



An entrepreneurial world  
where people make the difference

## Year-End Report 2021

Bo Annvik, President and CEO  
Patrik Johnson, CFO

2 February 2022

# Summary 2021

- Another strong and successful year for Indutrade
- Positive and broad demand development
- Orders grew +20% and Sales +13%
- All time high EBITA margin of 14,7%
- Strong cash flow of 2,9 BSEK
- 17 acquisitions with annual turnover of 1,6 BSEK
- Board proposes a dividend of 2,30 SEK

Net Sales

**21,7**

BSEK

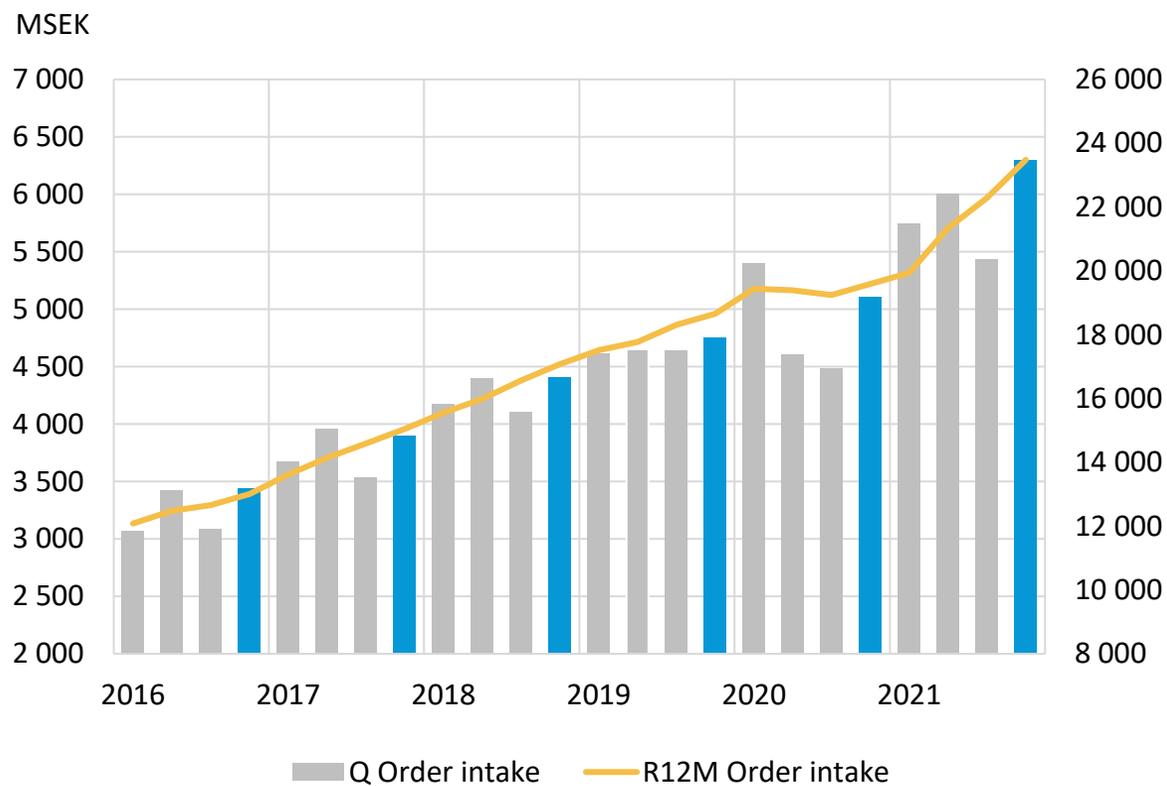
EBITA margin

**14,7%**

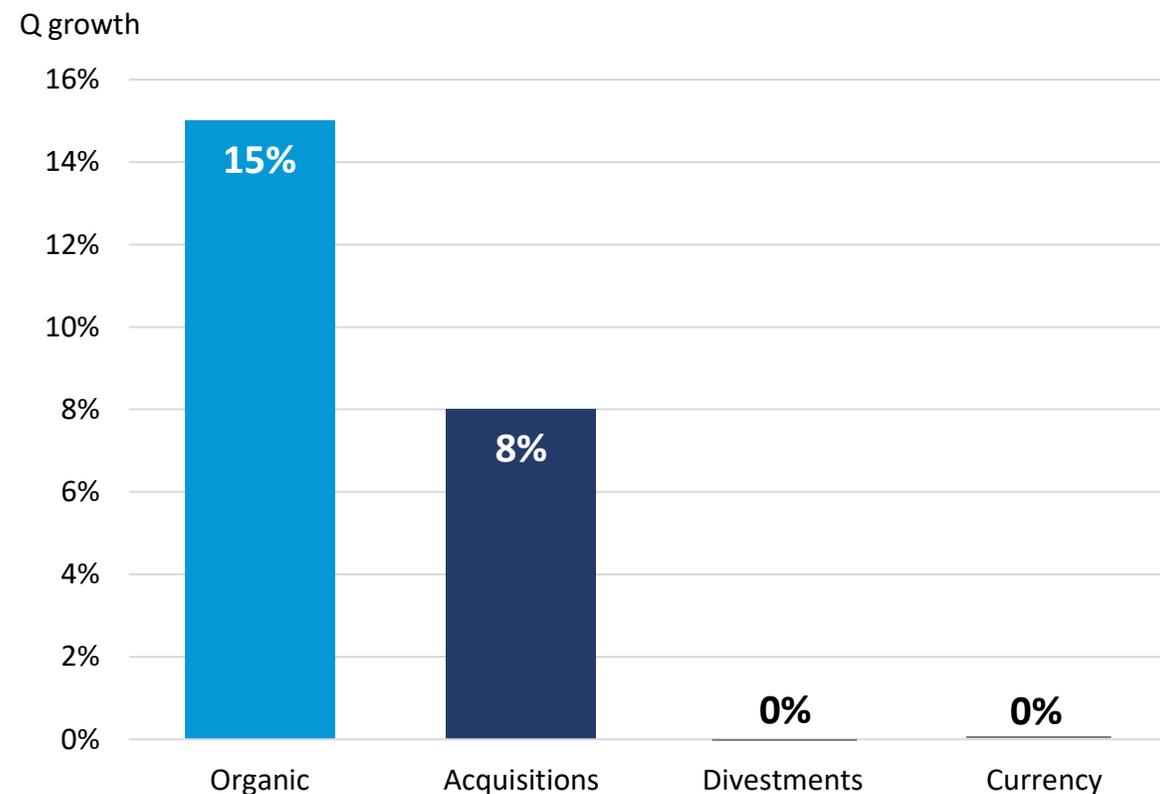
# Highlights fourth quarter 2021

- Continued broad strong demand in most segments and companies
- Organic Order Intake grew +15% and Net Sales +6%
- Record high EBITA margin driven by strong organic sales and gross margin together with positive development in newly acquired companies
- All time high cash flow
- Strong acquisition pace with 7 closed transactions

