4.1 million (-115.5) on cash flow. Cash flow from financing activities totalled SEK -246.2 million net (-43.9). At the end of the period, net indebtedness was SEK 2,617.0 million (1,864.6). The consolidated equity/assets ratio was 46.5 percent (47.2) 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 520,740 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.

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

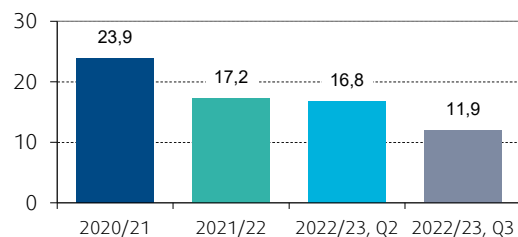
Sustainability reporting

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 collect selected quarterly sustainability data. Three key data from sustainability reporting are presented below. This new quarterly reporting began in Systemair's second quarter. In the case of emissions, data for the first quarter was also collected in order to be able to report the status for all three quarters.

Work-related injuries leading to sickness absence

Systemair strives to ensure that no work-related injuries occur, especially those that lead to sick leave. 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 remains on a downward trend.

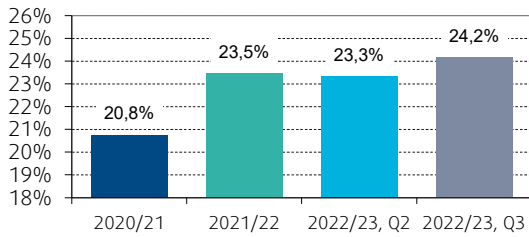
Work-related injuries with sickness absence, LTIFR



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 steadily moving in the right direction and Systemair is working to lay the groundwork for continued improvement in this area.

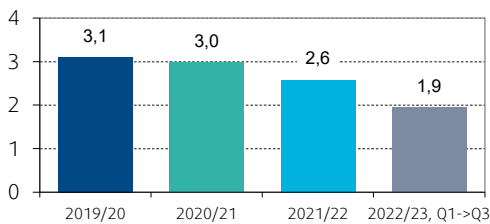
Percentage of female leaders



Scopes 1 and 2 emissions (CO₂e)

Systemair has set a target to halve its emissions intensity by 2030, with 2019/20 as the base year. Emission intensity is calculated as total Scopes 1 and 2 emissions per Cost of Goods Sold. Emission intensity has decreased over the year, but this is mainly because of a high Cost of Goods Sold due to inflation and price increases.

Emissions intensity Scopes 1 & 2 (Ton CO₂e/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 deal was completed on 28 February 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.

Under the agreement, Systemair recognises Assets held for sale at SEK 865.4 million and Liabilities related to assets held for sale at SEK 220.5 million.

Exposure to Russia, Ukraine and Belarus

At the end of the period under review, 204 people were employed in Russia, Ukraine and Belarus. Systemair's sales in the region represent 1.7 percent of the Group's total sales in the period under review.

During the interim period, an impairment of goodwill and property, plant and equipment relating to the operations in Russia totalling SEK 168.2 million has been recognised. 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 69.7 million. Goodwill and other fixed assets have been written down to zero. Working capital, mainly in inventories and cash, totals SEK 114.4 million. Currently, it is not possible to transfer this cash out of Russia. 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

Systemair commits to setting science-based targets

Systemair is raising the ambition of its ongoing work to reduce greenhouse gas emissions, both from its own operations and throughout the value chain. The Company has committed to setting science-based targets through the Science Based Targets initiative (SBTi).

Systemair has been working for several years to reduce emissions from its own operations (Scopes 1 & 2) and will continue to strive for further reductions. Work is now being expanded to identify and understand the emissions arising outside the Company's own operations in other parts of the value chain (Scope 3), in order to be able to set science-based targets in both the short term (around 2030) and the long term ("net-zero" targets).



