

Systemair AB (publ) Year-end report 1 May 2022–30 April 2023

Fourth quarter February – April 2023

- Net sales increased by 17.6 percent to SEK 3,129 million (2,662).
- Organic growth was +13.0 percent (+16.4).
- Adjusted operating profit (EBIT) totalled SEK 282 million (230). Operating profit (EBIT) totalled SEK 734 million (191), including a capital gain of SEK +445 million from the sale of the air conditioning business.
- The adjusted operating margin was 8.9 percent (8.6) and operating margin was 23.5 percent (7.2).
- Profit after tax amounted to SEK 619 million (139).
- Earnings per share (basic) were SEK 2.97 (0.66).
- Cash flow from operating activities amounted to SEK +168 million (-32).

Net sales Q4

SEK 3,129 m.

EBIT Q4

SEK 734 m.

12 months May 2022–April 2023

- Net sales increased by 25.2 percent to SEK 12,058 million (9,634).
- Organic growth was +15.9 percent (+12.7).
- Adjusted operating profit (EBIT) totalled SEK 1,110 million (821). Operating profit (EBIT) totalled SEK 1,401 million (770), incorporating a capital gain of SEK +445 million from the sale of the air conditioning business and write-downs of SEK -155 million.
- The adjusted operating margin was 9.2 percent (8.5) and operating margin was 11.6 percent (8.0).
- Profit after tax amounted to SEK 1,045 million (544).
- Earnings per share (basic) were SEK 5.00 (2.61).
- Cash flow from operating activities amounted to SEK +588 million (+235).
- The Board of Directors proposes a dividend of SEK 1.10 (0.90) per share.

Significant events during the financial year

- On 28 February 2023, the divestment of Systemair's air conditioning business to Panasonic Corporation Heating & Ventilation A/C Company was completed. The transaction resulted in a capital gain of SEK 445 million.
- In June 2022, the acquisition of all shares in SagiCofim S.p.A., Italy, was completed. The company has a turnover of approximately EUR 36 million and is a major supplier in air filtration and air distribution.
- In March 2023, UK-based SCS Engineering Ltd, and its subsidiary Smoke Control Services Ltd, together trading as Group SCS, were acquired. The company has a turnover of approximately GBP 12 million.

	2022/23 Feb–Apr 3 mths	2021/22 Feb–Apr 3 mths	2022/23 May–Apr 12 mths	2021/22 May–Apr 12 mths
Net sales, SEK m.	3,128.8	2,661.6	12,057.9	9,634.5
Growth, %	17.6	20.5	25.2	13.1
Operating profit, SEK m.	734.5	191.4	1,401.4	769.8
Operating margin, %	23.5	7.2	11.6	8.0
Profit after tax, SEK m.	618.6	138.9	1,044.7	544.3
Earnings per share (basic) (SEK) ¹	2.97	0.66	5.00	2.61
Earnings per share (diluted) (SEK) ¹	2.96	0.66	5.00	2.61
Operating cash flow per share (basic) (SEK) ¹	0.82	-0.15	2.83	1.13
Operating cash flow per share (basic) (SEK) ¹	0.82	-0.15	2.82	1.13

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

A good end to a strong year

Systemair's fourth quarter showed continued good growth. Sales increased by 17.6 per cent, 13.0 percent of which was organic. The gross margin improved to 34.2 percent (34.1). During the quarter, Systemair completed the divestment of the air conditioning business, resulting in a capital gain of SEK 445 million. Adjusted operating profit increased to SEK 282 million (230).

The market

Demand during the fourth quarter remained good with organic growth of 13.0 percent (16.4). Previous supply problems of components have subsided, thereby more deliveries have taken place and the order backlog has decreased. All regions show good organic growth in the period.

Divestment of the air conditioning business

On 28 February, Systemair completed the divestment of the air conditioning business for an enterprise value of EUR 100 million on a cash- and debt free basis. The divestment resulted in a capital gain of SEK 445 million. The deal consists of selling all shares in the Italian companies Systemair S.r.l. and Tecnaïr S.p.A., and the French company Systemair AC SAS. The deal also includes a minor 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.

Long-term investments

Systemair's balance sheet is strong, which gives room for further investments and acquisitions. We have reduced our debt ratio with the proceeds from the sale of the air conditioning business. Several long-term strategic investments in buildings and production equipment continue in Europe and North America to meet demand.

Sustainability

We continue to consistently develop our sustainability work in all our business areas. For the quarter, we report the development in three prioritized areas; work-related injuries with sick leave, proportion of female managers



and emissions within scope 1 and 2. We can state that the development of the key figures is positive and many activities are underway that lead to long-term improvements in the area of sustainability.

Energy saving and energy efficiency are still in focus, especially in our product development. Initiatives within the EU, USA and parts of Asia such as the "European Green deal" and the "Renovation wave" will provide good demand for energy-efficient ventilation products, both 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 of pandemic, supply chain challenges and the suspension of deliveries to Russia, Systemair can report strong sales growth. Income has steadily improved through targeted measures and for the first time surpasses the milestone of SEK 1 billion after tax. We have a clear strategy in energy-efficient ventilation that argues for good long-term growth and profitability.

Order intake is slowing somewhat, but we continue to see good opportunities for growth in several markets. With our 26 well-invested production facilities in 18 countries and the market's most complete product range, we are well equipped for continued growth.

Roland Kasper
President and CEO

Sales and markets

Group sales for the fourth quarter of the 2022/23 financial year totalled SEK 3,128.8 million (2,661.6), 17.6 percent up on the same period last year. Adjusted for foreign exchange effects and acquisitions, net sales rose 13.0 percent. Price increases implemented have had an impact on growth, over and above the purely volume-based increase. Earlier problems in the supply of components have eased, which also positively impacted our ability to deliver during the quarter. Growth in acquired operations was 1.9 percent, while foreign exchange effects increased the value of sales by 2.7 percent during the financial year.

