

Trelleborg interim report

Q2, April-June 2024

Peter Nilsson, President & CEO
Fredrik Nilsson, CFO

Agenda

Highlights

Business areas

Financials

Summary & Outlook Q3 2024

Q&A

Organic growth and improved margin

Q2 2024 financial summary¹

- Sales at SEK 8 711 M, in line with the preceding year
- Organic sales +1 percent, M&A -1 percent, currency unchanged
- EBITA at SEK 1 599 M, corresponding to a margin of 18.4 percent (18.0)
- Highest quarterly EBITA to date
- Items affecting comparability at SEK -111 M
- Operating cash flow at SEK 1 190 M
- Acquisitions of MNE Group and BP-Tech Group finalized
- Post Q2: Acquisition of Baron Group finalized

Organic sales development by geography

Organic sales continuing operations

Total	
Apr - Jun 24	Apr - Jun 23
1%	3%

Europe		
Share of sales ¹	Apr - Jun 24	Apr - Jun 23
46%	-1%	3%

North- and South America		
Share of sales ¹	Apr - Jun 24	Apr - Jun 23
35%	3%	4%

Asia and rest of the world		
Share of sales ¹	Apr - Jun 24	Apr - Jun 23
19%	4%	4%

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Improved profitability

Trelleborg Industrial Solutions¹

- Organic sales: -1%, M&A +1%
- Residential construction and industrial segments continue to be weak
- Sales to LNG and renewables increased significantly
- Automotive sales grew, especially in Asia
- EBITA and margin increased on operational and structural improvements
- Acquisition of BP-Tech Group finalized

SEK M	Q2 2024	Q2 2023	Change, %
Net sales	3 955	3 980	-1
Organic, %	-1	6	
Structural, %	1	2	
Exchange rate, %	-1	5	
EBITA	643	632	2
EBITA %	16.3	15.9	0.4 p.p.

Back to organic growth

Trelleborg Medical Solutions¹

- Organic sales: +2%
- Sales to North American medtech market developed well
- Inventory adjustment phase eased
- EBITA and margin impacted by investments in the organization
- Post Q2: Baron Group acquisition finalized

SEK M	Q2 2024	Q2 2023	Change, %
Net sales	665	647	3
Organic, %	2	9	
Structural, %	-	27	
Exchange rate, %	1	7	
EBITA	92	100	-8
EBITA %	14.0	15.4	-1.4 p.p.

Acquisition of Baron Group finalized

Consolidated from 17 July 2024



Back to organic growth

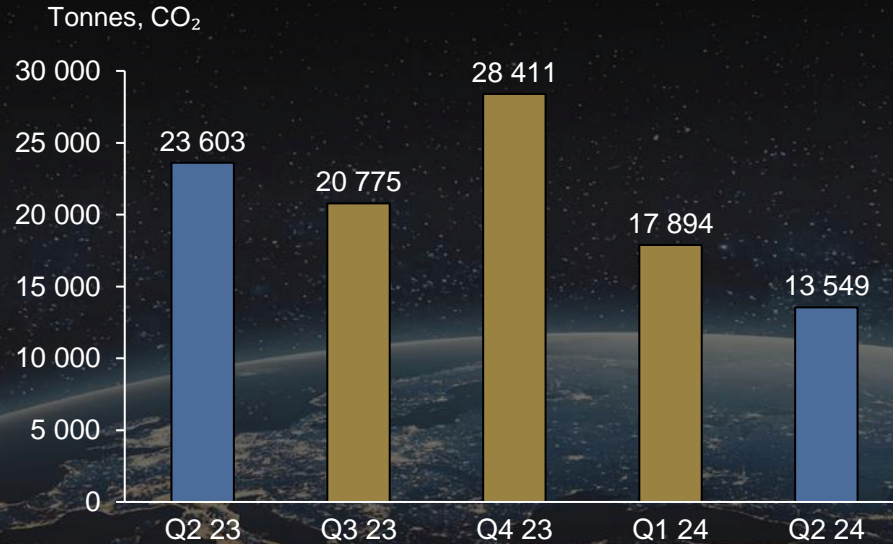
Trelleborg Sealing Solutions¹

- Organic sales: +5%, M&A +2%
- Sales to general industry declined in most markets, better in Asia
- Deliveries to the automotive industry increased in all regions
- Continued strong sales to aerospace
- EBITA improved, margin diluted due to investments in selected markets segments
- Acquisition of MNE Group finalized

SEK M	Q2 2024	Q2 2023	Change, %
Net sales	4 349	4 048	7
Organic, %	5	0	
Structural, %	2	15	
Exchange rate, %	0	6	
EBITA	921	901	2
EBITA %	21.2	22.3	-1.1 p.p.

