

Interim report January 1 – September 30, 2020

## Low profit in the quarter but positive outlooks

*This is a translation of the Swedish version of the report. In case of any discrepancies, the Swedish version shall prevail.*

### Third quarter

- Turnover MSEK 324.9 (355.5), down 9 percent compared to previous year
- Operating profit MSEK 3.7 (26.4), after financial support of MSEK 4.3 (0.0)
- Operating margin 1.1 percent (7.4)
- Net income MSEK 0.4 (17.0)
- Cash flow from operating activities MSEK 23.9 (133.7), of which MSEK 3.5 (0.0) from financial support
- Earnings per share SEK -0.21 kr (1.90)

### First nine months

- Turnover MSEK 1,042.8 (1,240.2), down 16 percent compared to previous year
- Operating profit MSEK 31.1 (90.5), after financial support of MSEK 16.8 (0.0)
- Operating margin 3.0 percent (7.3)
- Net income MSEK 16.5 (61.6)
- Cash flow from operating activities MSEK 68.0 (77.5), of which MSEK 38.9 (0.0) from financial support
- Earnings per share SEK 1.59 kr (7.56)

### Fredrik Zöögling, CEO and President of ProfilGruppen, comments:

*"It has been a challenging third quarter with both deceleration and acceleration. The change in our customers buying patterns due to the pandemic caused big difficulties in planning the operations during the holidays and the following weeks. The change in buying patterns also meant an unfavourable shift of the product mix. In total this means that the profit we produce is lower than expected.*

*Currently we are experiencing a higher activity from both new and existing customers and a return to more of a normal situation in the fourth quarter of the year.*

*In the turbulent market situation of this year we have, through hard work, signed a number of new deals and together with a positive market development this gives us great opportunities and we expect heavily increased volumes next year."*



## Comments and actions due to covid-19

ProfilGruppen has been heavily affected by the covid-19-pandemic. The impact has been mostly noticeable up to and during the summer holidays, especially in April-May the turnover decreased heavily to then begin to recover. ProfilGruppen has a large number of customers and their buying patterns has during the year changed sharply due to uncertainty and changed consumer behaviour, which has affected the planning and control of the operations.

ProfilGruppen has so far been gratefully spared from infection and has had short-term sick leave at fairly normal levels.

In order to counteract the stress on liquidity and profit that occurs with a decreased demand several actions have been taken in an early stage. Short-term layoffs were introduced already on the 23rd of March as the assessment was that demand was to decrease heavily during the second quarter. The short-term layoffs during the second quarter have been on an average level of approximately 20 percent and during the third quarter a few functions have been covered by short-term layoffs. In October the short-term layoffs in ProfilGruppen were finished.

Other actions taken are for instance that no dividend will be paid for the financial year 2019, instead the liquidity will be retained within the company.

There is still uncertainty regarding the future development of the situation, we follow the development carefully and adopt out measures accordingly.

## Turnover and result in the third quarter

The turnover for the Group in the third quarter of 2020 amounted to MSEK 324.9 (355.5), a decrease of about 9 percent compared to the same period previous year. The decrease is affected by an unfavorable product mix with a lower level of added value and partly by a lower price for raw material.