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 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 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 135.4 million (110.9). Operating profit was negative, at SEK -125.5 million (-86.9). The Parent Company's net financial income is affected by an impairment of shares in subsidiaries totalling SEK 95.9m relating to the shares in Systemair, Russia. In addition,

previous impairments on the shares in Systemair AC SAS in France and Systemair S.r.l. in Italy have been reversed in a total amount of SEK 424.9 million. The Parent Company had 60 employees (63). 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 6,900 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.

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 was submitted for publication at 8.00 a.m. on 9 March 2023.

This interim report has not been reviewed by the Company's auditors.

Skinnskatteberg, 9 March 2023

Systemair AB (publ)

Board of Directors

Calendar

Interim Report Q4 2022/23

8.00 a.m., 8 June 2023

Interim Report Q1 2023/24

1.00 p.m., 31 August 2023

AGM 2023

3.00 p.m., 31 August 2023

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Summary income statement

	Group						Parent Company	
	2022/23 Nov-Jan 3 mths	2021/22 Nov-Jan 3 mths	2022/23 May-Jan 9 mths	2021/22 May-Jan 9 mths	2022/23 Feb-Jan tr1 12	2021/22 May-Apr 12 mths	2022/23 May-Jan 9 mths	2021/22 May-Jan 9 mths
SEK m.								
Net sales	3,043.5	2,278.1	8,929.1	6,972.8	11,590.8	9,634.5	135.4	110.9
Cost of goods sold	-2,001.3	-1,519.3	-5,891.0	-4,561.6	-7,645.0	-6,315.6	-	-
Gross profit	1,042.2	758.8	3,038.1	2,411.2	3,945.8	3,318.9	135.4	110.9
Other operating income	43.4	91.5	177.1	166.1	244.5	233.5	5.1	4.2
Selling expenses	-632.3	-528.0	-1,816.0	-1,516.1	-2,377.4	-2,077.5	-67.1	-63.8
Administration expenses	-153.2	-111.9	-421.6	-316.6	-542.6	-437.6	-113.8	-80.0
Other operating expenses	-40.6	-79.1	-362.4	-166.2	-463.7	-267.5	-85.1	-58.2
Net gain on monetary items	18.0	-	51.7	-	51.7	-	-	-
Operating profit/loss	277.5	131.3	666.9	578.4	858.3	769.8	125.5	-86.9
Net financial items	-59.1	-2.3	-73.8	-33.5	-68.4	-28.1	681.0	217.4
Profit/loss after financial items	218.4	129.0	593.1	544.9	789.9	741.7	555.5	130.5
Appropriations	-	-	-	-	-	-	-1.3	0.8
Tax on profit for the period	-48.2	-34.2	-167.0	-139.5	-223.6	-197.4	19.9	8.6
Profit/loss for the period	170.2	94.8	426.1	405.4	566.3	544.3	574.1	139.9
Attributable to:								
Parent Company shareholders	164.1	97.7	423.1	406.2	562.1	543.9	-	-
Non-controlling interests	6.1	-2.9	3.0	-0.8	4.2	0.4	-	-
Basic earnings per share, SEK	0.79	0.47	2.03	1.95	2.70	2.61	-	-
Diluted earnings per share, SEK	0.79	0.47	2.03	1.95	2.70	2.61	-	-

Statement of comprehensive income

Profit/loss for the period	170.2	94.8	426.1	405.4	566.3	544.3	574.1	139.9
Other comprehensive income								
<i>Items that have been, or may later be, transferred to profit for the year:</i>								
Translation differences	84.9	163.7	636.7	134.8	621.1	119.1	-	-
<i>Items that cannot be transferred to profit for the period:</i>								
Revaluation of defined-benefit pensions, net after tax	0.1	-0.3	-6.0	-10.4	10.4	6.0	-	-
Other comprehensive income	85.0	163.4	630.7	124.4	631.5	125.1	-	-
Total comprehensive income for the period	255.2	258.2	1,056.8	529.8	1,197.8	669.4	574.1	139.9
Attributable to:								
Parent Company shareholders	249.1	261.1	1,053.8	530.6	1,193.6	669.0	-	-
Non-controlling interests	6.1	-2.9	3.0	-0.8	4.2	0.4	-	-

1) Systemair AB has issued 1,111,740 warrants to persons holding senior positions within the company.

