

Lindab International AB (publ)

Interim Report January - September 2021

High organic growth and continued improved profitability

Demand for Lindab's products remained high during the third quarter and sales increased significantly compared to the same quarter previous year. Business areas Ventilation Systems and Profile Systems reported high organic sales growth and improved profitability. During the quarter, Lindab signed an agreement to divest business area Building Systems, in line with Lindab's strategy to increase focus on the core business.

Third quarter 2021

- Lindab has signed an agreement to divest business area Astron Building Systems. The divestment is mainly subject to anti-trust approval in Russia. In this interim report Building Systems is recognised as "asset held for sale/discontinued operations".
- In September, Lindab's Board of Directors decided to update the financial targets.

Continuing operations

- Net sales increased by 21 percent to SEK 2,488 m (2,059). Organic growth was 19 percent.
- Adjusted¹⁾ operating profit increased to SEK 403 m (246).
- Operating profit increased to SEK 403 m (250).
- Adjusted¹⁾ operating margin increased to 16.2 percent (11.9).
- Operating margin increased to 16.2 percent (12.1).

Total operations

- Profit/Loss for the period amounted to SEK -102 m (198) and was affected by one-off items and restructuring costs of SEK -432 m (4) related to Building Systems.
- Earnings per share before dilution amounted to SEK -1.33 (2.59) and after dilution to SEK -1.34 (2.59).
- Cash flow from operating activities amounted to SEK 202 m (452).

January - September 2021

Continuing operations

- Net sales increased by 15 percent to SEK 7,088 m (6,138). Organic growth was 16 percent.
- Adjusted¹⁾ operating profit increased to SEK 955 m (635).
- Operating profit increased to SEK 955 m (565).
- Adjusted¹⁾ operating margin increased to 13.5 percent (10.3).
- Operating margin increased to 13.5 percent (9.2).

Total operations

- Profit for the period amounted to SEK 316 m (410) and was affected by one-off items and restructuring costs of SEK -432 m (-66) related to Building Systems.
- Earnings per share before dilution amounted to SEK 4.14 (5.37) and after dilution to SEK 4.13 (5.37).
- Cash flow from operating activities amounted to SEK 489 m (773).

Key Figures	2021	2020	Change, %	2021	2020	Change, %
	Jul-Sep	Jul-Sep		Jan-Sep	Jan-Sep	
Continuing operations²⁾						
Net sales, SEK m	2,488	2,059	21	7,088	6,138	15
Adjusted ¹⁾ operating profit, SEK m	403	246	64	955	635	50
Operating profit, SEK m	403	250	61	955	565	69
Adjusted ¹⁾ operating margin, %	16.2	11.9	-	13.5	10.3	-
Operating margin, %	16.2	12.1	-	13.5	9.2	-
Discontinued operations³⁾						
Profit for the period, SEK m	-102	198	-152	316	410	-23
Earnings per share before dilution, SEK	-1.33	2.59	-152	4.14	5.37	-23
Earnings per share after dilution, SEK	-1.34	2.59	-152	4.13	5.37	-23
Cash flow from operating activities, SEK m	202	452	-55	489	773	-37

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 asset held for sale/discontinued operations, i.e. excluding Building Systems.

3) Total operations, continuing operations and discontinued operations.

A word from the CEO



Foto: Mette Ottosson

Lindab continued its strong development during the third quarter. Sales reached a new highest level, both for the Group and for the two business areas Ventilation Systems and Profile Systems. With an adjusted operating margin of 16.2 percent, Lindab has also continued to strengthen the profitability.

During the third quarter, Lindab experienced a very high demand for its products for both Ventilation Systems and Profile Systems. We were also early in adjusting prices to compensate for higher steel prices, which had a positive effect on sales. Lindab has a robust supply chain and reliable access to raw materials. Customers have appreciated the high delivery performance, which is a great competitive advantage, especially in times when there is a shortage of steel and other materials.

“With the divestment of Astron, we can focus on the core business and continue to develop Lindab with full force.”

Increased focus after the divestment of business area Building Systems

In September, an agreement was signed to divest Astron Building Systems to Groupe Briand. The divestment is part of our efforts to refine the business and increase focus. Lindab's strength is to provide high-quality products with high availability. Astron has a distinct project business with a high degree of customer-unique solutions. With the divestment, we can focus on the core business and continue to develop Lindab with full force.

New financial targets

Increased focus on the remaining business and a stability in our earnings capacity have improved the conditions for profitable

growth. The financial targets have been raised to reflect Lindab's ambition to grow sales through acquisitions. The annual growth should now amount to at least 10 percent as a combination of organic and acquired growth, compared with the previous target of 5-8 percent. One third of the growth is expected to be organic and two thirds through acquisitions.

During the quarter, Kami, a Swedish roof specialist, was acquired. Shortly after the end of the quarter, the Swiss ventilation company Tecnovent was acquired. We are now gradually increasing the pace and aim for more acquisitions in the future.

Our long-term profitability target was changed so that the adjusted operating margin should exceed 10 percent per year. During the third quarter, the operating margin target was exceeded by far, mainly due to strong sales. The effects of the investment program are becoming increasingly noticeable and contributed to increased earnings during the quarter, even though most of the efficiency gains are still ahead of us.

“During the third quarter, the operating margin target was exceeded by far.”

Well positioned for the future

In recent quarters, Lindab has proven that we have an organization that can manage high steel prices and shortage of raw materials. Through our close cooperation with the largest players in the steel industry, we have good visibility of the expected market development. Our assessment is that the shortage of steel, and thus high steel prices, will persist at least for some time into next year. We plan the business and our pricing accordingly.

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 an estimated 65-70 percent of our sales in line with EU's taxonomy, we have a product portfolio that is well positioned. We have a strong and motivated organization and good cost control. With our presence throughout Europe and a robust supply chain, we are well positioned to continue to develop the business in a positive direction in both the short and long term.

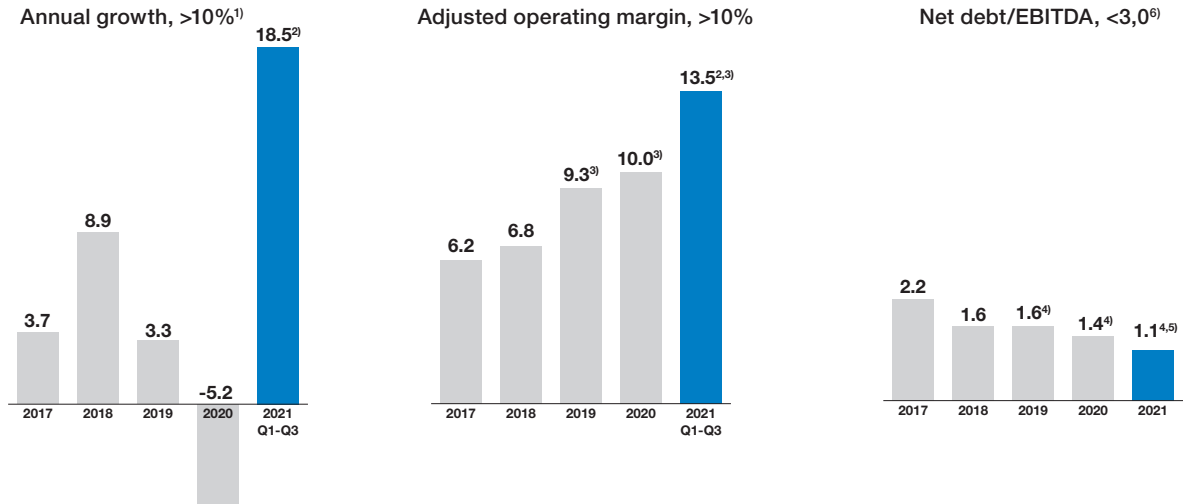
Greivie, October 2021

Ola Ringdahl

President and CEO

Long-term financial targets

Lindab has long-term financial targets for growth, profitability and net debt. On September 23, 2021 Lindab raised its targets for growth and profitability, see page 9. 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 16.9 percent for annual growth and 12.5 percent for adjusted operating margin.

3) Excluding the effect of implemented new accounting standard IFRS 16 Leases, operating margin amounted to 13.2 percent in 2021, 9.7 percent in 2020 and 9.0 percent in 2019.

4) Excluding the effect of implemented new 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) Rolling 12 months (R 12M).

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

Lindab's sustainability work – For a better climate

Lindab's sustainability plan includes activities and targets in three areas: To create healthy buildings is about contributing to a better society. Together with our customers, Lindab can reduce the environmental impact by offering leading energy-efficient products and systems. Finally, the business should be managed in a sustainable way.

In 2021, the sustainability plan is further detailed. Local strategies are developed for each unit in Lindab. It will result in a refined overall plan with an additional level of details.

EU Taxonomy

Lindab estimates that 65-70 percent of sales is aligned with the first objective "Climate change mitigation" in the EU Taxonomy.



Create healthy buildings

Indoor environments are very important for our lives as we spend about 90 percent of our time indoors. We contribute to healthy buildings to improve well-being and productivity.



Reduce the environmental impact from customers

Buildings account for 40 percent of all energy consumption. Together with our customers, we can reduce the environmental impact by offering leading energy-efficient products and systems with a high degree of recycling.



Drive a sustainable business

In order to achieve a circular economy and be able to offer customers sustainable solutions, all parts of our value chain - purchasing, manufacturing and transports - must reduce the resources used and thus lower the carbon dioxide emissions. Lindab should be a workplace that employees are proud of.

