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climate™

Lindab Group Full year report 2021

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Q4 & full year highlights

Strong organic growth

- High demand for Lindab's products.
- Robust supply chain and high availability appreciated by customers.
- Sales impacted by high steel prices.

Record high operating margin

- Operating margin well above the financial target of minimum 10%.
- Increase in operating profit mainly driven by high sales.
- Positive effects from the on-going investment program and structural changes.

Numbers refer to continued business

	Q4	2021
Sales (SEK m)	2,560	9,648
Organic growth	+20%	+17%
Acquired growth	+3%	+2%
Currency effect	0%	-2%
Adj. operating profit (SEK m)	311	1,266
Change in operating profit	+38%	+47%
Adj. operating margin	12.1%	13.1%

Quarterly development – continued business

Net sales and adj. operating margin, Q4 each year

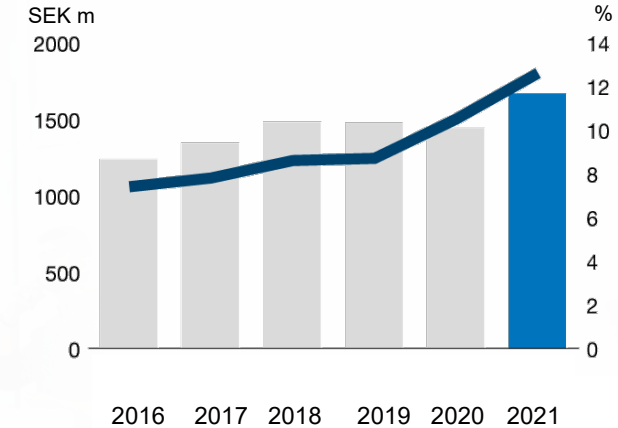
Ventilation Systems

- Strong organic growth in all geographic regions.
- Record high operating profit for Q4.
- Acquisition of Tecnovent in Switzerland and Klimatek in Denmark.

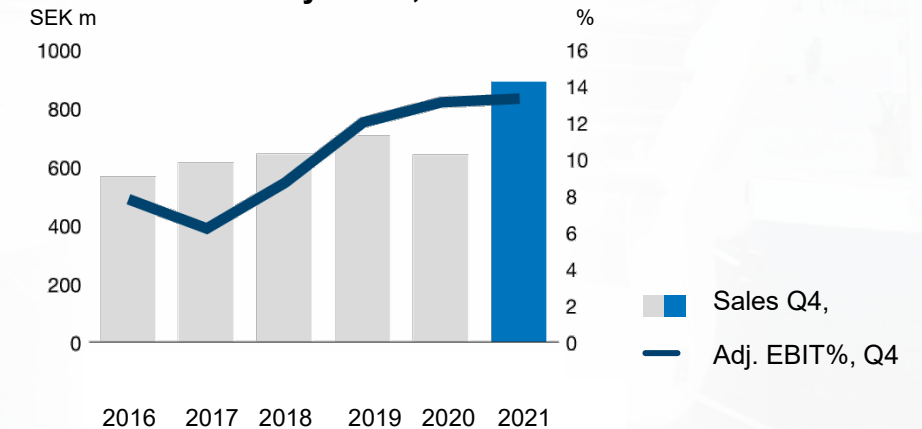
Profile Systems

- Strong organic growth, driven by the Nordic and Eastern Europe.
- Record high operating profit for Q4.
- Acquisition of roof manufacturer Profilplåt in Sweden.

Ventilation Systems, Q4



Profile Systems, Q4



Q4 Financials

Cash flow

- Cash flow excluding changes in working capital improved, mainly due to higher operating profit.
- The quarter's change in working capital was mainly related to increased capital tied up in stock.
- Free cash flow adjusted for M&A amounted to SEK 110 m in Q4.

Strong balance sheet

- Net debt / EBITDA continued to decrease.

