

Interim report January 1 – June 30, 2024

Focus on margin development

This is a translation of the Swedish version of the report. In case of any discrepancies, the Swedish version shall prevail.

Second quarter

- Turnover MSEK 604.5 (672.5), down 10 percent compared to the previous year
- EBITDA MSEK 78.4 (86.6)
- Operating profit MSEK 54.9 (63.3) and operating margin 9.1 percent (9.4)
- Net profit MSEK 41.6 (39.6)
- Cash flow from operating activities MSEK 63.2 (55.6)
- Earnings per share SEK 5.32 (4.99) (no dilution exists)

Profit with altered allocation of metal cost

- Total profit amounts to MSEK 53.9 (63.7)
- Of which adjusted operating profit MSEK 50.7 (39.6), corresponding to 8.4 percent (5.9) of turnover and result of metal position at risk MSEK 3.2 (4.1)
- Adjusted net profit MSEK 40.8 (39.8)
- Adjusted earnings per share SEK 5.23 (4.99)

First six months

- Turnover MSEK 1,185.7 (1,356.3), down 13 percent compared to the previous year
- EBITDA MSEK 144.9 (140.3)
- Operating profit MSEK 98.5 (95.1) and operating margin 8.3 percent (7.0)
- Net profit MSEK 69.1 (58.6)
- Cash flow from operating activities MSEK 98.6 (252.3)
- Earnings per share SEK 8.76 (7.19) (no dilution exists)

Profit with altered allocation of metal cost

- Total profit amounts to MSEK 104.1 (91.6)
- Of which adjusted operating profit MSEK 100.8 (69.8), corresponding to 8.5 percent (5.1) of turnover and result of metal position at risk MSEK 3.3 (1.8)
- Adjusted net profit MSEK 73.5 (55.5)
- Adjusted earnings per share SEK 9.36 (6.77)

Mari Kadowaki, CEO and President of ProfilGruppen, comments:

"The maintained delivery volume holds up the improved reported Group operational result.

However, the actual calculated return is significantly lower and is not sufficient to maintain and develop our company. We therefore have important work ahead of us to change and raise profitability through price and margin increasing measures as well as expanded business that gives the customer greater added value."



Turnover and result in the second quarter

The turnover for the Group in the second quarter of 2024 amounted to MSEK 604.5 (672.5), a decrease of about 10 percent compared to the same period previous year.

The delivery volumes have decreased by approximately 2 percent to 9,500 tonnes (9,650) of aluminum profiles. The decrease in turnover is primarily explained by lower aluminium prices as well as decreased delivery volume and currency valuation effect.

During the second quarter the Group manufactured 9,400 tonnes (9,450) of aluminium extrusions.

The operating profit for the second quarter of the year amounted to MSEK 54.9 (63.3). This is equivalent to an operating margin of 9.1 percent (9.4). The result for second quarter last year was affected by one-off items of 10.0 MSEK.

The profit before tax amounted to MSEK 52.4 (49.9).

Earnings per share totalled SEK 5.32 (4.99) (no dilution).

Turnover and result during the first six months of the year

The turnover for the Group for the first six months of the year amounted to MSEK 1,187.7 (1,356.3), a decrease of about 13 percent compared to the same period previous year.

The delivery volumes have decreased by approximately 4 percent to 18,700 tonnes (19,400) of aluminum profiles. The decrease in turnover is primarily explained by lower aluminium prices as well as decreased delivery volume and currency valuation effect.

During the first six months the Group manufactured 18,200 tonnes (18,750) of aluminium extrusions.

The operating profit for the first six months of the year amounted to MSEK 98.5 (95.1). This is equivalent to an operating margin of 8.3 percent (7.0).

The profit before tax amounted to MSEK 87.0 (73.8). Earnings per share totalled SEK 8.76 (7.19) (no dilution).

Altered key ratios and profit

The altered key ratios reflect the company's fair commercial results of operations.

The altered key ratios regarding 2023 have been recalculated, which is why they do not completely correspond to the previously reported.