Net sales for the financial year May 2022–April 2023 totalled SEK 12,057.9 million (9,634.5), up 25.2 percent on the preceding year. Adjusted for both foreign exchange effects and acquisitions, net sales grew 15.9 percent. Growth in acquired operations was 4.1 percent, while foreign exchange effects increased the value of sales by 5.2 percent during the financial year.

Geographic breakdown of Q4 sales

Nordic region

During the fourth quarter, sales in the Nordic region increased by 5.1 percent compared to the same period in the preceding year. The Swedish and Danish markets reported growth in the quarter, while the markets in Finland and Norway declined. Adjusted for foreign

exchange effects and acquisitions, the value of sales rose 5.3 percent.

Western Europe

Sales growth in the West European market remained strong during the quarter, with an increase of 27.6 percent compared to the same period last year. Adjusted for foreign exchange effects and acquisitions, the value of sales rose 15.4 percent. Germany, France and Italy reported growth in the quarter, while UK sales declined.

Eastern Europe and CIS

Excluding Russia, growth was 23.3 percent. Other major markets in the region showed good growth, including the Czech Republic, Poland and Slovenia. Sales in Eastern Europe and the CIS decreased by 3.3 percent during the quarter. Adjusted for foreign exchange effects and acquisitions, the value of sales was down 8.2 percent. The main reason was the suspension of deliveries to Russia. Sales in Russia during the quarter accounted for 0.7 percent (3.4) of the Group's total sales.

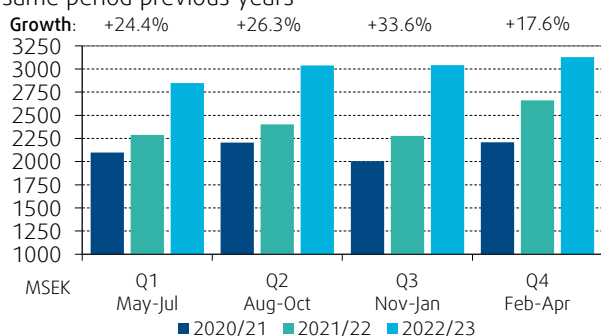
North America

Sales in North America during the quarter were 33.3 percent higher than in the same period in the preceding year. Adjusted for foreign exchange effects, the value of sales rose 24.4 percent. Both the US and the Canadian showed good growth in the quarter.

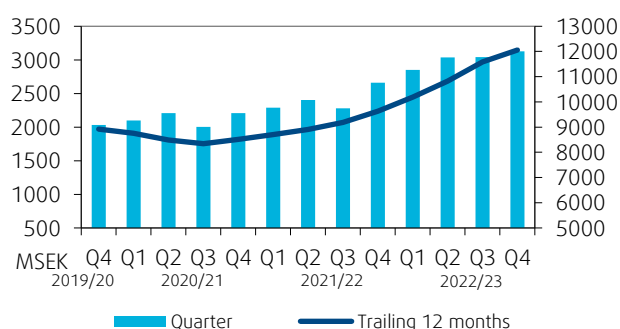
	2022/23	2021/22	Sales – change	Of which, organic	2022/23	2021/22	Sales – change	Of which, organic
	Feb-Apr 3 mths	Feb-Apr 3 mths			May-Apr 12 mths	May-Apr 12 mths		
Nordic region	539.9	513.7	5.1%	5.3%	2,199.6	1,888.8	16.5%	13.1%
Western Europe	1,503.1	1,177.7	27.6%	15.4%	5,552.1	4,073.8	36.3%	19.7%
Eastern Europe & CIS	327.4	338.7	-3.3%	-8.2%	1,368.0	1,411.6	-3.1%	-11.6%
North America	374.5	281.0	33.3%	24.4%	1,341.8	1,049.5	27.9%	12.5%
Middle East, Asia, Australia and Africa	383.9	350.5	9.5%	27.5%	1,596.4	1,210.8	31.8%	42.6%
Total	3,128.8	2,661.6	17.6%	13.0%	12,057.9	9,634.5	25.2%	15.9%

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

Net sales per quarter compared with same period previous years



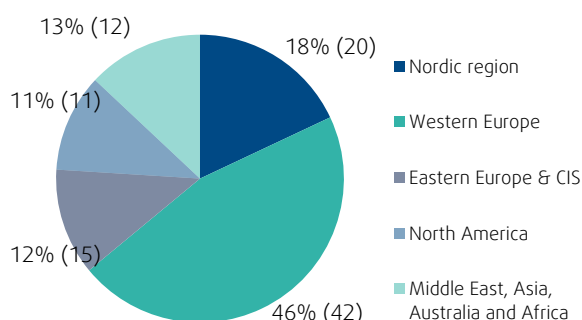
Net sales



Middle East, Asia, Australia and Africa

Sales in the Middle East, Asia, Australia and Africa increased by 9.5 percent compared with the same period last year. Adjusted for foreign exchange effects and acquisitions, the value of sales rose 27.5 percent. Both Turkey and India reported good growth during the period.

Sales by market, 12 months 2022/23 (2021/22)



Profit in the fourth quarter

Gross profit in the fourth quarter totalled SEK 1,071.3 million (907.8), an increase of 18.0 percent over the figure for the corresponding period last year. The gross margin rose to 34.2 percent (34.1). The impact of hyperinflation in Turkey negatively affected the gross margin by 0.4 percentage points, or SEK 13.1 million.

Operating profit in the fourth quarter totalled SEK 734.5 million (191.4), an increase of 283.8 percent over the figure for the corresponding period last year. The operating margin was 23.5 percent (7.2). Adjusted operating profit was SEK 281.7 million (230.0). The adjusted operating margin was 8.9 percent (8.6). Operating profit was affected by a capital gain of SEK +445.5 million on the sale of the air conditioning business, adjustments totalling SEK -18.5 million after hyperinflation calculations in Turkey and income of SEK +25.8 million from changed pension accounting in Norway. The Norwegian companies have changed their

pensions from defined benefit to defined contribution plan.