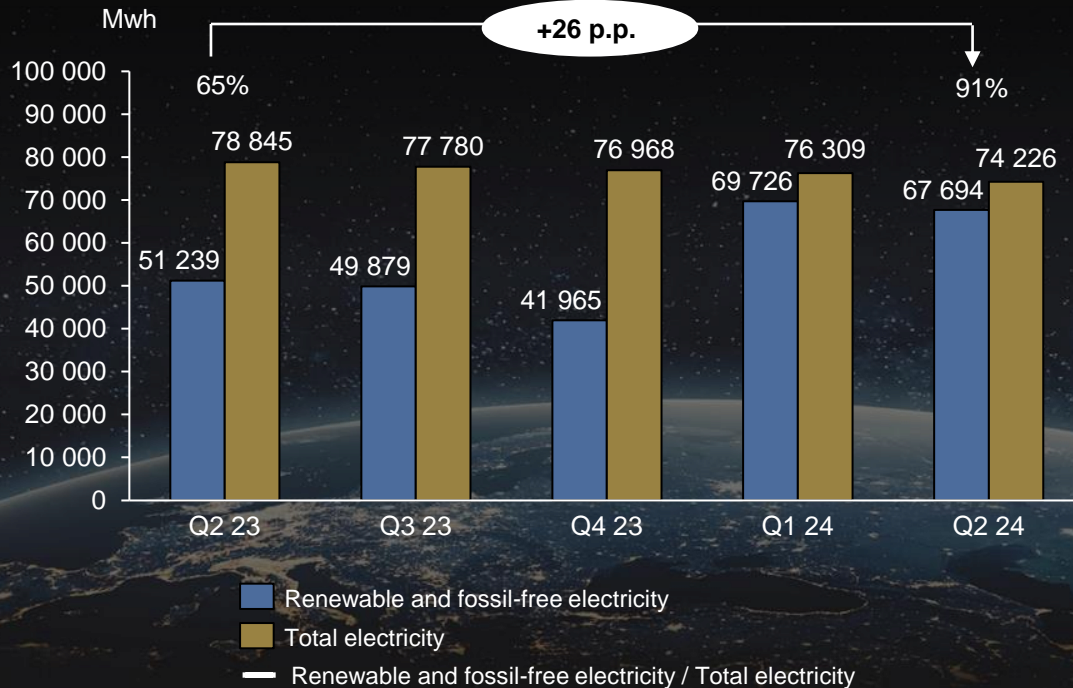
Sustainability KPIs – continuing operations

Carbon dioxide emissions



Sustainability KPIs – continuing operations

Share of renewable and fossil-free electricity



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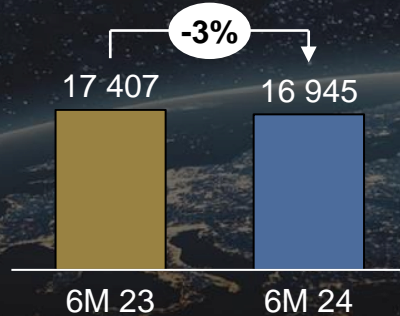
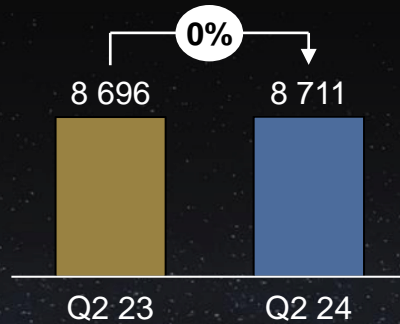
Financials

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Q&A

Slight sales increase

Sales development continuing operations



April – June (%)

