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Lindab Group Q2 report

19 July 2024

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President & CEO

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CFO

Q2 Summary

SALES SEK m

3,520

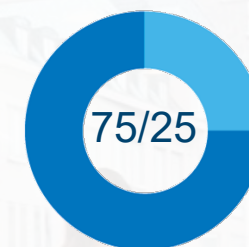
GROWTH Target 10%

Organic -3%

Structural +8%

Currency 0%

SALES SPLIT 90/10 in 2027



■ Ventilation Systems
■ Profile Systems

EBIT SEK m

338

EBIT %

9.6

EBIT % Target 10%

Ventilation Systems 10.4%

Profile Systems 8.7%

CASH FLOW SEK m

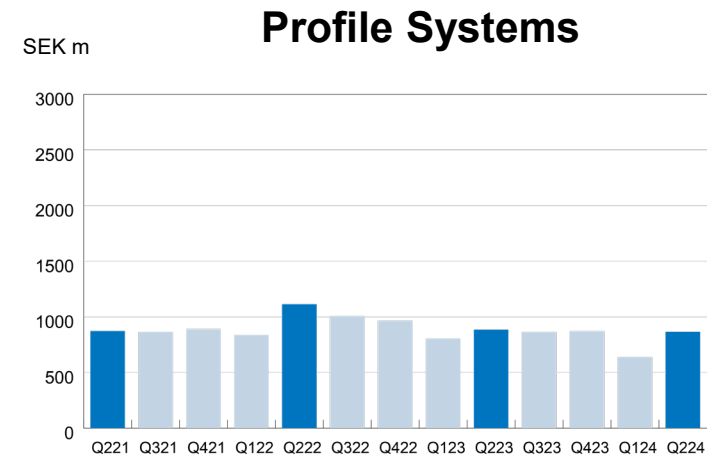
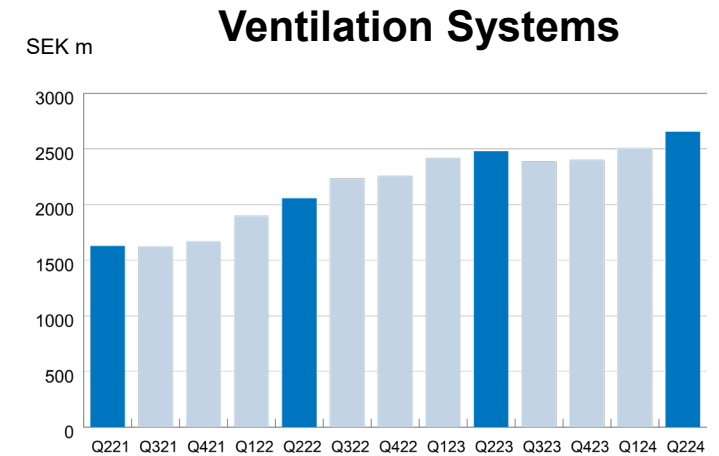
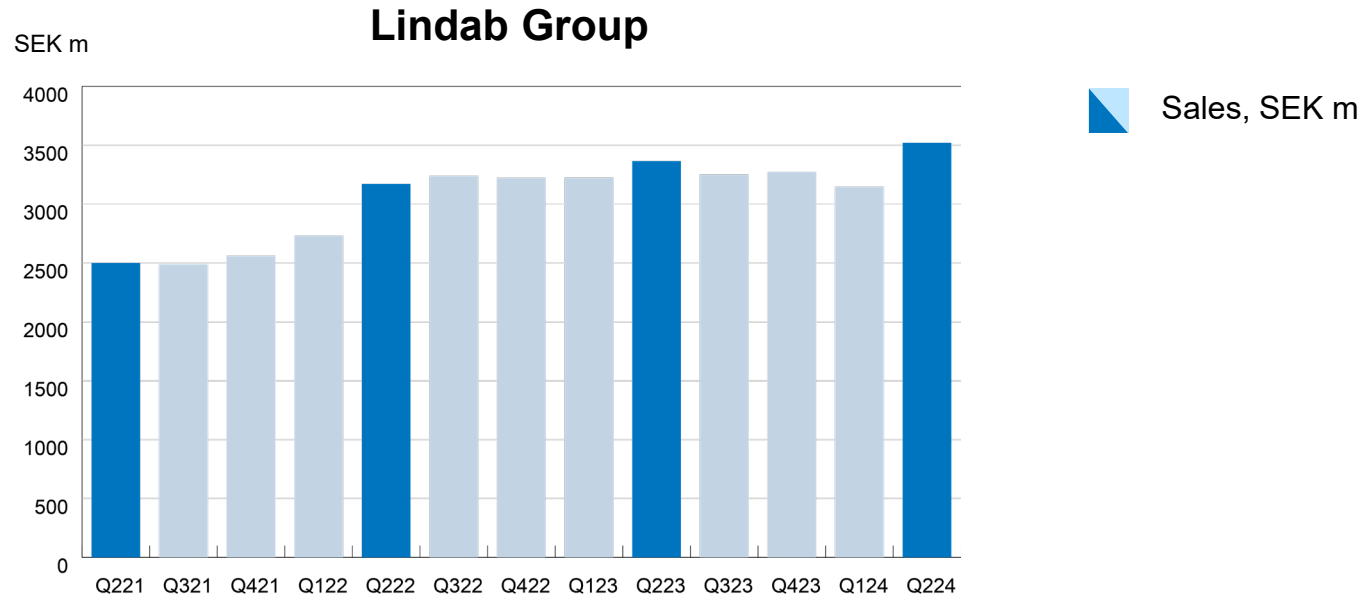
342 +6%

