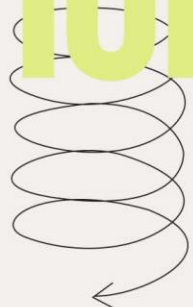




CELEBRATING

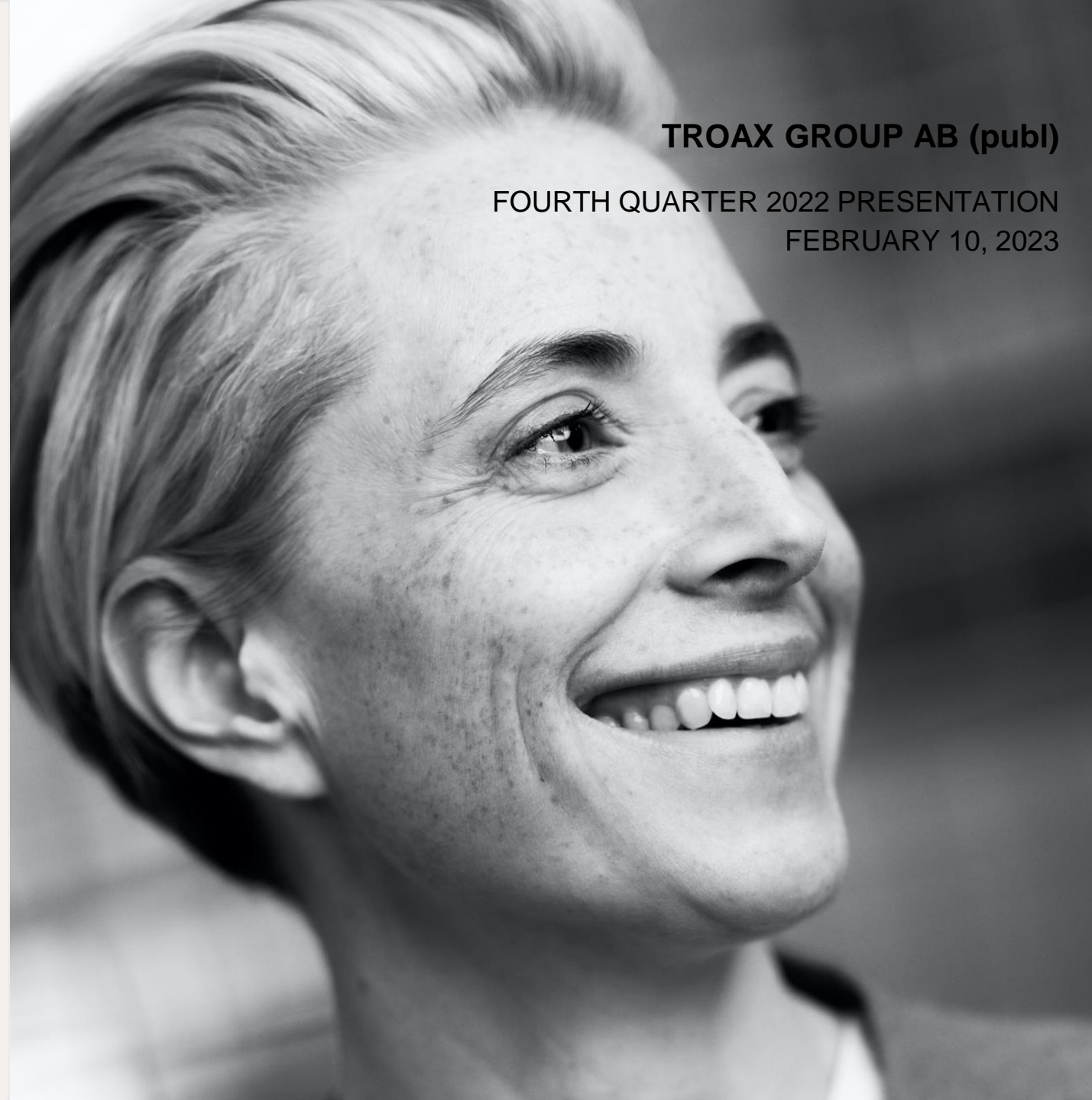


COOPERATION



TROAX GROUP AB (publ)

