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## Lindab Group Q2 report 2022

20 July 2022

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President & CEO



# Q2 highlights

Comparison numbers exclude the divested business area Building Systems.

## Strong organic and acquired growth

- First time Lindab achieves sales above SEK 3 bn in a quarter.
- Sales supported by high steel prices.
- Felderer main contributor to the acquired growth.
- Robust supply chain and high availability appreciated by customers.

## Record high Q2 operating profit

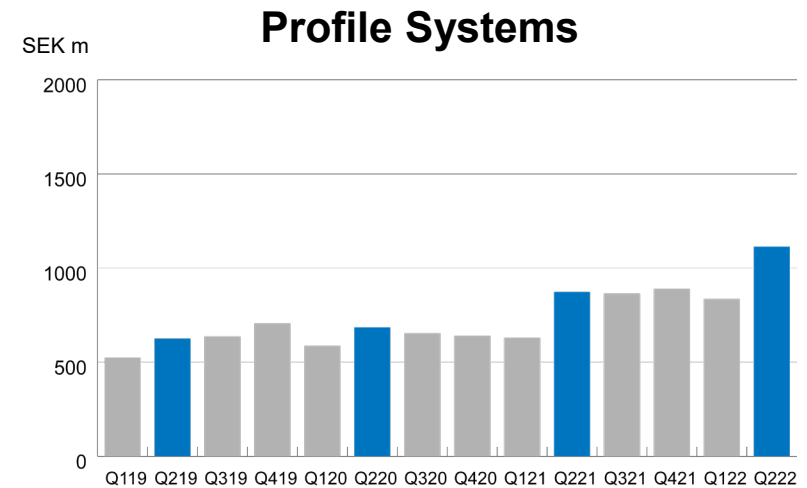
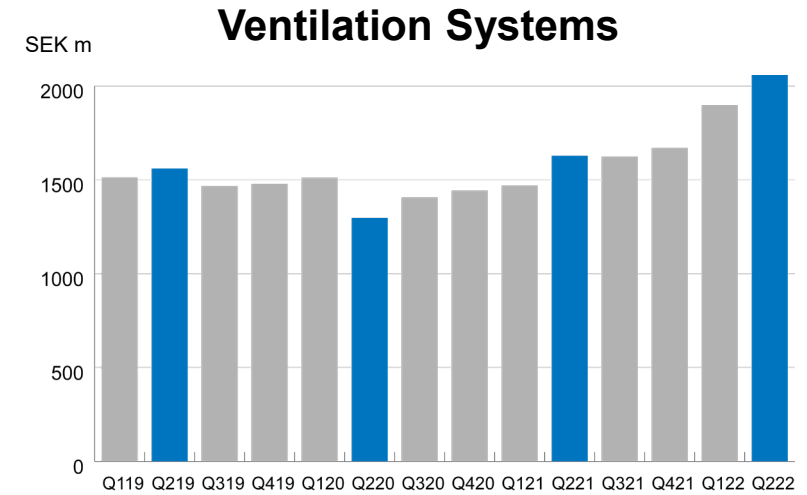
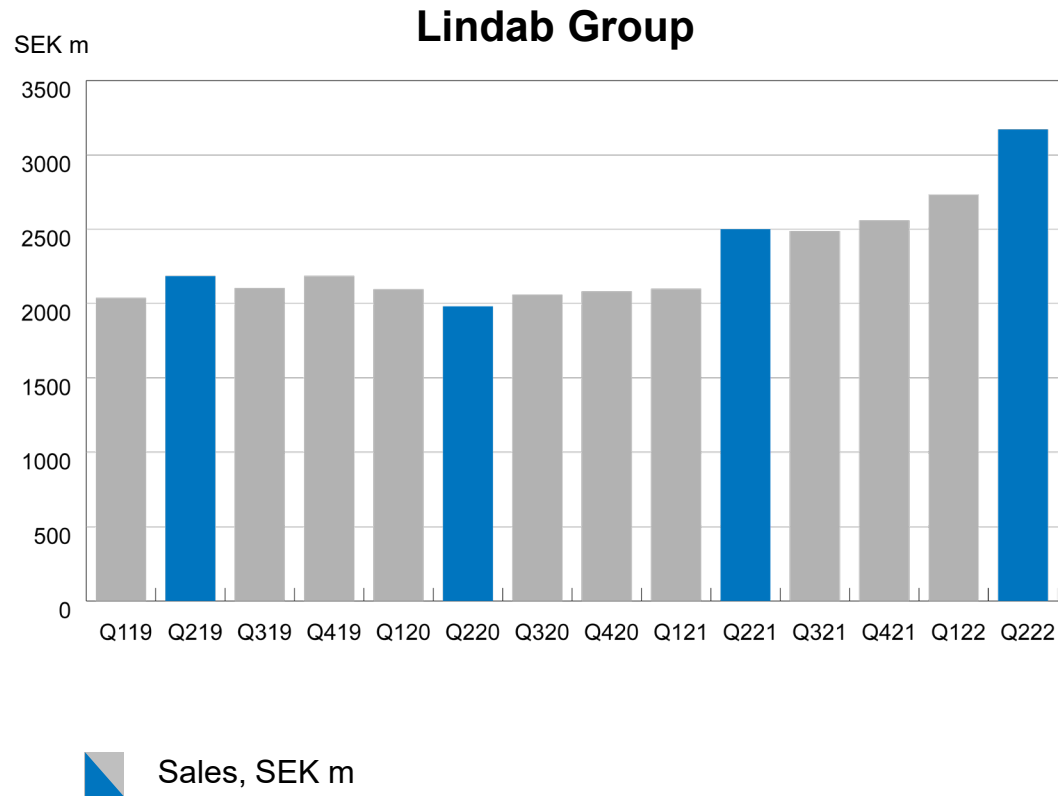
- Highest operating profit for a second quarter.
- Strong operating margin of 12.7% (13.8).
- Positive effects from the on-going investment program and structural changes.
- Net profit increased to SEK 300 m (268).

