

Lindab International AB (publ)

Full year report 2021

Record results for a transformed Lindab

Sales remained high during the fourth quarter and Lindab's sales for the full year reached a new record level. Both Business Areas Ventilation Systems and Profile Systems reported high organic sales growth and strengthened profitability. The adjusted operating profit continued to improve, both during the quarter and the full year. At the end of the year, the divestment of Business Area Building Systems was completed, as part of Lindab's strategy to focus on the core business.

Fourth quarter 2021

- Lindab's divestment of the business area Astron Building Systems was completed at the end of the year. In this interim report Building Systems is reported as "discontinued operations".

Continuing operations

- Net sales increased by 23 percent to SEK 2,560 m (2,082). Organic growth was 20 percent.
- Adjusted¹⁾ operating profit increased to SEK 311 m (225).
- Operating profit increased to SEK 311 m (225).
- Adjusted¹⁾ operating margin increased to 12.1 percent (10.8).
- Operating margin increased to 12.1 percent (10.8).

Total operations

- Profit for the period increased to SEK 221 m (186) and was affected by one-off items and restructuring costs of SEK -23 m (-) related to Building Systems.
- Earnings per share before dilution increased to SEK 2.88 (2.43) and after dilution to SEK 2.87 (2.43).
- Cash flow from operating activities amounted to SEK 215 m (356).

January - December 2021

Continuing operations

- Net sales increased by 17 percent to SEK 9,648 m (8,220). Organic growth was 17 percent.
- Adjusted¹⁾ operating profit increased to SEK 1,266 m (860).
- Operating profit increased to SEK 1,266 m (790).
- Adjusted¹⁾ operating margin increased to 13.1 percent (10.5).
- Operating margin increased to 13.1 percent (9.6).
- Earnings per share after dilution amounted to SEK 12.50 (7.25).

Total operations

- Profit for the period amounted to SEK 537 m (596). The profit was affected by one-off items and restructuring costs of SEK -455 m (-64), which were mainly not impacting cash flow.
- Earnings per share before dilution amounted to SEK 7.02 (7.80) and after dilution to SEK 7.00 (7.80).
- Cash flow from operating activities amounted to SEK 704 m (1,129).
- The Board of Directors proposes a dividend of SEK 4.00 (3.40) per share, split and paid out on two occasions.

Key Figures	2021	2020	Change, %	2021	2020	Change, %
	Oct-Dec	Oct-Dec		Jan-Dec	Jan-Dec	
Continuing operations²⁾						
Net sales, SEK m	2,560	2,082	23	9,648	8,220	17
Adjusted ¹⁾ operating profit, SEK m	311	225	38	1,266	860	47
Operating profit, SEK m	311	225	38	1,266	790	60
Adjusted ¹⁾ operating margin, %	12.1	10.8	-	13.1	10.5	-
Operating margin, %	12.1	10.8	-	13.1	9.6	-
Total operations³⁾						
Profit for the period, SEK m	221	186	19	537	596	-10
Earnings per share before dilution, SEK	2.88	2.43	19	7.02	7.80	-10
Earnings per share after dilution, SEK	2.87	2.43	18	7.00	7.80	-10
Cash flow from operating activities, SEK m	215	356	-40	704	1,129	-38

1) Adjusted operating profit/operating margin does not include significant one-off items and restructuring costs. See 'Reconciliations' page 27.

2) Continuing operations, Lindab Group excluding discontinued operations, i.e. excluding Building Systems.

3) Total operations, continuing operations and discontinued operations.

A word from the CEO



Foto: Mette Ottosson

Lindab ends 2021 with yet another strong quarter. Sales were record high, both during the quarter and for the full year. The adjusted operating margin for the full year was 13.1 percent for continuing operations, which is well above the financial target of at least a 10 percent operating margin.

Demand for Lindab's products is strong and customers have appreciated our delivery performance, especially in times when there has been a shortage of steel and other materials. Sales have benefited from high steel prices, as Lindab has been proactive in pricing. This has helped to maintain gross margins even when purchasing costs have increased.

"The adjusted operating margin of 13.1 percent is well above the financial target of at least a 10 percent operating margin."

Streamlining the business increases profitability

During the quarter, Lindab completed the divestment of Astron Building Systems. Astron has ended the year positively and we are proud to hand over a well-run business to the new owners.

The divestment of Astron was an important step in a three-year process to streamline operations. In 2020, we sold IMP Klima, which manufactures air handling units. We have also reduced the number of countries in which we operate, from 32 countries to 20. Increased focus on our prioritised products and markets is a key reason why Lindab has increased the adjusted operating margin significantly in recent years, from 6.8 percent in 2018 to 13.1 percent in 2021. The strategic transformation of the business has now been completed and Lindab is entering a new phase with focus on organic and acquisition-driven growth.

The investment program is proceeding according to plan

Lindab has high competence in advanced production methods, and we implement an ambitious investment program. Increased automation ensures higher capacity, more efficient production and smarter logistics. This contributes to strengthened competitive-

ness and the opportunity to grow organically with good profitability. The investments also contribute to a safer work environment.

"The strategic transformation of the business has now been completed and Lindab is entering a new phase with focus on profitable growth."

Acquisitions contribute to growth

In 2021, Lindab acquired five well-managed companies with strong customer relationships. Our strategy is that the acquired companies continue to work independently, but we see that there are many positive synergies that are attractive to everyone involved. Our sales target is to grow by ten percent per year and we estimate that two thirds of the sales increase will come from acquisitions.

Increased dividend

Considering the strong earnings in continuing operations and a strong financial position, the Board of Directors proposes an increased dividend to SEK 4.00 (3.40).

The demand for healthy indoor environments is increasing

The long-term demand for Lindab's ventilation products benefits from an increased interest in solutions that create healthy indoor environments and reduce energy consumption. With more efficient ventilation, the customer gets lower operating costs while the indoor air quality is improved. The importance of sustainable solutions that are also financially favourable is constantly increasing. Lindab's product offering meets several important requirements in order to position itself well in this area. The development is also driven by rising energy costs, EU's directives for renovation and new construction of properties, including the EU Green Deal, and various new national support packages.

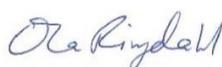
Lindab has a strong and motivated organisation. With our presence throughout Europe and a robust supply chain, we are well positioned to continue to develop the business in a positive direction.

2021 has been a year when we further strengthened Lindab.

Thank you to all customers who continue to choose Lindab.

Thank you to all employees for your efforts during the year.

Greve, February 2022

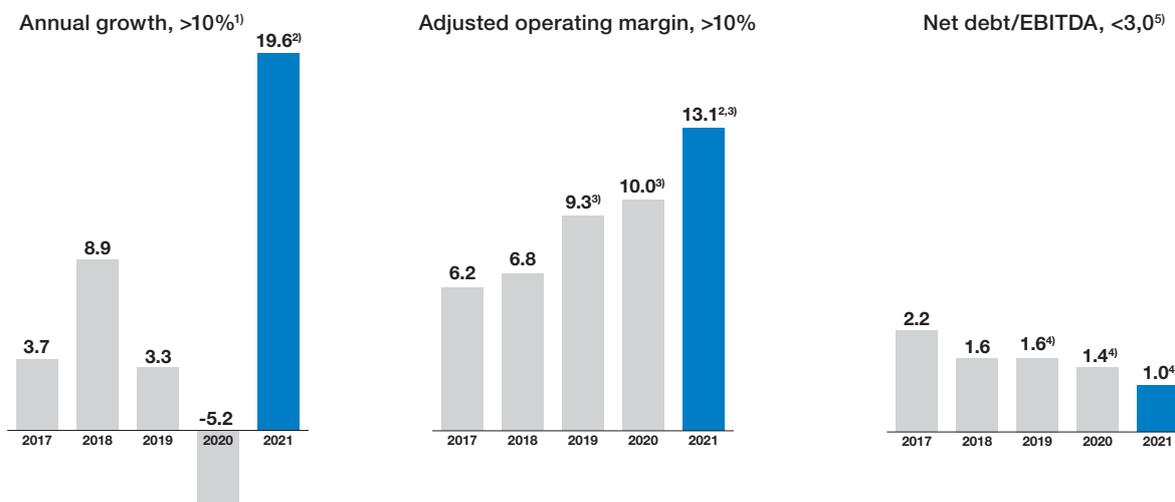


Ola Ringdahl

President and CEO

Financial targets

Lindab has financial targets for growth, profitability and net debt. During the third quarter 2021, Lindab raised its targets for growth and profitability. For 2021 the outcome regarding annual growth and adjusted operating margin is reported for continuing operations, while net debt/EBITDA is reported for total operations.



1) Growth excluding currency effects.

2) The outcome for total operations was 18.5 percent for annual growth and 12.2 percent for adjusted operating margin.

3) Excluding the effect of implemented new accounting standard IFRS 16 Leases, operating margin amounted to 12.9 percent in 2021, 9.7 percent in 2020 and 9.0 percent in 2019.

4) Excluding the effect of implemented accounting standard IFRS 16 Leases, net debt to EBITDA amounted to 0.6 in 2021, 0.8 in 2020 and 1.0 in 2019.

5) Adjusted for one-off items and restructuring costs.

Lindab's sustainability plan – For a better climate

Lindab's sustainability plan includes activities and targets in three areas.

Create healthy buildings

During the year, Lindab has continued to spread knowledge about the importance of a healthy indoor climate and pursued issues about building standards in the industry organizations where we are represented. Lindab has, for example, been the driving force for an improved standard for environmental product declarations for ventilation products (EPD).

Reduce the environmental impact from customers

Lindab contributes to reducing the environmental impact from customers by offering energy-efficient products for renovation and new construction. As an example, the launch of Ultra BT makes it possible to renovate buildings and install demand-controlled ventilation without major impact on the building. Significant energy savings of up to 70 percent are possible according to a customer study.

Drive a sustainable business

There are detailed goals and plans for Lindab's own operations. Five goals are highlighted as prioritised:

- Reduce CO2 emissions (scope 1 and 2) with 50 percent until 2030, compared to 2019. Set a target for scope 3 in 2022.
- Sustainability certification of 100 percent of the recurring suppliers until 2023.
- Use 100 percent renewable fuel in Lindab's transport vehicles until 2040.
- Reduce the number of workplace accidents per million hours worked (LTIF) to 4 or lower by 2026. Long-term vision of zero accidents.
- Be recommended as an employer by at least 90 percent of the employees.

A detailed follow-up of the results is published in Lindab's annual report.



Create healthy buildings



Reduce the environmental impact from customers



Drive a sustainable business

Sales, profit and cash flow

Sales and market - continuing operations

Net sales during the quarter amounted to SEK 2,560 m (2,082), an increase of 23 percent. Organic growth was positive by 20 percent and the currency effects was neutral at 0 percent. Structural changes contributed positively by 3 percent.

The demand remained strong for the Group during the quarter. Both Ventilation Systems and Profile Systems reported strong organic growth.

Ventilation Systems reported organic growth in most of the markets Lindab operates on. Sales growth was particularly strong in the Nordics and Eastern Europe. Profile Systems' positive growth was mainly a result of increased sales of industrial projects, primarily in the Nordics, but also increased sales of rainwater products, roof and wall cladding and steel profiles in several markets. The strong sales in both business areas have been affected by the implemented price increases during the year to compensate for the historically high raw material prices. The comparison period started with lower demand due to the uncertainty related to covid-19, which also contributed to the relative sales growth.

Net sales during the period January-December amounted to SEK 9,648 m (8,220), an increase of 17 percent compared to the same period previous year. Organic growth was positive by 17 percent while currency effects had a negative impact on growth of 2 percent. Structural changes contributed positively by 2 percent.

Profit - continuing operations

Adjusted operating profit for the quarter increased to SEK 311 m (225). No one-off items or restructuring costs were reported during the quarter or in the same period previous year, see reconciliation page 27. Adjusted operating margin increased to 12.1 percent (10.8).

