

**Net sales
MSEK 68**

**EBIT margin
31%**

FOURTH QUARTER 2022 ²⁾

- Net sales increased by 61% to MSEK 67.8 (42.1)
– Currency adjusted increase of 33%
- Operating profit (EBIT) increased to MSEK 20.8 (8.0)
- Operating margin (EBIT margin) increased to 31% (19)
- Net profit amounted to MSEK 17.8 (4.3)
- Earnings per share were SEK 1.42 (0.34)
- Operating cash flow decreased to MSEK 17.9 (20.4)

JANUARY - DECEMBER 2022 ²⁾

- Net sales increased by 59% to MSEK 240.6 (151.2)
– Currency adjusted increase of 36%
- Operating profit (EBIT) increased to MSEK 91.8 (26.8)
- Operating margin (EBIT margin) increased to 38% (18)
- Net profit amounted to MSEK 66.3 (14.2)
- Earnings per share were SEK 5.29 (1.13)
- Operating cash flow increased to MSEK 61.2 (30.3)
- The Board of Directors proposes a dividend of SEK 4.05 per share (0.79)

FORECAST - FIRST QUARTER 2023 ²⁾

The net sales forecast for the first quarter of 2023 is MSEK 68 - 73 (49.2).

CTT IN BRIEF

(MSEK)	2022 Oct-Dec	Change from previous year	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec	Rolling 12 months
Net sales	67.8	61 %	42.1	240.6	151.2	240.6
Operating profit (EBIT)	20.8	160 %	8.0	91.8	26.8	91.8
Profit (loss) this period	17.8	314 %	4.3	66.3	14.2	66.3
Earnings per share (SEK)	1.42	318 %	0.34	5.29	1.13	5.29
Operating cash flow	17.9	-12 %	20.4	61.2	30.3	61.2

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 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 refer to the corresponding period of the preceding year, and the value is given in brackets.

COMMENTS FROM THE CEO

Net sales in Q4 increased and met forecast

Net sales in Q4 met the forecast and increased for the seventh consecutive quarter, driven by higher sales in OEM and Private jet but offset by a small decline in aftermarket sales that remained at record-high level due to distributor inventory build-up.

When summarizing Full-Year 2022, net sales increased 59% to MSEK 241, mainly driven by aftermarket revenues that jumped 90% to MSEK 187. Favorable sales mix and currency tailwind underpinned net profit and boosted operating margin to 38% (18). This level is not sustainable as it derives from extraordinary conditions that jointly reinforced our margin in 2022. I reiterate that a weaker USD/SEK will have negative impact on profitability as well as when system sales increase faster than aftermarket sales.

Net sales forecast: MSEK 68 – 73

The forecast for the first quarter of 2023 is MSEK 68 – 73 in net sales, driven by quarter-to-quarter increase in OEM sales and higher booked revenues from Private jet projects, offset by a significant sales decrease in the aftermarket (due to high inventory level at distributors and airlines driven by the build-up in Q3 and Q4).

System deliveries to rebound

As international air traffic rebounds, conditions gradually improve for our OEM and Retrofit businesses. The positive momentum we have generated in 2022 gives us confidence in our growth expectations of both sales and orders in 2023. We will benefit from a rebound in aircraft production rates of Boeing 787 and Airbus A350. Further, we expect that the better business environment will start to generate Retrofit orders (again). We also have good momentum in our Private jet business.

As part of our strategy, we continue to invest to reach new opportunities. We particularly focus to extend and improve our offering in Private jet. The cooperation with Airbus Corporate Jets is a success in the marketplace and marks a paradigm-shift when the humidification system is offered by the OEM. We have initiated similar discussions with other OEMs in the Private Jet market.

Aftermarket demand to grow but at significantly slower pace

In most regions utilization of our products is back to normal but remains at low level in Asia/China. During 2023 the pandemic rebound effect gradually will fade and demand in the aftermarket will then again track population size. The drivers of installed base will be new system deliveries and when ready-built Boeing 787s enter-into-service (with CTT products already on board - representing approx. 10 % population growth to CTT). Underlying demand in the aftermarket will therefore grow at slower pace compared to past years (driven by strong pandemic rebound in utilization from low level). Our actual sales in the aftermarket need some quarters to consolidate supply and demand, as we enter the year with high inventory level at distributors and airlines.

As part of our long-term strategy, we continue to invest to protect our aftermarket. We have strengthened our partnerships and made investments to improve and add functionality as well as to enable better availability of our consumables and spares. In 2022, we took measures to inform the industry about a pad PMA¹ that is available for use in our humidifiers on Boeing 787 aircraft. The third-party pad does not meet the specs set by Boeing and it comprises substantial performance and quality issues. This PMA product uses a commodity pad-material that is not designed for aviation and does not comply with several requirements. The original by CTT is a highly qualified product with a specific pad material that is developed accordingly by specs from Airbus and Boeing. Competition in the aftermarket is inevitable, but CTT is in a strong position with leading application knowledge, unique material and with a battle-proven product that meets all requirements.

