

Interim report January 1 – March 31, 2022

Strong result in the first quarter

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 751.9 (460.1), up 63 percent compared to previous year
- Operating profit MSEK 47.4 (35.1), after negative one-off effects of MSEK 4.8 (positive 18.0)
- Operating margin 6.3 percent (7.6)
- Net income MSEK 33.7 (24.3)
- Cash flow from operating activities MSEK -62.9 (63.4)
- Earnings per share SEK 4.36 (3.26)

Fredrik Zöögling, CEO and President of ProfilGruppen, comments:

"In the first quarter, we see the effects of the improvement projects initiated last year. The activities to strengthen operating profit and adapt the business to continued sharp cost increases are ongoing. Our hedging of the metal price in the raw material market has reduced the effects of the large fluctuations in the aluminum price. Overall, we report a strong first quarter with an improvement in operating profit before one-off effects from MSEK 17 to 52."



Turnover and result in the first quarter

The turnover for the Group in the first quarter of 2022 amounted to MSEK 751.9 (460.1), an increase of about 63 percent compared to the same period previous year. The main reasons for the increased turnover are sharply increased raw material prices. The delivery volumes have increased by approximately 6 percent to 10,725 tonnes (10,150) of aluminum profiles.

During the first quarter the Group manufactured 10,450 tonnes (9,875) of aluminium extrusions.

The operating profit for the first quarter of the year amounted to MSEK 47.4 (35.1). This is equivalent to an operating margin of 6.3 percent (7.6).

Raw material prices continued increasing during the first quarter. The inventory effects have been evened out by hedging the metal price and the operating profit has been effected by a net of MSEK -4.8 (18.0).

Other costs compared to the same period previous year have increased sharply, primarily for energy and inputs.

The profit before tax amounted to MSEK 42.5 (30.6).

Earnings per share totalled SEK 4.36 (3.26) (no dilution).

Investments

Investments during the first quarter amounted to MSEK 28.0 (22.6), excluding changes in right of use assets.

The investments mainly consist of various capacity-increasing measures and extrusion dies.

Financing and liquidity

Cash flow from current operations amounted to MSEK -62.9 (63.4) and after investments to MSEK -91.5 (34.5). The deteriorated cash flow was mainly caused by increased accounts receivable due to high deliveries at the end of the quarter. Inventory value has increased due to realized raw material hedge in the quarter and rising raw material prices.

During the first quarter previous year ProfilGruppen received liquidity support of MSEK 51.9.

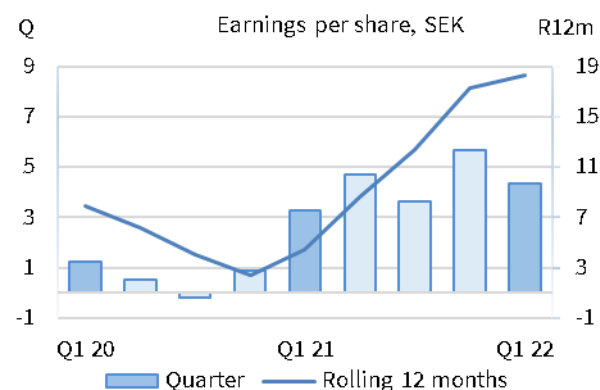
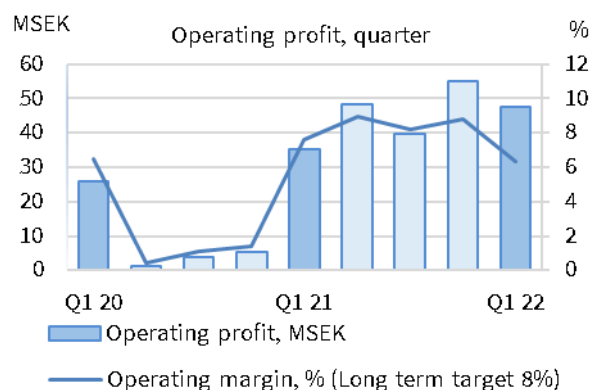
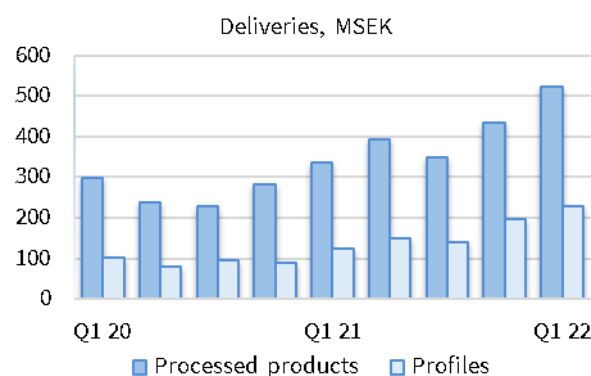
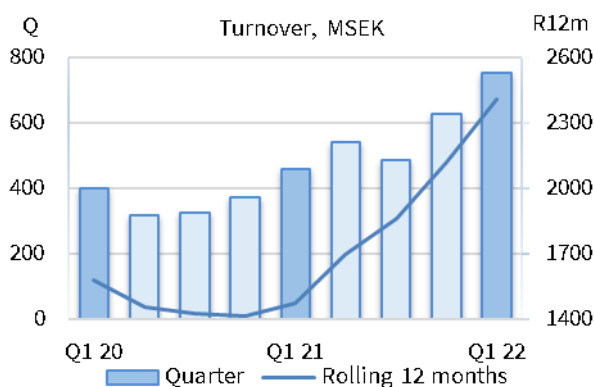
The liquidity reserve as of 31 March 2022 amounted to MSEK 126.2 (219.6).