Selling and administration expenses for the quarter totalled SEK 797.5 million (682.3), a rise of SEK 115.2 million, or 16.9 percent. Acquisitions and disposals of companies accounted for SEK 48.3 million of the quarter's costs. As a result, selling and administration expenses at comparable units increased by SEK 66.9 million, or 9.8 percent.

Selling expenses were charged with SEK 2.8 million (9.7) for anticipated bad debts. Costs related to acquisitions and disposals amounted to SEK 9.1 million (1.5).

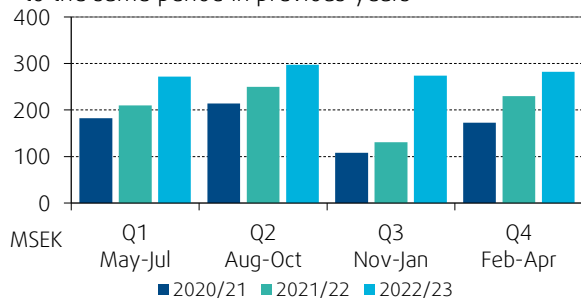
Net financial items for the fourth quarter totalled SEK -32.7 million (+5.4). The effects of foreign exchange on long-term receivables, loans and bank balances totalled SEK -8.7 million (+13.5) net. Interest expenses for the quarter totalled SEK -24.4 million (-9.1).

Profit for the financial year

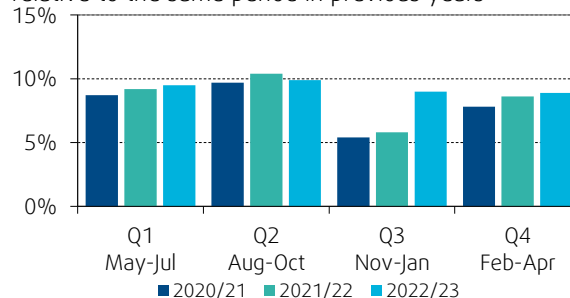
Operating profit for the financial year from May 2022 to April 2023 totalled SEK 1,401.4 million (769.8). The operating margin was 11.6 percent (8.0). Adjusted operating profit was SEK 1,109.9 million (821.1). The adjusted operating margin was 9.2 percent (8.5). Operating profit was affected by a capital gain of SEK +445.5 million on the sale of the air conditioning business, adjustments totalling SEK -24.4 million after hyperinflation calculations in Turkey, write-downs of SEK -155.4 million relating above all to the business in Russia and income of SEK +25.8 million from a change in pension accounting in Norway.

Selling and administration expenses totalled SEK 3,035.2 million (2,515.1), an increase of SEK 520.1 million. Acquisitions and disposals accounted for SEK 137.7 million of the quarter's costs. As a result, selling and administration expenses at comparable units rose SEK 382.4 million, or 15.2 percent. The increase is due, among other things, to increased personnel costs, freight and marketing. There is also some currency

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



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



impact as the Swedish krona weakened during the year. Selling expenses were charged with SEK 14.8 million (21.6) for anticipated bad debts.

Net financial items totalled SEK -106.5 million (-28.1), including interest expenses of SEK -73.9 million (-28.3).

Tax expense

Estimated tax for the quarter totalled SEK -83.2 million (-57.9), representing an effective tax rate of 33.6 percent (24.6) based on adjusted profit after financial items. The high tax expense is attributable to non-capitalised tax loss carry-forwards in loss-making companies.

Estimated tax for the financial year totalled SEK -250.2 million (-197.4), representing an effective tax rate of 25.0 percent (24.9) based on adjusted 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 consideration is EUR 33.6 million on a debt-free basis.

In March 2023, Systemair acquired UK-based SCS Engineering Ltd, and its subsidiary Smoke Control

Services Ltd, together trading as Group SCS. Group SCS is a leading supplier of fire gas evacuation products for residential and commercial buildings in the UK. Headquartered in Cardiff, with an assembly plant in Dorset and offices in London and Portsmouth, the group employs 57 FTEs and reported revenues of around GBP 12 million in 2022.

Divestment of the air conditioning business

On 28 February 2023, Systemair completed the 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 Tecnair S.p.A. in Italy, Systemair AC SAS in France and employees of the air conditioning business of Systemair GmbH in Germany.

Sales for the air conditioning business in the rolling twelve-month period of 1 August 2021 – 31 July 2022, amounted to EUR 69 million, with a profit margin below Systemair AB's average profit margin. Systemair's air conditioning business has approximately 400 full-time employees.

The sale has resulted in a capital gain of SEK 445.5 million for the Group. The capital gain is recognised under Other operating income in the Consolidated income statement.

If the companies acquired had been consolidated and the divested companies had been divested as of 1 May 2022, net sales for the financial year May 2022 through April 2023 would have totalled approximately SEK 11,707.6 million. Operating profit for that period would have totalled approximately SEK 1,403.6 million including non-recurring items. For more information regarding acquisitions and their impact on the Group's cash and cash equivalents, see Note 3 in this interim report.

Large hygiene-certified air handling units for Aarhus University Hospital

For a newly built part of Aarhus University Hospital, Systemair supplied hygiene-certified air handling units in various sizes. Aarhus University Hospital is the largest hospital in Northern Europe, with an area of 470,000 m².

The units for the project are capable of delivering more than 200,000 m³/h. The total order value amounts to approximately SEK 6 million and deliveries are made from Systemair's nearby modern unit factory.