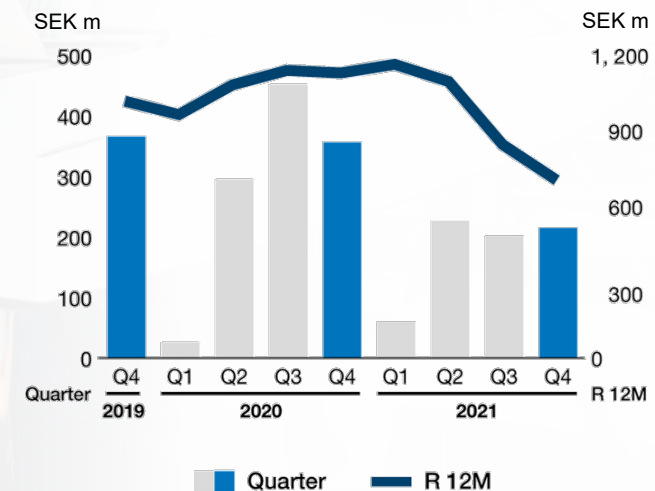
Cash flow
from operating activities before
change in working capital

+7%
325 SEK m

Net debt / EBITDA

-0.4
1.0

Cash flow from
operating activities, SEK m



Increased focus on Lindab's core business after the divestment of Astron

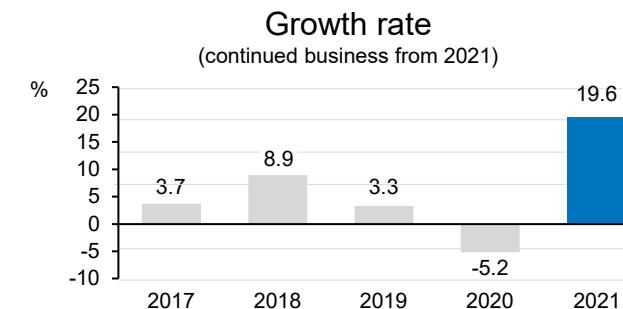
- Divestment of Astron Building Systems was finalised at the end of 2021.
- Net profit for the year was impacted by SEK -455 m in one-time costs related to the divestment.
- Recognised one-time costs were mainly related to non-cash flow affecting items.
- Divestment resulted in a positive cash flow effect of SEK 159 m at time of transaction.



Financial targets

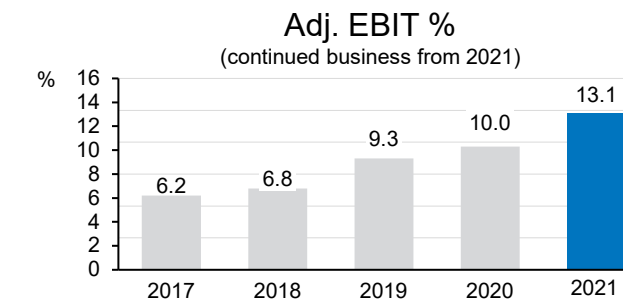
>10%

The **annual growth rate** should exceed 10 percent, as a combination of organic and acquired growth.



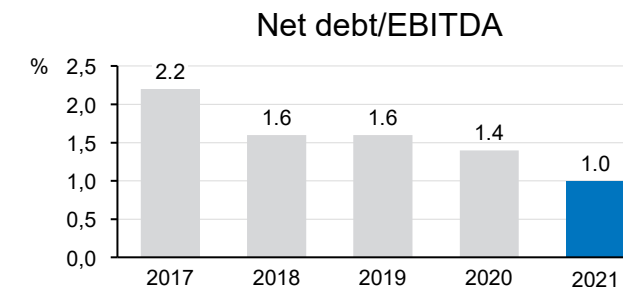
>10%

The **operating margin** should exceed 10 percent, excluding one-off items and restructuring costs.



