



An entrepreneurial world
where people make the difference

Q2 Report 2021

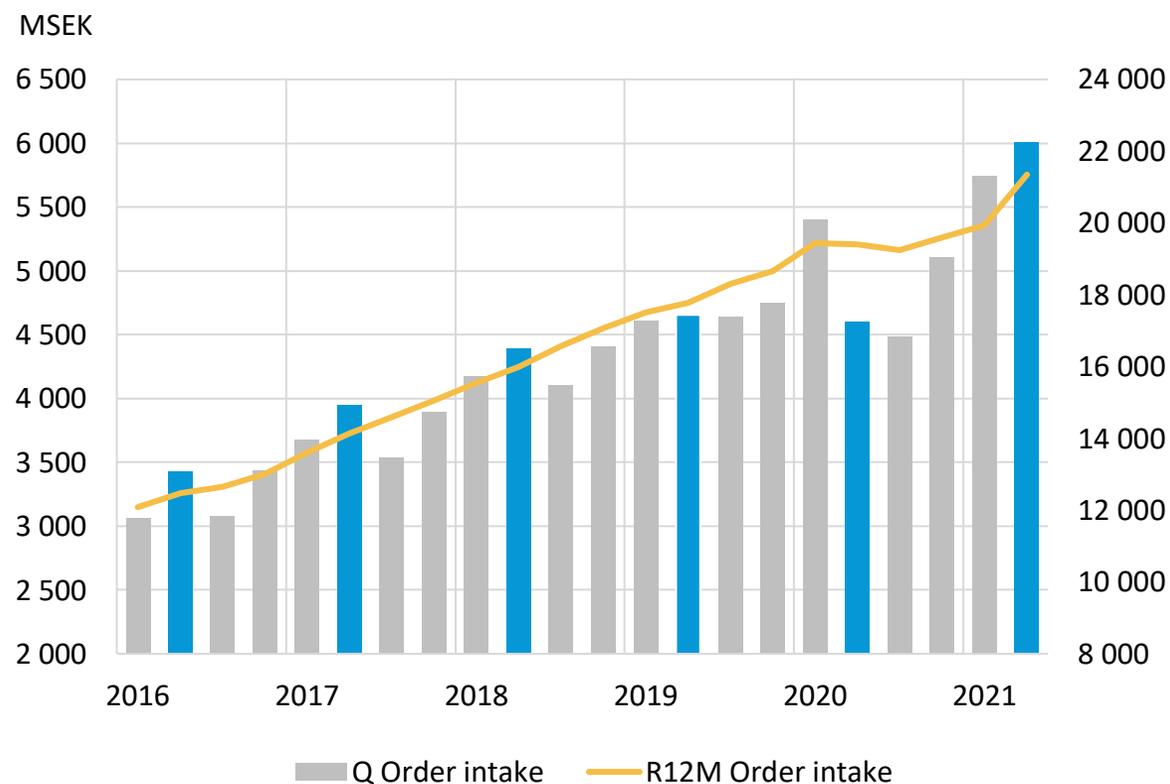
Bo Annvik, President and CEO
Patrik Johnson, CFO

