

For a better
climate™



Lindab Group Q1 report 2023

3 May 2023

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President & CEO

Lars Ynner
CFO

Q1 highlights

Strong sales growth

- Sales growth of 18%, mainly driven by acquisitions.
- Felderer, R-Vent, Muncholm and Liftasud are the main contributors to the acquired growth.
- Highest quarterly sales and operating profit ever for Ventilation Systems.

Margins under pressure in Profile Systems

- Gross margins were negatively affected by inventory effects in Profile Systems.

Strong cash flow

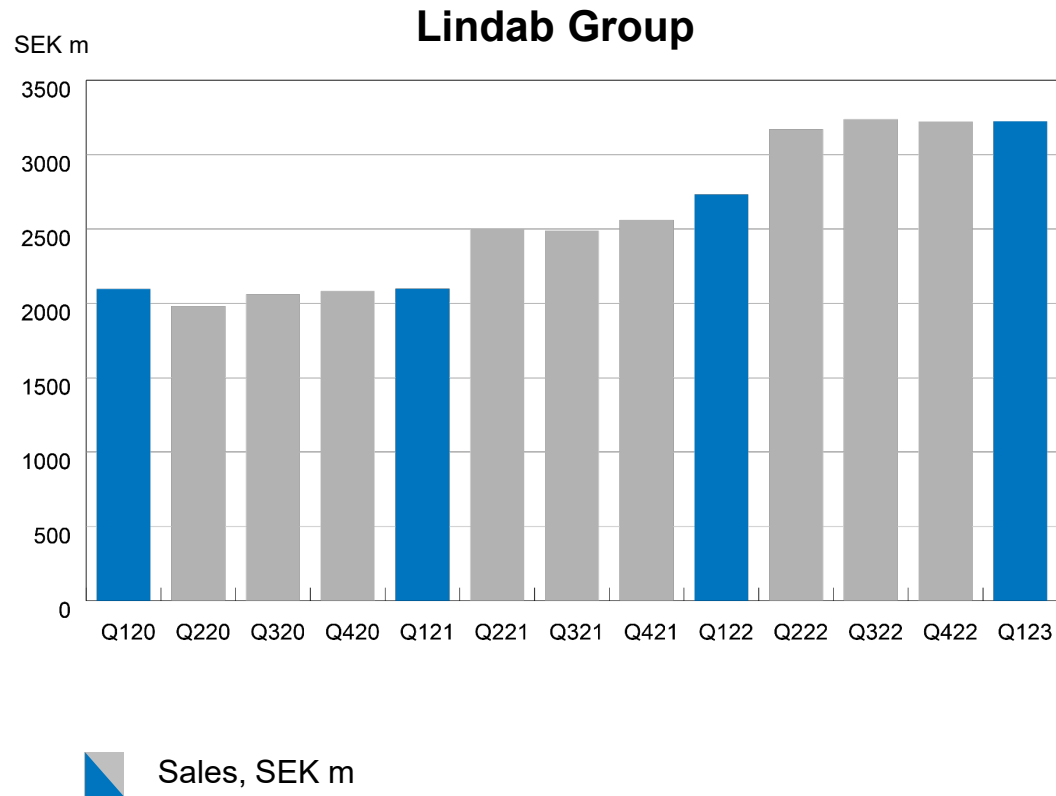
- Cash flow from operating activities increased to SEK 355 m (-213) in Q1.

	Q1/23	Q1/22
Sales (SEK m)	3,224	2,733
Organic growth	-5%	+23%
Acquired growth	+20%	+3%
Currency effect	+3%	+4%
Adj. operating profit (SEK m)	264	340
Change in adj. operating profit	-22%	+63%
Adj. operating margin	8.2%	12.4%
Cash flow, op. activities (SEK m)	355	-213

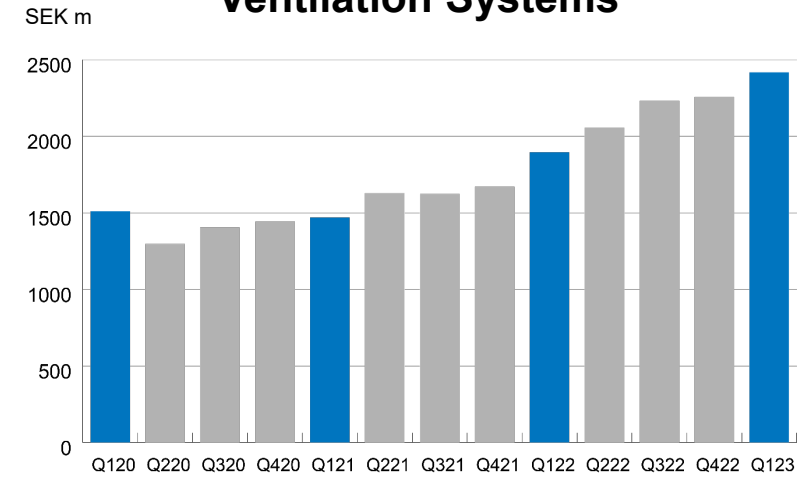
Strong sales in Ventilation Systems, driven by acquisitions