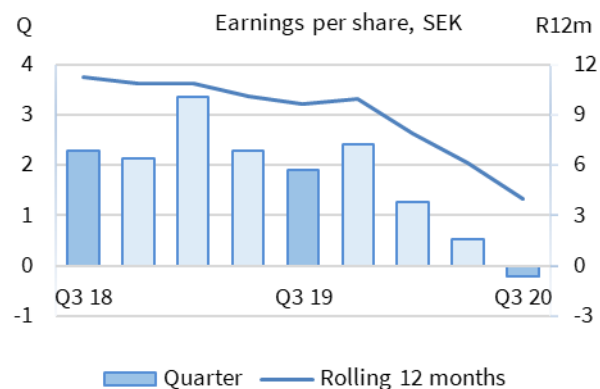
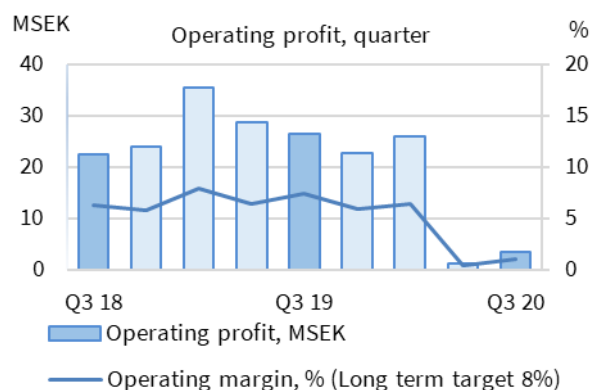
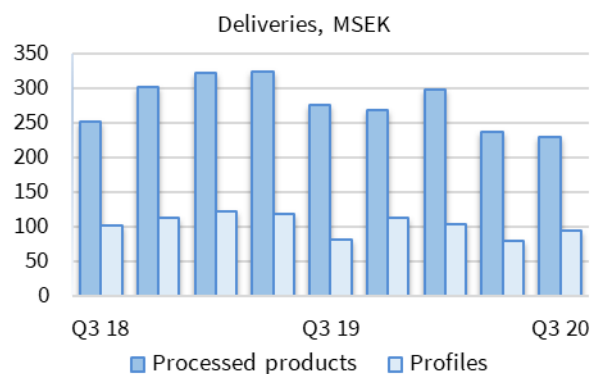
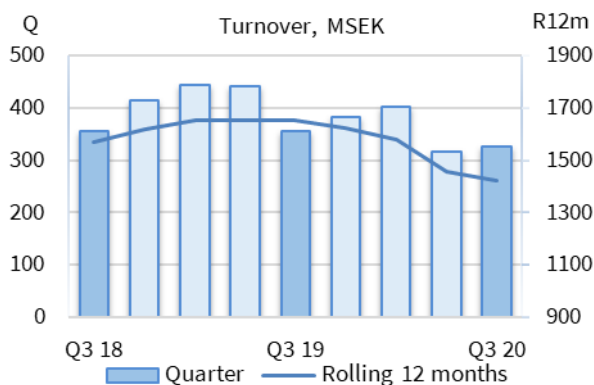
The delivery volumes have decreased about 2 percent to 6,650 tonnes (6,800) of aluminium extrusions.

The share of exports amounted to 44 percent (45) of delivered volume, and 49 percent (52) of the turnover.

During the third quarter the Group manufactured 6,450 tonnes (6,550) of aluminium extrusions.

The operating profit for the third quarter of the year amounted to MSEK 3.7 (26.4). This is equivalent to an operating margin of 1.1 percent (7.4).

The profit was negatively affected by an unfavorable product mix and increased costs due to an increased capacity that we have not yet been able to take advantage of, including depreciations of MSEK 4.2, related to a new production facility that has been taken into production during the year. Heavily increased electricity prices for the electricity area SE4 caused temporarily increased costs of approximately MSEK 2.0 during the quarter, which is a consequence of the politically unsolved issue with electricity area tariffs. State support for short-term layoffs of MSEK 0.8 (0.0) together with reorientation support regarding heavily decreased turnover in the subsidiary PG&WIP of about MSEK 2.6 (0.0), has affected the result positively during the quarter. The support is reported as other operating revenue. The support requires a positive final decision from the Swedish Agency for Economic and Regional Growth. The result has



also been affected positively by MSEK 1.0 (0.0) from support actions regarding sick pay and payroll taxes.

The profit before tax amounted to MSEK 0.6 (21.7).

Earnings per share totalled SEK -0.21 (1.90) (no dilution).

## Turnover and result during the first nine months of the year

The operating profit for the first nine months of the year amounted to MSEK 1,042.8 (1,240.2), a decrease of about 16 percent compared to previous year.

The delivery volume has decreased about 10 percent to 21,180 (23,450) aluminium profiles.

The share of exports amounted to 43 percent (44) of volume, and 50 percent (48) of turnover.

During the first nine months of the year the Group produced approximately 21,040 tonnes (23,400) of aluminium extrusions.

The operating profit amounted to MSEK 31.1 (90.5) during the first nine months of the year. The ongoing pandemic has affected the result through a heavy decrease in turnover during the second and third quarter. The costs have not been sufficiently adjusted to the decrease in turnover. Start-up costs and depreciation of MSEK 8.2 (0.0) related to new production facility have caused higher costs during the first nine months of the year compared to the same period previous year.

Government support for short-term layoffs of MSEK 11.6 (0.0) and reorientation support regarding heavily decreased turnover in the subsidiary PG&WIP of MSEK 2.6 (0.0), have had a positive effect on profit. The support is reported as other operating revenue. The support requires a positive final decision from the Swedish Agency for Economic and Regional Growth. The result has also been affected positively by MSEK 2.6 (0.0) from support actions regarding sick pay and payroll taxes.