Second quarter

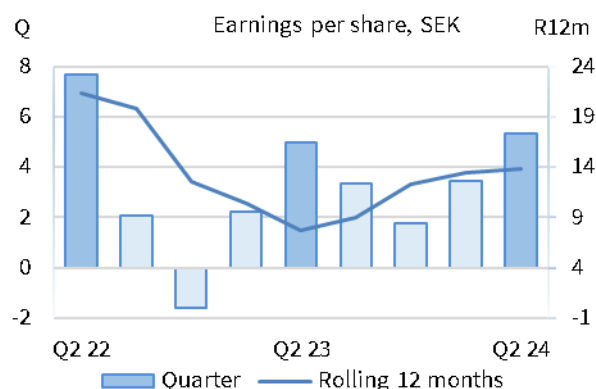
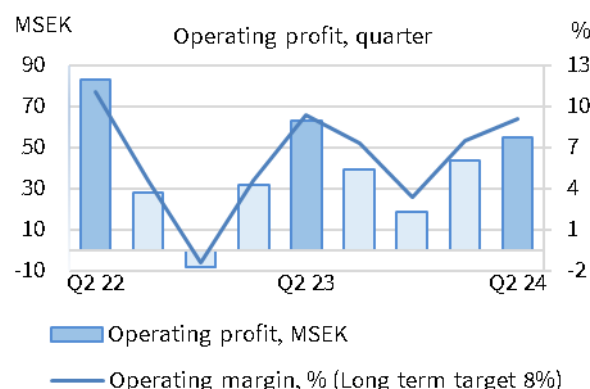
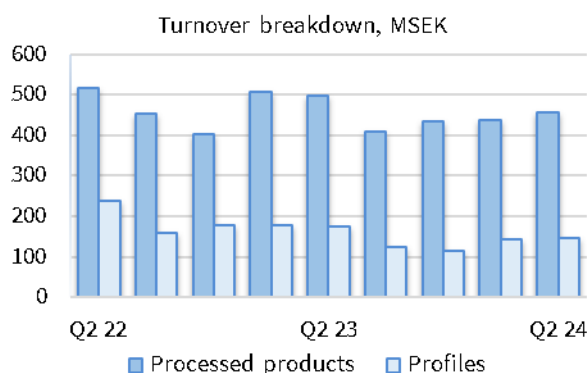
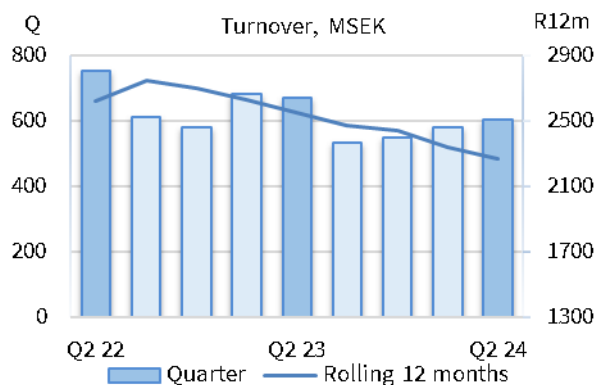
The total profit amounted to MSEK 53.9 (63.7), whereof the adjusted operating profit amounted to MSEK 50.7 (39.6) which corresponded to an adjusted operating margin of 8.4 percent (5.9). The total profit includes a profit in metal positions of MSEK 3.2 (4.1).

The difference between total profit and accounting operating profit is an altered allocation of metal cost amounted to MSEK -1.0 (0.4). This accrual effect corresponds to an adjusted net profit of MSEK 40.8 (39.8) and adjusted earnings per share amounting to SEK 5.23 (4.99).

First six months

The total profit amounted to MSEK 104.1 (91.6), whereof the adjusted operating profit amounted to MSEK 100.8 (69.8) which corresponded to an adjusted operating margin of 8.5 percent (5.1). The total profit includes a profit in metal positions of MSEK 3.3 (1.8).

The difference between total profit and accounting operating profit is an altered allocation of metal cost



amounted to MSEK 5.6 (-3.5). This accrual effect corresponds to an adjusted net profit of MSEK 73.5 (55.5) and adjusted earnings per share amounting to SEK 9.36 (6.77).

Investments during the first six months of the year

Investments during the first six months of 2024 amounted to MSEK 32.7 (39.5), excluding changes in right of use assets.

The investments mainly consist of machinery and equipment of MSEK 15.5, and extrusion dies.