Ventilation Systems' adjusted operating profit increased to SEK 210 m (152) and Profile Systems increased to SEK 118 m (84).

The improved adjusted operating profit is mainly explained by significant sales growth and positive effects from structural changes as a result of completed acquisitions. Costs have been normalised in Lindab's production facilities in comparison with the same period previous year, when the utilisation level was slightly lower due to covid-19.

Adjusted operating profit for the period January-December increased to SEK 1,266 m (860). No one-off items or restructuring costs were reported during the quarter compared to SEK -70 m in the same period previous year. See reconciliation page 27. Adjusted operating margin increased to 13.1 percent (10.5).

Sales and market, profit/loss - total operations

Net sales during the quarter amounted to SEK 2,846 m (2,314), an increase of 23 percent. Net sales during the period January-December amounted to SEK 10,619 m (9,166), an increase of 16 percent compared to the same period previous year.

Adjusted operating profit for the quarter increased to SEK 324 m (248). Adjusted operating margin increased to 11.4 percent (10.7).

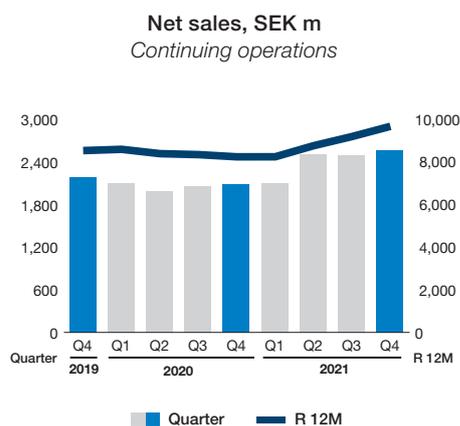
Profit for the quarter increased to SEK 221 m (186) and earnings per share after dilution amounted to SEK 2.87 (2.43). The profit for the quarter included one-off items and restructuring costs of SEK -23 m (-), of which SEK -38 m (-) was reported in operating profit. All one-off items and restructuring costs are reported in discontinued operations.

Adjusted operating profit for the period January-December increased to SEK 1,297 m (916). Adjusted operating margin increased to 12.2 percent (10.0). Adjusted operating profit is adjusted with one-off items and restructuring cost of SEK -456 m (-70), related to the divestment of Building Systems. The one-off items and restructuring cost for the period are reported in discontinued operations.

Profit for the period January-December amounted to SEK 537 m (596) and earnings per share after dilution amounted to SEK 7.00 (7.80). Profit for the period include one-off items and restructuring costs of SEK -455 m (-64), related to the divestment of Building Systems. Of the one-off items and restructuring costs for the period, SEK -441 m is reported in discontinued operations.

Seasonal variations - continuing operations

Lindab's business is affected by seasonal variations in the construction industry, and the highest proportion of net sales is normally seen during the second half of the year. The largest



Sales, profit and cash flow (cont.)

seasonal variations can be found in the segment Profile Systems. Ventilation products are mainly installed indoors which is why the Ventilation Systems segment is less dependent on season or weather conditions.

Depreciation/amortisation and impairment losses- continuing operations

Depreciation and amortisation for the quarter amounted to SEK 106 m (90), of which SEK 10 m (10) was related to intangible assets and SEK 60 m (50) was related to the right of use assets attributable to rental and leasing agreements. Impairment losses in the quarter amounted to SEK 1 m (1).

For the period January-December depreciation and amortisation amounted to SEK 391 m (352), of which SEK 31 m (29) was related to intangible assets and SEK 215 m (199) was related to the right of use assets attributable to rental and leasing agreements. Impairment losses in the period amounted to SEK 3 m (43). Of the impairment losses previous year, SEK 42 m were reported as other operating expenses in the statement of profit or loss, of which SEK 40 m were classified as one-off items and restructuring costs.

Depreciation/amortisation and impairment losses- total operations

Depreciation and amortisation for the quarter amounted to SEK 106 m (100). Impairment losses amounted to SEK 1 m (1). No depreciation, amortisation or impairment loss were reported in the quarter for discontinued operations.

For the period January-December depreciation and amortisation amounted to SEK 421 m (395) of which SEK 30 m (43) related to discontinued operations. Impairment losses in the period amounted to SEK 383 m (43), of which SEK 380 m (40) were classified as one-off items and restructuring costs. The impairment of SEK 380 m referred to goodwill related to Building Systems and is reported in discontinued operations.

Tax - continuing operations

Tax on profit for the quarter amounted to SEK 64 m (47). Earnings before tax was SEK 298 m (216). The effective tax rate was

22 percent (22). The average tax rate was 21 percent (20). The slightly higher effective tax rate during the quarter, compared to the average tax rate, was mainly explained by the effects from non-deductible costs/non-taxable income and by adjustments attributable to previous years.

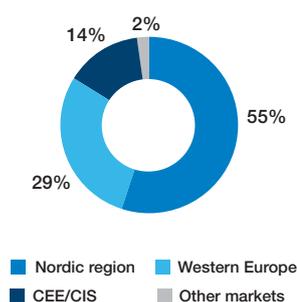
Tax on profit for the period January-December amounted to SEK 265 m (198). Earnings before tax was SEK 1,223 m (752). The effective tax rate decreased to 22 percent (26). The average tax rate was 20 percent (20). The lower effective tax rate during the period, compared to the same period previous year, was mainly explained by that Lindab during 2020 was not able to fully recognise carry-forward tax losses to reduce the total tax on profit. Further, the effective tax rate was negatively impacted by withholding tax during previous year. In 2021, Lindab divested Building Systems, resulting in termination of the Group's German tax union. Consequently, Lindab has revaluated deferred tax assets related to previously recognised carry-forward tax losses in Germany, which have had a negative effect on the effective tax rate in the period. The revaluation of deferred tax assets was also the main explanation to the difference between the effective tax rate and the average tax rate in the period.

Tax - total operations

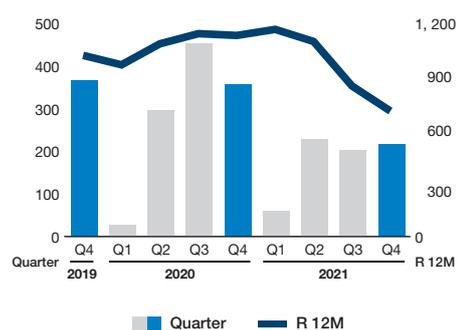
Tax on profit for the quarter amounted to SEK 54 m (53), whereof a positive tax effect of SEK 10 m (negative tax effect of 6) was recognised as discontinued operations. Earnings before tax, was SEK 275 m (239), whereof SEK -23 m (23) was recognised as discontinued operations. The effective tax rate decreased to 20 percent (22). The average tax rate was 20 percent (20).

Tax on profit for the period January-December amounted to SEK 265 m (215), whereof SEK 0 m (17) was recognised as discontinued operations. Earnings before tax, excluding impairment of goodwill, was SEK 1,182 m (811), whereof SEK -41 m (59) was recognised as discontinued operations. The effective tax rate decreased to 22 percent (27). The average tax rate was 19 percent (20).

Net sales by region,
last 12 months
Continuing operations



Cash flow from operating activities, SEK m
Total operations



Sales, profit and cash flow (cont.)

Cash flow - total operations

Cash flow before change in working capital increased with SEK 22 m during the quarter and amounted to SEK 325 m (303). The improvement was mainly explained by an increase in the underlying operating profit for continuing operations with SEK 86 m and amounted to SEK 311 m (225). The underlying operating profit of SEK -25 m (23) for discontinued operations included one-off items and restructuring costs corresponding to SEK -38 m (-) attributable to the divestment of the business area Building Systems. These items are mainly not affecting cash flow.

The quarter's change in working capital amounted to SEK -110 m (53). The development in change of working capital was mainly related to increased capital tied up in stock which was partly offset by the development of operating liabilities, in relation to previous year. Cash flow from operating activities amounted to SEK 215 m (356) during the quarter.

Cash flow from financing activities amounted to SEK -253 m (-128) for the quarter. This included a cash outflow of SEK -60 m (-58) related to lease liabilities. During the quarter, Lindab paid a dividend of SEK -130 m (-67). Other changes in financing activities were mainly related to changes in borrowings and utilisation of credit limits.

For the period January-December, cash flow before change in working capital improved with SEK 303 m and amounted to SEK 1,396 m (1,093). The improvement was mainly explained by an increase in the underlying operating profit for continuing operations with SEK 476 m and amounted to SEK 1,266 m (790). The underlying operating profit of SEK -425 m (56) for discontinued operations included one-off items and restructuring costs corresponding to SEK -456 m (-) attributable to the divestment of the business area Building Systems. These items are mainly not affecting cash flow. The underlying operating profit for continuing operations previous year included non-cash flow affecting items corresponding to SEK -70 m attributable to the decided divestment of IMP Klima Group.

The period's change in working capital amounted to SEK -692 m (36). In comparison with the same period previous year, the development from working capital was mainly related to increased capital tied up in stock and operating receivables. On the other hand, the development of accounts payable and cash advances from customers within Building Systems had a positive effect. Cash flow from operating activities amounted to SEK 704 m (1,129) for the period January-December.

Cash flow from financing activities for the period January-December amounted to SEK -319 m (-395). This included a cash outflow of SEK -233 m (-222) related to lease liabilities. During the period, Lindab paid a dividend of SEK -260 m (-134). Other changes in financing activities were mainly related to changes in borrowings and utilisation of credit limits.

Cash flow from investing activities is explained under the headings 'Investments' and 'Business combinations'.

Investments and financial position

Investments - total operations

Investments in intangible assets and tangible fixed assets amounted to SEK 105 m (115) during the quarter, of which SEK 12 m (11) was related to investments in intangible assets. The investments in tangible fixed assets is mainly a part of the Group's investment program for efficiency, a safer working environment and capacity increase in production facilities. Of the quarter's investments, SEK 3 m (0) were related to discontinued operations.

Cash flow from investing activities, excluding business combinations, amounted net to SEK -105 m (-115) during the quarter.

For the period January-December, investments in intangible assets and tangible fixed assets amounted to SEK 395 m (425), of which SEK 20 m (27) were related to investments in intangible assets. Of the period's investments, SEK 12 m (5) were related to discontinued operations.

Cash flow from investing activities, excluding business combinations, amounted net to SEK -385 m (-420) during the period January-December. The cash flow included a positive effect from the sale of intangible assets and tangible fixed assets of SEK 10 m (5).

Business combinations

At the end of December, Lindab divested all shares and voting rights of the business area Building Systems to the French construction company Groupe Briand. The agreement of the divestment was signed in September, but the transaction was among other things subject to anti-trust approval in Russia. This approval was obtained during the fourth quarter, when the divestment was also finalised. As a consequence of the decision and agreement to divest Building Systems, the business area has been recognised as an asset held for sale/discontinued operation since the end of the third quarter and until the divestment was completed in December. During this period, one-off items and restructuring costs of SEK 455 m were reported and related to the divestment, whereof SEK 23 m affected the net profit during the fourth quarter. SEK 380 m of the recognised one-off items and restructuring costs were related to impairment of goodwill. Recognised one-off items and restructuring costs were mainly not impacting cash flow. The business of Building Systems is focused on construction, production and sales of complete steel construc-

tion systems. In 2021, net sales amounted to SEK 971 m and the operating margin was 3.2 percent. At time of the divestment Building Systems had 684 employees.

