

Q3 report 2022-23

Roland Kasper CEO, Anders Ulff CFO



Established at HQ in
Skinnskatteberg,
Sweden

1974



Turnover
Annual net sales in mill.
EUR

960



Number of countries
with own sales
companies

52



NASDAQ
OMX Nordic Exchange

2007



Countries

21

*Own prod. facilities,
total book value of SEK 1.3 bn.*



Number of
employees

6,900

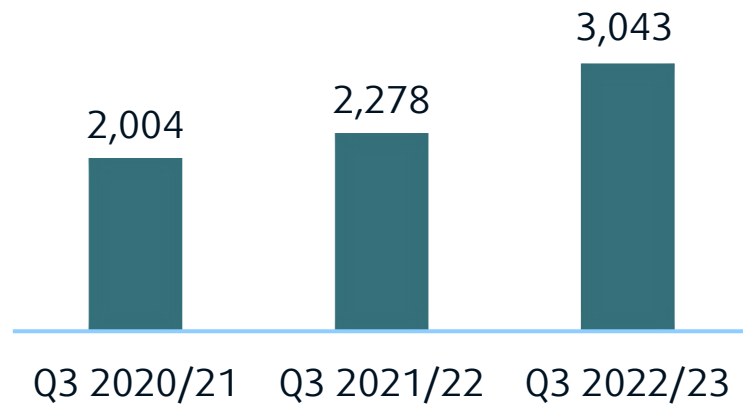