Investments, depreciation and amortisation

Investments for the quarter, net of disposals, totalled SEK 263.6 million (254.4), including SEK 124.6 million (80.1) in new construction and machinery. The investments made include production facilities in the Czech Republic, Slovakia and Spain. Acquisitions and formerly withheld purchase considerations totalled SEK 129.2 million (163.7). The divestment of the air conditioning business added SEK 1,001.1 million to cash and cash equivalents. Depreciation, amortisation and impairment of non-current assets amounted to SEK 95.3 million (134.5).

Total investments for the financial year amounted to SEK 812.1 million (540.1), net of disposals. Gross investments in new construction and machinery totalled SEK 325.7 million (326.4), net of disposals. Acquisitions and formerly withheld purchase considerations totalled SEK 449.6 million (197.5). Depreciation, amortisation and impairments of non-current assets amounted to SEK 568.3 million (408.4), including impairment charges of SEK 155.4 million.

Personnel

The average number of employees in the Group was 6,296 (6,358). At the end of the period, Systemair had 6,587 employees (6,660), 73 fewer than one year previous. Acquired companies added a total of 228 employees and divested companies reduced the number of employees by 364. New personnel were hired in the Czech Republic (61), India (45), Slovenia (29), Malaysia (25), Canada (21), the USA (20) and Lithuania (14). Personnel cutbacks were made in Russia (-73) and Menerga in Germany (-26).

Cash flow and financial position

Cash flow from operating activities, before changes in working capital during the quarter, totalled SEK 363.9 million (247.9). Changes in working capital, mainly consisting of higher trade accounts receivable, had a total impact of SEK -193.3 million (-279.5) on cash flow. Net cash flow from financing activities was SEK -1,028.7 million (+286.6), as a result of loan amortisation. At the end of the period, net indebtedness was SEK 1,523.2 million (2,118.0). The debt/equity ratio was 0.76 (1.73). The consolidated equity/assets ratio was 54.7 percent (45.5) 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 financial year, 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 as established by an external independent valuation via an accepted valuation model (Black-Scholes). The programme runs for four years and the last day for share subscription is 30 September 2026. In addition, 591,000 warrants were issued in 2021 to senior executives under the LTIP 2021 programme. This programme also runs for four years and the last day for share subscription is 30 September 2025.

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 role in our commitment to contribute to a more sustainable planet.

Sustainability is an important part of our strategy and an increasingly 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 air quality • Life cycle approach to reduce environmental impact

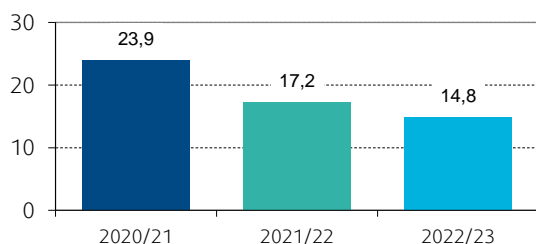
Sustainability reporting

Systemair reports annually on its sustainability work in the Company's Annual Report. To improve governance and monitoring, and to increase transparency, Systemair is collecting selected quarterly sustainability data. Three key data from sustainability reporting are presented below. This quarterly reporting began in Systemair's second quarter. In the case of emissions and occupational injuries, data for the first quarter was also collected in order to be able to report the status for all four 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. Over the full year, the number of work-related injuries leading to sick leave as measured by the LTIFR decreased by 14 percent. The LTIFR (Lost Time Injury Frequency Rate) is the number of work-related injuries with sickness absence per 1 million hours worked.

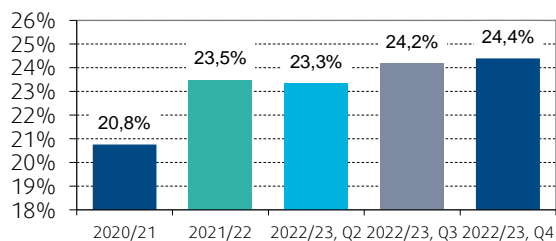
Work-related injuries with sickness absence, LTIFR



Female leaders

Increasing the proportion of female leaders is a strategic goal and the aim is that by 2025/26 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 women leaders is still heading in the right direction long term and Systemair is working to lay the groundwork for continued improvement in this area.

Percentage of female leaders

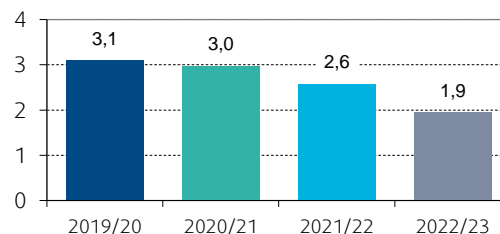


Scopes 1 and 2 emissions (CO₂e)

Systemair has set a target to halve its emissions intensity by 2030/31, 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 decreased over the year, partly due to reduced energy consumption and investments in solar cells at some of our production facilities, such as Turkey. Also contributing to the decrease was an increase in Cost of Goods Sold (COGS) due to inflation and price increases.

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



Events after the close of the period

No significant events have occurred since the end of the financial year.

Exposure to Russia, Ukraine and Belarus

At the end of the financial year, the number of employees in Russia, Ukraine and Belarus totalled 198. Systemair's sales in the region represent 1.4 percent of the Group's total sales over the financial year.

During the financial year, Systemair recognised an impairment charge totalling SEK 153.1 million on goodwill and property, plant and equipment relating to the operations in Russia. 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 55.0 million. Goodwill and other non-current assets have been written down to zero. Working capital, mainly in inventories and cash, totals SEK 94.3 million. At present, it is not possible to take this money 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 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.

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 financial year totalled SEK 181.9 million (149.1). Operating profit was negative, at SEK -170.3 million (-118.1). The Parent Company's net financial income is affected by an impairment of shares in subsidiaries totalling SEK 95.9 million 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, together with an estimated capital gain of SEK +82.3 million. The Parent Company had 63 employees (66). The core business of the Parent Company consists of intra-Group services.