# Order intake



## QUARTERLY GROWTH



**6,293 MSEK**

Q GROWTH

**+23%**

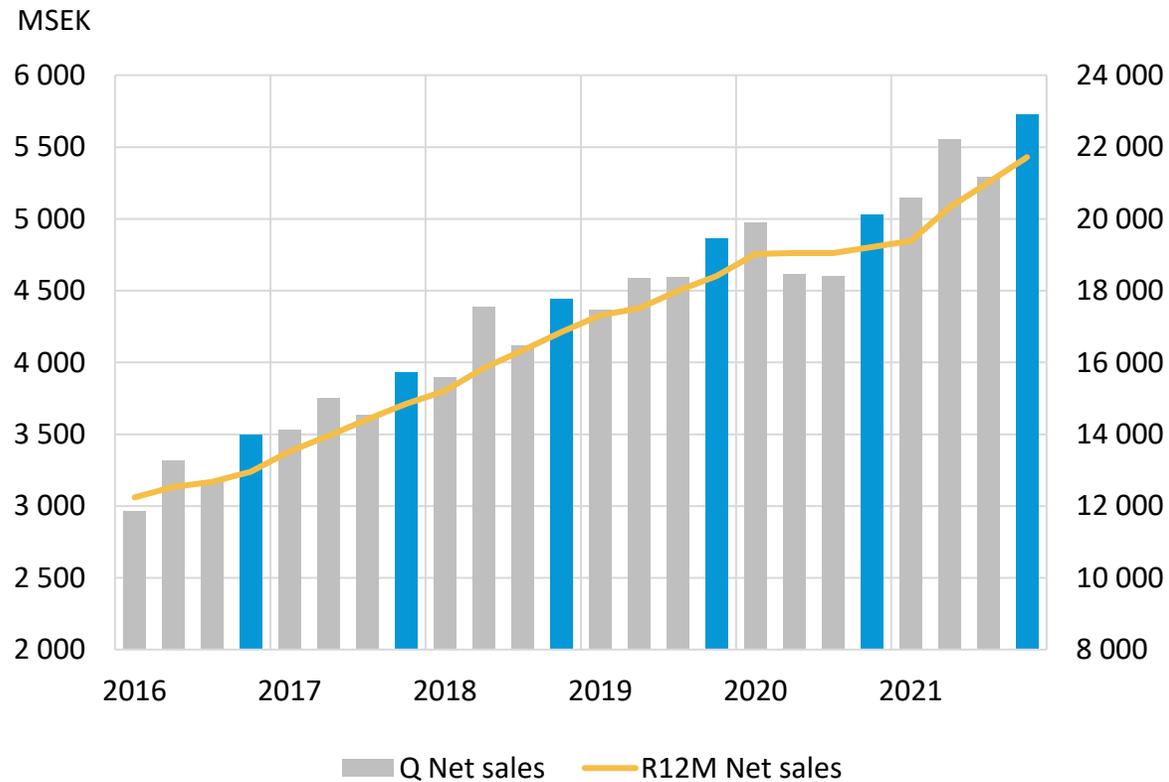
YTD GROWTH

**+20%**

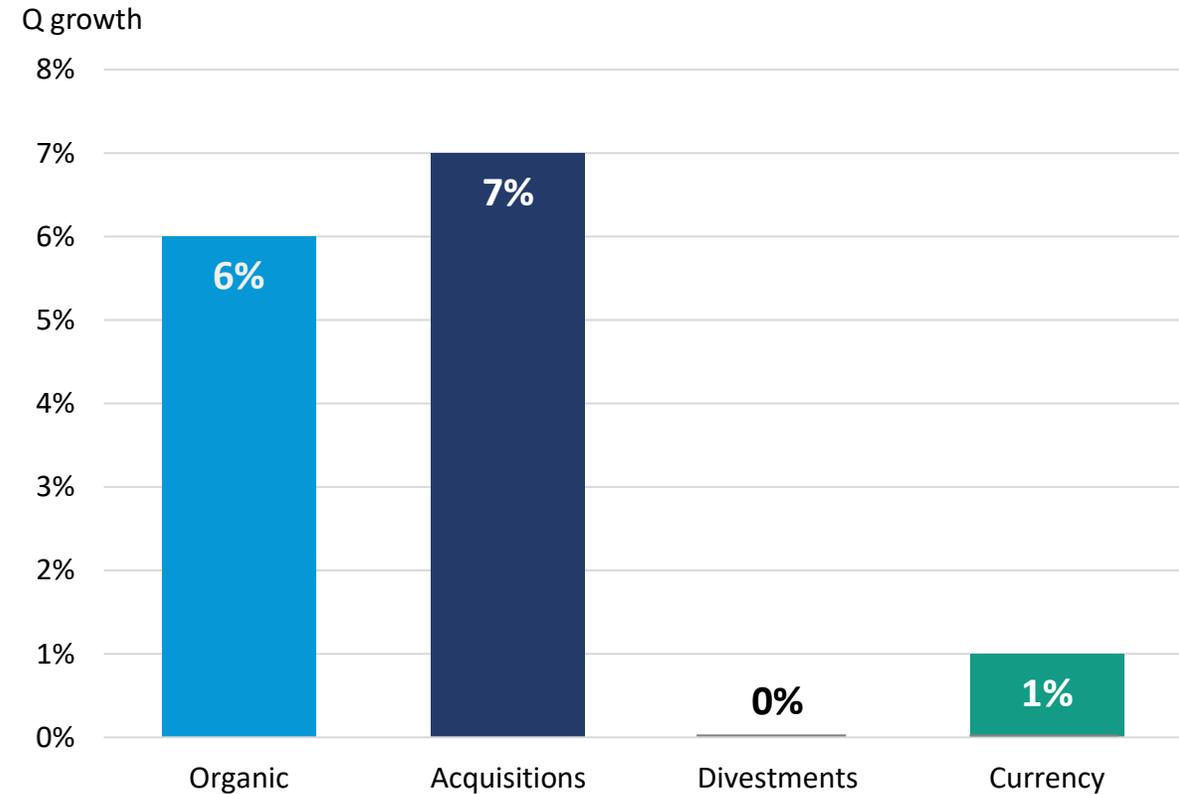
R3Y CAGR

**+13%**

# Net sales



## QUARTERLY GROWTH



**5,726 MSEK**

Q GROWTH

**+14%**

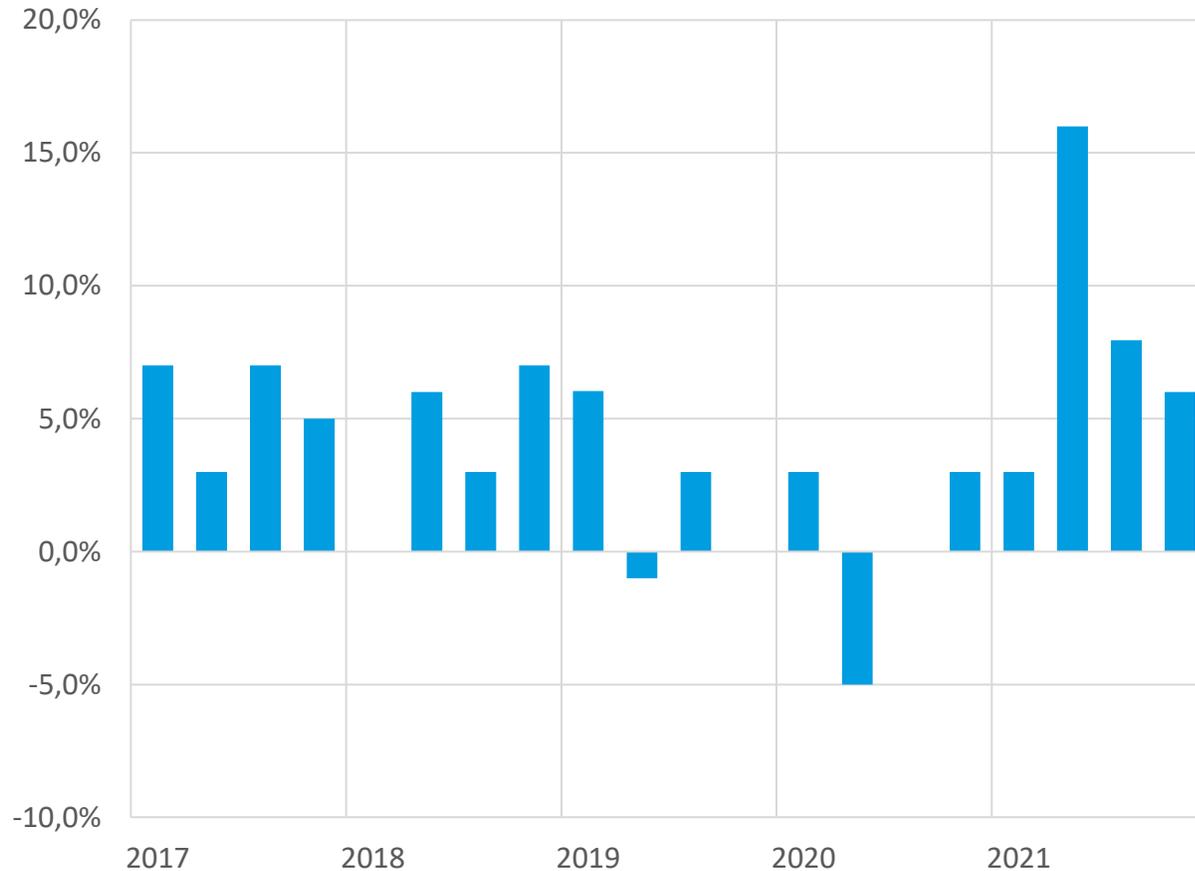
