

Interim report January 1 – March 31, 2024

Lower turnover and higher margin

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

First quarter

- Turnover MSEK 581.2 (683.8), down 15 percent compared to the previous year
- EBITDA MSEK 66.5 (53.7)
- Operating profit MSEK 43.6 (31.8) and operating margin 7.5 percent (4.7)
- Net profit MSEK 27.5 (19.0)
- Cash flow from operating activities MSEK 35.4 (196.7)
- Earnings per share SEK 3.43 (2.21) (no dilution exists)
- Calculational estimations show that the profitability level continuously needs to be raised significantly

Profit with altered allocation of metal cost

- Total profit amounts to MSEK 50.2 (27.9)
- Of which adjusted operating profit MSEK 50.1 (30.2), corresponding to 8.6 percent 5.2 of turnover and result of metal position at risk MSEK 0.1 (-3.2).
- Adjusted net profit MSEK 32.6 (15.7)
- Adjusted earnings per share SEK 4.13 (1.78)

Mari Kadowaki, CEO and President of ProfilGruppen, comments:

"Despite a difference between market segments and weak economy, we manage to maintain and improve our results. The ongoing work of phasing out unprofitable business and developing relationships and business portfolio with customers who appreciate our flexible production and delivery service is yielding results.

At the same time, work is in progress to streamline our production and supply chains."



Turnover and result in the first quarter

The turnover for the Group in the first quarter of 2024 amounted to MSEK 581.2 (683.8), a decrease of about 15 percent compared to the same period previous year.

The delivery volumes have decreased by approximately 5 percent to 9,200 tonnes (9,750) of aluminum profiles. The decrease in turnover is primarily explained by lower aluminium prices and decreased delivery volume.

During the first quarter the Group manufactured 8,800 tonnes (9,300) of aluminium extrusions.

The operating profit for the first quarter of the year amounted to MSEK 43.6 (31.8). This is equivalent to an operating margin of 7.5 percent (4.7).

The profit before tax amounted to MSEK 34.6 (23.9).

Earnings per share totalled SEK 3.43 (2.21) (no dilution).

Altered key ratios and profit

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

The total profit amounted to MSEK 50.2 (27.9), whereof the adjusted operating profit amounted to MSEK 50.1 (30.2) which corresponded to an adjusted operating margin of 8.6 percent (5.2).

The total profit includes a profit in metal positions of MSEK 0.1 (-2.3). The difference between total profit and accounting operating profit is an effect of altered allocation of metal cost amounted to MSEK 6.6 (-3.9). This accrual effect corresponds to an adjusted net profit of MSEK 32.6 (15.7) and adjusted earnings per share amounting to SEK 4.13 (1.78).

Investments

Investments during the first three months of 2024 amounted to MSEK 15.2 (24.7), excluding changes in right of use assets.

The investments mainly consist of machinery and equipment of MSEK 6.5, and extrusion dies.

Financing and liquidity

Cash flow from current operations amounted to MSEK 35.4 (196.7) and after investments to MSEK 21.4 (171.8).