Dividend

The Board proposes that the Annual General Meeting, to be held on 31 August 2023, approve a dividend of SEK 1.10 (0.90) per share. As a result, dividend payments will total SEK 228.8 million (187.2). The proposed dividend represents 38 percent (34) of the Group's net

profit, adjusted for the capital gain from the divestment of the air conditioning business of SEK 445.5 million.

Systemair in brief

Systemair is a leading ventilation company with operations in 51 countries in Europe, North America, the Middle East, Asia, Australia and Africa. The Company had sales of SEK 12.1 billion in the 2022/23 financial year and today employs approximately 6,600 people. Systemair has reported an operating profit every year since 1974, when the company was founded. Over the past 10 years, growth has averaged 10.5 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

Systemair's mission is to create better air every day around the world. Through energy-efficient and sustainable products, we are reducing CO2 emissions and energy consumption, and we are leveraging the powerful drivers in the market to achieve our goals.

Strategic priorities:

- We will provide an attractive workplace with an inclusive culture that promotes employee development and entrepreneurship. Through this internal strength, we can build strong relationships based on expertise and trust.
- We provide a wide range of quality products, based on standardised platforms, with energy efficiency and indoor air quality at their core. Our products should make connected and smart solutions possible.
- We will improve our profitability by maximising economies of scale and via efficient product development focused on standardisation. A strong local presence where decision-making is decentralised, for agility underpinned by common processes.
- We look to the future in order to prepare for the demands that lie ahead. Sustainable products are part of this: we look at the whole life cycle of the product to improve resource efficiency and our climate footprint. We will build up our servicing business as it plays an important role in optimising the product in operation. Overall, Systemair stands for a long-term approach and will work to put this into practice through sustainable and responsible decisions.
- We will continue to maintain a global and diversified customer base. This provides us with solid foundations for profitable growth via organic investments and an active acquisition agenda. Systemair is our main brand and other brands are only used when they offer a clear business benefit.

Miscellaneous

The information in this Year-End Report is information that Systemair is required to disclose in accordance with the Swedish Securities Markets Act (lagen om värdepappersmarknaden) and/or the Swedish Financial Instruments Trading Act (lagen om handel med finansiella instrument). This information will be submitted for publication at 8.00 a.m. on 8 June 2023.

The Year-End Report has not been submitted to a general examination by the Company's auditors.

Skinnskatteberg

Systemair AB (publ)

Roland Kasper

Chief Executive Officer

Gerald Engström

Chairman of the Board

Patrik Nolåker

Board Chair

Carina Andersson

Director

Gunilla Spongh

Director

Niklas Engström

Director

Åke Henningsson

Employee Representative

Ricky Sten

Employee Representative

Calendar

Interim Report Q1 2023/24
1.00 p.m., 31 August 2023

AGM 2023

3.00 p.m., 31 August 2023

Interim Report Q2 2023/24
8.00 a.m., 7 December 2023

Interim Report Q3 2023/24
8.00 a.m., 5 March 2024

Interim Report Q4 2023/24
8.00 a.m., 4 June 2024

Interim Report Q1 2024/25
1.00 p.m., 29 August 2024

Contact

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Summary income statement

	Group				Parent Company	
	2022/23 Feb-Apr 3 mths	2021/22 Feb-Apr 3 mths	2022/23 May-Apr 12 mths	2021/22 May-Apr 12 mths	2022/23 May-Apr 12 mths	2021/22 May-Apr 12 mths
SEK m.						
Net sales	3,128.8	2,661.6	12,057.9	9,634.5	181.9	149.1
Cost of goods sold	-2,057.5	-1,753.8	-7,948.5	-6,315.6	-	-
Gross profit	1,071.3	907.8	4,109.4	3,318.9	181.9	149.1
Other operating income	527.7	67.3	704.8	233.5	7.4	11.0
Selling expenses	-643.7	-561.3	-2,459.8	-2,077.5	-95.0	-88.2
Administration expenses	-153.8	-121.0	-575.4	-437.6	-159.1	-109.2
Other operating expenses	-56.8	-101.4	-419.1	-267.5	-105.5	-80.8
Net gain on monetary items	-10.2	-	41.5	-	-	-
Operating profit/loss	734.5	191.4	1,401.4	769.8	-170.3	-118.1
Net financial items	-32.7	5.4	-106.5	-28.1	686.7	12.1
Profit/loss after financial items	701.8	196.8	1,294.9	741.7	516.4	-106.0
Appropriations	-	-	-	-	182.5	65.9
Tax on profit for the period	-83.2	-57.9	-250.2	-197.4	-12.1	-1.0
Profit/loss for the period	618.6	138.9	1,044.7	544.3	686.8	-41.1
Attributable to:						
Parent Company shareholders	616.7	137.8	1,039.6	543.9	-	-
Non-controlling interests	1.9	1.1	5.1	0.4	-	-
Basic earnings per share (SEK) ¹	2.96	0.66	5.00	2.61	-	-
Diluted earnings per share (SEK) ¹	2.96	0.66	5.00	2.61	-	-

