

## **CTT Systems AB publishes net sales and EBIT for Q3 2024 and adjusts 2H 2024 guidance**

CTT Systems AB publishes net sales, operating profit (EBIT) and operating margin (EBIT margin) for Q3 2024 and adjusts its guidance for the second half of 2024:

- Net sales decreased by 22% to MSEK 57.4 (73.7)
  - Currency adjusted decrease of 18%
- Operating profit (EBIT) decreased to MSEK 15.0 (30.5)
- Operating margin (EBIT margin) amounted to 26% (41)
- The net sales guidance for July - December 2024 is adjusted to MSEK 137 - 147, compared to the previous guidance of MSEK 160 - 180

Net sales in the third quarter decreased to MSEK 57 compared to MSEK 74 in the same quarter last year. The decline is mainly explained by a temporary sales decline to the company's distributors in the aftermarket and significantly lower revenues in Private jet. In the aftermarket, CTT's distributors were affected by a general trend in 2024 where airlines reduced their inventories of aftermarket products, deriving from safety stock policies in 2022 and 2023. Destocking impact is though transitory since underlying demand in the aftermarket remains consistent and tracks population size, utilization and age. In Private Jet, the decline is 87%, mainly explained by a strong comparable quarter last year and project start together with Airbus Corporate Jets for the ACJ330 aircraft that slid into Q4.

Net sales in Q4 2024 are estimated to be between MSEK 80 and 90. Compared to Q3 2024, driven by a recovery in aftermarket sales and significantly higher revenues in Private Jet. OEM sales are expected to be unchanged compared to the previous quarter, driven by higher A350 deliveries, but offset by fewer deliveries to Boeing, due to inventory adjustments during September to December to align the entire supply chain with a lower than planned 787-production rate. For Q1 2025, our delivery plans to Airbus and Boeing once again are in line with aircraft build-rates at.

The net sales guidance for July – December 2024 is adjusted to MSEK 137 and 147 (155), compared with the guidance provided in the interim report for the second quarter of 2024, where net sales were estimated to be between MSEK 160 and 180.

**CTT will publish the complete report for the third quarter on October 25, 2024, at 08:00 (CEST)**