Strong position to grow sales in 2023

We generated operating cash flow of MSEK 61 (30) and ended the year with a net cash position of MSEK 15. We have a strong financial position and cash flow that enable both a good return to our shareholders and investments for growth. The Board of Directors proposes an ordinary dividend of SEK 4.05 per share (same level as 2018 and 2019).

Finally, I am proud to be part of this fantastic company. As a team and in collaboration with our customers and partners, we can continue to generate strong and sustainable value to customers and shareholders. I really look forward to my first full year at CTT.



Henrik Höjer, CEO

¹ Parts Manufacturer Approval (PMA) is an approval granted by the [United States Federal Aviation Administration \(FAA\)](https://www.faa.gov/) to a manufacturer of aircraft parts

EVENTS DURING THE QUARTER

- ✓ 13.12.2022: CTT Systems AB receives an Inflight Humidification ("IFH") VIP system order from PMV Engineering to be installed on an Airbus ACJ320 aircraft. The system consists of two humidifiers and one anti-condensation unit and is scheduled to be delivered in the first quarter of 2023. This is the fourth order on ACJ320 in cooperation with ACJ and PMV.

SIGNIFICANT EVENTS DURING THE YEAR

- ✓ 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 DURING THE YEAR

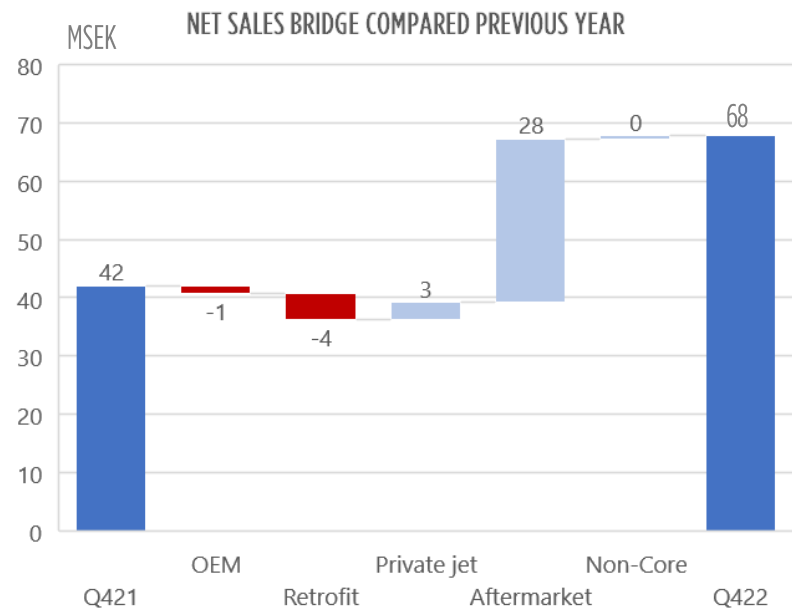
- ✓ 01.03.2022: CTT Systems AB stops all deliveries to Russia, according to current sanctions. Russia's share of 2021 revenues were 4%, mainly from the Retrofit area. CTT has no employees nor suppliers in Russia, Belarus or Ukraine. No deliveries to Russia during 2022.
- ✓ 01.04.2022: CTT Systems ABs new CEO Henrik Höjer takes office as planned.
- ✓ 15.09.2022: CTT Systems AB presents the Nomination Committee for the Annual General Meeting 2023

