

An aerial night view of a city, likely San Francisco, with the Golden Gate Bridge visible in the background. The city is illuminated with blue light trails that sweep across the scene, creating a sense of motion and technology.

Trelleborg interim report

Q2, April-June 2022

Peter Nilsson, President & CEO
Fredrik Nilsson, CFO



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Summary & Outlook Q3 2022

Q&A

Continued strong growth and record margin

Q2 2022 financial summary¹

- Sales at SEK 7 351 M, an increase of 21 percent
- Organic sales +11 percent, currency +8 percent, M&A +2 percent
- EBIT grew by 27 percent to SEK 1 319 M, corresponding to a margin of 17.9 percent
- Highest quarterly sales, EBIT and margin to date
- Items affecting comparability at SEK -33 M
- Operating cash flow at SEK 798 M
- Acquisition of EirMed (Trelleborg Sealing Solutions)

Organic sales development by geography

Organic sales continuing operations

Total	
Apr - Jun 22	Apr - Jun 21
11%	31%

Europe		
Share	Apr - Jun 22	Apr - Jun 21
51%	10%	35%

Americas		
Share	Apr - Jun 22	Apr - Jun 21
28%	23%	18%

Asia & Other markets		
Share	Apr - Jun 22	Apr - Jun 21
21%	1%	39%

Share = Continuing operations full-year 2021

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Strong growth and record profitability

Trelleborg Industrial Solutions¹

- Organic sales: +16%
- Sales grew significantly in all geographic markets
- Sales to all market segments increased
- Cost increases offset by efficiency and pricing
- EBIT and margin increased to new records

SEK M	Q2 2022	Q2 2021	Change, %
Net sales	3 512	2 833	24
Organic, %	16	23	
Structural, %	1	1	
Exchange rate, %	7	-8	
EBIT	528	360	47
EBIT, %	15.0	12.7	2.3 p.p.

Good growth and resilient margins

Trelleborg Sealing Solutions¹

- Organic sales: +7%
- Organic sales to general industry increased in Americas and Europe; Covid-lockdowns in China hampered sales in Asia
- Sales to healthcare & medical and aerospace increased significantly
- Deliveries to automotive declined slightly
- Record EBIT, cost increases offset by efficiency and pricing

SEK M	Q2 2022	Q2 2021	Change, %
Net sales	3 725	3 155	18
Organic, %	7	37	
Structural, %	2	-	
Exchange rate, %	9	-11	
EBIT	879	755	16
EBIT, %	23.6	24.0	-0.4 p.p.

An aerial photograph of a city skyline at dusk or night. The sky is dark, and the city lights are visible. Several bright blue light trails streak across the scene from the right side towards the left, creating a sense of motion and energy. The text is overlaid on the left side of the image.

Trelleborg Wheel Systems

- reported as Assets held for sale

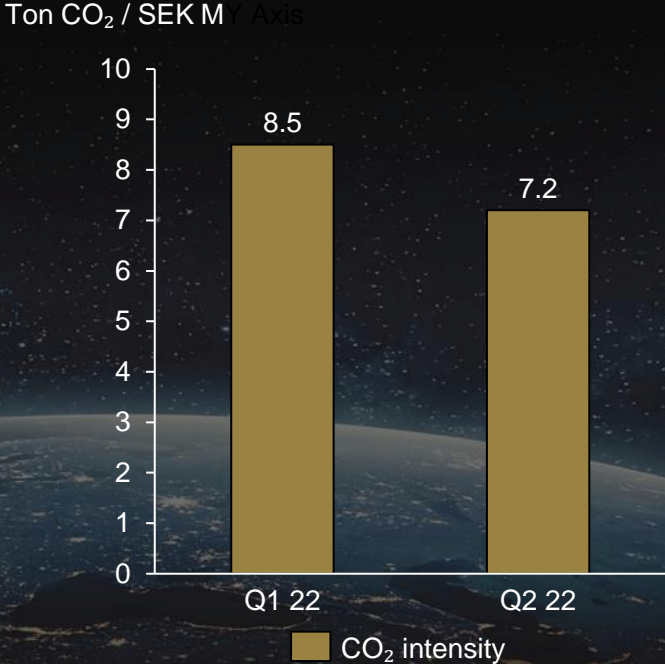
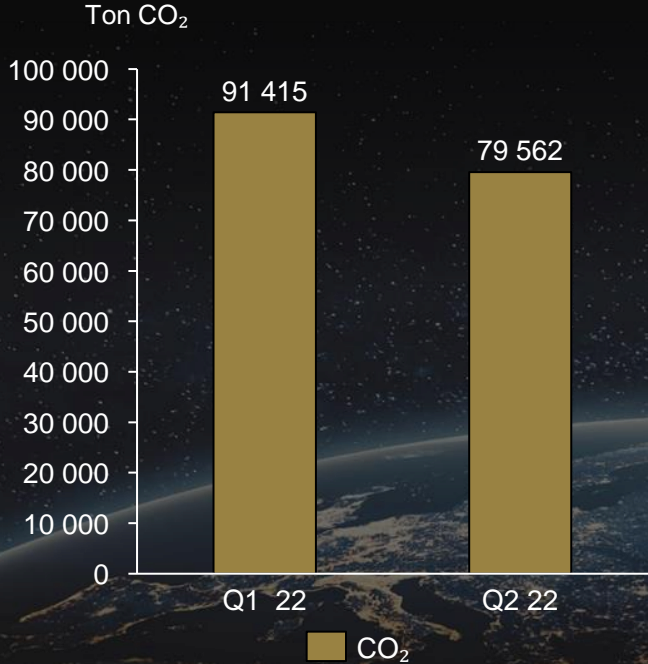
High margin despite inflationary headwinds