operating activities

Record sales for Group and Ventilation Systems in the quarter



Sales per year, SEK m

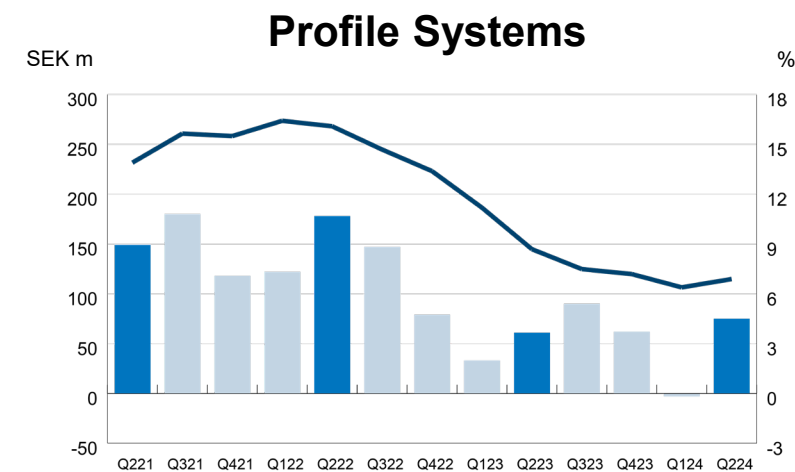
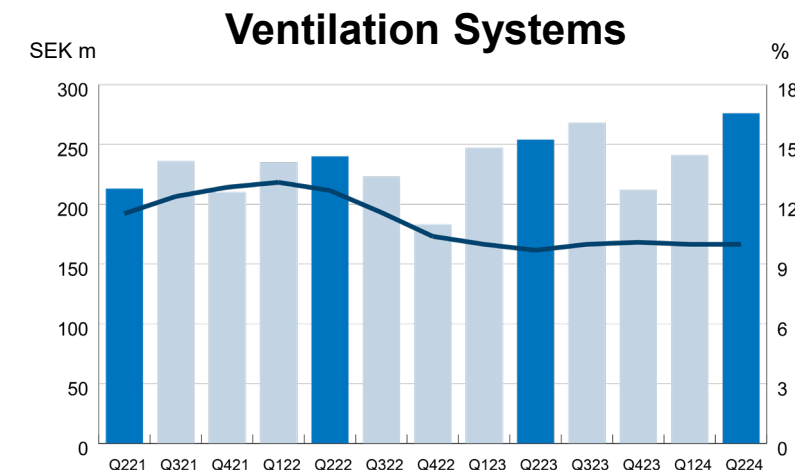
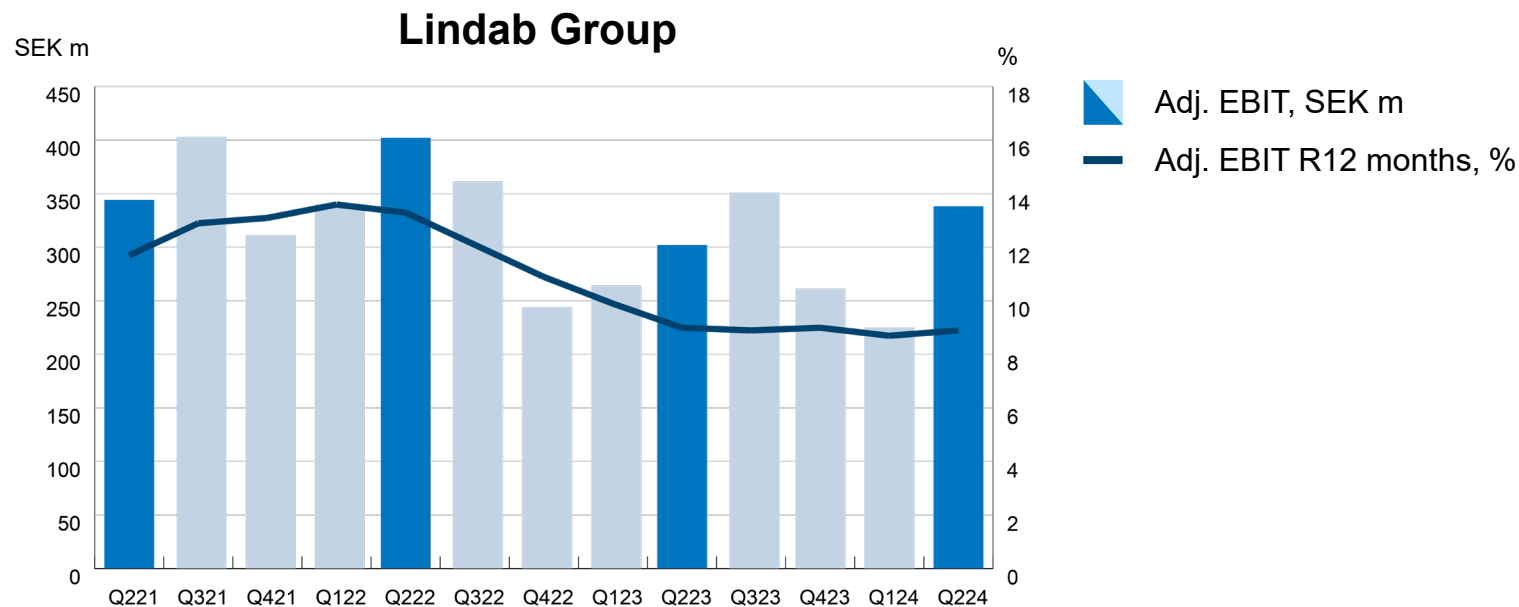


Sales, SEK m	Q2, 2024	Organic growth	Structural growth	Q2, 2023
Lindab Group	3,520	-3%	8%	3,365
Ventilation Systems	2,654	-4%	11%	2,480
Profile Systems	866	-2%	0%	885

Comparison numbers exclude the divested business area Building Systems.