EVENTS AFTER THE END OF THE REPORTING PERIOD

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

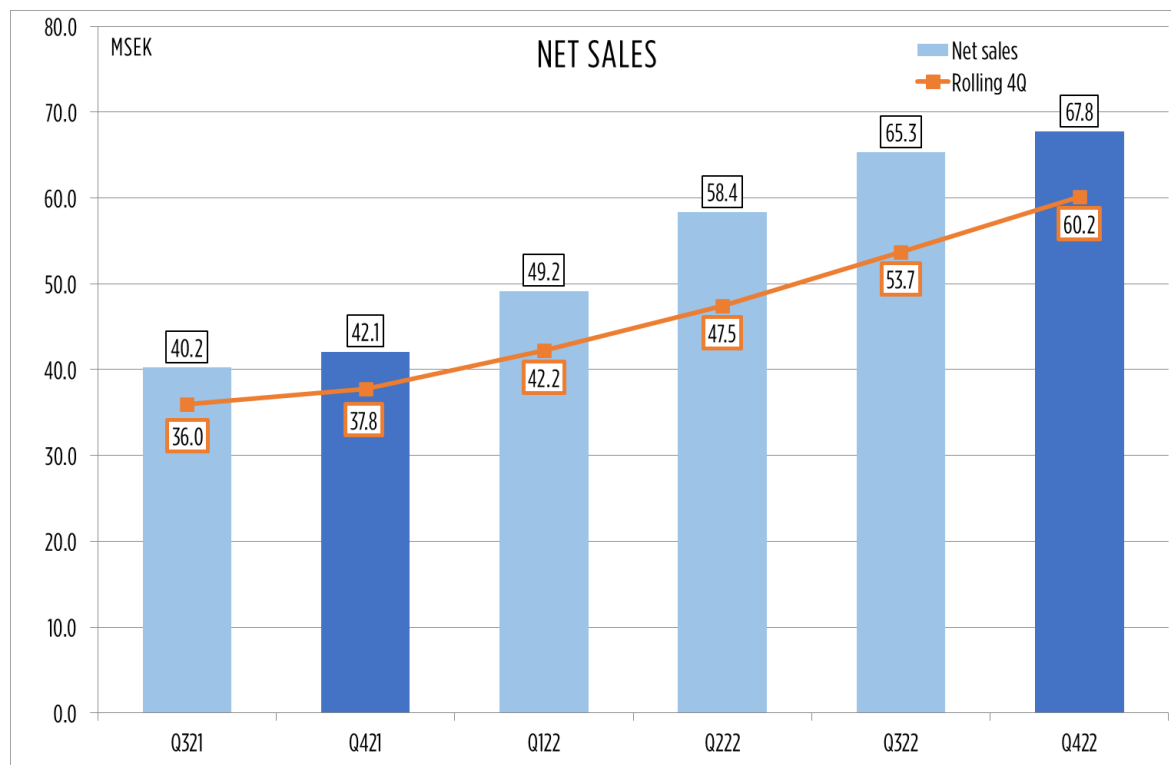
NET SALES

Net sales increased by 61% in the fourth quarter to MSEK 67.8 (42.1). Adjusted for currency, sales increased by 33%², driven by the gradual improvement in the aftermarket and revenue growth from Private jet projects. Quarterly revenues from the aftermarket exceeded underlying demand and remained at the record high level of the previous quarter, partly due to inventory build-up at distributors. OEM revenues decreased to MSEK 4.1 (5.5), mainly due to the decreased aircraft production rate by Boeing in the 787-program. Private jet revenues increased to MSEK 5.5 (2.6). No Retrofit deliveries during the quarter.



Net sales in the full year of 2022 increased by 59% to MSEK 240.6 (151.2). Adjusted for currency, sales increased by 36%, driven mainly by gradual improvement in the aftermarket and increased revenues in Private jet mainly driven by the ACJ cooperation.

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

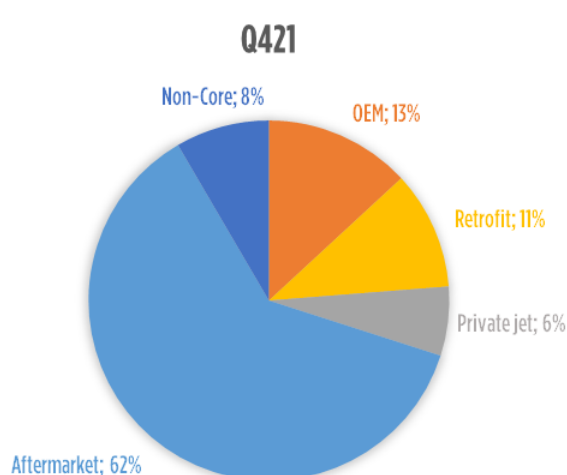
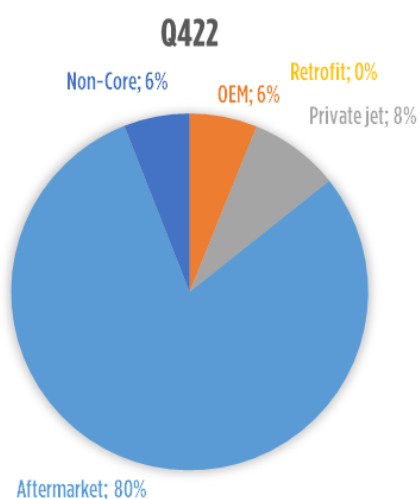
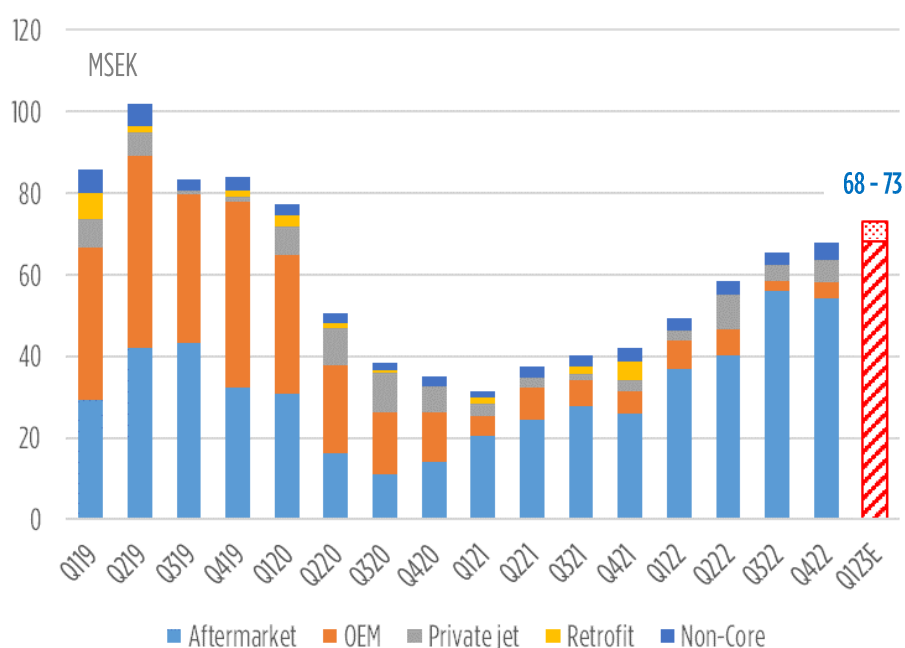


