



An entrepreneurial world
where people make the difference

Q2 Report 2022

Bo Annvik, President and CEO
Patrik Johnson, CFO

19 July 2022

Highlights second quarter 2022

- Strong Q2 performance despite challenging comparisons, with continued growth in order intake, sales and profits!
- Demand remained strong and broad, but increasing variations between companies and geographic areas, partly attributable to tough references
- Despite continued supply chain disturbances, sales levels increased compared to same period last year and Q1 22 – totaling SEK 6.7 billion
- Good EBITA growth resulted in EBITA exceeding SEK 1 billion for the first time in a single quarter. EBITA-margin record high at 15.3 %
- 10 acquisition so far in 2022, of which 5 completed in Q2, with a total annual turnover of 780 MSEK. Pipeline remains strong!

Net Sales

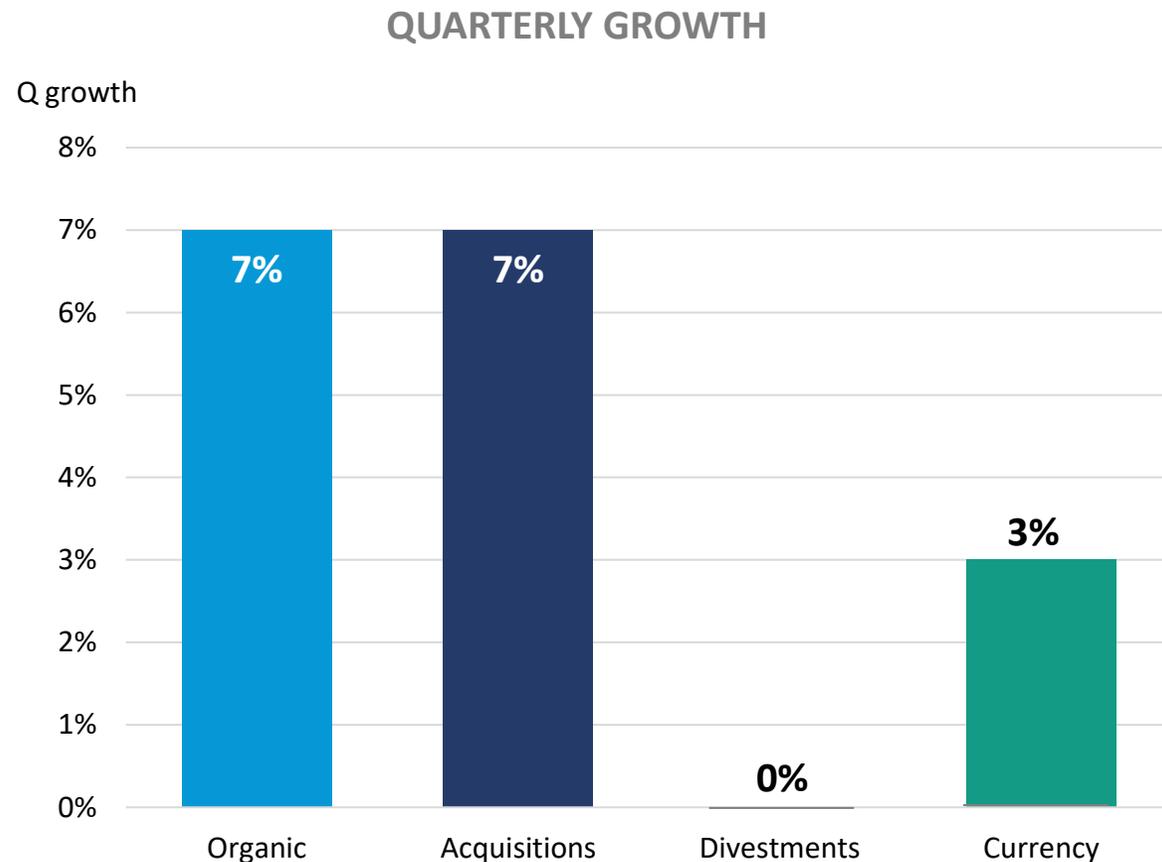
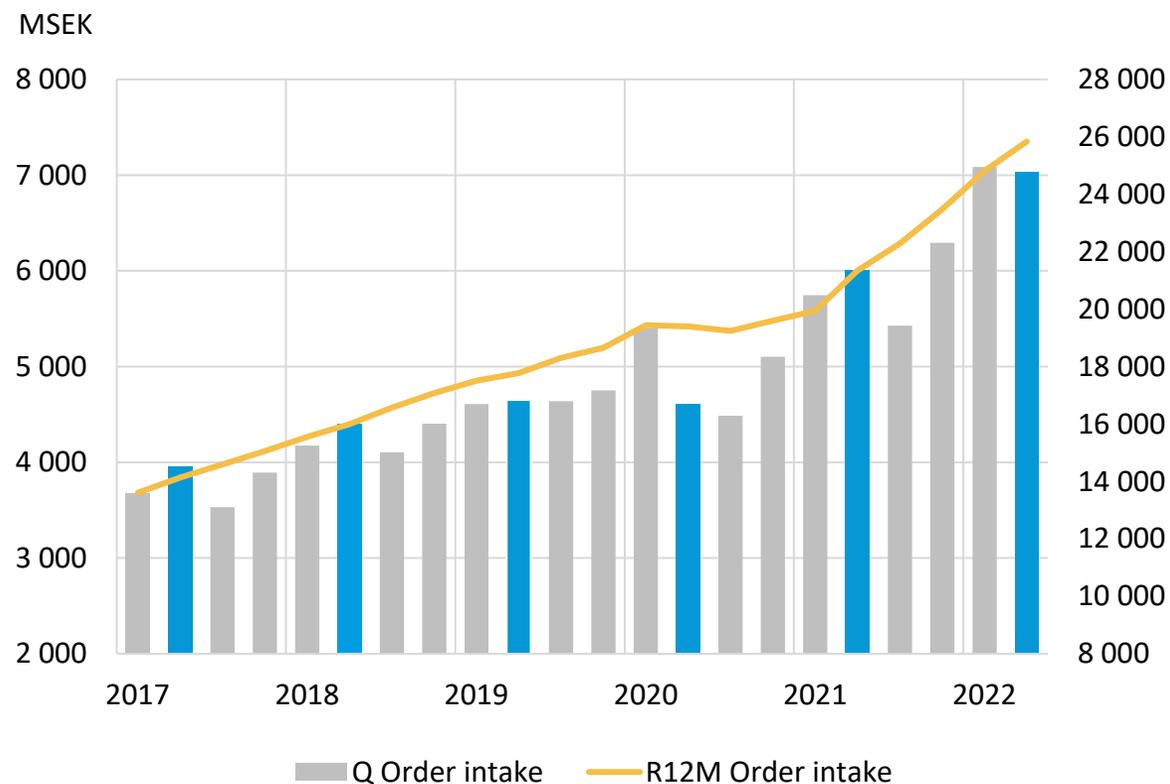
6.7