**FOURTH QUARTER 2022 PRESENTATION
FEBRUARY 10, 2023**



THIS IS TROAX

**SAFE AND SOUND
ON SOLID GROUND**

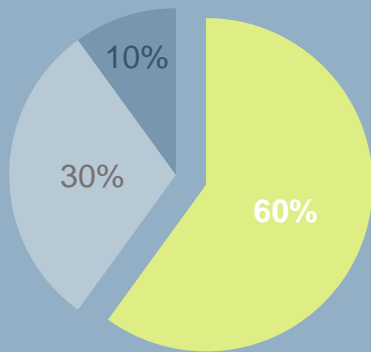
Making your
world **safe.**

THIS IS TROAX

PRODUCT SEGMENTS

MACHINE GUARDING

Maximum safety

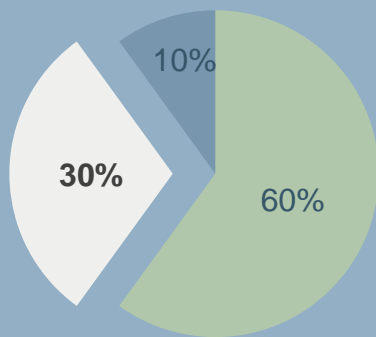


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PRODUCT SEGMENTS

WAREHOUSE PARTITIONING

Safe handling

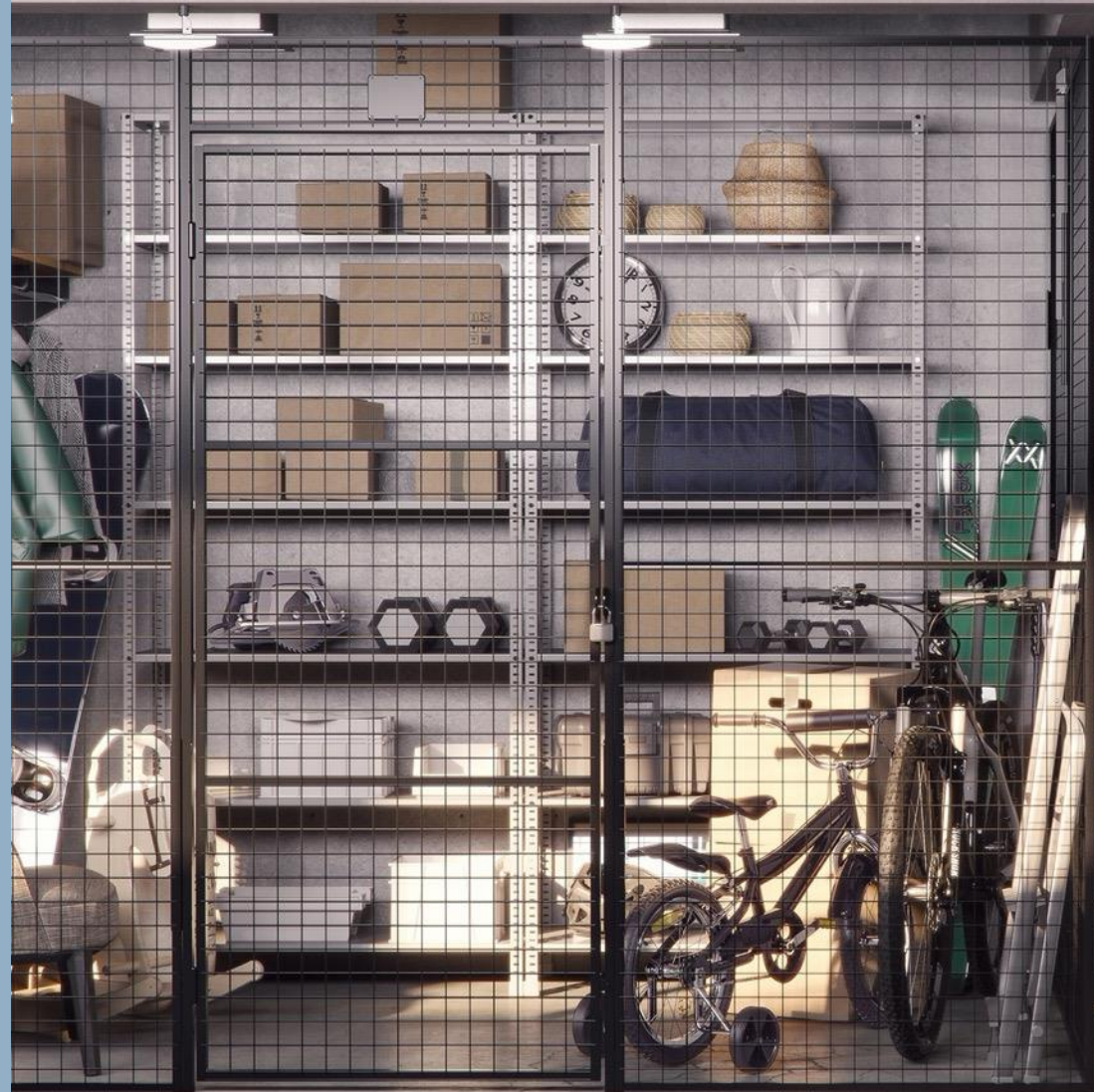
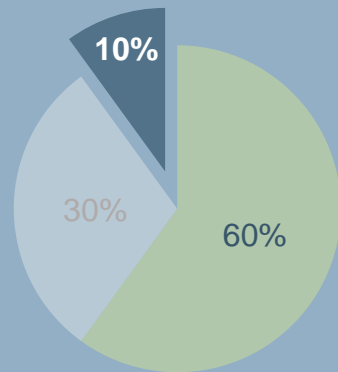


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PRODUCT SEGMENTS

PROPERTY PROTECTION

Storage solutions



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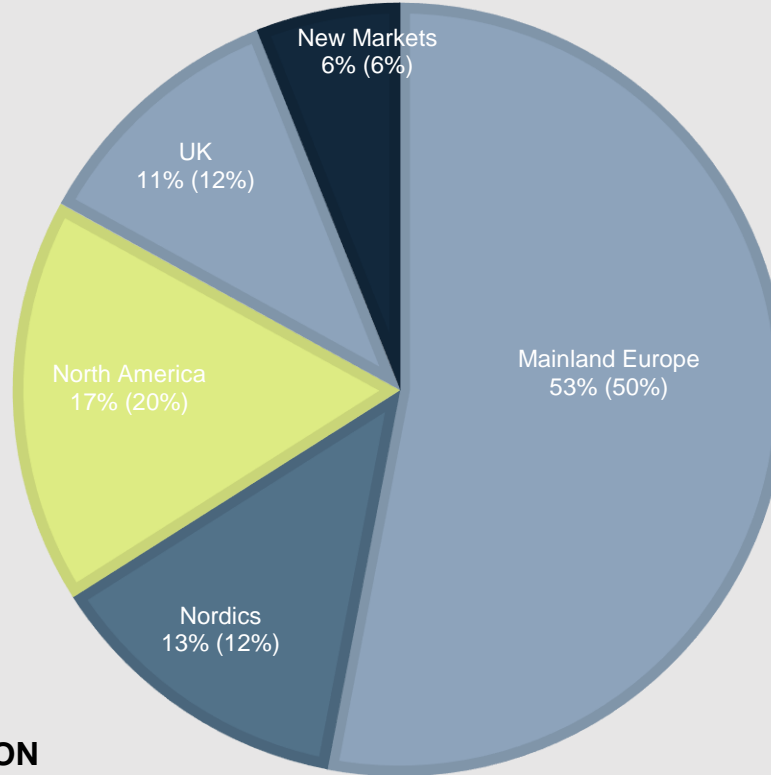
AUTOMATED WAREHOUSE