<3.0

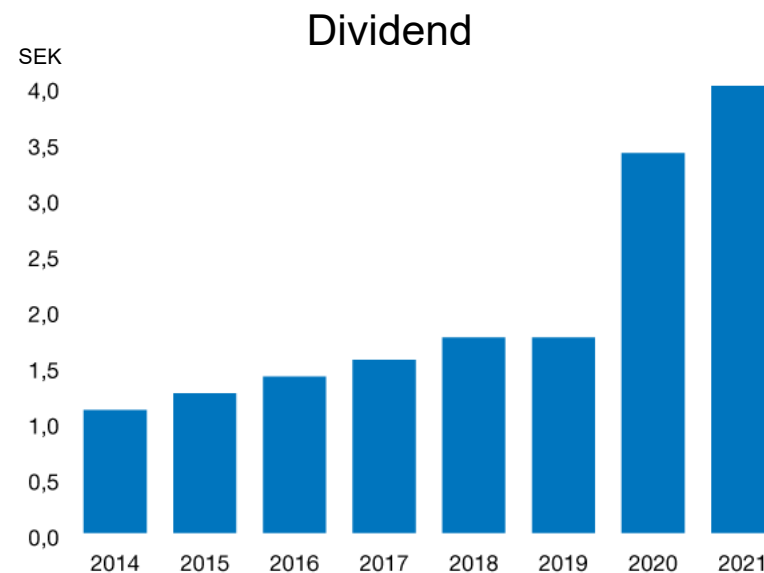
The **net debt to EBITDA** ratio should not exceed 3.0, measured over a 12 month average.



Note: from 2019 applies IFRS 16 Leases

Increased dividend

- Considering the strong earnings in the continued business and a strong financial position, the Board of Directors proposes a dividend of SEK 4.00 (3.40), split and paid out on two occasions.





Building a stronger Lindab

The new Lindab

3 year strategic transformation is completed

- The leading ventilation company in Europe
- High quality brands
- Robust supply chain
- Large investment program
- Complementary acquisitions
- Divestment of non-core business

Updated financial targets:
>10% EBIT adj.
>10% sales growth

10 BSEK
in revenue

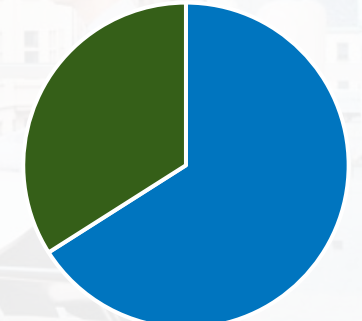
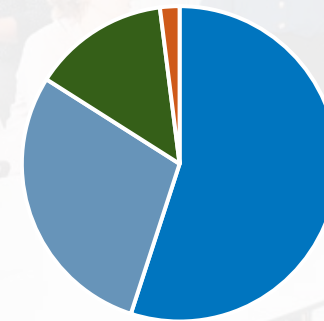
4500
employees

13%
adj. EBIT

20
countries

65-70%
Revenue aligned with
EU Taxonomy (goal 1)

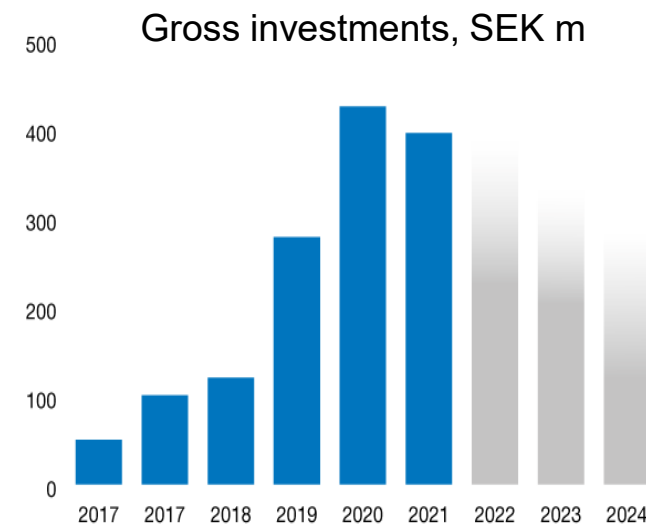
Revenue split (2021)



Ticker: LIAB
Nasdaq Stockholm, Large Cap

Investments to increase efficiency, capacity and safety

- SEK 395 m (425) invested in 2021, with attractive payback.
- The current investment program will continue until 2025.
- Focus on increased automation, expansion of capacity and improved safety.

