

# Lindab International AB (publ)

## Full year report 2022

### All financial targets met in 2022

Lindab ended the year with a quarter of strong sales growth and improved cash flow. The operating margin for the fourth quarter was negatively impacted by high inflation and lower gross margin due to changes in raw material prices.

Overall, 2022 was a strong year for Lindab as all financial targets were met. The target of 10 percent growth was exceeded by far. The operating margin surpassed 10 percent and net debt was 1.6 times EBITDA. The Board of Directors proposes to increase the dividend by 30 percent to SEK 5.20 per share.

*As of 2022 Lindab's business consists of business area Ventilation Systems and Profile Systems. Unless otherwise stated the comparative numbers exclude the divested business area Building Systems, which was divested in December 2021.*

### Fourth quarter 2022

- Net sales increased by 26 percent to SEK 3,223 m (2,560). Organic growth was 1 percent. Structural changes contributed positively by 20 percent.
- Adjusted<sup>1)</sup> operating profit amounted to SEK 244 m (311).
- Operating profit amounted to SEK 244 m (311).
- Adjusted<sup>1)</sup> operating margin amounted to 7.6 percent (12.1).
- Operating margin amounted to 7.6 percent (12.1).
- Profit for the period amounted to SEK 171 m (234).
- Earnings per share before dilution amounted to SEK 2.24 (3.05) and after dilution to SEK 2.24 (3.04).

The comparable numbers for the following key figures include the business divested in previous year.

- Profit for the period amounted to SEK 171 m (221).
- Earnings per share before dilution amounted to SEK 2.24 (2.88) and after dilution to SEK 2.24 (2.87).
- Cash flow from operating activities increased to SEK 527 m (215).

### January - December 2022

- Net sales increased by 28 percent to SEK 12,366 m (9,648). Organic growth was 11 percent. Structural changes contributed positively by 13 percent.
- Adjusted<sup>1)</sup> operating profit increased to SEK 1,347 m (1,266).
- Operating profit increased to SEK 1,325 m (1,266).
- Adjusted<sup>1)</sup> operating margin amounted to 10.9 percent (13.1).
- Operating margin amounted to 10.7 percent (13.1).
- Profit for the period amounted to SEK 974 m (958).
- Earnings per share before dilution increased to SEK 12.73 (12.53) and after dilution to SEK 12.70 (12.50).

The comparable numbers for the following key figures include the business divested in previous year.

- Profit for the period increased to SEK 974 m (537).
- Earnings per share before dilution increased to SEK 12.73 (7.02) and after dilution to SEK 12.70 (7.00).
- Cash flow from operating activities amounted to SEK 691 m (704).
- The Board of Directors proposes a dividend of SEK 5.20 (4.00) per share.

Key Figures	2022	2021	Change, %	2022	2021	Change, %
	Oct-Dec	Oct-Dec		Jan-Dec	Jan-Dec	
Net sales, SEK m	3,223	2,560	26	12,366	9,648	28
Adjusted <sup>1)</sup> operating profit, SEK m	244	311	-22	1,347	1,266	6
Operating profit, SEK m	244	311	-22	1,325	1,266	5
Adjusted <sup>1)</sup> operating margin, %	7.6	12.1	-	10.9	13.1	-
Operating margin, %	7.6	12.1	-	10.7	13.1	-
Profit for the period, SEK m	171	234	-27	974	958	2
Earnings per share after dilution, SEK	2.24	3.04	-26	12.70	12.50	2
<i>Comparable numbers include divested business:</i>						
Profit for the period, SEK m	171	221	-23	974	537	81
Earnings per share after dilution, SEK	2.24	2.87	-22	12.70	7.00	81
Cash flow from operating activities, SEK m	527	215	145	691	704	-2

<sup>1)</sup> Adjusted operating profit/operating margin does not include significant one-off items and restructuring costs. See 'Reconciliations' page 25.

## A word from the CEO



**Lindab met all financial targets in 2022. Sales exceeded SEK 12 billion for the first time, driven by both organic and acquired growth. The operating margin exceeded the target of 10 percent, despite high inflation and a slightly weaker market. Cash flow strengthened in the latter part of the year and Lindab's financial position is strong.**

### **Uncertain market outlook**

Lindab has been affected by fluctuations in raw material prices as we prioritise high delivery capacity and necessary safety stocks. In 2021, Lindab benefited from strong changes in material prices, which contributed to a high operating margin. In the fourth quarter of 2022, the effect was reversed and falling raw material prices put temporary pressure on the operating margin. Together with cost increases due to inflation, this led to an operating margin in the fourth quarter that was lower than desired.

New construction activity declined in the fourth quarter and market development in 2023 is difficult to predict. High inflation and rising interest rates are likely to lead to lower investments in new construction. There is, however, a possibility that the willingness to invest will increase when the interest rate situation stabilises.

We have a clear plan for how Lindab will continue to develop positively. We are implementing price adjustments and cost savings to ensure that Lindab delivers an operating margin that exceeds 10 percent per year, even in more challenging times.

***"Lindab met all financial targets in 2022."***

### **Increased dividend**

The record net profit, combined with Lindab's strong financial position, enables a proposal for an increased dividend of SEK 5.20 per share, an increase of 30 percent. It is essential for us to reward our shareholders while further developing Lindab.

### **Acquired companies are performing well**

In 2022, Lindab completed eight acquisitions. The acquired companies continue to develop very well within the Group. Acquisitions are an essential part of our strategy and we see good opportunities to make attractive future acquisitions. The ventilation market is fragmented and Lindab has a strong balance sheet.

### **Investments for increased efficiency**

The transformation that Lindab is undergoing aims to create a stable platform that will allow us to continue to develop in a positive direction. After the streamlining of the business in recent years the companies in the Group are well-managed and profitable.

The pace of new investments will slow down in the future as we have completed a large part of the program in recent years. We are seeing results in increased production efficiency, higher capacity and safer working environment. These are key areas in our long-term plan to build a sustainable Lindab with high profitability.

### **Scientifically based sustainability goals**

In early 2023, Lindab joined the Science Based Targets initiative. This means that we set science-based targets for our work to reduce greenhouse gas emissions. For us, sustainability is business-critical and an obvious customer requirement. Lindab is and will be the leader in climate-efficient ventilation solutions.

***"We have a clear plan for how Lindab will continue to develop positively."***

### **Focus on energy efficiency benefits Lindab**

We are positive about the prospects for both the industry and Lindab, even though there are challenges in the short-term. High energy prices are putting focus on energy-efficient ventilation, which will benefit Lindab. We expect a longer period of renovation of public and private properties in Europe. In new construction, the requirements for sustainable and energy-efficient buildings will increase further, also to the advantage of Lindab and our leading product range.

All in all, with our strong local presence, stable supply chain, attractive products and efficient organisation, Lindab has excellent possibilities to further develop in a positive direction. For 2023, the financial targets remain unchanged and I am determined that we will achieve them.

Greve, February 2023

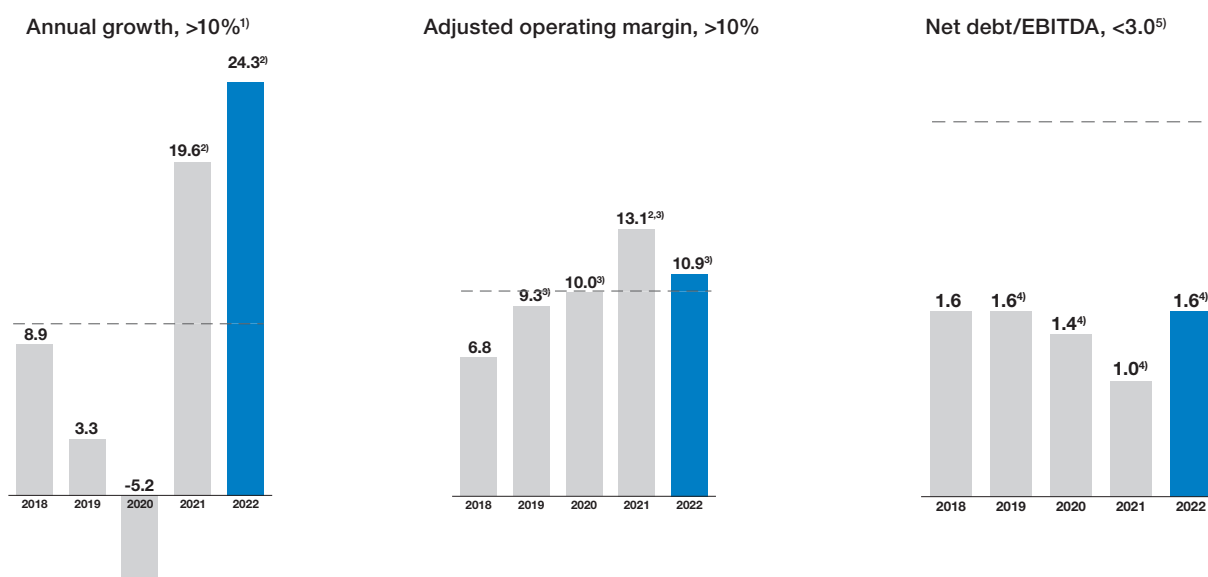
A handwritten signature in blue ink that reads "Ola Ringdahl".

Ola Ringdahl

President and CEO

## Financial targets

Lindab has financial targets for growth, profitability and net debt. During 2022 Lindab met all financial targets. For 2021, the outcome regarding annual growth and adjusted operating margin is reported excluding divested business, while net debt/EBITDA is reported including divested business.



1) Growth excluding currency effects.

2) The outcome for annual growth including divested business was 13.0 percent in 2022 and 18.5 percent in 2021. Adjusted operating margin including divested business was 12.2 percent in 2021.

3) Excluding the effect of implemented new accounting standard IFRS 16 Leases, operating margin amounted to 10.7 percent in 2022, 12.9 percent in 2021, 9.7 percent in 2020 and 9.0 percent in 2019.

4) Excluding the effect of implemented accounting standard IFRS 16 Leases, net debt to EBITDA amounted to 1.2 in 2022, 0.6 in 2021, 0.8 in 2020 and 1.0 in 2019.

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

## Lindab commits to Science Based Targets

**The Science Based Targets initiative is an international framework for science-based climate targets in line with the Paris Agreement's goal of limiting global warming to 1.5°C. With a commitment to Science Based Targets, Lindab sets even more precise goals for its long-term work to reduce the company's and its suppliers' greenhouse gas emissions.**

"Committing to Science Based Targets shows that we view sustainability as business critical. The Science Based Targets initiative is considered the most ambitious form of climate action a company can undertake, and setting third-party verified targets in line with the Paris Agreement will become an obvious customer requirement," says Ola Ringdahl, President and CEO of Lindab.

"Emissions from the production of steel account for an absolute majority of Lindab's total emissions, and we therefore have a close collaboration with steel manufacturers to support the development of fossil-free steel. The fact that we are signing this initiative today shows that we will push even further to enable the steelmakers to fulfil their ambitious plans."

The next step in the process is that Lindab will submit targets, including a long-term net-zero target, supported by data from its operations and value chain to the organisation behind Science Based Targets for external verification.

Science Based Targets initiative is a collaboration between CDP Disclosure Insight Action, the World Resources Institute, WWF and the UN's Global Compact. In addition to Science Based Targets initiative's evaluating and approving companies' goals, the initiative also wants to raise awareness about companies taking responsibility for limiting the effects of global warming. Today, more than 4,000 companies are registered by the Science Based Targets initiative.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

## Sales, profit and cash flow

### Sales and market

Net sales during the quarter amounted to SEK 3,223 m (2,560), an increase of 26 percent. Organic growth was 1 percent and currency effects amounted to 5 percent. Structural changes contributed positively by 20 percent.