YTD GROWTH

**+13%**

R3Y CAGR

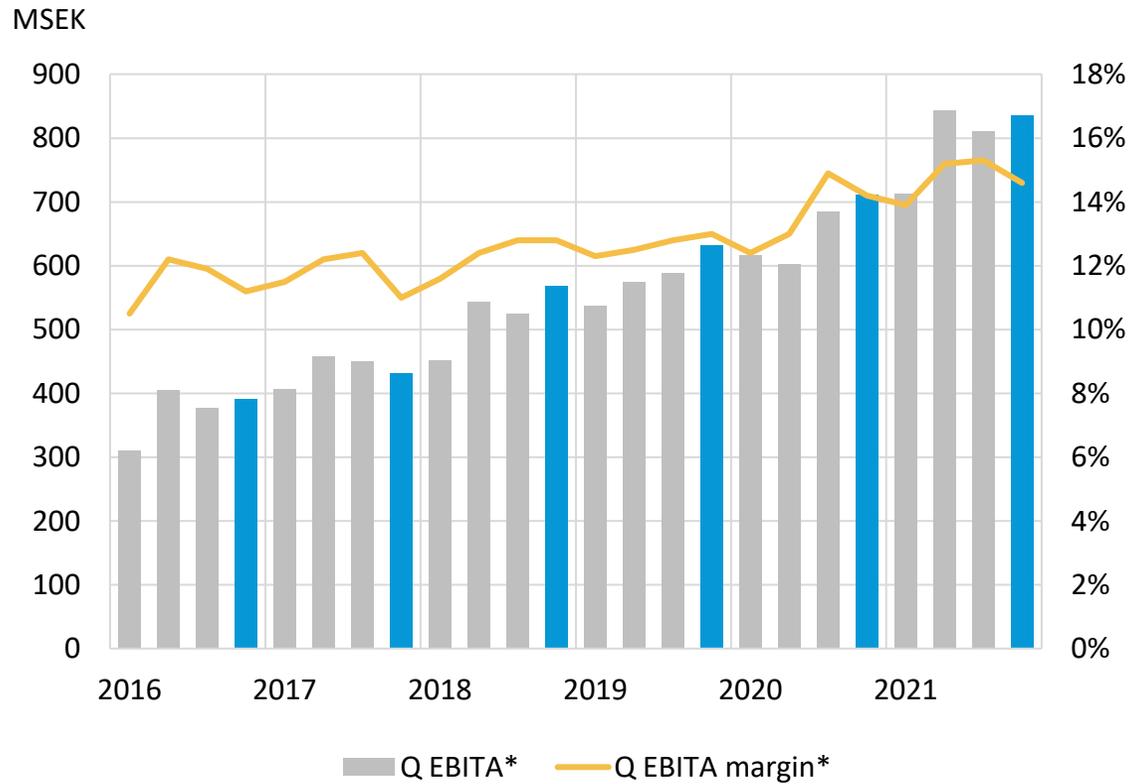
**+9%**

# Organic Sales Growth trend

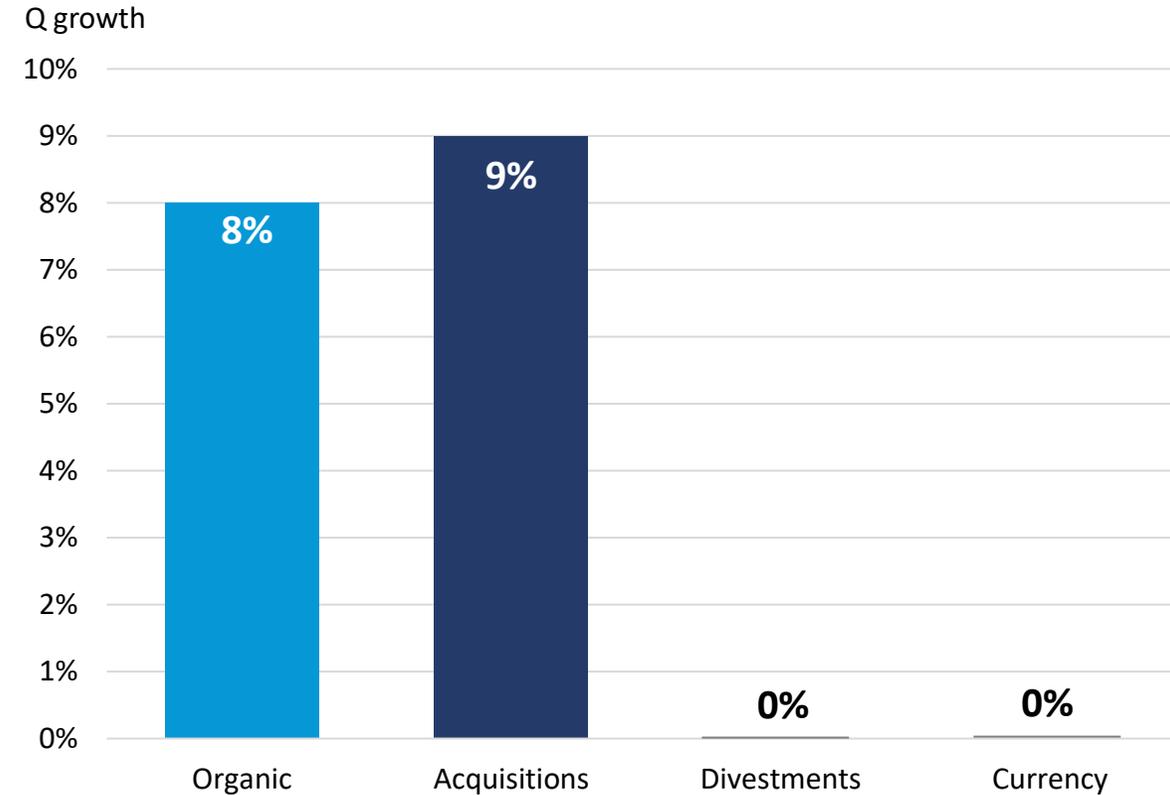


- Full year organic sales growth +8% in 2021 versus a stable 2020
- Growth in all Business Areas
- Book to bill of 1,08 has created a strong order backlog