	Q2	YTD
<b>Sales</b> (SEK m)	<b>3,171</b>	<b>5,904</b>
Organic growth	+14%	+18%
Acquired growth	+10%	+7%
Currency effect	+3%	+3%
<b>Adj. operating profit</b> (SEK m)	<b>402</b>	<b>742</b>
Change in operating profit	+17%	+34%
Adj. operating margin	12.7%	12.6%

# Strong sales supported by pricing and acquisitions



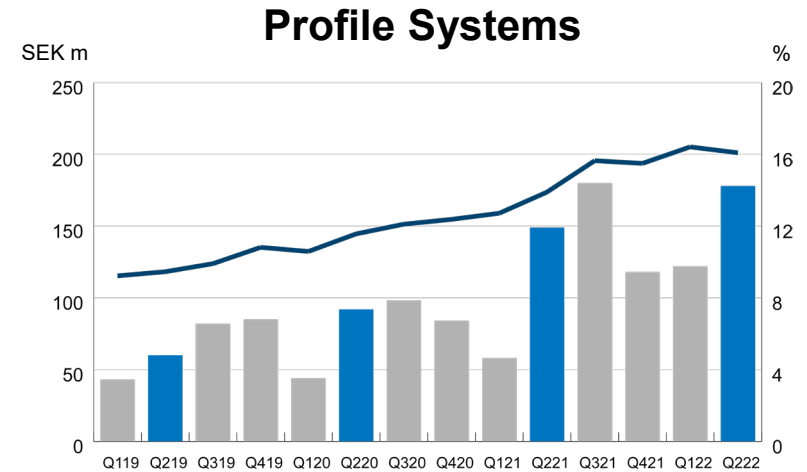