Financing and liquidity

Cash flow from current operations amounted to MSEK 98.6 (252.3) and after investments to MSEK 70.5 (212.5).

The cash flow corresponding period last year was positively affected by pandemic-related suspension of collection to the amount of MSEK 162.8.

The liquidity reserve as of June 30, 2024, amounted to MSEK 341.4 (345.2).

The balance sheet total as of the end of the second quarter was MSEK 1,490.5 (1,517.8).

Net debt as of June 30, 2024, amounted to MSEK -2.8 (162.0) and net debt/EBITDA to 0.0 (0.8). ProfilGruppen's target for net debt/EBITDA is < 2.0.

The calculation of the net debt does not include pandemic-related suspension of MSEK 228. If the suspension would be included in net debt the net debt/EBITDA amounts to 0.9. MSEK 163 of the suspension are due for payment in September 2024, according to current regulations. The remaining MSEK 65 will be amortized successively until 2026.

Calculational description of financial position

The facilities in ProfilGruppen have been maintained for many years and it has been shown that their lifespan exceeds the estimated economic lifespan. During the same time, the replacement value has risen sharply due to inflation. The effect of this development is that the calculative value of the facilities exceeds the accounting value. The consequence is that the reported return exceeds the return based on calculated values of assets, profit and equity. Calculational efforts indicate that the profit margin is rather half of the reported one, while the equity is almost double. To create room for reinvestments, the current level of profitability therefore continuously needs to be raised significantly.

Currency

During the remaining part of 2024 the Group has an unhedged currency inflow of MEUR 4.7. The Group has a loan in euros which amounted to MEUR 7.9 on the balance sheet date.

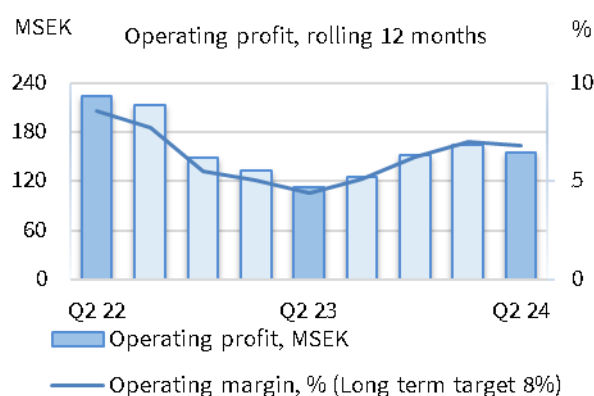
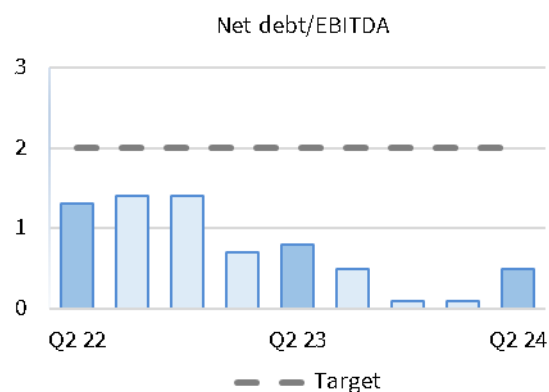
Personnel

The average number of employees in the Group during the first six months of the year was 523 (502). The number of employees as of June 30, 2024, totalled 524 (523).

Significant risks and uncertain factors

The company's risks and risk management are described in the 2023 Annual Report.

At the end of the first six months of the year, the company had a limited metal position.



Outlook for 2024

ProfilGruppen does not provide a forecast.

Interim reporting 2024

Interim report for the third quarter 2024 will be provided October 22, 14:00.