# EBITA



## QUARTERLY GROWTH



\*) Excluding restructuring costs 2017-Q4

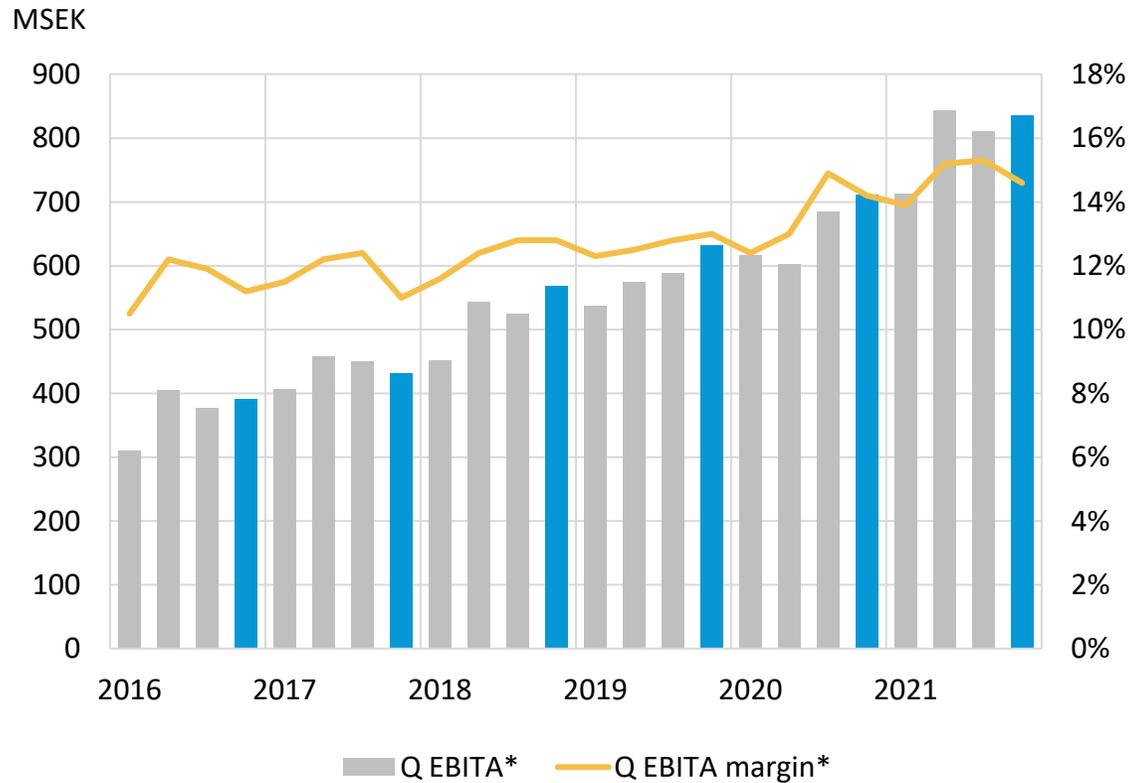
**836 MSEK**

Q4-21 MARGIN  
**14.6%**

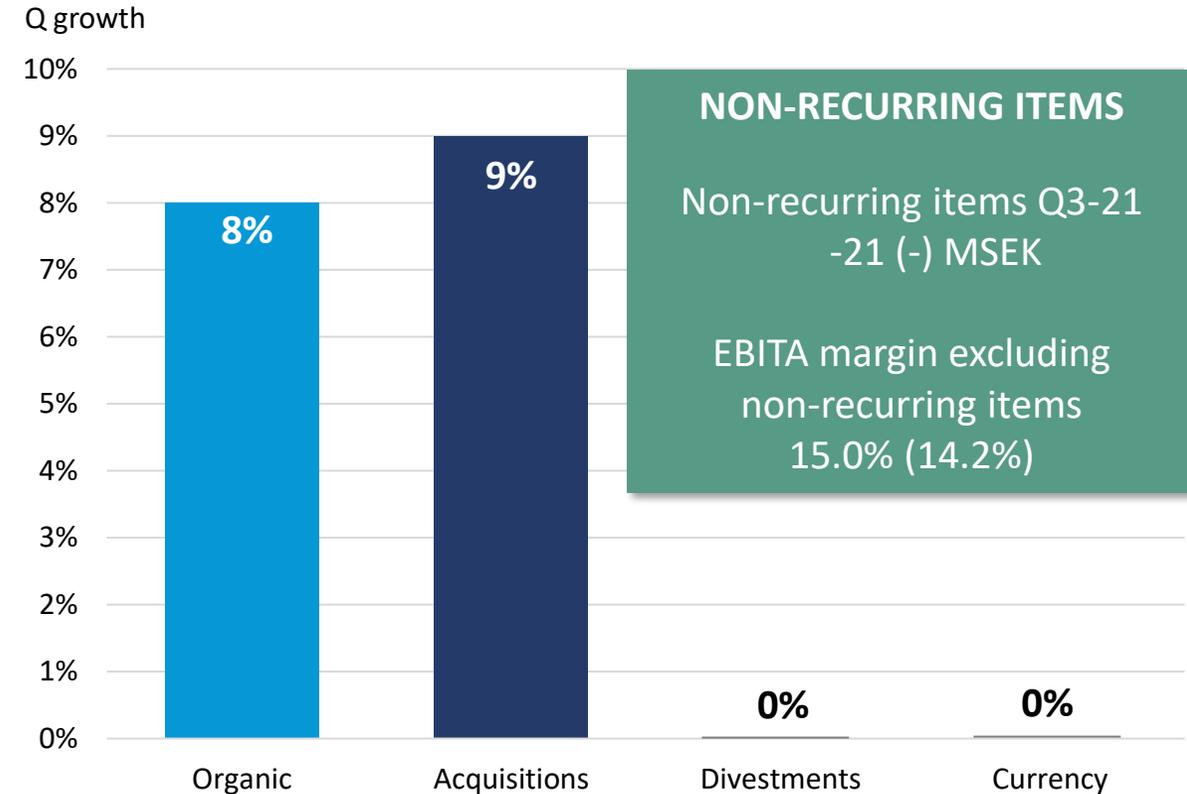
Q GROWTH  
**+17%**

YTD GROWTH  
**+22%**

# EBITA



## QUARTERLY GROWTH



**NON-RECURRING ITEMS**  
 Non-recurring items Q3-21  
 -21 (-) MSEK  
 EBITA margin excluding  
 non-recurring items  
 15.0% (14.2%)

