



An entrepreneurial world
where people make the difference

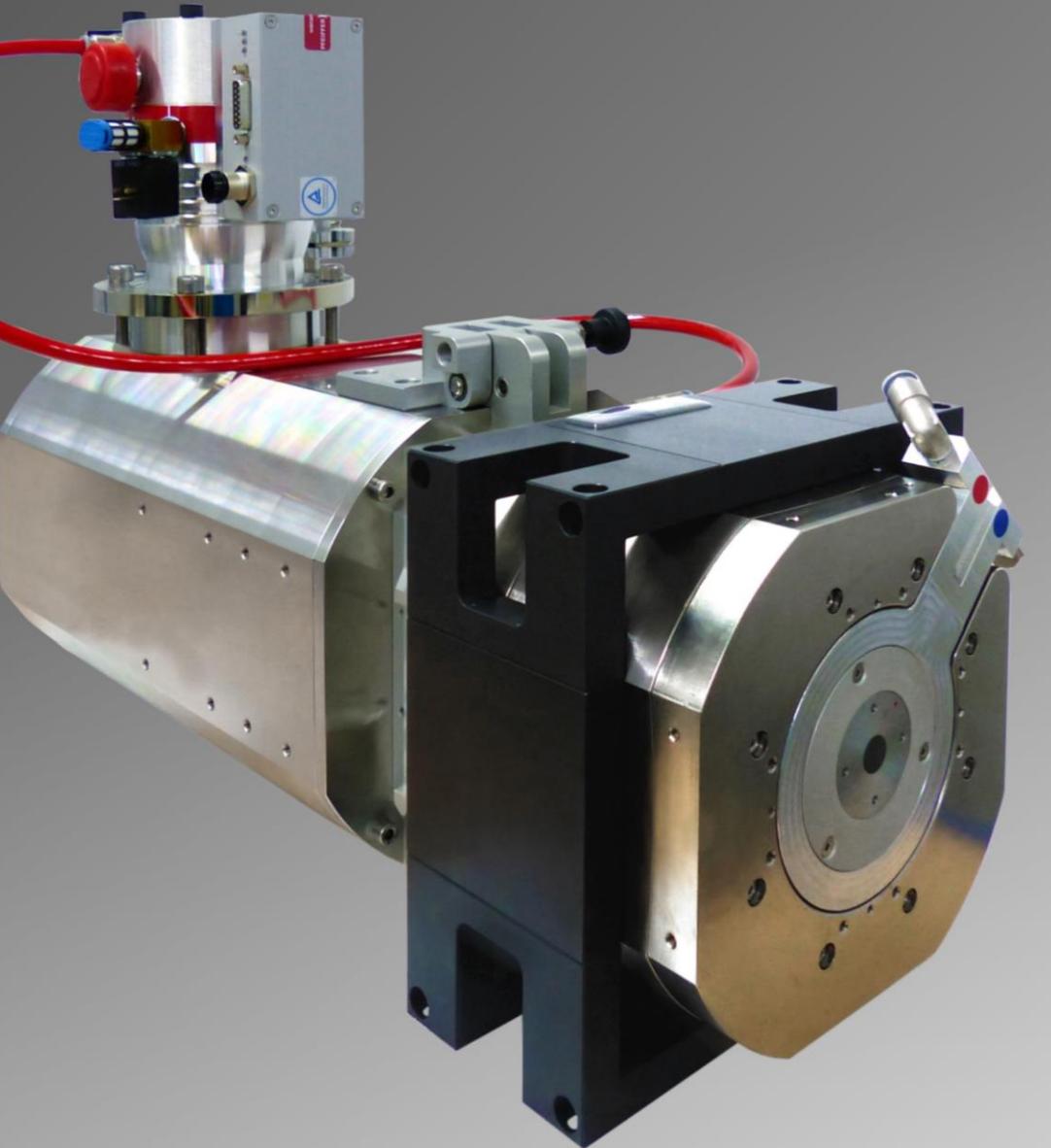
Year-End Report 2020

Bo Annvik, President and CEO
Patrik Johnson, CFO

2 February 2021

Summary 2020

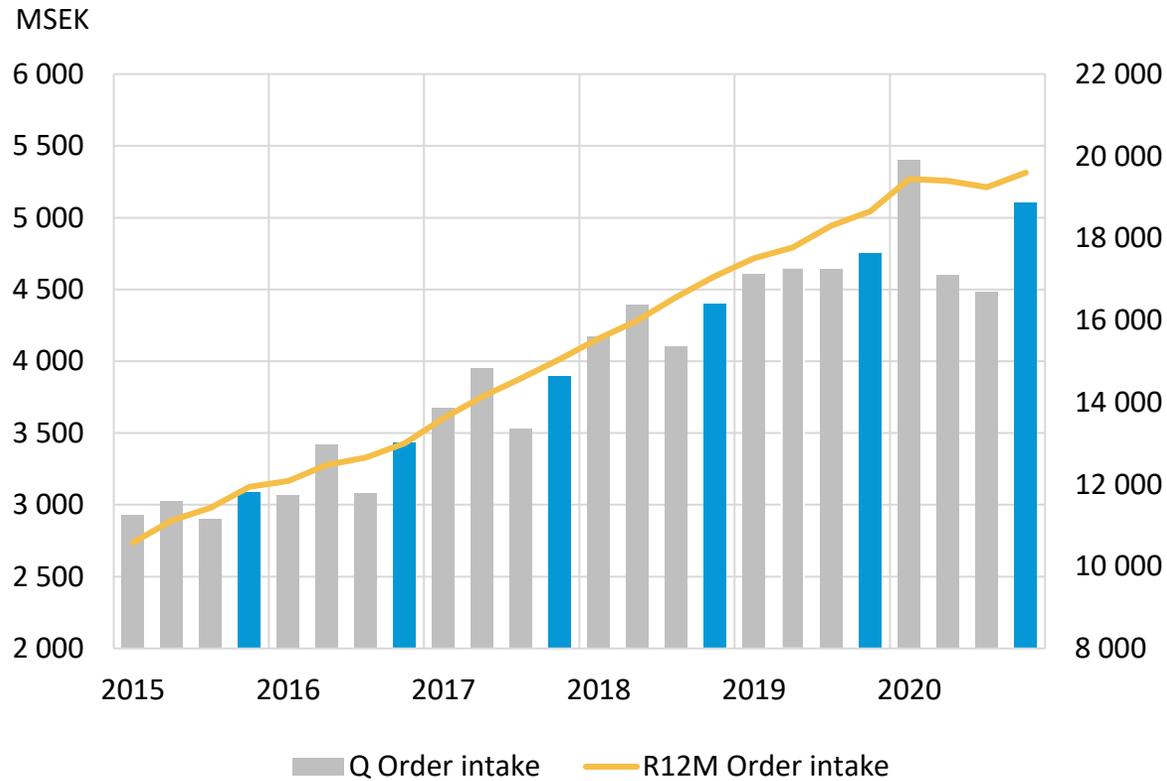
- Strong year despite challenging conditions – resilient and successful business model
- Significant variations between companies, segments and countries with strongest development in MedTech/Pharma
- Good cost management by our agile companies
- Strong financial performance with all time high EBITA margin of 13.6%
- Improved cash flow and financial position
- Good acquisition pace – 10 companies acquired with total sales of SEK 825 million
- Strengthened sustainability focus with long-term objectives
- Board proposes dividend of SEK 1.80