BSEK

EBITA margin

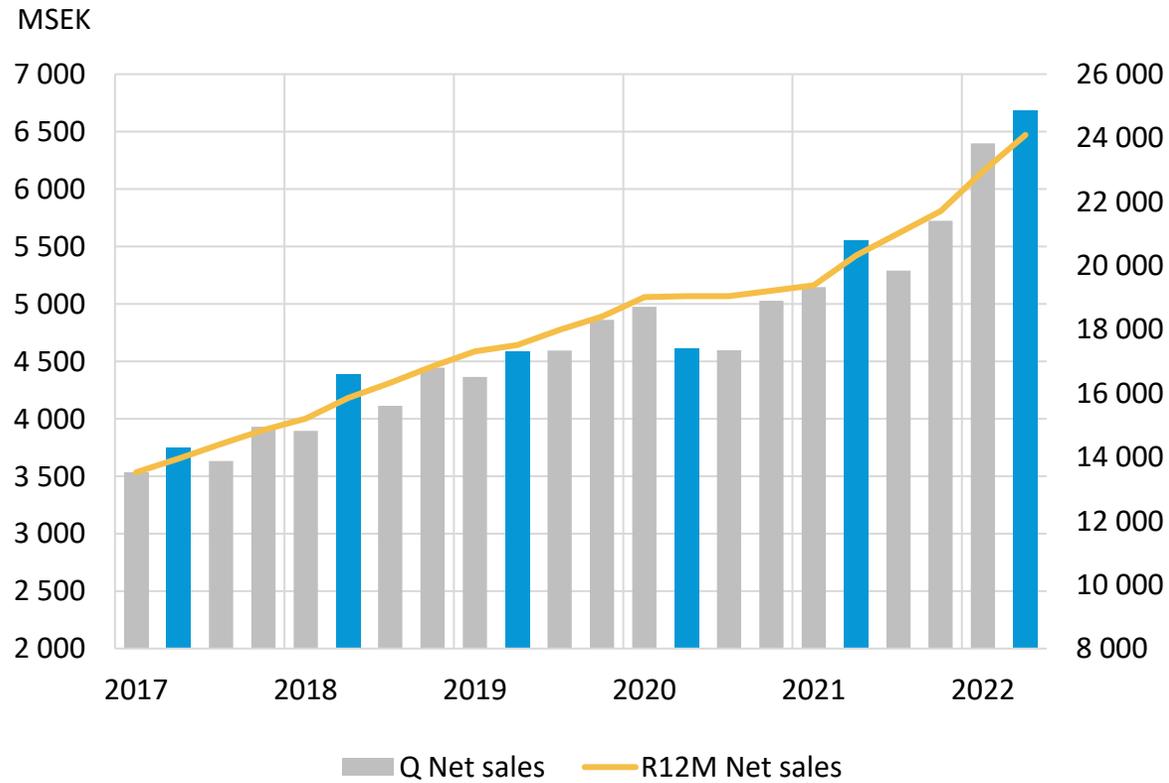
15.3%

Order intake

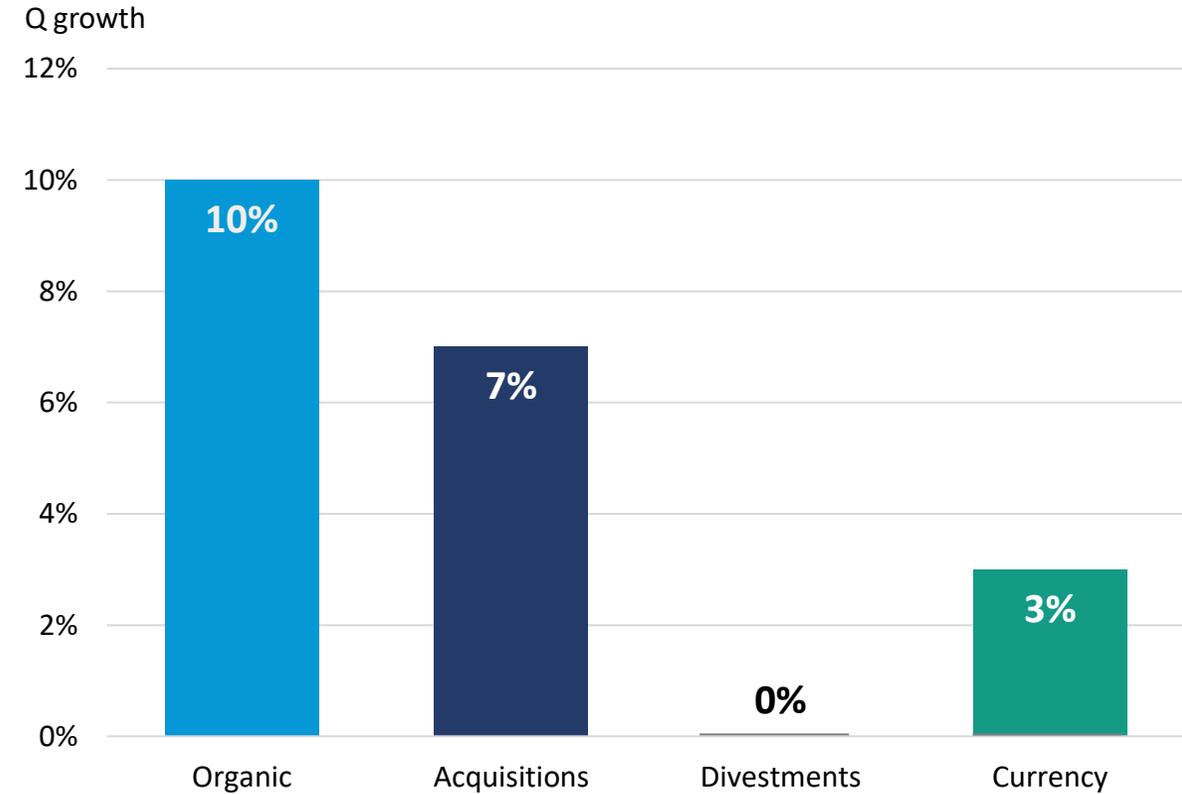


	Q GROWTH	YTD GROWTH	R3Y CAGR
7,029 MSEK	+17%	+20%	+15%

Net sales