Safety on all levels

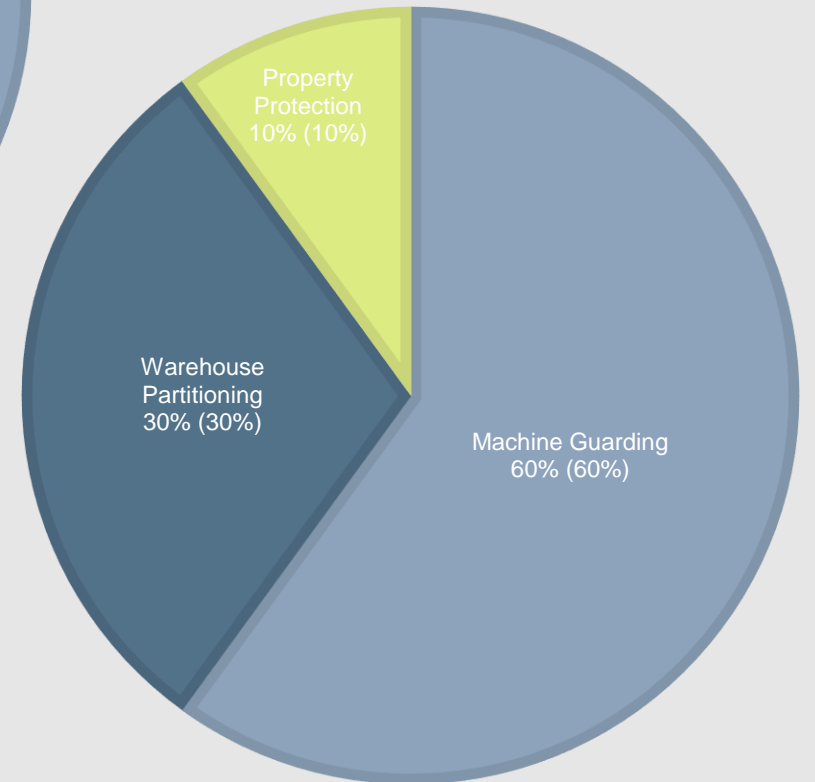


THE YEAR IN BRIEF

SALES PER REGION
2022 (2021)



SALES PER BUSINESS AREA
2022 (2021)