Sales, profit and cash flow

Sales and market - continuing operations

Net sales during the quarter amounted to SEK 2,488 m (2,059), an increase of 21 percent. Organic growth was positive by 19 percent while currency effects had a negative impact on growth of 1 percent. Structural changes, related to Lindab's acquisitions and divestments, contributed positively by 3 percent.

The demand, during the quarter, remained positive for the Group where both Ventilation Systems and Profile Systems reported strong organic growth. Lindab has been able to manufacture and supply customers with demanded products, despite a general imbalance of raw materials. During the first nine months of the year, a number of price increases have been announced and implemented to customers to compensate for the historically high raw material prices, which also contributed to the growth. The comparison period previous year started with lower demand due to the uncertainty related to covid-19, which also contributed to the strong growth.

Ventilation Systems reported strong organic growth in most markets in which Lindab operates on. Sales growth in Eastern Europe was particularly strong, where several markets had limitations on the construction markets due to covid-19 during the same period previous year. Profile Systems positive growth was mainly a result of increased sales of industrial projects in the Nordics but also increased sales of building products in both Eastern Europe and the Nordics.

Net sales during the period January-September amounted to SEK 7,088 m (6,138), an increase of 15 percent compared to the same period previous year. Organic growth was positive by 16 percent while currency effects had a negative impact on growth of 3 percent. Structural changes, related to Lindab's acquisitions and divestments, contributed positively by 2 percent.

Profit - continuing operations

Adjusted operating profit for the quarter increased to SEK 403 m (246). No one-off items or restructuring costs were reported during the quarter compared to a capital gain of SEK 4 m in the same period previous year, see reconciliation page 27. Adjusted operating margin increased to 16.2 percent (11.9).

Ventilation Systems' adjusted operating profit increased to SEK 236 m (158) and Profile Systems increased to SEK 180 m (98).

The improved adjusted operating profit is mainly explained by significant sales growth, structural changes and strengthened gross margin, as a result of implemented price increases and cost efficiency measures from the previously announced investment program.

Adjusted operating profit for the period January-September increased to SEK 955 m (635). 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 13.5 percent (10.3).

Sales and market, profit/loss - total operations

Net sales during the quarter amounted to SEK 2,778 m (2,302), an increase of 21 percent. Net sales during the period January-September amounted to SEK 7,773 m (6,852), an increase of 13 percent compared to the same period previous year.

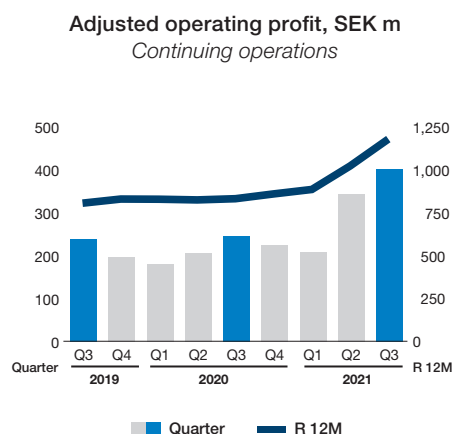
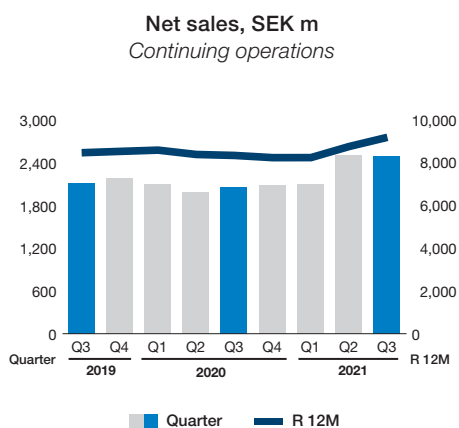
The quarter included one-off items and restructuring costs of SEK -432 m (4), of which SEK -418 m (4) was reported in operating profit. The costs were attributable to Lindab's decision to divest the business area Building Systems, as part of the Group's strategy to streamline the operations. The reported one-off items and restructuring costs were mainly related to impairment of goodwill.

Adjusted operating profit for the quarter increased to SEK 424 m (262). Adjusted operating margin increased to 15.3 percent (11.4).

Profit/Loss for the quarter amounted to SEK -102 m (198) and earnings per share after dilution amounted to SEK -1.34 (2.59).

Adjusted operating profit for the period January-September increased to SEK 973 m (668). Adjusted operating margin increased to 12.5 percent (9.7).

Profit for the period January-September amounted to SEK 316 m (410) and earnings per share after dilution amounted to SEK 4.13 (5.37). Profit for the period included one-off items and restructuring cost of SEK -432 m (-66) of which SEK -418 m (-70) was reported in operating profit.



Sales, profit and cash flow (cont.)

Seasonal variations - total 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 seasonal variations can be found in the segments Profile Systems and Building 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 97 m (87), of which SEK 7 m (7) was related to intangible assets and SEK 52 m (50) was related to the right of use assets attributable to rental and leasing agreements. No impairment losses were reported in the period or in the same period previous year.

For the period January-September depreciation and amortisation amounted to SEK 285 m (263), of which SEK 21 m (19) was related to intangible assets and SEK 155 m (149) was related to the right of use assets attributable to rental and leasing agreements. Impairment losses in the period amounted to SEK 2 m (42). 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 107 m (97). Impairment losses amounted to SEK 380 m (-). The impairment losses of SEK 380 m referred to goodwill and were classified as one-off items and restructuring costs, related to Building Systems.

For the period January-September depreciation and amortisation amounted to SEK 315 m (294). Impairment losses in the period amounted to SEK 382 m (42), of which SEK 380 m (40) were classified as one-off items and restructuring costs. The impairment of SEK 380 m referred to goodwill.

Tax - continuing operations

Tax on profit for the quarter amounted to SEK 95 m (56). Earnings before tax was SEK 394 m (242). The effective tax rate amounted to 24 percent (23). The average tax rate was 19 percent (20). The higher effective tax rate during the quarter, compared to previous year, was mainly explained by that Lindab signed an agreement to divest Building System, which will lead to the termination of the German tax union. The Group has therefore, revaluated deferred tax assets related to previously recognized tax losses carry forward in Germany. The effective tax rate was in previous year negatively impacted by that Lindab was not able to fully recognise carry-forward tax losses to reduce the total tax on profit. In the quarter, the deviation between the effective tax rate and the average tax rate is mainly explained by the same reason.

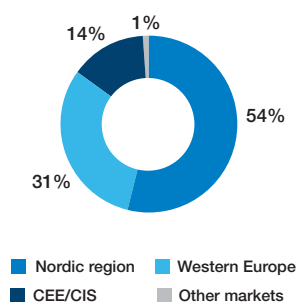
Tax on profit for the period January-September amounted to SEK 201 m (151). Earnings before tax was SEK 925 m (536). The effective tax rate amounted to 22 percent (28). The average tax rate was 20 percent (20). The lower effective tax rate, compared to previous year, was mainly explained by that Lindab in previous year was not able to fully recognise carry-forward tax losses to reduce the total tax on profit. Furthermore, the effective tax rate during previous year was negatively impacted by withholding tax. The higher effective tax rate compared to the average tax rate in the period, was mainly explained by that Lindab signed an agreement to divest Building Systems, which will lead to the termination of the German tax union. The Group has therefore, revaluated deferred tax assets related to previously recognized tax losses carry forward in Germany.

Tax - total operations

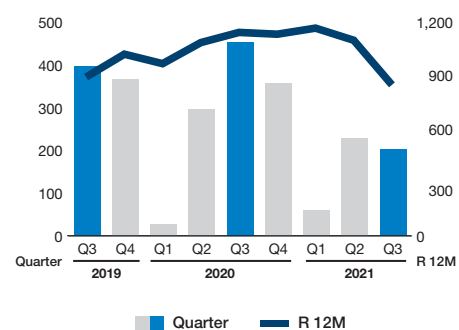
Tax on profit for the quarter amounted to SEK 100 m (59). Earnings before tax, excluding impairment of goodwill, was SEK 378 m (257). The effective tax rate amounted to 26 percent (23). The average tax rate was 19 percent (20).

Tax on profit for the period January-September amounted to SEK 211 m (162). Earnings before tax, excluding impairment of goodwill, was SEK 907 m (572). The effective tax rate amounted to 23 percent (28). 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 by SEK 141 m during the quarter and amounted to SEK 450 m (309). The improvement was mainly explained by an increase in the underlying operating profit for continuing operations by SEK 153 m and amounted to SEK 403 m (250). The underlying operating profit of SEK -397 m (16) for discontinued operations included non-cash flow affecting impairment losses/provisions, corresponding to SEK -418 m (-) attributable to the decided divestment of the business area Building Systems.

The quarter's change in working capital amounted to SEK -248 m (143). The development in change of working capital was mainly related to increased capital tied up in stock and operating receivables. Cash flow from operating activities amounted to SEK 202 m (452) during the quarter.

Cash flow from financing activities amounted to SEK 49 m (-157) for the quarter. This included a cash outflow of SEK -58 m (-53) related to lease liabilities. Other changes in financing activities were mainly related to changes in borrowings and utilisation of credit limits.

For the period January-September, cash flow before change in working capital improved with SEK 281 m and amounted to SEK 1,071 m (790). The improvement was mainly explained by an increase in the underlying operating profit for continuing operations with SEK 390 m and amounted to SEK 955 m (565). The underlying operating profit of SEK -400 m (33) for discontinued operations included non-cash flow affecting impairment losses/provisions, corresponding to SEK -418 m (-) attributable to the decided divestment of the business area Building Systems. The underlying operating profit for continuing operations previous year included non-cash flow affecting impairment losses/provisions corresponding to SEK 70 m attributable to the decided divestment of IMP Klima Group.