Lindab reported continued high sales during the fourth quarter of 2022. The high turnover was mainly driven by structural growth, primarily positively affected from the acquisitions of Felderer, R-Vent, Muncholm and Liftasud. During 2022, Lindab has acquired strategically important businesses, with a total annual turnover of approximately SEK 1,900 m.

Sales growth varied between the segments during the quarter. Ventilation Systems reported positive organic growth, while Profile Systems had negative organic sales growth. The sales development for Ventilation Systems, was particularly strong in Western and Central Europe. Sales has mainly been positively affected by implemented price adjustments to customers and demand has continued to be relatively good for Lindab's products, despite the turbulent geopolitical situation. Profile Systems' negative sales trend was explained by the combination of relatively high comparison numbers for the segment and lower demand particularly in Central Europe.

Net sales for the period January-December amounted to SEK 12,366 m (9,648), an increase of 28 percent compared to the same period previous year. Organic sales growth was 11 percent and currency effects amounted to 4 percent. Structural changes contributed positively by 13 percent.

For information on net sales for discontinued operations related to Building Systems, see Note 6.

### Profit

Adjusted operating profit for the quarter amounted to SEK 244 m (311). No one-off items or restructuring costs were reported during the quarter or in the same period previous year. Adjusted operating margin amounted to 7.6 percent (12.1).

The change in adjusted operating profit was mainly explained by lower gross margin from inventory effects and increased energy and transport costs. The combination of these effects has not been fully compensated by implemented price increases to customers.

The gross margin during the quarter has also been affected by strategic measures to reduce inventory levels. In addition, acquired companies have entered Lindab with a lower average gross margin than Lindab as a whole.

Ventilation Systems' adjusted operating profit amounted to SEK 183 m (210) and Profile Systems amounted to SEK 79 m (118).

Profit for the quarter amounted to SEK 171 m (234). Earnings per share before dilution amounted to SEK 2.24 (3.05) and after dilution to SEK 2.24 (3.04).

Adjusted operating profit for the period January-December increased to SEK 1,347 m (1,266). Operating profit was adjusted with one-off items and restructuring costs of SEK -22 m (-), related to the divestment of the operations in Russia, see reconciliation page 25. Adjusted operating margin amounted to 10.9 percent (13.1).

Profit for the period January-December increased to SEK 974 m (958). Earnings per share before dilution increased to SEK 12.73 (12.53) and after dilution to SEK 12.70 (12.50).

For information about profit for discontinued operations, see Note 6.

### Seasonal variations

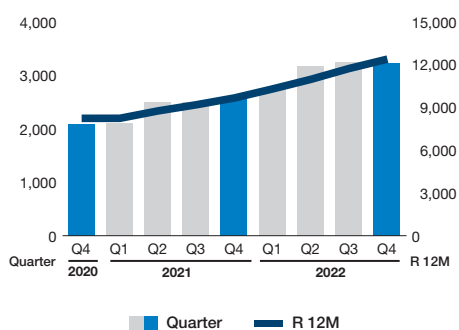
Lindab's business is affected by seasonal variations in the construction industry, and the highest proportion of net sales is normally seen during the second half of the year. The largest seasonal variations can be found in the segment Profile Systems. Ventilation products are mainly installed indoors which is why the Ventilation Systems segment is less dependent on season or weather conditions.

### Depreciation/amortisation and impairment losses

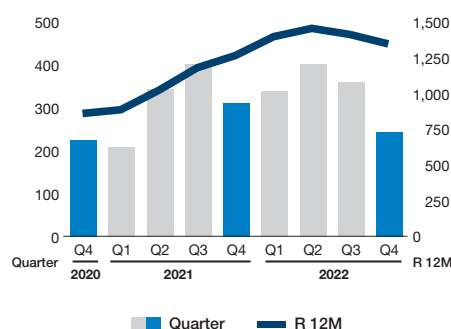
Depreciation and amortisation for the quarter amounted to SEK 135 m (106), of which SEK 13 m (10) was related to intangible assets and SEK 72 m (60) to the right-of-use assets attributable to rental and lease agreements. No impairment losses were reported during the quarter compared to SEK 1 m in the same period previous year.

For the period January-December depreciation and amortisation amounted to SEK 481 m (391), of which SEK 40 m (30) was related to intangible assets and SEK 259 m (215) to the right-of-use assets attributable to rental and lease agreements. Impairment

Net sales, SEK m



Adjusted operating profit, SEK m



## Sales, profit and cash flow (cont.)

losses during the period amounted to SEK 2 m (3). Impairment losses for the current year have been reported as other operating expenses in the consolidated statement of profit or loss and were classified as one-off items and restructuring costs.

For information about depreciation/amortisation and impairment losses for discontinued operations, see Note 6.

### Tax

Earnings before tax amounted to SEK 215 m (298) for the quarter and tax on profit amounted to SEK 44 m (64). The effective tax rate was 20 percent (22). The average tax rate amounted to 21 percent (21). The lower effective tax rate for the quarter, compared to the same period previous year, was mainly explained by a less significant effect from non-deductible cost/non-taxable income in the period. The slightly lower effective tax rate in the period compared to the average tax rate was mainly explained by the fact that Lindab was able to recognise carry-forward tax losses in order to reduce the total tax on profit.

Earnings before tax increased to SEK 1,238 m (1,223) for the period January-December and tax on profit amounted to SEK 264 m (265). The effective tax rate was 21 percent (22). The average tax rate amounted to 21 percent (20). The effective tax rate in previous year was negatively impacted by Lindab divested Building Systems, which led to the termination of the German tax union. Consequently, the Group revaluated deferred tax assets related to previously recognised carry-forward tax losses in Germany. The effective tax rate was in line with the average tax rate during the year.

For information on tax for discontinued operations, see Note 6.

### Cash flow (comparable numbers include divested business)

Cash flow before change in working capital amounted to SEK 269 m (325). The change was partly explained by the fact that the underlying operating profit, excluding discontinued operations, was slightly lower and amounted to SEK 244 m (311). The lower cash flow before change in working capital was also explained by the Group's settlement of tax and interest, a net change of SEK -39 m compared to the same quarter last year.

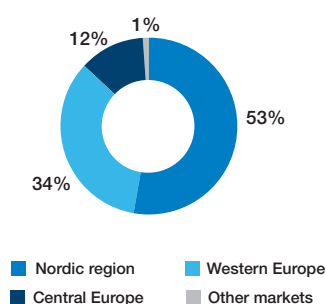
During the quarter, the change in working capital amounted to SEK 258 m (-110). The period's development was, among other things, related to lower capital tied up in stock. The cash flow development from operating receivables was mainly offset by the change in accounts payable. Compared with the same period of the previous year, the development of working capital has mainly the same explanations. Cash flow from operating activities increased to SEK 527 m (215) during the quarter.

Cash flow from financing activities amounted to SEK -462 m (-253) for the quarter. This included amortisation of SEK -72 m (-60) relating to leasing liabilities. Dividends to shareholders increased to SEK -153 m (-130). Other changes in financing activities were mainly related to changes in borrowing and utilisation of credit limits.

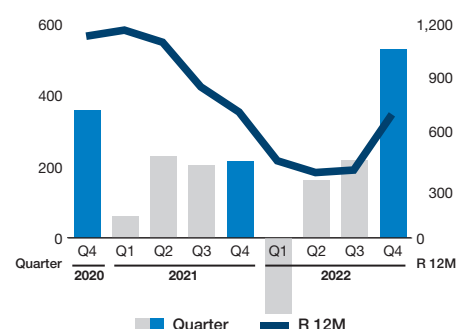
Cash flow before change in working capital for the period January-December increased to SEK 1,424 m (1,396). The improvement was mainly explained by the fact that the underlying operating profit, excluding discontinued operations, improved by SEK 59 m and amounted to SEK 1,325 m (1,266). The increase has been partially offset by the Group's regulation of tax and interest, a net change of SEK -140 m compared to the same period last year. The underlying operating profit included one-off items and restructuring costs corresponding to SEK -22 m, which was mainly not affecting cash flow. These items are related to the decided closure and later divestment of operations in Russia, see Note 3.

During the period January-December, the change in working capital amounted to SEK -733 m (-692). The period's development was primarily related to reduced operating liabilities and increased capital tied up in stock. The development was, among other things, attributable to the previous strategic decision to ensure access to raw materials and prioritise delivery performance, but also a consequence of high steel prices. Compared to the same period previous year, the development from working capital was primarily driven by less increase of capital tied up in stock and operating receivables, as well as reduced operating liabilities. The previous year's positive effect from operating liabilities was mainly

Net sales by region, last 12 months



Cash flow from operating activities, SEK m  
Comparable numbers include divested business



## Sales, profit and cash flow (cont.)

related to advances from customers from discontinued operations and the effect of raw material price development on accounts payable. Cash flow from operating activities amounted to SEK 691 m (704) for the period.

Cash flow from financing activities for the period January-December amounted to SEK 556 m (-319). This included amortisations of SEK -259 m (-233) related to leasing liabilities. Dividends to shareholders increased to SEK -306 m (-260). Other changes within financing activities were mainly related to changes in borrowing and utilisation of credit limits.

For information on cash flow per category for discontinued operations, see Note 6.

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

## Investments and financial position

### Investments (comparable numbers include divested business)

During the quarter, investments in intangible assets and tangible fixed assets amounted to SEK 82 m (105), of which SEK 17 m (12) were related to investments in intangible assets. Previous year included investments in intangible assets and tangible fixed assets of SEK 3 m related to discontinued operations.

Cash flow from investing activities, excluding business combinations, amounted net to SEK -81 m (-105) during the quarter. The cash flow included an effect from the sale of tangible fixed assets of SEK 1 m (0).

For the period January-December, investments in intangible assets and tangible fixed assets amounted to SEK 359 m (395), of which SEK 40 m (20) were related to investments in intangible assets. Previous year included investments in intangible assets and tangible fixed assets of SEK 12 m related to discontinued operations.

Cash flow from investing activities, excluding business combinations, amounted net to SEK -345 m (-385) during the period January-December. The cash flow included an effect from sale of intangible assets and tangible fixed assets of SEK 14 m (10), mainly related to sale of properties in Sweden.

### Business combinations

For information about business combinations in 2022, see Note 3.

### Financial position (comparable numbers include divested business)

Net debt amounted to SEK 3,310 m (1,696) as of December 31, 2022. The change in net debt is mainly related to increased borrowing as a result of acquisitions, higher leasing liabilities and increased capital tied up in stock.

The equity/assets ratio was 52 percent (55) and the net debt/equity ratio was 0.5 (0.3). Financial items for the quarter amounted to SEK -29 m (-13). The change is mainly related to higher interest expenses due to a larger net debt, in combination with higher interest rates.

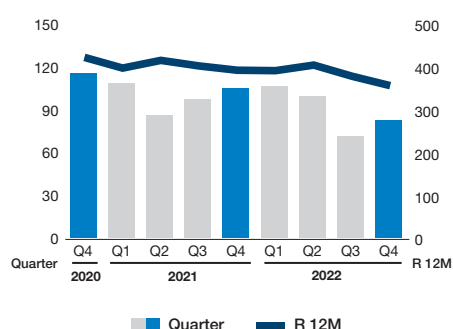
Financial net for the period January-December amounted to SEK -87 m (-43).