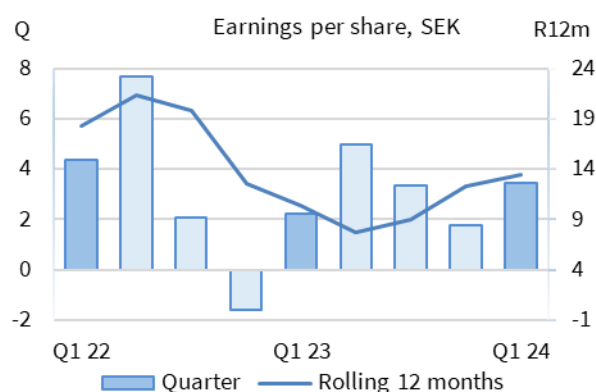
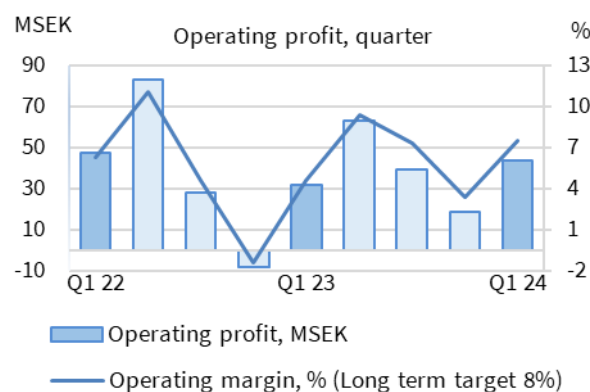
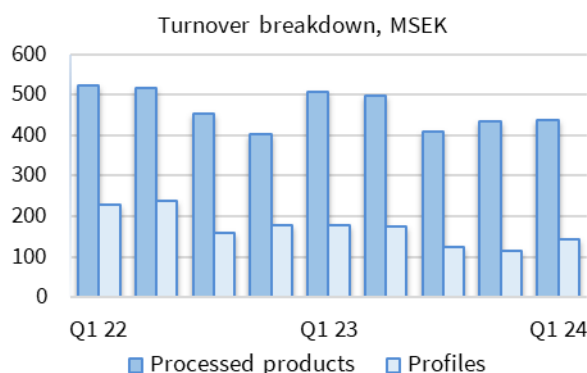
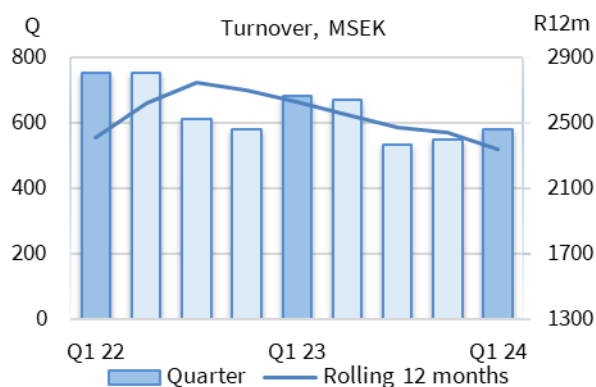
The cash flow corresponding period last year was positively affected by pandemic-related suspension of collection to the amount of MSEK 162.8.

The liquidity reserve as of March 31, 2024, amounted to MSEK 305.3 (349.0).

The balance sheet total as of the end of the period was MSEK 1,492.0 (1,530.4).

Net debt as of 31 March 2024 amounted to MSEK 15.3 (156.6) and net debt/EBITDA to 0.1 (0.7). ProfilGruppen's target for net debt/EBITDA is < 2.0.

The calculation of the net debt does not include pandemic-related suspension of MSEK 238. If the suspension would be included in net debt the net debt/EBITDA amounts to 1.0. MSEK 163 of the suspension are due for payment in September 2024, according to current regulations. The remaining MSEK 75 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. In order to create room for reinvestment, 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 9.7. The Group has a loan in euros which amounted to MEUR 8.6 on the balance sheet date.

Personnel

The average number of employees in the Group during the period was 512 (535). The number of employees as of 31 March 2024 totalled 517 (506).

Significant risks and uncertain factors

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

At the end of March, the metal position at risk was very modest. The metal position at risk is the net of volume in stock and contracted purchase versus contracted sales.

Outlook for 2024

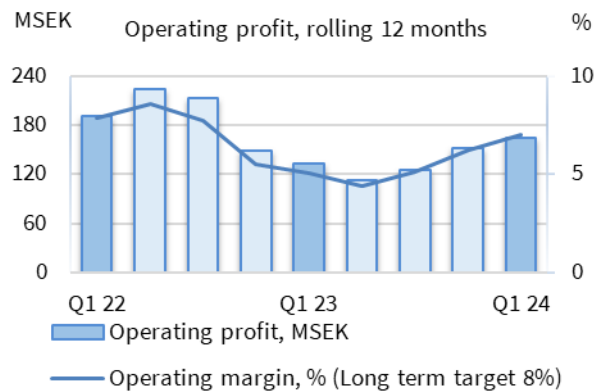
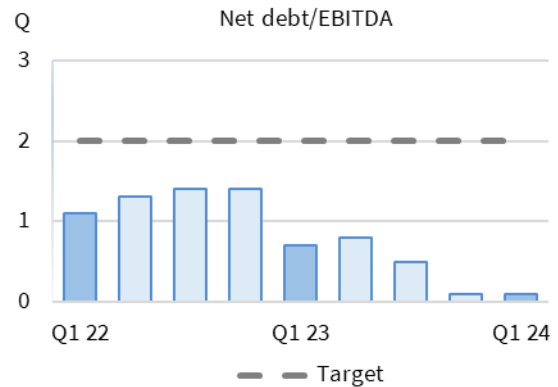
ProfilGruppen does not provide a forecast.

