

**Net sales
MSEK 49**

**EBIT margin
29%**

FIRST QUARTER 2022 ²⁾

- Net sales increased by 56% to MSEK 49.2 (31.4)
- Currency adjusted, a growth of 42%
- Operating profit (EBIT) increased to MSEK 14.0 (0.6)
- Operating margin (EBIT margin) increased to 29% (2)
- Net profit amounted to MSEK 9.6 (-3.2)
- Earnings per share were SEK 0.76 (-0.26)
- Operating cash flow increased to MSEK 8.6 (-6.9)

FORECAST - SECOND QUARTER 2022 ²⁾

The net sales forecast for the second quarter of 2022 is MSEK 50 - 55 (37.5).

CTT IN BRIEF

(MSEK)	2022 Jan-Mar	Change from previous year	2021 Jan-Mar	2021 Jan-Dec	Rolling 12 months
Net sales	49.2	56 %	31.4	151.2	169.0
Operating profit (EBIT)	14.0	2 068 %	0.6	26.8	40.2
Profit (loss) this period	9.6	395 %	-3.2	14.2	27.0
Earnings per share (SEK)	0.76	392 %	-0.26	1.13	2.2
Operating cash flow	8.6	225 %	-6.9	30.3	45.8

CTT – WORLD LEADER IN ACTIVE HUMIDITY CONTROL IN AIRCRAFT

CTT is the leading supplier of active humidity control systems in aircraft. We solve the aircraft humidity paradox - with far too dry cabin air - and too much moisture in the fuselage - causing dehydration for people onboard and excess weight in the aircraft inducing larger environmental footprint. CTT offers humidifiers and dehumidifiers available for retrofit and line-fit on commercial aircraft as well as private jets. For more information about CTT and how active humidity control products make air traveling a little more sustainable and far more pleasurable, please visit: www.ctt.se

¹⁾ This Interim report / Year-End report is a translation of the original report published in Swedish. In the event of any deviations between the two reports, the Swedish version prevails.

²⁾ Unless otherwise stated, outcome comparisons with a previous period in this Interim report / Year-End report refer to the corresponding period of the preceding year, and the value is given in brackets.

COMMENTS FROM THE CEO

First-quarter net sales better than forecast driven by the aftermarket

Net sales increased sequentially by 17% to MSEK 49, driven by a higher-than-expected increase in aftermarket sales that surged 42% quarter-to-quarter, mainly due to quick rebound from Covid-19 variant Omicron (Asia and China exempted) and due to increase in inventories at distributors and airlines ahead of strong intercontinental summer bookings. Private jet sales did not grow as expected related to slipping project milestones that pushed revenue recognition into the second quarter. OEM sales increased but remained as expected at record-low level. We have stopped all activities in Russia and paused the shipments scheduled for Russian customers, offsetting net sales in the quarter with approx. 6% and resulting in higher working capital. The order backlog increased to MSEK 76 which is the highest level since second quarter 2020. The total Russian exposure in the order book is MSEK 13 (Pobeda order from December 2021). We have in our plans indefinitely deleted all scheduled deliveries to Russia. The systems and material on inventory for Pobeda can be sold to other Boeing 737 operators.

Forecasting second-quarter net sales to be MSEK 50 – 55

We forecast net sales in the second quarter to be MSEK 50 – 55, driven by higher Private jet revenues that partly will be offset by a slower aftermarket quarter (in wake of an exceptionally strong first quarter). OEM will be at same level and Retrofit will be null for the second consecutive quarter as we in this quarter not will be able to compensate for the stopped deliveries to Pobeda.

Outlook built on strong demand as travel restrictions ease – but growing geopolitical and global economic uncertainty

It is increasingly obvious that pent-up demand to re-connect and travel is huge after two years with travel restrictions. This is all good news for airlines but as the pandemic impact fades, new challenges cloud the picture linked to higher costs, increasing rates and supply constraints. The war in Ukraine is also creating some revenue growth headwinds for our Retrofit business as Russia was a defined as target market for the anti-condensation system. While we at CTT work to reaccelerate our revenue growth – mainly through intensified activities in the European anti-condensation market and efforts in the Private jet segment – we will closely assess and monitor how the geopolitical situation and business environment impact our business going forward.

Aftermarket continues to rebound and grow

The underlying aftermarket is expected to grow significantly in 2022; although sales can vary from quarter to quarter depending on inventory levels at airlines and distributors. The main driver in 2022 will be gradual normalization in flying activities for our installed base, linked to the expected increase in intercontinental traffic.

Growth in Private jet and better outlook for Retrofit

We are now entering the next recovery phase in the wake of the pandemic with a better Private jet market and better retrofit outlook. Our OEM market is widebody centric where aircraft build-rates are likely to start a rebound next year.