Statement of comprehensive income

Profit/loss for the period	618.6	138.9	1,044.7	544.3	686.8	-41.1
Other comprehensive income						
<i>Items that have been, or may later be, transferred to profit for the year:</i>						
Translation differences	-30.7	-15.7	606.0	119.1	-	-
<i>Items that cannot be transferred to profit for the period:</i>						
Revaluation of defined-benefit pensions, net after tax	6.3	16.5	0.3	6.0	-	-
Other comprehensive income	-24.4	0.8	606.3	125.1	-	-
Total comprehensive income for the period	594.2	139.7	1,651.0	669.4	686.8	-41.1
Attributable to:						
Parent Company shareholders	592.3	138.6	1,645.9	669.0	-	-
Non-controlling interests	1.9	1.1	5.1	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	
	30/04/2023	30/04/2022	30/04/2023	30/04/2022
ASSETS				
Goodwill	988.6	888.9	-	-
Other intangible non-current assets	291.3	216.1	24.1	35.5
Property, plant and equipment	2,526.0	2,325.6	18.8	13.4
Financial and other non-current assets	179.9	193.6	2,985.2	2,766.8
Total non-current assets	3,985.8	3,624.2	3,028.1	2,815.7
Inventory	2,459.2	2,224.9	-	-
Current receivables	2,848.2	2,287.4	1,655.5	1,392.9
Cash and cash equivalents	339.9	335.9	-	-
Total current assets	5,647.3	4,848.2	1,655.5	1,392.9
TOTAL ASSETS	9,633.1	8,472.4	4,683.6	4,208.6
EQUITY AND LIABILITIES				
Equity	5,272.5	3,853.5	2,054.1	1,554.5
Untaxed reserves	-	-	0.7	-
Non-current liabilities, non-interest-bearing	258.5	275.7	-	1.0
Non-current liabilities, interest-bearing	671.6	1,230.8	1,580.2	1,702.9
Total non-current liabilities	930.1	1,506.5	1,580.2	1,703.9
Current liabilities, interest-bearing	1,170.7	1,148.0	910.9	904.3
Current liabilities, non-interest-bearing	2,259.8	1,964.4	137.7	45.9
Total current liabilities	3,430.5	3,112.4	1,048.6	950.2
TOTAL EQUITY AND LIABILITIES	9,633.1	8,472.4	4,683.6	4,208.6

Summary consolidated cash flow statement

SEK m.	2022/23	2021/22	2022/23	2021/22
	Feb-Apr 3 mths	Feb-Apr 3 mths	May-Apr 12 mths	May-Apr 12 mths
Operating profit/loss	734.5	191.4	1,401.4	769.8
Adjustment for non-cash items	-305.4	67.4	113.4	354.5
Financial items	-26.8	-9.3	-77.7	-27.6
Income tax paid	-38.4	-1.6	-214.5	-147.4
Cash flow from operating activities before changes in working capital	363.9	247.9	1,222.6	949.3
Changes in working capital	-193.3	-279.5	-634.9	-714.1
Cash flow from operating activities	170.6	-31.6	587.7	235.2
Cash flow from investing activities	852.4	-247.7	318.6	-515.9
Cash flow from financing activities	-1,028.7	286.6	-959.5	274.9
Cash flow for the period	-5.7	7.3	-53.2	-5.8
Cash and cash equivalents at start of period	349.7	327.7	335.9	319.1
Translation differences, cash and cash equivalents	-4.1	0.9	57.2	22.6
Cash and cash equivalents at close of period	339.9	335.9	339.9	335.9

Statement of changes in equity – Group

SEK m.	2022/23			2021/22		
	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
Dividend	-187.2	-1.5	-188.7	-156.0	-1.8	-157.8
Share of acquisitions attributable to non-controlling interests	-	-33.7	-33.7	-	12.3	12.3
Issue of warrants	3.4	-	3.4	4.8	-	4.8
Revaluation of acquisition option	-11.5	-1.5	-13.0	-7.7	2.4	-5.3
Comprehensive income	1,645.9	5.1	1,651.0	669.0	0.4	669.4
Amount at end of period	5,265.7	6.8	5,272.5	3,815.1	38.4	3,853.5

Performance measures for the Group

		2022/23 Feb-Apr 3 mths	2021/22 Feb-Apr 3 mths	2022/23 May-Apr 12 mths	2021/22 May-Apr 12 mths
Net sales	SEK m.	3,128.8	2,661.6	12,057.9	9,634.5
Growth	%	17.6	20.5	25.2	13.1
Operating profit/loss	SEK m.	734.5	191.4	1,401.4	769.8
Operating margin	%	23.5	7.2	11.6	8.0
Adjusted operating margin	%	8.9	8.6	9.2	8.5
Profit after net fin. items	SEK m.	701.8	196.8	1,294.9	741.7
Profit margin	%	22.4	7.4	10.7	7.7
Adjusted profit margin, %	%	7.8	8.8	8.3	8.2
Return on capital employed	%	20.1	14.5	20.1	14.5
Adjusted return on capital employed	%	16.2	15.4	16.2	15.4
Return on equity	%	22.6	15.1	22.6	15.1
Adjusted return on equity	%	16.4	16.5	16.4	16.5
Equity/assets ratio	%	54.7	45.5	54.7	45.5
Investments	SEK m.	852.4	-247.7	318.6	-515.9
Depreciation/amortisation and impairments	SEK m.	95.3	134.5	568.3	408.4
Per share ratios					
Basic earnings per share	SEK	2.96	0.66	5.00	2.61
Diluted earnings per share	SEK	2.96	0.66	5.00	2.61
Adjusted basic earnings per share	SEK	0.77	0.85	3.58	2.86
Adjusted earnings per share (diluted)	SEK	0.77	0.85	3.58	2.86
Basic equity per share	SEK	25.32	18.34	25.32	18.34
Diluted equity per share	SEK	25.31	18.34	25.31	18.34
Basic operating cash flow per share	SEK	0.82	-0.15	2.83	1.13
Diluted operating cash flow per share	SEK	0.82	-0.15	2.82	1.13
Average number of shares in period, before dilution	No.	208,000,000	208,000,000	208,000,000	208,000,000
Average number of shares in period, after dilution	No.	208,154,000	208,000,000	208,063,000	208,000,000