The balance sheet total as of the end of the period was MSEK 1,652.8 (1,247.2).

Net debt as of 31 March 2022 amounted to MSEK 302.3 (189.0) and net debt/EBITDA to 1.1 (1.7). ProfilGruppen's target for net debt/EBITDA is < 2.0.

Personnel

The average number of employees in the Group during the period was 578 (504). The number of employees as of 31 March 2022 totalled 577 (519).



Significant risks and uncertain factors

The company's risks and risk management are described in the 2021 Annual Report.

At present, there is exceptional uncertainty and unpredictability in the world. This causes disruptions in ProfilGruppen's supply chains to varying degrees. As a result of the war in Ukraine, alternative supply chains have been established to eliminate purchases from Russia or Russian-owned companies.

Through active external monitoring, we continuously adapt to changes.

Outlook for 2022

The geopolitical concerns are great and affect the market in general for both goods and services. Our measures on the purchasing side and a good order intake provide support for a stable second quarter. The present aluminium price provides support for high inventory effects in the quarters to come.

Outlooks for 2022 published on February 10, 2022:

The industry association European Aluminium forecast provides support for expectations of continued high demand. The ongoing measures to improve earnings are expected to give a very positive effect during the first half of the year.

Geopolitical concerns may affect both the raw material market and demand.

Annual General Meeting

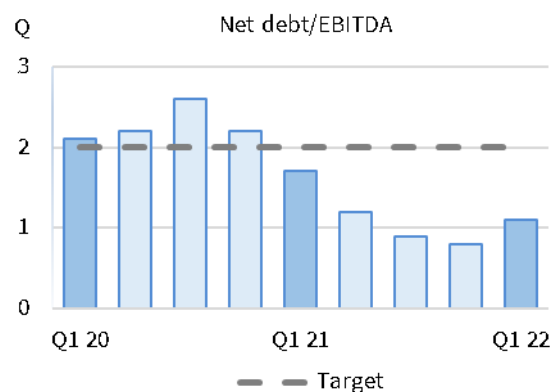
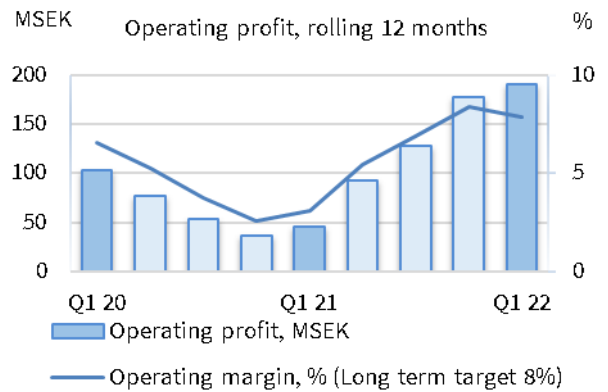
The AGM 2022 will take place Tuesday 26 April 2022 at 16:00 CET. All shareholders are then welcome to Folkets Hus in Åseda. The last day to register is April 21, 2022.