The period's change in working capital amounted to SEK -582 m (-17). 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, while the development of accounts payable and cash advances from customers within business area Building Systems had a greater positive effect. Cash flow from operating activities for the period January-September amounted to SEK 489 m (773).

Cash flow from financing activities for the period January-September amounted to SEK -66 m (-267). This included a cash outflow of SEK -173 m (-164) related to lease liabilities. During the period, Lindab paid a dividend of SEK -130 m (-67). Other changes in financing activities were mainly related to changes in borrowings and utilization 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 97 m (110) during the quarter, of which SEK 3 m (5) 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 increases in production facilities. Of the quarter's investments, SEK 2 m (0) were related to discontinued operations.

Cash flow from investing activities, excluding business combinations, amounted net to SEK -95 m (-106) during the quarter. The cash flow included a positive effect from the divestment of tangible fixed assets of SEK 2 m (4).

For the period January-September, investments in intangible assets and tangible fixed assets amounted to SEK 290 m (310), of which SEK 8 m (16) was related to investments in intangible assets. Of the period's investments, SEK 9 m (4) were related to discontinued operations.

Cash flow from investing activities, excluding business combinations, amounted net to SEK -280 m (-305) during the period January-September. The cash flow included a positive effect from the sale of intangible assets and tangible fixed assets of SEK 10 m (5).

Business combinations

On September 23, 2021, Lindab signed an agreement to divest the business area Building Systems to the French construction company Groupe Briand. The divestment is mainly subject to anti-trust approval in Russia, which is expected to be received within two to four months after the conclusion of the agreement. Building Systems business is focused on construction, production and sales of complete steel construction systems. Net sales 2020 amounted to SEK 946 m and the operating margin was 5.9 percent. The decision and agreement for the divestment resulted in that Building Systems from the end of the third quarter 2021 is reported as asset held for sale/discontinued operations. During the quarter one-off items and restructuring costs of SEK -432 m were reported due to the divestment, of which SEK -380 m was related to impairment of goodwill. Final effect is determined and reported at the change of ownership. The one-off items and res-

tructuring costs are mainly not affecting cash flow. The purchase price will primarily be offset against the business cash and cash equivalents and advances from customers. The transaction is therefore, not expected to have any larger impact on Lindab's total cash flow.

On September 22, 2021 Lindab completed the acquisition of all shares and voting rights in 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 NOK 15 m and has 9 employees.

On July 7, 2021 Lindab acquired all shares and voting rights in the Swedish company KAMI, Kalix Mekaniska Industrier AB. The company's main operations are the production and sale of premium sheet metal roofs, which have been developed specifically for the Nordic climate. The acquisition complements Lindab's current range of sheet metal roofs well. KAMI is based in Kalix, Sweden. The company has an annual turnover of approximately SEK 100 m and has 22 employees.

For more information about above and company acquisitions and divestments during 2020, see note 4 respectively note 6. For information about acquisitions after the reporting period, see page 27.

Financial position - total operations

Net debt amounted to SEK 1,836 m (1,740) on 30 September, 2021. Currency effects increased net debt by SEK 8 m during the third quarter.

The equity/assets ratio was 50 percent (52) and the net debt/equity ratio was 0.3 (0.3). Financial items for the quarter for continuing operations amounted to SEK -9 m (-8) and for total operations amounted to SEK -8 m (-9).

The current credit limits of SEK 1,300 m with Nordea and Raiffeisen Bank International and EUR 70 m with Raiffeisen Bank International are valid until second quarter 2024. The agreements contain a covenant, which is monitored quarterly. Lindab fulfilled the conditions as per 30 September, 2021.

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), a logistics centre in Förslöv (SE) and automation of the production lines in Grevie (SE).

Investments and financial position (cont.)

Pledged assets and contingent liabilities

Pledged assets have increased with SEK 22 m in connection with acquisitions. No significant changes have taken place in contingent liabilities during the third quarter of 2021.

Other

Parent company

Lindab International AB (publ), corporate identification number 556606-5446, is a registered limited liability company with its domicile in Båstad, Sweden. Lindab's shares are listed on Nasdaq Stockholm, Mid Cap.

Net sales for the quarter amounted to SEK 1 m (1). Loss for the period amounted to SEK 1 m (0).

Net sales for the period January-September amounted to SEK 4 m (4). Loss for the period amounted to SEK 4 m (3).

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 4,499 (4,249) at the end of the quarter. Adjusted for acquisitions and divestment, the net increase was 142 employees compared with the same period previous year. The third quarter previous year was affected by short-term work due to covid-19.

The number of employees for total operations was 5,182 (4,955).

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 share option 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 share option 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.

Financial targets

In September, 2021 Lindab's Board of Directors decided to update the financial targets. These are now as follows:

- The annual growth rate is to amount to at least 10 percent, as a combination of organic and acquired growth, compared to previous target of annual growth rate of 5-8 percent.
- The operating margin is to exceed 10 percent per year, excluding one-off items and restructuring costs, compared to the previous target where the operating margin over a business cycle should average 10 percent.
- Net debt should not be higher than three times EBITDA, measured over a 12-month average. This target is unchanged.

Annual General Meeting

The board 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

The Annual General Meeting, held on May 5, 2021, resolved a dividend of SEK 3.40 per share. The dividend is to be distributed half-yearly and the first payment of SEK 1.70 per share was distributed in May. The second payment of SEK 1.70 per share with record date November 5, 2021.

Nomination Committee

In accordance with a resolution passed at the Annual General Meeting, the Chairman of the Board, in conjunction with the company's three largest shareholders, has appointed a Nomination Committee. Consequently, Per Trygg (Lannebo Fonder), Per Colleen (Fjärde AP-fonden), Anna Sundberg (Handelsbanken Fonder) and Peter Nilsson (Chairman of the Board of Lindab International AB) have formed a Nomination Committee prior to Lindab's Annual General Meeting in May, 2022. Per Colleen has been appointed as Chairman of the Nomination Committee.

Other (cont.)

Changes in the management team

In September, Jonas Arkestad took office as Chief Financial Officer (CFO) at Lindab.

Significant events during the reporting period

During the quarter the trend of increased steel prices has continued. Lindab adjust its prices continuously to compensate for this.

In September, Lindab signed an agreement to divest business area Building Systems, which is mainly subject to anti-trust approval in Russia, see page 7 and note 6.

In September, Lindab's Board of Directors decided to update the financial targets.

In September, Lindab completed the acquisition of the Norwegian ventilation company H.A. Helgesen & Sønner AS, see note 4.

In July, Lindab acquired KAMI, Kalix Mekaniska Industrier AB, a profile company with focus on premium sheet metal roofs, see note 4.

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

Significant events after the reporting period

In October, Lindab acquired the Swiss company Tecnovent SA, a manufacturer and seller of ventilation grilles, roof hoods and rectangular ventilation ducts. The acquisition gives Lindab access to local expertise and production capacity. Tecnovent SA has an annual turnover of approximately SEK 20 m.

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 other indicated, amounts are in SEK m.

The interim report has been audited.

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 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep
Net sales, SEK m	1,624	1,405	4,721	4,212
Net sales growth, %	16	-4	12	-7
Adjusted ¹⁾ operating profit, SEK m	236	158	612	434
Adjusted ¹⁾ operating margin, %	14.5	11.2	13.0	10.3
Number of employees by end of period	3,526	3,340	3,526	3,340

¹⁾ No one-off items or restructuring costs have been reported in the period January-September 2021. In the same period 2020 adjusted operating profit is excluding one-off items and restructuring costs of SEK -70 m, See 'Reconciliations' page 27.

Sales and market

Net sales increased by 16 percent to SEK 1,624 m (1,405), during the quarter. Organic growth was positive by 15 percent while currency effects had a negative impact on growth of 1 percent. Structural changes, related to Lindab's acquisitions and divestments, contributed positively by 2 percent.

Sales during the quarter continued to develop well for Ventilation Systems with strong growth in all geographical regions.

Lindab's access to raw material has been a contributing factor to the growth. In addition, most markets in primarily Western and Eastern Europe were partly affected by the uncertainty related to covid-19 during the same period previous year.

In the Nordics, all markets reported strong organic growth except Denmark where sales were slightly lower compared with the same period previous year. The markets in Western Europe reported a clear sales recovery compared with the same period previous year. Sales growth was particularly strong in the markets of Germany, the United Kingdom, Switzerland, France, Ireland and Italy. All had restrictions in the comparison period that affected their sales volumes. Italy and Ireland also reported the highest sales ever for a quarter. Sales growth was also strong in the CEE¹⁾/CIS²⁾- region. Of the region's major markets Poland, Hungary, the Czech Republic, Estonia and Romania reported strong organic growth.

Net sales during the period January-September amounted to SEK 4,721 m (4,212), an increase of 12 percent compared to the same period previous year. Organic growth was positive by

13 percent while currency effects had a negative impact on growth of 3 percent. Structural changes, related to Lindab's acquisitions and divestments, contributed positively by 2 percent.

Profit

Ventilation Systems' adjusted operating profit during the quarter increased to SEK 236 m (158). Adjusted operating margin increased to 14.5 percent (11.2). No one-off items or restructuring costs were reported during the quarter compared to a capital gain of SEK 4 m in the same period previous year.

The higher adjusted operating profit, which is the highest ever for an individual quarter, is mainly explained by a strong organic growth, strengthened gross margin and structural changes as a result of completed acquisitions and divestments. The costs were normalised in Lindab's production facilities compared to the same period previous year when utilisation rates were lower due to covid-19.