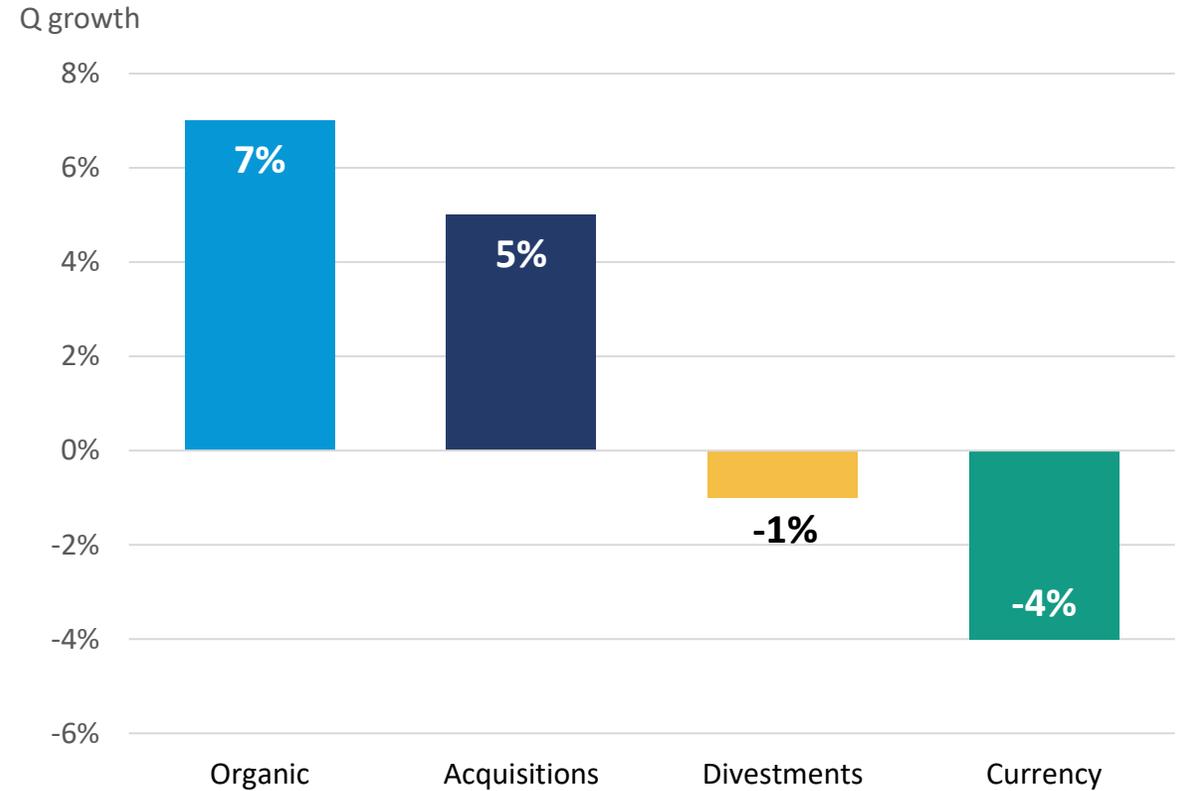
Highlights fourth quarter 2020

- Improved demand situation, supported by a very strong development in the MedTech/Pharma segment
- Organic order intake +7% and net sales +3%
- Continued variations between companies, segments and countries
- Record high EBITA margin, driven by increased demand and good cost management
- Strong cashflow and improved working capital efficiency
- Acquisition pipeline good – two acquisitions in Q4, and three in January 2021