Improved profitability across the board

Adj. EBIT per quarter and 12 months



Adj. EBIT, SEK m	Q2, 2024		Q2, 2023	
Lindab Group	338	9.6%	302	9.0%
Ventilation Systems	276	10.4%	254	10.2%
Profile Systems	75	8.7%	61	6.9%

Comparison numbers exclude the divested business area Building Systems.

Continued strong cash flow from operating activities

Strong financial position supports additional acquisitions

- Cash flow from operating activities amounted to SEK 342 m (323) in Q2.

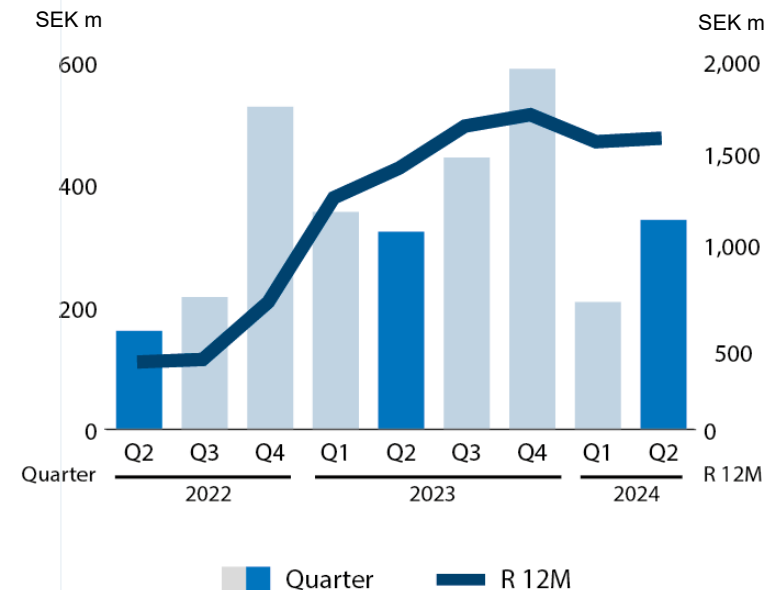
Cash flow
from operating activities

+6%
342 SEK m

Refinancing

- In June, Lindab signed a new long-term credit agreement with Nordea, DNB Bank, Svenska Handelsbanken and Danske Bank.
- The agreement includes a revolving credit facility with a credit line of SEK 4,050 m and a loan of EUR 120 m, which is an increase of SEK 1,000 m and EUR 50 m, respectively.
- The new agreement has a term of three years with an extension option of one plus one year.