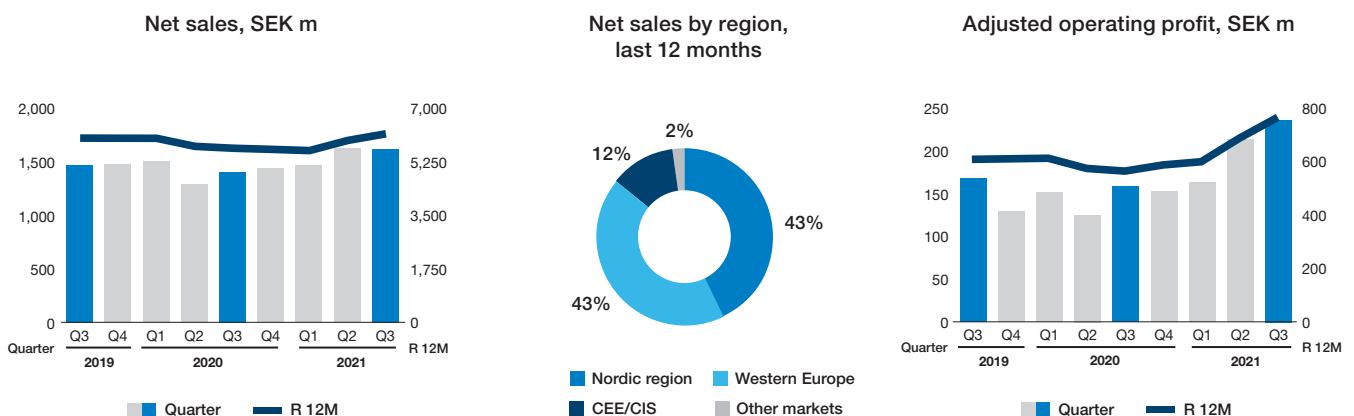
Adjusted operating profit for the period January-September increased to SEK 612 m (434). No one-off items or restructuring costs were reported during the period compared to SEK -70 m in the same period previous year.

Activities

During the quarter, a new Experience Center was opened in Grevie, in order to be able to clearly show the indoor climate of the future. The center will be used both for external customers and its own employees for training purposes.

¹⁾ CEE - Central and Eastern Europe

²⁾ CIS - Commonwealth of Independent States



Segment – Profile Systems

Key performance indicators

	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep
Net sales, SEK m	864	654	2,367	1,926
Net sales growth, %	32	3	23	8
Adjusted ¹⁾ operating profit, SEK m	180	98	387	234
Adjusted ¹⁾ operating margin, %	20.8	15.0	16.3	12.1
Number of employees by end of period	922	862	922	862

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

Sales and market

Net sales for Profile Systems increased by 32 percent to SEK 864 m (654) during the quarter. Organic growth was 28 percent, while currency effects had a negative impact of 1 percent. Structural changes, related to Lindab's acquisitions and divestments, contributed positively by 5 percent.

Sales within Profile Systems increased during the quarter with strong organic growth in the majority of its markets. During the quarter, further price increases were announced to customers to compensate for the historically high raw material prices, which partly contributed to the sales growth. Lindab's access to raw material has also been a contributing factor to the positive sales trend.

The organic growth during the quarter was mainly driven by the segment's largest region, the Nordics. All countries in the Nordics reported strong growth within rainwater systems, roof and wall cladding and steel profiles for wall, roof and floor construction. There have also been significant deliveries of industrial buildings in Sweden and Norway compared to the same period previous year. Covid-19 did not have any material impact on sales during the quarter or in the same period previous year.

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 certain limitations on the construction market due to covid-19 in the same period previous year. Particularly strong organic growth was reported in Hungary, Romania and Poland.

Western Europe reported continued positive sales growth, but the impact was marginal as the region represents only a small part of Profile Systems' total sales.

Net sales during the period January-September increased to SEK 2,367 m (1,926), an increase of 23 percent compared to same period previous year. Organic growth was positive by 23 percent while currency effects had a negative impact on growth of 2 percent. Structural changes, related to Lindab's acquisitions and divestments, contributed positively by 2 percent.

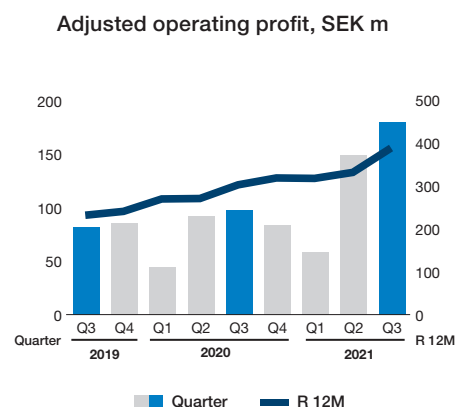
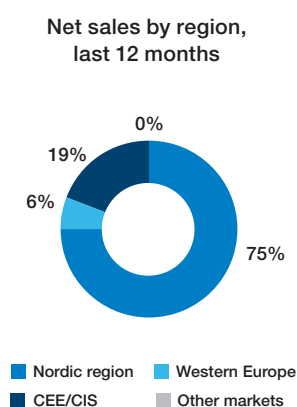
Profit

Profile Systems' adjusted operating profit during the quarter increased to SEK 180 m (98). Adjusted operating margin increased to 20.8 percent (15.0). The improved adjusted operating profit, which is the highest ever for an individual quarter, is mainly explained by strong organic sales growth but also strengthened gross margin and structural changes as a result of completed acquisitions.

Adjusted operating profit for the period January-September increased to SEK 387 m (234). No one-off items or restructuring costs were reported during the period or in the same period previous year.

Activities

In July, Lindab acquired the Swedish roof specialist KAMI, which manufactures and sells premium roofs in sheet metal. With the acquisition, Lindab strengthens its market position in northern Sweden and in Norway.



Segment – Building Systems, discontinued operations

Key performance indicators

	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep
Net sales, SEK m	290	243	685	714
Net sales growth, %	19	-32	-4	-30
Adjusted ¹⁾ operating profit, SEK m	21	16	18	33
Adjusted ¹⁾ operating margin, %	7.2	6.6	2.6	4.6
Number of employees by end of period	683	706	683	706

1) During 2021 adjusted operating profit is excluding one-off items and restructuring costs of SEK -418 m (-) related to decided divestment of Building Systems.

During the quarter, Lindab signed an agreement to divest the business area Building Systems. The divestment is subject to anti-trust approval in Russia, which is expected to be received within two to four months after the conclusion of the agreement.

Sales and market

Net sales for Building Systems increased by 19 percent to SEK 290 m (243) during the quarter. Organic growth was 24 percent, while currency effects had a negative impact of 5 percent, mainly related to a weaker Russian rouble.

Sales within Building Systems increased during the quarter with strong organic growth in both Western Europe and the CEE/CIS-region. The sales volumes in the same period previous year were affected by a general slowdown of the construction market related to covid-19, in the majority of the markets in which Building Systems operates on.

In relation to the first and second quarters of the year, there has been a clear sales recovery during the quarter. Of the segment's major markets Russia, Poland, France, Belarus and Italy all reported strong organic growth, while sales to Germany and Romania declined.

The general sales recovery that taken place in the construction market during the quarter has resulted in that the order intake increased in Western Europe and the CEE/CIS-region. The order backlog at the end of the quarter was slightly higher than the same period previous year.

Net sales during the period January-September amounted to SEK 685 m (714), a decrease of 4 percent compared to same period previous year. Organically, sales increased by 4 percent and currency had a negative impact on growth by 8 percent.

Profit

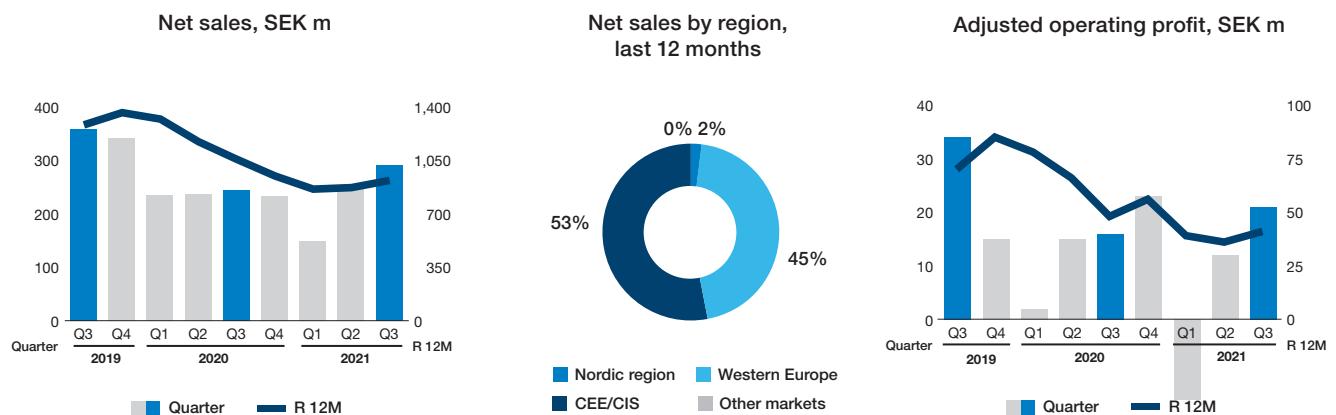
Building Systems' adjusted operating profit amounted to SEK 21 m (16) during the quarter. Adjusted operating margin was 7.2 percent (6.6). Operating profit was adjusted with one-off items and restructuring cost, amounting to SEK -418 m (-), see note 6.

The improved adjusted operating profit was explained by significant sales growth, which been partly offset by higher costs and a negative exchange rate change, mainly related to a weaker Russian rouble. Building Systems did not receive any government support during the quarter compared to SEK 6 m in the same period previous year.