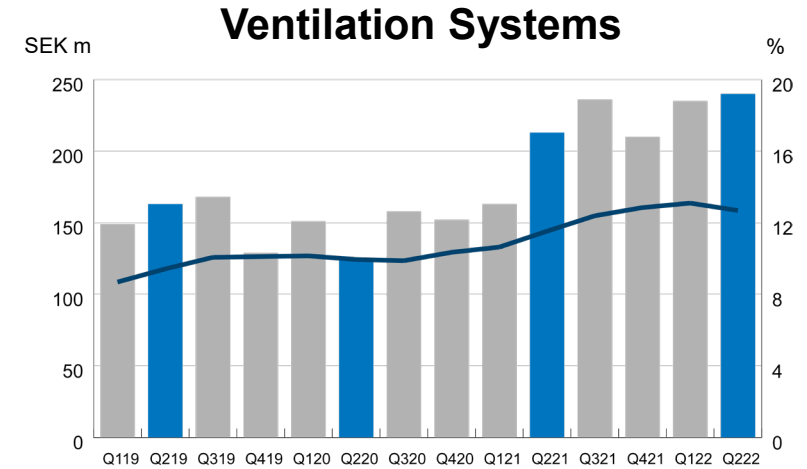
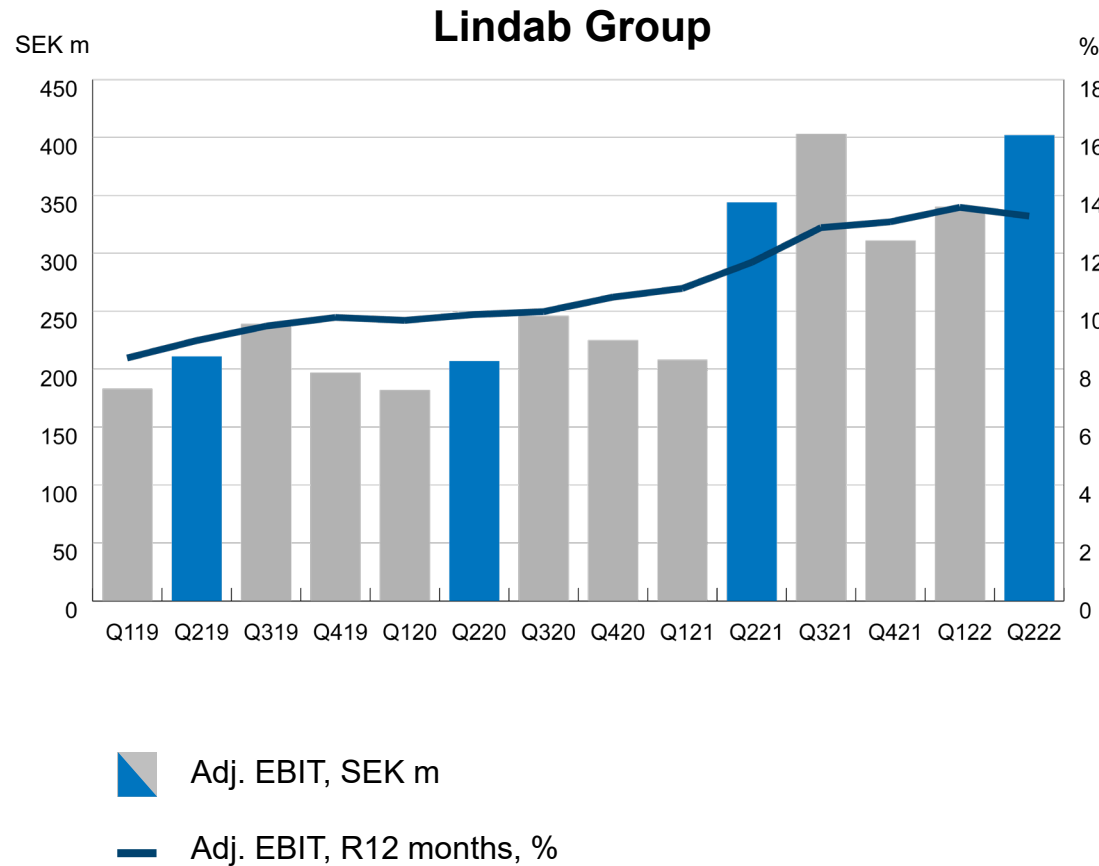
Sales per quarter, SEK m



Comparison numbers exclude the divested business area Building Systems.

# Strong margin development during difficult times

Adj. EBIT per quarter and R12 months



Comparison numbers exclude the divested business area Building Systems.