Statement of comprehensive income in short

MSEK	Note	Q2 2024	Q2 2023	Q 1-2 2024	Q 1-2 2023	R 12	2023
Net turnover		604.5	672.5	1 185.7	1 356.3	2 268.5	2 439.1
Cost of goods sold	2	-514.3	-595.2	-1 018.3	-1 210.0	-1 985.3	-2 177.0
Gross Margin		90.2	77.3	167.4	146.3	283.2	262.1
Other operating revenues		0.0	20.0	0.3	20.0	3.1	22.8
Selling expenses		-20.3	-19.0	-39.5	-39.6	-73.6	-73.7
Administrative expenses		-14.5	-15.0	-28.8	-31.5	-55.8	-58.5
Other operating expenses		-0.5	0.0	-0.9	-0.1	-1.1	-0.3
Operating profit/loss		54.9	63.3	98.5	95.1	155.8	152.4
Financial income		2.2	0.3	2.3	1.1	6.8	5.6
Financial expenses	3	-4.7	-13.7	-13.8	-22.4	-22.2	-30.8
Net financial income/expense		-2.5	-13.4	-11.5	-21.3	-15.4	-25.2
Income after financial items		52.4	49.9	87.0	73.8	140.4	127.2
Tax		-10.8	-10.3	-17.9	-15.2	-31.4	-28.7
Net income for the period		41.6	39.6	69.1	58.6	109.0	98.5
of which attributable to:							
Owners of the parent		39.4	36.7	64.8	53.2	102.4	90.8
Non-controlling interests		2.2	2.9	4.3	5.4	6.6	7.7
Earnings per share (before and after dilution), SEK		5.32	4.99	8.76	7.19	13.83	12.27
Other comprehensive income							
Net income for the period		41.6	39.6	69.1	58.6	109.0	98.5
Hedging reserve		3.2	-2.5	1.4	-3.1	8.5	4.0
Translation differences		0.0	0.2	0.1	0.2	-0.1	0.0
Deferred tax on the above items		-0.7	0.5	-0.3	0.6	-1.7	-0.8
Total items that will subsequently be reclassified to net income:		2.5	-1.8	1.2	-2.3	6.7	3.2
Revaluation of defined benefit pension obligation		0.0	0.0	0.1	1.2	-2.5	-1.4
Total items that will subsequently not be reclassified to net income:		0.0	0.0	0.1	1.2	-2.5	-1.4
Comprehensive income for the period		44.1	37.8	70.4	57.5	113.2	100.3
of which total comprehensive income for the period attributable to:							
Owners of the parent		41.9	34.9	66.1	52.1	106.6	92.6
Non-controlling interests		2.2	2.9	4.3	5.4	6.6	7.7

Statement of financial position in short

MSEK	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
Assets				
Intangible fixed assets		10.9	17.2	13.9
Tangible fixed assets		586.7	605.1	595.6
Right of use assets		26.7	18.1	27.8
Financial fixed assets		0.8	0.2	0.9
Deferred tax assets		0.4	0.3	0.4
Total fixed assets		625.5	640.9	638.6
Inventories		346.4	405.0	377.8
Current receivables	4	377.5	457.4	305.0
Liquid assets		141.0	14.5	120.9
Total current assets		864.9	876.9	803.7
Total assets		1 490.4	1 517.8	1 442.3
Shareholders' equity				
Total equity attributable to the parent Company's shareholders		627.4	557.8	598.3
Non-controlling interests		21.5	19.4	17.2
Total equity		648.9	577.2	615.5
Liabilities				
Interest-bearing liabilities		106.9	121.1	117.3
Interest-free liabilities		88.3	79.7	88.0
Total long-term liabilities		195.2	200.8	205.3
Interest-bearing liabilities and provisions		31.3	55.5	30.5
Interest-free liabilities	4	615.1	684.3	591.0
Total short-term liabilities		646.4	739.8	621.5
Total shareholders' equity and liabilities		1 490.5	1 517.8	1 442.3

Statement of changes in equity in short

MSEK	Q 2 2024	Q 2 2023	Q 1-2 2024	Q 1-2 2023	2023
Opening balance, total equity	641.8	569.0	615.5	549.3	549.3
Changes attributable to owners of the parent: Comprehensive income for the period	41.9	34.9	66.1	52.1	92.6
Changes attributable to non-controlling interests: Comprehensive income for the period	2.2	2.9	4.3	5.4	7.7
Transactions with shareholders Dividend	-37.0	-29.6	-37.0	-29.6	-34.1
Closing balance, total equity	648.9	577.2	648.9	577.2	615.5