Adjusted operating profit for the period January-September amounted to SEK 18 m (33). Operating profit was adjusted with one-off items and restructuring cost, amounting to SEK -418 m (-), see note 6.

Activities

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



Net sales and segments

Net sales and growth, continuing operations

SEK m	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Net sales	2,488	2,059	7,088	6,138	8,220
Change	429	-45	950	-189	-292
Change, %	21	-2	15	-3	-3
Of which					
Organic, %	19	0	16	-2	-2
Acquisitions/divestments, %	3	1	2	0	0
Currency effects, %	-1	-3	-3	-1	-1

Net sales per region, continuing operations

SEK m	2021 Jul-Sep	%	2020 Jul-Sep	%	2021 Jan-Sep	%	2020 Jan-Sep	%	2020 Jan-Dec	%
Nordic region	1,309	53	1,029	50	3,826	54	3,261	53	4,380	53
Western Europe	746	30	682	33	2,146	30	1,882	31	2,530	31
CEE/CIS	399	16	311	15	1,008	14	897	15	1,179	14
Other markets	34	1	37	2	108	2	98	1	131	2
Total	2,488	100	2,059	100	7,088	100	6,138	100	8,220	100

Net sales per segment, continuing operations

SEK m	2021 Jul-Sep	%	2020 Jul-Sep	%	2021 Jan-Sep	%	2020 Jan-Sep	%	2020 Jan-Dec	%
Ventilation Systems	1,624	65	1,405	68	4,721	67	4,212	69	5,654	69
Profile Systems	864	35	654	32	2,367	33	1,926	31	2,566	31
Total	2,488	100	2,059	100	7,088	100	6,138	100	8,220	100
Gross internal sales all segments	8		9		26		33		43	

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

SEK m	2021 Jul-Sep	%	2020 Jul-Sep	%	2021 Jan-Sep	%	2020 Jan-Sep	%	2020 Jan-Dec	%
Ventilation Systems	236	14.5	158	11.2	612	13.0	434	10.3	586	10.4
Profile Systems	180	20.8	98	15.0	387	16.3	234	12.1	318	12.4
Other operations	-13	-	-10	-	-44	-	-33	-	-44	-
Adjusted operating profit	403	16.2	246	11.9	955	13.5	635	10.3	860	10.5
One-off items and restructuring costs ²⁾	-	-	4	-	-	-	-70	-	-70	-
Operating profit	403	16.2	250	12.1	955	13.5	565	9.2	790	9.6
Net financial items	-9	-	-8	-	-30	-	-29	-	-38	-
Earnings before tax	394	15.8	242	11.8	925	13.0	536	8.7	752	9.1

1) For information about operating profit and profit before tax for discontinued operation/asset held for sale (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 Jul-Sep	%	2020 Jul-Sep	%	2021 Jan-Sep	%	2020 Jan-Sep	%	2020 Jan-Dec	%
Ventilation Systems	3,526	79	3,340	79	3,526	79	3,340	79	3,476	79
Profile Systems	922	20	862	20	922	20	862	20	860	20
Other operations	51	1	47	1	51	1	47	1	50	1
Total	4,499	100	4,249	100	4,499	100	4,249	100	4,386	100

Consolidated statement of profit or loss

SEK m	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	R 12M 2020 Oct- 2021 Sep	R 12M 2019 Oct- 2020 Sep	2020 Jan-Dec
Continuing operations							
Net sales	2,488	2,059	7,088	6,138	9,170	8,323	8,220
Cost of goods sold	-1,671	-1,452	-4,902	-4,369	-6,365	-5,937	-5,831
Gross profit	817	607	2,186	1,769	2,805	2,386	2,389
Other operating income	11	25	32	63	53	80	84
Selling expenses	-270	-240	-813	-752	-1,082	-1,029	-1,021
Administrative expenses	-124	-106	-371	-334	-481	-460	-444
R&D expenses	-12	-12	-39	-39	-55	-54	-55
Other operating expenses	-19	-24	-40	-142	-60	-161	-163
Total operating expenses	-414	-357	-1,231	-1,204	-1,625	-1,624	-1,599
Operating profit¹⁾	403	250	955	565	1,180	762	790
Interest income	1	2	3	5	4	5	6
Interest expenses	-9	-9	-29	-30	-39	-41	-40
Other financial income and expenses	-1	-1	-4	-4	-4	-6	-4
Financial items	-9	-8	-30	-29	-39	-42	-38
Earnings before tax	394	242	925	536	1,141	720	752
Tax on profit for the period	-95	-56	-201	-151	-248	-204	-198
Profit for the period, continuing operations	299	186	724	385	893	516	554
Discontinued operations							
Profit/loss for the period from discontinued operations, net after tax	-401	12	-408	25	-391	37	42
Profit/loss for the period from discontinued operations	-401	12	-408	25	-391	37	42
Total operations							
Profit/loss for the period from total operations	-102	198	316	410	502	553	596
–attributable to the Parent company's shareholders	-102	198	316	410	502	553	596
–attributable to non-controlling interests	0	0	0	0	0	0	0
Earnings per share, before dilution, SEK²⁾	-1.33	2.59	4.14	5.37	6.57	7.25	7.80
–of which continuing operations	3.92	2.44	9.48	5.05	11.68	6.75	7.25
Earnings per share, after dilution, SEK²⁾	-1.34	2.59	4.13	5.37	6.56	7.25	7.80
–of which continuing operations	3.91	2.44	9.46	5.05	11.66	6.75	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 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	R 12M 2020 Oct- 2021 Sep	R 12M 2019 Oct- 2020 Sep	2020 Jan-Dec
Profit for the period from total operations	-102	198	316	410	502	553	596
Items that will not be reclassified to the statement of profit or loss							
Actuarial gains/losses, defined benefit plans	-8	-10	6	-18	29	-28	5
Deferred tax attributable to defined benefit plans	2	2	-1	4	-6	6	-1
Total	-6	-8	5	-14	23	-22	4
Items that will later be reclassified to the statement of profit or loss							
Translation differences, foreign operations	24	-37	121	-154	-81	-238	-356
Hedges of net investments	-11	-5	-20	-15	42	22	47
Tax attributable to hedges of net investments	3	1	5	3	-8	-5	-10
Total	16	-41	106	-166	-47	-221	-319
Other comprehensive income, net of tax	10	-49	111	-180	-24	-243	-315
Total comprehensive income	-92	149	427	230	478	310	281
–attributable to the Parent company's shareholders	-92	149	427	230	478	310	281
–attributable to non-controlling interests	0	0	0	0	0	0	0

Consolidated statement of cash flow

SEK m	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	R 12M 2020 Oct- 2021 Sep	R 12M 2019 Oct- 2020 Sep	2020 Jan-Dec
OPERATING ACTIVITIES							
Operating profit, continuing operations	403	250	955	565	1,180	762	790
Operating profit, discontinued operations	-397	16	-400	33	-377	48	56
Reversal of depreciation/amortisation and impairment losses	487	97	697	336	799	433	438
Reversal of capital gains (-)/losses (+) reported in operating profit	-1	-6	-3	-6	0	-7	-3
Provisions, not affecting cash flow	3	5	3	23	16	31	36
Adjustment for other items not affecting cash flow	-1	2	-5	-2	-7	-5	-4
Total	494	364	1,247	949	1,611	1,262	1,313
Interest received	4	1	7	11	9	18	13
Interest paid	-11	-12	-32	-35	-44	-48	-47
Tax paid	-37	-44	-151	-135	-202	-197	-186
Cash flow from operating activities before change in working capital	450	309	1,071	790	1,374	1,035	1,093
Change in working capital							
Stock (increase -/decrease +)	-260	35	-547	-4	-540	42	3
Operating receivables (increase -/decrease +)	-108	-35	-726	-237	-445	34	44
Operating liabilities (increase +/decrease -)	120	143	691	224	456	28	-11
<i>Total change in working capital</i>	<i>-248</i>	<i>143</i>	<i>-582</i>	<i>-17</i>	<i>-529</i>	<i>104</i>	<i>36</i>
Cash flow from operating activities	202	452	489	773	845	1,139	1,129
INVESTING ACTIVITIES							
Acquisition of Group-/associated companies	-99	-86	-111	-125	-296	-128	-310
Divestment of Group companies	-	16	-	16	51	16	67
Investments in intangible assets	-3	-5	-8	-16	-19	-20	-27
Investments in tangible fixed assets	-94	-105	-282	-294	-386	-390	-398
Change in financial fixed assets	0	0	0	0	0	0	0
Disposal of intangible assets	-	-	1	-	1	-	-
Disposal of tangible fixed assets	2	4	9	5	9	13	5
Cash flow from investing activities	-194	-176	-391	-414	-640	-509	-663
FINANCING ACTIVITIES							
Proceeds from borrowings	97	-	224	90	224	90	90
Repayment of borrowings	-	-106	-	-130	-3	-294	-133
Repayment of leasing-related liabilities	-58	-53	-173	-164	-231	-218	-222
Issue/repurchase of share options/shares	10	2	13	4	13	4	4
Dividends to shareholders	-	-	-130	-67	-197	-67	-134
Cash flow from financing activities	49	-157	-66	-267	-194	-485	-395
Cash flow for the period	57	119	32	92	11	145	71
Cash and cash equivalents at start of the period	531	485	541	536	575	493	536
Effect of exchange rate changes on cash and cash equivalents	9	-29	24	-53	11	-63	-66
Cash and cash equivalents at end of the period¹⁾	597	575	597	575	597	575	541

1) Of cash and cash equivalents at the end of the period 2021 SEK 342 m is reported on the line for cash and cash equivalents and SEK 255 m on the line asset held for sale in the consolidated statement of financial position.