19 July 2021

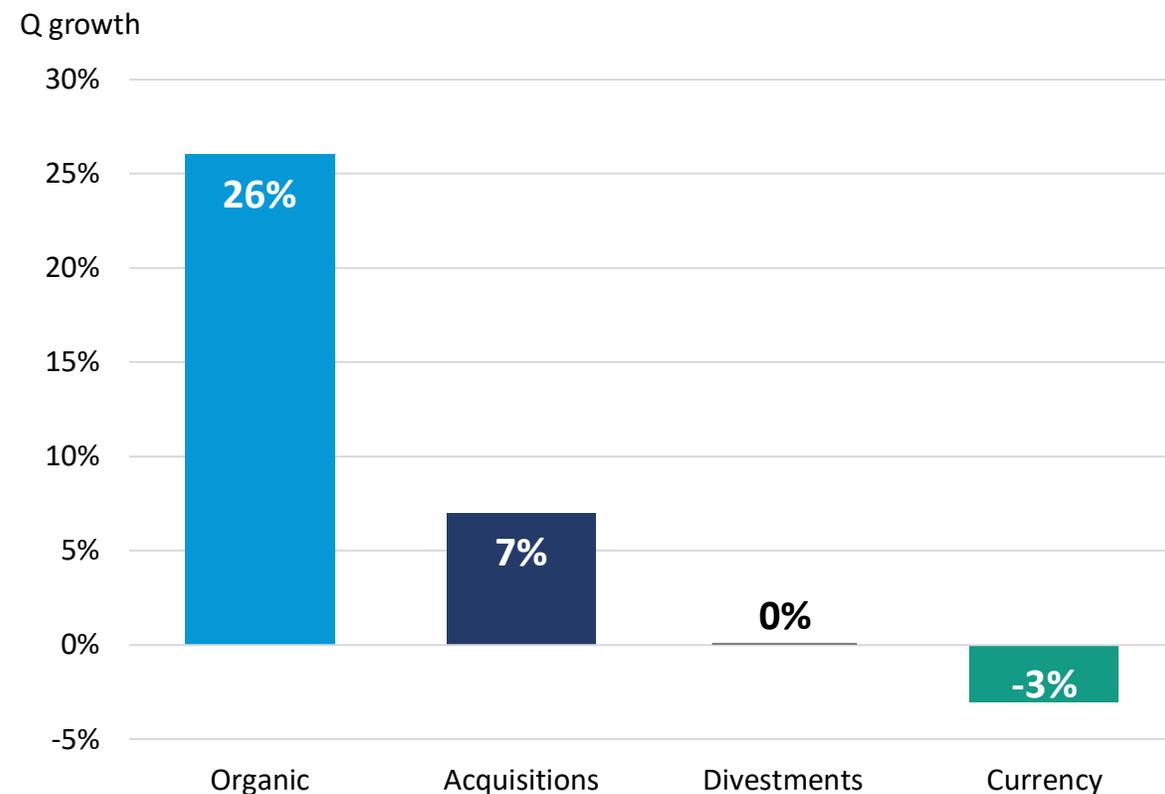
Highlights second quarter 2021

- Strong demand – improved vs Q1-21 and Q2-20
- Organic order intake +26% and net sales +16%
- Positive development in almost all companies, segments and countries
- Limited effects of supply chain issues and higher costs for raw materials, components and freight
- Record high EBITA margin
- Improved working capital efficiency
- Three acquisitions in Q2 – in total nine acquisitions >700 MSEK in 2021. Good pipeline!