2022 EUR MILLION

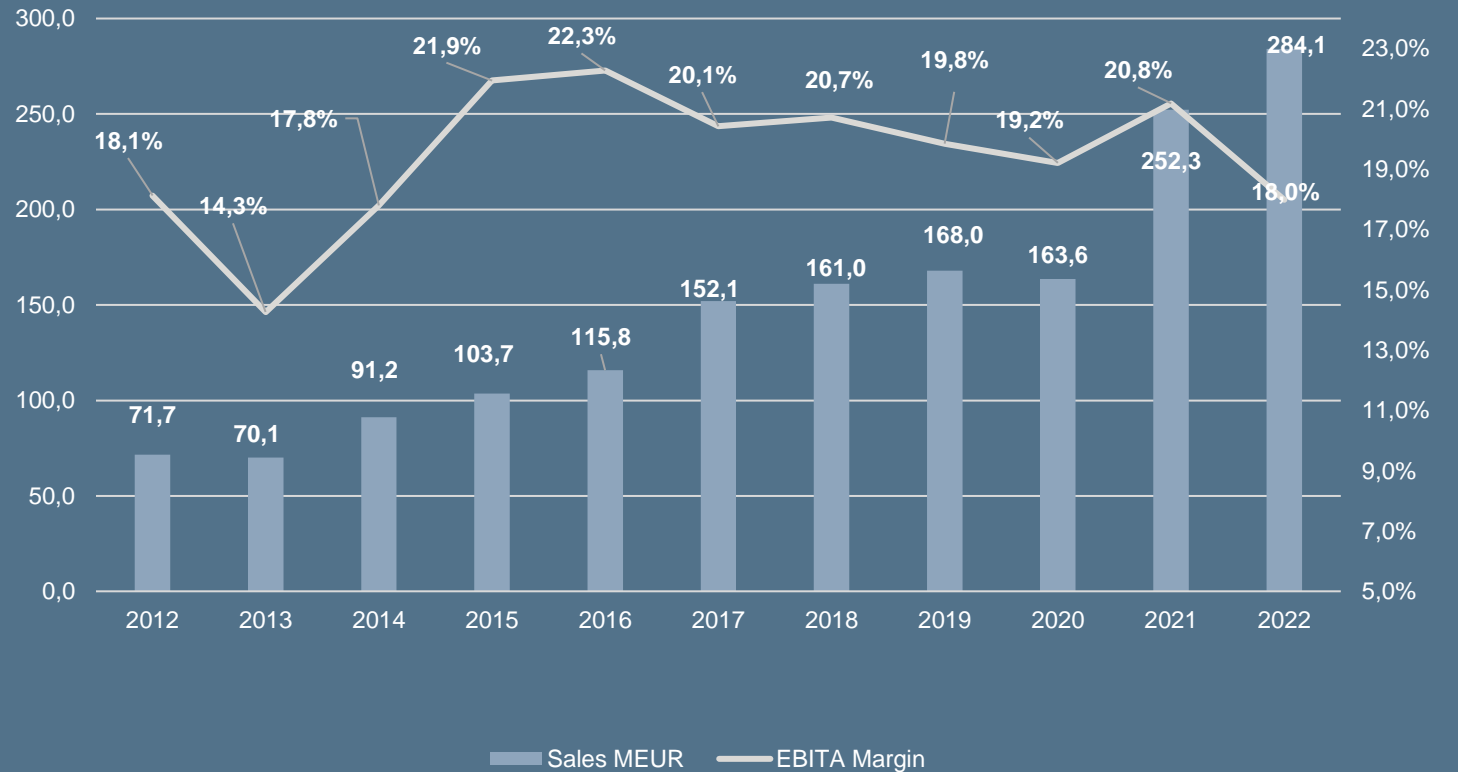
2022

**YEAR ON
YEAR CHANGE**

| | | |
|--------------------------|-------|-------|
| Orders received | 272.7 | -1% |
| Net sales | 284.1 | +13% |
| Operating profit | 51.1 | -4% |
| Operating margin (EBITA) | 18.0% | -3.2% |
| Earnings per share (EUR) | 0.61 | -8% |
| Dividend per share | 0.32 | +7% |

THE YEAR IN BRIEF

- Troax is the global market leader of indoor perimeters protection ("mesh panel solutions")
- Relative market share is 3x larger than #2 player
- Local presence in 45 countries
- Troax had a sales CAGR 2013-2022 of 14.7% and an organic sales CAGR 2013-2022 of 11.7%
- Strong position in the value chain and low supplier and customer dependency
- Approx, 30% of total employees work within sales



FINANCIAL TARGETS

| | | Financial targets | Actuals 2022 YTD |
|--------------------------|--|--|--------------------------------------|
| Sales growth | “Troax’ objective is to exceed the growth in the Company’s current markets through organic growth, as well as selective acquisitions” | >Market growth Sales growth | Organic: 12%*) M&A: 1% |
| Profitability | “Troax’ target is to have an operating margin in excess of 20%” | 20% Adjusted EBITA margin | 18,0% |
| Capital structure | “Net debt in relation to EBITDA, excluding temporary deviations, shall not exceed 2.5 times.” | <2,5x Net debt to EBITDA | 0,6 x |
| Dividend policy | “Troax’ target is to pay approximately 50 percent of its net profit in dividends. The dividend proposal shall take into account Troax’ long-term development potential, it’s financial position and its investment needs.” | 50% Pay-out ratio | 52% |

*) Whereof main part is price.



SUMMARY Q4 2022

- Q4 was as expected hampered by lower activities within automated warehouse. Positive is, that the rest of the market continued to have good activity levels.
- The sales invoiced is positively influenced by a net effect due to steel price development with approximately 10%. The steel price has started to be stable from the summer period.
- A reasonable EBITA result and margin in Q4 2022 was recorded especially seen in the light of the turbulent situation in the quarter and the lower volume produced in our manufacturing units.
- The gross margin were still on the low side due to low manufacturing volumes and also an accrual for obsolescence in inventory.
- We have in good cooperation with our customers increased prices and the effect can be seen in the second half year 2022.
- Good sales levels in the Nordic region and New markets.
- Earnings per share were 0,12 (0,14) EUR.
- Working capital is on expected lower levels. Cash flow was quite positive in the quarter.
- Natom Logistics, Poland, has this quarter again been negatively influenced by the lower activity from automated warehouse customers. Our smaller acquisition in Spain, Claitec, has continued to develop well, but has some problems with long lead times on some components. During the quarter, we acquired Svenska Cykelrum, which adds product solutions for bicycle storage mainly in the Nordic area.
- Towards the end of the quarter, we started another expansion of our facilities in Hillerstorp, Sweden.