Financial reporting 2022

Interim reports for 2022 will be provided as follows:

Interim report second quarter, July 14, 14:00

Interim report third quarter, October 18, 14:00



Statement of comprehensive income in short

MSEK	Note	Q 1 2022	Q 1 2021	R 12 2022	2021
Net turnover		751.9	460.1	2 411.4	2 119.6
Cost of goods solds	2	-673.6	-397.2	-2 106.5	-1 830.1
Gross Margin		78.3	62.9	304.9	289.5
Other operating revenues		0.0	0.0	6.8	6.8
Selling expenses		-17.7	-14.5	-65.0	-61.8
Administrative expenses		-13.2	-13.3	-55.8	-55.9
Other operating expenses		0.0	0.0	0.0	0.0
Operating profit/loss		47.4	35.1	190.9	178.6
Financial income		0.1	0.1	0.1	0.1
Financial expenses	3	-5.0	-4.6	-13.4	-13.0
Net financial income/expense		-4.9	-4.5	-13.3	-12.9
Income after financial items		42.5	30.6	177.6	165.7
Tax		-8.8	-6.3	-35.4	-32.9
Net income for the period		33.7	24.3	142.2	132.8
of which attributable to:					
Owners of the parent		32.2	24.2	135.7	127.7
Non-controlling interests		1.5	0.1	6.5	5.1
Earnings per share (before and after dilution), SEK		4.36	3.26	18.36	17.26
Other comprehensive income (net after tax)					
Net income for the period		33.7	24.3	142.2	132.8
Hedging reserve		0.2	-4.8	-8.7	-13.7
Translation differences		0.1	0.1	-8.7	-13.7
Deferred tax on the above items		-0.1	0.8	0.1	0.1
Total items that will subsequently be reclassified to net income:		0.2	-3.9	-6.6	-10.7
Revaluation of defined benefit obligation		0.4	0.0	0.6	0.2
Total items that will subsequently not be reclassified to net income:		0.4	0.0	0.6	0.2
Comprehensive income for the period		34.3	20.4	136.2	122.3
of which total comprehensive income for the period attributable to:					
Owners of the parent		32.8	20.3	129.7	117.2
Non-controlling interests		1.5	0.1	6.5	5.1

Statement of financial position in short

MSEK	Note	31 Mar 2022	31 Mar 2021	31 Dec 2021
Assets				
Intangible fixed assets		25.4	31.9	27.0
Tangible fixed assets		595.8	572.8	584.8
Right of use assets		13.5	17.0	13.9
Financial fixed assets		0.2	0.2	0.2
Deferred tax assets		0.1	0.0	0.1
Total fixed assets		635.0	621.9	626.0
Inventories		462.9	261.0	421.7
Current receivables	4	493.2	296.2	374.4
Liquid assets		61.7	68.1	28.4
Total current assets		1 017.8	625.3	824.5
Total assets		1 652.8	1 247.2	1 450.5
Shareholders' equity				
Total equity attributable to the parent Company's shareholders		571.7	441.9	538.9
Non-controlling interests		15.2	24.1	13.7
Total equity		586.9	466.0	552.6
Liabilities				
Interest-bearing liabilities		133.9	165.3	138.8
Interest-free liabilities		70.0	61.5	69.5
Total long-term liabilities		203.9	226.8	208.3
Interest-bearing liabilities and provisions		230.0	91.8	98.3
Interest-free liabilities	4	632.0	462.6	591.3
Total short-term liabilities		862.0	554.4	689.6
Total shareholders' equity and liabilities		1 652.8	1 247.2	1 450.5

Statement of changes in equity in short

MSEK	Q 1 2022	Q 1 2021	2021
Opening balance, total equity	552.6	445.6	445.6
Changes attributable to owners of the parent:			
Comprehensive income for the period	32.8	20.3	117.2
Changes attributable to non-controlling interests:			
Comprehensive income for the period	1.5	0.1	5.1
Dividend	0.0	0.0	-15.3
Closing balance, total equity	586.9	466.0	552.6