- Our **Private jet** business is heading for a strong recovery this year after a weak 2021, driven by a robust VIP order book and more quotations, particularly in partnership with Airbus Corporate Jets. As communicated earlier, CTT is in addition aiming for significant market share in the large-cabin Business jet segment. CTT has had two short-term objectives and obtained the first in March when Airbus Corporate Jets awarded CTT the humidification system development contract for their new and first Business jet, the ACJ TwoTwenty. Next on the list is to get Bombardier endorsement of our (and World's first) humidification system for the Global 7500 jet.
- The **Retrofit** market is entering a renaissance period but as always it is hard to evaluate time frames. Opportunities do not always convert into orders as fast as wanted but I am cautiously optimistic that we can close some significant Retrofit anti-condensation deals in 2022. The Retrofit market for passenger cabin humidification is improving as several airlines have commenced to review their premium cabin interior refurbish plans. We have positive momentum again as we re-started to engage with airlines together with our marketing partner Collins Aerospace.
- Our **OEM** business continues to remain at a historical low. Boeing is producing the Boeing 787 at a very low rate and will continue to do so until deliveries get approval to be resumed. The Boeing objective is then gradual return to five airplanes per month over time. We are planning for low B787-rate throughout the year but are prepared to ramp-up. Airbus plans to increase A350 production rate to 6 per month in 2023 (currently at 5). Boeing has revised first 777X delivery into 2025, compared previously plan late 2023. We have deleted all scheduled Russian MC-21 deliveries in our production plan.

Prologue

This report is my first as CEO of CTT. I have only been at the company for less than a month but I am already impressed by CTT's highly committed and competent team. The product offering - that make air travel a little more sustainable and far more pleasurable - is unique with a strategy that is profound and clear. I am humble and thankful for this opportunity to take-over as CEO of CTT. With this said, I am strongly committed to secure that CTT generates value to shareholders.

**Henrik Höjer, CEO****SIGNIFICANT EVENTS DURING THE QUARTER**

- ✓ 17.03.2022: CTT Systems AB signs a development agreement with Airbus Corporate Jets ("ACJ") regarding Inflight Humidification (IFH) system for the ACJ TwoTwenty Xtra large business jet. Under the partnership CTT and ACJ will design the system together and CTT will develop the humidification system consisting of four humidifiers and one anti-condensation unit.

OTHER EVENTS

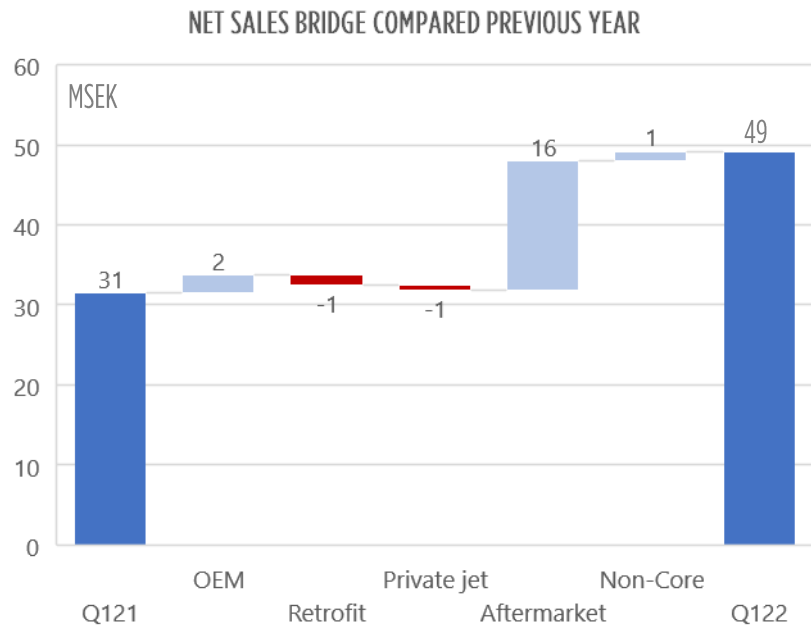
- ✓ 01.03.2022: CTT Systems AB stops all deliveries to Russia, according to current sanctions. Russia's share of 2021 revenues were 4%, mainly from the Retrofit segment. CTT has no employees nor suppliers in Russia, Belarus or Ukraine. No deliveries to Russia during 2022.
- ✓ 01.04.2022: CTT Systems ABs new CEO Henrik Höjer takes office as planned.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

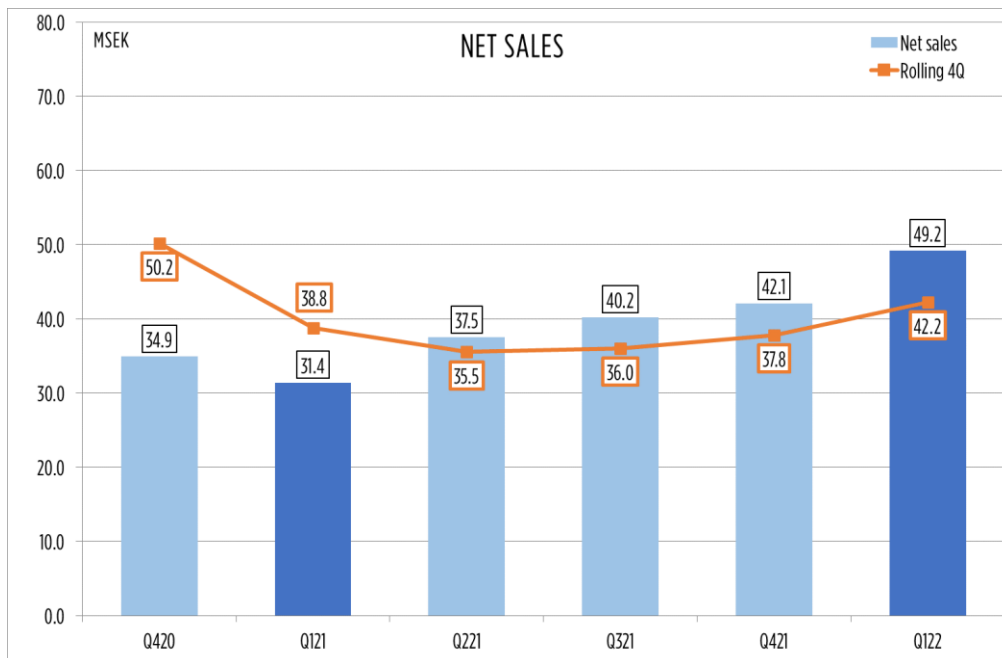
- ✓ No significant events have occurred after the end of the reporting period.