FINANCIAL HIGHLIGHTS, GROUP

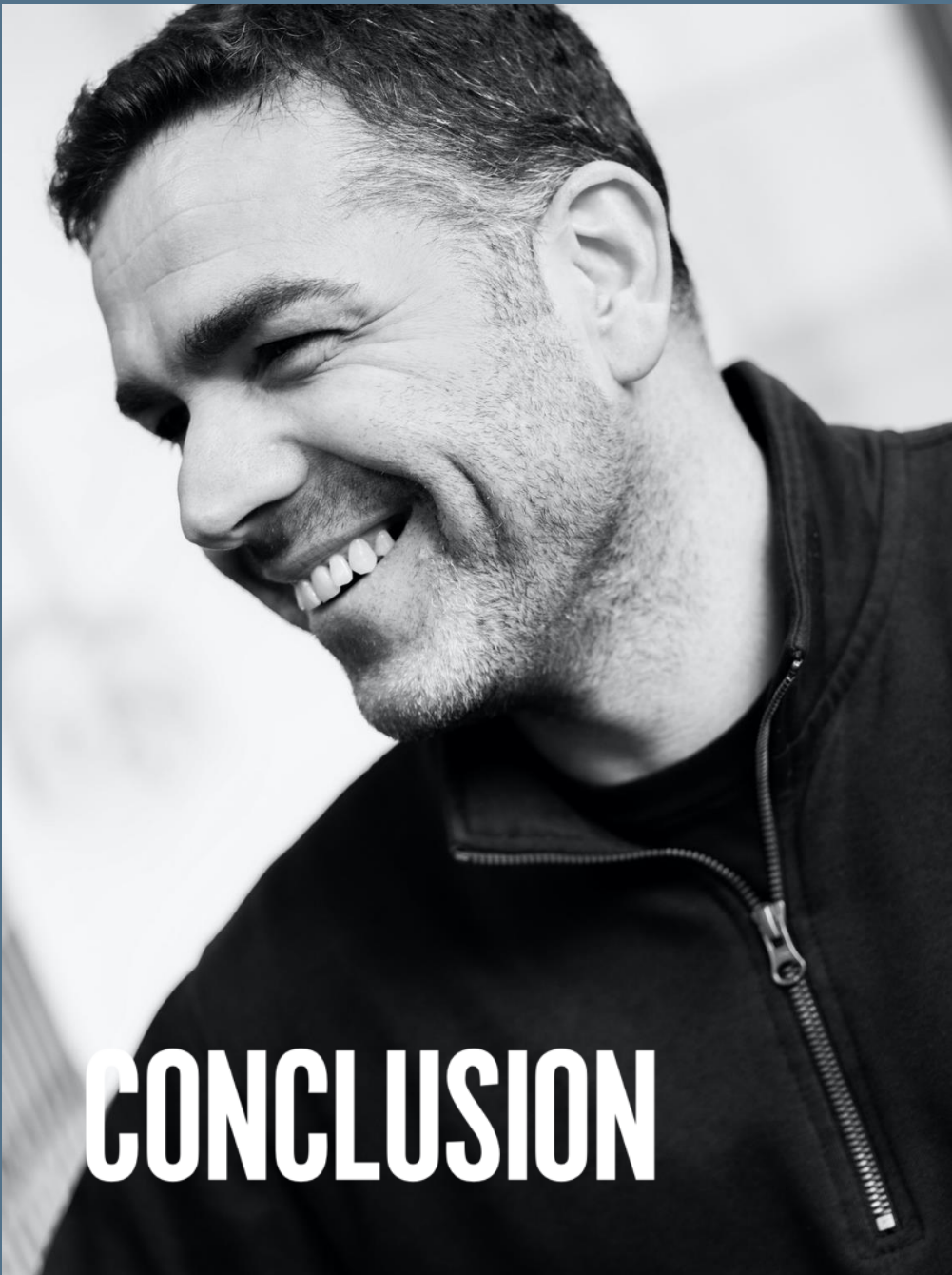
| MEUR | 3 Months | 3 Months | 12 Months | 12 Months | 12 Months |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Oct-Dec 2022 | Oct-Dec 2021 | Jan-Dec 2022 | Jan-Dec 2021 | Jan-Dec 2020 |
| Order intake | 63,6 | 73,5 | 272,7 | 275,8 | 178,4 |
| Sales | 65,3 | 64,6 | 284,1 | 252,3 | 163,6 |
| Gross profit | 22,7 | 22,8 | 97,3 | 95,2 | 64,8 |
| Gross margin, % | 34,8 | 35,3 | 34,2 | 37,7 | 39,6 |
| EBITA | 11,1 | 11,5 | 51,1 | 53,4 | 31,4 |
| EBITA margin, % | 17,0 | 17,8 | 18,0 | 21,2 | 19,2 |
| EBIT | 10,5 | 11,3 | 49,6 | 52,4 | 30,8 |
| EBIT margin, % | 16,1 | 17,5 | 17,5 | 20,8 | 18,8 |
| Profit after tax | 7,1 | 8,6 | 36,8 | 39,7 | 23,2 |
| EBITDA 1) | 13,8 | 14,1 | 61,2 | 62,3 | 38,5 |
| EBITDA margin, % 1) | 21,1 | 21,8 | 21,5 | 24,7 | 23,5 |
| Net debt / EBITDA | | | 0,6 | 0,8 | 1,4 |
| Earnings per share after dilution in EUR | 0,12 | 0,14 | 0,61 | 0,66 | 0,39 |
| Closing rate SEK/EUR | 11,12 | 10,22 | 11,12 | 10,22 | 10,04 |
| Earnings per share after dilution in SEK. 2) | 1,32 | 1,46 | 6,83 | 6,76 | 3,88 |

1) Earnings per share after dilution in SEK, is calculated based on result in Euro at Closing rate SEK/EUR.