QUARTERLY GROWTH



6,683 MSEK

Q GROWTH

+20%

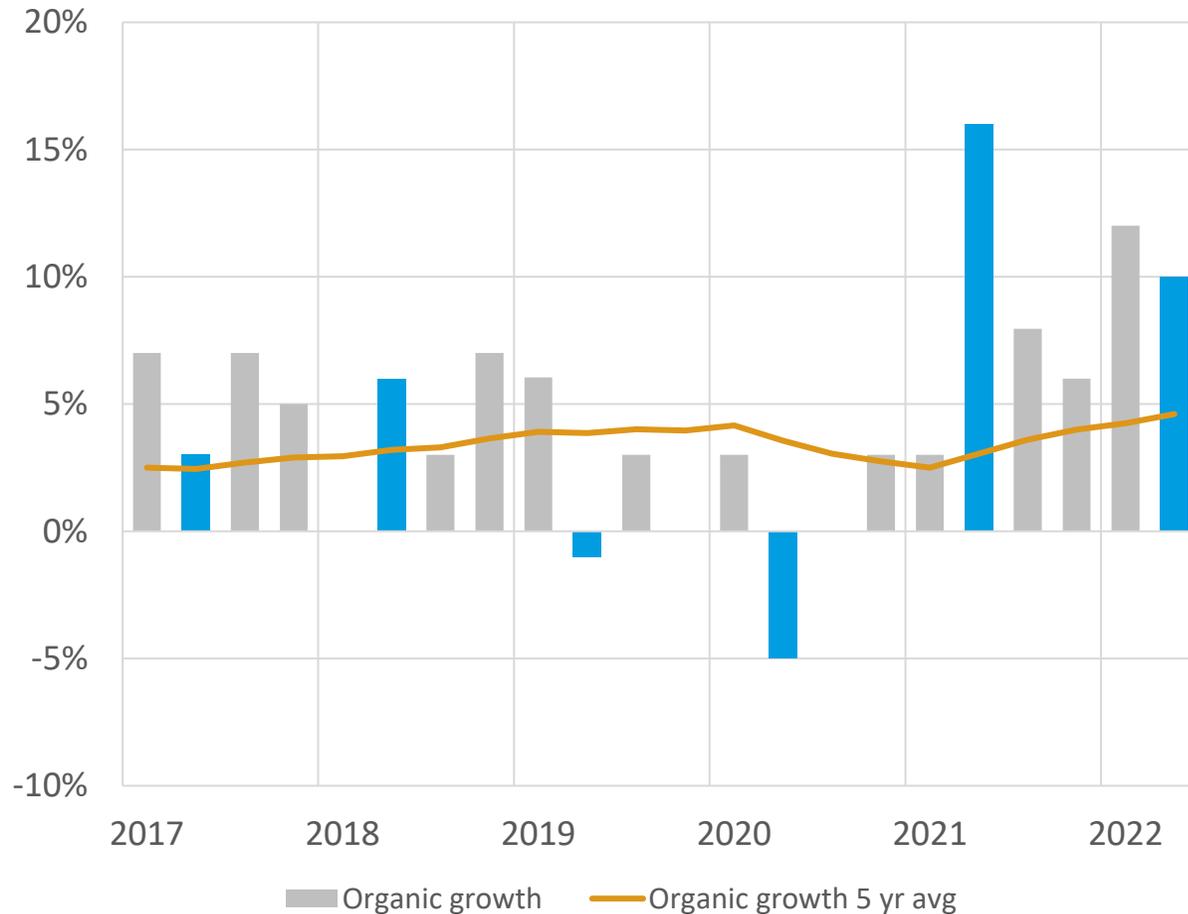
YTD GROWTH

+22%

R3Y CAGR

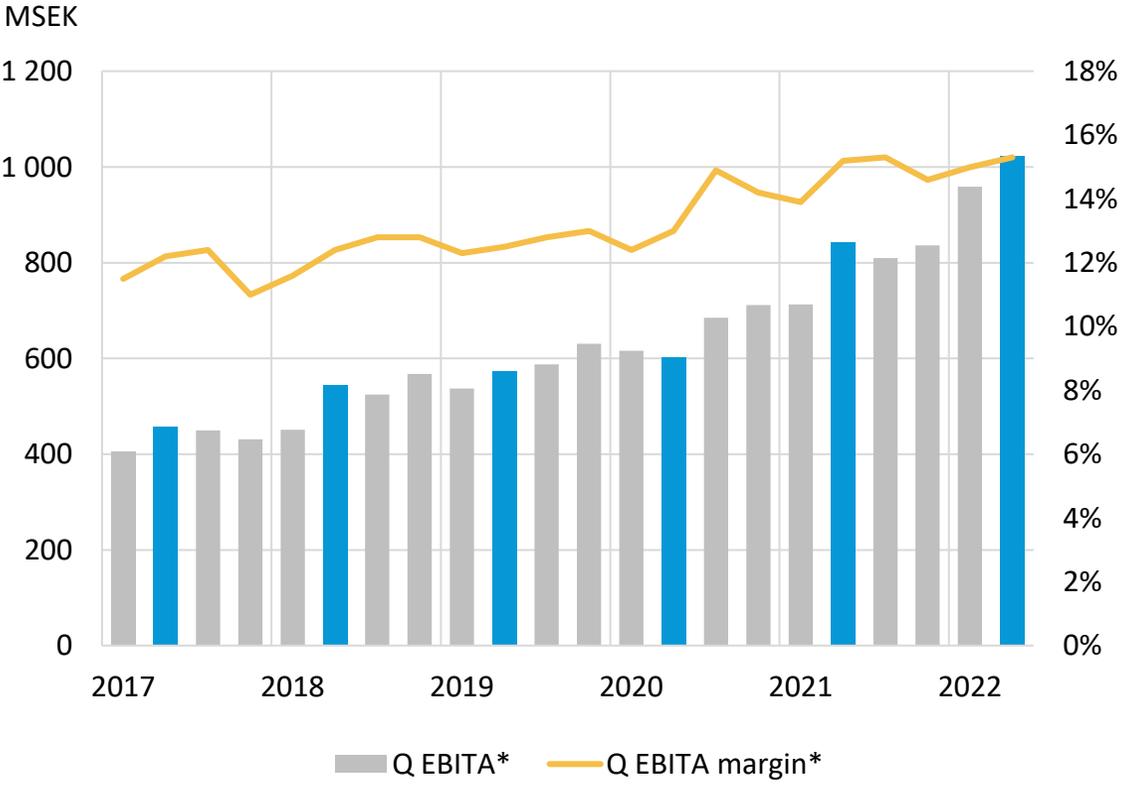
+13%

Organic Sales Growth trend