SALES

Net sales increased by 56% in the first quarter to MSEK 49.2 (31.4), driven by the gradual improvement in the aftermarket and stronger USD rate. Adjusted for currency effects sales increased by 42%. The average USD currency rate in the first quarter was 9.25 (8.22). Aftermarket sales in the first quarter were 95% compared to the average quarter 2019. OEM revenues increased with MSEK 2, from record-low level, to MSEK 7.2 (4.8), due to increased OEM deliveries to A350. Deliveries to Boeing remain low, partly because decreased aircraft production rate in the Boeing 787-program due to production issues. The Private jet revenues were flat and lower than expected, due to some project deliveries that slipped into the second quarter. Retrofit revenues were negatively affected by the current sanctions on Russia, stopping the deliveries to Russian Pobeda, which affected net sales by -6%.



CTT has reported four consecutive quarters with net sales growth, from pandemic low point in the first quarter of 2021, mainly driven by the recovery in the aftermarket.

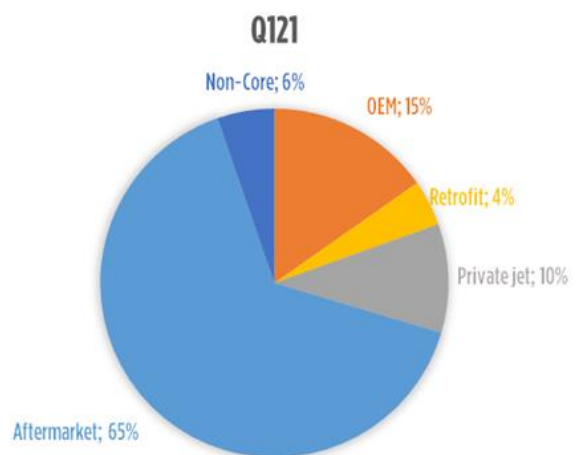
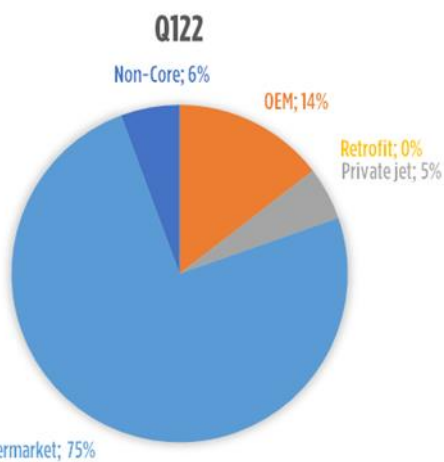
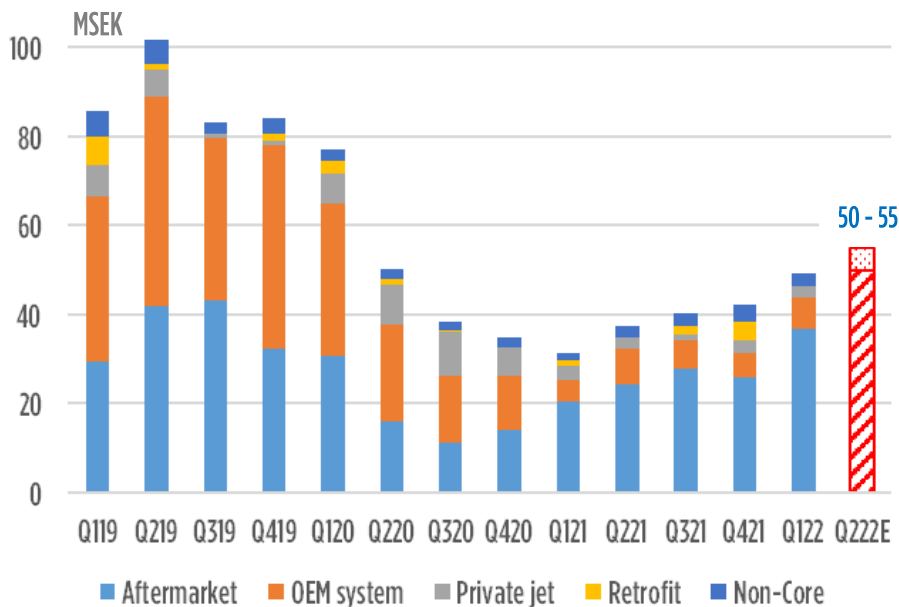


The graph above shows quarterly net sales and rolling four quarters average.

BREAKDOWN OF NET SALES

NET SALES (MSEK)	Q220	Q320	Q420	Q121	Q221	Q321	Q421	Q122
System Sales								
OEM	21.7	15.1	12.4	4.8	8.0	6.3	5.5	7.2
Retrofit	1.3	0.6	0.0	1.3	0.0	1.7	4.5	0.0
Private jet	9.0	9.8	6.2	3.2	2.5	1.4	2.6	2.5
Total	32.0	25.5	18.6	9.3	10.5	9.5	12.6	9.7
Aftermarket	16.1	11.1	14.0	20.5	24.3	27.8	25.9	36.7
Sales in addition to the core business activities	2.2	1.7	2.3	1.7	2.6	2.9	3.5	2.8
TOTAL	50.4	38.3	34.9	31.4	37.5	40.2	42.1	49.2
Of which projects where there is recognition of profits that is reported as revenue over time.	9.9	9.9	6.5	3.2	0.3	1.5	2.6	2.5

(Other income is recognised at a defined point in time, i.e. upon delivery.)