# Financial position supports continued growth

## Cash flow

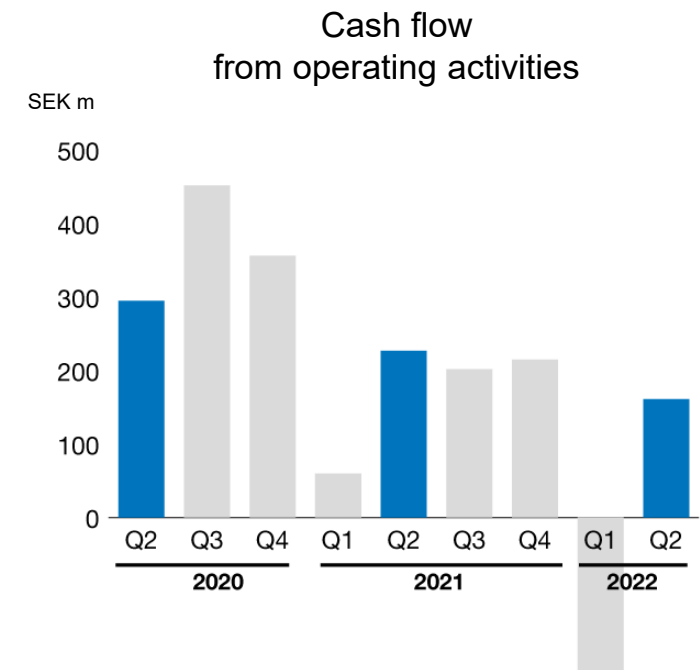
- Cash flow from operating activities amounted to SEK 161 m (227).
- Cash flow from operating activities, before changes in working capital, amounted to SEK 425 m (405).
- Working capital is mainly affected by high raw material prices, stock levels and strong sales growth.

## Net debt

- Net debt amounted to SEK 3,169 m (1,777).
- The change in net debt is mainly a result of acquisitions and raw material prices.
- In Q2, Lindab signed a new credit facility of SEK 1,000 m. Existing credit facilities have been extended until Q2 2025.

Cash flow  
from operating activities before  
change in working capital **+5%**  
**425** SEK m

Net debt / EBITDA **-0.1**  
**1.1**



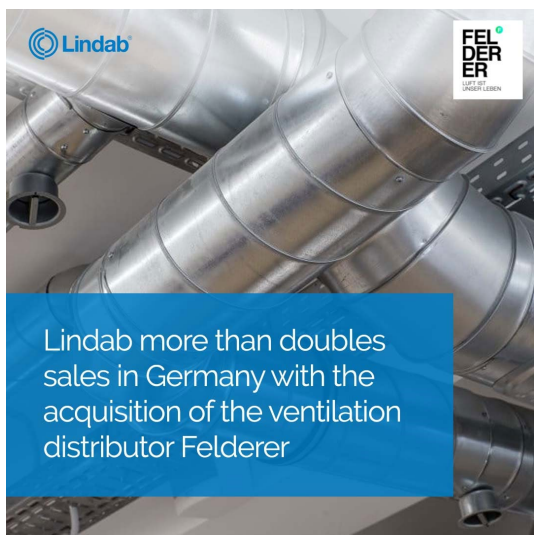


## Building a stronger Lindab

# Acquisitions of high-quality companies

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

**March/April**  
**Felderer, Germany**  
**Revenue: SEK 700 m**



**June/July**  
**Muncholm, Denmark**  
**Revenue: SEK 250 m**



**June**  
**R-Vent, Netherlands**  
**Revenue: SEK 500 m**



**July**  
**Girovent, Sweden**  
**Revenue: SEK 55 m**



# Acquisitions and divestments the last 2 years

## Acquired

Company	Type	Country	Revenue (MSEK)	EBIT vs Lindab
Girovent	Products/Distribution	Sweden	55	Comparable
R-Vent	Products/Distribution	Netherlands	500	Comparable
Muncholm	Distribution	Denmark	250	Comparable
Felderer	Distribution	Germany	700	Lower
Nord Trade	Distribution	Sweden	20	Lower
Alig Ventilation	Distribution	Sweden	65	Higher
Profilplåt	Products/Distribution	Sweden	70	Higher
Klimatek	Products	Denmark	30	Lower
Tecnovent	Products/Distribution	Switzerland	20	Lower
Kami	Products/Distribution	Sweden	100	Higher
H.A. Helgesen	Products/Distribution	Norway	15	Higher
Aer Faber	Distribution	Norway	53	Higher
Crenna	Products/Distribution	Sweden	118	Comparable
Ekovent	Products/Technology	Sweden	127	Comparable
Thor Duct	Products/Technology	Ireland	15	Higher

## Divested

Company/Unit	Type	Country	Revenue (MSEK)	EBIT vs Lindab
Business Area Building Systems (Astron)	Customized steel buildings	Several countries, with a majority in Eastern Europe	946	Lower
IMP Klima	Air handling unit	Slovenia	269	Lower