Order intake



QUARTERLY GROWTH



6,006 MSEK

Q GROWTH

+30%

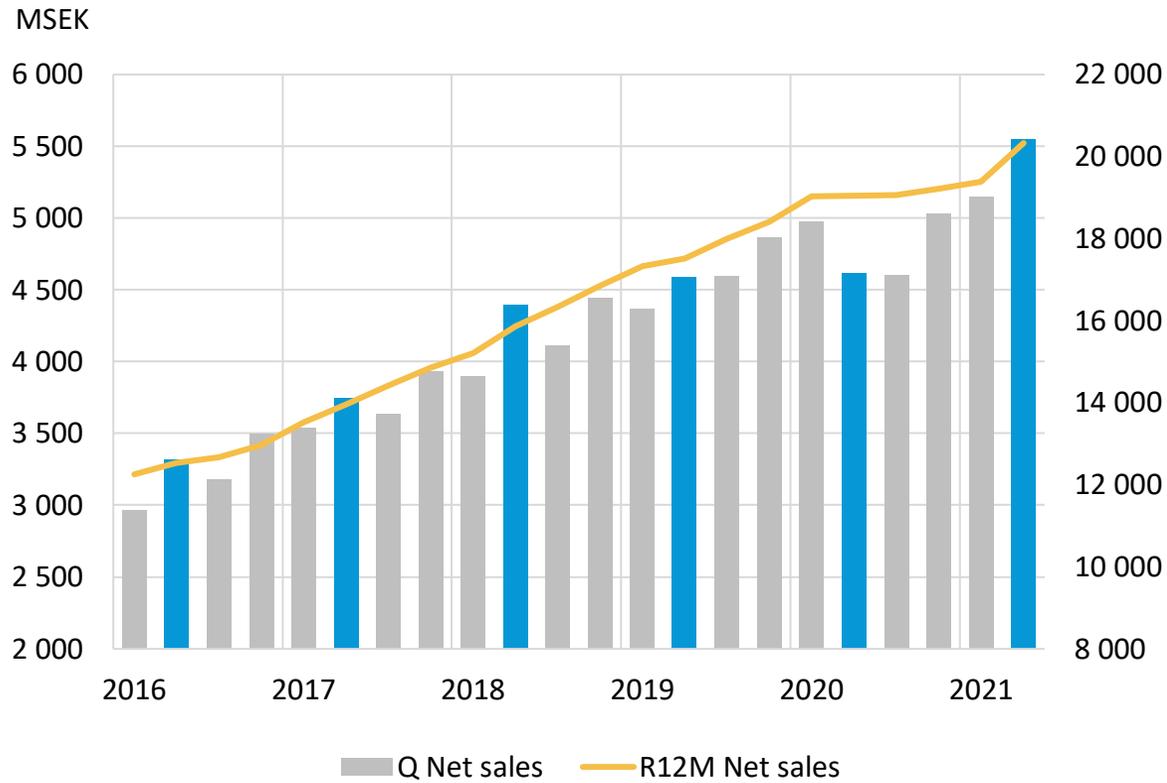
YTD GROWTH

+17%

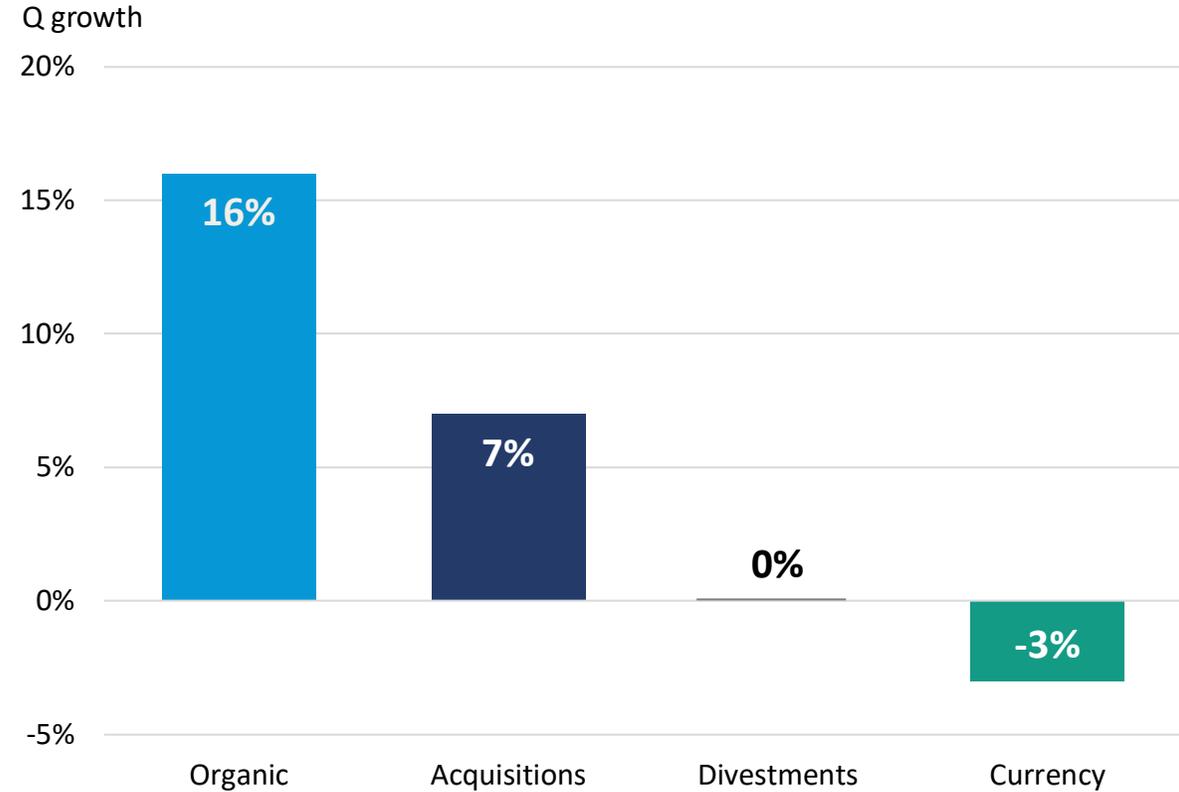
R3Y CAGR

+11%

Net sales