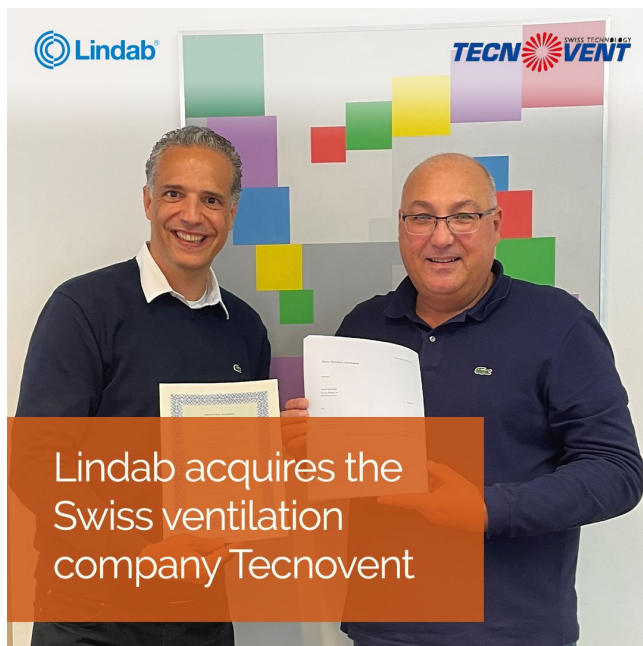


Expansion and increased automation of the warehouse in Weimar (GE).

Acquisitions of high-quality companies

- Well-managed, successful companies
- Complement Lindab's business in selected regions and product areas

6 Oct – Tecnovent, Switzerland



19 Nov – Klimatek, Denmark



22 Nov – Profilplåt, Sweden



Acoustic indoor climate solutions with Ecophon

- The demand for noise reduction in indoor environments is increasing
- Ecophon and Lindab have developed acoustic ceiling panels that can be combined with Lindab's indoor climate solutions.
- Solo Matrix Celsius is now launched in Germany.



Recent product launches

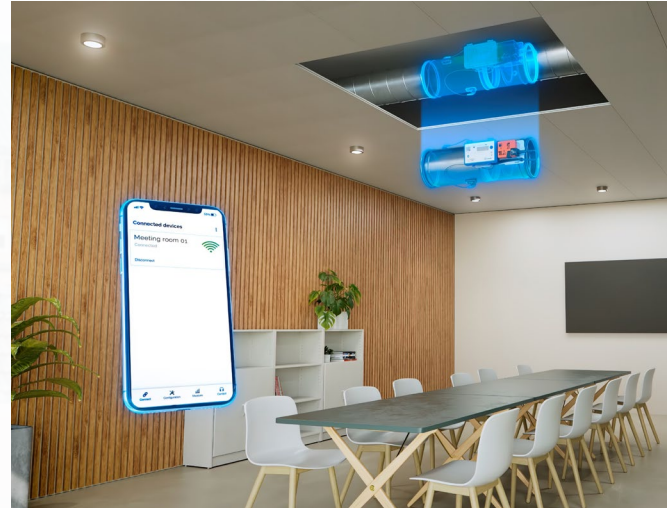
New construction



DCV ONE

The DCV system is an intelligent ventilation system based on variable air flow and indoor climate parameters.

Renovation



Ultra BT

With Ultra BT you get demand-controlled ventilation as a retro-fit to your current system. No wires required.

Early adopter of fossil-free steel

- Lindab partners with SSAB and H2 Green Steel to enable a transition to fossil-free steel.
- First deliveries in 2026 on a commercial scale.
- Lindab will be one of the first in Europe to provide fossil-free steel to customers.
- Conversion to fossil-free steel is the single action that has the greatest impact on the environment for Lindab (scope 3).



Outlook & Priorities

Market outlook

- Short-term demand is expected to be strong when restrictions start to be rolled back and people return to work.
- Strong medium- and long-term demand as the interest in energy-savings and healthy indoor climate is growing.

Lindab priorities

- Secure high delivery performance to customers and ensure raw material availability.
- Launch new products for renovation of buildings in Europe.
- Continue to implement the investment program.
- Nurture the acquisition pipeline.
- Activities to achieve updated sustainability targets.



**Thank you!
Questions?**