Order intake



QUARTERLY GROWTH



5,104 MSEK

Q GROWTH

+7%

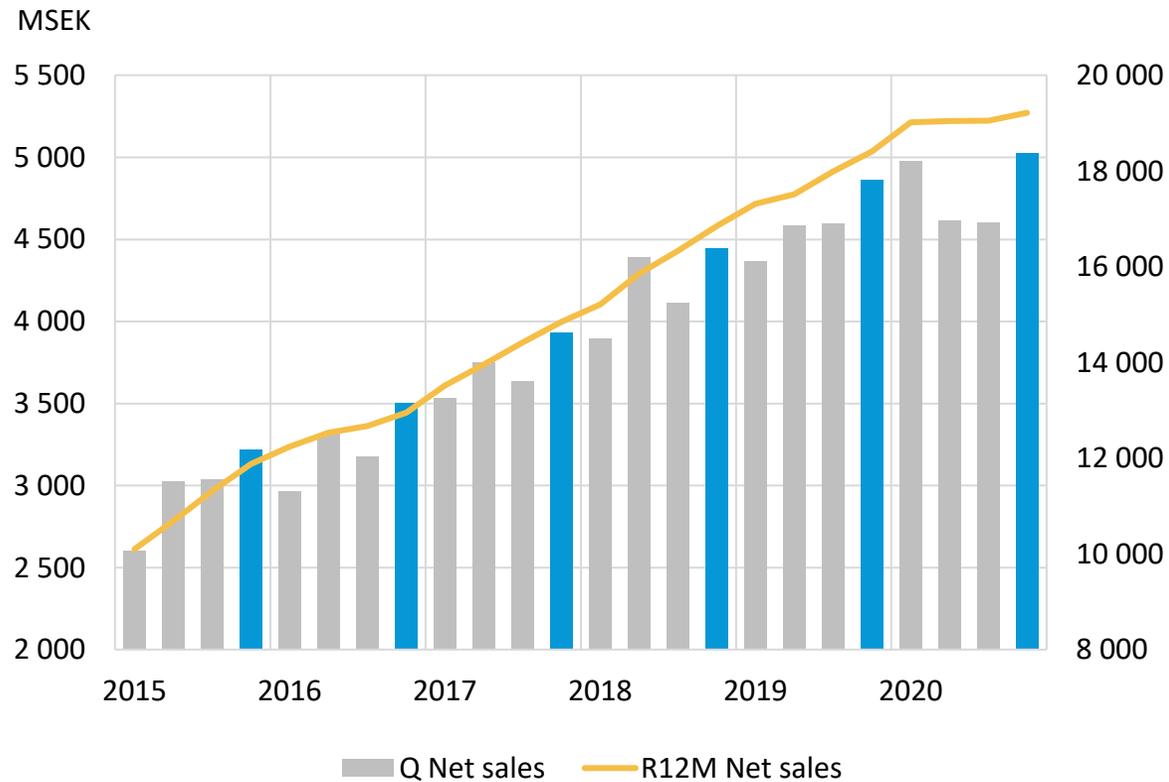
YTD GROWTH

+5%

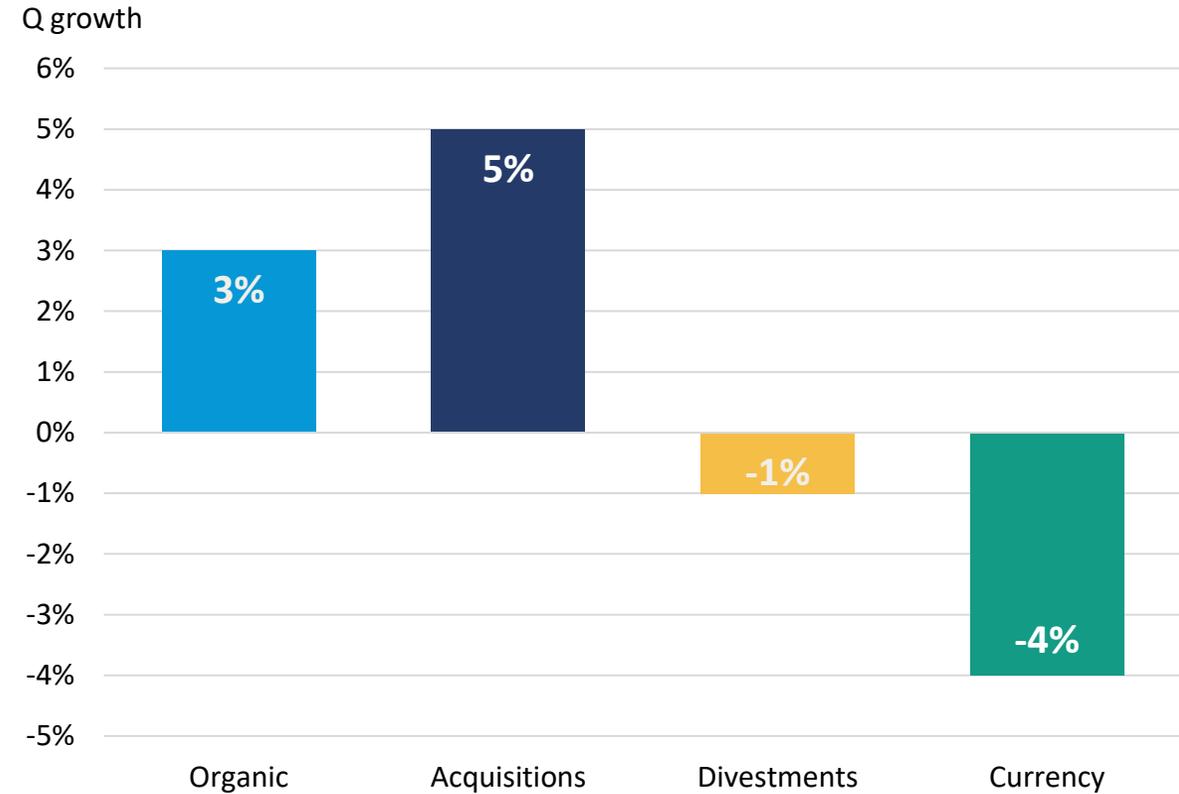
R3Y CAGR

+9%

Net sales



QUARTERLY GROWTH



5,028 MSEK

Q GROWTH

+3%

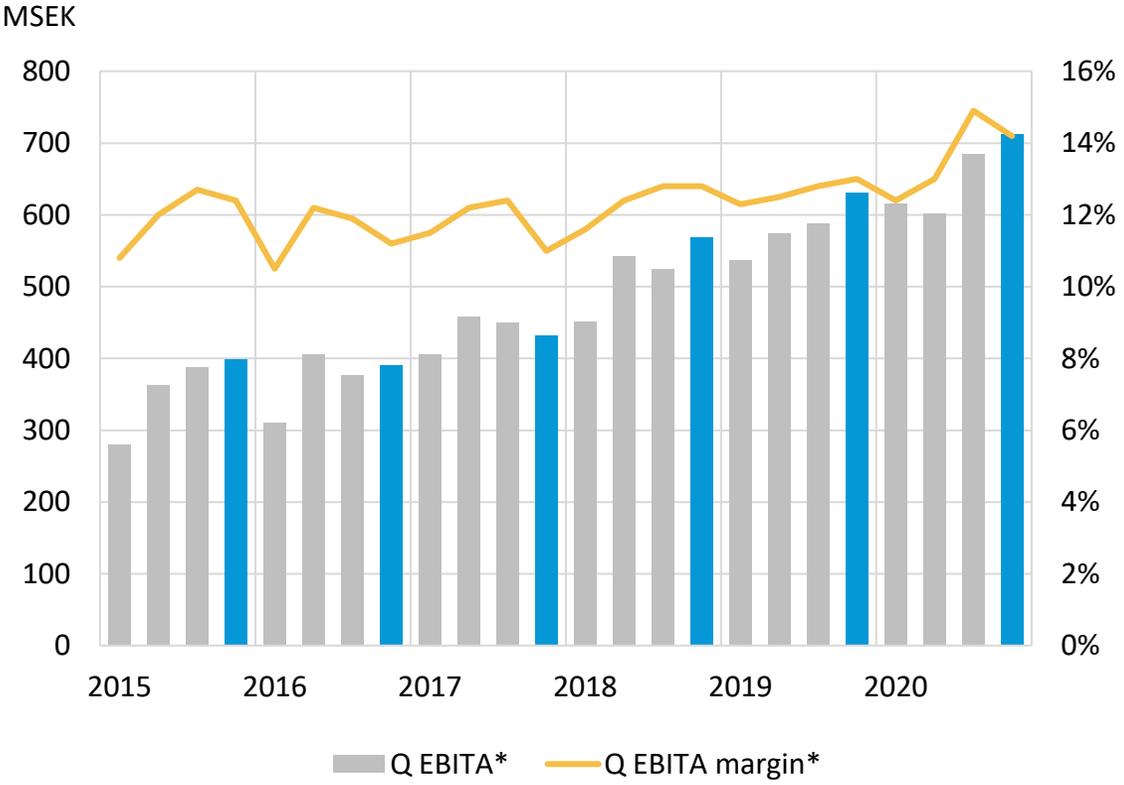
YTD GROWTH

+4%

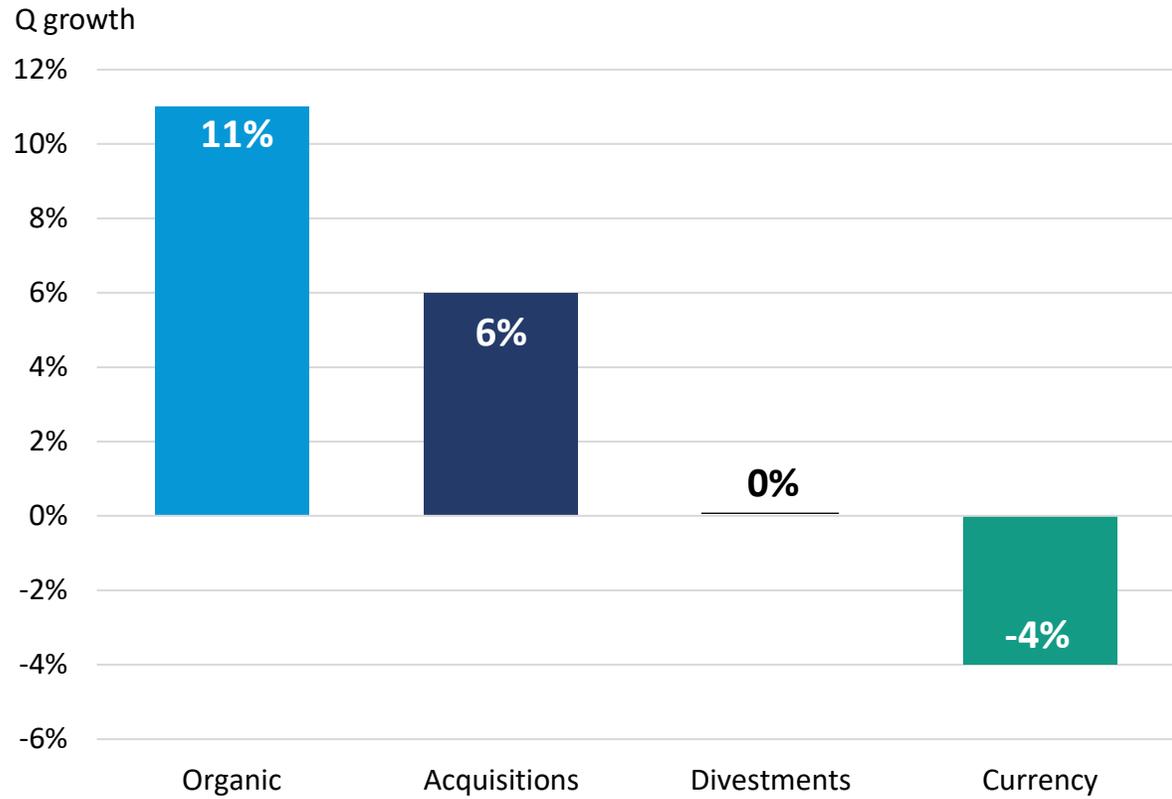
R3Y CAGR

+9%

EBITA



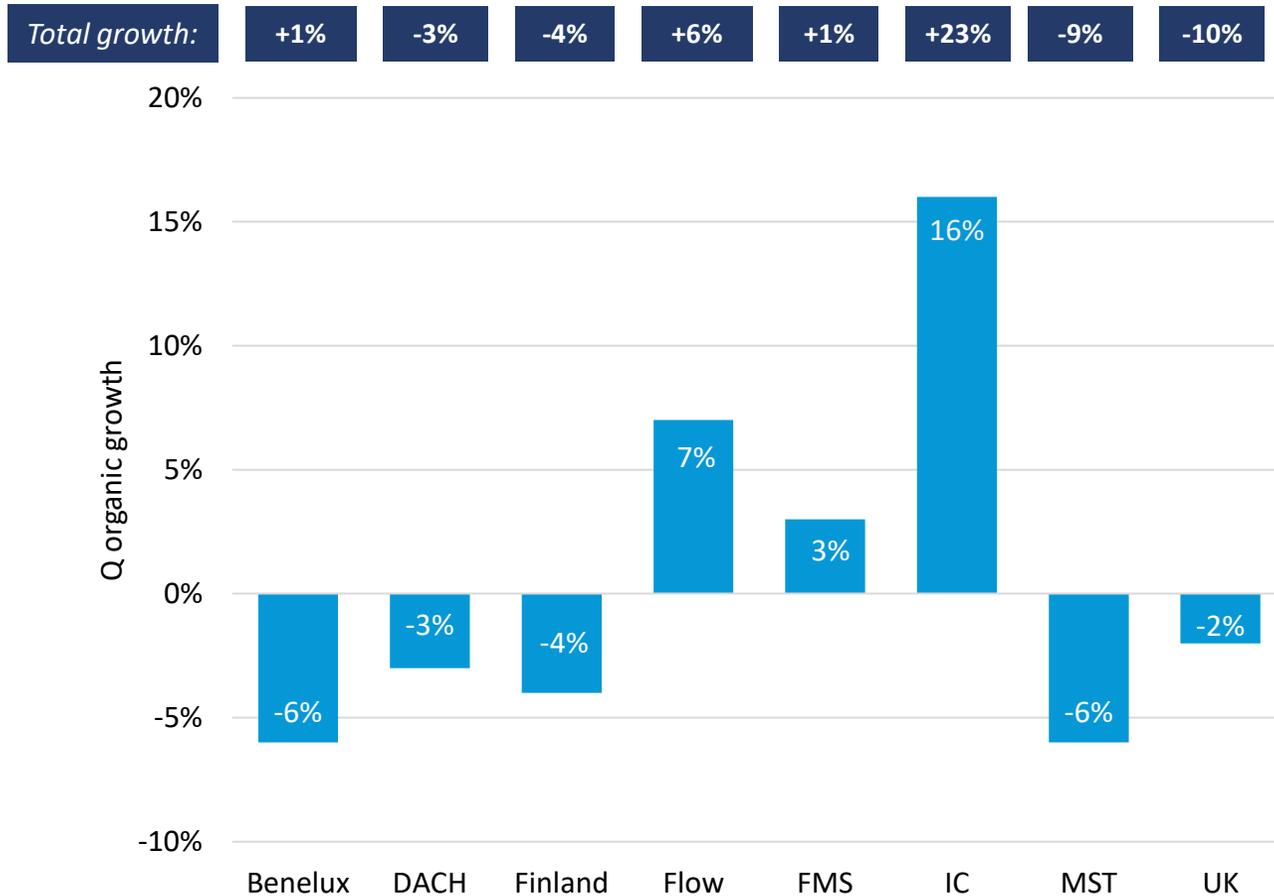
QUARTERLY GROWTH



*) Excluding restructuring costs 2017-Q4

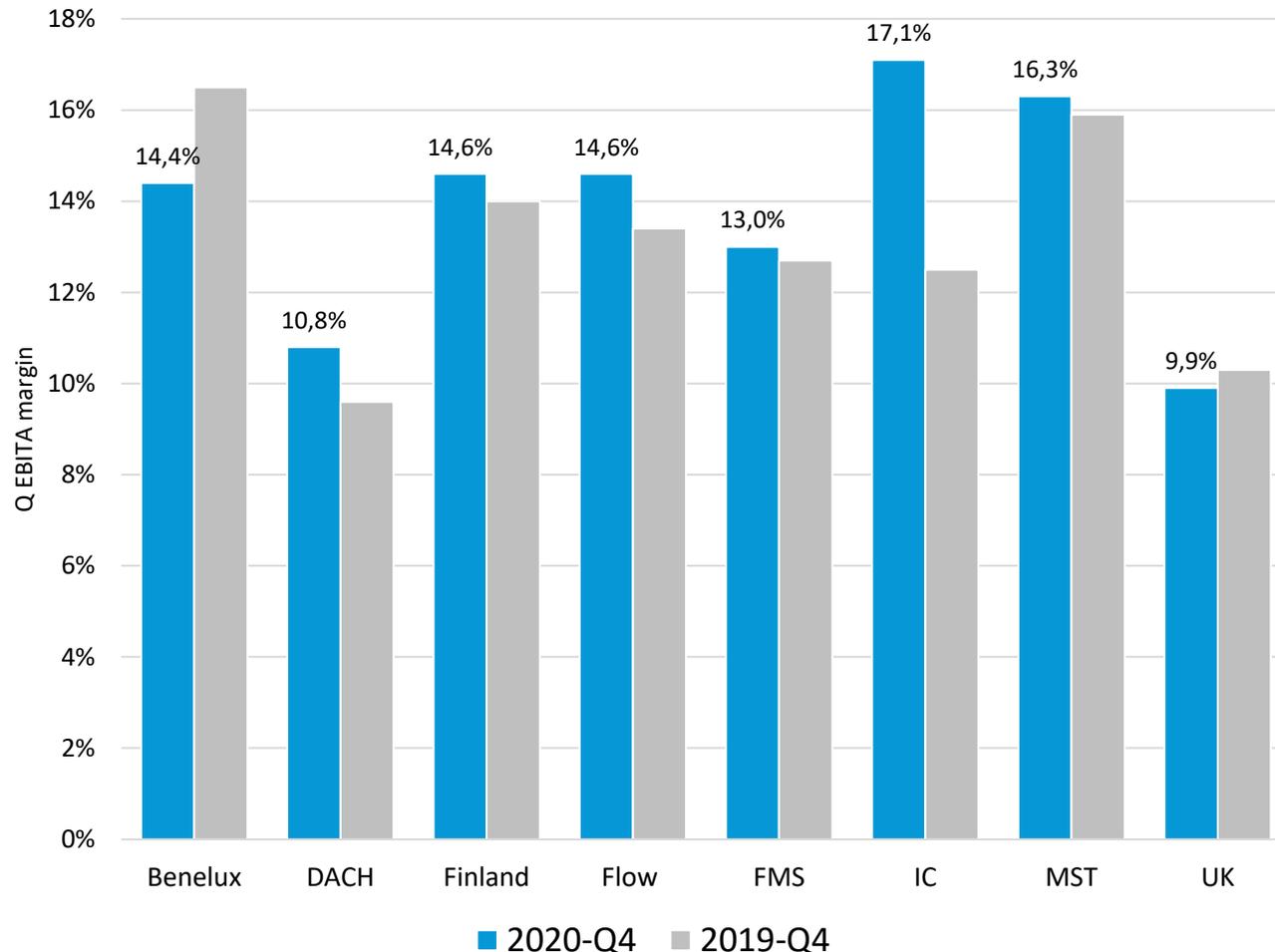
	Q4-20 MARGIN	Q GROWTH	YTD GROWTH
	712 MSEK	14.2%	+13%
		+12%	

Organic sales growth Q4 by Business Area



- Continued large variations between companies, segments and countries
- MedTech/Pharma sectors driving growth in Business Area Industrial Components and Flow Technology