Countries
exported to

135

Net sales Q3

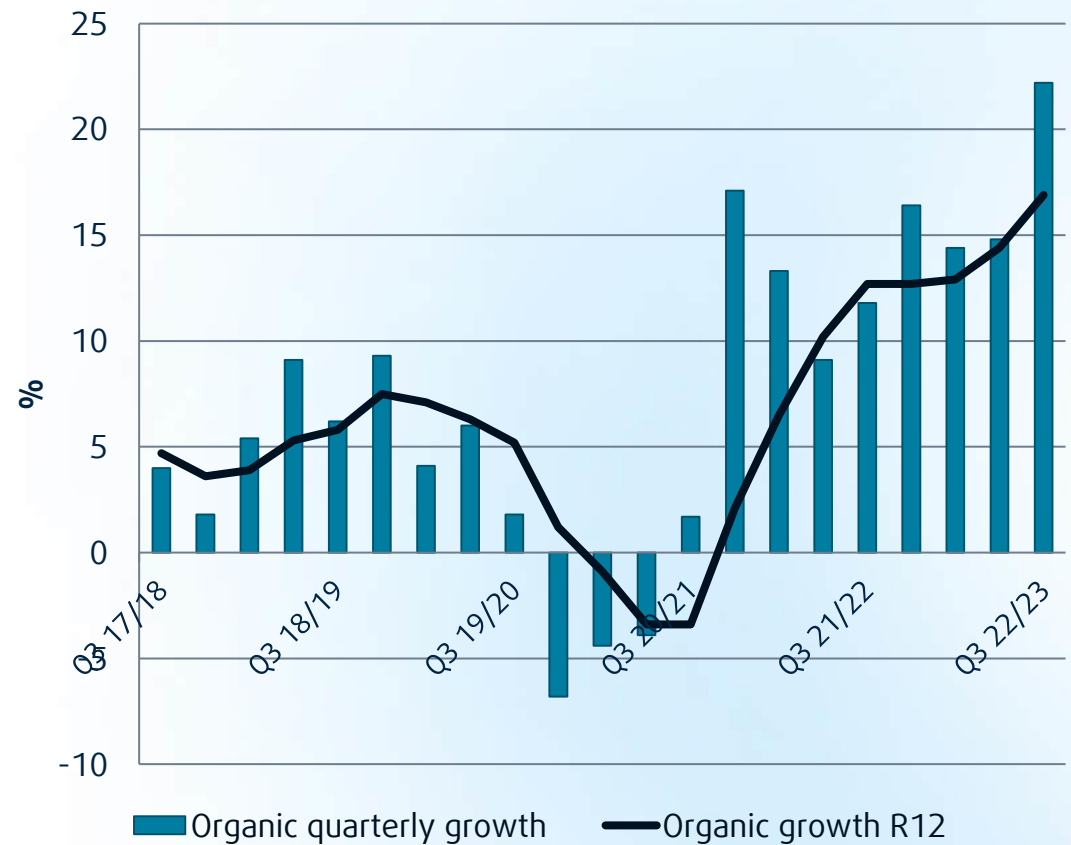
SEK million



33.6%
Growth

22.2%
Organic growth

Organic growth development, R12 %



Growth analyze Q3

Organic

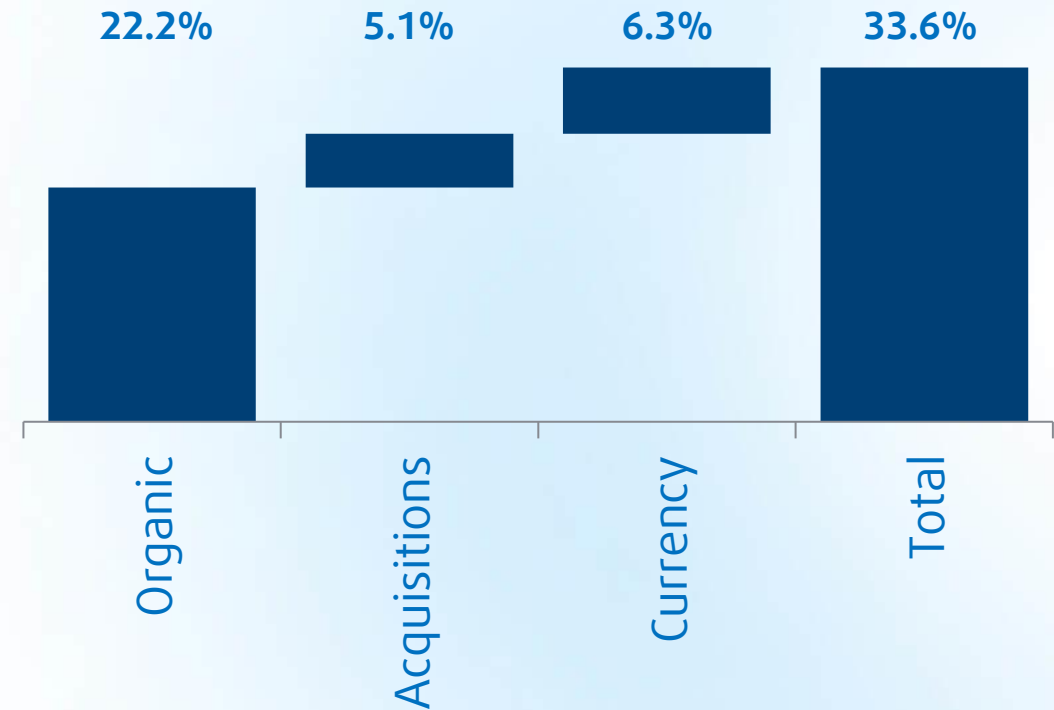
- Good organic growth in Nordic region, Western Europe, America, Middle East and Asia.

Acquisitions

- Mainly impact from the acquisition of Sagicofim.