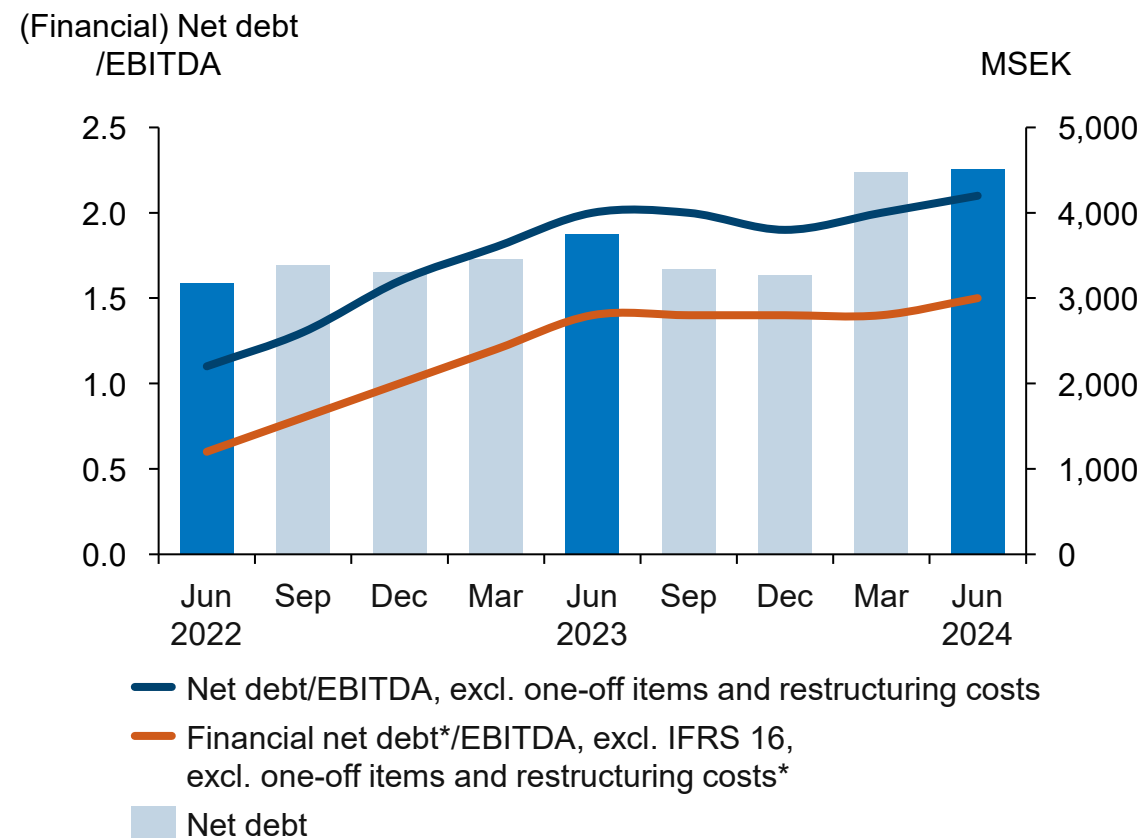
Quarterly cash flow
from operating activities