The graph above shows quarterly net sales and rolling four quarters average.

² The average USD currency rate in the third quarter was 10,96 (8.85).

BREAKDOWN OF NET SALES

NET SALES (MSEK)	Q121	Q221	Q321	Q421	2021	Q122	Q222	Q322	Q422	2022
System Sales										
OEM	4.8	8.0	6.3	5.5	24.7	7.2	6.4	2.5	4.1	20.2
Retrofit	1.3	0.0	1.7	4.5	7.6	-	-	-	-	-
Private jet	3.2	2.5	1.4	2.6	9.7	2.5	8.5	4.0	5.5	20.5
Total	9.3	10.5	9.5	12.6	42.0	9.7	14.9	6.4	9.7	40.7
Aftermarket	20.5	24.3	27.8	25.9	98.6	36.7	40.1	56.1	54.0	186.9
Sales in addition to the core business activities	1.7	2.6	2.9	3.5	10.7	2.8	3.4	2.8	4.1	13.0
TOTAL	31.4	37.5	40.2	42.1	151.2	49.2	58.4	65.3	67.8	240.6
Of which projects where there is recognition of profits that is reported as revenue over time. (Other income is recognised at a defined point in time, i.e. upon delivery.)	3.2	0.3	1.5	2.6	7.6	2.5	8.5	3.6	5.5	20.2

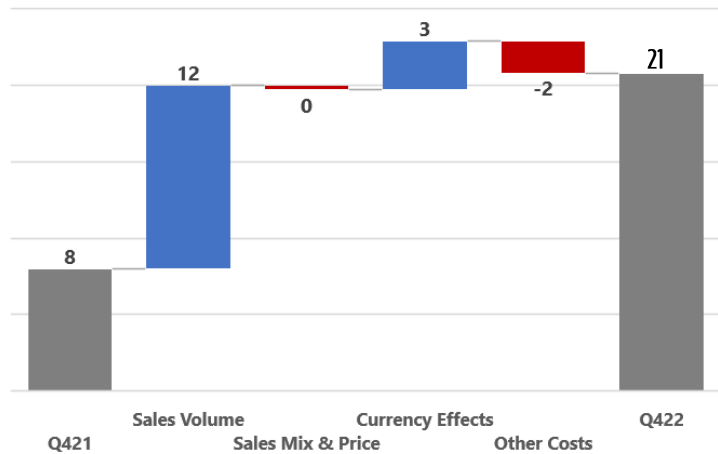


The breakdown of net sales for the quarters is presented above.