- Positive development in infrastructure, wind power and process industry, most notably in Business Area Flow Technology
- Valves for power generation in Business Area Benelux declines versus very strong Q4 in 2019
- Weak demand in automotive and marine segments, impacting Business Area Measurement and Sensor Technology

EBITA margin by Business Area



- Six out of eight Business Areas increased the EBITA margin
- MedTech/Pharma customer segment main driver of the improvement in combination with good cost management
- Record high margin in Business Area Industrial Components, with strong development in majority of the companies
- Decline in Business Area Benelux primarily connected to a positive pension one-off in 2019
- Business Area UK decline attributed to weaker demand and unfavourable product mix

Acquisitions & Divestments 2020

Acquisitions		Business Area	Annual Sales
Q1	 STEIN Automation GmbH	DACH	110 MSEK
	 VarioDrive B.V.	Benelux	60 MSEK
	 AVA Monitoring AB	Measurement & Sensor Technology	45 MSEK
	 Sverre Hellum & Sønn AS	Industrial Components	60 MSEK
	 Jouka OY	Finland	70 MSEK
	 Nortronic AS	Industrial Components	60 MSEK
Q3	 Holland Fasteners B.V.	Benelux	50 MSEK
	 UK Gas Technologies Ltd	Flow Technology	130 MSEK
Q4	 Cheirón A.S.	Industrial Components	120 MSEK
	 X-RAY WorX GmbH	Measurement & Sensor Technology	120 MSEK
Divestment		Business Area	Annual Sales
Q1	 Meson FT Rus LCC	Flow Technology	80 MSEK