Statement of cash flows in short

MSEK	Note	Q 2 2024	Q 2 2023	Q 1-2 2024	Q 1-2 2023	R 12	2023
Operating activities							
Income after financial items		52.4	49.9	87.0	73.8	140.4	127.2
Depreciation and write-down		23.5	23.3	46.4	45.2	92.0	90.8
Adjustment for other non-cash items		3.0	25.0	12.9	33.8	13.6	34.5
Interest received/paid		-4.2	-13.6	-7.7	-10.3	-13.2	-15.8
Paid income tax		-9.0	-7.2	-19.1	-21.2	-31.0	-33.1
Cash flow prior to change in working capital		65.7	77.4	119.5	121.3	201.8	203.6
Inventories		1.8	17.0	31.3	66.4	58.5	93.6
Operating receivables		-7.3	-6.1	-69.6	-118.0	83.8	35.4
Operating liabilities		3.0	-32.7	17.4	182.6	-68.4	96.8
Cash flow from operating activities		63.2	55.6	98.6	252.3	275.7	429.4
Acquisition of property, plant and equipment		-14.1	-14.9	-28.1	-39.8	-67.0	-78.7
Sale of property, plant and equipment		0.0	0.0	0.0	0.0	7.3	7.3
Cash flow from investing activities		-14.1	-14.9	-28.1	-39.8	-59.7	-71.4
Dividend		-37.0	-29.6	-37.0	-29.6	-41.5	-34.1
Loans raised		0.0	0.0	0.0	0.0	0.0	0.0
Change in bank overdraft facility utilized		0.0	-1.9	0.0	-175.4	-19.2	-194.6
Repayment of loans		-4.7	-3.1	-9.3	-9.2	-18.9	-18.8
Repayment of lease debts		-2.7	-2.2	-6.0	-4.1	-11.6	-9.7
Cash flow from financing activities		-44.4	-36.8	-52.3	-218.3	-91.2	-257.2
Cash flow for the period		4.7	3.9	18.2	-5.8	124.8	100.8
Liquid assets, opening balance		136.2	10.3	120.9	20.0	14.5	20.0
Translation differences in liquid assets		0.1	0.3	1.9	0.3	1.7	0.1
Liquid assets, closing balance		141.0	14.5	141.0	14.5	141.0	120.9
Liquidity reserve				341.4	345.2		318.8

The parent company

The turnover of the parent company amounted to MSEK 21.1 (18.0) and comprises payments for rents from companies in the Group. Profit after financial items amounted to MSEK 14.9 (82.2).

Investments in the parent company during the first six months of the year amounted to MSEK 0.3 (2.8) and are related to investments in properties.

The parent company employs none (none). The parent company's risks and uncertain factors do not significantly differ from the Group.

Income statement in short – the parent company

MSEK	Note	Q 2 2024	Q 2 2023	Q 1-2 2024	Q 1-2 2023	2023
Turnover		10.6	9.0	21.1	18.0	39.8
Cost of goods sold		-1.8	-1.8	-3.9	-3.8	-7.4
Gross Margin		8.8	7.2	17.2	14.2	32.4
Other operating revenues		0.0	0.0	0.0	0.0	0.0
Administrative expenses		-1.2	-1.0	-2.1	-2.4	-3.8
Operating income		7.6	6.2	15.1	11.8	28.6
Result from shares in group companies		0.0	72.0	0.0	72.0	82.5
Interest income and similar income and expense items		0.0	0.0	0.0	0.0	0.4
Interest expenses and similar income and expense items		-0.2	-1.0	-0.2	-1.6	-1.6
Income after financial items		7.4	77.2	14.9	82.2	109.9
Appropriations		0.0	0.0	0.0	0.0	30.5
Income before tax		7.4	77.2	14.9	82.2	140.4
Tax		-1.6	-1.1	-3.1	-2.1	-12.3
Net income for the period		5.8	76.1	11.8	80.1	128.1
Parent company statement of comprehensive income						
Net income for the period		5.8	76.1	11.8	80.1	128.1
Items that will subsequently be reclassified to net income:		0.0	0.0	0.0	0.0	0.0
Items that will subsequently not be reclassified to net income		0.0	0.0	0.0	0.0	0.0
Comprehensive income for the period		5.8	76.1	11.8	80.1	128.1