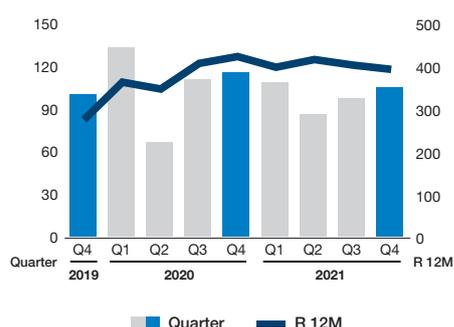
On December 9, 2021, Lindab signed an agreement to acquire all shares and voting rights of the Swedish company Alig Ventilation AB. The business is primarily focused on advice and sales of ventilation products to house manufacturers, construction contractors and private individuals. The purpose of the acquisition is to extend the Group's expertise within ventilation for smaller residential buildings. Alig Ventilation AB is based in Mariestad, Sweden. The company has an annual turnover of approximately SEK 65 m and has 15 employees. In January 2022, Lindab finalised the acquisition of Alig Ventilation AB.

On November 22, Lindab acquired all shares and voting rights of the Swedish company Profilplåt i Sverige AB. The company's main operations are production and sales of sheet metal roofs and walls. The purpose of the acquisition is mainly to complement Lindab's current production of these products, improve transportation possibilities to customers in the northern Sweden and strengthen the Group's geographical presence in the area. Profilplåt i Sverige AB is based in Sundsvall, Sweden. The company has an annual turnover of approximately SEK 70 m and has 13 employees.

On November 18, Lindab acquired all shares and voting rights of the Danish company Klimatek Ventilationsmateriel A/S. The company manufactures both standardised and customised components to customer for ventilation systems. The aim of the acquisition is to complement Lindab's extensive range of standardised ventilation products, but it will also contribute to the marine business of the Group. Klimatek Ventilationsmateriel A/S is based in Skive, Denmark. The company has an annual turnover of approximately SEK 30 m and has 22 employees.

On October 5, Lindab acquired all shares and voting rights of the Swiss company Tecnovent SA. The main business of the company is production and sales of ventilation grilles, roof hoods and rectangular ventilation ducts. The acquisition complements Lindab's current local product range and strengthen the Group's position in the southeast part of Switzerland. Tecnovent SA is based in Bioggio, Switzerland. The company has an annual turno-

Gross investments in fixed assets, excl. business combinations SEK m



Investment program

- Lindab has an investment program with the objective of achieving increased capacity, higher efficiency and a safer work environment.
- During the quarter, continued investments were made in the Ventilation Systems and Profile Systems segments. The largest projects concern automated sheet metal processing centres in Prague (CZ) and Förslöv (SE), a new distribution centre in Lyon (FR), extension of production facility in Uddevalla (SE) and automation of the production lines in Grevie (SE).

Investments and financial position (cont.)

ver of approximately SEK 20 m and has 15 employees.

For more information about above and company acquisitions respectively divestments during 2021 and 2020, see Note 4 respectively Note 6. For information about acquisitions after the reporting period, see page 9.

Financial position - total operations

Net debt amounted to SEK 1,696 m (1,640) on 31 December 2021. Currency effects increased net debt by SEK 30 m (-79) during the quarter.

The equity/assets ratio was 55 percent (55) and the net debt/equity ratio was 0.3 (0.3). Financial items for the quarter for the continuing operations amounted to SEK -13 m (-9) and for the total operations to -11 (-9).

The current credit limits of SEK 1,300 m with Nordea and Raiffeisen Bank International and EUR 70 m from Raiffeisen Bank International are valid until the second quarter 2024. The agreements contain a covenant, which is monitored quarterly. Lindab fulfilled the condition as per 31 December 2021.

Pledged assets and contingent liabilities

In connection with the divestment of Building Systems, Lindab continued to be responsible for certain operational guarantee commitments amounting to EUR 30 m. Lindab received in turn a parent company guarantee from the buyer of Building Systems, which correspond to the value of the above mentioned guarantee commitments. By beginning of February 2022, a significant part of the operational guarantee commitments was transferred from Lindab to the buyer of Building Systems. All the guarantee commitments will be transferred to the counter party in February 2022.

In other respects, no significant changes took place in pledged collateral and contingent liabilities during the fourth quarter.

Other

Parent company

Lindab International AB (publ), corporate identification number 556606-5446, is a registered limited liability company with its domicile in Båstad, Sweden. From January 2022, Lindab's shares has been promoted from Nasdaq Stockholm, Mid Cap to Nasdaq Stockholm, Large Cap.

Net sales for the quarter amounted to SEK 1 m (1). Profit for the period amounted to SEK 18 m (14).

Net sales for the period January-December amounted to SEK 5 m (5). Profit for the period amounted to SEK 14 m (11).

Significant risks and uncertainties

There have been no significant changes in relation to what was stated by Lindab in its Annual Report for 2020 under Risks and Risk Management (pages 62-65).

Employees

The number of employees, calculated as full-time equivalent employees, for continuing operations was 4,549 (4,386) at the end of the quarter. Adjusted for acquisitions and divestment, the net increase was 31 employees compared with the same period previous year.

Incentive program

At the Annual General Meeting in May 2021, guidelines for the remuneration of senior executives were adopted. According to the adopted guidelines, the remuneration program for these individuals shall among other things include variable cash pay elements. These variable elements shall be based on measurable criteria, which reflects predetermined financial and qualitative targets for Lindab. Based on the resolution at the Annual General Meeting, a long-term incentive program has been implemented. The program has a three-year measuring period and any outcome in terms of long-term variable cash pay is presumed to be invested in shares or share related instruments in Lindab on market terms. The total cost in the event of maximum outcome for the three-year measuring period of 2021 to 2023 is estimated to SEK 14 m. At the Annual General Meeting in 2019 and 2020, long-term incentive programs were respectively adopted, with essentially the same principles as the above decided program. These programs measuring period are 2019-2021 respectively 2020-2022.

Share option program

At the Annual General Meeting in May 2021, it was resolved to establish a share option program for senior executives in Lindab through a directed issue of maximum 275,000 share options. As a result of this program, 183,950 share options have during the second quarter been acquired by senior executives in Lindab, according to a market valuation determined on the basis of the agreement. Each share option entitles the holder to acquire one share in Lindab at a strike price of SEK 222.00. Acquisitions of shares supported by share options may take place after Lindab has published the Q2 interim report for the year 2024 and up until 31 August of the same year. At the Annual General Meeting in

2018, 2019 and 2020, respectively, there were also resolutions to implement share option/warrant programs for senior executives. During the third quarter 2021 110,000 options in the 2018 warrant program were used to subscribe for shares in accordance with the terms of the program, which led to the issue of 110,000 shares in Lindab International for the benefit of these persons. Subscription for shares were made at a subscription price of SEK 86.40 per share. Other unused options from the 2018 warrant program have matured. From the 2019 share option program, there are 175,000 outstanding options with a subscription price of SEK 120.00 exercisable during summer 2022. From the 2020 share option program there are 210,000 outstanding share options with a subscription price of SEK 101.90 exercisable during summer 2023.

Annual General Meeting

The Board of Directors has decided that the Annual General Meeting will be held on May 12, 2022. Notice to the meeting will be sent in due course.

Dividend

Lindab's Board of Directors proposes that the Annual General Meeting on May 12, 2022 approves a dividend of SEK 4.00 per share. This is in accordance with the dividend policy of minimum 40 percent of Lindab's net profit. The proposed dividend corresponds to a total transfer of SEK 306 m. The dividend is proposed to be split and paid out in two equal portions of SEK 2.00 per occasion. The preliminary record dates are May 16, 2022 and November 7, 2022 with payment expected on May 19, 2022 and on November 10, 2022, respectively.

Significant events during the reporting period

In December, Lindab completed the divestment of the business area Building Systems, after the received anti-trust approval in Russia, see page 7 and Note 6.

In December, Lindab signed an agreement to acquire the Swedish ventilation company Alig Ventilation AB, see page 7.

In November, Lindab acquired the Swedish sheet metal wall and roof producer Profilplåt i Sverige AB, see Note 4.

In November, Lindab acquired the Danish ventilation company Klimatek Ventilationsmateriel A/S, see Note 4.

In October, Lindab acquired the Swiss ventilation company Tecnovent SA, see Note 4.

There are no other significant events during the reporting period to report.

Significant events after the reporting period

In January, Lindab International was transferred from Nasdaq Stockholm, Mid Cap to Nasdaq Stockholm, Large Cap.

In January, Lindab completed the acquisition of the Swedish ventilation company Alig Ventilation AB, see page 7.

Other (cont.)

In January, Lindab acquired Nord Trade AB, retailer of building components in Skellefteå, Sweden. With the acquisition Lindab strengthens its presence in an expansive region in Sweden. Nord Trade AB has an annual turnover of approximately SEK 20 m.

In February a significant part of the operational guarantee commitments transferred from Lindab to the buyer of Building Systems, see page 8.

There are no other significant events after the reporting period to report.

General information

Figures in parentheses indicate the result of the same period previous year. Unless otherwise indicated, amounts are in SEK m.

This is a translation of the Swedish original report. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.

Segment – Ventilation Systems

Key performance indicators

	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Net sales, SEK m	1,670	1,442	6,391	5,654
Net sales growth, %	16	-2	13	-6
Adjusted ¹⁾ operating profit, SEK m	210	152	822	586
Adjusted ¹⁾ operating margin, %	12.6	10.5	12.9	10.4
Number of employees by end of period	3,565	3,476	3,565	3,476

1) No one-off items or restructuring costs have been reported in the period January-December 2021 (-70), see 'Reconciliations' page 27.

Sales and market

Net sales during the quarter amounted to SEK 1,670 m (1,442), an increase of 16 percent. Organic growth was positive by 14 percent and the currency effect was neutral at 0 percent. Structural changes contributed positively by 2 percent.

Sales during the quarter continued to develop well for Ventilation Systems with organic growth in all geographical regions. Sales growth was particularly strong in the CEE¹⁾/CIS²⁾-region and in the Nordics. The strong sales were positively affected by the implemented price increases during the year to compensate for the historically high raw material prices. In addition, several markets, primarily in Western and Eastern Europe, were partly affected by restrictions related to covid-19 during in the comparison period.

In the Nordics, all markets reported positive organic growth. Sales were particularly strong in Lindab's largest market Sweden, but also Finland. All of Lindab's core markets in Western Europe reported good organic growth, especially in Germany and Switzerland. In the CEE/CIS-region, sales increased compared to the same period previous year. Poland, Hungary and Estonia reported particularly strong organic growth during the quarter.

Net sales during the period January-December amounted to SEK 6,391 m (5,654), an increase of 13 percent compared to the same period previous year. Organic growth was positive by 14 percent while currency effects had a negative impact on growth of 3 percent. Structural changes contributed positively by 2 percent.

1) CEE - Central and Eastern Europe

2) CIS - Commonwealth of Independent States

Profit

Ventilation Systems' adjusted operating profit during the quarter increased to SEK 210 m (152). Adjusted operating margin increased to 12.6 percent (10.5). No one-off items or restructuring costs were reported during the quarter or in the same period previous year.

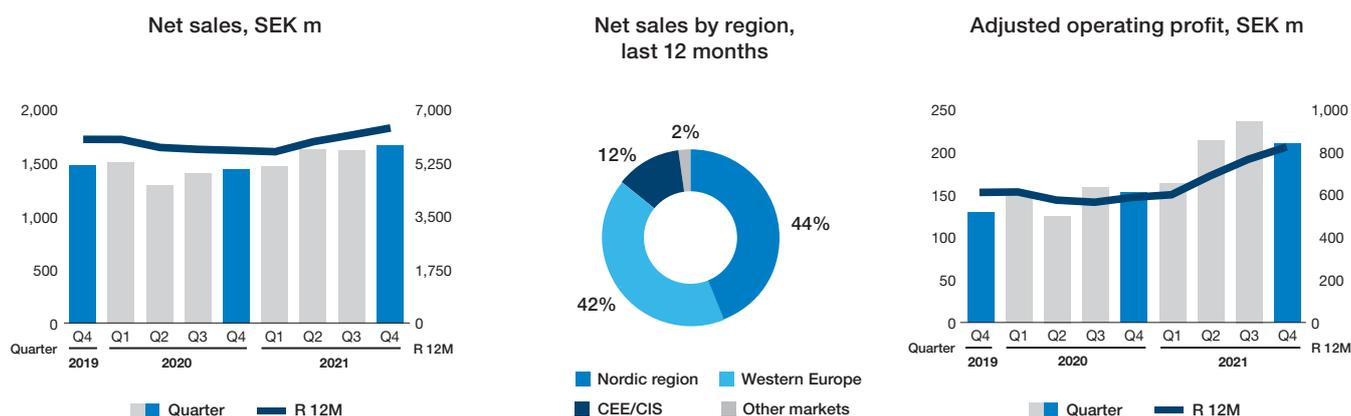
The improved adjusted operating profit, which is the highest ever for a fourth quarter, is mainly explained by strong sales growth, strengthened gross margin and positive effects of structural changes. The costs have been normalised in Lindab's production facilities compared to the same period previous year when the utilisation level was slightly lower due to covid-19.