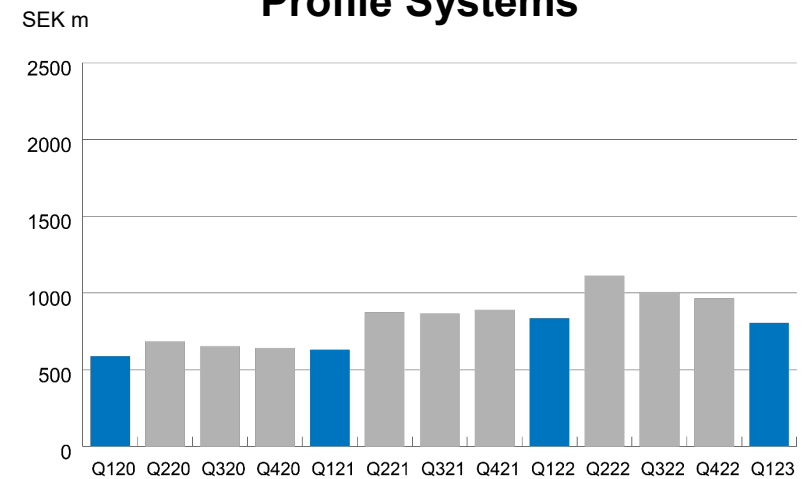
Sales per quarter, SEK m



Ventilation Systems



Profile Systems

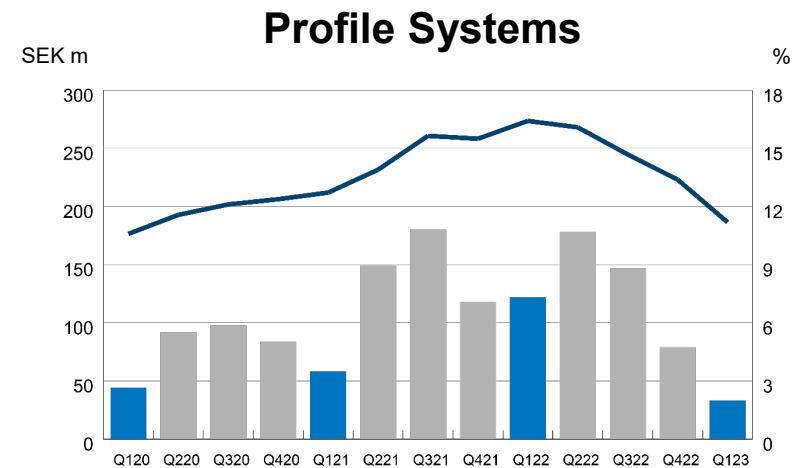
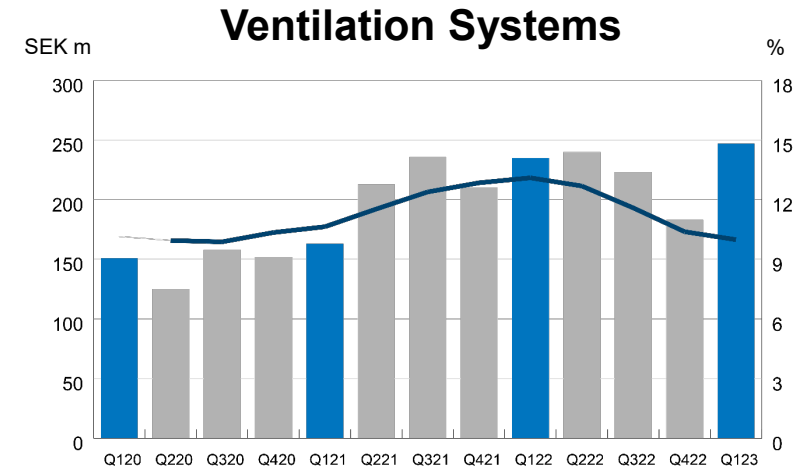
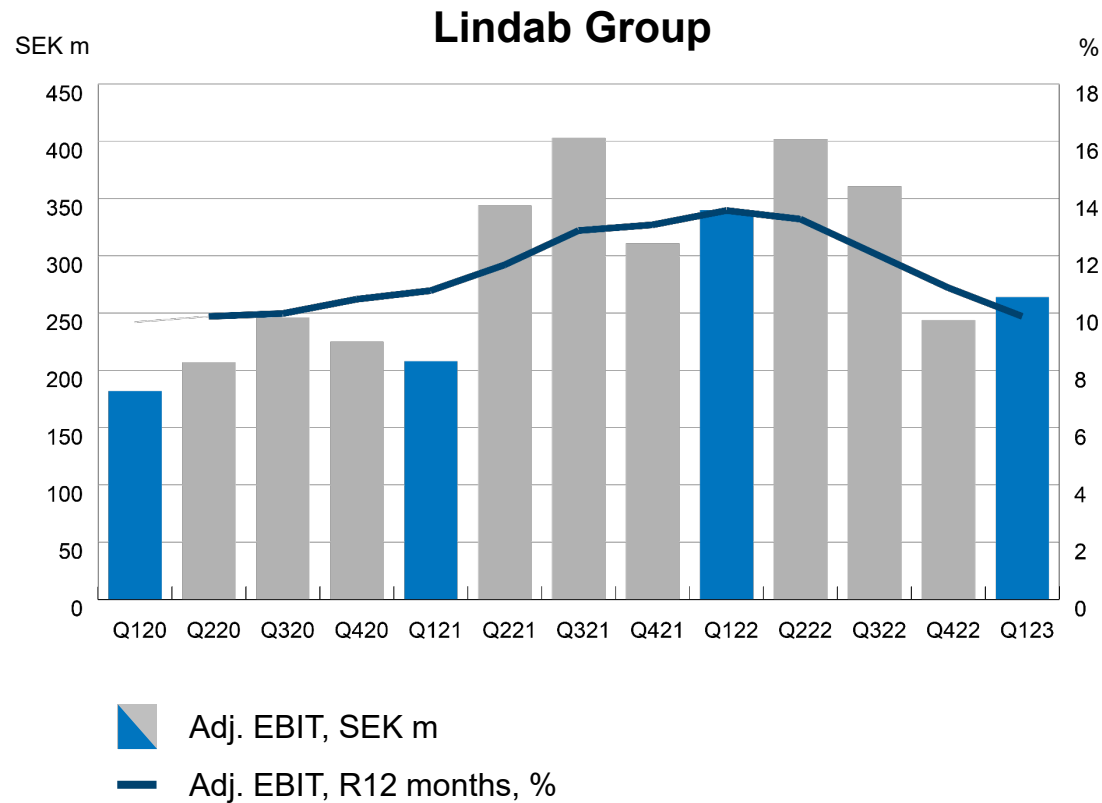


Comparison numbers exclude the divested business area Building Systems.

Profitability lower than plan in Profile Systems in Q1



Adj. EBIT per quarter and R12 months