The existing credit limits of SEK 1,300 m with Nordea and Raiffeisen Bank International and EUR 70 m from Raiffeisen Bank International are valid until second quarter 2025. Lindab also has a credit limit SEK 1,000 m with Nordea which is valid until second quarter 2024. All agreements contain a covenant, which is monitored quarterly. Lindab fulfilled the conditions as of December 31, 2022.

### Pledged assets and contingent liabilities

Company and real estate mortgages amounting to SEK 20 m have been returned during the quarter. In other respects, no significant changes took place in pledged collateral and contingent liabilities.

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



### Investment program

- Lindab continues the investment program with the objective of achieving increased capacity, higher efficiency and a safer work environment and investment in renewable solar energy.
- During the quarter, continued investments were made in Ventilation Systems and Profile Systems. The largest projects concern automation of production lines in Grevie (SE), Förslöv (SE), Warsaw (PL) and extension of production facility in Uddevalla (SE).

## 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, Large Cap.

Net sales for the quarter amounted to SEK 2 m (1). Profit for the period amounted to SEK 38 m (18).

Net sales for the period January-December amounted to SEK 6 m (5). Profit for the period amounted to SEK 36 m (14).

### Significant risks and uncertainties

Significant risks and uncertainties are described in Lindab's Annual Report for 2021 under Risks and Risk Management (pages 69-72). In addition to Risks and Risk Management described, there are in 2022 also estimation uncertainty related to Russia's invasion of Ukraine, see Note 2.

### Employees

The number of employees, calculated as full-time equivalent employees, was 4,853 (4,549) at the end of the quarter. Adjusted for acquisitions and divestments, the net decrease was 131 employees compared with the same period previous year.

### Incentive program

Guidelines for remuneration of senior executives were most recently adopted at the Annual General Meeting in 2021. These guidelines shall be submitted for adoption at the Annual General Meeting at least each fourth year. According to adopted guidelines, the remuneration program for senior executives 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 previous resolution at the Annual General Meeting, a long-term incentive program has been implemented in 2022. 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 2022 to 2024 is estimated to SEK 14 m. Long-term incentive programs from 2020 respectively 2021 have essentially the same principles as the program for 2022 and these programs measuring period are 2020 to 2022 respectively 2021 to 2023.

### Share option program

At the Annual General Meeting in May 2022, 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, 229,050 share options have been subscribed during the second quarter and 9,000 share options during the third quarter 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 an exercise price of SEK 219.90. Acquisitions of shares supported by share options may take place after Lindab has published the Q2 interim report for the year 2025 and up until 31 August of the same year. At the Annual General Meeting in 2019, 2020 and

2021, respectively, there were also resolutions to implement share option programs for senior executives. During the third quarter of 2022, 175,000 externally owned share options in the 2019 share option program were used to acquire shares in accordance with the terms of the program. This resulted that 175,000 own shares in Lindab International AB were exchanged when the share options were redeemed. The share options were redeemed at an exercise price of SEK 120.00 per share. 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. From the 2021 share option program there are 183,950 outstanding share options with a subscription price of SEK 222.00 exercisable during summer 2024.

### Annual General Meeting

The Board of Directors has decided that the Annual General Meeting will be held on May 11, 2023. Notice to the meeting will be sent in due course.

### Dividend

Lindab's Board of Directors proposes that the Annual General Meeting on May 11, 2023 approves a dividend of SEK 5.20 per share. This is in accordance with the dividend policy of minimum 40 percent of Lindab's net profit. The proposed dividend corresponds to SEK 399 m. The Board of Directors intend to announce preliminary record date(s), at the latest in connection with the notice to the Annual General Meeting.

### Changes in the Management Team

In December, Jonas Arkestad, CFO at Lindab, announced his resignation. Jonas Arkestad will remain in his current position until a successor takes office or until May 2023 at the latest.

### Significant events during the reporting period

In December, Lindab decided to commit to Science Based Target with aim to contribute to reduced emission of greenhouse gases. The Science Based Target initiative is an international framework for science-based climate targets in line with the Paris Agreement's goal of limiting the global warming to 1.5°C.

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

### Significant events after the reporting period

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

### General information

Unless other indicated in this interim report, all statements refer to the Group. Figures in parentheses indicate the result of the same period previous year. Unless other stated, amounts are in SEK m.

The interim report has not 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

	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Net sales, SEK m	2,258	1,670	8,444	6,391
Net sales growth, %	35	16	32	13
Adjusted <sup>1)</sup> operating profit, SEK m	183	210	881	822
Adjusted <sup>1)</sup> operating margin, %	8.1	12.6	10.4	12.9
Number of employees by end of period	3,862	3,565	3,862	3,565

<sup>1)</sup> In the period January-December 2022, one-off items and restructuring costs of SEK -22 m (-) were recognised. No one-off items and restructuring costs were reported in the fourth quarter, see 'Reconciliations' page 25.

### Sales and market

Net sales during the quarter amounted to SEK 2,258 m (1,670), an increase of 35 percent. Organic growth was 4 percent and currency effects amounted to 6 percent. Structural changes contributed positively by 25 percent.

Ventilation Systems reported its highest quarter ever, in terms of sales, mainly driven by structural growth. The structural growth was primarily related to the acquisitions of Felderer, R-Vent and Liftasud. Organic growth and currency effects also contributed to the sales growth. The high turnover has been positively affected by the implemented price increases to compensate for higher energy, transport and material prices.

The organic sales growth within Ventilation Systems was positive during the quarter, despite the continued turbulent geopolitical situation in Europe. Sales increased in both Western and Central Europe, while sales in the Nordics were in line with the previous year.

In the Nordics, growth was positive in Denmark and Norway, while it declined in Finland. The region's largest market in terms of sales, Sweden, reported sales in line with the previous year. Of the larger core markets in Western Europe, the United Kingdom, France, Ireland and Switzerland all reported positive organic growth. Sales growth was strong in Central Europe, where all of the major markets, Poland, Hungary, the Czech Republic and Estonia, reported growth.

Net sales for the period January-December amounted to SEK 8,444 m (6,391), an increase of 32 percent compared with the same period previous year. Organic sales growth was

11 percent and currency effects amounted to 5 percent. Structural changes contributed positively by 16 percent.

### Profit

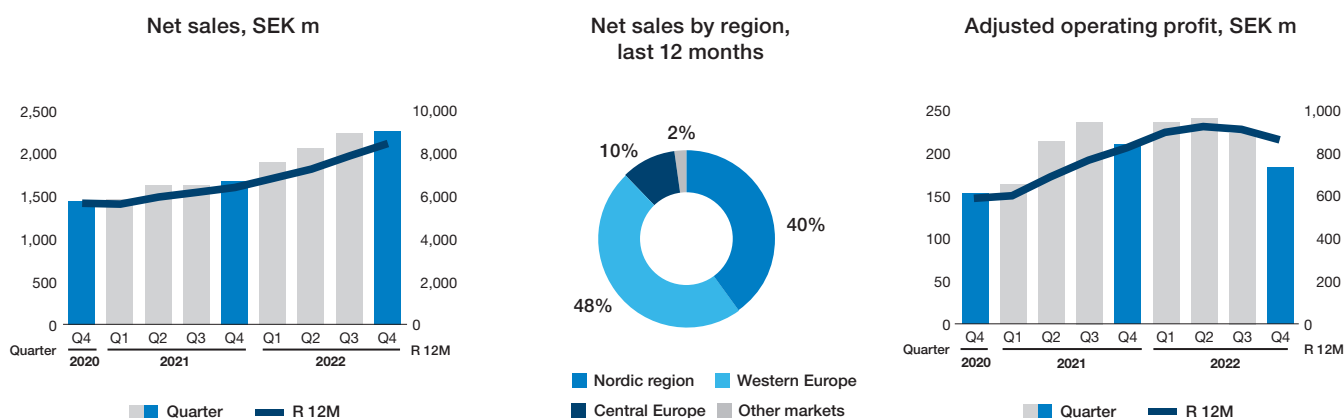
Ventilation Systems' adjusted operating profit during the quarter amounted to SEK 183 m (210). No one-off items or restructuring costs were reported during the quarter or in the same period previous year. Adjusted operating margin amounted to 8.1 percent (12.6).

The lower adjusted operating profit was mainly explained by a lower gross margin and increased costs. The lower gross margin is primarily a result of higher material costs which have not been fully compensated by implemented price increases to the customer. The increased costs have been affected, among other things, by high energy costs and general cost inflation compared to same period previous year. The gross margin during the quarter has also been affected by acquired companies which have entered Lindab with a lower average gross margin than Lindab as a whole.

Adjusted operating profit for the period January-December increased to SEK 881 m (822). Operating profit was adjusted with one-off items and restructuring costs of SEK -22 m (-), related to the divestment of the operations in Russia, see reconciliation page 25. Adjusted operating margin amounted to 10.4 percent (12.9).

### Activities

During the quarter, the air duct system Lindab Safe became part of the product range of the German acquisition Felderer. Felderer will thus offer a more comprehensive range of ventilation products for sustainable indoor climate through Lindab Safe.



## Segment – Profile Systems

### Key performance indicators

	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Net sales, SEK m	965	890	3,922	3,257
Net sales growth, %	8	39	20	27
Adjusted <sup>1)</sup> operating profit, SEK m	79	118	526	505
Adjusted <sup>1)</sup> operating margin, %	8.2	13.3	13.4	15.5
Number of employees by end of period	936	933	936	933

1) No one-off items or restructuring costs have been reported in 2022 or 2021.

### Sales and market

Net sales during the quarter amounted to SEK 965 m (890), an increase of 8 percent. Organic growth was negative with 4 percent while currency effects were positive by 2 percent. Structural changes contributed positively by 10 percent.

Profile Systems reported continued high turnover during the quarter, driven by structural growth and positive currency effects. Organic sales decreased somewhat as a result of lower sales in both the Nordics and Central Europe. The sales trend is affected by high comparison numbers and slightly lower demand.

The lower organic sales growth in the Nordics is explained by Sweden, which had significant deliveries of doors to a large logistics terminal in the same period previous year. The Swedish market also reported slightly lower sales of roof and wall products, while sales of individual construction projects and rainwater products remained at a high level. Of the other core markets, Norway reported strong growth, while Denmark had sales in line with previous year.

Several markets in Central Europe had high sales in the comparison period. The region has been affected by the uncertainty resulting from Russia's invasion of Ukraine. Larger construction projects have also been postponed as a result of high cost inflation and the uncertain global situation. This has resulted in lower sales in all Central European markets except Hungary.

Sales in Western Europe increased, but the impact was marginal as the region only represents a minor part of Profile Systems' total sales.

Net sales for the period January-December amounted to SEK

3,922 m (3,257), an increase of 20 percent compared with the same period previous year. Organic sales growth was 10 percent and currency effects amounted to 2 percent. Structural changes contributed positively by 8 percent.