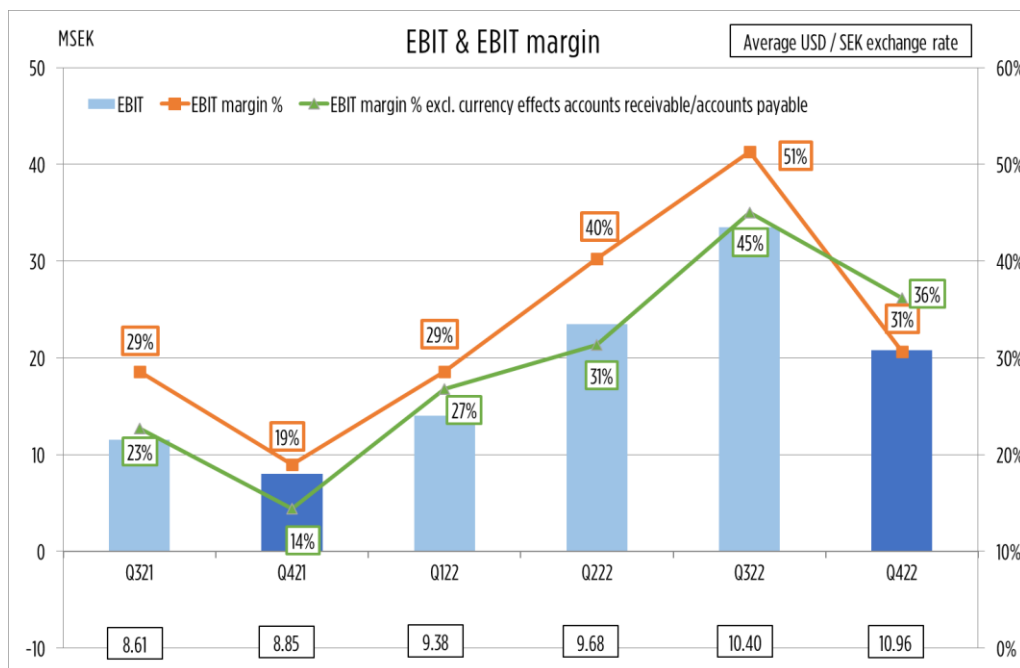
FINANCIAL RESULTS

The operating profit (EBIT) increased to MSEK 20.8 (8.0), corresponding to a margin of 31% (19). The EBIT increase was mainly driven by increased volume in aftermarket sales and positive impact from currency, compared to last year. The US dollar rate has however weakened during the quarter, resulting in negative currency effects from AR/AP valuation by MSEK 3.7 (1.9). Finance net was positively affected by currency effects of MSEK 2.4 (-2.3) from USD loans. Higher result leads to increased allocation for variable remuneration to the employees with MSEK 2.5 (0.7), mainly explaining the increased other costs. Profit for the period was MSEK 17.8 (4.3). Earnings per share increased to SEK 1.42 (0.34).

EBIT bridge Q4 2021 to Q4 2022 (MSEK)



For the full year 2022 the operating profit (EBIT) was MSEK 91.8 (26.8), corresponding to a margin of 38% (18). The EBIT increase was mainly driven by gradual improvement in the aftermarket and from a stronger USD rate. Profit for the year was MSEK 66.3 (14.2). Earnings per share increased to SEK 5.29 (1.13).



The earnings trend since Q3 2021 is presented to the left, where the green line shows the EBIT margin adjusted for currency effects directly linked to accounts receivable and accounts payable valuation.

Average USD / SEK exchange rate according to Riksbanken

FORECAST – FIRST QUARTER 2023

The net sales forecast for the first quarter of 2023 is MSEK 68 - 73 (49.2).

FOURTH QUARTER 2022 FORECAST AND ACTUAL OUTCOME

In the third quarter report (2022), CTT made the following forecast for the fourth quarter of 2022:
“The net sales forecast for the fourth quarter of 2022 is MSEK 65 - 70 (42.1), and MSEK 238 - 243 (151.2) for the full year.”

The actual net sales amounted to MSEK 67.8 for the quarter and MSEK 240.6 for the full year.

ORDER INTAKE AND ORDER BACKLOG

During the fourth quarter, the Company's order intake amounted to MSEK 52 (46). The stronger order intake compared to previous year is mainly explained by the recovery and growth in the aftermarket. OEM order intake was low due to lower build-rate by Boeing in the 787 program. CTT received one new Private jet order during the quarter, to be delivered during the first quarter 2023, with revenue recognition on delivery.

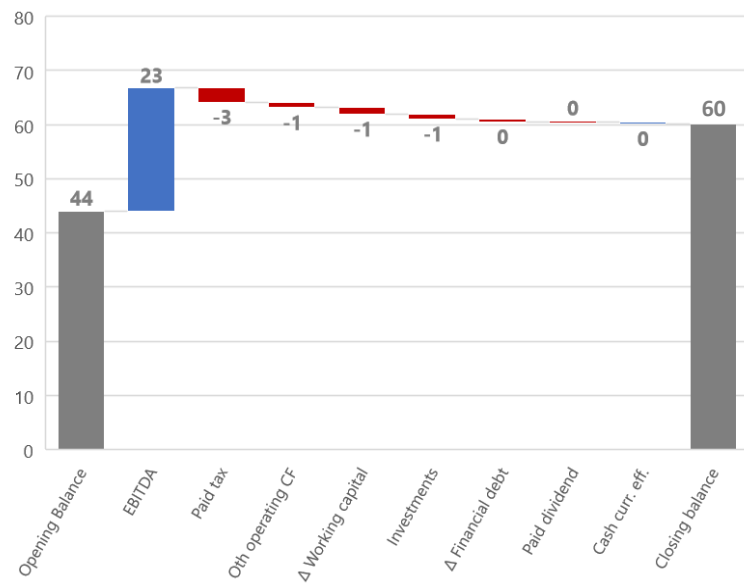
As of 31 December 2022, the order book totaled MSEK 73 (59), based on USD exchange rate of 10.55 (8.98).