The operating margin amounted to 3.0 percent (7.3). The profit before tax amounted to MSEK 21.0 (78.4).

Earnings per share (no dilution) totalled SEK 1.59 (7.56).

The average number of shares in thousands was 7,399 (7,399).

The return on capital employed amounted to 5.4 percent (19.1), which has been affected by the investment in production capacity.

## Investments during the first nine months

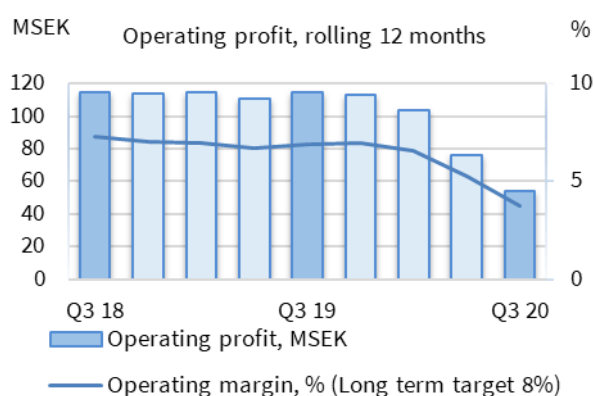
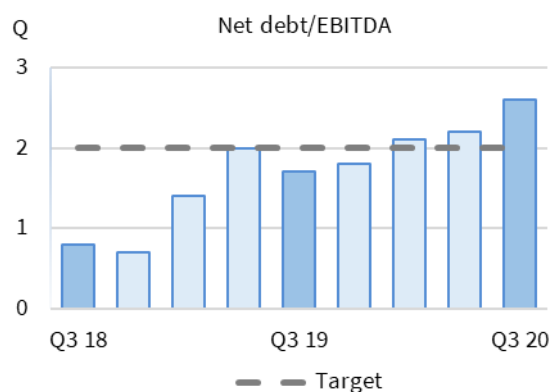
Investments during the first nine months of the year amounted to MSEK 78.7 (170.4), excluding changes in right of use assets.

A big investment in new production capacity for extrusion of aluminium profiles in Åseda is ongoing since last year and at the start of the year, the investment amounts to approximately MSEK 270.0. The project has affected the investments during the period by MSEK 56.0 (140.3) and the investments in the project closed during the third quarter.

We are now in the final phase of tuning in the facility and are planning for producing with three shifts during the fourth quarter.

## Financing and liquidity

Cash flow from current operations amounted to MSEK 68.0 (77.5) and after investments to MSEK -3.7 (-115.7). Excluding the ongoing investment in new production capacity was the cash flow after other investments MSEK 45.3 (39.6).



The liquidity reserve as of 30 September 2020 amounted to MSEK 174.0 (230.8).

The balance sheet total as of the end of the period was MSEK 1,152.1 (1,133.9).

Net debt as of 30 September 2020 amounted to MSEK 312.8 (288.2) and net debt/EBITDA to 2,6 (1,7). ProfilGruppen's target for net debt/EBITDA is < 2,0.

The net debt has been affected by the investment in new production capacity.

## Personnel

The average number of employees in the Group during the period was 456 (467). The number of employees as of 30 September 2020 totalled 451 (470).

During the period March to September ProfilGruppen have used short-term layoffs in some extent.

## Significant risks and uncertain factors

A pandemic has affected the world in 2020 and is ongoing. Its spread and effects have not been able to predict. ProfilGruppen is affected in several ways and there is great uncertainty about the future effects.

Otherwise, the company's risks and risk management have not significantly changed since publishing of the 2019 Annual Report.

## **Outlook for 2020 and 2021**

An increased market demand has been noticed since the end of the third quarter.

The result of 2020 for ProfilGruppen will be substantially lower than the result of 2019 and the financial targets will not be reached.

Based on our estimation of the market and new contracts, the outlooks are currently assessed to be good and we expect heavily increased volumes next year.

There is still great uncertainty of how and to what extent the ongoing pandemic will affect our customers, suppliers and us during in the future.

## **Outlooks for 2020 published on July 15, 2020:**

There is a massive uncertainty of how and to what extent the ongoing pandemic will affect our customers, suppliers and us during the coming quarters. The take over of the new production facility has been somewhat delayed due to disruptions caused by the pandemic. The depreciations during the second quarter will be about MSEK 8 higher than in the first six months related to the project.

The result of 2020 for ProfilGruppen will be substantially lower than the result of 2019 and we will not be able to reach our financial targets.