### Profit

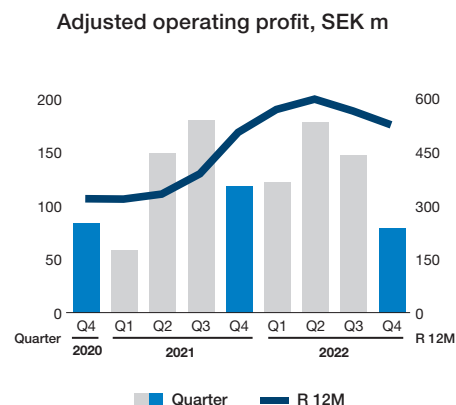
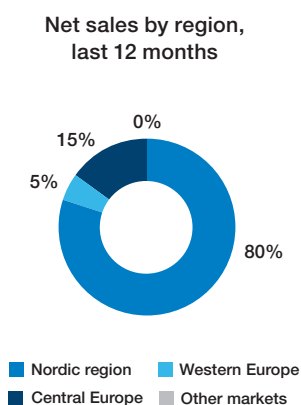
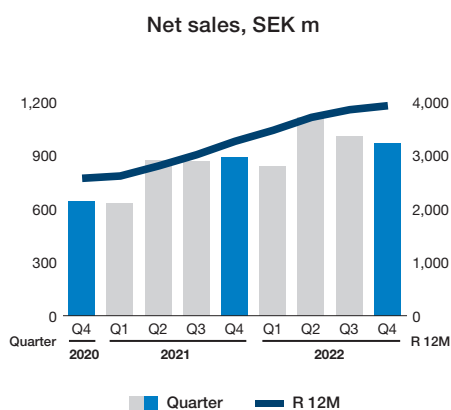
Profile Systems' adjusted operating profit during the quarter amounted to SEK 79 m (118). Adjusted operating margin amounted to 8.2 percent (13.3).

The lower adjusted operating profit was mainly explained by lower gross margin and increased costs, which was partially offset by positive effects from structural changes. The lower gross margin was a result of a changed product and customer mix, but also increased energy, transport and material prices. The gross margin during the quarter has also been affected by strategic measures to reduce inventory levels.

Adjusted operating profit for the period January-December increased to SEK 526 m (505). No one-off items or restructuring costs were reported during the quarter or in the same period previous year. Adjusted operating margin amounted to 13.4 percent (15.5).

### Activities

During the quarter, Lindab put special focus on the Swedish sheet metal market. Lindab Sweden strengthens the sheet metal offering and sales force. Initially, a number of key personnel are employed in the new organisation to further improve the offer to Lindab's customers and the level of service to tinsmiths.



## Net sales and segments

### Net sales and growth

SEK m	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Net sales	3,223	2,560	12,366	9,648
Change	663	478	2,718	1,428
Change, %	26	23	28	17
Of which				
Organic, %	1	20	11	17
Acquisitions/divestments, %	20	3	13	2
Currency effects, %	5	0	4	-2

### Net sales per segment and region

SEK m	2022 Oct-Dec		2021 Oct-Dec		2022 Jan-Dec		2021 Jan-Dec	
		%		%		%		%
<b>Ventilation Systems</b>	<b>2,258</b>	<b>70</b>	<b>1,670</b>	<b>65</b>	<b>8,444</b>	<b>68</b>	<b>6,391</b>	<b>66</b>
- Nordic Region	851	38	782	47	3,362	40	2,818	44
- Western Europe	1,166	51	661	40	4,032	48	2,681	42
- Central Europe	198	9	184	11	886	10	752	12
- Other markets	43	2	43	2	164	2	140	2
<b>Profile Systems</b>	<b>965</b>	<b>30</b>	<b>890</b>	<b>35</b>	<b>3,922</b>	<b>32</b>	<b>3,257</b>	<b>34</b>
- Nordic Region	773	80	688	77	3,148	80	2,478	76
- Western Europe	41	4	35	4	176	5	161	5
- Central Europe	149	16	159	18	585	15	599	18
- Other markets	2	0	8	1	13	0	19	1
<b>Total</b>	<b>3,223</b>	<b>100</b>	<b>2,560</b>	<b>100</b>	<b>12,366</b>	<b>100</b>	<b>9,648</b>	<b>100</b>
- Nordic Region	1,624	50	1,470	58	6,510	53	5,296	55
- Western Europe	1,207	38	696	27	4,208	34	2,842	29
- Central Europe	347	11	343	13	1,471	12	1,351	14
- Other markets	45	1	51	2	177	1	159	2
<b>Gross internal sales all segments</b>	<b>23</b>		<b>10</b>		<b>46</b>		<b>36</b>	

### Operating profit, operating margin and earnings before tax<sup>1)</sup>

SEK m	2022 Oct-Dec		2021 Oct-Dec		2022 Jan-Dec		2021 Jan-Dec	
		%		%		%		%
Ventilation Systems	183	8.1	210	12.6	881	10.4	822	12.9
Profile Systems	79	8.2	118	13.3	526	13.4	505	15.5
Other operations	-18	-	-17	-	-60	-	-61	-
<b>Adjusted operating profit</b>	<b>244</b>	<b>7.6</b>	<b>311</b>	<b>12.1</b>	<b>1,347</b>	<b>10.9</b>	<b>1,266</b>	<b>13.1</b>
One-off items and restructuring costs <sup>2)</sup>	-	-	-	-	-22	-	-	-
<b>Operating profit</b>	<b>244</b>	<b>7.6</b>	<b>311</b>	<b>12.1</b>	<b>1,325</b>	<b>10.7</b>	<b>1,266</b>	<b>13.1</b>
Net financial items	-29	-	-13	-	-87	-	-43	-
<b>Earnings before tax</b>	<b>215</b>	<b>6.7</b>	<b>298</b>	<b>11.6</b>	<b>1,238</b>	<b>10.0</b>	<b>1,223</b>	<b>12.7</b>

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

2) One-off items and restructuring costs are described in 'Reconciliations' page 25.

### Number of employees by end of period

	2022 Oct-Dec		2021 Oct-Dec		2022 Jan-Dec		2021 Jan-Dec	
		%		%		%		%
Ventilation Systems	3,862	80	3,565	78	3,862	80	3,565	78
Profile Systems	936	19	933	21	936	19	933	21
Other operations	55	1	51	1	55	1	51	1
<b>Total</b>	<b>4,853</b>	<b>100</b>	<b>4,549</b>	<b>100</b>	<b>4,853</b>	<b>100</b>	<b>4,549</b>	<b>100</b>

## Consolidated statement of profit or loss

SEK m	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Net sales	3,223	2,560	12,366	9,648
Cost of goods sold	-2,386	-1,798	-8,908	-6,700
<b>Gross profit</b>	<b>837</b>	<b>762</b>	<b>3,458</b>	<b>2,948</b>
Other operating income	26	41	115	73
Selling expenses	-375	-301	-1,338	-1,114
Administrative expenses	-192	-141	-659	-512
R&D expenses	-17	-14	-61	-53
Other operating expenses	-35	-36	-190	-76
<b>Total operating expenses</b>	<b>-593</b>	<b>-451</b>	<b>-2,133</b>	<b>-1,682</b>
<b>Operating profit<sup>1)</sup></b>	<b>244</b>	<b>311</b>	<b>1,325</b>	<b>1,266</b>
Interest income	2	0	5	3
Interest expenses	-33	-10	-82	-39
Other financial income and expenses	2	-3	-10	-7
<b>Financial items</b>	<b>-29</b>	<b>-13</b>	<b>-87</b>	<b>-43</b>
<b>Earnings before tax</b>	<b>215</b>	<b>298</b>	<b>1,238</b>	<b>1,223</b>
Tax on profit for the period	-44	-64	-264	-265
<b>Profit for the period, continuing operations</b>	<b>171</b>	<b>234</b>	<b>974</b>	<b>958</b>
<b>Discontinued operations</b>				
Profit/loss for the period from discontinued operations, net after tax	-	-13	-	-421
<b>Profit/loss for the period, discontinued operations</b>	<b>-</b>	<b>-13</b>	<b>-</b>	<b>-421</b>
<b>Total operations</b>				
<b>Profit/loss for the period, total operations</b>	<b>171</b>	<b>221</b>	<b>974</b>	<b>537</b>
–attributable to the Parent company's shareholders	171	221	974	537
–attributable to non-controlling interests	-	-	-	0
<b>Earnings per share, before dilution, SEK<sup>2)</sup></b>	<b>2.24</b>	<b>2.88</b>	<b>12.73</b>	<b>7.02</b>
–of which relates to continuing operations	2.24	3.05	12.73	12.53
<b>Earnings per share, after dilution, SEK<sup>2)</sup></b>	<b>2.24</b>	<b>2.87</b>	<b>12.70</b>	<b>7.00</b>
–of which relates to continuing operations	2.24	3.04	12.70	12.50

1) One-off items and restructuring costs, which are included in operating profit, are described in 'Reconciliations' on page 25.

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

## Consolidated statement of comprehensive income

SEK m	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
<b>Profit for the period, total operations</b>	<b>171</b>	<b>221</b>	<b>974</b>	<b>537</b>
<b>Items that will not be reclassified to the statement of profit or loss</b>				
Actuarial gains/losses, defined benefit plans	-23	-1	80	5
Deferred tax attributable to defined benefit plans	5	1	-16	0
<b>Total</b>	<b>-18</b>	<b>0</b>	<b>64</b>	<b>5</b>
<b>Items that will later be reclassified to the statement of profit or loss</b>				
Translation differences, foreign operations	124	27	402	148
Hedges of net investments	-7	57	-74	37
Tax attributable to hedges of net investments	1	-13	15	-8
<b>Total</b>	<b>118</b>	<b>71</b>	<b>343</b>	<b>177</b>
<b>Other comprehensive income, net of tax</b>	<b>100</b>	<b>71</b>	<b>407</b>	<b>182</b>
<b>Total comprehensive income</b>	<b>271</b>	<b>292</b>	<b>1,381</b>	<b>719</b>
–attributable to the Parent company's shareholders	271	292	1,381	719
–attributable to non-controlling interests	-	-	-	0

## Consolidated statement of cash flow

<i>SEK m</i>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Oct-Dec</b>	<b>Oct-Dec</b>	<b>Jan-Dec</b>	<b>Jan-Dec</b>
<b>OPERATING ACTIVITIES</b>				
Operating profit	244	311	1,325	1,266
Operating profit, discontinued operations <sup>1)</sup>	-	-25	-	-425
Reversal of depreciation/amortisation and impairment losses	135	107	483	804
Reversal of capital gains (-)/losses (+) reported in operating profit	0	0	-5	-3
Provisions, not affecting cash flow	-1	5	18	8
Adjustment for other items not affecting cash flow	2	-1	-9	-6
<b>Total</b>	<b>380</b>	<b>397</b>	<b>1,812</b>	<b>1,644</b>
Interest received	1	1	4	8
Interest paid	-33	-20	-84	-52
Tax paid	-79	-53	-308	-204
<b>Cash flow from operating activities before change in working capital</b>	<b>269</b>	<b>325</b>	<b>1,424</b>	<b>1,396</b>
<b>Change in working capital</b>				
Stock (increase -/decrease +)	261	-276	-352	-823
Operating receivables (increase -/decrease +)	463	234	-13	-492
Operating liabilities (increase +/decrease -)	-466	-68	-368	623
<i>Total change in working capital</i>	<i>258</i>	<i>-110</i>	<i>-733</i>	<i>-692</i>
<b>Cash flow from operating activities</b>	<b>527</b>	<b>215</b>	<b>691</b>	<b>704</b>
<b>INVESTING ACTIVITIES</b>				
Acquisition of Group-/associated companies	-	-67	-983	-178
Divestment of Group companies	-	159	-12	159
Investments in intangible assets	-17	-12	-40	-20
Investments in tangible fixed assets	-65	-93	-319	-375
Change in financial fixed assets	0	0	0	0
Disposal of intangible assets	-	-	-	1
Disposal of tangible fixed assets	1	0	14	9
<b>Cash flow from investing activities</b>	<b>-81</b>	<b>-13</b>	<b>-1,340</b>	<b>-404</b>
<b>FINANCING ACTIVITIES</b>				
Proceeds from borrowings	-	-	1,332	224
Repayment of borrowings	-237	-63	-237	-63
Repayment of leasing-related liabilities	-72	-60	-259	-233
Issue of share options/shares	-	-	26	13
Dividend to shareholders	-153	-130	-306	-260
<b>Cash flow from financing activities</b>	<b>-462</b>	<b>-253</b>	<b>556</b>	<b>-319</b>
<b>Cash flow for the period</b>	<b>-16</b>	<b>-51</b>	<b>-93</b>	<b>-19</b>
Cash and cash equivalents at start of the period	495	597	542	541
Effect of exchange rate changes on cash and cash equivalents	2	-4	32	20
<b>Cash and cash equivalents at end of the period</b>	<b>481</b>	<b>542</b>	<b>481</b>	<b>542</b>