Interim reporting 2024

Interim reports for 2024 will be provided as follows:

Interim report second quarter, July 16, 14:00

Interim report third quarter, October 22, 14:00



Statement of comprehensive income in short

MSEK	Note	Q 1 2024	Q 1 2023	R 12	2023
Net turnover		581,2	683,8	2 336,5	2 439,1
Cost of goods sold	2	-504,0	-614,8	-2 066,2	-2 177,0
Gross Margin		77,2	69,0	270,3	262,1
Other operating revenues		0,3	0,0	23,1	22,8
Selling expenses		-19,2	-20,6	-72,3	-73,7
Administrative expenses		-14,3	-16,5	-56,3	-58,5
Other operating expenses		-0,4	-0,1	-0,6	-0,3
Operating profit/loss		43,6	31,8	164,2	152,4
Financial income		0,1	0,8	4,9	5,6
Financial expenses	3	-9,1	-8,7	-31,2	-30,8
Net financial income/expense		-9,0	-7,9	-26,3	-25,2
Income after financial items		34,6	23,9	137,9	127,2
Tax		-7,1	-4,9	-30,9	-28,7
Net income for the period		27,5	19,0	107,0	98,5
of which attributable to:					
Owners of the parent		25,4	16,5	99,7	90,8
Non-controlling interests		2,1	2,5	7,3	7,7
Earnings per share (before and after dilution), SEK		3,43	2,21	13,50	12,27
Other comprehensive income					
Net income for the period		27,5	19,0	107,0	98,5
Hedging reserve		-1,8	-0,6	2,8	4,0
Translation differences		0,1	0,0	0,1	0,0
Deferred tax on the above items		0,4	0,1	-0,5	-0,8
Total items that will subsequently be reclassified to net income:		-1,3	-0,5	2,4	3,2
Revaluation of defined benefit pension obligation		0,1	1,2	-2,5	-1,4
Total items that will subsequently not be reclassified to net income:		0,1	1,2	-2,5	-1,4
Comprehensive income for the period		26,3	19,7	106,9	100,3
of which total comprehensive income for the period attributable to:					
Owners of the parent		24,2	17,2	99,6	92,6
Non-controlling interests		2,1	2,5	7,3	7,7

Statement of financial position in short

MSEK	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
Assets				
Intangible fixed assets		12,3	18,8	13,9
Tangible fixed assets		590,6	611,7	595,6
Right of use assets		33,0	15,8	27,8
Financial fixed assets		0,8	0,2	0,9
Deferred tax assets		0,4	0,3	0,4
Total fixed assets		637,1	646,8	638,6
Inventories		348,3	422,0	377,8
Current receivables	4	370,3	451,3	305,0
Liquid assets		136,3	10,3	120,9
Total current assets		854,9	883,6	803,7
Total assets		1 492,0	1 530,4	1 442,3
Shareholders' equity				
Total equity attributable to the parent Company's shareholders		626,5	552,5	598,3
Non-controlling interests		15,3	16,5	17,2
Total equity		641,8	569,0	615,5
Liabilities				
Interest-bearing liabilities		118,1	118,9	117,3
Interest-free liabilities		87,7	80,2	88,0
Total long-term liabilities		205,8	199,1	205,3
Interest-bearing liabilities and provisions		33,5	48,0	30,5
Interest-free liabilities	4	610,9	714,3	591,0
Total short-term liabilities		644,4	762,3	621,5
Total shareholders' equity and liabilities		1 492,0	1 530,4	1 442,3

Statement of changes in equity in short

MSEK	Q 1 2024	Q 1 2023	2023
Opening balance, total equity	615,5	549,3	549,3
Changes attributable to owners of the parent: Comprehensive income for the period	24,2	17,2	92,6
Changes attributable to non-controlling interests: Comprehensive income for the period	2,1	2,5	7,7
Transactions with shareholders Dividend	0,0	0,0	-34,1
Closing balance, total equity	641,8	569,0	615,5