Adjusted operating profit for the period January-December increased to SEK 822 m (586). No one-off items or restructuring costs were reported during the period compared to SEK -70 m in the same period previous year.

Activities

During the quarter, two companies were acquired, Swiss Tecnovent SA and Danish Klimatek A/S. With Tecnovent, Lindab gets access to sales and production of ventilation grilles, hoods and rectangular ventilation ducts. Klimatek manufactures both standardised and customised components for ventilation systems, such as ventilation grilles, air valves, dampers and covers.

In December, Lindab entered into a partnership for healthy and sustainable indoor environments with Ecophon Group. The partnership lays the foundation for hybrid end-to-end solutions that effectively battle two obstacles to a healthy indoor environment: poor acoustics and unregulated room temperatures.



Segment – Profile Systems

Key performance indicators

	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Net sales, SEK m	890	640	3,257	2,566
Net sales growth, %	39	-9	27	3
Adjusted ¹⁾ operating profit, SEK m	118	84	505	318
Adjusted ¹⁾ operating margin, %	13.3	13.1	15.5	12.4
Number of employees by end of period	933	860	933	860

1) No one-off items or restructuring costs have been reported in 2021 or 2020.

Sales and market

Net sales during the quarter amounted to SEK 890 m (640), an increase of 39 percent. Organic growth was positive by 34 percent and the currency effect was neutral at 0 percent. Structural changes contributed positively by 5 percent.

Sales continued to develop well for Profile Systems during the quarter, due to strong organic sales growth in the Nordics and the CEE/CIS-region. The strong sales were positively affected by significant deliveries of industrial buildings, implemented price increases and the fact that several markets, primarily in Eastern Europe, were partly affected by covid-19 during the comparison period.

In the largest region, the Nordics, all markets reported positive organic growth. Sales growth was particularly strong in Sweden and Norway. The Swedish market, which accounts for about half of Profile Systems' sales, had significant deliveries to several industrial buildings compared with the same period previous year, but also strong growth in all other product areas.

Sales in the CEE/CIS-region increased during the quarter due to strong demand in all markets. Most of the markets in the CEE/CIS-region had limitations on the construction market due to covid-19 during the comparison period. Particularly strong organic growth was reported in Romania, the Czech Republic and Poland. Sales in Western Europe decreased slightly, but the impact was marginal as the region only represents a small part of Profile Systems' total sales.

Net sales during the period January-December increased to SEK 3,257 m (2,566), an increase of 27 percent compared to the same period previous year. Organic growth was positive by 26 percent while currency effects had a negative impact on growth of 1 percent. Structural changes contributed positively by 2 percent.

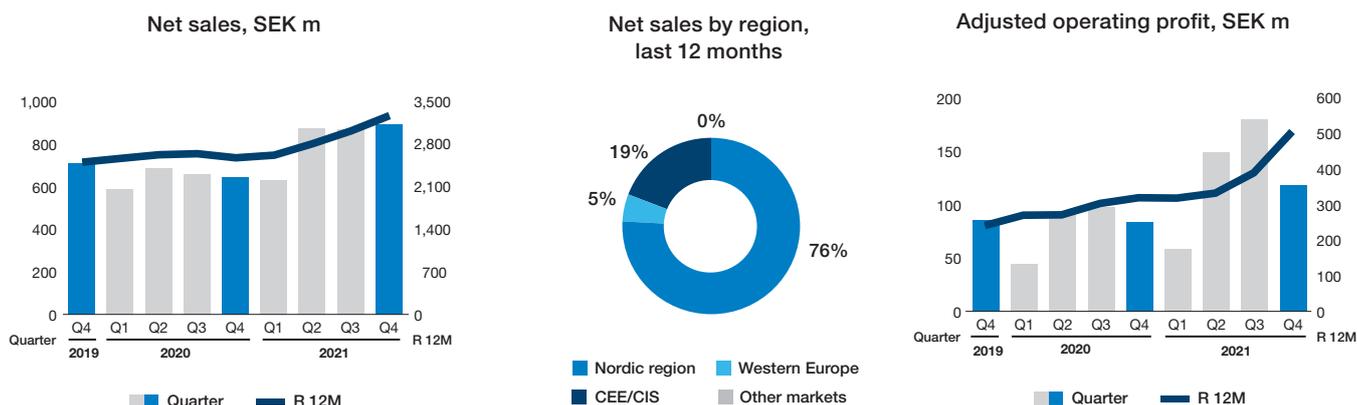
Profit

Profile Systems' adjusted operating profit during the quarter increased to SEK 118 m (84). Adjusted operating margin increased to 13.3 percent (13.1). The improved adjusted operating profit is mainly explained by significant sales growth and positive effects from structural changes. The gross margin decreased as a result of a changed product and customer mix compared with the same period previous year.

Adjusted operating profit for the period January-December increased to SEK 505 m (318). No one-off items or restructuring costs were reported during the period or in the same period previous year.

Activities

In November, Lindab acquired the Swedish roof manufacturer Profilplåt i Sverige AB. The company mainly manufactures and sells sheet metal roofs and sheet metal walls. Profilplåt's geographical location in Sundsvall strengthens Lindab's market position in northern Sweden.



Segment – Building Systems, discontinued operations

Key performance indicators

	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Net sales, SEK m	286	232	971	946
Net sales growth, %	23	-32	3	-30
Adjusted ¹⁾ operating profit, SEK m	13	23	31	56
Adjusted ¹⁾ operating margin, %	4.5	9.9	3.2	5.9
Number of employees at time of divestment	684	692	684	692

¹⁾ For the period January-December 2021 adjusted operating profit is excluding one-off items and restructuring costs of SEK -456 m (-) related to the divestment of Building Systems, of which SEK 38 m (-) was reported in the fourth quarter.

In September 2021, Lindab signed an agreement to divest the Building Systems business area, which is Lindab's operations for steel buildings under the Astron brand. The change of ownership took place at the end of the year and as of January 1, 2022, Building Systems is no longer part of Lindab's operations.

Sales and market

Net sales during the quarter amounted to SEK 286 m (232), an increase of 23 percent. Organic growth was positive by 23 percent and the currency effect was neutral at 0 percent.

Sales during the quarter increased in most of the markets Building Systems operates on, as there has been a continued sales recovery in both Western Europe and the CEE/CIS-region compared with the same period previous year. Sales in the comparison period were also affected by the general slowdown due to covid-19, which partly contributed to the strong sales growth.

Of the segment's larger markets, Russia, France, Poland, Belarus and Luxembourg all reported strong organic growth, while sales to Germany and Italy decreased.

The general sales recovery that has occurred during the year on the construction market has resulted in an increased order intake during the quarter. The order backlog at the end of the period was higher than in the corresponding period previous year, especially in Western Europe.

Net sales during the period January-December amounted to SEK 971 m (946), an increase of 3 percent compared to same period previous year. Organically, sales increased by 9 percent while currency had a negative impact on growth by 6 percent.

Profit

Building Systems' adjusted operating profit amounted to SEK 13 m (23) during the quarter. Adjusted operating margin was 4.5 percent (9.9). Operating profit was adjusted with one-off items and restructuring cost, amounting to SEK -38 m (-), related to the divestment of Building Systems, see Note 6.

The lower adjusted operating profit is explained by a weakened gross margin, which was partly offset by sales growth and lower costs. Building Systems did not receive any government support during the quarter, compared with SEK 3 m in the same period previous year.

Adjusted operating profit for the period January-December amounted to SEK 31 m (56). Operating profit was adjusted with one-off items and restructuring cost, amounting to SEK -456 m (-), see Note 6.

Activities

During the quarter, Building Systems signed agreements for nine major orders, each worth more than SEK 10 m; five in Western Europe and four in CEE/CIS-region.



Net sales and segments

Net sales and growth, continuing operations

SEK m	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Net sales	2,560	2,082	9,648	8,220
Change	478	-103	1,428	-292
Change, %	23	-5	17	-3
Of which				
Organic, %	20	-2	17	-2
Acquisitions/divestments, %	3	1	2	0
Currency effects, %	0	-4	-2	-1

Net sales per region, continuing operations

SEK m	2021 Oct-Dec	%	2020 Oct-Dec	%	2021 Jan-Dec	%	2020 Jan-Dec	%
Nordic region	1,470	58	1,119	54	5,296	55	4,380	53
Western Europe	696	27	648	31	2,842	29	2,530	31
CEE/CIS	343	13	282	13	1,351	14	1,179	14
Other markets	51	2	33	2	159	2	131	2
Total	2,560	100	2,082	100	9,648	100	8,220	100

Net sales per segment, continuing operations

SEK m	2021 Oct-Dec	%	2020 Oct-Dec	%	2021 Jan-Dec	%	2020 Jan-Dec	%
Ventilation Systems	1,670	65	1,442	69	6,391	66	5,654	69
Profile Systems	890	35	640	31	3,257	34	2,566	31
Total	2,560	100	2,082	100	9,648	100	8,220	100
Gross internal sales all segments	10		9		36		43	

Operating profit, operating margin and earnings before tax, continuing operations¹⁾

SEK m	2021 Oct-Dec	%	2020 Oct-Dec	%	2021 Jan-Dec	%	2020 Jan-Dec	%
Ventilation Systems	210	12.6	152	10.5	822	12.9	586	10.4
Profile Systems	118	13.3	84	13.1	505	15.5	318	12.4
Other operations	-17	-	-11	-	-61	-	-44	-
Adjusted operating profit	311	12.1	225	10.8	1,266	13.1	860	10.5
One-off items and restructuring costs ²⁾	-	-	-	-	-	-	-70	-
Operating profit	311	12.1	225	10.8	1,266	13.1	790	9.6
Net financial items	-13	-	-9	-	-43	-	-38	-
Earnings before tax	298	11.6	216	10.4	1,223	12.7	752	9.1

1) For information about operating profit and profit before tax for discontinued operation (segment Building Systems), see Note 6.

2) One-off items and restructuring costs are described in 'Reconciliations' page 27.

Number of employees by end of period, continuing operations

	2021 Oct-Dec	%	2020 Oct-Dec	%	2021 Jan-Dec	%	2020 Jan-Dec	%
Ventilation Systems	3,565	78	3,476	79	3,565	78	3,476	79
Profile Systems	933	21	860	20	933	21	860	20
Other operations	51	1	50	1	51	1	50	1
Total	4,549	100	4,386	100	4,549	100	4,386	100

Consolidated statement of profit or loss

SEK m	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Continuing operations				
Net sales	2,560	2,082	9,648	8,220
Cost of goods sold	-1,798	-1,461	-6,700	-5,831
Gross profit	762	621	2,948	2,389
Other operating income	41	21	73	84
Selling expenses	-301	-269	-1,114	-1,020
Administrative expenses	-141	-110	-512	-443
R&D expenses	-14	-16	-53	-55
Other operating expenses	-36	-22	-76	-165
Total operating expenses	-451	-396	-1,682	-1,599
Operating profit¹⁾	311	225	1 266	790
Interest income	0	1	3	6
Interest expenses	-10	-10	-39	-40
Other financial income and expenses	-3	0	-7	-4
Financial items	-13	-9	-43	-38
Earnings before tax	298	216	1,223	752
Tax on profit for the period	-64	-47	-265	-198
Profit for the period, continuing operations	234	169	958	554
Discontinued operations				
Profit/loss for the period from discontinued operations, net after tax	-13	17	-421	42
Profit/loss for the period from discontinued operations	-13	17	-421	42
Total operations				
Profit/loss for the period from total operations	221	186	537	596
–attributable to the Parent company's shareholders	221	186	537	596
–attributable to non-controlling interests	-	0	0	0
Earnings per share, before dilution, SEK²⁾	2.88	2.43	7.02	7.80
–of which continuing operations	3.05	2.20	12.53	7.25
Earnings per share, after dilution, SEK²⁾	2.87	2.43	7.00	7.80
–of which continuing operations	3.04	2.20	12.50	7.25

1) One-off items and restructuring costs, which are included in operating profit, are described in 'Reconciliations' on page 27.