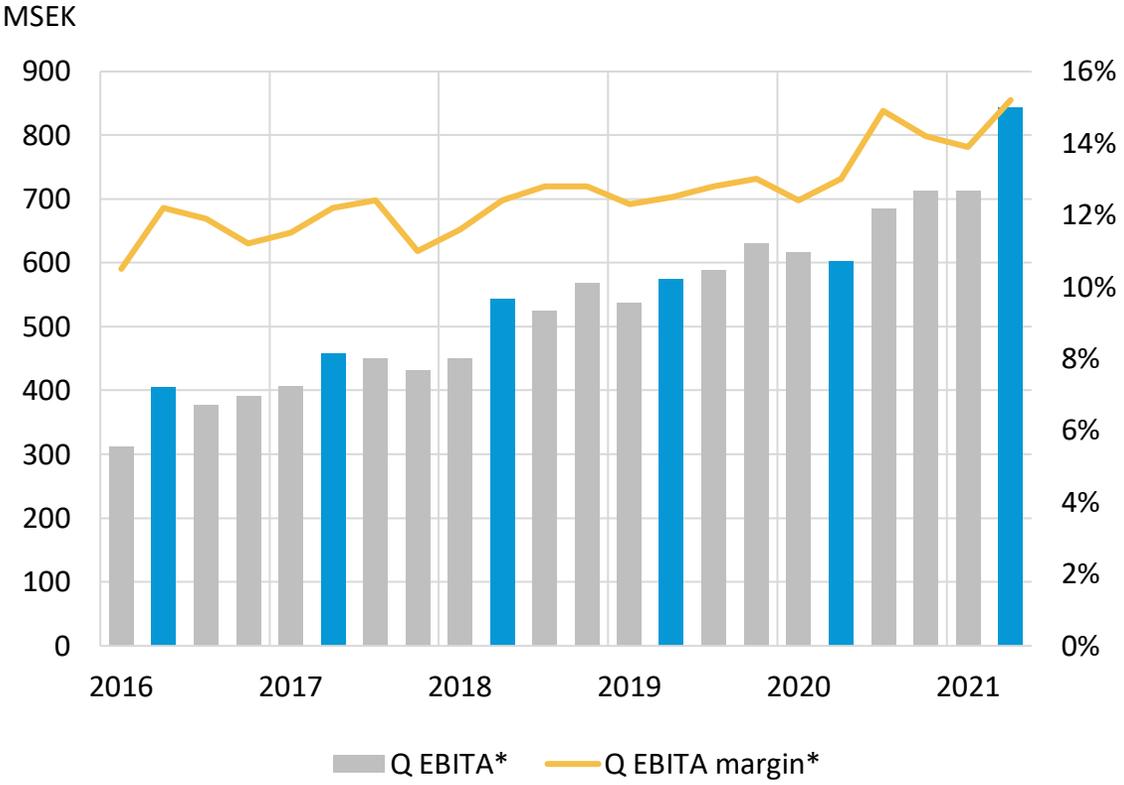


QUARTERLY GROWTH

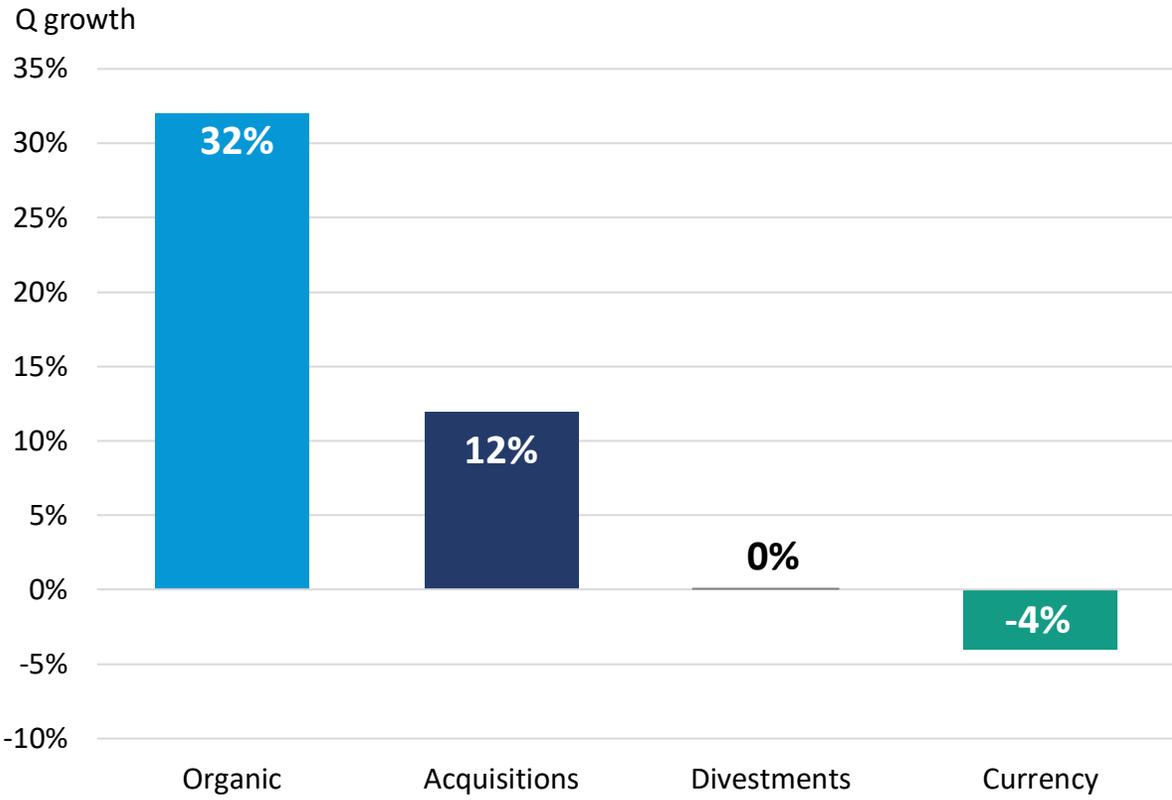


	Q GROWTH	YTD GROWTH	R3Y CAGR
5,552 MSEK	+20%	+12%	+8%

EBITA