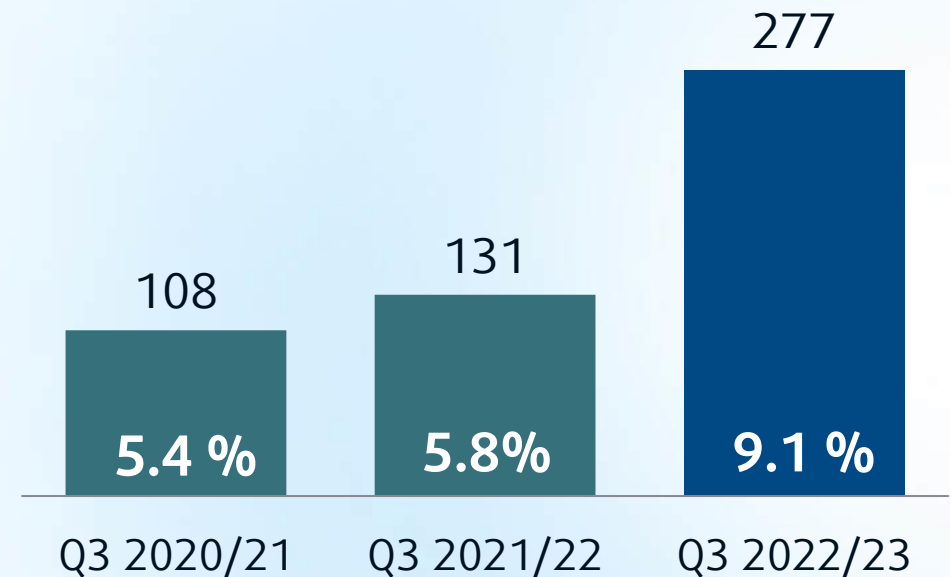
Currency

- Strengthened currencies, EUR/USD and CAD



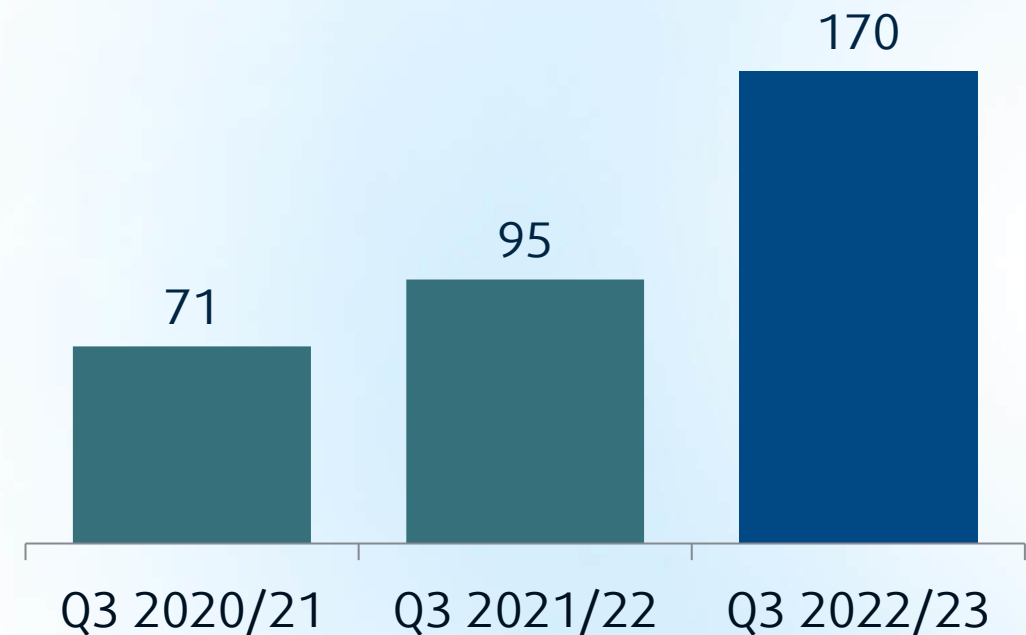
Operating profit Q3

- The gross margin increased to 34.2 percent (33.3) partly as a result of good capacity utilization.
- The hyperinflation calculation in Turkey has affected the gross margin negatively by 0.6 percentage points or SEK 17.2 million.
- The operating result has been positively affected by adjustments after hyperinflation calculation in Turkey totaling SEK 3.7 million.
- Selling and administration expenses for the quarter increased by 17.9 percent for comparable units.
- Operating profit amounted to SEK 277.5 million (131.3).
- The operating margin amounted to 9.1 percent (5.8).



Profit after tax Q3

- Net financial items for the third quarter amounted to SEK -59.1 million (-2.3).
- Currency effects on long-term receivables, loans and bank balances amounted to a net of SEK -37.5 million (+4.7).
- Interest expenses for the quarter amounted to SEK -21.6 million (-7.0).