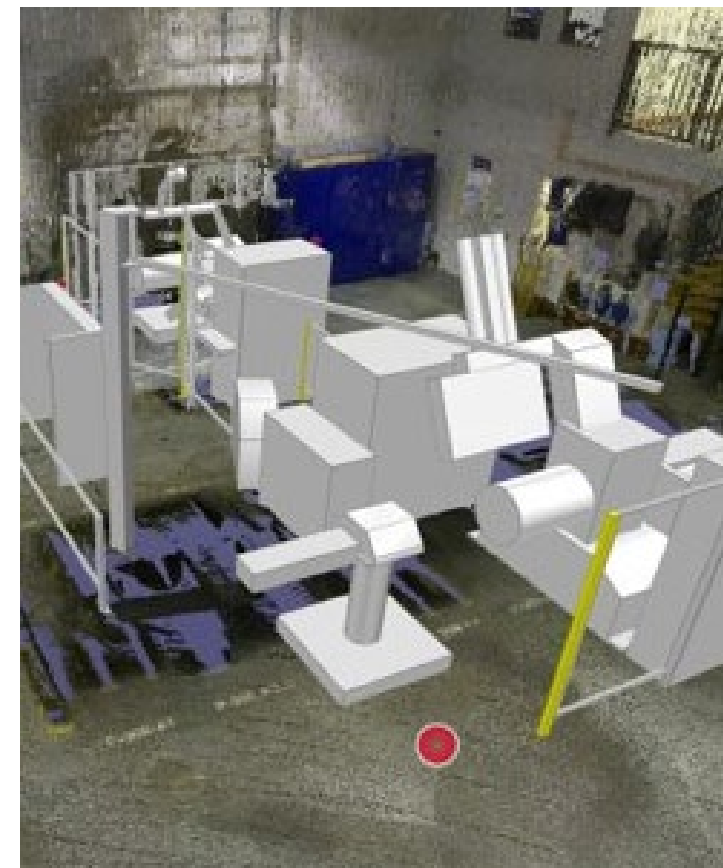
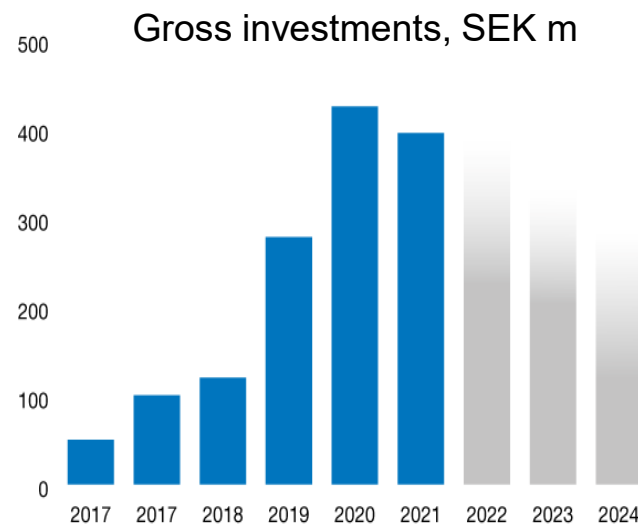
2,138 MSEK acquired

1,215 MSEK divested



# Investments to increase efficiency, capacity and safety

- SEK 99 m (86) invested in Q2, with attractive payback.
- The current investment program will continue until 2025.
- Focus on increased automation, expansion of capacity and improved safety.



Slitting line for Lindab Steel in Grevie (SE)

# Increased demand for energy-efficient and sustainable solutions

- Increased demand for energy-efficient ventilation systems when energy prices rise.
- High energy prices should increase the pace of the renovation wave in EU and the implementation of EU's Green Deal.
- Larger customers are prioritizing suppliers with a strong sustainability profile.
- Lindab is a prioritised volume partner to the fossil-free steel suppliers SSAB and H2 Green Steel.
- A green product line will be launched when fossil-free steel becomes available.

1%

Only 1 percent of EU's buildings undergo energy renovation every year.

# Outlook & Priorities

## Market outlook

- Strong long-term demand for healthy indoor environments. Growing demand for energy-savings, driven by higher energy prices.
- Short-term demand for Lindab looks solid.

## 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?**