CASH FLOW AND FINANCIAL POSITION

Cash flow before changes in working capital increased to MSEK 19.0 (8.1) in the fourth quarter, driven by better EBITDA (MSEK 22.7 compared to 9.7). The cash flow from operating activities decreased to MSEK 17.9 (20.4). Changes in working capital was in total MSEK -1.1 (12.3), where the inventory temporally increased by MSEK 2.1, offset by positive changes in account receivables and account payables by MSEK 1.0 in total. Net cash flow in the reporting period was MSEK 16.4 (17.7). The change in the quarter is described in the graph on the right.

Cash flow before changes in working capital increased to MSEK 93.0 (27.7) during January – December. The cash flow from operating activities increased to MSEK 61.2 (30.3), mainly driven by the improved financial performance (EBITDA). Paid income tax amounts to only MSEK 5.2 during the year, as CTT received tax refund for 2021 and paid too low a preliminary tax for 2022. Debt at the end of 2022 is MSEK 7.3. Dividend and variable remuneration affected cash flow with MSEK 12.2.

Cash flow bridge Q3 2022 to Q4 2022 (MSEK)



See Cash flow analysis on page 12

Long-term interest-bearing loan liabilities decreased to MSEK 44 (71). The decline from previous year is mainly related to an amortization of an USD credit facility of MSEK 32 in the first quarter.

Overall, CTT has a strong financial position, with its equity ratio at 31 December 2022 amounting to 71% (65). Cash and cash equivalents amounted to MSEK 60 (49), and in addition CTT has available credit facilities of MSEK 51. Net debt as of 31 December 2022 amounted to MSEK -15 (23), and equity to MSEK 269 (213).

INVESTMENTS

Investments in the fourth quarter amounted to MSEK 1.1 (2.3) and during the full year 2022 MSEK 7.6 (8.6) related to ongoing development projects, many in the final stage which explains the relative low investment level.

PERSONNEL

The average number of employees during the fourth quarter was 73 (76). For the full year 2022 the corresponding number was 74 (82).

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. No significant changes in material risks or uncertainties have arisen during the period, but CTT, as before, has an unusually one-sided currency impact since basically all sales are made in USD. The company has chosen not to use forward hedging of USD, however, purchases and bank loans in USD are sought. Major changes in the USD/SEK exchange rate lead to material currency effects. The high inflation and interest rate environment have no material impact 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.

SHAREHOLDERS

CTT's five largest shareholders as at 31/12/2022	Number of shares	Capital	Votes
Tomas Torlöf	1 678 336	13.4 %	13.4 %
SEB Funds	1 175 018	9.4 %	9.4 %
Collins Aerospace	1 133 154	9.0 %	9.0 %
ODIN Funds	1 100 000	8.8 %	8.8 %
Third Swedish National Pension Fund	559 036	4.5 %	4.5 %

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 or the year.

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

Publishing the Annual Report 2022 (www.ctt.se)
Interim Report Q1 2023
AGM
Interim Report Q2 2023
Interim Report Q3 2023

31/03/2023
28/04/2023 at 08:00 (CEST)
04/05/2023 at 17:00 (CEST)
21/07/2023 at 08:00 (CEST)
27/10/2023 at 08:00 (CEST)

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 February 7th, 2023.

Nyköping, 6 February 2023

CTT Systems AB (publ.)

Tomas Torlöf

Chairman of the Board

Steven Buesing

Board Member

Annika Dalsvall

Board Member

Per Fyrenius

Board Member

Anna Carmo E Silva

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:

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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	2022	2021
INCOME STATEMENT in brief (MSEK)	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating income				
Net sales	67.8	42.1	240.6	151.2
Change in stocks of work in progress and stocks of finished goods	1.1	1.7	2.8	1.9
Own work capitalised	0.4	0.8	3.4	3.0
Other operating income	2.4	2.8	16.5	20.1 ¹⁾
Total operating income	71.8	47.4	263.3	176.2
Operating expenses				
Raw materials and consumables	-14.4	-9.9	-49.4	-37.7
Other external costs	-10.3	-10.1	-35.4	-35.6
Employee benefit expense	-18.2	-16.9	-69.1	-61.5
Depreciation and amortisation of property, plant and equipment and intangible assets	-1.9	-1.7	-7.9	-11.3 ¹⁾
Other operating expenses	-6.1	-0.8	-9.6	-3.3
Total operating expenses	-51.0	-39.4	-171.5	-149.4
Operating profit (EBIT)	20.8	8.0	91.8	26.8
Net gain/loss on financial items	1.9	-2.6	-8.0	-8.9
Profit before tax	22.7	5.4	83.8	17.9
Tax	-4.9	-1.1	-17.5	-3.7
Profit (loss) this period	17.8	4.3	66.3	14.2
Other comprehensive income	-	-	-	-
Comprehensive income for the period	17.8	4.3	66.3	14.2
Earnings per share, SEK	1.42	0.34	5.29	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
BALANCE SHEET in brief (MSEK)	31 Dec	31 Dec
Assets		
Intangible assets	80.2	75.9
Property, plant and equipment	43.2	48.1
Financial assets	2.1	1.9
Other current assets	191.6	153.4
Cash at bank and in hand	60.1	49.3
Total assets	377.1	328.5
Equity and liabilities		
Equity	269.3	212.9
Provisions	3.4	3.8
Non-current liabilities, interest-bearing	43.9	70.8
Current liabilities, interest-bearing	1.6	1.4
Current liabilities, non-interest-bearing	59.0	39.7
Total equity and liabilities	377.1	328.5
Opening equity		
	212.9	220.5
Share dividend	-9.9	-21.8
Profit (loss) this period	66.3	14.2
Closing equity	269.3	212.9

CTT SYSTEMS AB CASH FLOW ANALYSIS (MSEK)	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Operating activities				
Operating profit (EBIT)	20.8	8.0	91.8	26.8 ¹⁾
Adjustment for items not included in cash flow				
Depreciation and amortisation	1.9	1.7	7.9	11.3 ¹⁾
Other	-0.5	-0.9	-0.6	-2.4
Financial receipts	0.2	-	0.5	-
Financial payments	-0.6	-0.3	-1.5	-1.2
Income tax paid	-2.7	-0.5	-5.2	-6.8
Cash flow from operating activities before changes in working capital	19.0	8.1	93.0	27.7
Cash flow from changes in working capital				
Change in inventories	-2.1	-1.8	-16.0	0.9
Change in operating receivables	-3.7	9.2	-17.3	6.2
Change in operating liabilities	4.7	4.8	1.5	-4.4
Cash flow from changes in working capital	-1.1	12.3	-31.7	2.6
Operating cash flow	17.9	20.4	61.2	30.3
Investment activities				
Acquisition of intangible assets	-1.0	-2.1	-6.5	-8.4
Acquisition of property, plant and equipment	0.0	-0.2	-0.9	-0.2
Acquisition of financial assets	-0.1	-	-0.3	-
Sale of property, plant and equipment	0.0	-	0.2	0.1
Cash flow from investment activities	-1.1	-2.3	-7.3	-8.6
Financing activities				
Proceeds from borrowings	-	-	-	29.7
Repayments of borrowings	-0.4	-0.3	-33.7	-1.3
Dividends paid	-	-	-9.9	-21.8
Cash flow from financing activities	-0.4	-0.3	-43.6	6.6
Cash flow for the period	16.4	17.7	10.3	28.4
Cash and cash equivalents at the beginning of the period	44.1	31.9	49.3	21.6
Exchange gains/losses on cash and cash equivalents	-0.4	-0.3	0.5	-0.7
Cash and cash equivalents at the end of the period	60.1	49.3	60.1	49.3