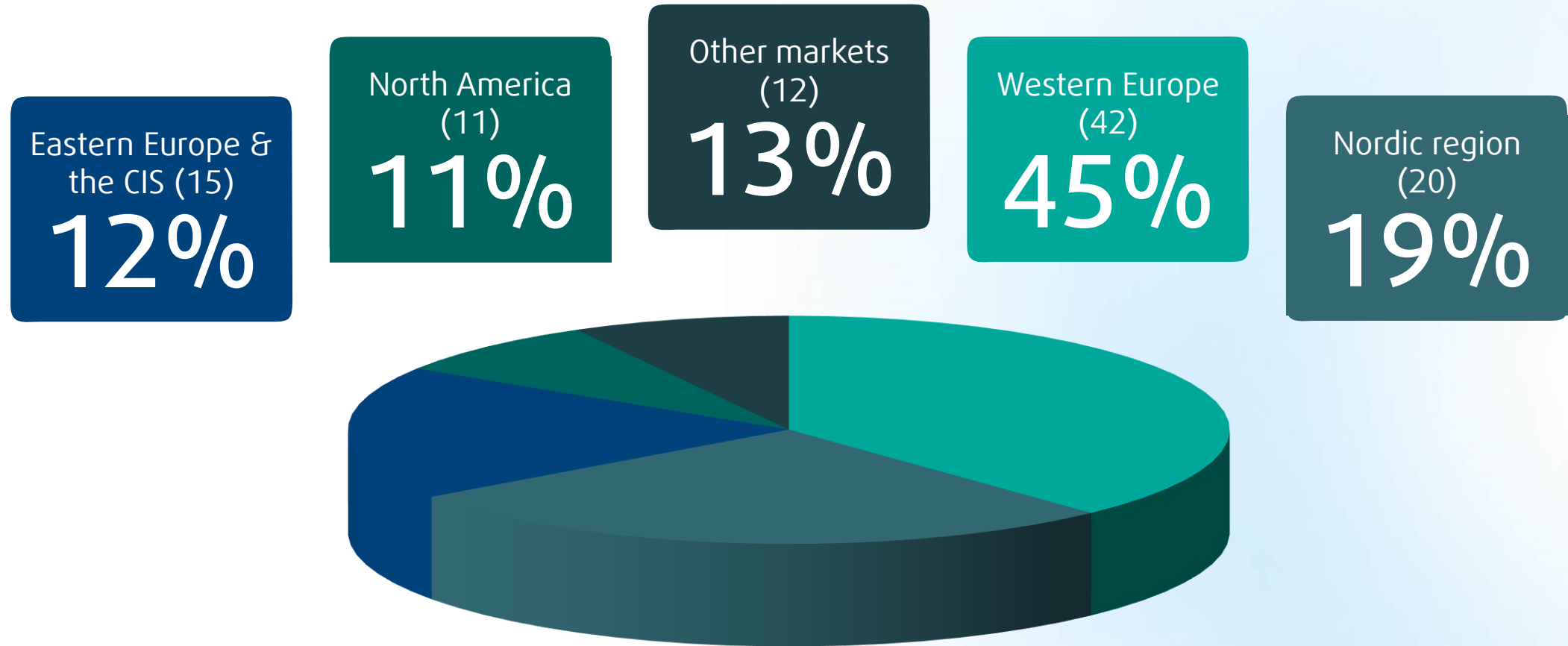


Cash flow analysis Q3

	Q3 2022/23	Q3 2021/22
Cash flow from operating activities	274.6	142.3
Change in working capital	4.1	-115.5
Net investments, excl. acquisitions	-33.8	-44.4
Free cash flow	244.9	-17.6
Net debts	2,617.0	1,864.6

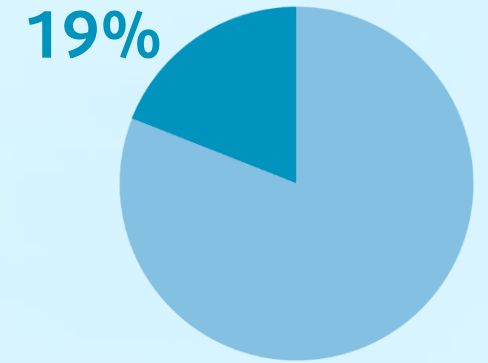
- Decreased inventories -16 (+146) and trade receivables -139 (-102) has led to trend change and positive impact from working capital.
- Net investments primarily in Czech Republic, Sweden, Denmark and USA.