REGIONAL DEVELOPMENT ORDER INTAKE AND SALES

| Order intake MEUR | 3 Months | 3 Months | Diff | 12 Months | 12 Months | Diff | 12 Months | Diff |
|----------------------------|-----------------|-----------------|-------------|------------------|------------------|------------|------------------|------------|
| | Oct-Dec 2022 | Oct-Dec 2021 | | Jan-Dec 2022 | Jan-Dec 2021 | | Jan-Dec 2020 | |
| Continental Europe | 28,7 | 33,6 | -15% | 132,3 | 136,6 | -3% | 84,5 | 62% |
| Nordic region | 10,9 | 8,6 | 27% | 41,6 | 32,2 | 29% | 26,2 | 23% |
| United Kingdom | 6,0 | 6,6 | -9% | 30,6 | 30,6 | 0% | 24,1 | 27% |
| North America | 9,8 | 20,2 | -51% | 40,3 | 58,7 | -31% | 31,5 | 86% |
| New Markets | 5,9 | 4,5 | 31% | 21,0 | 17,7 | 19% | 12,1 | 46% |
| Total excl Currency | 61,3 | 73,5 | -17% | 265,8 | 275,8 | -4% | 178,4 | 55% |
| Currency effect | 0,1 | 0,0 | 0% | 2,6 | 0,0 | 1% | 0,0 | 0% |
| Order intake acquisitions | 2,2 | 0,0 | 3% | 4,3 | 0,0 | 2% | 0,0 | 0% |
| Total Order intake | 63,6 | 73,5 | -13% | 272,7 | 275,8 | -1% | 178,4 | 55% |
| Total Sales | 3 Months | 3 Months | | 12 Months | 12 Months | | 12 Months | |
| MEUR | Oct-Dec 2022 | Oct-Dec 2021 | Diff | Jan-Dec 2022 | Jan-Dec 2021 | Diff | Jan-Dec 2020 | Diff |
| Continental Europe | 32,7 | 33,3 | -2% | 142,0 | 123,6 | 15% | 82,2 | 19% |
| Nordic region | 10,5 | 8,9 | 18% | 38,6 | 30,0 | 29% | 25,3 | 19% |
| United Kingdom | 6,1 | 5,4 | 13% | 34,5 | 30,9 | 12% | 19,1 | 62% |
| North America | 9,2 | 12,9 | -29% | 44,1 | 51,0 | -14% | 25,2 | 102% |
| New Markets | 5,0 | 4,1 | 22% | 19,3 | 16,8 | 15% | 11,8 | 42% |
| Total excl Currency | 63,5 | 64,6 | -2% | 278,5 | 252,3 | 10% | 163,6 | 54% |
| Currency effect | 0,0 | 0,0 | 0% | 2,9 | 0,0 | 1% | 0,0 | 0% |
| Sales acquisitions | 1,8 | 0,0 | 3% | 2,7 | 0,0 | 1% | 0,0 | 0% |
| Total Sales | 65,3 | 64,6 | 1% | 284,1 | 252,3 | 13% | 163,6 | 54% |

* Note that organic growth is reported excluding currency effect.



CONCLUSION

- We have continued to receive several important orders in the quarter in all segments. This refers this quarter mainly to customers within Machine Guarding, as the orders for automated warehouse were weak in the quarter. We note again that requests for quotes are increasing from the automotive sector.
- Reasonable development in result reflecting both improved sales gross margins and lower utilization levels in our manufacturing units. On top of this, we have made a prudent accrual for obsolescence inventory, connected with automated warehouse.
- Decent activity level (except automated warehouse) and we continued with good success in orders in most markets in the fourth quarter of the year.
- Planned investments in Natom is closed to be finished. Integration of Claitec, Spain, is ongoing in a positive way. Similar development for Svenska Cykelrum, which was acquired in October.
- We see the total development in the quarter as reasonable, as the demand from automated warehouse has been very weak. Unfortunately, we expect the demand from this sector to continue to be weak during 2023.

THIS IS TROAX

GROWTH FACTORS

- Increased industrial automation
- On-shoring of manufacturing
- Growth in e-commerce
- Safety awareness
- Stricter regulation
- Residential construction and safe storage



OUR PRODUCTION UNITS

- DISTRIBUTION UNITS
- SALES OFFICES
- PRODUCTION UNITS

Hillerstorp, SWEDEN

Production of the entire range of panels.

Capacity (metres)
>1,500,000

Capacity utilisation
75%

Area m²
35,000

Birmingham, UK

Partitions for offices and industry, to minimise noise and dust.

Capacity (metres)
~ 66,000

Capacity utilisation
50%

Area m²
4,100

Shanghai, CHINA

Mesh panels and machine guarding products.

Capacity (metres)
~100,000

Capacity utilisation
75%

Area m²
3,500

Bulciago, ITALY

Modular protection solutions for machine guarding.

Capacity (metres)
~ 700,000

Capacity utilisation
60%

Area m²
20,000

Chicago, USA

Metal mesh panel solutions for machine guarding, warehouses and property protection.

Capacity (metres)
~ 400,000

Capacity utilisation
75%

Area m²
15,400

Sroda, POLAND

Production of shelves, dividers, safety barriers & warehouse accessories.