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

## Consolidated statement of financial position

<i>SEK m</i>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	3,967	3,014
Other intangible assets	282	101
Tangible fixed assets	2,014	1,679
Right-of-use assets	1,156	869
Financial interest-bearing assets	25	28
Other financial fixed assets	27	26
Deferred tax assets	36	82
<b>Total non-current assets</b>	<b>7,507</b>	<b>5,799</b>
<b>Current assets</b>		
Stock	2,752	2,090
Accounts receivable	1,951	1,602
Other current assets	262	268
Other interest-bearing receivables	4	4
Cash and cash equivalents	481	542
<b>Total current assets</b>	<b>5,450</b>	<b>4,506</b>
<b>TOTAL ASSETS</b>	<b>12,957</b>	<b>10,305</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
Shareholders' equity attributable to Parent company shareholders	6,751	5,650
<b>Total shareholders' equity</b>	<b>6,751</b>	<b>5,650</b>
<b>Non-current liabilities</b>		
Interest-bearing provisions for pensions and similar obligations	217	270
Liabilities to credit institutions	2,349	1,110
Lease liabilities	930	643
Deferred tax liabilities	150	107
Provisions	7	5
Other non-current liabilities	41	7
<b>Total non-current liabilities</b>	<b>3,694</b>	<b>2,142</b>
<b>Current liabilities</b>		
Other interest-bearing liabilities	42	14
Lease liabilities	282	233
Provisions	11	18
Accounts payable	974	1,062
Other current liabilities	1,203	1,186
<b>Total current liabilities</b>	<b>2,512</b>	<b>2,513</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>12,957</b>	<b>10,305</b>

## 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			
<b>Closing balance, 31 December 2020</b>	<b>79</b>	<b>2,262</b>	<b>3</b>	<b>2,834</b>	<b>5,178</b>	<b>0</b>	<b>5,178</b>
Profit for the period				537	537	0	537
Other comprehensive income, net of tax							
Actuarial gains/losses, defined benefit plans				5	5	-	5
Translation differences, foreign operations			148		148	0	148
Hedges of net investments			29		29	-	29
<i>Total comprehensive income</i>	-	-	177	542	719	0	719
Issuance of shares	0	10			10	-	10
Issuance of share options				3	3	-	3
Dividends to shareholders				-260	-260	-	-260
<i>Transactions with shareholders</i>	<i>0</i>	<i>10</i>	<i>-</i>	<i>-257</i>	<i>-247</i>	<i>-</i>	<i>-247</i>
<b>Closing balance, 31 December 2021</b>	<b>79</b>	<b>2,272</b>	<b>180</b>	<b>3,119</b>	<b>5,650</b>	<b>-</b>	<b>5,650</b>
Profit for the period				974	974	-	974
Other comprehensive income, net of tax							
Actuarial gains/losses, defined benefit plans				64	64	-	64
Translation differences, foreign operations			402		402	-	402
Hedges of net investments			-59		-59	-	-59
<i>Total comprehensive income</i>	<i>-</i>	<i>-</i>	<i>343</i>	<i>1,038</i>	<i>1,381</i>	<i>-</i>	<i>1,381</i>
Issuance/redemption of share options				26	26	-	26
Dividends to shareholders				-306	-306	-	-306
<i>Transactions with shareholders</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-280</i>	<i>-280</i>	<i>-</i>	<i>-280</i>
<b>Closing balance, 31 December 2022</b>	<b>79</b>	<b>2,272</b>	<b>523</b>	<b>3,877</b>	<b>6,751</b>	<b>-</b>	<b>6,751</b>

### Share capital

At December 31, 2022, the share capital equalled SEK 78,842,820 (78,842,820) divided among 78,842,820 (78,842,820) shares with a quota value of SEK 1.00. Lindab International AB (publ) holds 2,200,838 (2,375,838) treasury shares, corresponding to 2.8 (3.0) percent of the total number of Lindab shares. The number of outstanding shares totals 76,641,982 (76,466,982).

# Parent company

## Statement of profit or loss

<i>SEK m</i>	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Net sales	2	1	6	5
Administrative expenses	-2	-2	-9	-8
<b>Operating profit</b>	<b>0</b>	<b>-1</b>	<b>-3</b>	<b>-3</b>
Profit from subsidiaries	55	25	62	25
Interest expenses, internal	-7	-2	-15	-5
<b>Earnings before tax</b>	<b>48</b>	<b>22</b>	<b>44</b>	<b>17</b>
Tax on profit for the period	-10	-4	-8	-3
<b>Profit or loss for the period<sup>1)</sup></b>	<b>38</b>	<b>18</b>	<b>36</b>	<b>14</b>

1) Comprehensive income corresponds to profit for all periods.

## Statement of financial position

<i>SEK m</i>	31 Dec 2022	31 Dec 2021
<b>ASSETS</b>		
<b>Non-current assets</b>		
<i>Financial fixed assets</i>		
Shares in Group companies	3,467	3,467
Financial interest-bearing fixed assets	5	5
Deferred tax assets	1	1
<b>Total non-current assets</b>	<b>3,473</b>	<b>3,473</b>
<b>Current assets</b>		
Receivables from Group companies	55	26
Cash and cash equivalents	0	0
<b>Total current assets</b>	<b>55</b>	<b>26</b>
<b>TOTAL ASSETS</b>	<b>3,528</b>	<b>3,499</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
<i>Restricted shareholders' equity</i>		
Share capital	79	79
Statutory reserve	708	708
<i>Unrestricted shareholders' equity</i>		
Share premium reserve	90	90
Profit brought forward	1,716	1,982
Profit/loss for the period	36	14
<b>Total shareholders' equity</b>	<b>2,629</b>	<b>2,873</b>
<b>Provisions</b>		
Interest-bearing provisions	5	5
<b>Total provisions</b>	<b>5</b>	<b>5</b>
<b>Current liabilities</b>		
Liabilities to Group companies	886	615
Current tax liability	6	4
Accrued expenses and deferred income	2	2
<b>Total current liabilities</b>	<b>894</b>	<b>621</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>3,528</b>	<b>3,499</b>



## Key performance indicators

SEK m	2022				2021				2020
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec
Net sales	3,223	3,239	3,171	2,733	2,560	2,488	2,501	2,099	2,082
Growth, %	26	30	27	30	23	21	26	0	-5
of which organic	1	7	14	23	20	19	28	3	-2
of which acquisitions/divestments	20	20	10	3	3	3	2	1	1
of which currency effects	5	3	3	4	0	-1	-4	-4	-4
Operating profit before depreciation/amortisation and impairment losses	379	486	514	429	418	500	440	302	316
Operating profit	244	358	402	321	311	403	344	208	225
Adjusted operating profit	244	361	402	340	311	403	344	208	225
Earnings before tax	215	335	381	307	298	394	333	198	216
Profit for the period	171	267	300	236	234	299	268	157	169
Operating margin, %	7.6	11.1	12.7	11.7	12.1	16.2	13.8	9.9	10.8
Adjusted operating margin, %	7.6	11.1	12.7	12.4	12.1	16.2	13.8	9.9	10.8
Profit margin before tax, %	6.7	10.3	12.0	11.2	11.6	15.8	13.3	9.4	10.4
<b>Comparable numbers including divested business</b>									
Net sales	3,223	3,239	3,171	2,733	2,846	2,778	2,747	2,248	2,314
Growth, %	13	17	15	22	23	21	24	-4	-8
of which organic	1	7	13	21	20	20	26	0	-4
of which acquisitions/divestments	8	7	0	-3	3	2	2	1	1
of which currency effects	4	3	2	4	0	-1	-4	-5	-5
Operating profit before depreciation/amortisation and impairment losses	379	486	514	429	393	494	462	297	350
Operating profit	244	358	402	321	286	6	356	193	248
Adjusted operating profit	244	361	402	340	324	424	356	193	248
Earnings before tax	215	335	381	307	275	-2	346	183	239
Profit for the period	171	267	300	236	221	-102	278	140	186
Operating margin, %	7.6	11.1	12.7	11.7	10.0	0.2	13.0	8.6	10.7
Adjusted operating margin, %	7.6	11.1	12.7	12.4	11.4	15.3	13.0	8.6	10.7
Profit margin before tax, %	6.7	10.3	12.0	11.2	9.7	-0.1	12.6	8.1	10.3
<b>Comparable numbers including divested business</b>									
Cash flow from operating activities	527	216	161	-213	215	202	227	60	356
Cash flow from operating activities per share, SEK	6.88	2.82	2.11	-2.79	2.82	2.64	2.97	0.79	4.66
Free cash flow	446	-139	-564	-392	202	8	135	-45	107
Adjusted free cash flow	446	156	63	-319	110	107	147	-45	241
Cash flow, investments in intangible assets/tangible fixed assets	-82	-72	-99	-106	-105	-97	-86	-107	-115
<b>Total operations<sup>1)</sup></b>									
Number of shares outstanding, thousands	76,642	76,642	76,467	76,467	76,467	76,467	76,357	76,357	76,357
Average number of shares outstanding, thousands	76,552	76,508	76,451	76,423	76,396	76,368	76,353	76,347	76,357
Earnings per share, before dilution, SEK	2.24	3.48	3.92	3.09	2.88	-1.33	3.64	1.83	2.43
Earnings per share, after dilution, SEK	2.24	3.47	3.91	3.08	2.87	-1.34	3.64	1.83	2.43
Shareholders' equity attributable to Parent company shareholders	6,751	6,480	6,087	5,932	5,650	5,358	5,440	5,423	5,178
Shareholders' equity attributable to non-controlling interests	-	-	-	-	-	-	0	0	0
Shareholders' equity per share, SEK	88.08	84.54	79.61	77.58	73.89	70.07	71.24	71.02	67.82
Net debt	3,310	3,390	3,169	2,155	1,696	1,836	1,777	1,759	1,640
Adjusted net debt	2,098	2,274	2,069	1,305	820	864	806	772	663
Net debt/equity ratio, times	0.5	0.5	0.5	0.4	0.3	0.3	0.3	0.3	0.3
Equity/asset ratio, %	52.1	48.2	48.1	53.8	54.8	49.8	51.8	53.8	55.1
Return on equity, %	15.8	17.3	11.5	11.4	9.9	9.5	15.3	11.5	11.6
Return on capital employed, %	14.1	15.5	12.3	12.3	11.0	10.6	14.1	11.4	11.5
Interest coverage ratio, times	7.7	16.6	27.0	24.9	26.7	0.8	34.8	18.4	23.2
Net debt/EBITDA, excl. one-off items and restructuring costs	1.6	1.3	1.1	1.0	1.0	1.1	1.2	1.3	1.4
Number of employees by end of period	4,853	5,012	4,920	4,579	4,549	5,182	5,187	5,098	5,078
of which employees in discontinued operations	-	-	-	-	-	683	680	685	692

1) Key figures for periods earlier than 2022 include divested business (Building Systems), which results in that key figures for rolling 12 months in 2022 are calculated on both outcomes, including and excluding divested business.