¹⁾ 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	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Sales & Financial result									
Net sales, MSEK	67.8	65.3	58.4	49.2	42.1	40.2	37.5	31.4	34.9
Operating profit (EBIT), MSEK	20.8	33.5	23.5	14.0	8.0	11.5	6.6	0.6	-0.6
Operating margin, %	31	51	40	29	19	29	18	2	-2
Profit margin, %	33	46	33	24	13	22	21	-13	7
Profit (loss) this period, MSEK	17.8	23.9	15.1	9.6	4.3	7.0	6.1	-3.2	1.9
Return on capital employed, %	7	12	9	5	3	4	2	0	0
Return on equity, %	7	10	7	4	2	3	3	-1	1
Return on total capital, %	6	9	6	4	2	3	3	-1	1
Share data									
Earnings per share, SEK	1.42	1.90	1.21	0.76	0.34	0.56	0.49	-0.26	0.15
Equity per share, SEK	21.49	20.07	18.17	17.75	16.99	16.65	16.09	17.34	17.60
Operating cash flow per share, SEK	1.43	2.46	0.32	0.68	1.63	0.77	0.58	-0.55	-0.09
Dividend per share, SEK	4.05	-	-	-	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	213.50	199.00	198.00	191.60	216.50	210.00	216.50	153.60	152.20
Cash flow & Financial position									
Operating cash flow, MSEK	17.9	30.8	4.0	8.6	20.4	9.6	7.2	-6.9	-1.1
Quick ratio, %	267	267	239	228	305	323	320	304	218
Interest Coverage ratio, times	34	59	69	26	21	32	27	-7	12
Debt-equity ratio, times	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.2
Equity ratio, %	71	71	70	71	65	65	66	66	72
Personnel & Investments									
Number of employees, (average for the period) ¹⁾	73	72	74	75	76	76	78	85	88
Income (valued at full year) per employee, MSEK	3.9	4.0	3.6	2.9	2.5	2.3	2.5	1.8	1.6
Investments, MSEK	1.1	2.3	2.4	1.8	2.3	1.2	2.4	2.7	7.1
FINANCIAL HIGHLIGHTS – ACCUMULATED	Q1-Q4				Q1-Q4				Q1-Q4
Sales & Financial result									
Net sales, MSEK	240.6				151.2				200.8
Operating profit (EBIT), MSEK	91.8				26.8				38.4
Operating margin, %	38				18				19
Profit margin, %	35				12				20
Profit (loss) this period, MSEK	66.3				14.2				31.1
Return on capital employed, %	30				10				14
Return on equity, %	28				7				13
Return on total capital, %	24				6				12
Share data									
Earnings per share, SEK	5.29				1.13				2.48
Operating cash flow per share, SEK	4.89				2.42				-0.86
Cash flow & Financial position									
Operating cash flow, MSEK	61.2				30.3				-10.8
Quick ratio, %	267				305				218
Interest Coverage ratio, times	44				14				35
Debt-equity ratio, times	0.2				0.3				0.2
Equity ratio, %	71				65				72
Personnel & Investments									
Number of employees, (average for the period) ¹⁾	74				82				98
Income (valued at full year) per employee, MSEK	3.6				2.1				2.4
Investments, MSEK	7.6				8.6				33.8

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.

CTT SYSTEMS AB	2022	2021	2020
RELEVANT RECONCILIATIONS OF KEY FIGURES (MSEK)	Q1-Q4	Q1-Q4	Q1-Q4
Operating margin			
Operating profit (EBIT)	91.8	26.8	38.4
/ Net sales	240.6	151.2	200.8
= Operating margin	38%	18%	19%
Profit margin			
Profit before tax	83.8	17.9	39.6
/ Net sales	240.6	151.2	200.8
= Profit margin	35%	12%	20%
Return on capital employed			
(Operating profit, EBIT)	91.8	26.8	38.4
+ Finance income)	0.5	0.0	0.0
/ Average capital employed			
Average total capital (total assets)	352.8	318.0	335.2
<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>377.1</i>	<i>328.5</i>	<i>307.5</i>
- Average non-interest-bearing liabilities including deferred taxes	-49.3	-44.9	-70.1
<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>-59.0</i>	<i>-39.7</i>	<i>-50.1</i>
Total average capital employed	303.5	273.1	265.0
= Return on capital employed	30%	10%	14%
Return on equity			
Profit (loss) this period	66.3	14.2	31.1
/ Average equity	241.1	216.7	230.3
<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>269.3</i>	<i>212.9</i>	<i>220.5</i>
= Return on equity	28%	7%	13%
Return on total capital			
(Profit before tax	83.8	17.9	39.6
- Finance costs)	-2.0	-1.4	-1.2
/ Average total capital (for the calculation, see "Return on capital employed")	352.8	318.0	335.2
= Return on total capital	24%	6%	12%
Quick ratio			
(Current assets, i.e. other current assets plus cash & bank deposits	251.7	202.8	179.0
- Inventories	116.4	100.4	101.2
+ Granted unutilised line of credit)	26.4	22.8	20.7
/ Current liabilities	60.5	41.1	45.2
= Quick ratio	267%	305%	218%
Interest Coverage ratio			
(Profit before tax	83.8	17.9	39.6
- Finance costs)	-2.0	-1.4	-1.2
/ Finance costs	-2.0	-1.4	-1.2
= Interest Coverage ratio, times	44	14	35
Debt-equity ratio			
Interest-bearing liabilities i.e. total interest-bearing items on balance sheet's debt side	45.4	72.1	36.9
/ Equity	269.3	212.9	220.5
= Debt-equity ratio, times	0.2	0.3	0.2
Income per employee			
Operating income (calculated to full year)	263.3	176.2	233.1
/ Number of employees, (average for the period) ¹⁾	74	82	98
= Income per employee	3.6	2.1	2.4

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 PROFIT EXCL. DEPRECIATION AND AMORTISATION (EBITDA)

Operating profit before financial items and taxes (EBIT) with reversal of depreciation and amortization of tangible and intangible fixed assets

The Company considers that the key financial figure operating profit excluding depreciation and amortisation (EBITDA) is relevant for investors who want to understand the Company's financial results without the influence of how the business operations are financed or from what depreciation principles the Company has for its investments.

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.