Summary balance sheet

SEK m.	Group			Parent Company	
	31/01/2023	31/01/2022	30/04/2022	31/01/2023	31/01/2022
ASSETS					
Goodwill	945.1	802.5	888.9	-	-
Other intangible non-current assets	289.7	191.4	216.1	27.8	29.3
Property, plant and equipment	2,491.7	2,334.6	2,325.6	16.6	21.8
Financial and other non-current assets	213.7	234.5	193.6	3,491.8	2,744.3
Total non-current assets	3,940.2	3,563.0	3,624.2	3,536.2	2,795.4
Inventory	2490.4	1,968.9	2,224.9	-	-
Current receivables	2,526.7	2,009.2	2,287.4	1,878.9	1,249.2
Cash and cash equivalents	334.4	327.7	335.9	-	-
Total current assets	5,351.5	4,305.8	4,848.2	1,878.9	1,249.2
Available-for-sale assets	865.4	-	-	-	-
TOTAL ASSETS	10,157.1	7,868.8	8,472.4	5,415.1	4,044.6
EQUITY AND LIABILITIES					
Equity	4,724.9	3,717.7	3,853.5	1,941.4	1,735.5
Untaxed reserves	-	-	-	1.1	-0.1
Non-current liabilities, non-interest-bearing	314.0	269.7	275.7	-	-
Non-current liabilities, interest-bearing	1,446.6	1,073.4	1,230.8	2,195.3	1,456.5
Total non-current liabilities	1,760.6	1,343.1	1,506.5	2,195.3	1,456.5
Current liabilities, interest-bearing	1,408.5	1,029.1	1,148.0	1,173.3	800.4
Current liabilities, non-interest-bearing	2,042.6	1,778.9	1,964.4	104.0	52.3
Total current liabilities	3,451.1	2,808.0	3,112.4	1,277.3	852.7
Liabilities attributable to available-for-sale assets	220.5	-	-	-	-
TOTAL EQUITY AND LIABILITIES	10,157.1	7,868.8	8,472.4	5,415.1	4,044.6

Summary consolidated cash flow statement

SEK m.	2022/23	2021/22	2022/23	2021/22	2021/22
	Nov-Jan 3 mths	Nov-Jan 3 mths	May-Jan 9 mths	May-Jan 9 mths	May-Apr 12 mths
Operating profit/loss	277.5	131.3	666.9	578.4	769.8
Adjustment for non-cash items	90.7	81.1	418.8	287.0	354.5
Financial items	-21.4	-6.5	-50.9	-18.2	-27.6
Income tax paid	-72.2	-63.6	-176.1	-145.9	-147.4
Cash flow from operating activities before changes in working capital	274.6	142.3	858.7	701.3	949.3
Changes in working capital	4.1	-115.5	-441.7	-434.5	-714.1
Cash flow from operating activities	278.7	26.8	417.0	266.8	235.2
Cash flow from investing activities	-33.8	-44.4	-533.8	-268.2	-515.9
Cash flow from financing activities	-246.2	-43.9	69.3	-11.7	274.9
Cash flow for the period	-1.3	-61.5	-47.5	-13.1	-5.8
Cash and cash equivalents at start of period	337.9	361.4	335.9	319.1	319.1
Translation differences, cash and cash equivalents	13.1	27.8	61.3	21.7	22.6
Cash and cash equivalents held for sale	-15.3	-	-15.3	-	-
Cash and cash equivalents at close of period	334.4	327.7	334.4	327.7	335.9

Statement of changes in equity – Group

SEK m.	2022/23 May-Jan			2021/22 May-Jan			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
Amount at beginning of year	3,815.1	38.4	3,853.5	3,305.0	25.1	3,330.1	3,305.0	25.1	3,330.1
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	-	12.3	12.3	-	12.3	12.3
Issue of warrants	3.5	-	3.5	4.8	-	4.8	4.8	-	4.8
Revaluation of acquisition option	-2.4	0.7	-1.7	-4.5	3.0	-1.5	-7.7	2.4	-5.3
Comprehensive income	1,053.8	3.0	1,056.8	530.6	-0.8	529.8	669.0	0.4	669.4
Amount at end of period	4,682.8	42.1	4,724.9	3,679.9	37.8	3,717.7	3,815.1	38.4	3,853.5