Comparison numbers exclude the divested business area Building Systems.

Strong cash flow supports continued growth

Strong cash flow

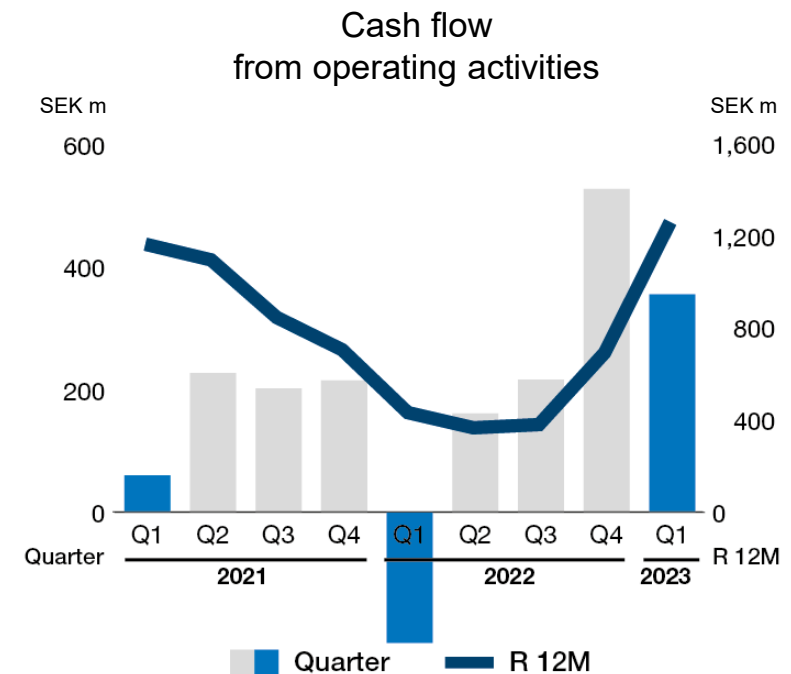
- Cash flow from operating activities increased to SEK 355 m (-213) in Q1.
- The change in working capital was mainly related to less capital tied up in stock.
- Free cash flow adjusted for M&A increased to SEK 261 m (-319) in Q1.