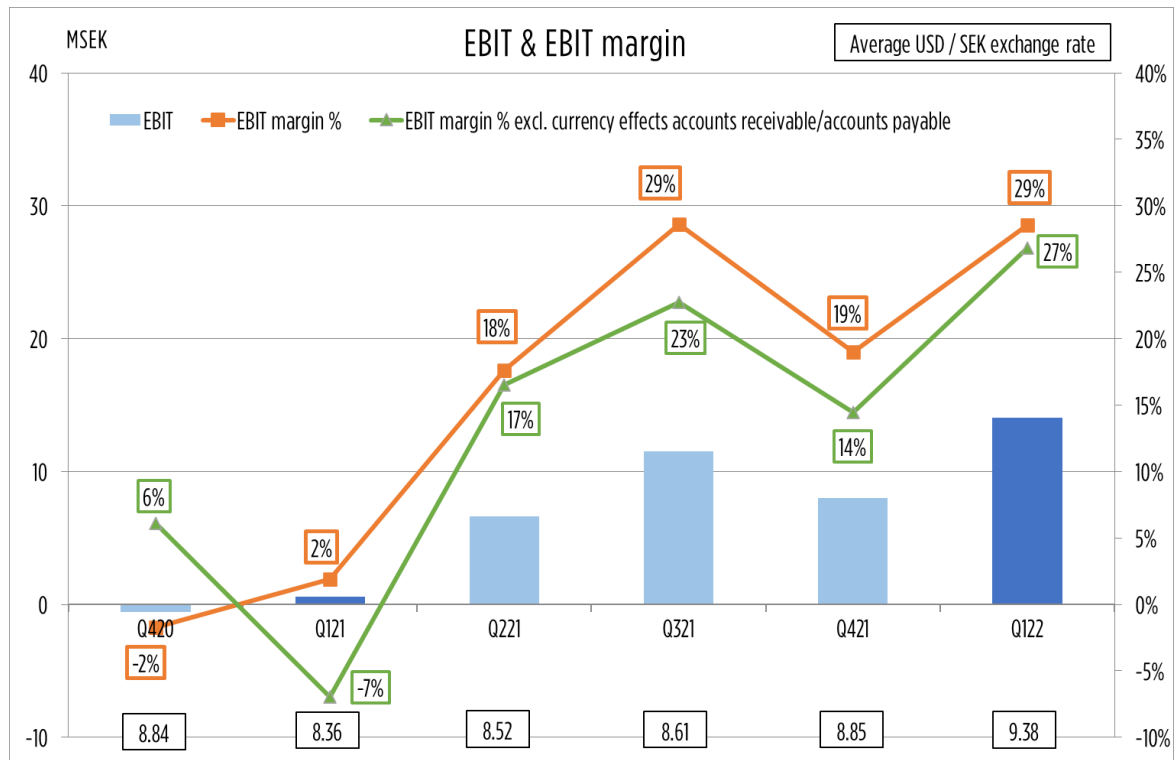


The breakdown of net sales for the quarters is presented above.

FINANCIAL RESULTS

The Company's operating profit (EBIT) for the first quarter was MSEK 14.0 (0.6), corresponding to an operating margin of 29% (2). Net profit was MSEK 9.6 (-3.2). The EBIT increase compared to the first quarter last year is mainly explained by increased aftermarket sales and currency effects from a stronger USD. The cost saving program, that were initiated in the beginning of the pandemic to mitigate the loss of revenues, had full effect in the quarter. Higher EBIT leads to increased cost for variable remuneration to the employees with MSEK 1.6 (0.0).

The earnings trend since Q4 2020 is presented below, where the green line shows the EBIT margin adjusted for currency effects directly linked to accounts receivable and accounts payable.



Average USD / SEK exchange rate according to Riksbanken

FORECAST FOR THE SECOND QUARTER OF 2022

The net sales forecast for the second quarter of 2022 is MSEK 50 - 55 (37.5).

FIRST QUARTER FORECAST AND ACTUAL OUTCOME

In the fourth quarter report (2021), CTT made the following forecast for the first quarter of 2022: "The net sales forecast for the first quarter of 2022 is MSEK 42 - 47 (31.4)."

The actual net sales amounted to MSEK 49.2.