Performance measures for the Group

		2022/23 Nov-Jan 3 mths	2021/22 Nov-Jan 3 mths	2022/23 May-Jan 9 mths	2021/22 May-Jan 9 mths	2021/22 May-Apr 12 mths
Net sales	SEK m.	3,043.5	2,278.1	8,929.1	6,972.8	9,634.5
Growth	%	33.6	13.7	28.1	10.5	13.1
Operating profit/loss	SEK m.	277.5	131.3	666.9	578.4	769.8
Operating margin	%	9.1	5.8	7.5	8.3	8.0
Adjusted operating margin	%	9.0	5.8	9.4	8.5	8.5
Profit after net fin. items	SEK m.	218.4	129.0	593.1	544.9	741.7
Profit margin	%	7.2	5.7	6.6	7.8	7.7
Adjusted profit margin, %	%	7.0	5.7	8.6	8.0	8.2
Return on capital employed	%	13.3	14.9	13.3	14.9	14.5
Adjusted return on capital employed	%	16.4	15.1	16.4	15.1	15.4
Return on equity	%	13.3	15.0	13.3	15.0	15.1
Adjusted return on equity	%	18.5	15.4	18.5	15.4	16.5
Equity/assets ratio	%	46.5	47.2	46.5	47.2	45.5
Investments	SEK m.	33.8	44.4	533.8	268.2	515.9
Depreciation/amortisation and impairments	SEK m.	96.2	92.8	472.9	273.8	408.4
Per share ratios						
Basic earnings per share	SEK	0.79	0.47	2.04	1.95	2.61
Diluted earnings per share	SEK	0.79	0.47	2.04	1.95	2.61
Adjusted basic earnings per share	SEK	0.77	0.47	2.88	2.01	2.86
Adjusted earnings per share (diluted)	SEK	0.77	0.47	2.88	2.01	2.86
Basic equity per share	SEK	22.51	17.69	22.51	17.69	18.34
Diluted equity per share	SEK	22.51	17.69	22.51	17.69	18.34
Basic operating cash flow per share	SEK	1.34	0.13	2.01	1.28	1.13
Diluted operating cash flow per share	SEK	1.34	0.13	2.00	1.28	1.13
Average number of shares in period, before dilution	No.	208,000,000	208,000,000	208,000,000	208,000,000	208,000,000
Average number of shares in period, after dilution	No.	208,096,000	208,000,000	208,028,000	208,000,000	208,000,000