Trelleborg Wheel Systems¹

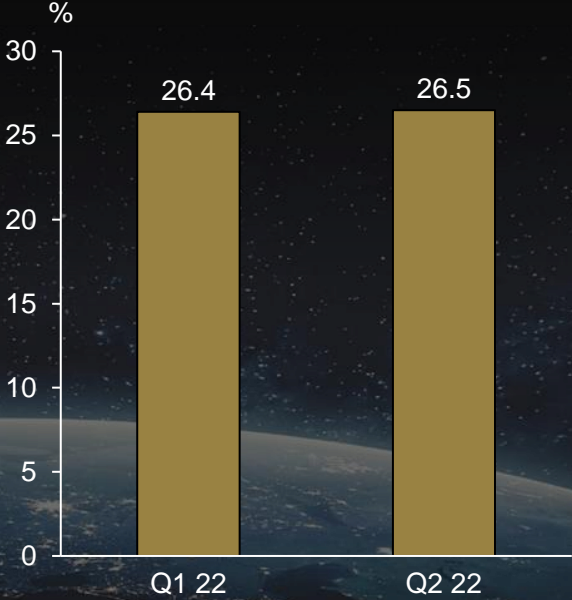
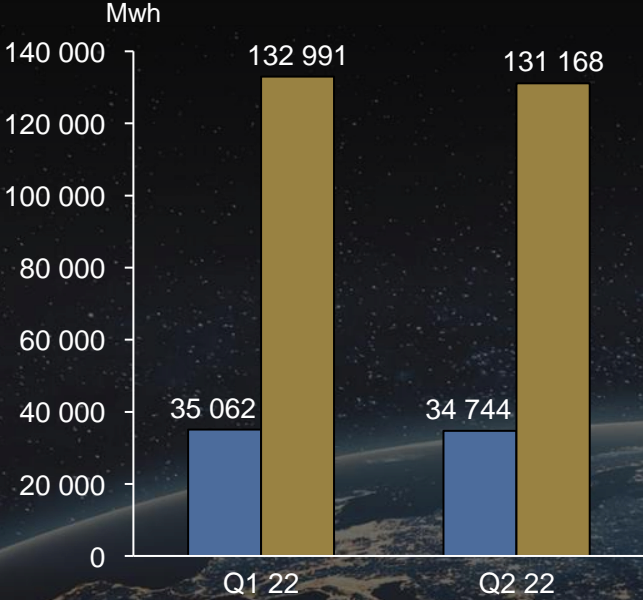
- Organic sales: +21%
- A healthy sales growth in all tire categories and in all geographical markets
- Sales in the Americas particularly strong
- Significantly increased costs for raw materials, energy and transport
- EBIT and margin increased due to efficiencies, volumes and pricing

SEK M	Q2 2022	Q2 2021	Change, %
Net sales	3 359	2 557	31
Organic, %	21	32	
Structural, %	-	-	
Exchange rate, %	10	-7	
EBIT	505	342	48
EBIT, %	15.0	13.4	1.6 p.p.

Group sustainability KPI's



Group sustainability KPI's



■ Renewable and fossil-free electricity
■ Total electricity

■ Renewable and fossil-free electricity / total electricity

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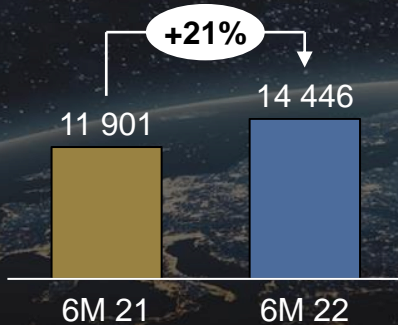
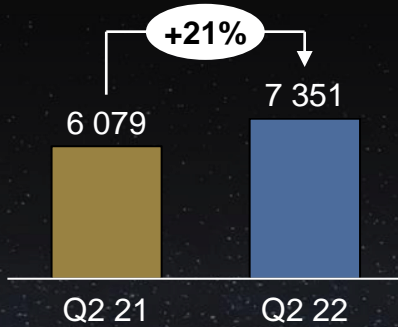
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Strong organic sales trend