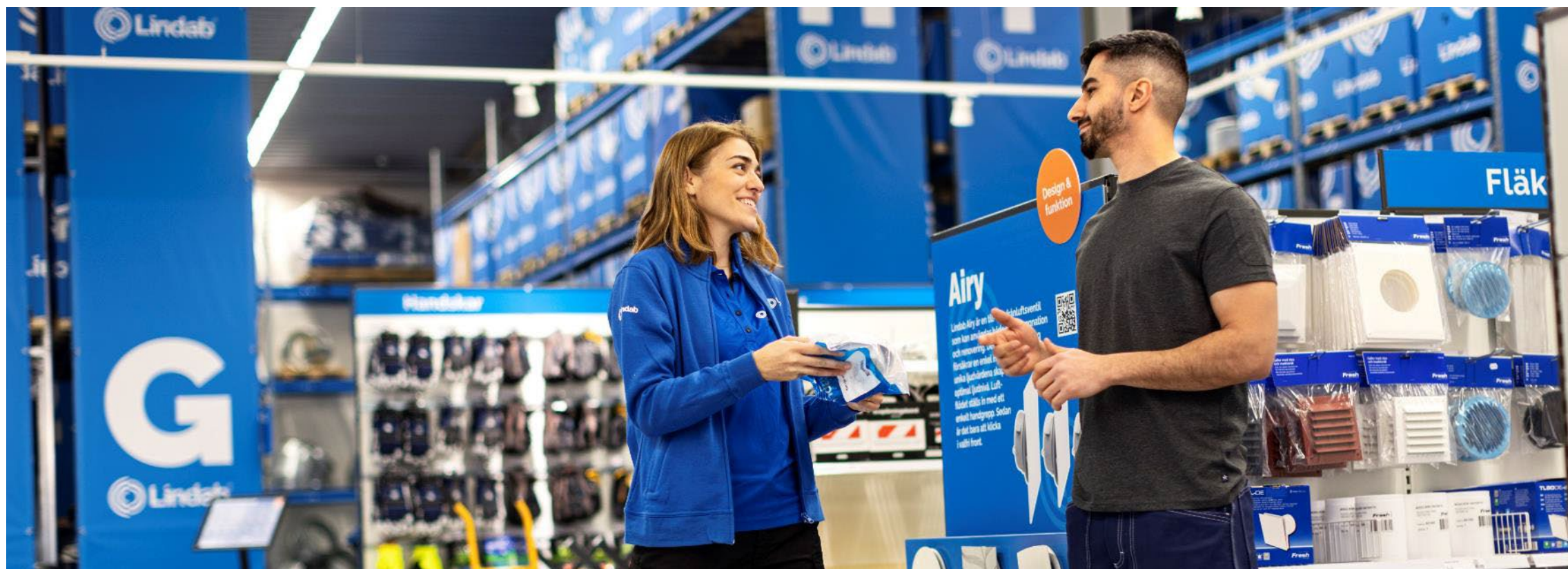
Net debt

- Net debt amounted to SEK 4,517 m (3,747), of which SEK 1,480 m (1,393) is related to leasing liabilities.
- Net debt/EBITDA amounted to 2.1 (2.0).
- Financial Net debt/EBITDA amounted to 1.5 (1.4)
- The change in net debt vs. previous year is mainly related to increased borrowings because of completed acquisitions.

Net debt / EBITDA **2.1**
 Financial Net debt / EBITDA **1.5**



*Financial net debt: Net debt excluding leasing liabilities and pension related posts.
 *Financial net debt/EBITDA excluding IFRS 16 : Average financial net debt in relation to EBITDA, excluding IFRS 16 and excluding leasing liabilities and pension related posts.



Building a stronger Lindab

Accelerating profitable growth



2009-2017

Debt reduction

Generated profits and cash flow was used to pay off debt and get Lindab back on track after the financial crisis.

2018-2023

Investing in the business

Focus on fewer markets and product areas. Investments in automation. Started to acquire high-quality companies.

2024-2027

Accelerating profitable growth

With investments in place, the focus is on profitable growth, both organic and through acquisitions.

REVENUE
SEK B

~7

9-13

20

EBIT MARGIN
%

6%

10%

>10%

VENTILATION
%

~55%

~70%

~90%

Focus on increased profitability

- Continued strengthening of gross margins
- Pricing activities
- Synergies from acquisitions
- Footprint rationalization
- Special focus on Profile Systems
 - Pricing
 - Shrink into shape
 - Structural measures

Profitability and
cost control