## **Year-end report and Annual General Meeting**

The Year-end report for 2020 including the fourth quarter will be published February 9, 2021 at 14:00 CET.

The AGM 2021 will take place 20 April, 2021 at 16:00 CET. All shareholders are then welcome to Folkets Hus in Åseda, in the extent that participation are according to the guidelines from the Public Health Agency of Swedish.

The Nomination Committee for the AGM 2021 consists of Lars Johansson (shareholder) Chairman of the Nomination Committee, Bengt Stillström (Ringvägen Venture AB), Mats Egeholm (shareholder) and Kåre Wetterberg (Chairman of ProfilGruppen).

Shareholders who wish to submit proposals to the Nomination Committee shall present their proposal by January 8, 2021 at the latest. Proposals to the Nomination Committee can be sent by e-mail to [valberedningen@profilgruppen.se](mailto:valberedningen@profilgruppen.se), or by mail: ProfilGruppen AB, att: Valberedningen, Box 36, SE-364 21 Åseda, Sweden.

Shareholders who wish to have a case raised at the Annual General Meeting may either send the proposal to the Chairman of ProfilGruppen by e-mail to: [styrelsen@profilgruppen.se](mailto:styrelsen@profilgruppen.se), or by mail to: ProfilGruppen AB, att: Årsstämмоärenden, Box 36, SE-364 21 Åseda, Sweden. The proposals must be received by the company by January 15, 2021 at the latest in order to ensure inclusion in the notice and the AGM agenda.

## Statement of comprehensive income in short

MSEK	Note	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	R 12 2020	2019
Net turnover		324,9	355,5	1 042,8	1 240,2	1 424,7	1 622,1
Cost of goods solds	2	-302,3	-305,9	-948,8	-1 075,5	-1 285,2	-1 411,9
<b>Gross Margin</b>		<b>22,6</b>	<b>49,6</b>	<b>94,0</b>	<b>164,7</b>	<b>139,5</b>	<b>210,2</b>
Other operating revenues 1)		3,4	0,0	14,3	0,0	19,9	5,6
Selling expenses		-11,7	-13,9	-40,1	-42,7	-56,8	-59,4
Administrative expenses		-10,6	-9,3	-37,1	-31,5	-48,8	-43,2
Other operating expenses		0,0	0,0	0,0	0,0	0,0	0,0
<b>Operating profit/loss</b>		<b>3,7</b>	<b>26,4</b>	<b>31,1</b>	<b>90,5</b>	<b>53,8</b>	<b>113,2</b>
Financial income		0,1	0,4	0,2	0,9	-0,3	0,4
Financial expenses	3	-3,2	-5,1	-10,3	-13,0	-9,0	-11,7
<b>Net financial income/expense</b>		<b>-3,1</b>	<b>-4,7</b>	<b>-10,1</b>	<b>-12,1</b>	<b>-9,3</b>	<b>-11,3</b>
<b>Income after financial items</b>		<b>0,6</b>	<b>21,7</b>	<b>21,0</b>	<b>78,4</b>	<b>44,5</b>	<b>101,9</b>
Tax		-0,2	-4,7	-4,5	-16,8	-9,1	-21,4
<b>Net income for the period</b>		<b>0,4</b>	<b>17,0</b>	<b>16,5</b>	<b>61,6</b>	<b>35,4</b>	<b>80,5</b>
of which attributable to:							
Owners of the parent		-1,6	14,0	11,8	55,9	29,8	73,9
Non-controlling interests		2,0	3,0	4,7	5,7	5,6	6,6
<b>Earnings per share (before and after dilution), SEK</b>		<b>-0,21</b>	<b>1,90</b>	<b>1,59</b>	<b>7,56</b>	<b>4,01</b>	<b>9,98</b>
<b>Other comprehensive income (net after tax)</b>							
Net income for the period		0,4	17,0	16,5	61,6	35,4	80,5
Changes in hedging reserve		-1,4	-0,1	-0,5	-1,7	3,4	2,2
Translation differences		0,0	0,1	-0,1	0,2	-0,5	-0,2
<b>Total items that will subsequently be reclassified to net income:</b>		<b>-1,4</b>	<b>0,0</b>	<b>-0,6</b>	<b>-1,5</b>	<b>2,9</b>	<b>0,0</b>
Revaluation of defined benefit obligation		0,1	-0,1	0,5	0,0	-1,1	-1,6
<b>Total items that will subsequently not be reclassified to net income:</b>		<b>0,1</b>	<b>-0,1</b>	<b>0,5</b>	<b>0,0</b>	<b>-1,1</b>	<b>0,0</b>
<b>Comprehensive income for the period</b>		<b>-0,9</b>	<b>16,9</b>	<b>16,4</b>	<b>60,1</b>	<b>37,2</b>	<b>80,9</b>
of which total comprehensive income for the period attributable to:							
Owners of the parent		-2,9	13,9	11,7	54,4	31,6	74,3
Non-controlling interests		2,0	3,0	4,7	5,7	5,6	6,6

<sup>1)</sup> The whole amount in 2020 is grant for short-term layoffs and reorientation support.