Sales development continuing operations



April – June (%)

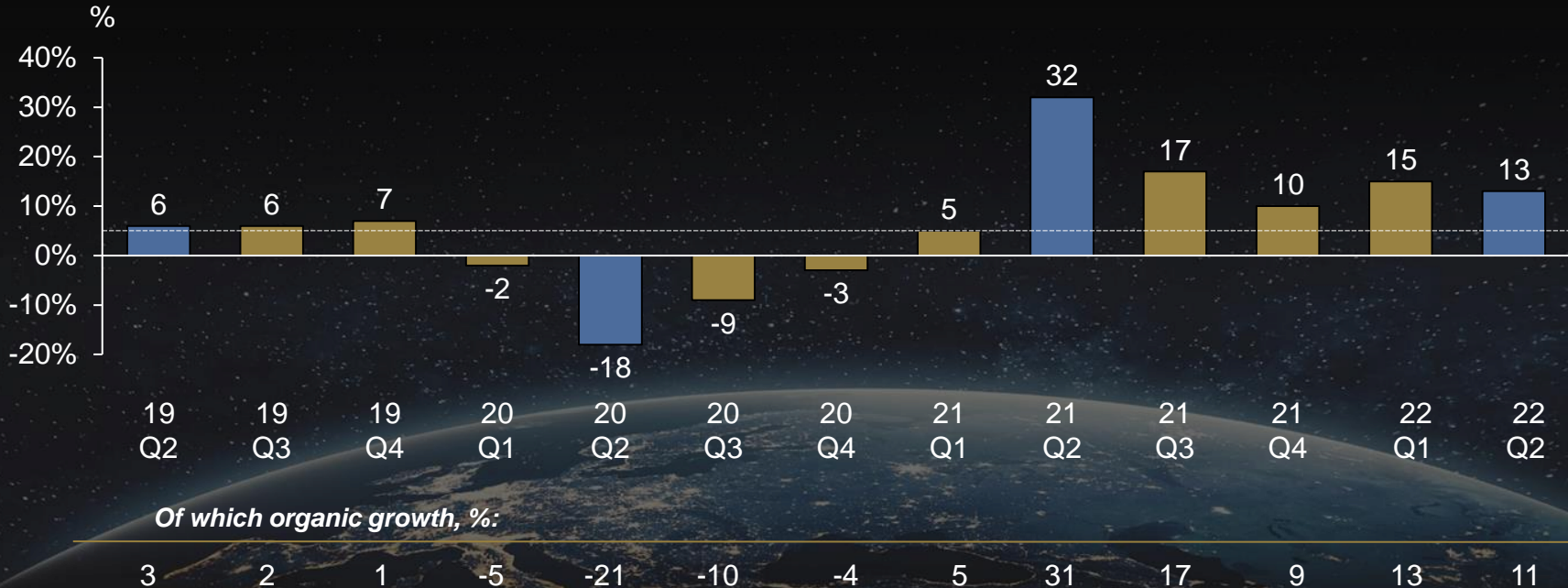
Organic	11
Structural	2
Currency	8
Total	21

January – June (%)