## Key performance indicators (cont.)

SEK m	2022	2021	2020	2019
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
Net sales	12,366	9,648	8,220	8,512
Growth, %	28	17	-3	3
of which organic	11	17	-2	1
of which acquisitions/divestments	13	2	0	0
of which currency effects	4	-2	-1	2
Operating profit before depreciation/amortisation and impairment losses	1,808	1,660	1,185	1,183
Operating profit	1,325	1,266	790	830
Adjusted operating profit	1,347	1,266	860	830
Earnings before tax	1,238	1,223	752	778
Profit for the period	974	958	554	593
Operating margin, %	10.7	13.1	9.6	9.8
Adjusted operating margin, %	10.9	13.1	10.5	9.8
Profit margin before tax, %	10.0	12.7	9.1	9.1
<b>Key performance indicators including divested business<sup>1)</sup></b>				
Net sales	12,366	10,619	9,166	9,872
Growth, %	16	16	-7	6
of which organic	10	17	-6	3
of which acquisitions/divestments	3	2	1	0
of which currency effects	3	-3	-2	3
Operating profit before depreciation/amortisation and impairment losses	1,808	1,645	1,284	1,315
Operating profit	1,325	841	846	915
Adjusted operating profit	1,347	1,297	916	915
Earnings before tax	1,238	802	811	881
Profit for the period	974	537	596	678
Operating margin, %	10.7	7.9	9.2	9.3
Adjusted operating margin, %	10.9	12.2	10.0	9.3
Profit margin before tax, %	10.0	7.6	8.8	8.9
<b>Key performance indicators including divested business<sup>1)</sup></b>				
Cash flow from operating activities	691	704	1,129	1,017
Cash flow from operating activities per share, SEK	9.03	9.22	14.79	13.32
Free cash flow	-649	300	466	717
Adjusted free cash flow	346	319	709	751
Cash flow, investments in intangible assets/tangible fixed assets	-359	-395	-425	-278
<b>Key performance indicators including divested business<sup>1)</sup></b>				
Number of shares outstanding, thousands	76,642	76,467	76,357	76,332
Average number of shares outstanding, thousands	76,552	76,396	76,340	76,332
Earnings per share, before dilution, SEK	12.73	7.02	7.80	8.89
Earnings per share, after dilution, SEK	12.70	7.00	7.80	8.89
Dividend per share, SEK	5.20 <sup>2)</sup>	4.00	3.40	1.75
Shareholders' equity attributable to Parent company shareholders	6,751	5,650	5,178	5,027
Shareholders' equity attributable to non-controlling interests	-	-	0	-
Shareholders' equity per share, SEK	88.08	73.89	67.82	65.86
Net debt	3,310	1,696	1,640	1,771
Adjusted net debt	2,098	820	663	732
Net debt/equity ratio, times	0.5	0.3	0.3	0.4
Equity/asset ratio, %	52.1	54.8	55.1	53.3
Return on equity, %	15.8	9.9	11.6	14.3
Return on capital employed, %	14.1	11.0	11.5	13.6
Interest coverage ratio, times	16.2	20.0	19.0	18.8
Net debt/EBITDA, excl. one-off items and restructuring costs	1.6	1.0	1.4	1.6
Number of employees by end of period	4,853	4,549	5,078	5,196
of which employees in discontinued operations	-	-	692	727

1) Corresponding definitions of total operations, i.e. Ventilation Systems, Profile Systems and divested business (Building Systems).

2) Proposed dividend for 2022.

# Notes

## NOTE 1 – ACCOUNTING POLICIES

The consolidated accounts for the interim report have, similar to the annual consolidated accounts for 2021, 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 2021.

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 p. 16A *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 2021.

## NOTE 2 – EFFECTS OF CHANGES IN ACCOUNTING ESTIMATES AND JUDGEMENTS

Significant estimates and judgements are described in Note 4 in the Annual Report for 2021. In addition to estimates and judgements described, there are in 2022 also estimates uncertainty related to Russia's invasion of Ukraine. The military invasion of Ukraine, that Russia initiated in February 2022, has created an uncertain situation in the world. Lindab does not have any business in Ukraine or Belarus and after the divestment of the business in Russia during the third quarter (see Note 3), Lindab no longer has any operations in Russia. In the beginning of 2022, the three mentioned countries accounted for approximately 0.5 percent of the Group's sales.

Even if Lindab completed the exit from Russia, there are still macroeconomic factors which can affect the Group as a result of Russia's war against Ukraine. The development of the conflict is closely monitored by Lindab and the Group continuously evaluates different scenarios in order to be able to adapt its operations to prevailing circumstances. With exception of the added significant estimates and judgements related to Russia's war against Ukraine, no essential changes, which could have a material impact on this interim report, have been made to what is described in the Annual Report.

## NOTE 3 – BUSINESS COMBINATIONS

### Liftasud SAS and SRA Liftasud SAS

On September 13, 2022, Lindab acquired all shares and voting rights of the French companies Liftasud SAS and SRA Liftasud SAS. The companies are well-known distributors of ventilation products such as ventilation ducts, silencers, thermal insulation, air conditioning and heating systems. Within the business there is also expertise in noise reduction, a product area that is growing in importance within the offer of good indoor environment. With the acquisition, Lindab strengthens its presence on the French market, primarily in the Paris area, as well as expanding access to expertise in noise reduction for ventilation systems. The companies are registered in Torcy, France. Together the companies have annual sales of approximately SEK 250 m and an operating margin that is lower than the Lindab Group's operating margin. The companies have 55 employees.

The purchase consideration of Liftasud SAS and SRA Liftasud SAS was mainly settled at time of acquisition. Transaction related costs amounted to SEK 2 m and these are recognised as other operating expenses.

According to final purchase price allocation analysis, the acquisition resulted in a goodwill. This goodwill is, among other things, related to that Lindab strengthened its position considerably on the French market. The Group also receive solid expertise in noise reduction of ventilation systems and local expertise, which are important factors for continued growth. Identified intangible assets are mainly related to customer relations and the trademark Liftasud.

Liftasud SAS and SRA Liftasud SAS are consolidated in Lindab as of September 13, 2022. The acquisition has an immaterial impact on the consolidated statement of profit or loss for the current year. If the acquisition had been implemented as of January 1, 2022, the Group's net sales would have increased by SEK 276 m. The companies are part of the Ventilation Systems segment.

### Disys Technologies Ltd.

On September 5, 2022, Lindab acquired all shares and voting rights of the British company Disys Technologies Ltd. The company is specialised on advanced fire protection technology and has developed control systems for real time monitoring of fire and smoke dampers in ventilation systems. The company also offers maintenance of fire protection products in ventilation systems. With the acquisition, Lindab further strengthens its product portfolio in fire safety products and creates a complete ventilation offer on the British market, with regard to fire safety concerning products, control systems and maintenance. Disys Technologies Ltd. is registered in Llanelli, United Kingdom. The company has annual sales of approximately SEK 18 m and an operating margin higher than the Lindab Group's operating margin. The company has 10 employees.

## Notes (cont.)

The purchase consideration of Disys Technologies Ltd. was settled at time of acquisition. Transaction related costs amounted to SEK 1 m and these are recognised as other operating expenses.

According to final purchase price allocation analysis, the acquisition resulted in a goodwill. This goodwill is, among other things, related to that Lindab creates a complete ventilation offer for fire safety in the United Kingdom and thereby obtain a strengthened position on the British market. The acquisition is also expected to bring synergies since the Group's current product portfolio can be well integrated with the acquired company's technologies. Identified intangible assets are mainly related to customer relations and technology.

Disys Technologies Ltd. is consolidated in Lindab as of September 5, 2022. The acquisition has an immaterial impact on the consolidated statement of profit or loss for the current year. If the acquisition had been implemented as of January 1, 2022, the Group's net sales would have increased by SEK 16 m. The company is part of the Ventilation Systems segment.

### Lindab LLC

On July 22, 2022, Lindab signed an agreement to divest all shares and voting rights of the Russian company Lindab LLC to the local management in the company. The divestment was officially registered on August 1 and the ownership was transferred to the counterpart. Lindab's operations in Russia has thereby ended. Lindab decided during the first quarter of the year to end its presence in Russia and thus close Lindab LLC, which resulted in one-off items and restructuring costs of SEK -19 m. Total one-off items and restructuring costs final amounted to SEK -22 m. One-off items and restructuring costs are mainly not affecting cash flow. The divestment resulted in a negative cash flow effect for the Group of SEK -12 m. Lindab LLC has for 2022, until the time of divestment, reported sales corresponding to SEK 30 m and had 30 employees at the time of divestment. The company was part of the Ventilation System segment. After the divestment the company continues under a different name.

### Giroventilation AB

On July 15, 2022, Lindab acquired all shares and voting rights of the Swedish company Giroventilation AB. The company is a well-established manufacturers of rectangular ventilation ducts and has solid knowledge within ventilation construction. With the acquisition, Lindab strengthens both sales and production of rectangular ventilation ducts, primarily in the Stockholm region. Giroventilation AB is registered in Stockholm, Sweden. The company has annual sales of approximately SEK 55 m and an operating margin higher than the Lindab Group's operating margin. The company has 31 employees.

The purchase consideration of Giroventilation AB was mainly settled at time of acquisition. Transaction related costs amounted to SEK 1 m and these are recognised as other operating expenses.

According to final purchase price allocation analysis, the acquisition resulted in a goodwill. This goodwill is, among other

things, related to that Lindab strengthens the market position within rectangular ventilation ducts in the Stockholm area, gains additional competence in rectangular ventilation construction and is expected to obtain synergies in relation to previous acquisition in the region. Identified intangible asset is related to the trademark Giroventilation.

Giroventilation AB is consolidated in Lindab as of July 15, 2022.

The acquisition has an immaterial impact on the consolidated statement of profit or loss for the current year. If the acquisition had been implemented as of January 1, 2022, the Group's net sales would have increased by SEK 58 m. The company is part of the Ventilation Systems segment.

### Muncholm A/S

On July 6, 2022, Lindab finalised the acquisition of all shares and voting rights of the Danish company Muncholm A/S. The company is specialised in products for tinsmiths and is a leader in aluminum facades and self-supporting roofs. Within the distribution business, the company also has an extensive range of machines and tools. The aim of the acquisition is, among other things, to strengthen Lindab's position further on the Danish market, to obtain an important direct sales channel to tinsmiths and architects in Denmark, complement the existing product offer with high-quality items that fit well into Lindab's existing product range and gain additional competence related to this market. Muncholm A/S is registered in Hadsten, Denmark. The company has annual sales of approximately SEK 250 m and an operating margin in line with the Lindab Group's operating margin. The company has 20 employees.

The purchase consideration of Muncholm A/S was mainly settled at time of acquisition. Transaction related costs amounted to SEK 2 m and these are recognised as other operating expenses.

According to final purchase price allocation analysis, the acquisition resulted in a goodwill. This goodwill is, among other things, related to that Lindab obtain an established direct sales channel to tinsmiths and architects on the Danish market, competence in relation to these important customer groups and forward-looking possible buyer specific synergies. Identified intangible assets are mainly related to customer relations and the trademark Muncholm.