Statement of cash flows in short

MSEK	Note	Q 1 2022	Q 1 2021	R 12 2022	2021
Operating activities					
Operating profit/loss		47.4	35.1	190.9	178.6
Depreciation and write-down		20.4	17.8	80.0	77.4
Adjustment for other non-cash items		-1.1	-2.6	0.3	-1.2
Interest received/paid		0.7	-1.9	-5.6	-8.2
Paid income tax		1.7	-1.0	-6.0	-8.7
Cash flow prior to change in working capital		69.1	47.4	259.6	237.9
Inventories		-43.3	-18.6	-197.5	-172.8
Operating receivables		-117.6	-80.9	-204.8	-168.1
Operating liabilities		28.9	115.5	141.2	227.8
Cash flow from operating activities		-62.9	63.4	-1.5	124.8
Acquisition of property, plant and equipment		-28.6	-28.9	-91.7	-92.0
Sale of property, plant and equipment		0.0	0.0	0.0	0.0
Cash flow from investing activities		-28.6	-28.9	-91.7	-92.0
Dividend ¹⁾		0.0	0.0	-15.3	-15.3
Loans raised		0.0	0.0	0.0	0.0
Change in bank overdraft facility utilized		134.2	-25.6	138.9	-20.9
Repayment of loans		-8.0	-6.9	-28.8	-27.7
Repayment of lease debts		-1.8	-1.8	-6.9	-6.9
Cash flow from financing activities		124.4	-34.3	87.9	-70.8
Cash flow for the period		32.9	0.2	-5.3	-38.0
Liquid assets, opening balance		28.4	65.1	68.1	65.1
Translation differences in liquid assets		0.4	2.8	-1.1	1.3
Liquid assets, closing balance		61.7	68.1	61.7	28.4
Liquidity reserve		126.2	219.6		176.9

¹⁾ Total amount concerns non-controlling interests

The parent company

The turnover of the parent company amounted to MSEK 9.0 (8.7) and comprises payments for rents from companies in the Group. Profit after financial items amounted to MSEK 5.8 (5.9).

Investments in the parent company during first quarter 2022 amounted to MSEK 0.9 (1.6) and are connected 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 1 2022	Q 1 2021	2021
Turnover		9.0	8.7	34.9
Cost of goods sold		-1.9	-1.9	-6.8
Gross Margin		7.1	6.8	28.1
Other operating revenues		0.0	0.0	0.0
Administrative expenses		-1.3	-1.1	-4.8
Operating income		5.8	5.7	23.3
Result from shares in group companies		0.0	0.0	35.7
Interest income and similar income and expense items		0.0	0.2	0.3
Interest expenses and similar income and expense items		0.0	0.0	0.0
Income after financial items		5.8	5.9	59.3
Appropriations		0.0	0.0	-6.2
Income before tax		5.8	5.9	53.1
Tax		-1.2	-1.2	-3.7
Net income for the period		4.6	4.7	49.4
Parent company statement of comprehensive income				
Net income for the period		4.6	4.7	49.4
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		4.6	4.7	49.4

Balance sheet in short – the parent company

MSEK	Note	31 Mar 2022	31 Mar 2021	31 Dec 2021
Assets				
Tangible assets				
Tangible fixed assets		184.8	187.5	185.6
Financial assets (shares in subsidiaries)		87.9	87.9	87.9
Total fixed assets		272.7	275.4	273.5
Current assets				
Current receivables		0.5	0.7	0.5
Cash and bank balances		29.1	0.6	24.9
Total current assets		29.6	1.3	25.4
Total assets		302.3	276.7	298.9
Equity and liabilities				
Equity		225.7	176.4	221.2
Untaxed reserves		67.0	60.8	67.0
Provisions for taxes		3.5	3.3	3.4
Long-term liabilities		0.0	0.0	0.0
Current liabilities		6.1	36.2	7.3
Total equity and liabilities		302.3	276.7	298.9

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 2022	Q 1 2021	R 12 2022	2021
Intangible fixed assets	1.6	1.6	6.6	6.6
Land and buildings	1.4	1.6	6.1	6.3
Machinery and equipment	15.5	12.8	60.1	57.4
Right of use assets	1.9	1.8	7.2	7.1
Total	20.4	17.8	80.0	77.4

Note 3 – Financial expenses

MSEK	Q 1 2022	Q 1 2021	R 12 2022	2021
Interest expenses	1.3	1.1	4.8	4.6
Unrealized exchange rate revaluation of financial items (gain neg, loss pos)	1.2	2.6	1.0	2.4
Other financial expenses	2.5	0.9	7.6	6.0
Total	5.0	4.6	13.4	13.0