2) Based on the number of outstanding shares, i.e. excluding treasury shares.

Consolidated statement of comprehensive income

SEK m	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Profit for the period from total operations	221	186	537	596
Items that will not be reclassified to the statement of profit or loss				
Actuarial gains/losses, defined benefit plans	-1	23	5	5
Deferred tax attributable to defined benefit plans	1	-5	0	-1
Total	0	18	5	4
Items that will later be reclassified to the statement of profit or loss				
Translation differences, foreign operations	27	-202	148	-356
Hedges of net investments	57	62	37	47
Tax attributable to hedges of net investments	-13	-13	-8	-10
Total	71	-153	177	-319
Other comprehensive income, net of tax	71	-135	182	-315
Total comprehensive income	292	51	719	281
–attributable to the Parent company's shareholders	292	51	719	281
–attributable to non-controlling interests	-	0	0	0

Consolidated statement of cash flow

<i>SEK m</i>	2021	2020	2021	2020
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
OPERATING ACTIVITIES				
Operating profit, continuing operations	311	225	1,266	790
Operating profit, discontinued operations ¹⁾	-25	23	-425	56
Reversal of depreciation/amortisation and impairment losses	107	102	804	438
Reversal of capital gains (-)/losses (+) reported in operating profit	0	3	-3	-3
Provisions, not affecting cash flow	5	13	8	36
Adjustment for other items not affecting cash flow	-1	-2	-6	-4
Total	397	364	1,644	1,313
Interest received	1	2	8	13
Interest paid	-20	-12	-52	-47
Tax paid	-53	-51	-204	-186
Cash flow from operating activities before change in working capital	325	303	1,396	1,093
Change in working capital				
Stock (increase -/decrease +)	-276	7	-823	3
Operating receivables (increase -/decrease +)	234	281	-492	44
Operating liabilities (increase +/decrease -)	-68	-235	623	-11
<i>Total change in working capital</i>	<i>-110</i>	<i>53</i>	<i>-692</i>	<i>36</i>
Cash flow from operating activities	215	356	704	1,129
INVESTING ACTIVITIES				
Acquisition of Group-/associated companies	-67	-185	-178	-310
Divestment of Group companies	159	51	159	67
Investments in intangible assets	-12	-11	-20	-27
Investments in tangible fixed assets	-93	-104	-375	-398
Change in financial fixed assets	0	0	0	0
Disposal of intangible assets	-	-	1	-
Disposal of tangible fixed assets	0	0	9	5
Cash flow from investing activities	-13	-249	-404	-663
FINANCING ACTIVITIES				
Proceeds from borrowings	-	-	224	90
Repayment of borrowings	-63	-3	-63	-133
Repayment of leasing-related liabilities	-60	-58	-233	-222
Issue/repurchase of share options/shares	-	-	13	4
Dividends to shareholders	-130	-67	-260	-134
Cash flow from financing activities	-253	-128	-319	-395
Cash flow for the period	-51	-21	-19	71
Cash and cash equivalents at start of the period	597	575	541	536
Effect of exchange rate changes on cash and cash equivalents	-4	-13	20	-66
Cash and cash equivalents at end of the period	542	541	542	541

1) For information of cash flow per category in terms of discontinued operations, i.e. Building Systems, see Note 6.

Consolidated statement of financial position

SEK m	31 Dec 2021	31 Dec 2020
ASSETS		
Non-current assets		
Goodwill	3,014	3,239
Other intangible assets	101	112
Tangible fixed assets	1,679	1,513
Right of use assets	869	953
Financial interest-bearing fixed assets	28	30
Other financial fixed assets	26	26
Deferred tax assets	82	76
Total non-current assets	5,799	5,949
Current assets		
Stock	2,090	1,425
Accounts receivable	1,602	1,278
Other current assets	268	182
Other interest-bearing receivables	4	30
Cash and cash equivalents	542	541
Total current assets	4,506	3,456
TOTAL ASSETS	10,305	9,405
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity attributable to Parent company shareholders	5,650	5,178
Non-controlling interest	-	0
Total shareholders' equity	5,650	5,178
Non-current liabilities		
Interest-bearing provisions for pensions and similar obligations	270	279
Liabilities to credit institutions	1,110	976
Lease liabilities	643	745
Deferred tax liabilities	107	92
Provisions	5	24
Other non-current liabilities	7	8
Total non-current liabilities	2,142	2,124
Current liabilities		
Other interest-bearing liabilities	14	9
Lease liabilities	233	232
Provisions	18	27
Accounts payable	1,062	712
Other current liabilities	1,186	1,123
Total current liabilities	2,513	2,103
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	10,305	9,405

Financial instruments measured at fair value through the consolidated statement of profit or loss

SEK m	31 Dec 2021		31 Dec 2020	
Disclosures regarding the fair value by class	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Derivative receivables	2	2	30	30
Financial liabilities				
Liabilities to credit institutions	1,114	1,119	981	982
Derivative liabilities	10	10	4	4

Description of fair value

Derivatives relate to forward exchange contracts which are valued at fair value by discounting the difference between the contracted forward rate and the forward rate that can be subscribed for on the balance sheet date for the remaining contract term. The fair value of interest-bearing liabilities to credit institutions is provided for the purpose of disclosure and is calculated by discounting the future cash flows of principal and interest payments, discounted at current market interest rate.

The derivative assets, derivative liabilities and interest-bearing liabilities to credit institutions that exist can all be found at Level 2 of the valuation hierarchy.

For other financial assets and liabilities, the carrying amount is deemed to be a reasonable approximation of fair value. The Group holdings of unlisted shares, the fair value of which cannot be estimated reliably, are recognised at acquisition cost. The carrying amount is SEK 4 m (4).

Consolidated statement of changes in equity

SEK m	Shareholders' equity attributable to Parent company shareholders				Total	Non-controlling interests	Total shareholders' equity
	Share-capital	Other contributed capital	Foreign currency translation reserve	Profit brought forward incl. profit for the year			
Closing balance, 31 December 2019	79	2,260	322	2,366	5,027	-	5,027
Profit for the period				596	596	0	596
Other comprehensive income, net of tax							
Actuarial gains/losses, defined benefit plans				4	4	-	4
Translation differences, foreign operations			-356		-356	0	-356
Hedges of net investments			37		37	-	37
<i>Total comprehensive income</i>	-	-	-319	600	281	0	281
Issuance of shares	0	2			2	-	2
Issuance of share options				2	2	-	2
Dividends to shareholders				-134	-134	-	-134
<i>Transactions with shareholders</i>	0	2	-	-132	-130	-	-130
Closing balance, 31 December 2020	79	2,262	3	2,834	5,178	0	5,178
Profit for the period				537	537	0	537
Other comprehensive income, net of tax							
Actuarial gains/losses, defined benefit plans				5	5	-	5
Translation differences, foreign operations			148		148	0	148
Hedges of net investments			29		29	-	29
<i>Total comprehensive income</i>	-	-	177	542	719	0	719
Issuance of shares	0	10			10	-	10
Issuance of share options				3	3	-	3
Dividends to shareholders				-260	-260	-	-260
<i>Transactions with shareholders</i>	0	10	-	-257	-247	-	-247
Closing balance, 31 December 2021	79	2,272	180	3,119	5,650	-	5,650

Share capital

During the third quarter of 2021, 110,000 shares in Lindab International AB were issued for benefit to holders of share options from the 2018 share option program (see Share option program on page 9). At December 31, 2021 the share capital equalled SEK 78,842,820 (78,732,820) divided among 78,842,820 (78,732,820) shares with a face value of SEK 1.00. Lindab International AB (publ) holds 2,375,838 (2,375,838) treasury shares, corresponding to 3.0 percent (3.0) of the total number of Lindab shares. The number of outstanding shares totals 76,466,982 (76,356,982).

Parent company

Statement of profit or loss

SEK m	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Net sales	1	1	5	5
Administrative expenses	-2	-1	-8	-7
Operating profit	-1	0	-3	-2
Profit from subsidiaries	25	20	25	20
Interest expenses, internal	-2	-2	-5	-4
Earnings before tax	22	18	17	14
Tax on profit for the period	-4	-4	-3	-3
Profit or loss for the period¹⁾	18	14	14	11

1) Comprehensive income corresponds to profit for all periods.

Statement of financial position

SEK m	31 Dec 2021	31 Dec 2020
ASSETS		
Non-current assets		
<i>Financial fixed assets</i>		
Shares in Group companies	3,467	3,467
Financial interest-bearing fixed assets	5	4
Deferred tax assets	1	1
Total non-current assets	3,473	3,472
Current assets		
Receivables from Group companies	26	21
Cash and cash equivalents	0	0
Total current assets	26	21
TOTAL ASSETS	3,499	3,493
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
<i>Restricted shareholders' equity</i>		
Share capital	79	79
Statutory reserve	708	708
<i>Unrestricted shareholders' equity</i>		
Share premium reserve	90	90
Profit brought forward	1,982	2,222
Profit/loss for the period	14	11
Total shareholders' equity	2,873	3,110
Provisions		
Interest-bearing provisions	5	4
Total provisions	5	4
Current liabilities		
Liabilities to Group companies	615	373
Accounts payable	-	0
Current tax liability	4	4
Accrued expenses and deferred income	2	2
Other current liabilities	0	-
Total current liabilities	621	379
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,499	3,493