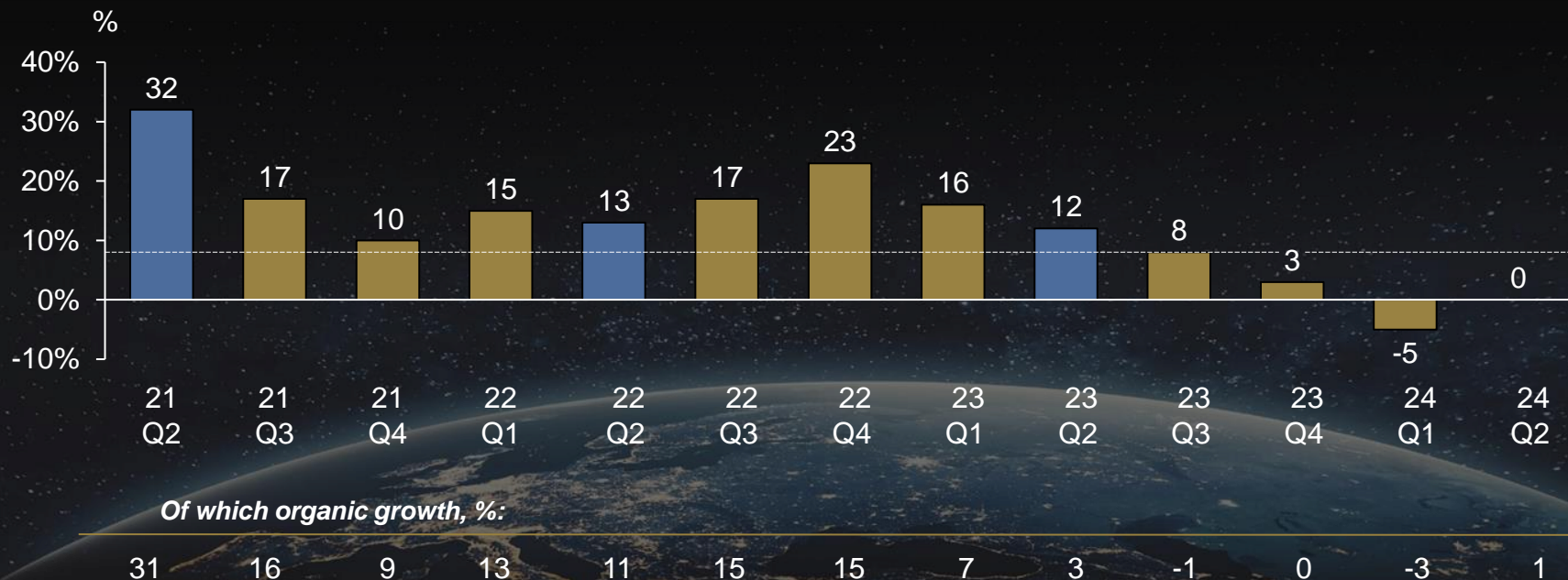
Organic	1
Structural	-1
Currency	0
<hr/>	
Total	0

January – June (%)

Organic	-1
Structural	-1
Currency	-1
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Total	-3