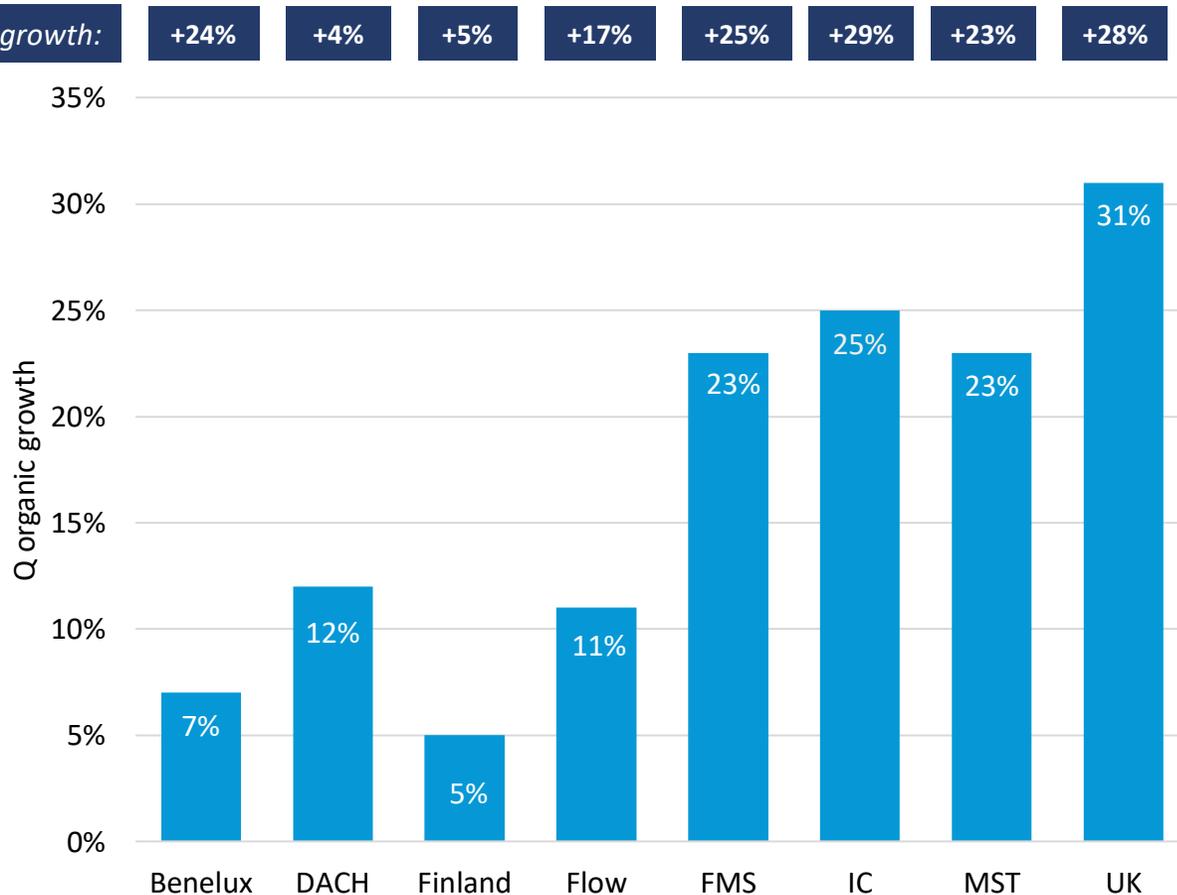
QUARTERLY GROWTH



*) Excluding restructuring costs 2017-Q4

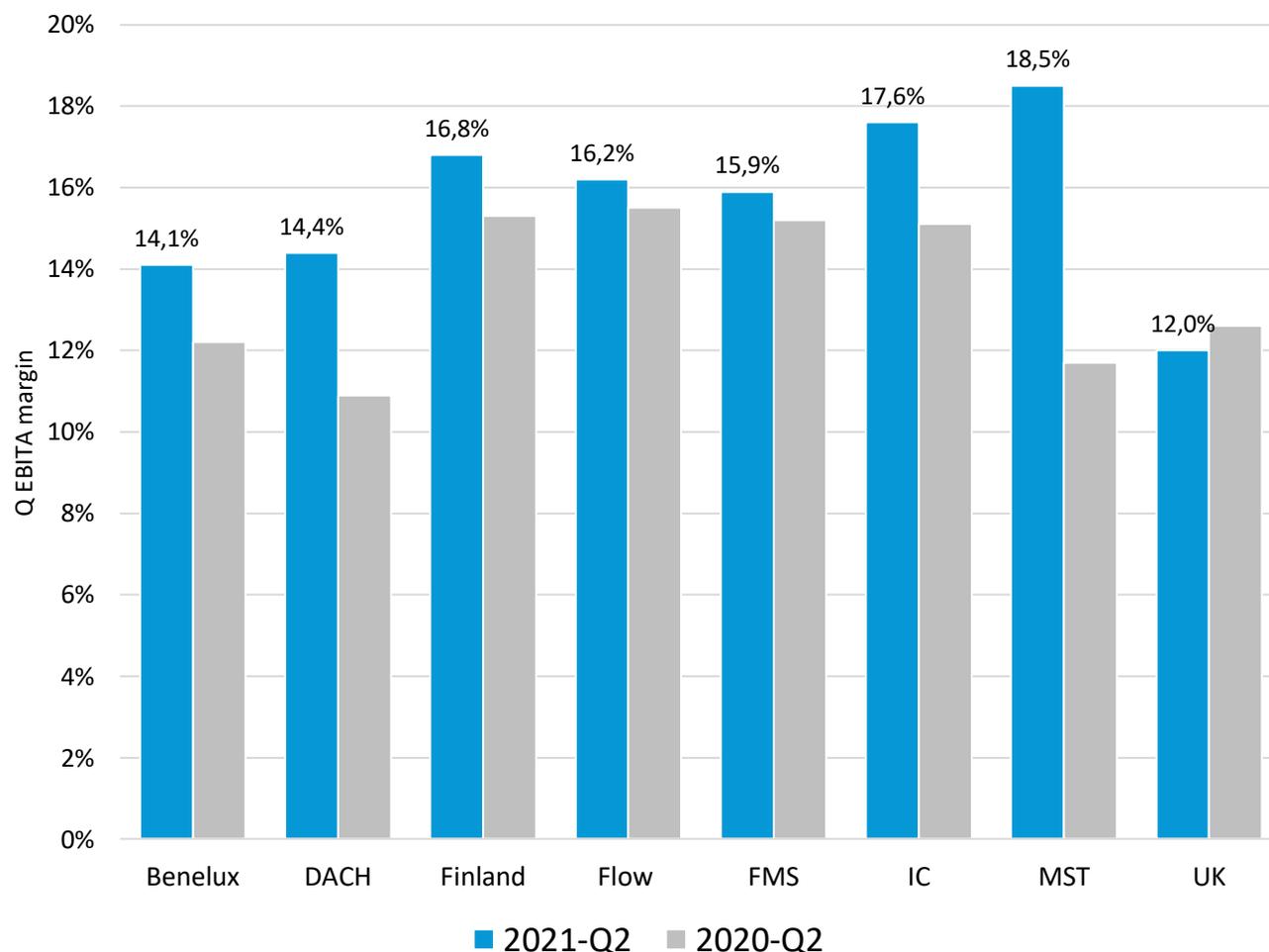
Q2-21 MARGIN	Q GROWTH	YTD GROWTH
843 MSEK	15.2%	+40%
		+28%