Quarterly performance measures – Group

		2022/23				2021/22			2020/21	
		Feb-Apr	Nov-Jan	Aug-Oct	May-Jul	Feb-Apr	Nov-Jan	Aug-Oct	May-Jul	Feb-Apr
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Net sales	SEK m.	3,128.8	3,043.5	3,036.7	2,848.9	2,661.6	2,278.1	2,404.2	2,290.5	2,208.5
Growth	%	17.6	33.6	26.3	24.4	20.5	13.7	8.9	9.1	8.7
Gross margin	%	34.2	34.2	33.3	34.6	34.1	33.3	35.6	34.8	35.7
Operating profit/loss	SEK m.	734.5	277.5	119.8	269.6	191.4	131.3	237.5	209.6	173.1
Operating margin	%	23.5	9.1	3.9	9.5	7.2	5.8	9.9	9.2	7.8
Adjusted operating margin	%	8.9	9.0	9.9	9.5	8.6	5.8	10.4	9.2	7.8
Return on capital employed	%	20.1	13.3	12.4	14.7	14.5	14.9	14.2	14.3	13.1
Adjusted return on capital employed	%	16.2	16.4	15.7	15.5	15.4	15.1	14.4	14.3	13.1
Return on equity	%	22.6	13.3	12.2	16.1	15.1	15.0	14.9	14.8	13.0
Adjusted return on equity	%	16.4	18.5	17.8	17.4	16.5	15.4	15.2	14.8	13.0
Equity/assets ratio	%	54.7	46.5	43.8	44.0	45.5	47.2	45.7	48.4	47.9
Basic equity per share	SEK	25.32	22.51	21.30	19.73	18.34	17.69	16.45	16.71	15.89
Diluted equity per share	SEK	25.31	22.51	21.10	19.73	18.34	17.69	16.45	16.71	15.89
Basic earnings per share	SEK	2.96	0.79	0.21	1.04	0.66	0.47	0.74	0.75	0.55
Diluted earnings per share	SEK	2.96	0.79	0.20	1.04	0.66	0.47	0.74	0.75	0.55
Adjusted basic earnings per share	SEK	0.77	0.77	1.06	1.05	0.85	0.47	0.80	0.75	0.55
Adjusted earnings per share (diluted)	SEK	0.77	0.77	1.04	1.05	0.85	0.47	0.80	0.75	0.55
Cash flow from operating activities per share (basic)	SEK	0.81	1.34	0.98	-0.31	-0.15	0.13	0.39	0.76	1.10
Cash flow from operating activities per share (diluted)	SEK	0.81	1.34	0.96	-0.31	-0.15	0.13	0.39	0.76	1.10

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:

SEK m.	2022/23 May-Apr 12 mths	SEK m.	30/04/2023
ASSETS		ASSETS	
Net sales	-26.5	Goodwill	94.3
Cost of goods sold	-42.7	Other intangible non-current assets	1.9
Gross profit	-69.2	Property, plant and equipment	176.9
		Total non-current assets	273.1
Other operating income	-2.4	Inventory	2.0
Selling expenses	2.5	Current receivables	0.1
Administration expenses	0.5	Total current assets	2.1
Other operating expenses	2.7		
Adjustment effect of hyperinflation calculation	41.5	TOTAL ASSETS	275.2
Operating profit/loss	-24.4		
		EQUITY AND LIABILITIES	
Net financial items	1.9	Other comprehensive income, hyperinflation calculation	292.6
Profit/loss after financial items	-22.5	Equity	-21.8
Tax on profit for the period	-0.2	Current liabilities, non-interest-bearing	4.4
Profit/loss for the period	-22.7	Total current liabilities	4.4
		TOTAL EQUITY AND LIABILITIES	275.2

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 3,128.8 million (2,661.6), of which servicing of ventilation products accounted for SEK 136.6 million (107.9).

SEK m.	2022/23 Feb-Apr 3 mths	2021/22 Feb-Apr 3 mths	2022/23 May-Apr 12 mths	2021/22 May-Apr 12 mths
Europe				
Sale of goods recognised at a specific point in time	2,227.9	1,896.6	8,594.0	6,883.8
Sale of goods recognised over time	19.6	45.8	124.2	158.4
Servicing recognised at a certain point in time	68.8	54.3	238.8	179.2
Servicing recognised over time	61.5	46.2	206.2	163.6
	2,377.8	2,042.9	9,163.2	7,385.0
Americas, Middle East, Asia, Australia and Africa				
Sale of goods recognised at a specific point in time	679.4	559.9	2,664.2	2,024.2
Sale of goods recognised over time	65.3	51.4	200.3	205.2
Servicing recognised at a certain point in time	0.6	0.6	5.5	3.1
Servicing recognised over time	5.7	6.8	24.7	17.0
	751.0	618.7	2,894.7	2,249.5
Total				
Sale of goods recognised at a specific point in time	2,907.3	2,456.5	11,258.2	8,908.0
Sale of goods recognised over time	84.9	97.2	324.5	363.6
Servicing recognised at a certain point in time	69.4	54.9	244.3	182.3
Servicing recognised over time	67.2	53.0	230.9	180.6
	3,128.8	2,661.6	12,057.9	9,634.5

Note 3 Companies acquired and divested

Companies acquired

A provisional analysis of the purchase considerations for Sagicofim in Italy, Group SCS in the UK and the acquisition of minority interests in Systemair Marocco and Well Technology in Estonia, is as follows:

	Sagicofim	Group SCS	Other acquisition-related
Total historical cost, less costs of acquisition	383.8	84.8	43.2
Assets acquired			
Fair value of assets acquired, net	303.8	42.4	38.8
Goodwill	80.0	42.4	4.4
Identifiable net assets			
Brands and customer relationships	121.0	10.3	-
Other intangible assets	2.1	-	-
Buildings and land	66.6	-	-
Machinery and equipment	10.6	0.3	-
Financial and other non-current assets	11.8	-	-
Inventory	58.7	5.4	-
Trade accounts receivable	133.1	59.5	-
Other current assets	15.8	2.2	13.6
Cash and cash equivalents	28.2	1.5	-
Minority interest	-1.5	-	36.0
Non-interest-bearing liabilities	-4.3	-1.1	-
Deferred tax liability	-33.6	-2.0	-
Interest-bearing liabilities	-4.3	-	-
Other operating liabilities	-100.4	-33.7	-
Impact on profit	-	-	10.8
	303.8	42.4	38.8

The total impact by acquisitions on cash flow is SEK -448.1 million. Transaction costs relating to the acquisitions total SEK 4.5 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 interim report period totalled SEK 418.4 million. Operating profit for the corresponding period was SEK 22.1 million.