ORDER INTAKE

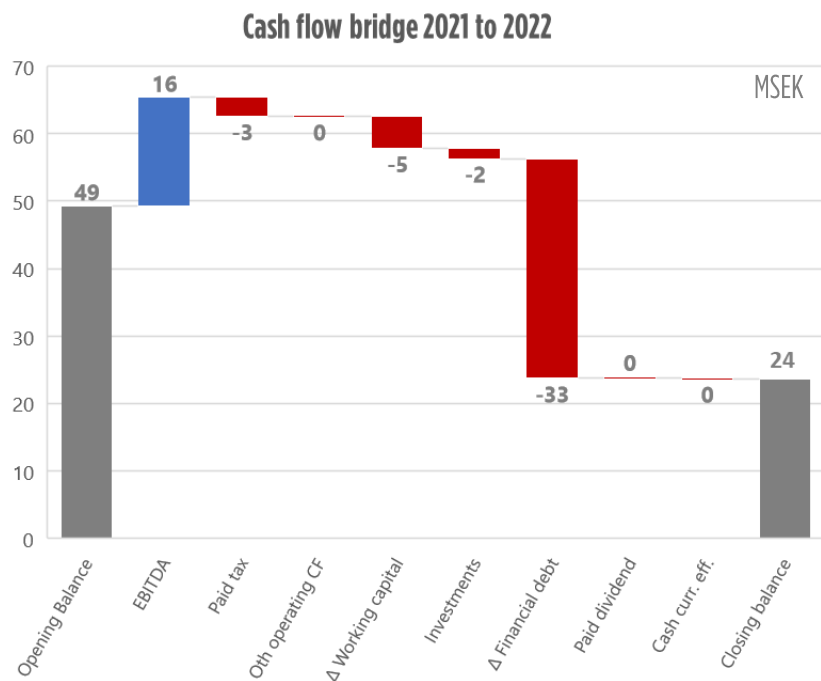
During the first quarter, the Company's order intake amounted to MSEK 63 (38). The stronger order intake compared to previous year is driven by a gradual recovery in product population flight hours that increases the demand for the Company's aftermarket products, as well as an improved order intake in OEM for A350 and stronger USD. As of 31 March 2022, the order book totaled MSEK 76 (40), based on USD exchange rate of 9.38 (8.72), where of MSEK 13 at risk from Russian Pobeda.

CASH FLOW AND FINANCIAL POSITION

Cash flow before changes in working capital increased to MSEK 13.3 (0.3) in the first quarter. The cash flow from operating activities increased to MSEK 8.6 (-6.9). The improved cash flow is mainly driven by the higher earnings and from changes in working capital, mainly higher account payables. Cash flow from change in working capital was MSEK -4.7 (-7.1), where the inventory temporarily increased by MSEK 5.0, partly due to the stopped deliveries to Russian Pobeda.

Long-term interest-bearing loan liabilities amounted to MSEK 39.9 (69.3). The decline from previous year is mainly related to an amortization of a USD credit facility, made possible by stronger cash flow recent quarters.

Overall, CTT has a strong financial position, with its equity ratio at 31 March 2022 amounting to 71% (66). Cash and cash equivalents amounted to MSEK 23.6 (41.6), and in addition available credit facilities of MSEK 52. Net debt as of 31 March 2022 amounted to MSEK 17 (29), and equity to MSEK 222 (217).



See Cash flow analysis on page 12

INVESTMENTS

Investments in the first quarter amounted to MSEK 1.8 (2.7), related to ongoing development projects, many in the final stage which explains the decrease compared to last year.

PERSONNEL

The average number of employees during the first quarter were 76 (85). The decrease compared previous year is due to the cost savings programs that was implemented during the pandemic.

RISKS AND UNCERTAINTIES

The risks in the Company's business operations can generally be divided into operational risks related to its business operations and financial risks related to its financial activities. As a result of the ongoing war in Ukraine, CTT continuously follow up on risks and mitigating activities to reduce the impacts for the company. CTT is currently assessing the conditions that apply to our Russian business, and closely monitoring and evaluating the direct and indirect financial effects of the war. There were no material financial effects on the balance sheet nor income statement in the first quarter. Other than this, no significant changes in material risks or uncertainties have arisen during the period. A detailed account of CTT's risks, uncertainties and their management can be found on pages 54 - 58 of the Company's Annual Report for 2021.

SIGNIFICANT SHAREHOLDERS

CTT's three largest shareholders as at 31/03/2022	Number of shares	Capital	Votes
Tomas Torlöf	1 678 336	13.4%	13.4%
SEB Funds	1 176 405	9.4%	9.4%
Collins Aerospace	1 133 154	9.0%	9.0%

For information about the Company's 20 largest shareholders, please refer to the company's website www.ctt.se.

RELATED PARTY TRANSACTIONS

There have been no significant transactions with related parties during the quarter.

To the extent that transactions and agreements for services with related parties are entered into, these are always entered into and performed under market conditions.

ACCOUNTING AND VALUATION POLICIES

This report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act, taking into account the exceptions and additions to IFRS as set out in the Swedish Financial Reporting Board's Recommendation RFR 2 – Accounting for Legal Entities. Unless stated otherwise below, the accounting policies applied correspond with the accounting policies applied in the preparation of the most recent annual financial statements.

New and amended accounting policies 2022

No new or updated standards issued by the IASB and interpretative statements by the IFRIC have had any material effect on the Company's financial position, profits or disclosures.

FINANCIAL CALENDAR

Annual General Meeting	04/05/2022 at 17:00 (CEST)
Interim Report Q2 2022	22/07/2022 at 08:00 (CEST)
Interim Report Q3 2022	28/10/2022 at 08:00 (CEST)
Year-End Report 2022	07/02/2023 at 08:00 (CET)

The Board of Directors and the Chief Executive Officer represent and warrant that this interim report provides a true and fair view of the Company's business operations, position and performance and describes the material risks and uncertainties facing the Company. This information is such as CTT Systems AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading (Market Abuse Penalties) Act. The information was submitted for publication at 8:00 (CET) on 29 April 2022.

Nyköping, 28 April 2022

CTT Systems AB (publ.)