## Statement of financial position in short

MSEK	Note	30 Sep 2020	30 Sep 2019	31 Dec 2019
<b>Assets</b>				
Intangible fixed assets		35,2	38,7	39,0
Tangible fixed assets		561,2	488,9	523,2
<i>of which construction of new extrusion line in progress</i>		<i>320,9</i>	<i>211,2</i>	<i>268,7</i>
Right of use assets		16,0	9,9	13,8
Financial fixed assets		0,2	0,2	0,2
<b>Total fixed assets</b>		<b>612,6</b>	<b>537,7</b>	<b>576,2</b>
Inventories		218,7	215,1	232,0
Current receivables	4	259,3	308,7	252,0
Liquid assets		61,5	72,4	29,9
<b>Total current assets</b>		<b>539,5</b>	<b>596,2</b>	<b>513,9</b>
<b>Total assets</b>		<b>1 152,1</b>	<b>1 133,9</b>	<b>1 090,1</b>
<b>Shareholders' equity</b>				
Total equity attributable to the parent Company's shareholders		410,5	378,8	398,8
Non-controlling interests		22,8	18,7	18,1
<b>Total equity</b>		<b>433,3</b>	<b>397,5</b>	<b>416,9</b>
<b>Liabilities</b>				
Interest-bearing liabilities		179,1	181,3	173,7
Interest-free liabilities		54,9	34,8	55,1
<b>Total long-term liabilities</b>		<b>234,0</b>	<b>216,1</b>	<b>228,8</b>
Interest-bearing liabilities and provisions		195,1	179,3	156,5
Interest-free liabilities	4	289,7	341,0	287,9
<b>Total short-term liabilities</b>		<b>484,8</b>	<b>520,3</b>	<b>444,4</b>
<b>Total shareholders' equity and liabilities</b>		<b>1 152,1</b>	<b>1 133,9</b>	<b>1 090,1</b>

## Statement of changes in equity in short

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	2019
Opening balance, total equity	434,2	380,6	416,9	374,4	374,4
Changes attributable to owners of the parent:					
Comprehensive income for the period	-2,9	13,9	11,7	54,4	74,3
Changes attributable to non-controlling interests:					
Comprehensive income for the period	2,0	3,0	4,7	5,7	6,6
Dividend	0,0	0,0	0,0	-37,0	-38,4
<b>Closing balance, total equity</b>	<b>433,3</b>	<b>397,5</b>	<b>433,3</b>	<b>397,5</b>	<b>416,9</b>

## Statement of cash flows in short

MSEK	Note	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	R 12 2020	2019
<b>Operating activities</b>							
Operating profit/loss		3,7	26,4	31,1	90,5	53,8	113,2
Depreciation and write-down		17,0	14,2	50,0	41,8	65,9	57,7
Adjustment for other non-cash items		-0,3	2,5	0,2	6,3	-4,6	1,5
Interest received/paid		-2,4	-4,8	-8,7	-12,6	-7,8	-11,7
Paid income tax		-0,6	-4,1	-4,6	-22,1	-11,2	-28,7
<b>Cash flow prior to change in working capital</b>		<b>17,4</b>	<b>34,2</b>	<b>68,0</b>	<b>103,9</b>	<b>96,1</b>	<b>132,0</b>
Inventories		7,8	26,7	13,4	32,4	-3,6	15,4
Operating receivables		-16,6	17,8	-8,2	-54,8	53,9	7,3
Operating liabilities		15,3	55,0	-5,2	-4,0	-45,2	-44,0
<b>Cash flow from operating activities</b>		<b>23,9</b>	<b>133,7</b>	<b>68,0</b>	<b>77,5</b>	<b>101,2</b>	<b>110,7</b>
Acquisition of property, plant and equipment 1)	6	-21,9	-87,5	-71,7	-193,2	-110,6	-232,1
Sale of property, plant and equipment		0,0	0,0	0,0	0,0	0,0	0,0
<b>Cash flow from investing activities</b>		<b>-21,9</b>	<b>-87,5</b>	<b>-71,7</b>	<b>-193,2</b>	<b>-110,6</b>	<b>-232,1</b>
Dividend		0,0	0,0	0,0	-37,0	-1,4	-38,4
Loans raised		0,0	2,0	15,7	97,9	12,2	94,4
Change in bank overdraft facility utilized		21,8	1,8	35,0	119,6	9,4	94,0
Repayment of loans		-4,9	-6,2	-14,8	-18,3	-21,6	-25,1
<b>Cash flow from financing activities</b>		<b>16,9</b>	<b>-2,4</b>	<b>35,9</b>	<b>162,2</b>	<b>-1,4</b>	<b>124,9</b>
<b>Cash flow for the period</b>		<b>18,9</b>	<b>43,8</b>	<b>32,2</b>	<b>46,5</b>	<b>-10,8</b>	<b>3,5</b>
Liquid assets, opening balance		42,7	29,0	29,9	26,1	72,9	26,1
Translation differences in liquid assets		-0,1	0,1	-0,6	0,3	-0,6	0,3
<b>Liquid assets, closing balance</b>		<b>61,5</b>	<b>72,9</b>	<b>61,5</b>	<b>72,9</b>	<b>61,5</b>	<b>29,9</b>
Liquidity reserve				174,0	230,8		146,8