Organic sales growth Q2 by Business Area



- A broad demand improvement with positive sales development in almost all companies, segments and countries
- MedTech/pharma sectors, infrastructure and process industry continued with a favourable development
- Strong recovery in the engineering segment
- Growth in Business Area UK fuelled by low levels last year during covid-19 lock downs
- Slightly weaker growth in Business Area Benelux and Finland, mainly due to stronger references Q2-20

EBITA margin by Business Area



- All time high EBITA margin – increased EBITA margin in seven out of eight Business Areas
- Improvements mainly driven by strong organic growth and gross margin
- Continued good cost management
- Positive development among newly acquired companies
- Improved EBITA margin in most of the companies in Business Area UK, but unfavourable product mix and on-off costs in a few companies made the aggregated margin decline

Acquisitions 2021

Acquisitions	Business Area	Annual Sales	
Q1	 Pistesarjat Oy	Finland	100 MSEK
	 Tecno Plast Industrietechnik GmbH	Benelux	230 MSEK
	 Fire Proof B.V.	Benelux	70 MSEK
	 Typhoon Group	Benelux	40 MSEK
	 Efcon Water B.V.	Benelux	20 MSEK
Q2	 CKJ Steel A/S	Fluids & Mechanical Solutions	140 MSEK
	 Lamisa Teknik AB	Industrial Components	23 MSEK
	 Buhl & Bønsøe A/S	Industrial Components	40 MSEK
Q3	 Atlas Industrial Print AB	Fluids & Mechanical Solutions	50 MSEK
Total		713 MSEK	