Tomas Torlöf

Chairman of the Board

Steven Buesing

Board Member

Annika Dalsvall

Board Member

Per Fyrenius

Board Member

Björn Lenander

Board Member

Henrik Höjer

CEO

This report has not been audited by the Company's auditors.

FURTHER INFORMATION

For additional information, please contact:

Henrik Höjer, CEO
CTT Systems AB
Box 1042
SE-611 29 NYKÖPING
Tel: 46 (0)155-20 59 01
E-mail: henrik.hojer@ctt.se

Markus Berg, CFO
CTT Systems AB
Box 1042
SE-611 29 NYKÖPING
Tel: 46 (0)155-20 59 05
E-mail: markus.berg@ctt.se

Company reg. no.: 556430-7741

Website: www.ctt.se

CTT IN BRIEF

CTT is a market-leading manufacturer of equipment for active control of humidity in aircraft. CTT's dehumidifier and humidifier products minimize fuselage condensation issues and increase cabin air humidity. CTT is a supplier to Boeing and Airbus and has many of the world's largest airlines as its customers.

CTT has been traded on Nasdaq Stockholm since March 1999, currently on the Mid Cap list and has its registered offices in Nyköping.

CTT SYSTEMS AB	2022	2021	2021
INCOME STATEMENT in brief (MSEK)	Jan-Mar	Jan-Mar	Jan-Dec
Operating income			
Net sales	49.2	31.4	151.2
Change in stocks of work in progress and stocks of finished goods	1.4	0.4	1.9
Own work capitalised	0.9	1.0	3.0
Other operating income	3.1	4.3	20.1 ¹⁾
Total operating income	54.6	37.1	176.2
Operating expenses			
Raw materials and consumables	-11.4	-8.7	-37.7
Other external costs	-8.5	-8.6	-35.6
Employee benefit expense	-16.8	-15.9	-61.5
Depreciation and amortisation of property, plant and equipment and intangible assets	-2.0	-1.9	-11.3 ¹⁾
Other operating expenses	-1.9	-1.5	-3.3
Total operating expenses	-40.5	-36.5	-149.4
Operating profit (EBIT)	14.0	0.6	26.8
Net gain/loss on financial items	-2.0	-4.7	-8.9
Profit before tax	12.0	-4.1	17.9
Tax	-2.5	0.8	-3.7
Profit (loss) this period	9.6	-3.2	14.2
Other comprehensive income	-	-	-
Comprehensive income for the period	9.6	-3.2	14.2
Earnings per share, SEK	0.76	-0.26	1.13

¹⁾ One-off items from OEM segment have effected other operating income positively with MSEK 9.1 and amortisation negatively with MSEK 4.3. Net EBIT effect amounted to MSEK +4.8.

CTT SYSTEMS AB	2022	2021	2021
BALANCE SHEET in brief (MSEK)	31 Mar	31 Mar	31 Dec
Assets			
Intangible assets	76.9	75.4	75.9
Property, plant and equipment	46.8	52.0	48.1
Financial assets	1.9	1.9	1.9
Other current assets	163.3	160.7	153.4
Cash at bank and in hand	23.6	41.6	49.3
Total assets	312.5	331.6	328.5
Equity and liabilities			
Equity	222.4	217.3	212.9
Provisions, guarantee commitments	4.1	5.8	3.8
Non-current liabilities, interest-bearing	39.9	69.3	70.8
Current liabilities, interest-bearing	1.4	1.3	1.4
Current liabilities, non-interest-bearing	44.7	37.9	39.7
Total equity and liabilities	312.5	331.6	328.5

CTT SYSTEMS AB	2022	2021	2021
CHANGE IN EQUITY in brief (MSEK)	Jan-Mar	Jan-Mar	Jan-Dec
Opening equity	212.9	220.5	220.5
Share dividend	-	-	-21.8
Profit (loss) this period	9.6	-3.2	14.2
Closing equity	222.4	217.3	212.9

CTT SYSTEMS AB CASH FLOW ANALYSIS (MSEK)	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
Operating activities			
Operating profit (EBIT)	14.0	0.6	26.8 ^{D)}
<i>Adjustment for items not included in cash flow</i>			
Depreciation and amortisation	2.0	1.9	11.3 ^{D)}
Other	0.1	-0.3	-2.4
Financial receipts	0.2	-	-
Financial payments	-0.4	-0.3	-1.2
Income tax paid	-2.8	-1.6	-6.8
<i>Cash flow from operating activities before changes in working capital</i>	13.3	0.3	27.7
<i>Cash flow from changes in working capital</i>			
Change in inventories	-5.0	-3.7	0.9
Change in operating receivables	-4.7	2.9	6.2
Change in operating liabilities	4.9	-6.3	-4.4
<i>Cash flow from changes in working capital</i>	-4.7	-7.1	2.6
Operating cash flow	8.6	-6.9	30.3
Investment activities			
Acquisition of intangible assets	-1.6	-2.7	-8.4
Acquisition of property, plant and equipment	-0.2	0.1	-0.2
Sale of property, plant and equipment	0.2	-	0.1
Cash flow from investment activities	-1.6	-2.7	-8.6
Financing activities			
Change in line of credit facility (short-term loans)	-	-	-
Proceeds from borrowings	-	29.7	29.7
Repayments of borrowings	-32.5	-0.3	-1.3
Dividends paid	-	-	-21.8
Cash flow from financing activities	-32.5	29.4	6.6
Cash flow for the period	-25.5	19.9	28.4
Cash and cash equivalents at the beginning of the period	49.3	21.6	21.6
Exchange gains/losses on cash and cash equivalents	-0.1	0.1	-0.7
Cash and cash equivalents at the end of the period	23.6	41.6	49.3

^{D)} One-off items from OEM segment have effected other operating income and cash flow positively with MSEK 9.1 and amortisation negatively with MSEK 4.3. Net EBIT effect amounted to MSEK +4.8.