Consolidated statement of financial position

SEK m	30 Sep 2021	30 Sep 2020	31 Dec 2020
ASSETS			
Non-current assets			
Goodwill	2,944	3,254	3,239
Other intangible assets	96	111	112
Tangible fixed assets	1,603	1,426	1,513
Right of use assets	829	1,042	953
Financial interest-bearing fixed assets	30	35	30
Other financial fixed assets	26	22	26
Deferred tax assets	82	103	76
Total non-current assets	5,610	5,993	5,949
Current assets			
Stock	1,802	1,441	1,425
Accounts receivable	1,868	1,524	1,278
Other current assets	235	232	182
Other interest-bearing receivables	6	56	30
Cash and cash equivalents	342	575	541
Asset held for sale ¹⁾	898	-	-
Total current assets	5,151	3,828	3,456
TOTAL ASSETS	10,761	9,821	9,405
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity attributable to Parent company shareholders	5,358	5,127	5,178
Non-controlling interest	-	0	0
Total shareholders' equity	5,358	5,127	5,178
Non-current liabilities			
Interest-bearing provisions for pensions and similar obligations	267	303	279
Liabilities to credit institutions	1,042	1,027	976
Lease liabilities	602	834	745
Deferred tax liabilities	111	100	92
Provisions	5	25	24
Other non-current liabilities	6	8	8
Total non-current liabilities	2,033	2,297	2,124
Current liabilities			
Other interest-bearing liabilities	173	7	9
Lease liabilities	242	235	232
Provisions	9	21	27
Accounts payable	995	837	712
Other current liabilities	1,366	1,297	1,123
Liabilities held for sale ¹⁾	585	-	-
Total current liabilities	3,370	2,397	2,103
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	10,761	9,821	9,405

1) For asset and liabilities related to discontinued operations, see note 6.

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

SEK m	30 Sep 2021		30 Sep 2020		31 Dec 2020	
Disclosures regarding the fair value by class	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Derivative receivables	4	4	4	4	30	30
Financial liabilities						
Liabilities to credit institutions	1,046	1,051	1,031	1,033	981	982
Derivative liabilities	0	0	3	3	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				410	410	0	410
Other comprehensive income, net of tax							
Actuarial gains/losses, defined benefit plans				-14	-14	-	-14
Translation differences, foreign operations			-154		-154	-	-154
Hedges of net investments			-12		-12	-	-12
<i>Total comprehensive income</i>	-	-	-166	396	230	0	230
Issuance of share options	0	2			2	-	2
Issuance of shares				2	2	-	2
Dividends to shareholders				-134	-134	-	-134
<i>Transactions with shareholders</i>	0	2	-	-132	-130	-	-130
Closing balance, 30 September 2020	79	2,262	156	2,630	5,127	0	5,127
Profit for the period				186	186	0	186
Other comprehensive income, net of tax							
Actuarial gains/losses, defined benefit plans				18	18	-	18
Translation differences, foreign operations			-202		-202	0	-202
Hedges of net investments			49		49	-	49
<i>Total comprehensive income</i>	-	-	-153	204	51	0	51
Closing balance, 31 December 2020	79	2,262	3	2,834	5,178	0	5,178
Profit for the period				316	316	0	316
Other comprehensive income, net of tax							
Actuarial gains/losses, defined benefit plans				5	5	-	5
Translation differences, foreign operations			121		121	0	121
Hedges of net investments			-15		-15	-	-15
<i>Total comprehensive income</i>	-	-	106	321	427	0	427
Issuance of share options	0	10			10	-	10
Issuance of shares				3	3	-	3
Dividends to shareholders				-260	-260	-	-260
<i>Transactions with shareholders</i>	0	10	-	-257	-247	-	-247
Closing balance, 30 September 2021	79	2,272	109	2,898	5,358	0	5,358

Share capital

At September 30, 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 September 30, 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).

Dividend to shareholders

In accordance with the proposal of the Board of Directors, the Annual General Meeting on May 5, 2021, decided that dividends of SEK 3.40 per share, corresponding to SEK 260 m, will be paid for the financial year. The remaining retained earnings of SEK 2,063 m will be carried forward. The dividend of SEK 3.40 per share will be distributed half-yearly, with the first dividend of SEK 1.70 per share, corresponding to SEK 130 m, with record date May 7 and the second dividend of SEK 1.70 per share, corresponding to SEK 130 m, with record date November 5, 2021.

Parent company

Statement of profit or loss

SEK m	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Net sales	1	1	4	4	5
Administrative expenses	-2	-2	-6	-6	-7
Operating profit	-1	-1	-2	-2	-2
Profit from subsidiaries	-	-	-	-	20
Interest expenses, internal	0	0	-3	-2	-4
Earnings before tax	-1	-1	-5	-4	14
Tax on profit for the period	0	1	1	1	-3
Profit or loss for the period¹⁾	-1	0	-4	-3	11

1) Comprehensive income corresponds to profit for all periods.

Statement of financial position

SEK m	30 Sep 2021	30 Sep 2020	31 Dec 2020
ASSETS			
Non-current assets			
<i>Financial fixed assets</i>			
Shares in Group companies	3,467	3,467	3,467
Financial interest-bearing fixed assets	4	5	4
Deferred tax assets	1	1	1
Total non-current assets	3,472	3,473	3,472
Current assets			
Receivables from Group companies	-	0	21
Cash and cash equivalents	0	0	0
Total current assets	0	0	21
TOTAL ASSETS	3,472	3,473	3,493
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
<i>Restricted shareholders' equity</i>			
Share capital	79	79	79
Statutory reserve	708	708	708
<i>Unrestricted shareholders' equity</i>			
Share premium reserve	90	90	90
Profit brought forward	1,982	2,221	2,222
Profit/Loss for the period	-4	-3	11
Total shareholders' equity	2,855	3,095	3,110
Provisions			
Interest-bearing provisions	4	5	4
Total provisions	4	5	4
Current liabilities			
Liabilities to Group companies	481	304	373
Accounts payable	-	0	0
Current tax liability	0	-	4
Accrued expenses and deferred income	2	67	2
Other current liabilities	130	2	-
Total current liabilities	613	373	379
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,472	3,473	3,493

Key performance indicators

SEK m	2021			2020			2019		
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep
Continuing operations									
Net sales	2,488	2,501	2,099	2,082	2,059	1,982	2,097	2,185	2,104
Growth, %	21	26	0	-5	-2	-9	3	3	-1
of which organic	19	28	3	-2	0	-8	1	1	-3
of which acquisitions/divestments	3	2	1	1	1	0	0	0	0
of which currency effects	-1	-4	-4	-4	-3	-1	2	2	2
Operating profit before depreciation/amortisation and impairment losses	500	440	302	315	337	263	270	283	333
Operating profit	403	344	208	225	250	133	182	197	238
Adjusted operating profit	403	344	208	225	246	207	182	197	238
Earnings before tax	394	333	198	216	242	123	171	184	227
Profit for the period	299	268	157	169	186	64	135	131	179
Operating margin, %	16.2	13.8	9.9	10.8	12.1	6.7	8.7	9.0	11.3
Adjusted operating margin, %	16.2	13.8	9.9	10.8	11.9	10.4	8.7	9.0	11.3
Profit margin before tax, %	15.8	13.3	9.4	10.4	11.8	6.2	8.2	8.4	10.8
Total operations									
Net sales	2,778	2,747	2,248	2,314	2,302	2,218	2,332	2,526	2,462
Growth, %	21	24	-4	-8	-6	-14	1	6	3
of which organic	20	26	0	-4	-4	-12	-1	3	1
of which acquisitions/divestments	2	2	1	1	1	0	0	0	0
of which currency effects	-1	-4	-5	-5	-3	-2	2	3	2
Operating profit before depreciation/amortisation and impairment losses	494	462	297	350	363	289	282	309	380
Operating profit	6	356	193	248	266	148	184	212	273
Adjusted operating profit	424	356	193	248	262	222	184	212	273
Earnings before tax	-2	346	183	239	257	139	176	204	267
Profit for the period	-102	278	140	186	198	76	136	143	212
Operating margin, %	0.2	13.0	8.6	10.7	11.6	6.7	7.9	8.4	11.1
Adjusted operating margin, %	15.3	13.0	8.6	10.7	11.4	10.0	7.9	8.4	11.1
Profit margin before tax, %	-0.1	12.6	8.1	10.3	11.1	6.3	7.5	8.1	10.8
Total operations									
Cash flow from operating activities	202	227	60	356	452	295	26	366	395
Cash flow from operating activities per share, SEK	2.64	2.97	0.79	4.66	5.92	3.87	0.34	4.79	5.18
Free cash flow	8	135	-45	107	276	190	-107	271	347
Adjusted free cash flow	107	147	-45	241	346	229	-107	274	345
Cash flow, investments in intangible assets/tangible fixed assets	97	86	107	115	110	67	133	100	51
Total operations									
Number of shares outstanding, thousands	76,467	76,357	76,357	76,357	76,357	76,332	76,332	76,332	76,332
Average number of shares outstanding, thousands	76,368	76,353	76,347	76,357	76,334	76,332	76,332	76,332	76,332
Earnings per share, before dilution, SEK	-1.33	3.64	1.83	2.43	2.59	1.00	1.78	1.88	2.78
Earnings per share, after dilution, SEK	-1.34	3.64	1.83	2.43	2.59	1.00	1.78	1.88	2.78
Shareholders' equity attributable to Parent company shareholders	5,358	5,440	5,423	5,178	5,127	4,976	5,182	5,027	4,947
Shareholders' equity attributable to non-controlling interests	-	0	0	0	0	0	-	-	-
Shareholders' equity per share, SEK	70.07	71.24	71.02	67.82	67.15	65.19	67.89	65.86	64.80
Net debt	1,836	1,777	1,759	1,640	1,740	1,859	2,093	1,771	1,996
Adjusted net debt	864	806	772	663	671	894	1,077	732	1,003
Net debt/equity ratio, times	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4
Equity/asset ratio, %	49.8	51.8	53.8	55.1	52.2	52.1	52.0	53.3	50.6
Return on equity, %	9.5	15.3	11.5	11.6	10.9	11.4	13.7	14.3	13.8
Return on capital employed, %	10.6	14.1	11.4	11.5	11.0	11.2	12.5	13.6	12.8
Interest coverage ratio, times	0.8	34.8	18.4	23.2	24.9	12.8	15.9	16.5	22.9
Net debt/EBITDA, excl. one-off items and restructuring costs	1.1	1.2	1.3	1.4	1.5	1.5	1.5	1.6	1.5
Number of employees by end of period,	5,182	5,187	5,098	5,078	4,955	4,981	5,162	5,196	5,148
<i>Of which employees in discontinued operations</i>	683	680	685	692	706	711	715	726	729

Key performance indicators (cont.)