Capacity (metres)
~1,000,000

Capacity utilisation
70%

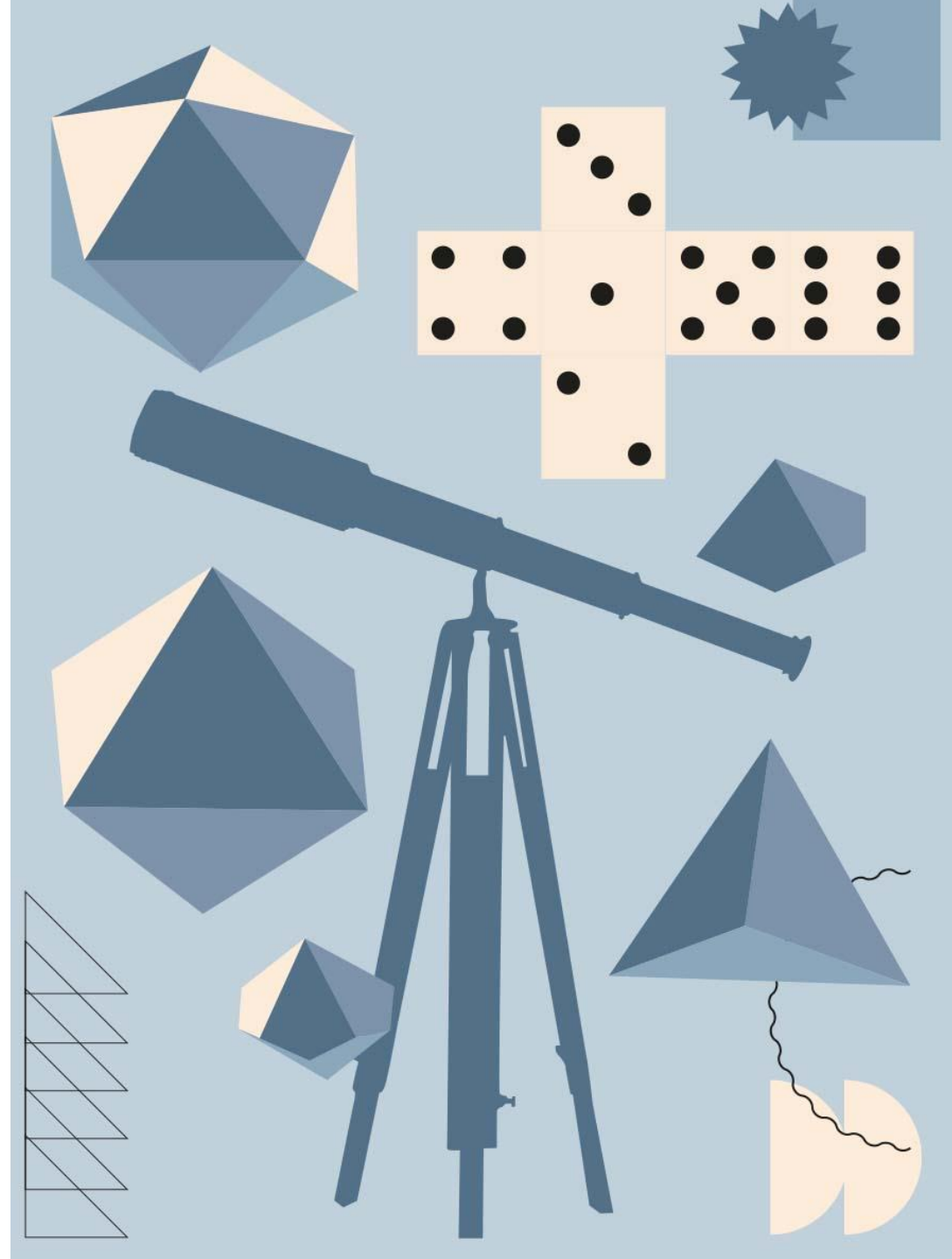
Area m²
14,500

THIS IS TROAX

TROAX GROUP



Working together
for a safer world



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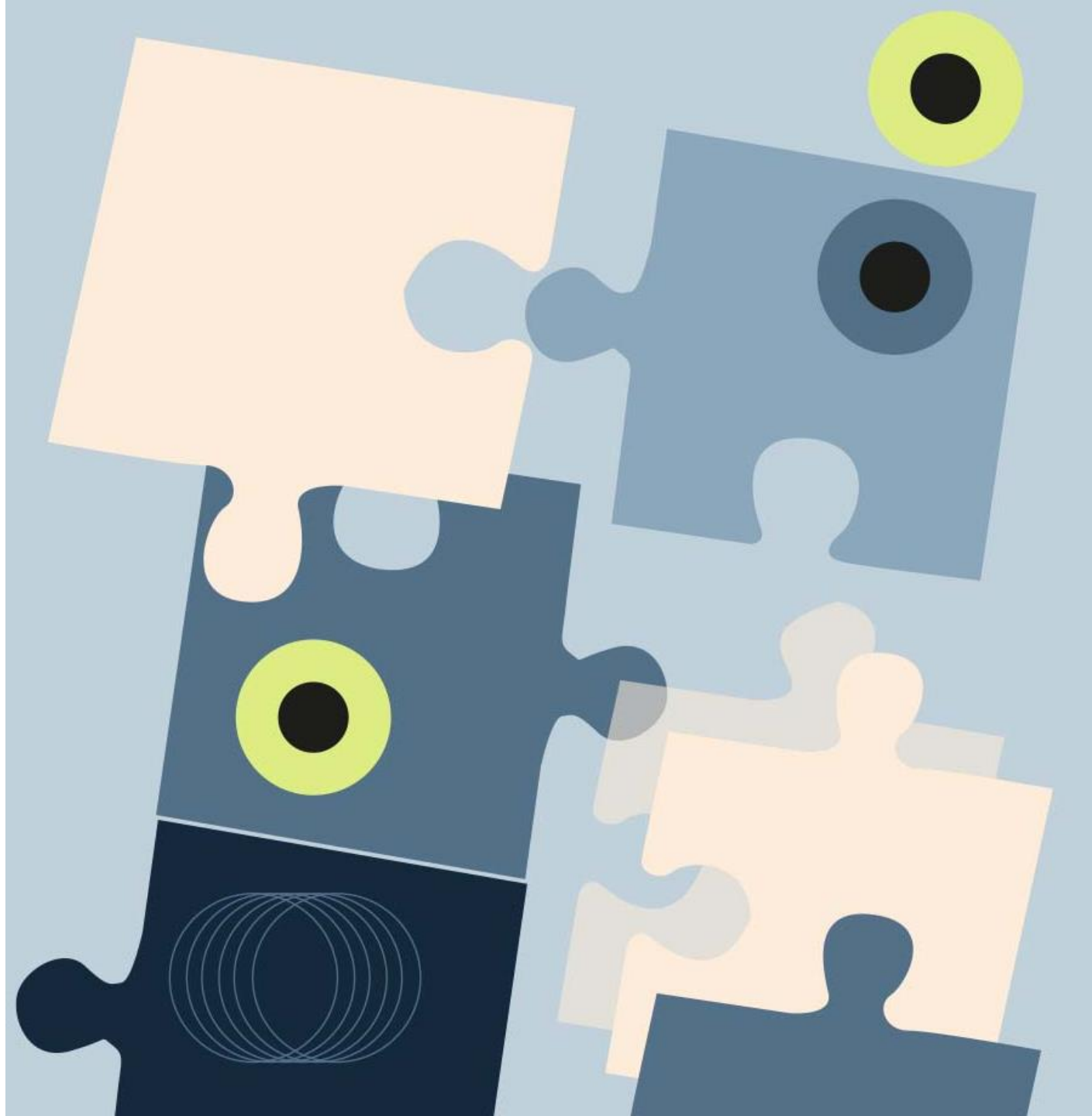
A SAFER TOMORROW