Net debt

- Net debt amounted to SEK 3,456 m (2,155).
- The change in net debt vs previous year, is mainly a result of acquisitions and leasing liabilities.

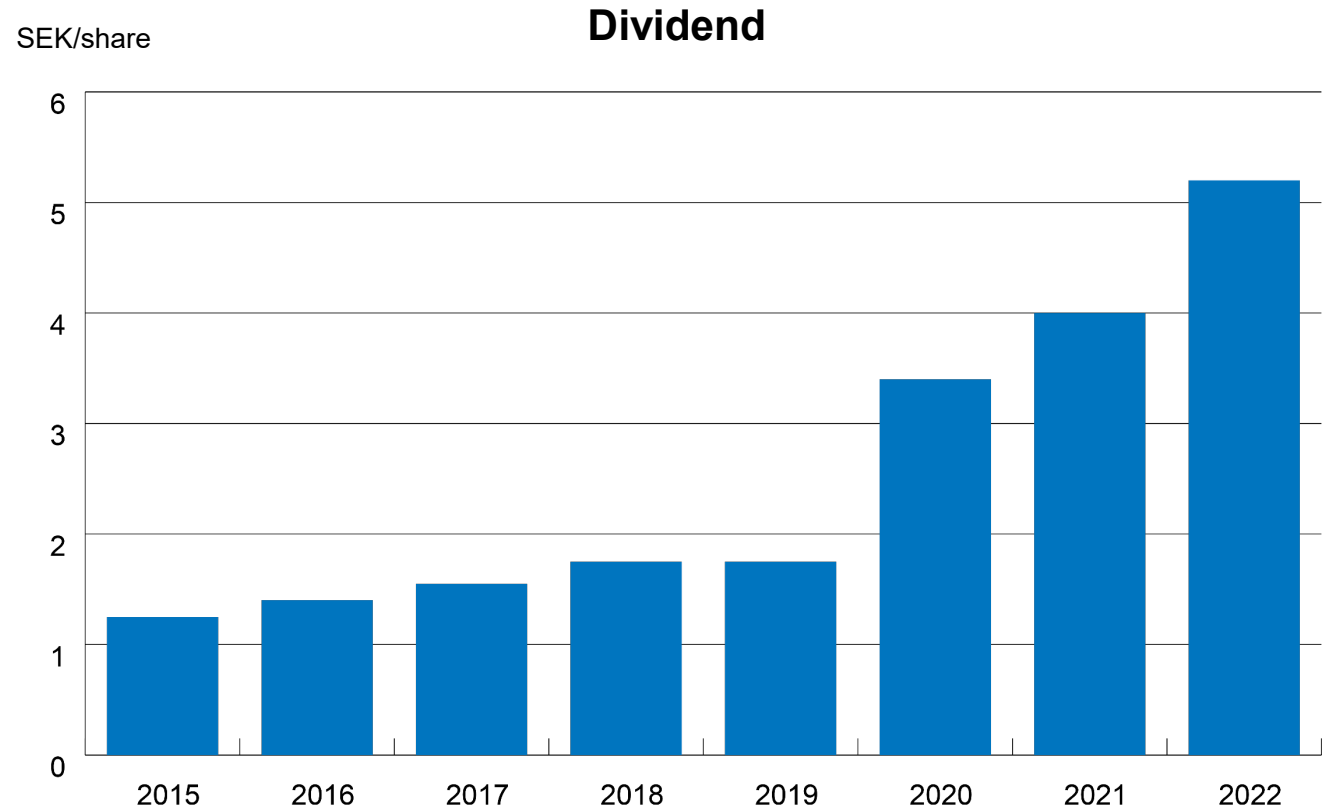
Cash flow from operating activities **355 SEK m**

Net debt / EBITDA **1.8**



Increased dividend

- Dividend policy of at least 40% of net profit.
- Strong net profit and a solid financial position.
- Board of Directors proposes a dividend of SEK 5.20 (4.00), a 30% increase
- Payment to be distributed in May and November.