Acquisitions 2021

Acquisitions

Q1



Pistesarjat Oy

Tecno Plast Industrietechnik GmbH

Fire Proof BV

Business Area

Finland

Benelux

Benelux

Annual Sales

90 MSEK

240 MSEK

70 MSEK

 Indutrade



PISTESARJAT



TECNO PLAST



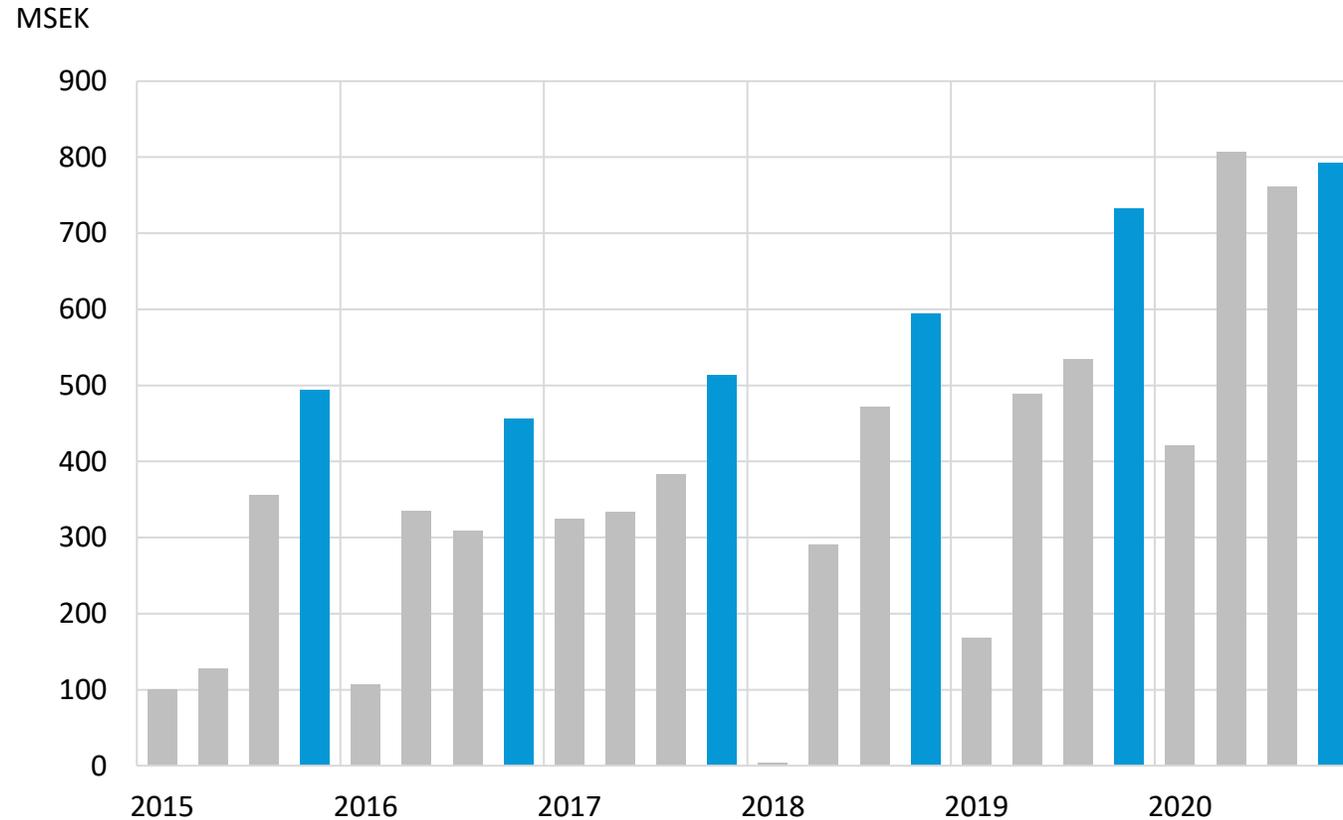
FIREPROOF



Key data summary

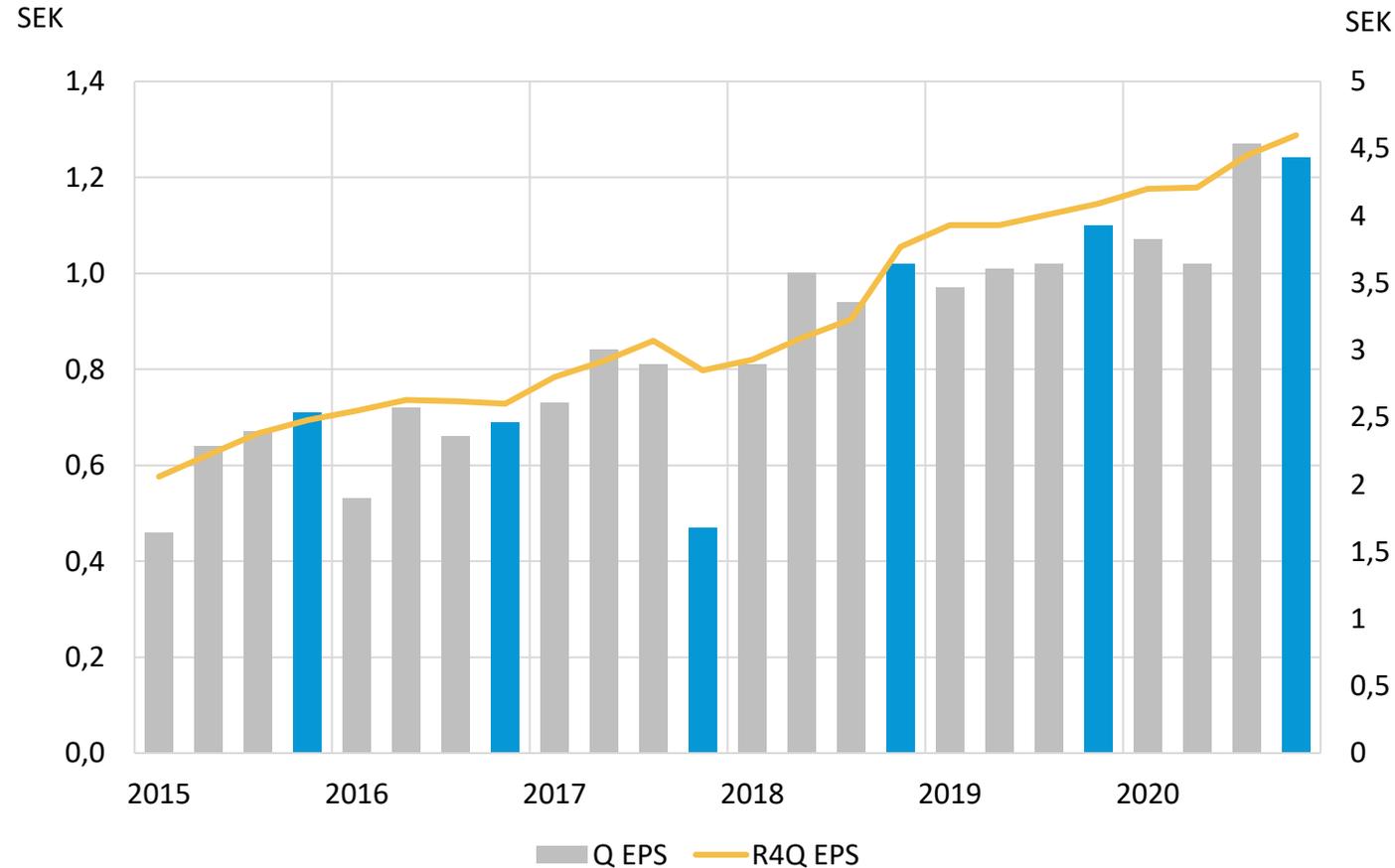
MSEK	2020-Q4	2019-Q4	Change	2020-YTD	2019-YTD	
Order Intake	5,104	4,752	7%	19,595	18,653	5%
Net Sales	5,028	4,863	3%	19,217	18,411	4%
Gross margin, %	34.7	34.2		34.0	34.1	
EBITA	712	631	13%	2,615	2,330	12%
EBITA-margin, %	14.2	13.0		13.6	12.7	
Net financial items	-33	-37	-11%	-126	-124	2%
Tax	-138	-110	25%	-471	-409	15%
Earnings per share (before dilution), SEK	1.24	1.10	13%	4.60	4.09	12%
Return On Capital Employed, %	19	19		19	19	
Cash Flow from operating activities	792	732	8%	2,780	1,922	45%
Net debt / EBITDA, times	1.5	2.1		1.5	2.1	

Cash Flow from operating activities



- Cash flow from operating activities in Q4 grew 8% from 732 MSEK to 792 MSEK
- The cash flow supported slightly by lower working capital but the improvement versus last year mainly driven by the higher result
- Inventories still on a high level, mainly due to earlier inventory build-up to ensure delivery service and availability