TYPHOON



EFFLUENT CONTROL SYSTEMS



STEEL





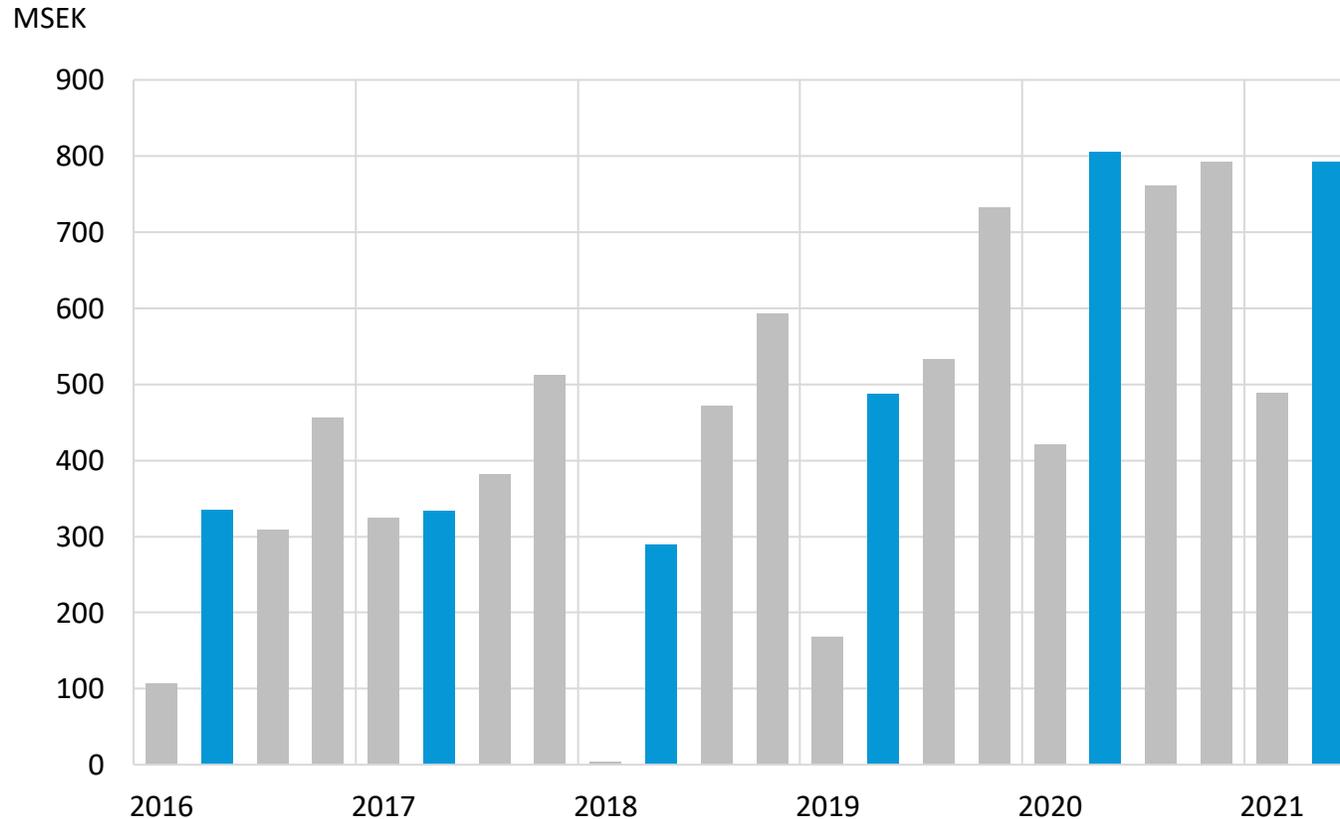
MÅLBAR VIDEN



Key data summary

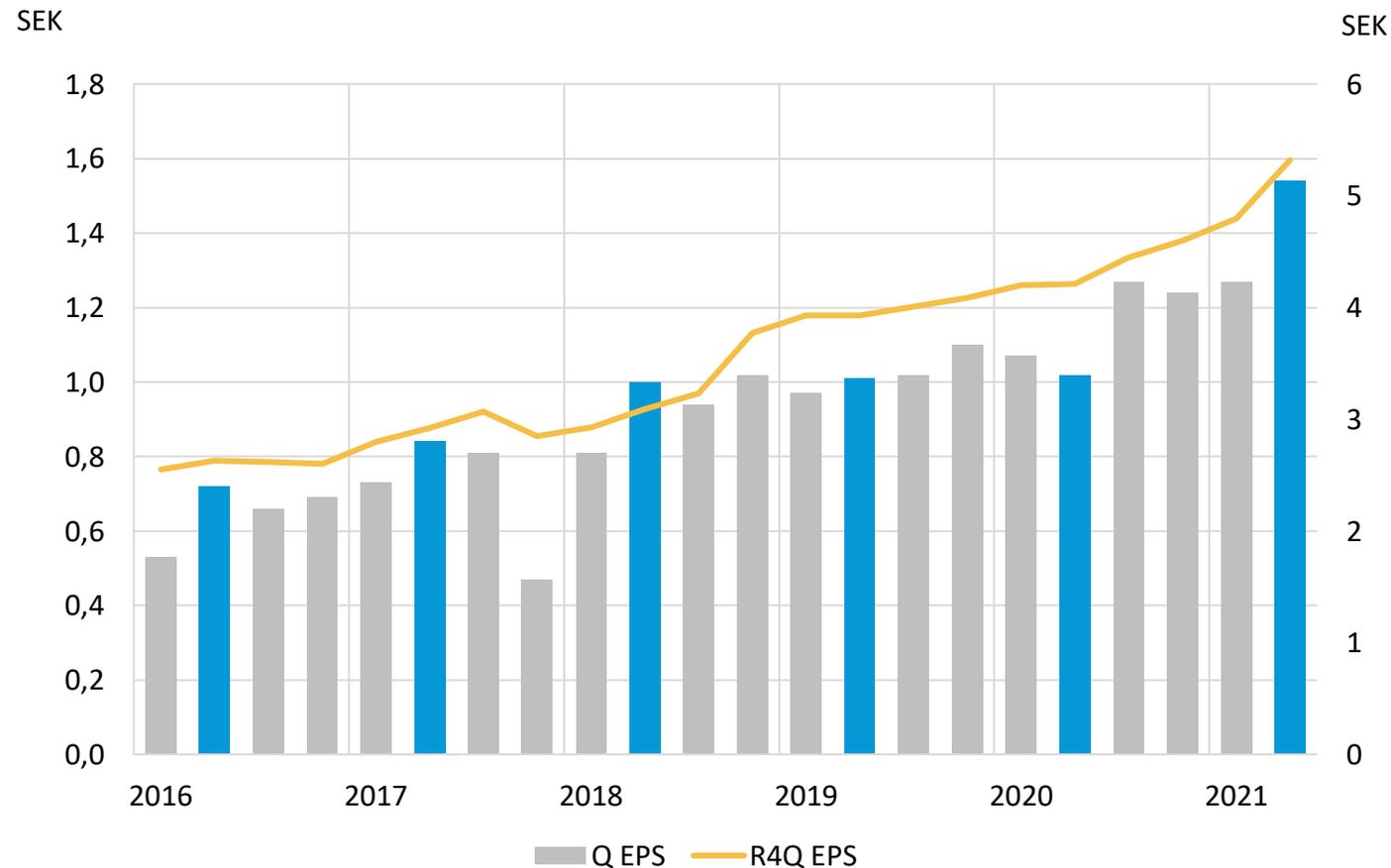
MSEK	2021-Q2	2020-Q2	Change	2021-YTD	2020-YTD	Change
Order Intake	6,006	4,604	30%	11,753	10,005	17%
Net Sales	5,552	4,614	20%	10,669	9,590	12%
Gross margin, %	34.8	33.7		34.6	33.9	
EBITA	843	602	40%	1,556	1,218	28%
EBITA-margin, %	15.2	13.0		14.5	12.7	
Net financial items	-29	-35	-17%	-58	-67	13%
Tax	-160	-110	45%	-293	-218	34%
Earnings per share (before dilution), SEK	1.54	1.02	51%	2.81	2.09	34%
Return On Capital Employed, %	21	18		21	18	
Cash Flow from operating activities	792	806	-2%	1,281	1,227	4%
Net debt / EBITDA, times	1.5	1.8		1.5	1.8	

Cash Flow from operating activities



- Continued good cash flow level
- Operating cash flow during the quarter was 792 (806) MSEK
- The slight decline versus last year was mainly due to an increase in the working capital. Last year working capital decreased.
- The working capital efficiency improved further and inventories for comparable units were lower than Q2-20