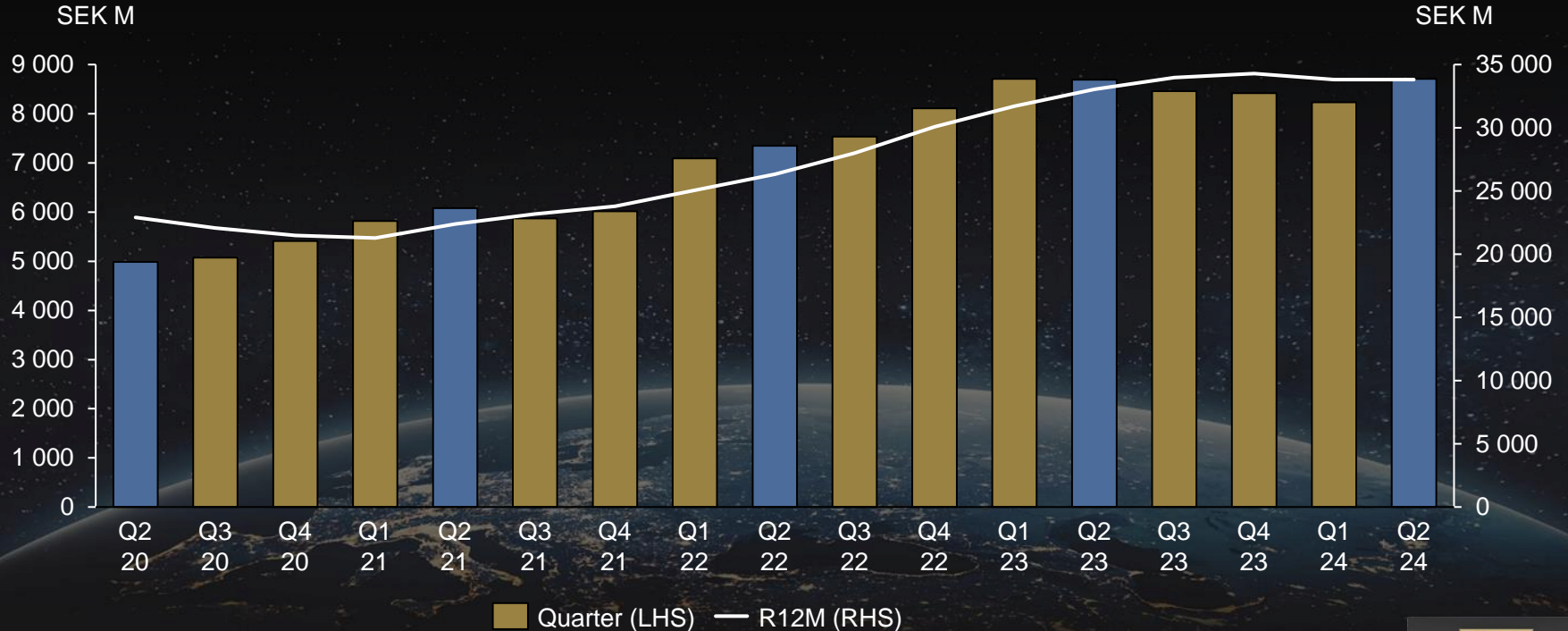
Back to organic sales growth

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



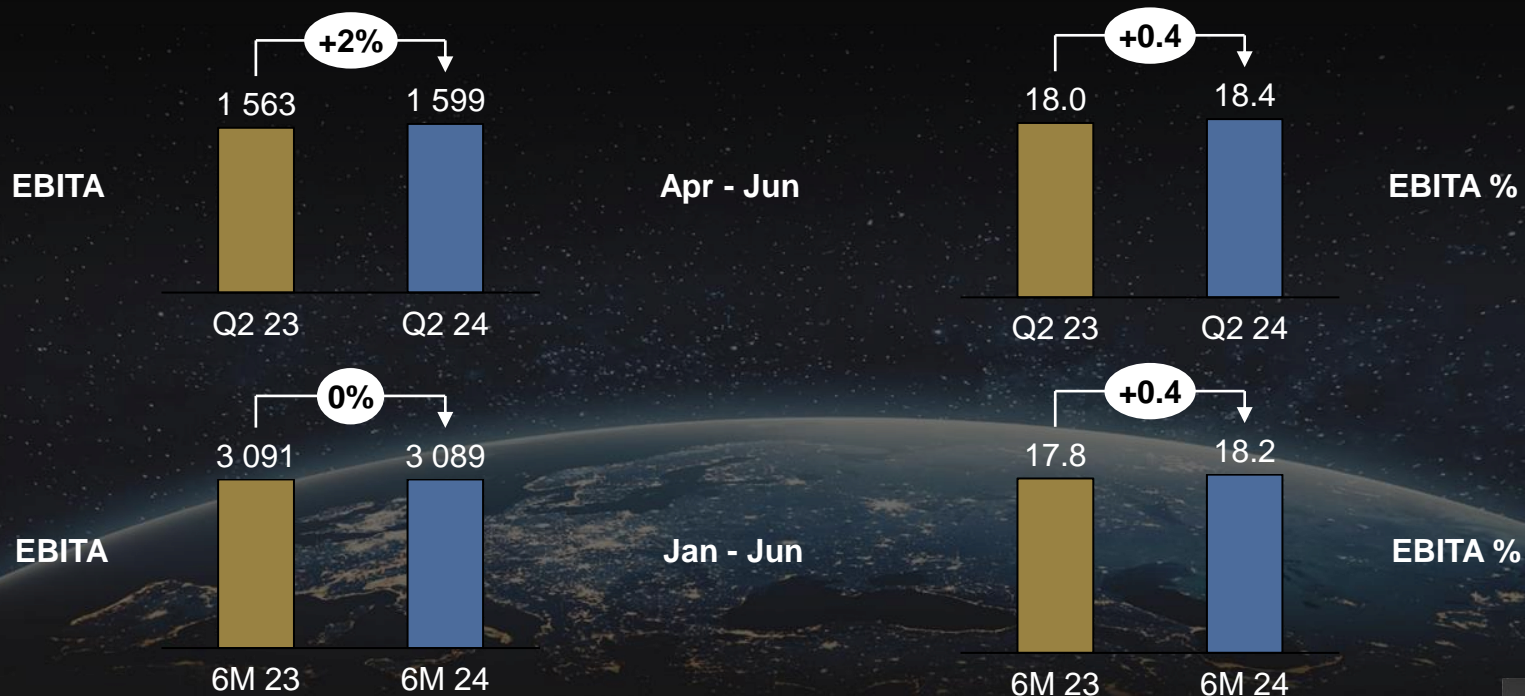
Sales development

Continuing operations, R12M



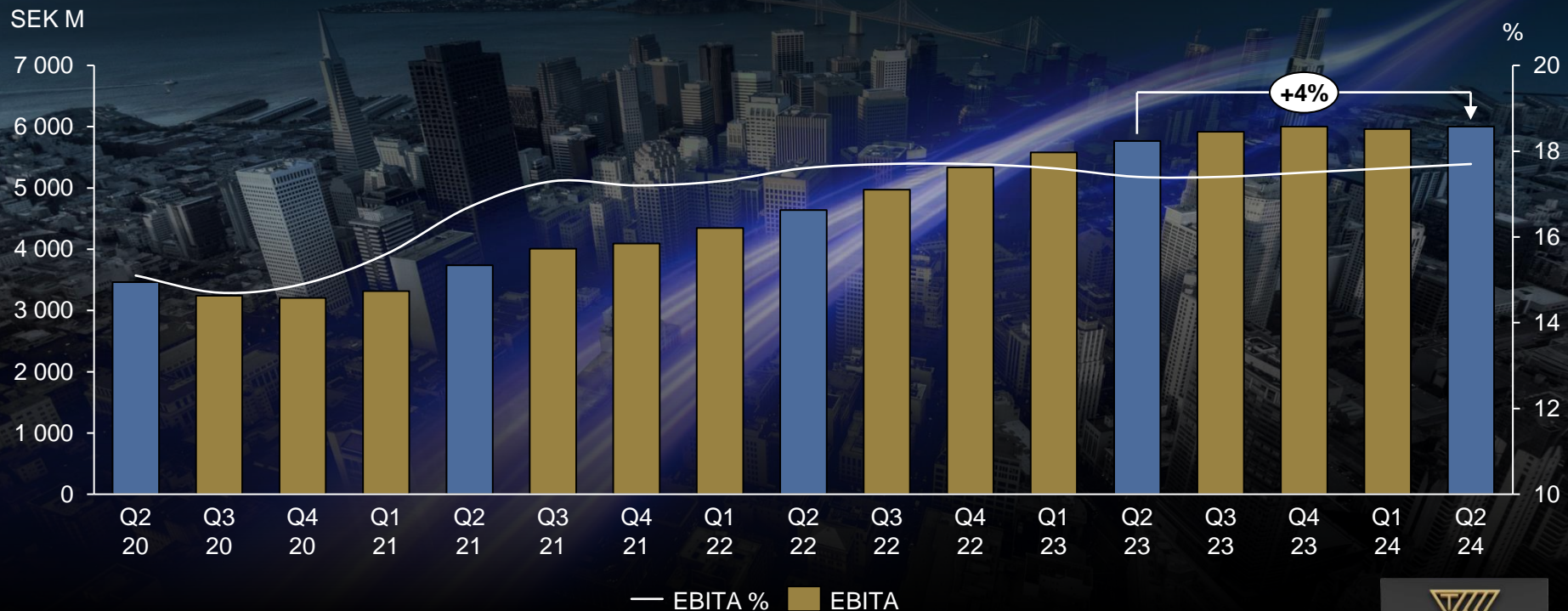
EBITA and margin improvement

EBITA and margin development¹



R12M EBITA – continued improvement

EBITA and margin, R12M¹

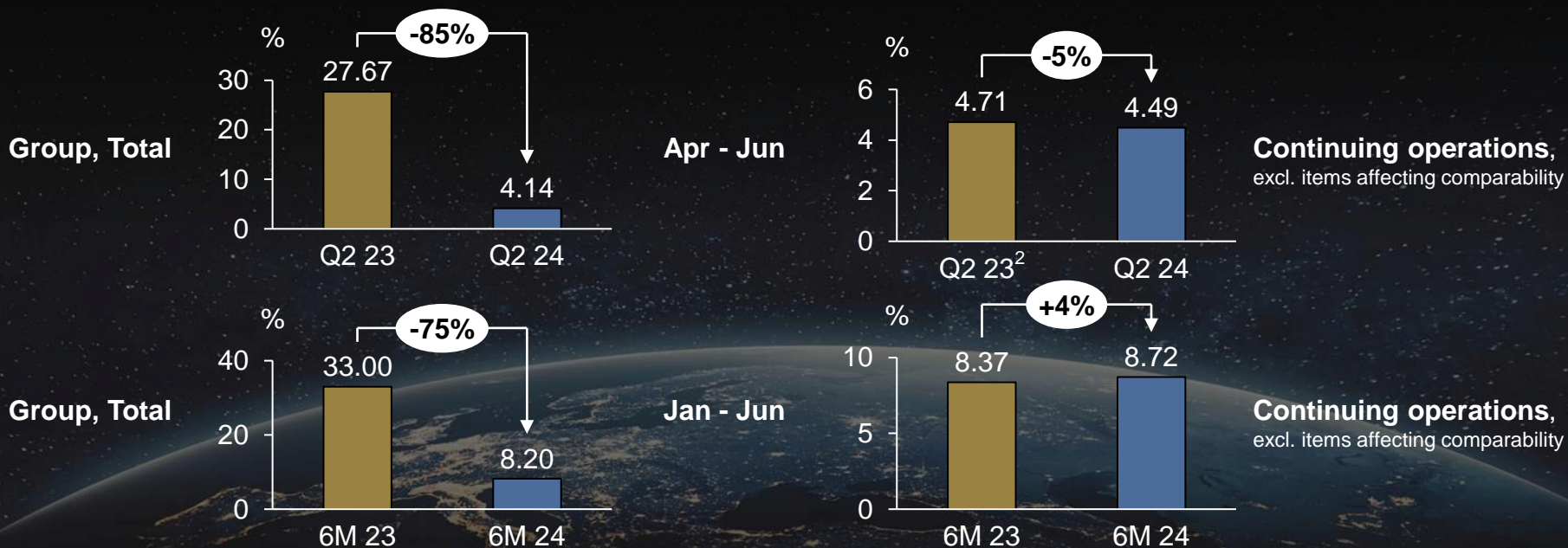


Profit & loss statement