Markets



Nordic

- Sales in the Nordic region increased by 18.4 percent during the third quarter compared with the same period previous year.
- Adjusted for the effects of foreign exchange and acquisitions, sales increased by 13.9 percent.
- All markets and applications in the region showed good growth during the quarter.



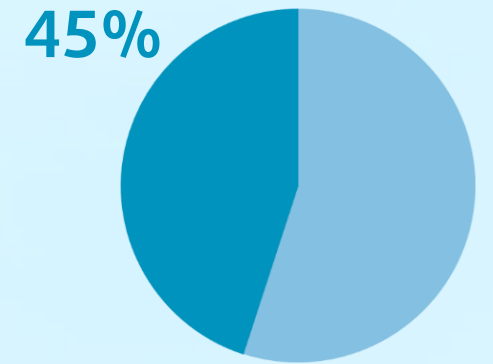
■ Percentage of turnover

587 MSEK Sales

Growth 18.4%
Organic 13.9%

Western Europe

- Sales development on the Western European market continued to be very strong during the quarter with an increase of 54.9 percent compared to the corresponding period last year.
- Adjusted for foreign exchange effects and acquisitions, sales increased by 32.0 percent.
- All major markets within the region showed good growth during the quarter, especially Germany, France, Italy and UK. School and residential projects in particular showed strong increase in the quarter.



■ Percentage of turnover

1,391 MSEK Sales

Growth 54.9%
Organic 32.0%

Systemair completes divestment of commercial air conditioning business to Panasonic

The divested operations include Systemair S.r.l and Tecnair S.p.A. in Italy, Systemair AC SAS in France, as well as the air conditioning sales operations of Systemair GmbH in Germany.

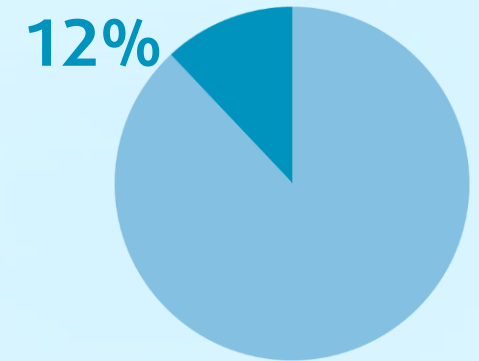
The operations' consolidated turnover for the rolling twelve months, 1 August 2021–31 July 2022, amounted to EUR 69 million and they employ approximately 400 full-time employees.

The final profit effect related to the divestment will be reported in the year-end report published on June 8, 2023.



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, sales decreased by 10.4 percent.
- The reason for the negative growth is mainly the discontinued sales in Russia. Growth excluding Russia amounted to 18.3 percent. All other major markets within the region showed good growth such as the Czech Republic, Poland and Slovenia.



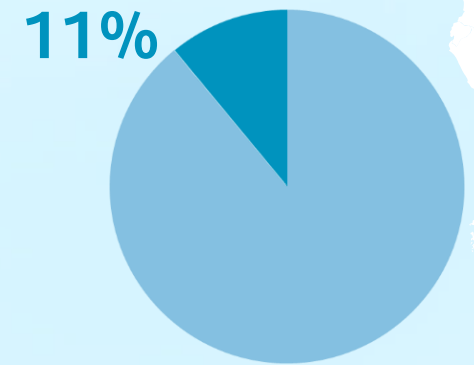
■ Percentage of turnover

342 MSEK Sales

Growth -1.1%
Organic -10.4%

North America

- Sales in North America increased by 29.7 percent during the quarter compared with the same period last year.
- Adjusted for foreign exchange effects and acquisitions, sales increased by 15.5 percent.
- Both the American and the Canadian markets showed good growth during the quarter. Residential and School projects dominate the growth, component situation is easing slowly.