Statement of cash flows in short

MSEK	Note	Q 1 2024	Q 1 2023	R 12	2023
Operating activities					
Income after financial items		34,6	23,9	137,9	127,2
Depreciation and write-down		22,9	21,9	91,8	90,8
Adjustment for other non-cash items		9,9	8,8	35,6	34,5
Interest received/paid		-3,5	3,3	-22,6	-15,8
Paid income tax		-10,1	-14,0	-29,2	-33,1
Cash flow prior to change in working capital		53,8	43,9	213,5	203,6
Inventories		29,5	49,4	73,7	93,6
Operating receivables		-62,3	-111,9	85,0	35,4
Operating liabilities		14,4	215,3	-104,1	96,8
Cash flow from operating activities		35,4	196,7	268,1	429,4
Acquisition of property, plant and equipment		-14,0	-24,9	-67,8	-78,7
Sale of property, plant and equipment		0,0	0,0	7,3	7,3
Cash flow from investing activities		-14,0	-24,9	-60,5	-71,4
Dividend		0,0	0,0	-34,1	-34,1
Loans raised		0,0	0,0	0,0	0,0
Change in bank overdraft facility utilized		0,0	-173,5	-21,1	-194,6
Repayment of loans		-4,6	-6,1	-17,3	-18,8
Repayment of lease debts		-3,3	-1,9	-11,1	-9,7
Cash flow from financing activities		-7,9	-181,5	-83,6	-257,2
Cash flow for the period		13,5	-9,7	124,0	100,8
Liquid assets, opening balance		120,9	20,0	10,3	20,0
Translation differences in liquid assets		1,8	0,0	1,9	0,1
Liquid assets, closing balance		136,2	10,3	136,2	120,9
Liquidity reserve		328,9	349,0		318,8

The parent company

The turnover of the parent company amounted to MSEK 10.5 (9.0) and comprises payments for rents from companies in the Group. Profit after financial items amounted to MSEK 7.5 (5.0).

Investments in the parent company during the first quarter 2024 amounted to MSEK 0.3 (1.8) and are related to investments in properties.

The parent company's interest-bearing liabilities amounted to MSEK 0.0 (44.4) as of 31 March 2024. Last year refers to intra Group liabilities to subsidiaries.

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 1 2024	Q 1 2023	2023
Turnover		10,5	9,0	39,8
Cost of goods sold		-2,1	-2,0	-7,4
Gross Margin		8,4	7,0	32,4
Other operating revenues		0,0	0,0	0,0
Administrative expenses		-0,9	-1,4	-3,8
Operating income		7,5	5,6	28,6
Result from shares in group companies		0,0	0,0	82,5
Interest income and similar income and expense items		0,0	0,0	0,4
Interest expenses and similar income and expense items		0,0	-0,6	-1,6
Income after financial items		7,5	5,0	109,9
Appropriations		0,0	0,0	30,5
Income before tax		7,5	5,0	140,4
Tax		-1,5	-1,0	-12,3
Net income for the period		6,0	4,0	128,1
Parent company statement of comprehensive income				
Net income for the period		6,0	4,0	128,1
Items that will subsequently be reclassified to net income:		0,0	0,0	0,0
Items that will subsequently not be reclassified to net income		0,0	0,0	0,0
Comprehensive income for the period		6,0	4,0	128,1

Balance sheet in short – the parent company

MSEK	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
Assets				
Tangible assets				
Tangible fixed assets		178,3	188,9	179,8
Financial assets (shares in subsidiaries)		87,9	87,9	87,9
Total fixed assets		266,2	276,8	267,7
Current assets				
Current receivables		84,0	0,7	79,1
Cash and bank balances		0,5	0,0	0,0
Total current assets		84,5	0,7	79,1
Total assets		350,7	277,5	346,8
Equity				
Equity		256,3	155,8	250,3
Untaxed reserves		79,0	67,5	79,0
Provisions for taxes		3,8	3,6	3,7
Long-term liabilities		0,0	0,0	0,0
Current liabilities		11,6	50,6	13,8
Total equity and liabilities		350,7	277,5	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 1 2024	Q 1 2023	R 12	2023
Intangible fixed assets	1,6	1,6	6,5	6,5
Land and buildings	1,6	1,6	6,5	6,5
Machinery and equipment	16,3	16,8	67,6	68,1
Right of use assets	3,4	1,9	11,2	9,7
Total	22,9	21,9	91,8	90,8
of which write-down	0,0	0,0	0,0	0,0