Quarterly performance measures – Group

		2022/23				2021/22			2020/21	
		Nov-Jan	Aug-Oct	May-Jul	Feb-Apr	Nov-Jan	Aug-Oct	May-Jul	Feb-Apr	Nov-Jan
		Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net sales	SEK m.	3,043.5	3,036.7	2,848.9	2,661.6	2,278.1	2,404.2	2,290.5	2,208.5	2,003.9
Growth	%	33.6	26.3	24.4	20.5	13.7	8.9	9.1	8.7	-6.7
Gross margin	%	34.2	33.3	34.6	34.1	33.3	35.6	34.8	35.7	33.6
Operating profit/loss	SEK m.	277.5	119.8	269.6	191.4	131.3	237.5	209.6	173.1	108.0
Operating margin	%	9.1	3.9	9.5	7.2	5.8	9.9	9.2	7.8	5.4
Adjusted operating margin	%	9.0	9.9	9.5	8.6	5.8	10.4	9.2	7.8	5.4
Return on capital employed	%	13.3	12.4	14.7	14.5	14.9	14.2	14.3	13.1	10.2
Adjusted return on capital employed	%	16.4	15.7	15.5	15.4	15.1	14.4	14.3	13.1	10.2
Return on equity	%	13.3	12.2	16.1	15.1	15.0	14.9	14.8	13.0	9.4
Adjusted return on equity	%	18.5	17.8	17.4	16.5	15.4	15.2	14.8	13.0	9.4
Equity/assets ratio	%	46.5	43.8	44.0	45.5	47.2	45.7	48.4	47.9	47.7
Basic equity per share	SEK	22.51	21.30	19.73	18.34	17.69	16.45	16.71	15.89	15.30
Diluted equity per share	SEK	22.51	21.10	19.73	18.34	17.69	16.45	16.71	15.89	15.30
Basic earnings per share	SEK	0.79	0.21	1.04	0.66	0.47	0.74	0.75	0.55	0.33
Diluted earnings per share	SEK	0.79	0.20	1.04	0.66	0.47	0.74	0.75	0.55	0.33
Adjusted basic earnings per share	SEK	0.77	1.06	1.05	0.85	0.47	0.80	0.75	0.55	0.33
Adjusted earnings per share (diluted)	SEK	0.77	1.04	1.05	0.85	0.47	0.80	0.75	0.55	0.33
Cash flow from operating activities per share (basic)	SEK	1.34	0.98	-0.31	-0.15	0.13	0.39	0.76	1.10	1.18
Cash flow from operating activities per share (diluted)	SEK	1.34	0.96	-0.31	-0.15	0.13	0.39	0.76	1.10	1.18

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 described 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.	31/01/2023
	May-Jan		
	9 mths		
SEK m.			
Net sales	7.1		
Cost of goods sold	-63.2		
Gross profit	-56.1		
Other operating income	0.7		
Selling expenses	-0.9		
Administration expenses	-0.4		
Other operating expenses	-0.9		
Adjustment effect of hyperinflation calculation	51.7		
Operating profit/loss	-5.9		
Net financial items	-0.6		
Profit/loss after financial items	-6.5		
Tax on profit for the period	0.1		
Profit/loss for the period	-6.4		
		ASSETS	
		Goodwill	95.8
		Other intangible non-current assets	2.7
		Property, plant and equipment	198.2
		Total non-current assets	296.7
		Inventory	5.2
		Current receivables	0.1
		Total current assets	5.3
		TOTAL ASSETS	302.0
		EQUITY AND LIABILITIES	
		Other comprehensive income, hyperinflation calculation	297.1
		Equity	-6.7
		Current liabilities, non-interest-bearing	11.6
		Total current liabilities	11.6
		TOTAL EQUITY AND LIABILITIES	302.0

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 3,043.5 million (2,278.1), of which servicing of ventilation products accounted for SEK 119.8 million (90.2).

	2022/23	2021/22	2022/23	2021/22	2021/22
SEK m.	Nov-Jan 3 mths	Nov-Jan 3 mths	May-Jan 9 mths	May-Jan 9 mths	May-Apr 12 mths
Europe					
Sale of goods recognised at a specific point in time	2,154.8	1,621.0	6,366.1	4,987.1	6,883.8
Sale of goods recognised over time	62.6	37.5	104.6	112.6	158.4
Servicing recognised at a certain point in time	62.0	44.0	170.0	124.9	179.2
Servicing recognised over time	48.6	41.1	144.7	117.4	163.6
	2,328.0	1,743.6	6,785.4	5,342.0	7,385.0
Americas, Middle East, Asia, Australia and Africa					
Sale of goods recognised at a specific point in time	653.1	487.3	1,984.8	1,464.3	2,024.2
Sale of goods recognised over time	53.2	42.1	135.0	153.8	205.2
Servicing recognised at a certain point in time	1.8	1.4	4.9	2.5	3.1
Servicing recognised over time	7.4	3.7	19.0	10.2	17.0
	715.5	534.5	2,143.7	1,630.8	2,249.5
Total					
Sale of goods recognised at a specific point in time	2,807.9	2,108.3	8,350.9	6,451.4	8,908.0
Sale of goods recognised over time	115.8	79.6	239.6	266.4	363.6
Servicing recognised at a certain point in time	63.8	45.4	174.9	127.4	182.3
Servicing recognised over time	56.0	44.8	163.7	127.6	180.6
	3,043.5	2,278.1	8,929.1	6,972.8	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
Assets acquired	
Fair value of assets acquired, net	303.8
Goodwill	80.0
Identifiable net assets	
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
	303.8

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 257.8 million. Operating profit for the period concerned was SEK 10.4 million. If the companies acquired during the period had been consolidated as of 1 May 2022, net sales for the period May 2022 through January 2023 would have totalled approximately SEK 8,964.3 million.