\*) Excluding restructuring costs 2017-Q4

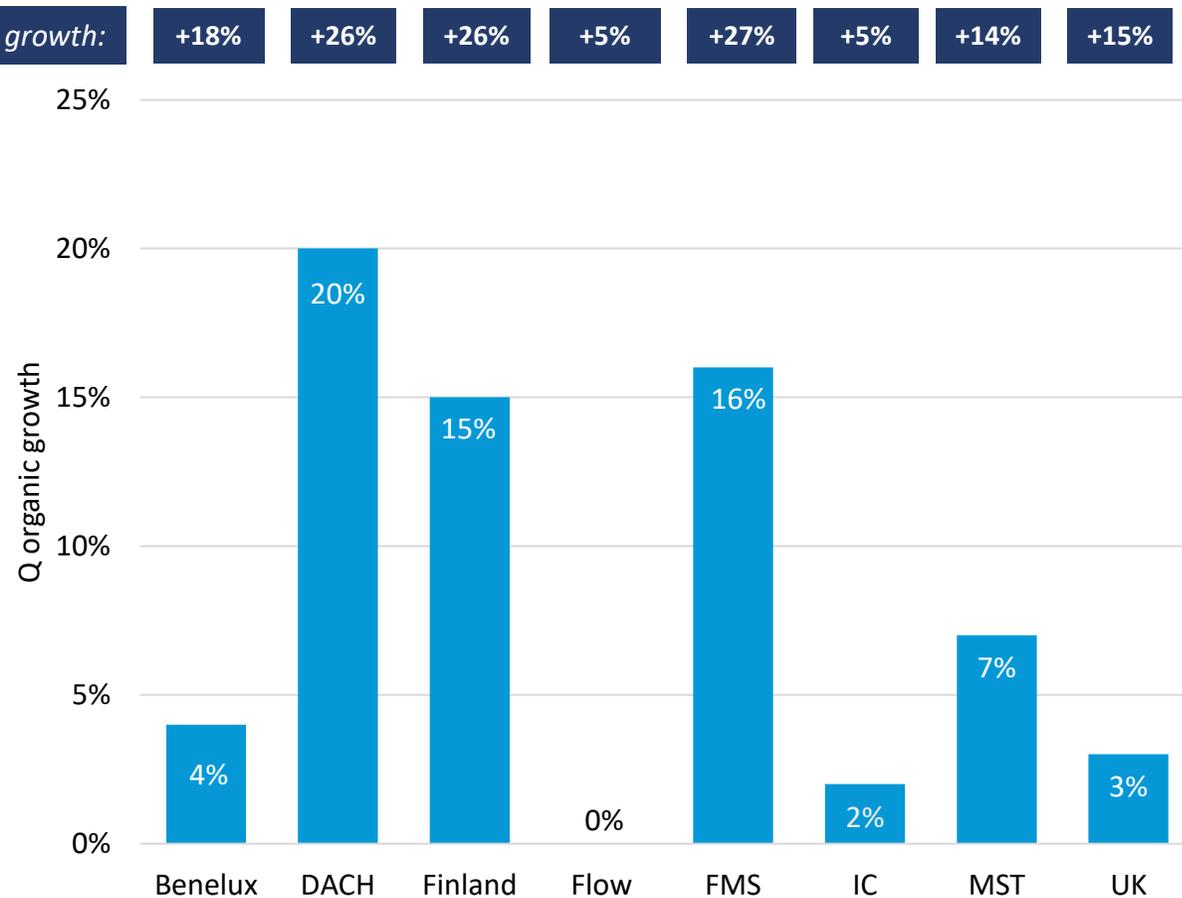
**836 MSEK**

Q4-21 MARGIN  
**14.6%**

Q GROWTH  
**+17%**

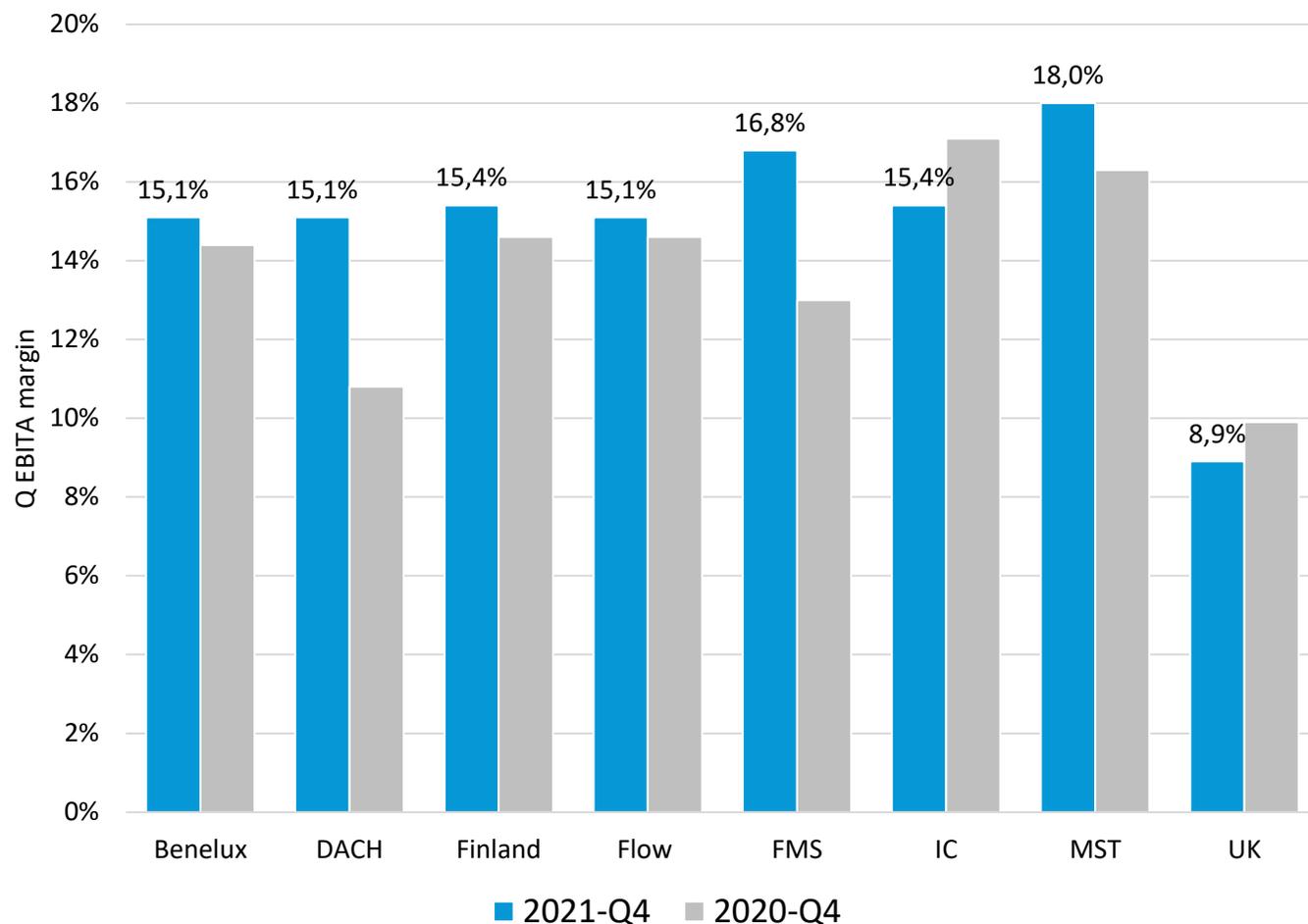
YTD GROWTH  
**+22%**

# Organic sales growth Q4 by Business Area



- Organic sales growth in seven out of eight Business Areas
- Strongest growth in Business Areas DACH, Fluids & Mechanical Solutions and Finland supported by positive development within Engineering, Infrastructure and Process industry customer segments
- High sales levels also in Business Areas Flow Technology, Industrial Components and Benelux, but growth held back slightly due to strong references Q4-20
- Positive development in majority of the companies in Business Area UK but maintained variation and volatility in the market