SEK m	2021	2020	2020	2019	2018 ¹⁾
	Jan-Sep	Jan-Sep	Jan-Dec	Jan-Dec	Jan-Dec
Continuing operations					
Net sales	7,088	6,138	8,220	8,512	8,260
Growth, %	15	-3	-3	3	12
of which organic	16	-2	-2	1	7
of which acquisitions/divestments	2	0	0	0	1
of which currency effects	-3	-1	-1	2	4
Operating profit before depreciation/amortisation and impairment losses	1,242	870	1,185	1,183	710
Operating profit	955	565	790	830	568
Adjusted operating profit	955	635	860	830	625
Earnings before tax	925	536	752	778	533
Profit for the period	724	385	554	595	409
Operating margin, %	13.5	9.2	9.6	9.8	6.9
Adjusted operating margin, %	13.5	10.3	10.5	9.8	7.6
Profit margin before tax, %	13.0	8.7	9.1	9.1	6.5
Total operations					
Net sales	7,773	6,852	9,166	9,872	9,326
Growth, %	13	-7	-7	6	13
of which organic	15	-6	-6	3	8
of which acquisitions/divestments	2	0	1	0	1
of which currency effects	-4	-1	-2	3	4
Operating profit before depreciation/amortisation and impairment losses	1,253	934	1,284	1,315	715
Operating profit	555	598	846	915	547
Adjusted operating profit	973	668	916	915	634
Earnings before tax	527	572	811	881	531
Profit for the period	316	410	596	678	394
Operating margin, %	7.1	8.7	9.2	9.3	5.9
Adjusted operating margin, %	12.5	9.7	10.0	9.3	6.8
Profit margin before tax, %	6.8	8.4	8.8	8.9	5.7
Total operations					
Cash flow from operating activities	489	773	1,129	1,017	593
Cash flow from operating activities per share, SEK	6.40	10.13	14.79	13.32	7.77
Free cash flow	98	359	466	717	488
Adjusted free cash flow	209	468	709	751	488
Cash flow, investments in intangible assets/tangible fixed assets	290	310	425	278	120
Total operations					
Number of shares outstanding, thousands	76,467	76,357	76,357	76,332	76,332
Average number of shares outstanding, thousands	76,368	76,334	76,340	76,332	76,332
Earnings per share, before dilution, SEK ¹⁾	4.14	5.37	7.80	8.89	5.16
Earnings per share, after dilution, SEK ¹⁾	4.13	5.37	7.80	8.89	5.16
Dividend per share, SEK	-	-	3.40 ²⁾	1.75	1.75
Shareholders' equity attributable to Parent company shareholders	5,358	5,127	5,178	5,027	4,464
Shareholders' equity attributable to non-controlling interests	-	0	0	-	0
Shareholders' equity per share, SEK	70.07	67.15	67.82	65.86	58.49
Net debt	1,836	1,740	1,640	1,771	1,052
Adjusted net debt	864	671	663	732	1,052
Net debt/equity ratio, times	0.3	0.3	0.3	0.4	0.2
Equity/asset ratio, %	49.8	52.2	55.1	53.3	57.2
Return on equity, %	9.5	10.9	11.6	14.3	9.1
Return on capital employed, %	10.6	11.0	11.5	13.6	9.4
Interest coverage ratio, times	17.7	17.6	19.0	18.8	21.4
Net debt/EBITDA, excl. one-off items and restructuring costs	1.1	1.5	1.4	1.6	1.6
Number of employees by end of period,	5,182	4,955	5,078	5,196	5,071
Of which employees in discontinued operations	683	706	692	726	697

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) Dividend for 2020 is to be 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, line 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 report for the third quarter in 2021. This as a consequence of Lindab's decision in September, to sign an agreement to divest Building Systems. This 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, and that assets respectively liabilities related to the segment are disclosed as assets/liabilities held for sale in the consolidated statement of financial position. 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 are now recognised and valued according to IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. This implies that, among other things, that the segment is valued at the lower of its carrying amount and fair value less cost to sell. Going forward, the accounting standard in question will also imply that assets within the segment are not be subject for amortization or depreciation as long as they are classified as asset held for sale.

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 (35) during the first three quarters of the year, whereof SEK 1 m (9) is recognised during the third 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 during the period recognised lower costs through reductions of employee related social security contributions corresponding to SEK 2 m (8) as a result of covid-19, whereof SEK 1 m (0) has impacted the result of the third quarter.

NOTE 4 – BUSINESS COMBINATIONS

Business combinations in January-September 2021

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 is mainly subject to anti-trust approval in Russia. 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 in 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 NOK 15 m and has 9 employees.

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

According to the preliminary purchase price allocation analysis, the acquisition resulted in a goodwill. This is due to, among other things, the knowledge of rectangular ventilation ducts and a local market presence in the western part of Norway.

H.A. Helgesen & Sønner AS is 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 third quarter. If the acquisition had been implemented as of January 1, 2021, the Group's net sales would have increased by approximately SEK 9 m. H.A. Helgesen & Sønner AS is part of the Ventilation Systems segment.

Notes (cont.)

KAMI, Kalix Mekaniska Industrier AB

On July 7, 2021, Lindab acquired all shares and voting rights in 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 the time of the acquisition. Transaction related costs amounted to SEK 1 m, recognised as other operating expenses.

According to the preliminary 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 assets are mainly related to the brand of KAMI.

KAMI, Kalix Mekaniska Industrier AB, is consolidated in Lindab as of July 7, 2021. The acquisition of the company has increased the sales of Lindab by SEK 30 m, from the time of acquisition until September 30 of current year. If the acquisition had been implemented as of January 1, 2021, the Group's net sales would have increased by approximately SEK 84 m. KAMI, Kalix Mekaniska Industrier AB, is part of the Profile Systems segment.

Acquired businesses

SEK m	30 Sep 2021 ^{1),2)}	30 Sep 2020
Intangible assets	3	21
Tangible fixed assets	25	46
Right of use assets	2	20
Financial fixed assets	-	21
Stock	16	5
Current assets	23	20
Cash and cash equivalents	18	8
Total acquired assets	87	141
Deferred tax liabilities	-5	-16
Non-current lease liabilities	-1	-16
Non-current liabilities	-	-14
Current lease liabilities	-1	-4
Current liabilities	-19	-27
Total acquired liabilities	-26	-77
Fair value of acquired net assets	61	64
Goodwill ³⁾	61	72
Consideration including additional contingent consideration	122	136

1) Acquired business relates to KAMI, Kalix Mekaniska Industrier AB, H.A. Helgesen & Sønner AS and the remaining 5 percent of Smofir Trading Ltd.

2) The purchase price allocations were preliminary as of September 30, due to not finalised valuations of identified intangible assets.

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

4) Includes a conditional additional purchase consideration of SEK 1 m, which will be settled fully or partly if future expectations of identified levels of profitability are met during a period of three years. Possible undiscounted amount of future conditional additional purchase consideration is between SEK 0-1 m. On September 30, 2021, it was considered likely that a maximum consideration would occur.

Other

In terms of 2021, the cash flow related to acquisitions derives, beside above mention 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) in Smofir Trading Ltd (Thor Duct).

Business combinations January-September 2020

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 in 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 can now offer a complete range of ventilation ducts and ventilation related accessories in Sweden. The Crenna Group has a yearly turnover of approximately SEK 120 m and 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 in 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 in ventilation systems in Ireland and the UK. The company has an annual turnover of approximately SEK 21 m and is part of the Ventilation Systems segment.

NOTE 5 – OPERATING SEGMENTS

The Group's segments comprise Ventilation Systems, Profile Systems and Building Systems. The basis for segmental reporting is the various customer offers provided by each business area. The customer offers within each segment are as 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 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 as of the third quarter in 2021 recognised as discontinued operations/assets held for sale, see further Note 6.

Notes (cont.)

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 consists 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/ASSETS HELD FOR SALE

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 is assessed to be complied to in order to recognize 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 is applied as of the third quarter 2021.