Muncholm A/S is consolidated in Lindab as of July 6, 2022. The acquisition has increased net sales of Lindab by SEK 134 m, from the time of acquisition until December 31 current year, and the net profit after tax is impacted positively. If the acquisition had been implemented as of January 1, 2022, the Group's net sales would have increased by SEK 263 m. The company is part of the Profile Systems segment.

### R-Vent Netherlands B.V.

On June 16, 2022, Lindab acquired all shares and voting rights of the Dutch company R-Vent Netherlands B.V. The company is a leading distributor of ventilation products in the Netherlands and has also an extensive own production of high qualitative circular respective rectangular ventilation ducts with accessories. With the acquisition, Lindab establishes its own presence in the

## Notes (cont.)

Netherlands, a strong and well-developed ventilation market with good potential of growth for the Group. R-Vent Netherlands B.V. is registered in Bergschenhoek, Netherlands. The company has annual sales of approximately SEK 500 m and an operating margin in line with the segment Ventilation Systems. The company has 140 employees.

The purchase consideration of R-Vent Netherlands B.V. was settled at time of acquisition. Transaction related costs amounted to SEK 6 m and these are recognised as other operating expenses.

According to final purchase price allocation analysis, the acquisition resulted in a goodwill. This goodwill is, among other things, related to that Lindab clearly establish its presence on the Dutch market through the acquisition, at the same time as the Group obtains extensive local expertise related to both the market and production of circular respectively rectangular ventilation ducts. The goodwill also relates to future purchase-specific synergies. Identified intangible assets are mainly related to customer relations and trademarks.

R-Vent Netherlands B.V. is consolidated in Lindab as of June 16, 2022. The acquisition has increased net sales of Lindab by SEK 256 m, from the time of acquisition until December 31 current year, and the net profit after tax is impacted positively. If the acquisition had been implemented as of January 1, 2022, the Group's net sales would have increased by SEK 495 m. The company is part of the Ventilation Systems segment.

### Felderer AG

On April 29, 2022, Lindab finalised the acquisition of all shares and voting rights of the German ventilation company Felderer AG. The company is one of Germany's largest distributors of ventilation products such as ducts, silencers, diffusers and fire protection products. The company also has an own production of circular ventilation ducts. By adding Felderer AG to the business of Lindab, the Group more than double its net sales in Germany. The acquisition also complements Lindab on many levels and is expected to considerably extends the Group's ventilation offering on the German market, a market that is considered to have a big potential for Lindab going forward. Felderer AG is registered in Feldkirchen, Germany. The company has annual sales of approximately SEK 700 m and an operating margin that is currently lower than Lindab Group's operating margin. The company has approximately 160 employees.

The purchase consideration of Felderer AG was settled at time of acquisition. Transaction related costs amounted to SEK 10 m and these are recognised as other operating expenses. Of the transaction related costs, SEK 8 m was recognised in current year and the remaining SEK 2 m impacted the statement of profit or loss in 2021.

According to final purchase price allocation analysis, the acquisition resulted in a goodwill. This goodwill, is among other things, related to Lindab strengthening its position considerably on an important market for the Group, obtains solid knowledge of venti-

lation in combination with extensive local knowledge of the market and gains future purchase-specific synergies. Identified intangible assets are mainly related to customer relations and the trademark of Felderer.

Felderer AG is consolidated in Lindab as of April 29, 2022. The acquisition has increased net sales of Lindab by SEK 516 m, from the time of acquisition until December 31 current year, and the net profit after tax is impacted marginally. If the acquisition had been implemented as of January 1, 2022, the Group's net sales would have increased by SEK 731 m. The company is part of the Ventilation Systems segment.

### Nord Trade AB

On January 20, 2022, Lindab acquired all shares and voting rights of the Swedish company Nord Trade AB. The company is a distributor of Lindab's building products and will broaden its range by including Lindab's ventilation products in the future. Lindab strengthens its presence in northern Sweden with the acquisition of Nord Trade AB. Nord Trade AB is registered in Skellefteå, Sweden. The company has annual sales of approximately SEK 20 m and has two employees.

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

According to final purchase price allocation analysis, the acquisition resulted in a goodwill. This goodwill is primarily related to that Lindab strengthens its presence in northern Sweden. Identified intangible assets are mainly related to customer relations.

Nord Trade AB was consolidated in Lindab as of January 20, 2022. The acquisition has limited impact on the consolidated statement of profit or loss as well as the consolidated statement of financial position. The company is part of the Profile Systems segment.

### Alig Ventilation AB

On January 11, 2022, Lindab completed the acquisition of all shares and voting rights of the Swedish company Alig Ventilation AB. The company has focused on ventilation for smaller properties and handles both new construction and renovation. With the acquisition, Lindab will obtain access to increased expertise for ventilation of single houses and smaller residential buildings. In addition, the acquisition provides established relationships with Swedish manufacturers of single-family homes and a direct sales channel to consumers. Alig Ventilation AB is registered in Mariestad, Sweden. The company has annual sales of approximately SEK 65 m and has 15 employees.

The purchase consideration of Alig Ventilation AB was mainly settled at time of acquisition. Transaction related costs amounted to SEK 1 m, recognised as other operating expenses. The costs have mainly been recognised in 2021.

According to final purchase price allocation analysis, the acquisition resulted in a goodwill. This goodwill is primarily related to

## Notes (cont.)

increased expertise for ventilation of single residential houses. Identified intangible assets are mainly related to customer relations.

Alig Ventilation AB was consolidated in Lindab as of January 11, 2022. The acquisition has limited impact on the consolidated statement of profit or loss as well as the consolidated statement of financial position. The company is part of the Ventilation Systems segment.

### Other

In terms of 2022, the cash flow related to acquisitions derives, beside previously mentioned transactions, from settlement of conditional additional purchase considerations of SEK 7 m in terms of previously made business combinations.

### Acquired and divested businesses 2022

SEK m	Other acquisitions <sup>1),2)</sup>	Felderer AG <sup>2)</sup>	R-Vent Netherlands B.V <sup>2)</sup>	Divested business Lindab LLC
Intangible assets	51	24	90	0
Tangible fixed assets	26	5	14	0
Right-of-use assets	77	66	176	0
Financial fixed assets	0	0	-	-
Deferred tax assets	3	-	2	-2
Non-current assets	2	-	-	-
Stock	117	40	51	0
Current assets	121	26	76	-12
Cash and cash equivalents	66	62	17	-12
<b>Total acquired assets</b>	<b>463</b>	<b>223</b>	<b>426</b>	<b>-26</b>
Deferred tax liabilities	-13	-7	-23	2
Pension liabilities	-2	-	-	-
Non-current lease liabilities	-67	-49	-160	0
Non-current liabilities	-31	-5	-	-
Current lease liabilities	-11	-23	-25	0
Current liabilities	-134	-57	-81	21
<b>Total acquired liabilities</b>	<b>-258</b>	<b>-141</b>	<b>-289</b>	<b>23</b>
<b>Fair value of acquired net assets</b>	<b>205</b>	<b>82</b>	<b>137</b>	<b>-3</b>
Goodwill <sup>3)</sup>	315	181	267	-
<b>Consideration including additional contingent consideration<sup>4)</sup></b>	<b>520</b>	<b>263</b>	<b>404</b>	<b>0</b>

1) Other acquisitions relate to Alig Ventilation AB, Nord Trade AB, Muncholm A/S, Giroventilation AB, Disys Technologies Ltd., Liftasud SAS and SRA Liftasud SAS.

2) The purchase price allocations were final as of December 31 2022.

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

4) The considerations are based on cash payments. The values include conditional additional purchase considerations of SEK 62 m, which will be settled fully or partly if future expectations of identified levels of sales and profitability are met during a period of 2-3 years. Total possible undiscounted amount for all recognised future conditional additional purchase consideration is between SEK 0-72 m. On December 31, 2022, it was considered likely that 92 percent of maximum potential remaining consideration would occur.

### NOTE 4 – OPERATING SEGMENTS

The Group's segments comprise Ventilation Systems and Profile Systems. In December 2021 the segment Building Systems was divested, see Note 6, and is therefore no longer included in the segment information.

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

- Ventilation Systems offers air duct systems with accessories and indoor climate solutions for ventilation of heating and cooling to installers and other customers in the ventilation industry.
- Profile Systems offers the construction industry products and systems in sheet metal for rainwater systems, cladding for ceilings and walls as well as steel profiles for wall, ceiling and beam constructions.

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. 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 11. See also pages 9-10 for further segment information.

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.

## Notes (cont.)

### NOTE 5 – FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

SEK m	31 December 2022		31 December 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Disclosures regarding the fair value by class</b>				
<b>Financial assets</b>				
Derivative receivables	2	2	2	2
<b>Financial liabilities</b>				
Liabilities to credit institutions	2,361	2,357	1,114	1,119
Derivative liabilities	21	21	10	10

#### 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 and derivative liabilities 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).

### NOTE 6 – DISCONTINUED OPERATIONS

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

For interim reports prepared in 2022, the application of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* implies, among other things, that net profit after tax for Building Systems in the comparison period is recognised separately in the consolidated statement of profit or loss, distinguished from the continuing operations. In the consolidated statement of cash flow is operating profit for continuing respectively discontinued operations/operations held for sale recognised separately, but thereafter is the cash flow presented for Lindab as a Group. For information about Building Systems in the comparison period 2021, see next page.

The agreement to divest Building Systems was, among other things, conditioned and subject to anti-trust approval in Russia. During the fourth quarter, this approval was obtained from the Russian authority and the divestment of Building Systems was finalised by end of December 2021. As a consequence, Building Systems was recognised as discontinued operations by end of the fourth quarter 2021.

## Notes (cont.)

### Statement of Profit or loss, discontinued operations

SEK m	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Net sales	-	286	-	971
Cost of goods sold	-	-223	-	-746
<b>Gross profit</b>	-	<b>63</b>	-	<b>225</b>
Other operating income	-	0	-	4
Selling expenses	-	-20	-	-86
Administrative expenses	-	-23	-	-85
R&D expenses	-	-3	-	-12
Other operating expenses	-	-42	-	-471
<b>Total operating expenses</b>	-	<b>-88</b>	-	<b>-650</b>
<b>Operating profit<sup>1)</sup></b>	-	<b>-25</b>	-	<b>-425</b>
Financial items	-	2	-	4
<b>Earnings before tax</b>	-	<b>-23</b>	-	<b>-421</b>
Tax on profit/loss for the period	-	10	-	0
<b>Profit/loss for the period<sup>1)</sup></b>	-	<b>-13</b>	-	<b>-421</b>
<b>Earnings per share before dilution, SEK</b>	-	<b>-0.17</b>	-	<b>-5.51</b>
<b>Earnings per share after dilution, SEK</b>	-	<b>-0.17</b>	-	<b>-5.50</b>

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

### Statement of cash flow, discontinued operations

SEK m	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Cash flow from operating activities <sup>1)</sup>	-	-77	-	38
Cash flow from investing activities	-	-7	-	-16
Cash flow from financing activities	-	-28	-	-24
<b>Cash flow for the period</b>	-	<b>-111</b>	-	<b>-3</b>

1) In cash flow from operating activities reversal of amortisation, depreciation and impairment losses is included of SEK 20 m for the period October–December 2021 and SEK 410 m for the period January–December 2021.