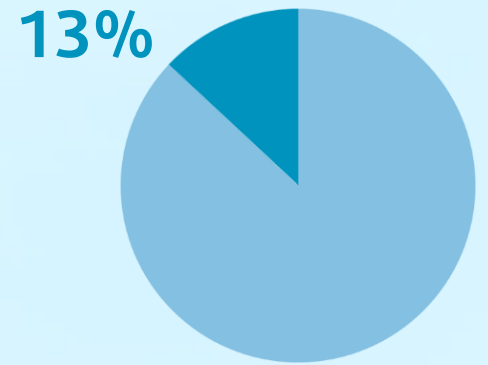
■ Percentage of turnover

315 MSEK Sales

Growth 29.7%
Organic 15.5%

Middle East, Asia, Australia and Africa

- Sales in the Middle East, Asia, Australia and Africa increased by 38.4 percent compared with the same period last year.
- Adjusted for currency effects and acquisitions, sales increased by 50.5 percent.
- India, Turkey and Australia showed very good growth during the period. Restrictions in Asia due to pandemic are mostly gone and markets show more activity.



■ Percentage of turnover

407 MSEK Sales

Growth 38.4%
Organic 50.5%

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.

Altogether Systemair India will supply 163 Air Handling Units, several ADP products, fans and Volume Control Dampers.

Delivery will be completed before 30th April 2023.



Systemair commits to setting science-based targets

Systemair takes another step to mitigate climate change and reduce greenhouse gas emissions, both from its own operations and throughout the value chain.

Systemair has over the past years actively worked with reducing emissions from its own operations (Scopes 1 & 2).

Now we are expanding the work to better understand emissions outside our own operations in the value chain (scope 3), to set science-based targets in both the short term (around 2030) and long term (so called net-zero targets).



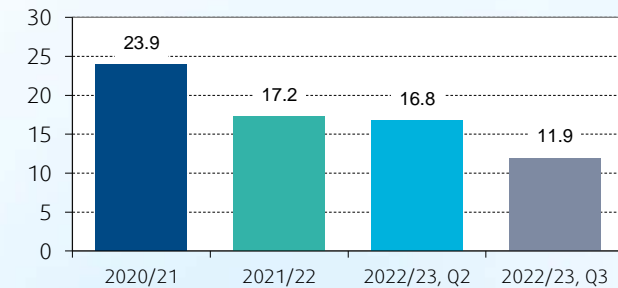
SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

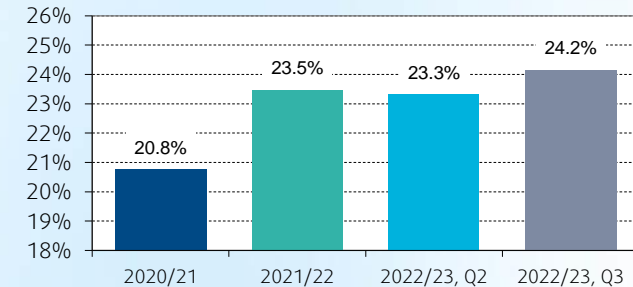
Sustainability reporting

- Quarterly reporting started Q2
- Continued decrease of work-related injuries due to focused preventive work
- Female leaders have increased to 24,2%
- Emission intensity from scope 1&2 has continued to decrease

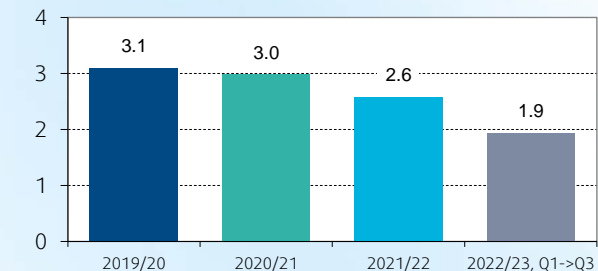
Work-related injuries with sickness absence, LTIFR



Percentage of female leaders



Emissions intensity Scopes 1 & 2 (Ton CO₂e/SEK m. COGS)



Capital Markets Day in January 2023

Selected growth opportunities

The financial targets for growth, profitability, financial strength and dividend was presented together with the selected growth areas for the group.