<sup>1)</sup> Whereof investments related to the ongoing build up of a new production facility for extrusion have affected cash flow with MSEK 49,0 (155.3). Corresponding amount for fullyear 2019 was MSEK 190.2 (72.1).

## The parent company

The turnover of the parent company amounted to MSEK 20.3 (16.4) and comprises payments for rents from companies in the Group. Profit after financial items amounted to MSEK 11.7 (9.4).

Investments in the parent company during the first six months amounts to MSEK 13.7 (56.4) and are connected to investments in properties.

The parent company's interest-bearing liabilities amounted to MSEK 47.2 (153.9) as of 30 September 2020, and refers to intra Group liabilities to subsidiaries.

The parent company employs none (none). The parent company's risks and uncertain factors do not significantly differ from the Group.

## Income statement in short – the parent company <sup>1)</sup>

MSEK	Note	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	2019
Turnover	7	6,8	5,5	20,3	16,4	21,8
Cost of goods sold		-1,4	-0,9	-4,6	-2,7	-3,4
<b>Gross Margin</b>		<b>5,4</b>	<b>4,6</b>	<b>15,7</b>	<b>13,7</b>	<b>18,4</b>
Other operating revenues		0,0	0,0	0,0	0,0	0,0
Administrative expenses		-1,1	-0,9	-3,2	-3,4	-4,5
<b>Operating income</b>		<b>4,3</b>	<b>3,7</b>	<b>12,5</b>	<b>10,3</b>	<b>13,9</b>
Result from shares in group companies		0,0	0,0	0,0	0,0	3,5
Interest income and similar income and expense items		0,1	0,4	0,5	1,0	1,3
Interest expenses and similar income and expense items		0,0	-0,9	-1,3	-1,9	-2,9
<b>Income after financial items</b>		<b>4,4</b>	<b>3,2</b>	<b>11,7</b>	<b>9,4</b>	<b>15,8</b>
Appropriations		0,0	0,0	0,0	0,0	-8,1
<b>Income before tax</b>		<b>4,4</b>	<b>3,2</b>	<b>11,7</b>	<b>9,4</b>	<b>7,7</b>
Tax		-0,9	-0,7	-2,5	-2,0	-0,6
<b>Net income for the period</b>		<b>3,5</b>	<b>2,5</b>	<b>9,2</b>	<b>7,4</b>	<b>7,1</b>

<sup>1)</sup> The parent company's income statement also constitutes its comprehensive income statement

## Balance sheet in short – the parent company

MSEK	Note	30 Sep 2020	30 Sep 2019	31 Dec 2019
<b>Assets</b>				
Tangible assets				
Tangible fixed assets		186,3	167,5	176,9
Financial assets (shares in subsidiaries)		87,9	87,9	87,9
<b>Total fixed assets</b>		<b>274,2</b>	<b>255,4</b>	<b>264,8</b>
Current assets				
Current receivables		3,9	130,7	135,1
Cash and bank balances		12,8	0,4	0,0
<b>Total current assets</b>		<b>16,7</b>	<b>131,1</b>	<b>135,1</b>
<b>Total assets</b>		<b>290,9</b>	<b>386,5</b>	<b>399,9</b>
<b>Equity and liabilities</b>				
Equity		180,4	171,5	171,2
Untaxed reserves		54,7	46,6	54,7
Provisions for taxes		3,4	3,9	3,4
Long-term liabilities		0,0	0,0	0,0
Current liabilities		52,4	164,5	170,6
<b>Total equity and liabilities</b>		<b>290,9</b>	<b>386,5</b>	<b>399,9</b>