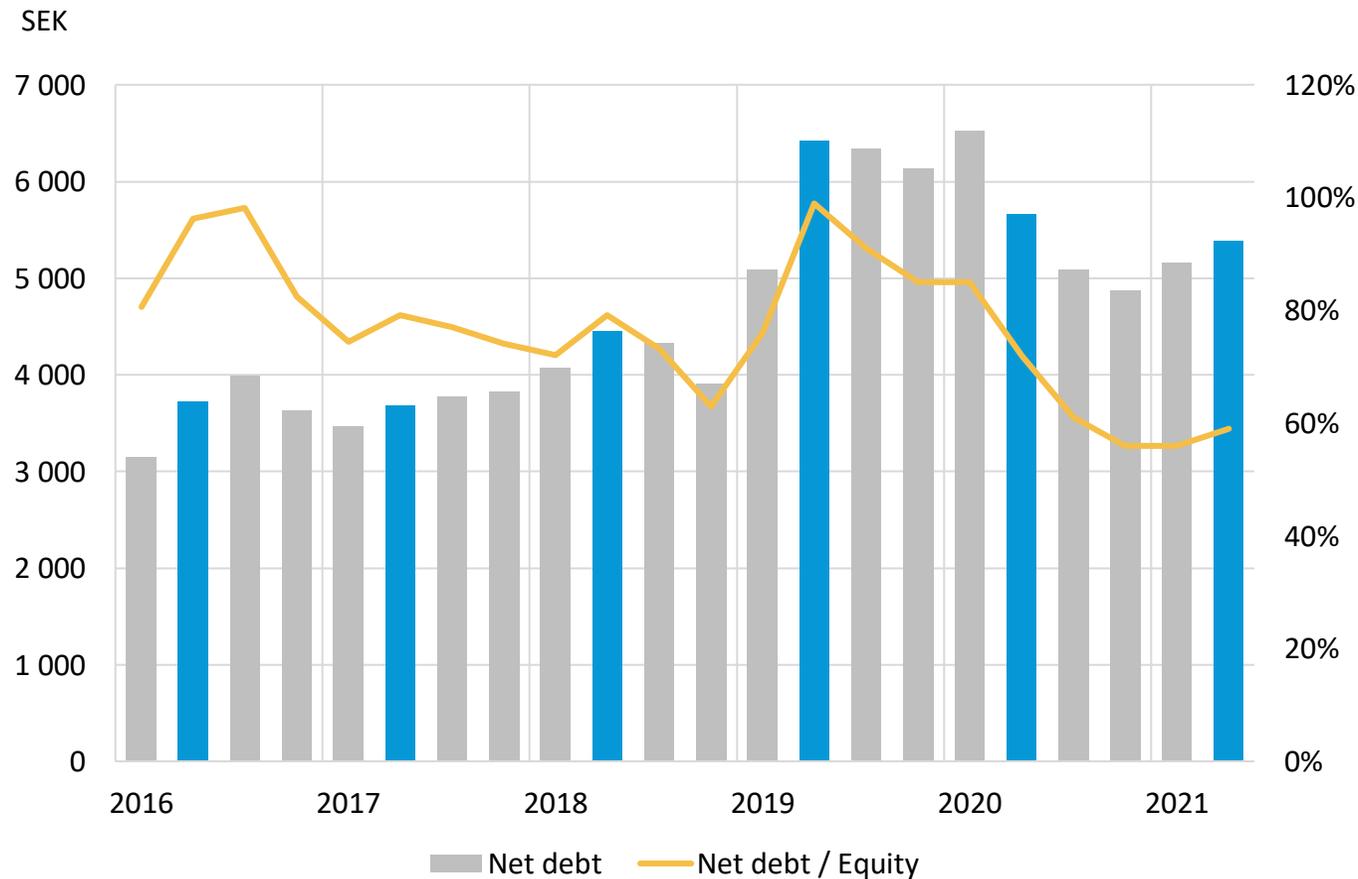
Earnings per share



- EPS during the quarter grew 51% to SEK 1.54 (1.02)
- Improvements mainly driven by higher EBITA
- 3- and 5-year rolling 4Q earnings per share CAGR, were 16% and 15%

* Adjusted with the Meson restructuring in 2017-Q4

Net debt



- The interest-bearing net debt increased versus Q1-21 to 5,389 MSEK, but remained lower than last year
- The increase during the quarter was mainly due to the dividend pay-out of 655 MSEK
- Net debt/equity ratio was 59% (72%)

Strengthened Group Management

Intensify the development of MedTech/Pharma businesses for continued **sustainable profitable growth**



Morgan O'Brien appointed Senior Vice President Business Development & President UltraPure International



UltraPure International Independent brand

Offering cleanroom assemblies of single-use systems, technical components and integrated solutions



Limited impact of covid-19 in Q2

- Still some covid-19 related orders, but at lower levels than last year
- Some disturbances and disruptions in the supply chains; shortage of components and longer delivery times
- Higher costs for raw materials, components and freight, but limited impact on Group level
- Remaining short-time work minor – majority of furloughs still in Business Area UK
- Marginal governmental support – under 0.1% (1.5%) of net sales

Key takeaways

- Strong and broad demand
- Record EBITA margin and improved capital efficiency
- Nine acquisitions so far in 2021 with turnover >700 MSEK – good pipeline
- Strong order backlog – good demand level is expected to continue
- Supply chain issues poses potential risk
- Diversified business group with agile and flexible companies, working closely with their customers

A professional photograph of a woman with blonde hair, smiling and looking to her right. She is wearing a dark blue blazer over a light-colored ruffled blouse. Her hands are clasped in front of her. In the background, two men in business attire are standing and talking, but they are out of focus. The setting appears to be a modern office or meeting room with large windows.

Thank you!

Q&A

Financial calendar & contact details

28 OCTOBER 2021

Interim Report 1 January – 30 September 2021

2 FEBRUARY 2022

Year End Report 1 January – 31 December 2021

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entrepreneurs