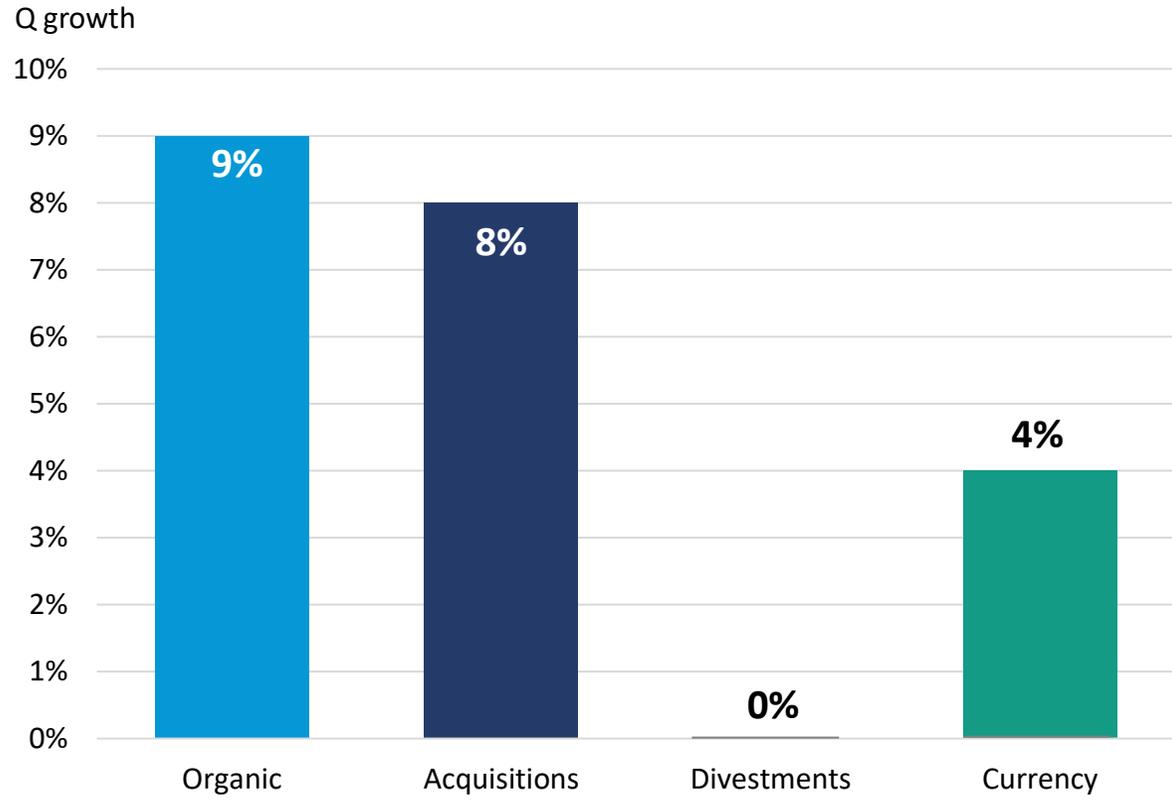


- Organic growth seven consecutive quarters
- Challenging reference in Q2-2021
- Combination of volume and price
- Organic growth in all Business Areas
- Strong order back-log