CTT SYSTEMS AB	2022					2021				2020			
KEY FIGURES – INDIVIDUAL QUARTERS	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Sales & Financial result													
Net sales, MSEK	49.2	42.1	40.2	37.5	31.4	34.9	38.3	50.4	77.2				
Operating profit (EBIT), MSEK	14.0	8.0	11.5	6.6	0.6	-0.6	6.4	5.9	26.7				
Operating margin, %	29	19	29	18	2	-2	17	12	35				
Profit margin, %	24	13	22	21	-13	7	17	15	30				
Profit (loss) this period, MSEK	9.6	4.3	7.0	6.1	-3.2	1.9	5.0	6.0	18.2				
Return on capital employed, %	5	3	4	2	0	0	3	2	9				
Return on equity, %	4	2	3	3	-1	1	2	3	7				
Return on total capital, %	4	2	3	3	-1	1	2	2	6				
Share data													
Earnings per share, SEK	0.76	0.34	0.56	0.49	-0.26	0.15	0.40	0.48	1.45				
Equity per share, SEK	17.75	16.99	16.65	16.09	17.34	17.60	17.45	17.05	20.62				
Operating cash flow per share, SEK	0.68	1.63	0.77	0.58	-0.55	-0.09	-0.38	-0.78	0.38				
Dividend per share, SEK		0.79	-	-	-	1.74	-	-	-				
Number of shares, end of reporting period, thousands	12 529	12 529	12 529	12 529	12 529	12 529	12 529	12 529	12 529				
Average number of shares in the period, thousands	12 529	12 529	12 529	12 529	12 529	12 529	12 529	12 529	12 529				
Market price at the close of the reporting period, SEK	191.60	216.50	210.00	216.50	153.60	152.20	123.20	155.80	155.80				
Cash flow & Financial position													
Operating cash flow, MSEK	8.6	20.4	9.6	7.2	-6.9	-1.1	-4.7	-9.8	4.8				
Quick ratio, %	228	305	321	320	304	218	195	192	276				
Interest Coverage ratio, times	26	21	32	27	-7	12	32	22	64				
Debt-equity ratio, times	0.2	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.1				
Equity ratio, %	71	65	65	66	66	72	68	66	68				
Personnel & Investments													
Number of employees, (average for the period) ^D	76	76	76	78	85	88	95	104	107				
Income (valued at full year) per employee, MSEK	2.9	2.5	2.3	2.5	1.8	1.6	1.9	2.5	3.3				
Investments, MSEK	1.8	2.3	1.2	2.4	2.7	7.1	13.4	8.3	4.9				
FINANCIAL HIGHLIGHTS – ACCUMULATED													
	Q1-Q1				Q1-Q1				Q1-Q1				
Sales & Financial result													
Net sales, MSEK	49.2				31.4				77.2				
Operating profit (EBIT), MSEK	14.0				0.6				26.7				
Operating margin, %	29				2				35				
Profit margin, %	24				-13				30				
Profit (loss) this period, MSEK	9.6				-3.2				18.2				
Return on capital employed, %	5				0				9				
Return on equity, %	4				-1				7				
Return on total capital, %	4				-1				6				
Share data													
Earnings per share, SEK	0.76				-0.26				1.45				
Operating cash flow per share, SEK	0.68				-0.55				0.38				
Cash flow & Financial position													
Operating cash flow, MSEK	8.6				-6.9				4.8				
Quick ratio, %	228				304				276				
Interest Coverage ratio, times	26				-7				64				
Debt-equity ratio, times	0.2				0.3				0.1				
Equity ratio, %	71				66				68				
Personnel & Investments													
Number of employees, (average for the period) ^D	76				85				107				
Income (valued at full year) per employee, MSEK	2.9				1.8				3.3				
Investments, MSEK	1.8				2.7				4.9				

^D The average of employees for the period is an approximation where a calculation is made by taking the average of the number of employees at closing balance and opening balance respectively during the period. The exact calculation is only made for the Company's annual report.