SEK M	Q2 2024	Q2 2023	Change, %	6M 2024	6M 2023	Change, %
Net sales	8 711	8 696	0	16 945	17 407	-3
EBITA, excluding items affecting comparability	1 599	1 563	2	3 089	3 091	0
EBITA-margin, %	18.4	18.0		18.2	17.8	
EBIT, excluding items affecting comparability	1 483	1 442	3	2 862	2 853	0
EBIT-margin, %	17.0	16.6		16.9	16.4	
Items affecting comparability	-111	-194		-166	-243	
EBIT	1 372	1 248	10	2 696	2 610	3
Financial income and expenses	-63	140	-145	-83	-25	-232
Profit before tax	1 309	1 388	-6	2 613	2 585	1
Taxes	-321	-491	35	-645	-789	18
Net profit, continuing operations	988	897	10	1 968	1 796	10
Net profit, discontinuing operations	-	6 130	-100	-	6 593	-100
Net profit, Group	988	7 027	-86	1 968	8 389	-77
Earnings per share, SEK, Group	4.14	27.67	-85	8.20	33.00	-75
Earnings per share, SEK Continuing operations, excluding items affecting comparability	4.49	4.71	-5	8.72	8.37	4

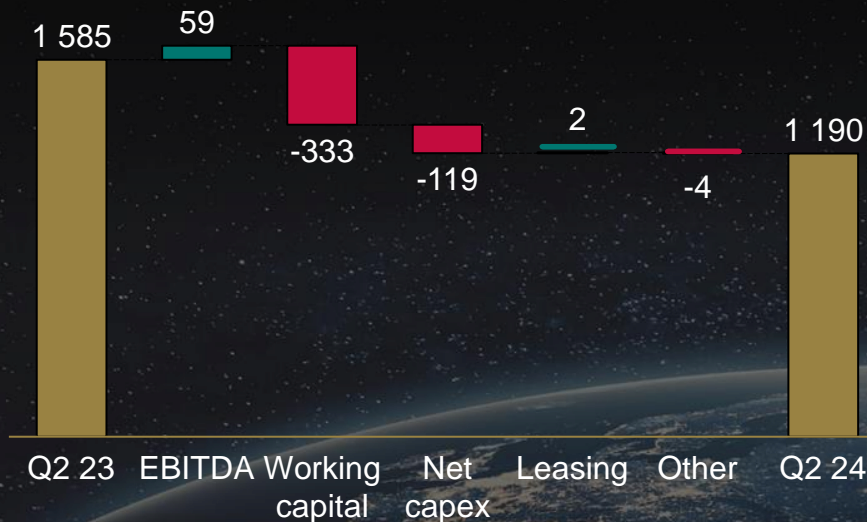
Slight EPS decline in continuing operations