EBITA



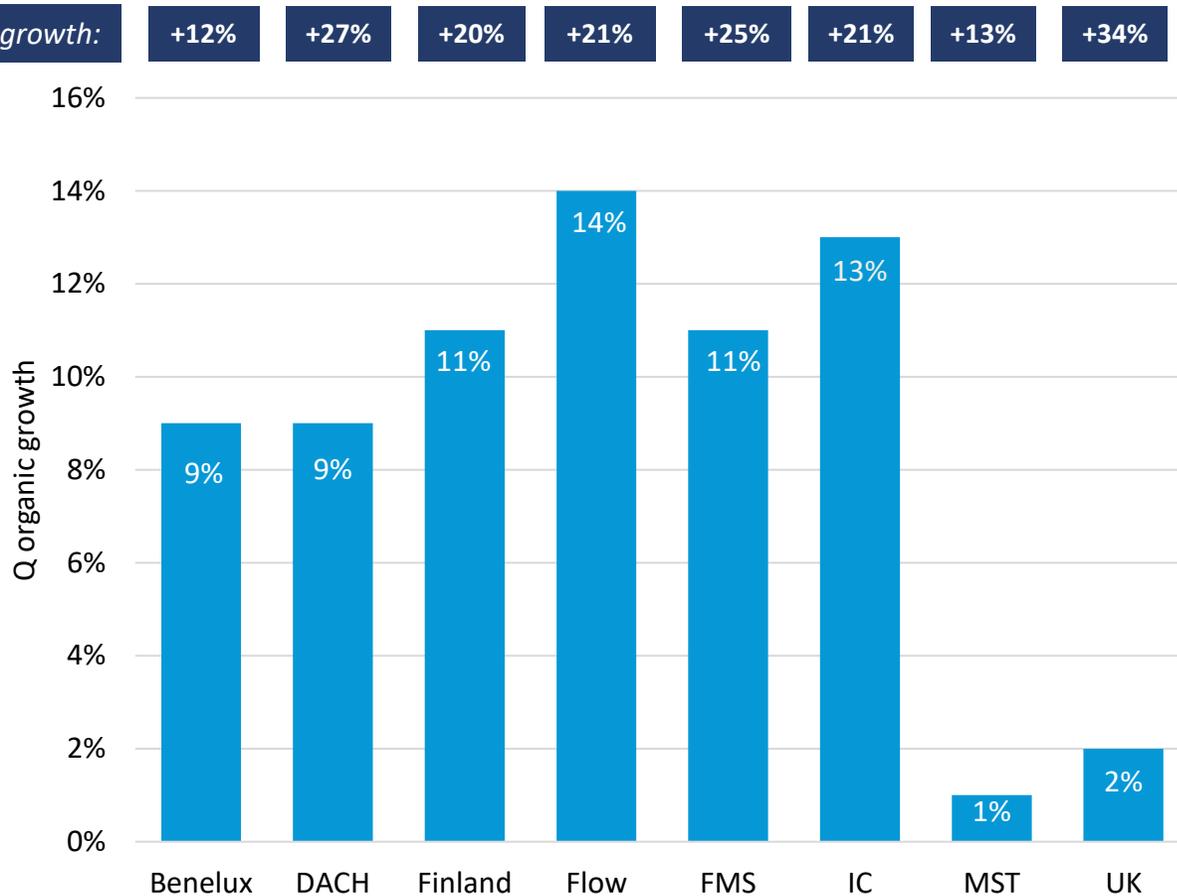
QUARTERLY GROWTH



*) Excluding restructuring costs 2017-Q4

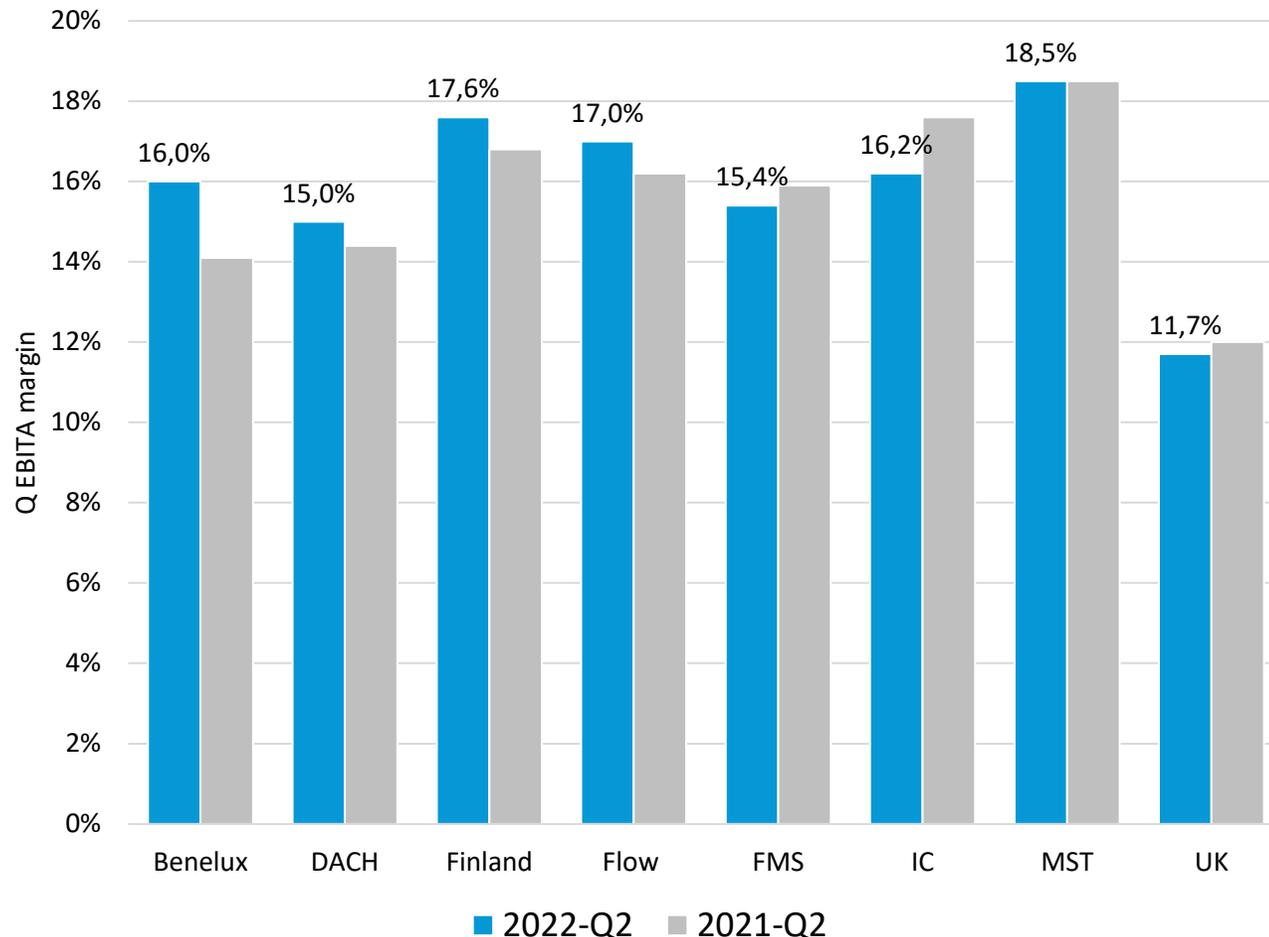
Q2-22 MARGIN	Q GROWTH	YTD GROWTH
1,023 MSEK	15.3%	+21%
	+21%	+27%