Organic	12
Structural	2
Currency	7
Total	21

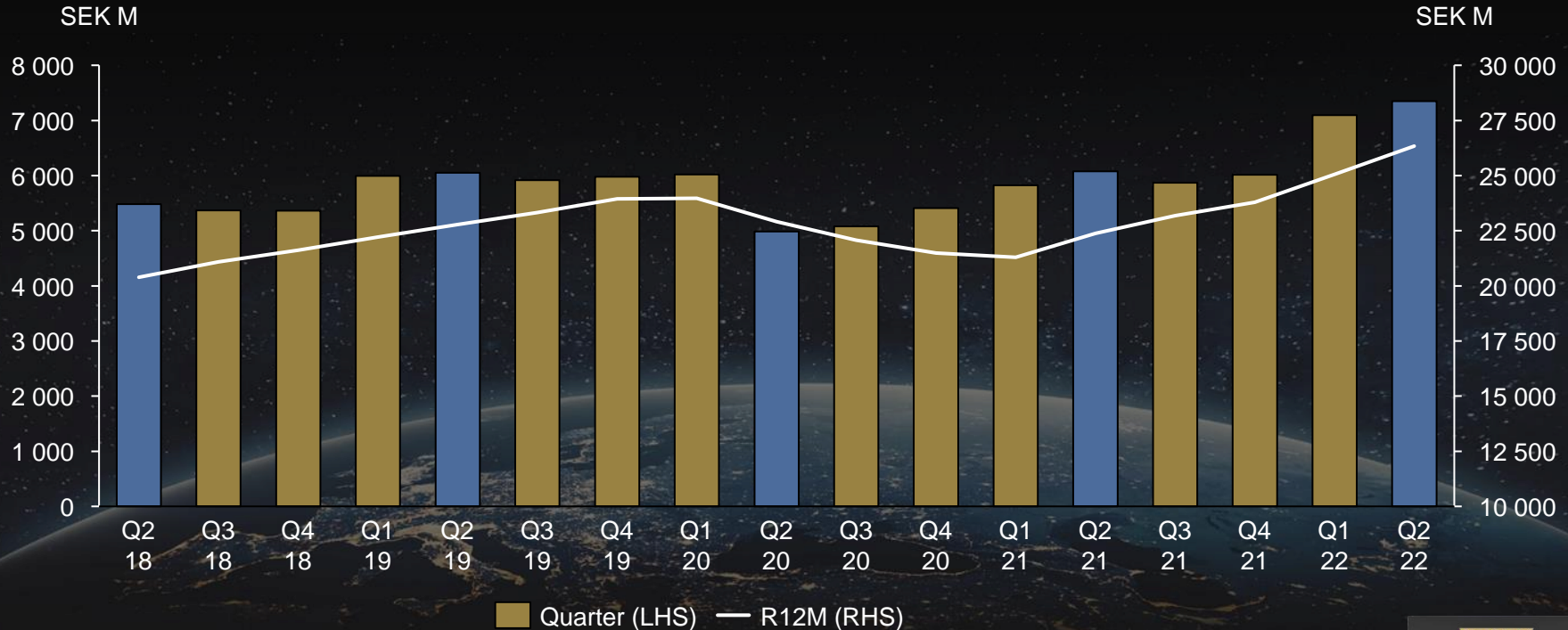
Strong sales trend continues

Target: 5-8% annual sales growth with constant currencies over a business cycle¹



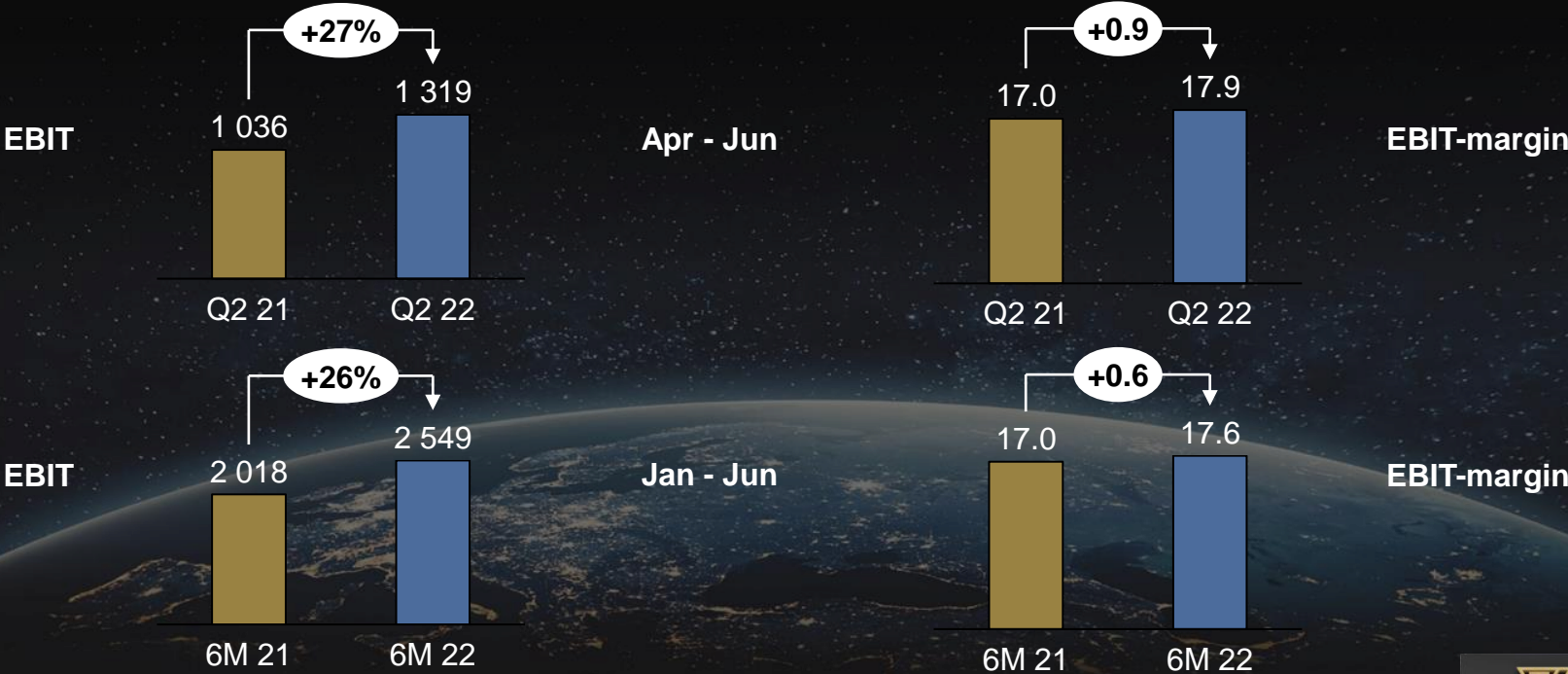
Sales development

Continuing operations, R12M



Highest quarterly EBIT and margin to date

EBIT and margin development¹

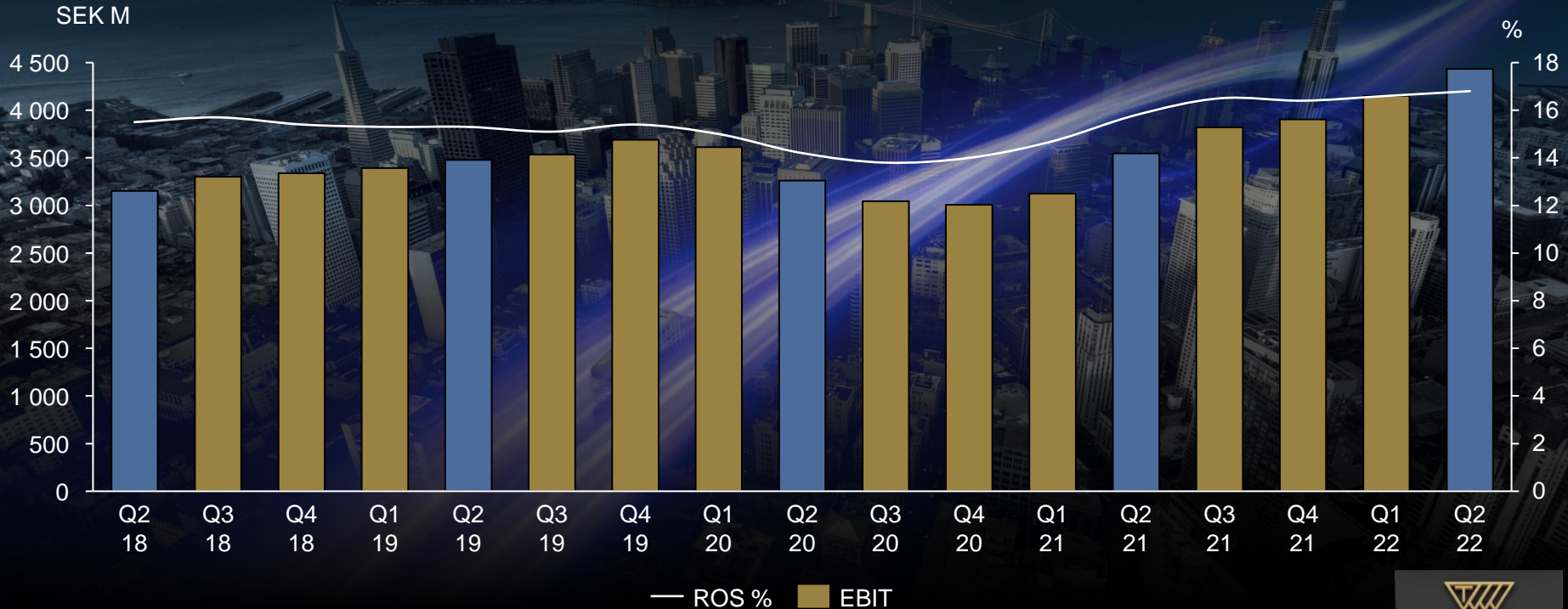


¹ Excl. items affecting comparability, continuing operations