Key performance indicators

SEK m	2021				2020				2019
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec
Continuing operations									
Net sales	2,560	2,488	2,501	2,099	2,082	2,059	1,982	2,097	2,185
Growth, %	23	21	26	0	-5	-2	-9	3	3
of which organic	20	19	28	3	-2	0	-8	1	1
of which acquisitions/divestments	3	3	2	1	1	1	0	0	0
of which currency effects	0	-1	-4	-4	-4	-3	-1	2	2
Operating profit before depreciation/amortisation and impairment losses	418	500	440	302	316	337	263	270	283
Operating profit	311	403	344	208	225	250	133	182	197
Adjusted operating profit	311	403	344	208	225	246	207	182	197
Earnings before tax	298	394	333	198	216	242	123	171	184
Profit for the period	234	299	268	157	169	186	64	135	131
Operating margin, %	12.1	16.2	13.8	9.9	10.8	12.1	6.7	8.7	9.0
Adjusted operating margin, %	12.1	16.2	13.8	9.9	10.8	11.9	10.4	8.7	9.0
Profit margin before tax, %	11.6	15.8	13.3	9.4	10.4	11.8	6.2	8.2	8.4
Total operations									
Net sales	2,846	2,778	2,747	2,248	2,314	2,302	2,218	2,332	2,526
Growth, %	23	21	24	-4	-8	-6	-14	1	6
of which organic	20	20	26	0	-4	-4	-12	-1	3
of which acquisitions/divestments	3	2	2	1	1	1	0	0	0
of which currency effects	0	-1	-4	-5	-5	-3	-2	2	3
Operating profit before depreciation/amortisation and impairment losses	393	494	462	297	350	363	289	282	309
Operating profit	286	6	356	193	248	266	148	184	212
Adjusted operating profit	324	424	356	193	248	262	222	184	212
Earnings before tax	275	-2	346	183	239	257	139	176	204
Profit for the period	221	-102	278	140	186	198	76	136	143
Operating margin, %	10.0	0.2	13.0	8.6	10.7	11.6	6.7	7.9	8.4
Adjusted operating margin, %	11.4	15.3	13.0	8.6	10.7	11.4	10.0	7.9	8.4
Profit margin before tax, %	9.7	-0.1	12.6	8.1	10.3	11.1	6.3	7.5	8.1
Total operations									
Cash flow from operating activities	215	202	227	60	356	452	295	26	366
Cash flow from operating activities per share, SEK	2.82	2.64	2.97	0.79	4.66	5.92	3.87	0.34	4.79
Free cash flow	202	8	135	-45	107	276	190	-107	271
Adjusted free cash flow	110	107	147	-45	241	346	229	-107	274
Cash flow, investments in intangible assets/tangible fixed assets	105	97	86	107	115	110	67	133	100
Total operations									
Number of shares outstanding, thousands	76,467	76,467	76,357	76,357	76,357	76,357	76,332	76,332	76,332
Average number of shares outstanding, thousands	76,396	76,368	76,353	76,347	76,357	76,334	76,332	76,332	76,332
Earnings per share, before dilution, SEK	2.88	-1.33	3.64	1.83	2.43	2.59	1.00	1.78	1.88
Earnings per share, after dilution, SEK	2.87	-1.34	3.64	1.83	2.43	2.59	1.00	1.78	1.88
Shareholders' equity attributable to Parent company shareholders	5,650	5,358	5,440	5,423	5,178	5,127	4,976	5,182	5,027
Shareholders' equity attributable to non-controlling interests	-	-	0	0	0	0	0	-	-
Shareholders' equity per share, SEK	73.89	70.07	71.24	71.02	67.82	67.15	65.19	67.89	65.86
Net debt	1,696	1,836	1,777	1,759	1,640	1,740	1,859	2,093	1,771
Adjusted net debt	820	864	806	772	663	671	894	1,077	732
Net debt/equity ratio, times	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4
Equity/asset ratio, %	54.8	49.8	51.8	53.8	55.1	52.2	52.1	52.0	53.3
Return on equity, %	9.9	9.5	15.3	11.5	11.6	10.9	11.4	13.7	14.3
Return on capital employed, %	11.0	10.6	14.1	11.4	11.5	11.0	11.2	12.5	13.6
Interest coverage ratio, times	26.7	0.8	34.8	18.4	23.2	24.9	12.8	15.9	16.5
Net debt/EBITDA, excl. one-off items and restructuring costs	1.0	1.1	1.2	1.3	1.4	1.5	1.5	1.5	1.6
Number of employees by end of period,	4,549	5,182	5,187	5,098	5,078	4,955	4,981	5,162	5,196
Of which employees in discontinued operations	-	683	680	685	692	706	711	715	727

Key performance indicators (cont.)

SEK m	2021	2020	2019	2018 ¹⁾
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
Continuing operations				
Net sales	9,648	8,220	8,512	8,260
Growth, %	17	-3	3	12
of which organic	17	-2	1	7
of which acquisitions/divestments	2	0	0	1
of which currency effects	-2	-1	2	4
Operating profit before depreciation/amortisation and impairment losses	1,660	1,185	1,183	710
Operating profit	1,266	790	830	563
Adjusted operating profit	1,266	860	830	625
Earnings before tax	1,223	752	778	533
Profit for the period	958	554	593	409
Operating margin, %	13.1	9.6	9.8	6.9
Adjusted operating margin, %	13.1	10.5	9.8	7.6
Profit margin before tax, %	12.7	9.1	9.1	6.5
Total operations				
Net sales	10,619	9,166	9,872	9,326
Growth, %	16	-7	6	13
of which organic	17	-6	3	8
of which acquisitions/divestments	2	1	0	1
of which currency effects	-3	-2	3	4
Operating profit before depreciation/amortisation and impairment losses	1,645	1,284	1,315	715
Operating profit	841	846	915	547
Adjusted operating profit	1,297	916	915	634
Earnings before tax	802	811	881	531
Profit for the period	537	596	678	394
Operating margin, %	7.9	9.2	9.3	5.9
Adjusted operating margin, %	12.2	10.0	9.3	6.8
Profit margin before tax, %	7.6	8.8	8.9	5.7
Total operations				
Cash flow from operating activities	704	1,129	1,017	593
Cash flow from operating activities per share, SEK	9.22	14.79	13.32	7.77
Free cash flow	300	466	717	488
Adjusted free cash flow	319	709	751	488
Cash flow, investments in intangible assets/tangible fixed assets	395	425	278	120
Total operations				
Number of shares outstanding, thousands	76,467	76,357	76,332	76,332
Average number of shares outstanding, thousands	76,396	76,340	76,332	76,332
Earnings per share, before dilution, SEK ¹⁾	7.02	7.80	8.89	5.16
Earnings per share, after dilution, SEK ¹⁾	7.00	7.80	8.89	5.16
Dividend per share, SEK	4.00 ²⁾	3.40 ³⁾	1.75	1.75
Shareholders' equity attributable to Parent company shareholders	5,650	5,178	5,027	4,464
Shareholders' equity attributable to non-controlling interests	-	0	-	0
Shareholders' equity per share, SEK	73.89	67.82	65.86	58.49
Net debt	1,696	1,640	1,771	1,052
Adjusted net debt	820	663	732	1,052
Net debt/equity ratio, times	0.3	0.3	0.4	0.2
Equity/asset ratio, %	54.8	55.1	53.3	57.2
Return on equity, %	9.9	11.6	14.3	9.1
Return on capital employed, %	11.0	11.5	13.6	9.4
Interest coverage ratio, times	20.0	19.0	18.8	21.4
Net debt/EBITDA, excl. one-off items and restructuring costs	1.0	1.4	1.6	1.6
Number of employees by end of period,	4,549	5,078	5,196	5,071
Of which employees in discontinued operations	-	692	727	699

1) In 2019, Lindab implemented IFRS 16 Leases. By applying relief rules comparative figures from previous periods have not been restated, i.e. there is no full comparability to reported figures for 2018.

2) Proposed dividend for 2021.

3) Dividend for 2020 was distributed at two occasions, SEK 1.70 per share in May, 2021 and SEK 1.70 per share in November, 2021.

Notes

NOTE 1 – ACCOUNTING POLICIES

The consolidated accounts for the interim report have, like with the annual consolidated accounts for 2020, been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board RFR 1, Supplementary Accounting Rules for Groups.

This interim report has been prepared in accordance with IAS 34 *Interim financial reporting*. The Group has applied the same accounting policies as described in the Annual Report for 2020. Beside this, IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* has been applied in the interim reports since the third quarter of 2021. This as a consequence of Lindab's decision in September and the following signed agreement to divest Building Systems, a divestment that was finalised in December. The application of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* implies, among other things, that net profit after tax for Building Systems is recognised separately in the consolidated statement of profit or loss, distinguished from the continuing operations. In the consolidated statement of cash flow is operating profit for continuing respectively discontinued operations/operations held for sale recognised separately, but thereafter is the cash flow presented for Lindab as a Group.

None of the new or amended standards, interpretations or improvements adopted by the EU have had any significant impact on the Group.

Information in terms of IAS 34 *Interim financial reporting* has been disclosed in notes to the financial statements as well as in other pages of the interim report.

The Parent company

The financial statements for the parent company are prepared according to the Swedish Annual Accounts Act and RFR 2, Accounting for legal entities and according to the same accounting policies as were applied in the Annual Report for 2020.

NOTE 2 – EFFECTS OF CHANGES IN ACCOUNTING ESTIMATES AND JUDGEMENTS

Significant estimates and judgements are described in Note 4 in the Annual Report for 2020. No essential changes have been made to these estimates or judgements which could have a material impact on the interim report, except for Building Systems which is recognised and valued according to IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* since the third quarter of 2021. This implies, among other things, that the segment is valued at the lower of its carrying amount and fair value less cost to sell until the divestment is finalised or the criterias of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are no longer met. The accounting standard in question also implies that assets within the segment are not be subject for amortisation or depreciation as long as they are classified as asset held for sale/discontinued operations.

NOTE 3 – GOVERNMENT GRANTS

Government grants are recognised in the financial statements when there is a reasonable assurance that Lindab complies with the conditions attached to the grants and when the grants will be received. Government grants compensating for specific costs are recognised as cost reductions in the income statement and thus classified within the same category as the underlying cost. Government grants in the nature of more general allowances are recognised as other operating income. If government grants are received as a consequence of investment in fixed assets, the acquisition value of the acquired asset is reduced by the value of the recognised grant.

Due to covid-19, Lindab has recognised government grants corresponding to SEK 9 m (40) during the year, whereof SEK 0 m (5) was recognised during the fourth quarter. The grants received were primarily attributable to compensation for employee related costs and have thus been classified as cost reductions per category of cost in the income statement. In addition to the government grants, the Group has also recognised lower costs through reductions of employee related social security contributions during the period. The value of these reductions corresponded to SEK 3 m (10) as a result of covid-19, whereof SEK 1 m (1) impacted the operating profit of the fourth quarter.

NOTE 4 – BUSINESS COMBINATIONS

Business combinations 2021

Profilplåt i Sverige AB

On November 22, 2021, Lindab acquired all shares and voting rights of the Swedish company Profilplåt i Sverige AB. The company's main operations are production and sales of sheet metal roofs and walls. The purpose of the acquisition is mainly to complement Lindab's current production of these products, improve transportation possibilities to customer in the north of Sweden and strengthen the Group's geographical presence in the area. Profilplåt i Sverige AB is registered in Sundsvall, Sweden. The company has an annual turnover of approximately SEK 70 m and has 13 employees.

The purchase consideration of Profilplåt i Sverige AB was mainly settled at time of acquisition. Transaction related costs amounted to SEK 1 m, recognised as other operating expenses.

According to finalised purchase price allocation analysis, the acquisition resulted in a goodwill. This goodwill is, among other things, related to product knowhow, local presence in an expansive region and improved transportation possibilities since sheet metal roofs and walls are heavy products that should not be carried to long distances from a sustainability perspective. Identified intangible assets are related to customer relations and the brand of Profilplåt.

Profilplåt i Sverige AB was consolidated in Lindab as of November 22, 2021, and has limited impact on the consolidated statement of profit or loss as well as the consolidated statement of financial position for the fourth quarter. If the acquisition had been implemented as of January 1, 2021, the Group's net sales would have

Notes (cont.)

increased by SEK 69 m. Profilplåt i Sverige AB is part of the Profile Systems segment.

Klimatek Ventilationsmateriel A/S

On November 18, 2021, Lindab acquired all shares and voting rights of the Danish company Klimatek Ventilationsmateriel A/S. The company manufactures both standardised and customised components for ventilation systems. The aim of the acquisition is to complement Lindab's extensive range of standardised ventilation products, but it will also contribute to the marine business of the Group. Klimatek Ventilationsmateriel A/S is registered in Skive, Denmark. The company has an annual turnover of approximately SEK 30 m and has 22 employees.

The purchase consideration of Klimatek Ventilationsmateriel A/S was mainly settled at time of acquisition. Transaction related costs amounted to SEK 1 m, recognised as other operating expenses.

According to finalised purchase price allocation analysis, the acquisition resulted in a goodwill. This goodwill is primarily related to knowhow in terms of customised ventilation products and production thereof. Identified intangible assets are related to customer relations and the brand of Klimatek.

Klimatek Ventilationsmateriel A/S was consolidated in Lindab as of November 18, 2021, and has limited impact on the consolidated statement of profit or loss as well as the consolidated statement of financial position for the fourth quarter. If the acquisition had been implemented as of January 1, 2021, the Group's net sales would have increased by SEK 26 m. Klimatek Ventilationsmateriel A/S is part of the Ventilation Systems segment.