Organic sales growth Q2 by Business Area



- Organic sales growth in all Business Areas
- Strongest growth in Business Areas Flow Technology and Industrial Components
 - Positive development in most companies
 - The Process industry and Medtech and Pharma customer segments stand out positively
- Dampened growth in Business Areas Measurement & Sensor Technology and UK
 - Supply chain issues and component shortages
 - Increased demand variation between companies

EBITA margin by Business Area



- Record EBITA margin
 - Good profitability in newly acquired companies
 - Continued strong organic gross margin development
 - Increased activity and expense levels dampens organic leverage
- Seven out of eight Business Areas at high EBITA margin levels above 15%
 - Highest margin in Measurement & Sensor Technology
 - Business Area UK has not recovered in volumes and mix since before the pandemic
- Further strengthened EBITA-margin in four Business Areas, with strongest improvement in Benelux supported by valves for power generation

Acquisitions 2022

Acquisitions	Business Area	Annual Sales	
Q1	 Autoroll UK Ltd	UK	67 MSEK
	 NTi Audio AG	MST	90 MSEK
Q2	 Stabalux GmbH	FMS	40 MSEK
	 PMH International AB	IC	140 MSEK
	 acti-Chem A/S	Flow	50 MSEK
	 Pro Diagnostics Scandinavia AB	IC	50 MSEK
	 Oscar Medtec AB	IC	70 MSEK
Q3	 Beck Sensortechnik	MST	130 MSEK
	 Primed Fysio och Rehab AB	IC	30 MSEK
	 OCI B.V.	BEN	110 MSEK
Total		777 MSEK	