Highest R12M EBIT and margin to date

EBIT and margin, R12M¹

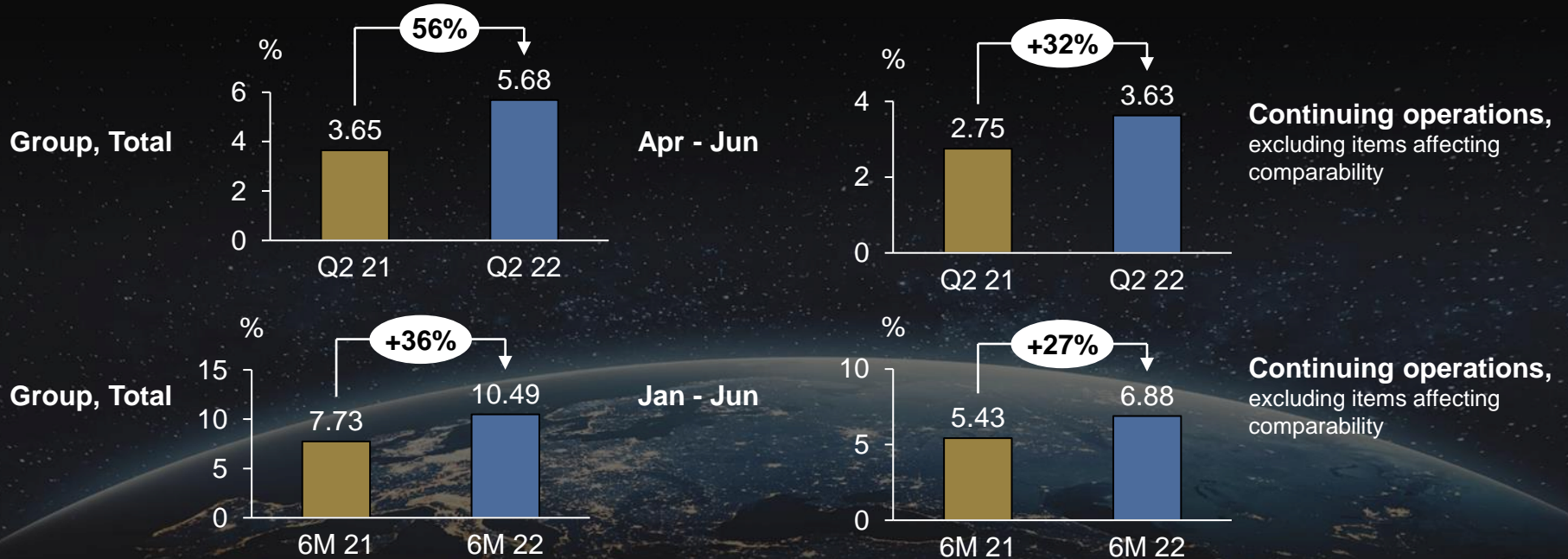


Profit & loss statement

SEK M	Q2 2022	Q2 2021	Change, %	6M 2022	6M 2021	Change, %
Net sales	7 351	6 079	21	14 446	11 901	21
EBIT, excluding items affecting comparability	1 319	1 036	27	2 549	2 018	26
EBIT- margin, %	17.9	17.0		17.6	17.0	
Items affecting comparability	-33	-40		-58	65	
EBIT	1 286	996	29	2 491	2 083	20
Financial income and expenses	-40	-37	-8	-85	-72	-18
Profit before tax	1 246	959	30	2 406	2 011	20
Taxes	-304	-245	-24	-604	-487	-24
Net profit, continuing operations	942	714	32	1 802	1 524	18
Net profit, discontinuing operations	574	278	106	1 017	572	78
Net profit, Group	1 516	992	53	2 819	2 096	34
Earnings per share, SEK, Group	5.68	3.65	56	10.49	7.73	36
Earnings per share, SEK Continuing operations, excluding items affecting comparability	3.63	2.75	32	6.88	5.43	27