■ SINCE 1955 →

FOR A SAFER TOMORROW

WHAT WE FOCUS ON TODAY

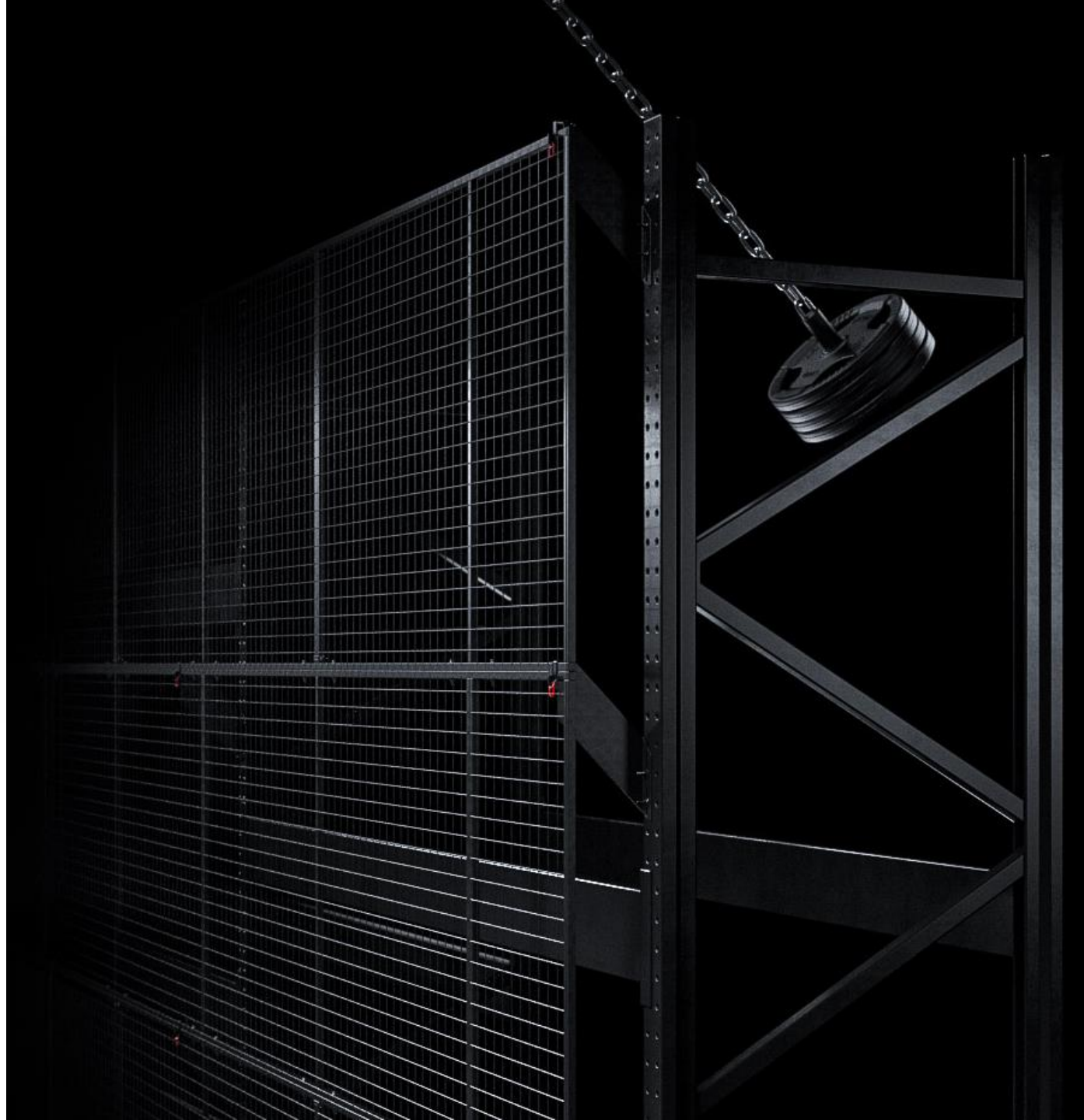
- Climate compensating program concerning all transportations
- Continuously decrease of our total energy consumption, target 2% per year
- Regional manufacturing decreases transportation
- Recertified ISO 14001 and ISO 9001
- Minimize use of plastic products
- 99% recyclable steel
- Minimum 80% recycled steel in our products long-term – most important from a Co2 point of view.
- Transition from natural gas to biogas
- Solar panels cover 50% of energy consumption in Italian factory
- Co2 consumption per main articles available on our webpage



THIS IS **TROAX**

TROAX SAFETY CENTER

Our R&D department, Troax Safety Center, is the backbone of Troax. We combine hard work and ingenuity to create the safest and most innovative products for the global market.



THIS IS TROAX

CERTIFIED BY TÜV RHEINLAND



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PROTECTING PEOPLE, PROPERTY, AND PROCESSES



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**THE ORIGINAL.
SINCE 1955.**



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SAFETY EQUALS TROAX