Balance sheet in short – the parent company

MSEK	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
Assets				
Tangible assets				
Tangible fixed assets		176.5	188.1	179.8
Financial assets (shares in subsidiaries)		87.9	87.9	87.9
Total fixed assets		264.4	276.0	267.7
Current receivables				
Cash and bank balances		55.2	0.7	79.1
Total current assets		55.2	3.0	79.1
Total assets		319.6	279.0	346.8
Equity				
Untaxed reserves		225.1	202.3	250.3
Provisions for taxes		79.0	67.5	79.0
Long-term liabilities		3.8	3.6	3.7
Current liabilities		0.0	0.0	0.0
Total equity and liabilities		319.6	279.0	346.8

Notes

Note 1 - Accounting Principles

The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The parent company accounting has been prepared in accordance with the Swedish Annual Accounts Act (ÅRL) and the Swedish Financial Reporting Standards Council's RFR 2 Accounting for Legal Entities. The accounting principles applied are identical to the ones used for the latest annual report.

Note 2 – Depreciation and write-down of fixed assets

MSEK	Q 2 2024	Q 2 2023	Q 1-2 2024	Q 1-2 2023	R 12	2023
Intangible fixed assets	1.4	1.7	3.0	3.3	6.2	6.5
Land and buildings	1.7	1.6	3.3	3.2	6.6	6.5
Machinery and equipment	16.9	17.9	33.2	34.7	66.6	68.1
Right of use assets	3.5	2.1	6.9	4.0	12.6	9.7
Total	23.5	23.3	46.4	45.2	92.0	90.8
of which write-down	0.0	0.0	0.0	0.0	0.0	0.0

Note 3 – Financial expenses

MSEK	Q 2 2024	Q 2 2023	Q 1-2 2024	Q 1-2 2023	R 12	2023
Interest expenses to financial institutions	2.1	4.3	4.1	8.3	9.9	14.1
Unrealized exchange rate revaluation of financial items (gain neg, loss pos)	-1.3	4.9	2.3	6.3	-3.8	0.2
Cost for pandemic suspension of collection	2.5	2.8	5.1	5.0	10.7	10.6
Other financial expenses	1.4	1.7	2.3	2.8	5.4	5.9
Total	4.7	13.7	13.8	22.4	22.2	30.8

Note 4 - Financial instruments, valued at fair value in statement of financial position

MSEK	30 Jun 2024	30 Jun 2023	31 Dec 2023
Short-term receivables:			
Currency derivatives	0.3	0.0	0.0
Short-term non interest-bearing liabilities:			
Currency derivatives	2.3	10.6	3.4
Currency derivatives are used for hedge and are valued on level 2 according to IFRS 13.			
Forward contracts foreign exchange			
Hedged future cash flows, MEUR	9.2	10.2	12.2
Notional amount	101.9	107.8	131.9
Last maturity date of concluded forward contracts	2025-12-15	2024-11-29	2025-12-15

Note 5 – Pledged assets and contingent liabilities

MSEK	30 Jun 2024	30 Jun 2023	31 Dec 2023
Property mortgages	82.9	82.9	82.9
Floating charges	440.0	440.0	440.0
Shares in subsidiaries	385.8	356.2	328.7
Guarantee commitments pensions	0.3	0.2	0.3

Note 6 – Related transactions

During the period no related transactions that significantly affect the Groups result or financial statement have been made, apart from customary payments of directors' fees, remuneration of senior executives, dividend and the rents from companies in the Group to the parent company.