## Notes

### Note 1 - Accounting Principles

The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The parent company accounting has been prepared in accordance with the Swedish Annual Accounts Act (ÅRL) and the Swedish Financial Reporting Standards Council's RFR 2 Accounting for Legal Entities. The accounting principles applied are identical to the ones used for the latest annual report.

### Note 2 – Depreciation and write-down of fixed assets

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	R 12 2020	2019
Intangible fixed assets	1,6	0,5	4,6	0,5	5,9	1,8
Land and buildings	1,5	1,1	4,4	2,8	5,4	3,8
Machinery and equipment	12,1	11,2	35,5	34,4	46,1	45,0
Right of use assets	1,8	1,4	5,5	4,1	8,2	6,8
<b>Total</b>	<b>17,0</b>	<b>14,2</b>	<b>50,0</b>	<b>41,8</b>	<b>65,6</b>	<b>57,4</b>

### Note 3 – Financial expenses

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	R 12 2020	2019
Interest expenses	1,7	2,2	5,9	5,8	7,9	7,8
Unrealized exchange rate revaluation of financial items	0,9	2,1	1,4	4,9	-2,2	1,3
Other financial expenses	0,6	0,8	3,0	2,3	3,3	2,6
<b>Total</b>	<b>3,2</b>	<b>5,1</b>	<b>10,3</b>	<b>13,0</b>	<b>9,0</b>	<b>11,7</b>

### Note 4 - Financial instruments, valued at fair value in statement of financial position

MSEK	30 Sep 2020	30 Sep 2019	31 Dec 2019
Short-term receivables:			
Currency derivatives	0,9	0,1	1,6
Short-term non interest-bearing liabilities;			
Interest rate derivatives	0,0	0,6	0,3
Currency derivatives	1,4	4,5	1,2

Both interest rate- and currency derivatives are primarily used for hedge and are valued on level 2 according to IFRS 13.

### Note 5 – Pledged assets and contingent liabilities

MSEK	30 Sep 2020	30 Sep 2019	31 Dec 2019
Property mortgages	82,9	82,9	82,9
Floating charges	341,5	241,5	241,5
Shares in subsidiaries	221,0	229,1	226,5
Guarantees for other companies	0,0	0,0	0,0
Guarantee commitments FPG/PRI	0,2	0,2	0,2

### Note 6 - Statement of Cash flow, acquisition of property, plant and equipment

MSEK	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	2019
Capitalised in balance sheet	32,5	82,5	78,7	170,4	218,6
<i>of which related to new extrusion line</i>	<i>21,7</i>	<i>72,5</i>	<i>56,3</i>	<i>140,3</i>	<i>183,4</i>
Unpaid	-16,3	0,0	-16,3	0,0	-9,4
<i>of which related to new extrusion line</i>	<i>-15,5</i>	<i>0,0</i>	<i>-15,5</i>	<i>0,0</i>	<i>-8,2</i>
Paid during the period, capitalised in previous period	5,7	5,0	9,3	22,8	22,8
<i>of which related to new extrusion line</i>	<i>4,6</i>	<i>5,0</i>	<i>8,2</i>	<i>15,0</i>	<i>15,0</i>
<b>Investments in property, plant and equipment</b>	<b>21,9</b>	<b>87,5</b>	<b>71,7</b>	<b>193,2</b>	<b>232,0</b>

### Note 5 – Related transactions

No related transactions that significantly affect the Groups results or financial statement have been made during the period. Apart from the intragroup rental income in the parent company no significant related transactions have been done regarding the parent company either.