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STABALUX







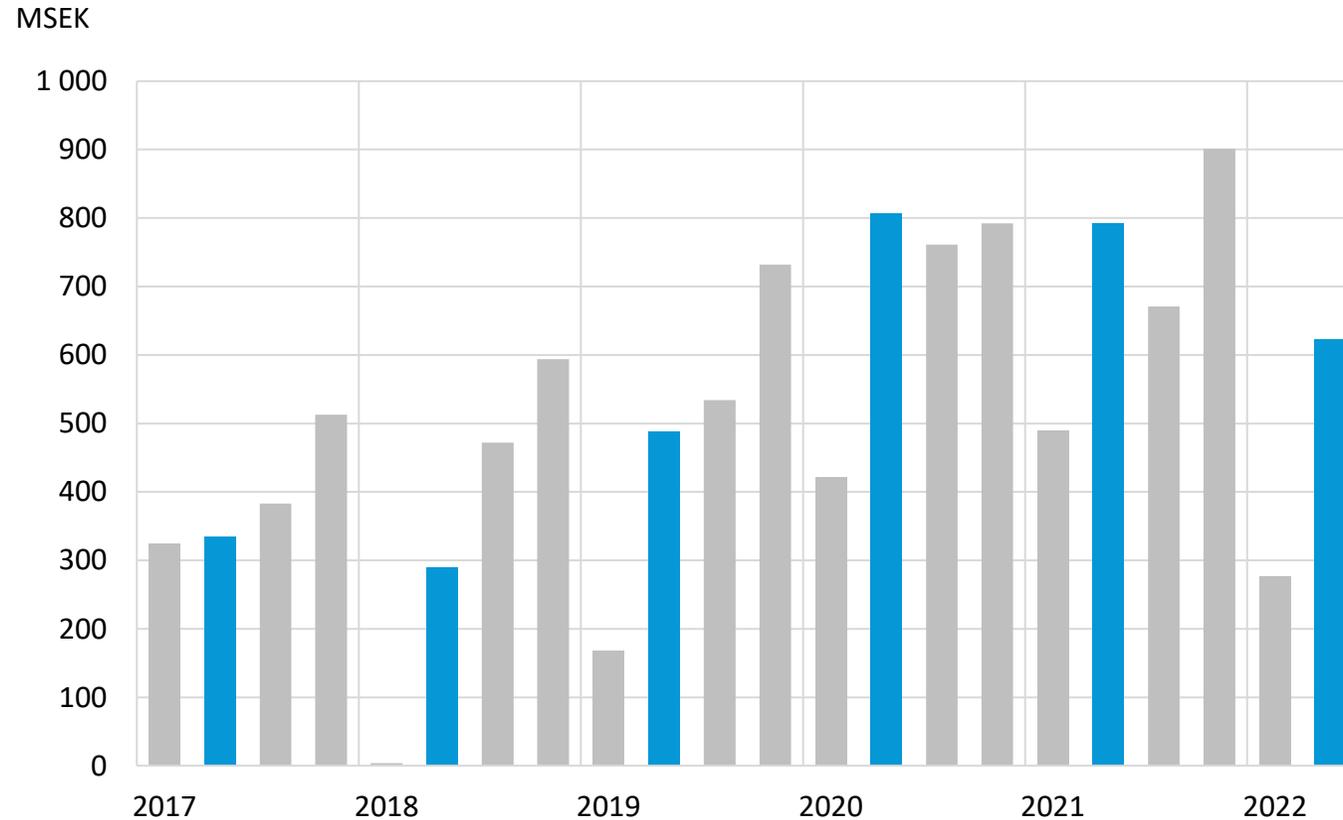




Key data summary

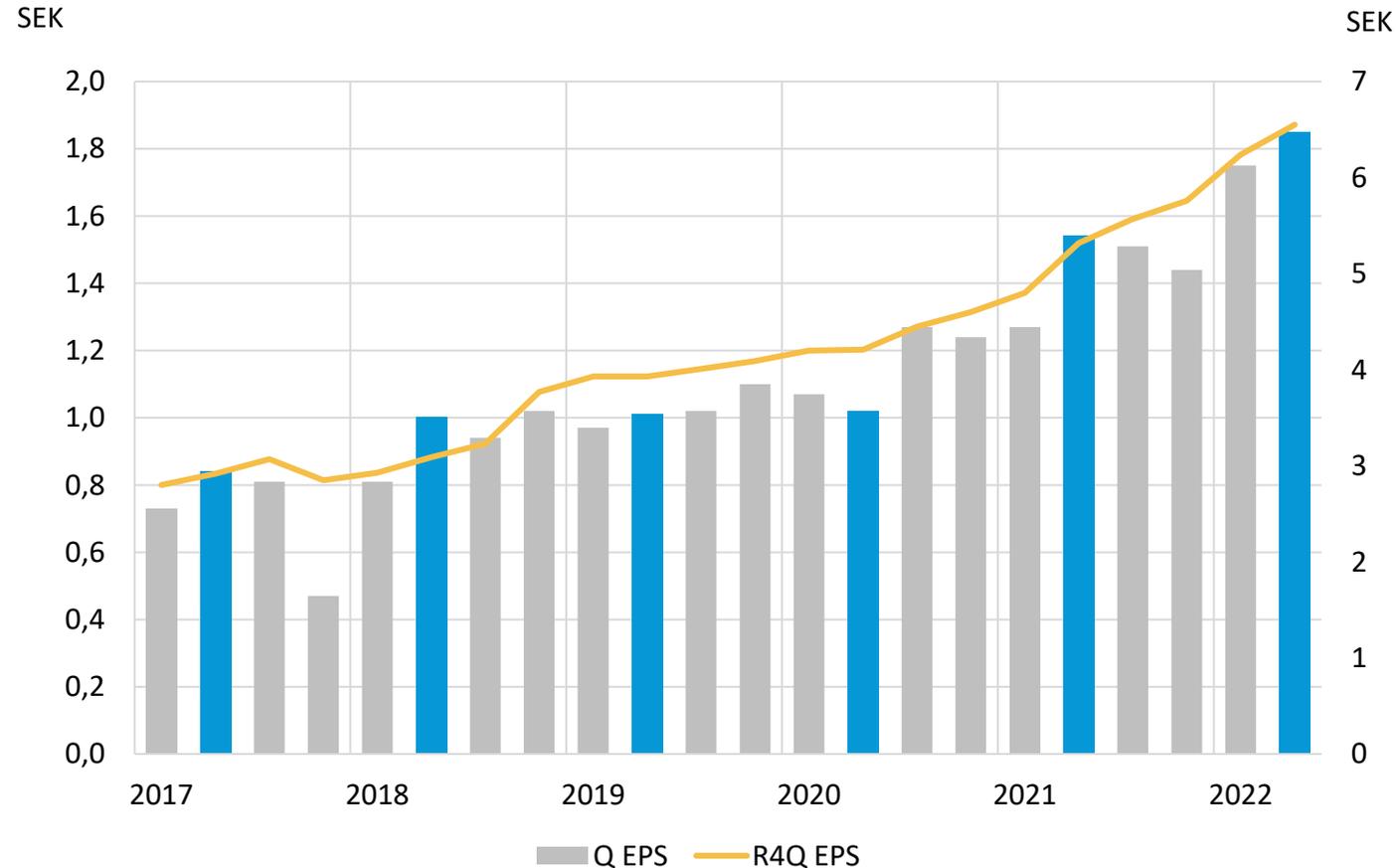
MSEK	2022-Q2	2021-Q2	Change	2022-YTD	2021-YTD	Change
Order Intake	7,029	6,006	17%	14,114	11,753	20%
Net Sales	6,683	5,552	20%	13,081	10,699	22%
Gross margin, %	34.9	34.8		34.7	34.6	
EBITA	1,023	843	21%	1,982	1,556	27%
EBITA-margin, %	15.3	15.2		15.2	14.5	
Net financial items	-37	-29	28%	-72	-58	24%
Tax	-196	-160	23%	-372	-293	27%
Earnings per share (before dilution), SEK	1.85	1.54	20%	3.60	2.81	28%
Return On Capital Employed, %	23	21		23	21	
Cash Flow from operating activities	622	792	-21%	898	1,281	-30%
Net debt / EBITDA, times	1.6	1.5		1.6	1.5	