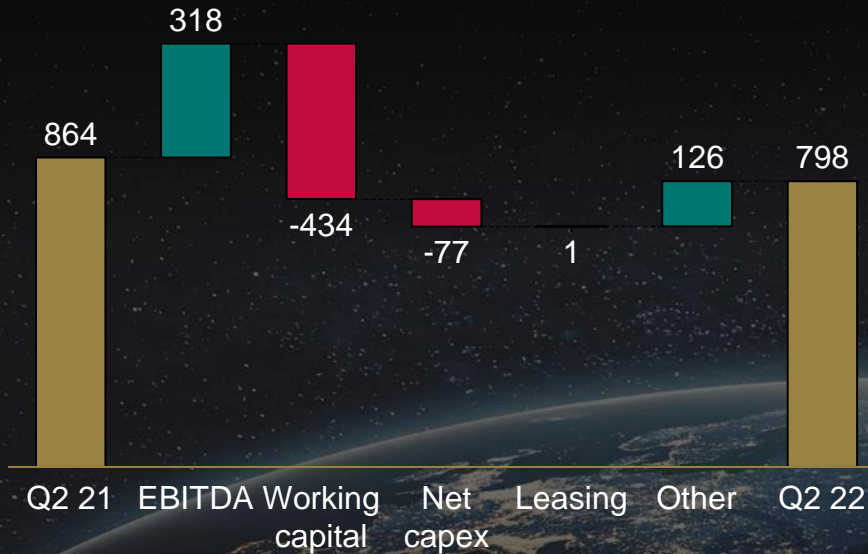
Strong EPS improvement

Earnings per share¹



Cash flow reflects higher business activities

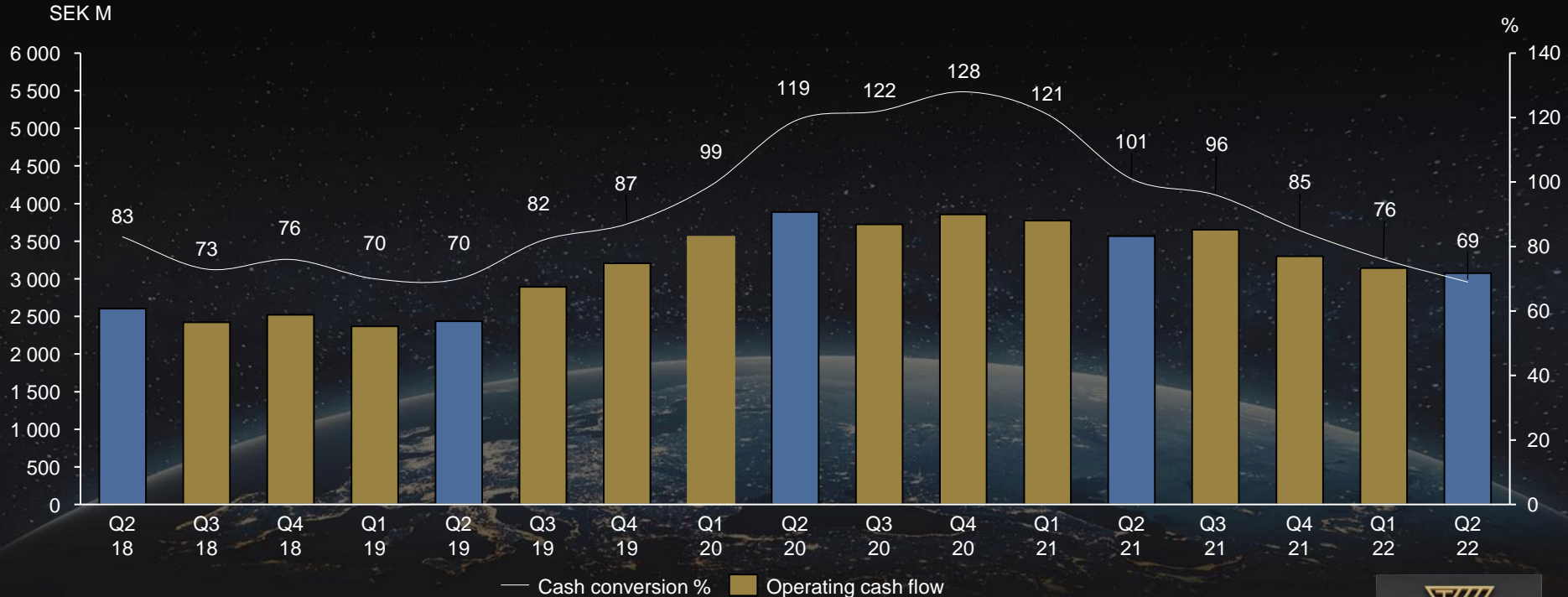
Operating cash flow¹



SEK M	Q2 2022	Q2 2021	Change
EBITDA	1 652	1 334	318
Working capital	-535	-101	-434
Net capex	-240	-163	-77
Leasing	-78	-79	1
Other	-1	-127	126
Operating cash flow	798	864	-66

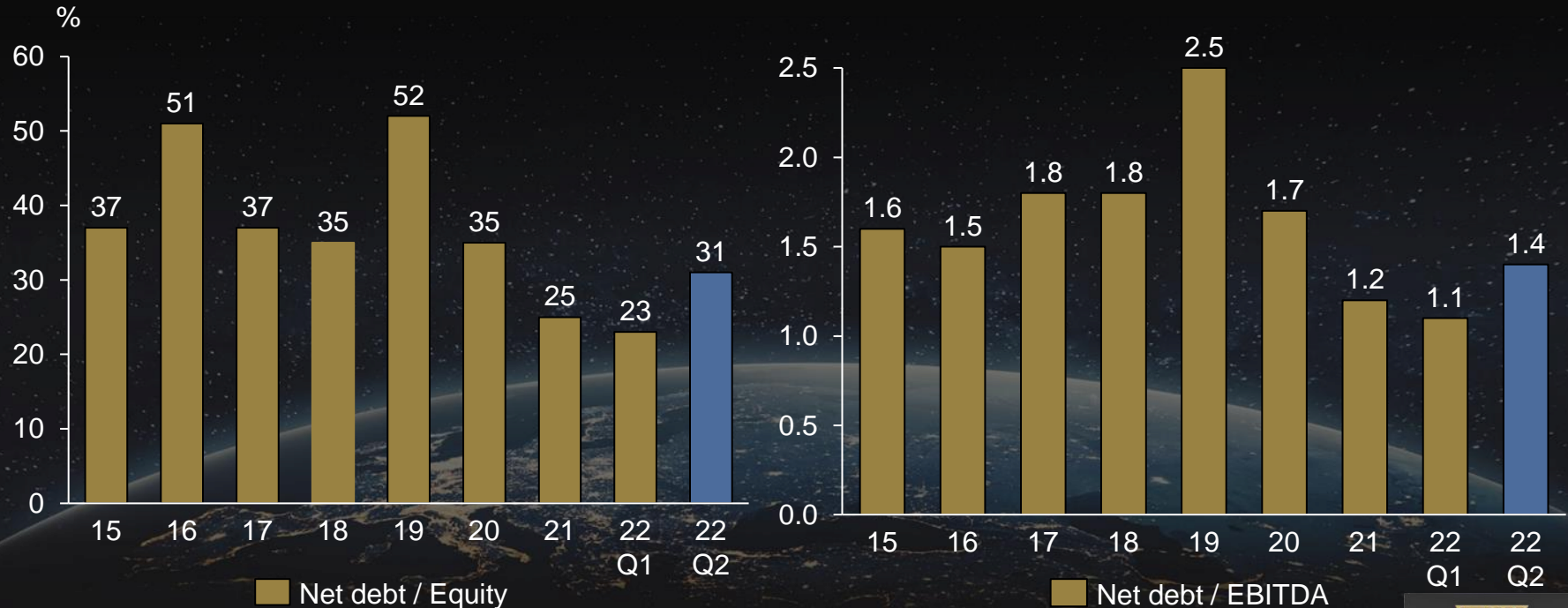
Cash conversion impacted by higher sales