Earnings per share¹



Cash flow impacted by higher capex and WC

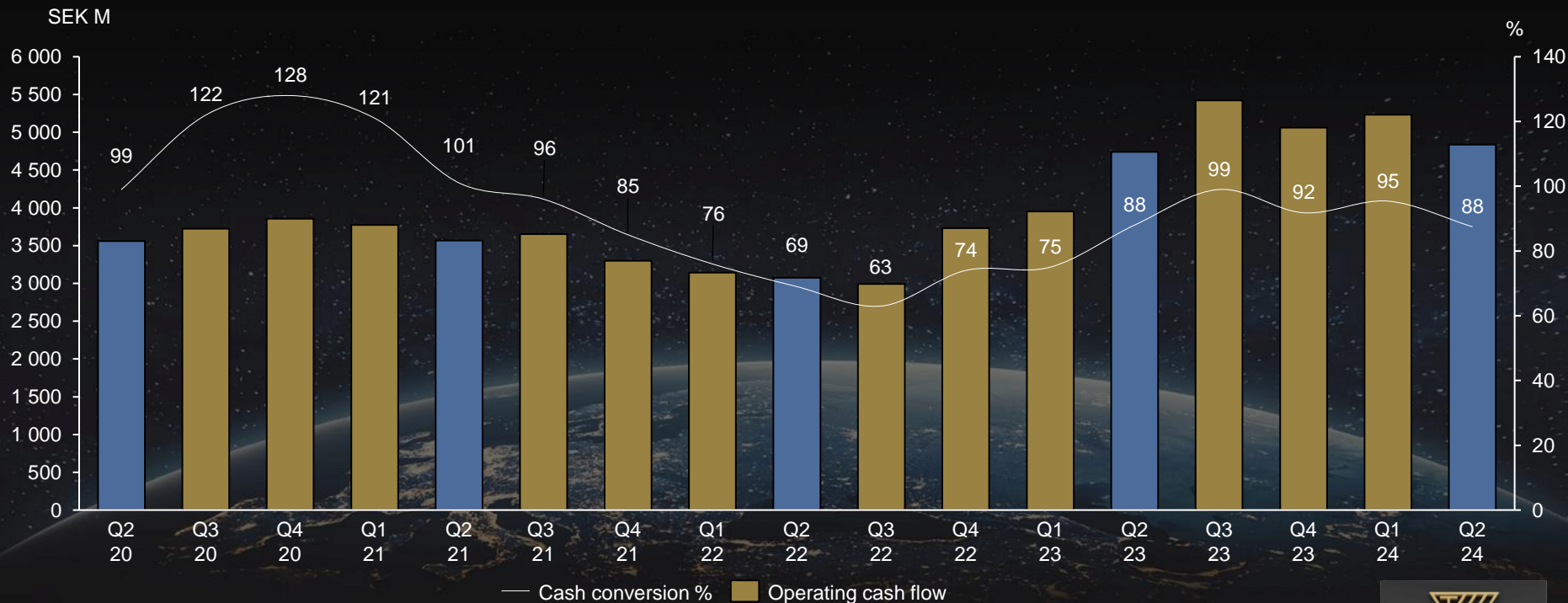
Operating cash flow¹



SEK M	Q2 2024	Q2 2023	Change
EBITDA	1 950	1 891	59
Working capital	-182	151	-333
Net capex	-492	-373	-119
Leasing	-86	-88	2
Other	0	4	-4
Operating cash flow	1 190	1 585	-395

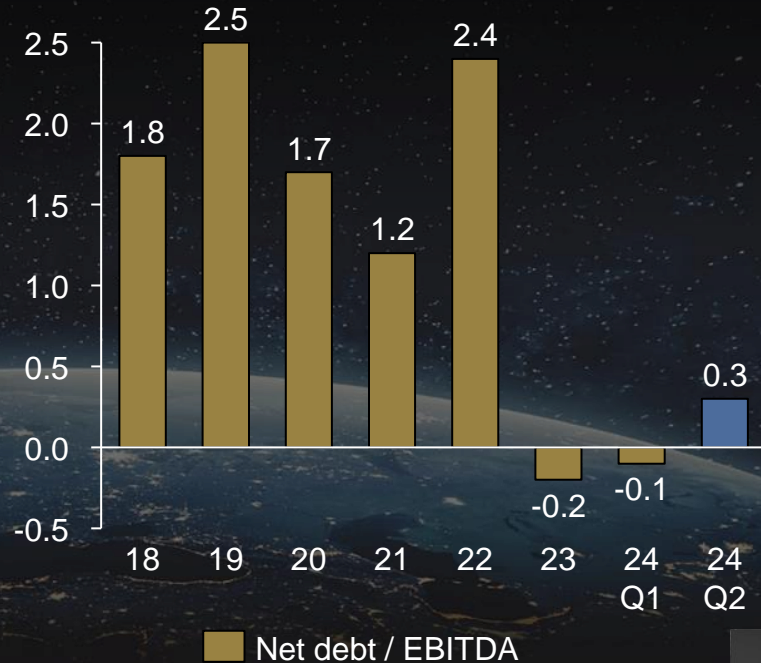
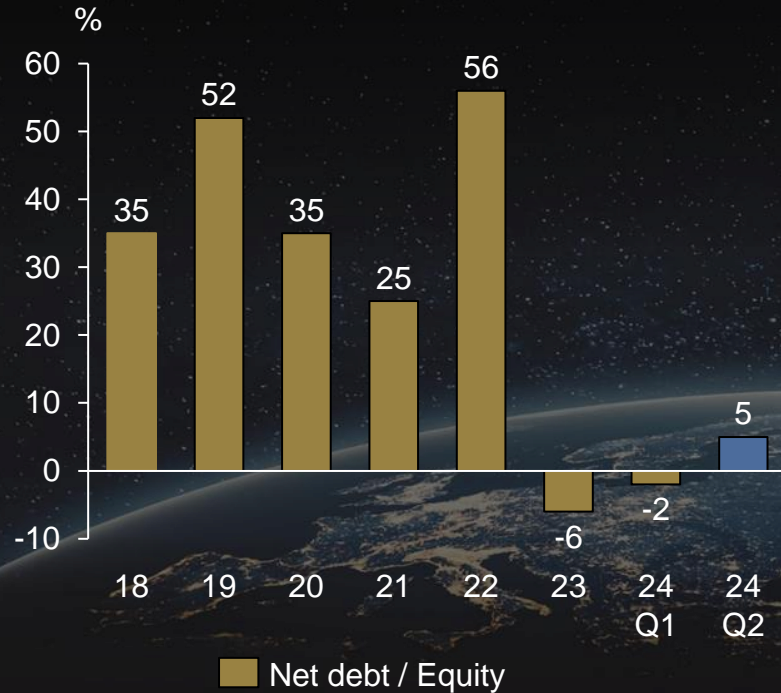
Cash conversion remains at a solid level