Tecnovent SA

On October 5, 2021, Lindab acquired all shares and voting rights of the Swiss company Tecnovent SA. The main business of the company is production and sales of ventilation grilles, roof hoods and rectangular ventilation ducts. The acquisition complements Lindab's current local product range and strengthen the Group's position in the southeast part of Switzerland. Tecnovent SA is registered in Bioggio, Switzerland. The company has an annual turnover of approximately SEK 20 m and has 15 employees.

The purchase consideration of Tecnovent SA was mainly settled at time of acquisition. Transaction related costs amounted to SEK 0 m, recognised as other operating expenses.

According to finalised purchase price allocation analysis, the acquisition resulted in a goodwill. This goodwill is, among other things, related to local knowhow in terms of production of rectangular ventilation ducts and a strong market presence in regions of Switzerland where Lindab is not so much represented currently. Identified intangible asset is related the brand of Tecnovent.

Tecnovent SA was consolidated in Lindab as of October 5, 2021, and has limited impact on the consolidated statement of profit or loss as well as the consolidated statement of financial position for the fourth quarter. If the acquisition had been implemented as of January 1, 2021, the Group's net sales would have increased by SEK 28 m. Tecnovent SA is part of the Ventilation Systems segment.

Building Systems (Astron)

On September 23, 2021, Lindab signed an agreement to divest all shares and voting rights of the segment Building Systems, a divestment which was conditioned and subject to anti-trust approval in Russia. During the fourth quarter, this approval was obtained from the Russian authority and the divestment of Building Systems was finalised by end of December. For further information, see Note 6.

H.A. Helgesen & Sønner AS

On September 22, 2021, Lindab finalised the acquisition of all shares and voting rights of the Norwegian ventilation company H.A. Helgesen & Sønner AS. The company is primarily a manufacturer of rectangular ventilation ducts and has an extensive logistics network in western Norway. The aim of the acquisition is to further complement Lindab's business presence in Norway, both in terms of products and distribution. H.A. Helgesen & Sønner AS is registered in Sula, Norway. The company has an annual turnover of approximately SEK 15 m and has 9 employees.

The purchase consideration of H.A. Helgesen & Sønner AS was mainly settled at time of acquisition. Transaction related costs amounted to SEK 0 m, recognised as other operating expenses.

According to finalised purchase price allocation analysis, the acquisition resulted in a goodwill. This is, among other things, related to knowledge of rectangular ventilation ducts and local market presence in the western part of Norway. Identified intangible asset is related the brand of Helgesen & Sønner.

H.A. Helgesen & Sønner AS was consolidated in Lindab as of September 22, 2021, and has limited impact on the consolidated statement of profit or loss as well as the consolidated statement of financial position for the year. If the acquisition had been implemented as of January 1, 2021, the Group's net sales would have increased by approximately SEK 13 m. H.A. Helgesen & Sønner AS is part of the Ventilation Systems segment.

KAMI, Kalix Mekaniska Industrier AB

On July 7, 2021, Lindab acquired all shares and voting rights of the Swedish company KAMI, Kalix Mekaniska Industrier AB. The company is mainly a manufacturer and distributor of premium sheet metal roofs, especially developed and designed for the Nordic climate. The acquisition is a good complement to Lindab's current range of sheet metal roofs. KAMI is registered in Kalix, Sweden. The company has an annual turnover of approximately SEK 100 m and has 22 employees.

The purchase consideration of KAMI, Kalix Mekaniska Industrier AB, was mainly settled at time of acquisition. Transaction related costs amounted to SEK 1 m, recognised as other operating expenses.

According to finalised purchase price allocation analysis, the acquisition resulted in a goodwill. This is primarily related to sheet metal roof knowledge and a well-managed distribution network in the north part of Sweden respectively Norway. Identified intangible asset is related to the brand of KAMI.

Notes (cont.)

KAMI, Kalix Mekaniska Industrier AB, was consolidated in Lindab as of July 7, 2021. The acquisition of the company has increased the sales of Lindab by SEK 59 m, from the time of acquisition until the end of the year. If the acquisition had been implemented as of January 1, 2021, the Group's net sales would have increased by approximately SEK 113 m. KAMI, Kalix Mekaniska Industrier AB, is part of the Profile Systems segment.

Other

In terms of 2021, the cash flow related to acquisitions derives, beside previously mentioned transactions, from settlement of conditional additional purchase considerations in terms of previously made business combinations as well as the purchase of remaining minority interest (5 percent) of Smofir Trading Ltd (Thor Duct).

Acquired businesses

SEK m	31 Dec 2021 ¹⁾	31 Dec 2020
Intangible assets	6	27
Tangible fixed assets	33	111
Right of use assets	21	40
Financial fixed assets	-	21
Stock	35	33
Current assets	43	54
Cash and cash equivalents	37	30
Total acquired assets	175	316
Deferred tax liabilities	-8	-27
Non-current lease liabilities	-15	-34
Non-current liabilities	-3	-29
Current lease liabilities	-6	-6
Current liabilities	-37	-62
Total acquired liabilities	-69	-158
Fair value of acquired net assets	106	158
Goodwill ²⁾	110	168
Consideration including additional contingent consideration³⁾	216	326

1)) Acquired businesses relate to KAMI, Kalix Mekaniska Industrier AB, H.A. Helgesen & Sønner AS, Klimatek Ventilationsmateriel A/S, Tecnovent SA, Profilplåt i Sverige AB and the remaining 5 percent of Smofir Trading Ltd.

2) No portion of reported goodwill is deductible for income tax.

3) Includes conditional additional purchase considerations of SEK 12 m, which will be settled fully or partly if future expectations of identified levels of sales and profitability are met during a period of 36 months. Possible undiscounted amount of future conditional additional purchase consideration is between SEK 0-12 m. On December 31, 2021, it was considered likely that a maximum of potential remaining consideration would occur.

Business combinations 2020

Aer Faber AS

On December 3, 2020, Lindab acquired all shares and voting rights of the Norwegian company Aer Faber AS. The company has extensive experience of rectangular ventilation ducts and produces and distributes ventilation products within the Oslo area. By the acquisition, Lindab strengthened its business presence in Norway, both regarding products and markets. In 2021, Aer Faber AS contributed by approximately SEK 61 m to the net sales of Lindab. Aer Faber AS is part of the Ventilation Systems segment.

Ekovent AB

On October 1, 2020, Lindab acquired all shares and voting rights of the Swedish company Ekovent AB with its subsidiaries. Ekovent manufactures high quality products for ventilation and fire & smoke protection. Through the acquisition, Lindab further expanded the offering in ventilation solutions and the Group strengthened its market position within fire & smoke protection in Sweden. In 2021, Ekovent with subsidiaries contributed by approximately SEK 141 m to the net sales of Lindab. Ekovent is part of the Ventilation Systems segment.

Lindab, klima sistemi, d.o.o. (IMP Klima Group)

On September 18, 2020, Lindab divested all shares and voting rights in the Slovenian subsidiary Lindab, klima sistemi, d.o.o., and its subsidiaries. The business is primarily related to production and sales of air handling units. The divestment was part of Lindab's strategy with focus on long-term sustainable and profitable growth. IMP Klima Group had an annual sale of approximately SEK 269 m and was part of the Ventilation Systems segment.

Crenna Plåt AB

On July 3, 2020, Lindab acquired all shares and voting rights of the Swedish company Crenna Plåt AB and its subsidiaries. The Crenna Group is primarily a leading manufacturer of high-quality rectangular ventilation ducts for the Swedish market. Through the acquisition, Lindab further strengthened its market position and now offers a complete range of ventilation ducts and ventilation related accessories in Sweden. In 2021, the Crenna Group contributed by approximately SEK 122 m to the net sales of Lindab. Crenna is part of the Ventilation Systems segment.

Smofir Trading Ltd. (Thor Duct)

On June 5, 2020, Lindab acquired 95 percent of the shares and voting rights of the Irish company Smofir Trading Ltd. The business is mainly focused on licensing of certified fire ductwork systems and component sales related to these systems. The acquisition was a step for Lindab to further strengthen the offering within ventilation systems in Ireland and the UK. In 2021, Smofir Trading Ltd. contributed by approximately SEK 33 m to the net sales of Lindab. Smofir Trading Ltd. is part of the Ventilation Systems segment.

NOTE 5 – OPERATING SEGMENTS

Until end of December, the Group's segments have comprised Ventilation Systems, Profile Systems and Building Systems. During the last month of the year, Building Systems was divested, see Note 6, and as a consequence there were only two segments remaining at December 31, 2021: Ventilation Systems and Profile Systems.

The basis for segmental reporting is the various customer offers provided by each business area. The customer offers within each segment were follows:

- Ventilation Systems offers air duct systems with accessories and indoor climate solutions for ventilation of heating and cooling to installers and other customers in the ventilation industry.
- Profile Systems offers the construction industry products and

Notes (cont.)

systems in sheet metal for rainwater systems, cladding for ceilings and walls as well as steel profiles for wall, ceiling and beam constructions.

- Building Systems offers complete prefabricated steel construction systems. The segment is since the third quarter in 2021 recognised as asset held for sale and by end of December as discontinued operations, see further Note 6.

Both Ventilation Systems' and Profile Systems' operations are managed based on geographically divided sales organisations, which are supported by a number of product and system areas with joint production and purchasing functions for each business area. Building Systems consisted of a separate integrated project organisation. What is reported under Other includes the Parent company and other common functions.

Information on income from external customers and adjusted operating profit per operating segment is presented in the tables on page 14 and in Note 6.

Internal prices between the Group's segments are set based on the principle of arm's length, that is, between parties that are independent of each other, well-informed and have an interest

in the transaction being carried out. Assets and investments are reported where the asset exists.

NOTE 6 – DISCONTINUED OPERATIONS

On September 23, 2021, Lindab signed an agreement to divest all shares and voting rights in the business area/segment Building Systems. Based on the decision to divest and the agreement as well as the current structure of the business, all prerequisites was assessed to be complied to in order to recognise Building Systems as an asset held for sale/a discontinued operation. This in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. The classification was applied as of the third quarter 2021.

The agreement to divest Building Systems was, among other things, conditioned and subject to anti-trust approval in Russia. During the fourth quarter, this approval was obtained from the Russian authority and the divestment of Building Systems was finalised by end of December. As a consequence, Building Systems was recognised as discontinued operations by end of the fourth quarter.

Statement of Profit or loss, discontinued operations

SEK m	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Net sales	286	232	971	946
Cost of goods sold	-223	-166	-746	-712
Gross profit	63	66	225	234
Other operating income	0	2	4	4
Selling expenses	-20	-20	-86	-82
Administrative expenses	-23	-15	-85	-75
R&D expenses	-3	-3	-12	-9
Other operating expenses	-42	-7	-471	-16
Total operating expenses	-88	-43	-650	-178
Operating profit¹⁾	-25	23	-425	56
Financial items	2	0	4	3
Earnings before tax	-23	23	-421	59
Tax on profit/loss for the period	10	-6	0	-17
Profit/loss for the period	-13	17	-421	42
Earnings per share before dilution, SEK	-0.17	0.23	-5.51	0.55
Earnings per share before dilution, SEK	-0.17	0.23	-5.50	0.55

1) For the period January-December, 2021, were one-off items and restructuring costs related to the divestment of Building Systems recognised within operating profit. These one-off items and restructuring costs amounted to SEK -456 m (-), whereof SEK -38 m (-) were recognised in the fourth quarter. The value was a consequence of the made decision to divest Building Systems and mainly related to impairment of goodwill, when assessing the value to the lower of carrying amount and fair value less costs to sell. For the period January-December, 2021, were one-off items and restructuring costs impacting net profit by SEK -441 m (-), whereof SEK -23 m (-) were recognised in the fourth quarter.