Operating cash flow, R12M¹



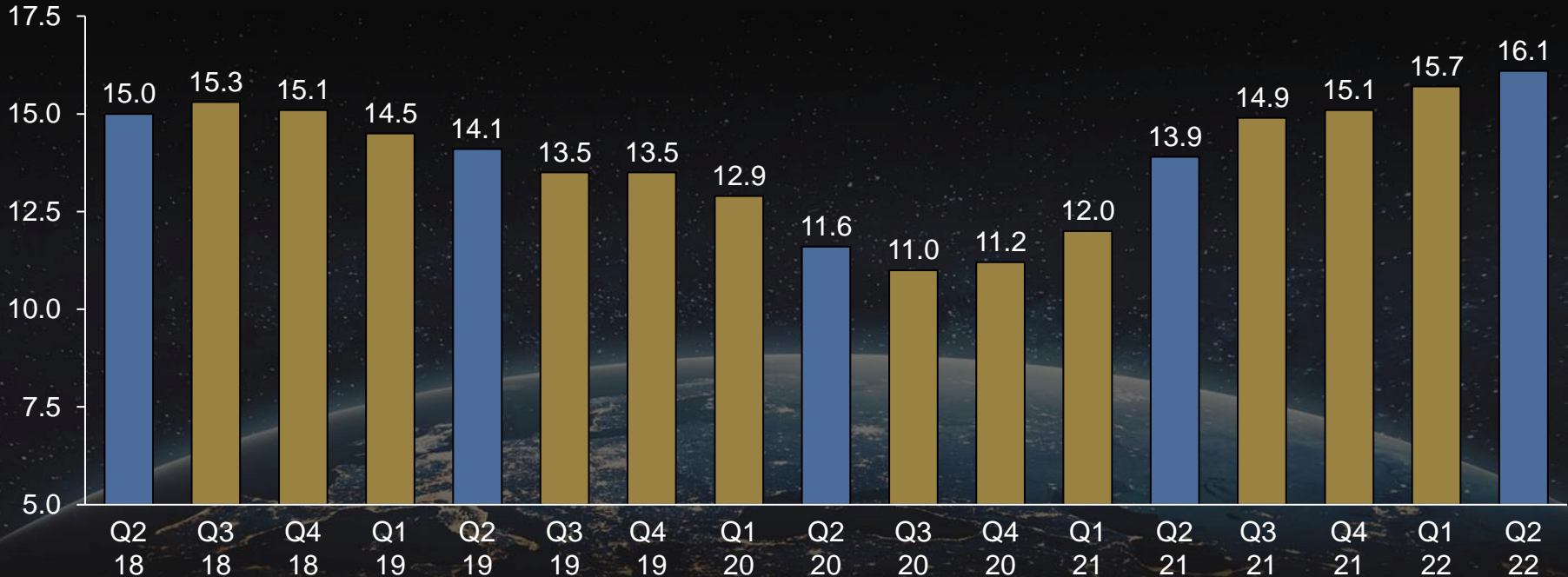
Development impacted by share buy-backs

Gearing and leverage, R12M, Group¹



Positive ROCE development continues

Return on capital employed, R12M, %



Financial guidelines for full-year 2022

Total group (including Assets held for sale)

- Capex: SEK ~1.4 Bn
- Restructuring costs: SEK ~300 M
- Amortization of intangible assets SEK ~300 M
- Underlying tax rate: ~25 percent

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Outlook Q3 2022

- Demand is expected to be slightly lower than in the second quarter of 2022, adjusted for seasonal variations
- The geopolitical situation entails a heightened degree of uncertainty

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