Operating cash flow, R12M¹



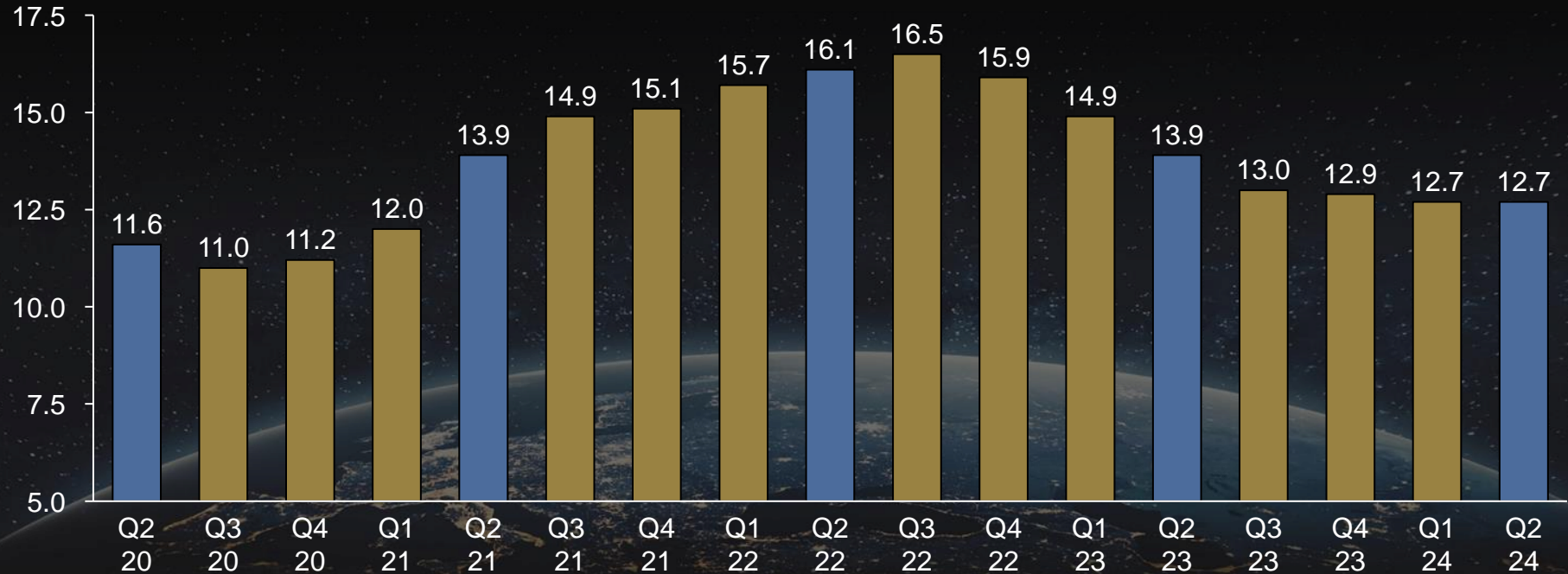
Net debt due to acquisitions and buy-backs

Gearing and leverage, R12M, Group¹



ROCE impacted by acquisitions

Return on capital employed, R12M, %



Financial guidelines for full-year 2024

Continuing operations

- Capex: SEK ~1.6 Bn
- Restructuring costs: SEK ~300 M
- Amortization of intangible assets SEK ~500 M¹
- Underlying tax rate: ~25 percent

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Outlook Q3 2024

- Demand is expected to be somewhat higher compared with the second quarter of 2024, adjusted for seasonal variations
- The geopolitical situation entails a heightened degree of uncertainty

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Questions & answers

An aerial night view of San Francisco, California. The city's dense skyline of skyscrapers is visible, with the Golden Gate Bridge spanning the water in the background. Several bright, curved light trails, resembling long-exposure photography of light or data flow, sweep across the city from the bottom left towards the top right.