Cash Flow from operating activities



- Operating cash flow during the quarter was 622 (792) MSEK
- The decline versus last is mainly related to inventory increases
- The working capital efficiency better than last year

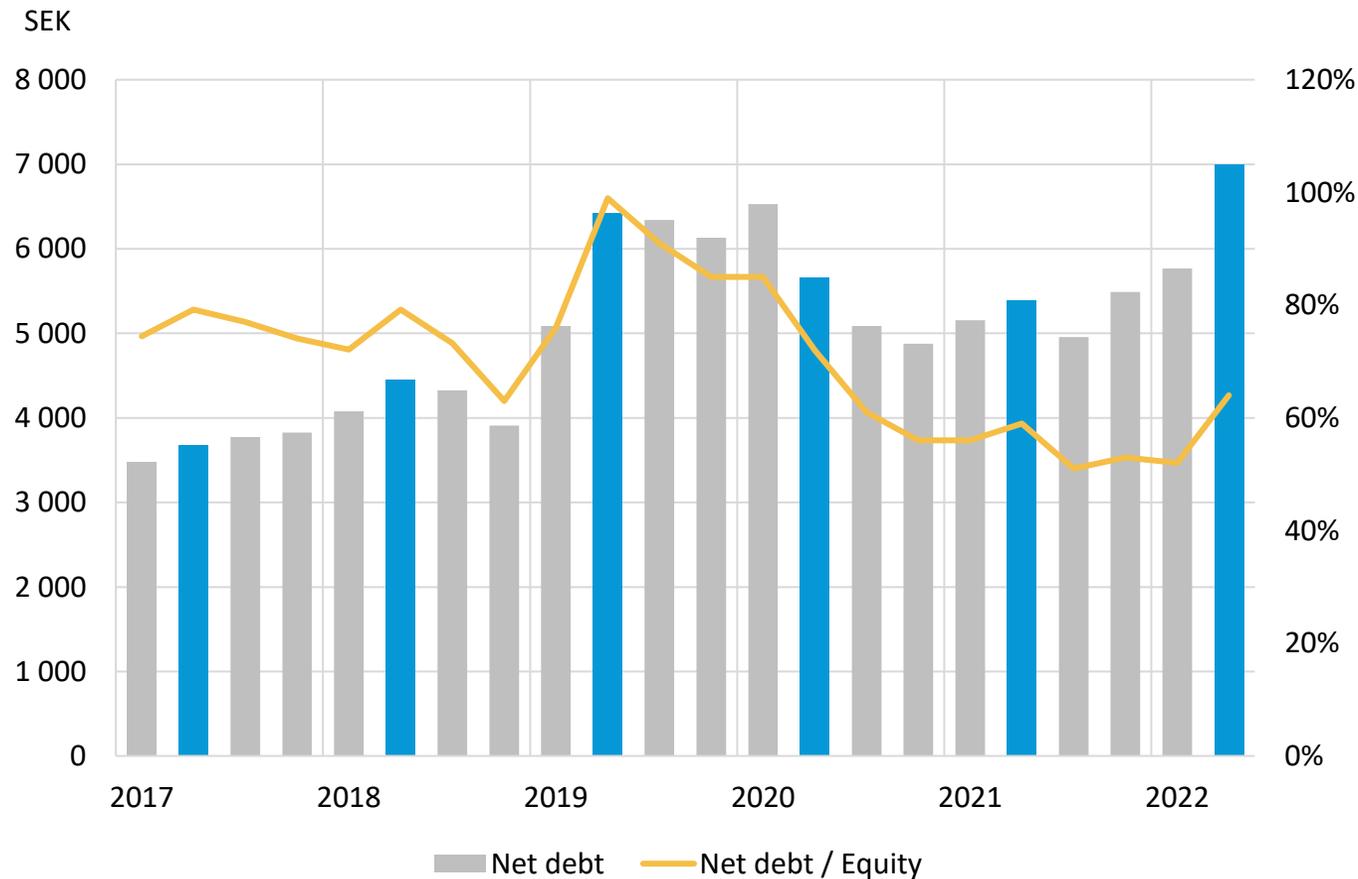
Earnings per share



- EPS during the quarter grew 20% to SEK 1.85 (1.54)
- Improvements mainly driven by higher EBITA
- 3- and 5-year rolling 4Q earnings per share CAGR*, were 19% and 18%

* Adjusted with the Meson restructuring in 2017-Q4

Net debt



- The interest-bearing net debt increased to 6,998 (5,389) MSEK
- The increase compared to last year is mainly due to a high acquisition pace and slightly dampened operational cash flow
- Net debt/equity ratio was 64% (59%)

Stability based on diversification



Stimulating organic growth and sustainability

Knowledge-sharing

*gaining access to the collective knowledge
and experience of all group companies*



Leadership Conference 2022

- 200+ MDs gathered in Stockholm
- Focus on **Sustainable Profitable Growth**
- Awards to best performing companies
 - Financially
 - Sustainability

Key takeaways

- Strong growth and record high profits, despite challenging Q2 comparisons
- Our companies remain flexible and agile, continuously adapting to new market situations
- Record high order backlog supports good invoicing and profit development in the coming quarters
- Strong positive market situation in H1 but increased business risks for H2 on the back of geopolitical tensions, continued supply chain disturbances, increasing inflation and higher interest rates
- Acquisition activity at a high level. Strong pipeline and continued capability improvements!
- Constantly developing our ability to generate sustainable, profitable growth!

**Capital Markets Day
2022**

8 November in central
Stockholm

Thank you!

Q&A



Indutrade

Financial calendar & contact details

28 OCTOBER 2022

Interim Report 1 January – 30 September 2022

2 FEBRUARY 2023

Year-end Report 1 January – 31 December 2022

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