# EBITA margin by Business Area



- Record EBITA margin for a Q4
- Continued strong gross margin development
- Positive development among newly acquired companies
- Strongest improvements in Business Areas DACH and Fluids & Mechanical Solutions, mainly driven by positive organic sales and gross margin development
- Business Area Industrial Components show a continued high margin but slightly lower than last year due to a strong reference in Q4-2020
- Margin in Business Area UK impacted by one-off costs, for instance related to acquisitions

# Acquisitions 2021

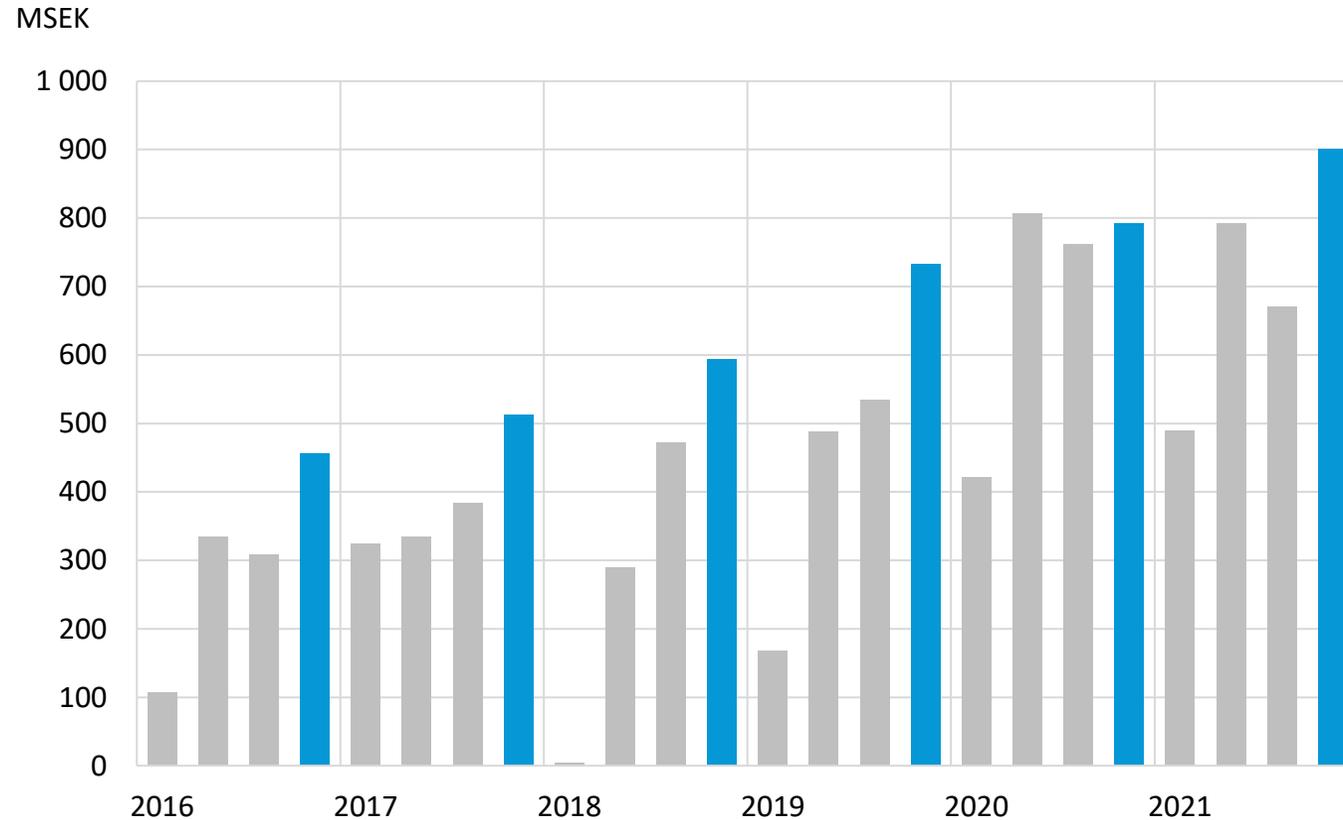
Acquisitions	Business Area	Annual Sales	
Q1	 Pistesarjat Oy	Finland	100 MSEK
	 Tecno Plast Industrietechnik GmbH	Benelux	230 MSEK
	 Fire Proof B.V.	Benelux	70 MSEK
	 Typhoon Group	Benelux	40 MSEK
	 Efcon Water B.V.	Benelux	20 MSEK
Q2	 CKJ Steel A/S	Fluids & Mechanical Solutions	140 MSEK
	 Lamisa Teknik AB	Industrial Components	23 MSEK
	 Buhl & Bønsøe A/S	Industrial Components	40 MSEK
Q3	 Atlas Industrial Print AB	Fluids & Mechanical Solutions	50 MSEK
	 Advance Welding Ltd	UK	50 MSEK
Q4	 Alflow Scandinavia A/S	Flow Technology	140 MSEK
	 SILROC CZ a.s.	DACH	35 MSEK
	 Italprotec Industries S.r.l.	DACH	100 MSEK
	 Dewaco Oy	Finland	130 MSEK
	 Klay Instruments B.V.	Measurement & Sensor Technology	60 MSEK
	 Svenssons i Tenhult AB	Fluids & Mechanical Solutions	100 MSEK
	 North West Metal Sections Ltd	UK	245 MSEK
<b>Total</b>		<b>1 573 MSEK</b>	