Companies divested

An analysis for the divestment of the air conditioning business is as follows:

<u>Asset and liability disposals</u>	
Goodwill	138.8
Other intangible assets	29.4
Buildings and land	115.3
Machinery and equipment	66.4
Financial assets	15.5
Inventory	229.9
Trade accounts receivable	196.8
Other current assets	78.6
Cash and cash equivalents	30.4
Non-interest-bearing liabilities	-52.6
Interest-bearing liabilities	-178.6
Other operating liabilities	-166.4
	<u>503.5</u>

The total impact on cash flow is SEK +1,001.1 million. Costs of selling in connection with the divestment were SEK 8.1 million.

If the companies acquired had been consolidated and the divested companies had been divested as of 1 May 2022, net sales for the financial year May 2022 through April 2023 would have totalled approximately SEK 11,707.6 million. Operating profit for that period would have totalled approximately SEK 1,403.6 million including non-recurring items.

Note 4 Financial instruments

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

Share purchase options and additional purchase considerations are measured on level 3 as defined in IFRS 13. The calculation for the option to acquire the remaining 10 percent of the shares in Systemair HSK, Turkey, is based on the anticipated profit before depreciation/amortisation and tax (EBITDA) for the financial years until 2024/25, plus the increase in value of the land on which the Turkish production facility is situated. Any increase in anticipated profit after tax and any increase in value of the land would result in an increase in the liability relating to the option. No upper limit for the anticipated liability is established in the agreement. Any change in estimated liability is transferred via the Group's equity. For the financial year May 2022–April 2023, the liability was revalued by the amount of SEK 6.0 million and is now valued at SEK 27.5 million. The calculation for the option to acquire the remaining 40 percent of the shares in Frico A/S, Denmark, is based on the anticipated operating profit (EBIT) for the 2023/24 and 2024/25 financial years. Any increase in anticipated profit after tax would result in an increase in the liability relating to the option. No upper limit for the anticipated liability is established in the agreement. Any change in estimated liability is transferred via the Group's equity. For the financial year May 2022–April 2023, the liability was revalued by the amount of SEK 5.4 million and is now valued at SEK 11.6 million. The liability for the purchase options is recognised under Non-current liabilities, non-interest-bearing, on the balance sheet.

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

Note 5 Segment reporting

The Group's operations are classified geographically. Systemair aggregates into two geographical segments of (i) Europe and (ii) Americas, Middle East, Asia, Australia and Africa. The market segment Europe accounts for the major share of Systemair's business. The segment Europe consists of a large number of markets. The legal entities within Europe work

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

SEK m.	2022/23 Feb-Apr 3 mths	2021/22 Feb-Apr 3 mths	2022/23 May-Apr 12 mths	2021/22 May-Apr 12 mths
Europe				
Net sales, external	2,377.8	2,042.9	9,163.2	7,385.0
Net sales, intra-Group	53.1	70.4	225.4	209.3
Operating profit/loss	752.3	191.4	1,384.7	773.9
Operating margin, %	31.6	9.4	15.1	10.5
Profit after net fin. items	699.4	319.1	986.2	905.2
Profit margin, %	29.4	15.6	10.8	12.3
Assets	6,049.5	5,387.1	6,049.5	5,387.1
Investments	-10.4	-80.8	-146.7	-294.5
Depreciation/amortisation and impairments	72.2	114.6	479.3	335.4
Americas, Middle East, Asia, Australia and Africa				
Net sales, external	751.0	618.7	2,894.7	2,249.5
Net sales, intra-Group	14.0	3.1	36.8	13.7
Operating profit/loss	26.9	31.7	186.0	114.2
Operating margin, %	3.6	5.1	6.4	5.1
Profit after net fin. items	3.4	119.8	102.9	241.9
Profit margin, %	0.5	19.4	3.6	10.8
Assets	2,328.2	1,694.6	2,328.2	1,694.6
Investments	-34.8	-13.2	-76.3	-48.9
Depreciation/amortisation and impairments	15.4	14.3	58.3	52.3
Group-wide				
Net sales, intra-Group	46.5	38.2	181.9	149.1
Operating profit/loss	-44.7	-31.7	-169.3	-118.3
Profit after net fin. items	-1.0	-242.1	205.8	-405.4
Assets	4,691.2	4,218.8	4,691.2	4,218.8
Investments	897.6	-153.7	541.6	-172.5
Depreciation/amortisation and impairments	7.7	5.6	30.7	20.7
Eliminations				
Net sales, intra-Group	-113.6	-111.7	-444.1	-372.1
Assets	-3,433.0	-2,828.1	-3,433.0	-2,828.1
Total				
Net sales, external	3,128.8	2,661.6	12,057.9	9,634.5
Operating profit/loss	734.5	191.4	1,401.4	769.8
Operating margin, %	23.5	7.2	11.6	8.0
Profit after net fin. items	701.8	196.8	1,294.9	741.7
Profit margin, %	22.4	7.4	10.7	7.7
Assets	9,635.9	8,472.4	9,635.9	8,472.4
Investments	852.4	-247.7	318.6	-515.9
Depreciation/amortisation and impairments	95.3	134.5	568.3	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.