CTT SYSTEMS AB	2022	2021	2020
RELEVANT RECONCILIATIONS OF KEY FIGURES (MSEK)	Q1-Q1	Q1-Q1	Q1-Q1
Operating margin			
Operating profit (EBIT)	14.0	0.6	26.7
/ Net sales	49.2	31.4	77.2
= Operating margin	29%	2%	35%
Profit margin			
Profit before tax	12.0	-4.1	23.2
/ Net sales	49.2	31.4	77.2
= Profit margin	24%	-13%	30%
Return on capital employed			
(Operating profit, EBIT)	14.0	0.6	26.7
+ Finance income)	0.2	0.0	0.0
/ Average capital employed			
Average total capital (total assets)	320.5	319.5	370.9
<i>Total capital at the beginning of the period</i>	<i>328.5</i>	<i>307.5</i>	<i>362.8</i>
<i>Total capital at the end of the period</i>	<i>312.5</i>	<i>331.6</i>	<i>378.9</i>
- Average non-interest-bearing liabilities including deferred taxes	-42.2	-44.0	-87.8
<i>Non-interest-bearing liabilities including deferred taxes, beginning of the period</i>	<i>-39.7</i>	<i>-50.1</i>	<i>-90.2</i>
<i>Non-interest-bearing liabilities including deferred taxes, end of the period</i>	<i>-44.7</i>	<i>-37.9</i>	<i>-85.4</i>
Total average capital employed	278.3	275.5	283.1
= Return on capital employed	5%	0%	9%
Return on equity			
Profit (loss) this period	9.6	-3.2	18.2
/ Average equity	217.7	218.9	249.3
<i>Equity at the beginning of the period</i>	<i>212.9</i>	<i>220.5</i>	<i>240.2</i>
<i>Equity at the end of the period</i>	<i>222.4</i>	<i>217.3</i>	<i>258.4</i>
= Return on equity	4%	-1%	7%
Return on total capital			
(Profit before tax)	12.0	-4.1	23.2
- Finance costs)	-0.5	-0.5	-0.4
/ Average total capital (for the calculation, see "Return on capital employed")	320.5	319.5	370.9
= Return on total capital	4%	-1%	6%
Quick ratio			
(Current assets, i.e. other current assets plus cash & bank deposits)	187.0	202.3	274.3
- Inventories	105.4	105.0	83.1
+ Granted unutilised line of credit)	23.6	22.0	25.4
/ Current liabilities	46.1	39.2	78.6
= Quick ratio	228%	304%	276%
Interest Coverage ratio			
(Profit before tax)	12.0	-4.1	23.2
- Finance costs)	-0.5	-0.5	-0.4
/ Finance costs	-0.5	-0.5	-0.4
= Interest Coverage ratio, times	26	-7	64
Debt-equity ratio			
Interest-bearing liabilities i.e. total interest-bearing items on balance sheet's debt side	41.3	70.6	35.1
/ Equity	222.4	217.3	258.4
= Debt-equity ratio, times	0.2	0.3	0.1
Income per employee			
Operating income (calculated to full year)	218.3	148.5	353.9
/ Number of employees, (average for the period) ¹⁾	76	85	107
= Income per employee	2.9	1.8	3.3

¹⁾The average of employees for the period is an approximation where a calculation is made by taking the average of the number of employees at closing balance and opening balance respectively during the period. The exact calculation is only made for the Company's annual report.

DEFINITIONS OF KEY FIGURES¹⁾

RETURN ON EQUITY (ROE)

Profit for the period as % of average equity.

Return on equity is a measurement that the Company considers important for an investor who wants to be able to compare their investment with alternative investments.

RETURN ON TOTAL CAPITAL (ROTC)

Profits after net financial items with a reversal of financial expenses, as % of average total assets.

Return on total capital is a measurement that the Company considers important for an investor who wants to see how efficiently the use of total capital in the Company is used and what return it produces.

RETURN ON CAPITAL EMPLOYED (ROCE)

Operating profit (EBIT) plus finance income as % of average capital employed. The capital employed is defined as the total assets less non-interest-bearing liabilities including deferred taxes.

Return on capital employed is a measure that the Company considers important for investors who want to understand earnings generation in relation to capital employed.

EQUITY PER SHARE

Equity in relation to the number of shares on the balance sheet day.

The Company regards the key financial figure equity per share as relevant to investors since it describes the amount of capital (equity) belonging to the shareholders of the Company.

INCOME PER EMPLOYEE

Operating income divided by the number of employees (annualised average of full-time equivalents).

The Company regards income per employee as a relevant measure for investors who want to understand how effectively the Company is using its human capital.

CASH FLOW PER SHARE

Operating cash flow divided by the average number of shares.

The Company regards cash flow per share as relevant to investors since it describes the amount of cash flow directly attributable to the shareholders of the Company.

QUICK RATIO

Current assets excluding inventories but including granted unutilised lines of credit, divided by current liabilities.

The Company regards the quick ratio (cash liquidity) as important for creditors who want to understand the Company's short-term ability to pay.

EARNINGS PER SHARE (EPS)

Financial measure (key figure) according to IFRS

Profit for the period divided by the average number of shares.

INTEREST COVERAGE RATIO

Profit after net financial items with reversal of financial expenses divided by finance costs.

The coverage ratio is a key figure that shows how much the result can decrease without risking interest payments. The Company regards the key financial figures as relevant for investors who want to assess the Company's financial resilience.

OPERATING PROFIT (EBIT)

Operating profit before financial items and taxes.

The Company considers that the key financial figure operating profit (EBIT) is relevant for investors who want to understand the Company's financial results without the influence of how the business operations are financed.

OPERATING MARGIN

Operating profit (EBIT) as % of net sales.

The Company regards the operating margin (operating profit margin) as a relevant key figure for investors who want to understand the extent of the revenue left over to cover interest, tax and profit.

DEBT-EQUITY RATIO

Interest-bearing liabilities divided by equity.

The debt-to-equity ratio shows the relationship between the borrowings (total debt) and equity and thus the leverage effect of the borrowings. The Company regards this key financial figure as relevant for investors' assessment of the financial strength of the Company.

EQUITY RATIO

Equity as % of the total assets.

The equity ratio is a measure that the Company considers important for creditors/lenders who want to understand the Company's long-term ability to pay.

PROFIT MARGIN

Profit after financial items as % of net sales.

The Company regards the profit margin as relevant to investors because it shows the amount of revenue remaining when all costs excluding tax are covered, and thus compares the profit with the scope of the Company's activities.

¹⁾ A description of industry/company-specific words can be found on page 90 of the Company's Annual Report for 2021.