Investments to increase efficiency, capacity and safety

- SEK 76 m (108) invested in Q2.
- Investments R12 was SEK 229 m (359).
- The strategic investment program, running since 2019, will be completed in 2024.
- With current investments in automation and capacity, the production volumes can increase without increasing costs, leading to strengthened margins when organic growth returns.
- Current investment focus is now shifting from production hardware to digital tools and services.

Efficiency from investments



Ensure that the implemented investments are delivering according to the agreed plan.

Acquisitions of high-quality companies



May/July
Venti, Denmark

RECENT ACQUISITIONS Sales* SEK m

2024

Venti	120
TGA KlimaPartner	50
Airmaster	542
Vicon	<u>260</u>
	972

2023

HAS-Vent	280
Firmac	40
Ventilace EU	42
Irish Ventilation & Filtration	100
Raab Lüftungstechnik	<u>160</u>
	622

Benefits from
acquisitions

* Annual sales communicated at the time of the acquisition

Market outlook

- The European ventilation market is estimated to have declined by 5% in volume during the first six months.
- For Profile Systems, the Nordic market has stabilised.
- Signs of recovery have been noted in the second quarter. Lindab expects gradually increasing business activity during the second half of 2024.
- Medium and long-term demand outlook is strong, supported by the need for energy-efficient buildings and a healthy indoor climate. Legislation, such as the Energy Performance of Buildings Directive (EPBD), benefits Lindab.





**Thank you!
Questions?**