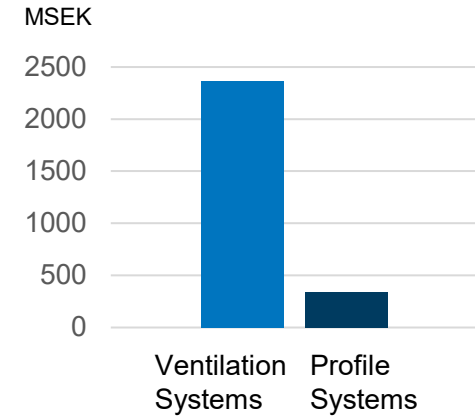


Building a stronger Lindab

Acquisitions of high-quality companies

- Four acquisitions in 2023, two in Q1 and two in Q2.
- 21 acquisitions in total since 2020, adding SEK 2.7 billion in revenue.
- Divestment of SEK 1.3 billion in revenue during 2020-2022.

Acquired revenue
per business area, since 2020



Lindab acquires the German ventilation company Raab Lüftungstechnik

February
Raab Lüftungstechnik, Germany
Revenue: SEK 160 m



Lindab acquires Irish Ventilation & Filtration, one of Ireland's leading ventilation suppliers

March
Irish Ventilation & Filtration, Ireland
Revenue: SEK 100 m



Lindab acquires the Czech ventilation business Ventilace EU

April
Ventilace EU, Czech Republic
Revenue: SEK 42 m

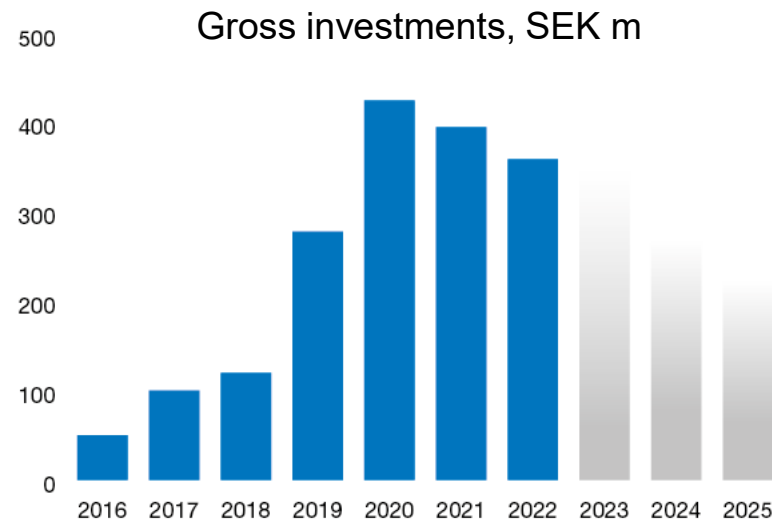


Lindab acquires Firmac, leader in rectangular ventilation duct machinery

May
Firmac, United Kingdom
Revenue: SEK 40 m

Investments to increase efficiency, capacity and safety

- SEK 97 m (106) invested in Q1, with attractive payback.
- The current investment program will continue until 2025.
- Focus on increased automation, expansion of capacity and improved safety.
- Investment in renewable energy for Lindab's production units.



New slitting line and tool robot in Lindab Steel (SE).

For a better climate

- 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.
- Commitment to Science Based Targets initiative on 8 January, to contribute to reduced emissions of greenhouse gases.
- Launch of low-carbon emissions steel products for roofs and facades in January. Will be extended to rectangular ventilation ducts and roof hoods later in the year.



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Outlook & Priorities

Market outlook

- The demand for ventilation systems is stable in most parts of Europe.
- Profile Systems has high exposure to the Swedish market where new construction is slowing down.
- The ventilation market is expected to show more stability due to increased renovation and demand for energy-efficient ventilation systems.
- Medium and long-term demand for healthy indoor environments remain strong. Growing demand for energy-savings, driven by higher energy prices.

Lindab near-term priorities

- Pro-active cost measures, with special focus on Profile Systems.
- Pricing actions to mitigate energy and transport costs.
- Attractive acquisition opportunities.



**Thank you!
Questions?**