Residential
ventilation w/wo
heat pump product
solutions



Public buildings e.g
school ventilation
product solutions



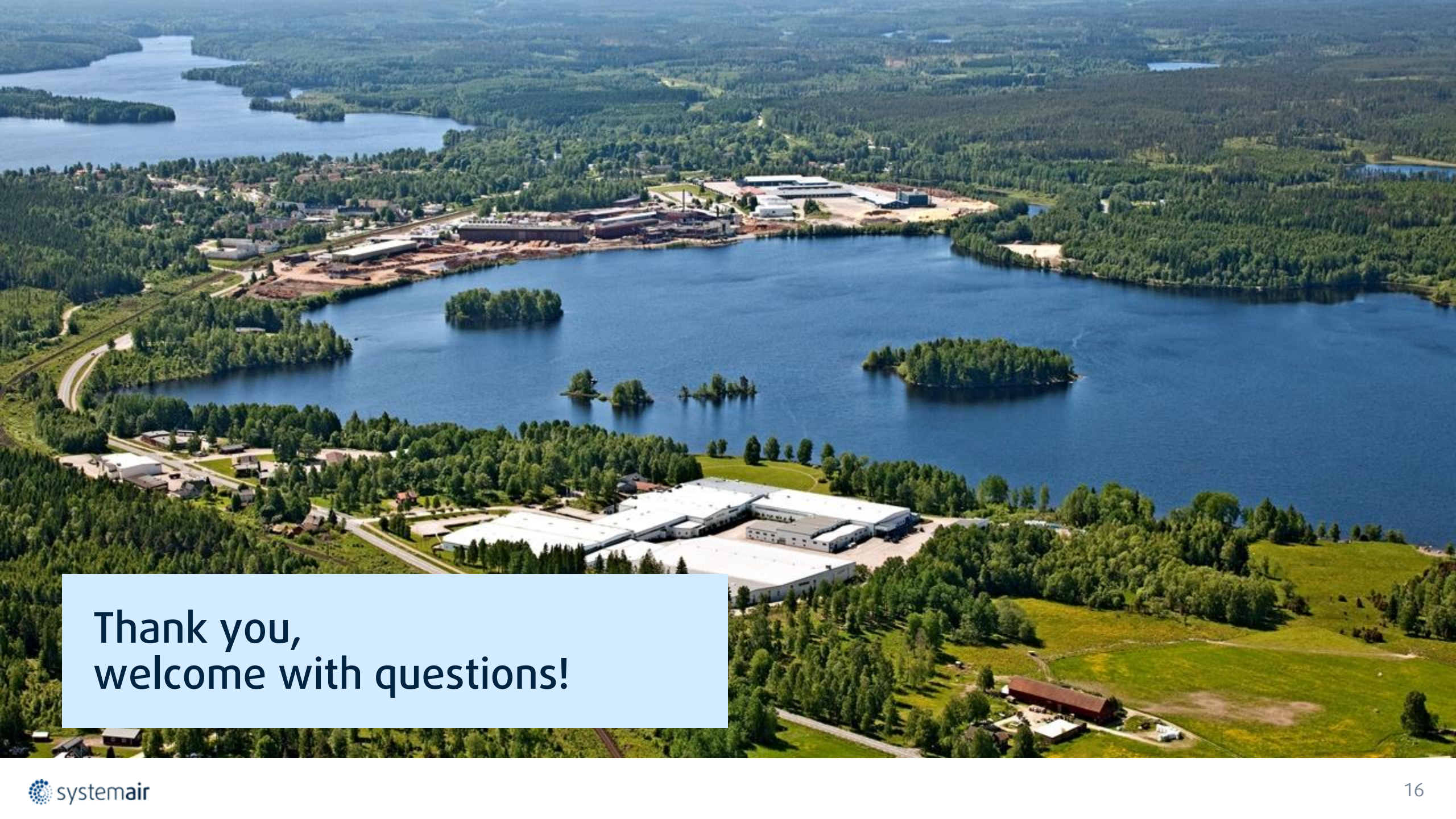
Healthcare
HVAC product
solutions



Data center energy
efficient product
solutions



Replace, Retrofit
and update
installed product
base

An aerial photograph showing a large body of water, likely a lake or reservoir, surrounded by dense green forests. In the foreground, there are several large, white industrial buildings with flat roofs. To the left, a road and some smaller residential-style buildings are visible. In the background, more industrial structures and a winding river or lake are seen. The overall scene is a mix of natural beauty and industrial development.

Thank you,
welcome with questions!