Statement of Profit or loss, discontinued operations

SEK m	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	R 12M 2020 Oct- 2021 Sep	R 12M 2019 Oct- 2020 Sep	2020 Jan-Dec
Net sales	290	243	685	714	917	1,055	946
Cost of goods sold	-218	-181	-523	-547	-688	-815	-712
Gross profit	72	62	162	167	229	240	234
Other operating income	0	0	4	2	6	3	4
Selling expenses	-22	-18	-66	-61	-87	-90	-82
Administrative expenses	-21	-19	-62	-59	-78	-81	-75
R&D expenses	-3	-2	-10	-6	-13	-9	-9
Other operating expenses	-423	-7	-428	-10	-434	-15	-16
Total operating expenses	-469	-46	-562	-134	-606	-192	-178
Operating profit¹⁾	-397	16	-400	33	-377	48	56
Financial items	1	-1	2	3	2	8	3
Earnings before tax	-396	15	-398	36	-375	56	59
Tax on profit/loss for the period	-5	-3	-10	-11	-16	-19	-17
Profit/loss for the period	-401	12	-408	25	-391	37	42
Earnings per share before dilution, SEK	-5.25	0.15	-5.34	0.32	-5.11	0.50	0.55
Earnings per share before dilution, SEK	-5.25	0.15	-5.33	0.32	-5.10	0.50	0.55

1) One-off items and restructuring costs that are recognised within operating profit during the third quarter of 2021 amounts to SEK 418 m. The value is a consequence of the made decision to divest Building Systems and mainly relates to impairment of goodwill, when assessing the value to the lower of carrying amount and fair value less costs to sell. No one-off items and restructuring costs were recognised in the comparable periods.

Notes (cont.)

Statement of cash flow, asset held for sale/discontinued operations

<i>SEK m</i>	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	R 12M 2020 Oct- 2021 Sep	R 12M 2019 Oct- 2020 Sep	2020 Jan-Dec
Cash flow from operating activities	-65	216	94	102	-25	106	-15
Cash flow from investing activities	-2	0	-9	-4	-9	-7	-5
Cash flow from financing activities	15	-58	3	-18	5	-61	-16
Cash flow for the period	-52	158	88	80	-29	38	-36

Statement of financial position, asset held for sale/discontinued operations

<i>SEK m</i>	30 Sep 2021	30 Sep 2020	31 Dec 2020
Asset held for sale			
Goodwill and other intangible assets	33	432	407
Tangible fixed assets and right of use assets	245	262	250
Financial interest-bearing fixed assets and deferred tax assets	9	8	7
Stock	213	128	111
Current assets	143	81	71
Cash and cash equivalents	255	276	250
Total assets	898	1,187	1,096
Liabilities held for sale			
Non-current interest-bearing liabilities	119	137	129
Non-current non interest-bearing liabilities and deferred tax liabilities	22	22	19
Current interest-bearing liabilities	25	23	24
Current non interest-bearing liabilities	419	308	239
Total liabilities	585	490	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, 29 October 2021

Ola Ringdahl
President and CEO

Auditor's review report

Introduction

We have reviewed the interim report for Lindab International AB (publ), org nr 556606-5446, for the period 1 January 2021 to 30 September 2021. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim financial report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

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

Gothenburg, 29 October 2021

Deloitte AB

Harald Jagner

Authorised Public Accountant

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	30 Sep 2021	30 Sep 2020	31 Dec 2020
Profit for the period, rolling twelve months	502	553	596
Average shareholders' equity	5,305	5,065	5,125
Return on shareholders' equity, %	9.5	10.9	11.6

Return on capital employed, total operations	30 Sep 2021	30 Sep 2020	31 Dec 2020
Total assets	10,761	9,821	9,405
Provisions and deferred tax liabilities	138	125	116
Other non-current liabilities	6	8	8
Total non-current liabilities	144	133	124
Provisions	23	21	27
Accounts payable	1,047	837	712
Other current liabilities	1,720	1,297	1,123
Total current liabilities	2,790	2,155	1,862
Capital employed	7,827	7,534	7,419
Earnings before tax, rolling twelve months	766	776	811
Financial expenses, rolling twelve months	49	50	49
Total	815	826	860
Average capital employed	7,677	7,527	7,522
Return on capital employed, %	10.6	11.0	11.5

One-off items and restructuring costs, continuing operations	2021	2020	2021	2020	2020
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Dec
Operating profit	403	266	955	598	846
Ventilation Systems	-	4	-	-70	-70
Profile Systems	-	-	-	-	-
Other operations	-	-	-	-	-
Adjusted operating profit	403	262	955	668	916

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	2020
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Dec
Cash flow from operating activities	202	452	489	773	1,129
Cash flow from investing activities	-194	-176	-391	-414	-663
Free cash flow	8	276	98	359	466
Cash flow related to divestments and acquisitions	-99	-70	-111	-109	-243
Adjusted free cash flow	107	346	209	468	709

Net debt, total operations	30 Sep 2021	30 Sep 2020	31 Dec 2020
Non-current interest-bearing provisions for pensions and similar obligations	282	303	279
Non-current liabilities to credit institutions	1,042	1,027	976
Non-current lease liabilities	706	834	745
Current interest-bearing liabilities	439	242	241
Total liabilities	2,469	2,406	2,241
Financial interest-bearing fixed assets	30	35	30
Other interest-bearing receivables	6	56	30
Cash and cash equivalents	597	575	541
Total assets	633	666	601
Net debt	1,836	1,740	1,640

Adjusted net debt, total operations	30 Sep 2021	30 Sep 2020	31 Dec 2020
Net debt	1,836	1,740	1,640
Liabilities related to leasing	-972	-1,069	-977
Adjusted net debt	864	671	663

Net debt/EBITDA, total operations	30 Sep 2021	30 Sep 2020	31 Dec 2020
Average net debt	1,761	1,851	1,824
Adjusted operating profit, rolling twelve months	1,221	880	916
Depreciation/amortisation and impairment losses, rolling twelve months, excluding one-off items and restructuring costs	419	393	398
EBITDA, rolling twelve months	1,640	1,273	1,314
Net debt/EBITDA, times	1.1	1.5	1.4

Organic growth, continuing operations	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Change Net sales	429	-44	950	-189	-706
Of which					
Organic	393	-10	1,013	-156	-550
Acquisitions/divestments	54	24	121	21	35
Currency effects	-18	-58	-184	-54	-191

Organic growth, total operations	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Change Net sales	476	-160	921	-494	-706
Of which					
Organic	452	-104	1,039	-439	-550
Acquisitions/divestments	54	24	121	21	35
Currency effects	-30	-80	-239	-76	-191

Interest coverage ratio, total operations	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Earnings before tax	-2	257	527	572	811
Interest expenses	11	10	32	34	45
Total	9	267	559	606	856
Interest expenses	11	10	32	34	45
Interest coverage ratio, times	0.8	24.9	17.7	17.6	19.0

Operating profit before depreciation/amortisation-EBITDA, continuing operations	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Operating profit	403	250	955	565	790
Depreciation/amortisation and impairment losses	97	87	287	305	395
<i>Of which one-off items and restructuring costs</i>	-	-	-	40	40
Operating profit before depreciation/amortisation-EBITDA	500	337	1,242	870	1,185

Operating profit before depreciation/amortisation-EBITDA, total operations	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Operating profit	6	266	555	598	846
Depreciation/amortisation and impairment losses	487	97	697	336	438
<i>Of which one-off items and restructuring costs</i>	380	-	380	40	40
Operating profit before depreciation/amortisation-EBITDA	493	363	1,252	934	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

The Group had sales of SEK 9,166 m in 2020 and is established in 24 countries with approximately 5,000 employees.

The main market is non-residential construction, which accounts for 80 percent of sales, while residential construction accounts for 20 percent of sales. During 2020, the Nordic region accounted for 48 percent, Western Europe for 32 percent, CEE/CIS (Central and Eastern Europe) for 18 percent and Other markets for 2 percent of total sales.

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

Business concept

Lindab develops, manufactures, markets and distributes products and system solutions for simplified construction and improved indoor climate.

Business model

Lindab's product and solution offering includes products and entire systems for ventilation, cooling and heating, as well as

construction products and building solutions such as steel rainwater systems, roofing and wall cladding, steel profiles for wall, roof and beam constructions and large span buildings. Lindab also offers complete, pre-engineered steel construction systems under the Astron brand. These are complete building solutions comprising the outer shell with the main structure, wall, roof and accessories.

Lindab's products are characterised by high quality, ease of assembly, energy efficiency and environmentally friendly design and are delivered with high levels of service. Altogether, this provides greater customer value.

Lindab's value chain is characterised by a good balance between centralised and decentralised functions. The distribution has been developed in order to be close to the customer. Sales are made through around 130 Lindab branches and approximately 3,000 retailers, with the exception of Building Systems, which conducts sales through a network of approximately 300 building contractors.

Lindab share

January - September 2021

Share price performance:	+31%
Average share turnover/day:	218,363
Highest price paid (August 5):	260.00 SEK
Lowest price paid (January 4):	168.30 SEK
Closing price September 30:	223.00 SEK
Market cap September 30:	SEK 17,052 m
Total no. of shares:	78,842,820
- <i>whereof treasury shares:</i>	2,375,838
- <i>whereof outstanding shares:</i>	76,466,982

Share price performance 2020/2021, SEK



Press- and analyst meetings

A live audiocast will be held at 1:00 pm (CEST) on October 29, 2021. 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) 8 566 426 93
 Alternatively phone +44 333 300 9262

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

For more information see www.lindabgroup.com

Calendar

Year-End Report	11 February, 2022
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 (CEST) on 29 October, 2021.

For further information, please contact:

Ola Ringdahl, President and CEO | E-mail: ola.ringdahl@lindab.com
 Jonas Arkestad, CFO | E-mail: jonas.arkestad@lindab.com
 Catharina Paulcén, corporate communication | E-mail: catharina.paulcen@lindab.com

Telephone +46 (0) 431 850 00

For more information, please visit www.lindabgroup.com.