Key ratios

The Group	Q 2 2024	Q 2 2023	Q 1-2 2024	Q 1-2 2023	R 12	2023
Net turnover, MSEK	604.5	672.5	1 185.7	1 356.3	2 268.5	2 439.1
Income before depreciation, MSEK	78.4	86.6	144.9	140.3	247.8	243.2
Operating income/loss, MSEK	54.9	63.3	98.5	95.1	155.8	152.4
Operating margin, %	9.1	9.4	8.3	7.0	6.9	6.2
Income after financial items, MSEK	52.4	49.9	87.0	73.8	140.4	127.2
Profit margin, %	8.7	7.4	7.3	5.4	6.2	5.2
Return on equity, %	25.8	27.8	21.9	20.8	17.8	16.9
Return on capital employed, %	27.6	19.9	23.5	19.9	19.5	17.0
Cash flow from operating activities, MSEK	63.2	55.6	98.6	252.3	275.7	429.4
Investments, MSEK	17.5	14.8	32.7	39.5	71.9	78.7
Liquidity reserve, MSEK	-	-	341.4	345.2	-	318.8
Net debt, MSEK	-	-	-2.8	162.0	-	26.9
Net debt/EBITDA	-	-	0.0	0.8	-	0.1
Interest-bearing liabilities and interest-bearing provisions, MSEK	-	-	138.2	176.5	-	147.8
Net debt/equity ratio	-	-	0.0	0.3	-	0.0
Total assets, MSEK	-	-	1 490.5	1 517.8	-	1 442.3
Equity ratio, %	-	-	43.5	38.0	-	42.7
Capital turnover	-	-	3.1	3.3	2.9	2.9
Proportion of risk-bearing capital, %	-	-	49.5	43.3	-	48.8
Interest coverage ratio	25.2	12.7	22.0	9.9	15.2	10.0
Average number of employees	524	512	523	502	522	512
Net turnover per employee (average), TSEK	1 154	1 313	2 267	2 702	4 346	4 764
Income after fin, per employee (average), TSEK	100	98	166	147	269	248
Average number of shares, thousands (no dilution)	7 399	7 399	7 399	7 399	7 399	7 399
Number of shares, end of period, thousands	7 399	7 399	7 399	7 399	7 399	7 399
Earnings per share, SEK	5.32	4.99	8.76	7.19	13.83	12.27
Equity per share, SEK	-	-	84.80	75.40	-	80.86
Profit with altered allocation of metal cost						
Adjusted total profit, Mkr *	53.9	63.7	104.1	91.6	167.4	154.9
Result metal position, Mkr *	3.2	4.1	3.3	1.8	1.3	-0.2
Adjusted operating income/loss, MSEK *	50.7	39.6	100.8	69.8	166.1	135.1
Adjusted operating margin, % *	8.4	5.9	8.5	5.1	7.3	5.5
Adjusted earnings per share, SEK *	5.23	4.99	9.36	6.77	15.19	12.60

* Key ratios with altered allocation of metal cost and occurring non-comparable items are excluded.
For definition and reconciliation please visit www.profilgruppen.se.

The key ratios above are a summary of the financial report to give an overview of ProfilGruppen's financial position. Definitions and reconciliation of the alternative performance measures are given at www.profilgruppen.se. Net debt does not include pandemic-related suspension to the amount of MSEK 228. In calculation of interest coverage ratio is only interest expenses to financial institutions used.

Rounding differences may occur. When calculating key ratios: return on equity, return on capital employed and capital turnover the result and turnover for the period have been adjusted upward to 12 months. The key ratios presented are for the total Group and based on the Group consolidated figures including non-controlling interest, except Earnings per share and Equity per share.

This report has been prepared in accordance with IAS 34 Interim reporting, respectively good accounting practices and in accordance with the IFRS regulations.

Åseda, July 16, 2024

The CEO and Board of Directors, ProfilGruppen AB (publ). Org. No. 556277-8943

Bengt Stillström
Chairman of the Board

Mari Kadowaki
President and CEO

Tomas Berggren
Board member

Marianne Brismar
Board member

Mikael Ekbring
Board member
Appointed by the employees


Anders Johansson
Board member
Appointed by the employees

Fredrik Petterson
Board member

This interim report has not been audited.

Brief facts about ProfilGruppen

- A partnership with ProfilGruppen should be uncomplicated and involve personal commitment
- Aluminium is our choice, it is more favorable in a life cycle perspective than many alternatives and enables us to create sustainable products
- Aluminium extrusions are used within many industries, for example furnishings, construction, automotive and electronics
- The manufacturing of extrusions takes place in Åseda exclusively and includes:
 - Extrusion of aluminium profiles in four production lines
 - Anodizing facility for surface treatment
 - Further processing of aluminium extrusions in the form of cutting processing, bending and stamping
 - Fully automated facilities for processing, coating and packaging of interior design details
- A dozen subcontractors broadens the range of processing possibilities
- The company is certified in accordance with IATF 16949, ISO 14001 and ISO 45001 and the industry's own sustainability standard Aluminium Stewardship Initiative Performance Standard
- Started in 1981 in Åseda, Sweden
- Listed on the Stockholm Stock Exchange in 1997 and is included in the Small Cap list



For more information, please contact
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Current information and photographs for free publication are available at www.profilgruppen.se