Note 3 – Financial expenses

MSEK	Q 1 2024	Q 1 2023	R 12	2023
Interest expenses to financial institutions	2,0	4,0	12,1	14,1
Unrealized exchange rate revaluation of financial items (gain neg, loss pos)	3,6	1,4	2,4	0,2
Cost for pandemic suspension of collection	2,6	2,2	11,0	10,6
Other financial expenses	0,9	1,1	5,7	5,9
Total	9,1	8,7	31,2	30,8

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

MSEK	31 Mar 2024	31 Mar 2023	31 Dec 2023
Short-term receivables:			
Currency derivatives	0,0	0,0	0,0
Short-term non interest-bearing liabilities:			
Currency derivatives	5,3	8,1	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	9,8	12,9	12,2
Notional amount	106,0	136,4	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	31 Mar 2024	31 Mar 2023	31 Dec 2023
Property mortgages	82,9	82,9	82,9
Floating charges	440,0	440,0	440,0
Shares in subsidiaries	348,4	393,2	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 1 2024	Q 1 2023	R 12	2023
Net turnover, MSEK	581,2	683,8	2 336,5	2 439,1
Income before depreciation, MSEK	66,5	53,7	256,0	243,2
Operating income/loss, MSEK	43,6	31,8	164,2	152,4
Operating margin, %	7,5	4,7	7,0	6,2
Income after financial items, MSEK	34,6	23,9	137,9	127,2
Profit margin, %	6,0	3,5	5,9	5,2
Return on equity, %	17,5	13,5	17,7	16,9
Return on capital employed, %	18,8	13,6	19,6	17,0
Cash flow from operating activities, MSEK	35,4	196,7	268,1	429,4
Investments, MSEK	15,2	24,7	69,2	78,7
Liquidity reserve, MSEK	328,9	349,0	-	318,8
Net debt, MSEK	15,3	156,6	-	26,9
Net debt/EBITDA	0,1	0,7	-	0,1
Interest-bearing liabilities and interest-bearing provisions, MSEK	151,6	166,9	-	147,8
Net debt/equity ratio	0,0	0,3	-	0,0
Total assets, MSEK	1 492,0	1 530,4	-	1 442,3
Equity ratio, %	43,0	37,2	-	42,7
Capital turnover	3,0	3,4	3,1	2,9
Proportion of risk-bearing capital, %	48,9	42,4	-	48,8
Interest coverage ratio	18,5	6,9	12,5	10,0
Average number of employees	521	535	519	512
Net turnover per employee (average), TSEK	1 116	1 278	4 502	4 764
Income after fin, per employee (average), TSEK	66	44	266	248
Average number of shares, thousands (no dilution)	7 399	7 399	7 399	7 399
Number of shares, end of period, thousands	7 399	7 399	7 399	7 399
Earnings per share, SEK	3,43	2,21	13,50	12,27
Equity per share, SEK	84,13	74,66	-	80,86
Profit with altered allocation of metal cost				
Adjusted total profit, Mkr *	50,2	27,9	177,2	154,9
Result metal position, Mkr *	0,1	-2,3	2,2	-0,2
Adjusted operating income/loss, MSEK *	50,1	30,2	155,0	135,1
Adjusted operating margin,% *	8,6	4,4	6,6	5,5
Adjusted earnings per share, SEK *	4,13	1,78	14,95	12,60

* Key ratios with altered allocation of metal cost and where possibly occurring non-comparable items are excluded.
For definition and reconciliation please visit 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 238. 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.


Åseda, April 23, 2024

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

This interim report has not been audited.

Brief facts about ProfilGruppen

- The vision is to be the preferred provider of innovative solutions for aluminium extrusions in northern Europe
- 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



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Current information and photographs for free publication are available at www.profilgruppen.se