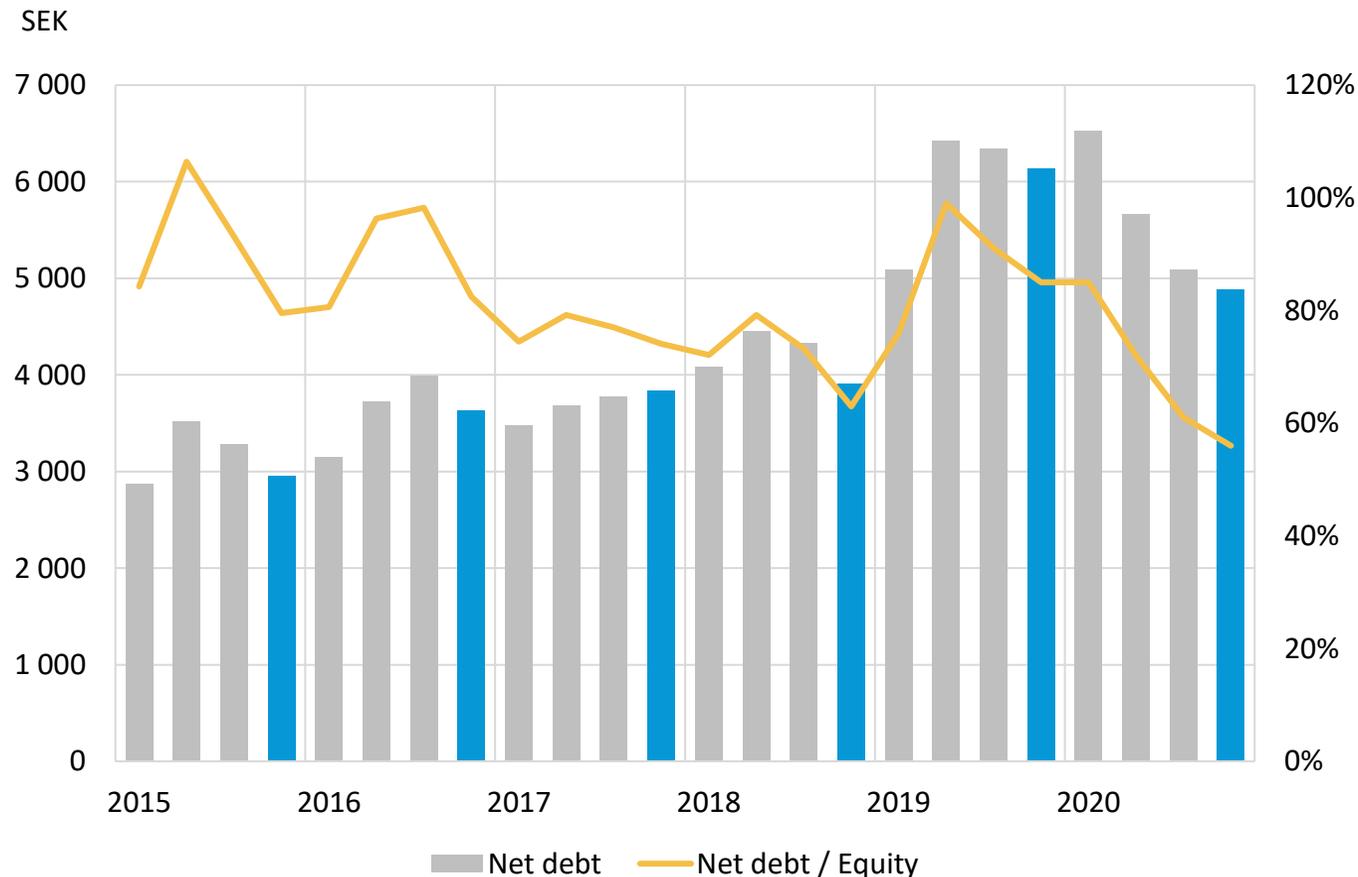
Earnings per share



- Q4 EPS grew 13% to SEK 1.24 (1.10)
- Improvement mainly driven by higher EBITA
- 3- and 5-year R4Q* EPS growth, were 14% and 13%

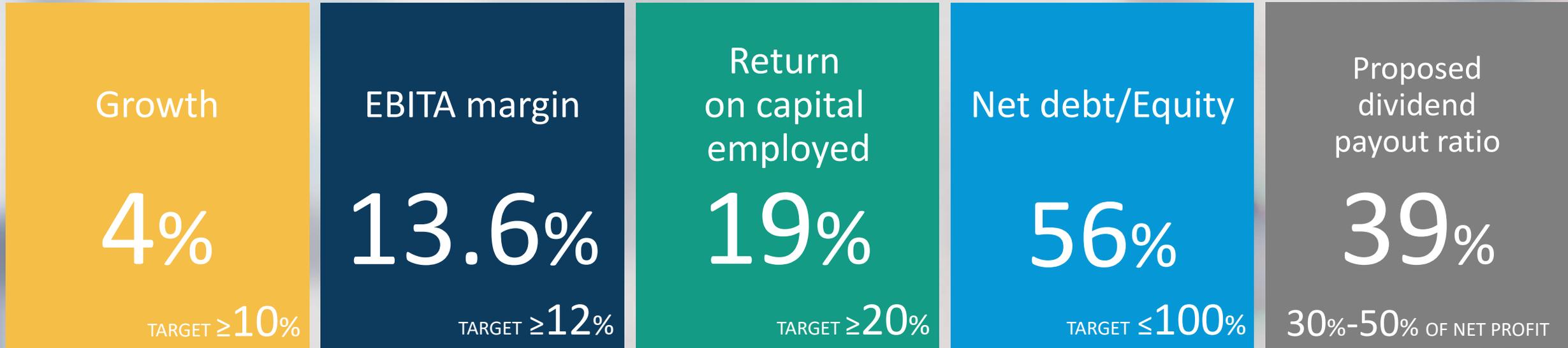
* Adjusted with the Meson restructuring in 2017-Q4

Net debt



- The interest-bearing net debt decreased to 4,878 (6,130) MSEK
- The decline during the quarter primarily related to the strong cash flow
- The full year decline also attributed to postponed acquisitions and no dividend for 2019
- Net debt/equity ratio was 56% (85%)

Financial targets and outcome 2020



Targets measured over a business cycle

Effects of covid-19 in Q4

Demand improved gradually, but many companies still noted some negative effects by the pandemic