## Key ratios

The Group	Q 3 2020	Q 3 2019	Q 1-3 2020	Q 1-3 2019	R 12 2020	2019
Net turnover, MSEK	324,9	355,5	1 042,8	1 240,2	1 424,7	1 622,1
Income before depreciation, MSEK	20,7	40,6	81,1	132,3	119,4	170,9
Operating income/loss, MSEK	3,7	26,4	31,1	90,5	53,8	113,2
Operating margin, %	1,1	7,4	3,0	7,3	3,8	7,0
Income after financial items, MSEK	0,6	21,7	21,0	78,4	44,5	101,9
Profit margin, %	0,2	6,1	2,0	6,3	3,1	6,3
Return on equity, %	0,4	17,5	5,2	21,3	8,5	20,3
Return on capital employed, %	1,9	14,5	5,4	19,1	6,8	18,0
Cash flow from operating activities, MSEK	23,9	133,7	68,0	77,5	101,2	110,7
Investments, MSEK	32,5	68,5	78,7	170,4	126,9	218,6
Liquidity reserve, MSEK	-	-	174,0	230,8	-	146,8
Net debt, MSEK	-	-	312,8	288,2	-	300,2
Net debt/EBITDA	-	-	2,6	1,7	-	1,8
Interest-bearing liabilities and interest-bearing provisions, MSEK	-	-	374,3	360,6	-	330,2
Net debt/equity ratio	-	-	0,7	0,7	-	0,7
Total assets, MSEK	-	-	1 152,1	1 133,9	-	1 090,1
Equity ratio, %	-	-	37,6	35,1	-	38,2
Capital turnover	-	-	1,8	2,6	1,8	2,6
Proportion of risk-bearing capital, %	-	-	42,4	38,1	-	43,3
Interest coverage ratio	1,2	4,9	3,0	7,0	5,9	9,7
Average number of employees	452	475	456	467	458	466
Net turnover per employee (average), TSEK	719	748	2 287	2 656	3 111	3 481
Income after fin, per employee (average), TSEK	1	46	46	168	97	219
Average number of shares, thousands (no dilution)	7 399	7 399	7 399	7 399	7 399	7 399
Number of shares, end of period, thousands	7 399	7 399	7 399	7 399	7 399	7 399
Earnings per share, SEK	-0,21	1,90	1,59	7,56	4,01	9,98
Equity per share, SEK	-	-	55,48	51,21	-	53,90

The key ratios above are a summary of the financial report in order to give an overview of ProfilGruppen's financial position. Definitions and reconciliation of the alternative performance measures are given at [www.profilgruppen.se](http://www.profilgruppen.se)

Rounding differences may occur. When calculating key ratios: return on equity, return on capital employed and capital turnover the result and turnover for the period have been adjusted upward to 12 months. The key ratios presented are for the total Group and based on the Group consolidated figures including non-controlling interest, except Earnings per share and Equity per share.

The undersigned affirm that interim report have been prepared in accordance with IAS 34 Interim Financial Reporting and with generally accepted accounting principles and provide a fair representation of the Group's and the company's position and result and describe significant risks and factors of uncertainty that the companies that form part of the Group face.

Åseda, October 20, 2020

The Board of Directors, ProfilGruppen AB (publ)  
Org. No. 556277-8943

## Auditor's review report

ProfilGruppen AB (publ)  
corporate identity number 556277-8943

### Introduction

We have reviewed the condensed interim report for ProfilGruppen AB (publ) as at September 30, 2020 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor 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. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, the conclusion based on this review are not comparable with the same accuracy as an audit opinion

### Conclusion

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

Åseda, October 20, 2020  
Ernst & Young AB

Franz Lindström  
Authorized Public Accountant

## Brief facts about ProfilGruppen

- The vision is to be the preferred provider of innovative solutions for aluminium extrusions in northern Europe
- A partnership with ProfilGruppen should be uncomplicated and involve personal commitment
- Aluminium is our choice, it is more favourable in a life cycle perspective than many alternatives and enables us to create sustainable products
- Aluminium extrusions are used within many industries, for example furnishings, construction, automotive and electronics
- The manufacturing of extrusions takes place in Åseda exclusively and includes:
  - Extrusion of aluminium profiles in four production lines
  - Anodizing facility for surface treatment
  - Further processing of aluminium extrusions in the form of cutting processing, bending and stamping
  - Fully automated facilities for processing, coating and packaging of interior design details
- A dozen subcontractors broadens the range of processing possibilities
- The company is certified in accordance with IATF 16949, ISO 14001 and ISO 50001
- Started in 1981 in Åseda, Sweden
- Listed on the Stockholm Stock Exchange in 1997 and is included in the Small Cap list

### For more information, please contact

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*This information is of the type that ProfilGruppen AB (publ) is obligated to disclose in accordance with the Market Abuse Regulation and the Swedish Securities Market Act. The information was issued through Fredrik Zöögling for publication on October 20, 2020 at 14:00 CET.*

Current information and photographs for free publication are available at [www.profilgruppen.se](http://www.profilgruppen.se)