### 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 2021.

At the Annual General Meeting in May 2022, it was resolved to adopt a share option program for senior executives. Under the program, 229,050 share options were acquired by senior executives during the second quarter and additional 9,000 share options in the third quarter. During the third quarter 175,000 previously issued share options in the 2019 share option program were used

to acquire shares in accordance with the terms of the program. See more under 'Share option program', page 8.

During the third quarter Lindab divested its Russian subsidiary Lindab LLC to the company's local management. The divestment was made to an assessed market value with regard to prevailing conditions in relation to Russia's war against Ukraine as well as the implications which the situation entails. See Note 3.

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, 9 February 2023

Ola Ringdahl

President and CEO



## Reconciliations, key performance indicators not defined according to IFRS

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

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

### Reconciliations

Amounts in SEK m unless otherwise indicated. Continuing operations include business area Ventilation Systems and Profile Systems. Total operations include divested business in comparable numbers.

<b>Return on shareholders' equity, total operations<sup>1)</sup></b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Profit for the period, rolling twelve months	974	537
Average shareholders' equity	6,180	5,410
<b>Return on shareholders' equity, %</b>	<b>15.8</b>	<b>9.9</b>

<b>Return on capital employed, total operations<sup>1)</sup></b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
<b>Total assets</b>	<b>12,957</b>	<b>10,305</b>
Provisions and deferred tax liabilities	157	112
Other non-current liabilities	41	7
<b>Total non-current liabilities</b>	<b>198</b>	<b>119</b>
Provisions	11	18
Accounts payable	974	1,062
Other current liabilities	1,203	1,186
<b>Total current liabilities</b>	<b>2,188</b>	<b>2,266</b>
<b>Capital employed</b>	<b>10,571</b>	<b>7,920</b>
Earnings before tax, rolling twelve months	1,238	802
Financial expenses, rolling twelve months	93	52
<b>Total</b>	<b>1,331</b>	<b>854</b>
Average capital employed	9,428	7,741
<b>Return on capital employed, %</b>	<b>14.1</b>	<b>11.0</b>

<b>One-off items and restructuring costs, excluding divested operations</b>	<b>2022 Oct-Dec</b>	<b>2021 Oct-Dec</b>	<b>2022 Jan-Dec</b>	<b>2021 Jan-Dec</b>
<b>Operating profit</b>	<b>244</b>	<b>311</b>	<b>1,325</b>	<b>1,266</b>
Ventilation Systems	-	-	-22	-
Profile Systems	-	-	-	-
Other operations	-	-	-	-
<b>Adjusted operating profit</b>	<b>244</b>	<b>311</b>	<b>1,347</b>	<b>1,266</b>

For the period January-December one-off items and restructuring costs of SEK -22 m (-) were reported. This amount is related to Lindab's decision to close and later divest operations in Russia.

<b>Free cash flow, total operations<sup>1)</sup></b>	<b>2022 Oct-Dec</b>	<b>2021 Oct-Dec</b>	<b>2022 Jan-Dec</b>	<b>2021 Jan-Dec</b>
Cash flow from operating activities	527	215	691	704
Cash flow from investing activities	-81	-13	-1,340	-404
<b>Free cash flow</b>	<b>446</b>	<b>202</b>	<b>-649</b>	<b>300</b>
Cash flow related to divestments and acquisitions	-	92	-995	-19
<b>Adjusted free cash flow</b>	<b>446</b>	<b>110</b>	<b>346</b>	<b>319</b>

<b>Adjusted operating profit and operating margin, excluding divested operations</b>	<b>2022 Oct-Dec</b>	<b>2021 Oct-Dec</b>	<b>2022 Jan-Dec</b>	<b>2021 Jan-Dec</b>
Adjusted operating profit	244	311	1,347	1,266
Operating profit	244	311	1,325	1,266
Net sales	3,223	2,560	12,366	9,648
Adjusted operating margin, %	7.6	12.1	10.9	13.1
Operating margin, %	7.6	12.1	10.7	13.1

<b>Net debt, total operations<sup>1)</sup></b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Non-current interest-bearing provisions for pensions and similar obligations	217	270
Non-current liabilities to credit institutions	2,349	1,110
Non-current lease liabilities	930	643
Current interest-bearing liabilities	324	247
<b>Total liabilities</b>	<b>3,820</b>	<b>2,270</b>
Financial interest-bearing fixed assets	25	28
Other interest-bearing receivables	4	4
Cash and cash equivalents	481	542
<b>Total assets</b>	<b>510</b>	<b>574</b>
<b>Net debt</b>	<b>3,310</b>	<b>1,696</b>

<b>Adjusted net debt, total operations<sup>1)</sup></b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Net debt	3,310	1,696
Liabilities related to leasing	-1,212	-876
<b>Adjusted net debt</b>	<b>2,098</b>	<b>820</b>

<b>Net debt/EBITDA, total operations<sup>1)</sup></b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Average net debt	2,851	1,787
Adjusted operating profit, rolling twelve months	1,347	1,297
Depreciation/amortisation and impairment losses, rolling twelve months, excluding one-off items and restructuring costs	481	424
<b>EBITDA, rolling twelve months</b>	<b>1,828</b>	<b>1,721</b>
<b>Net debt/EBITDA, times</b>	<b>1.6</b>	<b>1.0</b>

<b>Net debt/equity ratio, total operations<sup>1)</sup></b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Net debt	3,310	1,696
Shareholders' equity including non-controlling interests	6,751	5,650
<b>Net debt/equity ratio</b>	<b>0.5</b>	<b>0.3</b>

<b>Organic growth, excluding divested operations</b>	<b>2022 Oct-Dec</b>	<b>2021 Oct-Dec</b>	<b>2022 Jan-Dec</b>	<b>2021 Jan-Dec</b>
Change Net sales	663	478	2,718	1,428
Of which				
Organic	26	418	1,045	1,432
Acquisitions/divestments	511	59	1,303	179
Currency effects	126	1	370	-183

<b>Organic growth, total operations<sup>1)</sup></b>	<b>2022 Oct-Dec</b>	<b>2021 Oct-Dec</b>	<b>2022 Jan-Dec</b>	<b>2021 Jan-Dec</b>
Change Net sales	377	532	1,747	1,453
Of which				
Organic	26	473	1,044	1,513
Acquisitions/divestments	225	58	333	179
Currency effects	126	1	370	-239

<b>Interest coverage ratio, total operations<sup>1)</sup></b>	<b>2022 Oct-Dec</b>	<b>2021 Oct-Dec</b>	<b>2022 Jan-Dec</b>	<b>2021 Jan-Dec</b>
Earnings before tax	215	275	1,238	802
Interest expenses	32	11	82	42
<b>Total</b>	<b>247</b>	<b>286</b>	<b>1,320</b>	<b>844</b>
Interest expenses	32	11	82	42
<b>Interest coverage ratio, times</b>	<b>7.7</b>	<b>26.7</b>	<b>16.2</b>	<b>20.0</b>

<b>Operating profit before depreciation/amortisation-EBITDA, excluding divested operations</b>	<b>2022 Oct-Dec</b>	<b>2021 Oct-Dec</b>	<b>2022 Jan-Dec</b>	<b>2021 Jan-Dec</b>
Operating profit	244	311	1,325	1,266
Depreciation/amortisation and impairment losses	135	107	483	394
<i>Of which one-off items and restructuring costs</i>	-	-	2	-
<b>Operating profit before depreciation/amortisation-EBITDA</b>	<b>379</b>	<b>418</b>	<b>1,808</b>	<b>1,660</b>

<b>Operating profit before depreciation/amortisation-EBITDA, total operations<sup>1)</sup></b>	<b>2022 Oct-Dec</b>	<b>2021 Oct-Dec</b>	<b>2022 Jan-Dec</b>	<b>2021 Jan-Dec</b>
Operating profit	244	286	1,325	841
Depreciation/amortisation and impairment losses	135	107	483	804
<i>Of which one-off items and restructuring costs</i>	-	-	2	380
<b>Operating profit before depreciation/amortisation-EBITDA</b>	<b>379</b>	<b>393</b>	<b>1,808</b>	<b>1,645</b>

<b>Profit margin before tax, excluding divested operations</b>	<b>2022 Oct-Dec</b>	<b>2021 Oct-Dec</b>	<b>2022 Jan-Dec</b>	<b>2021 Jan-Dec</b>
Net sales	3,223	2,560	12,366	9,648
Profit before tax	215	298	1,238	1,223
<b>Profit margin before tax, %</b>	<b>6.7</b>	<b>11.6</b>	<b>10.0</b>	<b>12.7</b>

1) Key figures for periods earlier than 2022 include divested business (Building Systems), which results in that key figures for rolling 12 months in 2022 are calculated on both outcomes, including and excluding divested business.

## 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, which was divested in December 2021.

**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 employed<sup>1)</sup>. 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' equity<sup>1)</sup> attributable to Parent company shareholders.

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

**Total operations:** Continuing operations and discontinued operations.

## Lindab in brief

Lindab Group had sales of SEK 12,366 m in 2022. Lindab has approximately 5,000 employees in 20 countries.

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

In 2022, the Nordic region accounted for 53 percent, Western Europe for 34 percent, Central Europe for 12 percent and Other markets for 1 percent of total sales.

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

### Business concept

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

### Business model

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

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

Lindab's value chain is characterised by a good balance between centralised and decentralised functions. The distribution network has been built up with the goal of being close to the customer. Sales are made through approximately 150 own pro-shops and more than 3,000 independent retailers.

## Lindab share

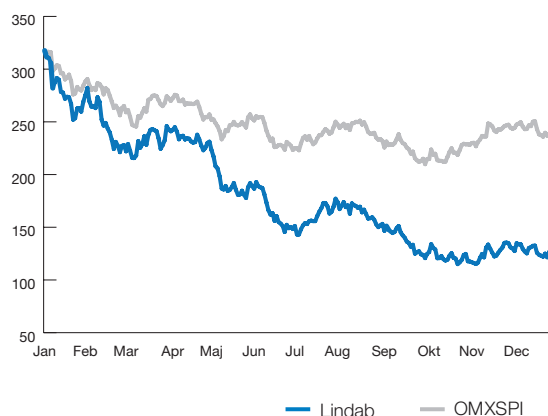
### January - December 2022

Share price performance: -60%  
Average share turnover/day: 215,630

Highest price paid (January 3): 325.00 SEK  
Lowest price paid (October 25): 110.10 SEK  
Closing price December 30: 127.40 SEK

Market cap December 30: SEK 9,764 m  
Total no. of shares: 78,842,820  
- *whereof treasury shares*: 2,200,838  
- *whereof outstanding shares*: 76,641,982

### Share price performance 2022, SEK



## Press- and analyst meetings

A live webcast will be held at 10:00 am (CET) on February 9. The Interim Report will be presented by Ola Ringdahl, President and CEO, and Jonas Arkestad CFO.

If you wish to participate via webcast please use the link below.

<https://ir.financialhearings.com/lindab-q4-2022>

If you wish to participate via teleconference please register on the link below. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

<https://conference.financialhearings.com/teleconference/?id=5001185>

For more information see [lindabgroup.com](https://lindabgroup.com)

## Calendar

Interim Report January - March	3 May, 2023
Annual General Meeting	11 May, 2023
Interim Report January - June	21 July, 2023
Interim Report January - September	26 October, 2023

All financial reports will be published at [lindabgroup.com](https://lindabgroup.com).

This information is information that Lindab International AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out below, at 07:40 am (CET) on 9 February, 2023.

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