A few MedTech/Pharma companies with large covid-19 related orders

Cost measures continued in all companies with decreasing volumes

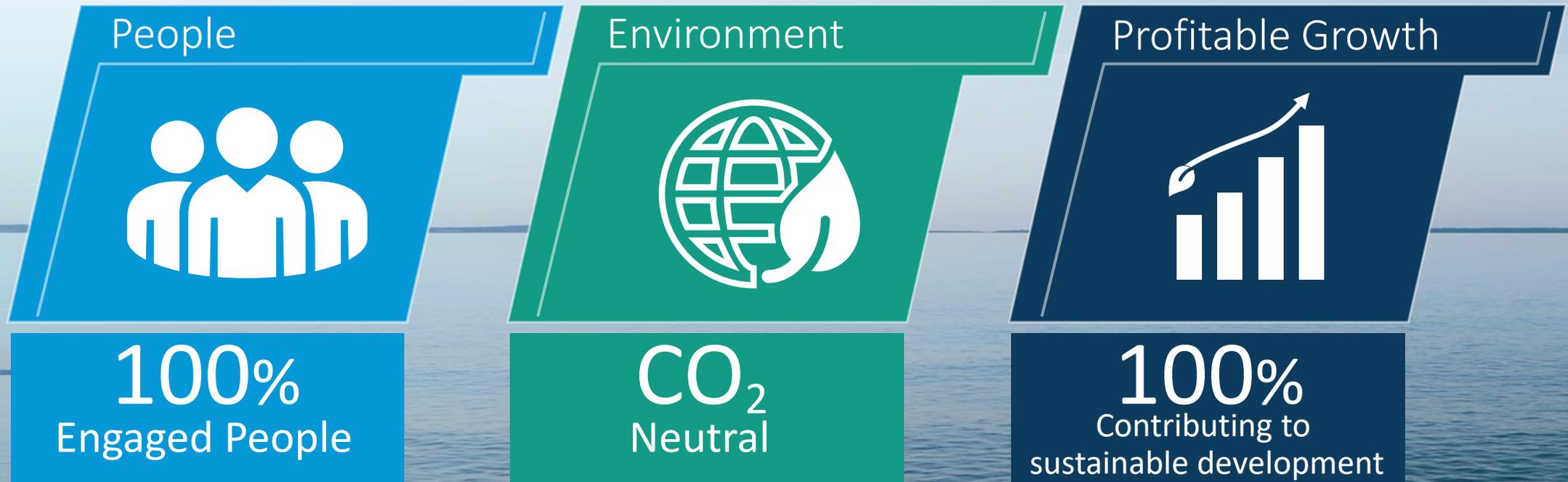
Short-time work declined further, majority of the programs terminated by year-end

Governmental support corresponded to approx. 0.3% of net sales

Permanent headcount reductions 320 FTE, ~4% since end of Q1-20

Indutrade's sustainability strategy towards 2030

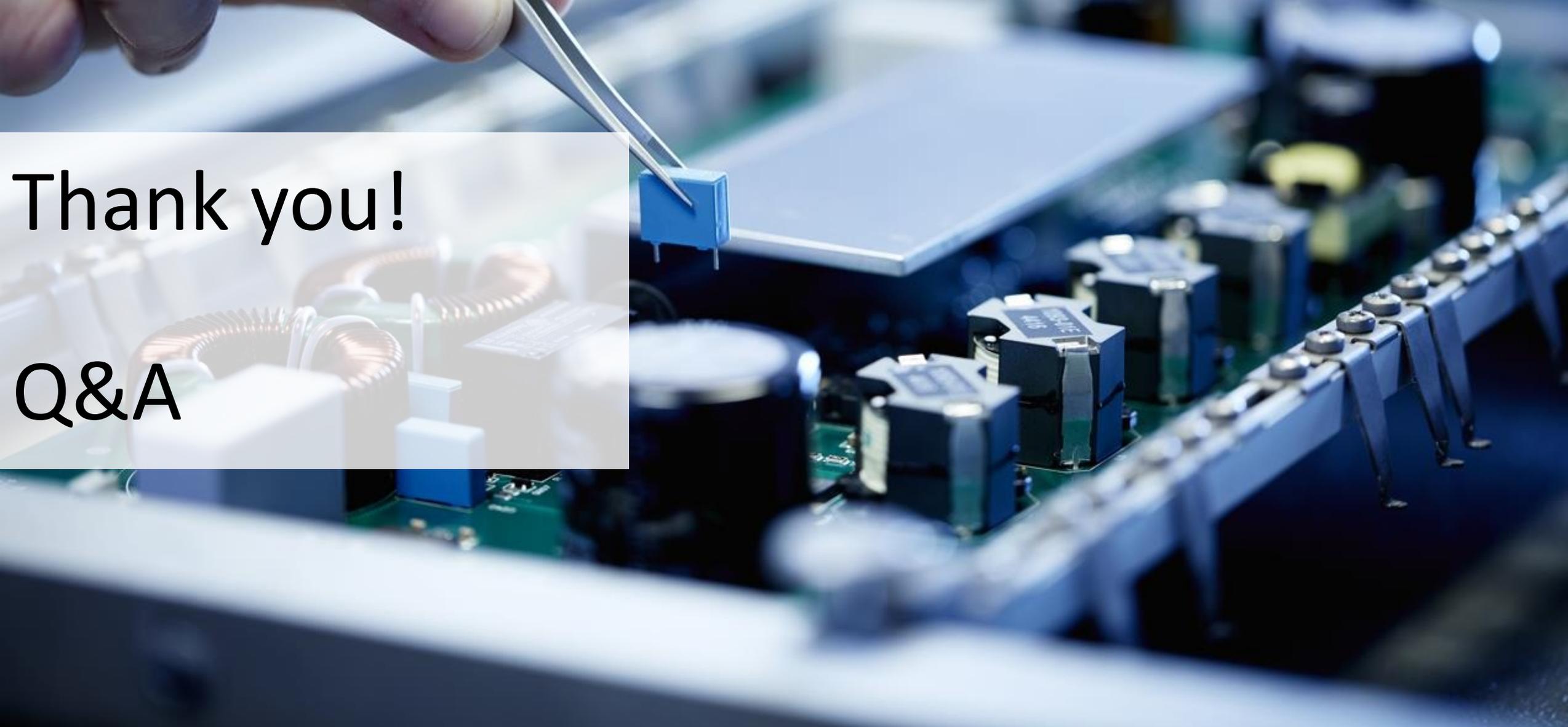
– Long term objectives



Key takeaways

- Strong 2020 with record high profitability
- Improved demand situation, primarily related to customers within MedTech/Pharma
- Continued large variations between companies, segments and countries
- Record high earnings – positively effected by strong segments and good cost management
- Gradual demand improvement expected, still uncertainty due to pandemic
- Good acquisition pipeline
- Diversified business group with agile and flexible companies, working closely with their customers





Thank you!

Q&A

Financial Calendar & contact details

13 APRIL 2021

Annual General Meeting 2021

29 APRIL 2021

Interim Report 1 January – 31 March 2021

19 JULY 2021

Interim Report 1 January – 30 June 2021

28 OCTOBER 2021

Interim Report 1 January – 30 September 2021

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The logo for Indutrade features a stylized icon on the left consisting of three parallel, slanted vertical bars of varying heights that merge into a horizontal bar at the top, resembling a stylized 'I' or 'IT'. To the right of this icon, the word "Indutrade" is written in a bold, white, sans-serif typeface.

Indutrade