Operating profit for that period would have totalled approximately SEK 670.1 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.

No change in the option took place during the period under review, and it is valued at SEK 22.4 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. No change in the option took place during the period under review, and it is valued at SEK 6.2 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.

	2022/23	2021/22	2022/23	2021/22	2021/22
SEK m.	Nov-Jan	Nov-Jan	May-Jan	May-Jan	May-Apr
	3 mths	3 mths	9 mths	9 mths	12 mths
Europe					
Net sales, external	2,328.0	1,743.6	6,785.4	5,342.0	7,385.0
Net sales, intra-Group	45.5	46.6	172.3	138.9	209.3
Operating profit/loss	262.4	127.1	632.4	582.5	773.9
Operating margin, %	11.3	7.3	9.3	10.9	10.5
Profit after net fin. items	238.1	120.1	286.8	586.0	905.2
Profit margin, %	10.2	6.9	4.2	11.0	12.3
Assets	5,992.8	4,942.1	5,992.8	4,942.1	5,387.1
Investments	15.8	41.7	136.3	213.7	294.5
Depreciation/amortisation and impairments	74.1	74.9	407.0	220.7	335.4
Americas, Middle East, Asia, Australia and Africa					
Net sales, external	715.5	534.5	2,143.7	1,630.8	2,249.5
Net sales, intra-Group	5.6	2.6	22.8	10.6	13.7
Operating profit/loss	66.3	14.0	159.1	82.5	114.2
Operating margin, %	9.3	2.6	7.4	5.1	5.1
Profit after net fin. items	38.0	60.3	99.5	122.2	241.9
Profit margin, %	5.3	11.3	4.6	7.5	10.8
Assets	2,297.1	1,485.0	2,297.1	1,485.0	1,694.6
Investments	12.3	0.8	41.5	35.7	48.9
Depreciation/amortisation and impairments	14.0	12.9	42.9	38.0	52.3

	2022/23	2021/22	2022/23	2021/22	2021/22
SEK m.	Nov-Jan	Nov-Jan	May-Jan	May-Jan	May-Apr
	3 mths	3 mths	9 mths	9 mths	12 mths
Group-wide					
Net sales, intra-Group	45.3	37.5	135.4	111.0	149.1
Operating profit/loss	-51.2	-9.8	-124.6	-86.6	-118.3
Profit after net fin. items	-57.7	-51.4	206.8	-163.3	-405.4
Assets	5,424.7	4,055.8	5,424.7	4,055.8	4,218.8
Investments	5.7	1.9	356.0	18.8	172.5
Depreciation/amortisation and impairments	8.1	5.0	23.0	15.1	20.7
Eliminations					
Net sales, intra-Group	-96.4	-86.7	-330.5	260.4	-372.1
Assets	-3,557.5	-2,614.1	-3,557.5	-2,614.1	-2,828.1
Total					
Net sales, external	3,043.5	2,278.1	8,929.1	6,972.8	9,634.5
Operating profit/loss	277.5	131.3	666.9	578.4	769.8
Operating margin, %	9.1	5.8	7.5	8.3	8.0
Profit after net fin. items	218.4	129.0	593.1	544.9	741.7
Profit margin, %	7.2	5.7	6.6	7.8	7.7
Assets	10,157.1	7,868.8	10,157.1	7,868.8	8,472.4
Investments	33.8	44.4	533.8	268.2	515.9
Depreciation/amortisation and impairments	96.2	92.8	472.9	273.8	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/

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, impairments, hyperinflation adjustments 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.