Statement of cash flow, discontinued operations

SEK m	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Cash flow from operating activities	-77	-118	38	-16
Cash flow from investing activities	-7	0	-16	-5
Cash flow from financing activities	-28	2	-24	-16
Cash flow for the period	-111	-116	-3	-37

Notes (cont.)

Statement of financial position, discontinued operations

<i>SEK m</i>	At divestment	31 Dec 2020
Asset		
Goodwill and other intangible assets	36	407
Tangible fixed assets and right of use assets	243	250
Financial interest-bearing fixed assets and deferred tax assets	13	7
Stock	230	111
Current assets	177	71
Cash and cash equivalents	157	250
Total assets	856	1,096
Liabilities		
Non-current interest-bearing liabilities	111	129
Non-current non interest-bearing liabilities and deferred tax liabilities	29	19
Current interest-bearing liabilities	24	24
Current non interest-bearing liabilities	364	239
Total liabilities	528	411

NOT 7 – RELATED PARTY TRANSACTIONS

Lindab's related parties and the extent of transactions with its related parties are described in Note 33 of the Annual Report for 2020.

At the Annual General Meeting in May 2021, it was resolved to adopt a share option program for senior executives. Under the program, 183,950 share options were acquired by senior executives during the second quarter. During the third quarter of 2021, 110,000 previously issued warrants to senior executives, in the established warrant program in 2018, were subscribed for in accordance with agreed terms. See more under 'Share option program', page 9.

During the period, there have been no other transactions between Lindab and related parties which have had a significant impact on the company's position and profit.

This interim report for Lindab International AB (publ) has been submitted following approval by the Board of Directors.

Båstad, 11 February 2022

Ola Ringdahl
President and CEO

Reconciliations, key performance indicators not defined according to IFRS

The company presents certain financial measures in the interim report which are not defined according to IFRS. The company considers these measures to provide valuable supplementary information for investors and the company's management as they enable the assessment of relevant trends. Lindab's definitions of these measures may differ from other companies' definitions of the same terms. These financial measures should therefore be seen as a supplement rather than as a replacement for measures defined according

to IFRS. Definitions of measures which are not defined according to IFRS and which are not mentioned elsewhere in the interim report are presented below. Reconciliation of these measures is shown in the tables below. As the amounts in the tables below have been rounded off to SEK m, the calculations do not always add up due to round-off.

Reconciliations

Amounts in SEK m unless otherwise indicated.

Return on shareholders' equity, total operations	31 Dec 2021	31 Dec 2020
Profit for the period, rolling twelve months	537	596
Average shareholders' equity	5,410	5,125
Return on shareholders' equity, %	9.9	11.6

Return on capital employed, total operations	31 Dec 2021	31 Dec 2020
Total assets	10,305	9,405
Provisions and deferred tax liabilities	112	116
Other non-current liabilities	7	8
Total non-current liabilities	119	124
Provisions	18	27
Accounts payable	1,062	712
Other current liabilities	1,186	1,123
Total current liabilities	2,266	1,862
Capital employed	7,920	7,419
Earnings before tax, rolling twelve months	802	811
Financial expenses, rolling twelve months	52	49
Total	854	860
Average capital employed	7,741	7,522
Return on capital employed, %	11.0	11.5

One-off items and restructuring costs, continuing operations	2021	2020	2021	2020
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating profit	311	225	1,266	790
Ventilation Systems	-	-	-	-70
Profile Systems	-	-	-	-
Other operations	-	-	-	-
Adjusted operating profit	311	225	1,266	860

During 2020 operating profit is excluding one-off items and restructuring costs of SEK -70 m (of which SEK 4 m affected the third quarter) related to Lindab's divestment of IMP Klima Group.

Free cash flow, total operations	2021	2020	2021	2020
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Cash flow from operating activities	215	356	704	1,129
Cash flow from investing activities	-13	-249	-404	-663
Free cash flow	202	107	300	466
Cash flow related to divestments and acquisitions	92	-134	-19	-243
Adjusted free cash flow	110	241	319	709

Net debt, total operations	31 Dec 2021	31 Dec 2020
Non-current interest-bearing provisions for pensions and similar obligations	270	279
Non-current liabilities to credit institutions	1,110	976
Non-current lease liabilities	643	745
Current interest-bearing liabilities	247	241
Total liabilities	2,270	2,241
Financial interest-bearing fixed assets	28	30
Other interest-bearing receivables	4	30
Cash and cash equivalents	542	541
Total assets	574	601
Net debt	1,696	1,640

Adjusted net debt, total operations	31 Dec 2021	31 Dec 2020
Net debt	1,696	1,640
Liabilities related to leasing	-876	-977
Adjusted net debt	820	663

Net debt/EBITDA, total operations	31 Dec 2021	31 Dec 2020
Average net debt	1,787	1,824
Adjusted operating profit, rolling twelve months	1,297	916
Depreciation/amortisation and impairment losses, rolling twelve months, excluding one-off items and restructuring costs	424	398
EBITDA, rolling twelve months	1,721	1,314
Net debt/EBITDA, times	1.0	1.4

Organic growth, continuing operations	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Change Net sales	478	-103	1,428	-292
Of which				
Organic	418	-32	1,432	-188
Acquisitions/divestments	59	14	179	35
Currency effects	1	-85	-183	-139

Organic growth, total operations	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Change Net sales	532	-212	1,453	-706
Of which				
Organic	473	-111	1,513	-550
Acquisitions/divestments	58	14	179	35
Currency effects	1	-115	-239	-191

Interest coverage ratio, total operations	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Earnings before tax	275	239	802	811
Interest expenses	11	11	42	45
Total	286	250	844	856
Interest expenses	11	11	42	45
Interest coverage ratio, times	26.7	23.2	20.0	19.0

Operating profit before depreciation/amortisation-EBITDA, continuing operations	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Operating profit	311	225	1,266	790
Depreciation/amortisation and impairment losses	107	91	394	395
<i>Of which one-off items and restructuring costs</i>	-	-	-	40
Operating profit before depreciation/amortisation-EBITDA	418	316	1,660	1,185

Operating profit before depreciation/amortisation-EBITDA, total operations	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Operating profit	286	248	841	846
Depreciation/amortisation and impairment losses	107	102	804	438
<i>Of which one-off items and restructuring costs</i>	-	-	380	40
Operating profit before depreciation/amortisation-EBITDA	393	350	1,645	1,284

Definitions

Key performance indicator according to IFRS

Earnings per share, SEK: Profit for the period attributable to Parent company shareholders to average number of shares outstanding, based on a rolling twelve-month calculation.

Key performance indicators not defined according to IFRS

Adjusted Free Cash Flow: Cash flow from operations and cash flow from investments, excluding company acquisitions/divestments.

Adjusted Net debt: Net debt excluding liabilities related to leasing.

Adjusted operating margin: Adjusted operating profit expressed as a percentage of net sales.

Adjusted operating profit: Operating profit adjusted for one-off items and restructuring costs when the amount is significant in size.

Cash flow from operating activities per share, SEK: Cash flow from operating activities to number of shares outstanding at the end of the period.

Continuing operations: Lindab Group excluding discontinued operations.

Discontinued operations: Business Area Building Systems.

Equity/asset ratio: Shareholders' equity including non-controlling interests, expressed as a percentage of total assets.

Free Cash Flow: Cash flow from operations and cash flow from investments.

Interest coverage ratio, times: Earnings before tax plus interest expense to interest expense

Investments in intangible assets and tangible fixed assets: Investments excluding acquisitions and divestments of companies.

Net debt: Interest-bearing provisions and liabilities less interest-bearing assets and cash and cash equivalents.

1) Average capital is based on the quarterly value.

NET debt/EBITDA: Average net debt in relation to EBITDA, excluding one-off items and restructuring costs, based on a rolling twelve-month calculation.

Net debt/equity ratio: Net debt to shareholders' equity including non-controlling interests.

One-off items and restructuring costs: Items not included in the ordinary business transactions and when each amount is significant in size and therefore has an effect on the profit or loss and key performance indicators, are classified as one-off items and restructuring costs.

Operating margin: Operating profit expressed as a percentage of net sales.

Operating profit: Profit before financial items and tax.

Operating profit before depreciation/amortisation - EBITDA: Operating profit before planned depreciation/amortisation.

Organic growth: Change in sales adjusted for currency effects as well as acquisitions and divestments compared with the same period of the previous year.

Profit margin: Earnings before tax expressed as a percentage of net sales.

Return on capital employed: Earnings before tax after adding back financial expenses based on a rolling twelve-month calculation, expressed as a percentage of average capital employed¹⁾. Capital employed refers to total assets less non-interest-bearing provisions and liabilities.

Return on shareholders' equity: Profit for the period attributable to Parent company shareholders based on a rolling twelve-month calculation, expressed as a percentage of average shareholders' equity¹⁾ attributable to Parent company shareholders.

Shareholders' equity per share, SEK: Shareholders' equity attributable to Parent company shareholders to number of shares outstanding at the end of the period.

Total operations: Continuing operations and discontinued operations.

Lindab in brief

Lindab Group had sales of SEK 9,648 m in 2021 and is established in 20 countries with approximately 4,500 employees.

Lindab should be the market-leading ventilation company in Europe, specialised in air distribution and air diffusion.

In 2021, the Nordic region accounted for 55 percent, Western Europe for 29 percent, Central and Eastern Europe for 14 percent and Other markets for 2 percent of total sales.

The share is listed on Nasdaq Stockholm, Large Cap, under the ticker LIAB.

Business concept

Lindab develops, manufactures, markets and distributes products for a better indoor climate and simplified construction.

Business model

Lindab's offering includes products and entire systems for energy-efficient ventilation and a healthy indoor climate. In some countries, Lindab also has an extensive range of roof, wall and rainwater systems.

The products are characterised by high quality, ease of installation, energy and environmental thinking and are delivered with a high level of service, which together gives an increased customer value.

Lindab's value chain is characterised by a good balance between centralised and decentralised functions. The distribution network has been built up with the goal of being close to the customer. Sales are made through approximately 140 own pro-shops and more than 3,000 independent retailers.

Lindab share

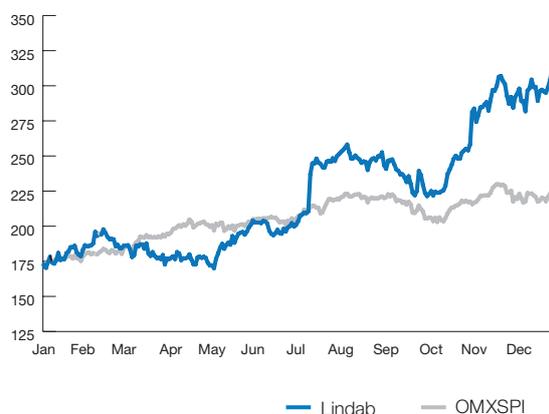
January - December 2021

Share price performance: +89%
Average share turnover/day: 194,731

Highest price paid (December 30): 325.00 SEK
Lowest price paid (January 4): 168.30 SEK
Closing price December 30: 321.40 SEK

Market cap December 30: SEK 24,576 m
Total no. of shares: 78,842,820
- *whereof treasury shares*: 2,375,838
- *whereof outstanding shares*: 76,466,982

Share price performance 2021, SEK



Press- and analyst meetings

A live audiocast will be held at 1:00 pm (CET) on February 11. The Interim Report will be presented by Ola Ringdahl, President and CEO, and Jonas Arkestad CFO.

To access the audiocast, please call:
Phone +46 (0) 8 519 993 83
Alternatively phone +44 333 300 9267

The audiocast and presentation can be followed live via Lindab's homepage.

For more information see www.lindabgroup.com

Calendar

Interim Report January - March	28 April, 2022
Annual General Meeting	12 May, 2022
Interim Report January - June	20 July, 2022
Interim Report January - September	25 October, 2022

All financial reports will be published at www.lindabgroup.com.

This information is information that Lindab International AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, at 07:40 am (CET) on 11 February, 2022.

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