# Key data summary

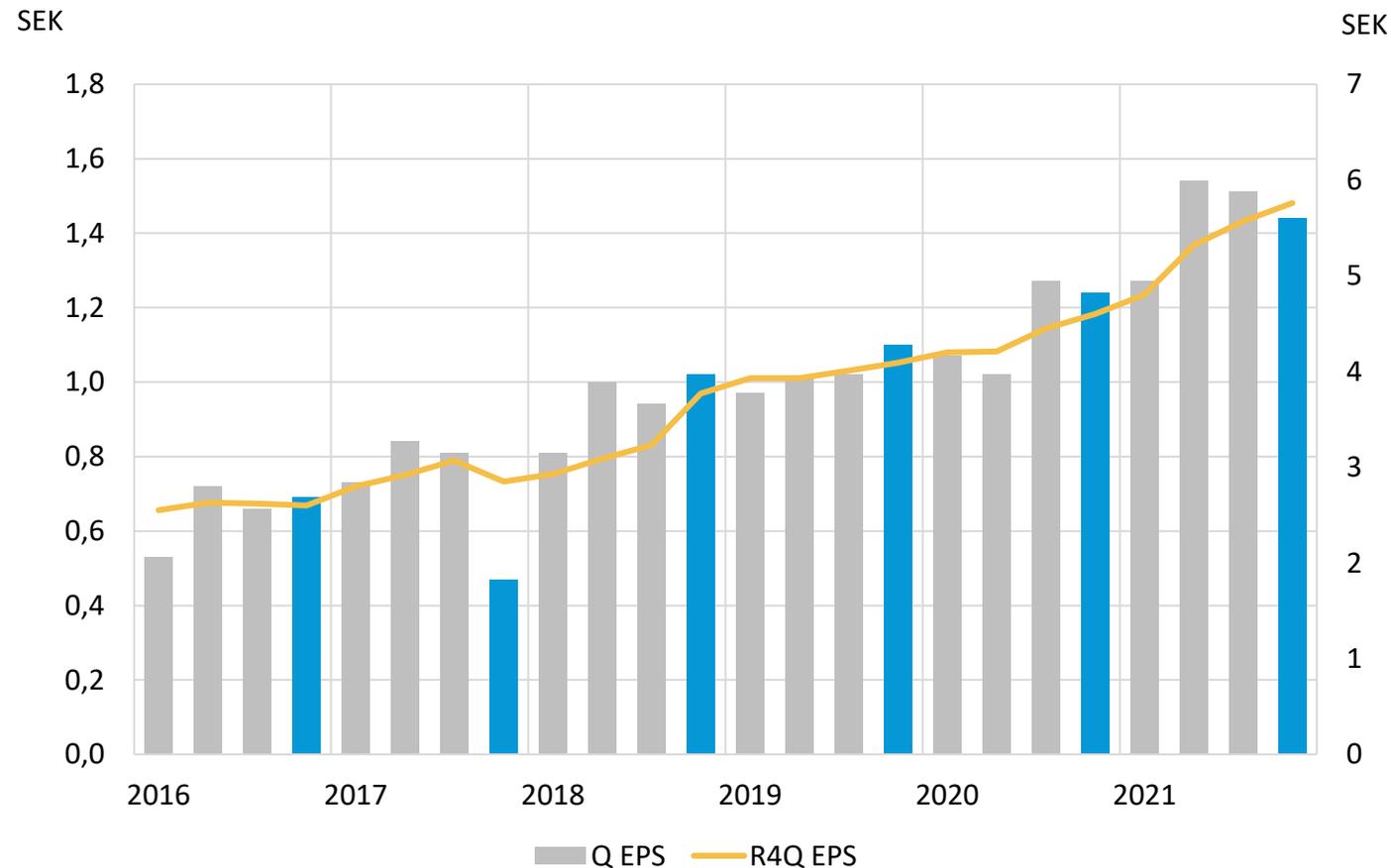
MSEK	2021-Q4	2020-Q4	Change	2021-YTD	2020-YTD	Change
Order Intake	6,293	5,104	23%	23,474	19,595	20%
Net Sales	5,726	5,028	14%	21,715	19,217	13%
Gross margin, %	35.9	34.7		35.0	34.0	
EBITA	836	712	17%	3,202	2,615	22%
EBITA-margin, %	14.6	14.2		14.7	13.6	
Net financial items	-22	-33	-33%	-100	-126	-21%
Tax	-189	-138	37%	-628	-471	33%
Earnings per share (before dilution), SEK	1.44	1.24	16%	5.76	4.60	25%
Return On Capital Employed, %	22	19		22	19	
Cash Flow from operating activities	901	792	14%	2,853	2,780	3%
Net debt / EBITDA, times	1.4	1.5		1.4	1.5	

# Cash Flow from operating activities



- All time high quarterly cash flow
- Operating cash flow during the quarter increase with 14% to 901 (792) MSEK
- The improvement mainly related to the higher result
- Working capital seasonally lower than Q3 but higher than last year
- The working capital efficiency improved further during the quarter

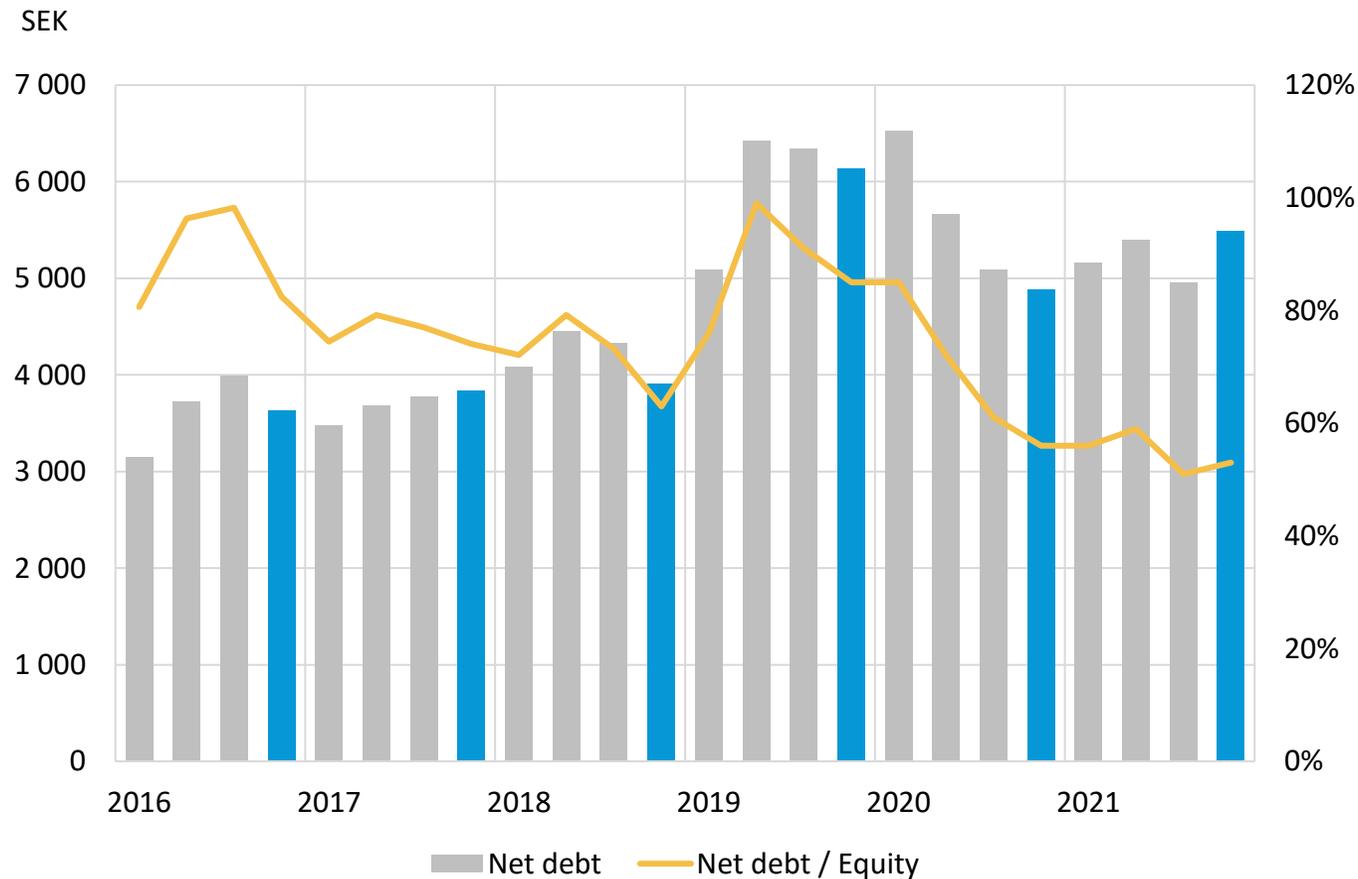
# Earnings per share



- EPS during the quarter grew 16% to SEK 1.44 (1.24)
- Improvements mainly driven by higher EBITA
- Full year EPS grew with 25% to SEK 5.76 (4.60)
- 3- and 5-year rolling 4Q earnings per share CAGR\*, were 15% and 17%