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

MSEK	31 Mar 2022	31 Mar 2021	31 Dec 2021
Short-term receivables:			
Commodity derivatives	1.3	-	0.0
Currency derivatives	0.1	2.2	0.3
Short-term non interest-bearing liabilities:			
Commodity derivatives	8.9	-	11.5
Currency derivatives	3.2	0.3	2.0
Both commodity and currency derivatives are primarily used for hedge and are valued on level 2 according to IFRS 13.			
Forward contracts commodities (LME for aluminium)			
Hedged volume, tonnes	7 800	-	6 500
Notional amount, MUSD	26.4	-	17.0
Last maturity date of concluded forward contracts	2022-07-18	-	2022-01-26
Forward contracts foreign exchange			
Hedged future cash flows, MDKK	0.0	5.0	0.0
Hedged future cash flows, MEUR	24.5	14.2	29.6
Notional amount	252.3	155.3	304.8
Last maturity date of concluded forward contracts	2024-11-29	2024-03-28	2024-11-29

Note 5 – Pledged assets and contingent liabilities

MSEK	31 Mar 2022	31 Mar 2021	31 Dec 2021
Property mortgages	82.9	82.9	82.9
Floating charges	290.0	341.5	290.0
Shares in subsidiaries	353.2	252.2	323.5
Assets with retention of title	9.2	0.0	12.3
Guarantee commitments pensions	0.2	0.2	0.2

Note 6 – Related transactions

No related transactions that significantly affect the Groups results or financial statement have been made during the period. Apart from the intragroup rental income in the parent company no significant related transactions have been done regarding the parent company either.

Key ratios

The Group	Q 1 2022	Q 1 2021	R 12 2022	2021
Net turnover, MSEK	751.9	460.1	2 411.4	2 119.6
Income before depreciation, MSEK	67.8	52.9	270.9	256.0
Operating income/loss, MSEK	47.4	35.1	190.9	178.6
Operating margin, %	6.3	7.6	7.9	8.4
Income after financial items, MSEK	42.5	30.6	177.6	165.7
Profit margin, %	5.7	6.7	7.4	7.8
Return on equity, %	23.7	21.3	27.0	26.6
Return on capital employed, %	20.1	17.5	21.8	22.4
Cash flow from operating activities, MSEK	-62.9	63.4	-1.5	124.8
Investments, MSEK	28.0	22.9	89.3	84.2
Liquidity reserve, MSEK	126.2	219.6	-	176.9
Net debt, MSEK	302.3	189.0	-	208.8
Net debt/EBITDA	1.1	1.7	-	0.8
Interest-bearing liabilities and interest-bearing provisions, MSEK	364.0	257.1	-	237.2
Net debt/equity ratio	0.5	0.4	-	0.4
Total assets, MSEK	1 652.8	1 247.2	-	1 450.5
Equity ratio, %	35.5	37.4	-	38.1
Capital turnover	3.5	2.5	2.9	2.8
Proportion of risk-bearing capital, %	39.7	42.3	-	42.9
Interest coverage ratio	34.4	24.6	39.7	36.9
Average number of employees	578	504	557	542
Net turnover per employee (average), TSEK	1 301	913	4 329	3 911
Income after fin, per employee (average), TSEK	74	61	319	306
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	4.36	3.26	18.36	17.26
Equity per share, SEK	77.27	59.72	-	72.82

The key ratios above are a summary of the financial report in order to give an overview of ProfilGruppen's financial position. Definitions and reconciliation of the alternative performance measures are given at www.profilgruppen.se

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.

The undersigned affirm that interim report have been prepared in accordance with IAS 34 Interim Financial Reporting and with generally accepted accounting principles and provide a fair representation of the Group's and the company's position and result and describe significant risks and factors of uncertainty that the companies that form part of the Group face.

Åseda, April 21, 2022

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

The 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 favourable 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
- 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

Fredrik Zöögling, President and CEO

Mobile: +46 (0)70-932 16 50

fredrik.zoogling@profilgruppen.se

Niklas Danielsson, CFO

Mobile: +46 (0)70-626 95 37

niklas.danielsson@profilgruppen.se

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