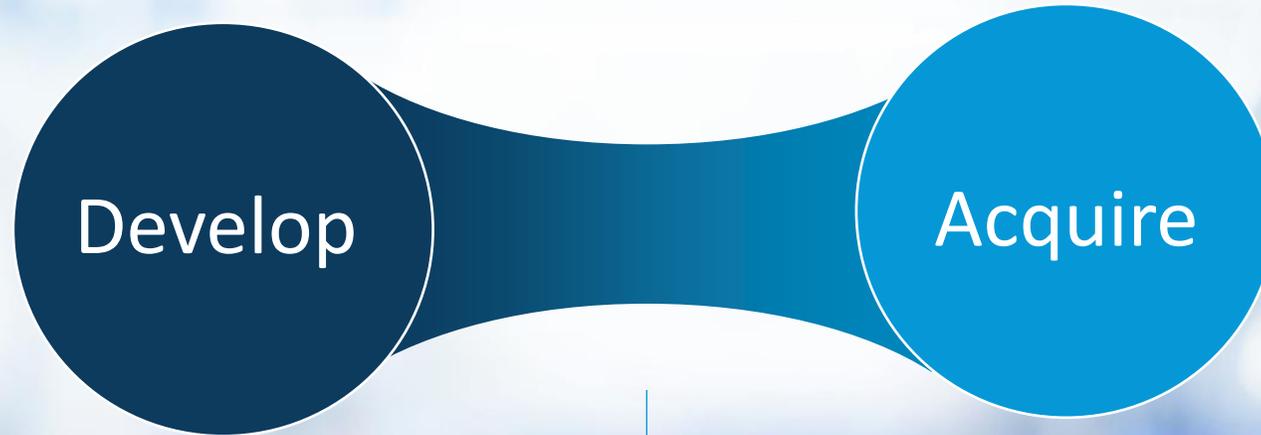
\* Adjusted with the Meson restructuring in 2017-Q4

# Net debt



- The interest-bearing net debt increased to 5,489 (4,878) MSEK
- The increase was mainly due to a higher acquisition pace
- Net debt/equity ratio was 53% (56%)

# Business model continuously refined



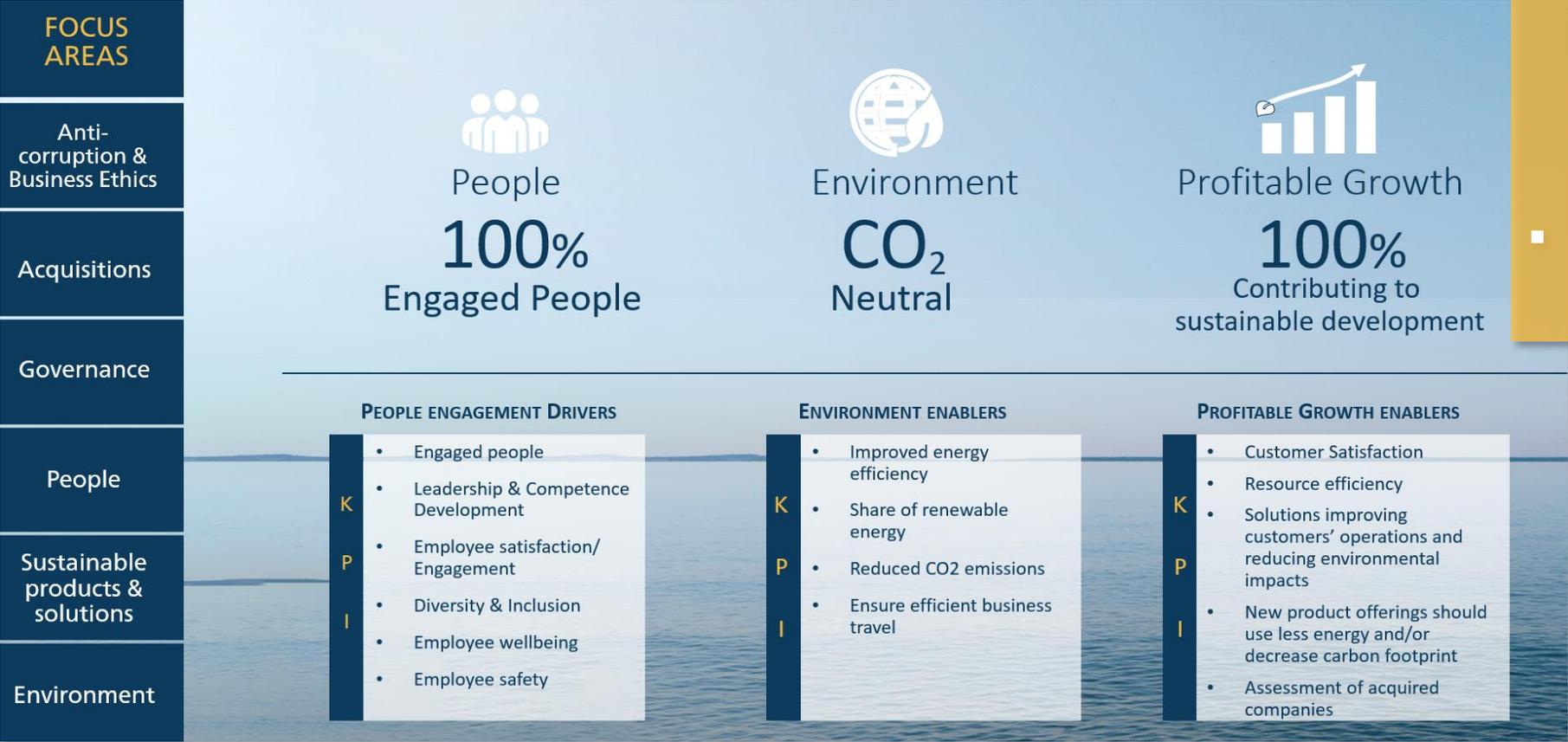
Develop

- People and Talent management
- Knowledge sharing and toolbox
- Growth plans based on portfolio model
- Sustainability

Acquire

- Resource and capability build-up
- Scalable organization and structure
- Expanding geographical scope

# Sustainability strategy towards 2030



- To reach the long-term 2030 objectives, a number of key ratios have been defined for each area
- Measured and evaluated yearly

# Key takeaways

- Successful 2021 with great financial performance
- Continued broad strong demand
- Record Q4 EBITA margin
- All time high Cash Flow and strong financial position
- High acquisition pace with 7 transactions in Q4 – strong pipeline
- Supply chain issues still in many companies, but manageable - order backlog record high
- Demand expected to continue on good level



Thank you!

Q&A

A pair of tortoiseshell glasses is resting on a black folder. The folder has the Indutrade logo, which consists of three slanted vertical bars, followed by the word "Indutrade" in a white sans-serif font. The folder is placed on a light-colored wooden desk. In the background, a person's hand is visible holding a pen over a notebook, and a white shirt cuff is visible on the right side of the frame.

 Indutrade

# Financial calendar & contact details

2 FEBRUARY 2022

Year End Report 2021

29 APRIL 2022

Interim Report 1 January – 31 March 2022

19 JULY 2022

Interim Report 1 January – 30 June 2022

28 OCTOBER 2022

Interim Report 1 January – 30 September 2022

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